PEOPLEIN LIMITED

Appendix 4D and Consolidated Financial Statements

For the half-year ended 31 December 2022

ABN: 39 615 173 076

ASX Code: PPE

PEOPLEIN LIMITED

Appendix 4D – Half Year Financial Report

for the six months ended 31 December 2022

1. Report period ("current period"): 6 months ended 31 December 2022
   Previous corresponding period: 6 months ended 31 December 2021

2. Results for announcement to the market

	Up/Down	Movement %	1H FY 2023 $ '000	1H FY 2022 $ '000
Revenues from ordinary activities	Up	88.91%	596,626	315,819
Profit after tax from ordinary activities attributable to Owners of PeopleIn Ltd	Up	211.00%	14,414	4,634

The growth in the business during the first half of 2023 is due to increased demand for staffing services in the sectors and locations in which the Group operates. Not only was this due to organic growth in the underlying business, driven by increased demand for the services that PeopleIn provides, but also the acquisition of Perigon Group Pty Ltd on 28 February 2022 and FIP Group Holdings Pty Ltd on 6 June 2022. The profit or loss for these entities are consolidated into the Group results for the full first half of 2023.

Dividends

	Amount per Share (Cents)	Franked Amount per Share (Cents)	Tax Rate for Franking Credit
Dividends			
Period ended 31 December 2022			
Interim dividend	7.0	7.0	30%
Financial year ended 30 June 2022			
Interim dividend	6.5	6.5	30%
Final dividend	6.5	6.5	30%
	10.5	10.5	30%

Interim Dividend for 31 December 2022

Date the interim 2022 dividend is payable: 24 March 2023

Record date to determine entitlements to the dividend: 27 February 2023

Date interim dividend was declared: 17 February 2023

Note that this dividend has not been provided for in the financial statements given it was declared on 17 February 2023.

Final Dividend for 30 June 2022

Date the final 2022 dividend is payable: 30 September 2022

Record date to determine entitlements to the dividend: 2 September 2022

Date final dividend was declared: 26 August 2022

2. Results for announcement to the market (cont.)

Interim Dividend for 31 December 2021

Date the interim 2022 dividend is payable:	29 March 2022
Record date to determine entitlements to the dividend:	28 February 2022
Date interim dividend was declared:	18 February 2022

3. Dividend Reinvestment plan

The Dividend Reinvestment Plan was in operation for the dividend paid during the period. Participating shareholders were entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price was at a 3% discount on the market price (calculated as the daily volume weighted average market price over the 10 trading days commencing on the second trading day following the relevant record date).

4. Net tangible assets per security

	31 December 2022 Amount per share (Cents)	30 June 2022 Amount per share (Cents)
Net tangible assets backing per ordinary share	(67.91)	(72.61)

5. Entities over which control has been gained or lost during the period

There have been no entities join or leave the group during the reporting period:

There were no other significant changes to the group during the reporting period.

6. Details of Associates

On 11 March 2021, First People Group Pty Ltd, a subsidiary of PeopleIn Limited, entered into a shareholders' agreement with Partners On Country Pty Ltd and On Country People Pty Ltd. Partners On Country Pty Ltd is a joint venture company of which First People Group Pty Ltd owns 50%. This investment is accounted for by using the equity method.

Name of entity	Country of Incorp - oration	Ownership interest held by the Group		Nature of relationship	Measurement method	Share of operating profits, net of tax	
		31 December 2022	30 June 2022			31 December 2022 $	31 December 2021 $
Partners on Country Pty Ltd	Australia	50%	50%	Joint Venture	Equity method	33,382	19,460

Additional supporting information supporting Appendix 4D disclosure requirements can be found in the Director's report and the consolidated statements for the period ended 31 December 2022. This report is based on the consolidated financial statements for the 6 months ended 31 December 2022 which have been audited by BDO.

This report is made in accordance with a resolution of the directors and is signed off on behalf of the Directors.

Glen Richards
Chairman

17 February 2023

Interim Financial Report

For the half year ended
31 December 2022

PEOPLEIN LIMITED

ACN 615 173 076

This interim financial report does not include all the notes of the type normally included in annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by PeopleIn Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

Releases, financial reports and other information are available on our website: www.peoplein.com.au

The financial statements were authorised for issue by the directors on 17 February 2023. The directors have the power to amend and reissue the financial statements.

Corporate Information

AUSTRALIAN BUSINESS NUMBER
ABN 39 615 173 076

DIRECTORS
Glen Richards
Elizabeth Savage
Declan Sherman
Thomas Reardon
Vu Tran

COMPANY SECRETARY
Jane Prior

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Directors' Report

For the half year ended 31 December 2022

The Directors of PeopleIn Limited present their report together with the financial statements of the consolidated entity, being PeopleIn Limited ('the Company or PeopleIN') and its controlled entities ('Group') for the half year ended 31 December 2022.

Directors and company secretary details

The Directors of PeopleIn Limited during the half year and up to the date of this report, unless otherwise stated:

Glen Richards	Non-Executive Chairman	
Elizabeth Savage	Non-Executive Director	
Vu Tran	Non-Executive Director	Appointed 1 July 2022
Declan Sherman	Executive Director	
Thomas Reardon	Executive Director	
Jane Prior	Company Secretary	

Principal Activity

The principal activities of the Group during the financial period were the provision of staffing, business services and operational services. Services provided by the Group include workforce management, recruiting, on-boarding, contracting, rostering, timesheet management, payroll, and workplace health and safety management.

There have been no significant changes in the nature of these activities during the period.

Review of operations and financial results

Overview

Leading talent solutions business PeopleIN had another record half, headlined by an 89% increase in Group revenue over the period. Our success is due to the diversification of our business, with reach into sustainable and defensive employment sectors. This is aided by strong market conditions, with record low unemployment driving demand.

Strong performances in accounting, food processing, childcare, community care and transport infrastructure were able to offset challenges associated with visa processing times for our international nurses and the slowdown in recruitment for start-up technology businesses.

We anticipate international nursing recruitment to significantly accelerate in the second half of the year, driven by a substantial improvement in visa processing times towards the end of 2022. We're also expecting technology permanent recruitment to improve in the second half, off the back of broad investment in cybersecurity and our increased exposure to the government sector.

As outlined in our 2025 strategy, organic growth is a key strategic focus for the business and continues to be driven by diversifying our client base, cross-selling amongst our family of brands, as well as investing in international recruitment across our three verticals. Pleasingly, we gained traction on a number of these initiatives and as a result delivered over 10% organic growth in the first half of the 2023 financial year.

PeopleIN has again illustrated its strong acquisition capability, with a number of our more recent acquisitions benefiting from our broader platform. Perigon continued to secure further work with healthcare clients while FIP Group (FIP) is benefiting from access to a larger and more diverse client base which assisted them to deliver an above expectation result.

The exceptional leaders within each of our PeopleIN businesses continue to adapt to market conditions and seek out new commercial opportunities where required to ensure the business continues to deliver strong earnings. They have proven their dedication to inspiring excellence in our people. As a result, we continue to enjoy firm loyalty from both candidates and clients within our key verticals, being Health and Community, Professional Services and Industrial and Specialist Services.

Directors' Report (cont.)
For the half year ended 31 December 2022

Review of operations and financial results (cont.)

Health and Community

As a leading provider of talent solutions to the Health and Community Care sectors, PeopleIN provides staff to nursing, care, disability, mental health and child protection services. The division delivered a solid result for the first half, but growth was impeded by our ability to swiftly recruit international nurses, particularly from the UK and Ireland.

We expect demand to continue to be high in the second half of the 2023 financial year and for the foreseeable future. Our key driver of growth will be international recruitment and pleasingly we did see visa processing times improve towards the end of the calendar year and expect this to continue into 2023. As a result, we're confident the business will grow in the second half and beyond.

As previously flagged, we remain open to accretive acquisitions that give us further exposure to the health sector in the UK and Ireland, but will remain disciplined in our approach and stringent in our investment criteria.

Professional Services

Professional Services continues to be a high growth vertical which we have strong exposure to via staffing service businesses Halcyon Knights and the Perigon Group. We also have our advisory business, Project Partners, which has grown substantially in the first half. We continued to leverage its front-end engagement with clients via its advisory services to win work for our professional services staffing businesses.

