

JOHN.BRIDGEMAN

Announcement

John Bridgeman Limited

ACN 603 477 185

31 May 2019

JOHN BRIDGEMAN LIMITED (NSX:JBL)
Update on takeover offer for Benjamin Hornigold Ltd

John Bridgeman Limited (NSX: JBL) refers to previous announcements regarding its takeover offer for all of the shares and options in Benjamin Hornigold Ltd (ASX: BHD).

JBL confirms that the **attached** Second Supplementary Bidder's Statement in relation to its off-market takeover bid for all of the shares and options in Benjamin Hornigold Ltd has today been lodged with ASIC and served upon Benjamin Hornigold Limited and ASX.

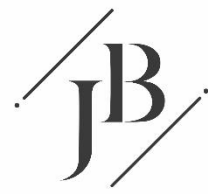
ENDS

Jody Wright

Company Secretary

John Bridgeman Limited

cosec@johnbridgeman.com.au



Supplementary Bidder's Statement

JOHN BRIDGEMAN
LIMITED

John Bridgeman Limited ACN 603 477 185

1 Introduction

This document is the second supplementary bidder's statement (**Supplementary Bidder's Statement**) to the bidder's statement dated 3 May 2019 as supplemented by the first supplementary bidder's statement dated 14 May 2019 (**Original Bidder's Statement**) issued by John Bridgeman Limited ACN 603 477 185 (**JBL**) in relation to JBL's off-market takeover bid for all of the ordinary shares and issued options in Benjamin Hornigold Limited ACN 614 854 045 (**BHD**).

This Supplementary Bidder's Statement is given pursuant to Division 4 of Part 6.5 of the *Corporations Act 2001* (Cth) (**Corporations Act**) in compliance with the requirements of section 643 Corporations Act.

The Supplementary Bidder's Statement supplements and is to be read together with the Original Bidder's Statement. This document prevails in the event of any inconsistency with the Original Bidder's Statement.

This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should contact your legal, financial, tax or other professional advisor immediately.

1.1 Important notices

A copy of the Supplementary Bidder's Statement was lodged with the Australian Securities and Investments Commission (**ASIC**) on 31 May 2019. Neither ASIC nor any of its officers take any responsibility for the contents of this Supplementary Bidder's Statement.

1.2 Defined terms

Unless the context otherwise requires, capitalised terms in this Supplementary Bidder's Statement have the same meaning given to them in section 13 of the Original Bidder's Statement. The rules of interpretation set out in section 13.2 of the Original Bidder's Statement also apply to the Supplementary Bidder's Statement, unless the context otherwise requires.

2 Increase in Share Offer Consideration

2.1 Variation to Share Offer

As announced to the market on 28 May 2019, JBL has varied the Share Offer to provide that the Share Offer Consideration is now 1.5 JBL Shares for each BHD Share you own.

Any reference in the Original Bidder's Statement to words to the effect of '1 JBL Share for each BHD Share you own' is replaced with '1.5 JBL Shares for each BHD Share you own'.

2.2 What if I have already accepted the Share Offer?

If you have already accepted the Share Offer, you will be entitled to receive the improved Share Offer Consideration (that is, you will be entitled to receive 1.5 JBL Shares for each BHD Share you own) in accordance with section 650B(2) Corporations Act.

2.3 When will I receive the improved Share Offer Consideration?

You will be entitled to receive the improved Share Offer Consideration at the time determined in accordance with section 620(2) Corporations Act and as set out in clause 5 of Schedule 1 of the Original Bidder's Statement.

2.4 Updated substantial holder information

Section 5.2 of the Original Bidder's Statement is amended by deleting the tables titled 'JBL substantial holders – JBL acquires 50.1% of BHD' and 'JBL substantial holders – JBL acquires 100% of BHD', and replacing them with the tables set out below:

JBL substantial holders – JBL acquires 50.1% of BHD

Substantial holder	Interest	Substantial holding
Stuart McAuliffe*	11.07%	5,945,492
John McAuliffe**	4.85%	2,606,000
Stuart Capital Pty Ltd	14.32%	7,687,819
*The following substantial holders are duplicates, being the relevant interests of entities controlled by Stuart McAuliffe. These 5,945,492 shares are included in Stuart McAuliffe's substantial holding disclosure.		
Substantial holder	Interest	Substantial holding
Henry Avery Partners Pty Ltd	11.07%	5,945,492
John Hawkins Pty Ltd	11.07%	5,945,492
**The following substantial holder is a duplicate, being the relevant interests of an entity controlled by John McAuliffe. These 2,606,000 shares are included in John McAuliffe's substantial holding disclosure.		
Substantial holder	Interest	Substantial holding
Tetue Pty Ltd	4.85%	2,606,000

