

Thursday, 4 July 2019

ASX Codes: KBC; KBCPA

Commencement of Litigation – PR Finance Group

Keybridge Capital Limited (**Keybridge**) advises that on 28 June 2019, it commenced proceedings in the Supreme Court of Victoria against PR Finance Group Limited (in Liquidation) (**PRFG**) and caused a simultaneous action to be taken against the former PRFG directors by the company's liquidator, for total damages exceeding \$5 million.

Background

On 16 August 2013, Keybridge acquired, by way of scheme of arrangement, 100% of the equity in PRFG.¹ Keybridge relied upon warranties of the former directors that, amongst other things, the company was compliant with all relevant laws.

On 21 October 2013², Keybridge appointed administrators to PRFG and its subsidiaries as a result of PRFG's new directors (under Keybridge Control) receiving a notice from the ASIC³ that PRFG had not been complying with the National Consumer Credit Laws (**NCCL**).

Keybridge alleges in its claim, amongst other things, that at the time of the scheme, the directors were aware that PRFG was non-compliant with the NCCL and accordingly breached its representations and warranties to Keybridge, with damages being suffered by Keybridge as a result.

FOR FURTHER INFORMATION:

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ABOUT KEYBRIDGE CAPITAL LIMITED (ASX: KBC)

Keybridge is an investment and financial services group with a diversified portfolio of listed and unlisted investments/loan assets in the private equity (US), life insurance (New Zealand), property and funds management sectors and strategic holdings in HHY Fund (ASX:HHY), Molopo Energy Limited (ASX:MPO), Metgasco Limited (ASX: MEL) and Yowie Group Ltd (ASX:YOW). Keybridge is also the Investment Manager of HHY.

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- 1 Refer KBC ASX Announcements dated 2 April 2013: Scheme of Arrangement related to Keybridge's Loan to PR Finance Group Limited, 23 May 2013: PR Finance Group Limited Scheme Booklet, 14 June 2013: PR Finance Group Approves Scheme of Arrangement, 12 August 2013: PR Finance Group Approves Supplemental Scheme of Arrangement, 14 August 2013: Court Approves Scheme of Arrangement,
 - 2 Refer KBC ASX Announcement 21 October 2013: Keybridge places PR Finance Group Limited (PRFG) and its subsidiaries into external administration
 - 3 Refer KBC ASX Announcement 3 October 2013: Market Update – Australian Money Exchange (AMX)