JoyceGroup

ASX:JYC

29th August 2025

Final dividend of 17.0 cents per share on normalised Net Profit After Tax to Joyce Shareholders of $8.2 million

Joyce Corporation Ltd (ASX: JYC or "Joyce Group", "Group" or "Joyce") is pleased to report its financial result for the 2025 financial year.

Results from operations	**2025 $'000**	**2024 $'000**	**Variance $'000**	**Variance %**
Revenue	148,154	145,509	2,645	2%
Contribution Margin	73,312	70,407	2,905	4%
Reported Group EBITDA	31,872	31,975	-103	0%
Group EBITDA*	32,807	31,975	832	3%
Reported Group EBIT	22,666	24,511	-1,845	-8%
Group EBIT*	23,901	24,511	-610	-2%
Reported Group NPAT	15,833	17,531	-1,698	-10%
Group NPAT*	16,696	17,110	-414	-2%
Reported NPAT Attributable to JYC Shareholders	7,347	8,863	-1,516	-17%
Normalised NPAT Attributable to JYC Shareholders*	**8,210**	**8,442**	**-232**	**-3%**
Normalised EPS (Cents per share)*	**27.8**	**29.6**	**-1.8**	**-6%**
Ordinary Final Dividend Per Share	11.5	12.0	-0.5	-4%
Special Dividend	5.5	5.5	0.0	0%
Full Year Dividend Per Share	27.5	28.5	-1.0	-4%

	At Jun '25 $'000	**At Jun '24 $'000**	**Variance $'000**	**Variance %**
Consolidated Group Net Cash	39,228	39,148	80	0%

***** *Results shown are normalised to adjust for significant one-off income and expenditure in the period (see Appendix).*

Highlights

2025 has been another year of solid performance for Joyce Group as the Company ramped up its investment in organic growth and managed challenging trading conditions driven by cost-of-living pressures that continue to impact consumer demand.

KWB and Bedshed continued to perform well, delivering strong operational and financial performance for the Group. There was significant showroom growth in the KWB network with five new showrooms successfully opened during FY25 (including one relocation), increasing the network footprint by 16%. Bedshed delivered revenue growth and improved gross margins, which was pleasing in what remained a relatively difficult retail environment.

Joyce Group recorded revenue of $148.2 million, which was up 2% from the prior comparative period ("pcp"). Normalised Group EBIT of $23.9 million reflected a slight decline on pcp of $24.5 million with an EBIT Margin of 16.1% compared to 16.8% in pcp.

The Group delivered a normalised net profit after tax ("NPAT") attributable to Joyce shareholders of $8.2 million compared to $8.4 million in the pcp. Reported NPAT included pre-tax expenditure associated with one-off corporate activity and the closure of the Crave pilot (both reported at the Half Year).

Joyce Group ended FY25 with a strong balance sheet and a net cash position of $39.2 million (compared to $39.1 million on 30 June 2024), ensuring that the Group is well-positioned to navigate future challenges and capitalise on emerging opportunities.

Joyce Group CEO Dan Madden said: "Our businesses continue to demonstrate their resilience and value to shareholders."

"Consumer demand remains relatively flat, but our strategy of selectively expanding our network in the right locations, backed by our great brands and highly capable people means we are still delivering growth and strong cashflow while maintaining a low capital intensity."

Joyce will pay shareholders a final ordinary dividend of 11.5 cents per share, which represents 80% of normalised NPAT and delivers a fully franked full-year ordinary dividend of 22 cents per share. Joyce will also pay shareholders a fully franked special dividend of 5.5 cents per share, which utilises some of Joyce's surplus franking credits and reflects the strong cash balance and robust financial position.

Business unit performance

	2025	2024	Variance	
	$'000	$'000	$'000	%
KWB Group (Kitchen Connection and Wallspan)				
Revenue	120,388	121,304	-916	-0.8%
Earnings Before Interest and Tax ("EBIT")	24,265	25,221	-956	-3.8%
EBIT Margin	20.2%	20.8%		

KWB Group ("KWB") continues to be the market leader in "do it for me" kitchen and wardrobe renovations, designing and installing over 4,100 kitchens and 2,000 wardrobes in FY25, and winning the Annual (2025) Product Review[1] awards in its two categories for the fourth year in a row.

[1] https://www.productreview.com.au/listings/kitchen-connection and https://www.productreview.com.au/listings/wallspan.

