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SKILLED Group completes sale of Excelior business

SKILLED Group (ASX:SKE) today announced that the sale of Excelior, its contact centre business, to the international services company Serco, has been completed.

Approximately \$8.2 million has been paid on completion of the transaction, with a further earn-out payment of up to \$5.0 million payable over the next two years, subject to achieving set revenue targets. All proceeds from the sale will be applied towards further reducing SKILLED Group's debt.

As previously advised, the sale of Excelior will generate a pre-tax profit on sale of approximately \$4.5m in the current financial year (assuming 50% of the earn-out payment is achieved). An EBITDA loss of approximately \$1.0m will be reported in the Business Services segment in the current financial year as a result of charges associated with the separation of the GTO training business (which is being retained in SKILLED Group), the exit of unprofitable direct sales contracts and consequential restructuring costs to lower overheads.

For further information please contact:
Delphine Cassidy | EGM Investor Relations | Mobile: 0419 163 467

About SKILLED Group

SKILLED Group Limited is Australia and New Zealand's leading provider of labour hire and workforce services. SKILLED Group has over 160 offices across Australasia with annualised revenues around A\$1.9billion. SKILLED partners with clients to improve their workforce efficiency and increase their productivity levels and provides staffing services to the industrial, healthcare and contact service centre sectors. SKILLED is listed on the Australian Stock Exchange (ASX: SKE) and has approximately 6,200 shareholders, predominantly in Australia.