



HUDSON INVESTMENT GROUP LIMITED

ACN 004 683 729

APPENDIX 4E

ASX PRELIMINARY UNAUDITED FINAL REPORT– 31 DECEMBER 2024

(CORRESPONDING PERIOD – YEAR ENDED 31 DECEMBER 2023)

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The preliminary financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by Hudson Investment Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

CORPORATE DIRECTORY

Hudson Investment Group Limited

ACN 004 683 729
ABN 25 004 683 729

Registered and Corporate Office

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Lawyers

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Level 23, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000
Telephone: +61 2 9253 9999

Bankers

Commonwealth Bank of Australia
Corporate Financial Services
Business & Private Banking
Level 9, Darling Park 1
201 Sussex Street
Sydney NSW 2000
Telephone: +61 2 9118 7031

St George Bank Limited
Level 14, 182 George Street
Sydney NSW 2000
Telephone: +61 2 9236 2230

Board of Directors

John W Farey (Non-Executive Chairman)
Alan Beasley (Managing Director)
Wei Huang (Executive Director)
John J Foley
Dr Cheng Fong Han
Pin Chua
Warren Wen-Shih Choo (Alternate Director)

Joint Company Secretaries

Henry Kinstlinger
Mona Esapournoori

Chief Financial Officer

Francis Choy

Risk & Compliance

Allan Scadden

Share registry

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne VIC 3001
Telephone: 1300 850 505 (within Australia)

ASX Code – HGL

Hudson Investment Group Limited shares are listed on the Australian Securities Exchange.

This financial report covers the Consolidated Entity consisting of Hudson Investment Group Limited and its controlled entities.

Hudson Investment Group Limited is a company limited by shares, incorporated and domiciled in Australia.

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 December 2024
(PREVIOUS CORRESPONDING PERIOD: YEAR ENDED 31 December 2023)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

				\$'000
Revenue from ordinary activities	Up	1.2%	To	1,498
Profit/(Loss) after income tax from ordinary activities attributable to members	Down	854.4%	To	(1,373)
Net Profit/(Loss) for the period attributable to members	Down	854.4%	To	(1,373)

Dividends/distributions	Amount per security	Franked amount per security
Final dividend	\$Nil	N/A
Interim dividend	\$Nil	N/A

Dividend record date: N/A

Explanation of Profit / (Loss) after Tax from Ordinary Activities

The Company has recorded a consolidated net loss after tax of \$1.37 million for the year ended 31 December 2024. The losses were mainly attributable to fair value adjustment of Investment properties.

The Company's net asset value as at 31 December 2024 is \$21.76 million (or 36.6 cents per share).

REVIEW OF OPERATIONS

CORPORATE HIGHLIGHTS

- The Company has recorded a consolidated net loss before tax of \$1.37 million for the year ended 31 December 2024.
- The Company sold the property at 43 Regent Street Woolloongabba in July 2024 for \$4.0 million on a delayed settlement basis by 30 June 2025.
- The Company is continuing to explore potential sale or redevelopment options for the Bowen Hills QLD properties. This may result in a Joint Venture, Sale or continued hold for the properties.
- As advised, the Company, as a result of being approached by several parties seeking either sale or Joint Venture for the Warnervale West side property, has now engaged Knight Frank Central Coast to provide the Company with expressions of interest by the end of the first quarter of 2025.
- As a result, the Company expects to advise of a corporate restructure later this year.

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 (Western side)
- 59 Mountain Road, Halloran, New South Wales (Eastern side)
(both collectively the **Warnervale Properties**);
- 47 Brookes Street, Bowen Hills, Queensland: and
- 41-43 Brookes Street, Bowen Hills Queensland
(both collectively the **Bowen Hills Properties**)

Hudson Investment Group remains focused on assessing the highest and best use for its current property portfolio, to optimise cashflow, reduce costs, take advantage of opportunities to strengthen its strategic positioning for future growth and enhanced returns to shareholders

The recently announced interest rate reduction by the Reserve Bank of Australia may stimulate the Australian economy which will have a direct impact on the Company's interest expense.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

