

ASX RELEASE

22 November 2024

PRESENTATION TO ANNUAL GENERAL MEETING

Hygrovest Limited (ASX:HGV) ("HGV") is an Australian-listed specialist investment company which concentrates on producing capital growth for shareholders over the medium term from investments in listed and unlisted equities and debt securities.

Presentation To Annual General Meeting

HGV will hold its Annual General Meeting ("**AGM**") at 12.30pm AEST on 22 November 2024.

Please find enclosed a copy of the presentation that will be delivered at the AGM today.

Investor and Media Enquiries

Announcement authorised for release to ASX by:

Jim Hallam

Chief Financial Officer and Company Secretary

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About HGV

Hygrovest Limited (ASX:HGV) ("HGV") ABN 91 601 236 417 is an Australian-listed specialist investment company which concentrates on producing capital growth for shareholders over the medium term from investments in listed and unlisted equities and debt securities.

Important Notice

This announcement contains reference to certain intentions, expectations, future plans, strategy and prospects of HGV. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of HGV may be influenced by a number of factors, many of which are outside the control of HGV. No representation or warranty, express or implied, is made by HGV, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause HGV's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. HGV does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended. Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in HGV. This document does not constitute any part of any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1993 ("Securities Act"). HGV's shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.



Hygrovest Limited (to be renamed Underwood Capital Limited)

Annual General Meeting
22 November 2024

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Chair's Welcome

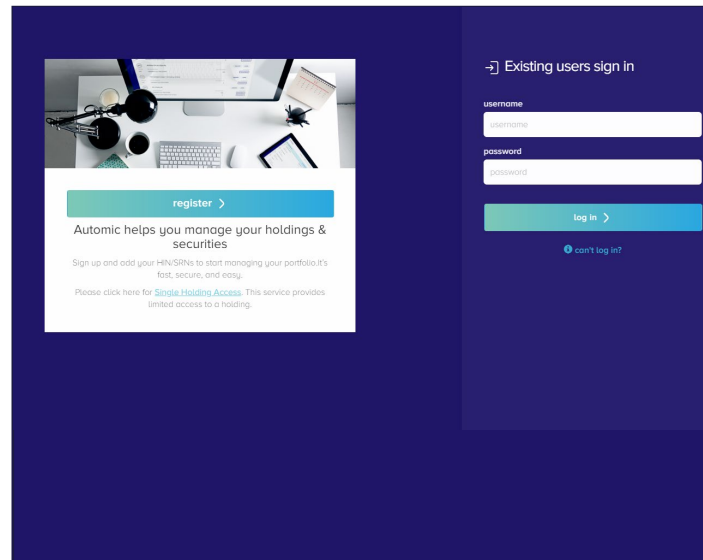


Registration and Voting

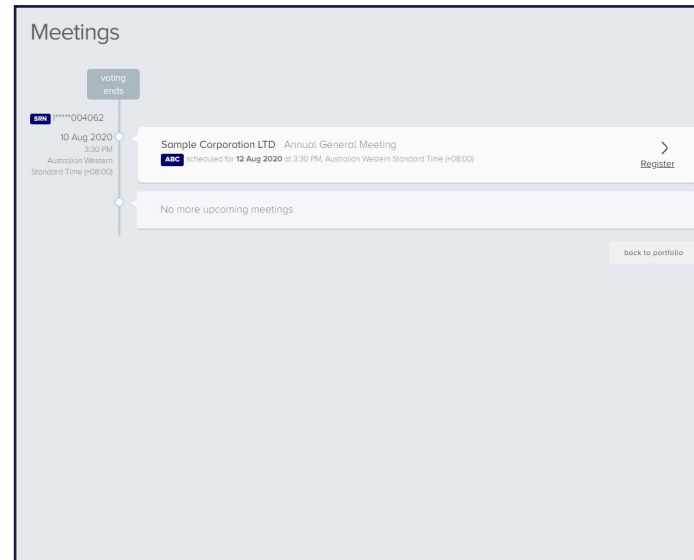
1. Log in or register at:
<https://investor.automic.com.au/#/home>

2. Click view and register your attendance for the meeting

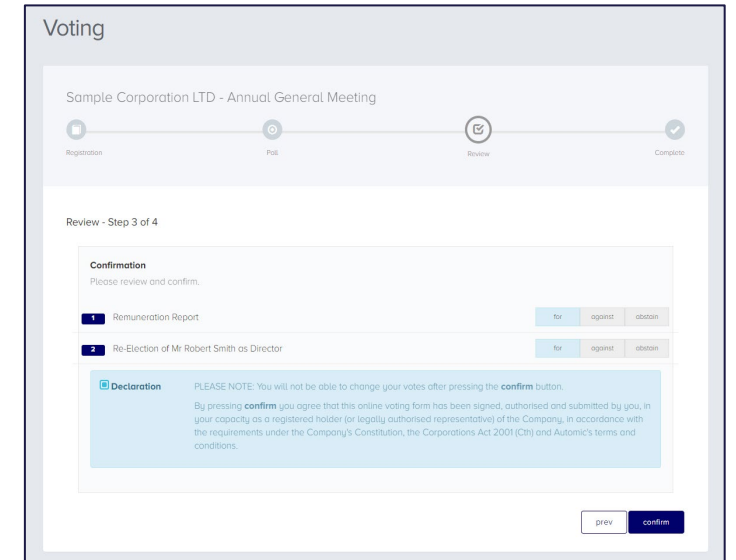
3. Record your vote. Once you confirm it is lodged and final



