

**JOHNS LYNG GROUP LIMITED (ASX:JLG)**

**ASX Statement**

April 10, 2019

**JLG ACQUIRES U.S COMPANY STEAMATIC INC.**

Johns Lyng Group (ASX:JLG) has acquired 100% of Steamatic Inc., a Fort Worth, Texas-based water, fire and flood restoration services company, effective 1 April 2019.

Established in 1948, Steamatic Inc. has become a household name in the US for fire and water damage restoration services and will provide JLG with immediate access to that market, estimated to be worth US\$200B.

Steamatic's network of 63 domestic franchisees and 14 international Master Franchise Agreements is expected to create a platform for international expansion of JLG's core restoration and building services offering.

JLG will pay a total of US\$3.1m non-contingent consideration from cash reserves plus a potential earn-out over 18 months. The transaction is expected to have an immediate positive but immaterial impact on earnings.

Existing Chairman – and current owner – Bill Sims will transition into retirement over the earn-out period while incumbent President Stefan Figley will continue in the role with support from current JLG Business Partners to be integrated in due course.

JLG Chief Executive Scott Didier AM said the acquisition would allow for major growth of JLG's core business offerings.

“Water restoration services is one of the central pillars upon which the JLG brand is built, so the opportunity to take that expertise, and track record, to a large overseas market is significant for the Group,” Mr Didier said.

“Beyond that, Steamatic's existing business portfolio will allow us to introduce and grow JLG's other core service offerings. There is a strong opportunity for our insurance building and general contracting business in particular.

“Given the strength of the Steamatic brand there will also be further opportunities to increase the number of Group-owned locations and drive more franchise sales.

“Over time, some franchisees may exit which also creates an ongoing acquisition pipeline for us.”

“Bill Sims has built a very impressive business that presents a number of synergies with JLG. Its dedicated people and its culture in particular were part of the attraction for us.

“We're pleased to have done this deal and we look forward to what it will bring to the Group.”

**ENDS**

For further information, contact:

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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 properties and contents after damage from insured events (e.g. impact, weather and fire events). Beginning in 1953, the Group has grown into a national business with over 550 employees servicing a diversified client base comprising: major insurance companies, commercial enterprises, local and state governments and retail customers. The Group defines itself by delivering exceptional customer service outcomes every time.