FY25 saw a concerted shift in focus back to organic network growth after a strategic pause in FY23 and FY24. This growth strategy resulted in KWB's national network expanding from 25 showrooms at the beginning of the financial year to 29 showrooms as at 30 June 2025.

In July 2024, KWB opened a new Kitchen Connection showroom in Alexandria, Sydney, followed by a new flagship showroom at Bundall in Gold Coast, Queensland in September 2024, replacing the smaller footprint Ashmore showroom.

Further NSW store openings in the financial year included Auburn (December) and Caringbah (April), delivering a more scaled presence and enhanced brand recognition in the Sydney market and setting the NSW business up for order and sales growth.

A new showroom also opened in Logan, Brisbane in May 2025, and a new showroom in Melrose Park, Adelaide is scheduled for opening in the first quarter of FY26. The opening of new showrooms comes with establishment costs and lower initial margins as the showrooms typically take 6-12 months to ramp up to targeted order and revenue levels, impacting EBIT and operating margins in FY25. Pleasingly, all new showrooms were performing well by the end of the financial year, positioning KWB well to start reaping the financial benefits in FY26.

The pursuit of organic growth will continue, with further tier one locations currently under evaluation.

Order performance was strong with KWB achieving a 13% increase in orders compared to the pcp, generating a record $128.7 million of orders in FY25 providing a strong revenue pathway into FY26. Strong performance from both existing and new showrooms and improved customer conversion were key contributors to this performance as the business continued to focus on delivering competitively priced kitchen solutions and the best possible customer experience.

Like-for-like orders (i.e. excluding the five showrooms opened during the year and the closure of Ashmore) were $114.5 million compared to $109.9 million in pcp, despite a general trend of reduced foot traffic over the comparable periods and persistent cost-of-living pressures.

KWB's order book at 30 June 2025 stood at $44.2 million ($41.6 million in kitchens and $2.6 million in wardrobes), compared to $37.4 million at 30 June 2024.

Strong trading continued in July 2025 with orders of $12.3 million (up 22% on pcp of $10.1 million). When combined with the 30 June 2025 order book, KWB has a healthy platform for delivering sales growth into FY26.

It is important to note that KWB's order book at 1 July 2023 stood at $45.0 million at a time when the business was experiencing extended lead times as a result of the COVID peak. KWB was able to deliver into this elevated order book during the first half of FY24, converting many of these orders to revenue and delivering elevated revenue for FY24 of $121.3 million. Whilst the network did not have the benefit of an order book backlog in FY25, it delivered impressive revenue of $120.4 million as new showrooms came online.

The business generated EBIT of $24.3 million at a margin of 20.2% driven by its highly recognised brand, unique service offering, resilient business model and continued rigorous cost control.

Whilst gross margins remained at approximately 50%, FY25 EBIT was below pcp of $25.2 million, as revenue and EBIT margin were naturally constrained as a result of the ramp-up of the five new showrooms added during FY25.

Depreciation and amortisation for FY25 also increased commensurate with the addition of new showrooms.

KWB's cash on hand at 30 June 2025 was $23.1 million (including cash related to customer deposits of $12.9 million) compared to $23.8 million at 30 June 2024 (including customer deposits of $11.2 million).

The phased transition of KWB Group Managing Director and co-founder John Bourke from his executive role (see ASX Announcement *8 April 2025 - Phased Transition of KWB Group MD*) will continue over the 2026 financial year with a structured 12-month transition plan in place to ensure a seamless handover of responsibilities, leveraging John's extensive knowledge and experience in the business.

During this time, John will remain actively involved, leading the business, and working closely with Cameron Crowell and the rest of the executive team to facilitate a smooth leadership transition. Cameron commenced as Deputy CEO in June 2025 and is an experienced retail leader, with particular depth in consumer-facing store expansion and hands-on experience across every key KWB operational function.

KWB's main focus in FY26 will be continuing to ramp-up and optimise the performance of its five new showrooms and ensuring the rest of the network continues to deliver outstanding value for customers and shareholders. Considerable growth potential remains with a long-term network target of 50+ showrooms in A-grade locations (homemaker centres). New showroom opportunities continue to be pursued for FY26 (including the additional new showroom in Melrose Park), although network growth in FY26 is not expected to match the level of FY25.

