

# ASX Announcement: PeopleIN Announces Continuing Revenue Growth for H1 FY24 Amid Tough Market Conditions

26 February 2024

## Key Highlights for H1 FY24:

- Record revenue of \$602.7m (+1.0% PCP)
- Normalised EBITDA<sup>1,2,3</sup> of \$20.3m (-37.7% PCP)
- Normalised NPATA<sup>1,2,3</sup> of \$13.7m (-34.3% PCP)
- Normalised NPATA per share of 20.6 cents (-36.4)
- Interim dividend per share of 3.0 cents
- Net debt to Normalised EBITDA of 1.86x
- New bank facility secured with CBA to support future growth

PeopleIN Limited (PeopleIN, ASX: PPE) today announced its half-year financial results for FY24, highlighting a tough economic landscape marked by persistent high inflation and rising interest rates. The company saw a record revenue performance, with an increase to \$602.7 million, up 1% compared to the first half of FY23, reflecting the strength and effectiveness of its robust sales culture.

Challenging conditions have led to a reduction in normalised EBITDA, which stands at \$20.3 million, down 37.7% from the same period last year. This is primarily due to a shift towards more resilient lower-margin work and a reduction in permanent recruitment, particularly noticeable within the technology sector.

In response to this decline in margin, PeopleIN has realigned its business activities, streamlining systems and processes to reduce costs - reduced by \$4.7 million in H1.

<sup>1</sup> Earnings Before Interest, Tax, Depreciation and Amortisation (“EBITDA”) and Net Profit After Tax and before Amortisation (“NPATA”) are non-IFRS terms which have not been subject to audit or review but have been determined using information presented in the Company’s Interim Financial Reports.

<sup>2</sup> Normalised Earnings Before Interest, Depreciation and Amortisation (“Normalised EBITDA”) and Normalised Net Profit After Tax and before Amortisation (“Normalised NPATA”) represents the statutory NPAT and statutory EBIT 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. A reconciliation back to statutory EBIT and NPAT is contained in the Directors Report which forms part of the Interim Financial Report.

<sup>3</sup> Normalised numbers have not been subject to audit or review and are based on numbers contained in the Company’s Interim Financial Reports.

"Our ability to adapt swiftly to market conditions whilst maintaining our strong sales culture has been key to our resilience," said Ross Thompson, Chief Executive Officer of PeopleiN. "We're focused on continuing to build an agile and efficient sales organisation that leads the staffing industry in Australia."

From a capital management perspective, the company remains on solid ground with low levels of debt gearing and adequate headroom. Cash collection remained consistent at the 90% target level. There has been a reduction in debtor days.

Adam Leake, Chief Financial Officer, said, "Our prudent financial management has enabled us to maintain a strong balance sheet, with a focus on sustainable capital management. With net debt to Normalised EBITDA at 1.86x and stable debtor days, we are well-positioned to capitalise on growth opportunities as they arise and as markets rebound."

Given its sector diversity, strong sales culture and efficient operations, PeopleiN remains confident that the business will return to a strong growth footing when interest rates stabilise and business confidence rebounds.

For further information please refer to the investor presentation as well as the PeopleiN Appendix 4D and Interim Financial Report, both of which have been released today.

## Half Year Results Briefing:

The Company will hold a webcast briefing and teleconference at 9:15AM (AEST) on Monday, 26 February 2024.

### Webcast Briefing and Teleconference Details

To pre-register for the webcast, please click on the following link:

<https://webcast.openbriefing.com/ppe-hyr-2024/>

To pre-register for the teleconference, please click on the following link:

<https://registrations.events/direct/OCP734860>

You will receive a calendar invite and a unique code which is to be quoted when dialling into the call. The calendar invite will also include a list of toll free numbers to dial.

To ask a question, participants will need to dial “\*1” (star, 1) on their telephone keypad.

*If you wish to ask a question, you will need to register and dial into the teleconference.*

## Enquiries – please contact:

PeopleiN Chief Executive Officer – Ross Thompson – (07) 3238 0800

## About PeopleiN:

PeopleiN is the largest Australian-run talent solutions company and services over 4,000 businesses across three verticals – Healthcare & Community, Professional Services and Industrial & Specialist Services. Through its nationwide footprint and 25 brands, it employs over 33,500 workers every year.

PeopleiN’s brands span numerous industries and sectors which have some of the highest demand for employment services and including health, childcare, technology, accounting,

food processing, education, hospitality, construction, transport and logistics and infrastructure.

