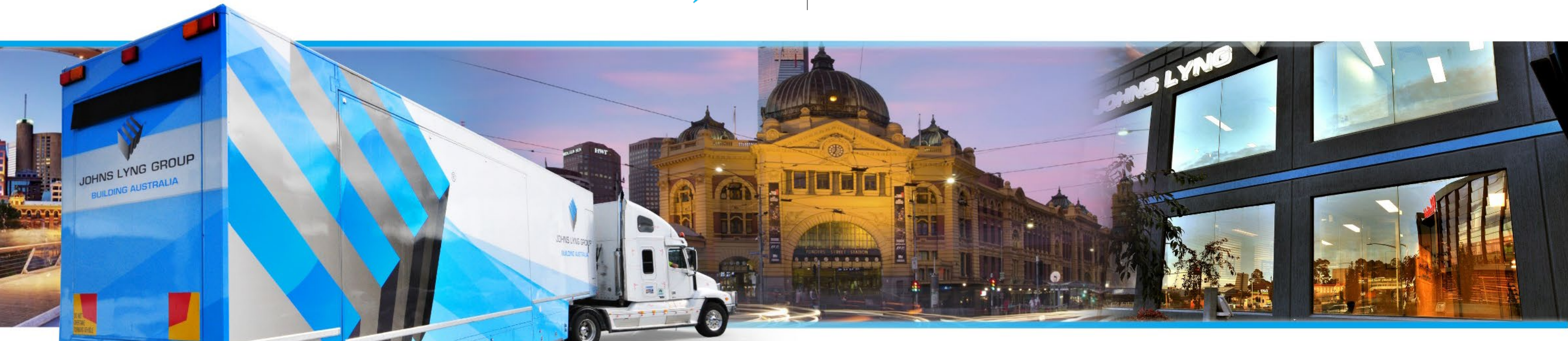
JOHNS LYNG GROUP

BUILDING AUSTRALIA

Valuing People | 65 YEARS STRONG



Johns Lyng Group Limited

Results Presentation

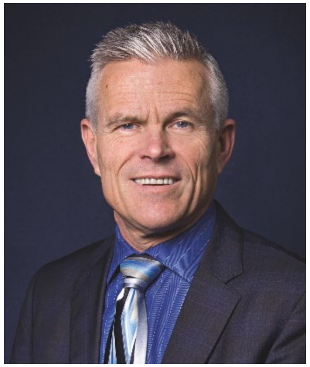
Full-year ended 30 June 2020 (**FY20**)

25 August 2020

Johns Lyng Group - Presenters

Scott Didier AM

Chief Executive Officer



Lindsay Barber

Chief Operating Officer

Matthew Lunn

Chief Financial Officer

Adrian Gleeson

Director, Investor & Business Relations

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Appendices

// Johns Lyng Group

#01

Business Highlights.

At the heart of our business is an **entrepreneurial desire** to continue to **develop and grow** – without limits, anything is possible.

Insurance Building & Restoration Services Brands

1.1 Business Highlights – Financial Snapshot

JOHNS LYNG GROUP

Strong FY20 financial performance & exit run-rate, solid balance sheet & ample liquidity

FY20 Financial Performance

- **Group Revenue: $495.1m** (+47.8% / BaU +40.6%)
- **Group (Operating) EBITDA: $41.0m** (+76.6% / BaU +64.1%)
- **NPAT[1]: $15.9m** (+20.4%)
  - **NPAT (Normalised)[2]: $16.4m** (+53.8%)
- **EPS: 7.13 cents** (+20.1%)
  - **EPS (Normalised)[2]: 7.36 cents** (+53.5%)
- **2H20 Final Dividend: 2.2 cents**
- **FY20 Total Dividends: 4.0 cents** (+33.3% / 56% payout ratio)
- **Net assets: $59.1m** (+$14.7m)
  - Net cash: $24.2m
  - Undrawn (committed) working capital credit facilities: >$25m
  - Ample liquidity and sufficient balance sheet capacity to fund organic growth and current M&A pipeline

Consolidated Profit & Loss ($m)	Actual FY19	Actual FY20	FY20(A) vs. FY19(A) %
Revenue - BaU	**288.9**	**406.1**	**40.6%**
Revenue - BaU (excl. acquisitions)	287.2	355.5	23.8%
Revenue - CAT	46.2	89.0	92.7%
Revenue - Total	**335.1**	**495.1**	**47.8%**
EBITDA - BaU	**19.4**	**31.8**	**64.1%**
Margin (%)	*6.7%*	*7.8%*	
EBITDA - BaU (excl. acquisitions)	19.6	24.0	22.5%
Margin (%)	*6.8%*	*6.8%*	
EBITDA - CAT	3.8	9.2	139.6%
Margin (%)	*8.3%*	*10.3%*	
EBITDA (Operating) - Total	**23.2**	**41.0**	**76.6%**
Margin (%)	*6.9%*	*8.3%*	

Note: Normalised financials presented under AASB 16 (Leases) - Refer to Appendix 1 for detailed reconciliation to statutory results

[1] Statutory NPAT attributable to JLG Shareholders

[2] EPS calculated using NPAT excluding tax effected (30%) 'Transaction expenses' & $2.9m non-recurring gain on sale of businesses in FY19 ($4.6m less 10% NCI tax-effected at 30%)

1.2 Business Highlights – Group Summary

JOHNS LYNG GROUP

Core IB&RS businesses are 'Essential Services', strong FY20 exit run-rate & ample liquidity

Earnings Guidance

- FY21 Forecast provided:
  - Revenue: $485.3m / EBITDA: $41.2m
  - Limited COVID-19 impact on core IB&RS businesses to date ('Essential Services') – key risk is access to properties

Strong Balance Sheet & Ample Liquidity

- Net cash: $24.2m
- Undrawn (committed) working capital credit facilities: >$25m

Results / Recent Trading

- Strong FY20 exit run-rate and start to FY21
- Record job registrations and strong work-in-hand pipeline
- Management will continue to provide regular market updates

