

ASX Announcement

28 October 2022

FY23 EARNINGS GUIDANCE REAFFIRMED AMID HIGHLY POSITIVE OPERATING CONDITIONS

- NSC report highlights continued acute shortage of labour and strong market opportunity for PeopleiN
- Healthcare & Community vertical well-placed to address critical supply shortages within high skills shortage sector
- Professional Services vertical continuing to see strong demand, particularly for cyber security roles and professional management roles
- Industrial & Specialist Services vertical seeing increased demand across multiple sectors

PeopleiN Limited ASX:PPE (**PeopleiN**) is pleased to provide an update on business performance and market conditions given the recently released National Skills Commission Report and the Federal Government Budget Announcement.

Operating conditions continue to be highly positive, given the strength of the employment market and extensive demand from our clients. The 2022 Skills Priority List (SPL) released by the National Skills Commission in October 2022¹ highlights the continued acute shortage of labour, in particular with 286 out of 914 (or 31%) of occupations assessed as in shortage (up from 19% in 2021). Professionals (including IT workers), healthcare workers and trade workers are amongst those roles experiencing the highest demand. PeopleiN has broad reach into these high demand employment sectors.

PeopleiN's Healthcare & Community vertical is well-placed to address the critical supply shortages within its sector, as delays in visa processing and travel costs improve. The SPL highlighted 20% of occupations across Community and Personal Services workers are in shortage (8% in 2021). PeopleiN's international recruitment and PALM² capability will enable us to bring onshore more workers into the health, aged care, and disability sectors.

Our Professional Services³ vertical is continuing to see strong demand, particularly for cyber security roles and professional management roles. This vertical is also benefitting from cross-selling opportunities across our +4,000 client base.

The Industrial & Specialist Services (ISS) vertical has also seen an increase in demand for building and civil construction trades, chefs, early education and hospitality roles.

The Federal Budget, handed down on 25 October 2022, is underpinned by policies that are expected to drive a stronger home-grown economy by addressing skills gaps in critical

¹ Available for access at <https://www.nationalskillscommission.gov.au/topics/skills-priority-list>.

² Pacific Australia Labour Mobility Scheme.

³ Includes our technology, accounting and finance and advisory brands.

workforces. From a migration perspective, the Federal Government has committed ~\$42m in funding over two years to increasing visa processing capacity and raising awareness for high-skilled migrants to join Australia's permanent Migration Program. Investment will also be increased into the aged care sectors through expansion of migration programs, including the PALM Scheme. Existing aged care pilots will be increased to a further 500 PALM scheme workers completing their Certificate III in Individual Support (ageing). PALM participants are set to increase to ~35,000 by June 2023. PeopleiN is a key participant in the PALM Scheme and is well positioned to support in addressing critical staffing shortages.

Within the Care industries, NDIS costs are forecast by the Federal Government to grow by +14% a year leading to an annual cost of ~\$102bn by 2032. This funding increase will result in increased demand for workers in this sector. Measures have also been announced to improve the quality of aged care facilities' rosters, as well as assist rural and remote Australians to have improved access to primary care services. PeopleiN's Healthcare & Community business will continue to support this sector through the provision of nurses, carers and healthcare professionals.

The Federal Budget reaffirms the Government's commitment to continued investment in transport infrastructure. This longer-term investment will underpin economic growth, with PeopleiN's ISS vertical well placed to support this sector. In the childcare sector, PeopleiN's Expect A Star business will support demand for childcare workers as workforce participation and accessibility increases.

The Federal Government has placed high importance on skills and training, as noted in the budget announcement in March this year and the September Jobs & Skills Summit. Investment into apprenticeship and traineeship initiatives, and 20,000 university places will create a supply of talent. PeopleiN's Professional Services vertical provides opportunities across a range of industries to place professional talent, including into high demand cyber and finance roles.

PeopleiN's Chief Executive Officer, Mr. Ross Thompson said "*PeopleiN is well placed to deliver complete talent solutions to our clients in an extremely tight labour market. Our capabilities in sourcing and recruiting employees enable us to provide an invaluable service to our clients. Furthermore, PeopleiN focuses on those parts of the economy that generate ongoing long-term demand for employment services. Should there be a change in macroeconomic conditions, we will be well placed to continue to generate strong returns for shareholders. Our business performance is underpinned by our diverse reach into high demand and defensive employment sectors, including healthcare, professional services, early learning, infrastructure and food services.*"

FY23 EARNINGS GUIDANCE REAFFIRMED

PeopleiN is pleased to reaffirm FY23 earnings guidance provided on 26 August 2022 with normalised EBITDA of \$62m - \$66m based on the continuation of current economic conditions.

Enquiries – please contact:
Ross Thompson, CEO – (07) 3238 0800

This announcement was authorised for release by the Board.