

# PeopleIn Limited

Appendix 4E and Consolidated Financial Statements

For the year ended 30 June 2024

ABN: 39 615 173 076

ASX Code: PPE

# PEOPLEIN LIMITED

## Appendix 4E – Preliminary Final Report

for the year ended 30 June 2024

1. Report period ("current period"): Year ended 30 June 2024  
Previous corresponding period: Year ended 30 June 2023

### 2. Results for announcement to the market

|                                                                                      | Up/Down | Movement % | FY 2024<br>\$ '000 | FY 2023<br>\$ '000 |
|--------------------------------------------------------------------------------------|---------|------------|--------------------|--------------------|
| Revenue from ordinary activities                                                     | Down    | 0.98       | 1,174,780          | 1,186,361          |
| Profit after tax from ordinary activities attributable to Owners of PeopleIn Limited | Down    | 75.33      | 4,673              | 18,944             |

Whilst revenue was broadly consistent with 2023, profit was significantly down. This was as a result of a shift towards lower margin work in particular growth in the Food Industries People business which attracts lower margins relative to the rest of the Group.

### Dividends

|                                          | Amount per<br>Share<br>(Cents) | Franked Amount<br>per Share<br>(Cents) | Tax Rate for<br>Franking Credit |
|------------------------------------------|--------------------------------|----------------------------------------|---------------------------------|
| <b>Dividends</b>                         |                                |                                        |                                 |
| <u>Financial year ended 30 June 2024</u> |                                |                                        |                                 |
| Interim dividend                         | 3.0                            | 3.0                                    | 30%                             |
| Final dividend                           | 0.0                            | 0.0                                    | N/A                             |
|                                          | 3.0                            | 3.0                                    | 30%                             |
| <u>Financial year ended 30 June 2023</u> |                                |                                        |                                 |
| Interim dividend                         | 7.0                            | 7.0                                    | 30%                             |
| Final dividend                           | 7.0                            | 7.0                                    | 30%                             |
|                                          | 14.0                           | 14.0                                   | 30%                             |

#### Final Dividend for 30 June 2024

No final dividend has been declared for year ended 30 June 2024.

#### Interim Dividend for 31 December 2023

|                                                        |                  |
|--------------------------------------------------------|------------------|
| Date the interim 2024 dividend is payable:             | 4 April 2024     |
| Record date to determine entitlements to the dividend: | 5 March 2024     |
| Date interim dividend was declared:                    | 26 February 2024 |

#### Final Dividend for 30 June 2023

|                                                        |                   |
|--------------------------------------------------------|-------------------|
| Date the final 2023 dividend is payable:               | 29 September 2023 |
| Record date to determine entitlements to the dividend: | 1 September 2023  |
| Date final dividend was declared:                      | 25 August 2023    |

Note that the final dividend for financial year 30 June 2023 has not been provided for in the financial statements given it was declared on the 25 August 2023.

## 2. Results for announcement to the market (cont.)

### Interim Dividend for 31 December 2022

|                                                        |                  |
|--------------------------------------------------------|------------------|
| Date the interim 2023 dividend is payable:             | 24 March 2023    |
| Record date to determine entitlements to the dividend: | 27 February 2023 |
| Date interim dividend was declared:                    | 17 February 2023 |

## 3. Dividend Re-investment plan

The Dividend Reinvestment Plan was in operation for the dividend paid during the period. Participating shareholders were entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price was at a 3% discount on the market price (calculated as the daily volume weighted average market price over the 10 trading days commencing on the second trading day following the relevant record date).

## 4. Net tangible assets per security

|                                                | 30 June 2024<br>Amount per share<br>(Cents) | 30 June 2023<br>Amount per share<br>(Cents) |
|------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Net tangible assets backing per ordinary share | (52.16)                                     | (66.21)                                     |

Note that this calculation includes Right-of-Use Assets.

## 5. There are no acquisition & no entities left the group during the financial period.

## 6. Details of Associates

On 11 March 2021, First People Group Pty Ltd, a subsidiary of PeopleIn Limited, entered into a shareholders' agreement with Partners On Country Pty Ltd and On Country People Pty Ltd. Partners On Country Pty Ltd is a joint venture company of which First People Group Pty Ltd owns 50%. This investment is accounted for by using the equity method.

| Name of entity                 | Country of<br>Incorp -<br>oration | Ownership interest<br>held by the Group |                 | Nature of<br>relationship | Measurement<br>method | Share of operating profits,<br>net of tax |              |
|--------------------------------|-----------------------------------|-----------------------------------------|-----------------|---------------------------|-----------------------|-------------------------------------------|--------------|
|                                |                                   | 30 June<br>2024                         | 30 June<br>2023 |                           |                       | 30 June 2024                              | 30 June 2023 |
|                                |                                   |                                         |                 |                           |                       | \$000                                     | \$000        |
| Partners on Country<br>Pty Ltd | Australia                         | 50%                                     | 50%             | Joint Venture             | Equity method         | -                                         | 26           |

Additional supporting information supporting Appendix 4E disclosure requirements can be found in the Directors' report and the consolidated statements for the year ended 30 June 2024. This report is based on the consolidated financial statements for the year ended 30 June 2024 which have been audited by BDO.

This report is made in accordance with a resolution of the Directors and is signed off on behalf of the Directors.



Glen Richards  
Chair

27 August 2024



# Financial Report

For the year ended  
30 June 2024

PEOPLEIN LIMITED

ACN 615 173 076

## Corporate Information

### AUSTRALIAN BUSINESS NUMBER

ABN 39 615 173 076

### DIRECTORS

Glen Richards  
Vu Tran  
Elisabeth Mannes  
Tony Peake  
Thomas Reardon

### COMPANY SECRETARY

Jane Prior

### REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 6, 540 Wickham Street  
Fortitude Valley QLD 4006  
Phone: +61 7 3238 0800

### COUNTRY OF INCORPORATION

Australia

### SHARE REGISTRY

Link Market Services Limited  
Level 12, 680 George Street,  
Sydney NSW 2000  
Phone: +61 1300 554 474

### SOLICITORS

Talbot Sayer  
Level 27, Riverside Centre,  
123 Eagle Street,  
Brisbane QLD 4000  
Phone: +61 7 3160 2900

### AUDITOR

BDO Audit Pty Ltd  
Level 10, 12 Creek Street  
Brisbane QLD 4000  
Phone: +61 7 3237 5999  
Fax: +61 7 3221 9227

## Directors' Report

### For the year ended 30 June 2024

The Directors of PeopleIN Limited present their report together with the financial statements of the consolidated entity, being PeopleIN Limited ('the Company' or 'PeopleIN') and its controlled entities ('the Group') for the year ended 30 June 2024.

#### Principal activities

The principal activities of the Group during the financial period were the provision of staffing, business services and operational services. Services provided by the Group include workforce management, recruiting, onboarding, contracting, rostering, timesheet management, payroll, and workplace health and safety management.

There have been no significant changes in the nature of these activities during the year.

#### Review of operations and financial results

##### Overview

FY24 was a challenging year, with soft economic conditions, due in part to higher interest rates, and the significant decline in business confidence across multiple sectors.

The staffing industry is being directly impacted by this decline with several of our peers reporting significant reductions in revenue in FY24. PeopleIN continues to take market share from our competitors in key industry segments and has managed to hold its revenue, reflecting the strength and effectiveness of its robust sales culture. However, PeopleIN is not immune to deteriorating wider economic conditions and has been impacted by some private clients reducing demand, in high-margin and permanent roles, and delaying investment decisions, including in the private health sector and early learning. PeopleIN's normalised EBITDA for FY24 was \$36,962,000 which is 39.5% down on FY23. This is primarily due to a shift towards lower-margin work and a reduction in permanent recruitment. As part of its three-year transformation programme, the business continued to drive efficiencies to realign its cost base and leverage its scale to reduce overheads. As a result, over \$7,800,000 of savings have been delivered.

PeopleIN expects the current economic conditions to continue for at least the next six months, especially while interest rates remain high and business confidence continues to be well below the long-term average. The quality of its team, sector diversity, and strong cash position will enable PeopleIN to trade through this challenging economic climate and ensure that as business confidence improves, it will return to a strong organic growth footing. It has an experienced commercial leadership team focused on revenue opportunities, sales, cash collection, and ensuring the business is running as efficiently as possible.

The Federal Government is implementing industrial relations reform which is complex and is creating confusion for a number of employers. However, this reform will likely create an opportunity for PeopleIN, as a large and reputable labour-hire business, given it has the established infrastructure and capability to solve these types of complexities for its clients. Companies with limited internal human resources/industrial relations resources are particularly likely to require PeopleIN's services in this regard. This reform and the introduction of a national harmonised labour hire licence will accelerate the consolidation of the staffing industry in Australia. As the second largest staffing business in Australia, PeopleIN is well positioned to benefit from this and substantially grow over the medium to long term.

The Pacific Australia Labour Mobility (PALM) Scheme represents an existing example of clients opting to use PeopleIN to source talent, rather than do so directly, due to the high level of complexity and numerous requirements of the scheme. PeopleIN's Pacific workers are permanent employees, and it continues to grow its participation in the PALM Scheme (grown from 4,700 to more than 6,000 workers in the past two years). PeopleIN has recently placed its first aged care PALM workers and is set to grow this in FY25. The Group is working closely with the Federal Government and PNG Government on obtaining approval for PALM workers in the NDIS and early learning sectors. Medium to long-term PALM prospects are promising and a contributing factor to PeopleIN's confidence that organic growth will accelerate when business confidence improves.

**Directors' Report (cont.)**  
**For the half year ended 30 June 2024**

**Review of operations and financial results (cont.)**

**Overview (cont.)**

There is an exciting growth opportunity for the business being expansion into the Defence sector. PeopleIN is well placed to service this sector, with a large pool of candidates to deploy across Australia, including in regional areas. The Federal and US Governments are looking to increase their spending on infrastructure and capability acquisition in Northern Australia. In FY24, PeopleIN provided workers to several major Defence industry clients including mechanics for vehicle manufacturing. In FY25, we're confident that this work will accelerate. We're also exploring opportunities to support the Australian Defence Force directly with its resourcing challenges including potential Pacific Islander recruitment.

Further to the above, another exciting growth opportunity for PeopleIN is the pursuit of major multi-discipline contracts. Such contracts will drive cost efficiencies for our clients and sustainable high-volume revenue for the business. As an example, the business can now provide a complete workforce solution to a hospital that includes the provision of health workers as well as cleaners, chefs and facility management. Such a solution centralises the point of contact for the client and provides a cost-effective solution for clients which is desirable given the cost challenges many businesses are currently facing. As a result of the transformation programme over the past three years including brand consolidation, systems development, leadership development and centralised shared services, PeopleIN is now able to offer this complete talent solution under the PeopleIN brand. This would be unique in the industry. PeopleIN is confident this area will grow in FY25 and that this offering will go from strength to strength over the coming years.

**Healthcare and Community**

PeopleIN's public hospital work was steady in FY24, however, higher margin private hospital work has reduced as clients aimed to reduce spending given financial pressures and lack of business confidence. PeopleIN reduced operating costs via a restructuring of the Healthcare and Community division, as well as converting to a national management structure to drive efficiency and optimise the employment of candidates. In early FY25, all nursing brands will have consolidated under our leading national brand First Choice Care. This will provide a clearer message to clients and will enable the Group to win and service major national contracts. PeopleIN continues to have an excellent response to its You + AUS campaign, and now has a significant pipeline of international nursing candidates that it's deploying to clients. The community business, Edmen, is performing well and is experiencing steady profit growth due to recent major contract wins as well as efficiency gains from the implementation of a leading technology solution that includes roster management. PeopleIN is confident that Edmen will continue to grow in FY25 and expand its offering geographically including in Victoria and Western Australia. It's also confident that First Choice Care's performance will improve throughout FY25 as a result of its quality national offering, leading technology solutions and ability to offer cost-effective complete staffing solutions to hospitals and aged care facilities.

**Professional Services**

Professional Services has also been restructured to drive its strong sales culture and cost efficiencies. Perigon and Halcyon Knights (HK) have been brought together under a common management team, a further benefit of which will be greater collaboration.

Decreased general business confidence has impacted permanent technology recruitment, particularly compared to FY23 which was a record year. Perigon, however, continues to perform above acquisition levels thanks to its diversity including finance and executive roles. Project Partners continues to grow and has secured several major national consultancy accounts that will also support Perigon and HK's growth.

We expect tough conditions to continue throughout FY25 for professional services in general, and particularly in permanent recruitment, but predict the business will recover quickly as business confidence improves.

**Directors' Report (cont.)**  
**For the half year ended 30 June 2024**

**Review of operations and financial results (cont.)**

**Overview (cont.)**

**Industrial and Specialist Services**

PeopleIN continues to win industrial work and take market share from our competitors, particularly in the food processing and construction sectors.

A drop in business confidence has impacted the higher margin and discretionary spending brands in the division e.g. Expect a Star and Timberwolf. The hospitality business, Tribe, has been significantly impacted by cost-of-living pressures with hours coming off significantly in the second half of the year.

The Group's strong history in industrial and specialist services continues to see organic growth. It has taken market share from competitors. In particular, our Food Industry business (FIP) continues to produce record hours, further showing our strength in these sectors and the critical nature of the industry.

Vision Survey continues to go from strength to strength on the back of record spending by the Federal and state governments on transport and Defence infrastructure across Queensland. PeopleIN expects this to continue in FY25, further emphasising the future growth opportunities in the industrial sector in the medium term.

**Financial Results**

The revenue of the Group for the financial period was \$1,174,780,000 (2023: \$1,186,361,000), representing a decrease of 1%.

EBITDA and NPATA is how the board and management assess the performance of the Group. This is further adjusted by normalisation adjustments being non-recurring expenses and non-cash expenses including costs associated with acquisitions, fair value movement in equity investments and contingent consideration, costs of employee options and performance rights and the associated tax deduction of these expenses. The Directors believe that this presentation is useful to investors to understand the Group results and show how the Group would have performed had these types of transactions not occurred.

All normalisation adjustments in the calculation of the normalised NPAT and EBITDA are unaudited.

The following reconciles statutory profit before tax to EBITDA and normalised EBITDA.

|                                                              | 30 June 2024  | 30 June 2023  |
|--------------------------------------------------------------|---------------|---------------|
|                                                              | \$000         | \$000         |
| <b>Statutory Profit Before Tax</b>                           | <b>4,585</b>  | <b>30,161</b> |
| Depreciation and amortisation                                | 20,375        | 16,976        |
| Finance costs                                                | 7,964         | 6,244         |
| <b>EBITDA</b>                                                | <b>32,924</b> | <b>53,381</b> |
| <i>Normalisation adjustments:</i>                            |               |               |
| Performance rights costs <sup>1</sup>                        | 63            | 38            |
| Transaction/Restructure costs <sup>1</sup>                   | 1,581         | 2,084         |
| Write-off of receivables                                     | 2,500         | -             |
| Non-recurring IT program costs <sup>1</sup>                  | 3,140         | -             |
| Fair value movement in contingent consideration <sup>2</sup> | (6,332)       | 1,803         |
| Share based payments expense                                 | 3,802         | 5,284         |
| Non-controlling interests                                    | (716)         | (1,513)       |
| <b>Normalised EBITDA</b>                                     | <b>36,962</b> | <b>61,077</b> |

**Directors' Report (cont.)**  
**For the half year ended 30 June 2024**

**Review of operations and financial results (cont.)**

**Financial Results (cont.)**

<sup>1</sup> Performance rights costs are categorised under 'Other expenses' in the statement of profit or loss on page 29. Transaction/restructure costs and non-recurring IT program costs are categorised under 'Other expenses' and 'Employment benefits expense' in the statement of profit or loss.

<sup>2</sup> This primarily related to the Food Industry People Group acquisition, as the expected contingent consideration amount was reduced to nil given the minimum threshold for the second year earn out was not achieved.

The profit before income tax expense of the Group for the financial period was \$4,585,000 (2023: \$30,161,000). The profit of the Group for the financial period after providing for income tax amounted to \$5,389,000 (2023: \$20,457,000), representing a decrease of 69.8%.

Whilst total revenue has only marginally declined from prior year, there has been a significant decrease in profit. This can primarily be attributed to an increase in volume of lower margin roles, in particular strong growth in Food Industry People Group which attracts lower margins relative to the rest of the Group, and lower permanent placements as a result of a slow down in the technology sector.

Normalised net profit after taxation and before amortisation (NPATA) which represents the statutory NPAT adjusted for costs associated with acquisitions, amortisation of software, costs of employee options, fair value measurement in contingent consideration, write-off of historic receivables and performance rights and the associated tax deduction of these expenses and amortisation.

|                                                 | 30 June 2024  | 30 June 2023  |
|-------------------------------------------------|---------------|---------------|
|                                                 | \$000         | \$000         |
| <b>Statutory NPAT</b>                           | <b>5,389</b>  | <b>20,457</b> |
| Performance rights costs                        | 63            | 38            |
| Transaction/Restructure costs                   | 1,581         | 2,085         |
| Write-off of receivables                        | 2,500         | -             |
| Non-recurring IT program costs                  | 3,140         | -             |
| Fair value movement in contingent consideration | (6,332)       | 1,803         |
| Share based payments expense                    | 3,802         | 5,284         |
| Tax adjustment                                  | 13            | 243           |
| Non-controlling interests                       | (716)         | (1,513)       |
| <b>Normalised NPAT</b>                          | <b>9,440</b>  | <b>28,397</b> |
| Amortisation                                    | 12,751        | 9,212         |
| <b>Normalised NPATA</b>                         | <b>22,191</b> | <b>37,609</b> |

Operating cash flow was negative during the year resulting in \$3,583,000 (2023: \$64,363,000 positive) in net cash out flows from operating activities. This was adversely impacted by \$9,068,000 of payments that missed the cut off for 30 June 2023 and timing of cash collections around the year end periods. Additionally, the business model of Food Industry People Group requires a large volume of expenses to be paid upfront in relation to transporting candidates in country. The growth in this business has also decreased net operating cashflows.

**Directors' Report (cont.)**  
**For the half year ended 30 June 2024**

**Review of operations and financial results (cont.)**

**Financial Results (cont.)**

Capital expenditure on plant and equipment and intangibles (Software) of \$6,275,000 (2023: \$9,096,000) has decreased due to the systems program of works nearing its conclusion. \$2,995,000 (2023: \$4,004,000) related to the systems upgrade and lower expenditure on office fit outs \$99,000 (2023: \$1,243,000). The outflow for purchase of subsidiaries relates to the settlement of contingent consideration.

Net inflows from financing activities of \$15,908,000 (2023: \$30,498,000 outflows) related to the net result of repayment of borrowings and the additional capital received during the period from additional commercial bills and drawdowns on our working capital facility to fund contingent consideration payments. Additionally, fully franked dividends totalling \$9,465,000 were paid during the period (2023: \$12,675,000).

The Group balance sheet has remained steady, with net assets at \$160,031,000 (2023: \$159,995,000). This is mainly reflective of retained earnings during the year.

On 29 April 2024, the Group entered into a facility agreement with CBA to refinance its existing borrowing facilities held with St George. The primary aim was to obtain more competitive interest rates and flexibility for future acquisitions. The settlement resulted in a re-balance of the split of total borrowings held between the commercial bills and working capital facilities. Settlement of this refinance occurred on 10 May 2024 with all facilities held with St George being paid out by CBA aside from the corporate credit cards and asset finance facility. These facilities are still held with St George and are secured by a back-to-back guarantee issued from CBA. Lending covenants include an Interest Cover Ratio of not less than 3.0 times and a Net Leverage Ratio of less than 3.0 times.

PeopleIN Limited had \$116,641,000 (excluding lease liabilities, 2023: \$85,443,000) in total borrowings at 30 June 2024 and \$37,289,000 (2023: \$39,868,000) in cash at 30 June 2024. The utilisation of PeopleIN's lending facilities increased during the year with additional drawdowns totalling \$44,113,000 across the working capital (St George and CBA) and commercial bill facilities (St George). These drawdowns were to fund short term operating cash shortfall and fund contingent consideration payments. There was also the utilisation of the asset finance facility of \$486,000. Repayments totalling \$13,401,000 were made on the commercial bills held with St George and the working capital facility held with CBA. The net debt position at 30 June 2024 was \$79,351,000 (2023: \$45,575,000), excluding lease liabilities. The net debt (excluding leases) to normalised EBITDA (rolling twelve months) ratio was 2.15 times (2023: 0.75 times).

**Future Prospects and Outlook**

Challenging economic conditions, driven by high inflation and interest rates, together with subdued business confidence will continue to impact PeopleIN in the short term. However, when interest rates start to reduce and in turn business confidence improves, PeopleIN is well positioned to return to a growth footing due to the long-term demand for PeopleIN workers, its diversity and size, commitment to efficiency, as well as its dedicated staff and their pursuit of sales opportunities.

As a result of our transformation programme, PeopleIN has enhanced its capability to acquire and then integrate businesses promptly to drive substantial organic growth through cross-selling services and cost-efficiency gains. Opportunities for acquisition have started to emerge and PeopleIN is well placed to acquire earnings at lower multiples while maintaining its key ratios. Key focus sectors would include industrial and health.

**Directors' Report (cont.)**  
**For the half year ended 30 June 2024**

**Review of operations and financial results (cont.)**

**Risks**

PeopleIN's economic performance and prospects are subject to risks which may impact the business. As a large labour hire business, material risks are primarily those that most impact the labour market as these would ultimately have the largest effect on the financial prospects of the Group. These include; further downturn in the employment market, further change in the regulatory environment, reliance on its industrial agreements, legislative change in how on-costs or benefits are assessed for its employees and workplace health and safety. Further material business risks include; increase in competition, technology risks and cybersecurity.

The Group expects challenging economic conditions to continue for at least the next six months and have responded by ensuring the business is lean and agile to withstand these challenges and respond effectively when conditions improve.

Regarding regulatory, industrial and legislative matters, the Group recognises that ongoing complexities in this area (particularly the Federal Government's industrial relations bill) continue to create uncertainties in the labour market. In response, we have employed in house resources to ensure we understand the status of any such matters and respond to changes in a timely manner.

Health and safety is an ongoing risk to the business due to the scale of our employee numbers, diversity of industries we operate in and geographic disbursement of our work sites. We have responded to this risk by having a strong internal health and safety team in place.

There has been an increase in competition in the market with a decline in economic conditions. We have responded to this risk by ensuring strong customer service levels and diversity in the sectors we service. Overall, our revenue has remained steady from FY23 to FY24 whilst several of our peers have seen significant decreases.

Technology risks to the Group relate to more competitive and seamless client solutions being introduced to the market. We have responded to this risk through our systems program of works.

Cybersecurity is an ever-present risk to PeopleIN given we are the custodian and steward of client and candidate data. The threat matrix and range of threat actors is extensive and varied. PeopleIN has a comprehensive Cybersecurity management strategy in place as an outcome from our ongoing external security review process. This includes complying with Australian Cyber Security Centre (ACSC) Essential Eight guidance as well as deploying other strategies for managing our baseline security posture that are specifically relevant to our industry.

In a broader sense, PeopleIN assesses/reports on its key risks regularly, both as an executive team and at the board level, to ensure appropriate mitigation measures in place. The reporting depicts the risk, any mitigation measures and actions. The above risks are part of our business operations and therefore relevant controls are in place to ensure that risk is reduced to within the risk appetite of the board.

PeopleIN also regularly considers the potential impact of global climate change on its business. PeopleIN is dedicated to improving its environmental impact wherever possible, including via Timberwolf's extensive land regeneration. There are no current short to medium-term, specific climate risks posing significant risks to operations.

For the year ended 30 June 2026, PeopleIN will be required to include new climate-related disclosures in the annual report as governed by ASRS 1 and 2. These include reporting on the Group's carbon emissions and pathway to achieving net zero emissions. To date, a comprehensive risk register has been completed and by 30 June 2025 PeopleIN will have developed a methodology to calculate and report on carbon emissions.

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Significant changes in state of affairs

In September 2023 104,604 shares, were issued in settlement of contingent consideration relating to historical acquisitions.

In August 2023, October 2023, November 2023, February 2024, March 2024 and April 2024 1,807,569 shares were issued due to the conditions attached to performance rights being satisfied. The shares were issued to numerous employees, including related entities of key management personnel of the Group.

There was an issue of 995,025 shares under the dividend reinvestment plan during the period.

There have been no other significant changes in the state of affairs during the financial year that could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in the future financial periods.

#### Environmental legislation

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

|                                                                                                                           | 2024          | 2023          |
|---------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Dividends paid or recommended                                                                                             | \$000         | \$000         |
| <b>Dividends provided for or paid during the year</b>                                                                     |               |               |
| Final fully franked dividend relating to 30 June 2023 of 7.0 cents per share (2022: 6.5 cents) paid on 29 September 2023  | 7,198         | 6,537         |
| Interim fully franked dividend relating to 31 December 2023 of 3.0 cents per share (2022: 6.5 cents) paid on 4 April 2024 | 3,119         | 7,078         |
|                                                                                                                           | <u>10,317</u> | <u>13,615</u> |

Since the end of the financial year, the directors have recommended that no final ordinary dividend be paid.

Directors' Report (cont.)

For the year ended 30 June 2024

Unissued Shares under option and performance rights

Unissued ordinary shares of PeopleIn Limited under option, including performance rights (PR) at the date of this report are:

|                                                   | Date granted      | Expiry date      | Exercise price of shares | Number           |
|---------------------------------------------------|-------------------|------------------|--------------------------|------------------|
| Options (Tranche 4)                               | 11 June 2021      | 11 July 2026     | \$4.37                   | 343,170          |
| <b>Total Options</b>                              |                   |                  |                          | <b>343,170</b>   |
| Tranche 24                                        | 11 June 2021      | 31 August 2026   | \$0.00                   | 228,780          |
| Tranche 37 – KMP                                  | 1 November 2021   | 1 November 2024  | \$0.00                   | 200,000          |
| Tranche 41                                        | 24 January 2022   | 31 August 2024   | \$0.00                   | 19,416           |
| Tranche 46                                        | 1 March 2022      | 1 March 2025     | \$0.00                   | 12,691           |
| Tranche 64                                        | 07 September 2022 | 31 August 2024   | \$0.00                   | 25,240           |
| Tranche 65                                        | 07 September 2022 | 31 August 2024   | \$0.00                   | 15,790           |
| Tranche 53,55                                     | 14 September 2022 | 31 August 2024   | \$0.00                   | 65,789           |
| Tranche 68                                        | 31 October 2022   | 31 October 2024  | \$0.00                   | 31,056           |
| Tranche 69 – KMP                                  | 31 October 2022   | 25 October 2025  | \$0.00                   | 50,000           |
| Tranche 70 – KMP                                  | 30 November 2022  | 30 November 2024 | \$0.00                   | 32,895           |
| Tranche 78--84                                    | 31 August 2023    | 31 August 2024   | \$0.00                   | 334,432          |
| Tranche 85                                        | 31 August 2023    | 31 August 2026   | \$0.00                   | 100,000          |
| Tranche 87                                        | 31 October 2023   | 31 October 2024  | \$0.00                   | 15,228           |
| Tranche 88 – KMP                                  | 30 November 2023  | 30 November 2026 | \$0.00                   | 51,020           |
| Tranche 89-90 – KMP                               | 30 November 2023  | 30 November 2025 | \$0.00                   | 172,414          |
| Tranche 91-93                                     | 28 February 2024  | 28 February 2025 | \$0.00                   | 139,874          |
| Tranche 94                                        | 30 April 2024     | 30 April 2025    | \$0.00                   | 7,143            |
| <b>Total performance rights</b>                   |                   |                  |                          | <b>1,501,768</b> |
| <b>Total under options and performance rights</b> |                   |                  |                          | <b>1,844,938</b> |

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Unissued Shares under option and performance rights (cont.)