Halcyon Knights, one of the largest providers of technology talent solutions to the private sector in Australia, saw performance down in the first half predominately due to technology sector uncertainty in the second quarter. However, due to the diversified nature of its client base.it was still able to deliver a solid result. It also experienced a significant increase in cybersecurity-related roles towards the end of the first half and we see this trend continuing into calendar year 2023.

Acquiring Perigon broadened our Professional Services offering in terms of accounting and finance talent solutions. Perigon has performed extremely well since joining out platform thanks to its high-calibre leadership and an unwavering focus on client engagement. Perigon's services have already cross-sold into healthcare and several industrial clients, due to collaboration between PeopleIN teams.

Industrial and Specialist Services

PeopleIN continues to be a leader in providing industrial talent solutions to small, medium, and large corporates across a range of sectors including food processing, infrastructure, construction, transport, resources, renewables, education, and hospitality. Extreme weather conditions did impact parts of the business, but the division's focus on diversifying its client base and geographic locations has paid off, with it managing to deliver strong organic growth over the period. The division's ability to recruit talent at scale both domestically and internationally also contributed to its success in the first half.

FIP , which was acquired in June 2022, brought an at-scale talent engine room to the PeopleIN family via the Australian Government's Pacific Australia Labour Mobility scheme. The PeopleIN group has leveraged this capability to provide clients with an alternative talent acquisition offering, especially brands within the Industrial and Specialist Services division. This cross-selling has supported FIP to grow its client base and deliver above-expectation performance for the first half.

Financial Results

The revenue of the Group for the financial period was $596,625,578 (Dec 2021: $315,819,332), representing an increase of 89%.

The growth of the business during the year was two-fold being an increase in organic demand for staffing services in the sectors and locations in which the Group operates continuing from the demand we saw in the prior year. Secondly, the acquisitions which occurred in the second half of last financial year have contributed to the full six months and have exceeded expectations in performance.

EBITDA and NPATA is how the board and management assess the performance of the Group. This is further adjusted by normalisation adjustments being non-recurring expenses and non-cash expenses including costs associated with acquisitions, fair value movement in equity investments and contingent considerations, costs of employee options and performance rights and the associated tax deduction of these expenses. The directors believe that this presentation is useful to investors to understand the Group results and show how the Group would have performed had these types of transactions not occurred.

Directors' Report (cont.)
For the half year ended 31 December 2022

Financial Results (cont.)

All normalisation adjustments in the calculation of the normalised NPAT and EBITDA are unaudited.

The following reconciles statutory profit before tax to EBITDA and normalised EBITDA.

	31 December 2022 $	31 December 2021 $
Statutory Profit Before Tax	**19,866,814**	**9,259,193**
Depreciation and amortisation	8,143,806	5,042,523
Finance costs	2,790,089	1,044,227
EBITDA	**30,800,709**	**15,345,943**
Normalisation adjustments:		
Acquisition costs	403,500	253,170
Performance rights costs	30,896	37,214
Fair value movement in contingent consideration[1]	(641,414)	4,898,885
Share based payments expense	2,557,089	1,438,394
Non-controlling interests	(646,209)	(374,525)
Normalised EBITDA	**32,504,572**	**21,599,081**

[1] This contains a non-cash expense of $776,240 which is the fair value adjustment of the contingent consideration that was settled in August 2022 via the issue of PeopleIN shares (i.e., not cash) with respect to the acquisition of Halcyon Knights Pty Ltd, Halcyon Knights Commercial and Contracting Pty Ltd and Halcyon Knights New Zealand Limited. The remainder of the contingent consideration relating to the other entities will be cash settled except for Vision Surveys QLD of which 25% will be share settled. The fair value adjustments of the remaining contingent consideration resulted in an overall gain on fair value.

The profit before income tax expense of the Group for the financial period was $19,866,814 (2021: $9,259,193). The profit of the Group for the financial period after providing for income tax amounted to $14,413,664 (2021: $4,634,408), representing an increase of 211%.

The increase in profit from prior year is materially impacted by the following:

- The prior year was impacted significant by an increase in the fair value of the deferred consideration by $4,898,885. The majority represents a non-cash expense relating to an increase in the contingent consideration that will be settled via the issue of PeopleIN shares with respect to the acquisition of Halcyon Knights Group. This has been settled in the current period and there has been less of a fluctuation in the expectations of achievement on earn out of the remainder of the outstanding deferred consideration.
- Additionally, there has been an increase in the share based payments expense as a result of an increase in the number of performance rights being granted to employees of $2,557,089 (2021: $1,438,394). This is because of strong company performance exceeding budget and thus rights achieving their conditions and being eligible for exercising.
- There is an increase in depreciation and amortisation expense ($3,101,283) surrounding the increase in leased offices, because of acquisitions, the increase in plant and equipment for the Vision Surveys Qld business (due to the increase in headcount) and the amortisation of the intangible assets acquired at acquisition.

Directors' Report (cont.)
For the half year ended 31 December 2022

Financial Results (cont.)

Normalised net profit after taxation and before amortisation (NPATA) which represents the statutory NPAT adjusted for one off expenses including costs associated with acquisitions, costs of employee options and performance rights and the associated tax deduction of these expenses and amortisation.

	31 December 2022 $	31 December 2021 $
Statutory NPAT	**14,413,664**	**4,634,408**
Acquisition costs	403,500	253,170
Performance rights costs	30,896	37,214
Fair value movement in contingent consideration	(641,414)	4,898,885
Share based payments expense	2,557,089	1,438,394
Tax adjustment	80,700	50,634
Non-controlling interests	(646,209)	(374,525)
Normalised NPAT	**16,198,226**	**10,938,180**
Amortisation	4,589,183	3,010,619
Normalised NPATA	**20,787,409**	**13,948,799**

Operating cash flow was positive throughout the period resulting in $19,515,964 (Dec 2021: $11,144,572) in net cash provided by operating activities. This was adversely impacted by approximately $1,400,000 due to there being an increase in working capital requirements. The Group experienced a significant increase in revenue relating to organic growth. Additionally, the business model of Food Industry People requires several expenses to be paid upfront in relation to getting candidates in country. With growth in this business this has also decreased operating cashflows. Finally, there was a commercial business decision to obtain general insurances for a period of 16 months. These insurances have been paid in full upfront and cover a period greater than the six months reported on.

Capital expenditure on plant and equipment and intangibles (Software) of $5,432,040 (2021: $1,463,281) has increased significantly due to continued investment in system upgrades, growth in number of surveyors in Vision Surveys QLD business and additional leased premises with acquisitions. The outflow for purchase of subsidiaries relates to the settlement of working capital adjustments. $1,700,000 related to Vision Surveys QLD and $2,050,000 related to the systems upgrade.

Net inflows from financing activities of $228,438 (2021: $5,446,441) related to the net result of repayment of borrowings and the additional capital received during the period from drawdowns on our working capital facility. Additionally, fully franked dividends totalling $6,020,646 were paid during the period (2021: $5,064,231).

The Group balance sheet has strengthened overall by $15,557,384, with net assets at $157,908,798 (June 2022: $142,351,414). This is mainly reflective of retained earnings during the year.

PeopleIn Limited had $107,713,577 (excluding lease liabilities, June 2022: $98,367,202) in total borrowings at 31 December 2022 and $36,249,748 (June 2022: $26,977,326) in cash at 31 December 2022. The utilisation of PeopleIN's lending facilities increased during the half year with additional drawdowns of $12,900,000 on the working capital facility to support the organic growth of the Group. The net debt position at 31 December 2022 was $71,463,829 (June 2022: $71,389,876), excluding lease liabilities. The net debt (excluding leases) to annualised and normalised EBITDA ratio was 1.13 times (June 2022: 1.51 times).

Directors' Report (cont.)
For the half year ended 31 December 2022

Future Prospects and Outlook

Operating conditions continue to be positive for PeopleIN, given the strength of the employment market (3.5% unemployment as at the end of December) and continued demand from clients for staff. Based on the operating results for the first half and economic conditions, PeopleIN expects strong performance to continue throughout the second half of the financial year. The number and diversity of our clients, and critical demand for their services, mean that our core business is resilient even in times of economic uncertainty and we are well positioned to generate strong earnings in a scenario where the economy continues to experience volatility.

