

ASX/Media Announcement

13 August 2018

PEOPLE INFRASTRUCTURE TO ACQUIRE LEADING NURSING AGENCY BUSINESS

- **Leader in providing contracted nurses to the public and private health sector in Sydney**
- **Management team to stay in place and continue to grow the business**
- **Multiple synergies with People Infrastructure's existing Australian disability workforce management business**
- **Significantly earnings accretive in FY2019**
- **Funded out of cash and debt facilities**

People Infrastructure Ltd ("PPE" or "People Infrastructure") today announced that it has entered into an agreement to acquire Network Nursing Agency Pty Ltd and Australian Healthcare Academy Pty Ltd (together "Network Nursing Agency"). Network Nursing Agency was established in 1997, and is a leading Sydney-based nursing agency specialising in supplying general, critical care, mental health, midwifery, aged care nurses, and facilitation to private and public healthcare clients across Australia. Australian Healthcare Academy is a provider of premium healthcare training and education to healthcare professionals in Australia.

The acquisition price for Network Nursing Agency is \$8 million payable in cash on closing. There will also be an opportunity for the vendors to receive further consideration as follows:

- If the FY19 ebitda exceeds \$2.65million then a further \$0.55million in cash consideration; or
- if the FY19 ebitda exceeds \$2.8million then a further \$1.1million in cash consideration.

It is expected that the acquisition will be completed in the coming weeks.

People Infrastructure expects Network Nursing Agency to contribute \$2.2 million in EBITDA for the next 12 months¹ (September 2018 through to September 2019) and NPATA of \$1.2million (incorporating financing costs). The current senior management team of Juliet Aryana and Nathan Hodges will continue in their current roles post acquisition.

People Infrastructure's Managing Director, Mr Declan Sherman said, "The acquisition of Network Nursing Agency represents a logical extension of our leading disability and community care workforce management business. Over the last 10 years, People Infrastructure has grown to be a leading provider of workforce management to the disability sector in Australia. The acquisition of Network Nursing Agency will provide the ability to grow our offering in the Australian healthcare sector into nursing. There are a number of cross selling benefits in being able to provide nurses to our disability clients as well as leverage the combined workforce in the nursing and disability sectors to service the entire sector. People Infrastructure and Network Nursing Agency are an excellent strategic fit," he said. "While 90% of Network Nursing Agency's

¹ Pre-synergies

earnings are provided by the nursing agency, the Australian Healthcare Academy is also an important strategic acquisition providing the ability to upskill nurses to better qualify them for workforce opportunities in the nursing and disability sector.”

The consideration will be funded by a combination of People Infrastructure’s existing cash reserves and new debt facilities that have been put in place. People Infrastructure’s net debt post acquisition is expected to be approximately \$14million. The acquisition is expected to be significantly EPS accretive in FY2019.

People Infrastructure looks forward to reporting their results for FY2018 on or about 24 August 2018.

People Infrastructure (ASX:PPE) is a technology enabled workforce management company delivering innovative solutions to workforce challenges faced by Australia's leading businesses. People Infrastructure is a diversified provider of workforce management to various sectors including disability care, child care, infrastructure, mining, manufacturing, information technology and hospitality amongst others. People Infrastructure has a track record of successfully acquiring and growing businesses through leveraging its core capabilities in workforce management.

Enquiries - please contact:

- People Infrastructure– Declan Sherman – (07) 3238 0800