



16 April 2019

Att: Manager ASX Announcements

Re: Joyce Corporation Ltd (ASX: JYC)

Joyce ASX Announcement – Performance Update April 2019

Joyce Corporation: Creating growth for shareholders, our economy and industries

A strong economy needs consistent and robust management and leadership, with a focus on creating sustainable businesses that support consumers and create jobs.

With economic stimulation and strength being a focus of Budget and election commentary, Joyce Corporation is entering the conversation to show that good management and leadership are key drivers for business and economic growth, particularly in uncertain economic times.

Joyce Corporation's strong portfolio of small-to-medium sized Australian businesses includes: leading kitchen and wardrobe renovation brands Kitchen Connection and Wallspan Kitchen and Wardrobes; growing bedding franchise Bedshed; and trusted auction house Lloyds—the brand behind the Gosford Classic Cars sell off, which occurred earlier this month and made national news headlines.

"With a focus on stimulating the economy through personal and corporate tax cuts, we believe businesses that have progressive management and a strong leadership culture can see steady growth through varied economic times," Joyce Corp Executive Director Anthony Mankarios said.

"Our businesses are great examples of this, and we are proud of the way we partner with businesses, which includes focusing on ways to prosper together for the benefit of investors, consumers and everyone working in our brands. The Joyce Way brings a focus to sustainable profit growth, along with a strategic lens to respond to and prepare for economic uncertainties.

"The recent performance of KWB Group—owners of Kitchen Connection and Wallspan—shows truth to economic commentary by CommSec that says consumers often opt to buy and renovate in strong markets or stay and renovate in times of economic uncertainty. As a leader in the independent Kitchen renovation market, KWB saw double-digit growth in the first half of the 2019 Financial Year, and predictions show this growth continuing.

"While bulky good retailers can see declines in a weak retail market, our Bedshed stores continue to see a steady flow of customers and their expansion plans are continuing. Bedshed is set to open three new stores in Victoria and Queensland before the end of this financial year, and the franchise has a steady pipeline of stores opening in New South Wales over the near future.



“We are excited by the continued growth and operational efficiency initiatives in all our businesses. This includes Lloyds, which we recently increased our shareholding in (56%). The growth of Lloyds has been boosted through the creation of an enhanced online platform, the securing of the largest classic car auction in the Southern Hemisphere (Gosford Classic Cars), and through the continued rollout of a national and profitable expansion plan.

“The enhanced online auction platform helped make the Gosford Classic Car Museum Auction, held on 7 April, a great success—reaching the high-end of our ambitious predictions. The sale of the range of quality cars shows there is still strong demand for investment-grade classic cars in Australia, despite declines in the house and new car markets, and a weakening consumer sentiment overall. We anticipate that despite broader sector trends, Lloyds will complete F19 with double digit growth in EBIT.

“The performance of our diverse businesses shows how a focus on good management and leadership supports long-term and stable growth. We continue to work with all of our brands to continue to grow our business across various industries, create jobs and deliver better than market returns for our shareholders.”

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