HIT·IQ

HEAD IMPACT INTELLIGENCE

ANNUAL REPORT 2026

AUGUST 2026

POWERED BY ImpactIQ TECHNOLOGY

HITIQ Limited
ABN 53 609 543 213
Unit 4, 38-42 White Street
South Melbourne VIC 3205
Australia

HITIQ Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	HITIQ Limited
ABN:	53 609 543 213
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

				$
Revenues from ordinary activities	down	21.0%	to	1,592,466
Loss from ordinary activities after tax attributable to the owners of HITIQ Limited	down	15.4%	to	(6,101,158)
Loss for the year attributable to the owners of HITIQ Limited	down	15.4%	to	(6,101,158)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the consolidated entity after providing for income tax amounted to $6,101,158 (30 June 2025: $7,212,305).

3. Control gained over entities

Not applicable.

4. Loss of control over entities

Not applicable.

5. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

6. Details of associates and joint venture entities

Not applicable.

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

HITIQ Limited
Appendix 4E
Preliminary final report

8. Attachments

Details of attachments (if any):

The Annual Report of HITIQ Limited for the year ended 30 June 2026 is attached.

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9. Signed

Signed ______________________________ Date: 28 August 2026

HITIQ Limited

ABN 53 609 543 213

Annual Report - 30 June 2026

Letter from the Board

Dear Fellow Shareholders,

On behalf of the Board, we are pleased to present HITIQ Limited's 2026 Annual Report.

Y26 was a defining year in HITIQ's evolution. We accelerated the commercialisation of our concussion management platform and broadened the Company's presence across retail, research, defence and insurance markets. Building on years of product development and validation, HITIQ continued the rollout of PROTEQT™ while extending our technology into new institutional and consumer channels.

The Company reached several important milestones during the year as HITIQ continued its transition from product development into commercial deployment and institutional validation. A key highlight was the Company's work with the Australian Sports Commission through The Park program, where HITIQ's instrumented mouthguard technology was used in a blinded pilot project across Australian combat sports to compare objective head impact data with athlete-reported perceptions. The program reinforced the role of objective data in athlete brain health and demonstrated HITIQ's ability to support leading sporting bodies with practical, evidence-based monitoring tools.

Alongside the national retail rollout of PROTEQT™ through Rebel and the development of strategic relationships across insurance, research and sport, these initiatives strengthened the foundations for broader adoption of HITIQ's technology.

Commercial momentum built through the year, marked by the start of national retail distribution through Rebel and the development of strategic relationships across universities, research institutions, defence and insurance markets. We also entered a world-first partnership with Sportscover to integrate PROTEQT™ data into sports insurance underwriting and claims — the first time head impact monitoring has been built directly into an insurance product, creating a new commercial channel for the Company's technology.

Scientific validation remained central to our strategy. PROTEQT™ was selected for inclusion in major research programs, including an Australian Research Council-funded initiative, while ongoing collaborations with universities, sporting organisations and researchers continued to expand the evidence base supporting our platform. These partnerships are critical to building trust in objective concussion management and position HITIQ at the forefront of innovation in brain health, athlete monitoring and injury risk assessment.

FY26 was also a period of investment in the Company's future capabilities. HITIQ secured support through the Victorian Government's advanced manufacturing and research programs, expanded its engineering and manufacturing capability in Victoria, and continued to build out its data, analytics and product ecosystem — laying the operational groundwork needed to scale.

The Board is mindful that FY26 was not without its challenges, including regulatory timelines in international markets and the funding demands of scaling manufacturing and commercial operations. During the year, the Company took a number of steps to strengthen its balance sheet and maintain the funding capacity needed to support delivery against its commercial pipeline. We are encouraged by the progress made, while recognising there is more work ahead to translate that progress into sustained commercial success.

We also welcomed important additions to the Board and leadership team this year. The appointment of Tony Toohey as a Non-Executive Director, alongside the ongoing leadership of Executive Chair Earl Eddings and our experienced management team, has added to the Company's governance, commercial expertise and strategic direction.

Looking ahead to FY27, the Board believes HITIQ is well placed to build on the opportunities emerging across defence, universities, insurance and retail markets. Our focus remains on converting validation into long-term commercial outcomes, growing recurring revenue, and continuing to build a global platform that improves athlete safety.

