

HUDSON

HUDSON INVESTMENT GROUP LIMITED

ASX Announcement
31 OCTOBER 2023

QUARTERLY REPORT AND ACTIVITY STATEMENT FOR THREE MONTHS TO 30 SEPTEMBER 2023

Hudson Investment Group Limited (**HGL** or **the Company**) (**ASX:HGL**) releases its Activities Report and Appendix 4C – Quarterly report for entities subject to Listing Rule 4.7B.

CORPORATE HIGHLIGHTS

- Exploring potential Residential Development Application (**DA**) for the Bowen Hills QLD properties in addition to the mix use DA, approved in 2021, to provide the Company with additional options with regard to the best use development of the property.

ABOUT HUDSON INVESTMENT GROUP LTD

HGL is an ASX-listed Company focusing on industrial, residential and commercial property development, and currently owns the following properties:

- Unit 2, 171-175 Sparks Road, Halloran, New South Wales
- 59 Mountain Road, Halloran, New South Wales
(both collectively the **Warnervale Properties**);
- 47 Brookes Street, Bowen Hills, Queensland
- 41-43 Brookes Street, Bowen Hills Queensland
(both collectively the **Bowen Hills Properties**); and
- 43 Regent Street, Woolloongabba, Queensland (the **Regent Street Property**)

Hudson Investment Group remains focused on developing its current property portfolio to strengthen its strategic positioning for future growth.

PAYMENTS TO RELATED PARTIES AND THEIR ASSOCIATES

Directors and services fees in the amounts of \$75,000 were paid during the quarter ended 30 September 2023.

Approved and authorised for release by the Board of Directors.

For further information, please contact:

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Hudson Investment Group Limited

ABN

25 004 683 729

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	293	1,124
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(111)	(350)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(134)	(346)
(f) administration and corporate costs	(34)	(341)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	6
1.5 Interest and other costs of finance paid	(179)	(503)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	137
1.9 Net cash from / (used in) operating activities	(161)	(273)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(164)	(729)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(164)	(729)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	1,440
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	(276)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	1,164

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	599	112
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(161)	(273)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(164)	(729)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,164
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	274	274

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	118	148
5.2	Call deposits	156	451
5.3	Bank overdrafts	-	-
5.4	Other (legal deposit held on trust)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	274	599

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	75
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Director fee \$75,000 were paid to John Farey, Alan Beasley and Wei Huang for their services rendered.</p>		

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	12,525	12,525
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	12,525	12,525
7.5	Unused financing facilities available at quarter end		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	<p>Facility: \$6.925M Lender: CBA Interest rate: 6.7483% p.a Secured: Secured over investment properties in NSW Maturity: 28 February, 2024</p> <p>Facility: \$4.2M Lender: St George Bank Interest Rate: 6.3474% Secured: Secured over investment properties in Queensland Maturity: 19 July 2024</p> <p>Facility: \$1.4M Lender: La Trobe Financial Interest Rate: 8.99% Secured: Secured over investment properties in Queensland Maturity: 06 February 2025</p>		
8.	Estimated cash available for future operating activities	\$A'000	
8.1	Net cash from / (used in) operating activities (item 1.9)	(161)	
8.2	Cash and cash equivalents at quarter end (item 4.6)	274	
8.3	Unused finance facilities available at quarter end (item 7.5)	-	
8.4	Total available funding (item 8.2 + item 8.3)	274	
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.7	
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "NA". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Increased revenue from extended lease

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Additional bank facilities in progress

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes on the basis of 8.6.1 and 8.6.2 above

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:30 October 2023.....

Authorised by:Alan Beasley, Director.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.