

Our Ref: bmc:cc:180298

17 April 2018



The Manager  
Australian Securities Exchange Ltd  
Markets Announcements Office

ASX Online

Dear Sir/Madam

**OFF-MARKET TAKEOVER SUPPLEMENTARY BID BY ARCADE FINANCE PTY LTD FOR  
GODFREYS GROUP LIMITED (ASX:GFY)**

We refer to the bidder's statement issued by Arcade Finance Pty Ltd ABN 66 149 252 719 (**Arcade**) dated 9 April 2018 in relation to its off-market takeover offer for all of the ordinary shares in Godfreys Group Limited ABN 35 602 722 985 (**Godfreys**) that Arcade does not presently own (**Original Bidder's Statement**).

We enclose, by way of service pursuant to paragraph 647(3)(b) of the *Corporations Act 2001* (Cth) (**Corporations Act**), Arcade's supplementary bidder's statement dated 17 April 2018.

Yours faithfully  
**COWELL CLARKE**

Per:

A handwritten signature in blue ink, appearing to read "B. M. Cowell", written over a horizontal line.

**B M COWELL**  
Chairman of Partners  
BCowell@cowellclarke.com.au

# SUPPLEMENTARY BIDDER'S STATEMENT

## **Arcade Finance Pty Ltd**

ABN 66 149 252 719

In relation to the Offer for all of your shares in

## **Godfreys Group Limited**

ABN 35 602 722 985

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This is an important document and requires your immediate attention.  
If you are in any doubt as to how to deal with this document, you should  
consult your financial, legal or other professional adviser as soon as  
possible.

 **Cowell Clarke**  
COMMERCIAL LAWYERS

 **TAYLOR COLLISON**

# Introduction

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This Supplementary Bidder's Statement (**Supplementary Bidder's Statement**) is given by Arcade Finance Pty Ltd ABN 66 149 252 719 (**Arcade**) to Godfreys Group Limited ABN 35 602 722 985 (**Godfreys**) under section 643 of the Corporations Act and sets out certain amendments to the Original Bidder's Statement dated 9 April 2018 (**Original Bidder's Statement**).

This Supplementary Bidder's Statement is dated 17 April 2018. This Supplementary Bidder's Statement should be read together with the Original Bidder's Statement. This document will prevail in the event of any inconsistency with the Original Bidder's Statement.

A copy of this Supplementary Bidder's Statement was lodged with ASIC and ASX on 17 April 2018. None of ASIC, ASX nor any of their officers takes any responsibility for the content of this Supplementary Bidder's Statement.

Unless the context requires otherwise, terms defined in the Original Bidder's Statement have the same meaning where used in this document.

Where a section of the Original Bidder's Statement is intended to be amended, the amendment is noted below.

# Amendments

1. Clause numbers below, are references to clause numbers in the Original Bidder's Statement unless otherwise indicated.
2. Clause 6.3 is amended by the substitution of the following amended clause 6.3:

All cash payable to Godfreys Shareholders under the Offer will be paid by Arcade as trustee of the Johnston Investment Trust, which has significant cash reserves available. The availability of the funds has been certified by Le Cornu Lewis Hancock as qualified accountants on behalf of Arcade. A copy of the certificate follows:



13 April 2018

Arcade Finance Pty Ltd  
ABN 66 149 252 719  
Level 1, 187 Wakefield Street  
ADELAIDE SA 5000

Le Cornu Lewis Hancock  
ABN 26 172 712 985  
First Floor, 187 Wakefield Street  
Adelaide, South Australia 5000  
GPO BOX 446, Adelaide  
South Australia 5001  
Telephone: (08) 8232 1133  
Facsimile: (08) 8232 0088  
Email: [contact@llh.com.au](mailto:contact@llh.com.au)  
Website: [www.llh.com.au](http://www.llh.com.au)

## CERTIFICATE BY A QUALIFIED ACCOUNTANT

We are the accountants for Arcade Finance Pty Ltd, the details of which are set out above (the Company) and I am familiar with the Company's financial resources and arrangements.

