



PEOPLE INFRASTRUCTURE LTD
2019 ANNUAL GENERAL MEETING

PEOPLE
INFRASTRUCTURE

26 November 2019



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Section 1: Chairman's Address – Glen Richards

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FY19 OVERVIEW

PEOPLE INFRASTRUCTURE HAS HAD ANOTHER SUCCESSFUL YEAR...

AUSTRALIA'S LARGEST LISTED WORKFORCE MANAGEMENT COMPANY

- Diversified exposure to outsourced HR services across the Australian and NZ economy
- Over 16,500 employees paid throughout the year

STRONG FINANCIAL PERFORMANCE ACROSS THE BUSINESS

- Normalised EBITDA of \$17.8m - 37% above FY18
- NPATA of \$12.1m - 44% above FY18
- EPS of 16.6 cents per share – 28% above FY18

ACQUISITION STRATEGY PERFORMING WELL WITH STRATEGIC GROWTH IN THE HEALTHCARE AND IT SECTORS

- Acquired 4 nursing agencies and 1 Information Technology staffing business

CONTINUED IMPROVEMENT IN OPERATING EFFICIENCIES

- EBITDA margin of 6.4% up from 5.9% in FY18 and 5.3% in FY17

STRONG CASH FLOW GENERATION ACROSS THE BUSINESS AND A CONSERVATIVE BALANCE SHEET

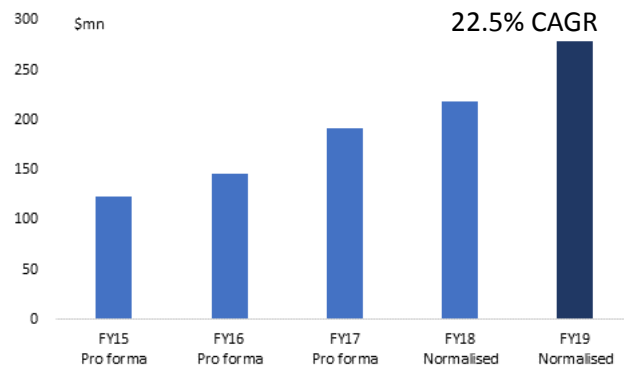
- Well positioned to invest in future growth with net debt/EBITDA of ~1x
- Increase in final dividend for the year to 4.5 cents per share fully franked

MAINTAIN MARKET LEADING SAFETY RECORD

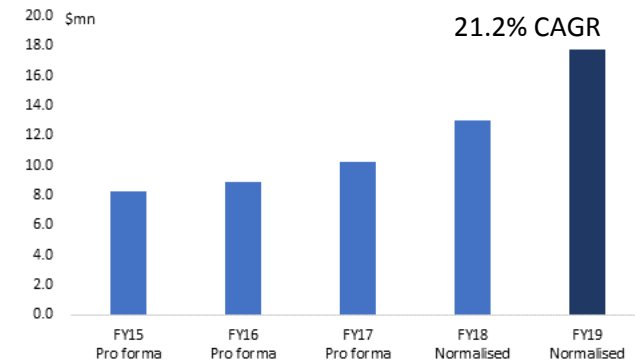
- Industry leader in minimising employee workplace injuries as well as reduced premiums

