

APPENDIX 4E

30 June 2025

ABN 53 609 543 213



Results for Announcement to the Market

for the year ended 30 June 2025

1. REPORTING PERIOD (item 1)

Report for the financial year ended: 30 June 2025

Previous corresponding period is the year ended: 30 June 2024

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

RESULTS FOR ANNOUNCEMENT TO THE MARKET	Movement	Percentage %	Amount
Decrease in revenues from contracts with customers (item 2.1)	↓	-40.05%	\$ 673,249
Increase in loss from ordinary activities after tax (item 2.2)	↑	125.00%	\$7,212,305
Increase in loss from tax attributable to members (item 2.2)	↑	125.00%	\$7,212,305

b. Brief explanation of the figures reported above necessary to enable the figures to be understood(item 2.6):

Provide commentary here.

Revenue decreased this by 57% this following 45% increase in revenue from FY 24. The next loss for the increased by 125% noting that FY 24 included 2 years of R&D receipts. The numbers are highlighted in the accompanying financial information. The reason for the decline in Revenue and profit was the restructuring of the company to focus and successfully launch our consumer product PROTEQT and to align our operating structure with this.

3. PRELIMINARY FINAL REPORT

a. Statement of comprehensive income (item 3):

Refer to statement of profit and loss and other comprehensive income.

b. Statement of financial position (item 4):

Refer to statement of financial position

c. Statement of cash flows (item 5):

Refer attached statement of cash flows

d. Statement of changes in equity (item 6):

Refer to statement of changes in equity

4. DIVIDENDS (item 7)

Dividends (item 2.4)		Amount per Security	Franked amount Per security
. Interim Dividend		nil	
. Final Dividend		nil	n/a
. Record date for determining entitlements to the dividend		n/a	n/a

Nil

5. RATIOS

	Current period	Previous corresponding period
a. Financial information relating to 5b and 5c:		
Earnings for the period attributable to owners of the parent	(7,212,305)	(3,204,730)
Net Assets	(4,022,742)	(1,473,821)
Less: Intangible assets (including net deferred tax balances) and right of use assets	(349,179)	(755,905)
Net Tangible Assets	(4,371,921)	(2,229,726)
	No.	No.
Fully Paid ordinary shares	459,697,914	351,844,967
Weighted average number of ordinary shares outstanding during the year used in calculation of basis EPS	364,716,535	347,979,471
	c	c
b. Net Tangible assets backing per share (cents) (item 9)	-0.01	-0.64
c. Earnings per share attributable to owners of the parent	-0.02	-0.92

6. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST (item 10)

a. Control gained over entities

- Name of entities (item 10.1) Nil
- Date(s) of gain of control (item 10.2) n/a

b. Loss of control of entities

- Name of entities (item 10.1) Nil
- Date(s) of loss of control (item 10.2) n/a

c. Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was gained / lost (item 10.3).

n/a

d. Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 10.3)

n/a

7. DETAILS OF ASSOCIATES AND JOINT VENTURES (item 11)

1)

- Name of entities (item 11.1) Nil
- Percentage holding in each of these entities (item 11.2) n/a

- Aggregate share of profits (losses) of these entities (item 11.3)

Current period	Previous corresponding period
\$	\$
N/A	N/A

8. ANY OTHER SIGNIFICANT INFORMATION

That would be needed by an investor to make a informed assessment of the entity's financial performance and financial position.

Refer to accompanying Annual Report

9. BASIS OF PREPARATION

Refer to attached Annual Report

10. COMMENTARY OF RESULTS (item 14)

FY25 has been a pivotal year in HITIQ's evolution as we successfully launched our PROTEQT system, expanding from our elite-focused custom solutions to mass-market commercialisation. The exclusive global partnership with Shock Doctor has enabled us to deliver the world's first self-fit boil-and-bite mouthguard with integrated concussion management technology, creating a market position that no competitor can replicate.

The board acknowledges that our share price performance during FY25 has not reflected the significant progress we have made. Operationally, we have reduced our expenses, improved our supply chain and margin, established a new management team and relaunched our website and developed a consumer model to compliment our elite sport eco system.

We remain confident in our strategic direction and market positioning as we enter what we believe represents the largest addressable market opportunity in our company's history

11. AUDIT

The financial information provided in the Appendix 4E is based on the Audited Financial Report (attached).

12. SIGNED



Earl Eddings

Executive Chair
On behalf of the Board of Directors
HITIQ Limited
29 August 2025

HIT·IQ

Concussion Management
Technologies

POWERED BY
ImpactIQ
TECHNOLOGY

Annual Report

30 June 2025

HITIQ Limited
ABN 53 609 543 213



Unit 4, 38-42 White Street
South Melbourne VIC 3205
Australia

Letter from the Board

Dear Fellow Shareholders,

On behalf of the Board of HITIQ, we are pleased to present HITIQ Limited's 2025 Annual Report.

FY25 has been a pivotal year in HITIQ's evolution as we successfully launched our PROTEQT system, expanding from our elite-focused custom solutions to mass-market commercialisation. The exclusive global partnership with Shock Doctor has enabled us to deliver the world's first self-fit boil-and-bite mouthguard with integrated concussion management technology, creating a market position that no competitor can replicate.

Our strategic focus on Australia and the UK for initial PROTEQT rollout demonstrates our disciplined approach to international expansion. These markets offer significant opportunities in regions where concussion awareness and safety requirements continue to evolve rapidly.

The appointment of Earl Eddings as Executive Chair has brought transformational leadership to our organisation, whilst we welcomed Jennifer Tucker to our board. Earl's extensive experience as former Chair of Cricket Australia and Director of the International Cricket Council provides invaluable sports industry expertise. Jennifer's proven track record in consumer products and health sectors brings essential commercial expertise as we scale our consumer-focused PROTEQT system.

We established meaningful partnerships with key sporting organisations during FY25, including VAFA, SMJFL and Barwon AFL, creating a strong foundation for voluntary adoption across diverse sporting communities. These collaborations demonstrate our ability to bridge the gap between professional and grassroots sports participation.

The board acknowledges that our share price performance during FY25 has not reflected the significant progress we have made. Operationally, we have reduced our expenses, improved our supply chain and margin, established a new management team and relaunched our website and developed a consumer model to compliment our elite sport eco system.

We remain confident in our strategic direction and market positioning as we enter what we believe represents the largest addressable market opportunity in our company's history.

Looking ahead to FY26, we are exceptionally well-positioned to capitalise on the momentum generated through our partnerships, proven technology, and expanding market presence.

We extend our sincere gratitude to our shareholders for their continued support during this transformational period. We also thank our dedicated team and board whose innovation and commitment have positioned HITIQ as a leader in concussion management technology.

Earl Eddings

Executive Chair on behalf of the Board



Directors	Philip Carulli Matthew Clayworth James Barrie Earl Eddings (appointed 3 rd October 2024) Jennifer Tucker (appointed 31 st January 2025)
Company secretaries	James Barrie Michelle Sabatino
Registered office	C/o Optima Partners Suite 3, 128 Main Street Osborne Park, WA, 6017 Phone: 08 6267 2200
Principal place of business	Unit 4 38-42 White Street South Melbourne, VIC, 3205 Phone: 0478 038 567
Share register	Automic Group Level 2, 267 St Georges Terrace Perth, WA, 6000 Phone: 1300 288 664
Auditor	William Buck Audit (Vic) Pty Ltd Level 20, 181 William Street Melbourne VIC 3000
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan St Perth, WA, 6000
Bankers	Commonwealth Bank of Australia 3 Queen Street Fremantle, WA, 6161
Stock exchange listing	HITIQ Limited shares are listed on the Australian Securities Exchange (ASX code: HIQ)
Website	www.hitiq.com
Patent Attorney	Forward Intellectual Property Pty Ltd Level 2, 11 York St Sydney, NSW, 2000

HITIQ Limited
Directors' Report
30 June 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of HITIQ Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

The following persons were directors of HITIQ Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Philip Carulli
Matthew Clayworth
James Barrie
Earl Eddings (appointed 3rd October 2024)
Jennifer Tucker (appointed 31st January 2025)

Principal activities

During the financial year the principal continuing activities of the consolidated entity were the development and commercialisation of concussion management technology.

