

JOHNSON SERVICE GROUP PLC



JOHNSON
Service Group PLC



A Compelling Growth Investment Proposition

Johnsons Hotel, Restaurant & Catering - Crawley
11 June 2025



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RECENT RNS ANNOUNCEMENT

Recent RNS Announcement



On 4 June 2025, JSG announced the following:

Intention to Move to the Main Market

- Following consultation with our largest shareholders, the Board intends to apply for the Group's shares to be admitted to the Equity Shares (Commercial Companies) segment of the Official List and to trading on the Main Market of the London Stock Exchange
- Whilst AIM has served the Group well over many years, a move-up to the Main Market should:
 - allow for access to deeper pools of capital and a broader range of investors
 - increase liquidity in trading of the Group's shares
 - enhance the Group's corporate profile
- Admission is expected to occur no later than early August 2025

Extension of Share Buyback Programme

- The Board has extended the current £15.0m buyback programme, which to date has deployed £10.4m, by a further £15.0 million, making £30.0 million in total
- The programme is expected to end no later than 31 December 2025
- Due to the current limited liquidity in the shares, and in order to proceed with the programme in an effective manner, the Group may exceed 25% (but remain below 50%) of the average daily trading volume

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AN OVERVIEW OF JSG



An Overview of JSG

The Textile Services Market

The Group's market presence can be summarised as follows:

Sector	Great Britain	Ireland
HORECA	Yes	Yes
Workwear	Yes	No
Healthcare	No	Yes
Washroom	No	No

HORECA represents the biggest sector:

- Great Britain addressable market - £1.4 billion
- Ireland addressable market - €0.4 billion

An Overview of JSG

Our Services & Brands

HORECA

FY24 Revenue:
£371.2m

FY24 EBITDA:
£110.5m

FY24 EBIT:
£49.4m



JOHNSONS
Hotel Linen



JOHNSONS
Hotel, Restaurant & Catering Linen



JOHNSONS
Luxury Linen



JOHNSONS
Ireland

Workwear

FY24 Revenue:
£142.2m

FY24 EBITDA:
£49.4m

FY24 EBIT:
£20.3m



JOHNSONS
Workwear

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OUR BUY & BUILD STRATEGY



Clear Capital Allocation Framework



Clear Priorities for use of Capital

- The Group maintains a strong Balance Sheet
- Medium to long-term leverage target of 1x – 1.5x, other than for short term specific exceptions
- Framework remains unchanged and will continue to take into account the following criteria as part of a periodic review of capital structure:
 - maintaining a strong balance sheet
 - continuing capital investment to increase processing capacity and efficiency
 - appropriate accretive acquisitions
 - operating a progressive dividend policy
 - distributing any surplus capital to Shareholders

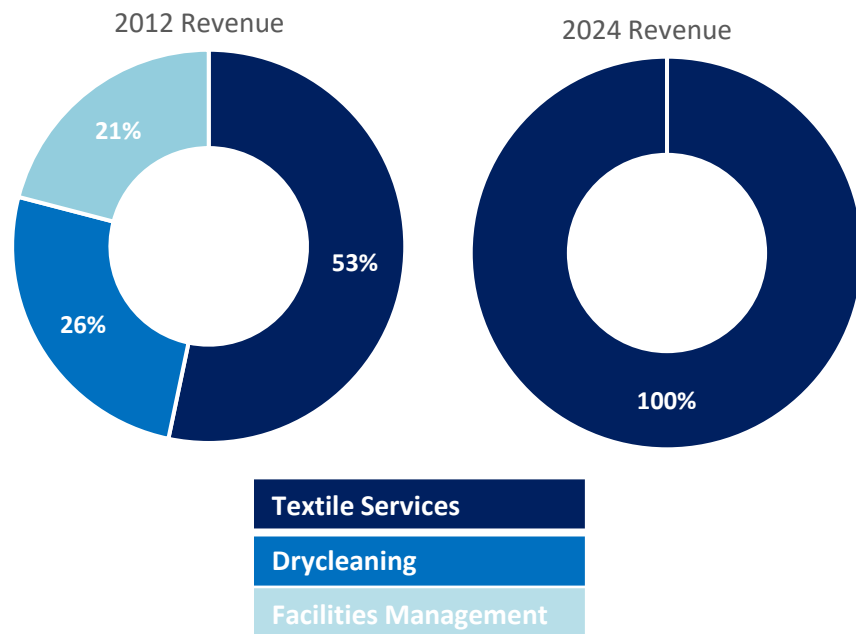
"The Group's objective is to employ a disciplined approach to investment, returns and capital efficiency to deliver sustainable compounding growth whilst also maintaining a strong balance sheet. We continue to see exciting opportunities to deploy capital organically and have a good M&A pipeline. "