		Consolidated	
		2024	2023
	Notes	\$'000	\$'000
Revenue	2	1,498	1,480
Cost of services		(492)	(487)
Other income and expenses	2	(671)	910
Cost of providing services and administration expenses	3	(896)	(914)
Finance income	3	87	7
Finance expenses	3	(899)	(814)
PROFIT / (LOSS) BEFORE INCOME TAX		(1,373)	182
Income tax		-	-
PROFIT / (LOSS) AFTER TAX FOR THE YEAR		(1,373)	182
OTHER COMPREHENSIVE INCOME			
Other comprehensive income		-	-
Income tax		-	-
Other comprehensive income after tax		-	-
Total comprehensive income		(1,373)	182
Profit attributable to non-controlling interests		-	-
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY		(1,373)	182
Earnings per shares			
		Cents	Cents
Basic earnings per share (cents)	8	(2.31)	0.31
Diluted earnings per share (cents)	8	(2.31)	0.31

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	Consolidated 2024 \$'000	2023 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	616	599
Trade and other receivables		2,266	(129)
Other current assets		137	290
TOTAL CURRENT ASSETS		3,019	760
NON-CURRENT ASSETS			
Investment properties	6	31,314	35,821
TOTAL NON-CURRENT ASSETS		31,314	35,821
TOTAL ASSETS		34,333	36,581
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		267	223
Accrued payable and provision		68	66
Financial liabilities		4,200	4,200
TOTAL CURRENT LIABILITIES		4,535	4,489
NON-CURRENT LIABILITIES			
Accrued payable and provision		31	27
Financial liabilities		8,000	8,925
TOTAL NON-CURRENT LIABILITIES		8,031	8,952
TOTAL LIABILITIES		12,566	13,441
NET ASSETS		21,767	23,140
EQUITY			
Issued Capital	7	63,397	63,397
Reserves		5,261	5,261
Accumulated losses		(46,891)	(45,518)
Total equity attributable to equity holders of the parent entity		21,767	23,140
Non-controlling interest		-	-
TOTAL EQUITY		21,767	23,140

The above statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

Consolidated	Notes	Issued Capital	Reserves	Accumulated Losses	Total Equity
		\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2024	7	63,397	5,261	(45,518)	23,140
Share issued		-	-	-	-
Share issuing costs		-	-	-	-
Profit for the year		-	-	(1,373)	(1,373)
Balance at 31 December 2024	7	63,397	5,261	(46,891)	21,767
Balance at 1 January 2023		63,397	5,261	(45,700)	22,958
Share issued		-	-	-	-
Share issuing costs		-	-	-	-
Profit for the year		-	-	182	182
Balance at 31 December 2023	7	63,397	5,261	(45,518)	23,140

The above statement should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Consolidated 2024 \$'000	2023 \$'000
Cash flows from operating activities			
Receipts from customers		1,505	1,504
Payments to suppliers, employees and service providers		(1,305)	(1,271)
Interest received		87	7
Interest paid		(840)	(686)
Net cash (used in)/provided by operating activities		(553)	(446)
Cash flows from investing activities			
Proceed from sales of properties		4,000	-
Payments for investment properties improvements		(109)	(831)
(Advance) to other entities – vendor finance on disposal		(2,396)	-
Net cash provided by / (used in) investing activities		1,495	(831)
Cash flows from financing activities			
Proceeds from issuing share		-	-
Share issuing cost		-	-
Bank borrowings		(925)	1,764
Net cash (used in) / provided by financing activities		(925)	1,764
Net increase /(decrease) in cash and cash equivalents		17	487
Cash and cash equivalents at the beginning of the year		599	112
Cash and cash equivalents at the end of the year	5	616	599

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES, ESTIMATION METHOD AND MEASUREMENT BASIS

Accounting policies, estimation methods and measurement bases used in this Appendix 4E are the same as those used in the last annual report and the last half year report.

