



Henry Morgan

Announcement

Henry Morgan Limited

ACN 602 041 770

23 January 2017

Business update – Further information regarding strategic partnership

Henry Morgan Limited (ASX:HML) refers to its announcement released to the market on 17 January 2017 regarding an agreement between Shinsegae Food Inc., one of South Korea's leading food processing, manufacturing and distribution businesses, and a wholly owned subsidiary of Bartholomew Roberts Ltd. Henry Morgan Limited holds approximately 36% of Bartholomew Roberts Ltd, which has investments in a range of different businesses and sectors, including security, mercantile agency and food & beverage. Henry Morgan Limited has invested \$1.2 million in Bartholomew Roberts Ltd, which is equivalent to approximately 2.46% of Henry Morgan Limited's fully diluted asset value.

As noted in Henry Morgan Limited's announcement of 17 January 2017, Shinsegae Food and the Bartholomew Roberts subsidiary have agreed to establish a 50-50 joint venture company in Korea which will aim to develop, operate, market and promote new food products in the Korean and broader Asian markets. Both parties will hold 50% of the shares and have equal representation on the board of directors of the joint venture entity.

Henry Morgan Limited has not invested funds in the proposed joint venture entity, and the agreement does not require a capital call on Henry Morgan Limited. However, the Board believes that the return on the joint venture to Henry Morgan Limited as an investor in Bartholomew Roberts Ltd could be very positive, and thus it is appropriate for disclosure to be made at this time to keep the market informed of the opportunities currently being explored.

As previously advised, there is no guarantee that the joint venture will be implemented. If it proceeds, various internal and external funding options may be considered. Henry Morgan Limited currently values its indirect interest in the joint venture at nil. Further disclosure will be made as the details become more certain.

ENDS

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