

## Chairman's Address – Glen Richards

Thank you everyone for attending our 2024 Annual General Meeting.

This year, we faced significant economic headwinds that required swift action and a clear focus on sales. While our financial performance reflects these challenges we have continued to outperform our industry peers and we're set up well to grow when economic conditions improve.

In FY24, PeopleiN generated \$1.17 billion in revenue, reflecting a slight (1%) decline from the previous year. Our normalised EBITDA was \$37.0 million, down 39.5%, driven by lower permanent recruitment revenue and a shift towards lower-margin but operationally critical sectors like food services. Whilst these figures reflect the impact of a tough economic environment, they also underscore our ability to adapt and stabilize margins over the course of the year. Key to our performance has been our commitment to operational efficiency. We achieved a \$7.8 million reduction in costs, including a 10% reduction in headcount, as part of our strategy to streamline operations. Our strong cash conversion in the second half of the FY24 year, at 105% of EBITDA, reinforced our balance sheet, with a Net Debt/LTM EBITDA ratio of 2.15x. We continue to have substantial covenant headroom at the close of the financial year. In light of current economic conditions, we continue to position PeopleiN ready for organic and inorganic growth opportunities and made the prudent decision to pause our full-year dividend to preserve capital and ensure agility.

FY24 marked several significant milestones that underscore our commitment to sustainable growth, responsible governance, and creating shared value. We strengthened our board with the appointment of Elisabeth Mannes, who adds more than 30 years of international expertise in business strategy, customer and operational excellence, and risk management, as well as Tony Peake OAM, who brings more than 25

years of diverse board-level experience across several sectors including retail, consumer, education, and government.

An important achievement this year was the approval of our inaugural Reflect Reconciliation Action Plan (RAP). This RAP serves as a cornerstone of our broader strategy to foster inclusion, respect, and reconciliation within our company and the communities we serve. It reflects our ongoing dedication to building a business that not only delivers financial returns but also contributes positively to society. In addition to our RAP, we've strategically expanded our involvement in the Pacific Australia Labour Mobility (PALM) Scheme, particularly in the aged care sector. This expansion supports a critical area of need within Australia and aligns with our mission to provide innovative and impactful workforce solutions. Our leadership in this space, especially through the PALM Scheme, highlights our ability to adapt and grow in sectors with long-term demand.

As we move forward, our goal remains clear: to be the largest and most efficient workforce solutions business in Australia. We continue to payroll around 15,000 candidates every week, and our strategic focus on defensive employment sectors has positioned us to weather economic fluctuations and return to a strong growth footing when the market turns. Our long-term vision is centred on innovation, scalability, and responsiveness to market needs. We are uniquely structured to deliver deeply specialised talent solutions across a broad range of sectors, from healthcare and community care to food services and critical infrastructure. This diversity not only mitigates risk but also ensures we're well-positioned to capture growth opportunities as they arise.

I would like to thank Ross and the PeopleiN Leadership Team for their continuous dedication to upholding PeopleiN's position as a frontrunner in our industry. I'm also pleased to announce that Ross Thompson is to be appointed to the position of Managing Director at the conclusion of the AGM taking on the full responsibilities and accountabilities as a director of the company.



Thank you to my fellow Directors for their guidance and support over the past year. The Board and Leadership Team are highly focused on delivering value for all of our stakeholders, and I wish to thank our shareholders, Commonwealth Bank and our +4,000 customers for their continued support of PeopleiN.

As a Board and leadership team, we will continue to robustly debate the best use of our company resources (time and money) to grow shareholder value.

I'll now hand over to Ross Thompson.

### **CEO's Address – Ross Thompson**

Thank you, Glen.

FY24 was a challenging year, requiring swift action and focused execution to navigate a difficult economic landscape. Despite these challenges, PeopleiN demonstrated resilience, maintaining stable revenue and making strategic adjustments to ensure we remain well-positioned for future growth. This has included sharpening our focus on sales, operational efficiencies, and a client-centric approach to service delivery. Operationally, we focused on key sectors such as food services, infrastructure construction, and public health, where demand remained strong despite the challenging conditions. Throughout the year, we successfully improved our on-hire margins by 8%, thanks to cost management and sector diversification initiatives. This progress reflects the effectiveness of our strategies in aligning operations with market demands. A significant operational achievement has been the progress of our systems transformation initiative, Program UNITE. This program, set to be completed in the coming months, is actively delivering benefits in operational efficiencies, enhanced AI functionality, and improved data analytics. These advancements have strengthened our ability to win more work.

We expect tough economic conditions to continue for at least the next six months, especially while interest rates remain high and business confidence continues to be well below the long-term average.

The quality of our team, sector diversity, and strong cash position will enable us to trade through this challenging economic climate and ensure that, as business confidence improves, we'll return to a strong organic growth footing. We have an experienced commercial leadership team that is focused on sales, cash collection, and ensuring the business is running as efficiently as possible and is well-positioned to provide long-term shareholder value.

In Q1, our earnings continued to be stable as we delivered a \$9.2M normalised EBITDA result. Cash conversion was strong, and we continue to pay down our debt. Our Net debt/normalised EBITDA ratio has reduced from 2.1 at the end of FY24 to 1.7 at the end of Q1 which is a good result. We expect our net debt to reduce further by the end of FY25 which will enable us to get back on an accelerated growth footing and continue to seek all opportunities.

The staffing industry in Australia is poised for consolidation, driven by increased regulation and long-term skill shortages. PeopleiN is well-positioned to lead in this evolving landscape, particularly given our current scale and strong presence in sectors with sustained demand, such as public health, community care, early learning, and food services. Our goal for the next three years is to be the largest and most efficient staffing company in Australia. We'll achieve this through key strategic initiatives, including delivering Tier One complete workforce solutions to major facilities including hospitals, continuing to cross-sell services across our 4,000+ clients, and significantly increasing our staffing services to the Defence industry. As a large, sovereign, veteran-led business, we're well-positioned to support this sector as the Australian and US Governments increase their spending in Australia over the coming years. We'll also continue to diversify and grow our involvement in the Pacific Australia Labour Mobility (PALM) Scheme and build on our recent win with the 2032 Olympic delivery authority. By driving cost efficiencies through scale and technology, we'll enhance profitability. We're excited about the long-term growth opportunities and value for our staff and shareholders.



I would like to extend my gratitude to the Board and our management team for their hard work and leadership throughout the year. Their contributions have been invaluable as we navigate current economic challenges and continue to evolve PeopleiN as a leader in the staffing industry.

Thank you to all of our 780 staff and our contractor workforce for their continued dedication and hard work for our clients. Thanks also to our clients for their support. Without you, we don't have a business. Finally, to our shareholders, thank you for your continued trust and support. We are fully committed to delivering sustainable long-term value.

We look forward to updating you on our performance and operations in February, upon the release of our H1 results. Thank you.