



Announcement

John Bridgeman Limited

ACN 603 477 185

JOHN.BRIDGEMAN

20 September 2018

Business update

John Bridgeman Limited (NSX: JBL) provides a brief overview of the outcome of JBL's operations over the past financial year and the outlook for the future operations of JBL and JB Financial Group Pty Ltd.

JB Financial Group completed approximately \$16 million in acquisitions over the last financial year, and has successfully integrated those businesses into existing business divisions. The company's business strategy has been to develop and expand businesses where it believed it had a strong competitive advantage, primarily in foreign exchange and market trading.

Having completed 12 acquisitions as part of that strategy over the past two financial years, JB Financial Group's focus has turned from acquisition and integration, to maximising profitability and organic expansion.

On 5 February 2018, JBL announced anticipated cost savings of \$2.7 million as a result of JBL's proposed acquisition of JB Financial Group. Restructuring within JBL and JB Financial Group has exceeded the anticipated cost savings. An additional estimated \$5.6 million to \$7.3 million in annual savings has been achieved through the restructuring of business divisions, synergies in executive roles, the efficient use of contractors, and streamlining of investment structures and processes.

The above actions are expected to result in significantly improved cash flow and has reduced the capital requirements for both JBL and JB Financial Group going forward.

The Board anticipates that the proposed acquisition of all shares in JB Financial Group by JBL¹ will be completed shortly after the outcome of the takeover bids for Henry Morgan Limited and Benjamin Hornigold Ltd². The Board notes that all JB Financial Group shareholders (other than HML at this stage), have unanimously accepted the JBL offer.

John Bridgeman Limited is in the process of completing a significant share buy-back program. The increased cash flow and lower capital requirements referred to above are expected to provide directors with the flexibility to consider further share buy-backs in the future, in accordance with regulatory requirements.

ENDS

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Company Secretary

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¹ Refer to announcements dated 4 January 2018, 11 January 2018, 28 February 2018, 15 May 2018 and 10 July 2018

² Refer announcement dated 10 September 2018