



SYDNEY, 5 March 2020

ASX Announcement – Authorised for immediate release

HGL PRO-RATA NON-RENOUNCABLE ENTITLEMENT OFFER

Details of the Entitlement Offer

HGL Limited ACN 009 657 961 (ASX: HNG) (**HGL**) today announces that it proposes to raise approximately \$3.884 million (before costs) through a 1 for 4 pro-rata non-renounceable Entitlement Offer of New Shares at an Offer Price of \$0.25 per New Share. The Entitlement Offer is partially underwritten.

The Offer Price represents a 26.5% discount to the last trading price of HGL Shares of \$0.34 per Share prior to the initial announcement of the proposed Entitlement Offer on 30 January 2020.

The proceeds from the Entitlement Offer, less costs, will be used to repay shareholder loans and also to replenish general working capital, strengthen the balance sheet and provide greater flexibility to invest in strategic growth initiatives.

The Entitlement Offer is non-renounceable and therefore entitlements are not tradeable on the ASX or any other exchange, or otherwise transferable. This means that existing shareholders who do not take up their entitlement will not receive any value for their entitlement, and their proportionate interest in HGL will be diluted. Eligible Shareholders may also apply for additional New Shares (**Additional New Shares**) under the Overallotment Facility.

Each of the two largest substantial shareholder groupings, representing 53% of issued shares, have committed to participate for their pro-rata share of the Entitlement Offer, and all HGL Limited Directors with direct or indirect shareholdings have also confirmed they intend to participate fully in the pro rata Entitlement Offer. The substantial shareholder groups and Directors are unable to participate in the Overallotment Facility.

HGL's board and management encourage all shareholders to participate in the Entitlement Offer, after considering the contents of the offer booklet.

Entitlement Offer Timetable

The indicative timetable for the Entitlement Offer is as follows:



Event	Date
Initial announcement of the proposed Entitlement Offer	30 January 2020
Launch announcement of the Entitlement Offer	5 March 2020
Record Date for the Entitlement Offer	7.00pm (Sydney time) 10 March 2020
Offer Booklet dispatched, Entitlement Offer opens	13 March 2020
Entitlement Offer closes	5.00pm (Sydney time) 24 March 2020
Announcement of results of issue	27 March 2020
Issue of New Shares (and any Additional New Shares) under the Entitlement Offer	31 March 2020
Trading of New Shares (and any Additional New Shares)	1 April 2020

Further Information

Please refer to the Offer Booklet for further details relating to the Entitlement Offer.

For more information, please contact:

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CFO & Company Secretary
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About HGL Ltd

HGL is an investment company which invests in small to medium size businesses with a sustainable competitive advantage and strong growth prospects, providing them with specialist business management skills and equity capital to leverage these growth opportunities. Our core purpose is to create shareholder value through active long-term ownership in our portfolio businesses, driving sustainable growth through a strong focus on customers and employees.

www.hgl.com.au



Not for distribution or release in the United States

This announcement is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission (**ASIC**)). The announcement is not and should not be considered an offer or an invitation to acquire entitlements or New Shares or any other financial products.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The entitlements and the New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements or the New Shares may not be granted to, taken up by, or offered or sold to, directly or indirectly, any person in the United States, or any person acting for the account or benefit of a person in the United States, except pursuant to a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable state securities laws. The distribution of this announcement in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Forward looking statements

This announcement contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of HGL, the outcome and effects of the Entitlement Offer and the use of proceeds. The forward looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of HGL, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the " Key Risks" section of the Entitlement Offer Booklet for a summary of certain general and HGL specific risk factors that may affect HGL or an investment in HGL. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in the Entitlement Offer Booklet. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. The forward looking statements are based on information available to HGL as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), HGL undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.