The following are some of the key strategic initiatives that the business will continue to pursue in the coming financial year:

Cross-selling:

We'll continue to focus on growing our existing verticals Health and Community, Professional Services and Industrial and Specialist Services, with collaboration and cross-selling being key organic growth drivers.

Having strong goodwill across our +4,200 client network means we are well positioned to connect this cohort to our clients who require advisory, staffing and upskilling services. The key focus will be on ensuring all our staff have a base knowledge of the entire group's capability to cross sell through initiatives such as internal client engagement portals, lunch and learn sessions, and monthly newsletters.

International Recruitment:

We expect high demand for staff to continue to be evident across all our sectors including technology, nursing, community services, hospitality, childcare, logistics, transport, and construction, especially given the unemployment rate is projected to be less than 6% for the foreseeable future. Our focus, therefore, is on finding sufficient talent to fill both internal and contractor vacancies. We're leveraging our international recruitment experience, particularly in the health and food services sectors, to secure staff for a much broader range of industries. PeopleIN's ability to rapidly execute and scale up is known to our clients and we continue to use this to our advantage. We expect our Health and Community division to grow in the second half and longer term because of an increase in international nurse availability, especially given visa processing times have started to improve.

Upskilling:

In the first half we commenced offering our internal staff and contractors the opportunity to upskill into high-demand roles. This initiative represents a unique shared advantage for staff and clients. PeopleIN staff, both in-house and contractors, will be offered greater opportunities to upskill into high-demand roles and the ability to accelerate their careers. Our clients will benefit from a complete talent solution that ensures there is qualified staff for their difficult-to-fill positions.

In addition, we've signed a partnership with TAFE Queensland that will enable us to provide upskilling opportunities to our staff and contractors. This partnership will also give us access to more talent given that we'll support TAFE Queensland in finding employment opportunities for its students, new graduates, and alumni. TAFE Queensland currently trains more than 120,000 people each year.

Efficient Operations:

We continue to drive efficiencies across the business by automating low-value processes with best of breed systems, to maximise staff time we can spend on high-value activities. Program Unite, which was launched in late 2021, centralises resources and business support functions, leveraging PeopleIN's scale nationally. It has delivered several systems solutions to our Health and Community division (Payroll, Work Force Management and Finance) and is on track to have a group-wide finance solution in place by the end of the financial year. This is an ongoing program of works for the next year that includes centralising our payroll function.

Directors' Report (cont.)
For the half year ended 31 December 2022

Future Prospects and Outlook (cont.)

Complementary Acquisitions:

We're well positioned to further invest and are currently pursuing a number of highly complementary acquisitions. We're concentrating on expanding our services within health and Federal government, all of which have long-term demand for resources. The Group will continue to proactively seek acquisitions that fit our three-year strategy and can generate significant upside through being part of PeopleIN platform.

With regard to health, our intent both organically and through acquisition (domestic and international) is to establish a global nursing network that enables us to recruit at scale. Our federal government focus in mainly on the provision of professional service contractors into long-term major programmes of work.

Risks

PeopleIN's economic performance and prospects are, of course, subject to a number of risks which may impact its business including any potential downturn in the employment market, increase in competition, a change in the regulatory environment, reliance on key personnel, reliance on its industrial agreements, change in how on-costs or benefits are assessed for its employees and, change in client circumstances or technology risks.

None of these are immediate threats but it is important to note that any change in these risks may impact the business. PeopleIN also regularly considers the potential impact of global climate change on its business. Whilst we are dedicated to improving our environmental impact wherever possible, including via Timberwolf's extensive bush regeneration, there are no current, specific climate issues posing significant risk to operations.

Strategic Review

As previously communicated, the strategic review is an important process being undertaken by the Board, with the goal of maximising value for all shareholders.

The board and executive team continue to hold the view that our share price does not reflect our strong financial performance. This is even more pertinent in the context of today's record result.

Importantly, the strategic review has a wide remit and is considering all options to turbocharge growth, including further refinement of our existing company strategy, opportunities for inorganic growth to continue our strong track record in this area or an outright sale process.

The review is progressing well, but it is premature to disclose any specific details related to third parties, or the direction, if any, the company will pursue.

In the meantime, it is business as usual for our team who continue to be focused on executing our strategy.

Significant Changes in the State of Affairs

In August 2022 1,065,890 shares, and September 2022 174,440 shares, were issued in settlement of contingent consideration relating to historical acquisitions.

In August, November and December 2022 769,655 shares were issued due to the conditions attached to performance rights being satisfied. The shares were issued to numerous employees, including related entities of key management personnel of the Group. The shares related to performance rights which have been issued historically over a five year period.

There was an issue of 263,092 shares under the dividend reinvestment plan during the period.

There have been no other significant changes in the state of affairs during the financial year that could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Directors' Report (cont.)
For the half year ended 31 December 2022

Events Arising Since the End of the Reporting Period

A dividend of 7.0 cents per share was declared on 17 February 2023.

On the 3 February 2023, PeopleIn Limited entered into a Memorandum of Understanding with TAFE Queensland to explore mutually beneficial opportunities to bridge the gap between education and jobs.

There are no other significant matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future periods.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 10 and forms part of this Directors' Report.

This report is signed in accordance with a resolution of the board of directors of PeopleIn Limited.

Glen Richards
Chairman

Date: 17 February 2023

For the half year ended 31 December 2022

Auditor's Independence Declaration

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DECLARATION OF INDEPENDENCE BY M CUTRI TO THE DIRECTORS OF PEOPLEIN LIMITED

As lead auditor for the review of PeopleIn Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of PeopleIn Limited and the entities it controlled during the period.

M Cutri

Director

BDO Audit Pty Ltd

Brisbane, 17 February 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2022

	Note	Half year 31 December 2022 $	31 December 2021 $
Revenue from contracts with customers and other revenue	2	596,625,578	315,819,332
Other income	2	670,579	41,425
Employee benefits expense		(548,838,161)	(286,316,325)
Occupancy expenses		(2,128,902)	(1,432,518)
Depreciation and amortisation expense		(8,143,806)	(5,042,523)
Other expenses		(15,634,621)	(12,785,431)
Finance costs		(2,790,089)	(1,044,227)
Share of profit of equity-accounted investees, net of tax		106,236	19,460
Profit before income tax expense		**19,866,814**	**9,259,193**
Income tax expense		(5,453,150)	(4,624,785)
Profit for the half year		**14,413,664**	**4,634,408**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations, net of tax		150,808	33,879
		150,808	33,879
Total comprehensive profit for the half year		**14,564,472**	**4,668,287**
Profit for the half year is attributable to:			
Owners of PeopleIn Limited		13,767,455	4,259,883
Non-controlling interests		646,209	374,525
		14,413,664	4,634,408
Total comprehensive profit for the half year is attributable to:			
Owners of PeopleIn Limited		13,918,263	4,293,762
Non-controlling interests		646,209	374,525
		14,564,472	4,668,287
Basic profit per share attributable to the shareholders of PeopleIn Limited			
Basic profit per share (cents per share)	3	13.75	4.53
Diluted profit per share attributable to the shareholders of PeopleIn Limited			
Diluted profit per share (cents per share)	3	13.39	4.41

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
As at 31 December 2022

	Note	31 December 2022 $	30 June 2022 $
Current assets			
Cash and cash equivalents	**4**	36,249,748	26,977,326
Trade and other receivables	**6**	124,275,892	107,524,490
Other current assets		15,609,342	12,195,145
Total current assets		**176,134,982**	**146,696,961**
Non-current assets			
Trade and other receivables	**6**	529,808	211,919
Investment in joint venture		33,382	50,650
Property, plant and equipment		29,387,849	15,816,109
Intangible assets	**7**	202,961,634	202,020,272
Total non-current assets		**232,912,673**	**218,098,950**
Total assets		**409,047,655**	**364,795,911**
Current liabilities			
Trade and other payables		57,385,959	50,951,472
Contingent consideration	**13**	12,985,780	13,015,804
Financial liabilities	**8**	50,627,824	37,495,339
Current tax liabilities		1,321,312	2,077,954
Employee benefits		21,781,883	16,673,472
Total current liabilities		**144,102,758**	**120,214,041**
Non-current liabilities			
Contingent consideration	**13**	12,230,089	17,047,253
Financial liabilities	**8**	82,697,778	74,045,339
Deferred tax liabilities		10,836,149	10,222,741
Employee benefits		1,272,083	915,123
Total non-current liabilities		**107,036,099**	**102,230,456**
Total liabilities		**251,138,857**	**222,444,497**
Net assets		**157,908,798**	**142,351,414**
Equity			
Share capital	**9**	106,869,469	101,534,297
Retained earnings		39,985,786	32,754,986
Reserves		8,175,643	5,467,745
		155,030,898	139,757,028
Non-controlling interests		2,877,900	2,594,386
Total equity		**157,908,798**	**142,351,414**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
For the half-year ended 31 December 2022

