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HGL Limited
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28 October 2019

Trading update

HGL Limited (ASX: HNG) provides a trading update, and preliminary and unaudited results guidance, for the year ended 30 September 2019 (“FY19”).

Continuing Operations

The Company expects revenue from Continuing Operations for FY19 to be in the range of \$39.0 million to \$40.0 million (FY18: \$43.3 million). Underlying Earnings Before Interest & Tax (“EBIT”) from Continuing Operations in FY19 is anticipated to be in the range of \$0.6 million to \$0.75 million (FY18 \$3.8 million).

As previously stated, Group performance was significantly impacted by a reduction in revenue and earnings from JSB Lighting compared to the prior year, driven primarily by the actions of former employees who commenced a competing business, a move which HGL alleged was in breach of the Corporations Act. A confidential settlement was reached and has contributed to non-underlying earnings.

JSB continues to rebuild with emerging agency brands TAL and Illus, and exciting new product lines under the owned Intralux brand.

Group performance included a strong contribution from the Mountcastle school and corporate wear business, and the first full year contribution from Pegasus Healthcare.

Statutory Result

Statutory Net Profit Before Tax for FY19 is expected to be in the range \$2.1 million to \$2.3 million (FY18: \$0.4 million). The uplift over Underlying EBIT has been driven primarily by non-cash revaluation items.

HGL expects to release its final results to the ASX on 26 November 2019.

The Hon. Helen Coonan
Chair

For further information

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