



**HANCOCK
& GORE**

13 January 2025

Company Announcements Office
Australian Securities Exchange

Non-Binding proposal to Acquire Assets of H&G High Conviction Limited for Scrip

Hancock & Gore Limited (ASX:HNG) (**H&G**) announces that it has given H&G High Conviction Limited (ASX:HCF) (**HCF**) a non-binding indicative proposal to acquire all of HCF'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 HCF's assets of \$1.00 per share less HCF's sale and transaction costs and any dividends declared or paid by HCF prior to completion. The proposed H&G scrip consideration is expected to be within its current placement capacity under Listing Rule 7.1.

HCF has responded positively and is engaging constructively with HNG to progress the Proposal.

H&G owns 20.4% of HCF and H&G's wholly owned subsidiary H&G Investment Management Limited (**HGIM**) is the investment manager of HCF. HCF is a listed investment company with a portfolio of ASX listed investments.

The strategic rationale for the proposed acquisition includes:

- Continuing simplification of H&G structure and activities, and commitment to bridge the gap between value and price in HCF portfolio
- Increases H&G balance sheet equity by approx. \$20 million of strategic liquid assets with the objective to generate returns over time in excess of 15% per annum
- Increased balance sheet flexibility to support Global Uniform Solutions growth
- Wind-down of funds management activity simplifies H&G structure and cost base
- HCF's core portfolio holdings and shareholder register meaningfully overlap with H&G's

H&G notes that HCF has disclosed the Proposal and a copy of HCF's market announcement is **attached**.

H&G has established an Independent Board Committee comprising all directors but excluding Mr Sandy Beard (due to his role with HGIM, the manager of HCF) to oversee all aspects of the Proposal.

There is no certainty or assurance that the Proposal will result in a binding transaction. The Proposal is non-binding, incomplete and subject to H&G/HCF board approvals, HCF shareholder approvals and the parties negotiating and entering into definitive legal agreements to implement the Proposal.

H&G expects to provide further details on the acquisition and an update on strategy if the transaction becomes binding or if it does not proceed.

This announcement has been authorised for release by the Independent Board Committee.

For further information, please contact Angus Murnaghan on 0427 826 487.

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ABOUT H&G

Hancock & Gore is a diversified investment company that aims to deliver superior long term investment returns to shareholders through a portfolio of operating investments led by strong business managers and a return focused balance sheet. Its key asset is the wholly owned combined school wear business of Mountcastle and Schoolblazer with segment leadership positions in UK, Australia and New Zealand.

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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