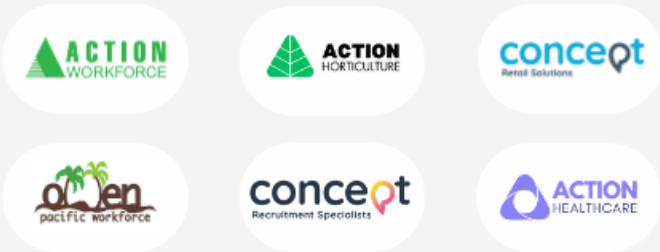




# ASHLEY SERVICES GROUP

LABOUR HIRE | TECHNICAL SERVICES | TRAINING

## Labour Hire



## Technical Services



## Training



# FY 2024 RESULTS

Thursday 29<sup>th</sup> August 2024



FY26  
and  
beyond

## RESULTS

- Sustainable margin improvements across all companies
- Majority of revenue secured through long term contracts
- Best in class safety systems, customer service, and employee satisfaction

## TRANSITION IN PROGRESS

Grow  
Technical  
Services  
division,  
solidify  
margins in  
construction

Grow  
horticulture,  
healthcare  
and  
hospitality  
sectors

Capitalise on  
strengths in  
Training  
division

Solidify  
margins in  
core supply  
chain and  
retail sectors

Integrate  
system  
enhancements,  
AI, and process  
improvements.  
Commercialise  
labour  
management  
system.

FY24

FY25

FY23

## FOUNDATIONS IN PLACE

- Improved systems and processes
- Enhanced leadership and management dynamic
  - Diversification of labour hire
- Technical Services division established
- Training growing and delivering historical margins

# Group Structure



ASHLEY SERVICES GROUP  
LABOUR HIRE | TECHNICAL SERVICES | TRAINING

## Divisions

Labour Hire

Technical Services

Training

## Sectors

Supply Chain

Horticulture

Retail

Professional  
Services

Healthcare

Construction

Engineering  
Services

Oil, Gas & Mining

Training

## Companies and Brands



- Supply Chain
- Logistics
- Manufacturing



- Planting
- Harvesting
- Packing



- Merchandisers
- Retail Support
- Delivery Drivers
- Retail Fitouts
- Retail Project Management



- Business Support
- Administration
- Customer Service
- Finance
- Project Support
- Supply Chain and Logistics



- Aged Care Workers
- Support Workers



- Construction trades
- Civil trades
- Major Projects
- Traffic Management
- Security Services



- Construction
- Civil
- Rail
- Lift Installation
- Lift Maintenance
- Rail Safeworking
- Rail Infrastructure
- Rail Project Management



- Onshore
- Offshore
- Vessels
- Rigs
- Mining



## Operational Support Support Services

Recruitment, National Account Management, Marketing, HSEQ, After Hours

Finance, Commercial & Payroll, Property, Human Resources, Information Technology

# Scorecard – transition in progress



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## Foundational improvements

Efficiencies – system, process improvements including AI.	AI utilised in recruitment enabling staff reduction to 288.
Commercialise industry leading labour management system.	Discussions being held with large customer.

## Grow horticulture, healthcare and hospitality sectors

Acquire and successfully integrate OPW.	Complete – short term margin headwind – flight/accommodation recoveries.
Expansion of horticultural sector.	In progress. New customers secured.
Establish and grow the healthcare and hospitality sectors.	Not yet established.

## Capitalise on strengths in Training division

Expand qualifications on scope and private revenues.	2 key fee for service short courses being added.
Expand geographic spread.	Solid start, particularly WA.

## Grow the Technical Services division

Integration of CCL Group, geographic expansion.	IR and major project funding challenges impacting progress.
Linc contract renewal.	Customer loss, one-off \$4.4m impairment expense; ongoing \$1.5m profit gap.
Growth in rail, mining and lift sectors.	All three sectors growing, but not currently material contributors.

