



ASHLEY SERVICES GROUP

LABOUR HIRE | RECRUITMENT | TRAINING



FY2023 RESULTS

Tuesday 29 August 2023



Growth continued for FY23

- Revenue of \$549.2 million, ↑\$99.4 million or 22.1% on pc^{*}
- EBITDA of \$20.1 million, ↑\$1.4 million or 7.5% on pc^{*}
- NPAT of \$11.4 million, ↑\$0.05 million or 0.4% on pc^{*}
- EPS of 7.5 cents per share, down 0.36 cents or ↓4.6% on pc^{*} – increased profits from businesses with minority interests

Organic revenue growth strong

- Driven largely by increased construction and traffic management activity in Victoria (CCL Group) and hours worked increases with existing and new customers within supply chain (Action Workforce), particularly NSW + QLD

Contribution from acquisitions

- Linc & OWP contributed \$39.7 million revenue and \$2.1 million EBITDA during FY23
- \$0.8 million amortisation expense of identified intangibles (customer relationships)

Operating cash flow of \$22.8 million, up \$16.1 million from pc^{*}

- \$7 million improvement (reduction) in underlying working capital

Dividends

- Full year fully franked dividend of 6.0 cents per share (Interim 3.0 cents & Final 3.0 cents), in line with pc^{*}

Impressive Safety Record continues

- The impressive safety performance for the Group continues to represent industry best practice

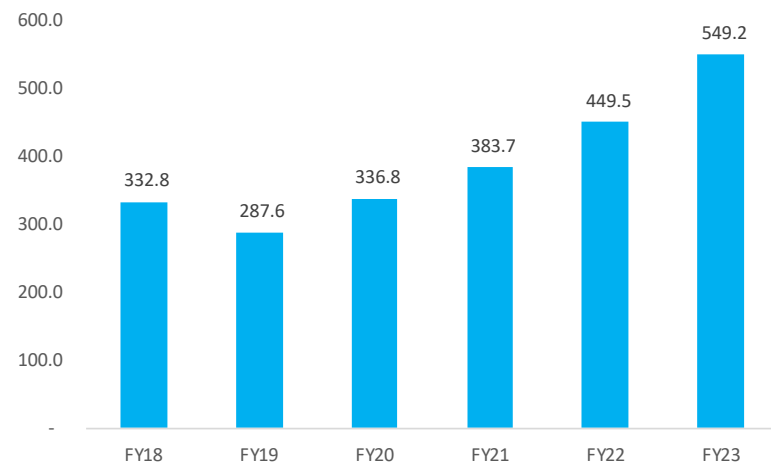
* Prior corresponding period (pc^{*}), being FY22

FY23 RESULTS CONTINUE PRIOR TRENDS



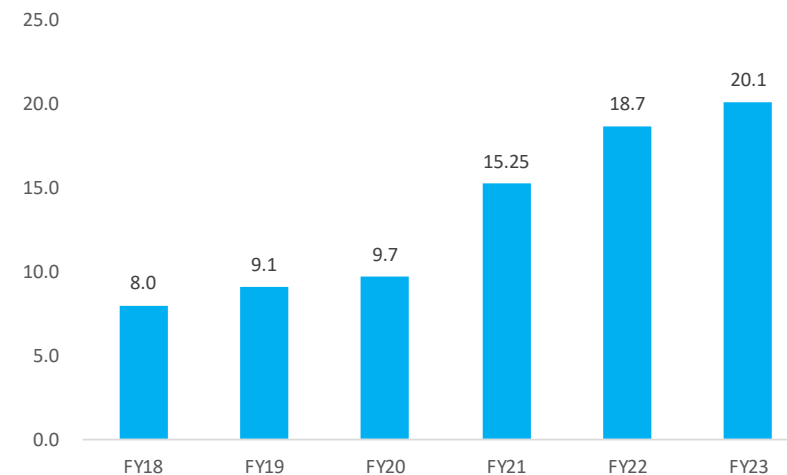
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REVENUE FY18 - FY23

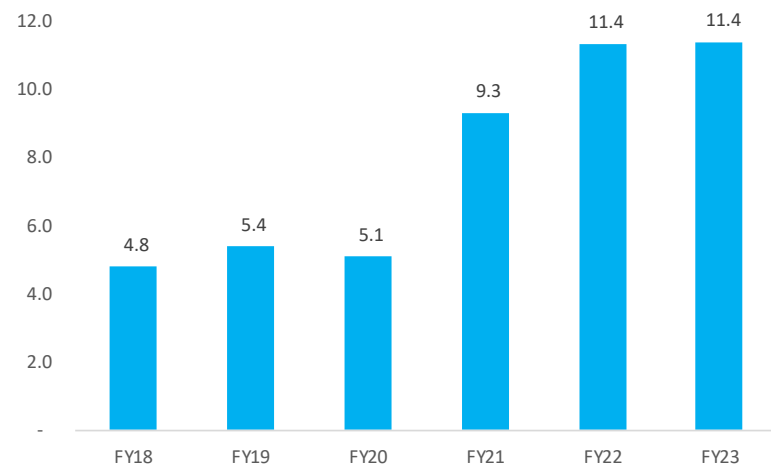


* FY19 decline due to exit of a major, marginally profitable, Action Workforce contract (FY18 \$59.2m)

