

GO2 achieves ATO approval for its Payment Plans

The Go2 People Ltd (ASX:GO2) ("**GO2**" or the "**Company**") is pleased to advise that it has now received approval from the ATO to bring all of its remaining outstanding ATO liabilities under approved payment plans.

This final round of ATO approvals – which follows the Skill Hire plan announced to the ASX on 2 September 2022 - includes four separate plans:

- The GO2 Recruitment Trust
 - Superannuation Guarantee
 - Integrated Client Account
- GO2 People Australia Pty Ltd
 - Superannuation Guarantee
 - Integrated Client Account

In contemplation of receiving approval to these plans, in June 2022 GO2 commenced paying monthly instalments against each of them, and in early November 2022 made a "show of good faith" lump sum payment of \$250,000 against the Superannuation Guarantee liabilities of The GO2 Recruitment Trust.

The payment plans approved by the ATO are over an extended period which allows the payments to be accommodated within the Group's FY23/24 cash flow forecast. In recognition of the bespoke nature of the plans, they include the following ongoing reporting obligations:

- Each quarter, the Group is to provide the ATO with a copy of its Appendix 4C operational update and cashflow report, together with any relevant corporate commentary such as any merger / acquisition or capital raising activities (if applicable); and
- A review event in May 2023 to ensure the plans are "fit for purpose" from both the ATO's and GO2's perspective.

The combined effect of ATO's approval of the Payment Plans on the Group's 30 November 2022 Balance Sheet will be:

- To move some \$8.575 million from Current Liabilities to Non-Current Liabilities, significantly easing the short-term working capital position of the Group;
- To reduce the Current Liabilities owing to the ATO under these two GO2 labour hire entities from \$8.12 million to \$930,000; and
- To add some \$1.385 million in General Interest Charge (GIC) to Non-Current Liabilities due to the extended nature of the plans – noting however that the ATO has said it will consider a submission for remission of GIC in due course provided the plans are adhered to.



The approval of the Payment Plans is now expected to unlock opportunities in areas of new work tenders and the sourcing / drawdown of short-term working capital facilities which were previously placed on hold pending the outcome of the ATO's approval process.

Board Chair Commentary

GO2 Board Chair Darren Cooper said:

"The ATO's approval of bespoke, longer-than-normal payment plans demonstrates its faith and confidence in the Group, and the significant volume of information we've provided via our specialist consultants over the past nine months in seeking approvals. Now that these Payment Plans are finally in place, we plan to capitalise on a range of new business, operational and funding opportunities that have been on hold while our submissions have been under consideration."

The Group continues to enjoy significant structural tailwinds from the worker shortage across all our operating sectors, and our positioning of 'Building Australia's Workforce' speaks to the significant value we can bring to our existing and potential new client relationships."

For more information, please contact:

Darren Cooper
Board Chair
investor@thego2people.com.au

Issued by: The GO2 People Ltd
Approved by: The Board of The GO2 People Ltd

About The GO2 People Ltd

The GO2 People Ltd (ASX:GO2) is a leading provider of recruitment and training services to industry throughout Australia. The day-to-day operations of the company are underpinned by strong core values and an ethical approach to business principles which drive innovation, collaboration and an ongoing commitment to continuous improvement. To learn more please visit: www.thego2people.com.au