

Monday, 19<sup>th</sup> August 2024

ASX Code: KBC

# ASX MARKET ANNOUNCEMENT

## NET ASSET BACKING – JANUARY 2024 (Revised)

Keybridge Capital Limited (ASX:KBC) ("Keybridge") gives notice that its unaudited after-tax Net Asset Backing as at 31 January 2024 was 6.96 cents per share.

### Net Asset Backing

	%	Current Month 31 Jan 2024	Previous Month 31 Dec 2023	Year End 30 Jun 2023
<b>Net Asset Backing for Period Ending:</b>	<b>Change</b>			
Pre-Tax Net Asset Backing per share	4.82%	<b>\$0.0696</b>	<b>\$0.0664</b>	\$0.0204
Post-Tax Net Asset Backing per share	4.82%	<b>\$0.0696</b>	<b>\$0.0664</b>	\$0.0204
Total issued (listed) share capital		207,337,836	207,337,836	207,337,836

Net Assets	Current Month 31 Jan 2024		Previous Month 31 Dec 2023
	\$'million	% of Net Assets	\$'million
Cash and cash equivalent	1.917	10.3%	8.130
Listed Securities <sup>(Note 1)</sup>	13.447	65.0%	6.587
Managed Funds <sup>(Note 2)</sup>	0.091	0.5%	0.096
Other Investments	0.484	2.6%	0.220
Loan Receivables:			
• Private Equity <sup>(Note 3)</sup>	1.440	7.8%	1.440
• Insurance <sup>(Note 4)</sup>	5.194	28.0%	5.159
• Property <sup>(Note 5)</sup>	0.835	4.5%	0.835
• Other	0.160	0.9%	0.000
Other Assets	0.987	5.3%	0.987
Derivatives	0.02	0.1%	0.00
Margin loan (net)	1.901	10.3%	
Other Liabilities <sup>(Note 6)</sup>	(12.047)	(35.3%)	(9.689)
<b>Net Assets</b>	<b>14.429</b>	<b>100%</b>	<b>13.765</b>

This announcement was authorised for release by the Company Secretary.

**FOR FURTHER INFORMATION:**

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Company Secretary  
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**ABOUT KEYBRIDGE CAPITAL LIMITED (ASX: KBC)**

KBC is an investment and financial services group with a diversified portfolio of listed and unlisted investments/loan assets including in private equity (US), life insurance (New Zealand), property and funds management sectors and substantial holdings in HHY Fund, Molopo Energy Limited and Yowie Group Ltd (ASX:YOW), Vintage Energy Ltd (ASX:VEN) and Benjamin Hornigold Ltd (ASX:BHD).

## NOTES:

- (1) **Molopo Energy Limited** – Keybridge carries its investment in Molopo at nil and holds a 20% economic interest in the Company. It is recorded as a listed investment, as Molopo was listed at the time the investment was made.

**Yowie Group Limited** – On 29 December 2023 Keybridge announced a takeover bid for Yowie Group Limited. In the circumstances where Keybridge had a relevant interest of 35.66% in Yowie, two directors on the Yowie board and an active takeover bid, Keybridge considers it appropriate to carry its investment on an equity accounting basis rather than mark to market. The equity accounting adjustment, based on Yowie's Annual Report for the year ended 30 June 2023, adjusted for subsequent results in its Quarterly Activities/Appendix 4C Cash Flow reports, resulted in an increase in value (over the market price of 3.1 cents per Yowie security at 31 January 2024) of \$1.4 million. Therefore, the current NTA reflects a value of \$2.994 million for Keybridge's equity accounted investment in Yowie.

On 12 April 2024, Keybridge's investment in Yowie exceeded 50%, before its takeover bid closed on 26 April 2024, following the 14 day automatic extension.

After 31 December 2023, Keybridge applied a substantial portion of its cash on hand to investments in a range of ASX listed entities, consistent with its principal activities.

The value of Keybridge's investments in entities which are considered illiquid, are no longer listed or are unlisted, is less than \$1,000,000. Keybridge is confident that it can realise this value over time and considers all other listed investments to be liquid.

- (2) **Managed Funds** – In its NTA for 31 October 2022, Keybridge Management reflected the trading update announced on 1 November 2022, reducing the carrying value of its equity investment in RNY Property Trust to nil.
- (3) **Metgasco Loan** – Keybridge refers to its announcement on 23 November 2023. Also, on 11

April 2024, Keybridge advised that Metgasco had repaid the \$1.44 million advanced under the Loan Note Agreement plus accrued interest.

- (4) **Loan Receivables – Insurance:** In September 2014, Keybridge invested NZ\$3.8 million (A\$3.4 million) (via NZ\$0.109 million (10.13%) equity and NZ\$3.691m notes) into Foundation Life, to finance Foundation's acquisition of Tower Limited's life insurance business in New Zealand in 2014. Interest of 9% pa is payable under the note, which is redeemable by noteholders in 50 years (May 2064) or by Foundation (from time to time).

- (5) **Loan Receivables – Property:** In September 2014, Keybridge took direct control of loans that were held in a fund (where Keybridge was the remaining sole lender) which invested in first ranking mortgage loans over commercial properties. Keybridge has registered mortgages over strata title lots comprising Conference Facilities at a Hotel located in Manly, Sydney as security for loans, which are owed by private companies (which are in liquidation).

As at 31 December 2021, the loan was carried (based on the Directors' judgement) at a valuation of A\$0.835 million, after having regard to historical valuations conducted on the property. At month end, the loan was carried at A\$0.835 million.

- (6) **Other Liabilities:** Keybridge has advanced A\$500,000 in security of potential costs in relation to its litigation against Ben Thynne, Nathan Thynne and Grenville Thynne for the recovery of \$30 million in unpaid monies. Keybridge expects to recover these costs on successful prosecution of the matter.

In December 2023, Keybridge recognised a \$4.3 million (NPV) restraint of trade liability to Mr Bolton in relation to the two (2) year Standstill Agreement entered with Magellan as part of the MGFO transaction.