

ASX ANNOUNCEMENT

People Infrastructure Reports Half Year Results

Date: 22 Feb 2018 – People Infrastructure Ltd (ASX: PPE) (“Company”), a leading workforce management company that delivers innovative solutions to workforce challenges, today announced its half year results for the six months ended 31st December 2017.

Key highlights for H1 FY18:

- **H1 FY18 pro forma NPATA and EBITDA on track to achieve prospectus forecasts**
- **Strong business conditions support positive second half outlook**
- **Recent investment in Recon Solutions and Recon Technology support further growth**
- **Financial highlights include:**
 - **Consolidated revenue of \$107m**
 - **Pro forma EBITDA of \$6.2m**
 - **Pro forma NPATA of \$4.0m**

Declan Sherman, People Infrastructure’s Managing Director said: “People Infrastructure is pleased to announce a strong performance for H1 FY18 and the Company remains on track to deliver on its prospectus forecasts. The Company continues to deliver on its long term strategy of being a leading provider of workforce solutions to clients across Australia and New Zealand. By delivering efficient, innovative and cost effective workforce management services, we have been able to grow both our current and new client base. Strong industry tailwinds are also providing further support to the growth trajectory of the business.”

Results Summary

		Pro Forma Forecast	Pro Forma Actual
		Full Year 2018	H1 FY18
Revenue	\$'000	214,196	106,674
Pro forma EBITDA	\$'000	12,038	6,183
<i>Ebitda margin</i>		5.6%	5.8%
Pro forma NPATA	\$'000	7,447	4,030
NPATA per share	cents	11.6	6.3

People Infrastructure generated strong cash flow throughout the period and is in a favourable position to pursue future growth. The Company’s net debt at 31 December 2017 was \$5.6m.

Summary and Outlook

Declan Sherman said: “The outlook for People Infrastructure continues to be strong. The acquisition of 50% of Recon Solutions and Recon Technology in January this year provides a further platform for expansion in the high-growth IT industry, and is highly complementary to People Infrastructure’s existing workforce offering.

The Recon Group is well recognized as a market leader in IT recruitment and consulting and People Infrastructure look forward to offering their services to existing People Infrastructure clients.”

“People Infrastructure is excited about the opportunity to continue to leverage its capabilities in workforce management across other businesses as well as seeking organic growth in their existing business.”

Notes:

1. Earnings before Interest, tax, depreciation and amortisation (“EBITDA”) is a non-IFRS term which has not been subject to audit or review but has been determined using information presented in the Company’s half year results and the prospectus dated 20 October 2017.
2. Net profit after tax and before amortisation (“NPATA”) is a non-IFRS term which has not been subject to audit or review but has been determined using information presented in the Company’s half year results and the prospectus dated 20 October 2017.
3. Pro forma numbers have not been subject to audit or review and are based on numbers contained in the Company’s interim financial statements and normalisation adjustments consistent with the prospectus dated 20 October 2017. IPO costs, and costs associated with the capital structure prior to listing, including Company convertible notes and debt are excluded from the pro forma numbers.

For Further Information:

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