

JOHNS LYNG GROUP LIMITED (ASX: JLG)

ASX Announcement & Media Release

25 February 2025

Johns Lyng Group Limited – 1H25 Financial Results

Johns Lyng Group Limited (ASX: JLG, the “Group”) today announces its financial results for the first half of the 2025 financial year (1H25).

The Group delivered total sales revenue of \$573.1m and earnings before interest, tax, depreciation and amortisation (EBITDA) of \$54.2 million in 1H25. **Revenue from business as usual (BaU) activity increased by 9%** (including acquisitions) on the prior corresponding period (pcp) to \$534.3 million whilst **BaU EBITDA (including acquisitions) increased by approximately 6%** to \$50.3 million.

During the period JLG experienced a challenging operating environment with benign weather conditions across Australia resulting in a reduced volume of insurance claims and CAT-related work. Additionally, work ramp-up in the Northern Rivers region of New South Wales progressed more slowly than expected, while in the United States, project commencement delays also impacted performance.

As a result of these short-term challenges, the Group has updated its guidance for FY25. It now expects total EBITDA for FY25 to be approximately \$126.5 million, down 4.5% from the previous guidance of \$132.5 million, and total FY25 revenue to be \$1.167 billion, down 5% from the previous guidance of \$1.228 billion.

The Group has conducted a detailed review and implemented a cost-reduction program to recalibrate its overhead base and maintain financial discipline as conditions evolve.

The Group made strong progress on its strategic growth initiatives throughout 1H25, completing several earnings accretive acquisitions, strengthening its relationships with insurance partners through major contract extensions and wins, expanded its trial with US-based insurance broker Brown & Brown Insurance, and further consolidating its position within the highly-fragmented strata market.

The Group enters 2H25 in a strong position to capture additional opportunities from recent events and continue its long-term growth trajectory. Severe weather events in early 2H25, including flooding in Northern Queensland and storms in New South Wales, have triggered a step up in the volume of insurance claims, with the Group engaged to assist in recovery and rectification efforts. JL USA has also been engaged to deliver mitigation work following the Los Angeles wildfires and is continuing to engage with key stakeholders to support the region's recovery.

JLG is confident it has taken appropriate measures to mitigate the short-term challenges it has faced during 1H25 whilst remaining firmly focused on delivering both near-term performance and long-term sustainable growth for shareholders.

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2025 Financial Year - First Half Result Highlights

- **Sales Revenue:** \$573.1m (1H24: \$610.6m)
 - **BaU Revenue:** \$534.3m (1H24: \$490.2m)
 - **CAT Revenue:** \$38.8m (1H24: \$120.4m)
- **Group EBITDA¹:** \$54.2m (1H24: \$63.9m)
 - **BaU EBITDA:** \$50.3m (1H24: \$47.6m)
 - **CAT EBITDA:** \$3.8m (1H24: \$16.3m)
- **Net Profit After Tax (NPAT):** \$20.8m (1H24: \$31.1m)
- **Interim dividend of 2.5 cents per share** (fully franked). Represents approximately 49% of NPAT attributable to JLG shareholders for 1H25

¹ EBITDA is defined as earnings before interest, tax, depreciation and amortisation and excludes transaction related expenses of \$1.7m (1H24: \$2.8m)

1H25 Overview

Group Chief Executive Officer and Managing Director Scott Didier AM said:

“JLG’s strength lies in its diversified model, disciplined operations, and ability to adapt. Our expanded insurer partnerships, strategic acquisitions, and ongoing integration efforts position us for sustained growth across our strategic pillars.

“Keystone’s integration is progressing well, contributing to BaU revenue and strengthening our ability to respond to future CAT events. Meanwhile, SSKB has significantly expanded our strata management footprint, while Chill-Rite is broadening our Essential Compliance & Home Services reach into key regional markets. These additions support our long-term strategy and enhance our capacity in key sectors.

“In the US, we are seeing early traction in complementary service lines, and our Emergency Broker Response service is showing strong potential that, coupled with our successful and now expanding trial with Brown & Brown Insurance, offers a solid runway for growth. Our involvement in mitigation efforts following the Los Angeles wildfires demonstrates our growing presence and ability to support insurers and communities in times of need.