	Note	Half year 31 December 2022 $	31 December 2021 $
Cash flows from operating activities			
Receipts from customers		637,814,920	352,262,025
Payments to suppliers and employees		(613,515,251)	(334,182,220)
Interest received		22,269	2,442
Finance costs paid		(1,301,303)	(1,044,227)
Income taxes paid		(3,504,671)	(5,893,448)
Net cash provided by operating activities	4a	**19,515,964**	**11,144,572**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		9,035	-
Purchase of property, plant and equipment		(3,087,787)	(782,449)
Purchase of intangible assets		(2,344,253)	(680,832)
Payment of contingent consideration for acquisition of subsidiaries	5	(5,040,128)	(7,455,796)
Payments to equity accounted investments loan		(317,889)	-
Proceeds from disposal of subsidiaries (net of cash disposed)		110,839	-
Dividends received from equity accounted investments		50,599	-
Net cash (used in) investing activities		**(10,619,584)**	**(8,919,077)**
Cash flows from financing activities			
Proceeds from borrowings	4c	12,906,788	14,702,814
Repayments of borrowings	4c	(3,560,413)	(3,013,752)
Repayment of lease liabilities	4c	(3,097,291)	(1,518,390)
Dividends paid		(6,020,646)	(5,064,231)
Net cash provided by / (used in) financing activities		**228,438**	**5,446,441**
Net change in cash and cash equivalents held		**9,124,818**	**7,671,936**
Effects of foreign exchange on cash		147,604	34,428
Cash and cash equivalents at the beginning of the half year		26,977,326	13,721,681
Cash and cash equivalents at end of the half year		**36,249,748**	**21,428,045**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2022

	Share Capital $	Retained earnings $	Share options reserve $	Foreign currency reserve $	Other reserve $	Total Equity $	Non-controlling interests $	Total Equity $
Balance at 1 July 2021	**83,131,730**	**26,944,859**	**2,150,714**	**(64,278)**	**70,443**	**112,233,468**	**2,368,997**	**114,602,465**
Comprehensive Income								
Profit for the half year	-	4,259,883	-	-	-	4,259,883	374,525	4,634,408
Other comprehensive income, net of tax	-	-	-	33,879	-	33,879	-	33,879
Total comprehensive income for the half year	**-**	**4,259,883**	**-**	**33,879**	**-**	**4,293,762**	**374,525**	**4,668,287**
Transfer from reserves	-	(3,840)	-	3,840	-	-	-	-
Transactions with owners in their capacity as owners								
Employee share-based payment options	-	-	1,438,394	-	-	1,438,394	-	1,438,394
Equity settled acquisition	1,605,642	-	-	-	-	1,605,642	-	1,605,642
Contingent consideration equity settled	4,466,079	-	-	-	-	4,466,079	-	4,466,079
Settlement of employee share-based options	340,000	-	-	-	-	340,000	-	340,000
Dividends paid	-	(5,653,198)	-	-	-	(5,653,198)	(500,000)	(6,153,198)
Dividends reinvested	1,088,967	-	-	-	-	1,088,967	-	1,088,967
	7,500,688	(5,653,198)	1,438,394	-	-	3,285,884	(500,000)	2,785,884
Balance at 31 December 2021	**90,632,418**	**25,547,704**	**3,589,108**	**(26,559)**	**70,443**	**119,813,114**	**2,243,522**	**122,056,636**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2022

	Share Capital $	Retained earnings $	Share options reserve $	Foreign currency reserve $	Other reserve $	Total Equity $	Non-controlling interests $	Total Equity $
Balance at 1 July 2022	**101,534,297**	**32,754,986**	**5,480,430**	**(83,128)**	**70,443**	**139,757,028**	**2,594,386**	**142,351,414**
Comprehensive Income								
Profit for the half year	-	13,767,455	-	-	-	13,767,455	646,209	14,413,664
Other comprehensive income, net of tax	-	-	-	150,808	-	150,808	-	150,808
Total comprehensive income for the half year	**-**	**13,767,455**	**-**	**150,808**	**-**	**13,918,263**	**646,209**	**14,564,472**
Transactions with owners in their capacity as owners								
Employee share-based payment options	-	-	2,557,090	-	-	2,557,090	-	2,557,090
Contingent consideration equity settled (Refer to Note 9)	4,456,468	-	-	-	-	4,456,468	-	4,456,468
Dividends paid (Refer to Note 9)	-	(6,536,655)	-	-	-	(6,536,655)	(362,695)	(6,899,350)
Dividends reinvested	878,704	-	-	-	-	878,704	-	878,704
	5,335,172	(6,536,655)	2,557,090	-	-	1,355,607	(362,695)	992,912
Balance at 31 December 2022	**106,869,469**	**39,985,786**	**8,037,520**	**67,680**	**70,443**	**155,030,898**	**2,877,900**	**157,908,798**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the half-year ended 31 December 2022

Corporate information

These consolidated interim financial statements as at and for the six months ended 31 December 2022 comprise the Company and its subsidiaries (together referred to as the 'Group'). They have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.*

PeopleIn Limited is a Public Company, incorporated and domiciled in Australia.

Basis of preparation

These half year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial statements. Accordingly, these half year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2022 and any public announcements made by PeopleIn Limited during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

New standards, interpretations and amendments adopted by the Group

The same accounting policies and methods of computation have generally been followed in these half year financial statements as compared with the most recent annual financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The adoption of any new and revised Standards and Interpretations did not have any material impact on the amounts recognised in the financial statements of the Group for the current or prior periods.

Key judgements and estimates

The preparation of the interim financial report required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported assets and liabilities, income and expenses. The significant judgements made by management in applying Group accounting policies were same as those applied to the annual financial report for the year ended 30 June 2022. Judgements and estimates which are material to the interim financial report relate to:

Note 5: Acquisition of subsidiaries / Intangible assets	Page 22
Note 6: Trade and other receivables	Page 23
Note 10: Share based payments	Page 32
Note 13: Contingent consideration	Page 35

The notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered relevant and material if for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business for example, acquisitions and impairment write-downs; or
- it is related to an aspect of the Group's operations that is important to its future performance.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 1: Segment Reporting

AASB 8 Operating Segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segment and to assess their performance. As a result, the Group segments the business into three divisions, Industrial and Specialist Services, Professional Services and Health and Community. There is no material difference between the segmentation of the Group's turnover by division. The Group's operations comprise one class of business, that of qualified, professional and skilled recruitment. The Group's CEO, which is regarded as the chief operating decision maker, uses Earnings before Tax, Interest, Depreciation and Amortisation (EBITDA) by segment as its measure of profit in internal reports, rather than net profit after tax (NPAT). The Group's CEO considers EBITDA for the purpose of making decisions about allocating resources. The Group does not report items below EBITDA by segment in its internal management reporting. The full detail of these items can be seen in the Group Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 11.

	Revenue		**EBITDA**	
	31 December 2022	**31 December 2021**	**31 December 2022**	**31 December 2021**
	$	**$**	**$**	**$**
	H1 FY23	**H1 FY22**	**H1 FY23**	**H1 FY22**
Industrial and Specialist Services	434,103,322	190,296,020	20,678,219	9,873,316
Health and Community	77,125,630	71,543,096	5,724,044	6,335,581
Professional Services	85,393,228	53,979,886	8,209,245	7,267,713
Unallocated	3,398	330	(3,810,799)	(8,130,667)
Total	596,625,578	315,819,332	30,800,709	15,345,943

There is a significant increase in revenue and EBITDA in Industrial and Specialist Services as a result of both organic growth and the acquisition of Food Industries People in June 2022. Health and Community have seen growth in revenue, driven by higher hours in the second quarter of the half year with the improvement of visa processing times. Expenses for this vertical have increased due to investment in the new permanent recruitment brand and a new platform for international recruitment which has gone live since the end of the period. Professional services has seen growth in revenue an EBITDA primarily due to the acquisition of Perigon in February 2022. The technology business has seen a decrease in demand for permanent recruitment in the second quarter of the half. Unallocated relates to holding and head companies and the administration company which encompasses the fair value adjustments to contingent consideration and costs of the corporate services function.

