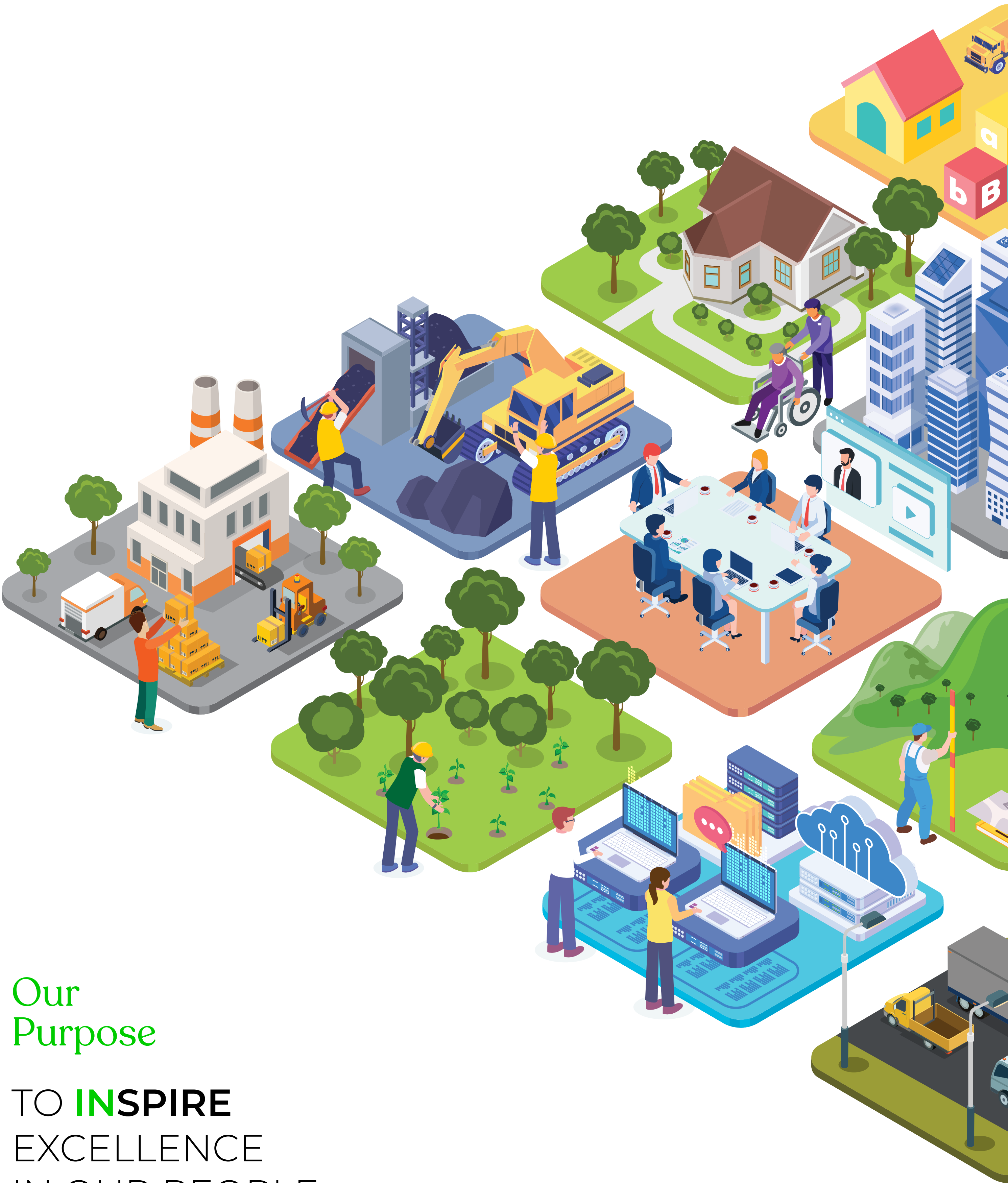
PeopleIN

ANNUAL REPORT FY23

The largest ASX-listed talent solutions company in Australia and New Zealand.

PeopleIN Limited ACN: 615 173 076



Our Purpose

TO **INSPIRE**
EXCELLENCE
IN OUR PEOPLE

Contents

LETTER FROM

THE CHAIR

Dear Shareholders

PeopleIN, Australia's leading talent solutions business, is pleased to report another strong full year result, exceeding $1 billion in revenue for the first time. It's a significant milestone, with performance a result of the breadth of our business operations across sustainable and defensive employment sectors.

REVENUE

$1.19bn ▲

+73.9% PCP

Organic growth contribution of

+25.6%

NORMALISED EBITDA

$61.1m ▲

+29.5% PCP

Organic growth contribution of

+8.3%

FINAL FULLY FRANKED DIVIDEND

7 cents

FY23 total dividends of 14 cents.

+7.7% PCP

▸ OUR AMBITION

We made positive steps to strengthen this position in the reporting period. We now connect more than 34,500 people to roles every year and are uniquely structured to provide deeply specialised talent solutions at scale, across a broad range of sectors.

Our long-term vision remains to retain and expand our position as a leader in the delivery of innovative talent solutions for our clients across the growing breadth of industries in which we work.

▸ THE VALUE WE CREATE

Demand for our services is being driven by continued low levels of unemployment, solid wage inflation and jobs growth in a range of high demand sectors.

Strong organic growth performance in areas including accounting, food processing, childcare, community care and infrastructure has offset ongoing challenges associated with candidate supply in the health sector, and investment slowdown for start-up technology businesses. Our result is a testament to our diverse sector exposure and extensive client base.

International nursing recruitment is expected to accelerate in FY24, driven by improvements in visa processing and qualification accreditation times as well as PeopleIN's international recruitment campaign You+Aus, which was launched in February 2023. Permanent technology recruitment is expected to start to improve in FY24, off the back of continued investment in cybersecurity, AI and companies upgrading their own digital infrastructure.

Our disciplined approach to capital management and strong cash flow generation, pleasingly, is one that sets the business up for further growth into FY24.

▸ SHARED VALUE

At PeopleIN we recognise our organisation must represent the communities in which we work and live. We believe our business, and individual brands, can only be successful in the long term by creating value for our people, clients, investors and communities. In addition to delivering on our domestic economic contribution through the 15,000 workers we payroll each week, our workers operating under the Pacific Australia Labour Mobility (PALM) Scheme are estimated to have contributed greater than $60M in remittances to their home countries. During the financial year we commenced the process for our inaugural Reflect Reconciliation Action Plan (RAP) - we look forward to delivering on this commitment in FY24.

I would like to thank my fellow directors for their guidance and support over the past year. I also want to recognise the important contribution our co-founder and departing non-Executive Director Declan Sherman has played in the growth of our business. Declan leaves PeopleIN in a strong position and we wish him the best with his future ventures.

Finally, I would like to thank our CEO and Group Leadership Team for their continuous dedication to upholding PeopleIN's position as a frontrunner in its industry and a model for others in the sectors where our brands are active.

Thank you for your continued support for PeopleIN.

Glen Richards
CHAIR

CEO'S

UPDATE

Dear Shareholders

As outlined in PeopleIN's FY23 – FY25 strategy, organic growth is a key strategic focus for the business and continues to be driven by diversifying our client base, cross-selling amongst our family of brands and investing in international recruitment across our three verticals. Pleasingly, we have gained traction on a number of these initiatives and, as a result, delivered strong organic growth in the financial year.

▸ FY23 PERFORMANCE

Healthcare and Community

Our Healthcare and Community vertical delivered a solid result for the year, given ongoing candidate supply challenges and a normalisation in margin post-COVID response work in FY22. Demand from its clients will continue to be high in the long term. We expect to exceed our pre-COVID levels of international health workers in FY24, especially given strong candidate interest from the UK/Ireland via the You+Aus campaign.

Professional Services

PeopleIN's Professional Services division includes staffing service businesses Halcyon Knights and Perigon Group. It also has an advisory services business, Project Partners, which has grown substantially during the year. PeopleIN continues to leverage its front-end engagement with clients via advisory services to win work for its professional services staffing businesses. Halcyon Knights, one of the largest providers of technology talent solutions to the private sector in Australia, saw performance down in the financial year compared to its strong outperformance in FY22. It still, however, delivered solid earnings given market conditions and compared to its pre-acquisition profit performance. Perigon Group has significantly grown since joining, thanks to high-calibre leadership and an unwavering focus on client engagement. Its services continue to be cross-sold into healthcare and several industrial clients, due to collaboration between PeopleIN teams.

Industrial and Specialist Services

PeopleIN continues to be a leader in delivering industrial talent solutions to sectors including food processing, resources, childcare, renewables and hospitality. The Industrial and Specialist Services vertical leveraged its diverse client base and geographic locations, as well as access to more international workers (backpackers and students), to deliver outstanding organic growth. Food Industry People (FIP) has integrated well and, as a result, has diversified its client and sector base to take advantage of increased shared services support. It delivered strong growth for the year. We're continuing to work with Government to diversify the PALM scheme into long-term high-demand-for-worker sectors like aged care, NDIS, and early learning.

▸ ONGOING STRATEGIC FOCUS

The following are the key group-wide strategic organic growth initiatives we'll continue to pursue in the new financial year:

Cross-selling: We have strong goodwill across our 4,200+ clients and are leveraging it to offer our clients additional advisory and staffing services. In FY24, we'll focus on the Defence sector, given projected government investment, especially in regional areas where we have an existing presence e.g. Darwin and Townsville. As an Australian veteran-led business, we're well-positioned to support both the Federal Government and primary Defence contractors. We're targeting at least 10 percent of our revenue to derive directly or indirectly from Defence work by the end of FY25.

International recruitment: We expect high demand for staff to continue to be evident across the majority of our sectors including healthcare, community services, childcare, logistics, transport, and construction, especially given the unemployment rate is expected to be less than 4.5 percent for at least the next 18 months. The focus is on finding sufficient talent to fill client vacancies – leveraging our international recruitment experience, particularly in the health and food services sectors, to secure staff for a broader range of industries. Our ability to rapidly execute and scale up is known to our clients and we'll continue to use this to our advantage. PeopleIN expects its Healthcare and Community division to grow in the second half of FY24, and longer term, due to an increase in international nurse availability. This is predominately the result of our industry-leading You+Aus campaign that included several face-to-face sessions across the UK in September. We are confident our FIP business will continue expanding its scale on the PALM scheme and provide its permanent Pacific workers with a broader range of clients/sector opportunities, including within aged care and early learning.

Upskilling: Upskilling of both our internal and contractor workforce is a key element of our business model. It ensures we have a sustainable pool of talent to drive growth and maintain our leading talent solutions provider status. Our strategic partnership with TAFE Queensland is progressing well. This relationship has enabled us to provide upskilling opportunities to our staff and contractors. It has also given us access to more talent as we support TAFE Queensland in securing employment opportunities for its students, graduates, and alumni. We've also been working with TAFE Queensland on training opportunities for our PALM workers both pre and during employment in Australia. We intend to roll this out in FY24.

Building our Services Capability: We're focused on continuing to grow our consultancy and service delivery capability, given the profitability and growth of our Project Partners, Vision Surveys, Timberwolf and Mobilise businesses. Increased consultancy and service delivery capability also provides significant opportunities to our staffing businesses via leveraging our strong client goodwill and early involvement in projects. Project Partners is focused on continuing to organically expand its advisory and project management services to Transport Infrastructure, Defence and Health clients. Vision Surveys continues to successfully expand into the renewables and transport infrastructure sectors. In 2024, we plan to launch our Australia-wide corporate mental health services business (online and face-to-face) which will leverage our existing client goodwill, geographic footprint and talent solutions capability in health. This offering will provide a value add to our existing staffing clients via an online Employee Assistance Program (EAP), pre-employment behavioural assessments, direct access rehabilitation experts and Return to Work consultancy services.

Efficient Operations: We continue to drive efficiencies across the business by automating low-value processes with best-of-breed systems to maximise staff time spent on high value activities. Program UNITE, launched in FY22, is focused on developing a centralised Payroll, Work Force Management, Human Resources, and Finance solution for the group. We're on track to have a group-wide finance solution in place in FY24. We also plan to have our Healthcare and Community and Professional Services divisions on the complete solution by the end of FY24.

Regarding our ISS division, our focus for FY24 is on Expect A Star, supporting accelerated growth through improved and more efficient client interaction online solutions. We continue to centralise our support services to ensure each business has access to leading services being provided cost-effectively. This consolidation initiative and Program UNITE will enable us to realise over +$5M in cost-efficiency savings by FY25.

I would like to thank our Chairman and Directors for their valuable leadership and support. To the Group Leadership Team and all our people, thank you for your hard work and commitment to our continued success.

Ross Thompson
CHIEF EXECUTIVE OFFICER


awx
partners in people
1300 AWX AWX

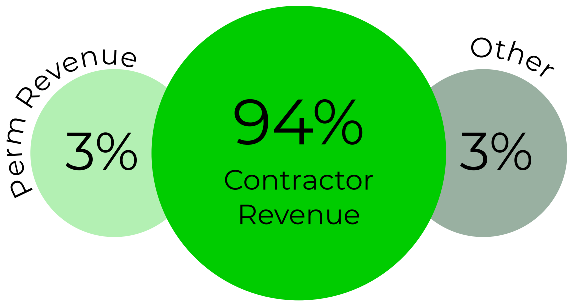
WHO WE ARE

PeopleIN is the largest ASX-listed talent solutions business

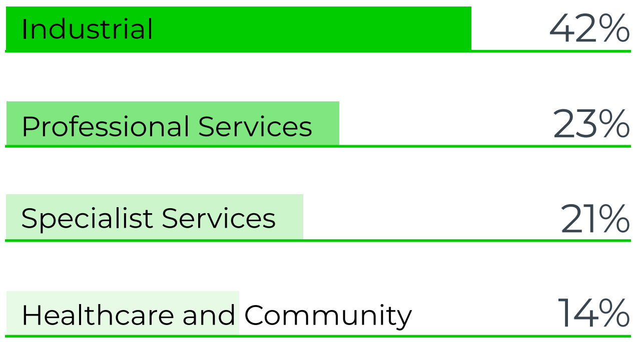
We have 25 brands across three verticals: Healthcare and Community, Professional Services and Industrial & Specialist Services.

In FY23 more than 850 staff in Australia, New Zealand and Singapore helped provide employment to over 34,500 people from a candidate pool of in excess of 55,000.

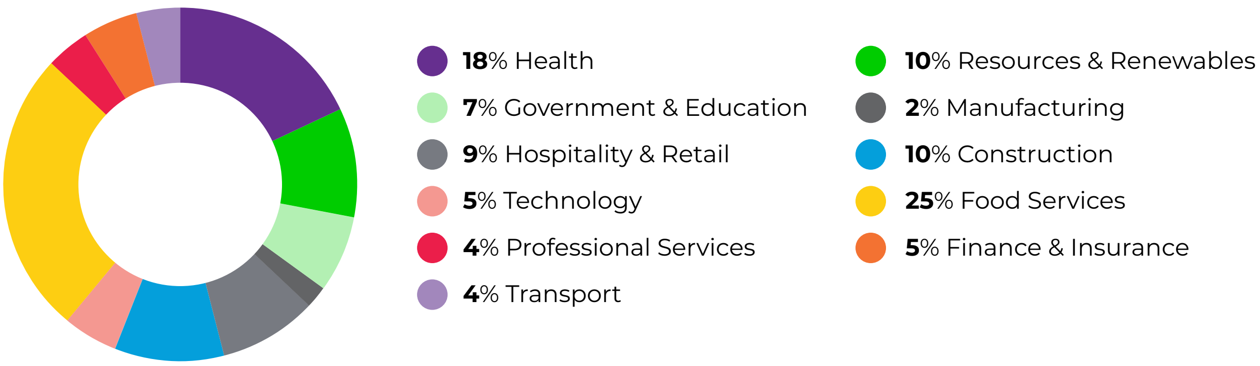
REVENUE MIX



EBITDA CONTRIBUTION BY VERTICAL



SECTORS BY GM CONTRIBUTION



BUSINESS SNAPSHOT

25 brands

850+ INTERNAL STAFF

4,200+

CLIENT BUSINESSES

13,000–15,000

CANDIDATES PAYROLLED EVERY WEEK

40+ locations

ACROSS AUSTRALIA, NEW ZEALAND AND SINGAPORE

34,500+

TOTAL NUMBER OF CANDIDATES PAYROLLED IN FY23

455+

APPRENTICES AND TRAINEES EMPLOYED WITH 425+ QUALIFICATIONS COMPLETED

OUR SUSTAINABLE COMPETITIVE

Clients

We offer a specialised at-scale complete talent solution with access to one of Australia's largest pools of employees.

Candidates

Sector and geographic diversity gives candidates confidence that we will find them employment. We also provide access to upskilling opportunities e.g. TAFE Queensland partnership.

Industry leading safety compliance approach

For both our internal and on-hire workforce.

Employees

We are an entrepreneurial business that attracts, develops and retains talent.

Reputation

A strong reputation of consistent delivery for all our stakeholders. Over 20 years' industry experience.

Shared value

Across our three pillars: First Nations, Sustainability and Equity & Inclusion.

Commercial solutions partner

A strong balance sheet enables us to take a longer-term view on commercial opportunities to solve critical labour gaps for our clients.

Leading enabling back-office support

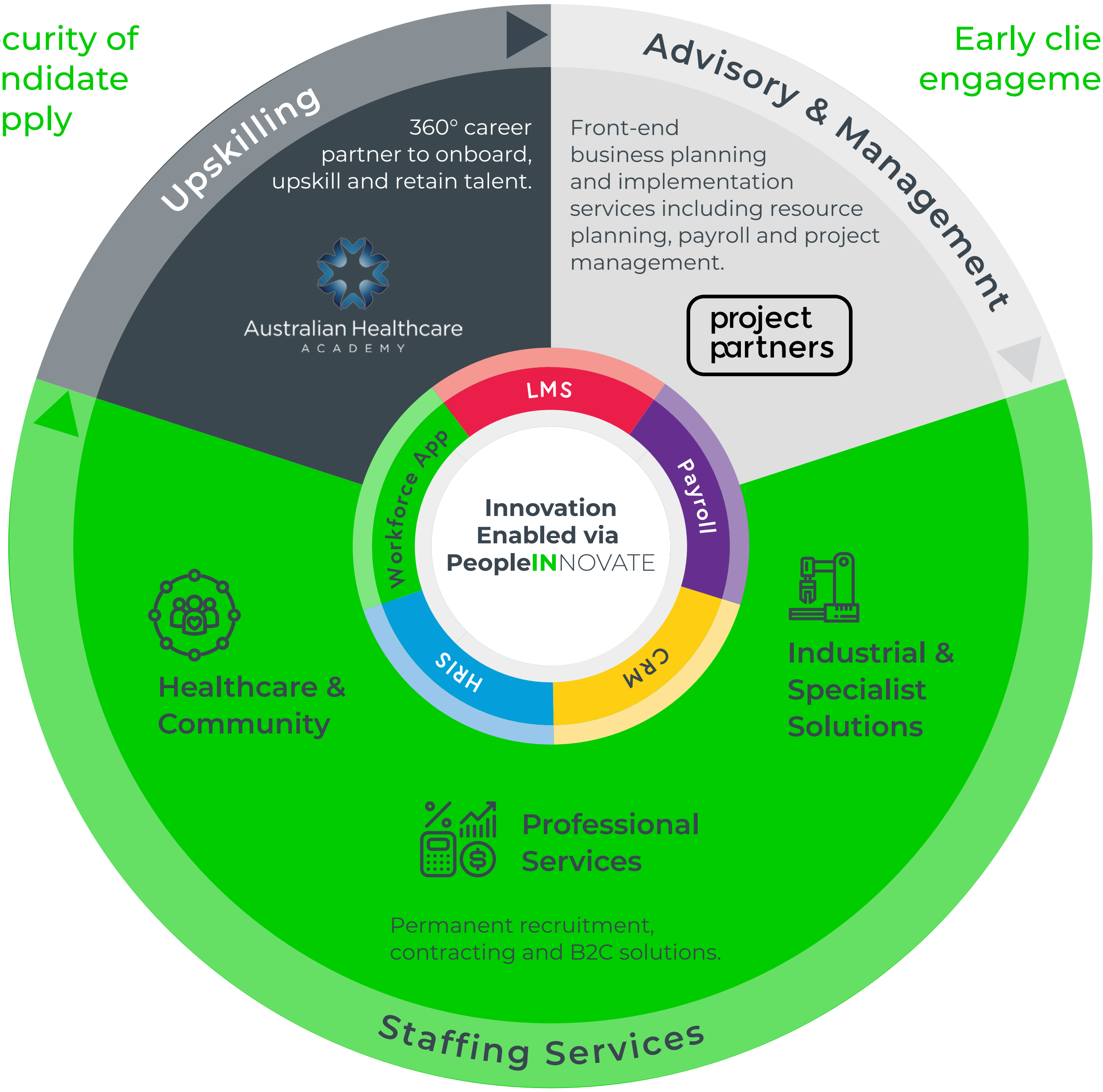
A centralised shared services team and systems provides a competitive advantage which smaller operators cannot offer.

ADVANTAGE

OUR 360° TALENT SOLUTIONS

Security of candidate supply

Early client engagement



Our 'engine room'

OUR FAMILY OF

BRANDS

OUR KEY VERTICALS

Committed to our cause of inspiring excellence, we've spent decades carefully building a network of workforce brands that share this passion for quality service – for clients, candidates and their teams.

WHY WE'RE DIFFERENT

Each brand in our family is powered by PeopleIN, with the Executive and Shared Services teams working to support the brands to win more work and find talent for our clients.

HEALTHCARE & COMMUNITY

FIRST CHOICE CARE NURSING AGENCY

NNA Network Nursing Agency

swingshift nurses

VNS Nursing Agency

Carestaff Nursing Services

Australian Healthcare ACADEMY

YOU + AUS

NNA Direct Support Service

edmen community staffing solutions

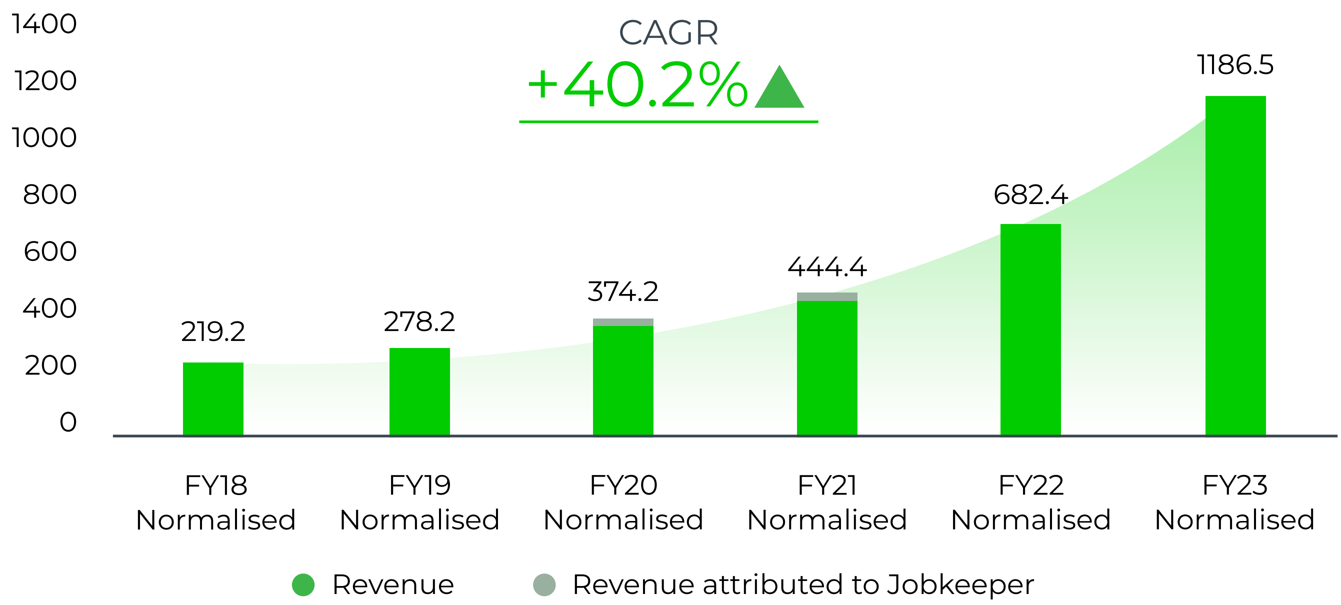
PeopleIN

PROFESSIONAL SERVICES

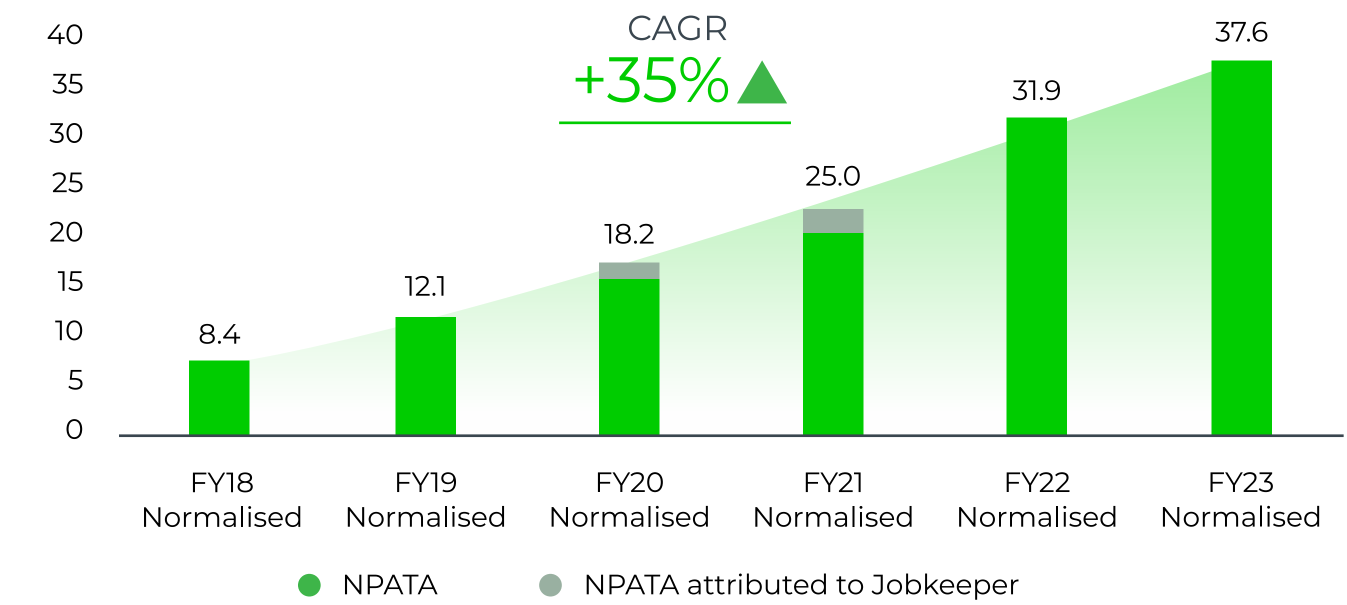
INDUSTRIAL & SPECIALIST SERVICES

CONSISTENT DELIVERY

REVENUE GROWTH ($M)