“JLG enters the second half with a strong foundation to navigate near-term challenges and sustain its established growth trajectory. Our engagement in recent flood and storm recovery efforts in Northern Queensland and New South Wales highlights the recurring but unpredictable nature of weather events, while our Disaster Management Australia business continues to expand its capabilities and secure new contracts, independent of CAT activity. With a clear strategic path, JLG remains focused on delivering long-term value and growth.”

Growth in IB&RS

During 1H25, JLG secured a three-year contract with Aidacare for national building works and a three-year contract with TIO (NT) for building and restoration services across the Northern Territory. These agreements provide a significant pipeline of work, complementing the Group’s longstanding partnerships

with blue-chip counterparties. Key contract extensions during the period included agreements with Hollard and Market Lane Group, further strengthening these relationships.

JLG's Disaster Management Australia (DMA) business secured two major contract extensions with Queensland's Department of Housing, including a two-year contract extension for temporary accommodation and a one-year contract extension for caravan rental and project management services. Additionally, DMA's existing contract with Emergency Recovery Victoria was expanded to include State Emergency Services rectification works.

While the period saw no new CAT events due to generally benign weather, carryover work from Tropical Cyclone Jasper (Dec-23) and the East Coast Christmas and New Year Storms (Dec-23) contributed to performance. Post-period, DMA was engaged in recovery efforts following severe storms in New South Wales and major flooding across Northern Queensland, with the scope of work still being determined.

In September 2024, JLG acquired an 87.5% controlling equity interest in Keystone Group, a leading Queensland-based provider of insurance building and restoration services. This immediately earnings-accretive acquisition enhances JLG's IB&RS (ANZ) growth pillar and strengthens its capacity to respond to future CAT events.

Strata market expansion remains a key focus, with the acquisition of SSKB increasing JLG's total portfolio to over 140,000 lots. SSKB's experienced senior leadership team remains with the business, with future equity participation opportunities under JLG's Business Partner model.

JLG also advanced its Essential Compliance & Home Services segment, which is underpinned by non-discretionary and subscription-based revenue models. The 1H25 acquisition of Chill-Rite (HVAC) establishes a platform for further regional expansion across Queensland and Victoria.

In the US, Johns Lyng USA's trial with Brown & Brown Insurance was successful, expanding across additional locations and providing a steady workflow to strengthen its position in the market. As part of this trial, the Group also launched its Emergency Broker Response service, receiving strong initial interest from brokers and demonstrating promising growth potential.

Interim Dividend

The Board of JLG is pleased to announce an interim dividend of 2.5 cents per share (fully franked), with a record date of entitlement of 3 March 2025. The interim dividend will be paid on 18 March 2025 and represents approximately 49% of NPAT.

The interim dividend is in-line with JLG's Dividend Policy (40%-60% of NPAT).

FY25 Outlook

- **FY25(F) Sales Revenue: \$1.167bn**
- **FY25(F) EBITDA¹: \$126.5m**

¹ EBITDA is defined as earnings before interest, tax, depreciation and amortisation and excludes transaction related expenses of \$1.7m (1H24: \$2.8m)

Financial Reconciliation to Statutory Results

Reconciliation to Statutory Results	1H24	1H25
Revenue		
BaU	490.2	534.3
CAT	120.4	38.8
Sales Revenue - Statutory	610.6	573.1
EBITDA		
BaU	44.8	48.7
CAT	16.3	3.8
EBITDA - Statutory	61.1	52.5
Transaction Related Expenses	2.8	1.7
EBITDA - Normalised	63.9	54.2

ENDS

This announcement was authorised by the Board of Johns Lyng Group Limited.

Investors & Media

Patrick Rasmussen
t) 0430 159 690
e) prasmussen@prx.com.au

Company Secretary

Lisa Dadswell
t) 0424 029 991
e) lisa.dadswell@sourceservices.com.au

Johns Lyng Group Limited (JLG) is an integrated building services group delivering building and restoration services across Australia and the US. JLG's core business is built on its ability to rebuild and restore a variety of properties and contents after damage by insured events including impact, weather and fire events. Beginning in 1953, JLG has grown into an international business with over 2,500 employees servicing a diversified client base comprising major insurance companies, commercial enterprises, local and state governments, body corporates/owners' corporations and retail customers. JLG defines itself by delivering exceptional customer service outcomes every time.

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