Strategy Unchanged

- Organic growth through geographical expansion, new client / contract wins and diversification into 'complementary adjacencies'
- Strata and broker markets continue to be a key focus for FY21
- Strategic acquisitions under assessment

COVID-19 – Second Wave Risks

- IB&RS revenues are non-discretionary spend for insured customers
- Recurring (annuity style) revenues materially insulated from COVID-19 impact under stage 3 lock down scenario (stage 4 lockdown currently isolated to VIC for 6 week period)
- Key risk is access to properties should restrictions escalate – access to properties still available under stage 4 restrictions due to nature of emergency insurance work
- Access to trades is currently materially unaffected
- No exposure to China

Customer Behaviour / Post COVID-19

- Expect 2H21 recovery in CBS division - in particular home-staging and shop-fitting businesses
- **Zoono** – signed exclusive distribution agreement for Australian B2B market - Zoono manufactures environmentally friendly, industrial disinfectant products which are proven to be effective in combating a surrogate of the COVID-19 virus, feline coronavirus[1]
  - Expect continued focus on hygiene and specialist deep cleaning protocols for the foreseeable future

[1] Refer release made 23 March 2020 available here: https://cdn.shopify.com/s/files/1/0014/2471/9931/files/20200323_ASX_Zoono_COVID-19_Clarification.pdf?v=1584945202

1.3 Business Highlights – Portfolio Summary

JOHNS LYNG GROUP

- **JLG is a market leading integrated building services group, delivering building, restoration and strata management services across Australia**
- **Focused on recurring revenues and deep client relationships: JLG's strategically aligned businesses deliver >80k discrete jobs p.a.**

Insurance Building & Restoration Services (IB&RS)

Building fabric repair and contents restoration after damage from insured events including: impact, weather and fire events. Hazardous waste removal, strata management and property/ facilities management.

IB&RS ($m)	FY20(A)	Contribution
Revenue	396.7	80.1%
EBITDA	40.9	99.8%

Commercial Building Services (CBS)

Residential & commercial flooring, emergency domestic (household) repairs, shop-fitting, pre-sale property staging & commercial heating, ventilation & air conditioning mechanical services.

CBS ($m)	FY20(A)	Contribution
Revenue	54.1	10.9%
EBITDA	2.8	6.9%

Commercial Construction (CC)

Johns Lyng Commercial Builders undertakes commercial construction projects typically ranging from $3m to $20m in Victoria including 'large-loss' insurance rebuilds.

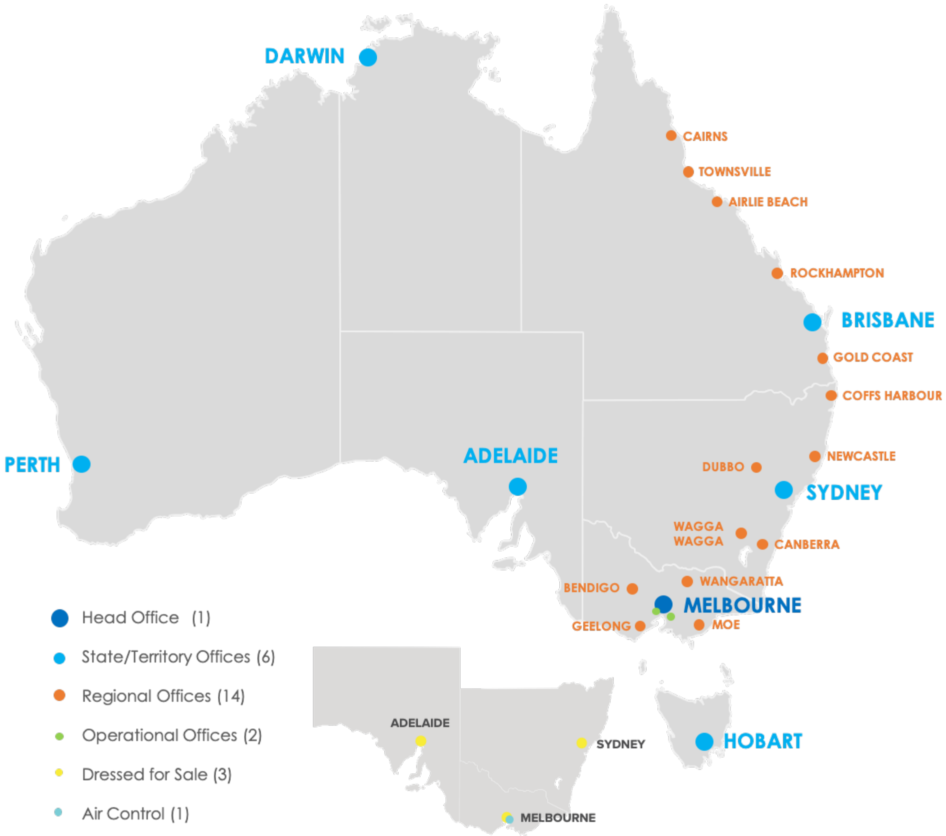
CC ($m)	FY20(A)	Contribution
Revenue	43.6	8.8%
EBITDA	1.0	2.5%
JLG Corporate Overheads	(3.8)	(9.2%)
Total Group EBITDA	**41.0**	**100.0%**

Note: Normalised financials presented under AASB 16 (Leases) - Refer to Appendix 1 for detailed reconciliation to statutory results
'Other' revenue of $0.7m not presented above

1.4 Business Highlights – Global Locations

JOHNS LYNG GROUP

27 Locations Nationally



bright & duggan

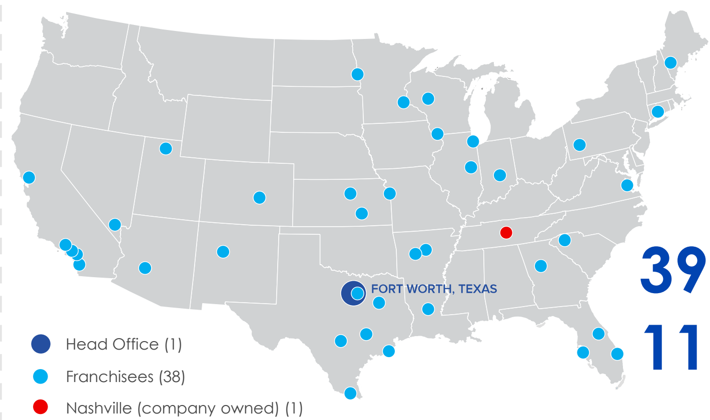
australia's strata leader

14 Locations across the east coast

Capitol

FOLLOW THE LEADER

3 Locations within QLD



STEAMATIC Restoration & Cleaning

39 US Franchisees (including 1 owned Franchise)

11 International Master Franchise Agreements

// Johns Lyng Group

#02

Financial Information.

