



ASX Announcement

6th January 2017

Queensland Property acquisition.

KWB Group Pty Ltd (KWB) through its wholly owned subsidiary KWB Property Holdings Pty Ltd has secured an unconditional exchange of contract on a 10,800 sq mtr property in Lytton, Brisbane QLD. The site contains a 6,600 sq mtr industrial building and is being purchased at a cost of \$8 million plus GST.

KWB intends to utilise the premises for its head office and operations as well as having leased out 3,825 sq mtr of the building on a long-term commercial basis.

Joyce Corporation Ltd's (Joyce) Executive Director, Anthony Mankarios said "The move is expected to occur in the fourth quarter of FY17 and will have additional earnings and synergy expectations which will improve overall operational results in the Business unit from FY18 onwards".

The group also anticipates significant gains in the property valuation which will be brought to earnings under the IFRIS accounting standards in the period post settlement in addition to the improvement in operational results stated above.

KWB Group is the owner of the retail brands "Kitchen Connection" and "Wallspan Kitchens and Wardrobes" and currently operates showrooms in S.E. QLD, Adelaide and Newcastle.

KWB's current revenue and earnings are expected to exceed internal expectations to December 2016. This has provided additional cash to assist in funding the purchase. The balance is to be funded by an approved bank finance facility at very competitive terms.

Joyce will make a further update with the half-year reporting.

Joyce Corporation Ltd is the majority owner of KWB, Lloyds Online Auctions and the wholly owned Bedshed Franchising.

ENDS

Further information:

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