The screenshot shows the Automic investor portal interface. On the left, there's a promotional banner for "Automatic helps you manage your holdings & securities" with a "register >" button. On the right, there's a login section titled "Existing users sign in" with fields for "username" and "password", a "log in >" button, and a link for "can't log in?".



The screenshot shows the "Meetings" page. It features a timeline with a "voting ends" marker at 10 Aug 2020, 3:30 PM. Below this, there's a card for "Sample Corporation LTD Annual General Meeting" scheduled for 12 Aug 2020 at 3:30 PM, with a "Register" button. A message states "No more upcoming meetings" with a "back to portfolio" link.



The screenshot shows the "Voting" page for "Sample Corporation LTD - Annual General Meeting". It has a progress bar with four steps: Registration, Poll, Review, and Complete. The "Review - Step 3 of 4" section includes a "Confirmation" step with a "Please review and confirm." message, and two items for voting: "1. Remuneration Report" and "2. Re-Election of Mr Robert Smith as Director". Each item has "for", "against", and "abstain" buttons. A "Declaration" section follows with a "PLEASE NOTE" and a "confirm" button. At the bottom, there are "prev" and "confirm" buttons.

To contact support:
Call 1300 816 159

Investment Manager's Report

Company Overview

UNDERWOOD TRADES AT A ~48% DISCOUNT TO ITS NET TANGIBLE ASSETS

ASX:HGV (soon to be ASX:UWC)	
Share price @ 20/11/2024	\$0.05
Shares outstanding	210M
Market capitalisation	\$10.5M

Balance Sheet@31/10/24	
Cash & listed investments	\$11.4M
Credit investments	\$0.3M
Private equity investments	\$10.5M
Receivables from investment sales	\$0.6M
Total liabilities	\$2.5M
Net tangible assets	\$20.2M

Strategic achievements since board revitalisation and appointment of HD Capital as investment manager

Reduce operating costs	Realise legacy investments	Deploy cash into new strategy
Annual opex (excluding investment manager fees) reduced by nearly half from ~\$1.3M pa in FY23 to ~\$0.7M pa in FY25	Divested Delivra Health Brands for ~2X its June 2023 carrying value	~\$5.7M now deployed into new strategy, with those investments returning ~46% pa on a time weighted basis as at 31/10/24
Directors recently voluntarily further reduced board fees	Divested Southern Cannabis for ~1X its June 2023 carrying value	Prioritising protection of capital
Constantly looking for further opportunities for cost reduction, e.g reduction in insurance premiums after sale of all cannabis focused investments	Divested Valo for 1.2X its June 2023 carrying value	Making concentrated, highly selective, long-term bets on overlooked and significantly undervalued companies
	Salvaged value from Sequoya	Carefully managing excess cash to maximise income
	Wrote off Medio Labs after it declared insolvency	
	HGV has now divested all but one legacy investment (Weed Me), and all at or above June 2023 carrying values	

What makes HD Capital different?

Our goal is to significantly outperform global equity markets, over rolling 5-year periods, by making concentrated, long-term bets on undervalued and overlooked companies

Going where others can't	Doing what others won't
Not tracking an index	Making long-term bets
Illiquid securities	Concentrated positions
Smaller companies	Active engagement with management
Global opportunity set	Unique insights through field research
Equity or debt	Willingness to hold cash
Public or private	Buying during periods of uncertainty

Investment strategy

We pursue an opportunistic investment strategy, focussed on highly asymmetric situations characterised as “*heads we win, tails we don’t lose*”

Generals

undervalued, well managed growth companies, often founder-led, that are off the radar of the broader investment community.

Activist

investments in undervalued securities where we seek to realise value ourselves.

Work-outs

investment situations that are dependent on a readily identifiable catalyst, typically a specific corporate event such as a merger, demerger, liquidation, tender offer or divestment.



Underwood's edge

The listed investment company structure provides the manager with a significant competitive advantage – **long term capital**. This allows us to exploit certain inefficiencies.