All unissued shares are ordinary shares of the Company and are measured at fair value on the date granted.

All options/performance rights expire on the earlier of their expiry date or termination of the employee's employment. In addition, the ability to exercise the options/performance rights is conditional on a number of items. These conditions are set out in Note 19.

Further details about share-based payments to directors and KMP are included in the remuneration report. Performance rights and Options were also granted to staff members who are not KMP and hence are not disclosed in the remuneration report.

1,807,569 shares were issued as a result of the exercise of performance rights at an exercise price of nil. Refer to Note 19 for details.

#### Events arising since the end of the reporting year

On 30 July 2024, 16,000 performance rights vested as a result of the conditions being satisfied and were converted to issued shares.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

#### Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

#### Indemnities given to, and Insurance premiums paid for, auditor and officers Insurance of officers

During the year, the Group paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all Directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Group against a liability incurred as such by an officer.

No indemnification has been provided to the auditor.

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Non-audit services

During the year BDO Audit Pty Ltd (BDO), the Group's auditor and its related entities, has performed certain other services in addition to the audit and review of the financial statements.

The board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the audit and risk committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the audit and risk committee to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the Group, BDO, and its network firms for audit and non-audit services provided during the year are set out below:

#### 2024

##### Services other than audit and review of financial statements:

|                                                      |         |
|------------------------------------------------------|---------|
| - Taxation compliance services                       | 26,189  |
| - Corporate services                                 | 1,640   |
| Total non-audit services                             | 27,829  |
| Audit and review of financial statements             | 495,000 |
| Other assurance services                             | 12,342  |
| Total paid to BDO Audit Pty Ltd and related entities | 535,171 |

##### Paid to BDO network firms overseas

|                                                    |         |
|----------------------------------------------------|---------|
| - Overseas subsidiary taxation compliance services | 6,814   |
| - Overseas subsidiary audit compliance services    | 27,051  |
|                                                    | 33,865  |
| Total paid to BDO and network firms                | 569,036 |

## Directors' Report (cont.)

For the year ended 30 June 2024

### LETTER FROM THE CHAIR OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Fellow Shareholders,

On behalf of the Board, I am pleased to present our 2024 Remuneration Report.

#### ORGANISATIONAL REVIEW

After the record demand experienced in FY23 by the recruitment and workforce sectors and PeopleIn, the business has responded and adapted well to the fast changing and challenging economic conditions of FY24.

This response has involved the reorganisation of the leadership group; the delivery of an efficiency program; the conclusion of Project Unite; and ensuring that we have the right capability and culture embedded to capitalise on our client centric approach.

Notwithstanding the above, the financial performance of the group has been disappointingly lower for FY24. Revenues fell by 1% to \$1,174,780,000 and Profit after Tax for the Period was \$5,389,000 down from \$20,457,000 in FY23.

#### REMUNERATION AND FY24 OUTCOMES

The Board is committed to ensuring that there is a very clear link between performance and reward through its Key Management Personnel (KMP) remuneration framework. This framework is designed to drive balanced financial and non-financial performance outcomes, creating both short-term and long-term shareholder value.

The key remuneration decisions made during the year are shown below, with full details provided within this report:

- There were no fixed remuneration changes for any KMP for the FY24 year.
- The Board reviewed the outcome of the FY24 performance of the business against the internal profitability targets and determined that a payment of STI's and LTI's based on the FY24 performance was not warranted. As such no STI or LTI awards have been made to KMP in relation to FY24.
- Vesting conditions for LTI Performance Rights issued in November 2021 to the Group CEO were waived in July 2023. This was in recognition of prior year FY23 performance and the STI and LTI which was foregone on commencement with the business.
- In November 2023, the vesting conditions for former CFO Megan Just's remaining performance rights (time served conditions) were waived in recognition of "Good Leaver" status.
- LTI Performance rights were awarded to the incoming Group CFO Adam Leake, as a "Sign on" and in recognition of STI and LTI forgone on commencement.

#### BOARD AND EXECUTIVE CHANGES

Megan Just resigned as Group CFO in November 2023. During her 7 years with the group, Megan played a pivotal role as both Group CFO and, prior to this, as an external consultant. She also played a key role in the successful ASX listing process.

Adam Leake was appointed to the role of Group CFO, succeeding Megan in November 2023, after previously serving in CFO roles across public, ASX and private equity organisations spanning financial services, fitness, retail and digital media.

The Board also oversaw the renewal of its skills and experience during the year. Long term Independent Director Elizabeth Savage resigned from the Board in May 2024, after overseeing the growth and expansion of the group since IPO. Executive Director Declan Sherman resigned in November 2023, to pursue opportunities outside the business. Two new Independent Board Director appointments were made, Elisabeth Mannes (November 2023) and Tony Peake (June 2024), adding complementary additional skills and experiences in large scale operations, industry knowledge, governance, financial and risk management.

**Directors' Report (cont.)**

**For the year ended 30 June 2024**

**LETTER FROM THE CHAIR OF THE NOMINATION AND REMUNERATION COMMITTEE (cont.)**

**DIRECTOR FEES**

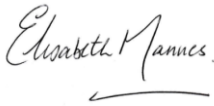
Non-executive Director Fees were unchanged in FY24.

**LOOKING AHEAD**

Despite the challenging economic conditions, the Board recognises the resilience, leadership and drive that all employees have shown. Actions taken to respond to these challenges will ensure that the group has an even stronger and more sustainable business going forward. One that is fit and ready for future growth.

I would like to acknowledge the contributions of the Board, the Committee members, the Leadership team and all employees for their hard work and dedication across the year.

I look forward to seeing many of you at our Annual General Meeting on the 25th November 2024.



Elisabeth Mannes

Chair, Nomination and Remuneration Committee

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Remuneration report – audited

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

#### Remuneration Policy

##### Executive Key Management Personnel

PeopleIn Limited has a remuneration policy that has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific short (STI) and long-term incentives (LTI) based on key performance areas affecting the consolidated Group's financial results. The Board of PeopleIn Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain high-quality KMP to run and manage the consolidated Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for KMP of the consolidated Group is as follows:

- The remuneration policy has been developed and approved by the board.
- All KMP receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives.
- The CEO, CFO and Executive director are eligible to receive performance rights subject to the Group's financial performance and meeting predetermined key performance indicators (KPIs). From 1 July 2023 onwards, there are hurdles attached to both EPS and TSR growth targets over the 3-year measurement and vesting period.
- Incentives paid in the form of options or performance rights are intended to align the interests of the KMPs with those of the shareholders. In this regard, KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means.
- The nomination and remuneration committee reviews KMP packages as required by reference to the consolidated Group's performance, executive performance and comparable information from industry sectors.

KMP receive, at a minimum, a superannuation guarantee contribution required by the government, which was 11% during the period, of the individual's average weekly ordinary time earnings (AWOTE).

Upon retirement, KMP are paid employee benefit entitlements accrued to the date of retirement. KMP are typically paid a percentage of between 25%-50% of their salary in the event of redundancy. Any options not exercised before or on the date of termination will lapse unless board discretion is applied.

All remuneration paid to KMP is valued at the cost to the Company and expensed.

KMP are also entitled and encouraged to participate in the employee share and option arrangements to align directors' interests with shareholders' interests.

Options or performance rights granted under the arrangement do not carry dividend or voting rights. Each option or performance right is entitled to be converted into one ordinary share once the interim or final financial report has been disclosed to the public and their values are determined using the Monte Carlo or Black Scholes methodology, depending on whether market conditions are attached to them.

In addition, the Board's remuneration policy prohibits directors and KMP from using PeopleIn Limited shares as collateral in any financial transaction, including margin loan arrangements.

The PeopleIn share plan rules specify that in the event of a change of control, unless the board decides otherwise, all vesting conditions for applicable unvested rights will be waived.

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Remuneration Policy (cont.)

##### Non-executive directors

The Board's policy is to remunerate non-executive directors at market rates for time, duties and responsibilities. Under Rule 19.5 of the Company's Constitution, the total amount given to all non-executive directors for their services as directors must not exceed in aggregate in any financial year the amount fixed by the Company in general meeting. At the 2022 Annual General Meeting, shareholders approved an increase to the aggregate maximum amount of fees available to be paid by the Company to non-executive directors each financial year as remuneration for their services (inclusive of superannuation) from \$400,000 per annum to \$500,000 per annum. This change was to cater for the increase in the number of members on the board and market review of director fees for similar sized entities.

##### Performance-based Remuneration

KPIs are set annually, with a certain level of consultation with KMP. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for Group expansion and profit, covering financial and non-financial as well as short and long-term goals. KPIs include the growth of the Group (e.g. EBITDA) and other key performance metrics around Group values, health and wellbeing of our staff and compliance with laws and regulations. The level set for each KPI is based on budgeted figures for the Group and respective industry standards.

Performance in relation to the KPIs is assessed annually. Following the assessment, the KPIs are reviewed by the board in light of the desired and actual outcomes, and their efficiency is assessed in relation to the Group's goals and shareholder wealth, before the KPIs are set for the following year.

In determining whether a KPI has been achieved, PeopleIn Limited bases the assessment on audited figures; however, where the KPI involves comparison of the Group, or a division within the Group, to the market, independent reports are obtained from organisations such as Standard & Poor's.

##### Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. To achieve this aim, share based payments are issued to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy has been effective in increasing shareholder wealth since listing in 2017.

The below table shows the gross revenue, profits and dividends for the last five years, the share prices at the end of the respective financial periods and basic and normalised EPS. Normalised EPS is a non-IFRS (and unaudited) measure which has been calculated based on normalised net profit after taxation and before amortisation (NPATA) over weighted average shares for the period. This represents the statutory NPAT adjusted for costs associated with acquisitions, amortisation of software, costs of employee options, fair value measurement in contingent consideration, write-off of historic receivables and performance rights and the associated tax deduction of these expenses and amortisation. The Directors believe that this is a useful measure for investors to understand the Group results and show how the Group would have performed had these types of transactions not occurred. Following from this, one of the key performance hurdles for KMP LTIs is EPS CAGR based on normalised NPATA.

Analysis of the actual figures shows that whilst 2024 has been a challenging year, the Group has a strong record of increasing profits since listing. The Board is of the opinion that historic results are, in part, due to the previously described remuneration policy and is satisfied that this policy will effectively incentivise management to grow shareholder wealth moving forward. Furthermore, adjustments were made to the remuneration policy in prior year to more effectively align incentives with performance of the Group.

## Directors' Report (cont.)

For the year ended 30 June 2024

### Remuneration Policy (cont.)

#### Relationship between Remuneration Policy and Company Performance (cont.)

|                             | 30 June 2020 | 30 June 2021 | 30 June 2022 | 30 June 2023 | 30 June 2024 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
|                             | \$000        | \$000        | \$000        | \$000        | \$000        |
| Revenue                     | 371,164      | 444,281      | 682,321      | 1,186,361    | 1,174,780    |
| Net profit after tax        | 16,396       | 17,731       | 18,397       | 20,457       | 5,389        |
| Share price at year-end     | 2.00         | 4.59         | 2.89         | 2.35         | 0.81         |
| Dividends paid/declared     | 0.085        | 0.105        | 0.13         | 0.14         | 0.03         |
| Basic EPS                   | 21.60        | 19.27        | 18.60        | 18.80        | 4.52         |
| Normalised EPS <sup>1</sup> | 23.97        | 27.27        | 33.61        | 37.33        | 22.21        |

<sup>1</sup> Based on Normalised NPATA – this is a non-IFRS measure.

#### STIs and LTIs

The Group uses STIs and LTIs to measure and incentivise KMP.

The STI program is designed to align the short-term objectives of the Group with the performance hurdles of KMP. STI include cash and share-based payments that are granted to KMP based on specific annual targets and KPIs being achieved.

The LTIs include long service leave and share-based payments. Shares are awarded to KMP over a period of one to three years based on long-term incentive measures. These include performance against KPIs, remaining employed by the company at time of vesting, increase in Total Shareholder Return ('TSR') Compound Annual Growth Rate ('CAGR') and Earnings Per Share ('EPS') CAGR. The nomination and remuneration committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2024.

All incentives must be linked to predetermined KPIs and performance targets. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. The use of such discretion must be justified by reference to measurable performance criteria. Refer to section on cash and other related performance bonuses on page 23 for discussion on where the board has applied discretion during the year. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Remuneration Policy (cont.)

#### STIs and LTIs (cont.)

The following table summarises the maximum KMP STIs and LTIs.

|                                                                                     | 2023<br>STI/LTI                                                                         | 2023<br>Performance Hurdles                                                                                       | 2024<br>STI/LTI                                                                         | 2024<br>Performance Hurdles <sup>1</sup>                                                                                                                                        |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Group KMP</b>                                                                    |                                                                                         |                                                                                                                   |                                                                                         |                                                                                                                                                                                 |
| Thomas Reardon<br>(Executive Director and<br>Divisional Chief Executive<br>Officer) | STI: 50% of fixed<br>remuneration<br>LTI: 50% of fixed<br>remuneration (2<br>Year vest) | STI: Internal KPIs<br>LTI: Internal KPIs in<br>year grant relates, remain<br>employed for 2-year period           | STI: 50% of fixed<br>remuneration<br>LTI: 50% of fixed<br>remuneration (3<br>Year vest) | STI: Internal KPIs and Group<br>achieving >85% budget<br>EBITDA and WHS compliance.<br>LTI: 50% on achieving 10% TSR<br>CAGR and an additional 50%<br>on achieving 10% EPS CAGR |
| Ross Thompson<br>(Chief Executive Officer)                                          | STI: 30% of fixed<br>remuneration<br>LTI: 30% of fixed<br>remuneration (3<br>year vest) | STI: Internal KPIs<br>LTI: 50% on achieving 10%<br>TSR CAGR and an additional<br>50% on achieving 15% TSR<br>CAGR | STI: 30% of fixed<br>remuneration<br>LTI: 30% of fixed<br>remuneration (3<br>year vest) | STI: Internal KPIs and Group<br>achieving >85% budget<br>EBITDA and WHS compliance.<br>LTI: 50% on achieving 10% TSR<br>CAGR and an additional 50%<br>on achieving 10% EPS CAGR |
| Adam Leake<br>(Chief Financial Officer)                                             | -                                                                                       | -                                                                                                                 | STI: 30% of fixed<br>remuneration<br>LTI: 30% of fixed<br>remuneration (3<br>year vest) | STI: Internal KPIs and Group<br>achieving >85% budget<br>EBITDA and WHS compliance.<br>LTI: 50% on achieving 10% TSR<br>CAGR and an additional 50%<br>on achieving 10% EPS CAGR |

<sup>1</sup> EPS used to calculate this metric is based on normalised NPATA. The board has discretion to pay up to 50% of the LTI if >8% 10% EPS CAGR is achieved.

The below table represents the STIs and LTIs that are proposed to be granted to KMP based on financial performance for year ended 30 June 2024. The Board have determined that due to the financial performance of the Group for year ended 30 June 2024, no STI or LTI awards will be made to KMP.

|                  | Remuneration Type <sup>1</sup> | Total<br>Opportunity<br>\$ | Awarded<br>% | Forfeited<br>% |
|------------------|--------------------------------|----------------------------|--------------|----------------|
| <b>Group KMP</b> |                                |                            |              |                |
| Thomas Reardon   | Cash bonus                     | 200,000                    | -            | 100%           |
|                  | Performance Rights             | 200,000                    | -            | 100%           |
| Ross Thompson    | Cash bonus                     | 135,000                    | -            | 100%           |
|                  | Performance Rights             | 135,000                    | -            | 100%           |
| Adam Leake       | Cash bonus                     | 120,000                    | -            | 100%           |
|                  | Performance Rights             | 120,000                    | -            | 100%           |

<sup>1</sup> Cash bonus values include superannuation.

## Directors' Report (cont.)

For the year ended 30 June 2024

### Remuneration Policy (cont.)

#### Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial year, members of KMP of the Group.

| Group KMP        | Position Held During Year Ended 30 June 2024              | Contract Details<br>(Duration and Termination) | Annual Base Salary     | Director Fees         |
|------------------|-----------------------------------------------------------|------------------------------------------------|------------------------|-----------------------|
| Glen Richards    | Non-Executive Director and Chairman                       | No service contracts                           | -                      | \$167,000             |
| Elizabeth Savage | Non-Executive Director                                    | No service contracts                           | -                      | \$90,000 <sup>1</sup> |
| Vu Tran          | Non-Executive Director                                    | No service contracts                           | -                      | \$90,000              |
| Elisabeth Mannes | Non-Executive Director                                    | No service contracts                           | -                      | \$80,000              |
| Tony Peake       | Non-Executive Director                                    | No service contracts                           | -                      | \$80,000              |
| Declan Sherman   | Non-Executive Director                                    | No service contracts                           | -                      | \$80,000 <sup>1</sup> |
| Thomas Reardon   | Executive Director and Divisional Chief Executive Officer | 3 months' notice period                        | \$400,000              | \$50,000              |
| Ross Thompson    | Group Chief Executive Officer                             | 6 months' notice period                        | \$450,000              | -                     |
| Megan Just       | Group Chief Financial Officer                             | 4 weeks' notice period                         | \$305,000 <sup>1</sup> | -                     |
| Adam Leake       | Group Chief Financial Officer                             | 3 months' notice period                        | \$400,000              | -                     |

<sup>1</sup> In place prior to resignation.

The employment terms and conditions of the Divisional Chief Executive Officer, Group Chief Executive Officer and Group Chief Financial officer are formalised in contracts of employment.

Terms of employment require that the relevant Group entity provide an executive contracted person with a minimum of 3 months and 6 months respectively notice prior to termination of contract. A contracted person deemed employed on a permanent basis may terminate their employment by providing the relevant notice period. Termination payments are not payable on resignation or under the circumstances of unsatisfactory performance.

Non-executive directors have been issued appointment letters but do not have a formal contract of employment. There is no termination notice period stipulated in these letters.

#### Changes in Directors and Executives during the year

On 1 July 2023, Declan Sherman was made redundant from his role as the Head of Acquisitions. He also resigned as a Board Executive Director effective from 27 November 2023.

On 13 November 2023, Adam Leake joined the Group as Chief Financial Officer.

On 1 December 2023, Megan Just left the Group as Chief Financial Officer

On 27 November 2023, Elisabeth Mannes joined the Group as a Non-Executive Director.

On 31 May 2024, Elizabeth Savage left the Group as a Non-Executive Director.

On 7 June 2024, Tony Peake joined the Group as a Non-Executive Director.

There have been no other changes in directors and executives during the year or after the end of the reporting period.

**Directors' Report (cont.)**

**For the year ended 30 June 2024**

**Remuneration Policy (cont.)**

**Remuneration Expense Details for the Year Ended 30 June 2024**

The following table of benefits and payments represents the components of the current year and comparative year remuneration expenses for each member of KMP of the consolidated Group. Such amounts have been calculated in accordance with Australian Accounting Standards

As a general principle, the Australian Accounting Standards require the value of share-based payments to be calculated at the time of grant and to be expensed over the performance period and applicable service period. This may not reflect what KMP actually received or became entitled to during the year.

## Directors' Report (cont.)

For the year ended 30 June 2024

### Table of Benefits and Payments for the Year Ended 30 June 2024

|                               |      | Short-term Benefits    |         |                           |                    | Post-employment Benefits | Long-term Benefits |        | Equity-settled Share-based Payments | Termination Benefits           | Total   | Portion of remuneration performance related |       |
|-------------------------------|------|------------------------|---------|---------------------------|--------------------|--------------------------|--------------------|--------|-------------------------------------|--------------------------------|---------|---------------------------------------------|-------|
|                               |      | Salary, Fees and Leave | Bonuses | Non-monetary <sup>3</sup> | Other <sup>4</sup> | Super-annuation          | Incentive Plans    | LSL    | Shares                              | Options/<br>Performance Rights |         |                                             |       |
|                               |      | \$                     | \$      | \$                        | \$                 | \$                       | \$                 | \$     | \$                                  | \$                             | \$      | %                                           |       |
| Group KMP                     |      |                        |         |                           |                    |                          |                    |        |                                     |                                |         |                                             |       |
| Glen Richards                 | 2024 | 167,000                | -       | -                         | -                  | -                        | -                  | -      | -                                   | -                              | -       | 167,000                                     | -     |
|                               | 2023 | 167,000                | -       | -                         | -                  | -                        | -                  | -      | -                                   | -                              | -       | 167,000                                     | -     |
| Elizabeth Savage <sup>1</sup> | 2024 | 82,500                 | -       | -                         | -                  | -                        | -                  | -      | -                                   | -                              | -       | 82,500                                      | -     |
|                               | 2023 | 90,000                 | -       | -                         | -                  | -                        | -                  | -      | -                                   | -                              | -       | 90,000                                      | -     |
| Vu Tran                       | 2024 | 90,000                 | -       | -                         | -                  | -                        | -                  | -      | -                                   | -                              | -       | 90,000                                      | -     |
|                               | 2023 | 90,000                 | -       | -                         | -                  | -                        | -                  | -      | -                                   | -                              | -       | 90,000                                      | -     |
| Elisabeth Mannes <sup>2</sup> | 2024 | 46,667                 | -       | -                         | -                  | -                        | -                  | -      | -                                   | -                              | -       | 46,667                                      | -     |
| Tony Peake <sup>5</sup>       | 2024 | 6,667                  | -       | -                         | -                  | -                        | -                  | -      | -                                   | -                              | -       | 6,667                                       | -     |
| Declan Sherman <sup>7</sup>   | 2024 | 37,180                 | -       | -                         | -                  | 423                      | -                  | -      | -                                   | -                              | 117,176 | 154,779                                     | -     |
|                               | 2023 | 200,000 <sup>6</sup>   | 210,000 | -                         | 28,323             | 21,000                   | -                  | 5,115  | -                                   | 1,338                          | -       | 465,776                                     | 45.37 |
| Thomas Reardon                | 2024 | 450,002 <sup>6</sup>   | 180,180 | 41,987                    | -                  | 55,724                   | -                  | 8,463  | -                                   | 352,788                        | -       | 1,089,144                                   | 48.93 |
|                               | 2023 | 448,463 <sup>6</sup>   | 72,000  | 29,644                    | -                  | 30,612                   | -                  | 25,900 | -                                   | 338,798                        | -       | 945,417                                     | 43.45 |
| Ross Thompson                 | 2024 | 461,753                | 102,700 | -                         | 14,909             | 27,399                   | -                  | 3,430  | -                                   | 433,811 <sup>6</sup>           | -       | 1,044,002                                   | 51.39 |
|                               | 2023 | 467,115                | 100,000 | -                         | 4,044              | 29,873                   | -                  | 1,995  | -                                   | -                              | -       | 603,027                                     | 30.63 |
| Megan Just <sup>9</sup>       | 2024 | 160,456                | 23,356  | -                         | -                  | 13,302                   | -                  | -      | -                                   | 169,947 <sup>10</sup>          | -       | 367,061                                     | 52.66 |
|                               | 2023 | 257,349                | 13,111  | -                         | 2,887              | 25,463                   | -                  | 3,181  | -                                   | 116,897                        | -       | 418,888                                     | 31.04 |
| Adam Leake <sup>11</sup>      | 2024 | 224,224                | -       | -                         | 16,317             | 18,269                   | -                  | 389    | -                                   | 5,429                          | -       | 264,628                                     | 2.05  |
| Total KMP                     | 2024 | 1,726,449              | 306,236 | 41,987                    | 31,226             | 115,117                  | -                  | 12,282 | -                                   | 961,975                        | 117,176 | 3,312,448                                   | 38.29 |
|                               | 2023 | 1,719,927              | 395,111 | 29,644                    | 35,254             | 106,948                  | -                  | 36,191 | -                                   | 457,033                        | -       | 2,780,108                                   | 30.65 |

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Table of Benefits and Payments for the Year Ended 30 June 2024 (cont.)

<sup>1</sup> Elizabeth Savage ceased being a KMP from 31 May 2024.

<sup>2</sup> Elisabeth Mannes became a KMP on 27 November 2023 and therefore there are no disclosures for 2023.

<sup>3</sup> Motor vehicle reportable fringe benefit

<sup>4</sup> Increment in annual leave provision.

<sup>5</sup> Tony Peake became a KMP on 7 June 2024 and therefore there are no disclosures for 2023.

<sup>6</sup> Includes \$50,000 relating to director fees.

<sup>7</sup> Declan Sherman ceased being a KMP from 27 November 2023.

<sup>8</sup> Expense for the year is impacted by adjustment to probabilities of performance rights issued to Ross Thompson in 2021 as a result of the board waiving vesting conditions during the year.

<sup>9</sup> Megan Just ceased being a KMP from 1 December 2023.

<sup>10</sup> The board applied discretion to allow Megan's rights to vest at the end of the original vesting period, despite not being employed at the time of vesting. As a result, an additional \$23,451 was recognised during year ended 30 June 2024.

<sup>11</sup> Adam Leake became a KMP on 13 November 2023 and therefore there are no disclosures for 2023.

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Securities Received that Are Not Performance-related

No members of KMP are entitled to receive securities that are not performance-based as part of their remuneration package.

#### Cash Bonuses, Performance-related Bonuses and Share-based Payments

##### Cash and Other Performance-related Bonuses

KPIs were set and assessed based on individual and business wide performance criteria and the level of achievement of those objectives during the performance year. These KPI's relate to both the cash and performance rights components of the bonuses. The board uses their discretion from time to time to decide on determining the amount of the bonus payment. If such discretion is applied, it must be justified by reference to measurable performance criteria.

