

GO2 Completes Hunter Executive Transaction

Highlights

- GO2 has completed the Hunter Executive transaction following the General Meeting and conclusion of the conditions precedent
- The strategic transaction further enhances the Company's service offering to its existing clients
- Synergies between GO2 and Hunter provides significant cross sell potential and businesses are already leveraging multiple opportunities
- Hunter Owners to remain in place in key management positions and will drive growth of the white collar contract and permanent recruitment division of the business
- Transaction aligns with the Company's strategic plan and its focus on growth to drive shareholder value
- Earnings and margin accretive acquisition, with 100% of acquisition consideration in the form of GO2 shares to the Vendors, escrowed to September 2022
- Per the terms of the transaction, GO2 will issue 25.4M new shares to the vendors as the Initial Scrip Consideration

March 12th, 2021: The GO2 People Ltd (ASX:GO2) ("The GO2 People", "GO2" or "the Company") is pleased to announce it has completed the acquisition of Perth based recruitment company, Hunter Executive Search Consultants ("Hunter"), following the General Meeting of shareholders on March 10th and completion of the conditions precedent.

Hunter Executive Search Consultants are a leading Australian recruitment company specialising in permanent and contract placements for the Executive, Engineering, Resources, Environment and Water industries. It is a highly regarded business that has a long track record of successful, long term relationships with many of Australia's leading companies. Founders Ben Oakley and Gregor



McNally work as principal consultants in the Hunter business and will continue to do so, leveraging GO2's existing resources to drive growth in the Hunter business.

The GO2 and Hunter businesses are highly synergistic, and the acquisition represents significant cross-sell opportunities into the respective clients and key operating sectors which is expected to drive organic growth within the Group. GO2 will continue to focus on blue collar labour hire whilst Hunter will complement this with the introduction of their white collar permanent and contract recruitment service. Combined, GO2's service offering to clients is greatly enhanced and it will now offer a full suite of recruitment services.

GO2 expects Hunter to contribute revenues of circa \$3.3 million p.a. with strong profit margins which will improve GO2's margins. To maximise this moving forward, GO2 will provide appropriate resources and back-office support to Hunter to assist with the scaling up of its business. In addition, the Company will also benefit from a sharing of overhead costs with the Hunter business.

As per the terms of the transaction, Hunter has been acquired for scrip consideration in the form of GO2 Shares. The initial scrip consideration is 25.4M new shares, being equivalent to \$900,000 (Initial Scrip Consideration) issued at a 7 Day VWAP of 0.035c. The deferred scrip consideration will be equivalent to 3 times the net profit (being operating profit before interest and tax) of Hunter Executive for FY21, less the \$900,000 Initial Scrip Consideration.

GO2 Managing Director Billy Ferreira: "We're very pleased to have completed the Hunter transaction. Not only is it a great business that enhances the group's service offering and improves margin, but we're getting genuinely good people who are leaders in what they do. Ben and Gregor have built a very good reputation in their field and we welcome them as we enter an exciting phase of growth for the Company."

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Approved by: The Board of The GO2 People Ltd



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About The GO2 People

The GO2 People Ltd (ASX:GO2) is a leading provider of recruitment and training services to industry throughout Australia. The day to day operations of the company are underpinned by strong core values and an ethical approach to business principles which drive innovation, collaboration and an ongoing commitment to continuous improvement.

The company's Recruitment Division provides tailored staffing solutions to a range of industries with a client base that includes a number of national and multinational blue chip organisations across the construction, resources and industrial sectors. GO2 Skills & Training is a nationally Registered Training Organisation (RTO 40927), delivering both accredited and non-accredited workplace training and education courses.

To learn more please visit: www.thego2people.com.au

