



Disposal of non-core assets

HGL Limited has divested its 50% stake in BOC Instruments and XLN Fabrics to our joint venture partners for total cash proceeds of \$1.6 million.

In April 2013 HGL commenced implementation of its corporate strategy, under the leadership of our new Chief Executive Henrik Thorup, with focus on three core objectives – Growth, Profitability and Sustainability (GPS). The key enablers of the strategy are:

- Growth from existing and new product sales in core markets and expansion into new markets;
- Profitability through continuous improvement of work flow processes, systems, working capital management and staff performance management procedures; and
- Sustainability through investment in leadership and talent management programs, staff engagement and group management oversight to drive best practice processes.

The strategic focus of the plan is to strengthen the operations and to establish the future industry footprint of the HGL Group securing participation in long-term attractive industries with sound growth opportunities.

The execution of the GPS strategy plan targets continuous performance improvement through leveraging the rebuilt foundations and dynamics of a new industry footprint in delivering enhanced revenue and profitability growth, improved operating cash flow, increased customer satisfaction and employee engagement.

The divestment of the joint venture stakes in BOC Instruments and XLN Fabrics strengthens HGL's strategic focus on larger business units in target markets.

HGL's share of the earnings before interest and tax from BOC Instruments and XLN Fabrics was \$0.2 million in both 2013 and 2012. Profit after tax from these disposals will be \$0.1 million.

Peter Miller
Chairman
6 November 2013

About HGL Limited

HGL supplies market leading premium products into specialist markets. HGL is a partner of choice for our global supplier base, corporate clients and retail networks, operating dedicated business units in large industry segments. HGL is an active management company with an 'improve, accelerate and leverage' portfolio development strategy.

For further information please contact:

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