The cash and performance-based bonuses granted as remuneration during the year ended 30 June 2024 (in relation to the performance for the year ended 30 June 2023) to KMP are as follows:

|                                |                    | 2023<br>opportunity<br>settled in 2024 | Awarded | Forfeited | 2022<br>opportunity<br>settled in 2023 | Awarded | Forfeited |
|--------------------------------|--------------------|----------------------------------------|---------|-----------|----------------------------------------|---------|-----------|
| Remuneration Type <sup>1</sup> |                    | \$                                     | %       | %         | \$                                     | %       | %         |
| <b>Group KMP</b>               |                    |                                        |         |           |                                        |         |           |
| Declan Sherman                 | Cash bonus         | n/a                                    | -       | -         | 210,000                                | 100%    | -         |
|                                | Performance Rights | n/a                                    | -       | -         | n/a                                    | -       | -         |
| Thomas Reardon                 | Cash bonus         | 200,000                                | 100%    | -         | 90,000                                 | 80%     | 20%       |
|                                | Performance Rights | 200,000                                | 100%    | -         | 578,500                                | 43%     | 57%       |
| Ross Thompson                  | Cash bonus         | 135,000                                | 84%     | 16%       | 135,000                                | 74%     | 26%       |
|                                | Performance Rights | 135,000                                | 57%     | 43%       | 135,000                                | 63%     | 37%       |
| Megan Just                     | Cash bonus         | 30,500                                 | 94%     | 6%        | 15,250                                 | 95%     | 5%        |
|                                | Performance Rights | 91,500                                 | 85%     | 15%       | 99,125                                 | 100%    | -         |
| Adam Leake                     | Cash bonus         | n/a                                    | -       | -         | n/a                                    | -       | -         |
|                                | Performance Rights | n/a                                    | -       | -         | n/a                                    | -       | -         |

<sup>1</sup> Cash bonus values include superannuation.

##### Share-based Payments

The terms and conditions relating to options granted as remuneration during the year to KMP are as follows:

|                   |                                 | Grant Date | Grant Value | Vested/Paid | Forfeited   | Remaining as | Expiry Date    |
|-------------------|---------------------------------|------------|-------------|-------------|-------------|--------------|----------------|
| Remuneration Type |                                 |            | \$          | during Year | during Year | Unvested     | for Vesting or |
|                   |                                 |            |             | % #         | %           | %            | Payment        |
| <b>Group KMP</b>  |                                 |            |             |             |             |              |                |
| Thomas Reardon    | Performance Rights (Tranche 89) | 30/11/2023 | 200,000     | -           | -           | 100          | 30/11/2025     |
| Thomas Reardon    | Performance Rights (Tranche 90) | 30/11/2023 | 200,000     | -           | -           | 100          | 30/11/2025     |
| Ross Thompson     | Performance Rights (Tranche 85) | 31/08/2023 | 76,400      | -           | -           | 100          | 31/08/2026     |
| Megan Just        | Performance Rights (Tranche 81) | 31/08/2023 | 77,775      | -           | -           | 100          | 31/08/2024     |
| Adam Leake        | Performance Rights (Tranche 88) | 30/11/2023 | 27,937      | -           | -           | 100          | 30/11/2026     |

# The dollar value of the percentage vested/paid during the period has been reflected in the Table of Benefits and Payments for the year ended 30 June 2024.

**Directors' Report (cont.)**  
**For the year ended 30 June 2024**

**Cash Bonuses, Performance-related Bonuses and Share-based Payments**

**Performance Rights – Tranche 89 and 90**

These performance rights vest over the vesting period from 30 November 2023 to 30 November 2025 with 100% vesting 30 November 2025. There were performance criteria which included achievement of divisional EBITDA greater than budgeted and other key performance metrics around Group values, health, safety and wellbeing of our staff and compliance with laws and regulations surrounding which were achieved prior to these Performance Rights being granted. For the Performance Rights to vest, the participant must remain employed by PeopleIn Limited at the time of vesting. These Performance Rights form part of the individual's remuneration package.

All performance rights entitle the holder to one ordinary share in PeopleIn Limited for each right exercised.

There have not been any alterations to the terms or conditions of any grants since grant date.

**Performance Rights – Tranche 85**

These performance rights vest equally over the vesting period from 31 August 2023 to 31 August 2026 in two lots of 50,000. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 15% TSR must be achieved for the performance rights to vest. There is also an overarching condition that the relevant participant must remain employed by the PeopleIn Limited Group at the time of vesting.

All performance rights entitle the holder to one ordinary share in PeopleIn Limited for each right exercised.

There have not been any alterations to the terms or conditions of any grants since grant date.

**Performance Rights – Tranche 81**

These Performance Rights vest on 31 August 2024. The Performance Rights are conditional upon achievement of Group EBITDA targets and the relevant participant remaining employed by the PeopleIn Limited Group at the time of vesting (the board has applied discretion and will allow these rights to vest despite the rights holder resigning during the year).

All performance rights entitle the holder to one ordinary share in PeopleIn Limited for each right exercised.

**Performance Rights – Tranche 88**

These performance rights vest equally over the vesting period from 31 November 2023 to 31 November 2026 in two lots of 25,510. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 10% Earnings Per Share Compound Annual Growth Rate ("EPS CAGR") must be achieved for the performance rights to vest. There is also an overarching condition that the relevant participant must remain employed by the PeopleIn Limited Group at the time of vesting.

All performance rights entitle the holder to one ordinary share in PeopleIn Limited for each right exercised.

There have not been any alterations to the terms or conditions of any grants since grant date.

Directors' Report (cont.)

For the year ended 30 June 2024

Options and Performance Rights Granted as Remuneration

| Balance at Beginning of Year | Grant Details |            |         | Exercised   |      | Lapsed / Forfeited | Balance at End of Year | Exercisable | Unexercisable       | Vested               | Unvested             |
|------------------------------|---------------|------------|---------|-------------|------|--------------------|------------------------|-------------|---------------------|----------------------|----------------------|
|                              | Grant Date    | No.        | Value # | Share Price | No.  | No.                |                        |             |                     | Total at End of Year | Total at End of Year |
|                              |               |            | \$      | \$          |      |                    | No.                    | No.         | No.                 | No.                  | No.                  |
| <b>Group KMP</b>             |               |            |         |             |      |                    |                        |             |                     |                      |                      |
| Declan Sherman               | 7,858         | 26/11/2019 | -       | -           | -    | -                  | 7,858 <sup>1</sup>     | -           | 7,858 <sup>1</sup>  | -                    | 7,858 <sup>1</sup>   |
| Thomas Reardon               | 7,858         | 26/11/2019 | -       | -           | -    | 7,858              | -                      | -           | -                   | -                    | -                    |
| Thomas Reardon               | 46,688        | 22/11/2021 | -       | -           | 1.26 | 46,688             | -                      | -           | -                   | -                    | -                    |
| Thomas Reardon               | 82,237        | 30/11/2022 | -       | -           | 1.26 | 49,342             | 32,895                 | -           | 32,895              | -                    | 32,895               |
| Thomas Reardon               | -             | 30/11/2023 | 172,414 | 400,000     | -    | -                  | 172,414                | -           | 172,414             | -                    | 172,414              |
| Ross Thompson                | 200,000       | 22/11/2021 | -       | -           | -    | -                  | 200,000                | -           | 200,000             | -                    | 200,000              |
| Ross Thompson                | 50,000        | 31/10/2022 | -       | -           | -    | -                  | 50,000                 | -           | 50,000              | -                    | 50,000               |
| Ross Thompson                | -             | 31/08/2023 | 100,000 | 76,400      | -    | -                  | 100,000                | -           | 100,000             | -                    | 100,000              |
| Megan Just                   | 8,810         | 31/08/2021 | -       | -           | 2.05 | 8,810              | -                      | -           | -                   | -                    | -                    |
| Megan Just                   | 24,671        | 31/08/2022 | -       | -           | 2.05 | 24,671             | -                      | -           | -                   | -                    | -                    |
| Megan Just                   | 39,474        | 7/09/2022  | -       | -           | 2.05 | 23,684             | 15,790 <sup>1</sup>    | -           | 15,790 <sup>1</sup> | -                    | 15,790 <sup>1</sup>  |
| Megan Just                   | -             | 31/08/2023 | 33,524  | 77,775      | -    | -                  | 33,524 <sup>1</sup>    | -           | 33,524 <sup>1</sup> | -                    | 33,524 <sup>1</sup>  |
| Adam Leake                   | -             | 30/11/2023 | 51,020  | 41,571      | -    | -                  | 51,020                 | -           | 51,020              | -                    | 51,020               |
|                              | 467,596       |            | 356,958 | 595,746     |      | 153,195            | 7,858                  | 663,501     | -                   | 663,501              | -                    |

<sup>1</sup> Represents balance on date of ceasing to be KMP. The board has applied discretion to allow these rights to vest at the end of the original vesting period, despite KMP not being employed at the time.

# The fair value of options granted as remuneration and as shown in the above table has been determined in accordance with Australian Accounting Standards and will be recognised as an expense over the relevant vesting period to the extent that conditions necessary for vesting are satisfied.

Directors' Report (cont.)

For the year ended 30 June 2024

Description of Options/Rights Issued as Remuneration

Details of the options granted as remuneration to those KMP listed in the previous table are as follows:

|                              | Performance Rights – Tranche 10                             | Performance Rights – Tranche 26        | Performance Rights – Tranche 37 | Performance Rights – Tranche 38        | Performance Rights – Tranche 57 | Performance Rights – Tranche 65         | Performance Rights – Tranche 69        | Performance Rights – Tranche 70        | Performance Rights – Tranche 81 | Performance Rights – Tranche 85 | Performance Rights – Tranche 88 | Performance Rights – Tranche 89 & 90 |
|------------------------------|-------------------------------------------------------------|----------------------------------------|---------------------------------|----------------------------------------|---------------------------------|-----------------------------------------|----------------------------------------|----------------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------------------------|
| Grant date                   | 26/11/2019                                                  | 31/08/2021                             | 01/11/2021                      | 22/11/2021                             | 31/08/2022                      | 07/09/2022                              | 31/10/2022                             | 30/11/2022                             | 31/08/2023                      | 31/08/2023                      | 30/11/2023                      | 30/11/2023                           |
| Number of options            | 62,874                                                      | 22,026                                 | 200,000                         | 116,721                                | 24,671                          | 39,474                                  | 50,000                                 | 82,237                                 | 33,524                          | 100,000                         | 51,020                          | 172,414                              |
| Vesting period end           | 25% each year<br>26/11/2020,<br>2021, 2022,<br>2023         | 60%<br>31/08/2022<br>40%<br>31/08/2023 | 100%<br>01/11/2024              | 60%<br>22/11/2022<br>40%<br>22/11/2023 | 100%<br>31/08/2023              | 100%<br>31/08/2023<br>40%<br>31/08/2024 | 60%<br>31/10/2024<br>50%<br>31/10/2025 | 60%<br>30/11/2023<br>40%<br>30/11/2024 | 100%<br>31/08/2024              | 100%<br>31/08/2026              | 100%<br>30/11/2026              | 100%<br>30/11/2025                   |
| Share price at grant date    | \$3.25                                                      | \$4.00                                 | \$4.50                          | \$4.39                                 | \$3.70                          | \$3.34                                  | \$3.28                                 | \$3.24                                 | \$2.05                          | \$2.05                          | \$1.26                          | \$1.26                               |
| Option life                  | 4 years                                                     | 2 years                                | 3 years                         | 3 years                                | 1 year                          | 2 years                                 | 3 years                                | 2 years                                | 1 year                          | 3 years                         | 3 years                         | 2 years                              |
| Fair value at grant date     | 25% \$1.488,<br>25% \$1.031,<br>25% \$0.828,<br>25% \$0.692 | 100% \$4.00                            | 50% \$2.31<br>50% \$2.05        | 100% \$4.54                            | 100% \$3.04                     | 100% \$3.04                             | 50% \$1.78<br>50% \$1.61               | 100% \$3.04                            | 100% \$2.32                     | 50% \$0.84<br>50% \$0.69        | 50% \$0.56<br>50% \$1.07        | 100% \$2.32                          |
| Exercise price at grant date | \$0.00                                                      | \$0.00                                 | \$0.00                          | \$0.00                                 | \$0.00                          | \$0.00                                  | \$0.00                                 | \$0.00                                 | \$0.00                          | \$0.00                          | \$0.00                          | \$0.00                               |
| Exercisable from             | At end of each vesting period                               | At end of the vesting period           | At end of the vesting period    | At end of the vesting period           | At end of the vesting period    | At end of the vesting period            | At end of the vesting period           | At end of the vesting period           | At end of the vesting period    | At end of the vesting period    | At end of the vesting period    | At end of the vesting period         |
| Exercisable to               | 30 days after the exercise date                             | 30 days after the exercise date        | 30 days after the exercise date | 30 days after the exercise date        | 30 days after the exercise date | 30 days after the exercise date         | 30 days after the exercise date        | 30 days after the exercise date        | 30 days after the exercise date | 30 days after the exercise date | 30 days after the exercise date | 30 days after the exercise date      |

Option values at grant date were determined using the Monte Carlo method for those with market conditions and Black Scholes method for those without.

Details relating to service and performance criteria required for vesting have been provided in the Cash Bonuses, Performance-related Bonuses and Share-based Payments table on page 22.

## Directors' Report (cont.)

For the year ended 30 June 2024

### KMP Shareholdings

The number of ordinary shares in PeopleIn Limited held by each KMP of the Group during the financial year is as follows:

|                               | Balance at<br>Beginning of Year | Granted as<br>Remuneration<br>during the Year | Issued on Exercise<br>of Options during<br>the Year | Other Changes<br>during the Year | Balance at End of<br>Year |
|-------------------------------|---------------------------------|-----------------------------------------------|-----------------------------------------------------|----------------------------------|---------------------------|
| Glen Richards                 | 1,478,052                       | -                                             | -                                                   | 384,084                          | 1,862,136                 |
| Elizabeth Savage <sup>1</sup> | 130,887                         | -                                             | -                                                   | 8,256                            | 139,143                   |
| Vu Tran                       | 30,000                          | -                                             | -                                                   | 30,000                           | 60,000                    |
| Elisabeth Mannes              | -                               | -                                             | -                                                   | 15,000                           | 15,000                    |
| Tony Peake                    | -                               | -                                             | -                                                   | 100,000                          | 100,000                   |
| Declan Sherman <sup>1</sup>   | 2,090,067                       | -                                             | -                                                   | -                                | 2,090,067                 |
| Thomas Reardon                | 4,432,232                       | -                                             | 96,029                                              | 250,000                          | 4,778,261                 |
| Ross Thompson                 | -                               | -                                             | -                                                   | -                                | -                         |
| Megan Just <sup>1</sup>       | 83,410                          | -                                             | 57,165                                              | -                                | 140,575                   |
| Adam Leake                    | -                               | -                                             | -                                                   | 9,335                            | 9,335                     |
|                               | 8,244,648                       | -                                             | 153,194                                             | 796,675                          | 9,194,517                 |

<sup>1</sup> At time of ceasing to be KMP. The board has applied discretion to allow these rights to vest at the end of the original vesting period, despite KMP not being employed at the time.

Other changes represent either on market purchases or participation in the dividend reinvestment plan and are arm's length transactions.

### Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments apart from those described in the tables above relating to options, rights and shareholdings.

### Other Transactions with KMP and/or their Related Parties

During the year the Group provided recruitment and advisory services to Healthia Limited, an entity associated with Glen Richards. The Group received \$24,725 (June 2023: \$142,450) from recruitment and advisory services which has been recognised as revenue. No amount was receivable at year end (June 2023: nil).

The Group utilises the online learning platform provided by GO1 Pty Ltd, an entity associated with Vu Tran. The Group made payments of \$54,230 to GO1 Pty Ltd (June 2023: \$61,578) during the period which has been recognised in other expenses. No amount was payable at year end (June 23: nil).

There were no other transactions with other related parties during the period.

**END OF AUDITED REMUNERATION REPORT.**

## Directors' Report (cont.)

### For the year ended 30 June 2024

#### Directors' information

The following persons were Directors of PeopleIn Limited during the financial year and up to the date of this report, unless otherwise stated:

**Dr Glen Richards** Appointed 18 October 2017

Non-Executive Director and Chairman

*Qualifications:* B.V.Sc.(Hons), M.Sc., F.A.I.C.D.

*Equity Holdings:* Shares: 1,862,136

Glen has over 27 years' experience in the retail and professional services sectors with extensive operational experience in fast growing companies, especially in health care and allied health sectors. Glen was the founding Managing Director of Greencross Limited and Co-Founder of Mammoth Pet Holdings Pty Ltd, prior to its merger with Greencross Limited in 2014. He is currently Chairman of Healthia Limited and a non-executive director of

Adventure Holdings Australia Pty Ltd. Glen is also a shareholder, advisor and mentor of a number of innovative technology companies.

*Directorships of other listed companies in the last 3 years:* Healthia Limited – no longer listed (from 10 May 2018).

**Elizabeth Savage** Appointed 18 October 2017, resigned 31 May 2024

Non-Executive Director

*Qualifications:* Beng (Hons), MSc, MAICD

*Equity Holdings:* Not applicable as no longer a director.

Liz is a full-time Company Director with extensive commercial leadership and strategic development experience. Previously Liz held C-suite commercial roles in international business in UK, Europe and Australia, including as Business Development Director of easyJet and Chief Commercial Officer of Virgin Australia.

Liz is currently a Non-Executive Director of Intrepid Group, Auckland International Airport, North Queensland Airports and Tiger Holdco Pty Ltd ("FunLab").

*Directorships of other listed companies in the last 3 years:* Auckland International Airport Ltd (from 24 October 2019).

**Vu Tran** Appointed 1 July 2022

Non-Executive Director

*Qualifications:* Bachelor of Medicine/Bachelor of Surgery (MBBS), Fellowship with the Royal Australian College of General Practitioners

*Equity Holdings:* Shares: 60,000

Vu was appointed a Non-Executive Director of PeopleIN on 1 July 2022 bringing a wealth of highly complementary experience and entrepreneurial leadership. Vu is the co-founder of Go1 – a venture capital backed e-learning company. With approximately 5 million users worldwide, Go1 is a single online learning solution for organisations and individuals using the world's most comprehensive online library of learning resources developed by leading learning providers. In addition to Go1, Vu is a practising GP having worked as a doctor for over 10 years. Vu also sits on the Board of Sporting Wheelies, an organisation that helps people with a disability access sport, recreation and training.

*Directorships of other listed companies in the last 3 years:* None.

## Directors' Report (cont.)

For the year ended 30 June 2024

### Directors' information (cont.)

**Declan Sherman** Appointed 5 October 2016, resigned 27 November 2023

Executive Director

*Qualifications:* B.Comm (Hons), Finance

*Equity Holdings:* Shares: Not applicable as no longer a director. *Performance Rights:* Not applicable as no longer a director.

Declan commenced with PeopleIN in 2015 and was Managing Director of the Company from 2016 to 2021. Declan has a distinguished history in financial services and operational consulting. In 2010, Declan founded Everlight Capital in New York, a leading boutique consulting and investment firm operating throughout the Americas. Between 1999 and 2010, Declan worked in the private equity and investment banking divisions of Macquarie Group in both Sydney and in New York.

*Directorships of other listed companies in the last 3 years:* None

**Thomas Reardon** Appointed 9 January 2017

Executive Director and Divisional Chief Executive Officer

*Qualifications:* Bbus

*Equity Holdings:* Shares: 4,778,261, *Performance Rights:* 205,309

Tom is an Executive Director of PeopleIN and is Divisional Leader of the Industrial and Specialist Services Division. Tom commenced with AWX in 2003, became a director in 2006 and proceeded to significantly grow the business into a leading labour hire and workforce management Group in Australia. He is recognised throughout Australia as a leader in the workforce management sector. Tom has been responsible for major growth and also launched other workforce brands including Mobilise, Tribe, The Recruitment Company and Timberwolf, which have grown to be successful labour hire brands of PeopleIN.

*Directorships of other listed companies in the last 3 years:* None

**Elisabeth Mannes** Appointed 27 November 2023

Non-Executive Director

*Qualifications:* BSc (Hons) in Mechanical Engineering from Birmingham University, an MBA from Warwick University, and is a Chartered Engineer (CEng) and a Fellow of the UK Institution of Mechanical Engineers (FIMechE). Elisabeth is also a graduate of the Australian Institute of Company Directors.

*Equity Holdings:* Shares: 15,000

Elisabeth was appointed a Non-Executive Director of PeopleIN on 27 November 2023. Elisabeth brings over three decades of international and relevant industry experience to PeopleIN, from a career spanning FMCG and Industrial companies in both Australasia and Europe. Lis' career trajectory is marked by significant achievements in business strategy, customer and operational excellence, and risk management. As a recent Executive General Manager of CHEP Australia Limited, part of Brambles Limited, and through her senior executive roles at Pact Group Holdings and George Weston Foods, Lis has demonstrated her ability to navigate complex and evolving customer landscapes — skills that are integral to PeopleIN's continued success.

*Directorships of other listed companies in the last 3 years:* Quickstep Holdings Limited (ASX: QHL) (from August 2019)

## Directors' Report (cont.)

For the year ended 30 June 2024

### Directors' information (cont.)

**Tony Peake OAM** Appointed 7 June 2024

Non-Executive Director

*Qualifications:* Bachelor of Business (Distinction) from RMIT, Fellow of Chartered Accountants Australia & New Zealand (FCA) and Fellow and Graduate of the Australian Institute of Company Directors (FAICD).

*Equity Holdings:* Shares: 100,000

Tony was appointed a Non-Executive Director of PeopleIN on 7 June 2024. Tony brings over 30 years of Board level experience across various sectors including retail, consumer, education, and government, complementing the PeopleIN board with strong and specialised strategic expertise. Tony's highly esteemed career includes significant achievements in strategic, commercial, and financial roles. As the Chief Operating Officer of PwC Australia, Tony led the Finance, Technology, Real Estate, Business Services, and Procurement functions. His tenure at PwC also included leading audits and financial due diligence for major corporations such as Kmart, Target, Tesco and Nike. Tony's strategic leadership and governance skills have also been demonstrated through his non-executive directorships including Domino's Pizza Enterprises, Bakers Delight, Country Fire Authority, Central Highlands Water, The Australian Ballet, and as Chair of the Museum of Australian Photography.

*Directorships of other listed companies in the last 3 years:* Domino's Pizza Enterprises Limited (ASX: DMP) (from May 2021)

### Company Secretary

**Jane Prior** Appointed 6 April 2021

Company Secretary

*Qualifications:* BA/LLB

Jane holds a Bachelor of Laws and Bachelor of Arts from the University of Queensland and is admitted as a solicitor of the Supreme Courts of Queensland and New South Wales. Jane has worked in law firms in Brisbane and London, in house and has been a company secretary of listed and private companies for over a decade.

## Directors' Report (cont.)

For the year ended 30 June 2024

### Directors' meetings

The number of directors' meetings (including meetings of committees of directors) held during the year and the number of meetings attended by each Director was as follows:

|                  | Board Meetings |          | Audit and Risk Committee |          | Nomination and Remuneration Committee |          |
|------------------|----------------|----------|--------------------------|----------|---------------------------------------|----------|
|                  | Held+          | Attended | Held+                    | Attended | Held+                                 | Attended |
| Glen Richards    | 12             | 12       | 4                        | 4        | 4                                     | 4        |
| Elizabeth Savage | 11             | 11       | 3                        | 3        | 4                                     | 4        |
| Vu Tran          | 12             | 12       | 4                        | 4        | 4                                     | 4        |
| Elisabeth Mannes | 7              | 7        | 3                        | 3        | 2                                     | 2        |
| Tony Peake       | 1              | 1        | 1                        | 1        | -                                     | -        |
| Declan Sherman   | 5              | 5        | -                        | -        | -                                     | -        |
| Thomas Reardon   | 12             | 12       | -                        | -        | -                                     | -        |

+ Held and eligible to attend.

### Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 32 and forms part of this Directors' Report.

### Rounding of Amounts

The company is of a kind referred to ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with the instrument.

Signed in accordance with the resolution of the Board of Directors.



**Glen Richards**

Chairman

Dated this 27<sup>th</sup> day of August 2024



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#### DECLARATION OF INDEPENDENCE BY N I BATTERS TO THE DIRECTORS OF PEOPLEIN LIMITED

As lead auditor of PeopleIn Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of PeopleIn Limited and the entities it controlled during the year.

A handwritten signature in black ink, appearing to read 'N I Batters', is written over a light grey rectangular background.

