



# AURORA

FUNDS MANAGEMENT

A.B.N. 69 092 626 885  
AFSL No. 222110

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370 St Kilda Road  
MELBOURNE VIC 3004

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## Second Supplementary Bidder's Statement

### in relation to:

The cash offer to acquire the fully paid ordinary shares in Keybridge Capital Limited (ASX: **KBC**) (ACN 088 267 190)

by

Aurora Funds Management Limited as responsible entity for the Aurora Dividend Income Trust (ARSN 151 947 732) (**ADIT** or **Fund**)

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## Bid price of 7.0 cents cash per KBC Share

If you have any queries about the Bid, please call Aurora's Company Secretary, Mr John Patton on 1300 553 431.

TO ACCEPT THE BID, complete and mail the Acceptance Form using the enclosed reply-paid envelope.

The Bid will expire at 7.00pm (Melbourne time) on 6 April 2020 (unless withdrawn or extended).

**This is an important document and requires your immediate attention. If you are in any doubt as to how to deal with it, you should consult your financial or other professional advisor.**

## Second Supplementary Bidder's Statement

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### Important notices

This document is a supplementary bidder's statement under section 641 of the Corporations Act 2001 (Cth). It is the second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) issued by Aurora Funds Management Limited as responsible entity for the Aurora Dividend Income Trust (ARSN 151 947 732) (**ADIT**) in relation to its off-market takeover bid for the ordinary shares in Keybridge Capital Limited that ADIT does not already own.

This Second Supplementary Bidder's Statement supplements, and should be read together with, ADIT's bidder's statement dated 7 February 2020 (**Original Bidder's Statement**) and ADIT's First Supplementary Bidder's Statement dated 5 March 2020. This Second Supplementary Bidder's Statement prevails to the extent of any inconsistency with the Original Bidder's Statement and First Supplementary Bidder's Statement.

Terms defined in the Original Bidder's Statement and First Supplementary Bidder's Statement have the same meaning in this Second Supplementary Bidders Statement.

A copy of this Second Supplementary Bidder's Statement was lodged with ASIC on 30 March 2020.

Neither ASIC nor any of its officers takes any responsibility for the content of this Second Supplementary Bidder's Statement.

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### 1. Announcements by ADIT of its intention and subsequent confirmation of its improved Bid price to 7.0 cents per KBC Share, and by WAM Active Limited to increase its offer price to 6.9 cents per KBC Share

On 7 February 2020, ADIT lodged its Original Bidder's Statement with ASIC. Further:

- (a) on 5 March 2020, ADIT announced its intention to increase its Bid Price to 7.0 cents cash per KBC Share (the **Improved ADIT Bid**) on the condition (the **Withdrawal Condition**) that KBC Shareholders are able to withdraw their acceptances from the WAM Active Limited (**WAM Active**) Varied Offer (as defined below);
- (b) WAM Active sought to vary its Offer in the manner announced to the ASX on 24 January 2020, 10 February 2020 and 24 February 2020, whereby (among other matters) WAM Active increased its offer price to 6.9 cents cash per share and sought to extend its offer period to 3 April 2020 (the **WAM Varied Offer**);
- (c) on 12 February 2020, KBC announced that it had agreed to place 22 million KBC Shares (the **New Shares**) at an issue price of 6.9 cents per KBC Share to sophisticated investors, pursuant to a waiver from ASX Listing Rule 7.9, with a view to applying the funds towards repayment of outstanding Convertible Redeemable Promissory Note early redemption requests;
- (d) On 13 March 2020, ADIT declared its Bid freed of all conditions, which included the Withdrawal Condition;
- (e) On 24 March 2020, ADIT issued a clarifying ASX Announcement confirming that its Bid had been freed of all defeating conditions, including the Withdrawal Condition, and as such ADIT's takeover bid for KBC is 7.0 cents per share.

### 2. Section 650D Notice

See attached notice pursuant to section 650D of the *Corporations Act 2001 (Cth)* for details of ADIT's Bid being varied from 6.6 cents to 7.0 cents cash per KBC share.

### 3. Funding Agreement Variation and Accountant's Certificates

As set out in ADIT's Original Bidder's Statement, ADIT entered into funding agreements with HHY Fund (**HHY**) and Aurora Fortitude Absolute Return Fund (**AFARF**) which, if called

upon, would enable the cash requirements of the ADIT takeover bid to be satisfied (**Bid Funding Agreements**). The Bid Funding Agreements with these entities provided ADIT with the ability to call: (i) up to \$3 million from HHY, and (ii) up to \$775,000 from AFARF.

In light of the recent volatility in the local and global equity markets, due largely to COVID-19 pandemic, Aurora hereby advises that the funding agreement with AFARF has been increased from \$775,000 to \$1.5 million. In the event further market volatility is experienced, Aurora may make further adjustments to the Bid Funding Agreements as appropriate.

See attached Accountant's Certificates demonstrating that HHY and AFARF have sufficient funding to support the Bid Funding Agreements.

#### **4. Approval of Second Supplementary Bidder's Statement**

This Second Supplementary Bidder's Statement has been approved by a unanimous resolution of the Directors of Aurora Funds Management Limited as responsible entity for the Aurora Dividend Income Trust.

**Dated 30 March 2020**

Signed for and on behalf of ADIT.

