



# ASHLEY SERVICES GROUP

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**3 February 2023**

## **Ashley acquires Owen Pacific Workforce**

Ashley Services Group Limited (ASX: ASH) has today entered into an agreement to acquire Owen Pacific Workforce Pty Ltd (“OPW”), a company which provides seasonal workers, sourced predominantly from Tonga and Vanuatu, to the Australian horticultural industry.

The acquisition price for the 100% purchase of OPW is expected to be between \$14.2 million and \$15.9 million in total, based primarily on EBITDA for the financial year ending 30 June 2023, which is expected to be between \$4.1 million and \$5.0 million.

Remaining conditions precedent are expected to be fulfilled shortly and it is anticipated that the acquisition will complete on 6<sup>th</sup> February 2023. The acquisition is expected to be Earnings Per Share accretive in the financial year ending 30 June 2024.

The initial purchase consideration payment of approximately \$7.1 million will be funded from newly extended bank facilities with Westpac. The new facilities with aggregate limits of \$45 million (previously \$35 million) are comprised of an invoicing facility of \$25 million and a new acquisition facility of \$20 million (expiring 28 December 2025), the latter replacing the previous \$10 million Bank Bill Business loan facility, on similar terms and conditions (with adjustments consistent with those associated with a larger institutional facility).

The remaining OPW purchase consideration is expected to be paid in two approximately equal amounts in September 2023 and September 2024.

Ashley Services Managing Director Ross Shrimpton said, “The acquisition of OPW is a significant expansion opportunity for Ashley, broadening both our sourcing options for labour and our industry sector coverage. OPW has a strong management team and proven track record and we believe the backing of Ashley Services will place OPW in a stronger position to convert growth opportunities in other industry sectors from its already well-established horticultural base.

I am also pleased to have increased our financing facility with our banking partner Westpac on largely comparable terms to existing arrangements, with an extended maturity”.

For further details:

Paul Brittain

Chief Financial Officer and 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 6,500 workers during the peak seasonal period.*