

12 March 2026

## PeopleIn Limited (PPE)

**BUY****Share Price: A\$0.63**

### Turnaround to double digit EPS growth

**Target Price: A\$1.03**

After several years of challenging growth, PPE is forecast to deliver three years of >20% EPS growth from FY26-28e. A new look business post asset sales, with a rebalanced balance sheet, new management and a refreshed board, PPE is better positioned to capture growth. Retain BUY with unchanged TP \$1.03.

#### What is driving the double-digit EPS growth?

- The challenged Health & Community division that had several years of negative growth has been sold, and part of the capital has been redeployed to higher growth assets (i.e. Infracore NZ). This adds A\$4m to EBITDA, with upside if it hits the \$6-15m 3-year earn-out targets.
- Asset sales have also enabled a stronger balance sheet. With net-debt/EBITDA on 31 Dec at 1.5x, resulting in lower interest costs of ~\$3-4m p.a. D&A has reduced due to asset sales and impairments of legacy acquisitions. Incoming investors have a clean slate.
- The construction boom in QLD should benefit the core businesses, refer to [PPE - Another way to play the QLD construction boom](#). However, we are not factoring this as the major driver. Why will PPE win these contracts? 1) its strong QLD origin and footprint, and 2) QLD needs the workers, and PPE has these workers to offer.
- PPE continues its \$6m buyback, which we do not factor into our forecasts, but could add ~6-7% growth to our EPS forecasts if completed. We do not also factor in any further M&A.

#### Investment case

- >20% EPS (NPATA) growth CAGR FY26-28e.
- Balance sheet capacity for bolt-on acquisitions.
- Buyback providing buffer for share price downside.
- Highly leveraged to the QLD construction boom.
- Co-founder CEO, with strong track record, took over CY26, to turn around the business and tap into the QLD opportunity.

#### Financial Highlights

- Valuation – \$1.03
- Cash – \$61.1m as at 1H26A
- Debt – \$75m ex leases as at 1H26A
- PE – 6.6x FY26e
- EPS Growth – >20% CAGR FY26-28e

#### Key Dates Ahead

- 2H26 – Normalisation of PALMS hiring
- FY26 result, base re-set mark for strong growth
- 1H27 – Brisbane Olympics hiring

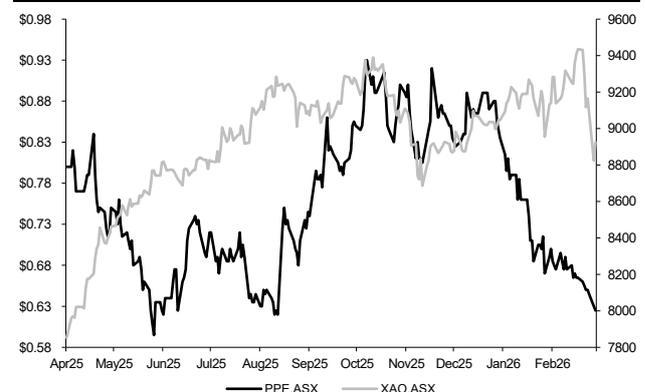
#### Company Data

Shares – ordinary (M)	108.7
Dilution (M)	0.0
Total (fully diluted) (M)	108.7
Market capitalisation (\$M)	67.9
12 month low/high (\$)	0.59/ 0.95
Average monthly turnover (\$M)	3.4
GICS Industry	Professional Services

