



ASHLEY SERVICES GROUP

LABOUR HIRE | RECRUITMENT | TRAINING

31 August 2022

Full Year 2022 Results

- NPAT of \$11.4 million, up \$2.0 million or 22%
- EBITDA of \$18.7 million, up \$3.5 million or 23%
- FY22 Dividend 6.0 cents per share, up 1.8 cents or 43%
- EPS of 7.86 cents per share, up 1.66 cents or 27%

Ashley Services Group Limited (ASX: ASH), today announced a statutory after-tax profit from continuing operations of \$11.4 million for the financial year to 3 July 2022, representing an increase of \$2.0 million or 22% on the prior corresponding period (pcp) (FY21 Restated¹: \$9.3 million).

Statutory results (\$ million)	FY22	Restated FY21 ¹	Growth
Revenue	449.8	383.7	17%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	18.7	15.2	23%
Earnings before interest and tax (EBIT)	16.9	13.5	25%
Net profit/(loss) after tax (NPAT)	11.4	9.3	22%
Basic earnings per share (EPS) - cents	7.86	6.20	27%

EBITDA by Division (\$ million)	FY22	Restated FY21 ¹	Growth
Labour Hire	21.7	17.5	4.2 (24%)
Training	1.5	2.0	(0.5) (25%)
Corporate costs	(4.5)	(4.3)	(0.2) (5%)
Group EBITDA	18.7	15.2	3.5 (23%)
EBITDA %	4.16%	3.97%	19bps

Labour Hire Division

Results for the financial year (\$million)	FY21	Restated FY21 ¹	Growth
Revenue	438.3	374.0	17%
EBITDA	21.7	17.5	4.2 (24%)
EBITDA %	4.95%	4.68%	27bps

Training Division

Results for the financial year (\$million)	FY22	FY21	Growth
Revenue	11.5	9.7	18%
EBITDA	1.5	2.0	(0.5) (25%)
EBITDA %	13.0%	20.6%	(760bps)

1. During the year ended 3 July 2022, management identified an under provisioning of current employee entitlements for labour hire employees, which spanned several financial years dating back to 2019. The cumulative effect of the adjustment was a reduction in Net Assets and Total Equity equal to \$544,840 over the effected period ending 4 July 2021. For the year ended 4 July 2021 in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the employment costs in the labour hire division increased by \$283,914 and profit for the year decreased by \$283,914.

**Managing Director's Comments**

Ross Shrimpton, Managing Director, said, "The financial year has proven to be a strong success, particularly considering the challenges associated with the pandemic, rising labour costs and shortages of skilled labour and staff. We continue to be well positioned to meet these challenges with strengthened management and systems allowing the Group to be highly competitive across all our market segments.

The year also saw us acquire a minority interest of 49% in Dardi Munwurro Labour and Traffic Management Pty Limited, a company providing indigenous labour hire in Victoria. Subsequent to year end, the Group similarly acquired a non-controlling interest of 49% in Yalagan Infrastructure Pty Limited, a company supporting indigenous labour hire in New South Wales. These new entities broaden Ashley Services labour hire offerings for Indigenous labour. Additionally, on 5 July 2022, the Group acquired a 75% interest in Linc Personnel Pty Limited, a company currently providing labour to the oil and gas sector in Western Australia and the Northern Territory. We continue to review potential acquisitions in line with our strategy to broaden our geographical and industry footprints in growing profitable sectors.

On 28 July 2022, the Group announced a fully franked final dividend of 3.0 cents per share (Ex-div: 31 August 2022; Payment: 16 September 2022). Together with the previously paid 3.0 cents per share interim dividend, this delivers a fully franked full year dividend of 6.0 cents per share for 2022, a 43% increase on the 2021 dividend.

We remain focused on continuing improvement in our core areas of strength; namely safety, customer satisfaction, systems and internal staff development as well as enhancing our marketing capability and improving labour retention. We are also committed to additional growth and value creation through the acquisition and successful integration of new businesses.

This years' achievement is again a testament to our 300 internal staff who are the backbone of our organisation's continuing success.

For further details:

Paul Brittain
Chief Financial Officer / Executive Director

Established almost half a century ago as a Labour Hire business in Sydney, Ashley Services Group listed on the Australian Securities Exchange in 2014. Today, it has cemented its position as a prominent national labour hire provider engaging almost 6,000 workers during the peak seasonal period.