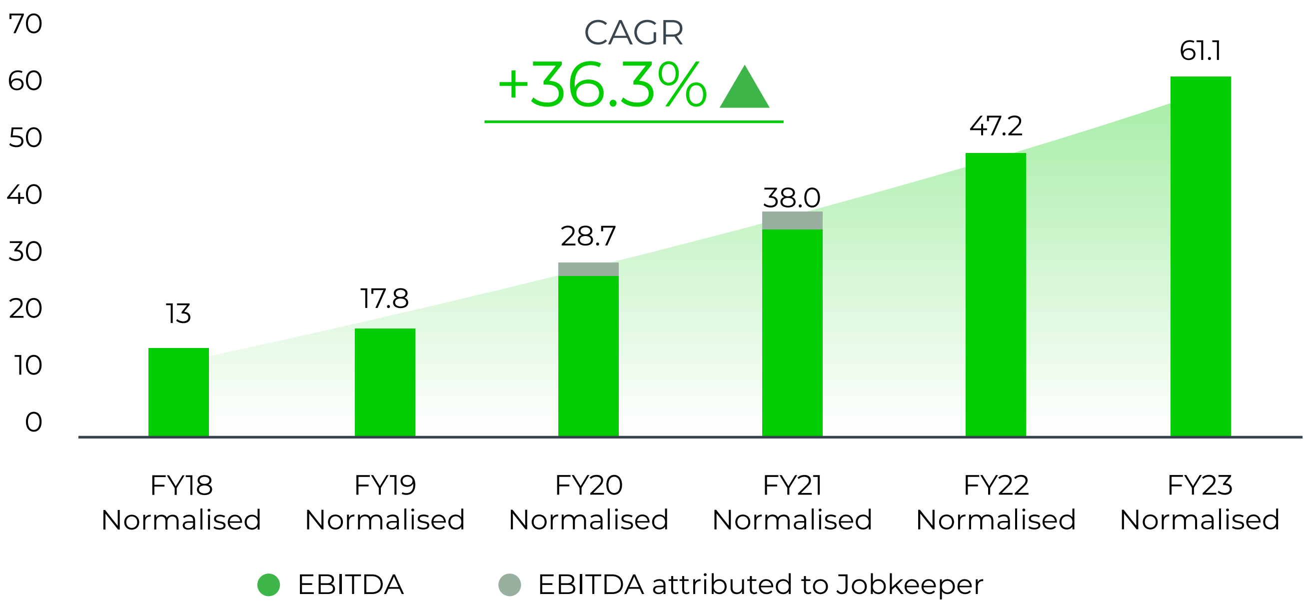
NPATA GROWTH ($M)



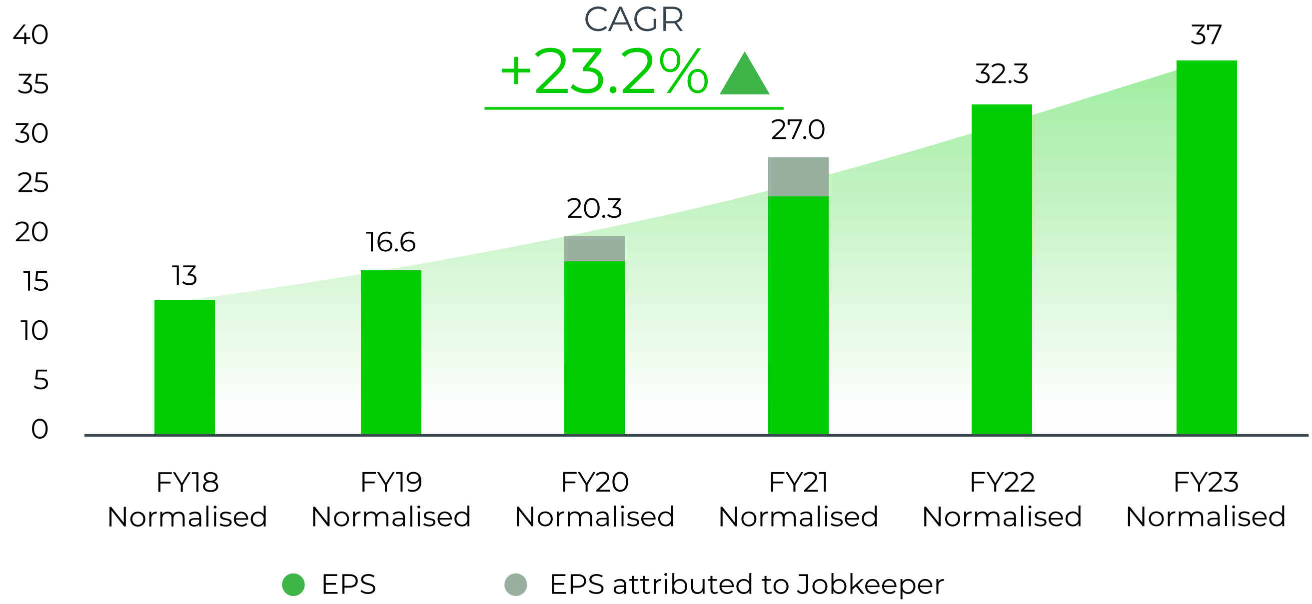
In the past six years, PeopleIN has demonstrated consistently strong year on year growth as evidenced by double-digit compound growth in revenue, EBITDA and earnings per share.

This performance is testament to our diverse reach into high demand and defensive employment sectors, including healthcare, professional services, early learning, infrastructure and food services.

EBITDA GROWTH ($M)



EARNING PER SHARE GROWTH (CENTS)



PeopleIN

Our Purpose

TO INSPIRE EXCELLENCE IN OUR PEOPLE

Who We Are

AUSTRALIA'S LARGEST
ASX-LISTED TALENT SOLUTIONS COMPANY.

- **4200+** client businesses
- **13,000 – 15,000** clients
- **25** brands / **850+** internal staff

Our Initiatives

People

ATTRACT, DEVELOP AND RETAIN TOP TALENT

- Roll out wellbeing and safety initiatives across the business, including one EAP and ongoing awareness training.
- Clear career pathways and associated development opportunities for all employees.
- Implement a leadership development program across the group and a rookie training framework.

Clients

WIN MORE WORK

- Establish a leading global healthcare worker network via targeted acquisitions and strategic partnerships.
- Grow a corporate mental health service offering that includes an EAP solution for our clients.
- Key client engagement for top twenty group and division and target clients.
- Promote cross-selling via awareness campaigns and celebrating success.
- Grow our Defence, Federal and State government advisory and contracting capability through strategic hires and partnerships, and targeted acquisitions.

FY23-25 STRATEGY

Our Goal

TO BE THE LEADERS

in the provision of complete talent solutions that enable our clients and candidates to **achieve excellence**

First choice for clients
Entrepreneurial spirit
First choice for our people
Always deliver

Success looks like

10% ORGANIC GROWTH

& COMPLEMENTARY ACCRETIVE ACQUISITIONS

- +7% EBITDA margin
- Leading employer of choice – employee engagement of 80%
- 20% government work
- Global health network presence established
- Industry leading safety compliance

Innovation

EFFICIENT & SUSTAINABLE BUSINESS PERFORMANCE

- Automate low-value processes to maximise high value human interactions via our system upgrade program.
- Launch innovative solutions including:
  - Foster a culture of innovation by providing an avenue to encourage/invest in new commercial ideas.
  - Celebrate success stories and promote an entrepreneurial spirit across the business.
  - Provision of talent solutions to support the renewables sectors.
- Establish a data analysis, insights and reporting capability.

Shared Value

FOR OUR PEOPLE, CLIENTS, INVESTORS & COMMUNITIES

- **Pillar 1 – First Nations** – gain approval of our RAP after the establishment of a RAP committee, and continue to celebrate and grow Partners on Country.
- **Pillar 2 – Sustainability** – establish a baseline carbon footprint, set a net zero carbon neutral roadmap and continue to build and celebrate Timberwolf.
- **Pillar 3 – Equity and inclusion** – establish a diversity group framework, secure a national charity partner, celebrate our growth in the NDIS sector, and collaborate with NDIS clients to provide employment opportunities for people living with a disability.

FY23 STRATEGY DELIVERY

People

ATTRACT, DEVELOP AND RETAIN TOP TALENT

- Employee Assistance Program rolled out Groupwide – available to staff and contractor workforce.
- Executive leadership forum.
- Go1 Learning & Development platform introduced.
- Emerging leaders program launched.

Innovation

EFFICIENT & SUSTAINABLE BUSINESS PERFORMANCE

- Program UNITE: Workforce Management System, Client and Candidate portals, HRIS, finance and payroll on Salesforce platform. Focus on H&C Division in FY23 with finance live and workforce management and payroll for our Edmen brand live.
- Return to Work: launched Recover At Work host deed agreement with WorkCover Queensland.
- Efficient operations, spend consolidation such as co-location of brands in offices, IT Support In-house and group negotiated supplier contracts.

INITIATIVES DELIVERED IN YEAR 1 OF OUR THREE-YEAR STRATEGY

Clients

WIN MORE WORK

- Launched You+Aus international recruitment brand targeting UK and Ireland based nurses and carers (+1,700 candidates registered since February).
- Provided employment to over 900 international health workers in FY23.
- Halcyon Knights secured work with Federal and State governments and local councils across three states. Contractor book grew by +33% in the financial year.
- Perigon Group delivered record earnings and grew its contractor book by +19% in the financial year.
- +82% increase in trainees and apprentices employed.
- FIP Group delivered a record ~10.6m billed hours. Diversified supply beyond the PALM Scheme and defensive food services sector into the forestry and engineering sectors.

Shared Value

FOR OUR PEOPLE, CLIENTS, INVESTORS & COMMUNITIES

- RAP Working Group established.
- 1,800 First Nations candidates placed through Partners on Country joint venture.
- Timberwolf Christmas Card initiative and 5 million trees planted.

OUR VALUES

As our name suggests, we recognise our business would not exist without people; our company purpose prioritises clients, employees and candidates above all else. Four key strategic initiatives guide PeopleIN's activities: People, Clients, Innovation, and Shared Value with our communities.

Our company culture is shaped by our commitment to the safety and professional growth of our people, our Shared Values pillars, innovative practice and achievement of year on year growth.

We contribute to these pillars and lead our workforces by aligning our key values.

RECOGNITION

At PeopleIN we take pride in creating an environment in which our people and teams can excel. In the past 12 months we've been recognised at awards showcasing our leadership in Return to Work, Training & Development and at this year's Queensland Training Awards.

NSCA Foundation's National Safety Awards of Excellence

Highly commended – Best Return and Recovery at Work System.

TIARA Recruitment Awards ANZ Finalist

Training and Development category.

Department of Employment, Small Business & Training's Queensland Training Awards.

Taylar Rameka – Bob Marshman Trainee of the Year – QLD North Coast Region.

Be Human

Authenticity, fairness and inclusion, always.

Be Bold

Take calculated risks and seize the opportunity to innovate.

Be Memorable

We exceed expectations and leave an indelible impression.

Be Extraordinary

Our commitment to deliver outstanding results each and every time.

SUSTAINABLE DEVELOPMENT GOALS

OUR SHARED VALUE FRAMEWORK

Shared Value for our people, clients, investors and community

We've aligned our Shared Value framework with the United Nations' Sustainable Development Goals (SDGs) which define a clear plan to address the most pressing challenges facing our world.

By doing so we ensure the shared value we create is meaningful to the people, clients, investors and the communities in which we work – both domestically and across the globe.

Our strategy focuses on three shared value pillars: First Nations, Sustainability and Equity & Inclusion. The activities which underpin each utilise the resources, skills and innovation of our organisation to target the societal issues that intersect with our business operations and on which we can have a scalable impact.

SUSTAINABLE DEVELOPMENT GOALS

PILLAR 1:
FIRST NATIONS

1 NO POVERTY
4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Key Partnerships
with Partners on Country.

1,800+ First Nations
candidates placed.

Reflect Reconciliation Action Plan (RAP)
Working group established to deliver in FY24.

PILLAR 2:
SUSTAINABILITY

6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND

5 million+
trees planted via Timberwolf (last 12 months).

Office consolidation
10 brands brought together in offices in Brisbane and the Gold Coast.

PILLAR 3:
EQUITY & INCLUSION

1 NO POVERTY
3 GOOD HEALTH AND WELL BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Key Partnerships
Including Edmen and the Endeavour Foundation.

PALM Community
Industry leading Community of Care model.

Community
Hosted 'Women in IT' online community - 11,700+ followers.

NDIS Support
>53,000 hours provided to NDIS participants (last 12 months).

Economic Contribution
People in work - payrolling 13,000 - 15,000 candidates per week.

62% Female
Internal workforce.

Human Rights
Commitment to respecting and upholding; annual reporting.

CASE STUDY ONE

MOU ADDRESSES CRITICAL LABOUR SHORTAGE

A Memorandum of Understanding (MoU), signed this year with TAFE Queensland, positions PeopleIN to play a lead role in addressing Queensland's skills shortage.

TAFE Queensland produces 125,000 graduates each year, including an international cohort from the Pacific region and a number of other countries. The partnership provides an avenue for employment for students and graduates in key sectors across the state through placement by PeopleIN's recruitment brands, while our established workforce can also gain access to skills training and qualifications.

With skills shortages in Australia almost doubling in the past year, the partnership will bridge the gap between education and jobs. It will provide a clear path to skilled employment in critical sectors in which PeopleIN operates including healthcare, community services, childcare and the renewables sector.

PeopleIN CEO Ross Thompson said the relationship positioned the two organisations to collaboratively address labour shortages in Queensland.

“Partnering with TAFE Queensland allows us to provide labour mobility, employment pathways for their graduating students and to connect our extensive workforce to training and development opportunities.”

“Nursing, community services and construction are among the sectors with the greatest skills shortages and we're leaders in placing workers in these, and other critical industries. Working with one of Australia's largest VET providers and training specialists in these areas means we're perfectly placed to deliver skilled and experienced candidates where they're needed most.”

“The MoU allows us to deliver on our complete talent solutions offering in which upskilling our workforce and retaining talent are core priorities. It's an opportunity to give back to our contracted workforce and invest in their careers through formal training,” Ross said.

"The agreement aligns with our commitment to upskill Australia's workforce and create opportunities for individuals to succeed across Australia and beyond.”

CASE STUDY TWO

REEF PROTECTION PLACEMENT SHOWS SHARED VALUES

This year more than 1,800 First Nations employees were placed in work through Partners on Country, PeopleIN's joint venture with On Country Workforce Solutions. The placement of Malachi Johnson on a board with key responsibilities for the protection of the Great Barrier Reef is just one example.

In 2022, Partners on Country was invited by the Department of Environment and Science to recruit for an independent expert panel to advise government on future sustainability of the Great Barrier Reef, it's marine life and surrounding waters.

Malachi Johnson, a proud Gooreng Gooreng man, former sea ranger and now TUMRA (Traditional Use of Marine Resources Agreements) Project Manager, was uniquely qualified for the role.

Recently we checked in with Malachi to learn how work is progressing with the Reef 2050 Advisory Committee and the role he has been able to play.

"Being part of the Committee is important as entities like this lead to self-determination for Traditional Owners – to having control and a say on what is best for country,"

"The committee was charged with developing a Traditional Owner Implementation Plan that's now been legislatively accepted. All activity on the reef must align to this plan and everyone working on sea country must abide by it.

"For me personally, I've made it my life's mission to make sure we preserve and conserve and to educate and share the traditional knowledge of Gooreng Gooreng Sea Country.

"We hold more than 100,000 years of traditional knowledge and custodianship. Western science isn't superior to traditional knowledge and we must respect what each can bring to the battle against climate change and ensuring we have sustainability."

The work of the Reef 2050 Advisory Committee demonstrates how collaboration and understanding can lead to outcomes which show respect and meet the needs of all segments of the community. PeopleIN is proud to have been able to connect Malachi to this important project.

CASE STUDY THREE

CROSS SELLING AND BRAND COLLABORATION

With 25 brands delivering recruitment and talent solutions to over 4,200 businesses each year, PeopleIN's strength lies in its ability to meet the needs of our clients. Our cross-selling framework means when a recruitment specialist from one of our businesses is asked by a client for advice or support to recruit in an area outside their own scope, they can draw on the combined might of the broader group to source the right talent.

The following examples illustrate how cross-selling led to successful commercial outcomes in FY23:

▸ ENGINEERING CROSS BRAND RESULTS

FIP Group works with one of Australia's largest meat industry producers to help staff their core meat processing business. The client recently sought advice on filling roles for one of their support functions; the roles and skillset were outside FIP Group's remit but one call to sister brand AWX Executive, meant a seamless transition and led to a great outcome.

AXW Executive Consultant Blake O'Brien was introduced to the client who explained they needed a fitter, boilermaker and project engineer and had been struggling to find the right candidates to work in their regional location. Blake was able to source perfect candidates for each role, generating substantial recruitment fees for PeopleIN. Nine months later all the employees are performing strongly and a pipeline has been established for rolling recruitment of fitters and boilermakers.

NETWORKING IS CHILD'S PLAY

Our childcare staffing brand Expect A Star have had long term aspirations to work with a particular leading employer in the sector but had been unable to make inroads. A personal connection between the CFO of that business and one of our leaders led to the former's invitation to an event hosted at PeopleIN's Brisbane office.

Attendance at the event gave the prospective client new awareness of the breadth of PeopleIN's brand family. Several months later the client made contact to request support from Expect A Star with a bulk recruitment drive. When the campaign concludes it's expected a significant number of roles will have been placed with the client. New access to decision makers has now positioned Expect A Star to grow the relationship in the future.

COLLABORATION SPARKS OPPORTUNITY

A leading brand within our Professional Services vertical, Halcyon Knights, has a strong client relationship with a wholly owned Australian Government company within the energy sector, delivering recruitment services for IT roles. The client employs more than 600 people across Australia's eastern seaboard and sought guidance on sourcing a permanent trade role.

Halcyon Knights introduced FIP Group who were able to swiftly source and place a candidate on whom there has since been very positive feedback. The success of this collaboration has foreshadowed a growth in future partnering between Halcyon Knights and FIP Group.

PeopleIN is committed to providing complete talent solutions for our clients and these are just some of the recent examples of how our cross-selling philosophy and the breadth of our operations enables us to create powerful partnerships with our clients.

CASE STUDY FOUR

BROTHERS REUNITE UNDER PALM SCHEME

In FY23 we brought more than 5,000 Pacific Islanders to Australia to work under the PALM Scheme. From working to support family, to building homes or businesses, each worker had personal motivation for leaving home and travelling to a new country for work.

Along the way we've heard many moving stories, none more so than the tale of the Taureta brothers.

Thirteen years after Tan Taureta arrived in Australia to earn money for his family in Kiribati, he's been reunited with one of the brothers he left home to support.

Tan says when he left the Pacific Island nation (population 130,000) in 2009, he did so with the aim to earn enough to give a better life to several brothers and sisters back home.

"I've been away since my brother, Teauti, was very young. It was sad to leave him behind, but I needed to come to Australia to find work," Tan said.

"While I've been here in Australia with my wife, my siblings have grown up in Kiribati and I've encouraged them to work hard and to do their best.

"I work at a meat processing facility in Mackay and one day Teuati told me he wanted to come to Australia to work. He asked me how he could apply to work here too."

Tan was able to put Teauti in contact with PeopleIN's food processing business FIP Group, a leading employer under the Pacific Australia Labour Mobility (PALM) scheme. He successfully applied to move to Australia under the scheme and was able to secure a job working at the same facility as Tan, one of FIP Group's valued clients.

Tan says it's been wonderful for him and Teuati to have been reunited after so many years apart.

"My wife and I supported him through school and, until recently, while he was living in Kiribati," he said.

"We're now living and working together in Mackay after so many years apart. It's a great pleasure having my brother with me and I'm helping him learn what it's like to work here in Australia."

"My brother and I are so grateful we've had the chance to be together again."

FIP Group is immensely proud of the role it was able to play in providing an employment opportunity for Teauti and aiding the reunion of the Taureta brothers.


BIRTHDAY
JANUARY BIRTHDAYS
FEBRUARY BIRTHDAYS
MARCH BIRTHDAYS
APRIL BIRTHDAYS
MELBOURNE

CASE STUDY FIVE

INNOVATIVE SOLUTION FOR WORKPLACE RECOVERY

Since 2017, PeopleIN has grown from two brands to 25 and today we place more than 34,000 people in roles each year. With that growth, and in light of the industries to which we recruit, it's an unfortunate reality that injuries will occur. However, a new initiative is changing the way we manage Return To Work for injured workers.

As a business committed to delivering a supportive environment for our people, we understand if an injured employee returns to work at their place of injury, they're more likely to stay long-term and actively participate in their recovery plan. However, host employers can be reluctant to risk allowing a rehabilitating employee to return to the workplace. Issues including diminished capacity and the possibility of further injury may make them disinclined to welcome the return of an employee previously hurt at their site.

So, our Recover At Work team commenced a project to assess ways to improve outcomes for injured workers and mitigate resistance from host employers due to perceived liability risks.

The **Recover At Work Pilot Program** is the result.

In 2021 our Recover At Work team approached Workcover Queensland to develop a joint approach to this challenge. The aim was to support injured workers returning to their original place of work while also indemnifying clients' risk of the recovering individual incurring further injury.

The Host Deed Agreement between PeopleIN and Workcover Queensland, was signed in November 2022. This agreement allows our clients (host-employers) to not be found liable for aggravation of injury, or any additional injury when an injured employee returns to work.

Workcover Queensland has formally adopted our Recover At Work pilot program and PeopleIN is now the only labour hire company offering a program of this type in the country.

This has a powerful multiplier effect on our bottom line. By supporting the worker to return to their employment on suitable duties sooner, it reduces the burden incurred by PeopleIN through payment for Workcover support. Further, a return to paid employment, restarts the flow of income we receive from the host employer for wages paid to the returned worker.

Forty percent of PeopleIN's client base has already engaged with the program since the pilot commenced. Given its success in Queensland we hope to roll it out to all other jurisdictions once the pilot has concluded in 2024.

Our Purpose

TO **INSPIRE**
EXCELLENCE
IN OUR PEOPLE

Financial Report

For the year ended
30 June 2023

PEOPLEIN LIMITED

ACN 615 173 076

Corporate Information

AUSTRALIAN BUSINESS NUMBER
ABN 39 615 173 076

DIRECTORS
Glen Richards
Elizabeth Savage
Vu Tran
Declan Sherman
Thomas Reardon

COMPANY SECRETARY
Jane Prior

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Directors' Report

For the year ended 30 June 2023

The Directors of PeopleIn Limited present their report together with the financial statements of the consolidated entity, being PeopleIn Limited ('the Company' or 'PeopleIN') and its controlled entities ('the Group') for the year ended 30 June 2023.

Principal activities

The principal activities of the Group during the financial period were the provision of staffing, business services and operational services. Services provided by the Group include workforce management, recruiting, onboarding, contracting, rostering, timesheet management, payroll, and workplace health and safety management.

There have been no significant changes in the nature of these activities during the year.

Review of operations and financial results

Overview

Leading talent solutions business PeopleIN had another record year, headlined by a 73.9% increase in Group revenue, a 32.7% increase in Group EBITDA and Earnings Per Share growth of 14.5% over the period. The business achieved a significant milestone of earning over a $1 billion in revenue during the financial year. PeopleIN's success is due to the diversification of its business, with reach into sustainable and defensive employment sectors. This is aided by solid market conditions, with record-low unemployment continuing to drive demand.

Strong performances in accounting, food processing, childcare, community care and transport infrastructure were able to offset ongoing challenges associated with candidate supply in the health sector, and the slowdown in investment for start-up technology businesses. International nursing recruitment is expected to accelerate in FY24, driven by improvements in visa processing and qualification accreditation times as well as PeopleIN's international recruitment campaign, You + AUS which was launched in February 2023. Technology permanent recruitment is expected to start to improve in FY24, off the back of continued investment in cybersecurity, AI and companies upgrading their own digital infrastructure.

As outlined in PeopleIN's 2022 to 2025 strategy, organic growth is a key strategic focus for the business and continues to be driven by diversifying its client base, cross-selling amongst its family of brands, as well as investing in international recruitment across its three verticals. Pleasingly, the business has gained traction on a number of these initiatives and, as a result, deliver strong organic growth in the financial year.

PeopleIN's newest members of the family, Food Industry People Group (FIP) and Perigon, are both benefiting from being part of a larger organisation and opportunities to continue to diversify their client bases. Both delivered strong growth in the year.

The Group continued its laser-like focus on cash collection delivering another strong position at the end of the financial year with operating cashflows pre interest and taxes to EBITDA being over 100% and debtor days reducing further to 31 days (2022: 33 days). This is an industry-leading position and one that sets the business up for further growth in FY24.

The exceptional leaders within each of our PeopleIN businesses continue to adapt to market conditions and seek out new commercial opportunities where required to ensure the business continues to deliver strong earnings. They have proven their dedication to inspiring excellence in our people. As a result, we continue to enjoy loyalty from both candidates and clients within our key verticals, Health and Community, Professional Services and Industrial and Specialist Services. This experienced and talented leadership group provides confidence that PeopleIN can continue to deliver solid earnings above industry levels should economic conditions decline.