#### Financial Summary (fully diluted/normalised)

June Year End	2024A	2025A	2026F	2027F	2028F
Total revenue (A\$m)	903.7	823.6	778.4	815.2	860.1
Costs (A\$m)	-866.7	-804.9	-758.9	-794.0	-837.2
EBITDA (A\$m)	37.0	18.7	19.5	21.1	22.8
EBIT (A\$m)	16.6	3.3	6.6	10.2	12.4
NPAT (A\$m)	9.4	5.1	1.3	6.4	9.6
EPS (cps) on NPATA	9.0	7.5	9.4	12.5	15.1
EPS growth (%)	-41.9%	-16.7%	25.8%	32.4%	21.0%
PER (x)	9.2	8.3	6.6	5.0	4.1
EV (A\$m)	164.9	122.4	77.1	63.7	46.5
EV/EBITDA (x)	4.5	3.7	4.0	3.0	2.0
EV/EBIT (x)	9.9	7.6	11.8	6.3	3.8
Net debt (A\$m)	79.4	56.4	9.5	-3.9	-21.1
ND/ND+E (%)	33%	27%	7%	-3%	-17%
Dividend (¢ps)	3.0	0.0	0.0	0.0	0.0
Dividend Yield (%)	3.7%	0.0%	0.0%	0.0%	0.0%
Franking (%)	100%	n/a	n/a	n/a	n/a

#### PPE – performance over one year



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## Analysis

### PeopleIn Limited (PPE)

Jun Year end

#### Market Data

Recommendation	Buy			
Price	\$0.63			
Target Price (12-month) (A\$ps)	\$1.03			
Market cap (\$m)	67.9			
Shares on issue (basic)	108.7			
Options / Other	0.0			
Diluted issued capital (m)	108.7			

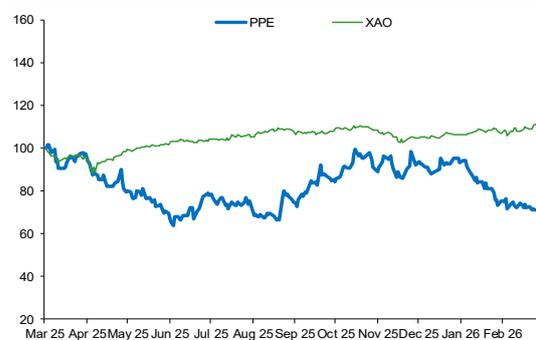
Profit & Loss (A\$m)	2024a	2025a	2026e	2027e	2028e
Total revenue	903.7	823.6	778.4	815.2	860.1
... Change	-1.0%	-8.9%	-5.5%	4.7%	5.5%
EBITDA - Adj.	37.0	18.7	19.5	21.1	22.8
... Change	-39.4%	-49.5%	4.5%	8.4%	8.0%
Deprec. & amort.	(20.4)	(15.3)	(12.9)	(11.0)	(10.4)
EBIT - Adj.	16.6	3.3	6.6	10.2	12.4
Net Interest	(8.0)	(0.3)	(3.7)	(1.0)	1.4
Pre-tax profit	8.6	3.0	2.8	9.2	13.7
Tax expense	(2.5)	2.0	(1.6)	(2.8)	(4.1)
... tax rate	-9%	-67%	55%	30%	30%
<b>Net Profit - continuing</b>	<b>9.4</b>	<b>5.1</b>	<b>1.3</b>	<b>6.4</b>	<b>9.6</b>
... Change	-67.3%	-46.3%	-75.1%	408.1%	49.9%
<b>NPATA</b>	<b>18.9</b>	<b>8.9</b>	<b>10.2</b>	<b>13.6</b>	<b>16.4</b>
<b>NPAT - statutory</b>	<b>5.4</b>	<b>5.1</b>	<b>0.0</b>	<b>5.1</b>	<b>8.3</b>

