

JYC | 2025 Full Year Results

JYC.ASX | JOYCE CORPORATION LIMITED | CONSUMER DISCRETIONARY | SPECIALTY RETAIL

PRICE	TARGET PRICE	RECOMMENDATION
A\$5.15/sh	A\$6.10/sh	BUY
	(FROM A\$5.50/sh)	(UNCHANGED)

Event

JYC has released its FY2025 results.

Impact

Results were broadly consistent with our expectations, with key financial highlights:

- Revenue +2% YoY to 148.2 million (vs \$147.6 million EHe)
- EBIT -2% YoY to \$23.9 million (vs \$24.4 million EHe)
- Reported NPAT attr. to JYC -17% YoY to \$7.4 million (vs \$7.4 million EHe)
- Norm NPAT attr. to JYC -3% YoY to \$8.2 million (vs \$8.4 million EHe)

KWB (51% owned): While sales were ~flat YoY to \$120.4 million, total orders increased by 13% over the same period to \$128.7 million. The order book finished up 18% YoY to \$44.2 million. Looking into FY26, JYC has had a strong start, with \$12.3 million of orders in July (+22% pc) and record LTM orders (Figure 2). Together with the year end order book, KWB has a healthy platform to delivery sales growth in FY26.

As of year-end, the business had 29 showrooms (+4 net YoY). An additional showroom is scheduled to open in Adelaide in 1Q FY26, with further opportunities under consideration for the remainder of FY26 – though overall network growth is not expected to match the pace of FY25. The company maintains a long-term strategy of +50 showrooms.

Bedshed (100% owned): The bedshed network delivered \$161 million of business written sales during the year (+7% YoY). Franchise sales were up modestly YoY to \$6.1 million (+3.7%), with comparable EBIT of \$2.8 million (-11% YoY). Company owned sales were up significantly YoY (+22.4%).

Bedshed finished the year with 36 franchise locations (down 1 YoY) and 6 company-owned stores (flat YoY). Two new franchise locations are due to open in FY26, one in NSW (1QFY26) and one in WA (2Q FY26). The company maintains a long-term network goal of 65 stores.

The company maintains a strong balance sheet with \$39.2 million in consolidated cash (vs \$40.8 million EHe) and no debt (excl. leases). JYC declared a 17.0cps fully franked final dividend, taking the total annual dividend to 27.5cps (vs 22.5cps EHe), implying a 5.4% annualised franked yield.

We have updated our forecasts (see Figure 1).

Action

We maintain our Buy Recommendation with an updated \$6.10 Price Target (previously \$5.50)

Catalysts

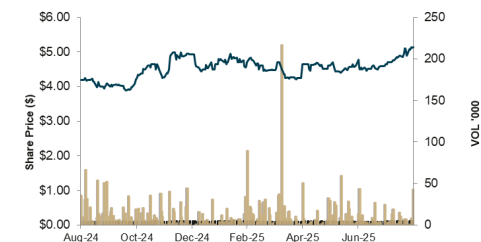
AGM Update | 1H FY26 Results

Analysts

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Share Price	5.15	A\$/sh	
Price Target	6.10	A\$/sh	
Valuation (DCF)	6.10	A\$/sh	
WACC	11.0%		
Terminal Growth	2.5%		
Shares on issue	29.6	m, dil	
Market Capitalisation	152.3	A\$m	
Enterprise Value	141.9	A\$m	
Cash	39.2	A\$m	
Debt (inc leases)	28.8	A\$m	
Key Metrics	25A	26F	27F
Revenue (A\$m)	148.2	162.1	177.1
EBITDA (A\$m)	31.6	36.5	39.9
EBIT (A\$m)	22.7	27.6	31.0
Norm NPAT (A\$m)	8.2	9.8	11.1
Reported NPAT (A\$m)	7.4	9.8	11.1
Gross CF (A\$m)	11.6	12.2	13.5
Capex (A\$m)	-3.1	-1.8	-1.8
Op. Free CF (A\$m)	8.0	11.8	13.4
Revenue Gwth (%)	2%	9%	9%
EBITDA Gwth (%)	-1%	16%	9%
Norm NPAT Gwth (%)	-3%	19%	13%
Norm EPS (Ac)	27.8	33.2	37.5
Norm. EPS Gwth (%)	-6%	19%	13%
PER (x)	20.6	15.5	13.7
DPS (Ac)	27.5	24.5	27.5
Dividend Yield (%)	5.3%	4.8%	5.3%
Net Debt (A\$m)	-10.4	-15.3	-23.0
Net Debt:Equity (%)	-26%	-35%	-46%