Repositioned as a Dedicated Textile Services Provider

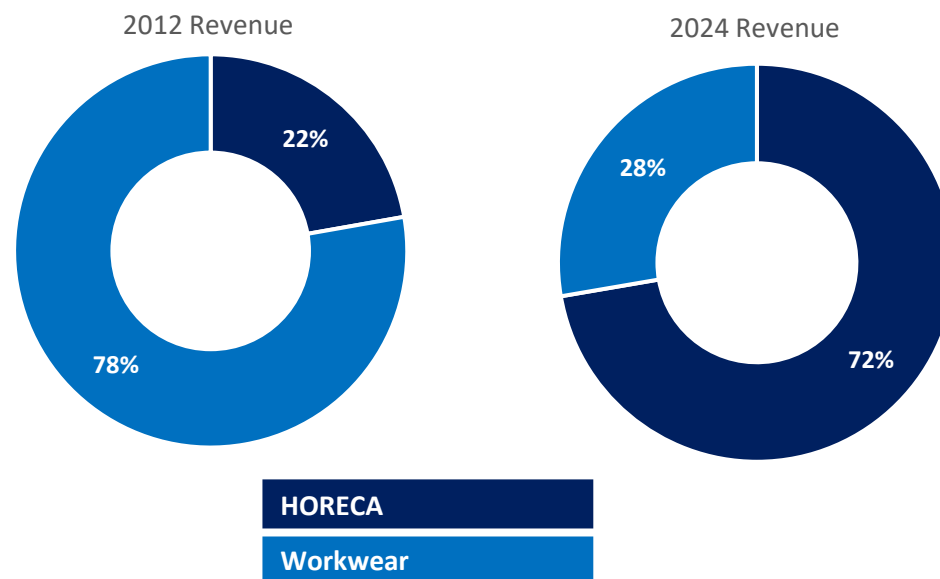


JOHNSON
Service Group PLC

Revenue previously derived from three distinct sources...now derived from one focused business



Source of revenue within Textile Services significantly changed



Disposals

Acquisitions

SGP
property & facilities management

Johnson's
THE CLEANERS

bourne
textile services

LONDON LINEN GROUP
EST. 1935

ZIP
Textile Services Ltd

afonwen
laundry & linen hire

Regency
LAUNDRY CONCIERGE

PLS

ASHBON
LAUNDRY

CTS
CHESTER TEXTILE SERVICES

empirelaundry™

StarCounty
Textile Services Limited

SOUTH WEST LAUNDRY

fresh
linen

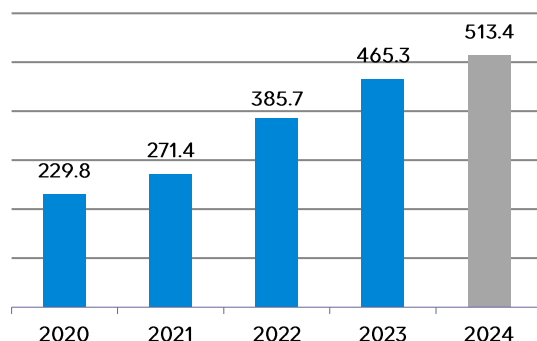
Lilliput
Services
... delivering Quality Linen

CLTIC
LINEN

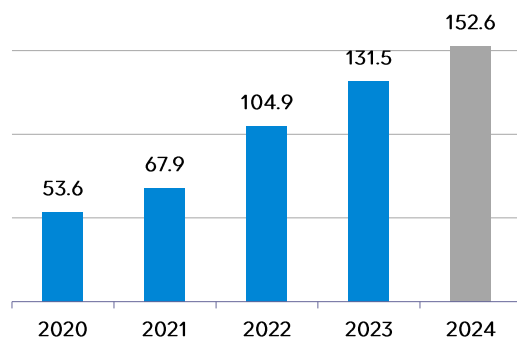
A Platform for Sustainable Growth (1)