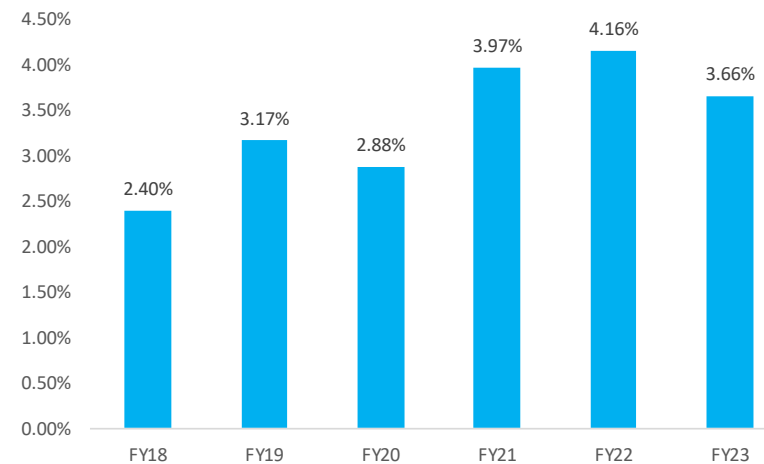
EBITDA FY18 - FY23



NPAT FY18 - FY23



EBITDA % FY18 - FY23



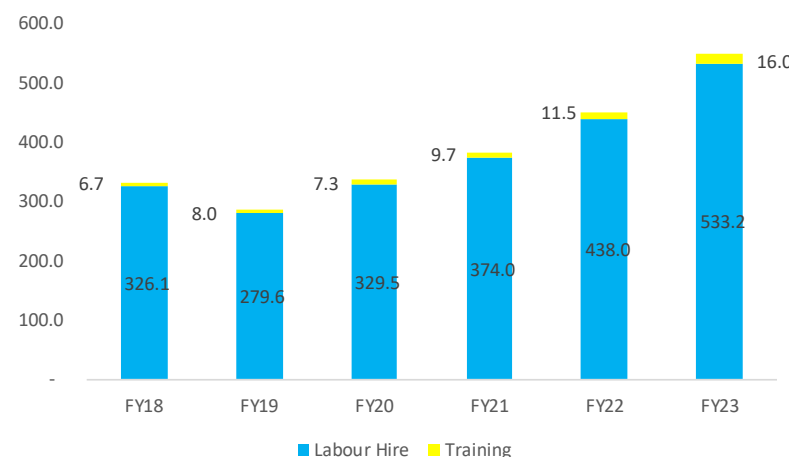
GROWTH TRENDS CONTINUE



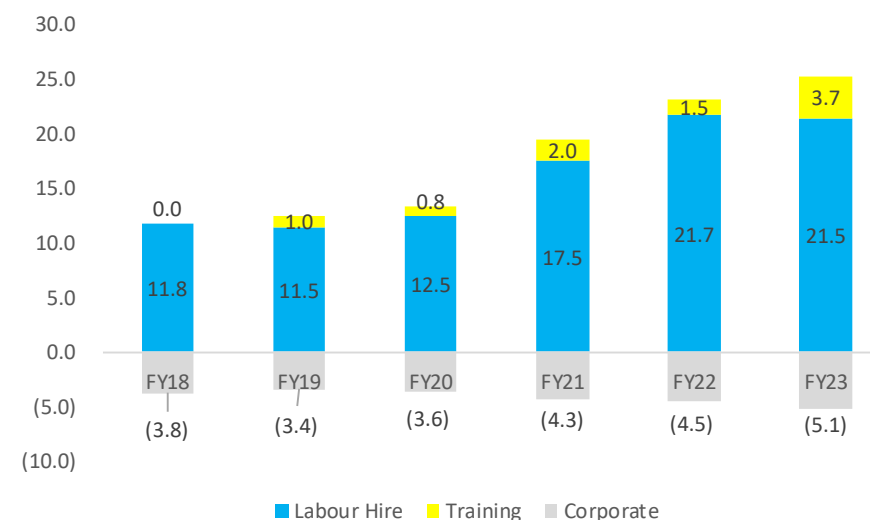
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- Labour Hire FY23 Revenue ↑\$95m (22%)
 - Growth in all businesses except Concept Recruitment & Concept Retail
 - Largest growth in CCL Group, Action Workforce NSW and from Linc & OPW
 - Training FY23 Revenue ↑\$4.5m (39%) with growth achieved across both the Ashley Training division and The Instruction Company – pcp negatively impacted by COVID restrictions. Also, scope and geographical expansion
-
- Labour Hire FY23 EBITDA \$21.5m, ↓\$0.2m (1%)
 - Training FY23 EBITDA \$3.7m, ↑\$2.2m (147%)
 - Corporate expenses increased ↑\$0.6m (13%), due to audit and insurance costs as well as staffing and salaries to support the growing business