Our deep industry **experience** and diversified service offering creates a **unique** blend of **talent** and **capabilities** which is a sustainable source of **competitive advantage**.

Commercial Building Services & Construction Brands

2.1 Financial Summary – Group Profit & Loss

JOHNS LYNG GROUP

Consolidated Group FY20 (Operating) EBITDA: $41.0m (+76.6% vs. FY19)

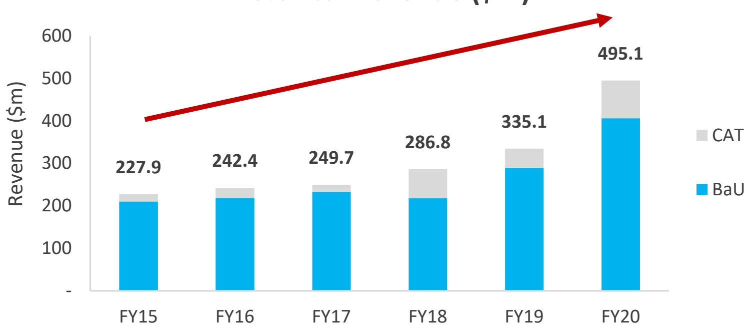
Revenue (Group)

- **Total Revenue: $495.1m** (+47.8%)
- **BaU Revenue: $406.1m** (+40.6%)
  - +23.8% excl. acquisitions
- **CAT Revenue: $89.0m** (+92.7%)

EBITDA (Group)

- **Operating EBITDA: $41.0m** (+76.6%)
- **BaU EBITDA: $31.8m** (+64.1%)
  - +22.5% excl. acquisitions
- **CAT EBITDA: $9.2m** (+139.6%)

Historical Revenue ($m)



Consolidated Profit & Loss ($m)	Actual FY19	Actual FY20	FY20(A) vs. FY19(A) %
Revenue - BaU	**288.9**	**406.1**	**40.6%**
Revenue - BaU (excl. acquisitions)	287.2	355.5	23.8%
Revenue - CAT	46.2	89.0	92.7%
Revenue - Total	**335.1**	**495.1**	**47.8%**
Gross Profit	**68.0**	**100.7**	**48.0%**
Margin (%)	*20.3%*	*20.3%*	
EBITDA - BaU	**19.4**	**31.8**	**64.1%**
Margin (%)	*6.7%*	*7.8%*	
EBITDA - BaU (excl. acquisitions)	19.6	24.0	22.5%
Margin (%)	*6.8%*	*6.8%*	
EBITDA - CAT	3.8	9.2	139.6%
Margin (%)	*8.3%*	*10.3%*	
EBITDA (Operating) - Total	**23.2**	**41.0**	**76.6%**
Margin (%)	*6.9%*	*8.3%*	

Historical Revenue ($m)	FY15	FY16	FY17	FY18	FY19	FY20
BaU	210.1	218.8	233.7	217.6	288.9	406.1
CAT	17.8	23.6	16.0	69.2	46.2	89.0
Total Revenue	**227.9**	**242.4**	**249.7**	**286.8**	**335.1**	**495.1**
CAT % of Total Revenue	*7.8%*	*9.7%*	*6.4%*	*24.1%*	*13.8%*	*18.0%*
CAT % of IB&RS Revenue	*14.1%*	*16.3%*	*10.4%*	*31.1%*	*17.7%*	*22.4%*

Note: Normalised financials presented under AASB 16 (Leases) - Refer to Appendix 1 for detailed reconciliation to statutory results

2.2 Segment Analysis – IB&RS

JOHNS LYNG GROUP

BaU EBITDA growth: +63.8% (+26.5% excl. acquisitions) plus significant CAT activity

Revenue (IB&RS)

- **Total Revenue: $396.7m** (+52.0%)
- **BaU Revenue: $307.7m** (+43.2%)
  - +23.7% excl. acquisitions
- **CAT Revenue: $89.0m** (+92.7%)

EBITDA (IB&RS)

- **Total EBITDA: $40.9m** (+76.4%)
- **BaU EBITDA: $31.7m** (+63.8%)
  - +26.5% excl. acquisitions
- **CAT EBITDA: $9.2m** (+139.6%)

Segment Analysis - IB&RS ($m)	Actual FY19	Actual FY20	FY20(A) vs. FY19(A) %
Revenue - BaU	**214.8**	**307.7**	**43.2%**
Revenue - BaU (excl. acquisitions)	213.9	264.7	23.7%
Revenue - CAT	46.2	89.0	92.7%
Revenue - Total	**261.0**	**396.7**	**52.0%**
EBITDA - BaU	**19.4**	**31.7**	**63.8%**
Margin (%)	*9.0%*	*10.3%*	
EBITDA - BaU (excl. acquisitions)	19.3	24.4	26.5%
Margin (%)	*9.0%*	*9.2%*	
EBITDA - CAT	3.8	9.2	139.6%
Margin (%)	*8.3%*	*10.3%*	
EBITDA - Total	**23.2**	**40.9**	**76.4%**
Margin (%)	*8.9%*	*10.3%*	

CAT EBITDA presented for illustrative purposes only.