The Group has continued to deliver strong and sustainable growth in the aftermath of COVID-19

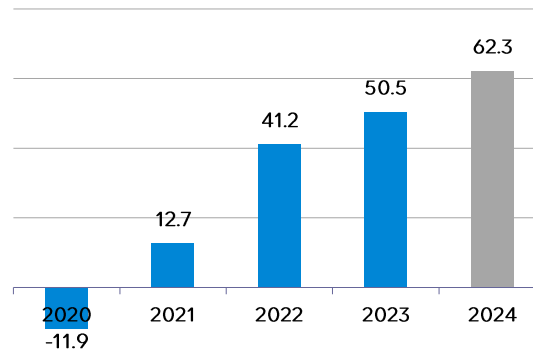
Revenue (£m)



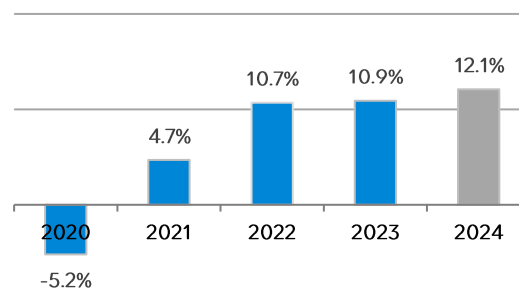
Adjusted EBITDA (£m)



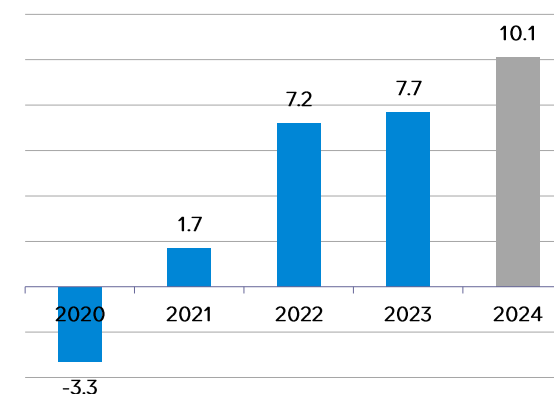
Adjusted Operating Profit (£m)



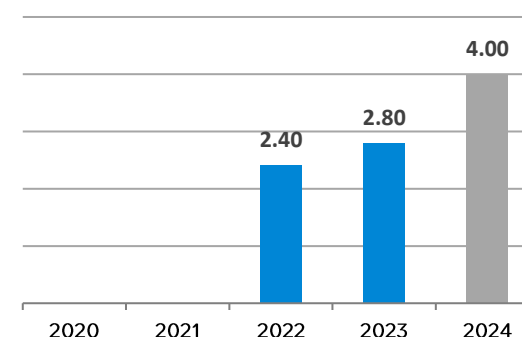
Adjusted Operating Profit Margin (%)



Adjusted Diluted EPS (p)¹



Dividend per Share (p)



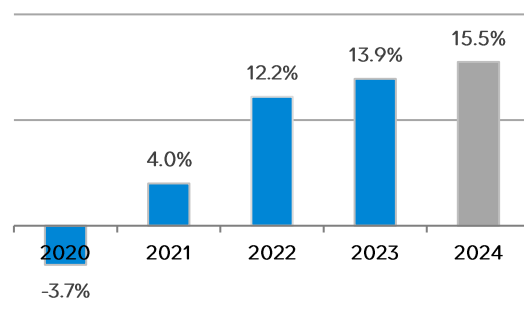
Notes:

1. Adjusted Diluted EPS in 2021, 2022 and 2023 excludes the impact of capital allowances super deduction

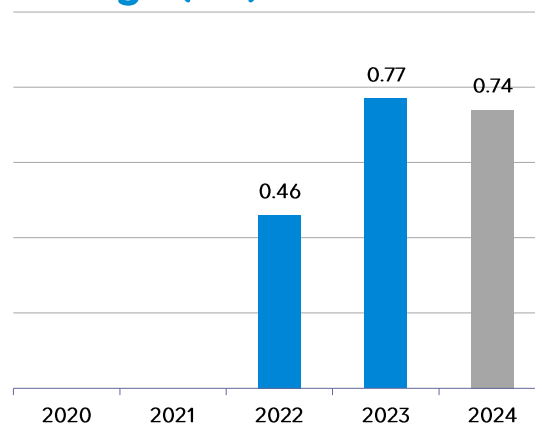
A Platform for Sustainable Growth (2)