REVENUE by Division FY18 - FY23



EBITDA by Division FY18 - FY23



BUSINESS GROWTH OVERVIEW

As at 29 August 2023 (compared to 3rd July 2022 or as noted)



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347 Internal Staff up 45 or 15%

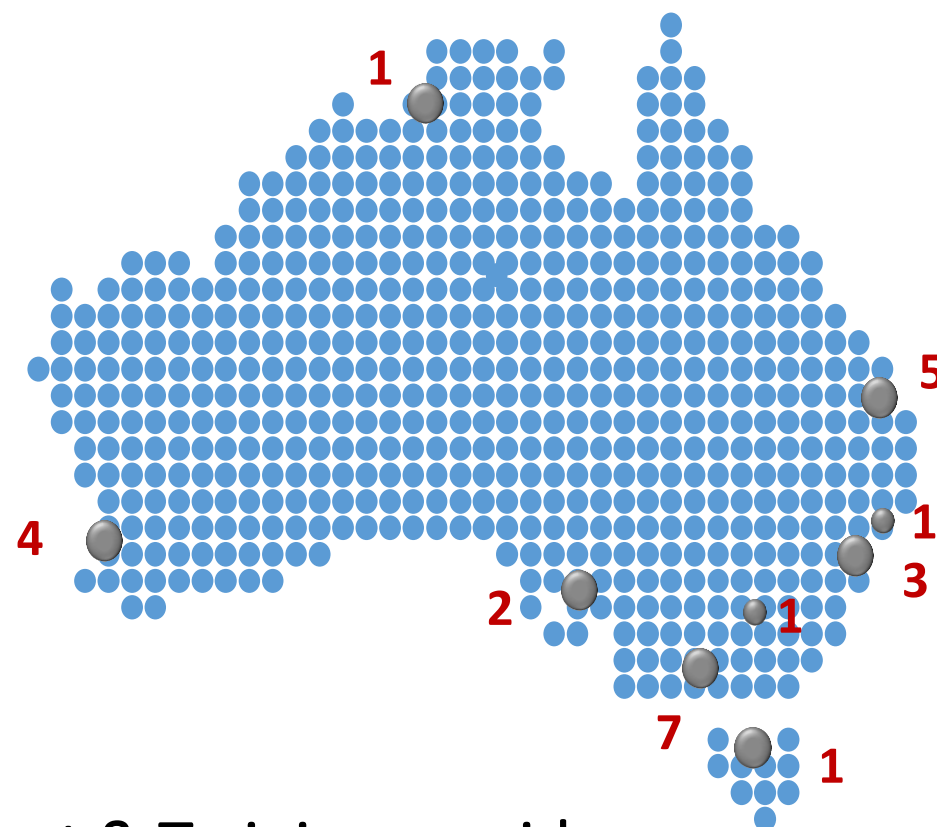
26 Offices up 2

1,264 Customers up 482 or 62%

8,043 Weekly Workers at peak
up 2,043 or 34%

7.7 Years Tenure Top 20 Customers
up 0.9 years

Fully Integrated Labour Hire/Recruitment & Training provider



New Zealand **1**
• Auckland

Labour Hire & Recruitment: Multi Branded approach covering all of our Customer's Temporary & Permanent employment needs



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- Horticulture
- Production / Process
- Transport & Logistics
- Manufacturing



- Maintenance
- Construction
- Trades
- Engineering
- Technical



- Permanent Recruitment
- Executive Search
- Fixed term Contract
- Payrolling Services
- HR & IR Consulting



- Fitout & Project Works
- Merchandising Staff
- Retail Staff



- Track Machine / Vehicle Operators
- Hand Signallers
- Protection Officers
- Safe Working
- Track Examiners
- Safety Inspections
- Project Consultation

Labour Hire & Recruitment: Multi Branded approach covering all of our Customer's Temporary & Permanent employment needs



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- Construction Labour
- Traffic Management Services
- Specialist Labour
- Labourers, Trades, Plant Operators, Steel Fixers
- Council permits
- Authority approvals