Calculated at average IB&RS margin.

Recent Peak and CAT Events

Mildura Hailstorm (Nov-16)	Cyclone Marcus (Mar-18) - CAT	Victoria Storms (Dec-18)	**Hailstorm SE QLD (Nov-19) - CAT**
Broken Hill Hailstorm (Feb-17)	Tasmania Floods (May-18)	Sydney Hailstorm (Dec-18) - CAT	**Hailstorm: ACT, VIC & NSW (Jan-20) – CAT**
Cyclone Debbie (Mar-17) - CAT	Bushfires (Dec-19) - CAT	Townsville Floods (Feb-19) - CAT	**East Coast Low (Feb-20) – CAT**
Kalgoorlie Hailstorm (Nov-17)	Sydney Storms (Nov-18)	**Bushfires NSW/QLD (Sept-19) - CAT**	
Melbourne Floods (Dec-17)	Coolgardie Hailstorm (Dec-18)	**Bushfires Rappville, NSW (Oct-19) - CAT**	
Victoria Hailstorm (Dec-17)	Cyclone Owen (Dec-18)	**Bushfires: QLD, NSW, VIC & SA (Nov-Feb-20) - CAT**	

JLG does not forecast for CAT events. Forecast CAT revenue and EBITDA relates to the run-off work from various recent CAT events

Note: Normalised financials presented under AASB 16 (Leases) - Refer to Appendix 1 for detailed reconciliation to statutory results

2.2.1 Segment Analysis – CBS & Commercial Construction

Satisfactory result considering COVID-19 - reduced activity in 2H20 (recovery expected 2H21)

Commercial Building Services

- **Revenue: $54.1m** (+37.1%)
  - +20.0% excl. acquisitions
- **EBITDA: $2.8m** (+28.6%)
  - Impact of COVID-19 resulted in reduced activity and lower 2H20 trading results for: Shop-fit, Dressed for Sale (pre-sale home staging) and Trump Floorcoverings businesses
  - Scale down plan implemented to manage overhead risk – 2H21 recovery expected
  - Strategic decision post year-end to rationalise Trump Floorcoverings Business Units in NSW and QLD. Trump (VIC) will continue operations and additionally manage current work-in-hand run-off, along with any future interstate work

Segment Analysis - CBS ($m)	Actual FY19	Actual FY20	FY20(A) vs. FY19(A) %
Commercial Building Services			
Revenue	39.4	54.1	37.1%
Revenue (excl. acquisitions)	38.7	46.4	20.0%
EBITDA	**2.2**	**2.8**	**28.6%**
Margin (%)	*5.6%*	*5.3%*	
EBITDA (excl. acquisitions)	2.5	2.3	(5.4%)
Margin (%)	*6.4%*	*5.0%*	

Commercial Construction

- **Revenue: $43.6m** (+29.2%)
- **EBITDA: $1.0m** (+10.9%)
  - Stage 4 lockdown restrictions in VIC will cause delays to a small number of projects in 1Q21
  - Management expect to 'catch up' in 3Q21 - numerous jobs in regional areas plus rectification work with Cladding Safety Victoria which are unaffected by stage 4 lock down restrictions
  - Robust pipeline of 'core-competency' projects

Segment Analysis - CC ($m)	Actual FY19	Actual FY20	FY20(A) vs. FY19(A) %
Commercial Construction			
Revenue	33.7	43.6	29.2%
EBITDA	**0.9**	**1.0**	**10.9%**
Margin (%)	*2.7%*	*2.3%*	

Note: Normalised financials presented under AASB 16 (Leases) - Refer to Appendix 1 for detailed reconciliation to statutory results

2.3 Balance Sheet

JOHNS LYNG GROUP

Strong balance sheet, ample liquidity & sufficient capacity to fund organic growth & M&A pipeline

Balance Sheet (30 Jun-20)

- Net assets: $59.1m (+$14.7m)
- Net cash: $24.2m
  - Undrawn (committed) working capital credit facilities: >$25m
  - Ample liquidity and sufficient balance sheet capacity to fund organic growth and current M&A pipeline

Capital Efficiency Metrics

- Strong capital efficiency metrics driven by asset-light balance sheet including:
  - RoCE: 53.8% (FY19: 45.9%)
  - RoE: 31.6% (FY19: 23.6%)

Earnings per Share

- EPS: 7.13 cents (+20.1% vs. FY19)
- EPS (normalised)[1]: 7.36 cents per share (+53.5% vs. FY19)

Balance Sheet ($m)	Actual Jun-19	Actual Jun-20
Total Assets	143.5	229.4
Net Assets	44.4	59.1
Cash	30.1	46.8
Debt (3rd Party)	(6.2)	(22.6)
Net Cash / (Debt)	**23.8**	**24.2**

Capital Efficiency Metrics ($m)	Actual FY19	Actual FY20
Return on Capital Employed (RoCE)		
EBITDA[2]	23.2	41.0
Shareholders' Funds	44.4	59.1
NCI Share of Intangibles NBV	-	(5.5)
Gross Debt (3rd Party)	6.2	22.6
SH Funds (excl. NCI % Intangibles NBV) + 3rd Party Debt	50.6	76.2
Return on Capital Employed	**45.9%**	**53.8%**
Return on Equity (RoE)		
NPAT Attributable to JLG Shareholders[1]	10.6	16.4
Shareholders' Funds	44.4	59.1
NCI	0.6	(7.3)
Equity Attributable to JLG Shareholders	45.0	51.8
Return on Equity	**23.6%**	**31.6%**
Earnings Per Share - Statutory	5.94 cents	7.13 cents
Earnings Per Share - Normalised[2]	**4.79 cents**	**7.36 cents**

[1] EPS calculated using statutory NPAT attributable to JLG Shareholders excluding tax effected (30%) 'Transaction expenses' & $2.9m non-recurring gain on sale of businesses in FY19 ($4.6m less 10% NCI tax-effected at 30%)