Directors' Report (cont.)
For the year ended 30 June 2023

Review of operations and financial results (cont.)

Health and Community

As a leading provider of talent solutions to the Health and Community Care sectors, PeopleIN provides staff to hospitals, aged care, disability, mental health and child protection services. The division delivered a solid result for the year given ongoing candidate supply challenges and a normalisation in margin post-COVID response work in FY21 and FY22. Demand from its clients will continue to be high longer term. The key driver of profit growth in FY24 will be international recruitment, especially Registered Nurses (RN's), to fill the gap of domestic RNs leaving/retiring from the sector. PeopleIN expects to exceed its pre-COVID levels of international health workers in H1 FY24, especially given the strong candidate interest from the UK/Ireland via its You + AUS campaign. As a result, PeopleIN expects its Health and Community division to grow in FY24 and beyond.

Professional Services

PeopleIN's Professional Services division includes staffing service businesses Halcyon Knights and the Perigon Group. It also has an advisory services business, Project Partners, which has grown substantially during the year. PeopleIN continues to leverage its front-end engagement with clients via its advisory services to win work for its professional services staffing businesses. The advisory business provides early indicators of positive or negative movement in the technology services demand. The growth in the advisory business in FY23 and the expectation that this will continue into FY24 bodes well for the Halcyon Knights brand.

Halcyon Knights, one of the largest providers of technology talent solutions to the private sector in Australia, saw performance down in the financial year compared to its strong outperformance in FY22. It still, however, delivered solid earnings given the market conditions and compared to its pre-acquisition profit performance. In FY24, Halcyon Knights should benefit from a strong increase in technology contractors (both private and public) and ongoing client demand for permanent resources, particularly those with cybersecurity and AI experience.

Perigon has significantly grown since joining, thanks to its high-calibre leadership and an unwavering focus on client engagement. Perigon's services continue to be cross-sold into healthcare and several industrial clients, due to collaboration between PeopleIN teams.

Industrial and Specialist Services

PeopleIN continues to be a leader in providing industrial talent solutions to small, medium, and large businesses across a diverse range of sectors including food processing, infrastructure, construction, transport, resources, renewables and hospitality. The division leveraged its diverse client base and geographic locations, as well as having access to more international workers (backpackers and students), to deliver strong organic growth over the FY. It's also worth noting that its childcare business, Expect A Star, delivered a record result for the year and has truly cemented itself as one of the leading talent solutions businesses in this growing sector.

Food Industry People (FIP) has integrated well into the PeopleIN family and, as a result, has been able to diversify its client and sector base and take advantage of increased shared services support. It delivered a strong growth result for the year compared to the previous year. PeopleIN is continuing to work with Government to diversify the PALM scheme into long-term high-demand-for-worker sectors like aged care, NDIS, and early learning. It hopes to start recruiting into these sectors in FY24, given its experience on the PALM scheme and its domestic experience in these growth sectors.

Directors' Report (cont.)
For the year ended 30 June 2023

Review of operations and financial results (cont.)

Financial Results

The revenue of the Group for the financial period was $1,186,360,567 (June 2022: $682,321,006), representing an increase of 74%.

The growth of the business during the year was two-fold. Firstly, the acquisitions which occurred in the second half of last financial year (Perigon Group Pty Ltd and FIP Group Holdings Pty Ltd) have been in the Group for a full year in 2023 and have exceeded expectations in performance. Secondly, it was driven by an increase in organic demand for staffing services in the sectors and locations in which the Group operates continuing from the demand we saw in the prior year.

EBITDA and NPATA is how the board and management assess the performance of the Group. This is further adjusted by normalisation adjustments being non-recurring expenses and non-cash expenses including costs associated with acquisitions, strategic review, restructure costs, fair value movement in equity investments and contingent considerations, costs of employee options and performance rights and the associated tax deduction of these expenses. The directors believe that this presentation is useful to investors to understand the Group results and show how the Group would have performed had these types of transactions not occurred.

All normalisation adjustments in the calculation of the normalised NPATA and EBITDA are unaudited.

The following reconciles statutory profit before tax to EBITDA and normalised EBITDA.

	30 June 2023	30 June 2022
	$	$
Statutory Profit Before Tax	**30,160,669**	**26,963,913**
Depreciation and amortisation	16,976,299	11,100,531
Finance costs	6,243,533	2,148,840
EBITDA	**53,380,501**	**40,213,284**
Normalisation adjustments:		
Acquisition costs[1]	275,938	630,906
Performance rights costs[1]	37,704	66,166
Divestment loss	-	99,423
Strategic review costs[1]	938,356	-
Restructure costs[1]	870,272	-
Fair value movement in contingent consideration[2]	1,802,986	3,545,556
Non-controlling interests	(1,512,724)	(725,389)
Share based payments expense	5,284,057	3,329,716
Normalised EBITDA	**61,077,090**	**47,159,662**

[1] Acquisition costs and performance rights costs are categorised under Other expenses in the statement of profit or loss on page 63. Strategic review and restructure costs are categorised under other expenses and employee benefits expense.

[2] This contains a non-cash expense of $776,240 which is the fair value adjustment of the contingent consideration that was settled in August 2022 via the issue of PeopleIN shares (i.e., not cash) with respect to the acquisition of the Halcyon Knights Group and Vision Surveys QLD (being 25% shares and remainder cash). The remainder of the contingent consideration relating to the other entities will be cash settled.

Directors’ Report (cont.)

For the year ended 30 June 2023

Review of operations and financial results (cont.)

Financial Results (cont.)

The profit before income tax expense of the Group for the financial period was $30,160,669 (2022: $26,963,913). The profit of the Group for the financial period after providing for income tax amounted to $20,457,085 (2022: $18,396,793), representing an increase of 11.20%.

The increase in profit from prior year is materially impacted by the following:

- Increase in the fair value of the deferred consideration by $1,802,986. This includes a non-cash expense of $776,240 relating to an increase in the contingent consideration that was settled via the issue of PeopleIN shares with respect to the acquisition of Halcyon Knights Group. The remainder of the increase can be attributed to strong performance by the other entities that are still within an earn out period.
- Additionally, there has been a significant increase in the share-based payments expense as a result of an increase in the number of performance rights being granted to employees of $5,284,057 (2022: $3,329,716). This is as a result of the continued strong performance of the Group and thus rights achieving their conditions and being eligible for exercising.
- There is a significant increase in depreciation and amortisation expense to $16,976,299 (2022: $11,100,531) surrounding the increase in leased offices, as a result of acquisitions in second half of FY22, and the amortisation of the intangible assets acquired at acquisition.
- There was an expense for impairment of receivables during the year of $939,989 (2022: $2,390,413) as a result of the increase in the provision for expected credit losses and write offs for several debtors who have gone into voluntary administration.

Normalised net profit after taxation and before amortisation (NPATA) which represents the statutory NPAT 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 amortisation.

	30 June 2023	30 June 2022
		$
Statutory NPAT	**20,457,085**	**18,396,793**
Acquisition costs	275,938	630,906
Performance rights costs	37,704	66,166
Divestment loss	-	99,423
Strategic review costs	938,356	-
Restructure costs	870,272	-
Fair value movement in contingent consideration	1,802,986	3,545,556
Share based payments expense	5,284,057	3,329,716
Non-controlling interests	(1,512,724)	(725,389)
Tax adjustment	242,859	126,181
Normalised NPAT	**28,396,533**	**25,469,352**
Amortisation expense of intangible assets	9,212,380	6,465,647
Normalised NPATA	**37,608,913**	**31,934,999**

Directors' Report (cont.)

For the year ended 30 June 2023

Review of operations and financial results (cont.)

Financial Results (cont.)

Operating cash flow was positive throughout the period resulting in $64,362,579 (2022: $22,064,720) in net cash provided by operating activities. Operating cashflow was favourably impacted by strong collection of debtors in June of both current and overdue customers. Also due to the last day of the financial year being a Friday which is the most significant day for customer payments. There has been an increase in finance costs as a result of the increased utilisation of financing arrangements and an increase in interest rates.

Capital expenditure on plant and equipment of $4,301,585 (2022: $2,425,040) and intangibles (software) of $4,793,920 (2022: $2,064,149) has increased significantly due to continued investment in system upgrades, vehicles and equipment for Vision Surveys and office fit outs for new premises. The largest outflow from investing activities is payment of earn outs for acquisitions in prior years. Net outflows from financing activities of $30,497,753 (2022: inflows of $45,550,467) related repayment of commercial bills and reduction in the working capital facility balance. Additionally, fully franked dividends totalling $12,675,271 were paid during the year (2022: $10,611,239).

The Group balance sheet has strengthened overall by $17,643,718, with net assets at $159,995,132 (2022: $142,351,414). This is mainly reflective of retained earnings during the year.

PeopleIn Limited had $85,442,364 (excluding lease liabilities, 2022: $98,367,202) in total borrowings at 30 June 2023 and $39,867,858 (2022: $26,977,326) in cash at 30 June 2023. The net debt position at 30 June 2023 was $45,574,506 (2022: $71,389,876), excluding lease liabilities. The net debt to statutory EBITDA ratio was 0.96 times (2022: 1.98 times), on a pre-AASB 16 basis (statutory EBITDA less interest expense related to lease liabilities and depreciation relating to right of use assets. The reduction from the prior year is because of the reduction in the working capital facility (from strong collections) and repayments made during the year on the commercial bills. This remains within the risk appetite of the board and is expected to reduce over the coming six months as the business continues to generate significant operating cashflow.

Future Prospects and Outlook

Operating conditions continue to be positive for PeopleIN, with the strength of the employment market (3.5% unemployment as of the end of June) and continued demand from clients for staff. Based on its operating results for FY23 and current economic conditions, PeopleIN expects to continue to deliver a solid performance in FY24. However, if markets deteriorate, PeopleIN has a commercially focused and experienced leadership team to navigate this decline, seek out revenue opportunities and deliver solid earnings above industry levels.

The following are some of the key strategic organic growth initiatives the business will pursue in the new financial year:

Cross-selling:

PeopleIN will continue to focus on growing its existing verticals Health and Community, Professional Services, and Industrial and Specialist Services, with collaboration and cross-selling as key organic growth measures. Having strong goodwill across its +4,200 clients puts it in the ideal position to leverage this goodwill and offer its clients additional advisory and staffing services. Key sectors that PeopleIN will focus on in FY24 will be Defence and Healthcare.

Directors' Report (cont.)

For the year ended 30 June 2023

Future Prospects and Outlook (cont.)

International Recruitment:

PeopleIN expects high demand for staff to continue to be evident across the majority of its sectors including healthcare, community services, hospitality, childcare, logistics, transport, and construction, especially given the unemployment rate is expected to be less than 4.5% for at least the next 18 months. Its focus, therefore, is on finding sufficient talent to fill client vacancies. It's leveraging its international recruitment experience, particularly in the health and food services sectors, to secure staff for a much broader range of industries. PeopleIN's ability to rapidly execute and scale up is known to its clients and it continues to use this to its advantage.

PeopleIN expects its Health and Community division to grow in FY24, and longer term, because of an increase in international nurse availability and improved processing times. It also expects its FIP business to continue to expand its scale on the PALM scheme and provide Pacific workers with a broader range of clients/sector opportunities.

Upskilling:

Upskilling of both its internal and contractor workforce is a key element of PeopleIN's business model. It ensures that it has a sustainable pool of talent to drive growth and maintain its leading talent solutions provider status. PeopleIN's strategic partnership with TAFE Queensland is progressing well. This relationship has enabled the business to provide upskilling opportunities to PeopleIN staff and contractors. This partnership gives PeopleIN access to more talent as it supports TAFE Queensland to secure employment opportunities for its students, new graduates, and alumni. The initial focus has been on providing employment opportunities to international students which is progressing well. PeopleIN is also working with TAFE Qld to explore training opportunities for our PALM workers both pre and during employment in Australia. We intend to roll this out in FY24.

Efficient Operations:

PeopleIN continues to drive efficiencies across the business by automating low-value processes with best-of-breed systems, to maximise staff time that is spent on high-value activities. Program Unite, which was launched in FY22, is focused on developing a centralised Payroll, Work Force Management, Human Resources, and Finance solution for the group. PeopleIN is on track to have a group-wide finance solution in place in FY24. It also plans to have its Healthcare and Community and Professional Services divisions on the complete solution by the end of FY24. Regarding our ISS divisions, its focus for FY24 is on Expect a Star to support them to accelerate their growth through improved client interaction solutions.

Risks:

PeopleIN's economic performance and prospects are, of course, subject to risks which may impact business including any potential downturn in the employment market, increase in competition, a change in the regulatory environment, reliance on key personnel, workplace health and safety, reliance on its industrial agreements, change in how on-costs or benefits are assessed for its employees and change in client circumstances or technology risks. PeopleIN assesses/reports on its key risks regularly, both as an executive team and at the board level, to ensure we have mitigation measures in place. The reporting depicts the risk, any mitigation measures and actions. The above risks are part of our business operations and therefore relevant controls are in place to ensure that the risk is reduced to within the risk appetite of the board.

PeopleIN also regularly considers the potential impact of global climate change on its business. Whilst PeopleIN is dedicated to improving its environmental impact wherever possible, including via Timberwolf's extensive bush regeneration, there are no current short medium-term, specific climate risks posing significant risks to operations. The Group is undertaking a detailed review to assess the long term challenges that global climate change would have on its businesses.

Directors' Report (cont.)

For the year ended 30 June 2023

Significant changes in state of affairs

In August 2022 1,065,890 shares, and September 2022 174,440 shares, were issued in settlement of contingent consideration relating to historical acquisitions.

In August 2022, November 2022, December 2022, January 2023, March 2023 and May 2023 1,031,885 shares were issued due to the conditions attached to performance rights being satisfied. The shares were issued to numerous employees, including related entities of key management personnel of the Group. The shares related to performance rights which have been issued historically over a five year period.

There was an issue of 528,913 shares under the dividend reinvestment plan during the period.

There have been no other significant changes in the state of affairs during the financial year that could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in the future financial periods.

Environmental legislation

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Dividends paid or recommended

	2023	2022
	$	$
Dividends provided for or paid during the year		
Final fully franked dividend relating to 30 June 2022 of 6.5 cents per share (2021: 6.0 cents) paid on 30 September 2022	6,536,655	5,653,198
Interim fully franked dividend relating to 31 December 2022 of 7.0 cents per share (2021: 6.5 cents) paid on 24 March 2023	7,078,630	6,204,239
	13,615,285	11,857,437

Since the end of the financial year the directors have recommended the payment of a final ordinary dividend of $7,108,931 (7.0 cents per fully paid share) to be paid on 29 September 2023 out of retained earnings at 30 June 2023. This dividend is expected to be fully franked.

Directors' Report (cont.)

For the year ended 30 June 2023

Unissued Shares under option and performance rights

Unissued ordinary shares of PeopleIn Limited under option, including performance rights (PR) at the date of this report are:

	Date granted	Expiry date	Exercise price of shares	Number
Options (Tranche 4)	11 June 2021	11 July 2026	$4.37	343,170
Total Options				**343,170**
Tranche 9	28 October 2019	26 November 2023	$0.00	16,668
Tranche 10 – executive directors	26 November 2019	26 November 2023	$0.00	15,716
Tranche 12	30 July 2020	30 July 2024	$0.00	21,000
Tranche 24	11 June 2021	31 August 2026	$0.00	343,170
Tranche 26 – KMP	31 August 2021	31 August 2023	$0.00	8,810
Tranche 28	31 August 2021	31 August 2023	$0.00	74,095
Tranche 30, 33	31 August 2021	31 August 2024	$0.00	58,786
Tranche 37 – KMP	1 November 2021	1 November 2024	$0.00	200,000
Tranche 38 – KMP	22 November 2021	22 November 2023	$0.00	46,688
Tranche 41	24 January 2022	31 August 2024	$0.00	29,125
Tranche 44, 45	1 March 2022	1 March 2024	$0.00	86,061
Tranche 46	1 March 2022	1 March 2025	$0.00	25,381
Tranche 48	1 April 2022	1 April 2024	$0.00	12,853
Tranche 52,59,61,63,66	07 September 2022	31 August 2023	$0.00	279,395
Tranche 54,64	07 September 2022	31 August 2024	$0.00	309,528
Tranche 65 – KMP	07 September 2022	31 August 2024	$0.00	39,474
Tranche 60	14 September 2022	31 August 2023	$0.00	19,737
Tranche 53,55,56	14 September 2022	31 August 2024	$0.00	411,184
Tranche 57 – KMP	31 August 2022	31 August 2023	$0.00	24,671
Tranche 58,62	31 August 2022	31 August 2023	$0.00	195,723
Tranche 67	31 October 2022	31 October 2023	$0.00	132,044
Tranche 68	31 October 2022	31 October 2024	$0.00	31,056
Tranche 69 – KMP	31 October 2022	25 October 2025	$0.00	50,000
Tranche 70 – KMP	30 November 2022	30 November 2024	$0.00	82,237
Tranche 71,72	28 February 2023	28 February 2024	$0.00	152,723
Tranche 73	28 February 2023	31 October 2023	$0.00	17,982
Tranche 74	28 February 2023	28 February 2024	$0.00	7,995
Tranche 75	30 April 2023	30 April 2024	$0.00	37,882
Tranche 76	30 April 2023	28 February 2024	$0.00	12,755
Tranche 77	30 April 2023	30 April 2024	$0.00	102,039
Total performance rights				**2,844,778**
Total under options and performance rights				**3,187,948**

Directors' Report (cont.)

For the year ended 30 June 2023

Unissued Shares under option and performance rights (cont.)

All unissued shares are ordinary shares of the Company and are measured at fair value on the date granted.

All options/performance rights expire on the earlier of their expiry date or termination of the employee's employment. In addition, the ability to exercise the options/performance rights is conditional on a number of items. These conditions are set out in Note 19.

Further details about share-based payments to directors and KMP are included in the remuneration report. Performance rights and Options were also granted to staff members who are not KMP and hence are not disclosed in the remuneration report.

1,052,886 shares were issued as a result of the exercise of performance rights at an exercise price of nil. Refer to Note 19 for details.

Events arising since the end of the reporting year

A fully franked dividend of 7.0 cents per share was declared on 25 August 2023.

On the 1 August 2023, 21,000 performance rights vested as a result of the conditions being satisfied and were converted to issued shares.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

Indemnities given to, and Insurance premiums paid for, auditor and officers Insurance of officers

During the year, the Group paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all Directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Group against a liability incurred as such by an officer.

No indemnification has been provided to the auditor.

Directors' Report (cont.)

For the year ended 30 June 2023

Non-audit services

During the year BDO Audit Pty Ltd (BDO), the Group's auditor and its related entities, has performed certain other services in addition to the audit and review of the financial statements.

The board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the audit and risk committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the audit and risk committee to ensure they do not impact the integrity and objectivity of the auditor; and

- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the Group, BDO, and its network firms for audit and non-audit services provided during the year are set out below:

	2023
Services other than audit and review of financial statements:	
- Taxation compliance services	85,942
- Corporate services	55,121
Total non-audit services	141,063
Audit and review of financial statements	470,000
Total paid to BDO Audit Pty Ltd and related entities	611,063
Paid to BDO network firms overseas	
- Overseas subsidiary taxation compliance services	11,213
- Overseas subsidiary audit compliance services	15,503
	26,716
Total paid to BDO and network firms	637,779

Remuneration report – audited

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Use of Remuneration Consultants

During the year ended 30 June 2023, the Group engaged Godfrey Remuneration Group (GRG) to review its existing remuneration policies and to provide feedback on the current long term variable remuneration (LVTR) plan as well as present alternatives for consideration. This review was conducted by the board as a best practice governance approach and following feedback from key stakeholders.

The recommendations surrounded bringing the LTIP scheme in line with current market practice. Board has adopted changes and put into effect at the earliest opportunity being the start of a new performance period effective from 1 July 2023. This remuneration report covers performance for the period ending 30 June 2023 therefore reflects the schemes in place for that period.

Directors' Report (cont.)

For the year ended 30 June 2023

Use of Remuneration Consultants (cont.)

As a result of this review, the Group has now adopted a new remuneration framework for the 2024 financial year. The new framework is summarised below.

	2024 STI/LTI[1]	2024 Performance Hurdles
Group KMP		
Thomas Reardon (Executive Director and Divisional Chief Executive Officer)	STI: 50% of fixed remuneration LTI: 50% of fixed remuneration (3 year vest)	STI: Internal KPIs and Group achieving >90% budget EBITDA and WHS compliance. LTI: 50% on 10% TSR CAGR and 50% on achieving EPS CAGR of 10%[2]. Hurdles measured at 30 June 2026.
Ross Thompson (Chief Executive Officer)	STI: 30% of fixed remuneration LTI: 30% of fixed remuneration (3 year vest)	STI: Internal KPIs and Group achieving >90% budget EBITDA and WHS compliance. LTI: 50% on 10% TSR CAGR and 50% on achieving EPS CAGR of 10%[2]. Hurdles measured at 30 June 2026.
Megan Just (Chief Financial Officer)	STI: 30% of fixed remuneration LTI: 30% of fixed remuneration (3 year vest)	STI: Internal KPIs and Group achieving >90% budget EBITDA and WHS compliance. LTI: 50% on 10% TSR CAGR and 50% on achieving EPS CAGR of 10%[2]. Hurdles measured at 30 June 2026.

[1] *Note – 2024 will be settled in 2025*

[2] *EPS used to calculate this metric is based on normalised NPATA. The board has discretion to pay up to 50% of the LTI if >8% 10% EPS CAGR is achieved.*

GRG was paid $24,000 (exclusive of GST) for these services.

GRG has confirmed that any remuneration recommendations have been made free from undue influence by members of the Group's key management personnel.

Specific measures were taken to ensure that recommendations made to the nomination and remuneration committee were free from undue influence. GRG was engaged by, and reported directly to, the chair of the nomination and remuneration committee and the agreement for the provision of remuneration consulting services was executed by the chair of the nomination and remuneration committee under delegated authority on behalf of the board. Furthermore, the report containing recommendations on LTVR was provided by GRG directly to the chair of the nomination and remuneration committee. The Board is also required to make inquiries of the consultant's processes at the conclusion of the engagement to ensure they are satisfied that any recommendations made have been free from undue influence. The board is satisfied that the recommendations were made free from undue influence from any members of the key management personnel.

Directors' Report (cont.)

For the year ended 30 June 2023

Remuneration Policy

Executive Key Management Personnel

PeopleIn Limited has a remuneration policy that has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific short (STI) and long-term incentives (LTI) based on key performance areas affecting the consolidated Group's financial results. The Board of PeopleIn Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain high-quality KMP to run and manage the consolidated Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for KMP of the consolidated Group is as follows:

– The remuneration policy has been developed by the board.

– All KMP receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives.

– Performance incentives are only granted and paid once predetermined key performance indicators (KPIs) have been met in relation to the current financial year for the CFO and Executive Director. For the CEO there are hurdles attached to both EPS and TSR growth targets over the 3-year measurement and vesting period. This has been extended to the CFO and Executive Director for remuneration in relation to the next financial year commencing 1 July 2023.

– Incentives paid in the form of options or performance rights are intended to align the interests of the KMPs with those of the shareholders. In this regard, KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means.

– The nomination and remuneration committee reviews KMP packages as required by reference to the consolidated Group's performance, executive performance and comparable information from industry sectors.

KMP receive, at a minimum, a superannuation guarantee contribution required by the government, which was 10.5% during the period, of the individual's average weekly ordinary time earnings (AWOTE).

Upon retirement, KMP are paid employee benefit entitlements accrued to the date of retirement. KMP are paid a percentage of between 25%-50% of their salary in the event of redundancy. Any options not exercised before or on the date of termination will lapse.

All remuneration paid to KMP is valued at the cost to the Company and expensed.

KMP are also entitled and encouraged to participate in the employee share and option arrangements to align directors' interests with shareholders' interests.

Options or performance rights granted under the arrangement do not carry dividend or voting rights. Each option or performance right is entitled to be converted into one ordinary share once the interim or final financial report has been disclosed to the public and their values are determined using the Monte Carlo or Black Scholes methodology, depending on whether market conditions are attached to them.

In addition, the Board's remuneration policy prohibits directors and KMP from using PeopleIn Limited shares as collateral in any financial transaction, including margin loan arrangements.

The PeopleIn share plan rules specify that in the event of a change of control, unless the board decides otherwise, all vesting conditions for applicable unvested rights will be waived.

Directors' Report (cont.)

For the year ended 30 June 2023

Remuneration Policy (cont.)

Non-executive directors

The Board's policy is to remunerate non-executive directors at market rates for time, duties and responsibilities. Under Rule 19.5 of the Company's Constitution, the total amount given to all non-executive directors for their services as directors must not exceed in aggregate in any financial year the amount fixed by the Company in general meeting. At the 2022 Annual General Meeting, shareholders approved an increase to the aggregate maximum amount of fees available to be paid by the Company to non-executive directors each financial year as remuneration for their services (inclusive of superannuation) from $400,000 per annum to $500,000 per annum. This change was to cater for the increase in the number of members on the board and market review of director fees for similar sized entities.

Performance-based Remuneration

KPIs are set annually, with a certain level of consultation with KMP. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for Group expansion and profit, covering financial and non-financial as well as short and long-term goals. KPIs include the growth of the Group (e.g. EBITDA) and other key performance metrics around Group values, health and wellbeing of our staff and compliance with laws and regulations. The level set for each KPI is based on budgeted figures for the Group and respective industry standards.

Performance in relation to the KPIs is assessed annually. Following the assessment, the KPIs are reviewed by the board in light of the desired and actual outcomes, and their efficiency is assessed in relation to the Group's goals and shareholder wealth, before the KPIs are set for the following year.

In determining whether a KPI has been achieved, PeopleIn Limited bases the assessment on audited figures; however, where the KPI involves comparison of the Group, or a division within the Group, to the market, independent reports are obtained from organisations such as Standard & Poor's.