Performance



Source: IRESS

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Income Statement				PERFORMANCE RATIOS			
	25A	26F	27F		25A	26F	27F
(+) BedShed	27.2	28.2	29.4	Growth & Margins			
(+) KWB	120.4	133.3	147.2	Revenue Growth	2%	9%	9%
(+/-) Other	0.5	0.5	0.5	EBITDA Growth	-1%	16%	9%
Total Revenue	148.2	162.1	177.1	EBIT Growth	-8%	22%	12%
(-) COGS	-79.4	-86.9	-94.9	Reported NPAT Growth	-17%	33%	13%
Gross Profit	68.7	75.2	82.2	Normalized Net Profit Growth	-3%	19%	13%
(-) Operating Expense	-37.2	-38.7	-42.3	EBITDA margin	21%	23%	23%
EBITDA	31.6	36.5	39.9	EBIT margin	15%	17%	17%
(-) D&A	-8.9	-8.9	-8.9	Normalized net profit margin	5%	6%	6%
EBIT	22.7	27.6	31.0	Effective tax rate	30%	30%	30%
(-) Net Finance	-0.3	-0.2	0.0	Liquidity			
EBT	22.4	27.5	31.0	Capex/depreciation (x)	0.4	0.2	0.2
(-) Tax Expense	-6.5	-8.2	-9.3	Current ratio (x)	1.4	1.4	1.5
(-) Non-Controlling interest	-8.5	-9.4	-10.6	Quick ratio (x)	1.6	1.7	1.8
(+/-) Abnormals	0.0	0.0	0.0	Receivable days	1.6	1.6	1.6
Reported NPAT	7.4	9.8	11.1	Payable days	112.0	112.0	112.0
Norm NPAT	8.2	9.8	11.1	Risk Measures			
Cashflow Statement				Dividend Cover (x)	0.9	1.4	1.4
NPAT	7.4	9.8	11.1	Payout ratio (%)	110%	74%	73%
(+) D&A	8.9	8.9	8.9	Net interest cover (x)	23.0	27.8	30.9
(-) Lease Expense	-6.5	-6.5	-6.5	Net debt/equity (%)	-26%	-35%	-46%
(+/-) Other	1.8	0.0	0.0	Returns			
Gross Cashflow	11.6	12.2	13.5	Return on Invested Capital	22%	27%	28%
(-) Capex	-3.1	-1.8	-1.8	Return on Assets	8%	9%	10%
(-) Change in NWC	-0.4	1.3	1.6	Return on Equity	21%	27%	28%
Operating Free Cashflow	8.0	11.8	13.4	SHARE DATA/VALUATION			
(+/-) Sale of PP&E	0.6	0.0	0.0	Share Data			
(+/-) Other	-1.1	0.0	0.0	Issued shares (m)	29.6	29.6	29.6
(+) NCI	8.5	9.4	10.6	Weighted ave shares (m)	29.0	29.6	29.6
(-) Dividend Equity holders	-8.4	-8.1	-7.2	Fully diluted shares (m)	29.6	29.6	29.6
(-) Dividends NCI	-7.4	-7.5	-8.5	Basic EPS (c)	25.0	33.2	37.5
Net Cashflow	0.1	5.5	8.3	YoY change (%)	-20%	33%	13%
BoP Net Cash	11.6	10.4	15.3	Fully diluted EPS (c)	25.0	33.2	37.5
(+/-) Net Cashflow	0.1	5.5	8.3	YoY change (%)	-20%	33%	13%
(+/-) AASB16 Adj.	-1.3	-0.6	-0.6	Fully diluted normalised EPS (c)	27.8	33.2	37.5
EoP Net Cash	10.4	15.3	23.0	YoY change (%)	-6%	19%	13%
Balance Sheet				Dividend/share (c)	27.5	24.5	27.5
Cash	39.2	44.1	51.8	Franking (%)	100%	100%	100%
Receivables	0.6	0.7	0.8	Gross cashflow/share (c)	39.1	41.3	45.6
Inventories	4.6	5.0	5.5	NBV/share (c)	117.4	123.0	136.0
Other Assets	1.2	1.2	1.2	NTA/Share (c)	107.4	119.6	139.9
Other Financial Assets	2.9	2.9	2.9	Valuation			
Total Current Assets	48.6	54.0	62.2	PER (Basic) (x)	20.6	15.5	13.7
Receivables	3.6	3.9	4.3	PER (Fully diluted) (x)	20.6	15.5	13.7
Deferred Tax Assets	3.6	4.0	4.3	PER (Fully diluted, normalized) (x)	18.5	15.5	13.7
ROUA	27.0	27.0	27.0	P/CFPS (x)	13.2	12.5	11.3
PP&E	6.5	6.5	6.5	Price/NBV (x)	4.4	4.2	3.8
Intangibles	8.3	8.2	8.2	Price/NTA (x)	4.8	4.3	3.7
Total Non-current Assets	49.0	49.6	50.3	Dividend Yield (%)	5.3%	4.8%	5.3%
Total Assets	97.6	103.6	112.4	EV/EBIT (x, Ex. NCI)	10.0	7.8	7.0
Payables	24.4	26.7	29.1	EV/Revenue (x)	1.0	0.9	0.8
Provisions	3.5	3.6	4.0				
Current Lease Liabilities	7.8	7.8	7.8				
Borrowings	0.0	0.0	0.0				
Provisions for Income Tax	0.0	0.0	0.0				
Total Current Liabilities	35.7	38.1	40.9				
Borrowings	0.0	0.0	0.0				
Non-Current Lease Liabilities	21.0	21.0	21.0				
Deferred Tax Liability	0.0	0.0	0.0				
Provisions	0.9	0.9	1.0				
Total Non-Current Liabilities	21.9	21.9	22.0				
Total Liabilities	57.5	60.0	62.9				
Net Assets	40.0	43.6	49.5				
Contributed Equity	21.9	21.9	21.9				
Reserves	2.7	2.7	2.7				
Non-controlling interests	5.3	7.2	9.3				
Retained Earnings	10.1	11.8	15.6				
Total Equity	40.0	43.6	49.5				