## Margin enhancement

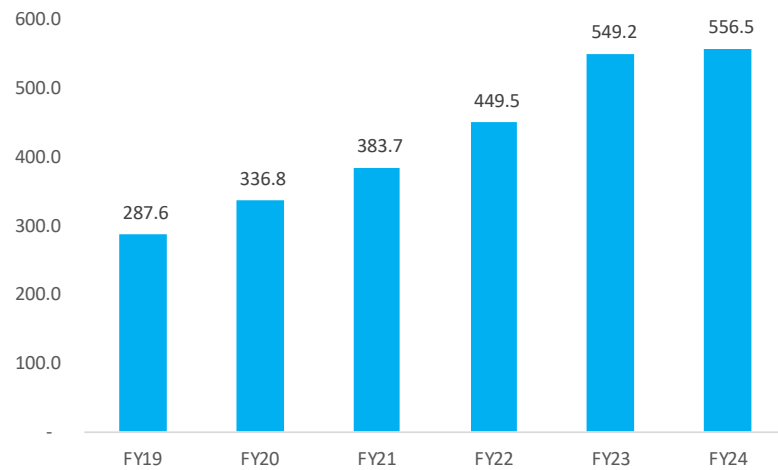
Improve margin mix via Horticulture, CCL Group and Concept, as well as associated Indigenous entities.	In progress, but short-term revenue challenges for CCL Group and Concept in Victoria.
Underlying margin improvement: <ul style="list-style-type: none"> <li>Action Workforce contract renewals</li> </ul>	Most key contracts renewed with 3-year durations and overall margin improvement. Several new customers contracts recently secured.

