

The GO2 People Ltd

22:33 19 Aug 2019

GO2 People shakes hands on debt facility

GO2 People Ltd (ASX:GO2) has signed a non-binding heads of agreement with Institute of Global Capital Pty Ltd (IGC) that could see the proposed lender fund up to \$2 million of the human resources specialist's acquisition of Industry Pathways Pty Ltd (IPW).

The company has shrunk the minimum size of a capital raising to fund the **acquisition of training organisation IPW** to \$1.3 million, with lender IGC willing to fund at least \$1 million of the cap raise.

GO2's buy price for fast-growing trainer IPW was \$5 million cash and shares, with IPW having been tipped to grow by 28.2% to \$2 million in financial year 2019.

Buy-keen GO2 expects to return to trading on the Australian Securities Exchange after it issues new shares from its revised offer due to close on August 28, 2019.

IGC's debt facility has a 2-year term and 16% interest rate on the first 12 months, with 20% annual interest on the remainder of the facility.

Repayments are to be in tranches of at least \$100,000 and can be repaid early, but not earlier than the 6 months mark.

GO2 reported today, "The debt facility, in unison with the equity raise, will provide capital raising completion certainty and allows management to focus on integration and synergies from the IPW acquisition."

The company views the acquisition as complementary to its recruitment business and plans to cross-sell IPW training programs to its 175,000-strong job applicant database.

The vertically-integrated recruitment, training and building services company last traded on the ASX in April 2019.

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Price: 0.019

Market Cap: \$2.24 m

1 Year Share Price Graph



Share Information

Code: GO2

Listing: ASX

52 week	High	Low
	0.13	0.016

Sector: Tech

Website: www.thego2people.com.au

Company Synopsis:

GO2 People Ltd (ASX:GO2) is listed on the Australian Securities Exchange.

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