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. To achieve this aim, share based payments are issued to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy has been effective in increasing shareholder wealth since listing in 2017.

The following table shows the gross revenue, profits and dividends since listing, as well as the share prices at the end of the respective financial periods. Analysis of the actual figures shows an increase in profits each period. The improvement in the Group's performance since listing has been reflected in the Company's share price with an increase since the entity listed. The Board is of the opinion that these results can be attributed, in part, to the previously described remuneration policy and is satisfied with the overall upwards trend in shareholder wealth since listing.

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023
	$	$	$	$	$
Revenue	278,138,843	371,163,903	444,280,505	682,321,006	1,186,360,567
Net profit after tax	9,693,783	16,396,195	17,730,729	18,396,793	20,457,085
Share price at year-end	3.34	2.00	4.59	2.89	2.35
Dividends paid/declared	0.085	0.085	0.105	0.13	0.14
EPS *	18.54	23.97	27.27	33.61	37.33

Based on Normalised NPATA

Directors' Report (cont.)

For the year ended 30 June 2023

Remuneration Policy (cont.)

STIs and LTIs

The Group uses STIs and LTIs to measure and incentivise KMP.

The STI program is designed to align the short-term objectives of the Group with the performance hurdles of KMP. STI include cash and share-based payments that are granted to KMP based on specific annual targets and KPIs being achieved.

The LTIs include long service leave and share-based payments. Shares are awarded to KMP over a period of one to three years based on long-term incentive measures. These include performance against KPIs, remaining employed by the company at time of vesting and increase in Total Shareholder Return ('TSR') Compound Annual Growth Rate ('CAGR'). The nomination and remuneration committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2023.

All incentives must be linked to predetermined KPIs and performance targets. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. The use of such discretion must be justified by reference to measurable performance criteria. Refer to section on cash and other related performance bonuses on page 54 for discussions of where the board discretion has applied discretion during the year. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

The following table summarises the maximum KMP STIs and LTIs.

	2022 STI/LTI	2022 Performance Hurdles	2023 STI/LTI	2023 Performance Hurdles
Group KMP				
Thomas Reardon (Executive Director and Divisional Chief Executive Officer)	STI: 30% of fixed remuneration LTI: 30% of fixed remuneration (2 year vest)	STI: Internal KPIs LTI: Internal KPIs in year grant relates, remain employed for 2-year period	STI: 50% of fixed remuneration LTI: 50% of fixed remuneration (2 Year vest)	STI: Internal KPIs LTI: Internal KPIs in year grant relates, remain employed for 2-year period
Declan Sherman (Executive Director and Head of Acquisitions)	STI: Variable based on acquisitions completed LTI: N/A	STI: Acquisitions completed. LTI: N/A	STI: Variable based on acquisitions completed LTI: N/A	STI: Acquisitions completed. LTI: N/A
Ross Thompson (Chief Executive Officer)	STI: 30% of fixed remuneration LTI: 30% of fixed remuneration (3 year vest)	STI: Internal KPIs LTI: 50% on achieving 10% TSR CAGR and 50% on achieving 15% TSR CAGR	STI: 30% of fixed remuneration LTI: 30% of fixed remuneration (3 year vest)	STI: Internal KPIs LTI: 50% on achieving 10% TSR CAGR and an additional 50% on achieving 15% TSR CAGR
Megan Just (Chief Financial Officer)	STI: 5% of fixed remuneration LTI: 32.5% of fixed remuneration (2 year vest)	STI: Internal KPIs LTI: Internal KPIs in year granted, remain employed for 2-year period	STI: 10% of fixed remuneration LTI: 30% of fixed remuneration (1 year vest)	STI: Internal KPIs LTI: Internal KPIs in year granted, remain employed for 1 year period

Directors' Report (cont.)

For the year ended 30 June 2023

Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, during the financial year, members of KMP of the Group.

Group KMP	Position Held as at 30 June 2023	Contract Details (Duration and Termination)	Annual Base Salary	Director Fees
Glen Richards	Non-Executive Director and Chairman	No service contracts	-	$168,000
Elizabeth Savage	Non-Executive Director	No service contracts	-	$90,000
Vu Tran	Non-Executive Director	No service contracts	-	$90,000
Declan Sherman	Executive Director and Head of Acquisitions	6 months' notice period	$150,000	$50,000
Thomas Reardon	Executive Director and Divisional Chief Executive Officer	3 months' notice period	$400,000	$50,000
Ross Thompson	Group Chief Executive Officer	6 months' notice period	$450,000	-
Megan Just	Group Chief Financial Officer	4 weeks' notice period	$330,000	-

The employment terms and conditions of the Head of Acquisitions, Group Chief Executive Officer and Divisional Chief Executive Officer are formalised in contracts of employment.

Terms of employment require that the relevant Group entity provide an executive contracted person with a minimum of 6 months and 3 months respectively notice prior to termination of contract. Termination payments of between 25%–50% of their salary are generally payable. A contracted person deemed employed on a permanent basis may terminate their employment by providing the relevant notice period. Termination payments are not payable on resignation or under the circumstances of unsatisfactory performance.

The employment terms and conditions of the Group Chief Financial Officer are formalised in a contract of employment.

Terms of employment require that the relevant Group entity provide an executive contracted person with a minimum of 4 weeks' notice prior to termination of contract. Termination payments are generally not payable but is at the discretion of the board of directors. A contracted person deemed employed on a permanent basis may terminate their employment by providing at least 4 weeks' notice. Termination payments are not payable on resignation or under the circumstances of unsatisfactory performance.

Non-executive directors have been issued appointment letters but do not have a formal contract of employment. There is no termination notice period stipulated in these letters.

Changes in Directors and Executives during the year

On 1 July 2022, Vu Tran joined the Group as a Non-Executive Director.

On 1 July 2023, Declan Sherman was made redundant from his role as the Head of Acquisitions. He also resigned as a Board Executive Director which will take effect post the AGM in November 2023.

There have been no other changes in directors and executives during the year or after the end of the reporting period.

Remuneration Expense Details for the Year Ended 30 June 2023

The following table of benefits and payments represents the components of the current year and comparative year remuneration expenses for each member of KMP of the consolidated Group. Such amounts have been calculated in accordance with Australian Accounting Standards:

Directors' Report (cont.)

For the year ended 30 June 2023

Table of Benefits and Payments for the Year Ended 30 June 2023

		Short-term Benefits				Post-employment Benefits	Long-term Benefits		Equity-settled Share-based Payments		Termination Benefits	Total	Portion of remuneration performance related
		Salary, Fees and Leave	Bonuses	Non-monetary[3]	Other[4]	Super-annuation	Incentive Plans	LSL	Shares	Options/ Performance Rights			
		$	$	$	$	$	$	$	$	$	$	$	%
Group KMP													
Glen Richards	2023	167,000	-	-	-	-	-	-	-	-	-	167,000	-
	2022	100,000	-	-	-	-	-	-	-	-	-	100,000	-
Elizabeth Savage	2023	90,000	-	-	-	-	-	-	-	-	-	90,000	-
	2022	65,004	-	-	-	-	-	-	-	-	-	65,004	-
Vu Tran[1]	2023	90,000	-	-	-	-	-	-	-	-	-	90,000	-
Declan Sherman	2023	200,000[2]	210,000	-	28,323	21,000	-	5,115	-	1,338	-	465,776	45.37
	2022	279,077[2]	272,727	-	-	55,180	-	-	-	10,762	-	617,746	45.89
Thomas Reardon	2023	448,463[2]	72,000	29,644	-	30,612	-	25,900	-	338,798	-	945,417	43.45
	2022	350,009[2]	53,526	22,564	-	40,354	-	6,316	-	164,655	-	637,424	34.23
Ross Thompson	2023	467,115	100,000	-	4,044	29,873	-	1,995	-	-	-	603,027	30.63
	2022	294,231	-	-	17,440	29,423	-	485	-	68,387	-	409,966	16.68
Megan Just	2023	257,349	13,111	-	2,887	25,463	-	3,181	-	116,897	-	418,888	31.04
	2022	217,058	35,000	-	-	25,206	-	1,711	-	138,065	-	417,040	40.47
Total KMP	2023	1,719,927	395,111	29,644	35,254	106,948	-	36,191	-	457,033	-	2,780,108	30.65
	2022	1,305,379	361,253	22,564	17,440	150,163	-	8,512	-	381,869	-	2,247,180	33.07

[1] Vu Tran became a KMP from 1 July 2022 and therefore there are no disclosures for 2022.
[2] Includes $50,000 relating to director fees.
[3] Motor vehicle reportable fringe benefit
[4] Increment in annual leave provision.

Directors' Report (cont.)

For the year ended 30 June 2023

Securities Received that Are Not Performance-related

No members of KMP are entitled to receive securities that are not performance-based as part of their remuneration package.

Cash Bonuses, Performance-related Bonuses and Share-based Payments

Cash and Other Performance-related Bonuses

KPIs were set and assessed based on individual and business wide performance criteria and the level of achievement of those objectives during the performance year. These KPI's relate to both the cash and performance rights components of the bonuses. The board uses their discretion from time to time to decide on determining the amount of the bonus payment. If such discretion is applied, it must be justified by reference to measurable performance criteria.

The cash and performance-based bonuses granted as remuneration during the year ended 30 June 2023 (in relation to the performance for the year ended 30 June 2022) to KMP are as follows:

	Remuneration Type	2023 Total Opportunity $	Awarded %	Forfeited %	2022 Total Opportunity $	Awarded %	Forfeited %
Group KMP							
Declan Sherman	Cash bonus	210,000	100%	-	300,000	100%	-
	Performance Rights	n/a	-	-	n/a	-	-
Thomas Reardon	Cash bonus	90,000	80%	20%	150,622	36%	64%
	Performance Rights	578,500	43%	57%	545,566	97%	3%
Ross Thompson	Cash bonus	135,000	74%	26%	n/a	-	-
	Performance Rights	135,000	63%	37%	n/a	-	-
Megan Just	Cash bonus	15,250	95%	5%	13,500	100%	-
	Performance Rights	99,125	100%	-	87,750	100%	-

Share-based Payments

The terms and conditions relating to options granted as remuneration during the year to KMP are as follows:

	Remuneration Type	Grant Date	Grant Value $	Vested/Paid during Year % #	Forfeited during Year %	Remaining as Unvested %	Expiry Date for Vesting or Payment
Group KMP							
Thomas Reardon	Performance Rights (Tranche 70)	30/11/2022	250,000	-	-	100	30/11/2024
Ross Thompson	Performance Rights (Tranche 69)	31/10/2022	84,848	-	-	100	25/10/2025
Megan Just	Performance Rights (Tranche 57)	31/08/2022	75,000	-	-	100	31/08/2023
Megan Just	Performance Rights (Tranche 65)	07/09/2022	120,000	-	-	100	31/08/2024

The dollar value of the percentage vested/paid during the period has been reflected in the Table of Benefits and Payments for the year ended 30 June 2023.

Directors' Report (cont.)
For the year ended 30 June 2023

Cash Bonuses, Performance-related Bonuses and Share-based Payments

Performance Rights – Tranche 70

These performance rights vest over the vesting period from 30 November 2022 to 30 November 2024 with 60% vesting on 30 November 2023 and 40% vesting on 30 November 2024. There were performance criteria which included achievement of divisional EBITDA greater than budgeted and other key performance metrics around Group values, health, safety and wellbeing of our staff and compliance with laws and regulations surrounding which were achieved prior to these Performance Rights being granted. For the Performance Rights to vest, the participant must remain employed by PeopleIn Limited at the time of vesting. These Performance Rights form part of the individual's remuneration package.

All performance rights entitle the holder to one ordinary share in PeopleIn Limited for each right exercised.

There have not been any alterations to the terms or conditions of any grants since grant date.

Performance Rights – Tranche 69

These performance rights vest equally over the vesting period from 31 October 2022 to 25 October 2025 in two lots of 25,000. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 15% TSR must be achieved for the performance rights to vest. There is also an overarching condition that the relevant participant must remain employed by the PeopleIn Limited Group at the time of vesting.

All performance rights entitle the holder to one ordinary share in PeopleIn Limited for each right exercised.

There have not been any alterations to the terms or conditions of any grants since grant date.

Performance Rights – Tranche 57

These Performance Rights vest on 31 August 2023. The Performance Rights are conditional upon achievement of Group EBITDA targets and the relevant participant remaining employed by the PeopleIn Limited Group at the time of vesting.

All performance rights entitle the holder to one ordinary share in PeopleIn Limited for each right exercised.

There have not been any alterations to the terms or conditions of any grants since grant date.

Performance Rights – Tranche 65

These performance rights vest over the vesting period from 31 August 2022 to 31 August 2024 with 60% vesting on 31 August 2023 and 40% vesting on 31 August 2024. There were performance criteria which included growth in EBITDA for the Group and other key performance metrics around achievement of Group strategic objectives, Group values, health, safety and wellbeing of our staff and compliance with laws and regulations which were achieved prior to these Performance Rights being granted. For the Performance Rights to vest, the participant must remain employed by PeopleIn Limited at the time of vesting. These Performance Rights form part of the individual's remuneration package

All performance rights entitle the holder to one ordinary share in PeopleIn Limited for each right exercised.

There have not been any alterations to the terms or conditions of any grants since grant date.

Directors' Report (cont.)

For the year ended 30 June 2023

Options and Performance Rights Granted as Remuneration

		Grant Details			Exercised		Lapsed / Forfeited				Vested	Unvested
	Balance at Beginning of Year	Grant Date	No.	Value #	Share Price	No.	No.	Balance at End of Year	Exercisable	Unexercisable	Total at End of Year	Total at End of Year
				$	$			No.	No.	No.	No.	No.
Group KMP												
Declan Sherman	29,843	26/11/2018	-	-	3.22	29,843	-	-	-	-	-	-
Declan Sherman	15,717	26/11/2019	-	-	-	-	7,859	7,858	-	7,858	-	7,858
Thomas Reardon	29,843	26/11/2018	-	-	3.22	29,843	-	-	-	-	-	-
Thomas Reardon	15,717	26/11/2019	-	-	-	-	7,859	7,858	-	7,858	-	7,858
Thomas Reardon	116,721	22/11/2021	-	-	3.22	70,033	-	46,688	-	46,688	-	46,688
Thomas Reardon	-	30/11/2022	82,237	250,000	-	-	-	82,237	-	82,237	-	82,237
Ross Thompson	200,000	22/11/2021	-	-	-	-	-	200,000	-	200,000	-	200,000
Ross Thompson	-	31/10/2022	50,000	84,848	-	-	-	50,000	-	50,000	-	50,000
Megan Just	45,154	31/08/2021	-	-	3.70	36,344	-	8,810	-	8,810	-	8,810
Megan Just	-	31/08/2022	24,671	75,000	-	-	-	24,671	-	24,671	-	24,671
Megan Just	-	7/09/2022	39,474	120,000	-	-	-	39,474	-	39,474	-	39,474
	452,995		196,382	529,848		166,063	15,718	467,596	-	467,596	-	467,596

The fair value of options granted as remuneration and as shown in the above table has been determined in accordance with Australian Accounting Standards and will be recognised as an expense over the relevant vesting period to the extent that conditions necessary for vesting are satisfied.

Directors' Report (cont.)

For the year ended 30 June 2023

Description of Options/Rights Issued as Remuneration

Details of the options granted as remuneration to those KMP listed in the previous table are as follows:

	Performance Rights – Tranche 4	Performance Rights – Tranche 10	Performance Rights – Tranche 25	Performance Rights – Tranche 26	Performance Rights – Tranche 37	Performance Rights – Tranche 38	Performance Rights – Tranche 57	Performance Rights – Tranche 65	Performance Rights – Tranche 69	Performance Rights – Tranche 70
Grant date	26/11/2018	26/11/2019	31/8/2021	31/08/2021	01/11/2021	22/11/2021	31/08/2022	07/09/2022	31/10/2022	30/11/2022
Number of options	238,750	62,874	23,128	22,026	200,000	116,721	24,671	39,474	50,000	82,237
Vesting period end	25% each year 22/11/2019, 2020, 2021, 2022	25% each year 26/11/2020, 2021, 2022, 2023	100% 31/08/2022	60% 31/08/2022 40% 31/08/2023	100% 01/11/2024	60% 22/11/2022 40% 22/11/2023	100% 31/08/2023	60% 31/08/2023 40% 31/08/2024	50% 31/10/2024 50% 31/10/2025	60% 30/11/2023 40% 30/11/2024
Share price at grant date	$1.93	$3.25	$4.00	$4.00	$4.50	$4.39	$3.70	$3.34	$3.28	$3.24
Option life	4 years	4 years	1 year	2 years	3 years	3 years	1 year	2 years	3 years	2 years
Fair value at grant date	25% $0.9003, 25% $0.6273, 25% $0.4946, 25% $0.4395	25% $1.488, 25% $1.031, 25% $0.828, 25% $0.692	100% $4.00	100% $4.00	50% $2.31 50% $2.05	100% $4.54	100% $3.04	100% $3.04	50% $1.78 50% $1.61	100% $3.04
Exercise price at grant date	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Exercisable from	At end of each vesting period	At end of each vesting period	At end of the vesting period	At end of the vesting period	At end of the vesting period	At end of the vesting period	At end of the vesting period	At end of the vesting period	At end of the vesting period	At end of the vesting period
Exercisable to	30 days after the exercise date	30 days after the exercise date	30 days after the exercise date	30 days after the exercise date	30 days after the exercise date	30 days after the exercise date	30 days after the exercise date	30 days after the exercise date	30 days after the exercise date	30 days after the exercise date

Option values at grant date were determined using the Monte Carlo method for those with market conditions and Black Scholes method for those without.

Details relating to service and performance criteria required for vesting have been provided in the Cash Bonuses, Performance-related Bonuses and Share-based Payments table on page 54.

Directors' Report (cont.)

For the year ended 30 June 2023

KMP Shareholdings

The number of ordinary shares in PeopleIn Limited held by each KMP of the Group during the financial year is as follows:

	Balance at Beginning of Year	Granted as Remuneration during the Year	Issued on Exercise of Options during the Year	Other Changes during the Year	Balance at End of Year
Glen Richards	1,258,052	-	-	220,000	1,478,052
Elizabeth Savage	125,342	-	-	5,545	130,887
Declan Sherman	2,060,224	-	29,843	-	2,090,067
Thomas Reardon	4,332,356	-	99,876	-	4,432,232
Vu Tran	10,000	-	-	20,000	30,000
Ross Thompson	-	-	-	-	-
Megan Just	47,066	-	36,344	-	83,410
	7,833,040	-	166,063	245,545	8,244,648

Other changes represent either on market purchases or participation in the dividend reinvestment plan and are arm's length transactions.

Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments apart from those described in the tables above relating to options, rights and shareholdings.

Other Transactions with KMP and/or their Related Parties

During the year the Group provided recruitment and advisory services to Healthia Limited, an entity associated with Glen Richards. The Group received $142,450 (June 2022: nil) from recruitment and advisory services which has been recognised as revenue. No amount was receivable at year end (June 2022: nil).
The Group utilises the online learning platform provided by GO1 Pty Ltd, an entity associated with Vu Tran. The Group made payments of $61,758 to GO1 Pty Ltd during the period which has been recognised in other expenses. No amount was payable at year end (June 22: nil).

There were no other transactions with other related parties during the period.

END OF AUDITED REMUNERATION REPORT.

Directors' Report (cont.)

For the year ended 30 June 2023

Directors' information

The following persons were Directors of PeopleIn Limited during the financial year and up to the date of this report, unless otherwise stated:

Dr Glen Richards Appointed 18 October 2017

Non-Executive Director and Chairman

Qualifications: B.V.Sc.(Hons), M.Sc., F.A.I.C.D.

Equity Holdings: Shares: 1,478,052

Glen has over 27 years' experience in the retail and professional services sectors with extensive operational experience in fast growing companies, especially in health care and allied health sectors. Glen was the founding Managing Director of Greencross Limited and Co-Founder of Mammoth Pet Holdings Pty Ltd, prior to its merger with Greencross Limited in 2014. He is currently Chairman of Healthia Limited and a non-executive director of

Adventure Holdings Australia Pty Ltd. Glen is also a shareholder, advisor and mentor of a number of innovative technology companies.

Directorships of other listed companies in the last 3 years: Healthia Limited (from 10 May 2018).

Elizabeth Savage Appointed 18 October 2017

Non-Executive Director

Qualifications: Beng (Hons), MSc, MAICD

Equity Holdings: Shares: 130,887

Liz is a full-time Company Director with extensive commercial leadership and strategic development experience. Previously, Liz held C-suite commercial roles in international businesses in UK, Europe and Australia, including as Business Development Director of easyJet and Chief Commercial Officer of Virgin Australia.

Liz is currently a Non-Executive Director of Intrepid Group, Auckland International Airport, North Queensland Airports and Tiger Holdco Pty Ltd ("FunLab").

Directorships of other listed companies in the last 3 years: Auckland International Airport Ltd (from 24 October 2019).

Vu Tran Appointed 1 July 2022

Non-Executive Director

Qualifications: Bachelor of Medicine/Bachelor of Surgery (MBBS), Fellowship with the Royal Australian College of General Practitioners

Equity Holdings: Shares: 30,000

Vu was appointed a Non-Executive Director of PeopleIN on 1 July 2022 bringing a wealth of highly complementary experience and entrepreneurial leadership. Vu is the co-founder of Go1 – a venture capital backed e-learning company. With approximately 5 million users worldwide, Go1 is a single online learning solution for organisations and individuals using the world's most comprehensive online library of learning resources developed by leading learning providers. In addition to Go1, Vu is a practising GP having worked as a doctor for over 10 years. Vu also sits on the Board of Sporting Wheelies, an organisation that helps people with a disability access sport, recreation and training.

Directorships of other listed companies in the last 3 years: None.

Directors' Report (cont.)

For the year ended 30 June 2023

Directors' information (cont.)

Declan Sherman Appointed 5 October 2016

Executive Director

Qualifications: B.Comm (Hons), Finance

Equity Holdings: Shares: 2,090,067 Performance Rights: 7,858

Declan commenced with PeopleIN in 2015 and was Managing Director of the Company from 2016 to 2021. Declan has a distinguished history in financial services and operational consulting. In 2010, Declan founded Everlight Capital in New York, a leading boutique consulting and investment firm operating throughout the Americas. Between 1999 and 2010, Declan worked in the private equity and investment banking divisions of Macquarie Group in both Sydney and in New York.

Directorships of other listed companies in the last 3 years: None

Thomas Reardon Appointed 9 January 2017

Executive Director and Divisional Chief Executive Officer

Qualifications: Bbus

Equity Holdings: Shares: 4,432,232, Performance Rights: 136,783

Tom is an Executive Director of PeopleIN and is Divisional Leader of the Industrial and Specialist Services Division. Tom commenced with AWX in 2003, became a director in 2006 and proceeded to significantly grow the business into a leading labour hire and workforce management Group in Australia. He is recognised throughout Australia as a leader in the workforce management sector. Tom has been responsible for major growth and also launched other workforce brands including Mobilise, Tribe, The Recruitment Company and Timberwolf, which have grown to be successful labour hire brands of PeopleIN.

Directorships of other listed companies in the last 3 years: None

Company Secretary

Jane Prior Appointed 6 April 2021

Company Secretary

Qualifications: BA/LLB

Jane holds a Bachelor of Laws and Bachelor of Arts from the University of Queensland and is admitted as a solicitor of the Supreme Courts of Queensland and New South Wales. Jane has worked in law firms in Brisbane and London, in house and has been a company secretary of listed and private companies for over a decade.

Directors' Report (cont.)

For the year ended 30 June 2023

Directors' meetings

The number of directors' meetings (including meetings of committees of directors) held during the year and the number of meetings attended by each Director was as follows:

	Board Meetings		**Audit and Risk Committee**		**Nomination and Remuneration Committee**	
	Held+	Attended	Held+	Attended	Held+	Attended
Glen Richards	12	12	4	4	4	4
Elizabeth Savage	12	12	4	4	4	4
Vu Tran	12	12	4	4	4	4
Declan Sherman	12	12	-	-	-	-
Thomas Reardon	12	12	-	-	-	-

+ Held and eligible to attend.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 62 and forms part of this Directors' Report.

Signed in accordance with the resolution of the Board of Directors.

Glen Richards

Chairman

Dated this 25th day of August 2023

Auditor's Independence Declaration

Under S307C of the Corporations Act 2001

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Australia

DECLARATION OF INDEPENDENCE BY M CUTRI TO THE DIRECTORS OF PEOPLEIN LIMITED

As lead auditor of PeopleIn Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of PeopleIn Limited and the entities it controlled during the period.

