

## ASX ANNOUNCEMENT

### FY24 Q3 Quarterly Activities Report and Appendix 4C Cash Flow Statement

**Brisbane, 30 April 2024:** Health and Plant Protein Group Limited (ASX:HPP) (**HPP**, the **Company**) presents its Activities Report and Appendix 4C for the quarter ended 31 March 2024.

#### Business update

The Company ended the quarter with closing cash and cash equivalents of \$1.9 million (31 Dec 2023: \$2.2 million). Appendix 4C as attached forms part of this announcement. The amount of \$12,000 under item 6.1 relates to remuneration of non-executive directors.

As previously disclosed, HPP is awaiting the repayment of the balance of the sale proceeds which is currently being held by the US Internal Revenue Service (**IRS**) pending finalisation of the US withholding tax payable by HPP in respect of the sale of the macadamia division in April 2023. Subject to completion of the IRS's review and return of the US monies, HPP strategic objectives remain to:

- return a portion of surplus net assets to shareholders, which may occur by way of an equal access off-market share buy-back, an equal return of capital, or a combination of both; and
- pursue value-add opportunities under a significantly reduced cost base, including by way of acquisitions, equity investments or strategic combination opportunities.

Given the IRS processing delays, the Company undertook the following initiatives during the quarter, both of which were separate from the final return of net proceeds approved by shareholders at the last AGM:

- a minimum holding buy-back for holders of unmarketable parcels of shares in the Company;<sup>1</sup> and
- an equal access off-market share buy-back for up to 7,142,857 shares.

Cash outflows during the quarter relating to the buy-backs totalled \$153,000, which included \$93,000 for shareholders of unmarketable parcels. Further payments to shareholders of \$300,000 in relation to the equal access share buy-back occurred after the quarter-end and are not included in this Appendix 4C report.

This announcement has been authorised for release to ASX by the Board.

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#### Investor enquiries:

Deane Conway  
*Company secretary*  
Health and Plant Protein Group Limited  
Ph: (07) 3067 4828

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<sup>1</sup> Under the ASX Listing Rules, a shareholding valued at less than \$500 based on the company's last closing price is considered to be an 'unmarketable parcel' of shares.

## Appendix 4C

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

**Name of entity**

HEALTH AND PLANT PROTEIN GROUP LIMITED (ASX: HPP)

**ABN**

68 010 978 800

**Quarter ended ("current quarter")**

31 March 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(84)	(274)
(f) administration and corporate costs	(72)	(790)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	21	36
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	(1)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(135)</b>	<b>(1,029)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
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)	-	(650)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(650)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Buy-back of shares, including transaction costs	(153)	(153)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(153)</b>	<b>(153)</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,196	3,738
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(135)	(1,029)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(650)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(153)	(153)
4.5	Effect of movement in exchange rates on cash held	1	3
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,909</b>	<b>1,909</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	559	696
5.2 Call deposits	1,350	1,500
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter</b> (should equal item 4.6 above)	<b>1,909</b>	<b>2,196</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	12
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

**Note 6.1:** This amount of \$12,000 is in relation to remuneration of non-executive directors.

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>-</b>	<b>-</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>-</b>
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.		
N/A		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(135)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,909
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	<b>1,909</b>
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>14.2</b>

*Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.*

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?

N/A

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?

N/A

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?

N/A

*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 April 2024

Authorised by: By the Board

(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.