# UNDERLYING PERFORMANCE TRENDS

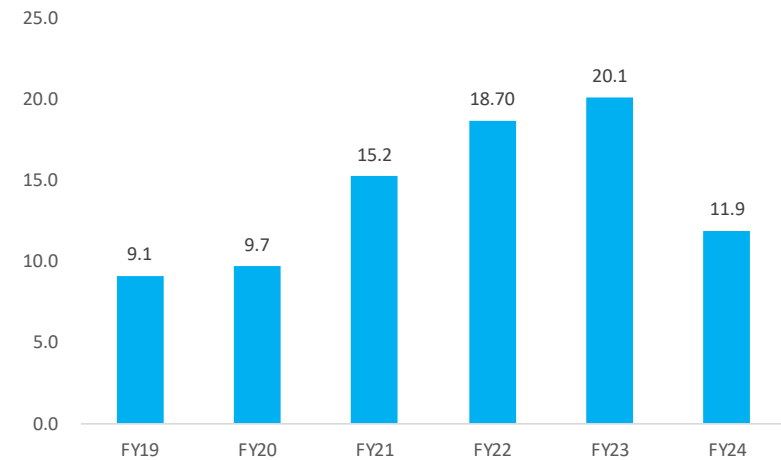


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## REVENUE FY19 - FY24

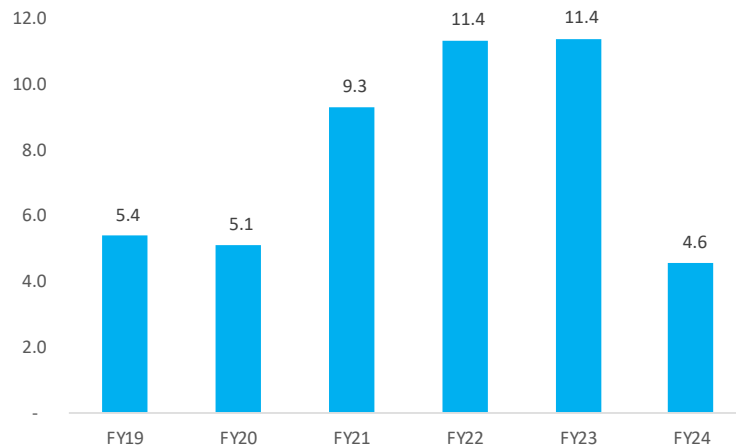


## EBITDA FY19 - FY24



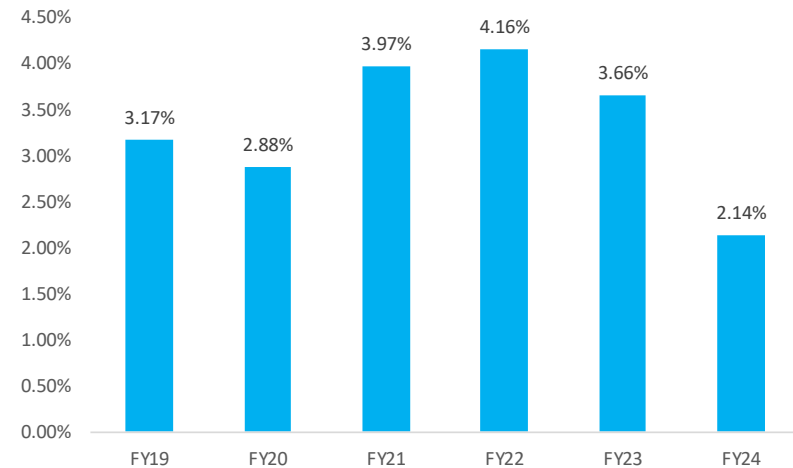
\*FY 24 excludes non-recurring expense – Page 8

## NPAT FY19 - FY24



\*FY 24 excludes non-recurring expense – Page 8

## EBITDA % FY19 - FY24



\*FY 24 excludes non-recurring expense – Page 8

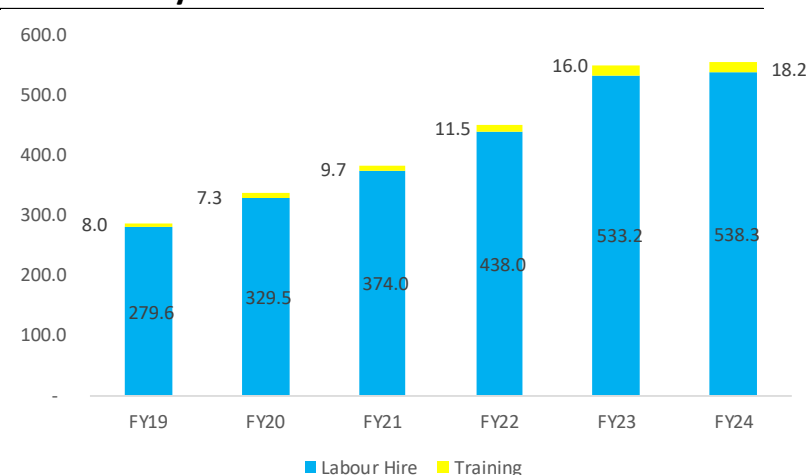
# PERFORMANCE TREND BY DIVISION



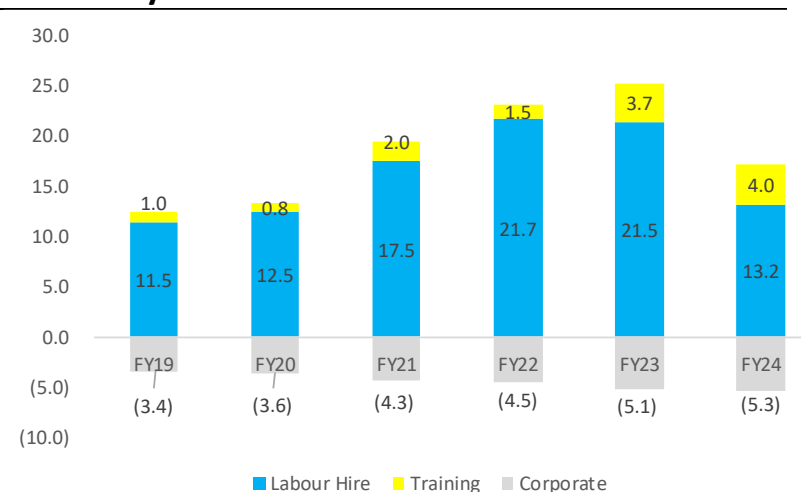
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- Labour Hire FY24 Revenue ↑\$5.1m (1%) on pcp
  - OPW contributed \$62.8m (\$28.4m in pcp)
  - Underlying hours worked down 8%. No significant customer losses. Challenging market conditions. Rate increases from inflation.
- Training FY24 Revenue ↑2.25m (14%) on pcp with growth achieved across both the Ashley Training division and The Instruction Company – additional courses and geographic expansion.

REVENUE by Division FY19 - FY24



EBITDA by Division FY19 - FY24



- Labour Hire FY24 EBITDA \$13.2m, ↓\$8.3m (39%) on pcp – underlying revenue flat, margin pressure – fixed hourly margins, increasing costs to serve, decrease in government support benefits for trainees.
- Training FY24 EBITDA \$4.0m, ↑\$0.3m (8%) on pcp – revenue growth, EBITDA margin 22%.
- Corporate expenses at \$5.3m increased by \$0.2m, primarily inflation.