M Cutri
Director

BDO Audit Pty Ltd

Brisbane, 25 August 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

	Note	30 June 2023 $	30 June 2022 $
Revenue from contracts with customers and other revenue	2	1,186,360,567	682,321,006
Other income	3	98,521	79,774
Employee benefits expense		(1,096,425,723)	(615,806,455)
Occupancy expenses		(3,755,184)	(1,168,444)
Depreciation and amortisation expense	4	(16,976,299)	(11,100,531)
Other expenses		(33,029,627)	(25,408,414)
Finance costs	4	(6,243,533)	(2,148,840)
Share of profit of equity-accounted investees, net of tax	10(b) (i)	131,947	195,817
Profit before income tax expense		30,160,669	26,963,913
Income tax expense	6	(9,703,584)	(8,567,120)
Profit for the period		**20,457,085**	**18,396,793**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations, net of tax		121,380	(22,690)
		121,380	(22,690)
Total comprehensive income for the period		**20,578,465**	**18,374,103**
Profit for the period is attributable to:			
Owners of PeopleIn Limited		18,944,361	17,671,404
Non-controlling interests	10(c)	1,512,724	725,389
		20,457,085	**18,396,793**
Total comprehensive income for the period is attributable to:			
Owners of PeopleIn Limited		19,065,741	17,648,714
Non-controlling interests		1,512,724	725,389
		20,578,465	**18,374,103**
Basic earnings per share attributable to the shareholders of PeopleIn Limited			
Basic earnings per share (cents per share)	5	18.80	18.60
Diluted earnings per share attributable to the shareholders of PeopleIn Limited			
Diluted earnings per share (cents per share)	5	18.29	18.17

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
As at 30 June 2023

	Note	30 June 2023 $	30 June 2022 $
Current assets			
Cash and cash equivalents	7	39,867,858	26,977,326
Trade and other receivables	11	120,298,927	115,824,885
Other current assets		3,510,569	3,894,750
Total current assets		**163,677,354**	**146,696,961**
Non-current assets			
Trade and other receivables	11	224,001	211,919
Investment in Joint Venture	10 (b)	25,763	50,650
Property, plant and equipment	12	29,754,746	15,816,109
Intangible assets	13	203,186,572	202,020,272
Total non-current assets		**233,191,082**	**218,098,950**
Total assets		**396,868,436**	**364,795,911**
Current liabilities			
Trade and other payables	14	66,586,021	50,951,472
Contingent consideration	15	13,242,313	13,015,804
Financial liabilities	16	33,669,639	37,495,339
Current tax liabilities		853,254	2,077,954
Employee benefits	17	25,379,138	16,673,472
Total current liabilities		**139,730,365**	**120,214,041**
Non-current liabilities			
Contingent consideration	15	7,143,553	17,047,253
Financial liabilities	16	79,388,935	74,045,339
Deferred tax liabilities	6 (d)	9,284,625	10,222,741
Employee benefits	17	1,325,826	915,123
Total non-current liabilities		**97,142,939**	**102,230,456**
Total liabilities		**236,873,304**	**222,444,497**
Net assets		**159,995,132**	**142,351,414**
Equity			
Share capital	18	107,634,971	101,534,297
Retained earnings		38,084,062	32,754,986
Reserves		10,873,182	5,467,745
		156,592,215	139,757,028
Non-controlling interests	10 (c)	3,402,917	2,594,386
Total equity		**159,995,132**	**142,351,414**

The above Consolidated statement of financial position should be read in conjunction with the accompanying notes

Consolidated Statement of Cash Flows
For the year ended 30 June 2023

	Note	30 June 2023 $	30 June 2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (GST Inclusive)		1,301,558,582	753,112,071
Payments to suppliers and employees (GST Inclusive)		(1,222,010,873)	(714,985,652)
Interest received		91,625	5,801
Finance costs paid		(5,502,066)	(2,148,840)
Income taxes paid		(9,774,689)	(13,918,660)
Net cash provided by operating activities	8 (a)	**64,362,579**	**22,064,720**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		54,891	37,174
Purchase of property, plant and equipment		(4,301,585)	(2,425,040)
Purchase of intangible assets		(4,793,920)	(2,064,149)
Purchase of subsidiaries (net of cash acquired)	9	(12,314,532)	(49,827,706)
Payments to related party loans		(12,082)	-
Proceeds from disposal of subsidiaries (net of cash disposed)		110,839	(197,098)
Dividends received from investments equity accounted	10(b)(i)	156,834	139,158
Net cash (used in)/provided by investing activities		**(21,099,555)**	**(54,337,661)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	65,993,551
Repayments of borrowings		(12,924,838)	(6,597,630)
Repayments of lease liabilities	8(c)	(4,897,644)	(3,574,215)
Proceeds from share issue		-	340,000
Dividends paid	18	(12,675,271)	(10,611,239)
Net cash used in financing activities		**(30,497,753)**	**45,550,467**
Net change in cash and cash equivalents held		**12,765,271**	**13,277,526**
Effects of foreign exchange on Cash		125,261	(21,881)
Cash and cash equivalents at beginning of financial period		26,977,326	13,721,681
Cash and cash equivalents at end of financial period	7	**39,867,858**	**26,977,326**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

Consolidated Statement of Changes in Equity
For the year ended 30 June 2023

	Share capital $	Retained earnings $	Shared option reserve $	Foreign currency reserve $	Other reserves $	Total $	Non-controlling interests $	Total Equity $
Balance at 1 July 2022	101,534,297	32,754,986	5,480,430	(83,128)	70,443	139,757,028	2,594,386	142,351,414
Profit for the period	-	18,944,361	-	-	-	18,944,361	1,512,724	20,457,085
Other comprehensive loss for the period	-	-	-	121,380	-	121,380	-	121,380
Total comprehensive loss for the period	-	18,944,361	-	121,380	-	19,065,741	1,512,724	20,578,465
Transactions with owners, in their capacity as owners								
Issue of share capital	4,456,467	-	-	-	-	4,456,467	-	4,456,467
Dividends reinvested	1,644,207	-	-	-	-	1,644,207	-	1,644,207
Dividends paid	-	(13,615,285)	-	-	-	(13,615,285)	(704,193)	(14,319,478)
Employee share-based payment options	-	-	5,284,057	-	-	5,284,057	-	5,284,057
	6,100,674	(13,615,285)	5,284,057	-	-	(2,230,554)	(704,193)	(2,934,747)
Balance at 30 June 2023	**107,634,971**	**38,084,062**	**10,764,487**	**38,252**	**70,443**	**156,592,215**	**3,402,917**	**159,995,132**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
For the year ended 30 June 2023

	Share capital $	Retained earnings $	Shared option reserve $	Foreign currency reserve $	Other reserves $	Total $	Non-controlling interests $	Total Equity $
Balance at 1 July 2021	83,131,730	26,944,859	2,150,714	(64,278)	70,443	112,233,468	2,368,997	114,602,465
Profit for the period	-	17,671,404	-	-	-	17,671,404	725,389	18,396,793
Other comprehensive loss for the period	-	-	-	(22,690)	-	(22,690)	-	(22,690)
Total comprehensive loss for the period	-	17,671,404	-	(22,690)	-	17,648,714	725,389	18,374,103
Transactions with owners, in their capacity as owners								
Transfer from reserves	-	(3,840)	-	3,840	-	-	-	-
Issue of share capital	16,656,369	-	-	-	-	16,656,369	-	16,656,369
Dividends reinvested	1,746,198	-	-	-	-	1,746,198	-	1,746,198
Dividends paid	-	(11,857,437)	-	-	-	(11,857,437)	(500,000)	(12,357,437)
Employee share-based payment options	-	-	3,329,716	-	-	3,329,716	-	3,329,716
	18,402,567	(11,861,277)	3,329,716	3,840	-	9,874,846	(500,000)	9,374,846
Balance at 30 June 2022	**101,534,297**	**32,754,986**	**5,480,430**	**(83,128)**	**70,443**	**139,757,028**	**2,594,386**	**142,351,414**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the year ended 30 June 2023

About this report

The financial statements of PeopleIn Limited (formerly People Infrastructure Limited) for the year ended 30 June 2023 covers the Consolidated Entity consisting of PeopleIn Limited (PeopleIN) and its controlled entities (together referred to as the "Group") as required by the Corporations Act 2001.

The financial statements are presented in the Australian currency.

PeopleIn Limited is a Public Company, incorporated and domiciled in Australia.

The principal activities of the Group during the financial period were the provision of workforce management, contracted staffing, recruitment and human resources outsourcing services. Services provided by the Group include recruiting, on-boarding, contracting, rostering, timesheet management, payroll, and workplace health and safety management.

There have been no significant changes in the nature of these activities during the period.

The consolidated general-purpose financial report of the Group for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 25 August 2023. The Directors have the power to amend and reissue the financial report. The financial report is a general-purpose financial report which:

- has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB and IFRS that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2022. Refer to note 30 for further details; and
- does not early adopt any Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective, except for those described in Note 30 and 31. Refer to Note 30 for details on standards not early adopted.

The financial statements have been prepared on a historical cost basis, except for contingent consideration which has been measured at fair value. PeopleIN is a for-profit entity for the purposes of Australian Accounting Standards.

Key judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial report are found in the following notes:

Note 6: Income taxes	Page 74
Note 9: Acquisition of businesses / intangible assets	Page 80
Note 10 (b): Interests in other entities	Page 83
Note 10 I: Interests in other entities	Page 84
Note 11: Trade receivables	Page 85
Note 12: Property, plant and equipment	Page 86
Note 13: Intangible assets	Page 90
Note 17: Employee benefits	Page 97
Note 19: Share based payments	Page 99
Note 24: Leases	Page 113

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Basis of consolidation

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed, or has the rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Foreign exchange differences arising on translation are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the Australian Dollars ($AUD) are translated into $AUD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into $AUD at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into $AUD at the closing rate. Income and expenses have been translated into $AUD at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal.

Other accounting policies

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

The notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered relevant and material if for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business for example, acquisitions and impairment write-downs; or
- it is related to an aspect of the Group's operations that is important to its future performance.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 1: Segment Information

AASB 8 Operating Segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segment and to assess their performance. As a result, the Group segments the business into three verticals, Industrial and Specialist Services, Professional Services and Health and Community. Professional Services was previously known as Technology, however, with the acquisition of Perigon (who focus on finance and accounting recruitment as well as technology) it was determined that the segment be expanded to cover all professional service offerings. There is no material difference between the segmentation of the Group's turnover by division. The Group's operations comprise one class of business, that of qualified, professional and skilled recruitment. The Group's CEO, which is regarded as the chief operating decision maker, uses Earnings before Tax, Interest, Depreciation and Amortisation (EBITDA) by segment as its measure of profit in internal reports, rather than net profit after tax (NPAT). The Group's CEO considers EBITDA for the purpose of making decisions about allocating resources. The Group does not report items below EBITDA by segment in its internal management reporting. The full detail of these items can be seen in the Group Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 63.

	Revenue		**EBITDA**	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	$	**$**	**$**	**$**
Industrial and Specialist Services	872,532,480	414,951,565	41,108,041	21,609,364
Health and Community	147,413,322	139,150,408	9,294,380	11,953,516
Professional Services	166,396,783	128,208,933	15,001,406	17,648,268
Unallocated	17,982	10,100	(12,023,326)	(10,997,864)
Total	1,186,360,567	682,321,006	53,380,501	40,213,284

There is a significant increase in revenue and EBITDA in Industrial and Specialist Services because of both organic growth and the acquisition of Food Industries People in June 2022. Health and Community have seen growth in revenue, driven by higher hours than the prior year with the improvement of visa processing times. There has been some reduction in gross profit per hour because of a change in the demand and ability to place roles which attract lower margins. Expenses for this vertical have increased due to investment in the new permanent recruitment brand and a new platform for international recruitment which has gone live since the end of the period. Professional services has seen growth in revenue an EBITDA primarily due to the acquisition of Perigon in February 2022. The technology business has seen a decrease in demand for permanent recruitment in the subsequent to the first quarter of the year. Unallocated relates to holding and head companies and the administration company which encompasses the fair value adjustments to contingent consideration and costs of the corporate services function. Growth from prior year has been driven by the ongoing growth of the Group.

Reconciliation of EBITDA to Statutory Profit after tax

	30 June 2023	**30 June 2022**
	$	**$**
EBITDA	53,380,501	40,213,284
Income tax expense	(9,703,584)	(8,567,120)
Depreciation and amortisation	(16,976,299)	(11,100,531)
Finance costs	(6,243,533)	(2,148,840)
Statutory profit after tax	20,457,085	18,396,793

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 1: Segment Information (cont.)

Net trade receivables

For the purpose of monitoring performance and allocating resources from a balance sheet perspective, the Group's CEO monitors trade receivables net of provisions for impairments only on a segment by segment basis. These are monitored on a constant currency basis for comparability throughout the year. These are shown below and reconciled to the totals as shown in note 11.

	Net trade receivables	
	30 June 2023	**30 June 2022**
	$	**$**
Industrial and Specialist Services	65,089,128	67,987,819
Health and Community	10,007,792	10,799,522
Professional Services	14,325,720	13,436,699
Unallocated	17,942	-
Total	**89,440,582**	**92,224,040**

Note 2: Revenue and other revenue

	30 June 2023	30 June 2022
	$	$
Revenue from contracts with customers		
Recognised/measured at a point in time		
Contract hire revenue	1,106,409,730	612,828,056
Planting revenue	5,032,617	3,892,924
Managed services revenue	18,127,526	12,532,050
Recruitment revenue	38,006,946	36,522,934
Consultancy and other sales revenue	4,075,100	4,299,859
	1,171,651,919	670,075,823
Recognised over time		
Project managed services revenue	11,097,110	9,096,870
Total revenue from contracts with customers	**1,182,749,029**	**679,172,693**
Other revenue		
Government subsidies	3,611,538	3,148,313
Total other revenue	3,611,538	3,148,313
Total revenue and other revenue	**1,186,360,567**	**682,321,006**

The above table depicts the disaggregation of revenue from customers in that it reflects the different product lines from which revenue is generated based on the natures of the service being provided. Additionally, it segregates those services performed at a point in time and those performed over time and also described below.

Recognition and measurement

The Group is in the business of providing contracted staffing and human resources outsourcing services. Services provided by the Group include recruiting, on-boarding, rostering, timesheet management, payroll, and workplace health and safety management. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 2: Revenue and other revenue (cont.)

Recognition and measurement

Contract Hire

The Group has determined that revenue from the provision of contract hire is to be recognised when the temporary workers are provided to the client and their time is invoiced to the client. AASB 15 contains a practical expedient that allows revenue to be recognised when the entity has the right to invoice if the amount invoiced corresponds directly with the performance completed to date. This is the case with contract hire revenue.

Other services revenue, including:

Planting

Similar to contract hire revenue, invoicing of planting revenue reflects the performance completed to date. Once plants have been planted an invoice is issued reflecting that performance obligation. Therefore, the practical expedient has again been applied and revenue is recognised at the time of invoicing.

Managed services

Similarly, to contract hire the performance obligations under maintenance contracts are satisfied concurrently with the issuing of the invoice and therefore revenue is recognised at that point in time.

Recruitment revenue

Performance obligations associated with recruitment revenue are satisfied when an individual is permanently placed with a client. Therefore, the performance obligation is satisfied upon the individual commencing employment with the client.

Project managed services

The contracts associated with managed services fall into two types of performance obligations, being projects and managed services. With project managed services performance obligations, a continual assessment of the performance obligation is made, and revenue is only recognised at the point when the performance obligation is satisfied. Therefore, there may be a contract asset recognised on the statement of financial position relating to these contracts.

Variable consideration and warranties

Contracts do not provide for discounts or rebates which give rise to variable consideration. Neither do they contain provision for warranties.

Government subsidies

Government subsidies are recognised at their fair value where there is reasonable assurance that the subsidy will be received, and the Group will comply with all of the attached conditions. The Group have adopted the gross method of accounting for government subsidies. Therefore, the government subsidies reflected in other revenue is the gross receipts. The expenditure in relation to satisfying the requirements of obtaining these subsidies are included in expenses. Cashflows are reflected in receipts from customers for the monies received from the various government departments and payments to suppliers and employees for the payments to employees.

Note 3: Other Income

	30 June 2023 $	30 June 2022 $
Rental income	6,896	73,973
Interest revenue – third parties	91,625	5,801
	98,521	**79,774**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 4: Expenses

	30 June 2023 $	30 June 2022 $
Employee benefits expense include:		
Defined contribution superannuation expense	80,563,072	43,683,545
Share-based payments expense	5,284,057	3,329,716
Depreciation and amortisation expense		
Depreciation expense - plant and equipment	7,763,919	4,634,884
Amortisation expense - intangibles	9,212,380	6,465,647
	16,976,299	**11,100,531**
Other expenses include:		
Loss on fair value of contingent consideration [1]	1,802,986	3,545,556
Impairment (write back) / expense - receivables	939,989	2,390,413
Net loss on disposal of property, plant and equipment	78,133	137,526
Net loss on disposal of controlled entity	-	99,422
Occupancy expenses include:		
Expenses relating to leases of low-value assets	118,042	130,720
Expenses relating to short-term property leases	2,490,245	273,018
Finance costs include:		
Interest on lease liabilities	741,467	477,954
Interest on borrowing facilities	5,069,003	1,322,351

[1] This contains a non-cash expense of $776,240 which is the fair value adjustment of the contingent consideration that was settled in August 2022 via the issue of PeopleIN shares (i.e., not cash) with respect to the acquisition of the Halcyon Knights Group and Vision Surveys QLD (being 25% shares and remainder cash). The remainder of the contingent consideration relating to the other entities will be cash settled.

Recognition and measurement

Post-employment benefits plans

The Group provides post-employment benefits through defined contribution plans.

Defined contribution plans

The Group pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 5: Earnings per share

	30 June 2023 $	30 June 2022 $
Profit attributable to the shareholders of PeopleIn Limited:		
Profit	18,944,361	17,671,404
Weighted average number of ordinary shares used in the calculation of basic profit per share	100,749,861	95,008,951
Adjustments for calculation of diluted earnings per share:		
Options and performance rights	2,834,074	2,238,889
Weighted average number of ordinary shares used in the calculation of diluted profit per share	103,583,935	97,247,840

Information concerning the classification of securities

Options and performance rights

Options and performance rights granted to employees under the PeopleIn Limited Employee Option Plan are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the required TSR and EPS growth hurdles would have been met based on the Company's performance up to the reporting date, and to the extent to which they are dilutive. The options and performance rights have not been included in the determination of basic earnings per share. Details relating to the options and performance rights are set out in note 19.

Note 6: Income taxes

	30 June 2023 $	30 June 2022 $
(a) The components of income tax expense comprise:		
Current tax	11,448,634	9,879,161
Deferred tax	(938,114)	(1,365,676)
Over/(under) provision in respect of prior years	(806,936)	53,635
	9,703,584	**8,567,120**
(b) Reconciliation prima facie income tax on the profit is reconciled to the income tax expense as follows:		
Prima facie tax expense on loss before income tax at 30%	9,048,201	8,089,174
Tax effect of:		
- non-deductible entertainment	190,395	106,590
- other non-deductible expenses	170,925	110,532
- share based payments	541,751	(442,496)
- dividend imputation	345,794	-
- debts forgiven	-	(105,754)
- other non-assessable items	-	(308,228)
- difference in tax rate in other countries	(327,442)	-
- fair value of contingent consideration	540,896	1,063,667
- over/(under) provision in respect of prior years	(806,936)	53,635
Income tax expense attributable to the Group	**9,703,584**	**8,567,120**
The applicable weighted average effective tax rates are:	**32.17%**	**31.77%**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 6: Income taxes (cont.)

(c) Franking Account	30 June 2023 $	30 June 2022 $
The balance of the franking account at year end adjusted for franking credits or debits arising from payment of the provision for income tax or receipt of dividends receivable at the end of the reporting date based on a tax rate of 30%	30,280,346	27,853,818

(d) Deferred taxes

2023	Opening Balance	Recognised in Profit or loss	Recognised on Acquisition	Recognised in Equity	Closing Balance	Deferred Tax Asset	Deferred Tax liability
Provision for doubtful debts	297,466	233,808	-	-	531,274	531,274	-
Provision for long service leave	698,954	262,862	-	-	961,816	961,816	-
Provision for annual leave	4,577,624	2,472,049	-	-	7,049,673	7,049,673	-
Accrued expenses	2,989,978	114,636	-	-	3,104,614	3,104,614	-
Blackhole expenses	45,137	110,979	-	-	156,116	156,116	-
Borrowing costs	24,023	(1,499)	-	-	22,524	22,524	-
Share issue costs	154,702	(154,702)	-	-	-	-	-
Lease liability	3,952,043	4,332,820	-	-	8,284,863	8,284,863	-
Tax losses not previously recognised	-	588,676	-	-	588,676	588,676	-
Accrued income	(2,668,128)	(3,904,881)	-	-	(6,573,009)	-	(6,573,009)
Prepayments	-	(1,157,997)			(1,157,997)		(1,157,997)
Equipment leases	(179,564)	90,308	-	-	(89,256)	-	(89,256)
Right of use assets	(3,431,091)	(3,889,236)	-	-	(7,320,327)	-	(7,320,327)
Plant and Equipment	(692,718)	(794,595)	-	-	(1,487,313)	-	(1,487,313)
Customer relationships	(9,383,026)	2,405,284	-	-	(6,977,742)	-	(6,977,742)
Brand names	(6,559,704)	2,445	-	-	(6,557,259)	-	(6,557,259)
Candidate database	(25,757)	235,341	-	-	209,584	-	209,584
Workers compensation receivable	(7,500)	(15,648)	-	-	(23,148)	-	(23,148)
Equity accounted investments	(15,180)	7,466	-	-	(7,714)		(7,714)
TOTAL	**(10,222,741)**	**938,116**	**-**	**-**	**(9,284,625)**	**20,699,556**	**(29,984,181)**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 6: Income taxes (cont.)

(d) Deferred taxes (cont.)

2022	Opening Balance	Recognised in Profit or loss	Recognised on Acquisition	Recognised in Equity	Closing Balance	Deferred Tax Asset	Deferred Tax liability
Provision for doubtful debts	92,284	183,145	22,037	-	297,466	297,466	-
Provision for long service leave	453,788	83,262	161,904	-	698,954	698,954	-
Provision for annual leave	1,100,187	527,110	2,950,327	-	4,577,624	4,577,624	-
Accrued expenses	1,969,435	281,653	738,890	-	2,989,978	2,989,978	-
Amortisation of intangibles	33,682	(33,682)	-	-	-	-	-
Blackhole expenses	44,480	657	-	-	45,137	45,137	-
Borrowing costs	18,837	5,186	-	-	24,023	24,023	-
Share issue costs	348,827	(194,125)	-	-	154,702	154,702	-
Lease liability	2,399,834	327,564	1,224,645	-	3,952,043	3,952,043	-
Accrued income	(1,789,583)	(690,778)	(187,767)	-	(2,668,128)	-	(2,668,128)
Equipment leases	(139,230)	(40,334)	-	-	(179,564)	-	(179,564)
Right of use assets	(2,003,264)	(192,006)	(1,235,821)	-	(3,431,091)	-	(3,431,091)
Plant and Equipment	-	(692,718)	-	-	(692,718)	-	(692,718)
Customer relationships	(4,243,940)	1,559,795	(6,698,881)	-	(9,383,026)	-	(9,383,026)
Brand names	(2,824,495)	-	(3,735,209)	-	(6,559,704)	-	(6,559,704)
Candidate database	(290,500)	264,743	-	-	(25,757)	-	(25,757)
Workers compensation receivable	(702)	(6,798)	-	-	(7,500)	-	(7,500)
Equity accounted investments	1,818	(16,998)	-	-	(15,180)	-	(15,180)
TOTAL	**(4,828,542)**	**1,365,676**	**(6,759,875)**	**-**	**(10,222,741)**	**12,739,927**	**(22,962,668)**

Key judgements

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 6: Income taxes (cont.)

Recognition and measurement

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled

PeopleIn Limited and its wholly owned subsidiaries have implemented the tax consolidation legislation for the whole of the financial period. PeopleIn Limited is the head entity in the tax consolidated Group. These entities are taxed as a single entity. The stand-alone taxpayer/separate taxpayer within a Group approach has been used to allocate current income tax expense and deferred tax expense to wholly owned subsidiaries that form part of the tax consolidated Group. PeopleIn Limited has assumed all the current tax liabilities and the deferred tax assets arising from unused tax losses for the tax consolidated Group via intercompany receivables and payables because a tax funding arrangement has been in place for the whole financial period. The amounts receivable/payable under tax funding arrangements is due upon notification by the head entity, which is issued soon after the end of each financial year. Interim funding notices may also be issued by the head entity to its wholly owned subsidiaries in order for the head entity to be able to pay tax instalments. These amounts are recognised as current intercompany receivables or payables.

The Group notified the Australian Taxation Office that it had formed an income tax consolidated Group to apply from 6 October 2016.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 7: Cash and cash equivalents.

	2023 $	2022 $
Cash on hand	685	1,490
Cash at bank	39,867,173	26,975,836
	39,867,858	**26,977,326**

Cash at bank bear floating interest rates between 0.01% and 4.05% (2021: 0.01% and 3.48%).

Reconciliation of Cash		
The above figures are reconciled to the cash at the end of the financial period as shown in the consolidated statement of cashflows as follows:		
Cash at bank and in hand	**39,867,858**	**26,977,326**

Recognition and measurement

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Note 8: Cash flow information

	2023 $	2022 $
(a) Reconciliation of cash flow from operations with profit/(loss) after income tax		
Profit after income tax	20,457,085	18,396,793
Non-cash flows in profit:		
Depreciation and amortisation	16,976,299	11,100,531
Bad and doubtful debts	939,989	2,390,413
Net loss on disposal of property, plant and equipment	78,133	137,526
Net loss on disposal of subsidiary	-	99,422
Lease modifications	327,873	-
Fair value adjustment on contingent consideration	1,802,986	3,545,556
Share of loss of equity-accounted investees, net of tax	(131,947)	(195,816)
Share based payments expense	5,284,057	3,329,716
Changes in assets and liabilities:		
Change in trade and other receivables	(4,791,707)	(88,724)
Change in other assets	498,529	(1,365,678)
Change in trade and other payables	13,876,016	(7,807,943)
Change in income taxes payable	867,013	(5,440,619)
Change in deferred taxes payable	(938,116)	(3,985,863)
Change in employee benefits	9,116,369	1,949,406
Net cash provided by operating activities	**64,362,579**	**22,064,720**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 8: Cash flow information (cont.)

(b) Non-cash financing and investing activities

No non-cash acquisitions of plant and equipment through leases (2022: nil) occurred during the year.
Shares issued to settle contingent considerations – see note 18.
Shares issued to settle business acquisition – see note 18.
Dividends satisfied by the issue of shares under the dividend reinvestment plan – see note 18.
Options and shares issued to employees under the employee options plan and employee share scheme for no cash consideration – see note 18.

(c) Cash and Non-Cash Movements in Liabilities arising from Financing Activities

The following table reconciles the cash and non-cash movements in liabilities arising from financing activities.

