

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This Preliminary Final Report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3

Current Reporting Period: Half-year ended 31 December 2020

Previous Corresponding Period: Half-year ended 31 December 2019

For and on behalf of the Directors



MATTHEW THOMSON
JOINT COMPANY SECRETARY

Dated: 25 February 2021

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue and Net Profit		AUD'000's
Revenue from ordinary activities	Down 18% to	12,285
Loss from ordinary activities after tax attributable to members	Decreased by 93% to	(99)
Net Loss for the period attributable to members	Decreased by 93% to	(99)
Dividends		

There were no dividends paid or declared during the period.

COMMENTARY

In the Half Year ended 31 December 2020 the Company continued the momentum developed in FY20, showing continued improvement in its financial performance by delivering positive EBITDA in H1 FY21. Additionally, the Company recorded a minor loss after tax of \$99k for the Half Year ended 31 December 2020, a significant turnaround from a loss of \$1.5m for the same period the previous year.

Revenue for the Half was \$12.2m, marginally lower than the corresponding period in FY20, however the continued focus on profitability over top line growth, through high quality service of key clients and operational efficiencies in its recruitment processes, has seen the Company's Half Year margin increase to 10.87%.

In Recruitment, Queensland's average workforce numbers have remained stable since a 25% increase in the June Quarter 2020. A number of large infrastructure projects are now the core focus as the Queensland State Government looks to stimulate economic activity and job creation in the State. This is expected to provide the platform for workforce growth in H2 FY21. In Western Australia, a significant number of job orders from key clients in the mining sector indicates the ongoing requirement for new workers across multiple large scale projects. Several large infrastructure projects will also commence in the coming months and are expected to create additional labour demand in the Company's key operating sectors.

It is expected labour hire revenues in Western Australia will begin to increase in the second half as rosters return to normal and mobilisation to mine sites becomes easier, subsequently leading to additional man hours being worked on a weekly basis.

The Training Division is now generating regular revenue from online training and the Company has engaged external digital marketing expertise to deliver marketing initiatives aimed at increasing its consumer sales for online training. In addition to the ongoing development of online training courses, GO2 continues to build out its training scope and take advantage of the operational synergies that exist between the recruitment and training divisions.

Overheads remained stable over the Half Year with under \$200k per month incurred on staff and admin costs. This represents a 50% reduction on the average monthly cost base for the period to 31 December 2020 vs the previous Half Year.

NET TANGIBLE ASSET BACKING

	31 Dec 2020 000's	31 Dec 2019 000's
Net Assets	(238)	63
Less intangible assets including deferred tax assets	(482)	(582)
Net tangible assets of the Company	(719)	(519)
Fully paid ordinary shares on issue at Balance Date	147,689	136,016
Net tangible asset backing per issued ordinary share as at Balance Date	(0.0041)	(0.01)

Please refer to the half yearly financial report for details on the group structure

AUDIT DETAILS

The accompanying half yearly financial report has been reviewed. A signed copy of the review report is included in the financial report.