

10 February 2023

Alan Zhao  
Compliance Officer, Listings Compliance (Sydney)  
20 Bridge Street  
Sydney NSW 2000  
By email [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au)

Dear Alan

## Response to ASX Query

PeopleIn Limited (ASX: PPE) (**PeopleIN, PPE or Company**) refers to your letter dated 6 February 2023 and subsequent email of 8 February 2023.

In response to your questions, we advise as follows:

### 1. Does PPE consider the Announcement to be promotional in nature?

PPE does not consider the Announcement to be promotional in nature.

#### If not, per section 4.15 of Guidance Note 8 (paragraph D), please:

#### 1.1 Identify the information that a reasonable person would expect to have a material effect on the price or value of PPE's securities; and

The Board considers that the Announcement about the TAFE Queensland Memorandum of Understanding (**MoU**) provides information about an opportunity that supports PPE's previous disclosures regarding the continued acute shortage of labour in Australia (refer to PPE's 28 October 2022 [market update](#)) and, amongst other things, demonstrates a step forward in PPE delivering on the initiatives and core priorities set out in its revised three-year strategy to address labour supply shortages (refer to pages 11 – 12 [Investor Presentation – Annual Results FY22](#)) and provide a pathway for upskilling opportunities within PPE's contracted workforce.

#### 1.2 Identify the detail within the Announcement that would enable investors or their professional advisers to understand its ramifications and assess its impact on the price or value of PPE's securities.

The Announcement informed the market that:

- PPE and TAFE Queensland had entered into the MoU to “collaboratively address labour shortages in Queensland” by exploring mutually beneficial opportunities to bridge the gap between education and jobs and “provide a clear path to skilled employment in the critical sectors in which PeopleIN operates, including healthcare, community services, childcare and the renewables sector”;
- whilst the MoU was non-binding and non-exclusive, the parties' intentions during the initial two year term were to explore the following potential mutually beneficial opportunities:
  - both parties promoting labour mobility and employment opportunities for TAFE Queensland's domestic and AsiaPac international students and alumni in “defensive in-demand sectors”;
  - PPE providing employment placement services to TAFE Queensland's 125,000 graduates and alumni networks; and

- TAFE Queensland providing upskilling opportunities to PeopleiN's 55,000 strong on-hire workforce to allow PPE to "deliver on our complete talent solutions offering in which upskilling our workforce and retaining talent are core priorities".

**2. ASX observes that PPE's revenue and profits for the financial year ending 30 June 2022 were approximately \$682m and \$18m respectively. Please provide the basis for releasing the Announcement on MAP on a market-sensitive basis.**

Given the nature of PPE's business as a provider of talent solutions, the Board believes it was appropriate to release the Announcement about the TAFE Queensland MoU on MAP on a market sensitive basis due to the fact it provided information about an opportunity that supported PPE's previous disclosures about the continued acute shortage of labour in Australia, and demonstrated PPE's progress on delivering on some of its previously disclosed strategy initiatives and core priorities to address labour supply shortages, upskill its contracted workforce and retain talent (amongst others). In particular the following is noted:

- On 26 August 2022 in conjunction with the release of PPE's FY22 full year results, PPE released its revised three-year strategy, a cornerstone of which was to pursue initiatives which address labour supply shortages (refer to pages 11 – 12 Investor Presentation – Annual Results FY22). This strategy referred to PPE's complete talent solution offering, also referred to as "our 360 talent solutions", comprising: Advisory & Management, Staffing Solutions and Upskilling which noted upskilling PPE's contracted workforce and retaining talent as core priorities for the Group. The announcement of the entry into the MoU and the collaboration between PPE and TAFE Queensland that is expected to arise from this demonstrates a step forward in delivering on PPE's strategy and core priorities.
- PPE operates in a well-publicised tight labour market in which access to talent is acute. In PPE's market update, dated 28 October 2022, we made reference to the National Skills Commission Report and Federal Budget Announcements, both of which highlighted the continued acute shortage of labour in Australia. In particular, the 2022 Skills Priority List (**SPL**) released by the National Skills Commission in October 2022 highlighted 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. TAFE Queensland is one of Australia's largest vocational education training providers and specialises in training workers in these critical sectors. The agreement to collaborate with TAFE Queensland under the MoU seeks to address and respond to skill shortages across the state by bridging the gap between education and jobs in these critical sectors in which PPE operates. The TAFE Queensland relationship provides PPE with access to connect with TAFE Queensland's graduate and alumni networks, and the opportunity to facilitate employment outcomes by connecting graduates directly with PPE's family of brands and +4,000 client base.
- At 31 December 2021, PPE had a national on-hire workforce database of ~50,000 (as disclosed in the HY22 Investor Presentation) which increased to ~55,000 at 30 June 2022 (as disclosed in the FY22 Investor Presentation – Annual Results FY22). Collaborating with TAFE Queensland will provide PPE with access to TAFE Queensland's student graduate network in Queensland (125,000 graduates per year in addition to alumni) creating a significant opportunity for PPE to further expand the number and diversity of candidates in its on-hire workforce database at scale. There is a strong alignment between TAFE Queensland and PPE in terms of skills, sectors and geographic footprint.

