

MARKET ANNOUNCEMENT

NTA Backing as at 31 October 2019

Bentley Capital Limited (ASX Code: BEL) gives notice that its unaudited after-tax Net Tangible Assets (NTA) Backing as at 31 October 2019 was \$0.0669 per share.

NTA Backing for Period Ending:	% Change	Current Month 31 October 2019	Previous Month 30 September 2019
Pre-Tax NTA Backing per share	-14.34%	\$0.0669	\$0.0781
Post-Tax NTA Backing per share	-14.34%	\$0.0669	\$0.0781
Based on total issued share capital		76,127,918	76,127,918

Bentley's NTA position comprises the following items:

NTA Components:	Current Month 31 October 2019	Previous Month 30 September 2019
	\$'m	\$'m
Non-current asset held for sale – Strike Resources Limited	1.94	2.36
Financial assets – Keybridge Capital Limited	2.05	2.05
Managed funds	0.65	0.79
Other ASX-listed securities	0.74	0.74
Cash	0.08	0.18
Net other assets/(liabilities)	(0.36)	(0.18)
Net Tangible Asset	5.09	5.94

Bentley's major securities holdings as at 31 October 2019 were:

Security	ASX Code/ Description	Industry Sector	Value \$'m	% of NTA
Keybridge Capital Limited	KBC	Diversified	2.05	40.3%
Strike Resources Limited	SRK	Materials	1.94	38.2%
Yowie Group Ltd	YOW	Food, Beverage	0.73	14.3%
Managed funds	Unlisted	Diversified	0.65	12.7%
Other listed securities	Various	Various	0.01	0.2%



NOTES:

- (1) With effect on 30 June 2019, the Directors determined to change the accounting treatment/classification of its 20.17% interest (31,700,000 shares) in Keybridge Capital Limited (ASX:KBC) from being an investment in an Associate entity (accounted on an equity accounting basis under AASB 128) to being an investment in Financial Assets at Fair Value through Profit or Loss (accounted at fair value under AASB 9). This decision was made as a consequence of a dispute within the Keybridge Board (refer Bentley's ASX Announcement dated 22 July 2019: Update on Investment in Keybridge Capital Limited). Refer also Note 8 (Financial Assets at Fair Value through Profit or Loss) on pages 38 and 39 of Bentley's 2019 Annual Report for further information in this regard.

Bentley notes the following matters:

- Keybridge has been suspended from trading on the ASX since 16 July 2019¹.
- Keybridge's last closing bid price on ASX was \$0.071 as at 15 July 2019 (the day prior to Keybridge's suspension from trading on ASX).
- Keybridge's last published net asset backing was \$0.0647 as at 31 August 2019².
- On 14 October 2019, WAM Active Limited (ASX:WAA) (**WAM**) announced its intention to make an off-market takeover bid for all of the issued shares in Keybridge at a cash price of \$0.069 per share (**Offer**)³. The WAM Offer was subject to a number of defeating conditions.
- On 14 October 2019, Bentley announced that it had reviewed the WAM Offer and confirmed that in the absence of a superior proposal, Bentley intends to accept the Offer on a date that is not earlier than 21 days after the open of the Offer for acceptances, in relation to all of the shares held by Bentley in Keybridge⁴ - as at the date of this announcement, WAM has not served its Bidder's Statement on Keybridge.
- Keybridge has not yet published its net asset backing as at 30 September and 31 October 2019.

As at 31 October 2019, Bentley's investment in Keybridge had a carrying value of \$0.0647 (based on Directors' judgement) per share (\$2.05 million).

- (2) Bentley's investment in Strike Resources Limited (ASX:SRK) is regarded as an investment in a Non-Current Asset Held For Sale and is accounted for under Accounting Standard AASB 5. Refer Note 9 (Non-Current Asset Held for Sale) on page 39 of Bentley's 2019 Annual Report for further information in this regard.

Bentley has accounted for its investment in SRK (52,553,493 shares being 36.16% of SRK's total issued share capital) (30 September 2019: 52,553,493 shares; 36.16%) at a carrying value of \$1.94 million (based on the closing bid price on ASX of 3.7 cents per share) at month end on this basis (30 September 2019: \$2.6 million; 4.5 cents).

- (3) Units invested in unlisted managed funds are valued at the unit price published by the investment manager as at month end - the unit price reflects the net asset backing of the fund.
- (4) The post-tax NTA Backing per share figure is reported net of provision for tax liabilities on realised and unrealised gains on investments, in accordance with the Company's income tax accounting policy. Refer Note 5 (Tax) on pages 35 to 37 of Bentley's 2019 Annual Report for further information in this regard.
- (5) Bentley's current accounting policy is to recognise deferred tax assets arising from its carried forward tax losses and its unrealised loss on investments only to the extent of offsetting any deferred tax liabilities arising from its unrealised gains on investments.
- (6) Bentley's current accounting policy uses the first in-first out method of calculating gains or losses on sales of share investments.

1 Refer Keybridge ASX Announcement dated 16 July 2019: Suspension from Official Quotation

2 Refer Keybridge ASX Announcement dated 18 September 2019: Net Asset Backing - August 2019

3 Refer WAM ASX Announcement dated 13 October 2019: Proposed Off-Market Takeover Bid for Keybridge Capital Limited (ASX:KBC)

4 Refer Bentley ASX Announcement dated 14 October 2019: Response to Takeover Bid for Keybridge Capital Limited