

13 January 2025

HCF receives non-binding proposal for investment portfolio

H&G High Conviction Limited (ASX: HCF) (**Company**) announces that it has received a non-binding indicative proposal from Hancock & Gore Limited (ASX:HNG) (**H&G**) to acquire all of the Company's assets in exchange for shares in H&G at an issue price of \$0.30 per share (**Proposal**).

The Proposal is based on a valuation of the Company's assets of \$1.00 per share less the Company's sale and transaction costs and any dividends declared or paid by the Company prior to completion.

After completion, it is proposed that the Company distribute the H&G consideration shares *in-specie* to all shareholders excluding H&G which, as at the date of this announcement, holds 4,974,756 shares in the Company (c20.4%). As H&G will not be participating in the in-specie distribution, the total number of consideration shares will be adjusted to reflect H&G's non-participation.

The H&G consideration shares are expected to represent approximately 11.9% of H&G's expanded share capital.

The Company has established an Independent Board Committee comprising Mr David Groves and Mr Dennison Hambling to oversee all aspects of the Proposal. Mr Nicholas Atkinson has been excluded from decision making in respect of the Proposal due to his executive role with H&G. Mr Atkinson will continue his role as the Company's Portfolio Manager without change.

The Board's focus is to maximise the value of its investment portfolio for the benefit of all shareholders.

Accordingly, in the absence of a superior proposal, the IBC is engaging constructively with H&G on a non-exclusive basis to progress the Proposal.

The Proposal is non-binding, incomplete and subject to the parties negotiating and entering into definitive legal agreements to implement the Proposal.

There is no certainty or assurance that the Proposal will result in a binding transaction. In addition, completion of the Proposal would require shareholder approvals under ASX Listing Rules 10.1 and 11.2. A further announcement will be made if negotiations are completed and result in a binding agreement or if engagement is discontinued.

This announcement has been authorised for release by the Independent Board Committee. For more information, please contact the Chairman, David Groves on 0411 598 997.

Ends