# Statutory Profit and Loss statement



ASHLEY SERVICES GROUP  
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	FY24 \$000	FY23 \$000
Revenue	556,538	549,219
Other income	316	87
Fair value gain on redemption liabilities	1,144	-
Share of (losses)/profits from associated entities	(91)	198
Employment costs	(534,298)	(517,981)
Depreciation and amortisation expense	(3,797)	(3,159)
Finance costs	(2,401)	(1,646)
Impairment expenses	(4,376)	-
Other expenses	(9,896)	(10,793)
<b>Profit before income tax</b>	<b>3,139</b>	<b>15,925</b>
Income tax expense	(1,789)	(4,523)
<b>Profit for the year</b>	<b>1,350</b>	<b>11,402</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>1,350</b>	<b>11,402</b>
<b>Total comprehensive income for the year is attributable to:</b>		
Shareholders of Ashley Services Group Limited	1,350	10,794
Non-controlling interests	-	608
	<b>1,350</b>	<b>11,402</b>

# Non-recurring expense



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	FY24 \$m	FY23 \$m
Linc customer relationship - impairment	1.80	-
Linc goodwill - impairment	2.58	-
Reduction in redemption liabilities to purchase the remaining 25% of Linc (acquired 31 January 2024 for \$0.244 million) and the remaining 20% of the CCL Group (acquired 14 July 2023).	(1.14)	-
<b>Net non-recurring expense within EBITDA and NPAT</b>	<b>3.24</b>	<b>-</b>



# Balance Sheet



ASHLEY SERVICES GROUP  
LABOUR HIRE | TECHNICAL SERVICES | TRAINING

	30-Jun-24 \$000	30-Jun-23 \$000		30-Jun-24 \$000	30-Jun-23 \$000
<b>Assets</b>			<b>Liabilities</b>		
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and cash equivalents	137	2,520	Trade and other payables	33,843	42,043
Trade and other receivables	45,522	57,150	Borrowings	8,201	8,189
Current tax receivable	460	14	Current tax payable	-	4,660
Contract assets	2,410	1,417	Lease liabilities	914	1,188
Loans to associated entities	162	1,744	Other liabilities	3,310	5,042
Other assets	3,602	1,317	Provisions	4,122	2,674
<b>Total current assets</b>	<b>52,293</b>	<b>64,162</b>	<b>Total current liabilities</b>	<b>50,390</b>	<b>63,796</b>
<b>Non-current assets</b>			<b>Non-current liabilities</b>		
Property, plant and equipment	5,311	4,256	Borrowings	4,375	-
Investments in associated entities	307	398	Deferred tax liabilities	1,970	6,220
Loans to associated entities	761	999	Lease liabilities	2,117	2,362
Right-of-use assets	2,884	3,361	Other liabilities	-	4,836
Deferred tax assets	4,694	9,844	Provisions	822	814
Intangible assets	23,582	28,970	<b>Total non-current liabilities</b>	<b>9,284</b>	<b>14,232</b>
Other assets	291	306	<b>Total liabilities</b>	<b>59,674</b>	<b>78,028</b>
<b>Total non-current assets</b>	<b>37,830</b>	<b>48,134</b>	<b>Net assets</b>	<b>30,449</b>	<b>34,268</b>
<b>Total assets</b>	<b>90,123</b>	<b>112,296</b>			