**In doing so, please address the following:**

**2.1 The likelihood of PPE providing any services to TAFE Queensland in the next two years that will lead to a material increase in PPE's revenue or profit;**

As disclosed in the Announcement, the MoU documents a collaboration between PPE and TAFE Queensland to address labour shortages in Queensland by exploring mutually beneficial opportunities to promote labour mobility in Australia to defensive in-demand sectors. Whilst there are no contracted services between TAFE Queensland and PPE at this time, however the relationship created between PPE and TAFE Queensland as part of the MoU during the two-year collaboration period represents an opportunity for PPE to access and connect with TAFE Queensland graduate and alumni networks by offering graduates a pathway to skilled employment through placement services with PPE clients.

At this time PPE cannot quantify the exact increase to PPE's revenue or profit that may arise from the MoU, however the Board believes that the access to TAFE Queensland's substantial graduate and alumni networks that will be facilitated by the MoU will support PPE to substantially increase its network of skilled and experienced candidate database at scale. PPE will leverage its expertise and client reach (+4,000 clients) to connect candidates to its family of brands and facilitate employment outcomes/placement services for candidates which will give rise to future earnings.

**2.2 The proportion of TAFE Queensland students that PPE would reasonably be able to provide its services to over the next two years;**

At this time, PPE is not able to quantify details with any certainty on the proportion of TAFE Queensland students that PPE would reasonably be able to provide placement services to over the next two years. However by way of example, it is noted that TAFE Queensland provides training to 125,000 graduates within Queensland each year. Having regard to this, during the two-year term of the MoU, PPE expects that the access granted by the MoU will give PPE the opportunity to expand its on-hire candidate pool available for placement with PPE clients beyond its existing ~55,000 national on-hire workforce candidate pool. In particular, PPE notes the potential to offer employment pathway opportunities to over 250,000 skilled new graduates and alumni within the TAFE Queensland networks, particularly those within the critical under-resourced healthcare, childcare, community services and renewables sectors. This aligns with PPE's diversified sector-exposure and client base and is further supported by the low level of employment and higher turnover of our clients' employees which continues to drive demand for recruitment services.

**2.3 The basis for the claim that the MOU allows for the delivery of PPE's "complete talent solutions offering".**

As noted in the response to Q1.2 and 2, the Board believes the MoU is a step-forward in PPE delivering on its upskilling workforce and retaining talent core strategic priorities.

Under the MoU, PPE and TAFE Queensland will work together, each playing to their strengths regarding recruitment and upskilling/training respectively. In addition to the potential for PPE providing placement services noted above, the relationship created between PPE and TAFE Queensland as part of the MoU also represents an opportunity for PPE to offer its 55,000 strong on-hire workforce a clearer pathway to provide upskilling opportunities delivered by TAFE Queensland as one of Australia's largest VET providers, enhancing their employability.

The MoU will give PPE a forum to offer and connect its contracted on-hire workforce with TAFE Queensland's training services and upskilling opportunities. This represents an opportunity for PPE to give back to its contracted workforce and invest in their careers through formal training, as well as being a key initiative in addressing the critical labour shortage.

3. **Does PPE consider that the Announcement contravened ASX's guidance on "ramping announcements" (paragraph E)? If not, please provide the basis for this view.**

PPE does not believe that the Announcement contravenes the ASX's guidance on "ramping announcements" for the reasons noted above, including the fact that the MoU is a key initiative for PPE in addressing the critical labour shortage, provides PPE with access to TAFE Queensland's graduate and alumni networks which has the potential to increase the number of candidates in its on-hire workforce database delivering placement services to clients, and is a material step-forward in PPE's strategy to connect workers with upskilling services. PPE believes that the Announcement provided adequate details about the terms of the MoU and its significance to PPE whilst providing proper disclosure regarding the nature of the services to be provided between the parties and the fact the MoU was non-binding and non-exclusive between the parties.