[2] Excluding Transaction related expenses and $4.6m non-recurring gain on sale of businesses in FY19

2.4 Cash Flow & Working Capital

JOHNS LYNG GROUP

High cash conversion from EBITDA – final dividend: 2.2 cents (4.0 cents total FY20)

Capital Expenditure

- Capex primarily consists of motor vehicle and restoration equipment purchases and IT infrastructure upgrades
  - Motor vehicle fleet includes 308 vehicles at 30 Jun-20 vs. 277 at 30 Jun-19

Working Capital

- Working capital cycle is actively managed - strong focus on cash flow

Cash Conversion

- Operating cash flow: $50.2m (125% EBITDA cash conversion)

Dividend (FY20)

- Final dividend of 2.2 cents
- Total FY20 Dividends: 4.0 cents (+33.3% / 56% payout ratio)
  - Record date of entitlement: 31 August 2020
  - Dividend payment date: 15 September 2020
  - Dividend policy: 40%-60% NPAT[1]

Capital Expenditure ($m)	Actual FY19	Actual FY20
Plant & Equipment	1.1	0.7
Motor Vehicles	2.6	2.2
Leasehold Improvements	0.2	0.3
Computer Equipment	0.0	0.2
Capitalised Software Development	0.2	0.5
Total Capital Expenditure	**4.1**	**3.9**

Working Capital ($m)	Actual Jun-19	Actual Jun-20
Days Sales Outstanding (12m average)	51.6	37.2
Days Purchases Outstanding (12m average)	56.3	55.7

Cash Conversion ($m)	Actual FY19	Actual FY20
EBITDA (Statutory)	**27.4**	**40.3**
Gain on Sale of Businesses (Sankey & CHR)	(4.6)	-
Statutory EBITDA (excl. Gain on Disposal)	**22.8**	**40.3**
Movement in Working Capital	2.0	19.2
Non-cash Items	(0.0)	0.5
Net Cash from Operating Activities (Pre-Interest & Tax)	**24.8**	**60.0**
Net Interest Paid	(0.7)	(1.7)
Tax Paid	(5.2)	(8.1)
Net Cash from Operating Activities	**18.9**	**50.2**
Cash Conversion (%)	**83.1%**	**124.6%**

[1] Statutory NPAT attributable to JLG Shareholders

Select Clients

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#03

Strategy & Growth.

Whether they are ‘core business’ **acquisitions, start-ups** or opportunities in **complementary adjacencies**, JLG is well positioned to embrace & capitalise on **growth initiatives**.

3.1 Strategy & Growth

JOHNS LYNG GROUP

Domestic & international organic expansion plus M&A opportunities

Contracts

- Job volumes from previous contract wins increasing towards expected 'run-rate'
- CHU Insurance: appointed to national restoration panel (excl. QLD)
- Cladding Safety Victoria: panel appointment
- RAC Tasmania: panel appointment
- WA's major local insurer: 5 year contract extension
- Zoono: exclusive 5 year distribution agreement (AUS/B2B)

Domestic Expansion

- New office opened in Coffs Harbour (NSW) during FY20
- Growth in Broker market ('Emergency Broker Assist')
- Huski Home Services - emergency and scheduled residential repairs and maintenance (B2C)
- Targeting new clients and panels

Strata Market

- Key focus on building and restoration services for Strata Insurers in FY21
- Established designated Strata Building Services division - national roll-out on track
- Significant synergies with Bright & Duggan & Capitol Strata
- Multiple cross-sell opportunities per dwelling: **insurance building and restoration**, **emergency trades, scheduled trades and Huski Home Services** (direct to customer)
- Estimated 2.9m lots nationwide (insured value c.$1.2bn)[1]

M&A

- FY20 acquisitions complete: Bright & Duggan, Capitol Strata, Steamatic Nashville (USA) and Air Control
- Additional M&A opportunities under evaluation:
  - Consolidation of highly fragmented Insurance Building and Restoration Services and Strata Management markets
  - Diversification into 'complementary adjacencies'

[1] https://cityfutures.be.unsw.edu.au/research/projects/2020-australasian-strata-insights/

3.2 Strategy & Growth - Recent Acquisitions

Recent acquisitions expand presence in strategically important strata market

Strategy on Track

- **Organic growth** through **geographical expansion, new client wins and Huski Home Services** (B2C and B2B emergency and scheduled residential repairs and maintenance)
- **Strata and broker markets** continue to be a key focus for organic growth in FY21 (insurance panels and direct facilities maintenance)
- **Acquisitions** complete: Bright & Duggan, Capitol Strata, Steamatic Nashville (US) and Air Control - additional acquisition opportunities under evaluation

Acquisition of Bright & Duggan – a 'game changer' for Johns Lyng Group

- Aug-19 (effective 1 July): 51% voting / 46% economic equity interest
- Enterprise Value: $31.8m ($32.1m Equity Value), plus potential earn-out
- Founded in 1978 and headquartered in Sydney, Bright & Duggan is a leading strata and facilities management business
- More than 220 staff across 14 offices and more than 55,000 lots under management across more than 1,500 strata schemes

Acquisition of Capitol Strata – strategic bolt-on acquisition for Bright & Duggan

- Feb-20 (effective 31 Jan): 85% equity interest
- Enterprise Value: $8.1m ($8.4m Equity Value)
- Founded in 1995, QLD based strata management company with ~16,000 lots under management

JLG Strategy

- The strata market comprises more than 2.9m strata titled lots nationally – represents a compelling investment and growth opportunity with inherent revenue synergies in collaboration with the Group's other businesses
- JLG will support long-standing management shareholders to grow Bright & Duggan and Capitol in their existing markets and additionally cross-sell the Group's various building services – multiple cross-sell opportunities per dwelling: **insurance building and restoration**, **emergency trades; scheduled trades and Huski Home Services** (direct to customer)

3.2.1 Strategy & Growth - Recent Acquisitions

JOHNS LYNG GROUP

Air Control is a 'platform' acquisition - complementary adjacency with cross-selling opportunities into existing core business and strata management verticals