The Group has continued to deliver strong and sustainable growth in the aftermath of COVID-19

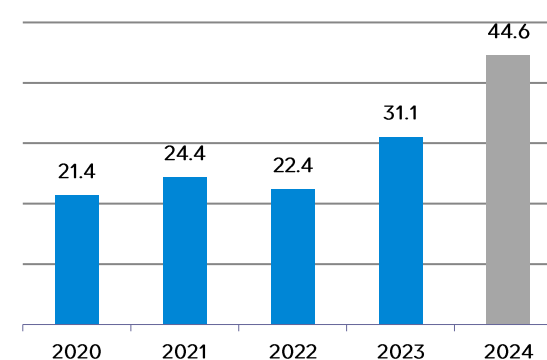
ROCE (%)¹



Leverage (x:1)^{2,3}



Capital Investment (£m)



Share Buybacks

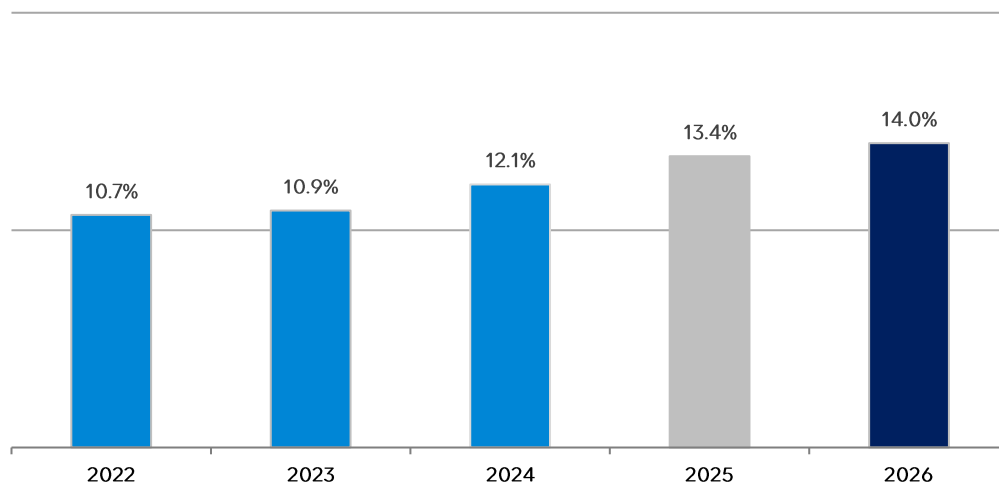
FY22: £27.5m buyback launched	FY23: £10.0m buyback launched	FY25: £30.0m buyback launched
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Notes:

1. Calculated as rolling 12-month adjusted operating profit divided by the average of opening and closing Shareholders' equity, net debt and post-employment benefits.
2. Covenant must be less than three times.
3. Leverage covenant not in place in FY20 and FY21 due to the impact of COVID-19

