

## **GODFREYS GROUP LIMITED** **(ASX: GFY)**

### **ASX/Media Release**

23 February 2018

#### **Sale of The Service Company business**

Godfreys Group Limited (**Godfreys** or the **Company**) today announced that its wholly owned subsidiary New Zealand Vacuum Cleaner Company Limited (NZVCC) has entered into an agreement for the sale of its shares in The Service Company Limited, its New Zealand based cleaning supplies business, to TSC No. 2 Limited, an unrelated entity incorporated in New Zealand.

The NZ\$1.3 million sale price, which includes the release of a deferred consideration liability in respect of the original acquisition of the business by NZVCC, will be received by Godfreys on completion of the transaction. The transaction is forecast to be completed during March 2018 and will not materially impact Godfreys earnings for the 2018 financial year.

Godfreys CEO Jason Gowie said the sale proceeds will be reinvested into the turnaround of the Company's core business.

"The sale of The Service Company business will allow management to focus more on the core Godfreys business, including being able to re-invest the sale proceeds into the key focus areas we have identified to enable the turnaround."

#### **For further information, please contact:**

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#### **About Godfreys**

Godfreys Group (ASX: GFY) listed on the ASX in 2014 and is Australia's largest speciality retailer of domestic and commercial floorcare and associated cleaning products, offering an extensive range of company-owned brands, an exclusively licensed brand (Hoover) and a number of third party brands. Godfreys is regarded by Australians as the 'experts' in vacuum cleaners and cleaning products, accommodating consumers at all price points. Godfreys has its head office and a company-operated warehouse located in Victoria. Godfreys' multichannel offering is distributed via over 200 branded retail stores located across Australia and New Zealand in standalone 'superstores', and shopping centres and retail shopping strips.