On behalf of the Board, we thank our shareholders for their continued support and confidence, and acknowledge the dedication of our employees, partners and customers, whose commitment to our mission continues to drive HITIQ forward.

Earl Eddings
Executive Chair, on behalf of the Board

Directors	Earl Eddings Philip Carulli - Resigned 31 October 2025 Matthew Clayworth Jennifer Tucker - Resigned 27 July 2026 Tony Toohey - Appointed 31 October 2025 James Barrie - Resigned 31 January 2026
Company secretaries	James Barrie - Resigned 31 January 2026 Michelle Sabatino - Resigned 10 February 2026 Lachlan Mallia - Appointed 10 February 2026 Nova Taylor - Appointed 10 February 2026
Registered office	Unit 4 38-42 White Street South Melbourne, VIC, 3205 Phone: 0478 038 567
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 Level 20, 181 William Street Melbourne VIC 3000
Bankers	Commonwealth Bank of Australia 3 Queen Street Fremantle, WA, 6161
Stock exchange listing	Australian Securities Exchange Level 40, Central Park, 152 - 158 St George's Terrace, Perth WA 6000
Listing code	Ordinary shares - HIQ
Website	www.hitiq.com

HITIQ Limited
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30 June 2026

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	**Principal place of business**
Unit 4 38-42 White Street South Melbourne, VIC, 3205 Phone: 0478 038 567	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 28 August 2026. The directors have the power to amend and reissue the financial statements.

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 2026.

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:

Earl Eddings - Executive Chairman
Philip Carulli - Resigned 31 October 2025
Matthew Clayworth
Jennifer Tucker - Resigned 27 July 2026
Tony Toohey - Appointed 31 October 2025
James Barrie - Resigned 31 January 2026

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 and general business risks. The key risks and uncertainties that may impact the Group include:

Sufficiency of funding

The Group requires sufficient funding to continue its operations, support the commercialisation of its products and technology and achieve its longer-term objectives. The Group's ability to meet its obligations is dependent on achieving forecast revenues, managing expenditure, receiving expected government grants and R&D-related funding and, where required, securing additional funding.

Commercialisation and market adoption

The Group's future performance is dependent on successfully commercialising its products and technology. There is a risk that customer adoption, sales volumes, commercial contracts or entry into new markets may take longer than anticipated or not achieve the levels forecast. This may impact revenue, cash flow and future funding requirements.

Technology, manufacturing and product quality risk

The Group's technology and products must operate reliably and meet required quality and performance standards. Product or technology failures, manufacturing issues, delays in development or quality problems could result in additional costs, delays in commercialisation and damage to the Group's reputation.

Supplier and supply chain risk

The Group relies on external suppliers and manufacturers for a number of key components and services. There is no guarantee that these suppliers will be able to meet the Group's requirements for quality, cost, timing, volume or regulatory compliance. Supply interruptions or increases in costs could adversely impact the Group's operations and ability to supply customers.

Regulatory and compliance risk

Certain HITIQ products and markets are subject to regulatory, medical device and other compliance requirements. Changes to regulatory requirements, delays in obtaining required approvals or additional compliance requirements may increase costs or delay the commercialisation of products in particular markets.

Protection of intellectual property

The Group's ability to protect its intellectual property, including patents, designs, software, technology and know-how, is important to its competitive position. There is a risk that intellectual property may not be adequately protected, may be challenged by third parties or that the Group may incur significant costs in protecting or enforcing its intellectual property rights.

Competition and development of competing technology

The markets in which the Group operates are competitive and continue to develop. Existing or new competitors may develop similar or superior products and technologies, compete more aggressively on price or marketing, or bring products to market more quickly. This could impact the Group's market position, sales and profitability.

Key customers and commercial relationships

The Group's commercialisation strategy includes relationships with sporting organisations, retailers, research institutions, defence organisations and other commercial partners. Delays, changes or termination of material relationships or contracts may adversely affect forecast revenue and the timing of the Group's growth plans.

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 $6,101,158 (30 June 2025: $7,212,305).

Significant changes in the state of affairs
In August 2025, 12,407,275 ordinary shares were issued at $0.022 each as part of a placement under a shortfall offer as part of a pro-rata non-renounceable rights issue offer announced to the market in May 2025. This resulted in a cash inflow for the Company of $272,960.

