

ASX ANNOUNCEMENT

People Infrastructure Reports Half Year Results

Date: 14 February 2020 – People Infrastructure Ltd (ASX: PPE) (“Company”), a leading workforce management company that delivers innovative solutions to workforce challenges, today announced its half year results for the six months ended 31 December 2019.

Key highlights for FY20H1:

- Normalised EBITDA³ of \$13m being 54.4% higher than normalised FY19H1 EBITDA
- Normalised NPATA³ of \$9m being 49.0% higher than normalised FY19H1 NPATA
- Normalised NPATA³ per share of 12.5 cents being 32.4% higher than normalised FY19H1 NPATA per share
- Interim dividend declared of 4 cents per share fully franked being consistent with the interim dividend declared for FY19H1
- FY20H1 normalised EBITDA³ margin of 6.6% compared to 6.3% in FY19H1

Declan Sherman, People Infrastructure’s Managing Director said: “People Infrastructure is pleased to announce a strong performance for the first half of FY20 with the Company continuing to grow significantly throughout the first half of the year and delivering a significant increase in earnings to shareholders. The Company continues to deliver on its long-term strategy of being a leading provider of workforce solutions. By continuing to deliver innovative and efficient workforce management services, we have been able to grow both our current and new client base.”

“During the first half of FY20, People Infrastructure successfully integrated its most recent acquisitions, First Choice Care and Carestaff in the health sector and Halcyon Knights in the information technology sector into the broader People Infrastructure business. People Infrastructure continues to focus on driving growth in niches where it can demonstrate a clear point of difference in its product and services offering.”

“Once again, People Infrastructure’s commitment to its employees and its customers and the processes that underpin the services that it provides has continued to generate further financial success across the business.

Results Summary

		Normalised H1 FY19	Normalised H1 FY20	Growth
Revenue	\$'000	134,050	194,845	45.4%
Normalised EBITDA	\$'000	8,386	12,947	54.4%
<i>Ebitda margin</i>		6.3%	6.6%	
Normalised NPATA	\$'000	6,064	9,038	49.0%
NPATA per share	cents	9.4	12.5	32.4%
Net Debt	\$'000	13,031	28,471	
Net Debt / EBITDA	x	0.8	1.1	

The Company has declared an interim dividend for the year of 4 cents per share. The Company’s net debt at 31 December 2019 was \$28.5m.

Approved & Authorised by the Board of Directors

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Summary and Outlook

Declan Sherman said: “The outlook for People Infrastructure continues to be positive with continued organic growth anticipated across the business (as outlined in the accompanying investor presentation) as well as further strategic acquisition opportunities that are currently under due diligence.”

Notes:

1. Earnings before Interest, tax, depreciation and amortisation (“EBITDA”) is a non-IFRS term which has not been subject to audit or review but has been determined using information presented in the Company’s annual results.
2. Net profit after tax and before amortisation (“NPATA”) is a non-IFRS term which has not been subject to audit or review but has been determined using information presented in the Company’s annual results.
3. Normalised earnings before interest tax depreciation and before amortisation (“Normalised EBITDA”) and Normalised net profit after taxation 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, and the first-time adoption of AASB 16 Leases and amortisation. A reconciliation back to statutory EBIT and NPAT are contained in Directors Report which forms part of the Interim Financial Report.
4. Normalised numbers have not been subject to audit or review and are based on numbers contained in the Company’s financial statements.

For Further Information:

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