**N I Batters**  
Director

**BDO Audit Pty Ltd**

Brisbane, 27 August 2024

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2024**

|                                                                                        | Note  | 30 June 2024<br>\$000 | 30 June 2023<br>\$000 |
|----------------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| Revenue from contracts with customers and other revenue                                | 2     | 1,174,780             | 1,186,361             |
| Other income                                                                           | 3     | 6,472                 | 99                    |
| Employee benefits expense                                                              |       | (1,109,871)           | (1,096,426)           |
| Occupancy expenses                                                                     |       | (2,628)               | (3,755)               |
| Depreciation and amortisation expense                                                  | 4     | (20,375)              | (16,976)              |
| Other expenses                                                                         |       | (35,910)              | (33,030)              |
| Finance costs                                                                          | 4     | (7,964)               | (6,244)               |
| Share of profit of equity-accounted investees, net of tax                              |       | 81                    | 132                   |
| Profit before income tax expense                                                       |       | 4,585                 | 30,161                |
| Income tax benefit (expense)                                                           | 6     | 804                   | (9,704)               |
| <b>Profit for the period</b>                                                           |       | <b>5,389</b>          | <b>20,457</b>         |
| <b>Other comprehensive income</b>                                                      |       |                       |                       |
| <i>Items that may be reclassified to profit or loss</i>                                |       |                       |                       |
| Exchange differences on translation of foreign operations, net of tax                  |       | 95                    | 121                   |
|                                                                                        |       | 95                    | 121                   |
| <b>Total comprehensive income for the period</b>                                       |       | <b>5,484</b>          | <b>20,578</b>         |
| <b>Profit for the period is attributable to:</b>                                       |       |                       |                       |
| Owners of PeopleIn Limited                                                             |       | 4,673                 | 18,944                |
| Non-controlling interests                                                              | 10(b) | 716                   | 1,513                 |
|                                                                                        |       | <b>5,389</b>          | <b>20,457</b>         |
| <b>Total comprehensive income for the period is attributable to:</b>                   |       |                       |                       |
| Owners of PeopleIn Limited                                                             |       | 4,768                 | 19,065                |
| Non-controlling interests                                                              |       | 716                   | 1,513                 |
|                                                                                        |       | <b>5,484</b>          | <b>20,578</b>         |
| <b>Basic earnings per share attributable to the shareholders of PeopleIn Limited</b>   |       |                       |                       |
| Basic earnings per share (cents per share)                                             | 5     | 4.52                  | 18.80                 |
| <b>Diluted earnings per share attributable to the shareholders of PeopleIn Limited</b> |       |                       |                       |
| Diluted earnings per share (cents per share)                                           | 5     | 4.43                  | 18.29                 |

*The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.*

**Consolidated Statement of Financial Position  
As at 30 June 2024**

|                                      | Note   | 30 June 2024<br>\$000 | 30 June 2023<br>\$000 |
|--------------------------------------|--------|-----------------------|-----------------------|
| <b>Current assets</b>                |        |                       |                       |
| Cash and cash equivalents            | 7      | 37,289                | 39,868                |
| Trade and other receivables          | 11     | 128,422               | 120,299               |
| Current tax receivable               |        | 3,035                 | -                     |
| Other current assets                 |        | 1,863                 | 3,510                 |
| <b>Total current assets</b>          |        | <b>170,609</b>        | <b>163,677</b>        |
| <b>Non-current assets</b>            |        |                       |                       |
| Trade and other receivables          | 11     | 47                    | 223                   |
| Investment in Joint Venture          |        | -                     | 26                    |
| Property, plant and equipment        | 12     | 26,894                | 29,755                |
| Intangible assets                    | 13     | 193,731               | 203,187               |
| <b>Total non-current assets</b>      |        | <b>220,672</b>        | <b>233,191</b>        |
| <b>Total assets</b>                  |        | <b>391,281</b>        | <b>396,868</b>        |
| <b>Current liabilities</b>           |        |                       |                       |
| Trade and other payables             | 14     | 54,788                | 66,586                |
| Contingent consideration             | 15     | 1,655                 | 13,242                |
| Financial liabilities                | 16     | 17,561                | 33,670                |
| Current tax liabilities              |        | -                     | 853                   |
| Employee benefits                    | 17     | 26,618                | 25,379                |
| <b>Total current liabilities</b>     |        | <b>100,622</b>        | <b>139,730</b>        |
| <b>Non-current liabilities</b>       |        |                       |                       |
| Contingent consideration             | 15     | 405                   | 7,144                 |
| Financial liabilities                | 16     | 123,813               | 79,389                |
| Deferred tax liabilities             | 6 (d)  | 5,222                 | 9,285                 |
| Employee benefits                    | 17     | 1,188                 | 1,325                 |
| <b>Total non-current liabilities</b> |        | <b>130,628</b>        | <b>97,143</b>         |
| <b>Total liabilities</b>             |        | <b>231,250</b>        | <b>236,873</b>        |
| <b>Net assets</b>                    |        | <b>160,031</b>        | <b>159,995</b>        |
| <b>Equity</b>                        |        |                       |                       |
| Share capital                        | 18     | 109,362               | 107,635               |
| Retained earnings                    |        | 32,512                | 38,084                |
| Reserves                             |        | 14,700                | 10,873                |
|                                      |        | 156,574               | 156,592               |
| Non-controlling interests            | 10 (b) | 3,457                 | 3,403                 |
| <b>Total equity</b>                  |        | <b>160,031</b>        | <b>159,995</b>        |

*The above Consolidated statement of financial position  
should be read in conjunction with the accompanying notes*

**Consolidated Statement of Cash Flows**  
**For the year ended 30 June 2024**

|                                                               | Note  | 30 June 2024<br>\$000 | 30 June 2023<br>\$000 |
|---------------------------------------------------------------|-------|-----------------------|-----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                   |       |                       |                       |
| Receipts from customers (GST Inclusive)                       |       | 1,277,154             | 1,301,559             |
| Payments to suppliers and employees (GST Inclusive)           |       | (1,266,691)           | (1,222,011)           |
| Interest received                                             |       | 139                   | 92                    |
| Finance costs paid                                            |       | (7,038)               | (5,502)               |
| Income taxes paid                                             |       | (7,147)               | (9,775)               |
| <b>Net cash (used in)/ provided by operating activities</b>   | 8 (a) | <b>(3,583)</b>        | <b>64,363</b>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                   |       |                       |                       |
| Proceeds from sale of property, plant and equipment           |       | 103                   | 55                    |
| Purchase of property, plant and equipment                     |       | (2,980)               | (4,302)               |
| Purchase of intangible assets                                 |       | (3,295)               | (4,794)               |
| Payment of contingent consideration for business acquisitions | 9     | (9,279)               | (12,315)              |
| Payments to related party loans                               |       | 336                   | (12)                  |
| Proceeds from disposal of subsidiaries (net of cash disposed) |       | -                     | 111                   |
| Dividends received from investments equity accounted          |       | 122                   | 157                   |
| <b>Net cash used in by investing activities</b>               |       | <b>(14,993)</b>       | <b>(21,100)</b>       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                   |       |                       |                       |
| Proceeds from borrowings                                      |       | 44,599                | -                     |
| Repayments of borrowings                                      |       | (13,401)              | (12,926)              |
| Repayments of lease liabilities                               | 8(c)  | (5,825)               | (4,897)               |
| Dividends paid                                                | 18    | (9,465)               | (12,675)              |
| <b>Net cash provided by / (used in) financing activities</b>  |       | <b>15,908</b>         | <b>(30,498)</b>       |
| <b>Net change in cash and cash equivalents held</b>           |       | <b>(2,668)</b>        | <b>12,765</b>         |
| Effects of foreign exchange on Cash                           |       | 89                    | 126                   |
| Cash and cash equivalents at beginning of financial period    |       | 39,868                | 26,977                |
| <b>Cash and cash equivalents at end of financial period</b>   | 7     | <b>37,289</b>         | <b>39,868</b>         |

*The above Consolidated Statement of Cash Flows  
should be read in conjunction with the accompanying notes*

**Consolidated Statement of Changes in Equity  
For the year ended 30 June 2024**

|                                                              | Share capital<br>\$000 | Retained<br>earnings<br>\$000 | Shared<br>option<br>reserve<br>\$000 | Foreign<br>currency<br>reserve<br>\$000 | Other<br>reserves<br>\$000 | Total<br>\$000 | Non-<br>controlling<br>interests<br>\$000 | Total Equity<br>\$000 |
|--------------------------------------------------------------|------------------------|-------------------------------|--------------------------------------|-----------------------------------------|----------------------------|----------------|-------------------------------------------|-----------------------|
| Balance at 1 July 2023                                       | 107,635                | 38,084                        | 10,764                               | 39                                      | 70                         | 156,592        | 3,403                                     | 159,995               |
| Profit for the period                                        | -                      | 4,673                         | -                                    | -                                       | -                          | 4,673          | 716                                       | 5,389                 |
| Other comprehensive loss for the period                      | -                      | -                             | -                                    | 95                                      | -                          | 95             | -                                         | 95                    |
| <b>Total comprehensive loss for the period</b>               | -                      | 4,673                         | -                                    | 95                                      | -                          | 4,768          | 716                                       | 5,484                 |
| <b>Transactions with owners, in their capacity as owners</b> |                        |                               |                                      |                                         |                            |                |                                           |                       |
| Transfer from reserves                                       | -                      | 70                            | -                                    | -                                       | (70)                       | -              | -                                         | -                     |
| Issue of share capital                                       | 214                    | -                             | -                                    | -                                       | -                          | 214            | -                                         | 214                   |
| Dividends reinvested                                         | 1,513                  | -                             | -                                    | -                                       | -                          | 1,513          | -                                         | 1,513                 |
| Dividends paid                                               | -                      | (10,315)                      | -                                    | -                                       | -                          | (10,315)       | (662)                                     | (10,977)              |
| Employee share-based payment options                         | -                      | -                             | 3,802                                | -                                       | -                          | 3,802          | -                                         | 3,802                 |
|                                                              | 1,727                  | (10,245)                      | 3,802                                | -                                       | (70)                       | (4,786)        | (662)                                     | (5,448)               |
| <b>Balance at 30 June 2024</b>                               | <b>109,362</b>         | <b>32,512</b>                 | <b>14,566</b>                        | <b>134</b>                              | <b>-</b>                   | <b>156,574</b> | <b>3,457</b>                              | <b>160,031</b>        |

*The above Consolidated Statement of Changes in Equity  
should be read in conjunction with the accompanying notes.*

**Consolidated Statement of Changes in Equity  
For the year ended 30 June 2024**

|                                                              | Share capital<br>\$000 | Retained<br>earnings<br>\$000 | Shared<br>option<br>reserve<br>\$000 | Foreign<br>currency<br>reserve<br>\$000 | Other<br>reserves<br>\$000 | Total<br>\$000 | Non-<br>controlling<br>interests<br>\$000 | Total Equity<br>\$000 |
|--------------------------------------------------------------|------------------------|-------------------------------|--------------------------------------|-----------------------------------------|----------------------------|----------------|-------------------------------------------|-----------------------|
| Balance at 1 July 2022                                       | 101,534                | 32,755                        | 5,480                                | (82)                                    | 70                         | 139,757        | 2,594                                     | 142,351               |
| Profit for the period                                        | -                      | 18,944                        | -                                    | -                                       | -                          | 18,944         | 1,513                                     | 20,457                |
| Other comprehensive loss for the period                      | -                      | -                             | -                                    | 121                                     | -                          | 121            | -                                         | 121                   |
| <b>Total comprehensive loss for the period</b>               | -                      | 18,944                        | -                                    | 121                                     | -                          | 19,065         | 1,513                                     | 20,578                |
| <b>Transactions with owners, in their capacity as owners</b> |                        |                               |                                      |                                         |                            |                |                                           |                       |
| Issue of share capital                                       | 4,456                  | -                             | -                                    | -                                       | -                          | 4,456          | -                                         | 4,456                 |
| Dividends reinvested                                         | 1,645                  | -                             | -                                    | -                                       | -                          | 1,645          | -                                         | 1,645                 |
| Dividends paid                                               | -                      | (13,615)                      | -                                    | -                                       | -                          | (13,615)       | (704)                                     | (14,319)              |
| Employee share-based payment options                         | -                      | -                             | 5,284                                | -                                       | -                          | 5,284          | -                                         | 5,284                 |
|                                                              | 6,101                  | (13,615)                      | 5,284                                | -                                       | -                          | (2,230)        | (704)                                     | (2,934)               |
| <b>Balance at 30 June 2023</b>                               | <b>107,635</b>         | <b>38,084</b>                 | <b>10,764</b>                        | <b>39</b>                               | <b>70</b>                  | <b>156,592</b> | <b>3,403</b>                              | <b>159,995</b>        |

*The above Consolidated Statement of Changes in Equity  
should be read in conjunction with the accompanying notes.*

## Notes to the Financial Statements for the year ended 30 June 2024

### About this report

The financial statements of PeopleIN Limited (formerly People Infrastructure Limited) for the year ended 30 June 2024 covers the Consolidated Entity consisting of PeopleIN Limited (PeopleIN) and its controlled entities (together referred to as the "Group") as required by the Corporations Act 2001.

The financial statements are presented in the Australian currency which is the functional and presentation currency of PeopleIN.

PeopleIN Limited is a Public Company, incorporated and domiciled in Australia.

The principal activities of the Group during the financial period were the provision of workforce management, contracted staffing, recruitment and outsourced human resources services. Services provided by the Group include recruiting, on-boarding, contracting, rostering, timesheet management, payroll, and workplace health and safety management.

There have been no significant changes in the nature of these activities during the period.

The consolidated general-purpose financial report of the Group for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the directors on 26 August 2024. The Directors have the power to amend and reissue the financial report. The financial report is a general-purpose financial report which:

- has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB and IFRS that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2023. Refer to note 30 for further details; and
- does not early adopt any Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective, except for those described in Note 30 and 31. Refer to Note 30 for details on standards not early adopted.

The financial statements have been prepared on a historical cost basis, except for contingent consideration which has been measured at fair value. PeopleIN is a for-profit entity for the purposes of Australian Accounting Standards.

### Key judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial report are found in the following notes:

|                                                       |         |
|-------------------------------------------------------|---------|
| Note 6: Income taxes                                  | Page 44 |
| Note 9: Acquisition of businesses / intangible assets | Page 50 |
| Note 10: Interests in other entities                  | Page 51 |
| Note 11: Trade receivables                            | Page 53 |
| Note 12: Property, plant and equipment                | Page 54 |
| Note 13: Intangible assets                            | Page 58 |
| Note 17: Employee benefits                            | Page 65 |
| Note 19: Share based payments                         | Page 67 |
| Note 24: Leases                                       | Page 81 |

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### *Basis of consolidation*

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed, or has the rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

### *Material accounting policies*

Material accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

### *The notes to the financial statements*

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered relevant and material if for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business for example, acquisitions and impairment write-downs; or
- it is related to an aspect of the Group's operations that is important to its future performance.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 1: Segment Information

AASB 8 Operating Segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segment and to assess their performance. As a result, the Group segments the business into three verticals, Industrial and Specialist Services, Professional Services and Health and Community. There is no material difference between the segmentation of the Group's turnover by division. The Group's operations comprise one class of business, that of qualified, professional and skilled recruitment. The Group's CEO, who is regarded as the chief operating decision maker, uses Earnings before Tax, Interest, Depreciation and Amortisation (EBITDA) by segment as its measure of profit in internal reports, rather than net profit after tax (NPAT). The Group's CEO considers EBITDA for the purpose of making decisions about allocating resources. The Group does not report items below EBITDA by segment in its internal management reporting. The full detail of these items can be seen in the Group Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 33.

|                                    | Revenue          |                  | EBITDA        |               |
|------------------------------------|------------------|------------------|---------------|---------------|
|                                    | 30 June 2024     | 30 June 2023     | 30 June 2024  | 30 June 2023  |
|                                    | \$000            | \$000            | \$000         | \$000         |
| Industrial and Specialist Services | 905,284          | 872,532          | 25,412        | 41,108        |
| Health and Community               | 136,531          | 147,413          | 6,365         | 9,294         |
| Professional Services              | 132,947          | 166,397          | 7,088         | 15,001        |
| Unallocated                        | 18               | 19               | (5,941)       | (12,023)      |
| <b>Total</b>                       | <b>1,174,780</b> | <b>1,186,361</b> | <b>32,924</b> | <b>53,380</b> |

There is an increase in revenue and a reduction in EBITDA in Industrial and Specialist Services. This is as a result of increased volume in lower margin roles, especially growth in Food Industry People Group which attracts lower margins, and one off write-off of historic costs that have been recouped from previous owners (reflected in fair value gain on contingent consideration that is included under unallocated). Health and Community have seen a decline in revenue and EBITDA due to a decline in hours year on year and lower margin work. Professional services has also seen a decline in revenue and EBITDA, primarily due to a decrease in demand for permanent recruitment in the technology business. Unallocated relates to holding and head companies and the administration company which encompasses the fair value adjustments to contingent consideration and costs of the corporate services function.

Reconciliation of EBITDA to Statutory Profit after tax

|                                   | 30 June 2024 | 30 June 2023  |
|-----------------------------------|--------------|---------------|
|                                   | \$000        | \$000         |
| EBITDA                            | 32,924       | 53,381        |
| Income tax expense                | 804          | (9,704)       |
| Depreciation and amortisation     | (20,375)     | (16,976)      |
| Finance costs                     | (7,964)      | (6,244)       |
| <b>Statutory profit after tax</b> | <b>5,389</b> | <b>20,457</b> |

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 1: Segment Information (cont.)

#### Net trade receivables

For the purpose of monitoring performance and allocating resources from a balance sheet perspective, the Group CEO only monitors trade receivables (net of provisions for impairments) on a segment by segment basis. These are monitored on a constant currency basis for comparability throughout the year. These are shown below and reconciled to the totals as shown in note 11.

|                                    | Net trade receivables |               |
|------------------------------------|-----------------------|---------------|
|                                    | 30 June 2024          | 30 June 2023  |
|                                    | \$000                 | \$000         |
| Industrial and Specialist Services | 81,773                | 65,089        |
| Health and Community               | 8,031                 | 10,008        |
| Professional Services              | 10,298                | 14,326        |
| Unallocated                        | -                     | 18            |
| <b>Total</b>                       | <b>100,102</b>        | <b>89,441</b> |

### Note 2: Revenue and other revenue

|                                                    | 30 June 2024     | 30 June 2023     |
|----------------------------------------------------|------------------|------------------|
|                                                    | \$000            | \$000            |
| <b>Revenue from contracts with customers</b>       |                  |                  |
| <i>Recognised/measured at a point in time</i>      |                  |                  |
| Contract hire revenue                              | 1,113,085        | 1,106,410        |
| Planting revenue                                   | 4,332            | 5,033            |
| Managed services revenue                           | 20,912           | 18,128           |
| Recruitment revenue                                | 23,737           | 38,007           |
| Consultancy and other sales revenue                | 2,758            | 4,074            |
|                                                    | 1,164,824        | 1,171,652        |
| <i>Recognised over time</i>                        |                  |                  |
| Project managed services revenue                   | 8,836            | 11,097           |
| <b>Total revenue from contracts with customers</b> | <b>1,173,660</b> | <b>1,182,749</b> |
| <b>Other revenue</b>                               |                  |                  |
| Government subsidies                               | 1,120            | 3,612            |
| <b>Total other revenue</b>                         | <b>1,120</b>     | <b>3,612</b>     |
| <b>Total revenue and other revenue</b>             | <b>1,174,780</b> | <b>1,186,361</b> |

The above table depicts the disaggregation of revenue from customers as it reflects the different product lines from which revenue is generated based on the natures of the service being provided. Additionally, it segregates those services performed at a point in time and those performed over time and also described below.

#### Recognition and measurement

The Group is in the business of providing contracted staffing and outsourced human resources services. Services provided by the Group include; recruiting, on-boarding, rostering, timesheet management, payroll, and workplace health and safety management. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 2: Revenue and other revenue (cont.)

#### *Recognition and measurement*

##### *Contract Hire*

The Group has determined that revenue from the provision of contract hire is to be recognised when the temporary workers are provided to the client and the Group has the right to invoice the client for the workers time. AASB 15 contains a practical expedient that allows revenue to be recognised when the entity has the right to invoice if the amount invoiced corresponds directly with the performance completed to date. This is the case with contract hire revenue.

##### *Other services revenue, including:*

##### *Planting*

Similar to contract hire revenue, invoicing of planting revenue reflects the performance completed to date. Once plants have been planted an invoice is issued reflecting that performance obligation. Therefore, the practical expedient has again been applied and revenue is recognised when the Group has the right to invoice.

##### *Managed services*

As with contract hire, the performance obligations under maintenance contracts are satisfied concurrently with the issuing of the invoice and therefore revenue is recognised at that point in time.

##### *Recruitment revenue*

Performance obligations associated with recruitment revenue are satisfied when an individual is permanently placed with a client.

##### *Project managed services*

The contracts associated with managed services fall into two types of performance obligations, being projects and managed services. With project managed services performance obligations, a continual assessment of the performance obligation is made, and revenue is only recognised at the point when the performance obligation is satisfied. Therefore, there may be a contract asset recognised on the statement of financial position relating to these contracts.

##### *Variable consideration and warranties*

Contracts do not provide for discounts or rebates which give rise to variable consideration. Neither do they contain provision for warranties.

##### *Government subsidies*

Government subsidies are recognised at their fair value where there is reasonable assurance that the subsidy will be received, and the Group will comply with all of the attached conditions. The Group have adopted the gross method of accounting for government subsidies. Therefore, the government subsidies reflected in other revenue is the gross receipts. The expenditure in relation to satisfying the requirements of obtaining these subsidies are included in expenses. Cashflows are reflected in receipts from customers for the monies received from the various government departments and payments to suppliers and employees for the payments to employees.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 3: Other Income

|                                                             | 30 June 2024<br>\$000 | 30 June 2023<br>\$000 |
|-------------------------------------------------------------|-----------------------|-----------------------|
| Rental income                                               | -                     | 7                     |
| Interest revenue – third parties                            | 140                   | 92                    |
| Gain on fair value of contingent consideration <sup>1</sup> | 6,332                 | -                     |
|                                                             | <b>6,472</b>          | <b>99</b>             |

<sup>1</sup>The contingent consideration will be cash settled except for Vision Surveys QLD of which 25% will be settled through the issue of shares. The fair value adjustments of the contingent consideration resulted in an overall gain on fair value. This primarily related to the Food Industry People Group acquisition, as the expected contingent consideration amount was reduced to nil given the minimum threshold for the second year earn out was not achieved.

Note 4: Expenses

|                                                       | 30 June 2024<br>\$000 | 30 June 2023<br>\$000 |
|-------------------------------------------------------|-----------------------|-----------------------|
| <b>Employee benefits expense include:</b>             |                       |                       |
| Defined contribution superannuation expense           | 86,042                | 80,563                |
| Share-based payments expense                          | 3,802                 | 5,284                 |
| <b>Depreciation and amortisation expense</b>          |                       |                       |
| Depreciation expense - plant and equipment            | 7,624                 | 7,764                 |
| Amortisation expense - intangibles                    | 12,751                | 9,212                 |
|                                                       | <b>20,375</b>         | <b>16,976</b>         |
| <b>Other expenses include:</b>                        |                       |                       |
| Loss on fair value of contingent consideration        | -                     | 1,803                 |
| Write-off of receivables <sup>1</sup>                 | 2,500                 | -                     |
| Impairment (write back) / expense - receivables       | 431                   | 940                   |
| Net loss on disposal of property, plant and equipment | 137                   | 78                    |
| <b>Occupancy expenses include:</b>                    |                       |                       |
| Expenses relating to leases of low-value assets       | 102                   | 118                   |
| Expenses relating to short-term property leases       | 1,678                 | 2,490                 |
| <b>Finance costs include:</b>                         |                       |                       |
| Interest on lease liabilities                         | 926                   | 741                   |
| Interest on borrowing facilities                      | 6,573                 | 5,069                 |

<sup>1</sup> this was as a result of a reconciliation of historic PALM candidate receivables.

Recognition and measurement

Post-employment benefits plans

The Group provides post-employment benefits through defined contribution plans.

Defined contribution plans

The Group pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 5: Earnings per share

|                                                                                                | 30 June 2024<br>\$000 | 30 June 2023<br>\$000 |
|------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Profit attributable to the shareholders of PeopleIn Limited:</b>                            |                       |                       |
| Profit                                                                                         | 4,673                 | 18,944                |
| Weighted average number of ordinary shares used in the calculation of basic profit per share   | 103,449,745           | 100,749,861           |
| <i>Adjustments for calculation of diluted earnings per share:</i>                              |                       |                       |
| Options and performance rights                                                                 | 2,109,661             | 2,834,074             |
| Weighted average number of ordinary shares used in the calculation of diluted profit per share | 105,559,406           | 103,583,935           |

Information concerning the classification of securities

Options and performance rights

Options and performance rights granted to employees under the PeopleIn Limited Employee Option Plan are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the required TSR and EPS growth hurdles would have been met based on the Company's performance up to the reporting date, and to the extent to which they are dilutive. The options and performance rights have not been included in the determination of basic earnings per share. Details relating to the options and performance rights are set out in note 19.

Note 6: Income taxes

|                                                                                                                    | 30 June 2024<br>\$000 | 30 June 2023<br>\$000 |
|--------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>(a) The components of income tax expense comprise:</b>                                                          |                       |                       |
| Current tax                                                                                                        | 3,471                 | 11,449                |
| Deferred tax                                                                                                       | (4,064)               | (938)                 |
| Over/(under) provision in respect of prior years                                                                   | (211)                 | (807)                 |
|                                                                                                                    | <b>(804)</b>          | <b>9,704</b>          |
| <b>(b) Reconciliation prima facie income tax on the profit is reconciled to the income tax expense as follows:</b> |                       |                       |
| Prima facie tax expense on loss before income tax at 30%                                                           | 1,376                 | 9,048                 |
| Tax effect of:                                                                                                     |                       |                       |
| - non-deductible entertainment                                                                                     | 226                   | 190                   |
| - other non-deductible expenses                                                                                    | 61                    | 171                   |
| - share based payments                                                                                             | 780                   | 542                   |
| - dividend imputation                                                                                              | (758)                 | 346                   |
| - debts forgiven                                                                                                   | -                     | -                     |
| - other non-assessable items                                                                                       | (998)                 | -                     |
| - difference in tax rate in other countries                                                                        | 46                    | (327)                 |
| - (recognition)/derecognition of temporary differences                                                             | 511                   | -                     |
| - tax losses not recognised                                                                                        | 63                    | -                     |
| - fair value of contingent consideration                                                                           | (1,900)               | 541                   |
| - over/(under) provision in respect of prior years                                                                 | (211)                 | (807)                 |
| <b>Income tax (benefit) / expense attributable to the Group</b>                                                    | <b>(804)</b>          | <b>9,704</b>          |

The applicable weighted average effective tax rates are: **(17.53%)** **32.17%**

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 6: Income taxes (cont.)

(c) Franking Account

|                                                                                                                                                                                                                                             | 30 June 2024<br>\$000 | 30 June 2023<br>\$000 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| The balance of the franking account at year end adjusted for franking credits or debits arising from payment of the provision for income tax or receipt of dividends receivable at the end of the reporting date based on a tax rate of 30% | 36,573                | 30,280                |

(d) Deferred taxes

| 2024                                 | Opening Balance<br>\$000 | Recognised in<br>Profit or loss<br>\$000 | Recognised on<br>Acquisition<br>\$000 | Recognised<br>in Equity<br>\$000 | Closing<br>Balance<br>\$000 | Deferred<br>Tax Asset<br>\$000 | Deferred Tax<br>liability<br>\$000 |
|--------------------------------------|--------------------------|------------------------------------------|---------------------------------------|----------------------------------|-----------------------------|--------------------------------|------------------------------------|
| Provision for doubtful debts         | 531                      | (72)                                     | -                                     | -                                | 459                         | 459                            | -                                  |
| Provision for long service leave     | 962                      | (21)                                     | -                                     | -                                | 941                         | 941                            | -                                  |
| Provision for annual leave           | 7,050                    | 395                                      | -                                     | -                                | 7,445                       | 7,445                          | -                                  |
| Accrued expenses                     | 3,105                    | (526)                                    | -                                     | -                                | 2,579                       | 2,579                          | -                                  |
| Blackhole expenses                   | 156                      | (15)                                     | -                                     | -                                | 141                         | 141                            | -                                  |
| Borrowing costs                      | 22                       | (15)                                     | -                                     | -                                | 7                           | 7                              | -                                  |
| Lease liability                      | 8,285                    | (864)                                    | -                                     | -                                | 7,421                       | 7,421                          | -                                  |
| Tax losses not previously recognised | 589                      | (564)                                    | -                                     | -                                | 25                          | 25                             | -                                  |
| Accrued income                       | (6,573)                  | 664                                      | -                                     | -                                | (5,909)                     | -                              | (5,909)                            |
| Prepayments                          | (1,158)                  | (188)                                    | -                                     | -                                | (1,346)                     | -                              | (1,346)                            |
| Equipment leases                     | (89)                     | (295)                                    | -                                     | -                                | (384)                       | -                              | (384)                              |
| Right of use assets                  | (7,320)                  | 1,339                                    | -                                     | -                                | (5,981)                     | -                              | (5,981)                            |
| Share based payments                 | -                        | (610)                                    | -                                     | (1)                              | (611)                       | -                              | (611)                              |
| Plant and Equipment                  | (1,487)                  | 2,287                                    | -                                     | -                                | 800                         | -                              | 800                                |
| Customer relationships               | (6,978)                  | 2,294                                    | -                                     | -                                | (4,684)                     | -                              | (4,684)                            |
| Brand names                          | (6,558)                  | 2                                        | -                                     | -                                | (6,556)                     | -                              | (6,556)                            |
| Candidate database                   | 209                      | 211                                      | -                                     | -                                | 420                         | -                              | 420                                |
| Workers compensation receivable      | (23)                     | 67                                       | -                                     | -                                | 44                          | -                              | 44                                 |
| Equity accounted investments         | (8)                      | (25)                                     | -                                     | -                                | (33)                        | -                              | (33)                               |
| <b>TOTAL</b>                         | <b>(9,285)</b>           | <b>4,064</b>                             | <b>-</b>                              | <b>(1)</b>                       | <b>(5,222)</b>              | <b>19,018</b>                  | <b>(24,240)</b>                    |

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 6: Income taxes (cont.)