# Cash flow



ASHLEY SERVICES GROUP  
LABOUR HIRE | TECHNICAL SERVICES | TRAINING

	12 months to 30-Jun-24 \$ 000	12 months to 30-Jun-23 \$ 000
<b>Operating activities</b>		
Receipts from customers	624,160	608,658
Payments to suppliers and employees	(612,678)	(580,152)
Interest received	200	31
Interest paid	(2,156)	(1,640)
Income taxes paid	(5,995)	(4,099)
<b>Net cash from operating activities</b>	<b>3,531</b>	<b>22,798</b>
<b>Investing activities</b>		
Payments for property, plant and equipment	(2,744)	(3,167)
Payment for intangibles	-	(142)
Proceeds from sale of property, plant and equipment	243	95
Loans from/(to) associated entities	1,654	(2,781)
Payment for businesses, net of cash acquired	(2,941)	(8,688)
<b>Net cash used in investing activities</b>	<b>(3,788)</b>	<b>(14,683)</b>
<b>Financing activities</b>		
Net proceeds from external borrowings	4,387	2,884
Repayment of leasing liabilities	(1,474)	(1,302)
Dividends paid	(5,039)	(8,916)
<b>Net cash used in financing activities</b>	<b>(2,126)</b>	<b>(7,334)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,383)</b>	<b>781</b>
Cash and cash equivalents at beginning of the financial year	2,520	1,739
<b>Cash and cash equivalents at the end of the financial year</b>	<b>137</b>	<b>2,520</b>

# BUSINESS OVERVIEW

At 23 August 2024 (compared to 23 February 2024 or as stated)



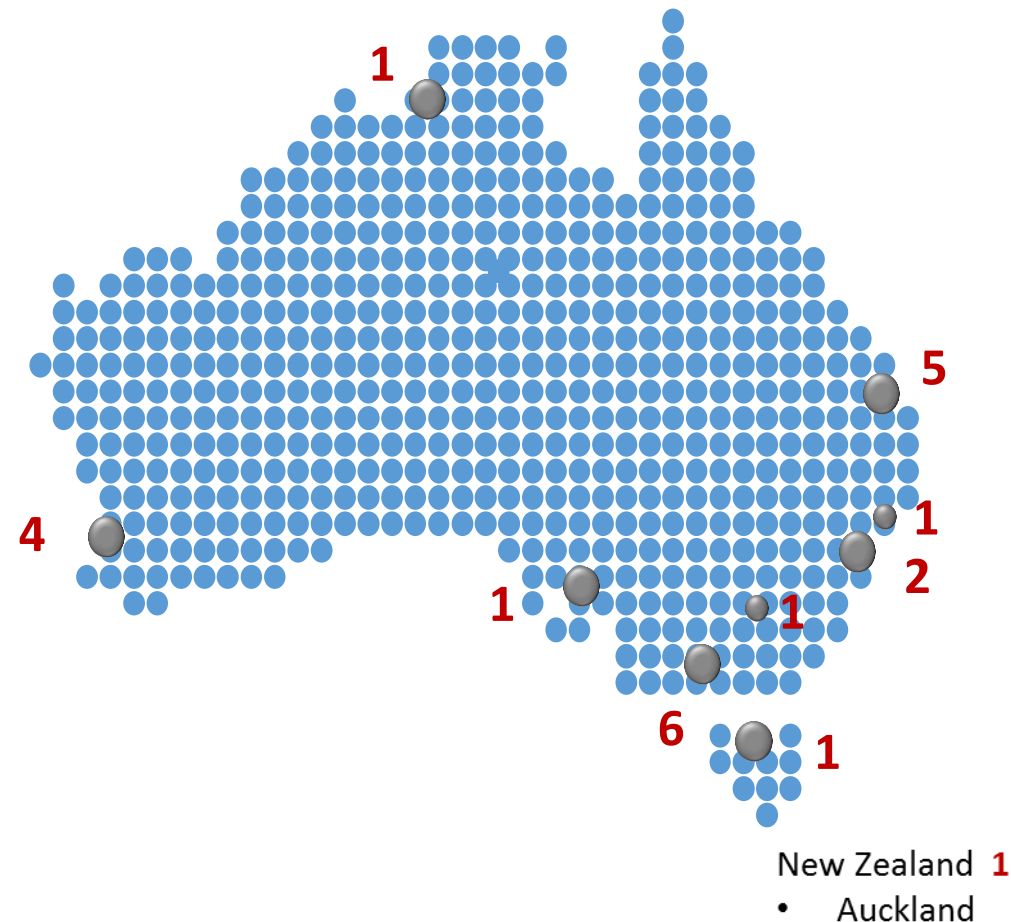
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**288** Internal Staff down 26 or 8%

**23** Offices down 2

**7,267** Weekly Workers at peak  
up 39 or 0.5%

**8.7** Years Tenure Top 20 Customers  
up 0.5 years



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