No significant change in the nature of these activities occurred during the year.

Key risks and uncertainties

HITIQ Limited is subject to both specific as well as general risks.

Sufficiency of funding

The consolidated entity doesn't have a lot of resources and will need more funds to keep working on its technology and products, and to reach its long-term goals. Furthermore, factors such as how the economy and stock markets are doing are beyond the control of the directors and may be a hindrance to raise capital.

Technology, manufacturing and product quality risk

The consolidated entity uses different hosting providers to keep its technology platforms and services running smoothly. However, there's a risk that these systems could go down due to various reasons. If one of the hosting providers stops working with the company, it could cause problems like lost revenue, damage to the company's reputation, and financial issues.

Although the Company manufactures its products at its own premises, HITIQ currently relies on a number of external Suppliers for key components of its technologies. There is no guarantee that these suppliers will be able to meet the cost, reliability, volume, or lead times required for HITIQ to remain competitive in the future. These suppliers are also exposed to the regulatory and compliance requirements faced by HITIQ. There is no guarantee that the suppliers will adequately conform to these standards in the future. A failure to meet regulatory standards could result in enforcement actions that could be extended to HITIQ.

Protection of intellectual property

HITIQ's success depends, in part, on its ability to obtain, maintain and protect its intellectual property, including its patents. Actions taken by HITIQ to protect its intellectual property may not be adequate, complete or enforceable and may not prevent the misappropriation of its intellectual property and proprietary information or deter independent development of similar technologies by others.

HITIQ may also suffer damage if former employees infringe its intellectual property rights or assert their moral rights. The granting of a patent does not guarantee that HITIQ's intellectual property is protected and that others will not develop similar technologies that circumvents such patents.

There can be no assurance that any patents HITIQ owns, controls or licenses, whether now or in the future, will give HITIQ commercially significant protection of its intellectual property.

Additionally, monitoring unauthorised use of HITIQ's intellectual property rights is difficult and can be costly. HITIQ may not be able to detect all unauthorised use of its intellectual property rights.

Changes in laws in Australia and other jurisdictions in which HITIQ operates may adversely affect HITIQ's intellectual property rights.

Competition and development of intellectual property

HITIQ is in competition with other companies creating similar technologies. The Company is at risk because its rivals might gain more customers by being aggressive in sales, marketing, or pricing. There's also a chance HITIQ might not react as fast as competitors to changes in the market or customer needs. Additionally, new companies entering the industry could make products that compete with HITIQ's offerings.

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Name:	Philip Carulli
Title:	Non-Executive Director
Experience and expertise:	Philip Carulli is a Chartered Accountant and managing director of Optima Financial Group Pty Ltd where he provides financial, taxation and corporate advisory services to a diverse range of businesses. Over the past 25 years Mr Carulli has owned, managed and consulted to companies in professional services, construction, technology, medical, and industrial sectors to name a few.

He holds a Bachelor of Business and holds a Certificate of Public Practice. Philip has been working with the company since incorporation in the capacity of financial controller and former company secretary.

Other current directorships:	-
Former directorships (last 3 years):	-
Interests in shares:	7,405,816
Interests in options:	1,141,076

Name:	Earl Eddings
Title:	Executive Chair
Experience and expertise:	Earl Eddings brings extensive experience in sports governance and business leadership, having served as Chair of Cricket Australia and a Director of the International Cricket Council. His strategic acumen and deep industry connections are instrumental in positioning HITIQ for global growth.

Other current directorships:	-
Former directorships (last 3 years):	-
Interests in shares:	14,218,096
Interests in performance rights:	5,250,000
Interests in options:	909,091

**HITIQ Limited
Directors' Report
30 June 2025**

Name: James Barrie
Title: Non-Executive Director & Company Secretary
Qualifications:

Mr James Barrie is a professional director and company secretary. He was appointed HITIQ company secretary on 1 July 2023 and a Non-Executive Director on 23 February 2024. His strength and expertise are driven by his extensive career and background across various industry sectors, from start-ups to the ASX 20. Mr Barrie provides the HITIQ Board independent advice and expertise across various governance and corporate responsibility requirements required of an ASX-listed company. Mr Barrie's skills include corporate governance, share registry, employment plans, treasury, capital management, accounting, commercial analysis, mergers and acquisitions, strategy, stakeholder relations and business development. In addition to appointments as company secretary of several other listed companies, he is also a director of various unlisted entities.

Experience and expertise: Phoenician Internal Limited (NSX: PHI)
Other current directorships: -
Former directorships (last 3 years): Boadicea Resources Limited (ASX: BOA), InhaleRX Limited (ASX: IRX).
Interests in shares: 1,473,345
Interests in options: 373,540

Name: Matthew Clayworth
Title: Non-Executive Director
Experience and expertise: Mr Clayworth is a Senior Investment Advisor with Wilson's Advisory with over 20 years' experience in Financial Markets. Previous roles include working for Deutsche Bank, Citi Smith Barney and Morgan Stanley as Vice President in Private Wealth. Matthew holds a Bachelor of Commerce from the University of Queensland and a Graduate Diploma in Applied Finance and Investment. He is currently a director of DHD Surf and a co-founder and director of Smart AI Connect.

Other current directorships: -
Former directorships (last 3 years): -
Interests in shares: 65,511,173
Interests in options: 32,357,463

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Name: Jennifer Tucker
Title: Non-Executive Director
Experience and expertise: Ms Tucker has a proven track record in commercial leadership across the consumer products and health sectors. Jennifer brings a strong expertise in marketing, operations and scaling consumer-focused technology businesses.
Other current directorships: -
Former directorships (last 3 years): -
Interests in shares: 159,173
Interests in options: 79,587

Company Secretaries

James Barrie

James Barrie is a professional Director and Company Secretary and provides HIQ with a range of commercially focused professional services and knowledge, including governance, share registry and employee equity plans, stakeholder relations support and virtual shareholder meetings.

Mr Barrie (B.Bus, DipInvRel, CPA, GAICD) is currently company secretary of ASX-listed Accent Resources NL, BOA Resources Limited, InhaleRx Limited and Jupiter Energy Limited, along with a number of several NSX-listed companies.

Michelle Sabatino

Michelle Sabatino (MA (Cantab) Law)) is a professional Company Secretary and provides HIQ with a range of commercially focused professional services and knowledge, including governance, share registry management, processes and controls, ESG, and in-person and virtual stakeholder engagement support.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$7,212,305 (30 June 2024: \$3,204,731).

The Executive Chairman Report contain a review of operations.

The major items of expenditure include Research and Testing \$1,123,744 (2024: \$635,890), administration costs \$941,856 (2024: \$1,161,728) and Employee Benefits Expense \$4,192,718 (2024: \$4,414,244).

Significant changes in the state of affairs

FY25 has been a pivotal year in HITIQ's evolution as we successfully launched our PROTEQT system, expanding from our elite-focused custom solutions to mass-market commercialisation. The exclusive global partnership with Shock Doctor has enabled us to deliver the world's first self-fit boil-and-bite mouthguard with integrated concussion management technology, creating a market position that no competitor can replicate.

Our strategic focus on Australia and the UK for initial PROTEQT rollout demonstrates our disciplined approach to international expansion. These markets offer significant opportunities in regions where concussion awareness and safety requirements continue to evolve rapidly.

Matters subsequent to the end of the financial year

The company completed its Rights Issue and closed its shortfall offer on 15 August 2025 raising a further \$272,960.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board Attended	Held
Philip Carulli	14	14
Matt Clayworth	14	14
James Barrie	14	14
Earl Eddings	11	11
Jennifer Tucker	6	6

Held: represents the number of meetings held during the time the director held office.