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Forecasts

We build up our forecasts as follows (Figure 1).

Figure 1: EH Forecasts

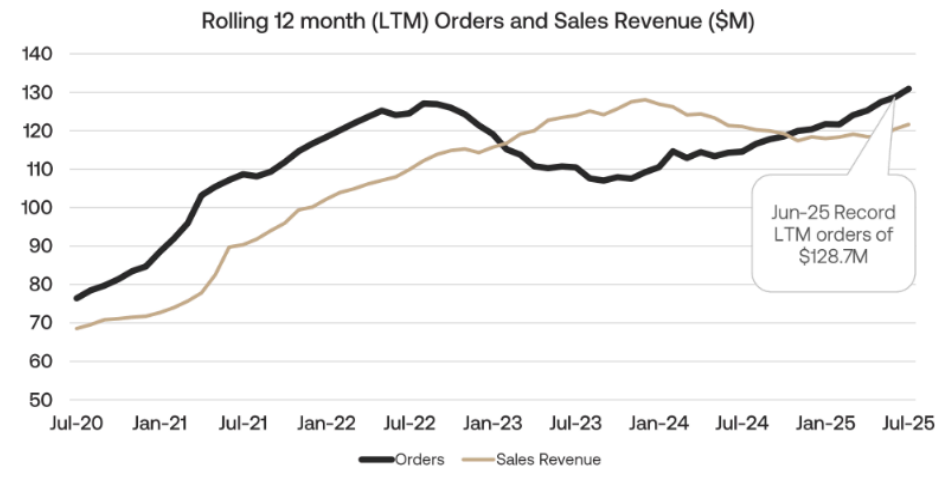
Forecasts	Units	2024A	2025A	1H26F	2H26F	2026F	2027F	2027F
Locations								
KWB	x	25	29	30	31	31	34	37
Bedshed*	x	43	42	43	44	44	46	48
KWB	A\$m	121.3	120.4	67.3	66.0	133.3	147.2	166.2
Bedshed	A\$m	23.1	27.2	13.8	14.4	28.2	29.4	30.6
Other	A\$m	1.1	0.5	0.3	0.3	0.5	0.5	0.5
Total Revenue	A\$m	145.5	148.2	81.4	80.7	162.1	177.1	197.3
EBITDA	A\$m	32.0	31.6	18.3	18.3	36.5	39.9	44.2
KWB	A\$m	25.2	24.3	14.0	14.0	28.0	30.9	34.9
Bedshed	A\$m	4.4	4.3	2.3	2.3	4.6	5.2	5.6
Corp OH/ Other	A\$m	-5.1	-5.9	-2.5	-2.5	-5.0	-5.1	-5.2
EBIT	A\$m	24.5	22.7	13.8	13.8	27.6	31.0	35.3
Reported NPAT	A\$m	8.9	7.4	4.8	5.0	9.8	11.1	12.7
Norm. NPAT**	A\$m	8.4	8.2	4.8	5.0	9.8	11.1	12.7
DPS	Acps	28.5	27.5	6.0	18.5	24.5	27.5	30.5

