

ASX announcement

22 March 2023



Hills welcomes new cornerstone investor

Hills Limited (**ASX: HIL**) is pleased to announce new funding by private investor Historical Holdings Pty Ltd, which will become a significant shareholder in the Company after agreeing to an initial \$4.4 million capital injection as a part of a new placement and entitlement offer to Hills shareholders.

Historical Holdings is associated with Mr Ian Trahar from Western Australia, who also owns leading Australian electronic and electrical products wholesaler Arlec Australia (**Arlec**), among other diverse interests.

The new funds will be used to recapitalise the business and accelerate growth pathways to return the company to profitability. The association with Arlec and other related businesses will provide access to highly complementary capabilities and technical expertise that will underpin Hills' long-term growth strategy.

Historical Holdings' investment takes the form of a placement and an agreement to underwrite a new entitlement offer to shareholders. As a result, the entitlement offer announced on 13 March 2023 has been withdrawn. The placement is for approximately \$0.9 million to be paid immediately and priced at \$0.03 per share, a 50% premium to the current market price. This will result in Historical Holdings having an interest of 11.8% in Hills prior to the entitlement offer. The balance of \$3.5 million will be contributed through a new entitlement offer, the details of which will be announced tomorrow morning.

The Hill-Ling family has agreed with Hills to withdraw the underwriting agreement announced on 13 March 2023, enabling Hills to reshape and relaunch the entitlement offer to accommodate the new investment by Historical Holdings.

Hills Chief Executive Officer David Clarke said: "We are delighted to welcome Mr Trahar and his team as a major investor in our business. His financial resources, and the capabilities of his businesses will provide Hills with the support needed to underpin and accelerate the achievement of our goals. This partnership with Historical Holdings not only provides value for our shareholders but, just as importantly, provides certainty, stability and opportunities for our employees and our customers."

This ASX announcement is authorised for release by the Board of Hills Limited.

About Hills Limited

Hills (ASX: HIL) is a majority Australian-owned company that designs, develops, distributes, installs and manages integrated health technology solutions in homes, hospitals, aged care facilities and other health settings across Australia and New Zealand. www.hills.com.au

About Historical Holdings Pty Ltd

Historical Holdings Pty Ltd is an Australian private investment company owned by Mr Harley Whitcombe, Mr Balu Jega and Gabor Holdings Pty Ltd. Gabor is the wholly owned and controlled investment vehicle of Mr Ian Trahar.

Contact

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