Acquisition of Air Control – a leading heating, ventilation and air conditioning mechanical services business

- Apr-20 (effective 31 Jan): 60% equity interest
- Enterprise Value: $3.6m ($3.7m Equity Value), plus potential earn-out
- Headquartered in Melbourne and founded in 2005 by incumbent Joint Managing Directors (each retaining a 20% minority equity interest)
- Recurring, annuity style maintenance revenues plus project and emergency work from diversified blue chip client base across commercial office buildings, hotels, shopping centres and large retail chains

Steamatic Nashville - initial franchisee buy-out in-line with US growth strategy

Steamatic Nashville (USA) – initial franchisee buy-out in-line with US growth strategy

- Jan-20 (effective 1 Jan): 100% equity interest (trade and business assets)
- Enterprise Value: US$1.2m (debt and cash free)
- Established in 1968 - services 8 counties outside of the metropolitan area
- Services include: carpet and furniture cleaning, air duct cleaning and commercial cleaning
- Newly appointed General Manager to acquire a minority equity interest in-line with JLG's Equity Partnership Model

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#04

FY21 Forecast.

JLG has a demonstrable track record of **growth and financial control**. Significant market opportunities exist to continue this trend.

4.1 FY21 Forecast

JOHNS LYNG GROUP

Positive outlook - FY21 (F) BaU EBITDA: $39.1m (+22.9% vs. FY19)

FY21 Outlook

- **Group Revenue: $485.3m**
  - **BaU Revenue: $465.0m** (+14.5% / +12.0% excl. acquisitions)
- **Group (Operating) EBITDA: $41.2m**
  - **BaU EBITDA: $39.1m** (+22.9% / +19.4% excl. acquisitions)
  - **BaU EBITDA (excl acquisitions) margin expansion: ~40bps** driven by higher job volumes and utilisation of resources
- Strong momentum from last 12m expected to continue to drive results:
  - New contracts maturing - job volumes increasing;
  - Panel allocations from key clients increasing; and
  - Deeper market penetration in WA, SA, NT and TAS
- Strategic decision post year-end to rationalise Trump Floorcoverings Business Units in NSW / QLD. Trump (VIC) will continue operations and manage current work-in-hand run-off, along with future interstate work[1]

Potential FY21 Upside:

- New client contracts;
- Full year impact of acquisitions (B&D, Capitol and Air Control):
  - Cross-sell commenced and ramping up
  - Integration currently in final stages – synergies expected
- Future CAT events (not forecast) – 'storm season' runs Nov-April
- Additional strategic acquisitions under assessment

FY21 Forecast ($m)	Actual FY20	Forecast FY21	FY21(F) vs. FY20(A) %
Revenue - BaU	**406.1**	**465.0**	**14.5%**
Revenue - BaU (excl. acquisitions)	355.5	398.2	12.0%
Revenue - CAT	89.0	20.3	
Revenue - Total	**495.1**	**485.3**	
EBITDA - BaU	**31.8**	**39.1**	**22.9%**
EBITDA - BaU (excl. acquisitions)	24.0	28.7	19.4%
EBITDA - CAT	9.2	2.1	
EBITDA (Operating) - Total	**41.0**	**41.2**	

Margin Analysis		
EBITDA - BaU Margin	*7.8%*	*8.4%*
EBITDA - BaU Margin (excl. acquisitions)	*6.8%*	*7.2%*
EBITDA - CAT Margin	*10.3%*	*10.6%*
EBITDA (Operating) Margin	*8.3%*	*8.5%*

JLG does not forecast for CAT events.

CAT revenue is contracted run-off work from various recent CAT events

Historical CAT Revenue vs. Forecast	FY18	FY19	FY20
CAT Revenue Forecast (original @ start of FY)	37.0	13.5	31.6
CAT Revenue - Actual	*69.2*	*46.2*	*89.0*
Historical CAT Revenue vs. Forecast	**32.2** *86.9%*	**32.7** *241.6%*	**57.4** *181.7%*

Note: Normalised financials presented under AASB 16 (Leases) - Refer to Appendix 1 for detailed reconciliation to statutory results

[1] As a result of the rationalisation, JLG will write off the associated goodwill in FY21 resulting in a forecast non-recurring and non-cash accounting expense amounting to $1.8m (normalised in the FY21 Forecast)

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Appendices.

JLG's **high performance culture** drives consistent, high **quality outcomes** for clients and additional repeat business.

Appendix 1: Financial Reconciliation to Statutory Results

Reconciliation	FY19			FY20		
	1H19 (A)	2H19 (A)	FY19 (A)	1H20 (A)	2H20 (A)	FY20 (A)
Revenue						
IB&RS						
BaU	**102.5**	**112.3**	**214.8**	**145.0**	**162.7**	**307.7**
CAT	15.0	31.2	46.2	38.2	50.9	89.0
IB&RS (incl. CAT)	117.5	143.5	261.0	183.2	213.5	396.7
Normalisations - Acquisitions	-	*(0.9)*	*(0.9)*	*(19.8)*	*(23.1)*	*(43.0)*
BaU (Excl. Acquisitions)	*102.5*	*111.4*	*213.9*	*125.2*	*139.6*	*264.7*
CBS	19.0	20.5	39.4	31.1	23.0	54.1
Normalisations - Acquisitions	-	*(0.8)*	*(0.8)*	*(1.5)*	*(6.2)*	*(7.7)*
CBS (Excl. Acquisitions)	*19.0*	*19.7*	*38.7*	*29.5*	*16.9*	*46.4*
CC	15.6	18.1	33.7	18.9	24.7	43.6
Other	0.5	0.4	0.9	0.6	0.1	0.7
Total Revenue (Statutory)	**152.6**	**182.5**	**335.1**	**233.7**	**261.4**	**495.1**
Total Revenue (Normalised)[1]	**152.6**	**182.5**	**335.1**	**233.7**	**261.4**	**495.1**
CAT	15.0	31.2	46.2	38.2	50.9	89.0
BaU (Normalised)	**137.6**	**151.3**	**288.9**	**195.5**	**210.6**	**406.1**
Normalisations - Acquisitions	-	*(1.7)*	*(1.7)*	*(21.4)*	*(29.3)*	*(50.6)*
BaU (Normalised Excl. Acquisitions)	***137.6***	***149.6***	***287.2***	***174.2***	***181.3***	***355.5***