Margin Progression

Margin improvement on track for target of at least 14.0% in 2026



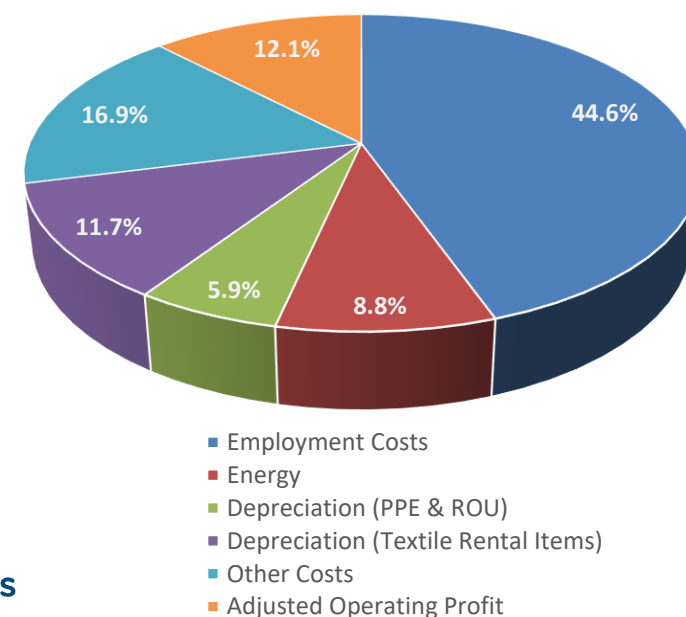
Margin Pressures

- Cost pressures remain, particularly in relation to energy and labour
- Energy cost now reducing as a % of revenue (FY22: 9.4%; FY23: 10.0%; FY24: 8.8%) as market volatility subsides and historically higher fixed prices fall out of the average
- FY24 employment cost represented 44.6% of revenue (FY22: 45.1%; FY23: 44.0%); further improvements are challenged by increasing labour rates and the significant increase in tax on UK employers from April 2025

Notes:

1. FY25 margin estimate per Investec
2. FY26 margin estimate per company stated target

2024 Cost Analysis



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OUR INVESTMENT PROPOSITION



An Essential Service Provider



An Essential Service Provider

The services we provide to our customers are essential to their business

Quality Service

We provide our customers with a quality service which they can rely upon

A Local Service

Our proximity to customers enables us to quickly respond to their needs

Sustainable

Working in partnership with our customers and suppliers to reduce environmental impact

Substitution

Limited alternatives to our offering in a market that has tight capacity

A Consistent and Proven Strategy



	Key Components of Our Medium-Term Outlook	Supported By
Organic Revenue Growth	<ul style="list-style-type: none"> Value-added proposition and market leading service supports above market growth Consistent track record of delivering organic growth 	<p>Exceptional service underpinned by quality and reliability</p> <p>Long-term relationships and customer partnerships driving a market leading position</p>
Operating Margin	<ul style="list-style-type: none"> Line of sight on reducing energy costs Margin accretion from capacity utilisation Adjusted operating margin target of at least 14% in FY26 	<p>Structural growth market with consolidation opportunities</p> <p>Attractive business model with high returns on capital</p>
Capital Allocation	<ul style="list-style-type: none"> Strong balance sheet provides scope to invest in additional organic capacity and targeted M&A opportunities Track record of returning excess cash to shareholders 	<p>Strong sustainability credentials and talented people</p>

5 SUSTAINABILITY



Sustainability

- We continue to demonstrate our commitment to sustainability across every area of our business and have made excellent progress against our strategy
- Carbon: 5% reduction in TCO₂e / Tonnes processed intensity rate
- Water: 8% reduction in M³ / Tonnes processed intensity rate
- Waste: 93% of waste diverted away from landfill in 2024
- 62% of cotton purchases were Better Cotton sourced
- HORECA continue to recycle end-of-life textiles through the “Infinite Textiles” programme
- Delivered over 2,700 employee volunteering hours
- 92% of employees completed sustainability training

“Our commitment to sustainability at Johnsons isn't just about compliance, it's about doing what's right and creating distinct value for our customers.”



6

A FOCUS ON HORECA



Johnsons Hotel Linen

Helen Wood, Managing Director

Johnsons Hotel Linen



c200k

Hotel Rooms

9

Laundries

2,500

Employees

230

Vehicles

Johnsons Hotel Linen Customers



Johnsons Hotel Linen



Integration

Established 2014
Branding
Literature
SOP
Reporting
People & Culture

Objectives

Easy to do business with
Consistently consistent
Empowered, motivated people working safely

One Team

Experienced Senior Management Team
Investment in HR, L&D, National Accounts and Customer Service
Increased opportunities for career development

Johnsons Hotel Linen

Investment and innovation to drive efficiencies, develop products, build the best infrastructure and nurture relationships



Partnership approach building long term trusted customer relationships



Laundry experts, a laundry company run by launderers



Continued investment in people, plant and processes



7 days a week delivery schedule with friendly drivers



Linen Room, our online portal for efficient stock management



Customer Service Visit App used by Area Service Managers, part of CRM system



Johnsons Hotel Linen

Easy management of your stock and orders with the Johnsons Linen Room

JOHNSONS
LINEN ROOM



As room occupancy changes each day, the amount of clean linen needed by your hotel will change, especially during busy periods. Which is why we've created the Johnsons Linen Room.

It's a place where you can view training videos, look out for any announcements and manage your linen count to ensure you always have enough clean linen.



Johnsons Linen Room BENEFITS:



- ✓ **EASY TO USE** The online linen portal lets you enter stock counts/orders 24/7, 7 days a week all year.