CONSISTENTLY GROWING SHAREHOLDER RETURNS

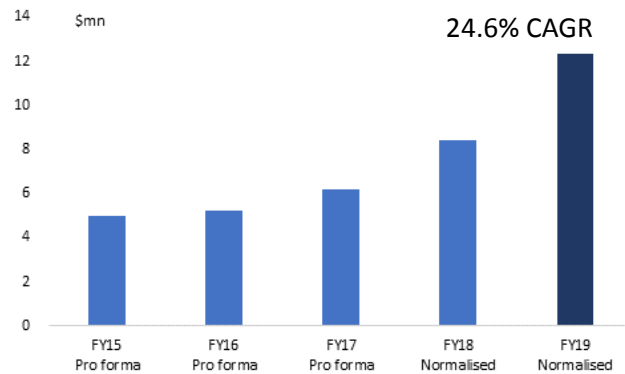
REVENUE GROWTH 2015 – 2019



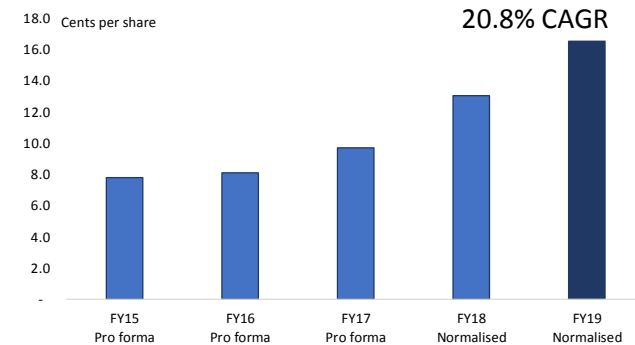
EBITDA GROWTH 2015 – 2019



NPATA GROWTH 2015 – 2019



EPS GROWTH 2015 – 2019

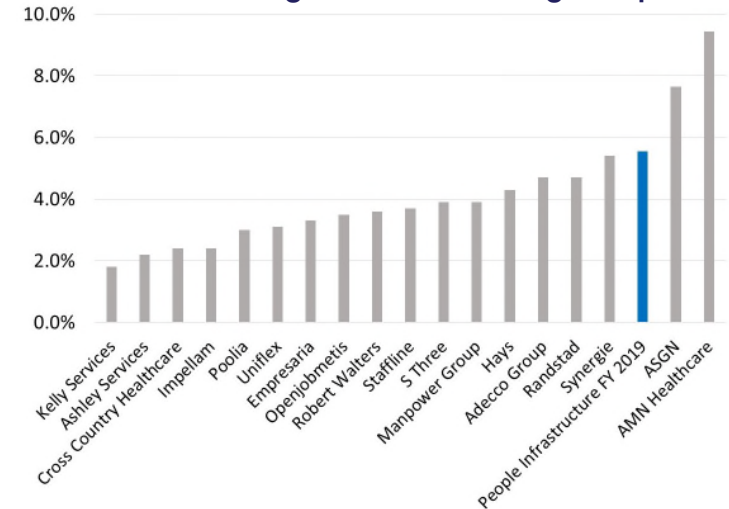


Notes: Revenue, EBITDA and NPATA normalized per criteria provided for in the company's prospectus dated 20 October 2017 for FY15 – FY17 and per annual report in FY18 and FY19

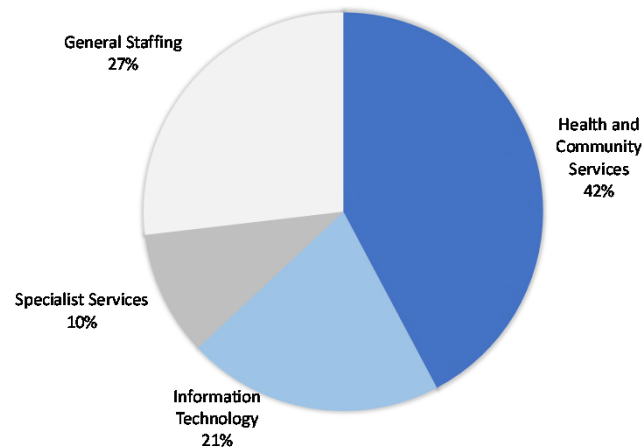
DIVERSIFIED WORKFORCE MANAGEMENT COMPANY

- Global leader in profitability. People Infrastructure focuses on niches where it has a demonstrable competitive advantage. As a result it has globally leading EBIT margins
- Diversified by industry with a focus on sectors that have the benefit of strong economic tailwinds

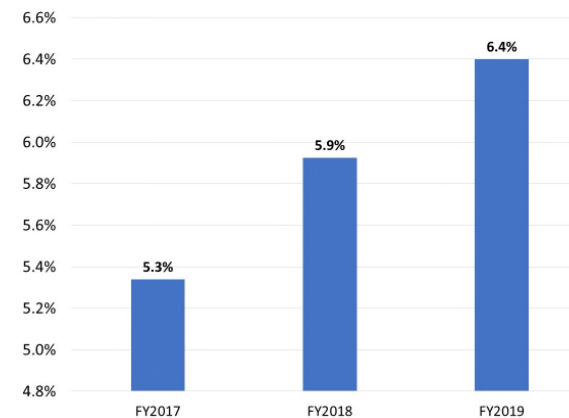
Global EBIT Margins of Listed Staffing Companies



Pro Forma Profit by Industry FY2020



People Infrastructure growth in EBITDA margins



Notes: Profit by industry pro forma to include full impact of Halcyon Knights acquisition and recent nursing acquisitions

SUSTAINABLE COMPETITIVE ADVANTAGES

WHY IS PEOPLE INFRASTRUCTURE A LEADER IN THE WORKFORCE MANAGEMENT SECTOR?

