



12<sup>th</sup> February 2018

Att: Manager ASX Announcements

Re: Joyce Corporation Ltd (ASX:JYC) - Business Acquisition

## **LLOYDS AUCTIONS EXPANDS FURTHER INTO NSW**

Joyce Corporation Ltd is pleased to announce that its majority held subsidiary Lloyds Auctions has entered into a Heads of Agreement to acquire the business of Macquarie Auction Group (which includes Burns & Co Auctions and Burns Online) three NSW locations to bolster its nationwide rollout. The acquisition is expected to be earnings accretive from the outset. The acquisition will be paid for in cash at a 2x current earnings basis, with acquisition total payments being deferred based upon a two year earn-out basis, subject to performance. The vendors will stay on under contractual arrangements.

“This strategic acquisition of the group of 3 auction houses in western NSW allows our passionate Civil Equipment Division and Classic Car Divisions to offer a better level of service to the many existing clients we have been honored to serve in this area” Mr Andrew Webber Managing Director of Lloyds Auctions said yesterday. “We see regional NSW as a strong growth area for Lloyds and adding Macquarie Auction Group and their passionate team allows Lloyds to accelerate this growth with a great long term regional NSW company.”

Macquarie Auction Group is a family owned business which has operated profitably in the western NSW area. The Burns family have owned the business for over ten years. The founder of the Macquarie Auctions, Scott Burns, commented “We were not looking to sell our business however we have watched Lloyds Auctions growth for many years and have always been very impressed with their online bidding platform and massive variety of product, so when the opportunity arose for us to join Lloyds we jumped at the chance.”

This takes the Lloyds Auctions business now operates from a total of 11 sites nationally.

Joyce Corporation Ltd’s Executive Director Mr Anthony Mankarios has endorsed the strategy which is consistent with bringing on profitable business to expand the national footprint. Mr Mankarios said “this will allow Lloyds to exceed the \$100M Auction turn-over level a year earlier than planned. It also allows the group to continue to offer their growing client base superior service across Australia with multiple locations now available in QLD, NSW, VIC and WA. We expect that additional yellow equipment and car sales will result from the deal with a focus on consumer product continuing to be a profitable part of the business.”

Mr Mankarios said they “would seek and continue with the successful growth strategy of partnering with good robust state -based auctioneers looking to be part of a bigger and faster growing national network.”



Joyce Corporation is an Australian listed public company dealing in fast growing profitable businesses. It specialises in partnering with emerging companies seeking financial and corporate assistance to help optimise growth in their existing good businesses. Joyce pays dividends to shareholders and regularly seeks to explore additional growth opportunities.

Joyce Corporation is due to post its half year results to 31 Dec-17 by end February. The Chairman Mr Dan Smetana has said "The group is in an enviable position. We anticipate that the 1H18 results will show a net consolidated double- digit revenue growth on last year, the group remains very profitable and has invested significant funds into future growth."

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