HITIQ Limited
Directors' Report
30 June 2025

Shares under option expired during the year

Grant date	Expiry date	Exercise price	Number under option
19-Mar-21	19-Mar-25	\$0.30	1,500,000
14-Jul-21	31-Jul-24	\$0.30	4,642,250
10-Nov-21	10-Nov-24	\$0.30	<u>1,500,000</u>
			7,642,250

Shares under performance right

Unissued performance rights in HITIQ Limited at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
16-Dec-24	04-Oct-25	\$0.00	1,750,000
16-Dec-24	30-Jun-29	\$0.00	1,750,000
16-Dec-24	30-Jun-29	\$0.00	1,750,000
16-Dec-24	30-Jun-29	\$0.00	1,750,000
30-Jan-25	30-Jun-29	\$0.00	9,840,000
30-Jan-25	30-Jun-29	\$0.00	800,000
30-Jan-25	30-Jun-29	\$0.00	800,000
30-Jan-25	30-Jun-29	\$0.00	<u>800,000</u>
			17,490,000

Shares under option

Unissued ordinary shares of HITIQ Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
24-Nov-23	31-Oct-25	\$0.05	1,330,000
22-Jan-24	31-Oct-25	\$0.05	25,055,760
24-Nov-23	31-Oct-25	\$0.05	16,197,094
15-Aug-25	30-Dec-28	\$0.02	33,541,389
22-Aug-25	30-Dec-28	\$0.02	<u>15,454,546</u>
			91,578,789

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of rights

A total of 2,460,000 ordinary shares of HITIQ Limited issued were issued on the exercise of rights during the year ended 30 June 2025 and up to the date of this report. The shares issued were a result of the vesting of performance rights issued to employees during the period.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

Key Management Personnel

With the exception of Earl Eddings and Jennifer Tucker, the named persons held their current position for the whole of the financial year and since the end of the financial year.

Executive Directors / CEO

- Earl Eddings – Executive Chairman (appointed 3rd October, 2024)

Non-Executive Directors:

-
- Philip Carulli – Non-Executive Director
- James Barrie – Non-Executive Director
- Matthew Clayworth – Non-Executive Director
- Jennifer Tucker – Non-Executive Director (appointed 31st January 2025)

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The board has not sought the assistance of a remuneration consultant during the year.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. No external advice was sought from independent remuneration consultants during the year.

The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The remuneration of non-executive directors was set in the Company's Prospectus upon IPO, dated 22 April 2021, which set a cap of \$400,000.

Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders' value relative to the entire market and the increase compared to the consolidated entity's direct competitors. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2024.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals are directly linked to the performance of the consolidated entity. Cash bonus and incentive payments are at the discretion of the Board

The Board is of the opinion that the continued improved results can be attributed in part to the adoption of performance-based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Voting and comments made at the company's 27 November 2024 Annual General Meeting ('AGM')

At the 27 November 2024 AGM, 99.71% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

HITIQ Limited
Directors' Report
30 June 2025

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity-settled (i) \$	Total \$
2025							
<i>Executive Director/CEO:</i> Earl Eddings	\$199,345	-	\$15,740	\$22,925	-	\$111,891	\$349,901
<i>Non-Executive Directors:</i>							
Philip Carulli	\$21,000	-	-	-	-	*\$21,000	\$42,000
Matthew Clayworth	\$21,000	-	-	-	-	*\$21,000	\$42,000
James Barrie (ii)	\$55,368	-	-	-	-	*\$21,000	\$76,368
Jennifer Tucker	\$17,500	-	-	-	-	-	\$17,500
	<u>\$314,213</u>	<u>-</u>	<u>\$15,740</u>	<u>\$22,925</u>	<u>-</u>	<u>\$174,891</u>	<u>\$527,769</u>

*During the financial year the director received \$26,250 of shares which included 50% of their remuneration for the period from April 2024. Accordingly \$5,250 of the shares received relate to their remuneration in the table below.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity-settled (i) \$	Total \$
2024							
<i>Executive Director:</i> Michael Vegar	210,000	-	12,170	23,100	4,036	-	249,306
<i>Non-Executive Directors:</i>							
Otto Buttula	35,538	-	-	3,910	-	-	39,448
Philip Carulli	42,000	-	-	-	-	-	42,000
Glenn Smith	89,645	-	-	-	-	-	89,645
Aidan Clarke	14,000	-	-	-	-	-	14,000
Matthew Clayworth	24,500	-	-	-	-	-	24,500
James Barrie (ii)	51,770	-	-	-	-	-	51,770
	<u>467,453</u>	<u>-</u>	<u>12,170</u>	<u>27,010</u>	<u>4,036</u>	<u>-</u>	<u>510,669</u>

- (i) Equity settled remuneration for FY25 includes payments to non-executive directors as approved at the Annual General Meeting whereby directors received 50% of their remuneration as shares and 50% cash. Additionally share-based payment arrangements issued for the executive Chairman are issued in line with his remuneration package. These include both market and non-market hurdles.
- (ii) Includes Non-Executive fees and those for Company Secretary services

HITIQ Limited
Directors' Report
30 June 2025

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2025	2024	2025	2024	2025	2024
<i>Executive Director/CEO:</i>						
Earl Eddings	68%	-	-	-	32%	-
Michael Vegar	-	100%	-	-	-	-
<i>Non-Executive Directors:</i>						
Philip Carulli	100%	100%	-	-	-	-
Otto Buttula	-	100%	-	-	-	-
Glenn Smith	-	100%	-	-	-	-
Aidan Clarke	-	100%	-	-	-	-
Matthew Clayworth	100%	100%	-	-	-	-
James Barrie	100%	100%	-	-	-	-
Jennifer Tucker	100%	-	-	-	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Earl Eddings
Title: Executive Chairman
Agreement commenced: 3 October 2024
Term of agreement:
Details: Executive Chairman on a fixed remuneration on \$280,000 per annum plus superannuation. Short-Term Incentives of 50% of fixed remuneration plus market-based performance rights as Long Term Incentives. Notice period of 3 months.

Name: Philip Carulli
Title: Non-Executive Director
Agreement commenced: 6 January 2020
Term of agreement: Ongoing
Details: \$42,000 per annum plus GST. No leave entitlements or notice period required.

Name: Matthew Clayworth
Title: Non-Executive Director
Agreement commenced: 29 November 2023
Term of agreement: Ongoing
Details: \$42,000 per annum plus GST. No leave entitlements or notice period required.

Name: James Barrie
Title: Non-Executive Director
Agreement commenced: 23 February 2024
Term of agreement: Ongoing
Details: \$42,000 per annum plus GST. No leave entitlements or notice period required

Name: Jennifer Tucker
Title: Non-Executive Director
Agreement commenced: 31 January 2025
Term of agreement: Ongoing
Details: \$42,000 per annum plus GST. No leave entitlements or notice period required.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Shares granted as compensation

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025 are set out below:

Name	Date	Shares	Issue Price	\$
Philip Carulli	16/12/2024	656,250	4c	26,250
Matthew Clayworth	16/12/2024	656,250	4c	26,250
James Barrie	16/12/2024	656,250	4c	26,250

Shares were offered in Lieu of Fees for non-executive directors, Philip Carulli, Matthew Clayworth and James Barrie approved at the annual general meeting.

Performance rights granted as compensation

Details of share-based payment arrangements granted as compensation to key management personnel during the current financial year.

Name	Number of options granted	Grant date	Vesting date	Expiry date	Fair value per option at grant date	Value of options at grant date	Conditions
Earl Eddings	1,750,000	16/12/24	04/10/25	04/10/25	0.0400	51,780	12 months service
Earl Eddings	1,750,000	16/12/24	30/09/25	30/06/29	0.0211	36,975	4c 30day VWAP within 12 months
Earl Eddings	1,750,000	16/12/24	31/03/26	30/06/29	0.0159	27,876	6c 30 day VWAP within 18 months
Earl Eddings	1,750,000	16/12/24	30/09/26	30/06/29	0.0125	21,820	8c 30 day VWAP within 24 months

Shares offered to Earl Eddings are subject to 12 months service condition vesting 4 October 2025. Value attributed to these shares are pro -rata based on time served.

