

# JOYCE CORPORATION LTD 2016 Full Year Results Presentation



By Anthony Mankarios- Executive Director

# Statutory Reporting Summary

Joyce Corp {JYC:}	2016	2015	2014
Reconciliation of estimated underlying profit to statutory in \$000's			
EBITDA before Impairments from Continuing operations	\$3,974	\$4,357	\$1,645
<b>Continuing Operations EBITDA before on off</b>	<b>3854</b>	<b>2492</b>	<b>1385</b>
Less one off impairment and other one off	-120	-1865	-260
one off discontinued before tax	585	6640	949
Rent		753	788
Less Discontinued stores	0	-95	-59
EBITDA overall statutory	4319	7925	2803
Net finance income (expense)	419	-165	-212
Depreciation	-553	-314	-304
NPBT	4185	7446	2287
Tax expense	-1883	-2974	-717
NPAT	2301	4472	1570
Non controlling interest	1680	749	0
NPAT to members	3981	5221	1570
<b>EBIT continuing operations</b>	<b>\$3,181</b>	<b>\$2,178</b>	<b>\$1,081</b>



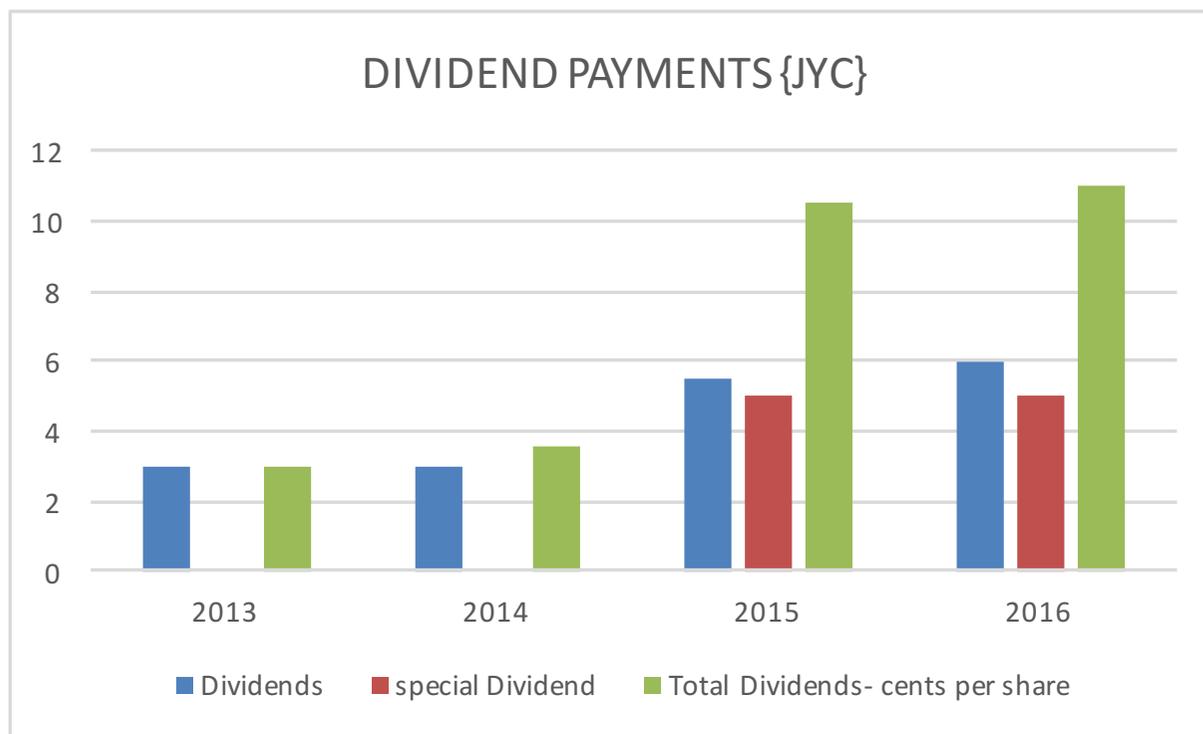
NOTES: The discontinued operations refer to Rents, Interest and valuations derived from Moorebank NSW Property in FY2015 and Company stores that were Franchised in FY2015. Unaudited

# Key Performance Highlights

- FY2016 revenue increased to \$56.5 million, up 62.8% on prior year;
- FY2016 Net Profit After Tax (NPAT) from continuing operations was \$3.46 million;
- Statutory profit after tax and non controlling interest of \$2.3 million;
- Fully franked final dividend of 6 cents per share, for a full year dividend of 11 cents per share;
- Cash of \$15.2 million at 30 June 2016;
- KBW Group FY2016 revenue up 29% on prior year; and
- Strategic acquisition of 51% of Lloyds Online Auctions Pty Ltd on 1 July 2016.



