

MEDIA RELEASE

27 October 2021

Steady demand underpins Accordant's half year performance

- Revenue \$110.4 million, up \$4.5 million
- Net cash generated from operating activities rose to almost \$7 million
- Dividend 6.5cps

Accordant Group reported strong demand and activity for the six months to 30 September 2021.

The Board has determined to pay a dividend of 6.5 cents per share, which is the middle of the range provided at the Annual Shareholders' Meeting and considered a sensible declaration in the light of unknown Covid impact.

Executive Director Simon Bennett said the impacts of the current lockdowns beginning on August 18 differed materially from those affecting the financial first half a year ago.

"This year the business has moved seamlessly to working from home, demand has remained strong into the lockdowns, and we have been able to move some temporary workers to alternative work, or to present permanent employment opportunities."

AWF was most impacted by the nationwide Level 4 lockdowns, and also remains challenged by border closures and a shortage of candidates. Business has been steadily increasing as we have moved to Level 3 and 2. Demand for permanent placements has also increased, albeit off a low base.

JacksonStone & Partners posted a record contribution at the EBITDA level, resulting in a lift in the estimated final earnout payment to the vendors.

Madison, which struggled following the 2020 lockdowns, is also performing strongly after making positive changes to its resourcing model to deal with such strong client demand.

Absolute IT was unable to fully capitalise on strong demand as quickly as Accordant's other divisions as it has been highly restricted in its ability to draw on overseas workers with scarce skill sets.

Bennett said the prospects for Madison, Absolute IT and JacksonStone & Partners were good for the second half of the current year.

"We remain confident that the greater Auckland region, and New Zealand as a whole, will return to lower lockdown restrictions over the coming months.

For AWF, we expect some form of border reopening towards the end of our financial year will allow us to contemplate sourcing migrant labour once again, and will also allow us to source highly skilled IT workers offshore.

The job market remains buoyant and Accordant has a good pipeline of work going into the second half of the financial year."

Ends



Simon Bennett
Executive Director



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