



Media Release

ASX/Media Release

June 14, 2018

TRADING UPDATE

Godfreys Group Limited (ASX:GFY) provides the following update in relation to a detailed review undertaken by the new executive team and recent trading results.

On May 9 this year, Godfreys advised the market that underlying EBITDA for FY18, before restructuring and one-off costs, would be approximately \$3.5 million.

Following further analysis by the new executive team, Godfreys now expects the final EBITDA for FY18 to be in the range of zero to \$1.5 million, before restructuring and one-off costs, year-end accounting adjustments and audit adjustments.

Month to date in June, like-for-like sales across Godfreys have reduced 14.8% compared with the same time last year. Year to date like-for-like sales are currently down 8.5%.

The company reiterates that the profitability of the business is highly sensitive to sales revenue.

Godfreys is currently in discussions with its principal financier, 1918 Finance Pty Ltd about an extension to the limit on its existing \$30 million senior debt facility.

As mentioned in our June 6 update, 1918 Finance has agreed to consider the extension, but requires a substantial repayment proposal from Godfreys as part of any submission for additional financial accommodation.

The Godfreys Board is seeking advice about all options available to enable Godfreys to make a substantial repayment to 1918 Finance including a rights issue and will update the market appropriately in due course.

For further information, please contact:

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