Each of the above performance rights have service conditions linked to the vesting date of the right. There has been no alteration of the terms and conditions of the above share-based payment arrangements since grant date.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025.

Additional information

The earnings of the consolidated entity for the three years to 30 June 2025 are summarised below:

	2025	2024	2023
	\$	\$	\$
Sales revenue	673,249	1,123,000	774,260
EBITDA	(6,319,720)	(2,542,622)	(4,319,556)
EBIT	(6,767,834)	(2,943,395)	(4,851,088)
Loss after income tax	(7,212,305)	(3,204,731)	(5,037,305)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2025	2024	2023
Share price at financial year end (\$)	0.02	0.02	0.03
Basic earnings per share (cents per share)	(1.58)	(0.92)	(2.52)

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Acquired on market	Balance at resignation	Balance at the end of the year
<i>Ordinary shares</i>					
Philip Carulli	5,749,566	656,250	1,000,000	-	7,405,816
Jennifer Tucker	-	-	159,173	-	159,173
Earl Eddings	-	-	9,801,461	-	9,801,461
Matthew Clayworth	-	656,250	1,201,281	-	1,857,531
James Barrie	70,000	656,250	747,095	-	1,473,345
	5,819,566	1,968,750	12,909,010	-	20,697,326

Matthew Clayworth represents Harmel Angel Investments Pty Ltd who hold 63,653,642 shares as at the date of this report.

Performance Rights

The number of performance rights in the company held during the financial year by key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Balance at Resignation/ expired	Balance at the end of the year
<i>Performance rights</i>					
Earl Eddings	-	5,250,000	-	-	5,250,000
	-	5,250,000	-	-	5,250,000

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted - Free attaching	Exercised	Balance at Resignation/ expired	Balance at the end of the year
<i>Options over ordinary shares</i>					
Philip Carulli	611,075	530,001	-	-	1,141,076
Jennifer Tucker	-	79,587	-	-	79,587
Earl Eddings	-	909,091	-	-	909,091
Matthew Clayworth	-	530,641	-	-	530,641
James Barrie	70,000	303,540	-	-	373,540
	681,075	2,352,860	-	-	3,033,935

Matthew Clayworth represents Harmil Angel Investments Pty Ltd who hold 31,826,822 options as at the date of this report.

These options were acquired as 1:1 free attaching to shares as part of the Company's rights issue, which concluded on 27 June 2025.

Other transactions with key management personnel and their related parties

The following transactions occurred with related parties:

HITIQ Limited
Directors' Report
30 June 2025

Payments to Optima Financial Group Pty Ltd
(Director related entity of Philip Carulli)

2025

2024

Bookkeeping services
Accounting and taxation services

34,980

33,331

48,252

38,810

83,232

72,141

All transactions were made on normal commercial terms and conditions and at market rates.

This concludes the remuneration report, which has been audited.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Indemnity and insurance of officers

The Company's Constitution provides that, subject to and so far as permitted by the Corporations Act 2001, the Company must, to the extent the person is not otherwise indemnified, indemnify every director and officer of the Company out of the assets of the Company to the relevant extent against any liability incurred by the director or officer in or arising out of the conduct of the business of the Company or in or arising out of the discharge of the duties of the director or officer, except where there is a lack of good faith.

During the financial year, the Company has paid insurance premiums in respect of Directors' and Officers' liability. The policy indemnifies all Directors and Officers of the Company and its controlled entities against certain liabilities. In accordance with common commercial practice, the insurance policy prohibits disclosure of the nature of the liability insured against and the amount of the premium. The Directors have not included details of the nature of the premium paid in respect of Directors' and Officers' liability as such disclosure is prohibited under the terms of the contract.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

William Buck Audit (VIC) Pty Ltd was appointed as auditor continues in office during the year in accordance with section 327 of the Corporations Act 2001.

HITIQ Limited
Directors' Report
30 June 2025

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Earl Eddings
Chairman

29 August 2025



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of HITIQ Limited

As lead auditor for the audit of HITIQ Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of HITIQ Limited and the entities it controlled during the year.

A handwritten signature in black ink that reads "William Buck".

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A handwritten signature in black ink, appearing to be "N. S. Benbow".

N. S. Benbow
Director
Melbourne, 29 August 2025

HITIQ Limited
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30 June 2025

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General information

The financial statements cover HITIQ Limited as a consolidated entity consisting of HITIQ Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is HITIQ Limited's functional and presentation currency.

HITIQ Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

C/o Optima Partners
Suite 3, 128 Main Street
Osbourne Park, WA, 6017
Phone: 08 6267 2200

Principal place of business

Unit 4
38-42 White Street
South Melbourne, VIC, 3205
Phone: 0478 038 567

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 August 2025. The directors have the power to amend and reissue the financial statements.

HITIQ Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Revenue	4	2,014,870	4,748,879
Interest income		5,292	17,328
Expenses			
Employee benefits expense		(4,192,718)	(4,414,244)
Research and testing		(1,123,744)	(635,890)
Administration		(941,856)	(1,161,729)
Marketing		(273,406)	(180,280)
Consultancy fees		(575,143)	(563,877)
Accountancy and secretarial fees		(91,871)	(72,222)
Auditor's remuneration		(75,220)	(61,241)
Occupancy		(31,384)	(219,346)
Finance costs		(1,005,036)	(261,336)
Share based payment expense		(473,975)	-
Depreciation and amortisation expense		(448,114)	(400,773)
Loss before income tax expense		(7,212,305)	(3,204,731)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of HITIQ Limited		(7,212,305)	(3,204,731)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain / (loss) on translation of foreign operations		(2,657)	6,073
Other comprehensive income for the year, net of tax		(2,657)	6,073
Total comprehensive income for the year attributable to the owners of HITIQ Limited		<u>(7,214,962)</u>	<u>(3,198,658)</u>
		Cents	Cents
Basic earnings per share	23	(1.56)	(0.92)
Diluted earnings per share	23	(1.56)	(0.92)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

HITIQ Limited
Statement of financial position
As at 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents		990,959	584,018
Trade and other receivables	5	1,809,282	2,193,672
Prepayments		27,034	81,301
Rental deposit		27,225	27,225
Total current assets		<u>2,854,500</u>	<u>2,886,216</u>
Non-current assets			
Property, plant and equipment		72,628	85,426
Right of use asset	6	231,945	364,752
Intangibles	7	117,209	391,152
Total non-current assets		<u>421,782</u>	<u>841,330</u>
Total assets		<u>3,276,282</u>	<u>3,727,546</u>
Liabilities			
Current liabilities			
Trade and other payables	8	1,146,052	1,045,700
Contract liabilities		114,754	430,263
Borrowings	9	1,783,440	1,123,411
Convertible notes	10	3,594,682	1,698,147
Provision for employee entitlements	11	260,083	446,495
Lease liability		95,448	89,687
Total current liabilities		<u>6,994,459</u>	<u>4,833,703</u>
Non-current liabilities			
Provision for employee entitlements	12	113,903	81,553
Lease liability		190,662	286,111
Total non-current liabilities		<u>304,565</u>	<u>367,664</u>
Total liabilities		<u>7,299,024</u>	<u>5,201,367</u>
Net assets/(liabilities)		<u>(4,022,742)</u>	<u>(1,473,821)</u>
Equity			
Issued capital	13	28,400,528	24,026,939
Reserves		327,320	324,778
Accumulated losses		<u>(32,750,590)</u>	<u>(25,825,538)</u>
Total equity/(deficiency)		<u>(4,022,742)</u>	<u>(1,473,821)</u>

The above statement of financial position should be read in conjunction with the accompanying notes