On 2 October 2025, 11,363,637 ordinary shares were issued at $0.022 each following completion of the Company's $250,000 placement. Every two shares entitled investors to one option resulting in 5,681,819 options being exercisable at $0.022 and expiring on 30 December 2028.

On 16 December 2025, 40,909,092 ordinary shares were issued at $0.022 each following completion of the Company's $900,000 placement. Every two shares entitled investors to one option resulting in 20,454,544 options being exercisable at $0.022 and expiring on 30 December 2028.

During the year, 6,425,631 ordinary shares were issued in lieu of services provided to the company, and 1,780,000 ordinary shares were issued upon the exercise of performance rights.

During the year, 220,862,993 ordinary shares were issued upon conversion of convertible notes to equity.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
Subsequent to the end of the reporting period, the following significant events took place:

- In July 2026, the consolidated entity completed the first tranche of its placement resulting in a cash inflow of $1.2m with the second tranche of $0.2m expected to be received following the EGM on 7 September.

- On 27 July 2026, Jennifer Tucker resigned as a Non-Executive Director of the company.

- On 29 July 2026, the consolidated entity received the first tranche of $480,000 of its grant from InvestVic.

- On 27 August 2026, Harmil exercised its right under the convertible note facility to convert $1 million of outstanding convertible notes into ordinary shares. As the conversion occurred after the reporting date, no adjustment has been made to the amounts recognised in these financial statements.

No other matter or circumstance has arisen since 30 June 2026 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.

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.

Information on directors
The following information is current as at the date of this report.

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:	N/A
Former directorships (last 3 years):	N/A
Interests in shares:	16,414,667
Interests in options:	938,701
Interests in rights:	5,250,000

Name:	Matthew Clayworth
Title:	Non-Executive Director
Experience and expertise:	Mr Clayworth is a Director of Wealth Management with Canaccord Genuity 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 Director of DHD Surf and co-founder and Director of Smart AI Connect.
Other current directorships:	N/A
Former directorships (last 3 years):	N/A
Interests in shares:	288,947,302
Interests in options:	928,573
Interests in rights:	477,273

Name:	Tony Toohey
Title:	Non-Executive Director
Experience and expertise:	Mr Toohey has over 35 years' experience in the gaming, hospitality, leisure and technology industries. He is the former MD, CEO and Executive Chairman of ASX-listed Intecq Limited and served as GM Business Development Gaming at Tabcorp from 2016 until July 2018. Mr Toohey was also previously Executive Director and Chairman of MSL Solutions Limited (ASX: MSL) from 2019 until its acquisition in 2023 for $123m. He currently serves as a Director of North Sydney Leagues Club Ltd, Focus on Gaming Ltd, Trax Technologies Pty Ltd and Thinxtra Pty Ltd.
Other current directorships:	N/A
Former directorships (last 3 years):	N/A
Interests in shares:	840,909
Interests in options:	340,909
Interests in rights:	477,273

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'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.

Company secretary

Lachlan Mallia

Mr Mallia is a Director at Bio101 Financial Advisory, a financial services firm providing outsourced CFO, taxation and company secretarial solutions to the Healthcare sector. Mr Mallia brings extensive finance and commercial expertise, having worked with both public and private companies across Australia for several years. He currently serves as a CFO and Company Secretary for a number of public and private Healthcare companies. He holds a Bachelor of Business and Bachelor of Banking and Finance from Monash University and a Certificate in Governance Practice from the Governance Institute of Australia and is a qualified Chartered Accountant.

Nova Taylor

Ms Taylor is a professional Company Secretary with approximately 9 years' experience working with ASX listed companies across multiple industries. Nova holds a Bachelor of Science and Bachelor of Laws from Deakin University.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Philip Carulli - Resigned 31 October 2025	10	10
Matthew Clayworth	22	23
James Barrie - Resigned 31 January 2026	13	13
Earl Eddings	22	23
Jennifer Tucker - Resigned 27 July 2026	21	23
Tony Toohey - Appointed 31 October 2025	12	13

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

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.

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 consolidated 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 has 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 the 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. 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, is reviewed annually by the Board based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remuneration.

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 shareholder 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 is directly linked to the performance of the consolidated entity. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board. Refer to the section '' below for details of the earnings and total shareholder return for the last five years.

