

ASX ANNOUNCEMENT

People Infrastructure FY 2020 Update

Date: 14 May 2020 – People Infrastructure Ltd (ASX: PPE) (“Company”), a leading workforce management company that delivers innovative solutions to workforce challenges, today announced an update on its expected performance for the financial year ending 30 June 2020.

Managing Director, Mr Declan Sherman said, “COVID-19 and the associated government response has created some broader uncertainty in the market and as a result People Infrastructure believes it is prudent to update the market on its expectations for the Company’s performance for FY2020. Based on current available information, People Infrastructure presently expects its FY2020 normalised EBITDA^{1, 2} to be in the range of \$24 million to \$25 million.”

People Infrastructure acknowledges that the COVID-19 situation continues to evolve and factors that support and may increase the Company’s 2020 performance include continued demand for staff services across its divisions and in particular, an increase in demand for staffing in its general staffing business, increased business in its facilities maintenance business, and a recovery in its information technology and nursing businesses. Considerations that may dampen its 2020 performance include reduction in work available for employees on government funded employee and employer support schemes or broader reduction in demand for staffing services in certain industries which have been more negatively impacted including hospitality and childcare.

The Company also confirms its previously stated dividend policy to pay out of 45% to 60% of NPATA as dividends each year.

This announcement was authorised for lodgement by the Board.

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 monthly management results and budgets.
2. Normalised adjustments include share payment expenses and performance shares (and associated costs with share payment expenses), acquisition costs, lease costs being expensed and fair value adjustments. The Company’s current expectation is there will be no impairment of goodwill at 30 June 2020.

For Further Information:

Declan Sherman, Managing Director
+61 7 3238 0800