(d) Deferred taxes (cont.)

|                                  | Opening<br>Balance<br>\$000 | Recognised in<br>Profit or loss<br>\$000 | Recognised on<br>Acquisition<br>\$000 | Recognised<br>in Equity<br>\$000 | Closing<br>Balance<br>\$000 | Deferred<br>Tax Asset<br>\$000 | Deferred<br>Tax liability<br>\$000 |
|----------------------------------|-----------------------------|------------------------------------------|---------------------------------------|----------------------------------|-----------------------------|--------------------------------|------------------------------------|
| <b>2023</b>                      |                             |                                          |                                       |                                  |                             |                                |                                    |
| Provision for doubtful debts     | 297                         | 234                                      | -                                     | -                                | 531                         | 531                            | -                                  |
| Provision for long service leave | 699                         | 263                                      | -                                     | -                                | 962                         | 962                            | -                                  |
| Provision for annual leave       | 4,578                       | 2,472                                    | -                                     | -                                | 7,050                       | 7,050                          | -                                  |
| Accrued expenses                 | 2,989                       | 116                                      | -                                     | -                                | 3,105                       | 3,105                          | -                                  |
| Amortisation of intangibles      | 45                          | 111                                      | -                                     | -                                | 156                         | 156                            | -                                  |
| Blackhole expenses               | 24                          | (2)                                      | -                                     | -                                | 22                          | 22                             | -                                  |
| Borrowing costs                  | 155                         | (155)                                    | -                                     | -                                | -                           | -                              | -                                  |
| Share issue costs                | 3,952                       | 4,333                                    | -                                     | -                                | 8,285                       | 8,285                          | -                                  |
| Lease liability                  | -                           | 589                                      | -                                     | -                                | 589                         | 589                            | -                                  |
| Accrued income                   | (2,668)                     | (3,905)                                  | -                                     | -                                | (6,573)                     | -                              | (6,573)                            |
| Prepayments                      | -                           | (1,158)                                  | -                                     | -                                | (1,158)                     | -                              | (1,158)                            |
| Equipment leases                 | (179)                       | 90                                       | -                                     | -                                | (89)                        | -                              | (89)                               |
| Right of use assets              | (3,431)                     | (3,889)                                  | -                                     | -                                | (7,320)                     | -                              | (7,320)                            |
| Plant and Equipment              | (693)                       | (794)                                    | -                                     | -                                | (1,487)                     | -                              | (1,487)                            |
| Customer relationships           | (9,383)                     | 2,405                                    | -                                     | -                                | (6,978)                     | -                              | (6,978)                            |
| Brand names                      | (6,560)                     | 2                                        | -                                     | -                                | (6,558)                     | -                              | (6,558)                            |
| Candidate database               | (26)                        | 235                                      | -                                     | -                                | 209                         | -                              | 209                                |
| Workers compensation receivable  | (7)                         | (16)                                     | -                                     | -                                | (23)                        | -                              | (23)                               |
| Equity accounted investments     | (15)                        | 7                                        | -                                     | -                                | (8)                         | -                              | (8)                                |
| <b>TOTAL</b>                     | <b>(10,223)</b>             | <b>938</b>                               | <b>-</b>                              | <b>-</b>                         | <b>(9,285)</b>              | <b>20,700</b>                  | <b>(29,985)</b>                    |

Key judgements

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised.

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 6: Income taxes (cont.)

#### *Recognition and measurement*

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled

PeopleIn Limited and its wholly owned subsidiaries have implemented the tax consolidation legislation for the whole of the financial period. PeopleIn Limited is the head entity in the tax consolidated Group. These entities are taxed as a single entity. The stand-alone taxpayer/separate taxpayer within a Group approach has been used to allocate current income tax expense and deferred tax expense to wholly owned subsidiaries that form part of the tax consolidated Group. PeopleIn Limited has assumed all the current tax liabilities and the deferred tax assets arising from unused tax losses for the tax consolidated Group via intercompany receivables and payables because a tax funding arrangement has been in place for the whole financial period. The amounts receivable/payable under tax funding arrangements is due upon notification by the head entity, which is issued soon after the end of each financial year. Interim funding notices may also be issued by the head entity to its wholly owned subsidiaries in order for the head entity to be able to pay tax instalments. These amounts are recognised as current intercompany receivables or payables.

The Group notified the Australian Taxation Office that it had formed an income tax consolidated Group to apply from 6 October 2016.

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 7: Cash and cash equivalents.**

|              | 2024<br>\$000 | 2023<br>\$000 |
|--------------|---------------|---------------|
| Cash on hand | 1             | 1             |
| Cash at bank | 37,288        | 39,867        |
|              | <u>37,289</u> | <u>39,868</u> |

Cash at bank bear floating interest rates between 0.01% and 3.50% (2023: 0.01% and 4.05%).

**Reconciliation of Cash**

The above figures are reconciled to the cash at the end of the financial period as shown in the consolidated statement of cashflows as follows:

|                          |               |               |
|--------------------------|---------------|---------------|
| Cash at bank and in hand | <u>37,289</u> | <u>39,868</u> |
|--------------------------|---------------|---------------|

**Recognition and measurement**

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**Note 8: Cash flow information**

|                                                                                            | 2024<br>\$000  | 2023<br>\$000 |
|--------------------------------------------------------------------------------------------|----------------|---------------|
| <b>(a) Reconciliation of cash flow from operations with profit/(loss) after income tax</b> |                |               |
| Profit after income tax                                                                    | 5,389          | 20,457        |
| Non-cash flows in profit:                                                                  |                |               |
| Depreciation and amortisation                                                              | 20,375         | 16,976        |
| Bad and doubtful debts                                                                     | 431            | 940           |
| Net loss on disposal of property, plant and equipment                                      | 137            | 78            |
| Impairment expenses - pre acquisition receivables                                          | (2,500)        | -             |
| Lease modifications                                                                        | -              | 328           |
| Fair value adjustment on contingent consideration                                          | (6,332)        | 1,803         |
| Share of loss of equity-accounted investees, net of tax                                    | (81)           | (132)         |
| Share based payments expense                                                               | 3,802          | 5,284         |
| Changes in assets and liabilities:                                                         |                |               |
| Change in trade and other receivables                                                      | (8,729)        | (4,792)       |
| Change in other assets                                                                     | 1,646          | 500           |
| Change in trade and other payables                                                         | (10,872)       | 13,876        |
| Change in income taxes payable                                                             | (3,888)        | 867           |
| Change in deferred taxes payable                                                           | (4,063)        | (938)         |
| Change in employee benefits                                                                | 1,102          | 9,116         |
| <b>Net cash provided by operating activities</b>                                           | <u>(3,583)</u> | <u>64,363</u> |

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 8: Cash flow information (cont.)

#### (b) Non-cash financing and investing activities

Non-cash acquisitions of plant and equipment through leases – see note 12.

Shares issued to settle contingent considerations – see note 18.

Dividends satisfied by the issue of shares under the dividend reinvestment plan – see note 18.

Options and shares issued to employees under the employee options plan and employee share scheme for no cash consideration – see note 18.

#### (c) Cash and Non-Cash Movements in Liabilities arising from Financing Activities

The following table reconciles the cash and non-cash movements in liabilities arising from financing activities.

|                          | 2023           | Net cash flows | Non-cash changes |                | 2024           |
|--------------------------|----------------|----------------|------------------|----------------|----------------|
|                          | \$000          | \$000          | New leases       | On Acquisition | \$000          |
| Borrowings               |                |                | \$000            | \$000          |                |
| Credit cards             | 43             | (25)           | -                | -              | 18             |
| Working capital facility | 19,622         | 46,564         | -                | -              | 66,186         |
| Commercial bills         | 65,778         | (15,778)       | -                | -              | 50,000         |
| Asset finance            | -              | 437            | -                | -              | 437            |
| Lease liabilities        | 27,616         | (5,825)        | 2,942            | -              | 24,733         |
|                          | <b>113,059</b> | <b>25,373</b>  | <b>2,942</b>     | <b>-</b>       | <b>141,374</b> |

|                          | 2022           | Net cash flows  | Non-cash changes |                | 2023           |
|--------------------------|----------------|-----------------|------------------|----------------|----------------|
|                          | \$000          | \$000           | New leases       | On Acquisition | \$000          |
| Borrowings               |                |                 | \$000            | \$000          |                |
| Credit cards             | 141            | (98)            | -                | -              | 43             |
| Working capital facility | 25,504         | (5,882)         | -                | -              | 19,622         |
| Commercial bills         | 72,722         | (6,944)         | -                | -              | 65,778         |
| Lease liabilities        | 13,173         | (4,897)         | 19,340           | -              | 27,616         |
|                          | <b>111,540</b> | <b>(17,821)</b> | <b>19,340</b>    | <b>-</b>       | <b>113,059</b> |

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 9: Prior Year Acquisition of businesses**

*Summary of cashflows of acquisitions*

|                                                                 | <b>2024</b>    | <b>2023</b>     |
|-----------------------------------------------------------------|----------------|-----------------|
|                                                                 | <b>\$000</b>   | <b>\$000</b>    |
| <b>Cash paid for subsidiaries acquired in prior years</b>       |                |                 |
| Vision Surveys QLD Pty Ltd                                      | (697)          | (1,425)         |
| GMT Group Pty Ltd                                               | -              | (426)           |
| Perigon Group Pty Ltd                                           | (5,465)        | (6,849)         |
| Food Industries Group                                           | (3,117)        | (3,615)         |
| <b>Total cash paid for subsidiaries acquired in prior years</b> | <b>(9,279)</b> | <b>(12,315)</b> |

The cashflows for the current year relate to the payment of contingent consideration and holdback amounts made under the original contracts.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 10: Interests in other entities

(a) Material Subsidiaries

The group's principal subsidiaries at 30 June 2024 are set out below. The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. The country of incorporation or registration is also their principal place of business. Unless otherwise stated, the principal subsidiaries have 100% ownership of all of their subsidiaries.

| Name of Subsidiary                         | Country of Incorporation | Ownership interest held by the Group |        | Ownership interest held non-controlling interests |        |
|--------------------------------------------|--------------------------|--------------------------------------|--------|---------------------------------------------------|--------|
|                                            |                          | 2024                                 | 2023   | 2024                                              | 2023   |
| AWX Pty Ltd                                | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Mobilise Group Pty Ltd                     | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Tribe Workforce Solutions Pty Ltd          | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Timberwolf Planting Pty Ltd                | Australia                | 100%                                 | 100%   | -                                                 | -      |
| The Recruitment Company Ltd                | New Zealand              | 100%                                 | 100%   | -                                                 | -      |
| Expect A Star Services Pty Ltd             | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Techforce Personnel Pty Ltd                | Australia                | 79.25%                               | 79.25% | 20.75%                                            | 20.75% |
| Edmen Community Staffing Solutions Pty Ltd | Australia                | 100%                                 | 100%   | -                                                 | -      |
| NNA Homecare Services Pty Ltd              | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Network Nursing Agency Pty Ltd             | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Victorian Nurse Specialists Pty Ltd        | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Carestaff Nursing Services Pty Ltd         | Australia                | 100%                                 | 100%   | -                                                 | -      |
| First Choice Care Pty Ltd                  | Australia                | 100%                                 | 100%   | -                                                 | -      |
| PeopleIn Nursing Pty Ltd                   | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Project Partners Corporation Pty Ltd       | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Halcyon Knights Pty Ltd                    | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Halcyon Knights QLD Pty Ltd                | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Halycon Knights Commercial                 | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Halcyon Knights Pte Ltd                    | Singapore                | 100%                                 | 100%   | -                                                 | -      |
| Illuminate Search and Consulting Pty Ltd   | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Vision Surveys (Qld)                       | Australia                | 100%                                 | 100%   | -                                                 | -      |
| GMT Canberra Pty Ltd                       | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Perigon Group Pty Ltd                      | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Revmax Pty Ltd                             | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Agribusiness Pty Ltd                       | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Meat Workforce Pty Ltd                     | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Meat Processors Pty Ltd                    | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Regional Workforce Management Pty Ltd      | Australia                | 100%                                 | 100%   | -                                                 | -      |
| Food Industry People Pty Ltd               | Australia                | 100%                                 | 100%   | -                                                 | -      |
| FIP Group Holdings Pty Ltd                 | Australia                | 100%                                 | 100%   | -                                                 | -      |

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 10: Interests in other entities (cont.)

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

|                                                           | Techforce Group |              |
|-----------------------------------------------------------|-----------------|--------------|
|                                                           | 2024            | 2023         |
|                                                           | \$000           | \$000        |
| <b>Summarised Statement of financial position</b>         |                 |              |
| <b>ASSETS</b>                                             |                 |              |
| Current assets                                            | 29,616          | 22,579       |
| Non-current assets                                        | 2,918           | 1,464        |
| Total assets                                              | 32,534          | 24,043       |
| <b>LIABILITIES</b>                                        |                 |              |
| Current liabilities                                       | 6,943           | 12,816       |
| Non-current liabilities                                   | 17,016          | 2,913        |
| Total liabilities                                         | 23,959          | 15,729       |
| <b>Net assets</b>                                         | <b>8,575</b>    | <b>8,314</b> |
| Accumulated NCI                                           | 3,457           | 3,403        |
| <b>Summarised Statement of Comprehensive Income</b>       |                 |              |
| Revenue                                                   | 134,496         | 140,836      |
| <b>Profit for the period</b>                              | <b>3,449</b>    | <b>7,290</b> |
| Other comprehensive income                                | -               | -            |
| <b>Total comprehensive income</b>                         | <b>3,449</b>    | <b>7,290</b> |
| Profit allocated to NCI                                   | 716             | 1,513        |
| Dividends paid to NCI                                     | 661             | 704          |
| <b>Summarised Cash Flows</b>                              |                 |              |
| Cash flows from operating activities                      | (9)             | 8,777        |
| Cash flows from investing activities                      | (123)           | (587)        |
| Cash flows from financing activities                      | 275             | (4,155)      |
| <b>Net increase/decrease in cash and cash equivalents</b> | <b>143</b>      | <b>4,035</b> |

On 3 June 2021, the group acquired 79.25% of the issued shares of Techforce Personnel Pty Ltd. The non-controlling interest holder is an employee of Techforce Personnel Pty Ltd and receives remuneration as compensation for services provided. No other transactions have occurred with non-controlling interests other than those disclosed above.

Key judgements

Through the shareholder agreement, a subsidiary of PeopleIn Limited has one seat on the board and the non-controlling interest has one seat. All significant decisions are to be of unanimous agreement. The Techforce board has approved a delegation of authority and the PeopleIn Limited board has provided details of the reporting and what significant financial and operating decisions must be escalated. The group has therefore determined that it has control over this entity.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 11: Trade and other receivables

|                                         | 2024<br>\$000  | 2023<br>\$000  |
|-----------------------------------------|----------------|----------------|
| <b>Current</b>                          |                |                |
| Trade receivables                       | 101,632        | 91,211         |
| Allowance for impairment of receivables | (1,530)        | (1,771)        |
|                                         | <u>100,102</u> | <u>89,440</u>  |
| Contract assets                         | 19,697         | 21,910         |
| PALM candidate receivables              | 7,977          | 8,437          |
| Other debtors                           | 646            | 512            |
|                                         | <u>128,422</u> | <u>120,299</u> |
| <b>Non-Current</b>                      |                |                |
| Other receivables                       | 47             | 223            |
|                                         | <u>47</u>      | <u>223</u>     |

Contract assets has decreased from 2023 as 2023 closed on a Friday (the largest collection day for the Group) and 2024 closed on a Sunday.

PALM candidate receivables are costs incurred by FIP Group primarily in relation to bringing candidates to Australia. These are recovered from FIP Group candidates over the period of their employment. The decrease from 2023 is due to the impact of write-offs as disclosed in note 4 offset by growth in the business during the year.

Refer to Note 21 for disclosures surrounding credit risk.

*Recognition and measurement*

The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

Debt instruments at amortised cost are financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's Trade and other receivables.

*Contract assets*

Refer to Note 2 for details on the recognition of revenue relating to project managed services. At the end of the reporting period a contract asset exists which relates to the services rendered which exceeds payments received.

*Impairment*

AASB 9 requires the Group to record an allowance for expected credit losses (ECL's) for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For Contract assets and Trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Refer to Note 21(b) for details on the expected loss rate percentage and ageing of receivables.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 11: Trade and other receivables (cont.)

*Key judgements and estimates*

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

*Movement in provision for impairment*

|                        | 2024<br>\$000  | 2023<br>\$000  |
|------------------------|----------------|----------------|
| Opening balance        | (1,771)        | (992)          |
| Balance at acquisition | -              | -              |
| Increase in provision  | (431)          | (940)          |
| Amounts written off    | 672            | 161            |
| Closing balance        | <b>(1,530)</b> | <b>(1,771)</b> |

There was a decrease in the impairment of receivables being the result of \$672,000 (2023: \$161,000) worth of write offs primarily for debtors that had gone into administration. This was partially offset by an expense of \$431,000 (2023: \$940,000) due to increase in the provision for expected credit loss. Refer to note 21(b) for further details.

Note 12: Property, plant and equipment

|                                            | 2024<br>\$000 | 2023<br>\$000 |
|--------------------------------------------|---------------|---------------|
| <b>Property improvements</b>               |               |               |
| At cost                                    | 2,378         | 2,817         |
| Accumulated depreciation                   | (972)         | (1,073)       |
|                                            | <b>1,406</b>  | <b>1,744</b>  |
| <b>Vehicles</b>                            |               |               |
| At cost                                    | 3,071         | 2,372         |
| Accumulated depreciation                   | (1,705)       | (1,139)       |
|                                            | <b>1,366</b>  | <b>1,233</b>  |
| <b>Plant and equipment</b>                 |               |               |
| At cost                                    | 3,899         | 2,516         |
| Accumulated depreciation                   | (2,006)       | (1,290)       |
|                                            | <b>1,893</b>  | <b>1,226</b>  |
| <b>Office furniture and equipment</b>      |               |               |
| At cost                                    | 4,470         | 4,526         |
| Accumulated depreciation                   | (3,033)       | (3,021)       |
|                                            | <b>1,437</b>  | <b>1,505</b>  |
| <b>Right-of-use asset - equipment</b>      |               |               |
| At cost                                    | 1,180         | 1,391         |
| Accumulated depreciation                   | (323)         | (1,093)       |
|                                            | <b>857</b>    | <b>298</b>    |
| <b>Right-of-use asset – property</b>       |               |               |
| At cost                                    | 31,378        | 32,474        |
| Accumulated depreciation                   | (11,443)      | (8,725)       |
|                                            | <b>19,935</b> | <b>23,749</b> |
| <b>Total property, plant and equipment</b> | <b>26,894</b> | <b>29,755</b> |

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 12: Property, plant and equipment (cont.)**

*Right-of-use assets*

The Group has determined that it has two classes of right-to-use assets those relating to equipment and those relating to property. Refer to Note 24 for further details on leases.

*Recognition and measurement*

Property, plant and equipment are measured on the cost basis less depreciation and impairment losses. The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate portion of fixed and variable costs.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 12: Property, plant and equipment (cont.)

Movements in carrying amount

| 2024                           | Property improvement | Vehicles     | Plant and equipment | Office equipment | Right of use asset - equipment | Right of use asset - property | Total         |
|--------------------------------|----------------------|--------------|---------------------|------------------|--------------------------------|-------------------------------|---------------|
|                                | \$000                | \$000        | \$000               | \$000            | \$000                          | \$000                         | \$000         |
| Balance at 1 July 2023         | 1,744                | 1,233        | 1,226               | 1,505            | 298                            | 23,749                        | 29,755        |
| Lease modifications            | -                    | -            | -                   | -                | 132                            | (60)                          | 72            |
| Foreign exchange movements     | -                    | -            | -                   | -                | -                              | 6                             | 6             |
| Additions                      | 99                   | 620          | 1,512               | 821              | 723                            | 1,329                         | 5,104         |
| Disposals                      | (156)                | (79)         | (111)               | (72)             | -                              | -                             | (418)         |
| Depreciation expense           | (281)                | (408)        | (734)               | (817)            | (296)                          | (5,089)                       | (7,625)       |
| <b>Balance at 30 June 2024</b> | <b>1,406</b>         | <b>1,366</b> | <b>1,893</b>        | <b>1,437</b>     | <b>857</b>                     | <b>19,935</b>                 | <b>26,894</b> |

| 2023                           | Property improvement | Vehicles     | Plant and equipment | Office equipment | Right of use asset - equipment | Right of use asset - property | Total         |
|--------------------------------|----------------------|--------------|---------------------|------------------|--------------------------------|-------------------------------|---------------|
|                                | \$000                | \$000        | \$000               | \$000            | \$000                          | \$000                         | \$000         |
| Balance at 1 July 2022         | 843                  | 745          | 816                 | 1,376            | 599                            | 11,437                        | 15,816        |
| Lease modifications            | -                    | -            | -                   | -                | 10                             | (1,736)                       | (1,726)       |
| Foreign exchange movements     | -                    | -            | -                   | 2                | -                              | 22                            | 24            |
| Additions                      | 1,263                | 894          | 1,051               | 1,094            | 130                            | 19,151                        | 23,583        |
| Disposals                      | (11)                 | (84)         | (23)                | (59)             | -                              | (1)                           | (178)         |
| Depreciation expense           | (351)                | (322)        | (618)               | (908)            | (441)                          | (5,124)                       | (7,764)       |
| <b>Balance at 30 June 2023</b> | <b>1,744</b>         | <b>1,233</b> | <b>1,226</b>        | <b>1,505</b>     | <b>298</b>                     | <b>23,749</b>                 | <b>29,755</b> |

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 12: Property, plant and equipment (cont.)**

**Depreciation**

The depreciable amount of all fixed assets is depreciated on either a straight-line or diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leased assets and leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the assets.

The depreciation rates used for each class of depreciable assets are:

|                                |              |
|--------------------------------|--------------|
| Property improvements          | 5 – 10 years |
| Vehicles                       | 5 – 8 years  |
| Plant and equipment            | 5 – 20 years |
| Office furniture and fittings  | 3 – 17 years |
| Right of use asset - equipment | 5 – 8 years  |
| Right of use asset - property  | 1 – 10 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss.

**Impairment**

At the end of each reporting period the Group assesses whether there is any indication that property, plant and equipment assets are impaired. Where impairment indicators exist, recoverable amount is determined, and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Key judgements**

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Group. Actual results may vary from time to time as a result of this being an estimate of useful life. As at reporting date, no changes were required to be made to the useful lives as they continue to remain appropriate.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 13: Intangible assets

|                                    | 2024<br>\$000  | 2023<br>\$000  |
|------------------------------------|----------------|----------------|
| <b>Goodwill – at cost</b>          | <b>149,399</b> | <b>149,399</b> |
| <b>Brand names – at cost</b>       | <b>21,866</b>  | <b>21,866</b>  |
| <b>Customer relationships</b>      |                |                |
| Cost                               | 45,737         | 45,737         |
| Accumulated amortisation           | (30,122)       | (22,478)       |
|                                    | <b>15,615</b>  | <b>23,259</b>  |
| <b>Candidate database</b>          |                |                |
| Cost                               | 5,789          | 5,789          |
| Accumulated depreciation           | (5,010)        | (4,198)        |
|                                    | <b>779</b>     | <b>1,591</b>   |
| <b>Mobile application software</b> |                |                |
| Cost                               | -              | 458            |
| Accumulated amortisation           | -              | (458)          |
|                                    | <b>-</b>       | <b>-</b>       |
| <b>Website</b>                     |                |                |
| Cost                               | 149            | 89             |
| Accumulated amortisation           | (71)           | (55)           |
|                                    | <b>78</b>      | <b>34</b>      |
| <b>Software</b>                    |                |                |
| Cost                               | 11,971         | 9,103          |
| Accumulated amortisation           | (6,009)        | (2,099)        |
|                                    | <b>5,962</b>   | <b>7,004</b>   |
| <b>Patents and trademarks</b>      |                |                |
| Cost                               | 43             | 53             |
| Accumulated amortisation           | (11)           | (19)           |
|                                    | <b>32</b>      | <b>34</b>      |
| <b>Total intangible assets</b>     | <b>193,731</b> | <b>203,187</b> |

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

Brand names

Brand names are measured initially at their cost of acquisition. Brand names are an indefinite useful life intangible asset as there is no expiry date associated with the underlying assets in terms of its generation of future economic benefits to the Group and are therefore tested for impairment annually. The carrying amount of brand names is supported by a value in use calculation of the cash-generating unit to which the asset belongs.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 13: Intangible assets (cont.)

Movements in carrying amount.

| 2024                           | Goodwill       | Brand names   | Customer relationships | Candidate database | Mobile application software | Website   | Software     | Patents and trademarks | Total          |
|--------------------------------|----------------|---------------|------------------------|--------------------|-----------------------------|-----------|--------------|------------------------|----------------|
|                                | \$000          | \$000         | \$000                  | \$000              | \$000                       | \$000     | \$000        | \$000                  | \$000          |
| Balance at 1 July 2023         | 149,399        | 21,866        | 23,259                 | 1,591              | -                           | 34        | 7,004        | 34                     | 203,187        |
| Additions                      | -              | -             | -                      | -                  | -                           | 60        | 3,236        | -                      | 3,296          |
| Disposals                      | -              | -             | -                      | -                  | -                           | -         | -            | (2)                    | (2)            |
| Amortisation expense           | -              | -             | (7,644)                | (812)              | -                           | (16)      | (4,278)      | -                      | (12,750)       |
| <b>Balance at 30 June 2024</b> | <b>149,399</b> | <b>21,866</b> | <b>15,615</b>          | <b>779</b>         | <b>-</b>                    | <b>78</b> | <b>5,962</b> | <b>32</b>              | <b>193,731</b> |

| 2023                                 | Goodwill       | Brand names   | Customer relationships | Candidate database | Mobile application software | Website   | Software     | Patents and trademarks | Total          |
|--------------------------------------|----------------|---------------|------------------------|--------------------|-----------------------------|-----------|--------------|------------------------|----------------|
|                                      | \$000          | \$000         | \$000                  | \$000              | \$000                       | \$000     | \$000        | \$000                  | \$000          |
| Balance at 1 July 2022               | 143,700        | 21,866        | 31,277                 | 2,488              | 37                          | 34        | 2,594        | 26                     | 202,022        |
| Adjustments to business combinations | 5,699          | -             | -                      | -                  | -                           | -         | -            | -                      | 5,699          |
| Adjusted Balance at 1 July 2022      | 149,399        | 21,866        | 31,277                 | 2,488              | 37                          | 34        | 2,594        | 26                     | 207,721        |
| Additions                            | -              | -             | -                      | -                  | -                           | 69        | 4,715        | 8                      | 4,792          |
| Disposals                            | -              | -             | -                      | -                  | -                           | (17)      | (97)         | -                      | (114)          |
| Amortisation expense                 | -              | -             | (8,018)                | (897)              | (37)                        | (52)      | (208)        | -                      | (9,212)        |
| <b>Balance at 30 June 2023</b>       | <b>149,399</b> | <b>21,866</b> | <b>23,259</b>          | <b>1,591</b>       | <b>-</b>                    | <b>34</b> | <b>7,004</b> | <b>34</b>              | <b>203,187</b> |

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 13: Intangible assets (cont.)

