

JOHNS LYNG GROUP LIMITED (ASX:JLG)

ASX / Media Statement

20 November 2020

CHAIRMAN'S ADDRESS – 2020 ANNUAL GENERAL MEETING

It's with great pleasure that I welcome you to our AGM for 2020. What a different meeting it is this year in what has been a very different year all round.

What wasn't different was a strong performance from the Johns Lyng Group. We delivered revenue of \$495.1 million, representing 48% growth, and \$41 million of EBITDA, which was 77% growth on FY20, driven by an unprecedented demand for our services.

It was another year of impressive growth, with our core Insurance Building and Restoration Services Division leading the way. Importantly, this strong performance has continued over the past few months and we have had a great start to FY21.

While our CEO Scott Didier will talk in a little more detail about some of the achievements for the year, I would like to reiterate that we continue to deliver against our strategy, having delivered both organic and inorganic growth over the course of FY20.

We have been consistent in our communications to the market about strategy and execution and this was delivered in FY20.

Several new strategic acquisitions were completed and are already contributing, while the strength of our business as usual activity was reinforced as we signed or extended several new and existing contracts.

I'd like to acknowledge the effort of our people in delivering such great results during a never-before-seen disruption to normal life.

The COVID-19 pandemic impacted both our teams on site, and our head office personnel. It's important to note that the early stages of the pandemic followed closely on the heels of the summer bushfire disaster, and several other significant catastrophic events. So our teams had already been working under very busy and challenging circumstances, but our response was first class.

At the onset of the pandemic, a COVID Management Committee was established. The Committee was tasked with ensuring that the Group's response was appropriate, kept in line with Government health guidelines and protocols, but also that our people were given every support they needed.

It's testament to the quality work of the Committee, and our outstanding people, that our business activity continued largely uninterrupted by COVID-19.

On behalf of the Board I thank all of our people for their outstanding efforts over the course of 2020 amid these exceptionally trying circumstances.

We could never achieve the outstanding results we do without your commitment and more than in any other year 2020 underlines that point.

Next, I'd also like to acknowledge the work done by our team in building and growing important relationships with our investors.

These relationships are crucial as we keep investors up to speed as to the how and why of our performance, ensuring they understand and continue to back the business.

In this context we have been very consistent in our message that our business should be valued firstly on the strength of our core business as usual activity and our results the past few years have validated that message.

The six different catastrophic events that we responded to over the most recent summer boosted our performance and were a key contributor to our record FY20 results.

It's pleasing that our shareholders have come on this journey with us and understand how we operate.

That brings to me another point that is worth reiterating with respect to our position in the market.

We have said that a key part of the Johns Lyng value proposition is that we are insulated from broader market conditions, and again 2020 has very much highlighted that.

While markets have experienced volatility and businesses of all shapes and sizes have suffered, we have continued to perform, and perform very well.

We believe demand for our services will continue to grow, while the strength of the business, and the relationships we have built over time, will ensure that we are at the forefront of this industry.

While 2020 was a fantastic year for Johns Lyng, in these difficult economic times we remain vigilant – we don't take anything for granted and we acknowledge that there are many businesses big and small doing it tough following COVID-19's damage.

It is incumbent upon us to continue to build and deliver upon our strategy, continue to diligently grow the business, and ensure that our value proposition remains market-leading both now and into the future. As we have seen this year, we never quite know what is coming next.

We can assure you though that the standards we have set will never waver and we will always be looking for more growth.

Our strategy remains the same – we will look to grow the business organically, while also seeking out acquisitions that add value and align well with our core capabilities and culture.

On that note there are significant opportunities ahead of us in FY21 and we look forward to keeping the market updated.

As I said we have had an excellent start to the year and we're well positioned as we head into the summer months.

We have also made some important changes to our Board this year, welcoming Peter Dixon as a new Non-Executive Director, along with Pip Turnbull and Nick Carnell as new Executive Directors.

I expect all three will make valuable contributions to your Board.

Matt Lunn, our CFO, has retired from the Board and will continue in his CFO role. I thank Matt for his significant contribution as a Board member.

These changes are a significant step in developing leadership and Governance capability within the Company. They are an important part of our medium to long term Board and Executive succession plan and are unanimously supported by the Board.

To conclude, I'd like to again thank Scott and his Leadership Team for their efforts in this remarkable year. They have us well set up for what looks to be a very encouraging FY21, with a very solid pipeline of work already in hand.

We have spoken at length about culture and the right people driving the Group forward. I am confident that we have the right positioning on both these fronts.

And also, for our shareholders. We very much appreciate you coming on this journey with us and for understanding exactly why our opportunity is so strong.

Thank you again for joining us and I'll hand over to Scott.

-ENDS-

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

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About Johns Lyng Group Limited

Johns Lyng Group Limited (JLG) is an integrated building services group delivering building and restoration services across Australia. 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 a national business with over 1,000 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.