Cashflow (A\$m)	2024a	2025a	2026e	2027e	2028e
Customer receipts	1,277.2	1,226.5	1,134.5	1,188.1	1,253.5
Supplier Payments	(1,266.7)	(1,187.9)	(1,118.8)	(1,159.3)	(1,222.3)
Net Interest	(6.9)	(6.0)	(3.5)	(1.0)	1.4
Tax	(7.1)	2.2	(1.7)	(2.8)	(4.1)
Other operating items	-	-	-	-	-
<b>Operating Cash Flow</b>	<b>(3.6)</b>	<b>34.9</b>	<b>10.4</b>	<b>25.1</b>	<b>28.4</b>
Capex	(6.3)	(1.7)	(4.1)	(3.3)	(3.4)
Other	(8.7)	(4.1)	47.7	(3.2)	(2.5)
<b>Investing Cash Flow</b>	<b>(15.0)</b>	<b>(5.8)</b>	<b>43.7</b>	<b>(6.4)</b>	<b>(5.9)</b>
Changes in equity	-	-	(1.7)	-	-
Increase/(decrease) in borrowings	31.2	(27.5)	(13.8)	-	-
Dividends paid	(9.5)	(0.4)	(0.4)	-	-
Other	(5.8)	(5.9)	(5.1)	(5.2)	(5.3)
<b>Financing Cash Flow</b>	<b>15.9</b>	<b>(33.8)</b>	<b>(21.0)</b>	<b>(5.2)</b>	<b>(5.3)</b>
<b>Change in cash (pre-FX)</b>	<b>(2.7)</b>	<b>(4.7)</b>	<b>33.1</b>	<b>13.4</b>	<b>17.1</b>

Balance Sheet (A\$m)	2024a	2025a	2026e	2027e	2028e
Cash	37.3	32.8	65.9	79.4	96.5
Receivables	128.4	116.9	75.8	80.6	84.7
Other	4.9	0.7	15.4	15.4	15.4
<b>Current Assets</b>	<b>170.6</b>	<b>150.4</b>	<b>157.1</b>	<b>175.3</b>	<b>196.7</b>
PP&E	26.9	24.6	21.1	20.5	20.3
Intangibles	193.7	173.6	106.6	101.9	97.6
Other	0.0	0.0	15.0	15.0	15.0
<b>Non Current Assets</b>	<b>220.7</b>	<b>198.2</b>	<b>142.7</b>	<b>137.3</b>	<b>132.8</b>
<b>Total Assets</b>	<b>391.3</b>	<b>348.6</b>	<b>299.8</b>	<b>312.7</b>	<b>329.5</b>
Payables	54.8	52.2	40.5	43.0	45.3
Financial liabilities ex-leases	12.2	12.3	15.2	15.2	15.2
Leases	5.4	5.0	4.0	4.0	4.0
Provisions	26.6	24.5	21.5	21.5	21.5
Other	1.7	2.2	5.5	4.7	4.7
<b>Current Liabilities</b>	<b>100.6</b>	<b>96.2</b>	<b>86.8</b>	<b>88.5</b>	<b>90.8</b>
Financial liabilities ex-leases	104.5	76.9	60.2	60.2	60.2
Leases	19.3	18.0	14.3	14.3	14.3
Provisions	1.2	1.5	1.3	1.3	1.3
Other	5.6	4.6	17.7	17.7	17.7
<b>Non Current Liabilities</b>	<b>130.6</b>	<b>100.9</b>	<b>93.4</b>	<b>93.4</b>	<b>93.4</b>
<b>Total Liabilities</b>	<b>231.3</b>	<b>197.1</b>	<b>180.2</b>	<b>182.0</b>	<b>184.2</b>
<b>Net Assets</b>	<b>160.0</b>	<b>151.5</b>	<b>119.6</b>	<b>130.7</b>	<b>145.3</b>
Share Capital	109.4	112.6	110.8	110.8	110.8
Retained Earnings	32.5	19.7	(6.4)	0.1	9.8
Reserves	14.7	15.3	15.1	19.7	24.6
<b>Shareholders Equity</b>	<b>156.6</b>	<b>147.6</b>	<b>119.6</b>	<b>130.7</b>	<b>145.3</b>
Outside Equity Interests	3.5	3.9	-	-	-
<b>Total Equity</b>	<b>160.0</b>	<b>151.5</b>	<b>119.6</b>	<b>130.7</b>	<b>145.3</b>
Net debt ex. LT leases/(cash) \$m	79.4	56.4	9.5	(3.9)	(21.1)
Net debt inc. LT leases/(cash) \$m	91.9	68.3	17.3	3.9	(13.3)