Reconciliation	FY19			FY20		
	1H19 (A)	2H19 (A)	FY19 (A)	1H20 (A)	2H20 (A)	FY20 (A)
EBITDA (AASB 16)						
IB&RS						
BaU	10.0	9.0	19.0	14.5	16.7	31.2
Normalisations - Transaction Costs	-	*0.4*	*0.4*	*0.4*	*0.1*	*0.5*
BaU (Normalised)	**10.0**	**9.4**	**19.4**	**14.9**	**16.9**	**31.7**
CAT	1.4	2.5	3.8	3.9	5.3	9.2
IB&RS (incl. CAT) (Normalised)	11.4	11.8	23.2	18.8	22.1	40.9
Normalisations - Acquisitions	-	*(0.1)*	*(0.1)*	*(3.0)*	*(4.3)*	*(7.3)*
BaU (Normalised Excl. Acquisitions)	*10.0*	*9.3*	*19.3*	*11.9*	*12.5*	*24.4*
CBS	5.9	0.8	6.7	2.1	0.6	2.7
Normalisations - Transaction Costs	*0.1*	-	*0.1*	*0.0*	*0.1*	*0.1*
Normalisations - CHR/Sankey Divestments	*(4.6)*	-	*(4.6)*	-	-	-
CBS (Normalised)	*1.4*	*0.8*	*2.2*	*2.1*	*0.7*	*2.8*
Normalisations - Acquisitions	-	*0.3*	*0.3*	*0.0*	*(0.5)*	*(0.5)*
CBS (Normalised Excl. Acquisitions)	*1.4*	*1.1*	*2.5*	*2.1*	*0.2*	*2.3*
CC	0.1	0.8	0.9	0.5	0.5	1.0
Other	(0.2)	0.3	0.1	0.2	(0.2)	(0.1)
Normalisations - Transaction Costs	-	-	-	-	0.1	0.1
Other (Normalised)	*(0.2)*	*0.3*	*0.1*	*0.2*	*(0.2)*	*(0.0)*
Public Company Opex	(0.2)	(0.3)	(0.5)	(0.2)	(0.3)	(0.5)
Executive Incentive Plan	(1.3)	(1.5)	(2.7)	(1.4)	(1.9)	(3.3)
Total EBITDA (Statutory)	**15.7**	**11.6**	**27.4**	**19.6**	**20.8**	**40.3**
Total EBITDA (Normalised)[1]	**11.2**	**12.0**	**23.2**	**20.0**	**21.0**	**41.0**
CAT	1.4	2.5	3.8	3.9	5.3	9.2
BaU (Normalised)	**9.9**	**9.5**	**19.4**	**16.0**	**15.8**	**31.8**
Normalisations - Acquisitions	-	*0.2*	*0.2*	*(2.9)*	*(4.9)*	*(7.8)*
BaU (Normalised Excl. Acquisitions)	***9.9***	***9.7***	***19.6***	***13.1***	***10.9***	***24.0***

[1] Excluding Transaction related expenses and revenue / earnings contribution and gain on sale from divested businesses (CHR & Sankey)

Appendix 1: Financial Reconciliation to Statutory Results (Cont.)

Reconciliation	FY19			FY20		
	1H19 (A)	2H19 (A)	FY19 (A)	1H20 (A)	2H20 (A)	FY20 (A)
EBIT, PBT, NPAT & CAPEX (AASB 16)						
Depreciation & Amortisation	(2.4)	(2.8)	(5.2)	(3.7)	(4.4)	(8.1)
EBIT						
Statutory	13.3	8.8	22.1	15.9	16.3	32.2
Normalised[1]	**8.8**	**9.2**	**18.0**	**16.3**	**16.6**	**32.9**
Net Interest	(0.4)	(0.4)	(0.8)	(0.8)	(0.9)	(1.7)
PBT						
Statutory	12.9	8.5	21.4	15.1	15.4	30.5
Transaction Related Bank Fee Amortisation	-	0.1	0.1	0.0	0.0	0.1
Normalised[1]	**8.4**	**8.9**	**17.3**	**15.5**	**15.7**	**31.2**
Income Tax Expense	(3.9)	(1.9)	(5.8)	(4.1)	(4.2)	(8.3)
NPAT						
Statutory	9.0	6.6	15.6	11.0	11.2	22.2
Normalised[1]	**4.5**	**7.1**	**11.5**	**11.4**	**11.5**	**22.9**
CAPEX						
Capex - Total	1.4	2.6	4.1	1.6	2.3	3.9

[1] Excluding Transaction related expenses and revenue / earnings contribution and gain on sale from divested businesses (CHR & Sankey)