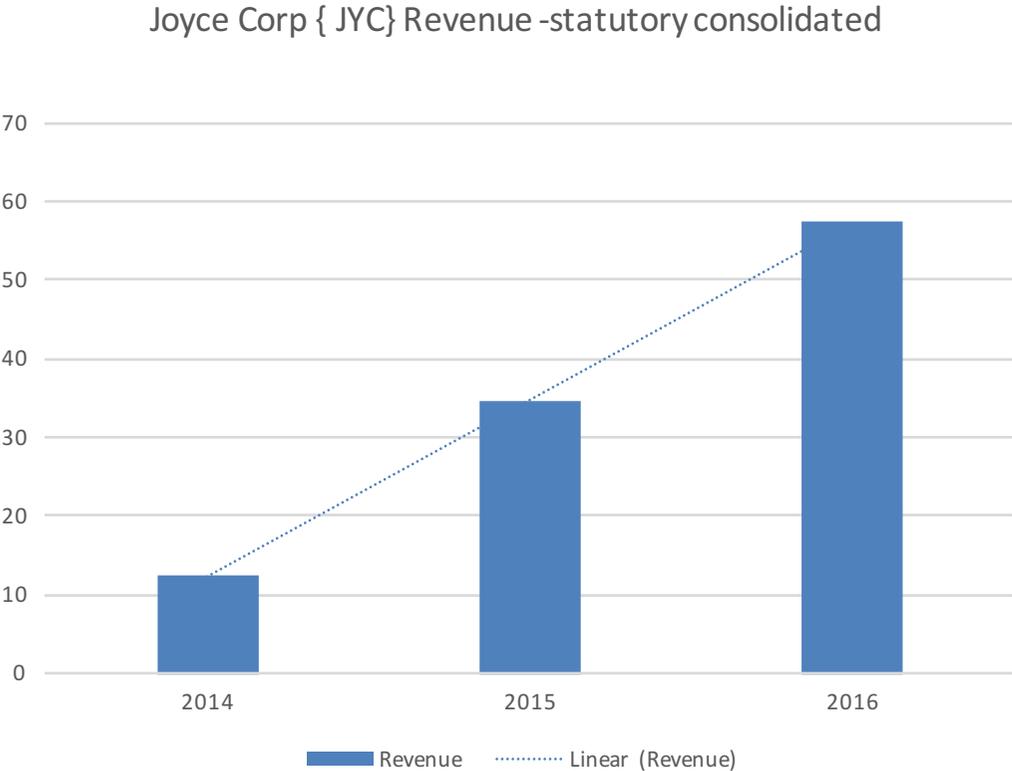
# Recent Dividend History



**6 cents** per share Final **Fully Franked** Dividend to be paid on 18 November 2016 with a record date of 28 October 2016.  
(Equating to: 3 cents normal and 3 cents special)



# Joyce Historical Revenue Growth



Bedshed franchisees financial success satisfaction ratings higher than 84% of all others in Franchise sector.

NOTES: Joyce Consolidated Revenue in FY 2016 includes Revenue from KWB group but not Lloyds online as this was acquired as at 1 July 2016.

# Business Unit Performance

DIVISIONS in \$000's	2016	2015	VAR	% VAR
Bedshed Franchising	\$ 1,183	\$ 1,230	\$ (47)	-4%
Company stores	\$ 924	\$ 696	\$ 228	33%
KWB (100%)	\$ 4,800	\$ 1,715	\$ 3,085	180%
Joyce Corporate & unallocated	\$ (1,417)	\$ (1,096)	\$ (321)	29%
Group continuing underlying EBIT	\$ 5,490	\$ 2,545	\$ 2,945	116%
Discontinued before tax	\$ 585	\$ 7,287	\$ (6,702)	-92%
impairment	\$ (120)	\$ (1,375)	\$ 1,255	-91%
Group Total EBIT	\$ 5,955	\$ 8,457	\$ (2,502)	-30%



- Bedshed Franchising and company stores FY2016 revenue grew to \$15.8 million
- The Bedshed Company stores increased in number to 5 stores with 2 in WA and 3 in QLD
- KWB Group FY2016 sales revenue up by 29%

NOTES: In FY 2015 The Group added a net \$5.7M in gains associated with valuation of the Moorebank-NSW property and impairment of Goodwill. This Property is classified in discontinued operations since it was sold and rents, interest and gains in value are treated as discontinued for the purpose of the FY 2016 accounts. Unaudited