#### Impairment tests for goodwill and brand names

The Group tests whether goodwill and brand names have suffered any impairment on an annual basis. Intangible assets with indefinite useful lives are monitored by management based on three CGU's. The three CGU's which have been identified are Industrial and Specialist Services, Professional Services and Health and Community Care.

The following table sets out the goodwill allocation and key assumptions used in performing the value-in-use calculations:

| 2024                                      | Industrial and Specialist Services | Professional Services | Health and Community Care | Total   |
|-------------------------------------------|------------------------------------|-----------------------|---------------------------|---------|
| Goodwill (\$000)                          | 51,826                             | 51,577                | 45,996                    | 149,399 |
| Brand names (\$000)                       | 16,431                             | 3,306                 | 2,129                     | 21,866  |
| Sales volume (% annual growth rate)       | 3.00%                              | 3.00%                 | 3.00%                     |         |
| Budgeted earnings before interest and tax | 1.60%                              | 4.90%                 | 5.30%                     |         |
| Long term growth rate                     | 3.00%                              | 3.00%                 | 3.00%                     |         |
| Pre-tax discount rate                     | 14.02%                             | 14.23%                | 13.86%                    |         |

| 2023                                      | Industrial and Specialist Services | Professional Services | Health and Community Care | Total   |
|-------------------------------------------|------------------------------------|-----------------------|---------------------------|---------|
| Goodwill (\$000)                          | 51,826                             | 51,577                | 45,996                    | 149,399 |
| Brand names (\$000)                       | 16,431                             | 3,306                 | 2,129                     | 21,866  |
| Sales volume (% annual growth rate)       | 2.75%                              | 2.75%                 | 2.75%                     |         |
| Budgeted earnings before interest and tax | 2.07%                              | 6.50%                 | 5.08%                     |         |
| Long term growth rate                     | 2.75%                              | 2.75%                 | 2.75%                     |         |
| Pre-tax discount rate                     | 15.59%                             | 15.59%                | 15.59%                    |         |

Management has determined the values assigned to each of the above key assumptions as follows:

|                                           |                                                                                                                                                                           |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sales volume (% annual growth rate)       | Industry average and CPI                                                                                                                                                  |
| Budgeted earnings before interest and tax | Growth rates from the current year and budgeted growth rates.                                                                                                             |
| Long term growth rate                     | This is the weighted average growth rate used to extrapolate cash flows beyond the budgeted period. The rates are consistent with forecasts included in industry reports. |
| Pre-tax discount rate                     | Based on the weighted average costs of capital.                                                                                                                           |

#### Sensitivity analysis

A 3% decrease in the long term growth rate used in the value-in-use calculations does not result in an impairment across any of the cash generating units. Similarly, a 1% increase in the pre-tax discount rate does not result in an impairment across any of the cash generating units.

#### Significant estimate: key assumptions used for value-in-use calculations

The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cashflow projections based on financial budgets approved by management covering a one-year period.

Cashflows beyond the one-year period are extrapolated using the estimated growth rates stated above. These growth rates are consistent with forecasts included in industry reports specific to the industry in which the CGU operates.

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 13: Intangible assets (cont.)**

**Key Judgement: Cash Generating Units (CGU)**

During the year, there have been no acquisitions or other restructuring of the Group. As such, management have determined that the three CGU's identified in the prior year are still relevant for the current year. Accordingly, impairment assessments have been done for each of those CGU's. These CGU's have been identified as the smallest identifiable Group of assets that generate cash inflows which are independent of other Groups of assets.

In the current year there has been no reallocations of Goodwill between CGU's.

**Other intangible assets**

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from derecognition of an intangible asset is measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangibles are reviewed annually. Changes in expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Customer relationships and candidate database are amortised straight line over their expected future lives. The estimated useful lives of customer relationships and candidate database are 5 years.

Computer software has been classified as an intangible asset with a finite life. It is amortised on a straight-line basis over the expected useful life of the software. The life is 2-5 years.

Mobile Application Software has been classified as an intangible asset with a finite life. It is amortised on a straight-line basis over the expected useful life of the software. The life is 4-7 years.

**Impairment of assets – with finite lives**

Customer relationships, candidate database, mobile application software, computer software and website assets all have a finite life.

At the end of each reporting period the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 14: Trade and other payables

|                  | 2024<br>\$000 | 2023<br>\$000 |
|------------------|---------------|---------------|
| <b>Current</b>   |               |               |
| Trade payables   | 37,605        | 47,142        |
| Accrued expenses | 7,766         | 5,295         |
| GST payable      | 9,238         | 9,302         |
| Other payables   | 179           | 4,847         |
|                  | <b>54,788</b> | <b>66,586</b> |

Recognition and measurement

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 7 to 30-day payment terms. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. No assets of the Group have been pledged as security for the trade and other payables.

Note 15: Contingent Consideration

|                                       | 2024<br>\$000 | 2023<br>\$000 |
|---------------------------------------|---------------|---------------|
| <b>Current</b>                        |               |               |
| Contingent consideration              | 1,655         | 13,242        |
|                                       | <b>1,655</b>  | <b>13,242</b> |
| <b>Non-current</b>                    |               |               |
| Contingent consideration              | 405           | 7,144         |
|                                       | <b>405</b>    | <b>7,144</b>  |
| <b>Total contingent consideration</b> | <b>2,060</b>  | <b>20,386</b> |

During the business combination of the Techforce Personnel Pty Ltd, Vision Surveys Pty Ltd, Perigon Group Pty Ltd and FIP Group Holdings Pty Ltd, AASB 3 Business Combination required the recognition of contingent consideration. The contingent consideration relates to amounts payable under the purchase contracts should certain conditions be met.

A fair value gain of \$6,332,000 (2023: \$1,803,000 loss) was reflected in the profit and loss for the year ended 30 June 2024 in relation to the reassessment of the likelihood of achieving certain targets. Refer to note 22 for fair value measurement considerations.

**Techforce Personnel Pty Ltd**

For the Techforce Personnel Pty Ltd acquisition it relates to a holdback item that is dependent on the outcome of a specific item under the contract and will be resolved in increments through to 2026.

Amounts due to be settled before 30 June 2025 have been classified as current given they will be settled with cash within the next 12 months. Remaining amounts have been classified as non-current.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 15: Contingent Consideration (cont.)

Vision Surveys QLD

For Vision Surveys QLD, the conditions surround the EBITDA of the Company for the 3 years post acquisition with two years settled and the final year outstanding.

The final payment relating to the Vision Surveys acquisition is due subsequent to the audited financial results of 30 June 2024 and will be settled through a combination of cash and a share issue. As such, this has been classified as current.

Food Industries Group

For FIP Group, the conditions surround the EBITDA of the Company for the 2023 and 2024 financial years. The 2023 year was settled and the 2024 year has been determined as nil as the Company did not achieve the required EBITDA.

Note 16: Financial liabilities

|                                     | 2024<br>\$000  | 2023<br>\$000  |
|-------------------------------------|----------------|----------------|
| <i>Current</i>                      |                |                |
| Credit cards                        | 18             | 43             |
| Asset Finance                       | 155            | -              |
| Working capital facility            | -              | 19,622         |
| Commercial bills                    | 12,000         | 8,267          |
| Lease liabilities                   | 5,388          | 5,738          |
| <b>Total current borrowings</b>     | <b>17,561</b>  | <b>33,670</b>  |
| <i>Non-current</i>                  |                |                |
| Commercial bills                    | 38,000         | 57,510         |
| Asset Finance                       | 282            | -              |
| Working capital facility            | 66,186         | -              |
| Lease liabilities                   | 19,345         | 21,879         |
| <b>Total non-current borrowings</b> | <b>123,813</b> | <b>79,389</b>  |
| <b>Total borrowings</b>             | <b>141,374</b> | <b>113,059</b> |

During the year, the Group re-financed its existing commercial bills and working capital facilities from St George to CBA. The working capital facility with CBA has been classified as non-current as the Group has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period provided the balance does not exceed the relevant collateral base which is calculated on Group debtors. See page 64 for further details of this change. Refer to note 20 for the other terms and conditions of the CBA facility.

Lease liabilities

Lease liabilities have been recognised with regards to right-to-use assets relating to property and equipment. Refer to note 24 for further details on the recognition and measurement.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 16: Financial liabilities (cont.)

Recognition and measurement

Borrowings are initially recognised at fair value, net of directly attributable transaction costs. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. A borrowing is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing borrowing is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

Facilities

| 2024                     | Available facility<br>\$000 | Facility used<br>\$000 | Remaining Facility<br>\$000 |
|--------------------------|-----------------------------|------------------------|-----------------------------|
| Credit cards             | 1,524                       | 18                     | 1,506                       |
| Asset finance            | 1,200                       | 437                    | 763                         |
| Working capital facility | 85,000                      | 66,186                 | 18,814                      |
| Commercial bills         | 50,000                      | 50,000                 | -                           |
|                          | <b>137,724</b>              | <b>116,641</b>         | <b>21,083</b>               |
| 2023                     | Available facility<br>\$000 | Facility used<br>\$000 | Remaining Facility<br>\$000 |
| Credit cards             | 808                         | 43                     | 765                         |
| Asset finance            | 1,200                       | -                      | 1,200                       |
| Working capital facility | 63,000                      | 19,622                 | 43,378                      |
| Commercial bills         | 65,778                      | 65,778                 | -                           |
|                          | <b>130,786</b>              | <b>85,443</b>          | <b>45,343</b>               |

On 29 April 2024, the Group entered into a facility agreement with CBA to refinance its existing borrowing facilities held with St George. The primary aim was to obtain more competitive interest rates. The settlement resulted in a re-balance of the split of total borrowings held between the commercial bills and working capital facilities. Settlement of this refinance occurred on 10 May 2024 with all facilities held with St George being paid out by CBA aside from a corporate credit cards and asset finance facility. These facilities are still held with St George and are secured by a back-to-back guarantee issued from CBA.

Security

From 10 May 2024, CBA provided the above facilities (aside from the asset finance facility as discussed above) and as a result has first registered general security over the assets and undertaking of the Group.

Covenants

The following covenants have been imposed by CBA:

- Interest Cover Ratio – not less than 3.0 times;
- Net Leverage Ratio (Net Financial Debt/EBITDA Ratio) – less than 3x.

These covenants were not breached during the reporting period.

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 16: Financial liabilities (cont.)

#### Covenants (cont.)

The following covenants were imposed by St George until the refinancing with CBA:

- Interest Cover Ratio – not less than 3.0 times;
- Net Leverage Ratio (Net Financial Debt/EBITDA Ratio) – less than 3x.
- Dividend cap no greater than 70% of NPATA unless bank consent is provided.

These covenants were not breached during period they were in place.

### Note 17: Employee benefits

|                     | 2024<br>\$000 | 2023<br>\$000 |
|---------------------|---------------|---------------|
| <b>Current</b>      |               |               |
| Annual leave        | 24,670        | 23,499        |
| Long services leave | 1,948         | 1,880         |
|                     | <b>26,618</b> | <b>25,379</b> |
| <b>Non-current</b>  |               |               |
| Long service leave  | 1,188         | 1,325         |
|                     | <b>1,188</b>  | <b>1,325</b>  |

#### Recognition and measurement

##### Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

##### Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

#### Key judgements and estimations – leave entitlements

Management judgement is applied in determining the key assumptions use in the calculation of the liability for leave provisions at reporting date. These are future increases in salaries and wages, future on-cost rates, experience of employee departures and period of service and discount rates.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 18: Share capital

|                                                            | 2024<br>\$000 | 2023<br>\$000 |
|------------------------------------------------------------|---------------|---------------|
| 104,463,349 (2023: 101,556,151) fully paid ordinary shares | 109,362       | 107,635       |

Ordinary shares participate in dividends and the proceeds on winding up of PeopleIN Limited in proportion to the number of shares held. At shareholders meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Ordinary shares have no par value and PeopleIN Limited does not have a limited amount of authorised capital.

Ordinary Shares

|                                                                           | 2024<br>Number     | 2023<br>Number     | 2024<br>\$000  | 2023<br>\$000  |
|---------------------------------------------------------------------------|--------------------|--------------------|----------------|----------------|
| At the beginning of the period                                            | 101,556,151        | 98,755,023         | 107,635        | 101,534        |
| Dividends reinvested <sup>1</sup>                                         | 995,025            | 528,913            | 1,513          | 1,645          |
| Issue of shares on vesting of options and performance rights <sup>2</sup> | 1,807,569          | 1,031,885          | -              | -              |
| Contingent consideration equity settled <sup>3</sup>                      | 104,604            | 1,240,330          | 214            | 4,456          |
| <b>At reporting date</b>                                                  | <b>104,463,349</b> | <b>101,556,151</b> | <b>109,362</b> | <b>107,635</b> |

<sup>1</sup> Dividends reinvested 30 September 2023 and 4 April 2024 (2023: 30 September 2022 and 24 March 2023).

<sup>2</sup> Issue of shares on vesting of options 1 August 2023, 31 August 2023, 31 October 2023, 30 November 2023, 28 February 2024, 2 April 2024, 2 April 2024 (2023: 1 August 2022, 31 August 2022, 7 November 2022, 1 December 2022, 24 January 2023, 1 March 2023, 3 May 2023)

<sup>3</sup> Issue of ordinary shares 31 August 2023 in settlement of contingent consideration for Vision Surveys (2023: 1 September 2022).

Options and performance rights

Information relating to the PeopleIN employee options plan and share scheme, including details of options and performance rights issued, exercised and lapsed during the financial year and options and performance rights outstanding at the end of the report period, is set out in note 19.

Capital management

The capital of the Group is managed to provide capital growth to shareholders and ensure the Group can fund its operations and continue as a going concern.

The Group's capital comprises equity as shown in the Consolidated Statement of Financial Position. There are no externally imposed capital requirements.

Management manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and the market. These responses include the management of share issues and debt.

There have been no changes in the strategy adopted by management to control the capital of the Group during the reporting period.

Recognition and measurement

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 18: Share capital (cont.)

#### Dividend reinvestment plan

The Company has established a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. Shares are issued under the plan at a 3% discount to the market price.

#### Dividends

|                                                                                                                                                                                                                                                                                                               | 2024<br>\$000 | 2023<br>\$000 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>Dividends provided for or paid during the year</b>                                                                                                                                                                                                                                                         |               |               |
| Final fully franked dividend relating to 30 June 2023 of 7.0 cents per share (2022: 6.5 cents) paid on 29 September 2023                                                                                                                                                                                      | 7,198         | 6,537         |
| Interim fully franked dividend relating to 31 December 2023 of 3.0 cents per share (2023: 7.0 cents) paid on 4 April 2024                                                                                                                                                                                     | 3,119         | 7,078         |
|                                                                                                                                                                                                                                                                                                               | <u>10,317</u> | <u>13,615</u> |
| <br>Dividends satisfied by the issue of shares under the dividend reinvestment plan during the year                                                                                                                                                                                                           | <br>1,513     | <br>1,644     |
| <br><b>Dividends not recognised at the end of the reporting period</b>                                                                                                                                                                                                                                        |               |               |
| Since year end the directors have recommended the payment of a final dividend of 7.0 cents per fully paid ordinary share. The aggregate amount of the proposed dividend expected to be paid on 29 September 2023 out of retained earnings at 30 June 2024, but not recognised as a liability at year end, is: | -             | 7,109         |

#### Franked dividends

The board has elected not to pay a final dividend for 30 June 2024

Franking credits available for subsequent reporting periods based on a tax rate of 30%

|        |        |
|--------|--------|
| 36,573 | 28,148 |
|--------|--------|

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

### Note 19: Share-based payments

The following share-based payment arrangements existed at 30 June 2024.

#### Shares

During the year ended 30 June 2024, 1,807,569 (2023: 1,031,885) shares were issued to directors and employees via the People Infrastructure employee share trust as a result of performance rights achieving their conditions and being eligible for exercising and nil shares (2023: nil) were issued to directors as a result of them exercising their options at \$1. The weighted average shares price at the exercise date was \$1.75 (2023: \$3.47).

Share based payments, since 3 August 2021, are being administered by the People Infrastructure employee share trust. Under the terms of the trust deed, PeopleIn Limited is required to provide the trust with the necessary funding for the acquisition of the shares at the time of the issue of shares. No shares were held by the trust as at 30 June 2024.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 19: Share-based payments (cont.)

Options and Performance Rights

The following summarised the options and performance rights granted under the plan.

| 30 June 2024                           | Performance Rights | Options | Weighted average exercise price |
|----------------------------------------|--------------------|---------|---------------------------------|
|                                        | No.                | No.     | \$                              |
| Outstanding at beginning of the period | 2,865,778          | 343,170 | 0.15                            |
| Exercised                              | (1,807,569)        | -       | -                               |
| Forfeited                              | (362,719)          | -       | -                               |
| Granted                                | 822,278            | -       | -                               |
| Outstanding at year-end                | 1,517,768          | 343,170 | 0.20                            |
| Exercisable at year-end                | -                  | 343,170 | 0.14                            |

| 30 June 2023                           | No.         | No.     | \$   |
|----------------------------------------|-------------|---------|------|
| Outstanding at beginning of the period | 2,020,784   | 343,170 | 0.19 |
| Exercised                              | (1,031,885) | -       | -    |
| Forfeited                              | (44,346)    | -       | -    |
| Granted                                | 1,921,225   | -       | -    |
| Outstanding at year-end                | 2,865,778   | 343,170 | 0.15 |
| Exercisable at year-end                | -           | 343,170 | 0.11 |

No options or performance rights expired during the periods covered by the above tables.

Unissued ordinary shares of PeopleIn Limited under option/performance rights (PR) at the end of the reporting period are:

|                        | Date granted      | Expiry date      | Exercise price of shares | Number 30 June 2024 | Number 30 June 2023 |
|------------------------|-------------------|------------------|--------------------------|---------------------|---------------------|
| Tranche 4              | 11 June 2021      | 11 July 2026     | \$4.37                   | 343,170             | 343,170             |
| <b>Total Options</b>   |                   |                  |                          | <b>343,170</b>      | <b>343,170</b>      |
| Tranche 9              | 28 October 2019   | 26 November 2023 | \$0.00                   | -                   | 16,668              |
| Tranche 10 - KMP       | 26 November 2019  | 26 November 2023 | \$0.00                   | -                   | 15,716              |
| Tranche 12             | 30 July 2020      | 30 July 2024     | \$0.00                   | 16,000              | 42,000              |
| Tranche 24             | 11 June 2021      | 31 August 2026   | \$0.00                   | 228,780             | 343,170             |
| Tranche 26 - KMP       | 31 August 2021    | 31 August 2023   | \$0.00                   | -                   | 8,810               |
| Tranche 28             | 31 August 2021    | 31 August 2023   | \$0.00                   | -                   | 74,095              |
| Tranche 30,33,34       | 31 August 2021    | 31 August 2024   | \$0.00                   | -                   | 58,785              |
| Tranche 37-KMP         | 1 November 2021   | 1 November 2024  | \$0.00                   | 200,000             | 200,000             |
| Tranche 38 -KMP        | 22 November 2021  | 22 November 2023 | \$0.00                   | -                   | 46,688              |
| Tranche 41             | 24 January 2022   | 31 August 2024   | \$0.00                   | 19,416              | 29,126              |
| Tranche 44, 45         | 1 March 2022      | 1 March 2024     | \$0.00                   | -                   | 86,061              |
| Tranche 46             | 1 March 2022      | 1 March 2025     | \$0.00                   | 12,691              | 25,381              |
| Tranche 48             | 1 April 2022      | 1 April 2024     | \$0.00                   | -                   | 12,853              |
| Tranche 52,59,61,63,66 | 07 September 2022 | 31 August 2023   | \$0.00                   | -                   | 279,395             |
| Tranche 54,64          | 07 September 2022 | 31 August 2024   | \$0.00                   | 25,240              | 309,528             |

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 19: Share-based payments (cont.)

Options and Performance Rights (cont.)

|                                                   | Date granted      | Expiry date      | Exercise price of shares | Number 30 June 2024 | Number 30 June 2023 |
|---------------------------------------------------|-------------------|------------------|--------------------------|---------------------|---------------------|
| Tranche 65                                        | 07 September 2022 | 31 August 2024   | \$0.00                   | 15,790              | 39,474              |
| Tranche 60                                        | 14 September 2022 | 31 August 2023   | \$0.00                   | -                   | 19,737              |
| Tranche 53,55,56                                  | 14 September 2022 | 31 August 2024   | \$0.00                   | 65,789              | 411,184             |
| Tranche 57                                        | 31 August 2022    | 31 August 2023   | \$0.00                   | -                   | 24,671              |
| Tranche 58,62                                     | 31 August 2022    | 31 August 2023   | \$0.00                   | -                   | 195,723             |
| Tranche 67                                        | 31 October 2022   | 31 October 2023  | \$0.00                   | -                   | 132,044             |
| Tranche 68                                        | 31 October 2022   | 31 October 2024  | \$0.00                   | 31,056              | 31,056              |
| Tranche 69 – KMP                                  | 31 October 2022   | 25 October 2025  | \$0.00                   | 50,000              | 50,000              |
| Tranche 70 – KMP                                  | 30 November 2022  | 30 November 2024 | \$0.00                   | 32,895              | 82,237              |
| Tranche 71,72,74                                  | 28 February 2023  | 28 February 2024 | \$0.00                   | -                   | 160,718             |
| Tranche 73                                        | 28 February 2023  | 31 October 2023  | \$0.00                   | -                   | 17,982              |
| Tranche 75,77                                     | 30 April 2023     | 30 April 2024    | \$0.00                   | -                   | 139,921             |
| Tranche 76                                        | 30 April 2023     | 28 February 2024 | \$0.00                   | -                   | 12,755              |
| Tranche 78 - 84                                   | 31 August 2023    | 31 August 2024   | \$0.00                   | 334,432             | -                   |
| Tranche 85                                        | 31 August 2023    | 31 August 2026   | \$0.00                   | 100,000             | -                   |
| Tranche 87                                        | 31 October 2023   | 31 October 2024  | \$0.00                   | 15,228              | -                   |
| Tranche 88 – KMP                                  | 30 November 2023  | 30 November 2026 | \$0.00                   | 51,020              | -                   |
| Tranche 89-90 – KMP                               | 30 November 2023  | 30 November 2025 | \$0.00                   | 172,414             | -                   |
| Tranche 91-93                                     | 28 February 2024  | 28 February 2025 | \$0.00                   | 139,874             | -                   |
| Tranche 94                                        | 30 April 2024     | 30 April 2025    | \$0.00                   | 7,143               | -                   |
| <b>Total performance rights</b>                   |                   |                  |                          | <b>1,517,768</b>    | <b>2,865,778</b>    |
| <b>Total under options and performance rights</b> |                   |                  |                          | <b>1,860,938</b>    | <b>3,208,948</b>    |

The weighted average remaining contractual life of options and performance rights outstanding at the end of the reporting period is 2.0 years for options and 0.9 years for performance rights (2023: 3.0 years for options and 1.1 years for performance rights).

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 19: Share-based payments (cont.)

#### Terms and Conditions of options and performance rights

##### Options – Tranche 4

These options were granted during the 2021 financial year as part of an acquisition. They are exercisable by the relevant holder from grant date until the earlier of:

- (a) the date that is 61 calendar months (5 years and 1 month) after the grant date; and
- (b) the date that the holder ceases to be an employee of the group, unless the eligible participant is a good leaver.

The exercise of these options is not subject to any vesting conditions.

##### Performance Rights – Tranche 1 to 10, 12

These Performance Rights vest equally over a three or four year period (each a Vesting Period). 50% of the Performance Rights in any given Vesting Period will vest if CAGR of total shareholder return and earnings per share growth (Growth Metric), over the relevant Vesting Period, is greater than 10% or 15% and a further 50% vest if the Growth Metric, over the relevant Vesting Period is greater than 12% or 15%. Additionally, in order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

##### Performance Rights – Tranche 25 to 36, 38 to 43, 47, 49 to 67, 70 to 84, 86 to 87, 89 to 94

These Performance Rights vest equally over a one to three year period (each a Vesting Period). There is performance criteria surrounding achieving target EBITDAs, number of placements and other commission targets, collection of debtors which must be achieved prior to these Performance Rights being granted. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting. Where these Performance Rights have been issued to a Director or executive, they form part of the individual's remuneration package.