- ✓ **TRAINING FOR YOU & YOUR TEAM** You can access a customer information pack, Free user guide and training video on how to use the portal.



- ✓ **KEEP UP TO DATE** Keep an eye out for announcements and reminders to keep you up to date with your latest stock counts/orders.



- ✓ **DEDICATED** Area Service Manager You'll have a designated Area Service Manager that will be on hand to support you.

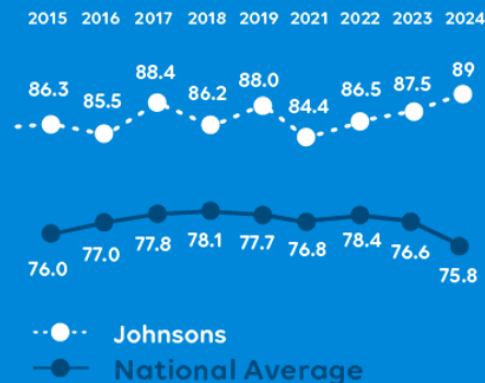
Johnsons Hotel Linen



We are the industry leader at delivering service and product quality. We employ The Leadership Factor to survey our customers every year to discover what improvements need to be made to achieve world class customer service on a consistent basis.

OVERALL CUSTOMER SATISFACTION SURVEY RESULT

89%



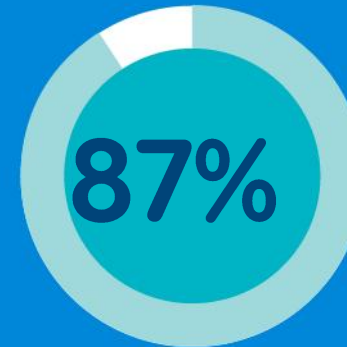
OUR LATEST
RESULTS

Johnsons Hotel Linen

Engage, respond,
empower and
enable



ENGAGEMENT



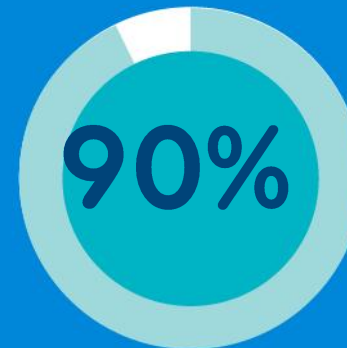
▲ Up +2% since 2023

RESPONSE RATE



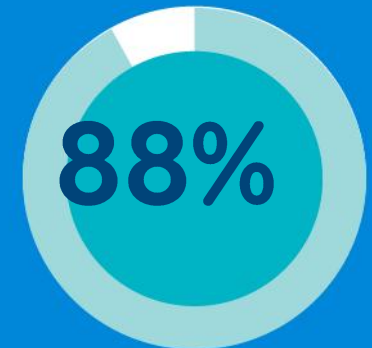
▲ Up +2% since 2023

EMPOWERMENT



▲ Up +1% since 2023

ENABLEMENT



▲ Up +2% since 2023

Johnsons Hotel, Restaurant & Catering Linen

Donald Smith, Managing Director

Johnsons Hotel, Restaurant & Catering Linen



13,000
Customer
Locations

11
Laundries

1,500
Employees

280
Vehicles

Johnsons Hotel, Restaurant & Catering Linen



Johnsons Hotel, Restaurant & Catering Linen



- Successful integration of multiple acquired businesses
 - Now delivering over 240 million items of linen a year to over 13,000 customer locations
 - Active Sales and Marketing team
- Aim of “world class” customer service, response and quality
 - Flexible and unique customer terms and service provision
 - Broad range of services and products to appeal to multiple marketplace opportunities
- Strong local ownership of operational and service excellence
 - Significant investments being made to support growth and working environment
 - Transfer of business between plants to optimise logistics
- Branding to Johnsons Hotel, Restaurant and Catering Linen from Stalbridge, London Linen.
 - Evolutionary process with branding generic to all locations

