

ASX/Media Announcement

1 March 2019

PEOPLE INFRASTRUCTURE ACQUIRES LEADING HEALTHCARE BUSINESS AND OUTSTANDING SHARES IN RECON GROUP

- **Continued expansion of People Infrastructure’s healthcare business**
- **Leader in providing contracted nurses to the public and private health sector in Victoria**
- **Management team to stay in place and continue to grow the business**
- **Multiple synergies with People Infrastructure’s existing Health and Social Care business**
- **Funded out of cash and debt facilities**
- **Earnings accretive for FY19**

People Infrastructure Ltd (“PPE” or “People Infrastructure”) today announced that it has agreed to acquire Victorian Nurse Specialists Pty Ltd (“VNS”). VNS was established in 2000, and is a leading Melbourne-based nursing agency specialising in supplying general, critical care, mental health, midwifery and aged care nurses to private and public healthcare clients across Victoria.

The acquisition price for Victorian Nurse Specialists is \$2.5 million payable on a cash and debt free basis. The current senior management team will continue in their current roles post acquisition. The acquisition is expected to complete today, 1 March 2019.

People Infrastructure’s Managing Director, Mr Declan Sherman said, “The acquisition of VNS represents a logical expansion of our healthcare business. The acquisition of VNS will provide the ability to grow our healthcare offering in Victoria. There are a number of cross selling benefits in being able to provide nurses to our disability sector clients as well as leverage the combined workforce in the nursing and disability sectors to service the entire sector. The business will also benefit from sharing resources with our existing Sydney based nursing business. People Infrastructure and VNS are an excellent strategic fit.”

People Infrastructure also announces that it has acquired the remaining outstanding shares in its existing IT businesses being Recon Solutions and Project Partners (“Recon Group”). The acquisition price is \$2.8 million. Recon Solutions is recognised as a market leader in IT recruitment in Queensland and Project Partners is a technology and consulting firm that assists its clients to successfully implement project-led transformation and change.

Mr Sherman said, “Both Recon Solutions and Project Partners have performed very well since we made our initial investment in January 2018 and during the past 12 months we have partially increased our stake in the Recon Group. The decision to move to 100% ownership is based on the strength we continue to see in the business and the performance of the company over the past 12 months being ahead of expectations. The current senior management team of Recon Solutions will continue in their current roles post acquisition. Project Partners will also continue to be led by its CEO Chris Young and we are happy to announce that Drummond South has also joined the team as a Senior Partner of Project Partners.

Drummond previously worked at SMS Management and Technology for over 18 years where he was a senior member of the executive team helping build the company to over \$250m in revenue.”

The consideration for both acquisitions will be funded by new debt facilities that have been put in place. The acquisitions are expected to be EPS accretive in FY19. It is expected that the two acquisitions will contribute \$1.1 million in incremental EBITDA over the next 12 months.

People Infrastructure (ASX:PPE) is a leading Australian workforce management company delivering innovative solutions to workforce challenges faced by Australia's leading businesses. People Infrastructure operates across four main sectors including health and social care, information technology, specialist services and labour hire.

Enquiries - please contact:

- People Infrastructure– Declan Sherman – (07) 3238 0800