			Variance	
Bedshed Combined	**2025**	**2024**	**$'000**	**%**
Revenue	27,218	23,141	4,077	17.6%
Earnings Before Interest and Tax (EBIT)	4,346	4,419	-73	-1.7%
EBIT Margin	16.0%	19.1%		
Franchise Operations				
Revenue	6,104	5,885	219	3.7%
Earnings Before Interest and Tax (EBIT)	2,831	3,176	-345	-10.9%
EBIT Margin	46.4%	54.0%		
Company Stores				
Revenue	21,114	17,256	3,858	22.4%
Earnings Before Interest and Tax (EBIT)	1,515	1,243	272	21.9%
EBIT Margin	7.2%	7.2%		

With a total network of 42 stores, 36 of which are franchise operations, Bedshed remains a high performing business with a strong brand, a highly regarded franchise model and a strategic group of company-owned stores.

Bedshed's strategy emphasises expanding its franchise network where it is under-represented across Australia. The Castle Hill and Alexandria Company Store acquisitions were critical for spearheading Bedshed's growth strategy in the Sydney market, where there is significant opportunity for further network expansion. Bedshed has recently secured a new franchise store at Caringbah, NSW which is expected to commence trading late in the first quarter of FY26.

The franchisee network will further expand in mid FY26 with the opening of the Ellenbrook store in WA.

The network also welcomed a new franchisee late in FY25 as a result of a long-standing franchisee selling their Bunbury, Western Australia store through a competitive market process. The Watergardens franchised store closed during the year as the franchisee decided not to renew the lease and to focus on their remaining operation.

Bedshed experienced significant trading variability as consumers continued to respond to cost-of-living pressures by seeking promotions and shopping for value. The network delivered business written sales[2] in excess of $161.0 million, a 7% increase on the pcp. This included record business written sales during the Black Friday and Boxing Day promotions, as well as in the trading months of November, December, and June.

Company Store network business written sales were $22.7 million compared to $18.6 million in the pcp (which included 6 months trading from Castle Hill and Alexandria). Both Castle Hill and Alexandria recorded improved business written sales since their acquisition[3] which were 39.0% higher for FY25 year compared to the pcp (which was under franchisee operation for 1HY24). Like-for-like Company Store network business written sales (QLD and WA stores) were $15.7 million, compared to $15.8 million in pcp.

Franchise operations performed well, delivering a 6.9% increase in business written sales and revenue generation in FY25 of $6.1 million, a 3.7% uplift on FY24. This included a strong performance from the first full year of operations for our Jindalee and Toowoomba franchisees who saw combined like-for-like growth in business written sales of 15%.

The strong business written sales resulted in combined operations (franchisee and company-owned stores) generating increased revenue of $27.2 million compared to $23.1 million in pcp.

The Company Store network (and the Bedshed network overall) was able to deliver an improved gross margin despite the variability in sales volumes across the year. This was achieved by strong inventory control and supply chain management, including the successful introduction of new ranges of furniture and rationalisation of the product range.

The cost base of Bedshed's company-owned store operations was higher than in the pcp as a result of the full year operation of Castle Hill and Alexandria, as well as relocation of the Joondalup store at the end of FY24. These activities generated one-off rental expenses from the transition of warehouses and make-good payments, as well as operational enhancements and cost control programs that were in place during much of the first half of FY25. The Company store network delivered improved revenue and financial performance as the second half of FY25 progressed.

Business written sales of $2.9 million in June 2025 were above the pcp by 14.9%, with a significant proportion not yet converted to revenue at 30 June 2025.

Depreciation and amortisation for FY25 increased commensurate with the operation of Castle Hill and Alexandria for a full year, in addition to the new Joondalup store. As a result, EBIT for FY25 of $1.5 million, compared to $1.2 million in pcp. EBIT margin was steady at 7.2%.

The franchising business generated revenue of $6.1 million ($5.9 million in pcp) and delivered EBIT of $2.8 million (compared to $3.2 million in pcp) at a strong margin of 46.4%. FY24 was impacted by a number of one-off gains and overall margin performance in FY25 was consistent with our expectations.

Bedshed's combined operations achieved a robust underlying EBIT of $4.3 million from revenue of $27.2 million.

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[2] Business Written Sales (BWS) are written sales orders across Bedshed. Bedshed Franchising receives revenue from franchisees on BWS. Bedshed company store operations only record revenue on completion of business written sales orders.

[3] Bedshed Castle Hill acquired December 2023 and Bedshed Alexandria January 2024.