A handwritten signature in black ink, appearing to read 'John Patton', with a stylized flourish at the end.

John Patton  
Company Secretary

27 March 2020

**NOTICE PURSUANT TO Section 650D OF THE CORPORATIONS ACT 2001 (Cth)**

Aurora Funds Management Limited (ACN 092 626 885), as responsible entity for Aurora Dividend Income Trust (ARSN 151 947 732) (**ADIT**), refers to the off-market takeover bid (**Bid**) dated 7 February 2020 and its Supplementary Bidders Statement dated 5 March 2020, for the fully paid ordinary shares in Keybridge Capital Limited (ACN 088 267 190) (**KBC**).

**Increase in Offer Consideration**

In accordance with section 650D of the Corporation Act, ADIT gives notice that it varies its Bid so that the Bid Consideration is increased from 6.6 cents per KBC share to 7.0 cents per KBC share.

**Authorisation**

This notice is dated 27 March 2020, being the date it was lodged with ASIC. Neither ASIC nor any of its officers takes any responsibility for the contents of this notice.

This notice was authorised by Aurora's board of Directors.

Yours faithfully,



John Patton  
Company Secretary  
Aurora Funds Management Limited

## Aurora Fortitude Absolute Return Fund

Name of accountant and name of accountant's firm (and address):

Mr Brock Mackenzie  
Partner – Audit & Assurance  
Grant Thornton Audit Pty Ltd  
Collins Square, Tower 5  
727 Collins Street  
MELBOURNE VIC 3008

Name of accountant's professional body:

Chartered Accountants Australia & New Zealand  
Registered Company Auditor ID 417368

Contact details:

D +61 3 8663 6273  
T +61 3 8320 2222  
M +61 407 439 677  
E [brock.mackenzie@au.gt.com](mailto:brock.mackenzie@au.gt.com)

I am a qualified accountant for the purposes of the Corporations Act, being a member of the professional body approved by ASIC and I comply with that body's professional education requirements.

I have provided professional accounting services to Aurora Funds Management Limited in its capacity as responsible entity of the Aurora Fortitude Absolute Return Fund (ARSN 145 894 800) (**AFARF**).

I certify that having reviewed the financial position of AFARF, the only material changes in the financial position (as set out in the tables below) of AFARF since the date the statements were published are as set out below the tables.

### *Summarised historical statement of AFARF*

Description	Financial Position as at 30 June 2019
Total current assets	5,748,727
Total non-current assets	-
<b>Total Assets</b>	5,748,727
Total current liabilities	(107,416)
Total non-current liabilities	-
<b>Total Liabilities</b>	(107,416)
Net assets	5,641,311

*Summarised statements of financial performance of AFARF*

Description	Financial Performance as at 30 June 2019
Revenue (from continuing operations)	(293,654)
Expenses (from continuing operations)	(865,974)
<b>Gross Profit and Loss</b> (from continuing operations)	(1,159,628)
Net profit/loss (from continuing operations)	(1,159,628)

Material changes since 30 June 2019:

- Unaudited Net Tangible Assets as at 31 December 2019 was \$5,382,794; and
- Unaudited Net Tangible Assets at 29 February 2019 was \$5,339,237.



27 March 2020

\_\_\_\_\_  
Signature of Accountant

\_\_\_\_\_  
Date

## HHY FUND

Name of accountant and name of accountant's firm (and address):

Mr Brock Mackenzie  
Partner – Audit & Assurance  
Grant Thornton Audit Pty Ltd  
Collins Square, Tower 5  
727 Collins Street  
MELBOURNE VIC 3008

Name of accountant's professional body:

Chartered Accountants Australia & New Zealand

Registered Company Auditor number: 417368

Contact details:

D +61 3 8663 6273

T +61 3 8320 2222

M +61 407 439 677

E [brock.mackenzie@au.gt.com](mailto:brock.mackenzie@au.gt.com)

I am a qualified accountant for the purposes of the Corporations Act, being a member of the professional body approved by ASIC and I comply with that body's professional education requirements.

I have provided professional accounting services to Aurora Funds Management Limited in its capacity as responsible entity of HHY Fund (ARSN 112 579 129) (**HHY**).

I certify that having reviewed the financial position of HHY, the only material changes in the financial position (as set out in the tables below) of HHY since the date the statements were published are as set out below the tables.

### *Summarised historical statement of HHY*

Description	Financial Position as at 30 June 2019
Total current assets	4,325,863
Total non-current assets	-
<b>Total Assets</b>	4,325,863
Total current liabilities	(65,222)
Total non-current liabilities	-
<b>Total Liabilities</b>	(65,222)
Net assets	4,260,241

*Summarised statements of HHY*

Description	Financial Performance as at 30 June 2019
Revenue (from continuing operations)	(2,258,268)
Expenses (from continuing operations)	(320,341)
<b>Gross Profit and Loss</b> (from continuing operations)	(2,560,609)
Net profit/loss (from continuing operations)	(2,560,609)

Material changes since 30 June 2019:

- Audited Net Tangible Assets (NTA) per unit at 30 June 2019 was 5.24 cents per unit;
- Audit reviewed NTA at 31 December 2019 increased to 5.59 cents per unit; and
- Unaudited NTA at 29 February 2019 was 4.71 cents per unit (equating to a net asset position of \$3,822,331)



27/03/2020

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Signature of Accountant

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Date