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 28 November 2025 Annual General Meeting ('AGM')
At the 28 November 2025 AGM, 98.67% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. 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.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2026	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Philip Carulli *	7,000	-	-	-	-	7,000	14,000
Matthew Clayworth	21,000	-	-	-	-	29,114	50,114
Jennifer Tucker **	21,000	-	-	-	-	29,114	50,114
Tony Toohey ***	-	-	-	-	-	39,614	39,614
James Barrie ****	3,500	-	-	-	-	-	3,500
Executive Directors:							
Earl Eddings	290,769	-	16,873	34,892	-	61,848	404,382
	343,269	-	16,873	34,892	-	166,690	561,724

During the financial year, the Non-Executive Directors received 50% of their fees in cash and the remaining 50% in equity. Tony Toohey elected to also have his cash fees issued as equity which will be tabled for approval at the Company's 2026 AGM.

*Resigned 31 October 2025
**Resigned 27 July 2026
***Appointed 31 October 2025
****Resigned 31 January 2026

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

*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 received in the year ending 30 June 2024.

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

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2026	2025	2026	2025	2026	2025
Non-Executive Directors:						
Philip Carulli	100%	100%	-	-	-	-
Matthew Clayworth	84%	100%	-	-	16%	-
Jennifer Tucker	84%	100%	-	-	16%	-
Tony Toohey	80%	-	-	-	20%	-
James Barrie	100%	100%	-	-	-	-
Executive Directors:						
Earl Eddings	100%	68%	-	-	-	32%

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
Details:	Executive Chairman on a fixed remuneration of $308,000 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:	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:	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.

Name:	Tony Toohey
Title:	Non-Executive Director
Agreement commenced:	31 October 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

Issue of shares

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2026 are set out below:

Name	Date	Shares	Issue price	$
Philip Carulli	6 March 2026	318,812	$0.017	5,419
Matthew Clayworth	6 March 2026	477,273	$0.017	8,114
Jennifer Tucker	6 March 2026	875,000	$0.017	14,875
Tony Toohey	6 March 2026	159,091	$0.017	2,706
Earl Eddings	8 October 2025	1,750,000	$0.040	70,000

Shares were offered in lieu of fees for non-executive directors Philip Carulli, Matthew Clayworth, Jennifer Tucker and Tony Toohey. Approved at General Meeting in February 2026. Shares were issued to Chair Earl Eddings as part of an Employee Incentive scheme. Approved in October 2024.

Performance rights granted as compensation

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

Name	No. of options granted	Grant date	Vesting date	Expiry date	Fair value per option at grant date	Value of options at grant date	Conditions
Matthew Clayworth	477,273	06/03/2026	06/03/2026	31/12/2026	0.017	8,114	12 months service
Jennifer Tucker	477,273	06/03/2026	06/03/2026	31/12/2026	0.017	8,114	12 months service
Tony Toohey	477,273	06/03/2026	06/03/2026	31/12/2026	0.017	8,114	12 months service

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	No. of options granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per option at grant date	Value of options at grant date
Tony Toohey	340,909	06/03/2026	06/03/2026	30/12/2028	$0.000	$0

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2026.

Additional information
The earnings of the consolidated entity for the four years to 30 June 2026 are summarised below:

	2026 $	2025 $	2024 $	2023 $
Sales revenue	366,334	673,249	1,123,000	774,260
EBITDA	(5,101,641)	(6,319,720)	(2,542,622)	(4,319,556)
EBIT	(5,177,196)	(6,767,834)	(2,943,395)	(4,851,088)
Loss after income tax	(6,101,158)	(7,212,305)	(3,204,731)	(5,037,305)

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

	2026	2025	2024	2023
Share price at financial year end ($)	0.01	0.02	0.02	0.03
Basic earnings per share (cents per share)	(1.08)	(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 / via capital raise	Balance at resignation	Balance at the end of the year
Ordinary shares					
Philip Carulli*	7,405,816	-	80,000	(7,485,816)	-
Matthew Clayworth	2,653,394	477,273	1,300,000	-	4,430,667
James Barrie	1,473,345	-	100,000	(1,573,345)	-
Jennifer Tucker	159,173	875,000	-	-	1,034,173
Tony Toohey	-	159,091	681,818	-	840,909
Earl Eddings	9,801,461	1,750,000	4,863,206	-	16,414,667
	21,493,189	3,261,364	7,025,024	(9,059,161)	22,720,416

*The shares received by Philip Carulli in lieu of Directors' fees are excluded from this table on the basis they were not received until after his resignation.

