

ASX Announcement

24<sup>rd</sup> October 2014

## **Conversion of 2<sup>nd</sup> Tranche Convertible Notes in KWB Group**

The Company has resolved that Joyce International Pty Ltd, 100% owned by Joyce Corporation Ltd, convert its remaining Convertible Notes (CN's) into an additional 25% equity in the KWB Group Pty Ltd (KWB) associate on the close of business on 31<sup>th</sup> October 2014. The total aggregate equity owned by Joyce in KWB after conversion will be 57% and as a result KWB would become a subsidiary and its revenue and results would be consolidated into the Company from that date as per current accounting standards.

KWB has notified that it intends to pay an unfranked Dividend to its shareholders on the 31<sup>st</sup> October 2014. Joyce Corporation would also receive a Management Fee to October 2014.

Joyce Corporation's Executive Director Mr. Anthony Mankarios has said "The KWB group's team's performance culture and commitment fits well within the group's culture to retain, cultivate and develop its valued staff."

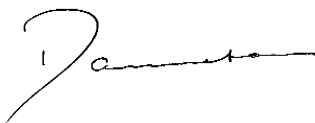
Chairman Mr. Dan Smetana said "I am delighted with the results to date and anticipate a continuation of the growth to ensure additional benefits to all shareholders."

KWB group is currently trading profitably and above expectations for the 1<sup>st</sup> quarter of this financial year. It is also now contemplating store expansion in early 2015 as a result of the company's recent strategic review.



Mr Anthony Mankarios  
Executive Director

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Dan Smetana  
Chairman

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