

The GO2 People extends Skill Hire deferred payment

The GO2 People Ltd (ASX:GO2) ("**GO2**" or the "**Company**") is pleased to advise the agreement of new extended payment terms for deferred consideration with vendors of the Skill Hire business, to 30 November 2023.

Background

On 1 June 2021, the Company purchased the entire issued share capital of Skill Hire Australia Pty Ltd from its existing shareholders ("Skill Hire Vendors") under a combination scrip and cash transaction (refer ASX announcements of 7 April 2021, 28 April 2021 and 31 May 2021). On completion, the Skill Hire Vendors became GO2's three largest shareholders.

Part of the consideration payable to the Skill Hire Vendors included a deferred consideration cash component:

Due Date:	1 June 2023
Principal Amount:	\$3.25 million
Interest Rate:	8% p.a., calculated monthly & compounding annually

Deferred Payment Extension

The Skill Hire Vendors and the Company have agreed to extend the deferred consideration payment on the following key terms:

Revised Due Date:	30 November 2023 The Revised Due Date can be further extended by mutual agreement.
Purchaser Representations & Warranties Period:	Date extended to coincide with the liability being paid in full.
Revised Principal Amount:	\$3.51 million Year 1 interest of \$260,000 (\$3.25 million @ 8%) has been capitalised into the Principal Amount

Interest Rate:	8% p.a. (unchanged) Interest on the Deferred Payment from 1 June 2022 to 30 September 2022 in the sum of \$93,600 will be paid to the Vendors on 30 September 2022, and thereafter monthly interest payments of \$23,400 will be made on the last day of each month.
Interim Payments: (new provision)	In the event that monthly payments under any ATO payment plans reduce for any reason, or the underlying ATO liability is extinguished, the Company will pay 75% of the resulting monthly saving to the Skill Hire Vendors in reduction of the Principal Amount (with the monthly interest payments then reducing accordingly)

Board Chair Commentary

GO2 Board Chair Darren Cooper said:

“We are pleased to have agreed reasonable repayment terms with the Skill Hire Vendors which provides the Company with further certainty during a period of restructure and consolidation. As GO2’s largest shareholders, this extension demonstrates their support of the business, and supports GO2 in its mission to help its clients build their own workforce through our training and employment services.”

For more information, please contact:

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Approved by: The Board of The GO2 People Ltd

About The GO2 People Ltd

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