Bedshed's focus in FY26 will be on the continued optimisation of company-owned store financial performance and on network wide business written sales growth and gross margin enhancement. Considerable growth potential remains for the network footprint with a long-term network target of 65+ stores and a number of strategic initiatives are in place to both attract high quality franchisees into the business, and to reduce the costs of entry for franchisees.

Crave Home Staging

The Crave Home Staging pilot, launched in Perth in 2022, was concluded in November 2024 following a strategic review. While the brand gained traction and generated over $2 million in revenue since inception, market conditions limited its growth potential. The business was sold for $0.45 million, with a non-cash asset write-down of $0.6 million recognised in the financial year (and normalised in reported results - see Appendix).

Corporate and Dividend

Joyce Chair Mr Jeremy Kirkwood said the Group had delivered another robust result and strong operational performance driven by a business model built on low capital intensity, strong cash flow, and powerful brands.

"Joyce Group is in a robust position, with a consistent track record of success and a compelling value proposition across all our stakeholders – customers, franchisees, suppliers, and employees," Mr Kirkwood said.

"Our business model enables us to navigate a market that is still characterised by uncertainty and evolving consumer behaviours, ultimately delivering strong financial results, high levels of customer satisfaction, and a healthy dividend to our shareholders.

"The Board will continue to diligently explore options to maximise shareholder value and remains disciplined in managing costs and capital. Our cash balance of $39.2 million gives us the flexibility to manage volatility whilst also continuing our primary focus on the pursuit of organic growth from our large addressable markets within Australia. Further network growth is planned to capitalise on the significant market opportunity for both KWB and Bedshed, which are under-represented in several key markets across Australia and have a long growth runway ahead of them.

"Outside of organic growth, we retain a discipline and focus on opportunities that can clearly maximise shareholder value, are commensurate with our skill set and have a natural fit with our existing portfolio.

"We have worked hard to build a solid foundation that allows us to confidently pursue sustainable growth in 2026 and beyond, while also ensuring continued healthy dividends for our shareholders."

The Board has resolved to pay a fully franked final dividend of 17 cents per share, bringing the full year dividend to 27.5 cents per share. The payment consists of an ordinary dividend of 11.5 cents at 80% of normalised profits to shareholders and a special dividend of 5.5 cents per share. The ordinary dividend is in line with our policy of returning 60% to 80% of normalised profits to shareholders, which we maintain. The special dividend utilises our robust balance sheet to return a portion of surplus franking credits to shareholders.

The Dividend is to be paid on 3 October 2025 to all shareholders registered as at the record date of 12 September 2025.

Joyce Corporation has an established dividend reinvestment plan (DRP). The Joyce Board has elected not to activate the DRP for the upcoming dividend.

JoyceGroup

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This release has been authorised by the Board of Joyce Corporation Ltd

Appendix

This Announcement should be read in conjunction with the following documents lodged with the ASX on 29 August 2025 under the ASX ticker JYC:

- Investor Presentation - Financial Year 2025 Results
- Appendix 4E
- Annual Report for the financial year ended 30 June 2025
- Appendix 3A.1: Dividend/Distribution

Note 1: Summary of Normalising Adjustments

($'000)	EBITDA	EBIT	PBT	Tax	NPAT	NPAT attributable to JYC s/holders
FY25 Results per financial statements	**31,872**	**22,666**	**22,320**	**(6,487)**	**15,833**	**7,347**
Crave realised loss on sale of assets	297	297	297	(89)	208	208
Crave impairment of software	-	300	300	(90)	210	210
Wind up of Crave business operations	68	68	68	(20)	47	47
One-off corporate expenditure	570	570	570	(172)	398	398
FY25 Normalised results	**32,807**	**23,901**	**23,555**	**(6,858)**	**16,696**	**8,210**
FY24 Results per financial statements	**31,975**	**24,511**	**24,654**	**(7,123)**	**17,531**	**8,863**
Tax deduction applicable to share issue	-	-	-	(421)	(421)	(421)
FY24 Normalised results	**31,975**	**24,511**	**24,654**	**(7,544)**	**17,110**	**8,442**

Note 2: Change of Terms of Executive Employment

The following changes to Terms of Employment were determined and agreed on 28 August 2025:

- CEO (D Madden) Notice Period: As of 1 September 2025, either party may terminate with 6 months' notice.