HITIQ Limited
Statement of changes in equity
For the year ended 30 June 2025

Consolidated	Issued capital \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance at 1 July 2023	22,255,241	(23,918,557)	1,616,455	(46,861)
Loss after income tax expense for the year	-	(3,204,731)	-	(3,204,731)
Other comprehensive income for the year (forex translation adjustment)	-	-	6,073	6,073
Total comprehensive income for the year	-	(3,204,731)	6,073	(3,198,658)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 8)	1,771,698	-	-	1,771,698
Expiry of options	-	1,297,750	(1,297,750)	-
Balance at 30 June 2024	<u>24,026,939</u>	<u>(25,825,538)</u>	<u>324,778</u>	<u>(1,473,821)</u>

Consolidated	Issued capital \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance at 1 July 2024	24,026,939	(25,825,538)	324,778	(1,473,821)
Loss after income tax expense for the year	-	(7,212,305)	-	(7,212,305)
Other comprehensive income for the year (forex translation adjustment)	-	-	(2,657)	(2,657)
Total comprehensive income for the year	-	(7,212,305)	(2,657)	(7,214,962)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of conversion notice for convertible notes	1,856,682	-	-	1,856,682
Shares issued	1,882,860	-	-	1,882,860
Share issue costs	(99,048)	-	-	(99,048)
Option lapsed	-	287,253	(287,253)	-
Vesting of share based payments	-	-	408,072	408,072
Shares issued as payment to suppliers	486,945	-	-	486,945
Shares issued as payment to directors	78,750	-	-	78,750
Exercise of rights	115,620	-	(115,620)	-
Shares granted but not yet issued	51,780	-	-	51,780
Balance at 30 June 2025	<u>28,400,528</u>	<u>(32,750,590)</u>	<u>327,320</u>	<u>(4,022,742)</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

HITIQ Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		775,786	1,070,025
Payments to suppliers and employees (inclusive of GST)		(6,812,594)	(6,944,148)
Receipts from government grants		1,620,591	1,909,886
Finance costs		(243,919)	(154,905)
		(4,660,136)	(4,119,142)
Interest received		5,292	17,328
Net cash used in operating activities	22	(4,654,844)	(4,101,814)
Cash flows from investing activities			
Payments for property, plant and equipment		(28,566)	(20,776)
Net cash used in investing activities		(28,566)	(20,776)
Cash flows from financing activities			
Proceeds from issue of shares	13	1,481,437	1,829,176
Share issue transaction costs		(8,950)	(99,749)
Proceeds from borrowings		5,220,000	2,715,127
Repayment of borrowings		(1,471,544)	(1,694,993)
Repayment of lease liabilities		(130,591)	(22,089)
Net cash from financing activities		5,090,351	2,727,472
Net decrease in cash and cash equivalents		406,941	(1,395,118)
Cash and cash equivalents at the beginning of the financial year		584,018	1,979,136
Cash and cash equivalents at the end of the financial year		<u>990,959</u>	<u>584,018</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New accounting standards adopted or not yet mandatory but adopted

During the year the consolidated entity adopted all new accounting standards and interpretations. There was no material impact upon these financial statements from their adoption.

Going concern

The financial report has been prepared on a going concern basis, which contemplates the realisation of assets and liabilities and assets in the normal course of business.

For the year ended 30 June 2025, the consolidated entity incurred a net loss of \$7,212,305 and incurred net cash outflows from operations of \$4,654,844 and had a net deficiency of current assets relative to current liabilities of \$4,139,959. Due to these matters, there is a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern. In determining that the consolidated entity continues as a going concern, the directors have reviewed and approved the following cashflow forecast which includes the following key assumptions:

- The forecast includes proceeds from expected capital raising activities and capital raised of \$272,960 in FY26 to date. The directors of the entity believe that such capital raising activities will eventuate based upon the entity's track record of successfully issuing capital.
- The forecast expects revenue to commence from the new consumer based strategy and PROTEQT product;
- The consolidated entity can continue to access its research and development tax incentive from the ATO, this can also be bought forward by way of finance facilities. The FY2025 claim of \$1,455,000 will be used to retire the existing facilities in place (\$1,276,490 at 30 June 2025) while any funds in excess of this amount will be put towards working capital;
- As at 30 June 2025 the consolidated entity owed \$98,602 to its key management personnel, including accruals for director's fees and for annual leave owing. Those key management personnel have written to the Company advising that they are willing to defer amounts owing to them as at reporting date and as they accrue under contract for the next 12 months from the date of signing these financial statements, if necessary, to ensure that the Company has adequate reserves of available working capital;
- The company has terminated some excess staff and cut expenses in the United States and New Zealand putting a pause on these foreign operations to align with the consumer based strategy; and
- The directors have received a letter from its convertible note investor confirming that it has the ability and intention, if required, to not call upon, or alternatively to convert to equity each convertible notes at their maturity in 12 months from the issue date in the event that such an action jeopardises the availability of working capital of the Group.

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared on a historical cost basis, adjusted for the fair value of the embedded derivatives arising from its convertible note arrangements, by applying the going concern basis of accounting.

The financial statements are presented in Australian dollars.

Note 1. Material accounting policies (continued)

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of HITIQ Limited ('company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. HITIQ Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Revenue recognition

The consolidated entity recognises revenue as follows:

Licence and software access fees

The consolidated entity primarily generates revenue from the sale of licences to access its software which enables its customers use of an application or main web browsers that illustrates the sensor trace data from the mouthguard sensors.

The customers consideration provided as part of the revenue agreement is to receive the benefits of the data and access to the software platforms which will be recognised over the life of the licence term. Given that this service cannot be provided without the physical mouthguard and sensor, the delivery and setup services of the mouthguards, and any other software infrastructure provided to the customer, is bundled with the licence performance obligation. Where billings are in-advance of the performance condition, these are deferred on the Statement of Financial Position as a contract liability; when in-arrears, recognised as a contract asset.

Any direct costs to contract are deferred and charged to the profit or loss as the underlying performance condition is satisfied.

Government grants

Grants from the government are recognised at their fair value when there is a reasonable assurance that the entity will comply with conditions attaching to them and that the grant will be received.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website

Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Customer lists

Customer lists acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Note 1. Material accounting policies (continued)

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Database

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Convertible notes

Where borrowings feature share conversion clauses that entitle the investor to a variable number of shares, be this through an entitlement to settle interest through the conversion clause or through the terms specified in the conversion clause itself, an embedded derivative is separated from the underlying borrowing host at the inception of the contract. Thereafter the embedded derivative is revalued at each subsequent reporting date with changes taken to the profit or loss. The underlying host contract following initial recognition is recognized at amortized cost applying the effective interest rate method.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2025. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and carry forward tax losses only if the entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Research and development expenditure and claims

The directors' expense all research and development expenditure. Claims from the government for research and development credits, which are calculated on the basis of qualifying research and development activity performed are accrued for as income when the directors assess that there is a high probability of those claims' credits being honoured by the Federal government.

Research and development rebate

The company is entitled to claim grant credits from the Australian Government in recompense for its research and development program expenditure. The program is overseen by AusIndustry, which is entitled to audit and/or review claim lodged for the past 4 years. In the event of a negative finding from such an audit or review AusIndustry has the right to rescind and clawback those prior claims, potentially with penalties. Such a finding may only occur in the event that those expenditures do not appropriately qualify for the grant program. In their estimation, considering also the independent external expertise they have contracted to draft and claim such expenditures, the directors of the company consider that such a negative review has a remote likelihood of occurring.

Note 3. Operating segments

Identification of reportable operating segments

Under AASB 8 the consolidated group is organized into one operating segment. The operating segment is the development and sale of concussion assessment software to customers primarily in Oceania. This operating segment is based on the internal reports that are reviewed and used by the Board in assessing performance and in determining the allocation of resources. The chief operating decision maker is the Executive Chairman.

Note 4. Revenue

	Consolidated	
	2025	2024
	\$	\$
Revenue from contracts with customers	673,250	1,123,000
<i>Other revenue</i>		
Research and development tax rebate	1,341,620	3,625,879
Total revenue	<u>2,014,870</u>	<u>4,748,879</u>

Note 5. Current assets - trade and other receivables

	Consolidated	
	2025	2024
Trade receivables	18,736	440,354
GST receivable	-	19,347
Research & development tax credits receivable	1,455,000	1,715,923
Capital contribution receivable*	328,545	-
Other receivables	7,001	18,048
	<u>1,809,282</u>	<u>2,193,672</u>

* Capital contribution receivable refers to rights issue shortfall commitments received subsequent to 30 June 2025 for which shares had been issued prior to 30 June.

