



1 May 2025
AIM: JSG

Johnson Service Group PLC
("JSG" or "the Group")

AGM Statement

JSG, a leading textile services provider in the UK and Republic of Ireland, will be holding its Annual General Meeting today and will make the following statement:

Current Trading

Group revenue in the first three months of the year increased by 6.1% to £121.4 million (2024: £114.4 million). Organic revenue growth in the same period was 2.2% (HORECA: 2.2%; Workwear: 2.3%).

HORECA volumes have been in line with our expectations and are reflective of the later Easter holidays in 2025.

Crawley, our new HORECA site, began processing at the beginning of March 2025. Approximately one third of customers that we planned to transfer to the new site were successfully moved by the end of April 2025, in line with the overall project plan.

Workwear traded in line with our expectations during the first quarter, with customer retention improving and our expectations are that it will trend back to historic levels of 95% during the year.

Balance Sheet

Bank debt increased from £68.6 million at December 2024 to £84.5 million at the end of March 2025 and is expected to peak mid-year, reflective of the timing of dividend payments, share buybacks, working capital movements and capital expenditure. Bank debt at June 2025 is expected to be approximately £100.0 million before reducing to a similar level to March 2025 by December 2025, assuming a total share buyback of £30.0 million is completed by that date. We expect gearing to remain below 1x EBITDA throughout 2025. As at 29 April 2025, we have returned £6.3 million to Shareholders under the £15.0 million share buyback programme announced on 5 March 2025.

Under our capital allocation policy, we keep our capital structure under review taking into account maintaining a strong balance sheet, continuing capital investment in our estate, accretive acquisitions, a progressive dividend policy and distributing any surplus cash to Shareholders.

Forthcoming Investor Activities

A site-based investor event is currently being planned for 11 June 2025 at our new site in Crawley. Further arrangements will be communicated shortly.

Main Market

As previously announced, we are engaging with our largest Shareholders regarding a move to the Main Market. We will make a further announcement on or before 11 June 2025.

Outlook

We remain confident in the prospects of the Group and our ability to manage the potential economic challenges that may arise in 2025 and beyond.

We have a strong, well-invested business and a strong balance sheet to support future investment opportunities as they arise.

Given the encouraging start to the year, which was in line with our expectations, the Board remains confident about delivering another year of progress in 2025 and is on track for an Adjusted Operating Profit margin improvement to at least 14% in 2026.

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