

20 December 2021

## Sale of Corporate Property

### Sale aligned with strategic direction, contributes to disciplined capital management

Joyce Corporation Ltd (ASX:JYC) is pleased to announce it has entered into a sale and leaseback agreement for its corporate office and warehouse facility in Osborne Park, Western Australia. The sale of the property will realise approximately \$5.5 million in cash (before costs) and will lead to a more efficient allocation of the company's capital in accordance with the strategic direction of the business.

### Terms of the Transaction

The sale agreement, with Pollutri Nominees Pty Ltd ACN 651 818 058 as trustee for The Stanja Trust (**Purchaser**), is conditional on the Purchaser obtaining finance within 60 days of the date of sale agreement (**Finance Condition**), and is otherwise on customary terms. On completion of the sale, the Purchaser will pay approximately \$5.5 million in cash to Joyce.

The transaction is expected to be completed by the date which is the later of:

- (a) 5 business days after the satisfaction of the Finance Condition by the Purchaser; and
- (b) 21 days after the date of the sale agreement.

In connection with the sale, Joyce has also entered into arrangements with the Purchaser for a 5 year lease (with two further five-year options) to retain tenancy of the office space and 1 of 3 warehouses, both areas we currently occupy. The lease will commence on completion of the property sale.

### Joyce's Chief Executive Office, Dan Madden commented:

*"The sale and leaseback arrangement is consistent with the strategic direction of the business as the Company continues to build a solid platform from which to drive its growth ambitions further.*

*"Joyce is first and foremost focused on organic growth opportunities for both KWB and Bedshed and an expansion of the footprint of our KWB Group and Bedshed retail stores.*

*"We will also apply a disciplined framework to continue to explore new growth opportunities that support long term, sustainable growth. In doing so we will apply a filter to look in adjacent sectors or complementary areas that have a natural fit with our existing portfolio and expertise or offer other synergies.*

*Opportunities that require a relatively low capital outlay are of particular focus and may come from new organic growth activities from the ground up, or from opportunistically considering potential acquisitions if they are of a commensurate size and scale.*

*We look forward to developing our plans and updating the market about them over the coming months."*

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**ENDS**

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For further information, please contact:

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This release has been authorised by the Board of Joyce Corporation Ltd