

## JOHNS LYNG GROUP LIMITED (ASX: JLG)

### ASX & Media Release

2 July 2018

#### JLG divests stake in Club Home Response

Johns Lyng Group Ltd (ASX: JLG) will sell its 49% share of Club Home Response Pty Ltd (**Club Home Response**) to RACV for a \$4 million cash sum under a Share Sale Agreement (**SSA**).

The SSA along with a Transitional Services Agreement (**TSA**) are binding agreements subject to certain conditions precedent expected to be fulfilled shortly.

Club Home Response is an emergency domestic repairs service available to members of automobile clubs including RACV. RACV currently holds the majority (51%) share in this business.

Effective from Completion, the SSA and TSA will provide for JLG and RACV to continue working together on Club Home Response's service delivery through to December 2020.

During this time, JLG will continue to licence its "EasyLink" software product to RACV. The software is currently used by Club Home Response, providing a central point of operational management and job resource allocation.

JLG Managing Director Scott Didier AM reported that proceeds from the sale are planned to be invested back into further growth opportunities for the Group.

"The Board felt that this was the right move for us, as it will enable us to continue to provide our skills and expertise in the home response business, but will provide scope for us more broadly to pursue other strategic interests in this sector," Mr Didier said. "We enjoy a good working relationship with RACV and together we have built the business into what it is today. We're proud of that and we're pleased we'll continue to work together."

"Divesting our interest simply means that we have greater flexibility outside of that particular business. Maintaining a diversified business offering is central to JLG and the Board is considering some further options that align with our strategic growth plans."

#### ENDS

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**About Johns Lyng Group Limited** Johns Lyng Group Limited is an integrated building services group delivering building and restoration services across Australia. The Group's core business is built on its ability to rebuild and restore a variety of property and contents after damage by insurable events (e.g. impact, weather and fire events). Beginning in 1953, the Group has grown into a national business with over 500 employees servicing a diversified client base comprising major insurance companies, commercial enterprises, local and state government and retail customers. The Group defines itself by seeking to deliver exceptional customer service outcomes every time.