

29 November 2017

ASX Announcement (ASX: JKL)

AGM Opening Address

Please find attached the opening address given by the company's Chief Executive Officer, Ms Diane Jones, at this morning's Annual General Meeting.

Authorised by:



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[CEO's Welcome](#)

Welcome to the JustKapital 2017 Annual General Meeting.

I would like to start by introducing you to the Directors and Management who are here today:

My fellow Directors are:

- Mr Anthony Murphy, Non-Executive Director, who is here today and seated before you; and
- Mr Tim Storey, also a Non- Executive Director and Chairman. Unfortunately, Mr Storey could not join us today due to unforeseen circumstances and sends his apologies.

Also here are Mr Anthony Hersch, the Company's Chief Operating Officer and Mr Craig Beaton, the Company's Chief Financial Officer.

We also have in attendance:

- Mr Andrew Lumsden, a partner at Corrs Chambers Westgarth who will be chairing the official business part of this AGM;
- Mr John Corr representing our auditors Stantons International Audit and Consulting;
- Mr James Walker, General Manager of the Insurance Broking division; and
- representatives for JustKapital's share registry, Link Market Services.

[CEO's address to the meeting](#)

I will now briefly run through the Company's major activities.

1. **Board and management changes:** As announced to the market, the Company is in the process of board renewal. We have recently received the resignations of Mr Philip Kapp and Mr Mike Hill. They have been replaced as directors of the Company with myself and Mr Anthony Murphy.

As you know, I joined the company as its Chief Operating Officer and Chief Financial Officer in March 2016. Since joining JustKapital I have spent my time integrating systems and processes into the Macquarie Medico Legal business, which was purchased by the Company in January 2016. I have also been in charge of the day to day operations of the businesses (the disbursement funding business and the litigation funding business) whilst the former CEO focused on acquisitions. I became the Group's CEO on 31 October 2017.

I believe I am the right person to steer the Company into its next growth phase and to restore shareholder value. I am delighted to now serve as your new CEO and look forward to meeting some of you for the first time at the conclusion of this meeting.

Mr Murphy has had a longstanding relationship with JKL through his role as a director of Lucerne, one of our major shareholders. We are confident that Mr Murphy has the right mix of skills and experience to carry out his role as a non-executive Director and to support the management team.

In addition, we have recently announced that Mr Anthony Hersch is the new Chief Operations Officer and Mr Craig Beaton has been appointed as the new Chief Financial Officer of the Company.

Mr Hersch has been an integral member of the Company's management team since April 2016 and his efforts particularly in the disbursement funding business, which we now call JustKapital Finance, have contributed to the strong sales growth achieved in the Company's core business.

Mr Beaton has served as the Company's Finance Manager since July 2016 and previously was the Chief Financial Officer of Shaw and Partners Limited. He is well qualified to take up the role of CFO.

2. **National Health Finance:** JustKapital signed a conditional Purchase Agreement to acquire a 70% interest in the National Health Finance business earlier this year. The transaction was to be subject to a number of conditions, including:

- (A) JustKapital obtaining debt to refinance and extend NHF's existing facilities;
- (B) the successful completion of an equity capital raising; and
- (C) the approval of you, our shareholders.

Despite our best efforts, we have been unable to secure sufficient debt and equity funding in a timeframe we deemed acceptable since the transaction became public knowledge. Accordingly, the board has decided that it is in the best interests of the Company that the transaction should no longer be pursued in its current structure. We will continue to update the market should the transaction be revisited under an alternative structure.

3. **Restructure:**

JustKapital announced to the market on 31 October 2017 that it was in the process of restructuring its operations so that the litigation funding portfolio of cases were transferred to a separate Litigation Finance Trust, to be controlled and operated by Mr Kapp. The Company continues to negotiate the terms of this restructure with Mr Kapp. We will provide our shareholders with an update on these negotiations once they are concluded, which we envisage will be within the next few days

We have copies of the 2017 Annual Report available for those shareholders who would like them.

Following the conclusion of the meeting, I invite you to join the Directors and Management for tea and coffee.

Ladies and gentlemen, we will now progress to the formal business of today's meeting. At the request of the Board, Mr Andrew Lumsden will now chair the AGM.