2. REVENUE

		Consolidated 2024 \$'000	2023 \$'000
a	Revenue		
	Rental Income	1,491	1,470
	Service Fee income	7	10
		<u>1,498</u>	<u>1,480</u>
b	Other Income and expenses		
	Change in fair value of investment properties	(916)	774
	Gain on disposal of investment property	235	-
	Insurance Compensation	-	136
	Others	10	-
		<u>(671)</u>	<u>910</u>

3. PROFIT/ (LOSS) FROM ORDINARY ACTIVITIES

		Consolidated 2024 \$'000	2023 \$'000
	Profit/(loss) before income tax is arrived after (charging)/crediting the following specific expenses		
a	Cost of providing services and administration expenses		
	Consulting and professional fee	(43)	(121)
	Directors fee and employee on costs	(575)	(511)
	Legal expenses	(13)	(12)
	Other administration expenses	(265)	(270)
		<u>(896)</u>	<u>(914)</u>
b	Finance income		
	Interest income	<u>87</u>	<u>7</u>
c	Finance expenses		
	Interest paid	(895)	(789)
	Others	(4)	(25)
		<u>(899)</u>	<u>(814)</u>

NOTES TO THE FINANCIAL STATEMENTS continued

4. DIVIDENDS

The directors do not recommend a dividend relating to the year ended 31 December 2024 (2023: Nil) to be paid

5. CASH AND CASH EQUIVALENTS

	Consolidated	
	2024	2023
	\$'000	\$'000
Cash at bank and on hand	616	599
Cash held in trust account	-	-
	616	599

6. INVESTMENT PROPERTIES

	Consolidated	
	2024	2023
	\$'000	\$'000
Non-current		
Investment properties at fair value	31,314	35,821
	31,314	35,821

Valuation basis

The basis of the valuation of investment properties is fair value being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases. The revaluations were based on independent assessments made by members of the Australian Property Institute valuations.

	Consolidated	
	2024	2023
	\$'000	\$'000
Investment properties at fair value		
Independent valuation	38,725	43,950
Acquisition cost	-	3,225
Capital works improvements and capitalised costs	104	3,244
Accumulated depreciation and fair value provision	(7,515)	(14,598)
	31,314	35,821

NOTES TO THE FINANCIAL STATEMENTS continued

Details of Group investment property portfolio

	Ownership	Title	Asset Class	Independent Valuation		Carrying amount	
				Date	Amount \$'000	2024 \$'000	2023 \$'000
Australia							
NSW							
171-175 Sparks Rd HALLORAN-Note 1	100%	Freehold	Industrial	Feb-24	20,500	15,914	15,805
59 Mountain Rd WARNERVALE	100%	Freehold	Land	Jun-22	9,125	6,300	6,300
QLD							
41-47 Brookes St BOWEN HILL-Note 2	100%	Freehold	Office	Oct-23	9,100	9,100	10,016
43 Regent St WOOLLOONGABBA-Note 3	-	-	-	-	-	-	3,700 ¹
Total Australian Portfolio					38,725	31,314	35,821

Note 1 : The industrial property located at Halloran has a current bank valuation of \$20.5 million at February 2024. A registered mortgage is secured over the property and the loan value is \$8.0 million.

Note 2 : A bank valuation of \$9.1 million exists. A registered mortgage is secured over the property and the loan is \$4.2million.

Note 3 : The property was sold in July 2024 for \$4.0 million on a delayed settlement basis by 30 June 2025.

The Group investment portfolio carrying value of \$31.3 million in book represents auditors' assessed portfolio fair value amount despite independent external valuers' assessed valuation of \$38.7 million.

7. ISSUED CAPITAL

	Consolidated		Consolidated	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	Shares	Shares	\$'000	\$'000
Ordinary shares				
Issued	59,359,935	59,359,935	63,397	63,397
Movements during the period				
Balance at beginning of the year	59,359,935	59,359,935	63,397	63,397
Share issued	-	-	-	-
Share issuing costs	-	-	-	-
Balance at the end of the year	59,359,935	59,359,935	63,397	63,397

Ordinary Shares

Ordinary shares entitle the holders to participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Option

There are no unissued ordinary shares of the Company under option at the date of the report.

Preference options

No options were granted and issued during this year.

