

GODFREYS GROUP LIMITED (ASX:GFY)

ASX/Media Release

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GODFREYS BEGINS TURNAROUND CAMPAIGN

National vacuum cleaner retailer Godfreys Group Limited (**Godfreys** or the **Company**) is launching an aggressive advertising campaign from tomorrow (Wednesday 27 June) as the Company's new management team begins the process to turn the Group around.

Television, print and social media advertisements offering major discounts will run across Australia as the company seeks to reduce warehouse stocks.

Godfreys Managing Director, Mr John Hardy, said it was important to generate excitement among customers and staff as the turnaround process gathered pace.

"Godfreys previous advertising campaign was designed to increase the Company's profile," he said. "However, it did not reflect in sales. This one is about encouraging people back into our stores." "We are also increasing our offering with a new stick vac range and a new cleaner that picks up 36% more dust from carpets than the biggest selling bagless cleaner, while a new revolutionary steam cleaner is due to arrive soon."

Mr Hardy, who was CEO at Godfreys from 1983 to 2010 and again from mid-2016 to December 2017, has not ruled out the possibility of reviving one of Godfreys most famous ads which featured him lifting a bowling ball using the suction of a vacuum cleaner.

Mr Hardy was reappointed as CEO of Godfreys in May this year as the part of a series of changes that resulted in the appointment of Mr Nick Stretch as Chairman and Mr David Lee as Chief Financial Officer.

Godfreys, which is listed on the Australian Securities Exchange, is currently the subject of a takeover bid by its founder, Mr John Johnston and his family, through his finance company Arcade Finance Pty Ltd (**Arcade Finance**).

Arcade Finance now has control of more than 91% of Godfreys shares and will commence compulsory acquisition of the remaining shares once the offer period has closed on June 27.

Arcade Finance plans to seek to have Godfreys delisted from the ASX and run as a private company.

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About Godfreys

Godfreys Group (ASX: GFY) listed on the ASX in 2014 and is Australia's largest speciality retailer of domestic and commercial floorcare and associated cleaning products, offering an extensive range of company-owned brands, an exclusively licensed brand (Hoover) and a number of third party brands. Godfreys is regarded by Australians as the 'experts' in vacuum cleaners and cleaning products, accommodating consumers at all price points. Godfreys has its head office and a company-operated warehouse located in Victoria. Godfreys' multichannel offering is distributed via over 200 branded retail stores located across Australia and New Zealand in standalone 'superstores', and shopping centres and retail shopping strips.