Note 6. Non-current assets – right of use lease asset

	Consolidated	
	2025	2024
	\$	\$
Right of use asset	397,620	397,620
Less accumulated amortisation	(165,675)	(32,868)
Total	<u>231,945</u>	<u>364,752</u>

On 1 March 2024 the company signed a lease agreement for 4/38-42 White Street South Melbourne VIC. The lease term is for 4 years commencing 8 April 2024 with an option for a further 2-year term. Fixed annual rent increases are 3% per annum until the end of the initial term.

Note 7. Non-current assets - intangibles

	Consolidated	Consolidated
	2025	2024
	\$	\$
Trademark	1,470	1,470
Less accumulated amortisation	(1,470)	(1,470)
Software	870,283	870,283
Less accumulated amortisation	(870,283)	(645,183)
Database	252,943	252,943
Less accumulated amortisation	(153,959)	(112,711)
Customer list	46,573	46,573
Less accumulated amortisation	(28,348)	(20,753)
Total intangibles	<u>117,209</u>	<u>391,152</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Software \$	Database \$	Customer list \$	Trademark \$	Total \$
Balance at 1 July 2023	495,217	181,480	33,415	1,470	711,582
Additions	-	-	-	-	-
Amortisation expense	(270,117)	(41,248)	(7,595)	(1,470)	(320,430)
Balance at 30 June 2024	225,100	140,232	25,820	-	391,152
Amortisation expense	(225,100)	(41,248)	(7,595)	-	(273,943)
Balance at 30 June 2025	<u>-</u>	<u>98,984</u>	<u>18,225</u>	<u>-</u>	<u>117,209</u>

Note 8. Current liabilities - trade and other payables

	Consolidated	Consolidated
	2025	2024
	\$	\$
Trade payables	781,645	865,267
Amounts owing to key management personnel	98,602	-
Amounts payable to Australian Taxation Office	44,805	127,197
Other payables	221,000	53,236
	<u>1,146,052</u>	<u>1,045,700</u>

Note 9. Current liabilities – borrowings

	Consolidated	
	2025	2024
	\$	\$
Insurance premium funding loan	-	70,961
Less: unexpired finance charges	-	(3,092)
Loan - Keystone Group	-	1,042,459
Loan – Rockford RDP Pty Ltd	1,276,490	-
Loan – Harmil Angel Investments Pty Ltd	506,617	-
Credit cards	333	13,083
	<u>1,783,440</u>	<u>1,123,411</u>

On 14 January 2025 the company repaid \$1,558,030 to Keystone Capital Partners Pty Ltd, repayment was the ATO cash refund received of \$1,471,544 plus \$86,486 in shares.

On 21 February 2025, the company signed a loan facility agreement for \$800,000 with Rockford RDF Pty Ltd (an unrelated company specialising in R&D Grant refund loans). Additional funds were drawn down 9 April 2025, \$220,000 and 26 June 2025 another \$200,000. The total outstanding as of 30 June 2025 is \$ 1,200,000 excluding accrued interest. The facility was advanced against the expected R&D refund from the ATO on or before 30 September 2025 and carries interest rate at 15% per annum.

On 30 April 2025 the company signed a short-term loan facility with major shareholder Harmil Angel Investments for \$500,000. The term was for 6 months and carries an interest rate of 15% on the total amount.

Refer to note 10 for further information on financial instruments.

Assets pledged as security

The Rockford RDP Pty Ltd loan is secured against the FY2025 R&D return.

Note 10. Current liabilities – convertible note

	Consolidated	
	2025	2024
	\$	\$
Convertible note – host debt at amortised cost	3,118,005	1,520,369
Embedded derivative at FVTPL	476,677	177,778
	<u>3,594,682</u>	<u>1,698,147</u>

The company entered into a \$1,600,000 unsecured convertible note with No Bull Health Pty Ltd on 17 May 2024 for a period of 12 months. On 8 October 2024 the company received notice from the noteholder to convert the Tranche 1 convertible note to shares at an agreed price of 2 cents per share. Subject to approval of 20% holding ownership at AGM, this balance will be converted to 93,272,451 shares. As the noteholder holds the legal right of conversion, the tranche has been reclassified as issued capital. Refer to note 11. Interest continues to accrue on the outstanding balance up until conversion is approved by shareholders.

The company entered into an additional convertible note facility on 17 October 2024 totalling \$3,100,000. Interest on the loan is calculated at 12.5% per annum and the conversion price at election of the noteholder will be equal to a 10% discount to the prevailing 7-day VWAP of the Company's shares at the date of conversion. If redeemed prior to completion of the term a 10% early redemption fee will apply. Interest on the loan is payable monthly unless agreed by the lender 5 days prior to the interest period to capitalise. Any capitalised or unpaid interest shall be paid on the repayment date. The company may repay the whole or any part of the outstanding loan at any time subject to payment of an early discharge fee totalling 10% of the loan repaid.

Convertible note tranche	Date Drawn	Principal	Interest Rate	Spot Price	Anticipated Exercise Price	Dividend Yield	Volatility	Maturity Date
Tranche 2	23/10/2024	\$1,600,000	12.5%	2.0c	1.8c	Nil	70%	23/10/2025
Tranche 3	13/12/2024	\$1,000,000	12.5%	4.0c	3.6c	Nil	70%	13/12/2025
Tranche 4	22/01/2025	\$500,000	12.5%	4.0c	3.6c	Nil	70%	22/01/2026

The directors consider that the embedded derivative is a Level 2 hierarchy valuation as the Black-Scholes valuation model used to value the derivative uses a combination of observable and non-observable inputs.

Note 11. Current liabilities – provision for employee entitlements

	Consolidated	
	2025	2024
	\$	\$
Annual leave owing to key management personnel	17,740	78,964
Annual leave – other employees	242,343	288,572
	<u>260,083</u>	<u>367,536</u>

Note 12. Non-current liabilities – provision for employee entitlements

	Consolidated	
	2025	2024
	\$	\$
Long service leave – other employees	<u>113,903</u>	<u>81,553</u>

HITIQ Limited
Notes to the financial statements
30 June 2025

Note 13. Equity - issued capital

	2025	Consolidated	2025	2024
	Shares	2024	\$	\$
		Shares		
Ordinary shares - fully paid	<u>459,697,914</u>	<u>351,844,967</u>	<u>28,400,527</u>	<u>24,026,939</u>

Movements in share capital

Details	Date	Shares	Issue price	\$
Opening balance	30-Jun-24	351,844,967	-	24,026,939
Notice of conversion to equity of convertible notes (note 8)	8-Oct-24	-	-	1,856,682
Refund of accrued share issue costs	1-Nov-24	-	-	18,008
Share based payment	15-Nov-24	2,000,000	\$0.022	45,000
Share based payment	16-Dec-24	7,469,440	\$0.026	194,765
Share based payment	3-Feb-25	3,077,856	\$0.024	75,000
Share based payment	3-Feb-25	2,170,187	\$0.040	86,807
Share based payment	14-Apr-25	1,000,000	\$0.030	30,000
Shares issued	8-May-25	30,909,091	\$0.022	680,000
Share issue costs		-	-	(48,300)
Vesting of performance rights	30-May-25	2,460,000	-	115,620
Share based payment	17-Jun-25	4,090,909	\$0.022	90,000
Shares issued - Rights Issue	27-Jun-25	54,675,464	\$0.022	1,202,860
Share issue costs	27-Jun-25	-	-	(68,756)
Share based payment**	30-Jun-25	-	-	7,595
Share based payment**	30-Jun-25	-	-	6,528
Shares approved not yet issued*	30-Jun-25	-	-	51,780
Share based payment***		-	-	30,000
Closing balance	30-Jun-25	<u>459,697,914</u>		<u>28,400,528</u>

*Shares approved but not yet issued relate to 1,750,000 shares with a 12-month service condition to be issued based on approval at the Annual General Meeting on 27 November 2024. Accrued balance represents shares vested to 30 June 2025.

