

Dear Ms. Wright,

John Bridgeman Limited (the “Company” or “JBL”)

Re: Financial Query

National Stock Exchange of Australia (“NSX”) refers to the Preliminary Financial Statements¹ Henry Morgan Limited (“HML”) lodged on 4 September 2019, which states the following:

1. Note 5(a) on page 11 states: “On 8 August 2018 the Company [HML] entered into a short term agreement with JBL to lend them \$2,411,000 with a maturity date one year at 11.5% pa interest. On 16 October 2018 the term of the loan was extended to 8 February 2020 which was further extended on the 28 June 2019 to 31 March 2021. Management have considered the recoverability of the loan and have impaired the asset by \$600,000 based on estimates of the recoverable amount that JBL is expected to be able to repay.”
2. Note 12 on page 15 states: “During the financial year a complete review since inception of the Company’s [HML] management fee and performance fee calculations under the Company’s [HML] Management Services Agreement with John Bridgeman Limited has been performed. In the course of this review, a question has arisen as to the interpretation of the ‘High-Water Mark’ for the purposes of the performance fee calculation. The Company [HML] is currently seeking external legal advice on the calculation of the performance fee payable by the Company to John Bridgeman Limited in compliance with the Management Services Agreement. Upon the Company’s [HML] receipt of this external legal advice, the Company [HML] will advise shareholders of the outcome of its enquiry through a release on the ASX platform.”

In relation to the above the Company is required to respond to the following questions:

- a) Is the Company or any of its officers aware of the impairment of \$600,000 of the loan referred to in Note 5(a) of HML’s Preliminary Financial Statements?
- b) Please confirm what information has JBL provided to HML regarding its ability to repay the loan referred to in Note 5(a) of HML’s Preliminary Financial Statements.
- c) Will the Company be able to repay the full amount of the loan (that is the original \$2,411,000 principal and 11.5% pa interest) at the maturity date of the loan? If no, please explain why not.
- d) Please advise whether the Company was involved in the decision made by HML to impair the asset by \$600,000.
- e) Is the Company or any of its officers aware of the review HML has performed on the calculation of the management fees and performance fees payable to JBL as referred to in Note 12 of HML’s Preliminary Financial Statements? If so, has JBL been made aware of the outcome of this review?
- f) Does the Company believe the question that has arisen in relation to the interpretation of the ‘High-Water Mark’ will have a material impact on the Company’s financial position, given it relates to the fees generated and collected by the Company under the Management Services Agreement in place with HML?

This request is made under, and in accordance with, Listing Rule 2.7. It goes to whether JBL is in compliance with Listing Rules Section IIA 6.4 and 6.5A.

Your response should be sent to me directly via email no later than **4 pm on 10 September 2019**. Your response will be released to the market along with a copy of this letter. If you wish to discuss the content of your response, please do not hesitate to contact me as soon as possible.

Yours sincerely

Ingrid Wei
Market Surveillance Analyst

¹ <https://www.asx.com.au/asxpdf/20190904/pdf/4487d972xky2p8.pdf>