Reconciliation of EBITDA to Statutory Profit after tax

	31 December 2022	**31 December 2021**
	$	**$**
EBITDA	30,800,709	15,345,943
Income tax expense	(5,453,150)	(4,624,785)
Depreciation and amortisation	(8,143,806)	(5,042,523)
Finance costs	(2,790,089)	(1,044,227)
Statutory profit after tax	14,413,664	4,634,408

Net trade receivables

For the purpose of monitoring performance and allocating resources from a balance sheet perspective, the Group's CEO monitors trade receivables net of provisions for impairments only on a segment by segment basis. These are monitored on a constant currency basis for comparability through the year. These are shown below and reconciled to the totals as shown in note 6. The increase in net trade receivables in relation to Industrial and Specialist Services is due to growth across the division and a significant acquisition which occurred in the second half of last financial year.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 1: Segment Reporting (cont.)

	Net trade receivables	
	31 December 2022	30 June 2022
	$	$
Industrial and Specialist Services	80,313,923	67,987,819
Health and Community	11,987,382	10,799,522
Professional Services	14,645,822	13,436,699
Total	**106,947,127**	**92,224,040**

Note 2: Profit or loss information

Revenue and other revenue

	Half year	
	31 December 2022	31 December 2021
	$	$
Revenue from contracts with customers		
Recognised/measured at a point in time		
Contract hire revenue	552,497,276	286,870,301
Planting revenue	2,483,345	2,150,806
Facilities maintenance revenue	9,068,897	5,244,732
Recruitment revenue	21,396,386	14,612,034
Consultancy and other sales revenue	3,036,480	1,450,011
	588,482,384	**310,327,884**
Recognised over time		
Facilities project maintenance revenue	5,966,416	4,197,632
Total revenue from contracts with customers	**594,448,800**	**314,525,516**
Other revenue		
Government subsidies	2,176,778	1,293,816
Total other revenue	**2,176,778**	**1,293,816**
Total revenue and other revenue	**596,625,578**	**315,819,332**

Revenue for the half year ended 31 December 2022 is $596,625,578 compared to $315,819,332 in prior half-year. There was an 88.9% increase in revenue compared to the prior half year. The increase of $280,806,246 predominantly relates to the acquisition of FIP Group that occurred on 6 June 2022 and Perigon Group that occurred on 28 February 2022. There was also improvement across the group of the number of contracting hours compared to the prior half as a result of the continued demand in contracting services. Permanent recruitment increased as a result of the acquisition of Perigon Group but also increased demand for the existing brands. The Technology business has experienced a decline in the second quarter of the half in demand.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 2: Profit or loss information (cont.)

Other Income

	Half year	
	31 December 2022	31 December 2021 $
Other income		
Rental income	6,896	33,225
Interest revenue – third parties	22,269	2,442
Net gain on fair value of contingent consideration [1]	641,414	-
Net gain on disposal of property, plant and equipment	-	5,758
Total sales revenue	**670,579**	**41,425**

[1] This gain is net of a non-cash expense of $776,240 which is the fair value adjustment of the contingent consideration that was settled in August 2022 via the issue of PeopleIN shares (i.e. not cash) with respect to the acquisition of Halcyon Knights Pty Ltd, Halcyon Knights Commercial and Contracting Pty Ltd and Halcyon Knights New Zealand Limited. The remainder of the contingent consideration relating to the other entities will be cash settled except for Vision Surveys QLD of which 25% will be share settled. The overall gain position is as a result of share price movement rather than decrease in probabilities of achieving targets.

Expenditure

Total expenditure has increased from $306,621,024 to $577,535,579 for similar reasons as revenue.

	Half year	
	31 December 2022	31 December 2021
Other expenses include:		$
Net loss on fair value of contingent consideration	-	4,898,885
Impairment of receivables	866,349	381,771
Net loss on disposal of property, plant and equipment	2,506	-

Note 3: Earnings per share

	Half year	
	31 December 2022 $	31 December 2021 $
Profit attributable to the shareholders of PeopleIn Limited:		
Profit for the half year from continuing operations	13,767,455	4,259,883
Weighted average number of ordinary shares used in the calculation of basic profit per share	100,151,918	94,086,204
Adjustments for calculation of diluted earnings per share:		
Options and performance rights	2,699,215	2,457,831
Weighted average number of ordinary shares used in the calculation of diluted profit per share	102,851,133	96,544,035

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 4: Cash and cash equivalents

	31 December 2022 $	30 June 2022 $
Cash at bank	690	1,490
Cash on hand	36,249,058	26,975,836
	36,249,748	**26,977,326**

Reconciliation of Cash

The above figures are reconciled to the cash at the end of the financial period as shown in the consolidated statement of cashflows as follows:

Cash at bank and in hand	**36,249,748**	**26,977,326**

Cash flow information

	Half year 31 December 2022 $	31 December 2021 $
(a) Reconciliation of cash flow from operations with profit/(loss) after income tax		
Profit after income tax	14,413,664	4,634,408
Non-cash flows in profit:		
Depreciation and amortisation	8,143,806	5,042,523
Impairment of receivables	866,349	381,771
Net (gain)/loss on disposal of property, plant and equipment	2,506	(5,758)
Net gain on fair value of contingent consideration	(641,414)	4,898,885
Share of profit of equity-accounted investees, net of tax	(106,236)	(19,460)
Share based payments expense	2,557,089	1,438,394
Changes in assets and liabilities:		
Change in trade and other receivables	(17,655,686)	307,440
Change in other assets	(3,401,237)	(858,558)
Change in trade and other payables	7,923,273	(3,849,734)
Change in income taxes payable	1,335,071	(803,319)
Change in deferred taxes payable	613,408	(465,344)
Change in employee benefits	5,465,371	443,324
Net cash provided by operating activities	**19,515,946**	**11,144,572**

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 4: Cash and cash equivalents (cont.)

Cash flow information (cont.)

(b) Non-cash financing and investing activities

Non-cash acquisitions of plant and equipment through leases of $130,358 (2021: $nil) occurred during the period.
Dividends satisfied by the issue of shares under the dividend reinvestment plan – see note 9.
Options and shares issued to employees under the employee options plan and employee share scheme for no cash consideration – see note 9.
Settlement of acquisitions and contingent consideration through issuance of shares – see note 13.

(c) Cash and Non-Cash Movements in Liabilities arising from Financing Activities

The following table reconciles the cash and non-cash movements in liabilities arising from financing activities.

			Non-cash changes		
	1 July 2022	Net cash flows	Net new leases and disposal of leased assets	On Acquisition	31 December 2022
Financial liabilities	$	$	$	$	$
Credit cards	140,857	(60,415)	-	-	80,442
Working capital facility	25,503,847	12,906,788	-	-	38,410,635
Commercial bills	72,722,498	(3,499,998)	-	-	69,222,500
Lease liabilities	13,173,476	(3,097,291)	15,535,840	-	25,612,025
	111,540,678	**6,249,084**	**15,535,840**	**-**	**133,325,602**

			Non-cash changes		
	1 July 2021	Net cash flows	Net new leases and disposal of leased assets	On Acquisition	31 December 2021
Financial liabilities	$	$	$	$	$
Credit cards	77,611	(18,094)	-	-	59,517
Working capital facility	10,510,296	10,902,814	-	-	21,413,110
Commercial bills	28,383,374	804,342	-	-	29,187,716
Lease liabilities	7,999,448	(1,518,390)	2,039,906	1,279,816	9,800,780
	46,970,729	**10,170,672**	**2,039,906**	**1,279,816**	**60,461,123**

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 5: Acquisition of subsidiaries

Food Industry People Group

During the year, the provisional accounting initially applied to the Food Industry People Group acquisition was amended. This was due to additional information becoming available with regards to the contingent purchase consideration and current tax liability. A summary of the adjustments is as follows.