JBL substantial holders – JBL acquires 100% of BHD

Substantial holder	Interest	Substantial holding
Stuart McAuliffe*	8.29%	5,945,492
John McAuliffe**	3.63%	2,606,000
Stuart Capital Pty Ltd	10.72%	7,687,819
*The following substantial holders are duplicates, being the relevant interests of entities controlled by Stuart McAuliffe. These 5,945,492 shares are included in Stuart McAuliffe's substantial holding disclosure.		
Substantial holder	Interest	Substantial holding
Henry Avery Partners Pty Ltd	8.29%	5,945,492
John Hawkins Pty Ltd	8.29%	5,945,492
**The following substantial holder is a duplicate, being the relevant interests of an entity controlled by John McAuliffe. These 2,606,000 shares are included in John McAuliffe's substantial holding disclosure.		
Substantial holder	Interest	Substantial holding
Tetue Pty Ltd	3.63%	2,606,000

2.5 Updated number of JBL Shares

Section 5.8 of the Original Bidder's Statement is deleted and replaced with the following:

The maximum number of JBL Shares which are required to be issued under the Share Offer if acceptances are received for all the BHD Shares on issue at the date of this Bidder's Statement is approximately 36,164,823 (excluding rounding adjustments).

While not anticipated, if all BHD Optionholders convert their BHD Options into BHD Shares before the end of the Offer Period and accept the Share Offer, an additional 25,012,284 JBL Shares would be required to be issued (excluding rounding adjustments).

JBL Shares issued under the Share Offer are exempt from NSX Listing Rule 6.25(1) (which prohibits issues exceeding 15 percent of a company's share capital in any 12 month period). Accordingly, JBL has the capacity to issue the maximum number of JBL Shares that may be required under the Share Offer.

2.6 Updated Pro Forma Balance Sheets

The Annexure to this Supplementary Bidder's Statement contains updated pro forma financial information of JBL and BHD as at 31 December 2018, to reflect the updated Share Offer Consideration, and which otherwise incorporates the balance sheet of HML, as if JBL's acquisition of a Relevant Interest in 46.28% of HML had taken place as at that date. These Pro Forma Balance Sheets are prepared on the basis set out in section 7.4 of the Original Bidder's Statement.

3 Application for preliminary discovery

On 29 May 2019, JBL filed an application for preliminary discovery against the NSX under rule 7.23 of the *Federal Court Rules 2011* (Cth) (**Application**). The Application seeks copies of

documents relating to, or leading to, the decision by the NSX to suspend trading in JBL's securities on 10 April 2019.

JBL will provide further information regarding the Application as it becomes available to JBL.

4 Approval of the Supplementary Bidder's Statement

The Supplementary Bidder's Statement has been approved by a unanimous resolution of the directors of JBL.

This Supplementary Bidder's Statement is dated 31 May 2019, which is the date it was lodged with ASIC.