##### Performance Rights – Tranche 24

These Performance Rights vest equally over a three year period (each a Vesting Period) with the first vesting period expiring on the 31 May 2024. The rights comprise three tranches with three lots within each tranche. The rights vest subject to vesting conditions pertaining to each tranche. The tranches operate independently of each other such that rights can vest in one tranche independently of those in another. The entitlement to rights is cumulative, that is it is possible to receive rights from Tranche One in addition to Tranche Two and/or Three. There are no market vesting conditions attached to these rights. The non-market performance hurdles are summarised in the following table and relate to the results of Techforce Personnel entities:

|       |           | Cumulative EBITDA Targets (\$)             |                                            |                                            |
|-------|-----------|--------------------------------------------|--------------------------------------------|--------------------------------------------|
|       |           | Tranche 1<br>1 June 2021 to 31<br>May 2024 | Tranche 2<br>1 June 2021 to 31<br>May 2025 | Tranche 3<br>1 June 2021 to 31<br>May 2026 |
|       | # per Lot |                                            |                                            |                                            |
| Lot 1 | 38,130    | 25,487,000                                 | 35,735,700                                 | 47,009,270                                 |
| Lot 2 | 38,130    | 27,953,625                                 | 40,196,669                                 | 54,276,169                                 |
| Lot 3 | 38,130    | 30,576,000                                 | 45,091,200                                 | 62,509,440                                 |

Additionally, in order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 19: Share-based payments (cont.)**

**Terms and Conditions of options and performance rights (cont.)**

**Performance Rights – Tranche 37**

These performance rights vest over a three year period in two lots of 100,000. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 15% TSR must be achieved for the performance rights to vest. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

*Note – during the year, the board applied discretion to waive these performance conditions.*

**Performance Rights – Tranche 44**

These Performance Rights vest equally over a two year period (each a Vesting Period). The following performance conditions are attached to the rights: individual billings of greater than \$250,000 and EBITDA of greater than \$5,000,000 for the employing company. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Performance Rights – Tranche 45**

These Performance Rights vest over a two year period. The following performance condition is attached to the rights: employing entity maintains an EBITDA of greater than \$1,000,000 for the employing company. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Performance Rights – Tranche 46**

These Performance Rights vest equally over a two year period (each a Vesting Period). The following performance condition is attached to the rights: relevant division achieves a Gross Margin of \$1,000,000 for year 1 and \$1,200,000 for year 2. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Performance Rights – Tranche 48**

These Performance Rights vest over a two year period. The following performance condition is attached to the rights: employing entity maintains an EBITDA of greater than \$1,100,000 for the employing company. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Performance Rights – Tranche 68**

These Performance Rights vest over a two year period. The following performance condition is attached to the rights: employing entity maintains an EBITDA of greater than \$25,000,000. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Performance Rights – Tranche 69**

These performance rights vest over a three year period in two lots of 25,000. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 15% TSR must be achieved for the performance rights to vest. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Performance Rights – Tranche 85**

These performance rights vest over a three year period in two lots of 50,000. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 15% TSR must be achieved for the performance rights to vest. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 19: Share-based payments (cont.)**

**Terms and Conditions of options and performance rights (cont.)**

**Performance Rights – Tranche 88**

These performance rights vest equally over the vesting period from 31 November 2023 to 31 November 2026 in two lots of 25,510. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 10% Earnings Per Share Compound Annual Growth Rate ("EPS CAGR") must be achieved for the performance rights to vest. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

**Expenses arising from share based payment transactions**

Total expenses arising from share based payment transactions recognised during the period as a part of employee benefit expenses were as follows:

|                                                                 | <b>2024</b>  | <b>2023</b>  |
|-----------------------------------------------------------------|--------------|--------------|
|                                                                 | <b>\$000</b> | <b>\$000</b> |
| Options and performance rights issued under employee share plan | 3,802        | 5,284        |

These amounts have been recognised in equity in the Consolidated Statement of Financial Position as follows:

|                             | <b>2024</b>  | <b>2023</b>  |
|-----------------------------|--------------|--------------|
|                             | <b>\$000</b> | <b>\$000</b> |
| Share based payment reserve | 14,567       | 10,764       |

**Fair value of performance rights granted**

The assessed fair value at granted date of performance rights granted during the year ended 30 June 2024 are disclosed on the following page. The fair value at grant date is independently determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the performance right, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 19: Share-based payments (cont.)

Fair value of performance rights granted (cont.)

The following principal assumptions were used in the valuation of options and performance rights granted during the year ended 30 June 2024:

|                 | Grant date | Number of options | Vesting period end | Share price at grant date | Volatility | Option life | Dividend yield | Fair value at grant date  | Exercise price at grant date | Exercisable from              | Exercisable to                  |
|-----------------|------------|-------------------|--------------------|---------------------------|------------|-------------|----------------|---------------------------|------------------------------|-------------------------------|---------------------------------|
| Tranche 78 - 84 | 31/08/2023 | 334,431           | 100% 31/08/2024    | \$2.05                    | n/a        | 1 year      | n/a            | \$2.32                    | \$0.00                       | At end of each vesting period | 30 days after the exercise date |
| Tranche 85      | 31/08/2023 | 100,000           | 100% 31/08/2026    | \$2.05                    | 37%        | 3 years     | 6.8%           | 50% \$0.84 and 50% \$0.69 | \$0.00                       | At end of each vesting period | 30 days after the exercise date |
| Tranche 86      | 31/10/2023 | 2,168             | 100% 28/02/2024    | \$1.51                    | n/a        | 1 year      | n/a            | \$3.12                    | \$0.00                       | At end of each vesting period | 30 days after the exercise date |
| Tranche 87      | 31/10/2023 | 15,228            | 100% 31/08/2024    | \$1.51                    | n/a        | 1 year      | n/a            | \$1.97                    | \$0.00                       | At end of each vesting period | 30 days after the exercise date |
| Tranche 88      | 30/11/2023 | 51,020            | 100% 30/11/2026    | \$1.26                    | 39%        | 3 years     | 5.56%          | 50% \$0.56 and 50% \$1.07 | \$0.00                       | At end of each vesting period | 30 days after the exercise date |
| Tranche 89 - 90 | 30/11/2023 | 172,414           | 100% 30/11/2025    | \$1.26                    | n/a        | 2 years     | n/a            | \$2.32                    | \$0.00                       | At end of each vesting period | 30 days after the exercise date |
| Tranche 91 - 93 | 28/02/2024 | 139,874           | 100% 28/02/2025    | \$1.05                    | n/a        | 1 year      | n/a            | \$1.04                    | \$0.00                       | At end of each vesting period | 30 days after the exercise date |
| Tranche 94      | 30/04/2024 | 7,143             | 100% 30/04/2025    | \$0.97                    | n/a        | 1 year      | n/a            | \$1.05                    | \$0.00                       | At end of each vesting period | 30 days after the exercise date |

## Note 19: Share-based payments (cont.)

### Recognition and measurement

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to share option reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital.

### Key estimates – share-based payments

The Group uses estimates to determine the fair value of equity instruments issued to Directors, executives and employees. The estimates include volatility, risk-free rates and consideration of satisfaction of performance criteria for recipients of equity instruments. Options were issued as outlined above and the cost of these rights represents the valuation and the accounting impact of prior issuances and determinations remains unchanged.

## Note 20: Financial assets and financial liabilities

### Categories of financial assets and financial liabilities

|                                                                        | 2024<br>\$000  | 2023<br>\$000  |
|------------------------------------------------------------------------|----------------|----------------|
| <b>Financial assets at amortised cost</b>                              |                |                |
| Cash and cash equivalents                                              | 37,289         | 39,868         |
| Trade and other receivables                                            | 128,485        | 120,523        |
| <b>Total financial assets</b>                                          | <b>165,774</b> | <b>160,391</b> |
| <b>Financial liabilities at amortised cost</b>                         |                |                |
| Trade and other payables                                               | 54,788         | 66,586         |
| Credit cards                                                           | 18             | 42             |
| Working capital facility                                               | 66,186         | 19,622         |
| Asset finance                                                          | 437            | -              |
| Commercial bills                                                       | 50,000         | 65,778         |
| Lease liabilities                                                      | 24,733         | 27,616         |
|                                                                        | <b>196,162</b> | <b>179,644</b> |
| <b>Financial liabilities at fair value through the profit and loss</b> |                |                |
| Contingent consideration                                               | 2,060          | 20,386         |
|                                                                        | <b>2,060</b>   | <b>20,386</b>  |
| <b>Total financial liabilities</b>                                     | <b>198,222</b> | <b>200,030</b> |

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 20: Financial assets and financial liabilities (cont.)

#### *Borrowings at amortised cost*

The current interest rate on the commercial bills is 5.98% (2023: 6.25%) at 30 June 2024. During the year, the Group refinanced all outstanding commercial bills with St George into one facility with CBA. This facility has a maturity date of 10 May 2027 and a quarterly principal and interest repayment. There will be a residual balance at the end of the three year period.

The current interest rate on the working capital facility is 5.76% (2023: 5.97%) at 30 June 2024. As above, during the year the facility was refinanced from St George to CBA. The current facility has a three year term and will fluctuate in line with the Group's short term working capital needs.

The above facilities are all held with CBA following a refinance from St George Bank during the year. Refer to Note 16 for further details around security provided.

For details on the repayment periods and interest rates for lease liabilities refer to Note 24.

#### *Contingent consideration at fair value through the profit and loss*

During the current financial year, contingent consideration was payable relating to past acquisitions. These were contingent on the EBITDA of acquired entities. At 30 June 2024, only two tranches of contingent consideration (that are contingent on EBITDA) remain. These are both dependent on EBITDA for the year ended 30 June 2024 and as such, no probabilities are required to be applied to the valuation.

The final tranche of contingent consideration was settled for Perigon Group (\$5,465,000) with cash, the second tranche of contingent consideration was settled for Vision (\$893,000) with a combination of cash and issue of shares in PeopleIn Limited and the first tranche of contingent consideration was settled for FIP (\$3,117,000) with cash.

#### *Other financial instruments*

The carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value:

- trade and other receivables
- cash and cash equivalents
- trade and other payables
- credit cards
- working capital facility
- commercial bills

#### *(a) General objectives, policies and processes*

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements

The Group's financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables and borrowings.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Group's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 21: Financial risk management (cont.)**

*(b) Credit risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group. The Group's objective is to minimise the risk of loss from credit risk exposure.

The Group's maximum exposure to credit risk at the end of the reporting period, without taking into account the value of any collateral or other security, in the event other parties fail to perform their obligations under financial instruments in relation to each class of recognised financial asset at reporting date, is as follows:

|                             | <b>2024</b>    | <b>2023</b>    |
|-----------------------------|----------------|----------------|
|                             | <b>\$000</b>   | <b>\$000</b>   |
| Cash and cash equivalents   | 37,289         | 39,868         |
| Trade and other receivables | 128,485        | 120,523        |
|                             | <b>165,774</b> | <b>160,391</b> |

Credit risk is reviewed regularly by the Board through the monthly board reporting.

Bank deposits are held with the following parties:

|                                                  | <b>2024</b>   | <b>2023</b>   |
|--------------------------------------------------|---------------|---------------|
|                                                  | <b>\$000</b>  | <b>\$000</b>  |
| St George Bank                                   | 34,973        | 35,019        |
| Australian and New Zealand Banking Group Limited | 824           | 1,110         |
| National Australia Bank Limited                  | 294           | 1,465         |
| Westpac Banking Corporation                      | 42            | 544           |
| Commonwealth Bank                                | 87            | -             |
| OCBC Bank Singapore                              | 1,068         | 1,088         |
| Bank SA                                          | -             | 641           |
| Cash on hand                                     | 1             | 1             |
|                                                  | <b>37,289</b> | <b>39,868</b> |

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are past due but not impaired to be good.

The carrying amount of receivables whose terms have been renegotiated, that would otherwise be past due or impaired is nil.

The Group's trade receivables and contract assets are subject to the expected credit loss model. The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over the period since the business listed through to 30 June 2024 and the corresponding historical credit loss experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has not identified any major factors which impact the sales of services and therefore hasn't adjusted the historical loss rates based on expected changes in things like the GDP or unemployment rate.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 21: Financial risk management (cont.)

(b) Credit risk (cont.)

On that basis, the loss allowance as at 30 June 2024 was determined as follows for trade receivables:

|                                                      | Expected<br>loss rate<br>% | Gross Carrying<br>Amount<br>\$000 | Loss<br>allowance<br>\$000 |
|------------------------------------------------------|----------------------------|-----------------------------------|----------------------------|
| <b>30 June 2024</b>                                  |                            |                                   |                            |
| Not past due                                         | -                          | 98,889                            | 169                        |
| Not more than 6 months past due                      | 45%                        | 2,041                             | 918                        |
| More than 6 months but not more than 1 year past due | 45%                        | 385                               | 173                        |
| More than 1 year past due                            | 85%                        | 317                               | 270                        |
|                                                      |                            | <b>101,632</b>                    | <b>1,530</b>               |
| <b>30 June 2023</b>                                  |                            |                                   |                            |
| Not past due                                         | -                          | 89,499                            | 782                        |
| Not more than 6 months past due                      | 45%                        | 646                               | 291                        |
| More than 6 months but not more than 1 year past due | 45%                        | 521                               | 234                        |
| More than 1 year past due                            | 85%                        | 545                               | 464                        |
|                                                      |                            | <b>91,211</b>                     | <b>1,771</b>               |

No provision for loss allowance has been raised on the contract assets as this is generally converted to trade receivables within 1-2 weeks of recognition. Standard customer terms range between 7 to 120 days.

(c) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. The object of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions. Liquidity risk is reviewed regularly by the Board.

The Group manages liquidity risk by monitoring forecast cash flows and liquidity ratios such as working capital. The Group's working capital, being current assets less current liabilities is \$69,987,000 at 30 June 2024 (2023: \$23,947,000). The significant increase from prior year is due to the working capital facility with CBA being classified as non-current.

Maturity analysis – Financial liabilities

| Consolidated             | Carrying<br>Amount<br>\$000 | Contractual<br>Cash flows<br>\$000 | within 1 year<br>\$000 | 1 – 5 years<br>\$000 | 5 years +<br>\$000 |
|--------------------------|-----------------------------|------------------------------------|------------------------|----------------------|--------------------|
| <b>2024</b>              |                             |                                    |                        |                      |                    |
| Trade and other payables | 54,788                      | 54,788                             | 54,788                 | -                    | -                  |
| Credit cards             | 18                          | 18                                 | 18                     | -                    | -                  |
| Contingent consideration | 2,060                       | 2,060                              | 1,655                  | 405                  | -                  |
| Working capital facility | 66,186                      | 76,970                             | 3,811                  | 73,160               | -                  |
| Commercial bills         | 50,000                      | 58,583                             | 14,693                 | 43,890               | -                  |
| Lease liabilities        | 24,733                      | 27,449                             | 5,424                  | 12,972               | 9,053              |
| <b>2023</b>              |                             |                                    |                        |                      |                    |
| Trade and other payables | 66,586                      | 66,586                             | 66,586                 | -                    | -                  |
| Credit cards             | 43                          | 43                                 | 43                     | -                    | -                  |
| Contingent consideration | 20,386                      | 20,386                             | 13,242                 | 7,144                | -                  |
| Working capital facility | 19,622                      | 19,622                             | 19,622                 | -                    | -                  |
| Commercial bills         | 65,778                      | 81,203                             | 12,295                 | 46,367               | 22,541             |
| Lease liabilities        | 27,616                      | 30,822                             | 5,672                  | 14,427               | 10,723             |

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 21: Financial risk management (cont.)**

**(d) Currency risk**

The Australian dollar (AUD) is the functional currency of the Group and as a result currency exposure arising from the transactions and balances in currencies other than the AUD.

The Group's potential currency exposures comprise:

- The Recruitment Company is a subsidiary based in New Zealand. Therefore, this Company's functional currency is New Zealand Dollars (NZD). The results for the Company are converted to AUD for consolidation and reporting purposes. Given the entity is a very small part of the operations of the Group as a whole this exposure is very minor.
- The Halcyon Knights Pte Ltd is a subsidiary based in Singapore. Therefore, this Company's functional currency is Singapore Dollars (SGD). The results for the Company are converted to AUD for consolidation and reporting purposes. Given the entity is a very small part of the operations of the Group as a whole this exposure is very minor.

**(e) Market risk**

Market risk arises from the use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). The Group does not have any material exposure to market risk other than as set out below.

**Interest rate risk**

Interest rate risk arises principally from cash and cash equivalents. The objective of interest rate risk management is to manage and control interest rate risk exposures within acceptable parameters while optimising the return.

Interest rate risk is managed with a mixture of fixed and floating rate investments. For further details on interest rate risk refer to the tables below:

| Consolidated                       | Floating<br>interest rate | Fixed interest<br>rate | Non-interest<br>bearing | Total carrying<br>amount | Weighted<br>average<br>effective<br>interest<br>rate<br>% |
|------------------------------------|---------------------------|------------------------|-------------------------|--------------------------|-----------------------------------------------------------|
| 2024                               | \$000                     | \$000                  | \$000                   | \$000                    |                                                           |
| <i>Financial assets</i>            |                           |                        |                         |                          |                                                           |
| Cash and cash equivalents          | 37,289                    | -                      | -                       | 37,289                   | 0.39%                                                     |
| Trade and other receivables        | -                         | -                      | 128,485                 | 128,485                  | n/a                                                       |
| <b>Total financial assets</b>      | <b>37,289</b>             | <b>-</b>               | <b>128,485</b>          | <b>165,774</b>           |                                                           |
| <i>Financial liabilities</i>       |                           |                        |                         |                          |                                                           |
| Trade and other payables           | -                         | -                      | 54,788                  | 54,788                   | n/a                                                       |
| Credit cards                       | 18                        | -                      | -                       | 18                       | -                                                         |
| Contingent consideration           | -                         | -                      | 2,060                   | 2,060                    | n/a                                                       |
| Working capital facility           | 66,186                    | -                      | -                       | 66,186                   | 6.69%                                                     |
| Asset finance                      | 437                       | -                      | -                       | 437                      | 6.85%                                                     |
| Commercial bills                   | 50,000                    | -                      | -                       | 50,000                   | 6.07%                                                     |
| Lease liabilities                  | -                         | 24,733                 | -                       | 24,733                   | 3.54%                                                     |
| <b>Total financial liabilities</b> | <b>116,641</b>            | <b>24,733</b>          | <b>56,848</b>           | <b>198,222</b>           |                                                           |

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 21: Financial risk management (cont.)

(e) Market risk (cont.)

| Consolidated                       | Floating<br>interest rate | Fixed interest<br>rate | Non-interest<br>bearing | Total carrying<br>amount | Weighted<br>average<br>effective<br>interest<br>rate<br>% |
|------------------------------------|---------------------------|------------------------|-------------------------|--------------------------|-----------------------------------------------------------|
| 2023                               | \$000                     | \$000                  | \$000                   | \$000                    |                                                           |
| <i>Financial assets</i>            |                           |                        |                         |                          |                                                           |
| Cash and cash equivalents          | 39,868                    | -                      | -                       | 39,868                   | 0.19%                                                     |
| Trade and other receivables        | -                         | -                      | 120,523                 | 120,523                  | n/a                                                       |
| <b>Total financial assets</b>      | <b>39,868</b>             | <b>-</b>               | <b>120,523</b>          | <b>160,391</b>           |                                                           |
| <i>Financial liabilities</i>       |                           |                        |                         |                          |                                                           |
| Trade and other payables           | -                         | -                      | 66,586                  | 66,586                   | n/a                                                       |
| Credit cards                       | 42                        | -                      | -                       | 42                       | Nil                                                       |
| Contingent consideration           | -                         | -                      | 20,386                  | 20,386                   | n/a                                                       |
| Working capital facility           | 19,622                    | -                      | -                       | 19,622                   | 5.30%                                                     |
| Commercial bills                   | 65,778                    | -                      | -                       | 65,778                   | 4.78%                                                     |
| Lease liabilities                  | -                         | 27,616                 | -                       | 27,616                   | 4.49%                                                     |
| <b>Total financial liabilities</b> | <b>85,442</b>             | <b>27,616</b>          | <b>86,972</b>           | <b>200,030</b>           |                                                           |

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk. This sensitivity demonstrates the effect on the current year results and equity which could result from a change in these risks. A 1% change in the interest rate would impact the profit or loss by \$789,000 (2023: \$456,000).

(f) Foreign Exchange Risk

Foreign exchange risk (FX risk) arises principally from cash and cash equivalents. The objective of FX risk management is to manage and control FX risk exposures within acceptable parameters while optimising the return. The Group has cash and cash equivalents in NZD and SGD. The balance at the 30 June 2024 was NZD 900,000 (2023: NZD 1,193,000) and SGD 961,000 (2023: SGD 978,000). Due to the small amount of exposure the impact on profit has not been disclosed.

Note 22: Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The Group has adopted the amendment to AASB 7 Financial Instruments: Disclosures which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The carrying value of a significant portion of all financial assets and financial liabilities approximate their fair values due to their short-term nature and for borrowings with longer terms as a result of them having floating interest rates.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 22: Fair value measurement (cont.)

Financial Liabilities at fair value through the profit and loss  
2024

|                                    | \$000<br>Level 1 | \$000<br>Level 2 | \$000<br>Level 3 |
|------------------------------------|------------------|------------------|------------------|
| Contingent consideration           | -                | -                | 2,060            |
| <b>Total Financial Liabilities</b> | <b>-</b>         | <b>-</b>         | <b>2,060</b>     |

Financial Liabilities at fair value through the profit and loss  
2023

|                                    | Level 1  | Level 2  | Level 3       |
|------------------------------------|----------|----------|---------------|
| Contingent consideration           | -        | -        | 20,386        |
| <b>Total Financial Liabilities</b> | <b>-</b> | <b>-</b> | <b>20,386</b> |

There were no transfers between the levels of fair value hierarchy during the year ended 30 June 2024. There were no other financial assets or liabilities valued at fair value at 30 June 2024 and 2023.

The following table summarised the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of contingent consideration.

30 June 2024

| Unobservable Inputs         | Range of Inputs | Relationship of unobservable inputs to fair value                                           |
|-----------------------------|-----------------|---------------------------------------------------------------------------------------------|
| Risk-adjusted discount rate | 4.66%           | A change in the discount rate by 100 bps would increase/decrease the fair value by \$8,000. |

30 June 2023

| Unobservable Inputs         | Range of Inputs    | Relationship of unobservable inputs to fair value                                                     |
|-----------------------------|--------------------|-------------------------------------------------------------------------------------------------------|
| EBITDA achieved             | Nil to \$3,000,000 | If expected EBITDA was to increase by \$3,000,000 then the fair value would increase by \$12,750,000. |
| Risk-adjusted discount rate | 3.62%              | A change in the discount rate by 100 bps would increase/decrease the fair value by \$135,000.         |

Reconciliation of Level 3 fair value movements

|                                               | Contingent<br>Consideration |
|-----------------------------------------------|-----------------------------|
| Opening balance at 1 July 2022                | 30,063                      |
| Provisional accounting adjustment             | 5,291                       |
| Payments                                      | (16,771)                    |
| Gains and losses recognised in profit or loss | 1,803                       |
| Closing balance at 30 June 2023               | 20,386                      |
| Payments <sup>1</sup>                         | (9,494)                     |
| Non cash settlement <sup>2</sup>              | (2,500)                     |
| Recognised in profit or loss                  | (6,332)                     |
| Closing balance at 30 June 2024               | 2,060                       |

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 22: Fair value measurement (cont.)

#### *Contingent consideration*

<sup>1</sup>This has been settled via a combination of cash and equity. Refer to note 18 for shares issued.

<sup>2</sup>The contingent consideration will be cash settled except for Vision Surveys QLD of which 25% will be settled through the issue of shares. The fair value adjustments of the contingent consideration resulted in an overall gain on fair value. This primarily related to the Food Industry People Group acquisition, as the expected contingent consideration amount was reduced to nil given the minimum threshold for the second year earn out was not achieved.

The fair value of contingent consideration related to the acquisition of the Techforce Personnel Pty Ltd, Vision Surveys Qld Pty Ltd and FIP Group Holdings Pty Ltd is estimated using a present value technique. The value is estimated by probability-weighting the estimated future cash outflows, adjusting for risk and discounting. During the year the expected contingent consideration was adjusted based on agreed targets at the date of payment.

During the year the final tranche of the contingent consideration for the Perigon Group Pty Ltd was settled.

### Note 23: Events arising since the end of the reporting period

On 30 July 2024, 16,000 performance rights vested as a result of the associated conditions being satisfied and were converted to issued shares.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

### Note 24: Leases

#### *(a) Real estate leases*

The Group leases land and buildings for its office space. The leases of office space typically run for a period of 2 - 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in consumer price index. Some also require the Group to make payments that relate to the property costs (outgoings); these amounts are generally determined annually.

Some leases of office buildings contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new lease to provide operational flexibility. The Group assesses at lease commencement whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. There has been no significant extensions excluded from the lease liabilities.

#### *(b) Equipment leases*

The Group leases vehicles and equipment, with lease terms of three to five years. In some cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

The Group monitors the use of these vehicles and equipment and reassesses the estimated amount payable under the residual value guarantees at the reporting date to remeasure lease liabilities and right-of-use assets. As at 30 June 2024, the Group has nil amount payable under the residual guarantees.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 24: Leases (cont.)

(c) Short-term and low value asset leases

The amount of lease commitments for short-term and low value assets not recognised on statement of financial position:

|                                     | 2024<br>\$000 | 2023<br>\$000 |
|-------------------------------------|---------------|---------------|
| Low value assets payable:           |               |               |
| - not later than 12 months          | 31            | 58            |
| - between 12 months and 5 years     | -             | 31            |
|                                     | <u>31</u>     | <u>89</u>     |
| Short term property leases payable: |               |               |
| - not later than 12 months          | 8,864         | 7,431         |
| - between 12 months and 5 years     | -             | -             |
|                                     | <u>8,864</u>  | <u>7,431</u>  |

Short term property leases have terms of less than 12 months. These on a whole relate to temporary accommodation for the FIP Group for visa workers under the Pacific Australia Labour Mobility (PALM) scheme. Increase from 30 June 2023 is due to growth of FIP Group.

Recognition and measurement

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of the identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life to the right-of-use or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 24: Leases (cont.)

#### Recognition and measurement (cont.)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

#### Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of equipment or property that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### Key judgements and estimations

In determining both the right of use asset and the lease liability certain estimates and judgements were made. These included the following:

- Where options to extend existed each lease was assessed individually, and the likelihood of extension was applied. If it was considered that the lease would be terminated, then it was treated as such otherwise the option period was taken into account.
- There were no residual guarantees contained in any of the lease agreements.
- Increments to lease payments were fixed amounts and these fixed payments and increments were taken into account in the measurement of the right of use asset and lease liability.
- No impairments were identified as each of the right of use assets were allocated to a CGU and these are impairment assessed based on value in use. No impairments to these CGU's have been identified.
- The Group determined that the appropriate discount rate to calculate the right of use assets and liabilities was the Group's current incremental borrowing rate.

### Note 25: Contingent assets and contingent liabilities

The Group has given bank guarantees as at 30 June 2024 of \$3,718,000 to various landlords. The Group has no other contingent assets and contingent liabilities.

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 26: Auditor's Remuneration

|                                                                                                                                               | 2024           | 2023           |
|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>Audit services</b>                                                                                                                         |                |                |
| Amounts paid/payable to BDO for audit or review of the financial statements for the entity or any entity in the Group:                        |                |                |
| - Current year                                                                                                                                | 495,000        | 470,000        |
| <b>Other assurance services</b>                                                                                                               |                |                |
| - Current year                                                                                                                                | 12,342         | -              |
| <b>Non-audit services</b>                                                                                                                     |                |                |
| Amounts paid/payable to BDO or related entities of BDO for non-audit services performed for the entity or any entity in the Group as follows: |                |                |
| - Taxation services                                                                                                                           | 26,189         | 85,942         |
| - Corporate services                                                                                                                          | 1,640          | 55,121         |
| <b>Total BDO Audit Pty Ltd and related entities</b>                                                                                           | <b>535,171</b> | <b>611,063</b> |
| <b>BDO Network Firms</b>                                                                                                                      |                |                |
| - Overseas subsidiary taxation compliance services                                                                                            | 6,814          | 11,213         |
| - Overseas subsidiary audit compliance services                                                                                               | 27,051         | 15,503         |
|                                                                                                                                               | <b>33,865</b>  | <b>26,716</b>  |
|                                                                                                                                               | <b>569,036</b> | <b>637,779</b> |

Note 27: Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Parent entity

The parent entity is PeopleIn Limited, which is incorporated in Australia.

Subsidiaries and associates

Interests in subsidiaries and associates are disclosed in Note 10: Investments in other entities.