	Original 6 June 2022 $	Adjustments $	Amended 6 June 2022 $
Purchase consideration			
Contingent consideration	7,614,068	5,290,821	12,904,889
Total consideration	**40,579,735**	**5,290,821**	**45,870,556**
Assets and liabilities acquired			
Current tax liabilities	(2,249,959)	2,091,713	(158,246)
Fair value of assets and liabilities acquired	**17,888,248**	**2,091,713**	**19,979,961**
Goodwill on acquisition	**22,691,487**	**3,199,109**	**25,890,596**

Summary of cashflows of acquisitions

	31 December 2022 $	31 December 2021 $
Cash paid for subsidiaries acquired (net of cash acquired)		
Techforce Personnel Pty Ltd	-	(2,951,729)
Visions Surveys QLD Pty Ltd	(1,425,000)	(4,480,962)
GMT Group	-	(23,105)
Food Industry People Group	(3,615,128)	-
Total cash paid for subsidiaries acquired (net of cash acquired)	**(5,040,128)**	**(7,445,796)**

The cashflows for Vision Surveys QLD Pty Ltd and Food Industry People Group relate to the payment of contingent consideration and holdback amounts made under the original contract.

Key judgements and estimations

Management uses valuation techniques in determining the fair values of the various elements of a business combination. Particularly, the fair value of contingent consideration is dependent on the outcome of many variables that affect future profitability.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 6: Trade and other receivables

	31 December 2022	30 June 2022
Current	**$**	**$**
Trade receivables	108,702,550	93,215,592
Allowance for impairment of receivables	(1,755,423)	(991,552)
	106,947,127	92,224,040
Contract assets	16,392,940	14,914,404
Other debtors	935,825	386,046
	124,275,892	**107,524,490**
Non-Current		
Trade receivables	529,808	211,919
	529,808	**211,919**

Key judgements and estimates

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the loss allowance calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Movement in provision for expected credit loss

	31 December 2022 $	30 June 2022 $
Opening balance	(991,552)	(307,614)
Balance at acquisition	-	73,458
Charge for the year	(866,349)	(2,390,413)
Amounts written off	102,478	1,779,933
Closing balance	**(1,755,423)**	**(991,552)**

Credit Risk

The loss allowance as at 31 December 2022 was determined as follows for trade receivables:

31 December 2022	Expected loss rate %	Gross Carrying Amount $	Loss allowance $
Not more than 4 months	-	106,280,017	486,105
More than 4 months but not more than 6 months	45%	1,338,133	602,160
More than 6 months but not more than 1 year	45%	636,453	286,404
More than 1 year	85%	447,947	380,754
		108,702,550	**1,755,423**
30 June 2022			
Not more than 4 months	-	91,567,670	310,802
More than 4 months but not more than 6 months	45%	689,106	213,023
More than 6 months but not more than 1 year	45%	712,012	257,943
More than 1 year	85%	246,804	209,784
		93,215,592	**991,552**

The increase in the provision for expected credit loss is reflective of the increase in the debtor's balance and a slight increase in the aged debtors. The provision as a percentage of gross trade receivables is 1.61% (June 2022: 1.06%). The increase is reflective of the slight increase in ageing debtors. There have been no receivables which have been identified at 31 December as in jeopardy however we have provided based on our group provisioning policy in line with AASB 9.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 7: Intangible assets

	31 December 2022 $	30 June 2022 $
Goodwill – at cost	**146,899,237**	**143,700,128**
Brand names – at cost	**21,865,677**	**21,865,677**
Customer relationships		
Cost	45,736,907	45,736,907
Accumulated amortisation	(18,468,951)	(14,460,153)
	27,267,956	**31,276,754**
Candidate database		
Cost	5,788,863	5,788,863
Accumulated amortisation	(3,749,922)	(3,301,230)
	2,038,941	**2,487,633**
Mobile application software		
Cost	458,359	458,359
Accumulated amortisation	(458,359)	(421,421)
	-	**36,938**
Website		
Cost	102,327	183,246
Accumulated amortisation	(52,339)	(150,178)
	49,988	**33,068**
Software		
Cost	6,699,097	4,340,415
Accumulated amortisation	(1,885,041)	(1,746,205)
	4,814,056	**2,594,210**
Patents and trademarks		
Cost	45,076	45,076
Accumulated amortisation	(19,297)	(19,212)
	25,779	**25,864**
Total intangible assets	**202,961,634**	**202,020,272**

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 7: Intangible assets (cont.)

31 December 2022	**Goodwill**	**Brand names**	**Customer relationships**	**Candidate database**	**Mobile application software**	**Website**	**Software**	**Patents and trademarks**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2022	143,700,128	21,865,677	31,276,754	2,487,633	36,938	33,068	2,594,210	25,864	202,020,272
Adjustments to business combinations (refer Note 5)	3,199,109	-	-	-	-	-	-	-	3,199,109
Restated Balance 1 July 2022	146,899,237	21,865,677	31,276,754	2,487,633	36,938	33,068	2,594,210	25,864	205,219,381
Foreign exchange movements	-	-	-	-	-	-	144	-	144
Additions	-	-	-	-	-	24,501	2,319,751	-	2,344,252
Disposals	-	-	-	-	-	-	(12,960)	-	(12,960)
Amortisation expense	-	-	(4,008,798)	(448,692)	(36,938)	(7,581)	(87,089)	(85)	(4,589,183)
Balance at 31 December 2022	**146,899,237**	**21,865,677**	**27,267,956**	**2,038,941**	**-**	**49,988**	**4,814,056**	**25,779**	**202,961,634**

30 June 2022	**Goodwill**	**Brand names**	**Customer relationships**	**Candidate database**	**Mobile application software**	**Website**	**Software**	**Patents and trademarks**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2021	89,355,381	9,414,982	14,146,467	3,084,776	129,258	32,699	760,656	23,615	116,947,834
Adjustments to business combinations	947,419	-	-	-	-	-	-	-	947,419
Restated Balance at 1 July 2021	90,302,800	9,414,982	14,146,467	3,084,776	129,258	32,699	760,656	23,615	117,895,253
Additions through business combinations (Refer Note 9)	53,547,328	12,450,695	22,329,601	271,917	-	-	77,100	-	88,676,641
Foreign exchange movements	-	-	-	-	-	-	(124)	-	(124)
Additions	-	-	-	-	-	13,542	2,037,687	12,920	2,064,149
Disposals	(150,000)	-	-	-	-	-	-	-	(150,000)
Amortisation expense	-	-	(5,199,314)	(869,060)	(92,320)	(13,173)	(281,109)	(10,671)	(6,465,647)
Balance at 30 June 2022	**143,700,128**	**21,865,677**	**31,276,754**	**2,487,633**	**36,938**	**33,068**	**2,594,210**	**25,864**	**202,020,272**

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 8: Financial liabilities

	31 December 2022 $	30 June 2022 $
Current		
Credit cards	80,442	140,857
Working capital facility	38,410,635	25,503,847
Commercial bills	6,759,596	6,999,996
Lease liabilities	5,377,151	4,850,639
Total current financial liabilities	**50,627,824**	**37,495,339**
Non-current		
Commercial bills	62,462,904	65,722,502
Lease liabilities	20,234,874	8,322,837
Total non-current financial liabilities	**82,697,778**	**74,045,339**
Total financial liabilities including leases	**133,325,602**	**111,540,678**

The significant growth in lease liabilities from 30 June 2022 (being the new head office in Brisbane) has contributed to significant growth in property, plant and equipment.

Facilities

31 December 2022	**Available facility**	**Facility used**	**Remaining Facility**
Credit cards	728,000	80,442	637,558
Working capital facility	54,000,000	38,410,635	15,589,365
Commercial bills	69,222,500	69,222,500	-
	123,950,500	**107,713,577**	**16,226,923**

30 June 2022	**Available facility**	**Facility used**	**Remaining Facility**
Credit cards	610,000	140,857	469,143
Working capital facility	39,000,000	25,503,847	13,496,153
Commercial bills	72,722,498	72,722,498	-
	112,332,498	**98,367,202**	**13,965,296**

There has been an increase in the working capital facility as a result of the growth in the group. Additionally, Food Industry People Group has a working capital facility which only was approved during the half year.

Security

St George Bank provided the above facilities and as a result has first registered general security over the assets and undertaking of the Group.

Covenants

The following covenants have been imposed by St George Bank:

- Interest Cover Ratio – not less than 3.0 times;
- Financial Debt/EBITDA Ratio – less than 3.0 times.
- Dividend cap no greater than 70% of NPATA unless bank consent is provided.