Johnsons Hotel, Restaurant & Catering Linen

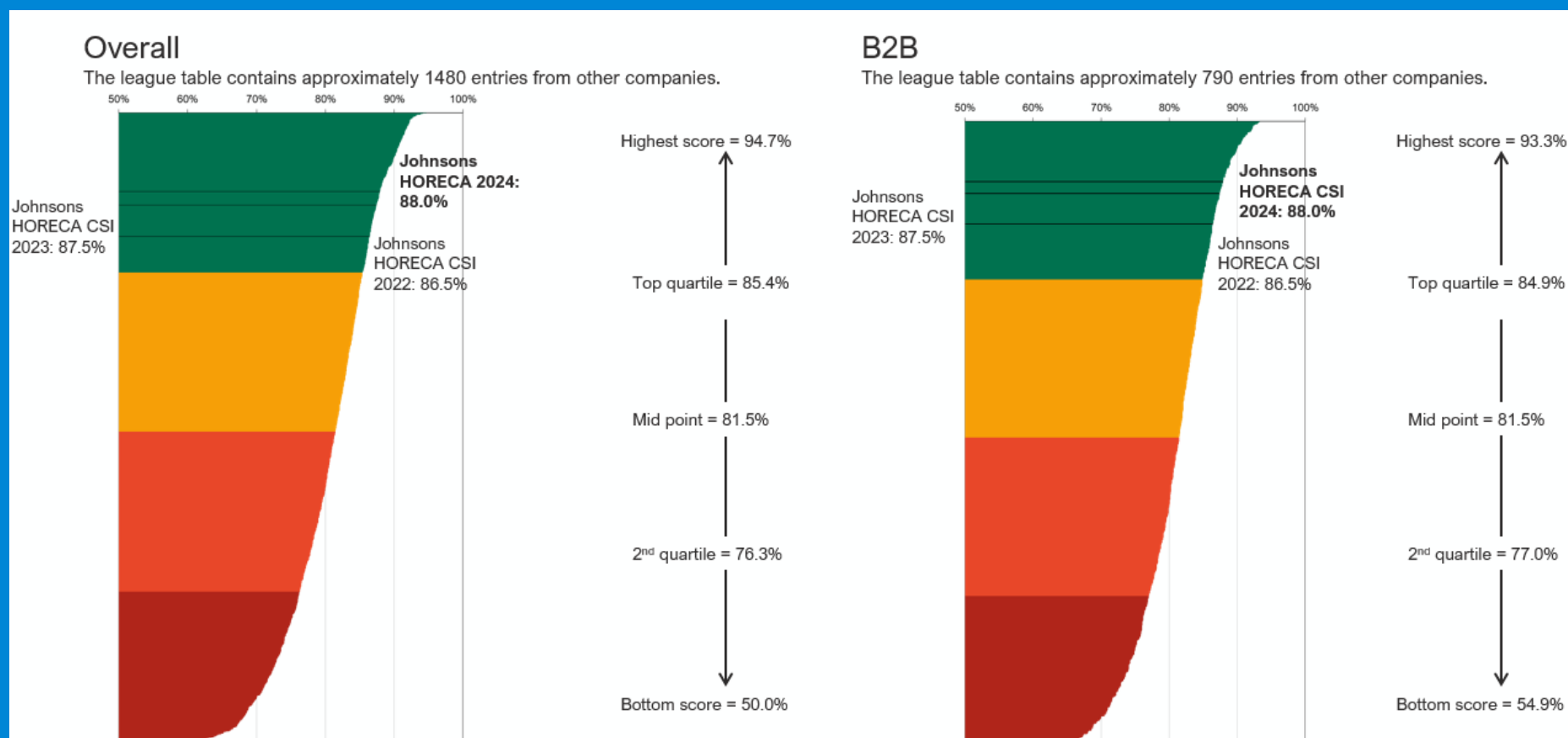


- Differentiated strategy from volume linen operators
 - Focused on smaller, higher value accounts
 - Better invested than local operators
 - Chefs wear service to major group customers alongside Johnsons Hotel Linen

- Strong marketing based on service reputation and quality
 - Flexible contract terms where appropriate
 - SEO strategy continually evaluated and redirected where necessary
 - Slick process from enquiry to installation