**Shares to management approved but not yet issued relate to 800,000 shares with a 12-month service condition. Accrued balance represents shares vested to 30 June 2025.

***An additional 1,363,636 shares to be issued as share-based payment after June 30, 2025 relating to services provided during the year.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Note 13. Equity - issued capital (continued)

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 30 June 2024 Annual Report.

Note 14. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 15. Financial instruments

Financial risk management objectives

The consolidated entity's material financial assets and liabilities include cash, receivables, payables, borrowings, lease liabilities and convertible notes.

The directors consider that the consolidated entity's material financial instrument risk exposures is liquidity risk.

Liquidity risk

The responsibility for liquidity risk management rests with the Board of Directors. The consolidated entity manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly short-term investments.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2025	Weighted average interest rate %	Within 6 months \$	6-12 months \$	1-5 years \$	Over 5 years \$	\$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	1,229,297	-	-	-	1,229,297
<i>Interest-bearing - variable</i>						
Borrowings	15.00%	1,775,633	-	-	-	1,775,633
Lease liabilities	3.00%	46,986	48,462	190,662	-	286,110
Convertible notes	12.50%	3,035,257	559,425	-	-	3,594,682
Total non-derivatives		6,087,173	607,887	190,662	-	6,885,722

Note 15. Financial instruments (continued)

Consolidated - 2024	Weighted average interest rate %	Within 6 months \$	6-12 months \$	1 - 5 years \$	Over 5 years \$	\$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	1,010,700	-	-	-	1,010,700
<i>Interest-bearing - variable</i>						
Borrowings	15.00%	1,123,411	-	-	-	1,123,411
Lease liabilities	3.00%	-	89,687	286,111	-	375,798
Convertible notes	12.50%	-	1,698,147	-	-	1,698,147
Total non-derivatives		2,134,111	1,787,834	286,111	-	4,208,056

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 16. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2025	2024
	\$	\$
Short-term employee benefits	329,953	470,683
Post-employment benefits	22,925	27,009
Long-term benefits	-	26,102
Share-based payments	174,891	-
	<u>527,769</u>	<u>523,794</u>

Note 17. Contingent liabilities

The company has bank guarantees in place of \$27,225 in respect of rental arrangements.

The directors consider that the consolidated entity had no other material contingent liabilities as at 30 June 2025 (2024: Nil).

Note 18. Related party transactions

Transactions with key management personnel and their related parties

The following transactions occurred with related parties:

	2025	2024
	\$	\$
Payments to Optima Financial Group Pty Ltd (Director related entity of Philip Carulli)		
Bookkeeping services	34,980	33,331
Accounting and taxation services	48,252	38,810
	<u>83,232</u>	<u>72,141</u>

All transactions were made on normal commercial terms and conditions and at market rates.

Parent entity

HITIQ Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 18.

Note 19. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	2025	Parent	2024
	\$		\$
Loss after income tax	(6,794,627)		(2,552,846)
Total comprehensive income	(6,794,627)		(2,552,846)

Statement of financial position

	2025	Parent	2024
	\$		\$
Total current assets	1,943,146		2,319,086
Total assets	3,213,400		3,168,451
Total current liabilities	2,036,139		4,601,687
Total liabilities	7,253,421		4,977,485
Equity			
Issued capital	28,400,527		24,040,800
Reserve	281,469		287,207
Accumulated losses	(32,722,017)		(26,268,970)
Total equity	<u>(4,040,021)</u>		<u>(1,809,034)</u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 and 30 June 2024.

HITIQ Limited
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30 June 2025

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 20. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
HITIQ Limited	United States	100.00%	100.00%
CSX Limited	New Zealand	100.00%	100.00%

Note 21. Events after the reporting period

Subsequent to the end of the reporting period the company completed its Rights Issue and closed its shortfall offer on 15 August 2025 raising a further \$272,960. No additional matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 22. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2025 \$	2024 \$
Loss after income tax expense for the year	(7,212,305)	(3,204,731)
Adjustments for:		
Depreciation and amortisation	448,114	400,773
Payments issued in shares	715,875	-
Interest accrued on convertible notes	653,217	-
Vesting charges for share-based payments	408,072	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	629,691	(2,017,084)
Increase in prepayments	54,267	41,623
Increase/(decrease) in trade and other payables	117,797	501,284
Increase in employee benefits	(154,062)	43,458
Increase in deferred revenue	(315,509)	132,863
Net cash used in operating activities	<u>(4,654,844)</u>	<u>(4,101,814)</u>

Note 23. Earnings per share

	Consolidated	
	2025	2024
	\$	\$
Loss after income tax attributable to the owners of HITIQ Limited	<u>(7,212,305)</u>	<u>(3,204,731)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>460,497,914</u>	<u>347,979,471</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>460,497,914</u>	<u>347,979,471</u>
	Cents	Cents
Basic earnings per share	(1.56)	(0.92)
Diluted earnings per share	(1.56)	(0.92)

This calculation excludes equity instruments that are potentially issuable - as the consolidated entity generates losses these instruments, if applied, would be anti-dilutive and therefore are excluded from the diluted earnings per share calculation.

Note 24. Share-based payments

A share option and performance rights plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the board, grant options over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the board.

Set out below are summaries of rights granted under the plan:

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/other	Balance at the end of the year
19-Mar-21	19-Mar-25	0.3000	1,500,000	-	-	(1,500,000)	-
14-Jul-21	31-Jul-24	0.3000	4,642,250	-	-	(4,642,250)	-
24-Nov-23	31-Oct-25	0.3000	1,500,000	-	-	(1,500,000)	-
16-Dec-24	30-Jun-29	0.0000	-	1,750,000	-	-	1,750,000
16-Dec-24	30-Jun-29	0.0000	-	1,750,000	-	-	1,750,000
8-May-25	30-Dec-28	0.0000	-	1,750,000	-	-	1,750,000
30-Jan-25	30-Jun-29	0.0000	-	12,300,000	(2,460,000)	-	9,840,000
30-Jan-25	30-Jun-29	0.0000	-	800,000	-	-	800,000
30-Jan-25	30-Jun-29	0.0000	-	800,000	-	-	800,000
30-Jan-25	30-Jun-29	0.0000	-	800,000	-	-	800,000
			7,642,250	19,950,000	(2,460,000)	(7,642,250)	17,490,000

Fair value of performance rights

The fair value of the performance rights granted to employees is estimated as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the rights were granted.

HITIQ Limited
Notes to the financial statements
30 June 2025

Name	Number of rights granted	Grant date	Vesting date	Expiry date	Share price at grant date	Volatility	Risk free rate	Fair value per right at grant date	Value of rights at grant date	Conditions
Earl Eddings	1,750,000	16/12/24	04/10/25	04/10/25	0.040	121.87%	3.95 %	0.040	51,780	12 months service
Earl Eddings	1,750,000	16/12/24	30/09/25	30/06/29	0.040	121.87%	3.95 %	0.0211	36,975	4c 30day VWAP within 12 months
Earl Eddings	1,750,000	16/12/24	31/03/26	30/06/29	0.040	121.87%	3.95 %	0.0159	27,876	6c 30 day VWAP within 18 months
Earl Eddings	1,750,000	16/12/24	30/09/26	30/06/29	0.040	121.87%	3.95 %	0.0125	21,820	8c 30 day VWAP within 24 months
Employees	2,460,000	30/01/25	31/12/25	30/06/29	0.047	121.87%	3.95%	0.0470	115,620	Vested on 31 January 2025
Employees	9,840,000	30/01/25	31/12/25	30/06/29	0.047	121.87%	3.95%	0.0470	462,480	Vest on 31 December 2025
Management	800,000	30/01/25	30/01/26	30/06/29	0.047	121.87%	3.95%	0.0187	14,989	4c 30day VWAP within 12 months
Management	800,000	30/01/25	30/07/26	30/06/29	0.047	121.87%	3.95%	0.0186	14,870	6c 30 day VWAP within 18 months
Management	800,000	30/01/25	30/01/27	30/06/29	0.047	121.87%	3.95%	0.0195	15,588	8c 30 day VWAP within 24 months

Each of the above performance rights have service conditions linked to the vesting date of the right.