Appendix 2: AASB 16 to AASB 117 (Leases) Reconciliation

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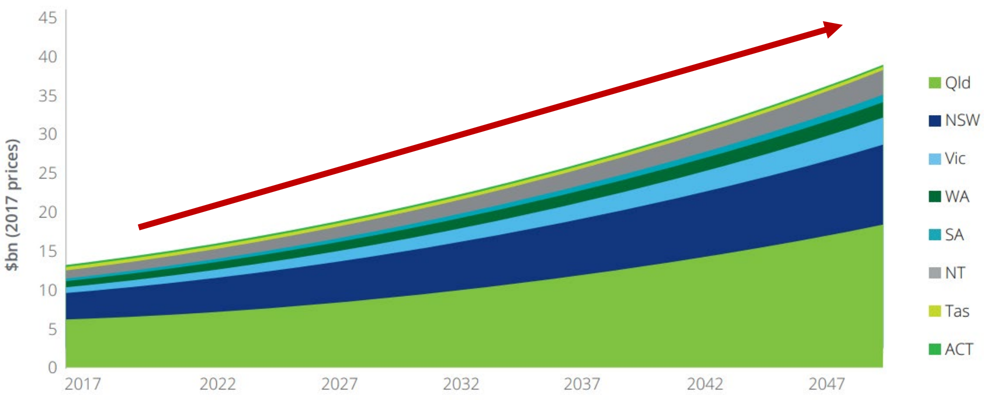
AASB 16 to AASB 117 Reconciliation	FY19			FY20		
	1H19 (A)	2H19 (A)	FY19 (A)	1H20 (A)	2H20 (A)	FY20 (A)
EBITDA - Statutory (AASB 16)	**15.7**	**11.6**	**27.4**	**19.6**	**20.8**	**40.3**
Less: Rent Expense Adjustment	(1.0)	(1.1)	(2.1)	(1.8)	(2.3)	(4.0)
EBITDA (AASB 117)						
Statutory	14.8	10.5	25.3	17.8	18.5	36.3
EBIT - Statutory (AASB 16)	**13.3**	**8.8**	**22.1**	**15.9**	**16.3**	**32.2**
Less: Rent Expense Adjustment	(1.0)	(1.1)	(2.1)	(1.8)	(2.3)	(4.0)
Add: Depreciation Expense Adjustment	0.9	1.0	1.9	1.6	2.0	3.6
EBIT (AASB 117)						
Statutory	13.2	8.8	22.0	15.8	16.1	31.8
PBT - Statutory (AASB 16)	**12.9**	**8.5**	**21.4**	**15.1**	**15.4**	**30.5**
Less: Rent Expense Adjustment	(1.0)	(1.1)	(2.1)	(1.8)	(2.3)	(4.0)
Add: Depreciation Expense Adjustment	0.9	1.0	1.9	1.6	2.0	3.6
Add: Net Interest Expense Adjustment	0.3	0.3	0.5	0.3	0.4	0.7
PBT (AASB 117)						
Statutory	13.1	8.7	21.8	15.3	15.5	30.8
Net P&L Impact	**(0.2)**	**(0.2)**	**(0.4)**	**(0.2)**	**(0.1)**	**(0.3)**
RoU Assets			9.7			14.2
Rou Lease Liabilities			(11.0)			(15.9)
Net Assets Impact			**(1.3)**			**(1.7)**

Appendix 3: CAT Events: Increasing Frequency & Magnitude

JLG is well positioned to capitalise on future CAT and peak events when they occur

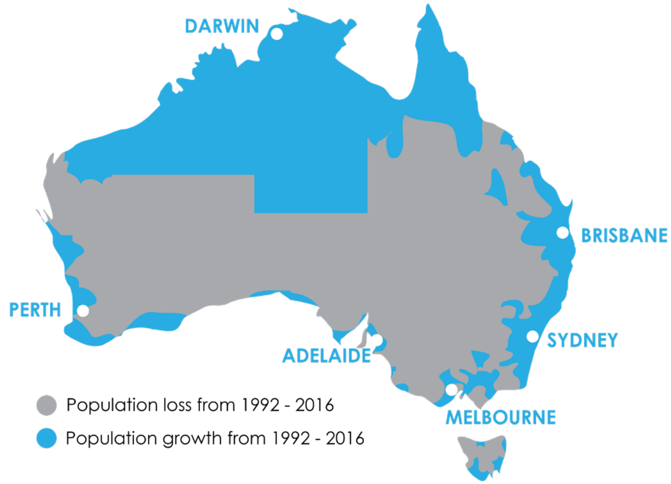
Forecast Total Economic Cost of Natural Disasters by State ($bn)



Source: Deloitte Access Economics

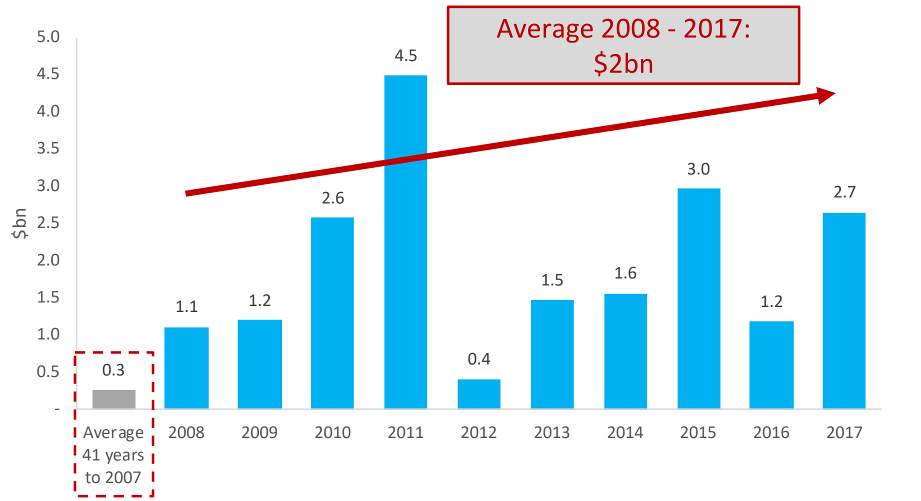
- **Rising CAT and extreme weather events due to changing weather patterns** is expected to continue to drive **higher demand** for Insurance Building and Restoration Services
- On average, there are **13 major Australian cyclones p.a.** primarily affecting coastal regions
- Population migration is trending towards coastal regions – hence an **increase in the number of households impacted is expected**
- Average estimated historical insured loss value[1]:
  - **Average 41 years to 2007 - $0.3bn**
  - **Average 2008 to 2017 - $2bn**

Population Movements Across Australia (1992 - 2016)



Source: The Australian

Historical CAT Events in Australia (Estimated Insured Loss Value ($bn))



Source: Insurance Council of Australia

1. Includes estimated insured loss value attributable to motor vehicles

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