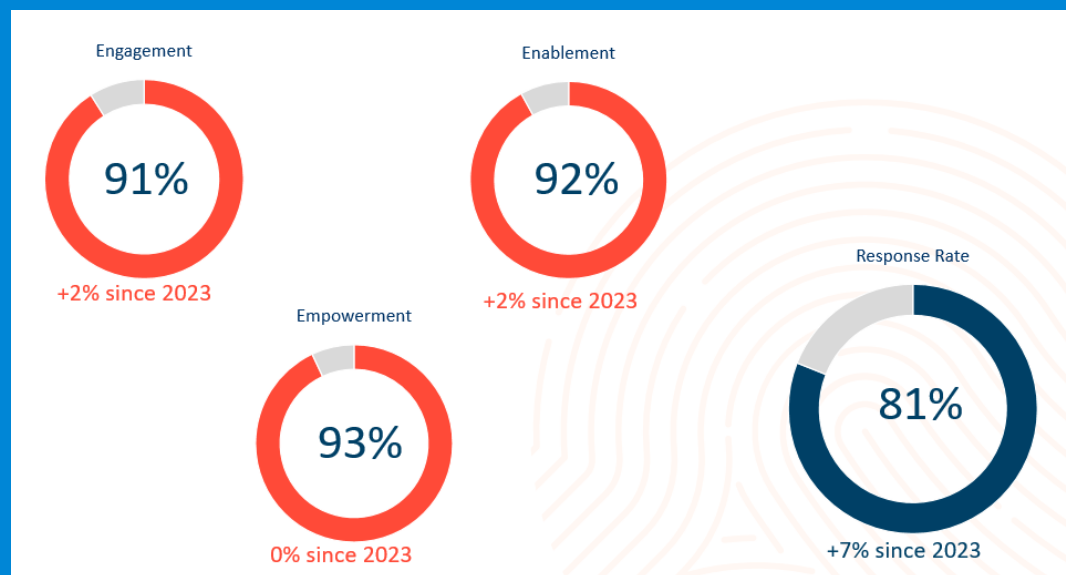
Johnsons Hotel, Restaurant & Catering Linen

CUSTOMER SATISFACTION SURVEY RESULTS



Johnsons Hotel, Restaurant & Catering Linen

EMPLOYEE ENGAGEMENT SURVEY RESULTS



What people said

#1 I feel that I play a part in the success of the company in my role

97%

+2% since 2023
+4% on ETS BM
Location range 80% to 100%
Driver of empowerment

#2 I am clear on what the company wants to achieve

95%

+2% since 2023
+9% on ETS BM
Location range 81% to 100%
Driver of engagement

CLARITY ON
IMPACT

#3 I understand the impact that my job has on the customer

98%

0% since 2023
+1% on ETS BM
Location range 95% to 100%
Driver of empowerment

Johnsons Hotel, Restaurant & Catering Linen

Crawley



Alan Mulholland, Operations Director

Johnsons Hotel, Restaurant & Catering Linen

- “The most sustainable laundry of scale in the UK”
- Designed to handle 600,000 pieces in 80 hours, 3000kgs per hour.
- Plastic Free – All products paper banded.
- Transfer and service customers more locally
- Create capacity in other plants for backfill sales growth
- HVO and electric vehicles



Johnsons Hotel, Restaurant & Catering Linen

- Water Savings – Re-use 80% or more of process water, and associated heat energy



Johnsons Hotel, Restaurant & Catering Linen

- Energy Savings – Achieve 0.74 kwh per kg - Equates to 600 tonnes Co2 per year
- Renewable energy for electricity



Johnsons Hotel, Restaurant & Catering Linen

- New technology and innovation
- Robotic towel folders
- Vectura packing system





7

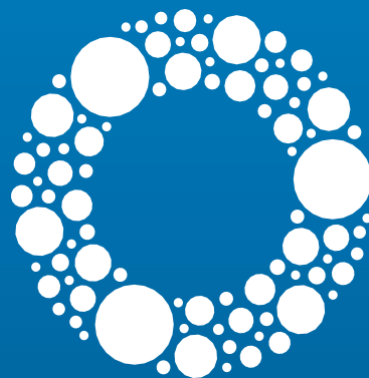
CLOSING REMARKS

Closing Remarks

- Encouraging trading momentum and proactive management of costs
- Adjusted operating margin will continue to improve
- Integration of recent acquisitions underway
- Expansion strategy being delivered through investment in existing sites together with identifying targeted acquisition opportunities
- Strong Balance Sheet to support organic investment, M&A and enhanced returns to Shareholders
- Confident in medium and long-term growth prospects
- The Board remains confident about delivering another year of progress and an improving margin in 2025

8 Q&A





JOHNSON
Service Group PLC

www.jsg.com