I certify that the Company controls and has immediate access to unencumbered cash funds in excess of AS\$13,000,000 presently held on behalf of the Company by an associated company within the Johnston group, such that the Company will be able to fully satisfy its financial commitments to shareholders of Godfreys Group Limited (GFY) that accept the Company's offer under its takeover bid for GFY as announced on 9 April 2018.

I am a fellow of Chartered Accountants Australia and New Zealand ("CAANZ") who is entitled to use the post-nominal "FCA", and am subject to and comply with the CAANZ's continuing professional education requirements.

Yours faithfully  
**LeCORNU LEWIS HANCOCK**

  
**GD Hancock**  
Partner

Liability limited by a scheme  
approved under Professional  
Standards Legislation

JOHJC630963

3. Clause 8.5 is amended by the addition of a new sub-clause 8.5.4 as follows:

Le Cornu Lewis Hancock has given and has not, before the lodgement of the Supplementary Bidder's Statement with ASIC, withdrawn its written consent to being named in the Bidder's Statement as qualified accountant providing a certificate on behalf of Arcade in respect of the Offer in the form and context in which it is named.

4. The current sub-clause 8.5.4 will be re-numbered to sub-clause 8.5.5 and amended by the addition of a reference to Le Cornu Lewis Hancock.

5. Clause 8.6 is amended by the inclusion of the following new paragraph:

Le Cornu Lewis Hancock is not charging any fee for the certificate appearing in clause 6

6. The definition of "Material Adverse Change" appearing in the Glossary at clause 9.1 is amended by the substitution of the following amended definition:

**Material Adverse Change** means any matter, event or circumstance, other than a matter, event or circumstance arising in the ordinary course of trading, that, when taken as a whole or with other matters, events or circumstances is, or is likely to cause:

9.1.15 the value of the net assets of Godfreys or the Godfreys Group to be reduced by at least \$500,000 compared to what they would have been but for the matters, events or circumstances; and

9.1.16 the ongoing annual statutory net profit after tax, in any financial year after the one ending 30 June 2017, of Godfreys or the Godfreys Group to be reduced by at least \$500,000 compared to what it would have been but for the matters, events or circumstances,

but does not include any change occurring directly or indirectly as a result of any matter, event or circumstance required by this document, the Offer, or the transactions contemplated by them.

7. The definition of "Register Date" appearing in the Glossary at clause 9.1 is amended by the substitution of the following amended definition:

**Register Date** means means the date set by Arcade under section 633(2) of the Corporations Act, being 11 April 2018.

8. A footnote is added in relation to condition 2 in Schedule 2 - Conditions of Offer as follows:

1 Arcade intends to waive this condition 2 within 7 days after the Offer Date.

9. Condition 6 in Schedule 2 – Third Party Consents is amended by the substitution of the following amended condition:

**(Third party consents)** If a member of the Godfreys Group is a party to, is bound by, or is subject to, an agreement, arrangement or understanding pertaining to the occupancy of premises by a member of the Godfreys Group or to the supply by a third party of products or services to a member of the Godfreys Group which as a result of the acquisition of the Godfreys Shares by Arcade under the Offer, or a change of control of Godfreys as a result of the Offer, entitled another person (**Third Party**) to exercise any rights (including termination rights or pre-emptive rights), and the exercise of those rights would have a material adverse effect on the assets, liabilities, financial position or performance or the prospects of the Godfreys Group (taken as a whole), then before the end of the Offer Period, the Third Party:

- 6.1 does not exercise, propose to exercise, or state an intention or claim a right to exercise, those rights; and
- 6.2 gives its consent or waiver to the relevant event.

## **Approval of Supplementary Bidder's Statement**

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The copy of this Supplementary Bidder's Statement that is to be lodged with ASIC has been approved by a unanimous resolution passed by the Directors of Arcade on 17 April 2018.

Signed by Grant Hancock, Director of Arcade, in accordance with section 351 of the Corporations Act.



**Director**  
**Arcade Finance Pty Ltd**