The fair value of the performance rights granted during the year is estimated as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the rights were granted.

Performance rights exercised during the year

	30 June 2025			30 June 2024		
	Exercised Number	Exercise date	Share price at exercise date	Exercised Number	Exercise date	Share price at exercise date
Employees	2,460,000	30/05/2025	\$0.02	-	-	-

Payments through issued share capital

Details	Date	Shares	Issue price	\$
Payment of employee entitlement	15-Nov-24	2,000,000	\$0.022	45,000
Payment of director fees	16-Dec-24	1,968,750	\$0.040	78,750
Payment of consultancy fees	16-Dec-24	2,500,000	\$0.020	50,000
Payment of advisor fees	16-Dec-24	3,000,690	\$0.022	66,015
Payment of advisor fees	3-Feb-25	3,077,856	\$0.024	75,000
Payout of R&D financier facility	3-Feb-25	2,170,187	\$0.040	86,807
Payment for investor relations services	14-Apr-25	1,000,000	\$0.030	30,000
Payment of legal fees	17-Jun-25	4,090,909	\$0.022	90,000

Each of the payments referenced represented the fair value at grant date in respect of the services provided by each supplier

HITIQ Limited
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Earl Eddings
Executive Chairman

29 August 2025

HITIQ Limited
Consolidated entity disclosure statement
as at 30 June 2025

Name	Entity Type	Place formed or incorporated	% of share of capital held	Tax residency	
				Australian resident	Foreign tax jurisdiction(s) of foreign residents
HITIQ Limited	Body corporate	Australia	N/A	Australia	N/A
HITIQ Limited	Body corporate	United States	100%	N/A	USA
CSX Limited	Body corporate	New Zealand	100%	N/A	New Zealand

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Partnerships and Trusts

None of the entities noted above were trustees of trusts within the consolidated entity, partners in a partnership within the consolidated entity or participants in a joint venture within the consolidated entity

Independent auditor's report to the members of HITIQ Limited

Report on the audit of the financial report



Our opinion on the financial report

In our opinion, the accompanying financial report of HITIQ Limited (the Company) and its subsidiaries (together, the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2025,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$7,212,305 and net cash outflows from operations of \$4,654,844 during the year ended 30 June 2025 and, as of that date, the Group's current liabilities exceeded its current assets by \$4,139,959. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue Recognition	Area of focus (refer also to notes 1 & 3)	How our audit addressed the key audit matter
	The Group has service contracts with its customers. These service contracts have invoicing, and payment milestones included within their terms, which may or may not be directly aligned with the performance of services under the contract in accordance with AASB 15 <i>Revenue from Contracts with Customers</i>. To accrue revenue appropriately in the correct accounting period, management has developed a model to recognise revenue when the performance obligation is satisfied in each contract. This includes identifying the specific performance obligations within each customer agreement on commencement. There is a requirement for judgement in determining the period to which the revenue should be attributed. In designing the model management has considered: — Compliance with AASB 15 – Revenue from Contracts with Customers; — When the performance obligation is identified and satisfied in respect to each component of each contract; and — The potential for any post-contract servicing work to be performed at the conclusion of the contract and whether	Our audit procedures included: — Documenting and assessing the internal controls relating to revenue processes and recognition; — Examining management's revenue recognition model to ensure compliance with AASB 15; — Testing a sample of revenue to ensure revenue is recognised in accordance with AASB 15; — Testing revenue cut-off to ensure revenue has been recorded in the correct reporting period; — Tracing through to new contracts to understand the performance obligations and the period in which revenue should be recognised. We have also assessed the adequacy of disclosures in the notes to the financial report.

an additional performance obligation exists.

Based on the above revenue recognition was a key area of focus for our audit.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report



Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of HITIQ Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N. S. Benbow

N. S. Benbow

Director

Melbourne, 29 August 2025

HITIQ Limited

The shareholder information set out below was applicable as at 29 August 2025:

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

Number of holders of
ordinary shares

1 to 1,000	25
1,001 to 5,000	264
5,001 to 10,000	203
10,001 to 100,000	874
100,001 and over	439
Total	<u>1,805</u>

There were 805 shareholders holding less than a marketable parcel (less than 25,000 shares at \$0.02) at 29 August 2025, a total of 7,838,338 shares.

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary Shares	
	Number held	% of total shares issued
Holder Name	Holding	% IC
HARMIL ANGEL INVESTMENTS PTY LTD <HARMIL ANGEL INVESTMENT A/C>	63,653,642	13.48%
NEWFOUND INVESTMENTS PTY LTD <NEWFOUND SUPER FUND A/C>	22,700,000	4.81%
ARTEMIS FAMILY NOMINEES PTY LTD <ARTEMIS A/C>	15,917,260	3.37%
EARL EDDINGS	12,468,096	2.64%
MR MICHAEL DEAN VEGAR <M VEGAR INVESTMENT A/C>	11,880,428	2.52%
MR SEAMUS BALDWIN	11,102,572	2.35%
MR CRAIG GRAEME CHAPMAN <NAMPAC DISCRETIONARY A/C>	8,801,438	1.86%
DR SCOTT MAURICE DONNELLAN	8,610,000	1.82%
SCINTILLA STRATEGIC INVESTMENTS LIMITED	8,000,000	1.69%
CITICORP NOMINEES PTY LIMITED	6,976,854	1.48%
PALM DEVELOPMENTS PTY LTD	6,594,607	1.40%
ELBOW SOLUTIONS PTY LTD <THE MANDY SUPER FUND A/C>	6,000,000	1.27%
MACH INDUSTRIES PTY LTD <LANG FAMILY A/C>	5,600,000	1.19%
ARTEMIS FAMILY NOMINEES PTY LTD	5,329,764	1.13%
BOTSIS HOLDINGS PTY LTD	4,839,583	1.03%
SPARK PLUS PTE LTD	4,814,211	1.02%
BNP PARIBAS NOMS PTY LTD	4,801,758	1.02%
JASKAN INVESTMENTS PTY LTD <LYNIA SUPER FUND A/C>	4,211,939	0.89%
MR MATTHEW JOHN FREDERICK WARD	4,090,909	0.87%
CGJ INVESTMENTS PTY LTD <CHRIS JACKSON FAMILY SF A/C>	3,654,015	0.77%
Total	220,047,076	46.61%
Total issued capital - selected security class(es)	472,105,189	100.00%

HITIQ Limited

Unquoted equity securities

	Number on issue	Number of holders
LISTED OPT EXP 30/12/28 @ \$0.022	48,995,935	131
LISTED OPT EXP 31/10/25 @ \$0.05	42,532,854	140
UNVESTED PERFORMANCE RIGHTS EXP 30/06/2029	17,490,000	20
UNLISTED ESCROW SHARES UNTIL 03/10/2025	2,550,000	3
Total	111,568,789	294

Substantial holders

Substantial holders in the company are set out below:

	Ordinary Shares	
	Number held	% of total shares issued
HARMIL ANGEL INVESTMENTS PTY LTD <HARMIL ANGEL INVESTMENT A/C>	63,653,642	13.48%

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Option holders and Performance Right Holders have the right to attend meetings but have no voting rights until the options are exercised.

Use of Funds

In accordance with ASX Listing Rule 4.10.9, the Company confirms that it has used its cash and assets in a form readily convertible to cash that it had at the time of admission in a way that is consistent with its business objectives.

Corporate Governance Statement

In accordance with ASX Listing Rule 4.10.3, the Company's Corporate Governance Statement can be found on its website at www.hitiq.com.