Source: Petra Capital

#### 12-Month Share Price Performance



Valuation Ratios	2024a	2025a	2026e	2027e	2028e
EPS (¢ps) - NPATA	9.0	7.5	9.4	12.5	15.1
... % change	-41.9%	-16.7%	25.8%	32.4%	21.0%
EPS (¢ps) - normalised	5.1	4.8	1.2	6.0	8.9
... % change	-41.9%	-5.4%	-74.1%	380.4%	49.2%
PE (x) - NPATA EPS	9.2	8.3	6.6	5.0	4.1
EV/EBITDA (x)	4.5	3.7	4.0	3.0	2.0
EV/EBIT (x)	9.9	7.6	11.8	6.3	3.8
DPS (¢ps)	3.0	-	-	-	-
... % pay-out	36.2%	0.0%	0.0%	0.0%	0.0%
Yield (%)	3.7%	0.0%	0.0%	0.0%	0.0%
Franking (%)	100%	n/a	n/a	n/a	n/a

Performance Ratios	2024a	2025a	2026e	2027e	2028e
Revenue growth (%)	-1.0%	-8.9%	-5.5%	4.7%	5.5%
EBITDA growth (%)	-39.4%	-49.5%	4.5%	8.4%	8.0%
EBITDA margin (%)	4.1%	2.3%	2.5%	2.6%	2.7%
ROE (%)	11.8%	10.3%	2.1%	9.8%	13.2%
ROA (%)	4.8%	4.5%	0.8%	4.1%	5.8%
ND/EBITDA (x)	2.1	1.7	0.5	(0.2)	(0.9)
ND/ND+E (%)	33.1%	27.1%	7.4%	-3.1%	-17.0%

Key Drivers	2024a	2025a	2026e	2027e	2028e
<b>Revenue</b>					
Engineering, Trades & Labour	302.2	278.1	297.6	320.3	346.3
Food and Agri	468.6	438.8	394.6	406.5	422.9
Professional Services	132.9	106.7	86.2	88.4	90.8
<b>EBITDA</b>					
Engineering, Trades & Labour	N/A	16.2	21.9	24.0	26.0
Food and Agri	N/A	25.1	25.1	25.8	26.9
Professional Services	8.1	9.1	8.8	9.1	9.3
Unallocated	(25.2)	(33.6)	(37.5)	(39.1)	(40.6)
Total	32.9	18.7	18.3	19.9	21.5
Adjustments	4.1	-	1.2	1.3	1.3
Adj EBITDA	37.0	18.7	19.5	21.1	22.8

Valuation	
PE Multiple (8x FY26 EPS)	0.75
EV/EBITDA Multiple (6x FY26 EBITDA)	0.92
DCF (13% WACC, 1.5% TGR)	1.43
<b>Price Target</b>	<b>1.03</b>

