



ASHLEY SERVICES GROUP

LABOUR HIRE | TECHNICAL SERVICES | TRAINING

Full Year 2025 Results

Ashley Services Group Limited (ASX: ASH) today announced a statutory after-tax profit ("NPAT") of \$2.17 million for the year ended 30 June 2025 ("FY25"), an increase of \$0.82 million on the prior corresponding period ("FY24 or pcpc") (2024: profit \$1.35 million). The pcpc included non-recurring expenses of \$3.2 million, primarily relating to the write-down of customer relationships and goodwill associated with the purchase of Linc Personnel Pty Ltd ("Linc").

Revenue of \$515.9 million was down by \$40.6 million (7.3%) from the comparative period (FY24: \$556.5 million).

As disclosed on 9 July 2025, the Group will not be declaring a final dividend (FY24: final dividend of 0.24 cents per share). The Group is focused on reducing debt and strengthening the balance sheet to fund expected future organic growth.

The full year dividend for FY25 was 0.8 cents, being an interim dividend paid on 14th March 25 (FY24's full year dividend was 0.74 cents). The full year dividend equates to a payout ratio of 53% of earnings attributable to shareholders (FY24: 79%).

Group Statutory results (\$ million)	FY25 \$m	FY24 \$m	Growth/(Decline) %
Revenue	515.9	556.5	(7.3%)
Earnings before interest, tax, depreciation and amortisation (EBITDA) – excluding non-recurring expense, primarily Linc impairments	8.7	11.9	(26.7%)
Reported Earnings before interest, tax, depreciation and amortisation (EBITDA)	8.7	8.6	0.3%
Net profit after tax (NPAT)	2.17	1.35	60.9%
Basic earnings per share attributable to shareholders of ASH (EPS) - cents	1.51	0.94	60.6%



EBITDA by Division (\$ million)	FY25 \$m	FY24 \$m	Growth/(Decline) %
Labour Hire	11.3	13.2	(14.4%)
Training	1.6	4.0	(60.0%)
Corporate costs	(4.2)	(5.3)	(20.7%)
EBITDA excluding non-recurring expense, primarily Linc impairments	8.7	11.9	(26.7%)
Non-recurring expense	-	(3.3)	n/a
Group EBITDA	8.7	8.6	0.3%
EBITDA % excluding non-recurring expense, primarily Linc impairments	1.68%	2.14%	(46bps)

Corporate costs (excluding interest, depreciation and amortisation) at \$4.2 million, were \$1.1 million lower than in the prior corresponding period (FY24: \$5.3 million), due mainly to reduced staffing and insurance costs.

Labour Hire Division

Labour hire (\$million)	FY25 \$m	FY24 \$m	Growth/(Decline) %
Revenue	500.7	538.3	(7.0%)
EBITDA	11.3	13.2	(14.4%)
EBITDA %	2.26%	2.45%	(19bps)

Revenue at \$500.7 million was down by \$37.6 million (7.0%) due mainly to a \$46 million (43%) decline in construction and engineering revenues in Victoria, driven by completion of projects, delays in the commencement of new projects and industrial relation challenges. Revenues in the supply chain, manufacturing and retail sectors were stable with revenue from new customers offsetting reduced overall demand for casual labour from existing customers. Revenues increased in the rail and horticulture sectors.

EBITDA from the historically higher margin construction, engineering and oil and gas sectors reduced \$2.6 million due to the revenue reductions. Performance in all other labour hire businesses improved in FY25.

Training Division

Training (\$million)	FY25 \$m	FY24 \$m	Growth/(Decline) %
Revenue	15.3	18.3	(16.3%)
EBITDA	1.6	4.0	(60.0%)
EBITDA %	10.4%	21.9%	(1,150bps)

Training revenues at \$15.3 million were down by \$3 million (16.3%), due to funding constraints in Victoria and a reduction in telecommunications training in Queensland.

Training EBITDA of \$1.6 million was down \$2.4 million from the prior corresponding period (FY24: \$4.0 million), due mainly to the reduced revenues.

**Cash Flow**

Operating cash flow was stronger in the 2nd half of the financial year, with an inflow of \$11.1 million (\$2.2 million outflow in the first half of the year), bringing the full year operating cash flow to \$8.9 million (FY24: \$3.5 million). Tax payments were \$1.2 million, \$4.8 million lower than in FY24, with FY24 including \$4.6 million of net payments made in relation to FY23.

Net cash used in investing activities was a \$4.7 million outflow. Underlying capital spending for the year reduced \$1.9 million to \$0.8 million, following completion of the vehicle investment programme within the traffic business in Victoria in FY24. Payments for businesses, net of cash acquired, were \$3.3 million. \$0.5 million in net funding was provided to Joint Ventures.

Net cash used in financing activities included the \$0.35 million payment of the 2024 final dividend, the \$1.15 million interim dividend payment for FY25, as well as normal ongoing lease payments of \$1.5 million.

Balance sheet and funding

Net assets at \$31.1 million were up \$0.7 million from the financial year ended 30 June 2024 position of \$30.4 million, in line with the NPAT of \$2.17 million for the year, reduced by the dividend payments of \$1.5 million.

Net debt (cash less borrowings) decreased \$1.2 million in the period to \$11.2 million (30 June 2024: \$12.4 million).

Non-recurring expense/(income)

There were no significant non-recurring expense/(income) items in FY25 (FY24: \$3.24 million).

	FY25 \$m	FY24 \$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)
Net non-recurring expense within EBITDA and NPAT	-	3.24

Managing Director's Comments

Ross Shrimpton, Managing Director, said "The financial year ended 30 June 2025 ("FY25") has been one of stabilisation and reset to adapt to market changes.

The financial results for FY25 were negatively impacted by:

1. Completion of projects and delays commencing new work in the construction, traffic and engineering labour hire businesses in Victoria; and
2. State government funding reductions within the Victorian training business and challenges generating increased fee for service training revenues.



Significant progress has been made with respect to several key strategic initiatives, which have led to improved performance in the first six weeks of FY26. More specifically;

- Margins have stabilised in the supply chain, retail and manufacturing labour hire sectors. Contracts are now in place or being finalised with all top 10 customers, representing over 85% of recurring annual revenues in these sectors. These are generally multi-year contracts including margin escalation;
- The team continues to deliver excellent customer service. Several new customers were secured in FY25 in the supply chain and retail sectors, with no significant customer losses. We expect demand for casual workers from these new customers to continue to increase in FY26;
- Horticulture revenues increased 9% in FY25, with the Group reducing its reliance on berries in Tasmania. We expect both geographic and product category growth to continue. A five-year contract is also in place with the major customer in this sector;
- Following a significant decline in revenues in FY25, new project work commenced in June 25 in the construction and traffic businesses in Victoria, with further projects secured and scheduled to ramp up from October 25. We expect this sector will return to historic levels of revenue and profit in FY26;
- The Group continues to improve efficiencies and lower cost through system and process improvements; and
- Progress continues to be made to commercialise our industry leading labour management systems, through licensing to potential overseas customers.

All final payments in relation to previous acquisitions were made in FY25 and ongoing capital requirements have returned to normalised levels following completion of the vehicle investment programme in the traffic business in Victoria.

Net debt was reduced during the year by \$1.2 million to \$11.2 million as at 30 June 2025, but the Board has not declared a final dividend in relation to FY25. The Group is focused on further reducing debt and strengthening the balance sheet to fund expected future organic growth”.

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 over 7,250 workers during the peak seasonal period.