

ASX MARKET ANNOUNCEMENT

Wednesday, 8 November 2017

ASX Codes : KBC; KBCPA

DIVIDEND POLICY

The Directors of Keybridge Capital Limited (ASX:KBC) are pleased to announce a new Dividend Policy:

It is the objective of Keybridge to provide a regular and stable distribution to shareholders after the announcement of its 30 June year end operating results. These results are normally announced at the end of August each year and Keybridge will endeavour to announce its proposed dividend at this time.

Dividends will be funded from Keybridge's Profits Reserve account, which comprises appropriations from the Company's net profits earned during relevant periods from time to time.

Keybridge intends to make annual distributions to shareholders of at least 0.5 cent per share, to the extent permitted by law and subject to prudent business practice. It is envisaged that shareholder distributions will be made once per year to limit costs and administration. Dividends will be franked to the extent that available franking credits permit.

Keybridge also holds a number of legacy assets (primarily loan receivables). As and when such assets are realised into cash or liquid securities by the Board in the ordinary course of business, Keybridge may also undertake further distributions of fully-franked dividends and or capital returns to shareholders. Proposed capital returns will be subject to prior shareholder approval.

The Board has determined to adopt a new Dividend Policy due to the Board reaching the view that Keybridge now has a reasonable current level of Profits Reserve to fund regular dividend distributions, at least in the next 2-3 years, which means Keybridge is not reliant on funding dividends only from net profits generated in respect of the prevailing/current half year or full year period. The Board also considers that having a formal Dividend Policy serves as a spur to the Company to achieve results that justify payment of dividends consistent with the policy and hence enhances shareholder value.

As at 30 June 2017, the Company had:

- \$2.466 million in its Profits Reserve account, which is available to fund the payment of dividends to shareholders in the future; and
- \$7.835 million Franking Credits, which is sufficient to fund the payment of fully franked (at Keybridge's applicable 27.5% company tax rate) dividends totalling \$20.656 million.

FOR FURTHER INFORMATION:

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ABOUT [KEYBRIDGE CAPITAL LIMITED](#) (ASX: [KBC](#))

Keybridge is an investment and financial services group with a diversified portfolio of listed and unlisted investments/loan assets including in the solar sector (Spain), private equity (US), life insurance (New Zealand), property and funds management sectors and strategic holdings in HHY Fund (ASX:[HHY](#)), Molopo Energy Limited (ASX:[MPO](#)) and Metgasco Limited (ASX: [MEL](#)). Keybridge is also the Investment Manager of HHY.