These covenants were not breached during the reporting period.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 9: Share capital

	31 December 2022 $	30 June 2022 $
101,028,100 (30 June 2022: 98,755,023) fully paid ordinary shares	106,869,469	101,534,297

Ordinary Shares

	31 December 2022 Number	30 June 2022 Number	31 December 2022 $	30 June 2022 $
At the beginning of the period	98,755,023	92,644,020	101,534,297	83,131,731
Dividends reinvested [1]	263,092	457,494	878,704	1,746,198
Issue of shares on vesting of options [2]	769,655	1,146,307	-	340,000
Contingent consideration equity settled[3]	1,240,330	1,449,098	4,456,468	6,071,720
Equity settled acquisition	-	3,058,104	-	10,244,648
At reporting date	**101,028,100**	**98,755,023**	**106,869,469**	**101,534,297**

[1] Dividends reinvested 30 September 2022 (June 2022: 30 September 2021 and 8 April 2022).
[2] Issue of shares on vesting of options 1 August 2022, 31 August 2022, 7 November 2022 and 1 December 2022 (June 2022: 31 August 2021, 14,18 October 2021, 23, 26 November 2021, 31 January 2022, 3, 16, 31 May 2022).
[3] Issue of ordinary shares 30 August 2022 as settlement of contingent consideration surrounding the acquisition of the Halcyon Knights Group (June 2022: 27 August 2021) and issue of ordinary shares 1 September 2022 as settlement of contingent consideration surrounding acquisition of Vision Surveys (2021: nil).

Dividends

	Half Year	
	31 December 2022 $	31 December 2021 $
Dividends provided for or paid during the half year		
Final fully franked dividend relating to 30 June 2022 of 6.5 cents per share (2021: 6.0 cents) paid on 30 September 2022	6,536,655	5,653,198
Dividends satisfied by the issue of shares under the dividend reinvestment plan during the year	878,704	1,088,967
Dividends not recognised at the end of the reporting period		
Since period end the directors have recommended the payment of an interim dividend of 7.0 cents per fully paid ordinary share. The aggregate amount of the proposed dividend expected to be paid on 24 March 2023 out of retained earnings at 31 December 2022, but not recognised as a liability at period end, is:	7,071,967	6,200,666
Franked dividends		
The interim dividend recommended after 31 December 2022 will be fully franked out of existing franking credits, or out of franking credits arising from the payment of income tax in the year ending 30 June 2022.		
Franking credits available for subsequent reporting periods based on a tax rate of 30%	25,732,228	19,837,771

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 10: Share-based payments

The following share-based payment arrangements existed at 31 December 2022.

Shares

During the half year ended 31 December 2022, 769,655 (2021: 1,019,005) shares were issued to directors and employees via the People Infrastructure employee share trust as a result of performance rights and options achieving their conditions and being eligible for exercising. The weighted average shares price at the exercise date was $3.56 (December 2021: $4.21).

Share based payments, since 3 August 2021, are being administered by the People Infrastructure employee share trust. Under the terms of the trust deed, PeopleIn Limited is required to provide the trust with the necessary funding for the acquisition of the shares at the time of the issue of shares. No shares were held by the trust as at 31 December 2022.

Options and Performance Rights

The following summarised the options and performance rights granted under the plan.

31 December 2022	Performance Rights	Options	Weighted average exercise price
	No.	No.	$
Outstanding at beginning of the period	2,020,784	343,170	0.19
Exercised	(769,656)	-	-
Forfeited	(15,718)	-	-
Granted	1,589,851	-	-
Outstanding at year-end	2,825,261	343,170	0.16
Exercisable at year-end	-	343,170	0.12

30 June 2022	Performance Rights	Options	Weighted average exercise price
	No.	No.	$
Outstanding at beginning of the period	1,470,959	683,170	0.21
Exercised	(806,307)	(340,000)	-
Forfeited	(213,489)	-	-
Granted	1,569,621	-	-
Outstanding at year-end	2,020,784	343,170	0.19
Exercisable at year-end	-	343,170	0.15

No options or performance rights expired during the periods covered by the above tables.

Under the Group remuneration scheme the majority of the performance rights are granted in August of each year under the annual scheme. There will be further grants in the next half however not to the same extent.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 10: Share-based payments (cont.)

Unissued ordinary shares of PeopleIn Limited under option/performance rights (PR) at the end of the reporting period are:

	Date granted	Expiry date	Exercise price of shares	Number 31 December 2022	Number 30 June 2022
Options					
Tranche 4	11 June 2021	11 July 2026	$4.37	343,170	343,170
Total Options				**343,170**	**343,170**
Performance Rights					
Tranche 4	26 November 2018	26 November 2022	$0.00	-	59,686
Tranche 6	15 May 2019	15 May 2023	$0.00	8,000	8,000
Tranche 9	28 October 2019	26 November 2023	$0.00	16,668	33,334
Tranche 10	26 November 2019	26 November 2023	$0.00	15,718	31,436
Tranche 12	30 July 2020	30 July 2024	$0.00	42,000	63,000
Tranche 16	1 September 2019	1 September 2023	$0.00	-	5,082
Tranche 24	11 June 2021	31 August 2026	$0.00	343,170	343,170
Tranche 25, 27, 29, 31, 32, 33, 35	31 August 2021	31 August 2022	$0.00	10,326	380,747
Tranche 26, 28	31 August 2021	31 August 2023	$0.00	82,906	207,264
Tranche 30, 34	31 August 2021	31 August 2024	$0.00	48,458	91,410
Tranche 35, 36	1 November 2021	1 November 2022	$0.00	-	49,749
Tranche 37	1 November 2021	1 November 2024	$0.00	200,000	200,000
Tranche 38	1 November 2021	22 November 2023	$0.00	46,688	116,721
Tranche 39	22 November 2021	24 January 2023	$0.00	1,820	1,820
Tranche 40	24 January 2022	24 January 2023	$0.00	5,825	5,825
Tranche 41	24 January 2022	31 August 2024	$0.00	29,125	38,834
Tranche 42, 43	24 January 2022	24 January 2023	$0.00	81,940	81,940
Tranche 44, 45	1 March 2022	1 March 2024	$0.00	146,740	146,740
Tranche 46	1 March 2022	1 March 2025	$0.00	38,071	38,071
Tranche 47	1 March 2022	1 Mar 2023	$0.00	59,644	59,644
Tranche 48	1 April 2022	1 April 2024	$0.00	12,853	12,853
Tranche 49, 51	30 April 2022	30 April 2023	$0.00	34,037	34,037
Tranche 50	30 April 2022	24 January 2023	$0.00	11,421	11,421
Tranche 52, 59, 61, 63, 66	7 September 2022	31 August 2023	$0.00	284,329	-
Tranche 54, 64, 65	7 September 2022	31 August 2024	$0.00	349,002	-
Tranche 60	14 September 2022	31 August 2023	$0.00	19,737	-
Tranche 53, 55, 56	14 September 2022	31 August 2024	$0.00	411,184	-
Tranche 57, 58, 62	31 August 2022	31 August 2023	$0.00	230,262	-
Tranche 67	31 October 2022	31 October 2023	$0.00	132,044	-
Tranche 68	31 October 2022	31 October 2024	$0.00	31,056	-
Tranche 69	31 October 2022	25 October 2025	$0.00	50,000	-
Tranche 70	30 November 2022	30 November 2024	$0.00	82,237	-
Total Performance Rights				**2,825,261**	**2,020,784**
Total under option and performance rights				**3,168,431**	**2,363,954**

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 10: Share-based payments (cont.)

Terms and Conditions of options and performance rights

During the reporting period tranche 52 to 70 were granted. The conditions around these are as follows:

Performance Rights – Tranche 52 to 68 and 70

These Performance Rights only have the condition to remain employed. They have been awarded based on the employees satisfying performance criteria during the financial year ended 30 June 2022 and during the half year period. They have a 1 to 3 year vesting period. The purpose of the award is two-fold in that it rewards for performance which has already occurred and also as a retention strategy. Tranche 66 and 67 are in relation to the employees opting to receive during the vesting period a reduced cash component of their remuneration in lieu of performance rights.