INDUSTRY LEADING TECHNOLOGY

- Significant investment in creating an industry leading technology platform across each of its pillars
- Proprietary end-to-end workforce management system

NICHE FOCUS IN SUB-SECTORS

- Developed leading databases of workers in the sub sectors in which PPE focuses
- Industry leading recruitment strategies to attract the best quality candidates for our clients

A FOCUS ON SMEs

- A focus on providing workforce solutions to small to medium sized organisations has facilitated greater client diversity and higher margins

EXCELLENT SAFETY RECORD

- Industry-leading safety record, driven by a relentless focus on safety for employees, has served to attract and retain clients
- Work-cover rates below industry average, providing insurance premium savings and enhancing the company's margin

LONG STANDING CLIENT RELATIONSHIPS

- Client relationships built on quality of service, close relationships with key stakeholders, and strong branding
- Low client churn rate, and high average tenure of the top 20 clients of over five years

NATIONAL BRANCH NETWORK

- National footprint across Australia and New Zealand
- People Infrastructure's scale allows it to service large national clients while retaining close relationships with local businesses

HEALTH AND COMMUNITY SERVICES IN FOCUS

A fully integrated workforce management model

Overview and Competitive Positioning

- A leader in providing workforce management services to the health and Community Services sectors in Australia
- The only provider of outsourced workforce management services in Australia (see next slide)
- Significant operational complexity, long tenure and industry leading capabilities provide a significant barrier to entry
- Investment and scale in the Community Services sector provides a platform to grow further into aged care and healthcare
- Largest provider of carers in Australia and largest provider of nurses on the Eastern seaboard

Operated in the Health and Community Services Sectors for over 20 years

Core business expected to maintain 10%+ organic growth

Significant repeat customers – customer repeat score of 98%

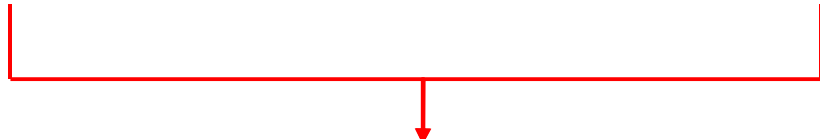
82 People Infrastructure employees driving this business

HEALTH AND COMMUNITY SERVICES IN FOCUS

Breakdown by Sectors

Significant future growth opportunities for our existing health and community services business

Current Business			Growth Plan	
Sector	PPE service	Current locations	Growth opportunities	Expected 3 year growth
Disability	Workforce Management	Australia wide	Grow market share throughout Australia	30%
Aged Care	Workforce Management	NSW	Grow market share throughout Australia Expand offering	50%+
Hospitals	Agency Services	Eastern seaboard metro	Grow market share on the Eastern Seaboard Expand into Regional and Remote Partial workforce management	30%
Home Care	Workforce Management	NSW	Grow market share regionally and by category	50%+



Significant organic growth opportunities

Servicing multiple parts of the health and Community Services sectors

INFORMATION TECHNOLOGY IN FOCUS

Overview and Competitive Positioning

- A leader in Information Technology recruitment focusing on IT Sales and Marketing, Digital, Cloud, CyberSecurity, Data & Analytics, IT Consulting and Technical Support
- Provide strong specialisation in each vertical driving significant employer and candidate engagement
- Long tenure <11% staff attrition against 36% industry average and industry leading specialisations provide a competitive advantage
- Industry leading processes underlying successful contribution from employees
- Early adopter of technology including social media to deliver a competitive advantage
- A top 10 provider of IT recruitment services in Australia

Operated in the Information Technology Sector for over 12 years

Core business expected to maintain 10%+ organic growth

Singapore office growing strongly and opened gateway to Asia

87 People Infrastructure employees driving this business

INFORMATION TECHNOLOGY IN FOCUS

Major Areas of Capability

IT Sales

Enabling us to be at the forefront of boom technologies – window into the future

Cybersecurity

One of the top 5 greatest priorities for modern CIOs/CTOs – with emergence of cloud, rapid application development, data governance/sovereignty issues

Data & Analytics

Making sense of Big Data – to provide greater insights for improving CX, AI, Automation

Transformation Services

Owning SOW/building squads/or skills gaps – digital, cloud, IT modernisation, legacy system upgrades, innovation labs

Emerging Tech – Blockchain, 5G, RPA, AI

Investing ahead of the curve with SMEs internally

GENERAL STAFFING AND SPECIALIST SERVICES IN FOCUS

Overview and Competitive Positioning

- A leader in providing general staffing services to small and medium sized business across Australia.
- Leverage general staffing capabilities into market segments which generate high margins; our general staffing business has spawned:
 - a specialty contract planting business: leading provider in the Australian market
 - facilities maintenance business: leverage relationships in the general staffing business into longterm contracts
 - Childcare and early childhood staffing business: leading position in Australia in this market
 - Hospitality payrolling business: leading position in the Qld market
- Industry expertise, a focus on small and medium sized businesses, investment in WH&S and strong technology to streamline processes have helped drive industry leading margins