			Non-cash changes		
	2022	Net cash flows	New leases	On Acquisition	2023
Borrowings	$	$	$	$	$
Credit cards	140,857	(98,348)	-	-	42,509
Working capital facility	25,503,847	(5,881,547)	-	-	19,622,300
Commercial bills	72,722,498	(6,944,943)	-	-	65,777,555
Lease liabilities	13,173,476	(4,897,644)	19,340,378	-	27,616,210
	111,540,678	**(17,822,482)**	**19,340,378**	**-**	**113,058,574**

			Non-cash changes		
	2021	Net cash flows	New leases	On Acquisition	2022
Borrowings	$	$	$	$	$
Credit cards	77,611	63,246	-	-	140,857
Working capital facility	10,510,296	14,993,551	-	-	25,503,847
Commercial bills	28,383,374	44,339,124	-	-	72,722,498
Lease liabilities	7,999,448	(3,574,215)	4,585,356	4,162,887	13,173,476
	46,970,729	**55,821,706**	**4,585,356**	**4,162,887**	**111,540,678**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 9: Acquisition of businesses

Food Industry People Group

During the year, the provisional accounting initially applied to the Food Industry People Group acquisition was amended. This was due to additional information becoming available with regards to the contingent purchase consideration and current tax liability. A summary of the adjustments is as follows:

	Original 6 June 2022 $	Adjustments $	Amended 6 June 2022 $
Purchase consideration			
Contingent consideration	7,614,068	5,290,821	12,904,889
Total consideration	**40,579,735**	**5,290,821**	**45,870,556**
Assets and liabilities acquired			
Trade and other payables	(18,665,566)	(2,500,000)	(21,165,566)
Current tax liabilities	(2,249,959)	2,091,713	(158,246)
Fair value of assets and liabilities acquired	**17,888,248**	**(408,287)**	**17,479,961**
Goodwill on acquisition	**22,691,487**	**5,699,109**	**28,390,596**

Summary of cashflows of acquisitions

	2023 $	2022 $
Cash paid for subsidiaries acquired (net of cash acquired)		
Techforce Personnel Pty Ltd	-	(2,951,729)
Vision Surveys QLD Pty Ltd	(1,425,000)	(4,480,962)
GMT Group Pty Ltd	(425,000)	(841,818)
Perigon Group Pty Ltd	(6,849,403)	(15,855,988)
Food Industries Group	(3,615,129)	(25,697,209)
Total cash paid for subsidiaries acquired (net of cash acquired)	**(12,314,532)**	**(49,827,706)**

The cashflows for the current year relate to the payment of contingent consideration and holdback amounts made under the original contracts.

For all of the above acquisitions, goodwill will not be deductible for tax purposes.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 9: Acquisition of businesses (cont.)

Recognition and measurement

The acquisition method of accounting is used to account for all business combinations. Consideration is measured at the fair value of the assets transferred, liabilities incurred and equity interests issued by the Group on acquisition date. Consideration also includes the acquisition date fair values of any contingent consideration arrangements, any pre-existing equity interests in the acquiree and share- based payment awards of the acquiree that are required to be replaced in a business combination. The acquisition date is the date on which the Group obtains control of the acquiree. Where equity instruments are issued as part of the consideration, the value of the equity instruments is their published market price at the acquisition date unless, in rare circumstances it can be demonstrated that the published price at acquisition date is not fair value and that other evidence and valuation methods provide a more reliable measure of fair value.

Identifiable assets acquired and liabilities and contingent liabilities assumed in business combinations are, with limited exceptions, initially measured at their fair values at acquisition date. Goodwill represents the excess of the consideration transferred and the amount of the non-controlling interest in the acquiree over fair value of the identifiable net assets acquired. If the consideration and non-controlling interest of the acquiree is less than the fair value of the net identifiable assets acquired, the difference is recognised in profit or loss as a bargain purchase price, but only after a reassessment of the identification and measurement of the net assets acquired.

Acquisition-related costs are expensed when incurred. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Where the Group obtains control of a subsidiary that was previously accounted for as an equity accounted investment in associate or jointly controlled entity, the Group remeasures its previously held equity interest in the acquiree at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

Where the Group obtains control of a subsidiary that was previously accounted for as an available-for-sale investment, any balance on the available-for-sale reserve related to that investment is recognised in profit or loss as if the Group had disposed directly of the previously held interest.

Where settlement of any part of the cash consideration is deferred, the amounts payable in future are discounted to present value at the date of exchange using the entity's incremental borrowing rate as the discount rate.

Contingent Consideration is classified as equity or financial liabilities. Amounts classified as financial liabilities are subsequently remeasured to fair value at the end of each reporting period, with changes in fair value recognised in profit or loss.

Assets and liabilities from business combinations involving entities or businesses under common control are accounted for at the carrying amounts recognised in the Group's controlling shareholder's consolidated financial statements.

Key judgements and estimations

Management uses valuation techniques in determining the fair values of the various elements of a business combination. Particularly, the fair value of contingent consideration is dependent on the outcome of many variables that affect future profitability (see Note 15).

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 10: Interests in other entities

(a) Material Subsidiaries

The group's principal subsidiaries at 30 June 2023 are set out below. The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. The country of incorporation or registration is also their principal place of business. Unless otherwise stated, the principal subsidiaries have 100% ownership of all of their subsidiaries.

Name of Subsidiary	Country of Incorporation	Ownership interest held by the Group		Ownership interest held non-controlling interests	
		2023	2022	2023	2022
AWX Pty Ltd	Australia	100%	100%	-	-
Mobilise Group Pty Ltd	Australia	100%	100%	-	-
Tribe Workforce Solutions Pty Ltd	Australia	100%	100%	-	-
Timberwolf Planting Pty Ltd	Australia	100%	100%	-	-
The Recruitment Company Ltd	New Zealand	100%	100%	-	-
Expect A Star Services Pty Ltd	Australia	100%	100%	-	-
Techforce Personnel Pty Ltd	Australia	79.25%	79.25%	20.75%	20.75%
Edmen Community Staffing Solutions Pty Ltd	Australia	100%	100%	-	-
NNA Homecare Services Pty Ltd	Australia	100%	100%	-	-
Network Nursing Agency Pty Ltd	Australia	100%	100%	-	-
Victorian Nurse Specialists Pty Ltd	Australia	100%	100%	-	-
Carestaff Nursing Services Pty Ltd	Australia	100%	100%	-	-
First Choice Care Pty Ltd	Australia	100%	100%	-	-
PeopleIn Nursing Pty Ltd	Australia	100%	100%	-	-
Project Partners Corporation Pty Ltd	Australia	100%	100%	-	-
Halcyon Knights Pty Ltd	Australia	100%	100%	-	-
Halcyon Knights QLD Pty Ltd	Australia	100%	100%	-	-
Halycon Knights Commercial	Australia	100%	100%	-	-
Halcyon Knights Pte Ltd	Singapore	100%	100%	-	-
Illuminate Search and Consulting Pty Ltd	Australia	100%	100%	-	-
Vision Surveys (Qld)	Australia	100%	100%	-	-
GMT Canberra Pty Ltd	Australia	100%	100%	-	-
Perigon Group Pty Ltd	Australia	100%	100%	-	-
Revmax Pty Ltd	Australia	100%	100%	-	-
Agribusiness Pty Ltd	Australia	100%	100%	-	-
Meat Workforce Pty Ltd	Australia	100%	100%	-	-
Meat Processors Pty Ltd	Australia	100%	100%	-	-
Regional Workforce Management Pty Ltd	Australia	100%	100%	-	-
Food Industry People Pty Ltd	Australia	100%	100%	-	-
FIP Group Holdings Pty Ltd	Australia	100%	100%	-	-

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 10: Interests in other entities (cont.)

(b) Interests in joint venture

Set out below are the joint ventures of the group as at 30 June 2023. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Country of Incorp - oration	Ownership interest held by the group		Nature of relationship	Measurement method	Carrying amount	
		2023	2022			2023	2022
		%	%			$	$
Partners On Country Pty Ltd	Australia	50	50	Joint Venture	Equity method	25,763	50,650
						25,763	**50,650**

Partners On Country Pty Ltd is the joint venture company which provides labour hire services to third parties. The company holds a Supply Nation Registration enabling contracts with Indigenous businesses to be sought and supplied.

Reconciliation of carrying value for joint venture

	2023	2022
	$	$
Reconciliation of carrying amounts		
Opening balance 1 July 2022	50,650	(6,009)
Share of operating profits	131,947	195,817
Dividends received	(156,834)	(139,158)
Closing balance 30 June 2023	**25,763**	**50,650**

Key judgements

Through the shareholder agreement, PeopleIn Limited is guaranteed one seat on the board of Partners On Country and participates in all significant financial and operating decisions. The group has therefore determined that it has significant influence over this entity. However, it has been determined that control does not exist as the shareholder agreement sets out guidelines on decision making which stipulates that all shareholders have a board representation and the board has equal representation and responsible for the operations and financial decision making.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 10: Interests in other entities (cont.)

(c) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

	Techforce Group	
	2023	2022
	$	$
Summarised Statement of financial position		
ASSETS		
Current assets	22,579,049	22,811,980
Non-current assets	1,463,837	1,723,431
Total assets	24,042,886	24,535,411
LIABILITIES		
Current liabilities	12,815,568	19,234,801
Non-current liabilities	2,913,631	883,454
Total liabilities	15,729,199	20,118,255
Net assets	**8,313,687**	**4,417,156**
Accumulated NCI	3,402,917	2,594,386
Summarised Statement of Comprehensive Income		
Revenue	140,836,061	107,908,134
Profit for the period	7,290,231	3,495,851
Other comprehensive income	-	-
Total comprehensive income	**7,290,231**	**3,495,851**
Profit allocated to NCI	1,512,724	725,389
Dividends paid to NCI	704,193	500,000
Summarised Cash Flows		
Cash flows from operating activities	8,776,778	(809,741)
Cash flows from investing activities	(587,105)	(66,085)
Cash flows from financing activities	(4,154,549)	223,978
Net increase/decrease in cash and cash equivalents	**4,035,124**	**(651,848)**

On 3 June 2021, the group acquired 79.25% of the issued shares of Techforce Personnel Pty Ltd. The non-controlling interest holder is an employee of Techforce Personnel Pty Ltd and receives remuneration as compensation for services provided. No other transactions have occurred with non-controlling interests other than those disclosed above.

Key judgements

Through the shareholder agreement, PeopleIn Limited has one seat on the board and the non-controlling interest has one seat. All significant decisions are to be of unanimous agreement. The Techforce board has approved a delegation of authority and the PeopleIn Limited board has provided details of the reporting and what significant financial and operating decisions must be escalated. The group has therefore determined that it has control over this entity.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 11: Trade and other receivables

	2023	2022
Current	**$**	**$**
Trade receivables	91,211,495	93,215,592
Allowance for impairment of receivables	(1,770,913)	(991,552)
	89,440,582	92,224,040
Contract assets	21,910,032	14,914,404
PALM candidate receivables	8,436,964	8,300,395
Other debtors	511,349	386,046
	120,298,927	**115,824,885**
Non-Current		
Other receivables	224,001	211,919
	224,001	**211,919**

Contract assets has increased from 2022 as an additional business day was required to be accrued in 2023 compared to 2022.
PALM candidate receivables are costs to be recovered from FIP Group candidates over time.
Refer to Note 21 for disclosures surrounding credit risk.

Recognition and measurement

The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group’s business model for managing the assets; and whether the instruments’ contractual cash flows represent ‘solely payments of principal and interest’ on the principal amount outstanding (the ‘SPPI criterion’).

Debt instruments at amortised cost are financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group’s Trade and other receivables.

Contract assets

Refer to Note 2 for details on the recognition of revenue relating to project managed services. At the end of the reporting period a contract asset exists which relates to the services rendered which exceeds payments received.

Impairment

AASB 9 requires the Group to record an allowance for expected credit losses (ECL’s) for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset’s original effective interest rate.

For Contract assets and Trade and other receivables, the Group has applied the standard’s simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Refer to Note 21(b) for details on the expected loss rate percentage and ageing of receivables.

Key judgements and estimates

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 11: Trade and other receivables (cont.)

Movement in provision for impairment

	2023 $	2022 $
Opening balance	(991,552)	(307,614)
Balance at acquisition	-	(73,458)
Increase in provision	(939,989)	(2,390,413)
Amounts written off	160,628	1,779,933
Closing balance	**(1,770,913)**	**(991,552)**

There was an increase in the impairment of receivables being an expense of $939,989 (2022: $2,390,413). This reflects both an increase in the provision for expected credit loss and also includes write offs relating to debtors who went into voluntary administration during the second half of the financial year. Refer to note 21(b) for further details.

Note 12: Property, plant and equipment

	2023 $	2022 $
Property improvements		
At cost	2,817,038	1,973,092
Accumulated depreciation	(1,072,941)	(1,130,494)
	1,744,097	**842,598**
Vehicles		
At cost	2,371,625	1,719,602
Accumulated depreciation	(1,138,127)	(974,273)
	1,233,498	**745,329**
Plant and equipment		
At cost	2,516,337	1,493,785
Accumulated depreciation	(1,290,973)	(677,462)
	1,225,364	**816,323**
Office furniture and equipment		
At cost	4,526,427	4,688,901
Accumulated depreciation	(3,021,321)	(3,312,558)
	1,505,106	**1,376,343**
Right-of-use asset - equipment		
At cost	1,391,345	1,634,752
Accumulated depreciation	(1,093,827)	(1,036,207)
	297,518	**598,545**
Right-of-use asset – property		
At cost	32,474,124	18,377,025
Accumulated depreciation	(8,724,961)	(6,940,054)
	23,749,163	**11,436,971**
Total property, plant and equipment	**29,754,746**	**15,816,109**

Right-of-use assets

The Group has determined that it has two classes of right-to-use assets those relating to equipment and those relating to property. Refer to Note 24 for further details on leases.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 12: Property, plant and equipment (cont.)

Recognition and measurement

Property, plant and equipment are measured on the cost basis less depreciation and impairment losses. The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate portion of fixed and variable costs.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 12: Property, plant and equipment (cont.)

Movements in carrying amount

2023	**Property improvement**	**Vehicles**	**Plant and equipment**	**Office equipment**	**Right of use asset - equipment**	**Right of use asset - property**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2022	842,598	745,329	816,323	1,376,343	598,545	11,436,971	15,816,109
Lease modifications	-	-	-	-	9,483	(1,736,284)	(1,726,801)
Foreign exchange movements	42	-	-	2,014	-	22,024	24,080
Additions	1,263,141	893,824	1,050,934	1,093,685	130,358	19,150,547	23,582,489
Disposals	(11,135)	(83,171)	(23,735)	(59,171)	-	-	(177,212)
Depreciation expense	(350,549)	(322,484)	(618,158)	(907,765)	(440,868)	(5,124,095)	(7,763,919)
Balance at 30 June 2023	**1,744,097**	**1,233,498**	**1,225,364**	**1,505,106**	**297,518**	**23,749,163**	**29,754,746**

2022	**Property improvement**	**Vehicles**	**Plant and equipment**	**Office equipment**	**Right of use asset - equipment**	**Right of use asset - property**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2021	668,111	303,260	47,371	900,685	464,101	6,677,548	9,061,076
Lease reassessments	-	-	-	-	-	134,171	134,171
Foreign exchange movements	(67)	(262)	-	427	-	22,453	22,551
Additions – through business combinations	67,313	170,469	93,530	305,603	870,318	4,891,950	6,399,183
Additions – through ordinary course	352,047	468,494	857,259	747,240	-	2,637,434	5,062,474
Disposals	(66,339)	(48,976)	(6,078)	(98,351)	(8,718)	-	(228,462)
Depreciation expense	(178,467)	(147,656)	(175,759)	(479,261)	(727,156)	(2,926,585)	(4,634,884)
Balance at 30 June 2022	**842,598**	**745,329**	**816,323**	**1,376,343**	**598,545**	**11,436,971**	**15,816,109**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 12: Property, plant and equipment (cont.)

Depreciation

The depreciable amount of all fixed assets is depreciated on either a straight-line or diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leased assets and leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the assets.

The depreciation rates used for each class of depreciable assets are:

Property improvements	5 – 10 years
Vehicles	5 – 8 years
Plant and equipment	5 – 20 years
Office furniture and fittings	3 – 17 years
Right of use asset - equipment	5 – 8 years
Right of use asset - property	1 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss.

Impairment

At the end of each reporting period the Group assesses whether there is any indication that property, plant and equipment assets are impaired. Where impairment indicators exist, recoverable amount is determined, and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Key judgements

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Group. Actual results may vary from time to time as a result of this being an estimate of useful life. As at reporting date, no changes were required to be made to the useful lives as they continue to remain appropriate.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 13: Intangible assets

	2023 $	2022 $
Goodwill – at cost	**149,399,237**	**143,700,128**
Brand names – at cost	**21,865,677**	**21,865,677**
Customer relationships		
Cost	45,736,907	45,736,907
Accumulated amortisation	(22,477,766)	(14,460,153)
	23,259,141	**31,276,754**
Candidate database		
Cost	5,788,863	5,788,863
Accumulated depreciation	(4,197,899)	(3,301,230)
	1,590,964	**2,487,633**
Mobile application software		
Cost	458,359	458,359
Accumulated amortisation	(458,359)	(421,421)
	-	**36,938**
Website		
Cost	88,787	183,246
Accumulated amortisation	(55,315)	(150,178)
	33,472	**33,068**
Software		
Cost	9,103,390	4,340,415
Accumulated amortisation	(2,099,237)	(1,746,205)
	7,004,153	**2,594,210**
Patents and trademarks		
Cost	53,310	45,076
Accumulated amortisation	(19,382)	(19,212)
	33,928	**25,864**
Total intangible assets	**203,186,572**	**202,020,272**

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

Brand names

Brand names are measured initially at their cost of acquisition. Brand names are an indefinite useful life intangible asset as there is no expiry date associated with the underlying assets in terms of its generation of future economic benefits to the Group and are therefore tested for impairment annually. The carrying amount of brand names is supported by a value in use calculation of the cash-generating unit to which the asset belongs.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 13: Intangible assets (cont.)

Movements in carrying amount.

2023	Goodwill	Brand names	Customer relationships	Candidate database	Mobile application software	Website	Software	Patents and trademarks	Total
	$	$	$	$	$	$	$	$	$
Balance at 1 July 2022	143,700,128	21,865,677	31,276,754	2,487,633	36,938	33,068	2,594,210	25,864	202,020,272
Adjustments to business combinations	5,699,109	-	-	-	-	-	-	-	5,699,109
Adjusted Balance at 1 July 2022	149,399,237	21,865,677	31,276,754	2,487,633	36,938	33,068	2,594,210	25,864	207,719,381
Additions	-	-	-	-	-	70,322	4,715,364	8,234	4,793,920
Disposals	-	-	-	-	-	(16,927)	(97,422)	-	(114,349)
Amortisation expense	-	-	(8,017,613)	(896,669)	(36,938)	(52,991)	(207,999)	(170)	(9,212,380)
Balance at 30 June 2023	**149,399,237**	**21,865,677**	**23,259,141**	**1,590,964**	**-**	**33,472**	**7,004,153**	**33,928**	**203,186,572**

2022	Goodwill	Brand names	Customer relationships	Candidate database	Mobile application software	Website	Software	Patents and trademarks	Total
	$	$	$	$	$	$	$	$	$
Balance at 1 July 2021	89,355,381	9,414,982	14,146,467	3,084,776	129,258	32,699	760,656	23,615	116,947,834
Adjustments to business combinations	947,419	-	-	-	-	-	-	-	947,419
Adjusted Balance at 1 July 2021	90,302,800	9,414,982	14,146,467	3,084,776	129,258	32,699	760,656	23,615	117,895,253
Additions through business combinations (Refer Note 9)	53,547,328	12,450,695	22,329,601	271,917	-	-	77,100	-	88,676,641
Foreign exchange movements	-	-	-	-	-	-	(124)	-	(124)
Additions	-	-	-	-	-	13,542	2,037,687	12,920	2,064,149
Disposals	(150,000)	-	-	-	-	-	-	-	(150,000)
Amortisation expense	-	-	(5,199,314)	(869,060)	(92,320)	(13,173)	(281,109)	(10,671)	(6,465,647)
Balance at 30 June 2022	**143,700,128**	**21,865,677**	**31,276,754**	**2,487,633**	**36,938**	**33,068**	**2,594,210**	**25,864**	**202,020,272**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 13: Intangible assets (cont.)

Impairment tests for goodwill and brand names

The Group tests whether goodwill and brand names have suffered any impairment on an annual basis. Intangible assets with indefinite useful lives are monitored by management based on three CGU's. The three CGU's which have been identified are industrial and specialist services, professional services and health and community care.

The following table sets out the goodwill allocation and key assumptions used in performing the value-in-use calculations:

2023	**Industrial and Specialist Services**	**Professional Services**	**Health and Community Care**	**Total**
Goodwill	51,826,391	51,576,620	45,996,226	149,399,237
Brand names	16,430,774	3,306,116	2,128,787	21,865,677
Sales volume (% annual growth rate)	2.75%	2.75%	2.75%	
Budgeted earnings before interest and tax	2.07%	6.50%	5.08%	
Long term growth rate	2.75%	2.75%	2.75%	
Pre-tax discount rate	15.59%	15.59%	15.59%	

2022	**Industrial and Specialist Services**	**Professional Services**	**Health and Community Care**	**Total**
Goodwill	46,127,282	51,576,620	45,996,226	143,700,128
Brand names	16,430,774	3,306,116	2,128,787	21,865,677
Sales volume (% annual growth rate)	2.75%	2.75%	2.75%	
Budgeted earnings before interest and tax	1.92%	9.70%	6.47%	
Long term growth rate	2.75%	2.75%	2.75%	
Pre-tax discount rate	15.12%	15.12%	15.12%	

Management has determined the values assigned to each of the above key assumptions as follows:

Sales volume (% annual growth rate)	Industry average and CPI
Budgeted earnings before interest and tax	Growth rates from the current year and budgeted growth rates.
Long term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budgeted period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount rate	Based on the weighted average costs of capital.

Sensitivity analysis

A 1% decrease in the long term growth rate to 1.75%, used in the value-in-use calculations does not result in an impairment across any of the cash generating units. Similarly a 1% increase in the pre-tax discount rate to 16.59% does not result in an impairment across any of the cash generating units.

Significant estimate: key assumptions used for value-in-use calculations

The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cashflow projections based on financial budgets approved by management covering a one-year period.

Cashflows beyond the one-year period are extrapolated using the estimated growth rates stated above. These growth rates are consistent with forecasts included in industry reports specific to the industry in which the CGU operates.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 13: Intangible assets (cont.)

Key Judgement: Cash Generating Units (CGU)

Since the acquisition of the founding two business (AWX and Edmen), there has been significant restructuring of the Group. This included moving business units from Edmen to AWX and streamlining corporate overheads and staffing to the PeopleIn Limited level rather than at subsidiary level. Despite the additional acquisitions and the establishment of a corporate services division, management have determined that the three CGU's identified in the prior year are still relevant for the current year. Accordingly, impairment assessments have been done for each of those CGU's. These CGU's have been identified as the smallest identifiable Group of assets that generate cash inflows which are independent of other Groups of assets.

In the current year there has been no reallocations of Goodwill between CGU's.

Other intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from derecognition of an intangible asset is measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangibles are reviewed annually. Changes in expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Customer relationships and candidate database are amortised straight line over their expected future lives. The estimated useful lives of customer relationships and candidate database are 5 years.

Computer software has been classified as an intangible asset with a finite life. It is amortised on a straight-line basis over the expected useful life of the software. The life is 4-5 years.

Mobile Application Software has been classified as an intangible asset with a finite life. It is amortised on a straight-line basis over the expected useful life of the software. The life is 4-7 years.

Impairment of assets – with finite lives

Customer relationships, candidate database, mobile application software, computer software and website assets all have a finite life.

At the end of each reporting period the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 14: Trade and other payables

	2023 $	2022 $
Current		
Trade payables	47,141,556	28,467,747
Accrued expenses	5,295,214	12,574,122
GST payable	9,301,844	8,223,671
Other payables	4,847,407	1,685,932
	66,586,021	**50,951,472**

Recognition and measurement

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 7 to 30-day payment terms. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. No assets of the Group have been pledged as security for the trade and other payables.

Note 15: Contingent Consideration

	2023 $	2022 $
Current		
Contingent consideration	13,242,313	13,015,804
	13,242,313	**13,015,804**
Non-current		
Contingent consideration	7,143,553	17,047,253
	7,143,553	**17,047,253**
Total contingent consideration	**20,385,866**	**30,063,057**

During the business combination of the Halcyon Group, Techforce Personnel Pty Ltd, GMT Group Pty Ltd, Vision Surveys Pty Ltd, Perigon Group Pty Ltd and FIP Group Holdings Pty Ltd, AASB 3 Business Combination required the recognition of contingent consideration. The contingent consideration relates to amounts payable under the purchase contracts should certain conditions be met.

A fair value loss of $1,802,986 (2022: loss $3,545,556) was reflected in the profit and loss for the year ended 30 June 2023 in relation to reassessment of the likelihood of achieving targets and share price movements.

Halcyon Knights Group

The conditions surrounded the EBITDA or profit of the Halcyon Knights Group for the 3 years post acquisition with all amounts now settled.

During the reporting period the final payment relating to the Halcyon Group acquisition was settled via a share issue.

Techforce Personnel Pty Ltd

For the Techforce Personnel Pty Ltd acquisition it relates to a holdback item that is dependent on the outcome of a specific item under the contract and will be resolved in increments through to 2026.

Amounts due to be settled before 30 June 2024 have been classified as current given they will be settled with cash within the next 12 months. Remaining amounts have been classified as non-current.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 15: Contingent Consideration (cont.)

Vision Surveys QLD

For Vision Surveys QLD, the conditions surround the EBITDA of the Company for the 3 years post acquisition with one year settled and the following two years outstanding.

The second payment relating to the Vision Surveys acquisition is due subsequent to the audited financial results of 30 June 2023 and will be settled through a combination of cash and a share issue. As such, this has been classified as current. The remaining payment will be settled in the following year and as such has been classified as non-current.

GMT Group

For GMT Group, the conditions surrounded the Gross Margin of the Company for the twelve months ended November 2022. This amounts was settled in January 2023.

Perigon Group

For Perigon, the conditions surround the EBITDA of the Company for the 2022 and 2023 calendar years with the first year being settled with cash. The second year is currently outstanding.

The second payment relating to the Perigon Group acquisition is due subsequent to the reviewed financial results of 31 December 2023 and will be settled with cash. As such, this has been classified as current.