NOTES TO THE FINANCIAL STATEMENTS continued

8. EARNINGS PER SHARE

	2024 Cents	2023 Cents
Basic earnings per share	(2.31)	0.31
Diluted earnings per share	(2.31)	0.31
	2024 \$'000	2023 \$'000
Earnings used in calculating basic and diluted earnings per share	(1,373)	182
	2024 Number	2023 Number
Weighted average number of ordinary shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and diluted earnings per share	59,359,935	59,359,935

9. CONTINGENT ASSETS AND LIABILITIES, COMMITMENTS

Guarantees

Cross guarantees under Class Order 98/1418 by Hudson Investment Group Limited and its several wholly owned controlled entities exist in respect of loans. No deficiency of assets exists in the consolidated entity as a whole. No material losses are anticipated in respect of any of the above contingent liabilities.

Commitments

There are no material commitments as at the date of the report.

10. EVENTS OCCURRING AFTER BALANCE DATE

At the date of this report there are no other matters or circumstances, other than noted above, which have arisen since 31 December 2024 that have significantly affected or may significantly affect:

- The operations, in financial years subsequent to 31 December 2024 of the Group;
- The results of those operations; or
- The state of affairs in financial years subsequent to 31 December 2024 of the Group.

NOTES TO THE FINANCIAL STATEMENTS continued**11. SEGMENT INFORMATION**

The Consolidated entity primary reporting format is business segments and its secondary reporting format is geographical segments.

Business segments

The Consolidated entity is organised into the following divisions by product and service type.

Property investment & development in Australia

Development and leasing industrial and residential properties in Eastern Australia.

Geographical segments

All business segments operate principally within Australia.

Accounting policies

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings.

Inter-segment transfers

Segment revenues, expenses and results include transfers between segments. All other intersegment transfers are priced on an "arm's-length" basis and are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS continued

11. SEGMENT INFORMATION continued

	Property investment & development	Investment Services	Inter segment eliminations/ unallocated	Consolidated
	\$'000	\$'000	\$'000	\$'000
2024				
Sales to external customers	1,498	-	-	1,498
Intersegment sales	-	-	-	-
Total sales revenue	1,498	-	-	1,498
Other revenue	-	-	-	-
Total segment revenue	1,498	-	-	1,498
Segment result				
Profit/(loss) before tax	(1,373)	-	-	(1,373)
Tax expense	-	-	-	-
Net profit/(loss)	(1,373)	-	-	(1,373)
Segment assets	34,333	-	-	34,333
Segment liabilities	12,566	-	-	12,566
Acquisition of non-current assets	104	-	-	104
Depreciation and amortisation expense	-	-	-	-
2023				
Sales to external customers	1,480	-	-	1,480
Intersegment sales	-	-	-	-
Total sales revenue	1,480	-	-	1,480
Other revenue	-	-	-	-
Total segment revenue	1,480	-	-	1,480
Segment result				
Profit/(loss) before tax	182	-	-	182
Tax expense	-	-	-	-
Net profit/(loss)	182	-	-	182
Segment assets	36,581	-	-	36,581
Segment liabilities	13,441	-	-	13,441
Acquisition of non-current assets	573	-	-	573
Depreciation and amortisation expense	-	-	-	-

SUPPLEMENTARY APPENDIX 4E INFORMATION**NTA Backing**

	31/12/2024	31/12/2023
Net tangible asset per ordinary share	36.6 cents	38.9 cents

Controlled Entities Acquired during the Period

No entity was acquired during the reporting period.

Loss of Control of Entities during the Period

No loss of control of entity during the reporting period.

Subsequent Events

There have been no other events subsequent to reporting date which affect the results contained in this report or the continuing operations of the Group. Please refer to Note 10 to the financial statement.

Accounting Standards

Australian Accounting Standards have been used in the preparation of this report.

Other Significant Information

All significant information in relation to the financial performance and position of Hudson Investment Group Limited has been disclosed in the attached report.

Returns to Shareholders

No distribution/dividend paid this year. The Company does not have a dividend/distribution reinvestment plan. No share buy back during the year.

Audit Report

This report is based on financial statements that are in the process of being audited, and it is unlikely that there will be any dispute or qualification; therefore no audit report has been attached.