Source: EH estimate, company announcements, *incl company owned stores; **Norm for Crave

Figure 2: KWB Group Orders vs Revenues

KWB Group

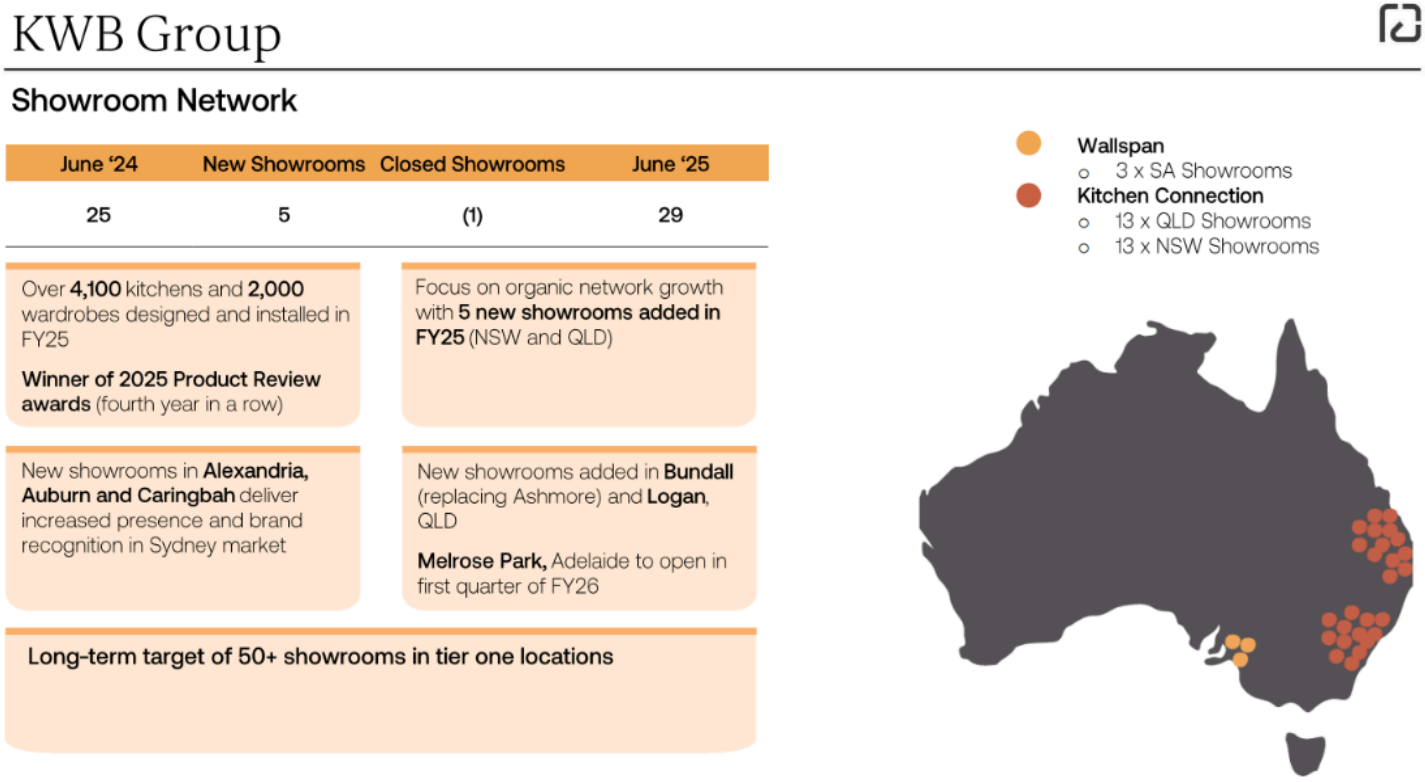
Record Orders in FY25 with strong momentum into FY26