Food Industries Group

For FIP Group, the conditions surround the EBITDA of the Company for the 2023 and 2024 financial years with both years currently outstanding.

The first payment relating to the FIP Group acquisition is due subsequent to the audited financial results of 30 June 2023 and will be settled with cash. The second payment will be settled following the audited financial results of 30 June 2024 and will also be settled with cash. As such, this has been classified as non-current.

Note 16: Financial liabilities

	2023 $	2022 $
Current		
Credit cards	42,509	140,857
Working capital facility	19,622,300	25,503,847
Commercial bills	8,267,228	6,999,996
Lease liabilities	5,737,602	4,850,639
Total current borrowings	**33,669,639**	**37,495,339**
Non-current		
Commercial bills	57,510,327	65,722,502
Lease liabilities	21,878,608	8,322,837
Total non-current borrowings	**79,388,935**	**74,045,339**
Total borrowings	**113,058,574**	**111,540,678**

Lease liabilities

Lease liabilities have been recognised with regards to right-to-use assets relating to property and equipment. Refer to note 24 for further details on the recognition and measurement.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 16: Financial liabilities (cont.)

Recognition and measurement

Borrowings are initially recognised at fair value, net of directly attributable transaction costs. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. A borrowing is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing borrowing is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

Facilities

2023	**Available facility**	**Facility used**	**Remaining Facility**
Credit cards	808,000	42,509	765,491
Asset finance	1,200,000	-	1,200,000
Working capital facility	63,000,000	19,622,300	43,377,700
Commercial bills	65,777,555	65,777,555	-
	130,785,555	**85,442,364**	**45,343,191**

2022	**Available facility**	**Facility used**	**Remaining Facility**
Credit cards	610,000	140,857	469,143
Working capital facility	39,000,000	25,503,847	13,496,153
Commercial bills	72,722,498	72,722,498	-
	112,332,498	**98,367,202**	**13,965,296**

Security

St George Bank provided the above facilities and as a result has first registered general security over the assets and undertaking of the Group.

Covenants

The following covenants have been imposed by St George Bank:

- Interest Cover Ratio – not less than 3.0 times;
- Financial Debt/EBITDA Ratio – less than 3x from 30 June 2023.
- Dividend cap no greater than 70% of NPATA unless bank consent is provided.

These covenants were not breached during the reporting period.

Note 17: Employee benefits

	2023	**2022**
	$	**$**
Current		
Annual leave	23,498,911	15,258,747
Long services leave	1,880,227	1,414,725
	25,379,138	**16,673,472**
Non-current		
Long service leave	1,325,826	915,123
	1,325,826	**915,123**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 17: Employee benefits (cont.)

Recognition and measurement

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Key judgements and estimations – leave entitlements

Management judgement is applied in determining the key assumptions use in the calculation of the liability for leave provisions at reporting date. These are future increases in salaries and wages, future on-cost rates, experience of employee departures and period of service and discount rates.

Note 18: Share capital

	2023	2022
	$	$
101,556,151 (2022: 98,755,023) fully paid ordinary shares	107,634,971	101,534,297

Ordinary shares participate in dividends and the proceeds on winding up of PeopleIn Limited in proportion to the number of shares held. At shareholders meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Ordinary shares have no par value and PeopleIn Limited does not have a limited amount of authorised capital.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 18: Share capital (cont.)

Ordinary Shares

	2023 Number	2022 Number	2023 $	2022 $
At the beginning of the period	98,755,023	92,644,020	101,534,297	83,131,731
Dividends reinvested [1]	528,913	457,494	1,644,208	1,746,198
Issue of shares on vesting of options and performance rights [2]	1,031,885	1,146,307	-	340,000
Contingent consideration equity settled[3]	1,240,330	1,449,098	4,456,466	6,071,720
Equity settled acquisition[4]	-	3,058,104	-	10,244,648
At reporting date	**101,556,151**	**98,755,023**	**107,634,971**	**101,534,297**

[1] Dividends reinvested 30 September 2022 and 24 March 2023 (2022: 30 September 2021 and 8 April 2022).
[2] Issue of shares on vesting of options 01 August 2022, 31 August 2022, 07 November 2022, 01 December 2022, 24 January 2023, 01 March 2023, 03 May 2023 (2022: 31 August 2021, 14,18 October 2021, 23, 26 November 2021, 31 January 2022, 3, 16, 31 May 2022)
[3] Issue of ordinary shares 01 September 2022 in settlement of contingent consideration for Vision and issue of ordinary shares 29 August 2022 in settlement of the contingent consideration for Halcyon Knights.
[4] Issue of ordinary shares nil (2022: 7 June 2022)

Options and performance rights

Information relating to the PeopleIN employee options plan and share scheme, including details of options and performance rights issued, exercised and lapsed during the financial year and options and performance rights outstanding at the end of the report period, is set out in note 19.

Capital management

The capital of the Group is managed to provide capital growth to shareholders and ensure the Group can fund its operations and continue as a going concern.

The Group's capital comprises equity as shown in the Consolidated Statement of Financial Position. There are no externally imposed capital requirements.

Management manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and the market. These responses include the management of share issues and debt.

There have been no changes in the strategy adopted by management to control the capital of the Group during the reporting period.

Recognition and measurement

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

Dividend reinvestment plan

The Company has established a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. Shares are issued under the plan at a 3% discount to the market price.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 18: Share capital (cont.)

Dividends

	2023 $	2022 $
Dividends provided for or paid during the year		
Final fully franked dividend relating to 30 June 2022 of 6.5 cents per share (2021: 6.0 cents) paid on 30 September 2022	6,536,655	5,653,198
Interim fully franked dividend relating to 31 December 2022 of 7.0 cents per share (2022: 6.5 cents) paid on 24 March 2023	7,078,630	6,204,239
	13,615,285	11,857,437
Dividends satisfied by the issue of shares under the dividend reinvestment plan during the year	1,644,207	1,746,198
Dividends not recognised at the end of the reporting period		
Since year end the directors have recommended the payment of a final dividend of 7.0 cents per fully paid ordinary share. The aggregate amount of the proposed dividend expected to be paid on 29 September 2023 out of retained earnings at 30 June 2023, but not recognised as a liability at year end, is:	7,108,931	6,419,076
Franked dividends		
The final dividend recommended after 30 June 2023 will be fully franked out of existing franking credits, or out of franking credits arising from the payment of income tax in the year ending 30 June 2023.		
Franking credits available for subsequent reporting periods based on a tax rate of 30%	28,147,667	25,928,095

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

Note 19: Share-based payments

The following share-based payment arrangements existed at 30 June 2023.

Shares

During the year ended 30 June 2023, 1,031,885 (2022: 806,307) shares were issued to directors and employees via the People Infrastructure employee share trust as a result of performance rights achieving their conditions and being eligible for exercising and nil shares (2022: 340,000) were issued to directors as a result of them exercising their options at $1. The weighted average shares price at the exercise date was $3.47 (2022: $4.16).

Share based payments, since 3 August 2021, are being administered by the People Infrastructure employee share trust. Under the terms of the trust deed, PeopleIn Limited is required to provide the trust with the necessary funding for the acquisition of the shares at the time of the issue of shares. No shares were held by the trust as at 30 June 2023.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 19: Share-based payments (cont.)

Options and Performance Rights

The following summarised the options and performance rights granted under the plan.

30 June 2023	**Performance Rights**	**Options**	**Weighted average exercise price**
	No.	**No.**	**$**
Outstanding at beginning of the period	2,020,784	343,170	0.19
Exercised	(1,031,885)	-	-
Forfeited	(44,346)	-	-
Granted	1,921,225	-	-
Outstanding at year-end	2,865,778	343,170	0.15
Exercisable at year-end	-	343,170	0.11

30 June 2022			
	No.	**No.**	**$**
Outstanding at beginning of the period	1,470,959	683,170	0.21
Exercised	(806,307)	(340,000)	-
Forfeited	(213,489)	-	-
Granted	1,569,621	-	-
Outstanding at year-end	2,020,784	343,170	0.17
Exercisable at year-end	-	343,170	0.13

No options or performance rights expired during the periods covered by the above tables.

Unissued ordinary shares of PeopleIn Limited under option/performance rights (PR) at the end of the reporting period are:

	Date granted	**Expiry date**	**Exercise price of shares**	**Number 30 June 2023**	**Number 30 June 2022**
Tranche 4	11 June 2021	11 July 2026	$4.37	343,170	343,170
Total Options				**343,170**	**343,170**
Tranche 4 – KMP	26 November 2018	26 November 2022	$0.00	-	59,686
Tranche 6	15 May 2019	15 May 2023	$0.00	-	8,000
Tranche 9	28 October 2019	26 November 2023	$0.00	16,668	33,334
Tranche 10 - KMP	26 November 2019	26 November 2023	$0.00	15,716	31,436
Tranche 12	30 July 2020	30 July 2024	$0.00	42,000	63,000
Tranche 16	1 September 2019	1 September 2023	$0.00	-	5,082
Tranche 24	11 June 2021	31 August 2026	$0.00	343,170	343,170
Tranche 25, 27, 29, 31, 32, 33, 35	31 August 2021	31 August 2024	$0.00	-	380,747
Tranche 26 - KMP	31 August 2021	31 August 2023	$0.00	8,810	22,026
Tranche 28	31 August 2021	31 August 2023	$0.00	74,095	185,238
Tranche 30,33,34	31 August 2021	31 August 2024	$0.00	58,785	91,410
Tranche 35, 36	1 November 2021	1 November 2022	$0.00	-	49,749

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 19: Share-based payments (cont.)

Options and Performance Rights (cont.)

	Date granted	Expiry date	Exercise price of shares	Number 30 June 2023	Number 30 June 2022
Tranche 37-KMP	1 November 2021	1 November 2024	$0.00	200,000	200,000
Tranche 38 - KMP	22 November 2021	22 November 2023	$0.00	46,688	116,721
Tranche 39	22 November 2021	24 January 2023	$0.00	-	1,820
Tranche 40	24 January 2022	24 January 2023	$0.00	-	5,825
Tranche 41	24 January 2022	31 August 2024	$0.00	29,126	38,834
Tranche 42, 43	24 January 2022	24 January 2023	$0.00	-	81,940
Tranche 44, 45	1 March 2022	1 March 2024	$0.00	86,061	146,740
Tranche 46	1 March 2022	1 March 2025	$0.00	25,381	38,071
Tranche 47	1 March 2022	1 Mar 2023	$0.00	-	59,644
Tranche 48	1 April 2022	1 April 2024	$0.00	12,853	12,853
Tranche 49, 51	30 April 2022	30 April 2023	$0.00	-	34,037
Tranche 50	30 April 2022	24 January 2023	$0.00	-	11,421
Tranche 52,59,61,63,66	07 September 2022	31 August 2023	$0.00	279,395	-
Tranche 54,64	07 September 2022	31 August 2024	$0.00	309,528	-
Tranche 65 - KMP	07 September 2022	31 August 2024	$0.00	39,474	-
Tranche 60	14 September 2022	31 August 2023	$0.00	19,737	-
Tranche 53,55,56	14 September 2022	31 August 2024	$0.00	411,184	-
Tranche 57 – KMP	31 August 2022	31 August 2023	$0.00	24,671	-
Tranche 58,62	31 August 2022	31 August 2023	$0.00	195,723	-
Tranche 67	31 October 2022	31 October 2023	$0.00	132,044	-
Tranche 68	31 October 2022	31 October 2024	$0.00	31,056	-
Tranche 69 – KMP	31 October 2022	25 October 2025	$0.00	50,000	-
Tranche 70 – KMP	30 November 2022	30 November 2024	$0.00	82,237	-
Tranche 71,72,74	28 February 2023	28 February 2024	$0.00	160,718	-
Tranche 73	28 February 2023	31 October 2023	$0.00	17,982	-
Tranche 75,77	30 April 2023	30 April 2024	$0.00	139,921	-
Tranche 76	30 April 2023	28 February 2024	$0.00	12,755	-
Total performance rights				**2,865,778**	**2,020,784**
Total under options and performance rights				**3,208,948**	**2,363,954**

The weighted average remaining contractual life of options and performance rights outstanding at the end of the reporting period is 3.0 years for options and 1.1 years for performance rights (2022: 4.0 years for options and 1.7 years for performance rights).

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 19: Share-based payments (cont.)

Terms and Conditions of options and performance rights

Options – Tranche 4

These options were granted during the 2021 financial year as part of an acquisition. They are exercisable by the relevant holder from grant date until the earlier of:

(a) the date that is 61 calendar months (5 years and 1 month) after the grant date; and
(b) the date that the holder ceases to be an employee of the group, unless the eligible participant is a good leaver.

The exercise of these options is not subject to any vesting conditions.

Performance Rights – Tranche 1 to 10, 12

These Performance Rights vest equally over a three or four year period (each a Vesting Period). 50% of the Performance Rights in any given Vesting Period will vest if CAGR of total shareholder return and earnings per share growth (Growth Metric), over the relevant Vesting Period, is greater than 10% or 15% and a further 50% vest if the Growth Metric, over the relevant Vesting Period is greater than 12% or 15%. Additionally, in order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Performance Rights – Tranche 25 to 36, 38 to 43, 47, 49 to 67, 70 to77

These Performance Rights vest equally over a one to three year period (each a Vesting Period). There is performance criteria surrounding achieving target EBITDAs, number of placements and other commission targets, collection of debtors which must be achieved prior to these Performance Rights being granted. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting. Where these Performance Rights have been issued to a Director or executive, they form part of the individual's remuneration package.

Performance Rights – Tranche 24

These Performance Rights vest equally over a three year period (each a Vesting Period) with the first vesting period expiring on the 31 May 2024. The rights comprise three tranches with three lots within each tranche. The rights vest subject to vesting conditions pertaining to each tranche. The tranches operate independently of each other such that rights can vest in one tranche independently of those in another. The entitlement to rights is cumulative, that is it is possible to receive rights from Tranche One in addition to Tranche Two and/or Three. There are no market vesting conditions attached to these rights. The non-market performance hurdles are summarised in the following table and relate to the results of Techforce Personnel entities:

		Cumulative EBITDA Targets ($)		
	# per Lot	**Tranche 1 1 June 2021 to 31 May 2024**	**Tranche 2 1 June 2021 to 31 May 2025**	**Tranche 3 1 June 2021 to 31 May 2026**
Lot 1	38,130	25,487,000	35,735,700	47,009,270
Lot 2	38,130	27,953,625	40,196,669	54,276,169
Lot 3	38,130	30,576,000	45,091,200	62,509,440

Additionally, in order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Performance Rights – Tranche 37

These performance rights vest over a three year period in two lots of 100,000. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 15% TSR must be achieved for the performance rights to vest. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 19: Share-based payments (cont.)

Terms and Conditions of options and performance rights (cont.)

Performance Rights – Tranche 44

These Performance Rights vest equally over a two year period (each a Vesting Period). The following performance conditions are attached to the rights: individual billings of greater than $250,000 and EBITDA of greater than $5,000,000 for the employing company. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Performance Rights – Tranche 45

These Performance Rights vest over a two year period. The following performance condition is attached to the rights: employing entity maintains an EBITDA of greater than $1,000,000 for the employing company. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Performance Rights – Tranche 46

These Performance Rights vest equally over a two year period (each a Vesting Period). The following performance condition is attached to the rights: relevant division achieves a Gross Margin of $1,000,000 for year 1 and $1,200,000 for year 2. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Performance Rights – Tranche 48

These Performance Rights vest over a two year period. The following performance condition is attached to the rights: employing entity maintains an EBITDA of greater than $1,100,000 for the employing company. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Performance Rights – Tranche 68

These Performance Rights vest over a two year period. The following performance condition is attached to the rights: employing entity maintains an EBITDA of greater than $25,000,000. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Performance Rights – Tranche 69

These performance rights vest over a three year period in two lots of 25,000. Lot 1 has a condition attached that a 10% Total Shareholder Return Compound Annual Growth Rate ("TSR CAGR") must be achieved for the performance rights to vest. Lot 2 has a condition attached that a 15% TSR must be achieved for the performance rights to vest. In order to have their Performance Rights vest, the relevant participant must remain employed by PeopleIn Limited at the time of vesting.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 19: Share-based payments (cont.)

Expenses arising from share based payment transactions

Total expenses arising from share based payment transactions recognised during the period as a part of employee benefit expenses were as follows:

	2023 $	2022 $
Options and performance rights issued under employee share plan	5,284,057	3,329,716

These amounts have been recognised in equity in the Consolidated Statement of Financial Position as follows:

	2023 $	2022 $
Share capital	-	-
Share based payment reserve	10,764,487	5,480,430

Fair value of performance rights granted

The assessed fair value at granted date of performance rights granted during the year ended 30 June 2023 are disclosed on the following page. The fair value at grant date is independently determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the performance right, the impact of dilution (where material), the share price at grant date and expected price volatility of the underling share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 19: Share-based payments (cont.)

Fair value of performance rights granted (cont.)

The following principal assumptions were used in the valuation of options and performance rights granted during the year ended 30 June 2023:

	Grant date	Number of options	Vesting period end	Share price at grant date	Volatility	Option life	Dividend yield	Fair value at grant date	Exercise price at grant date	Exercisable from	Exercisable to
Tranche 52, 59, 61, 63, 66	07/09/2022	284,329	100% 31/08/2023	$3.34	n/a	1 year	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 54, 64, 65	07/09/2022	349,002	60% 31/08/2023 40% 31/08/2024	$3.34	n/a	2 years	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 60	14/09/2022	19,737	100% 31/08/2023	$3.55	n/a	1 year	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 53, 55, 56	14/09/2022	411,184	100% 31/08/2024	$3.55	n/a	2 years	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 57, 58, 62	31/08/2022	230,262	100% 31/08/2023	$3.70	n/a	1 year	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 67	31/10/2022	132,044	100% 31/10/2023	$3.28	n/a	1 year	n/a	$3.22	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 68	31/10/2022	31,056	100% 31/10/2024	$3.28	n/a	2 years	n/a	$3.22	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 69	31/10/2022	50,000	100% 25/10/2025	$3.28	56%	3 years	4.0%	50% $1.78 and 50% $1.61	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 70	30/11/2022	82,237	60% 22/11/2023 40% 22/11/2024	$3.24	n/a	2 years	n/a	$3.04	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 71,72,74	28/02/2023	160,718	100% 28/02/24	$3.17	n/a	1 year	n/a	$3.12	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 73	28/02/2023	17,980	100% 31/10/23	$3.17	n/a	8 Months	n/a	$3.12	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 75,77	30/04/2023	139,921	100% 30/04/24	$3.10	n/a	1 year	n/a	$2.94	$0.00	At end of each vesting period	30 days after the exercise date
Tranche 76	30/04/2023	12,755	100% 28/02/24	$3.10	n/a	10 Months	n/a	$2.94	$0.00	At end of each vesting period	30 days after the exercise date

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 19: Share-based payments (cont.)

Recognition and measurement

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to share option reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital.

Key estimates – share-based payments

The Group uses estimates to determine the fair value of equity instruments issued to Directors, executives and employees. The estimates include volatility, risk-free rates and consideration of satisfaction of performance criteria for recipients of equity instruments. Options were issued as outlined above and the cost of these rights represents the valuation and the accounting impact of prior issuances and determinations remains unchanged.

Note 20: Financial assets and financial liabilities

Categories of financial assets and financial liabilities

	2023 $	2022 $
Financial assets at amortised cost		
Cash and cash equivalents	39,867,858	26,977,326
Trade and other receivables	120,522,927	116,036,804
Total financial assets	**160,390,785**	**143,014,130**
Financial liabilities at amortised cost		
Trade and other payables	66,586,021	50,951,472
Credit cards	42,509	140,857
Working capital facility	19,622,300	25,503,847
Commercial bills	65,777,555	72,722,498
Lease liabilities	27,616,210	13,173,476
	179,644,595	162,492,150
Financial liabilities at fair value through the profit and loss		
Contingent consideration	20,385,866	30,063,057
	20,385,866	30,063,057
Total financial liabilities	**200,030,461**	**192,555,207**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 20: Financial assets and financial liabilities (cont.)

Borrowings at amortised cost

The current interest rate on the commercial bills is 6.25% (2022: 2.85% - 4.10%) at 30 June 2023. During the period, the Group consolidated all outstanding commercial bills into three facilities with one for each division. These bills all have a maturity date of 31 March 2027 and a monthly principal and interest repayment. All have a residual balance at the end of the four year period.

The current interest rate on the working capital facility is 5.97% (2022: 2.90%) at 30 June 2023. This is an open term facility that fluctuates in line with the Group's short term working capital needs.

The above facilities are all held with St George Bank. Refer to Note 16 for further details around security provided.

For details on the repayment periods and interest rates for lease liabilities refer to Note 24.

Contingent consideration at fair value through the profit and loss

Contingent consideration was payable on a number of the acquisitions during the current financial year. These are contingent on the EBITDA or gross profit of the entity or group of entities acquired reaching stipulated amounts. The probability of the relevant entities achieving EBITDA at the higher end of performance/payment thresholds has been assessed as high and that the earn outs will be payable; the contingent consideration valuations reflect this assessed probability.

The final tranche of the contingent consideration for the acquisition of the Halcyon Knights Group was settled during the year by the issued of shares in PeopleIn Limited for $3,837,204. A fair value loss of $776,240 (2022: loss $3,455,893) was reflected in the profit and loss for the year ended 30 June 2023. The first tranche of contingent consideration was settled for Perigon Group ($6,849,404) with cash and Vision ($2,004,264) with a combination of cash and issue of shares in PeopleIn Limited. The only tranche for GMT Group ($425,000) was also settled during the year with cash as was the completion holdback payment for FIP ($3,615,129)

Other financial instruments

The carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value:

- trade and other receivables
- cash and cash equivalents
- trade and other payables
- credit cards
- working capital facility
- commercial bills

(a) General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements

The Group's financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables and borrowings.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Group's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 21: Financial risk management (cont.)

(b) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group. The Group's objective is to minimise the risk of loss from credit risk exposure.

The Group's maximum exposure to credit risk at the end of the reporting period, without taking into account the value of any collateral or other security, in the event other parties fail to perform their obligations under financial instruments in relation to each class of recognised financial asset at reporting date, is as follows:

	2023 $	2022 $
Cash and cash equivalents	39,867,858	26,977,326
Trade and other receivables	120,522,928	116,036,804
	160,390,786	**143,014,130**

Credit risk is reviewed regularly by the Board through the monthly board reporting.

Bank deposits are held with the following parties:

	2023 $	2022 $
St George Bank	35,018,652	14,893,963
Australian and New Zealand Banking Group Limited	1,109,601	792,007
National Australia Bank Limited	1,465,163	5,480,499
Westpac Banking Corporation	544,437	4,626,236
OCBC Bank Singapore	1,088,144	937,316
Bank SA	641,176	245,813
Cash on hand	685	1,492
	39,867,858	**26,977,326**

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are past due but not impaired to be good.

The carrying amount of receivables whose terms have been renegotiated, that would otherwise be past due or impaired is nil.

The Group's trade receivables and contract assets are subject to the expected credit loss model. The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 month before 30 June 2023 and the corresponding historical credit loss experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has not identified any major factors which impact the sales of services and therefore hasn't adjusted the historical loss rates based on expected changes in things like the GDP or unemployment rate.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 21: Financial risk management (cont.)

(b) Credit risk (cont.)

On that basis, the loss allowance as at 30 June 2023 was determined as follows for trade receivables:

30 June 2023	Expected loss rate %	Gross Carrying Amount $	Loss allowance $
Not past due	-	89,498,287	781,599
Not more than 6 months past due	45%	646,315	290,842
More than 6 months but not more than 1 year past due	45%	520,967	234,435
More than 1 year past due	85%	545,926	464,038
		91,211,495	1,770,913
30 June 2022			
Not past due	-	91,567,670	310,802
Not more than 6 months past due	45%	689,106	213,023
More than 6 months but not more than 1 year past due	45%	712,012	257,943
More than 1 year past due	85%	246,804	209,784
		93,215,592	991,552

No provision for loss allowance has been raised on the contract assets as this is generally converted to trade receivables within 1-2 weeks of recognition. Standard customer terms range between 7 to 120 days.

(c) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. The object of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meets its liabilities when they fall due, under both normal and stressed conditions. Liquidity risk is reviewed regularly by the Board.

The Group manages liquidity risk by monitoring forecast cash flows and liquidity ratios such as working capital. The Group's working capital, being current assets less current liabilities is $23,946,989 at 30 June 2023 (2022: $26,482,920).

Maturity analysis – Financial liabilities

Consolidated	Carrying Amount	Contractual Cash flows	within 1 year	1 – 5 years	5 years +
2023	**$**	**$**	**$**	**$**	**$**
Trade and other payables	66,586,021	66,586,021	66,586,021	-	-
Credit cards	42,509	42,509	42,509	-	-
Contingent consideration	20,385,866	20,385,866	13,242,313	7,143,553	-
Working capital facility	19,622,300	19,622,300	19,622,300	-	-
Commercial bills	65,777,555	81,203,311	12,295,148	46,366,861	22,541,302
Lease liabilities	27,616,210	30,822,026	5,671,732	14,427,088	10,723,206
2022					
Trade and other payables	50,951,472	50,951,472	50,951,472	-	-
Credit cards	140,857	140,857	140,857	-	-
Contingent consideration	30,063,057	30,952,096	15,565,720	15,386,376	-
Working capital facility	25,503,847	25,503,847	25,503,847	-	-
Commercial bills	72,722,498	82,440,628	9,196,544	73,244,084	-
Lease liabilities	13,173,476	14,118,498	4,832,391	7,720,448	1,565,659

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 21: Financial risk management (cont.)

(d) Currency risk

The Australian dollar (AUD) is the functional currency of the Group and as a result currency exposure arising from the transactions and balances in currencies other than the AUD.

The Group's potential currency exposures comprise:

- The Recruitment Company is a subsidiary based in New Zealand. Therefore, this Company's functional currency is New Zealand Dollars (NZD). The results for the Company are converted to AUD for consolidation and reporting purposes. Given the entity is a very small part of the operations of the Group as a whole this exposure is very minor.
- The Halcyon Knights Pte Ltd is a subsidiary based in Singapore. Therefore, this Company's functional currency is Singapore Dollars (SGD). The results for the Company are converted to AUD for consolidation and reporting purposes. Given the entity is a very small part of the operations of the Group as a whole this exposure is very minor.