Key Management Personnel

|                                                                | 2024             | 2023             |
|----------------------------------------------------------------|------------------|------------------|
| Short-term employee benefits (including annual leave accruals) | 2,105,898        | 2,179,936        |
| Long-term employee benefits – long service leave               | 12,282           | 36,191           |
| Post-employment benefits – superannuation                      | 115,117          | 106,948          |
| Share-based payments                                           | 961,975          | 457,033          |
| Termination benefits                                           | 117,176          | -                |
| <b>Total key management personnel (KMP) compensation</b>       | <b>3,312,448</b> | <b>2,780,108</b> |

Detailed remuneration disclosures are provided in the remuneration report on pages 15 to 27.

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 27: Related party transactions (cont.)**

The following related party transactions occurred with entities related to the directors:

|                                                                  | <b>2024</b> | <b>2023</b> |
|------------------------------------------------------------------|-------------|-------------|
|                                                                  | <b>No.</b>  | <b>No.</b>  |
| <b>Shares Issued – On Market *</b>                               |             |             |
| <i>Directors</i>                                                 |             |             |
| Glen Richards                                                    | 384,084     | 220,000     |
| Elizabeth Savage                                                 | 8,256       | 5,545       |
| Vu Tran                                                          | 30,000      | 20,000      |
| Elisabeth Mannes                                                 | 15,000      | -           |
| Tony Peake                                                       | 100,000     | -           |
| Tom Reardon                                                      | 250,000     | -           |
| <i>Executives</i>                                                |             |             |
| Adam Leake                                                       | 9,335       | -           |
| <b>Shares Issued – Exercise of Options/Performance Rights **</b> | <b>No.</b>  | <b>No.</b>  |
| <i>Directors</i>                                                 |             |             |
| Declan Sherman                                                   | -           | 29,843      |
| Thomas Reardon                                                   | 96,029      | 99,876      |
| <i>Executives</i>                                                |             |             |
| Megan Just                                                       | 57,165      | 36,344      |
| <b>Options or Performance Rights Issued</b>                      |             |             |
| <i>Directors</i>                                                 |             |             |
| Thomas Reardon                                                   | 172,414     | 82,237      |
| <i>Executives</i>                                                |             |             |
| Ross Thompson                                                    | 100,000     | 50,000      |
| Megan Just                                                       | 33,524      | 64,145      |
| Adam Leake                                                       | 51,020      | -           |

\* These shares issues/disposals, including dividends reinvested were as a result of on market share acquisitions and disposals at arm's length.

\*\* These shares were issued as a result of performance rights meeting their conditions.

**Other Transactions with Key Management Personnel**

During the year the Group provided recruitment and advisory services to Healthia Limited, an entity associated with Glen Richards. The Group received \$25,000 (June 2023: \$142,000) from recruitment and advisory services which has been recognised as revenue. No amount was receivable at year end (June 2023: nil).

The Group utilises the online learning platform provided by GO1 Pty Ltd, an entity associated with Vu Tran. The Group made payments of \$54,000 (June 2023: \$62,000) to GO1 Pty Ltd during the period which has been recognised in other expenses. No amount was payable at year end (June 23: nil).

There were no other transactions with other related parties during the period.

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 28: Parent entity information**

The Corporations Act 2001 requirement to prepare parent entity financial statements where consolidated financial statements are prepared has been removed and replaced by the new regulation 2M.3.01 which requires the following limited disclosure in regard to the parent entity (PeopleIn Limited). The consolidated financial statements incorporate the assets, liabilities and results of the parent entity in accordance with the Group accounting policy. The financial information for the parent entity, PeopleIn Limited, has been prepared on the same basis as the consolidated financial statements.

|                                                                   | 2024<br>\$000  | 2023<br>\$000  |
|-------------------------------------------------------------------|----------------|----------------|
| <b>Statement of financial position</b>                            |                |                |
| <b>ASSETS</b>                                                     |                |                |
| Current assets                                                    | 2,538          | 683            |
| Non-current assets                                                | 223,261        | 195,864        |
| <b>Total assets</b>                                               | <b>225,799</b> | <b>196,547</b> |
| <b>LIABILITIES</b>                                                |                |                |
| Current liabilities                                               | -              | 1,086          |
| Non-current liabilities                                           | 74,540         | 72,965         |
| <b>Total liabilities</b>                                          | <b>74,540</b>  | <b>74,051</b>  |
| <b>EQUITY</b>                                                     |                |                |
| Issued capital                                                    | 109,362        | 107,635        |
| Reserves                                                          | 14,568         | 10,765         |
| Retained earnings                                                 | 26,328         | 4,096          |
| <b>Total equity</b>                                               | <b>150,258</b> | <b>122,496</b> |
| <b>Statement of profit or loss and other comprehensive income</b> |                |                |
| Other revenue                                                     | 22,469         | 18,310         |
| Other income                                                      | 26             | 24             |
| Other expenses                                                    | (11,654)       | (745)          |
| Share based payments expense                                      | (3,802)        | (5,284)        |
| <b>Profit before income tax expense</b>                           | <b>7,039</b>   | <b>12,305</b>  |
| Income tax expense                                                | 25,511         | 1,748          |
| <b>Profit for the year</b>                                        | <b>32,550</b>  | <b>14,053</b>  |
| Other comprehensive income                                        | -              | -              |
| <b>Total comprehensive income</b>                                 | <b>32,550</b>  | <b>14,053</b>  |

**Guarantees**

Under the terms of the Secured Financing Facility entered in with CBA, PeopleIn Limited has provided certain guarantees in relation to the arrangements between the Financier and the borrowing entities. These guarantees relate primarily to payment performance.

There are cross guarantees given by PeopleIn Limited and other subsidiaries as described in note 29. No deficiencies of assets exist in any of these companies.

**Contingent liabilities**

The parent entity has no contingent liabilities.

**Capital commitments**

The parent entity has no capital commitments.

**Notes to the Financial Statements for the year ended 30 June 2024 (cont.)**

**Note 29: Deed of cross guarantee**

PeopleIn Limited and all subsidiaries listed in note 10, with the exception of The Recruitment Company, Halcyon Knights Pte Ltd, Techforce Personnel Pty Ltd and Techforce Personnel Services Pty Ltd, are parties to a deed of cross guarantee under which each Company guarantees the debts of others. The deed was entered into on the 23 June 2017 and the new entities either incorporated or acquired subsequent to that date were added on the 26 June 2019, 30 July 2020, 17 June 2021 and 16 June 2022. By entering into the deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and directors' report under ASIC Corporations (Wholly owned Companies) Instrument 2016/785.

**a. Consolidated statement of profit or loss and other comprehensive income and summary of movements in consolidated retained earnings**

The above companies represent a 'Closed Group' for the purposes of the instrument, and as there are no other parties to the deed of cross guarantee that are controlled by PeopleIn Limited, they also represent the 'Extended Closed Group'.

Set out below is a consolidated statement of profit or loss and other comprehensive income and a summary of movements in consolidated retained earnings for the year ended 30 June 2024 of the Closed Group.

|                                                                   | <b>2024</b>   | <b>2023</b>   |
|-------------------------------------------------------------------|---------------|---------------|
|                                                                   | <b>\$000</b>  | <b>\$000</b>  |
| <b>Statement of profit or loss and other comprehensive income</b> |               |               |
| Revenue                                                           | 1,034,845     | 1,035,620     |
| Other income                                                      | 6,392         | 63            |
| Employee benefits expense                                         | (979,603)     | (960,258)     |
| Occupancy expenses                                                | (2,558)       | (3,649)       |
| Depreciation and amortisation expense                             | (19,510)      | (16,407)      |
| Other expenses                                                    | (32,770)      | (29,896)      |
| Finance costs                                                     | (6,836)       | (5,145)       |
| Share of profit of equity-accounted investees, net of tax         | 81            | 132           |
| Profit before income tax expense                                  | 41            | 20,460        |
| Income tax expense                                                | 2,128         | (8,468)       |
| <b>Profit for the period</b>                                      | <b>2,169</b>  | <b>11,992</b> |
| Other comprehensive income for the period, net of income tax      |               |               |
| <b>Total comprehensive profit / (loss) for the period</b>         | <b>2,169</b>  | <b>11,992</b> |
| <b>Summary of movements in consolidated retained earnings</b>     |               |               |
| <b>Retained earnings at the beginning of the financial year</b>   | <b>37,577</b> | <b>25,655</b> |
| Profit for the period                                             | 2,169         | 11,922        |
| <b>Retained earnings at the end of the financial year</b>         | <b>39,746</b> | <b>37,577</b> |

Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

Note 29: Deed of cross guarantee (cont.)

b. Consolidated statement of financial position

Set out below is a consolidated statement of financial position as at 30 June 2024 of the Closed Group.

|                                      | 2024<br>\$000  | 2023<br>\$000  |
|--------------------------------------|----------------|----------------|
| <b>CURRENT ASSETS</b>                |                |                |
| Cash and cash equivalents            | 30,918         | 33,347         |
| Trade and other receivables          | 102,628        | 98,275         |
| Current tax receivable               | 2,410          | -              |
| Other current assets                 | 745            | 3,157          |
| <b>TOTAL CURRENT ASSETS</b>          | <b>136,701</b> | <b>134,779</b> |
| <b>NON-CURRENT ASSETS</b>            |                |                |
| Trade and other receivables          | (387)          | 800            |
| Financial assets                     | (16)           | 25             |
| Property, plant and equipment        | 24,741         | 26,805         |
| Intangible assets                    | 193,447        | 202,988        |
| <b>TOTAL NON-CURRENT ASSETS</b>      | <b>217,785</b> | <b>230,618</b> |
| <b>TOTAL ASSETS</b>                  | <b>354,486</b> | <b>365,397</b> |
| <b>CURRENT LIABILITIES</b>           |                |                |
| Trade and other payables             | 47,530         | 61,917         |
| Contingent consideration             | 1,655          | 13,242         |
| Financial liabilities                | 16,775         | 22,033         |
| Current tax liabilities              | -              | 701            |
| Employee benefits                    | 25,817         | 24,642         |
| <b>TOTAL CURRENT LIABILITIES</b>     | <b>91,777</b>  | <b>122,535</b> |
| <b>NON-CURRENT LIABILITIES</b>       |                |                |
| Contingent consideration             | 405            | 7,144          |
| Financial liabilities                | 107,630        | 77,379         |
| Deferred tax liabilities             | 5,824          | 9,252          |
| Employee benefits                    | 1,127          | 1,274          |
| <b>TOTAL NON-CURRENT LIABILITIES</b> | <b>114,986</b> | <b>95,049</b>  |
| <b>TOTAL LIABILITIES</b>             | <b>206,763</b> | <b>217,584</b> |
| <b>NET ASSETS</b>                    | <b>147,723</b> | <b>147,813</b> |
| <b>EQUITY</b>                        |                |                |
| Share capital                        | 109,359        | 107,632        |
| Retained earnings                    | 20,308         | 25,913         |
| Reserves                             | 14,599         | 10,866         |
|                                      | 144,266        | 144,411        |
| Non-controlling interest             | 3,457          | 3,402          |
| <b>TOTAL EQUITY</b>                  | <b>147,723</b> | <b>147,813</b> |

## Notes to the Financial Statements for the year ended 30 June 2024 (cont.)

### Note 30: Other accounting policies

#### *GST*

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

#### *Equity, reserves and dividend payments*

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Other components of equity include the following:

- foreign currency translation reserve: comprises foreign currency translation differences arising on the translation of financial statements of the Group's foreign entities into Australian Dollars.

- share based payments reserve: records items recognised as expenses on valuation of employee share options.

Retained earnings include all current and prior period retained profits.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a General Meeting prior to the reporting date.

All transactions with owners of the parent are recorded separately within equity.

#### *New and amended standards and interpretations not yet adopted*

New Accounting Standards and Interpretations not yet mandatory or early adopted Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024 except for amendments to AASB 101.

#### *New, revised or amending Accounting Standards and Interpretations adopted*

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The classification of borrowings as current and non-current has been based on the amendments to AASB 101.

The adoption of these new and revised Standards and Interpretations did not have any material impact on the amounts recognised in the financial statements of the Group for the current or prior. There have been no changes in the accounting policies from that disclosed in the 30 June 2023 financial statements.

### Note 31: Change in accounting policies

The Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements

**PeopleIN Limited and its controlled entities**  
**ACN 615 173 076**

**Consolidated entity disclosure statement**

**As at 30 June 2024**

| <b>Entity Name</b>                                      | <b>Type of entity</b> | <b>Place incorporated/<br/>formed</b> | <b>% of share capital</b> | <b>Australian or Foreign resident</b> | <b>Jurisdiction of Foreign Resident</b> |
|---------------------------------------------------------|-----------------------|---------------------------------------|---------------------------|---------------------------------------|-----------------------------------------|
| PeopleIN Limited (the Company)                          | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| ACN 155 860 558 Pty Ltd                                 | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Agribusiness Pty Ltd                                    | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Australian Healthcare Academy Pty Ltd                   | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Hco Two Pty Ltd                                     | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Labour Pty Ltd                                      | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Pty Ltd                                             | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Recruitment Group Pty Ltd                           | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Recruitment Services Pty Ltd                        | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Staff Pty Ltd                                       | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Workforce Recruitment Services Pty Ltd              | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Workforce Services Pty Ltd                          | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| AWX Workforce Staffing Services Pty Ltd                 | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Carestaff Nursing Services Pty Ltd                      | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| E Hco Two Pty Ltd                                       | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Edmen Community Staffing Solutions NSW Pty Ltd          | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Edmen Community Staffing Solutions Pty Ltd              | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Edmen Community Staffing Solutions Services NSW Pty Ltd | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Edmen Community Staffing Solutions Services Pty Ltd     | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Edmen Holdings Pty Ltd                                  | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Edmen HomeCare Pty Ltd                                  | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Edmen Pty Limited                                       | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Edmen Workforce Pty Ltd                                 | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Expect A Star Services Pty Ltd                          | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Expect A Star Staffing Services Pty Ltd                 | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| FIP Group Holdings Pty Ltd                              | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| FIP Group Services Pty Ltd                              | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| First Choice Care Pty Ltd                               | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| First People Group Pty Ltd                              | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Food Industry Employees No. 2 Pty Ltd                   | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Food Industry Employees Pty Ltd                         | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Food Industry People Group Pty Ltd                      | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Food Industry People Pty Ltd                            | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Food Industry Regional Employees Pty Ltd                | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| Food Professionals Australia Pty Ltd                    | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| GMT Brisbane Pty Ltd                                    | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| GMT Business Services Pty Ltd                           | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |
| GMT Canberra Pty Ltd                                    | Body corporate        | Australia                             | 100%                      | Australian                            | N/A                                     |

**PeopleIN Limited and its controlled entities**  
**ACN 615 173 076**

**Consolidated entity disclosure statement (cont.)**

| Entity Name                                        | Type of entity | Place incorporated/<br>formed | % of share capital | Australian or Foreign resident | Jurisdiction of Foreign Resident |
|----------------------------------------------------|----------------|-------------------------------|--------------------|--------------------------------|----------------------------------|
| GMT Group Pty Ltd                                  | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| GMT Melbourne Pty Ltd                              | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Halcyon Knights Commercial and Contracting Pty Ltd | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Halcyon Knights Ecareer Pty Ltd                    | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Halcyon Knights Pte Ltd                            | Body corporate | Singapore                     | 100%               | Australian                     | N/A <sup>1</sup>                 |
| Halcyon Knights Pty Ltd                            | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Halcyon Knights Qld Pty Ltd                        | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Illuminate Search and Consulting Pty Ltd           | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Managed Workforce Solutions Pty Ltd                | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Meat People Pty Ltd                                | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Meat Processors Pty Ltd                            | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Meat Workforce Pty Ltd                             | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Mobilise Group Pty Ltd                             | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Network Nursing Agency Pty Ltd                     | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| NNA Hco Two Pty Ltd                                | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| NNA Homecare Services Pty Ltd                      | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| People Infrastructure Admin Pty Ltd                | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| People Infrastructure Employee Share Trust         | Trust          | Australia                     | 100%               | N/A                            | N/A                              |
| People Solutions Now Pty Ltd                       | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| PeopleIN Holdco Pty Ltd                            | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| PeopleIN Nursing Pty Ltd                           | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Perigon Group Pty Ltd                              | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| PI GSSS Admin Pty Ltd                              | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| PI Healthcare Admin Pty Ltd                        | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| PI ITG Holdco Pty Ltd                              | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| PI PS Admin Pty Ltd                                | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Project Partners Corporation Pty Ltd               | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Regional Workforce Management Pty Ltd              | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Retail Staff Pty Ltd                               | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Revmax Pty Ltd                                     | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Techforce Personnel Pty Ltd                        | Body corporate | Australia                     | 79.25%             | Australian                     | N/A                              |
| Techforce Staffing Services Pty Ltd                | Body corporate | Australia                     | 79.25%             | Australian                     | N/A                              |
| The Recruitment Company                            | Body corporate | New Zealand                   | 100%               | Australian                     | N/A <sup>1</sup>                 |
| Timberwolf Planting Pty Ltd                        | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Tribe Workforce Solutions Pty Ltd                  | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| UNO Tribe Pty Ltd                                  | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Victorian Nurse Specialists Pty Ltd                | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |
| Vision Surveys (Qld) Pty Ltd                       | Body corporate | Australia                     | 100%               | Australian                     | N/A                              |

1 These entities are also a tax resident in their respective countries of incorporation. However, they are assessed as an Australian resident under the Income Tax Assessment Act 1997 and therefore not classified as a foreign resident under that Act.

## Consolidated entity disclosure statement (cont.)

### *Basis of preparation*

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

### *Determination of tax residency*

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5

- Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

## Directors' Declaration

For the year ended 30 June 2024

1. In the opinion of the Directors of PeopleIn Limited (the 'Company'):
  - a. The consolidated financial statements and notes of PeopleIn Limited are in accordance with the *Corporations Act 2001*, including:
    - i. Giving a true and fair view of the financial position as at 30 June 2024 and of its performance for the period ended on that date; and
    - ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations), which as stated in notes to the financial statements constitutes compliance with International Financial Reporting Standards and the Corporations Regulations 2001; and
  - b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
  - c. At the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 29 will be able to meet any obligation or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 29.
  - d. The information disclosed in the consolidated entity disclosure on page 90 is true and correct.
2. The directors have been given the declarations by the Interim Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.



**Glen Richards**

Chairman

Dated this 27<sup>th</sup> day of August 2024

## INDEPENDENT AUDITOR'S REPORT

To the members of PeopleIn Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of PeopleIn Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Impairment of goodwill and other intangible assets

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Refer to Note 13 - Intangible Assets</p> <p>The carrying amount of goodwill and the intangible assets is supported by value-in-use calculations prepared by management which are based on budgeted future cash flows, key estimates and significant judgements such as the annual growth rates, discount rate and terminal value growth rate.</p> <p>This is a key area of audit focus as the value of the intangible assets is material and the evaluation of the recoverable amount of these assets requires significant judgement in determining the key estimates supporting the expected future cash flows of the CGUs and the utilisation of the relevant assets.</p> | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• Understanding and evaluating the design and implementation of management's processes and controls;</li> <li>• Assessing management's determination of the Group's Cash Generating Units ("CGU's") to which intangible assets are allocated based on our understanding of the nature of the Group's business and the identifiable groups of cash generating assets;</li> <li>• Comparing the cash flow forecasts used in the value-in-use calculations to Board approved budgets for the 2025 financial year and the Group's historic actual performance;</li> <li>• Assessing the significant judgements and key estimates used for the impairment assessment, in particular, the annual growth rates, discount rate and terminal value growth rate;</li> <li>• Assessing the allocation of assets and liabilities, including corporate assets and allocation of corporate overheads to CGUs to ensure it is appropriate;</li> <li>• Performing sensitivity analysis by varying significant judgements and key estimates, including the annual growth rates, discount rate and terminal value growth rate, for the CGUs to which goodwill and indefinite useful life intangible assets relate; and</li> <li>• In conjunction with our internal specialists, assessed the discount rates against comparable market information for reasonableness; and</li> <li>• Assessing the adequacy of the Group's disclosures in respect of impairment testing of goodwill and indefinite useful life intangible assets.</li> </ul> |

## Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.

## Report on the Remuneration Report

### Opinion on the Remuneration Report

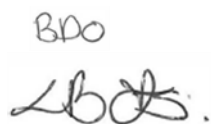
We have audited the Remuneration Report included in pages 15 to 27 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of PeopleIn Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**BDO Audit Pty Ltd**

The image shows a handwritten signature in black ink. The signature appears to be 'N I Batters' with a stylized flourish at the end.

**N I Batters**

Director

Brisbane, 27 August 2024

## SHAREHOLDER INFORMATION AS AT 20 AUGUST 2024

Shareholder Information required by the Australian Securities Exchange Limited (ASX) Listing Rules and not disclosed elsewhere in the Report is set out below.

1. In accordance with the 4<sup>th</sup> edition ASX Corporate Governance Council's Principles and Recommendations, the 2024 Corporate Governance Statement, as approved by the Board, is available on the Company's website at: <https://www.peoplein.com.au>. The Corporate Governance Statement sets out the extent to which PeopleIn Limited has followed the ASX Corporate Governance Council's Recommendations during the 2024 financial year.

### 2. Substantial shareholders

The number of securities held by substantial shareholders and their associates (as reported to the ASX) are set out below:

#### Fully paid Ordinary Shares

| Name                       | Number    | %     |
|----------------------------|-----------|-------|
| Perennial Value Management | 9,376,560 | 9.24% |

### 3. Number of security holders and securities on issue

PeopleIn Limited has issued the following securities:

- (a) 104,479,349 fully paid ordinary shares held by 6,548 shareholders;
- (b) 343,170 unlisted \$4.371 options held by 1 option holder; and
- (c) 1,813,882 performance rights held by 43 performance rights holders.

### 4. Voting rights

#### Ordinary shares

In accordance with the PeopleIn Limited Constitution, and subject to any rights or restrictions attached to any class of shares, at a meeting of members the voting rights attached to ordinary shares are that on a show of hands, every member present, in person or proxy, has one vote and upon a poll, each share shall have one vote.

#### Options

Option holders do not have any voting rights on the options held by them.

### 5. Distribution of security holders

#### (a) Quoted securities

| Category         | Fully paid Ordinary shares |               |                    |               |
|------------------|----------------------------|---------------|--------------------|---------------|
|                  | Holders                    | %             | Shares             | %             |
| 1 - 1,000        | 2,256                      | 34.45         | 1,090,976          | 1.04          |
| 1,001 - 5,000    | 2,215                      | 33.83         | 5,835,324          | 5.59          |
| 5,001 - 10,000   | 889                        | 13.58         | 6,808,723          | 6.52          |
| 10,001 - 100,000 | 1,128                      | 17.23         | 28,402,995         | 27.19         |
| 100,001 and over | 60                         | 0.91          | 62,341,331         | 59.66         |
| <b>Total</b>     | <b>6,548</b>               | <b>100.00</b> | <b>104,479,349</b> | <b>100.00</b> |

## SHAREHOLDER INFORMATION AS AT 20 AUGUST 2024 (CONT.)

### 6. Distribution of security holders (cont.)

#### (b) Unquoted securities

| Category         | \$1.00 Options |                |            |
|------------------|----------------|----------------|------------|
|                  | Holders        | Number         | %          |
| 1 - 1,000        | -              | -              | -          |
| 1,001 - 5,000    | -              | -              | -          |
| 5,001 - 10,000   | -              | -              | -          |
| 10,001 - 100,000 | -              | -              | -          |
| 100,001 and over | 1              | 343,170        | 100        |
| <b>Total</b>     | <b>1</b>       | <b>343,170</b> | <b>100</b> |

### 7. Unmarketable parcel of shares

There are 1,592 unmarketable parcels held at 20 August 2024.

### 8. Twenty largest shareholders of quoted equity securities

#### Fully paid ordinary shares

Details of the 20 largest shareholders by registered shareholding are:

|                            | Name                                      | No. of shares      | % IC          |
|----------------------------|-------------------------------------------|--------------------|---------------|
| 1                          | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 22,580,045         | 21.61         |
| 2                          | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 10,381,824         | 9.94          |
| 3                          | CITICORP NOMINEES PTY LIMITED             | 7,095,460          | 6.79          |
| 4                          | NAMBAWAN INVESTMENTS PTY LTD              | 2,949,461          | 2.82          |
| 5                          | ELSEM PTY LTD                             | 2,819,104          | 2.70          |
| 6                          | BNP PARIBAS NOMINEES PTY LTD              | 2,573,425          | 2.46          |
| 7                          | WAM INDUSTRIES PTY LTD                    | 1,809,798          | 1.73          |
| 8                          | PACIFIC CUSTODIANS PTY LIMITED            | 1,218,404          | 1.17          |
| 9                          | MAXIMUM (NQ) PTY LTD                      | 937,725            | 0.90          |
| 10                         | GF & LH RICHARDS SUPER PTY LTD            | 603,641            | 0.58          |
| 11                         | S&J FARRUGIA PTY LTD                      | 512,000            | 0.49          |
| 12                         | RUSSBUS PTY LTD                           | 400,000            | 0.38          |
| 13                         | NETWEALTH INVESTMENTS LIMITED             | 396,342            | 0.38          |
| 14                         | GEAT INCORPORATED                         | 360,300            | 0.34          |
| 15                         | ARANIM PTY LTD                            | 348,000            | 0.33          |
| 16                         | ARILD PTY LTD                             | 324,453            | 0.31          |
| 17                         | MR DECLAN ANDREW SHERMAN                  | 317,547            | 0.30          |
| 18                         | MS NARELLE EDMUNDS                        | 307,252            | 0.29          |
| 19                         | SIDE PROJECTS COMPANY PTY LTD             | 305,746            | 0.29          |
| 20                         | C & A ABRAHAMS PTY LTD                    | 304,487            | 0.29          |
| <b>Total</b>               |                                           | <b>56,545,014</b>  | <b>53.78</b>  |
| <b>Balance of register</b> |                                           | <b>47,934,335</b>  | <b>46.22</b>  |
| <b>Grand total</b>         |                                           | <b>104,479,349</b> | <b>100.00</b> |

## SHAREHOLDER INFORMATION AS AT 20 AUGUST 2024 (CONT.)

**9. A list of other stock exchanges on which any of the Company's securities are quoted.**

PeopleIn Limited securities are only listed on the ASX.

**10. The number and class of restricted securities or securities subject to voluntary escrow that are on issue and the date that the escrow period ends.**

Nil.

**11. Unquoted securities**

**Options**

343,170 unlisted options have been issued to 1 option holder and remain unexercised. Details of holders of 20% or more of the \$1.00 options are as follows:

| Name           | Number  | %      |
|----------------|---------|--------|
| Justin McNicol | 343,170 | 100.00 |

**12. On market buy-back**

There is no current on market buy-back.

**13. Statement regarding use of cash and assets.**

During the period between 1 July 2023 and 30 June 2024, PeopleIn Limited has used its cash and assets readily convertible to cash that it had at the time of ASX admission in a way consistent with its business objectives set out in the prospectus dated 20 October 2019.