John McAuliffe
Chairman
John Bridgeman Limited

Annexure

Pro Forma Balance Sheets

Pro Forma Balance Sheet (including HML) assuming JBL acquires 50.1% of BHD

	John Bridgeman Limited (JBL)	Henry Morgan Limited (HML)	Benjamin Hornigold Limited (BHD)		JBL Capital issued on purchase of HML	JBL Capital issued on purchase of BHD	Consolidation eliminations							John Bridgeman Limited (JBL)
	Pre-acquisition consolidated BS				JBL investment in HML & BHD	HML investment in JBL	BHD investment in JBL	HML investment in BHD	HML investment in JB Financial Group	HML to JBL loan	Intercompany transactions	Foreign currency bank notes	Mgmt fee and broker fee payable	Post-acquisition consolidated BS
Assets	31 Dec 2018													31 Dec 2018
Current assets														
Cash and cash equivalents	19,359,871	1,415,763	2,833,570											23,609,204
Trade and other receivables	2,850,298	-									(147,956)		(149,154)	2,553,188
Balances held with brokers	2,464,596	6,932	107,955											2,579,483
Inventory	45,999	-												45,999
Derivative financial assets	42,520	-	32,386											74,906
Term deposits	732,833	-												732,833
Purchased debt ledgers	147,026	-												147,026
Other current assets	1,083,863	204,152	1,003,981								(977,314)			1,314,682
Total current assets	26,727,006	1,626,847	3,977,892											31,057,321
Non-current assets														
Investment in subsidiary	-	-		12,892,176	8,034,508	(20,926,684)								0
Investments at fair value through profit and loss	3,570,191	30,108,905	4,262,531	(3,196,734)	(37,004)	(33,000)	(25,800)	(48,308)	(30,027,597)		(2,412,301)	(1,824,430)		336,453
Property, plant and equipment	5,320,403	-												5,320,403
Intangibles	42,798,044	-					7,665,240							50,463,284
Deferred tax	8,975,614	-	2,439,724											11,415,338
Purchased debt ledgers	348,624	-												348,624
Security deposits	887,749	-												887,749
Loans & other receivables	-	2,464,729	5,544,908							(2,464,729)	(5,504,620)			40,288
Total non-current assets	61,900,625	32,573,634	12,247,163											68,812,139
Total assets	88,627,631	34,200,481	16,225,055											99,869,460
Liabilities														
Current liabilities														
Trade and other payables	18,785,362	280,265	258,733								(290,947)	(1,824,430)	(149,154)	17,059,829
Borrowings	3,530,121	-									(834,323)			2,695,798
Income tax	587,613	207,398	(2,732)											792,279
Provisions	1,018,149	-												1,018,149
Total current liabilities	23,921,245	487,663	256,001											21,566,055
Non-current liabilities														
Payables	265,255	-												265,255
Borrowings	21,577,203	-								(2,464,729)	(7,916,921)			11,195,553

Pro Forma Balance Sheet (including HML) assuming JBL acquires 100% of BHD

	John Bridgeman Limited (JBL)	Henry Morgan Limited (HML)	Benjamin Hornigold Limited (BHD)			Consolidation eliminations									John Bridgeman Limited (JBL)
	Pre-acquisition consolidated BS			JBL Capital issued on purchase of HML	JBL Capital issued on purchase of BHD	JBL investment in HML & BHD	HML investment in JBL	BHD investment in JBL	HML investment in BHD	HML investment in JB Financial Group	HML to JBL loan	Intercompany transactions	Foreign currency bank notes	Mgmt fee and broker fee payable	Post- acquisition consolidated BS
Assets	31 Dec 2018														31 Dec 2018
Current assets															
Cash and cash equivalents	19,359,871	1,415,763	2,833,570												23,609,204
Trade and other receivables	2,850,298	-										(147,956)		(149,154)	2,553,188
Balances held with brokers	2,464,596	6,932	107,955												2,579,483
Inventory	45,999	-													45,999
Derivative financial assets	42,520	-	32,386												74,906
Term deposits	732,833	-													732,833
Purchased debt ledgers	147,026	-													147,026
Other current assets	1,083,863	204,152	1,003,981									(977,314)			1,314,682
Total current assets	26,727,006	1,626,847	3,977,892												31,057,321
Non-current assets															
Investment in subsidiary	-	-		12,892,176		15,941,269	(28,833,445)								0
Investments at fair value through profit and loss	3,570,191	30,108,905	4,262,531	(3,196,734)		(37,004)	(33,000)	(25,800)	(48,308)	(30,027,597)		(2,412,301)	(1,824,430)		336,453
Property, plant and equipment	5,320,403	-													5,320,403
Intangibles	42,798,044	-				15,358,697									58,156,741
Deferred tax	8,975,614	-	2,439,724												11,415,338
Purchased debt ledgers	348,624	-													348,624
Security deposits	887,749	-													887,749
Loans & other receivables	-	2,464,729	5,544,908								(2,464,729)	(5,504,620)			40,288
Total non-current assets	61,900,625	32,573,634	12,247,163												76,505,596
Total assets	88,627,631	34,200,481	16,225,055												107,562,917
Liabilities															
Current liabilities															
Trade and other payables	18,785,362	280,265	258,733									(290,947)	(1,824,430)	(149,154)	17,059,829
Borrowings	3,530,121	-										(834,323)			2,695,798
Income tax	587,613	207,398	(2,732)												792,279
Provisions	1,018,149	-													1,018,149
Total current liabilities	23,921,245	487,663	256,001												21,566,055
Non-current liabilities															
Payables	265,255	-													265,255
Borrowings	21,577,203	-									(2,464,729)	(7,916,921)			11,195,553
Derivative financial instruments	556,079	-	5,973												562,052
Deferred tax	2,659,495	1,114,635													3,774,130