(e) Market risk

Market risk arises from the use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). The Group does not have any material exposure to market risk other than as set out below.

Interest rate risk

Interest rate risk arises principally from cash and cash equivalents. The objective of interest rate risk management is to manage and control interest rate risk exposures within acceptable parameters while optimising the return.

Interest rate risk is managed with a mixture of fixed and floating rate investments. For further details on interest rate risk refer to the tables below:

Consolidated	**Floating interest rate**	**Fixed interest rate**	**Non-interest bearing**	**Total carrying amount**	**Weighted average effective interest rate**
2023	**$**	**$**	**$**	**$**	**%**
Financial assets					
Cash and cash equivalents	39,867,858	-	-	39,867,858	0.19%
Trade and other receivables	-	-	120,522,928	120,522,928	n/a
Total financial assets	**39,867,858**	**-**	**120,522,928**	**160,390,786**	
Financial liabilities					
Trade and other payables	-	-	66,586,021	66,586,021	n/a
Credit cards	42,509	-	-	42,509	Nil
Contingent consideration	-	-	20,385,866	20,385,866	n/a
Working capital facility	19,622,300	-	-	19,622,300	5.30%
Commercial bills	65,777,555	-	-	65,777,555	4.78%
Lease liabilities	-	27,616,210	-	27,616,210	4.49%
Total financial liabilities	**85,442,364**	**27,616,210**	**86,971,887**	**200,030,460**	

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 21: Financial risk management (cont.)

(e) Market risk (cont.)

Consolidated	Floating interest rate	Fixed interest rate	Non-interest bearing	Total carrying amount	Weighted average effective interest rate
2022	**$**	**$**	**$**	**$**	**%**
Financial assets					
Cash and cash equivalents	26,977,326	-	-	26,977,326	0.02%
Trade and other receivables	-	-	116,036,804	116,036,804	n/a
Total financial assets	**26,977,326**	**-**	**116,036,804**	**143,014,130**	
Financial liabilities					
Trade and other payables	-	-	50,951,472	50,951,472	n/a
Credit cards	-	140,857	-	140,857	Nil
Contingent consideration	-	-	30,063,057	30,063,057	n/a
Working capital facility	25,503,847	-	-	25,503,847	2.82%
Commercial bills	72,722,498	-	-	72,722,498	2.25%
Lease liabilities	-	13,173,476	-	13,173,476	4.51%
Total financial liabilities	**98,226,345**	**13,314,333**	**81,014,529**	**192,555,207**	

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk. This sensitivity demonstrates the effect on the current year results and equity which could result from a change in these risks. A 1% change in the interest rate would impact the profit or loss by $445,745 (2022: $712,490).

(f) Foreign Exchange Risk

Foreign exchange risk (FX risk) arises principally from cash and cash equivalents. The objective of FX risk management is to manage and control FX risk exposures within acceptable parameters while optimising the return. The Group has cash and cash equivalents in NZD and SGD. The balance at the 30 June 2023 was NZD 1,193,112 (2022: NZD 857,029) and SGD 977,807 (2022: SGD 898,324). Due to the small amount of exposure the impact on profit has not been disclosed.

Note 22: Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The Group has adopted the amendment to AASB 7 Financial Instruments: Disclosures which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The carrying value of a significant portion of all financial assets and financial liabilities approximate their fair values due to their short-term nature and for borrowings with longer terms as a result of them having floating interest rates.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 22: Fair value measurement (cont.)

Financial Liabilities at fair value through the profit and loss 2023	**Level 1**	**Level 2**	**Level 3**
Contingent consideration	-	-	20,385,866
Total Financial Liabilities	**-**	**-**	**20,385,866**

Financial Liabilities at fair value through the profit and loss 2022	**Level 1**	**Level 2**	**Level 3**
Contingent consideration	-	-	30,063,057
Total Financial Liabilities	**-**	**-**	**30,063,057**

There were no transfers between the levels of fair value hierarchy during the year ended 30 June 2023. There were no other financial assets or liabilities valued at fair value at 30 June 2023 and 2022.

The following table summarised the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of contingent consideration.

30 June 2023 Unobservable Inputs	**Range of Inputs**	**Relationship of unobservable inputs to fair value**
EBITDA achieved	Nil to $3,000,000	If expected EBITDA was to increase by $3,000,000 then the fair value would increase by $12,745,975.
Risk-adjusted discount rate	3.62%	A change in the discount rate by 100 bps would increase/decrease the fair value by $135,230.

30 June 2022 Unobservable Inputs	**Range of Inputs**	**Relationship of unobservable inputs to fair value**
EBITDA achieved	Nil to $3,000,000	If expected EBITDA was to increase by $3,000,000 then the fair value would increase by $21,774,232.
Gross margin achieved	Nil to $2,000,000	If expected Gross Margin was the maximum achievable then the fair value would increase by $160,269.
Risk-adjusted discount rate	2.05%	A change in the discount rate by 100 bps would increase/decrease the fair value by $329,485.

Reconciliation of Level 3 fair value movements	**Contingent Consideration**
Opening balance at 1 July 2021	8,830,502
Recognition on acquisition / funding	26,868,385
Repayments	(9,181,385)
Gains and losses recognised in profit or loss	3,545,556
Closing balance at 30 June 2022	30,063,058
Recognition on acquisition / funding	5,290,821
Repayments	(16,771,000)
Gains and losses recognised in profit or loss	1,802,987
Closing balance at 30 June 2023	20,385,866

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 22: Fair value measurement (cont.)

Contingent consideration

The fair value of contingent consideration related to the acquisition of the Techforce Personnel Pty Ltd, Vision Surveys Qld Pty Ltd GMT Group Pty Ltd, Perigon Group Pty Ltd and FIP Group Holdings Pty Ltd is estimated using a present value technique. The value is estimated by probability-weighting the estimated future cash outflows, adjusting for risk and discounting. During the year the expected contingent consideration was adjusted based on agreed targets at the date of payment.

During the year the final tranche of the contingent consideration for the Halcyon Knights Group was settled.

Note 23: Events arising since the end of the reporting period

A fully franked dividend of 7.0 cents per share was declared on 25 August 2023.

On 1 August 2023, 21,000 performance rights vested as a result of the associated conditions being satisfied and were converted to issued shares.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Note 24: Leases

(a) Real estate leases

The Group leases land and buildings for its office space. The leases of office space typically run for a period of 2 - 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases provide for additional rent payments that are based on changes in consumer price index. Some also require the Group to make payments that relate to the property costs (outgoings); these amounts are generally determined annually.

Some leases of office buildings contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new lease to provide operational flexibility. The Group assesses at lease commencement whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. There has been no significant extensions excluded from the lease liabilities.

(b) Equipment leases

The Group leases vehicles and equipment, with lease terms of three to five years. In some cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

The Group monitors the use of these vehicles and equipment and reassesses the estimated amount payable under the residual value guarantees at the reporting date to remeasure lease liabilities and right-of-use assets. As at 30 June 2023, the Group has nil amount payable under the residual guarantees.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 24: Leases (cont.)

(c) Short-term and low value asset leases

The amount of lease commitments for short-term and low value assets not recognised on statement of financial position:

	2023 $	2022 $
Low value assets payable:		
- not later than 12 months	58,186	59,608
- between 12 months and 5 years	31,387	89,573
	89,573	149,181
Short term property leases payable:		
- not later than 12 months	7,431,115	3,426,793
- between 12 months and 5 years	-	-
	7,431,115	3,426,793

Short term property leases have terms of less than 12 months. These on a whole relate to temporary accommodation for the FIP Group for visa workers under the Pacific Australia Labour Mobility (PALM) scheme. Increase from 30 June 2022 is due to growth of FIP Group.

Recognition and measurement

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of the identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
    - the Group has the right to operate the asset; or
    - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life to the right-of-use or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 24: Leases (cont.)

Recognition and measurement (cont.)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably curtained to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the righto-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognised right-of-use assets and lease liabilities for short-term leases of equipment or property that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Key judgements and estimations

In determining both the right of use asset and the lease liability certain estimates and judgements were made. These included the following:

- Where options to extend existed each lease was assessed individually, and the likelihood of extension was applied. If it was considered that the lease would be terminated, then it was treated as such otherwise the option period was taken into account.
- There were no residual guarantees contained in any of the lease agreements.
- Increments to lease payments were fixed amounts and these fixed payments and increments were taken into account in the measurement of the right of use asset and lease liability.
- No impairments were identified as each of the right of use assets were allocated to a CGU and these are impairment assessed based on value in use. No impairments to these CGU's have been identified.
- The Group determined that the appropriate discount rate to calculate the right of use assets and liabilities was the Group's current incremental borrowing rate.

Note 25: Contingent assets and contingent liabilities

The Group has given bank guarantees as at 30 June 2023 of $3,358,890 to various landlords. The Group has no other contingent assets and contingent liabilities.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 26: Auditor's Remuneration

	2023 $	2022 $
Audit services		
Amounts paid/payable to BDO for audit or review of the financial statements for the entity or any entity in the Group:		
- Current year	470,000	286,000
Non-audit services		
Amounts paid/payable to BDO or related entities of BDO for non-audit services performed for the entity or any entity in the Group as follows:		
- Taxation services	85,942	77,988
- Corporate services	55,121	20,295
Total BDO Audit Pty Ltd and related entities	611,063	384,283
BDO Network Firms		
- Overseas subsidiary taxation compliance services	11,213	2,975
- Overseas subsidiary audit compliance services	15,503	15,199
	26,716	18,174
	637,779	**402,457**

Note 27: Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Parent entity

The parent entity is PeopleIn Limited, which is incorporated in Australia.

Subsidiaries and associates

Interests in subsidiaries and associates are disclosed in Note 10: Investments in other entities.

Key Management Personnel

	2023 $	2022 $
Short-term employee benefits (including annual leave accruals)	2,179,936	1,706,638
Long-term employee benefits – long service leave	36,191	8,512
Post-employment benefits – superannuation	106,947	150,163
Share-based payments	457,033	381,869
Total key management personnel (KMP) compensation	**2,780,108**	**2,247,182**

Detailed remuneration disclosures are provided in the remuneration report on pages 12 to 23.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 27: Related party transactions (cont.)

The following related party transactions occurred with entities related to the directors:

	2023	2022
Shares Issued – On Market *	**No.**	**No.**
Directors		
Glen Richards	220,000	770
Elizabeth Savage	5,545	813
Vu Tran	20,000	-
Shares Issued – Exercise of Options/Performance Rights **	**No.**	**No.**
Directors		
Declan Sherman	29,843	162,704
Thomas Reardon	99,876	502,704
Executives		
Megan Just	36,344	47,066
Shares Disposed *		
Directors		
Declan Sherman	-	(5,500,000)
Executives		
None		
Options or Performance Rights Issued		
Directors		
Thomas Reardon	82,237	116,721
Executives		
Ross Thompson	50,000	200,000
Megan Just	64,145	45,154

* These shares issues/disposals, including dividends reinvested were as a result of on market share acquisitions and disposals at arm's length.
** These shares were issued as a result of performance rights meeting their conditions.

Other Transactions with Key Management Personnel

During the year the Group provided recruitment and advisory services to Healthia Limited, an entity associated with Glen Richards. The Group received $142,450 (June 2022: nil) from recruitment and advisory services which has been recognised as revenue. No amount was receivable at year end (June 2022: nil).

The Group utilises the online learning platform provided by GO1 Pty Ltd, an entity associated with Vu Tran. The Group made payments of $61,758 to GO1 Pty Ltd during the period which has been recognised in other expenses. No amount was payable at year end (June 22: nil).

There were no other transactions with other related parties during the period.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 28: Parent entity information

The Corporations Act 2001 requirement to prepare parent entity financial statements where consolidated financial statements are prepared has been removed and replaced by the new regulation 2M.3.01 which requires the following limited disclosure in regard to the parent entity (PeopleIn Limited). The consolidated financial statements incorporate the assets, liabilities and results of the parent entity in accordance with the Group accounting policy. The financial information for the parent entity, PeopleIn Limited, has been prepared on the same basis as the consolidated financial statements.

	2023 $	2022 $
Statement of financial position		
ASSETS		
Current assets	683,362	1,656,822
Non-current assets	195,863,690	158,420,895
Total assets	196,547,052	160,077,717
LIABILITIES		
Current liabilities	1,086,424	-
Non-current liabilities	72,964,835	49,404,235
Total liabilities	74,051,259	49,404,325
EQUITY		
Issued capital	107,634,971	101,534,297
Reserves	10,764,487	5,480,430
Retained earnings	4,096,335	3,658,755
Total equity	**122,495,793**	**110,673,482**
Statement of profit or loss and other comprehensive income		
Other revenue	18,309,978	7,341,367
Other income	24,472	1,031
Other expenses	(744,834)	(597,498)
Finance costs	(197)	(226)
Share based payments expense	(5,284,057)	(3,329,716)
Profit before income tax expense	12,035,362	3,414,958
Income tax expense	1,747,504	(299,929)
Profit for the year	**14,052,866**	**3,115,029**
Other comprehensive income	-	-
Total comprehensive income	**14,052,866**	**3,115,029**

Guarantees

Under the terms of the Secured Financing Facility entered in with St George Bank, PeopleIn Limited has provided certain guarantees in relation to the arrangements between the Financier and the borrowing entities. These guarantees relate primarily to payment performance.

There are cross guarantees given by PeopleIn Limited and other subsidiaries as described in note 29. No deficiencies of assets exist in any of these companies.

Contingent liabilities

The parent entity has no contingent liabilities.

Capital commitments

The parent entity has no capital commitments.

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 29: Deed of cross guarantee

PeopleIn Limited and all subsidiaries listed in note 10, with the exception of The Recruitment Company, Halcyon Knights Pte Ltd, Techforce Personnel Pty Ltd and Techforce Personnel Services Pty Ltd, are parties to a deed of cross guarantee under which each Company guarantees the debts of others. The deed was entered into on the 23 June 2017 and the new entities either incorporated or acquired subsequent to that date were added on the 26 June 2019, 30 July 2020, 17 June 2021 and 16 June 2022. By entering into the deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and directors' report under ASIC Corporations (Wholly owned Companies) Instrument 2016/785.

a. Consolidated statement of profit or loss and other comprehensive income and summary of movements in consolidated retained earnings

The above companies represent a 'Closed Group' for the purposes of the instrument, and as there are no other parties to the deed of cross guarantee that are controlled by PeopleIn Limited, they also represent the 'Extended Closed Group'.

Set out below is a consolidated statement of profit or loss and other comprehensive income and a summary of movements in consolidated retained earnings for the year ended 30 June 2023 of the Closed Group.

	2023	2022
	$	$
Statement of profit or loss and other comprehensive income		
Revenue	1,035,620,113	470,389,298
Other income	63,210	79,774
Employee benefits expense	(960,258,164)	(508,545,185)
Occupancy expenses	(3,649,260)	(3,456,786)
Depreciation and amortisation expense	(16,406,942)	(10,532,789)
Other expenses	(29,895,651)	73,675,618
Finance costs	(5,144,819)	(1,694,611)
Share of profit of equity-accounted investees, net of tax	131,947	195,816
Profit before income tax expense	20,460,434	20,111,135
Income tax expense	(8,468,122)	(6,519,676)
Profit for the period	**11,922,312**	**13,591,459**
Other comprehensive income for the period, net of income tax		-
Total comprehensive profit / (loss) for the period	**11,992,312**	**13,591,459**
Summary of movements in consolidated retained earnings		
Retained earnings at the beginning of the financial year	**25,654,565**	**12,063,105**
Profit for the period	11,922,312	13,591,460
Retained earnings at the end of the financial year	**37,576,877**	**25,654,565**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 29: Deed of cross guarantee (cont.)

b. Consolidated statement of financial position

Set out below is a consolidated statement of financial position as at 30 June 2023 of the Closed Group.

	2023	2022
	$	$
CURRENT ASSETS		
Cash and cash equivalents	33,347,029	24,965,823
Trade and other receivables	98,274,854	91,007,325
Other current assets	3,157,163	3,805,114
TOTAL CURRENT ASSETS	**134,779,046**	**119,778,262**
NON-CURRENT ASSETS		
Trade and other receivables	800,073	452,297
Financial assets	25,663	50,550
Property, plant and equipment	26,804,775	14,706,784
Intangible assets	202,987,693	201,996,292
TOTAL NON-CURRENT ASSETS	**230,618,204**	**217,205,923**
TOTAL ASSETS	**365,397,250**	**336,984,185**
CURRENT LIABILITIES		
Trade and other payables	61,917,276	45,589,508
Contingent consideration	13,242,313	13,015,804
Financial liabilities	22,033,038	24,559,180
Current tax liabilities	700,392	473,741
Employee benefits	24,641,782	16,096,277
TOTAL CURRENT LIABILITIES	**122,534,801**	**99,734,510**
NON-CURRENT LIABILITIES		
Contingent consideration	7,143,553	17,047,253
Financial liabilities	77,379,283	73,548,639
Deferred tax liabilities	9,251,834	10,455,650
Employee benefits	1,274,350	835,972
TOTAL NON-CURRENT LIABILITIES	**95,049,020**	**101,887,514**
TOTAL LIABILITIES	**217,583,821**	**201,622,024**
NET ASSETS	**147,813,429**	**135,362,161**
EQUITY		
Share capital	107,631,898	101,531,224
Retained earnings	25,912,571	25,654,565
Reserves	10,866,043	5,581,986
	144,410,512	132,767,775
Non-controlling interest	3,402,917	2,594,386
TOTAL EQUITY	**147,813,429**	**135,362,161**

Notes to the Financial Statements for the year ended 30 June 2023 (cont.)

Note 30: Other accounting policies

GST

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Equity, reserves and dividend payments

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Other components of equity include the following:

- foreign currency translation reserve: comprises foreign currency translation differences arising on the translation of financial statements of the Group's foreign entities into Australian Dollars.

- share based payments reserve: records items recognised as expenses on valuation of employee share options.

Retained earnings include all current and prior period retained profits.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a General Meeting prior to the reporting date.

All transactions with owners of the parent are recorded separately within equity.

New and amended standards and interpretations not yet adopted

New Accounting Standards and Interpretations not yet mandatory or early adopted Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2023.

From managements review of the new Australian Accounting Standards and Interpretations issued not yet adopted there is no significant impacts on the financial performance or position of the Group envisaged.

New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these new and revised Standards and Interpretations did not have any material impact on the amounts recognised in the financial statements of the Group for the current or prior. There have been no changes in the accounting policies from that disclosed in the 30 June 2022 financial statements.

Note 31: Change in accounting policies

The Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

Directors' Declaration

For the year ended 30 June 2023

1. In the opinion of the Directors of PeopleIn Limited (the 'Company'):
   a. The consolidated financial statements and notes of PeopleIn Limited are in accordance with the *Corporations Act 2001*, including:
      i. Giving a true and fair view of the financial position as at 30 June 2023 and of its performance for the period ended on that date; and
      ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations), which as stated in notes to the financial statements constitutes compliance with International Financial Reporting Standards and the Corporations Regulations 2001; and
   b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
   c. At the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 29 will be able to meet any obligation or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 29.

2. The directors have been given the declarations by the Interim Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.

Glen F Richards

Glen Richards

Chairman

Dated this 25th day of August 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of PeopleIn Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of PeopleIn Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition, measurement and valuation of intangibles, including goodwill

Key audit matter	*How the matter was addressed in our audit*
Refer to Note 13 – Intangible Assets The carrying value of intangible assets represent a significant asset of the Group. The Group is required to annually test the amount of goodwill and indefinite useful life intangible assets for impairment and assess other intangible assets for impairment indicators. This annual impairment test was significant to our audit because the goodwill and intangible assets balance is material to the financial statements and management's assessment includes significant judgements, estimates and assumptions in respect to discount rates and expected future or economic market conditions.	Our procedures included, amongst others: • Reviewed the Cash Generating Units ("CGU's") to which intangible assets are allocated to ensure they are appropriate, including being at a level no higher than the reported operating segments of the Group; • Reviewing the consistency of the CGUs and the allocation of intangibles with those identified in previous years; • Assessed the allocation of assets and liabilities, including corporate assets, to CGUs to ensure it is appropriate; • Reviewed the growth rates, discount rates and underlying cash flows applied in calculating the value in use to ensure these are reasonable. Processes included, but not limited to, comparing to historical and forecast data and undertaking sensitivity analysis on all key assumptions; • Involving our internal specialists to assess the discount rates against comparable market information; and • Reviewed the structure and form of the impairment analysis.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 47 to 58 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of PeopleIn Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

M Cutri
Director

Brisbane, 25 August 2023

SHAREHOLDER INFORMATION AS AT 16 OCTOBER 2023

Shareholder Information required by the Australian Securities Exchange Limited (ASX) Listing Rules and not disclosed elsewhere in the Report is set out below.

1. In accordance with the 4th edition ASX Corporate Governance Council's Principles and Recommendations, the 2022 Corporate Governance Statement, as approved by the Board, is available on the Company's website at: https://www.peoplein.com.au. The Corporate Governance Statement sets out the extent to which PeopleIn Limited has followed the ASX Corporate Governance Council's Recommendations during the 2023 financial year.

2. Substantial shareholders

The number of securities held by substantial shareholders and their associates (as reported to the ASX) are set out below:

Fully paid Ordinary Shares

Name	Number	%
Perennial Value Management	9,376,560	9.24%
Andnatco AWX Pty Ltd and Andrew Peter Brosnan	6,058,323	6.13%
AP Brosnan Pty Ltd and Mark Dennis Reiken	6,078,999	6.15%
QVG Capital Pty Ltd	5,148,355	5.21%

3. Number of security holders and securities on issue

PeopleIn Limited has issued the following securities:

(a) 103,452,988 fully paid ordinary shares held by 7,270 shareholders;

(b) 343,170 unlisted $4.371 options held by 1 option holder; and

(c) 2,135,837 performance rights held by 80 performance rights holders.

4. Voting rights

Ordinary shares

In accordance with the PeopleIn Limited Constitution, and subject to any rights or restrictions attached to any class of shares, at a meeting of members the voting rights attached to ordinary shares are that on a show of hands, every member present, in person or proxy, has one vote and upon a poll, each share shall have one vote.

Options

Option holders do not have any voting rights on the options held by them.

5. Distribution of security holders

(a) Quoted securities

Category	Fully paid Ordinary shares			
	Holders	%	Shares	%
1 - 1,000	2,648	36.42	1,275,420	1.23
1,001 - 5,000	2,609	35.89	6,777,061	6.55
5,001 - 10,000	999	13.74	7,551,965	7.30
10,001 - 100,000	961	12.43	17,623,857	17.04
100,001 and over	53	1.51	70,224,685	67.89
Total	**7,270**	**100.00**	**103,452,988**	**100.00**

SHAREHOLDER INFORMATION AS AT 16 OCTOBER 2023 (CONT.)

6. Distribution of security holders (cont.)

(b) Unquoted securities

Category	$1.00 Options		
	Holders	Number	%
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	-	-	-
100,001 and over	1	343,170	100
Total	**1**	**343,170**	**100**

7. Unmarketable parcel of shares

There are 839 unmarketable parcels held as at 16 October 2023.

8. Twenty largest shareholders of quoted equity securities

Fully paid ordinary shares

Details of the 20 largest shareholders by registered shareholding are:

	Name	No. of shares	% IC
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	17,477,122	16.89
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	10,408,587	10.06
3	CITICORP NOMINEES PTY LIMITED	7,812,301	7.55
4	NATIONAL NOMINEES LIMITED	7,561,343	7.31
5	NAMBAWAN INVESTMENTS PTY LTD	2,949,461	2.85
6	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	2,238,061	2.16
7	ELSEM PTY LTD	1,798,885	1.74
8	IDSINVEST PTY LTD	1,772,519	1.71
9	WAM INDUSTRIES PTY LTD	1,463,768	1.41
10	ELSEM PTY LTD	1,259,219	1.22
11	PACIFIC CUSTODIANS PTY LIMITED	1,033,245	1.00
12	UBS NOMINEES PTY LTD	984,705	0.95
13	BNP PARIBAS NOMS PTY LTD	845,820	0.82
14	GF & LH RICHARDS SUPER PTY LTD	603,641	0.58
15	BNP PARIBAS NOMINEES PTY LTD	366,930	0.35
16	GEAT INCORPORATED	360,300	0.35
17	MAXIMUM (NQ) PTY LTD	353,641	0.34
18	DECLAN SHERMAN	317,547	0.31
19	ARILD PTY LTD	315,093	0.30
20	SIDE PROJECTS COMPANY PTY LTD	305,746	0.30
	Total	**60,227,934**	**58.22**
	Balance of register	**43,225,054**	**41.78**
	Grand total	**103,452,988**	**100.00**

SHAREHOLDER INFORMATION AS AT 16 OCTOBER 2023 (CONT.)

9. A list of other stock exchanges on which any of the Company's securities are quoted.

PeopleIn Limited securities are only listed on the ASX.

10. The number and class of restricted securities or securities subject to voluntary escrow that are on issue and the date that the escrow period ends.

Nil.

11. Unquoted securities

Options

343,170 unlisted options have been issued to 1 option holder and remain unexercised. Details of holders of 20% or more of the $1.00 options are as follows:

Name	Number	%
Justin McNicol	343,170	100.00

12. On market buy-back

There is no current on market buy-back.

13. Statement regarding use of cash and assets.

During the period between 1 July 2022 and 30 June 2023, PeopleIn Limited has used its cash and assets readily convertible to cash that it had at the time of ASX admission in a way consistent with its business objectives set out in the prospectus dated 20 October 2019.

Our Purpose

TO **INSPIRE**
EXCELLENCE
IN OUR PEOPLE


A
C
C
13:00 TOKYO A8 ON TIME
13:00 MANILA A8 DEPARTED
13:00 SHENZEN A8 ON TIME
13:00 JAKARTA A8 ON TIME
13:00 DHAKA A8 DELAYED

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