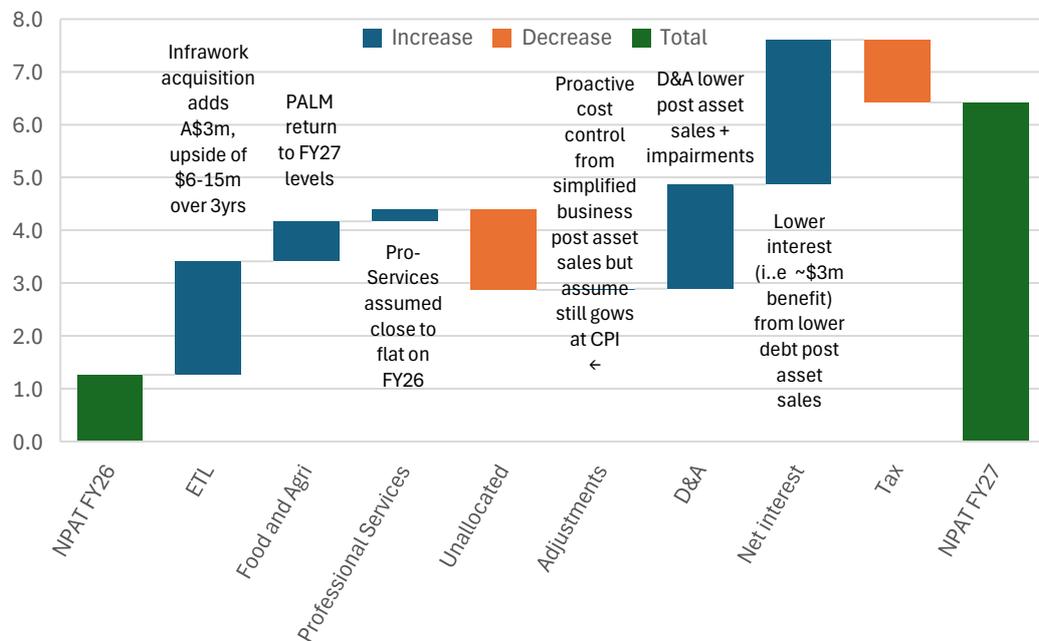
Half yearly (A\$m)	1H25a	2H25a	1H26a	2H26e	1H27e
Sales revenue	429.4	395.0	394.3	384.1	406.9
EBITDA	11.5	7.1	10.5	9.0	10.9
Deprec. & amort.	(7.8)	(7.5)	(6.9)	(6.0)	(5.6)
EBIT	3.7	(0.4)	3.5	3.0	5.3
Interest expense	(3.4)	(2.9)	(2.6)	(1.2)	(0.8)
Pre-tax profit	0.4	(3.2)	1.0	1.9	4.5
Tax expense	0.4	1.6	(1.0)	(0.6)	(1.3)
... tax rate	-124%	50%	104%	30%	30%
Other	-	-	-	-	-
<b>Net Profit</b>	<b>0.8</b>	<b>(1.6)</b>	<b>(0.0)</b>	<b>1.3</b>	<b>3.1</b>

### What are the drivers of the EPS turnaround?

We breakdown the key parts driving the double digit NPAT growth in FY26 to FY27 (Figure 1):

- **Engineering, Trades & Labour acquisition + QLD opportunity**
  - **Acquisition of Infracore NZ.** This is expected to complete Q3FY26 and generate NZ\$5m (~A\$4m) EBITDA in FY26, or ~\$1m for the 3months of ownership. We factor in the full \$4m in FY27, which is a \$3m step-up. Earn-outs will be provided between \$6-15m EBITDA over a 3-year period, as upside to our forecasts.
  - **Improved billing hours and rates.** This is driven by high demand, but also proactive conversations, and a shift towards more skilled workers on higher rates.
  - **Southeast QLD qualified trade roles.** This division should benefit from the Olympics construction boom, which starts from 1H27. We are modest in our assumptions, not forecasting growth, but highlighting it as a key area to watch.
- **Food and Agriculture normalisation of PALM workers**
  - **FY25 weather events have subsided.** Whilst clearly hard to predict, we are not assuming any material weather events in our forecast.
  - **Billing rates increased + Visa processing delays alleviated.** Rates increased 20% for PALM workers in 1H26, as demand remains strong. Visa processing delay seem to have subsided.
  - **PPE expects PALM workers to return to the FY25 peak into FY27.** We take a conservative view, and keep it relatively stable from FY26-27.
- **Company disposals invested into higher growth sectors + lower interest & D&A**
  - The asset sale has lowered net debt and consequently reduced interest by ~\$3-4m p.a. in FY26 and FY27. This is material for a company generating mid single digit NPAT.
  - D&A is similarly lower, with fewer asset and impairments now taken in prior years.

**Figure 1: NPAT step-up from FY26 to FY27 is driven by asset disposals recycled into higher growth acquisition, lower D&A and lower interest from an improved balance sheet**



Source: Petra Capital Estimates



PANMURE  
LIBERUM



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