- Mechanical Maintenance
- Electrical Maintenance
- Shut down & Maintenance Support Planning
- Corrosion Remediation
- Engineering & Project Management



- Fruit & vegetables picking and packing
- Crop Work

TRAINING: 4 RTOs operating across VIC, WA & QLD with the TIC RTO operating nationally



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34 Qualifications offered across both the traditional training operations and the newly acquired The Instruction Company

- Early Childhood Education and Care
- School Based Education Support
- Community Services
- Individual Support
- Ageing Support
- Disability
- Mental Health
- Health Services Assistance
- Food Processing
- Retail
- Supply Chain Operations
- Civil Construction Plant Operations
- Telecommunications Technology
- Business
- Data & Voice Communications
- Foundation Skills
- Building & Construction
- Civil Construction
- Rail Infrastructure
- Track Protection
- Shunting
- Rail Track Vehicle Driving
- Rail Driving
- Rail Operations
- Rail Structures
- Light Rail Driving
- Terminal Train Driving
- Rail Network Control
- Train Driving

ASH Pty Ltd
RTO 20749

Vocational Training
Australia Pty Ltd
RTO 40596

Australian Institute
of Vocational
Development Pty Ltd
RTO 40596

Tracmin Pty Ltd
RTO 51895

The Instruction
Company Pty Ltd
RTO 20928



Training

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ending 30 June 2023



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	FY23 \$000	FY22 \$000
Revenue	549,219	449,776
Other income	87	2
Share of profits from associated entities	198	-
Employment costs	(517,981)	(421,683)
Depreciation and amortisation expense	(3,159)	(1,772)
Finance costs	(1,646)	(831)
Other expenses	(10,793)	(9,135)
Profit before income tax	15,925	16,357
Income tax expense	(4,523)	(5,001)
Profit for the year	11,402	11,356
Other comprehensive income	-	-
Total comprehensive income for the year	11,402	11,356
Total comprehensive income for the year is attributable to:		
Shareholders of Ashley Services Group Limited	10,794	11,315
Non-controlling interests	608	41
	11,402	11,356

Consolidated Statement of Financial Position

As at 30 June 2023



ASHLEY SERVICES GROUP
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	30-Jun-23 \$000	03-Jul-22 \$000		30-Jun-23 \$000	03-Jul-22 \$000
Assets			Liabilities		
Current assets			Current liabilities		
Cash and cash equivalents	2,520	1,739	Trade and other payables	42,043	30,843
Trade and other receivables	57,150	54,968	Borrowings	8,189	5,305
Current tax receivable	14	1,627	Current tax payable	4,660	-
Contract assets	1417	777	Lease liabilities	1,188	1,050
Loans to associated entities	1,744	-	Provisions	5,042	3,991
Other assets	1,317	2,255	Other liabilities	2,674	-
Total current assets	64,162	61,366	Total current liabilities	63,796	41,189
Non-current assets			Non-current liabilities		
Property, plant and equipment	4,256	2,050	Deferred tax liabilities	6,220	4,028
Investment in associated entities	398	-	Lease liabilities	2,362	2,474
Loans to associated entities	999	157	Other liabilities	4,836	1,973
Right-of-use assets	3,361	3,361	Provisions	814	675
Deferred tax assets	9,844	3,887	Total non-current liabilities	14,232	9,150
Intangible assets	28,970	10,976	Total liabilities	78,028	50,339
Other assets	306	81	Net assets	34,268	31,539
Total non-current assets	48,134	20,512			
Total assets	112,296	81,878			

Consolidated Statement of Cash Flows

For the year ending 30 June 2023



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	12 months to 30/06/2023 \$ 000	12 months to 03/07/2022 \$ 000
Operating activities		
Receipts from customers	608,658	482,918
Payments to suppliers and employees	(580,152)	(471,272)
Interest received	31	2
Interest paid	(1,640)	(745)
Income taxes paid	(4,099)	(4,201)
Net cash from operating activities	22,798	6,702
Investing activities		
Payments for property, plant and equipment	(3,167)	(1,375)
Payment for intangibles	(142)	(351)
Proceeds from sale of property, plant and equipment	95	131
Investments in and loans to associated entities	(2,781)	(825)
TIC earn-out payment	-	(375)
Payment for businesses acquired net of cash acquired	(8,688)	-
Net cash used in investing activities	(14,683)	(2,795)
Financing activities		
Net proceeds from external borrowings	2,884	4,215
Repayment of leasing liabilities	(1,302)	(1,117)
Dividends paid	(8,916)	(8,235)
Net cash used in financing activities	(7,334)	(5,137)
Net increase/(decrease) in cash and cash equivalents	781	(1,230)
Cash and cash equivalents at beginning of the financial year	1,739	2,969
Cash and cash equivalents at the end of the financial year	2,520	1,739

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