4. **Please confirm that PPE is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

Confirmed.

5. **Please confirm that PPE's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of PPE with delegated authority from the board to respond to ASX on disclosure matters.**

These responses have been authorised by the PPE Board.

Yours sincerely



Jane Prior  
**Company Secretary**



6 February 2023

Reference: 67625

Ms Jane Prior  
Company Secretary  
Peoplein Limited  
Level 2, 77 Hudson Road  
Albion, QLD 4010

By email: jane.prior@peoplein.com.au

Dear Ms Prior

### Peoplein Limited ('PPE'): Query Letter

ASX refers to the following:

- A. PPE's announcement titled "PeopleIN and TAFE Queensland Partner to Address Critical Labour Shortage", marked "market sensitive" and released on the ASX Market Announcements Platform ('MAP') on 6 February 2023 (the 'Announcement'). The Announcement disclosed (relevantly, emphasis added):

*"Under the terms of the non-binding MoU, PeopleIN and TAFE Queensland will collaborate for an initial two year period to **explore mutually beneficial opportunities which may include** promoting labour mobility and employment opportunities for TAFE Queensland's domestic and AsiaPac international students and alumni, and the delivery of upskilling to PeopleIN's on-hire workforce, on a non-exclusive basis..."*

*The **MoU allows us to deliver on our complete talent solutions offering** in which upskilling our workforce and retaining talent are core priorities..."*

- B. PPE's Annual Report released on MAP on 21 October 2022, which disclosed that for the financial year ending 30 June 2022, PPE had revenue of approximately \$682m and statutory net profit of approximately \$18m.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. Section 4.15 of Guidance Note 8 *Continuous Disclosure* which states:
- "Wherever possible, an announcement under Listing Rule 3.1 should contain sufficient detail for investors or their professional advisers to understand its ramifications and to assess its impact on the price or value of the entity's securities..."*
- Entities should not use an announcement under Listing Rule 3.1 as a guise to publish material that is really promotional, political or tendentious in nature rather than being information that a reasonable person would expect to have a material effect on the price or value of the securities."*
- E. Section 7.10 of Guidance Note 8 *Continuous Disclosure* which states:
- "ASX is alive to listed entities making market announcements with a view to "ramping up" the price of their securities. Ramping announcements come in many forms, including:*

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- *the release of a “business update” or something similar, which will typically be worded in an exuberant fashion but which on close examination contains little in the way of substance...;*
  - *an announcement that an entity has entered into what appears to be a material contract or transaction but without disclosing key information that investors and their professional advisers reasonably need to understand the materiality of the contract or transaction and to assess its impact on the price or value of the entity’s securities.”*

### **Request for information**

Having regard to the above, ASX asks PPE to respond separately to each of the following questions and requests for information:

1. Does PPE consider the Announcement to be promotional in nature? If not, per section 4.15 of Guidance Note 8 (paragraph D), please:
  - 1.1 Identify the information that a reasonable person would expect to have a material effect on the price or value of PPE’s securities; and
  - 1.2 Identify the detail within the Announcement that would enable investors or their professional advisers to understand its ramifications and assess its impact on the price or value of PPE’s securities.
2. ASX observes that PPE’s revenue and profits for the financial year ending 30 June 2022 were approximately \$682m and \$18m respectively. Please provide the basis for releasing the Announcement on MAP on a market-sensitive basis. In doing so, please address the following:
  - 2.1 The likelihood of PPE providing any services to TAFE Queensland in the next two years that will lead to a material increase in PPE’s revenue or profit;
  - 2.2 The proportion of TAFE Queensland students that PPE would reasonably be able to provide its services to over the next two years; and
  - 2.3 The basis for the claim that the MOU allows for the delivery of PPE’s “complete talent solutions offering”.
3. Does PPE consider that the Announcement contravened ASX’s guidance on “ramping announcements” (paragraph E)? If not, please provide the basis for this view.
4. Please confirm that PPE is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that PPE’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of PPE with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4:30 PM AEST Thursday, 9 February 2023**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, PPE’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require PPE to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that

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it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in PPE's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in PPE's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to PPE's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that PPE's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

### **Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

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**Alan Zhao**  
Compliance Officer, Listings Compliance (Sydney)