

ASX ANNOUNCEMENT

Business update

Brisbane, 19 March 2024: Health and Plant Protein Group Limited (ASX: HPP) (**HPP**) updates shareholders as follows in relation to its application to the US Internal Revenue Service (**IRS**) for assessment of the US withholding taxes payable on the sale of its macadamia division in April 2023.

At completion of the sale in April 2023, approximately US\$3.9 million of the purchase price was deposited in escrow pending the assessment by the IRS of the US withholding tax payable by HPP.

The IRS has advised HPP that its application for a withholding certificate cannot be processed, so the escrowed funds must be transferred to the IRS and HPP must file a US income tax return. HPP has instructed the escrow agent to transfer the funds to the IRS in accordance with the notice and has requested the Buyer to consent to the release of the funds as required by the notice.

HPP intends to file its US income tax return and expects to receive a tax refund net of any US withholding tax. HPP does not expect any material change to the amount of its liability for US withholding tax. However, the IRS process will further delay receipt of the balance of sale proceeds and its proposed return to shareholders. The length of the delay is uncertain, but it could take up to a further 6 months.

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

ENDS

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