# Introducing Lloyds Online Auctions



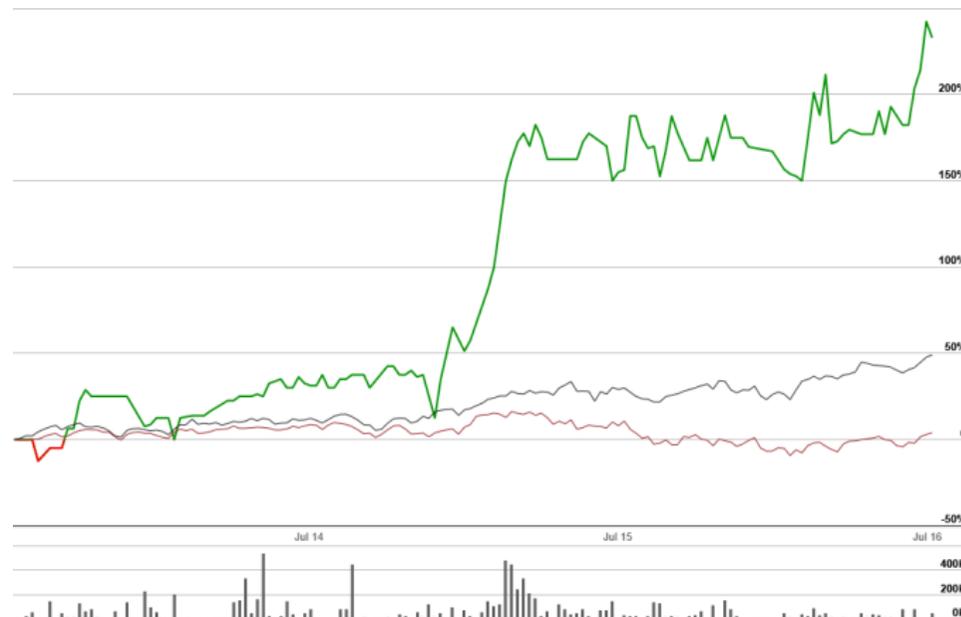
- Unlocks accessibility to the rapidly expanding online retail space
- Strong and established management team; Mr Andrew Webber, Vendor principal, to continue to drive the business
- Auction sales 2016 - \$48.5 million
- -2016 adjusted maintainable EBITDA > \$2.65 million
- Solid plans for expansion

*JOYCE ACQUIRES 51% OF LLOYDS ONLINE AUCTIONS ON 1<sup>ST</sup> JULY 2016*

# Outlook

- Continue to deliver above average returns and increasing dividends to our shareholders
- Special Dividend revert to Normal Dividends in 2018
- Seek further quality partnering opportunities in low risk and fast growing businesses
- Expand our national footprint through our existing businesses, with additional sites planned in FY2017
- Lloyds expected to add \$10 million to Joyce's consolidated revenue
- Expected FY2017 Combined Network Sales Written including Franchise Businesses to be \$170 million
- Newly acquired Osborne Park facilities to free up \$380K pa into EBIT post 30 January 2017

JOYCE { ASX: JYC } Share Price growth Movements out perform ASX 200 and ASX Industries for last 3 years. Data Source: commsec.



# DISCLAIMER-

Information contained in this presentation may involve forward looking statements. Possible future performance estimates, estimated earnings, potential growth of the company or its industry or other projections. Whilst “JYC” believes these are reasonable at the time of printing. Actual results may differ from those expressed or implied by these forward looking statements. These statements refer to the future and therefore involve unknown risks and uncertainties. These figures may vary based on actual full year audited results, the information is provided whilst the audit process is proceeding. No responsibility by Joyce Corporation Ltd or its Directors is accepted for any error or omission, all care has been taken, however investors must seek individual independent financial advice. This data herein does not pose as advice of any kind. No warranty or Representation is expressed or implied or will be made as to the fairness, completion or correctness of data presented. Non- IFRS financial information is supplied to gain meaningful insight to the underlying performance of some business units. The Company has provided this in order to assist the reader in obtaining a better understanding of reported IFRS financial data and where possible non- IFRS financial data has been identified as underlying, Normalised, EBITDA, PBT, EBIT, EPS and other relevant financial information. The information provided is unaudited.

This presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. This presentation does not constitute investment or financial product advice (nor tax, accounting or legal advice) or any recommendation to acquire securities and does not and will not form any part of any contract for acquisition of securities. Each recipient of this presentation should make its own enquiries and investigations regarding all information in this presentation (including, without limitation, the assumptions, uncertainties and contingencies which may affect the future operations of JYC and or Lloyds and the impact that different future outcomes may have on JYC and or Lloyds).

This presentation has been prepared without taking into account any person’s individual investment objectives, financial situation or particular needs. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and seek legal, accounting and taxation advice appropriate to their jurisdiction. An investment in JYC shares is subject to known and unknown risks, some of which are beyond the control of JYC. JYC does not guarantee any particular rate of return or the performance of JYC.

## **Further information:**

### **Investors**

Anthony Mankarios, Exec. Director +61 438 553 403

Dan Smetana, Chairman +61 8 9445 1055

### **Media**

John Gardner +61 413 355 997 Citadel-MAGNUS