

NZX release

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Accordant Group reports \$3.0 million annual profit, looks forward to open border

Accordant Group Limited [NZX: AGL] today announces a \$3.0 million after-tax profit for the year to 31 March 2022, down from \$6.3 million in the Covid-affected 2021 financial year.

The group was affected by the lengthy border closure and lockdown in the second half of calendar 2021, this time, without significant government support. Other factors affecting financial performance were the standard Intangible asset amortisation and Fair value Loss on Contingent Consideration on the JacksonStone & Partners final payment.

Board Chair Simon Bennett said the more useful comparison was to the year ending March 31, 2020, in which the Group reported net profit after tax of \$2.7 million.

“Demand across the Group is strong, our balance sheet is in good shape, and we have been able to resume dividend payments”.

“While the full opening of New Zealand’s border is not scheduled until 31 July, the opening for working holiday visa holders is already benefitting us.”

Group revenue was \$221.5 million, up 7.8% on \$205.5 million in FY2021, with significant growth realised in retained and permanent revenue.

AWF was most affected by the lockdown as some clients were unable to operate. In addition, some clients who were able to operate were hampered by health and safety restrictions limiting workplace numbers.

However, AWF was able to redeploy many workers to ease supply chain constraints around the economy.

“AWF is in far more robust shape than its financial contribution for the year would suggest, and we expect it to make a more significant contribution in the current financial year,” said Accordant group CEO Jason Cherrington.

Madison’s temporary workforce was largely able to work remotely.

The division experienced strong demand from “business-as-usual” sources, boosted by work flowing from New Zealand’s Covid-19 response.

Absolute IT’s performance fell short of its goals for the year. However, Cherrington said, demand was strong and a focus on candidate management and key talent retention are creating the environment for the division to grow this year.


Accordant paid \$1.4 million to complete the JacksonStone acquisition. While a fair value loss on Contingent Consideration was recorded at the half-year mark, performance was stronger than expected in the second half (increasing the fair value loss). Performance continues to be strong into the current year.

Cherrington said the Group's outlook this year is promising, with upside from the border reopening.

Net bank debt at 31 March was \$13.0 million, compared with \$13.2 million at 31 March, 2021.

A fully imputed final dividend of 5.6 cents per share will be paid on 30 June 2022 to shareholders registered at 17 June 2022. With the 6.5 cents interim dividend paid in December 2021, this takes total dividends for FY2022 to 12.1 cents per share, compared to 8.2 cents per share in FY2021. The Dividend Reinvestment Plan will not be offered on this distribution.

Ends



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