Specialist Services has grown to generate approximately 30% of the income generated by this division

Operated in this sector for over 18 years

Core business expected to maintain 10%+ organic growth

68 People Infrastructure employees driving this business

SUMMARY FINANCIALS

STRONG EARNINGS GROWTH IN FY19

- Growing demand from existing clients particularly in Health and Community Services, IT and Specialist Services businesses
- Continued new client wins
- Continued roll out of back office IT and process improvements driving further economies of scale
- Improved EBITDA margins
- Significant further growth to be achieved through filling more roles rather than needing more clients

		Normalised FY2018	Normalised FY2019	Growth
Revenue	\$'000	219,400	278,155	26.8%
Normalised EBITDA	\$'000	13,001	17,781	36.8%
<i>Ebitda margin</i>		5.9%	6.4%	
Normalised NPATA	\$'000	8,394	12,052	43.6%
NPATA per share	cents	13.0	16.6	27.7%
Net Debt	\$'000	7,654	19,461	
Net Debt / EBITDA	x	0.59	1.09	

2020 OUTLOOK

FOCUS ON ORGANIC GROWTH AND FURTHER STRATEGIC ACQUISITIONS

ORGANIC GROWTH	Staff investment	Continued investment in people and processes throughout the business
	Systems	Investment in systems and processes to generate cost savings and improve service delivery
	New markets	Seeking new markets to roll out existing services eg Sydney IT recruitment business
STRATEGIC GROWTH	Various	<p>Seek acquisitions which fit our criteria and generate significant upside through being a part of the People Infrastructure group</p> <ul style="list-style-type: none">• significantly EPS and DPS accretive;• operate in sectors with positive tail winds;• clear opportunities for growth;• strong correlation with existing People Infrastructure business;• embedded client relationships and a diverse client base; and• entrenched management teams with strong alignment of interest with People Infrastructure going forward

Section 3: Formal Business – Glen Richards

Consideration of Reports

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the financial year ended 30 June 2019.

Questions and Comments

Resolution 1 – Re-Election of Director – Glen Richards

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That Glen Richards, who retires in accordance with clause 19.3 of the Company’s Constitution and being eligible for re-election, is re-elected as a Director of the Company.”

For	Against	Abstain	Proxy’s Discretion
35,604,575	15,494	645,018	234,090

Resolution 2 – Remuneration Report

To consider and if thought fit, pass the following as a non-binding ordinary resolution of the Company:

“That the Company’s Remuneration Report for the financial year ended 30 June 2019, as set out in the Directors’ Report, is adopted.”

For	Against	Abstain	Proxy’s Discretion
24,566,246	3,500	669,690	237,590

Resolution 3 – Approval of Additional Share Issue Capacity under ASX Listing Rule 7.1A

To consider and, if thought fit, pass the following as a special resolution of the Company:

“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the Shareholders of the Company approve the issue of equity securities up to 10% of the issued capital of People Infrastructure Ltd (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum which forms part of the Notice of Meeting.”

For	Against	Abstain	Proxy’s Discretion
28,301,906	7,256,981	702,700	237,590

Resolution 4 – Ratification of issue of Shares to institutional, sophisticated and professional investors

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue on 19 June 2019 of a total of 1,494,764 fully paid ordinary shares in People Infrastructure Ltd (Shares) at an issue price of \$2.70 per Share, on the terms and conditions set out in the Explanatory Memorandum which forms part of the Notice of Meeting, is ratified.”

For	Against	Abstain	Proxy’s Discretion
17,177,764	11,000	4,067	237,590

Resolution 5 – Issue of Rights under the 2017 Performance Rights Plan – Declan Sherman

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 31,437 Performance Rights to Declan Sherman under the 2017 Performance Rights Plan on the terms described in the Explanatory Memorandum which forms part of the Notice of Meeting, is approved.”

For	Against	Abstain	Proxy’s Discretion
24,431,773	105,518	648,517	291,218

Resolution 6 – Issue of Rights under the 2017 Performance Rights Plan – Thomas Reardon

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 31,437 Performance Rights to Thomas Reardon under the 2017 Performance Rights Plan on the terms described in the Explanatory Memorandum which forms part of the Notice of Meeting, is approved.”

For	Against	Abstain	Proxy's Discretion
24,416,378	120,913	648,517	291,218

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