



27 October 2021

Company Announcements Office
Australian Securities Exchange
Authorised by the Board for immediate release

Declaration of dividend and profit update

HGL Limited (HNG.ASX) (H&G) is pleased to announce a resumption of dividend payments following a return to profitability for the financial year ended 30 September 2021. The board has today declared a fully franked dividend for the year ended 30 September 2021 of 1 cent per share payable on 3 December 2021, supported by strong contributions across the diversified investments.

The unaudited results include:

- Forecast Net Profit After Tax in excess of \$14 million (including revaluation gains)
- Proactive portfolio management unlocking more than \$2 million value from JSB Lighting and BLC Cosmetics
- Active trading of ASX listed investment portfolio generating profits of above \$1.2 million, representing an IRR above 50% per annum
- Funds management and performance fees of \$0.3 million from H&G Investment Management (formerly Supervised Investments Australia Ltd) post April 2021 acquisition
- Dividends of \$1.5 million from private equity operating investments
 - These investments would have contributed a combined EBIT of over \$5.5 million (before head office costs) if reported on the prior year's consolidated / equity accounting basis
- Strong balance sheet including over \$7 million cash and \$4 million listed investment portfolio
- \$4 million new unlisted investments during the year across Provider Choice and Mint Payments
- Acquisition pipeline progressing for our Healthcare and Education investments
- Strong deal flow opportunities across Private Equity, ASX Listed, Property and Funds Management

The Company anticipates releasing its full year results on 23 November 2021 and will provide a more detailed outline of progress made and the strategic outlook for FY22 and beyond.

All profit information provided is subject to audit, and unless explicitly stated reflects the accounting policy adopted during the year to 30 September 2021 whereby earnings will be recognised in the income statement from dividends, profits on disposal of investments and unrealised changes in the carrying value of investments, rather than the historical basis of consolidating operating profits from the controlled business units and equity accounting profits from Mountcastle. A direct comparison of the FY21 results with the FY20 comparative period will be difficult due to this change.

For more information please contact Chairman Sandy Beard on 0412 308 263

About H&G

H&G is a diversified investment company with a focus on active management and driving shareholder returns through investing in a broad range of opportunities across Private Equity, ASX Listed Equities, funds management and real property, debt funding and other alternative investments. We seek to become a trusted partner of choice that aims to solve our partners' problems, identifying and pursuing opportunities that benefit all parties.