Performance Rights – Tranche 69

These Performance Rights vest on the 1 November 2025. 50% of the Performance Rights will vest in 3 years on achieving a 10% Total Shareholder Return Compound Annual Growth Rate and the other 50% will vest in three years on achieving a 15% Total Shareholder Return Compound Annual Growth Rate. Additionally, in order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 10: Share-based payments (cont.)

Fair value of performance rights granted

The assessed fair value at granted date of performance rights granted during the period ended 31 December 2022 are disclosed in the table below. The fair value at grant date is based on the share price at the grant date given the only condition is to remain employed. For Tranche 69 an independently determined valuation and a Monte Carlo simulation has been adopted to assess market vesting conditions. These models takes into account the exercise price, the term of the performance right, the impact of dilution (where material), the share price at grant date and expected price volatility of the underling share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

The principal assumptions used in the valuation were:

	Grant date	Issue date	Number of options	Vesting period end	Share price at grant date	Volatility	Performance/Option life	Dividend yield	Fair value at grant date	Exercise price at grant date	Exercisable from	Exercisable to
Tranche 52, 59, 61, 63, 66	07/09/2022	07/09/2022	284,329	100% 31/08/2023	$3.34	n/a	1 year	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 54, 64, 65	07/09/2022	07/09/2022	349,002	60% 31/08/2023 40% 31/08/2024	$3.34	n/a	2 years	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 60	14/09/2022	14/09/2022	19,737	100% 31/08/2023	$3.55	n/a	1 year	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 53, 55, 56	14/09/2022	14/09/2022	411,184	100% 31/08/2024	$3.55	n/a	2 years	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 57, 58, 62	31/08/2022	31/08/2022	230,262	100% 31/08/2023	$3.70	n/a	1 year	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 67	31/10/2022	31/10/2022	132,044	100% 31/10/2023	$3.28	n/a	1 year	n/a	$3.22	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 68	31/10/2022	31/10/2022	31,056	100% 31/10/2024	$3.28	n/a	2 years	n/a	$3.22	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 69	31/10/2022	31/10/2022	50,000	100% 25/10/2025	$3.28	56%	3 years	4.0%	50% $1.78 and 50% $1.61	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 70	30/11/2022	30/11/2022	82,237	60% 22/11/2023 40% 22/11/2024	$3.24	n/a	2 years	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 10: Share-based payments (cont.)

Expenses arising from share based payment transactions

Total expenses arising from share based payment transactions recognised during the period as a part of employee benefit expenses were as follows:

	Half Year	
	31 December 2022	**31 December 2021**
	$	**$**
Options and performance rights issued under employee share plan	2,557,090	1,438,394

These amounts have been recognised in equity in the Consolidated Statement of Financial Position as follows:

	31 December 2022	**30 June 2022**
	$	**$**
Share capital	-	-
Share based payment reserve	8,037,520	5,480,430

Key estimates

The Group uses estimates to determine the fair value of equity instruments issued to Directors, executives and employees. The estimates include volatility, risk free rates and consideration of satisfaction of performance criteria for recipients of equity instruments. Options were issued as outlined above and the cost of these rights represents the valuation and the accounting impact of prior issuances and determinations remains unchanged.

Note 11: Contingent assets and contingent liabilities

The Group has no contingent assets and no contingent liabilities other than contingent consideration.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 12: Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Parent entity

The parent entity is PeopleIn Limited, which is incorporated in Australia.

Subsidiaries

No new entities have entered the group during the reporting period.

There have been no entities leave the group during the reporting period.

There were no other significant changes to the group during the reporting period.

Other related party transactions

The following related party transactions occurred with entities related to key management personnel:

31 December 2022	Shares Issued – On Market	Shares Issued – Exercise of Options / Performance Rights [1]	Shares Disposed	Options or Performance Rights Issued
	$	$	$	$
Directors				
Glen Richards	-	-	-	-
Elizabeth Savage [2]	2,439	-	-	-
Vu Tran [3]	20,000	-	-	-
Declan Sherman	-	29,843	-	-
Thomas Reardon	-	99,876	-	82,237
Senior Executives				
Ross Thompson (CEO)	-	-	-	50,000
Megan Just (CFO)	-	36,344	-	64,145

[1] These shares were issued as a result of performance rights meeting their conditions.
[2] These shares were issued as a result of participating in the dividend reinvestment plan.
[3] These shares were an on-market share purchase on 13 October 2022.

Other Transactions with Key Management Personnel

The Group provides recruitment and advisory services to Healthia Limited, an entity associated with Glen Richards. The Group received $142,450 (Dec 2021: nil) from recruitment and advisory services which has been recognised as revenue. $45,210 was receivable at half year end (Dec 2021: nil).

The Group utilises the online learning platform provided by GO1 Pty Ltd, an entity associated with Vu Tran. The Group made payments of $54,230 to GO1 Pty Ltd during the period which has been recognised in other expenses. No amount was payable at year end (Dec 21: nil).

There were no other transactions with other related parties during the period.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 13: Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 13 Fair Value Measurement: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The carrying value of a significant portion of all financial assets and financial liabilities approximate their fair values due to their short-term nature and for borrowings with longer terms as a result of them having floating interest rates.

Financial Liabilities at fair value through the profit or loss

	Level 1	Level 2	Level 3
31 December 2022	**$**	**$**	**$**
Contingent consideration	-	-	25,215,869
Total Financial Liabilities	**-**	**-**	**25,215,869**
30 June 2022			
Contingent consideration	-	-	30,063,057
Total Financial Liabilities	**-**	**-**	**30,063,057**

There were no transfers between the levels of fair value hierarchy during the half year ended 31 December 2022 or the year ended 30 June 2022. There were no other financial assets or liabilities valued at fair value at 31 December 2022 and 30 June 2022.

Reconciliation of Level 3 fair value movements	**Contingent Consideration**
Opening balance at 1 July 2021	8,830,502
Recognition on acquisitions	26,868,384
Repayments	(9,181,385)
Gains and losses recognised in profit or loss	3,545,556
Closing balance at 30 June 2022	30,063,057
Provisional accounting adjustment (refer note 5)	5,290,821
Repayments[1]	(9,496,596)
Gains and losses recognised in profit or loss[2]	(641,413)
Closing balance at 31 December 2022	25,215,869

[1] This has been settled via a combination of cash and equity. Refer to note 9 for shares issued.

[2] This includes a non-cash expense of $776,240 which is the fair value adjustment of the contingent consideration that was settled in August 2022 via the issue of PeopleIN shares (i.e. not cash) with respect to the acquisition of Halcyon Knights Pty Ltd, Halcyon Knights Commercial and Contracting Pty Ltd and Halcyon Knights New Zealand Limited. The remainder of the contingent consideration relating to the other entities will be cash settled except for Vision Surveys QLD of which 25% will be share settled. The fair value adjustments of the remaining contingent consideration resulted in an overall gain on fair value.

Notes to the Financial Statements for the half-year ended 31 December 2022

Note 13: Fair value measurement (cont.)

Contingent Consideration - Key Estimates

The fair value of contingent consideration related to the acquisition of the Techforce Personnel Pty Ltd, GMT Group Pty Ltd, Perigon Group Pty Ltd and FIP Group Holdings Pty Ltd is estimated using a present value technique. The value is estimated by probability-weighting the estimated future cash outflows, adjusting for risk and discounting. During the half year, the expected contingent consideration was adjusted based on agreed targets and expected share price at the date of payment. The adjustments surrounded the movement in share price and the probability of achieving the targets.

Note 14: Events arising since the end of the reporting period

A dividend of 7.0 cents per share was declared on 17 February 2023.

On the 3 February 2023, PeopleIn Limited entered into a Memorandum of Understanding with TAFE Queensland to explore mutually beneficial opportunities to bridge the gap between education and jobs.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Directors' Declaration

In the opinion of the Directors of PeopleIn Limited (the 'Company'):

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Accounting Standard *AASB 134 'Interim Financial Reporting'*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

- the attached financial statements and notes thereto give a true and fair view of the Consolidated entity's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and

- there are reasonable grounds to believe that the Consolidated entity will be able to pay its debts as and when they become due and payable, after taking into consideration the extent to which such debts are limited-recourse in nature or owing to the responsible entity.

Signed in accordance with a resolution of directors of PeopleIn Limited.

Glen Richards
Chairman

Date: 17 February 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of PeopleIn Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of PeopleIn Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

M Cutri
Director

Brisbane, 17 February 2023