SOURCES OF INEFFICIENCY

Informational

better or different information

Analytical

better or different insight

Behavioural

systematic biases

Technical

non-fundamental trading

Informational

Focus on securities with no broker coverage and limited institutional ownership
A concentrated portfolio provides the time to find different information sources

Analytical

Proprietary research provides different perspectives
Low portfolio turnover allows time to develop unique insights

Behavioural

Permanent capital to “stay the course” and not become forced sellers

Technical

Maintain watch list with live data to respond to market dislocations
Buy during non-fundamental sell offs such as tax loss selling or corporate events

Formal Business of Meeting

Proxy Results Summary

Voting Summary Report

Hygrovest Limited
Annual General Meeting

Security Class(es):
HGV - ORDINARY FULLY PAID SHARES

 Meeting Date: 22-Nov-2024

Resolution	For		Against		Discretionary		Unusable For		Totals		Exclusions		Abstain	
	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders
1 ADOPTION OF REMUNERATION REPORT	50,949,954	40	3,513,671	21	291,800	12	0	0	54,755,425	73	1,838,287	2	74,500	4
	93.05%	54.79%	6.42%	28.77%	0.53%	16.44%	0.00%	0.00%						
2 RE-ELECTION OF DIRECTOR – WARWICK SAUER	56,012,396	54	316,873	11	247,167	12	0	0	56,576,436	77	0	0	91,776	2
	99.00%	70.13%	0.56%	14.29%	0.44%	15.58%	0.00%	0.00%						
3 CONFIRMATION OF APPOINTMENT OF AUDITOR	56,242,105	61	34,307	3	291,800	12	0	0	56,568,212	76	0	0	100,000	3
	99.42%	80.26%	0.06%	3.95%	0.52%	15.79%	0.00%	0.00%						
4 CHANGE OF COMPANY NAME	52,839,923	44	3,250,789	14	301,800	13	0	0	56,392,512	71	0	0	275,700	8
	93.70%	61.97%	5.76%	19.72%	0.54%	18.31%	0.00%	0.00%						

 Report generated on 21-Nov-2024 at 10:51 AM

FINANCIAL STATEMENTS

- The first item of business of today's meeting deals with the presentation of the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.
- No resolution is required to be moved in respect of this item, however Shareholders are now given the opportunity to ask questions and make comments on the accounts and on the business, operations and management of the Company.
- Shareholders may also now ask questions of Robin Li from the Company's auditor, Connect National Audit, who is online, relating to:
 - a) the conduct of the audit;
 - b) the preparation and content of the independent Audit Report;
 - c) the accounting policies adopted by the Company in relation to the preparation of accounts; and
 - d) the independence of the Auditor in relation to the conduct of the audit.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a non-binding resolution: “¶

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2024.”¶

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.¶

Resolution	For		Against		Discretionary		Unusable For		Totals		Exclusions		Abstain	
	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders
1 ADOPTION OF REMUNERATION REPORT	50,949,954	40	3,513,671	21	291,800	12	0	0	54,755,425	73	1,838,287	2	74,500	4
	93.05%	54.79%	6.42%	28.77%	0.53%	16.44%	0.00%	0.00%						

Resolution 2: Re - election of Director – Warwick Sauer

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:¶

“That, for the purpose of clause 15.2 of the Constitution, Listing Rule 14.4, and for all other purposes, Mr Warwick Sauer, a Director, retires by rotation, and being eligible, is re-elected as a Director, in each case with effect from the conclusion of this Annual General Meeting.”¶

Resolution	For		Against		Discretionary		Unusable For		Totals		Exclusions		Abstain	
	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders
2 RE-ELECTION OF DIRECTOR – WARWICK SAUER	56,012,396	54	316,873	11	247,167	12	0	0	56,576,436	77	0	0	91,776	2
	99.00%	70.13%	0.56%	14.29%	0.44%	15.58%	0.00%	0.00%						

Resolution 3: Confirmation of Appointment of Auditor

~~To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:¶~~

~~“That, pursuant to section 327B(1)(b) of the Corporations Act and for all other purposes, Connect National Audit Pty Ltd, having been nominated by a Shareholder and having given its consent in writing to act as auditor, be appointed as the auditor of the Company to hold office from the conclusion of this Annual General Meeting until it resigns or is removed from the office of auditor of the Company.”¶~~

Resolution	For		Against		Discretionary		Unusable For		Totals		Exclusions		Abstain	
	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders
3 CONFIRMATION OF APPOINTMENT OF AUDITOR	56,242,105	61	34,307	3	291,800	12	0	0	56,568,212	76	0	0	100,000	3
	99.42%	80.26%	0.06%	3.95%	0.52%	15.79%	0.00%	0.00%						

Resolution 4: Change of Company Name

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:¶

- ▲ “That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to Underwood Capital Limited with effect from the date that the Australian Securities & Investments Commission alters the details of the Company’s registration to reflect its change in name.”¶

Resolution	For		Against		Discretionary		Unusable For		Totals		Exclusions		Abstain	
	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders	Votes	Holders
4 CHANGE OF COMPANY NAME	52,839,923	44	3,250,789	14	301,800	13	0	0	56,392,512	71	0	0	275,700	8
	93.70%	61.97%	5.76%	19.72%	0.54%	18.31%	0.00%	0.00%						

Voting Poll



Meeting Closure



Questions