Source: Company presentation

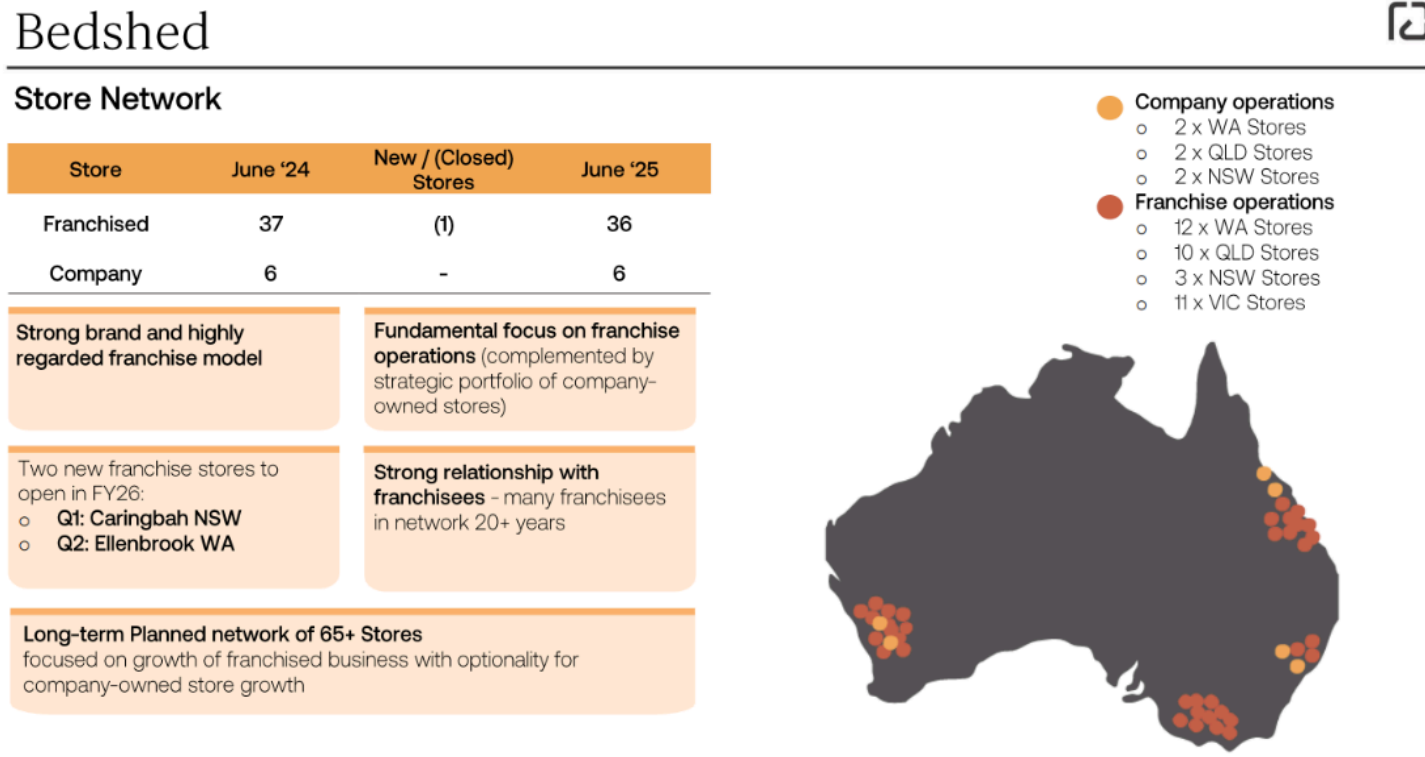
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Figure 3: KWB Group Overview



Source: Company presentation

Figure 4: Bedshed Overview



Source: Company presentation

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Company disclosures

The companies and securities mentioned in this report, include:

Joyce Corporation Limited (JYC.ASX) | Price A\$5.15 | Target price A\$6.10 | Recommendation Buy;

Price, target price and rating as at 01 September 2025 (not covered)*

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PAGE 6

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