**Matthew Clayworth represents Harmil Angel Investments Pty Ltd who hold 284,516,635 shares as at the date of this report.

Performance rights
The number of performance rights 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	Exercised	Lapsed	Balance at resignation	Balance at end of year
Philip Carulli	-	-	-	-	-	-
Matthew Clayworth	-	477,273	-	-	-	477,273
James Barrie	-	-	-	-	-	-
Jennifer Tucker	-	477,273	-	-	-	477,273
Tony Toohey	-	477,273	-	-	-	477,273
Earl Eddings	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	Exercised	Lapsed	Balance at resignation	Balance at end of year
Philip Carulli	1,141,076	-	-	-	(1,141,076)	-
Matthew Clayworth	998,573	-	-	(70,000)	-	928,573
James Barrie	373,540	-	-	(70,000)	(303,540)	-
Jennifer Tucker	79,587	-	-	-	-	79,587
Tony Toohey	-	340,909	-	-	-	340,909
Earl Eddings	938,701	-	-	-	-	938,701

Other transactions with key management personnel and their related parties
The following transactions occurred with related parties:

Payments to Optima Financial Group Pty Ltd

(Director related entity of Philip Carulli)	2026	2025
Bookkeeping services	9,075	34,980
Accounting and taxation services	28,025	48,252
	37,100	83,232

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.

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
16/12/2024	30/06/2026	$0.000	1,750,000
16/12/2024	30/06/2026	$0.000	1,750,000
16/12/2024	30/06/2026	$0.000	1,750,000
30/01/2025	30/06/2026	$0.000	9,360,000
30/01/2025	30/06/2026	$0.000	800,000
30/01/2025	30/06/2026	$0.000	800,000
30/01/2025	30/06/2026	$0.000	800,000
27/02/2026	31/12/2026	$0.000	4,360,000
06/03/2026	31/12/2026	$0.000	1,431,819
			22,801,819

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
14/08/2025	30/12/2028	$0.022	32,041,389
15/08/2025	30/12/2028	$0.022	1,500,000
22/08/2025	30/12/2028	$0.022	15,454,546
02/10/2025	30/12/2028	$0.022	5,681,819
03/10/2025	30/12/2028	$0.022	681,819
15/12/2025	30/12/2028	$0.022	19,468,180
16/12/2025	30/12/2028	$0.022	986,364
22/12/2025	30/12/2028	$0.022	22,317,017
			98,131,134

Shares under option expired during the year

Grant date	Expiry date	Exercise price	Number under option
24/11/2023	31/10/2025	$0.050	1,330,000
22/01/2024	31/10/2025	$0.050	25,055,760
24/11/2023	31/10/2025	$0.050	16,197,094
			42,582,854

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 1,780,000 ordinary shares of HITIQ Limited were issued on the exercise of rights during the year ended 30 June 2026 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.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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 continues in office in accordance with section 327 of the Corporations Act 2001.

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
Executive Chairman

28 August 2026

William Buck
ACCOUNTANTS & ADVISORS

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 2026, 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.

William Buck

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

N. S. Benbow
Director
Melbourne, 28 August 2026

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HITIQ Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 $	Consolidated 2025 $
Revenue	4	1,592,466	2,014,870
Other income		40,310	5,292
Expenses			
Accountancy and secretarial fees		(125,466)	(91,871)
Auditor's remuneration		(59,715)	(75,220)
Consultancy fees		(393,086)	(575,143)
Finance costs		(923,962)	(1,005,036)
Occupancy		(44,723)	(31,384)
Research and testing		(322,390)	(1,123,744)
Share based payment expense		(471,104)	(473,975)
Employee benefits expense		(3,717,722)	(4,192,718)
Depreciation and amortisation expense		(75,555)	(448,114)
Marketing		(363,452)	(273,406)
Administration		(1,236,759)	(941,856)
Loss before income tax expense		(6,101,158)	(7,212,305)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of HITIQ Limited		(6,101,158)	(7,212,305)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(5,906)	(2,657)
Other comprehensive income for the year, net of tax		(5,906)	(2,657)
Total comprehensive income for the year attributable to the owners of HITIQ Limited		(6,107,064)	(7,214,962)
		Cents	**Cents**
Basic earnings per share	20	(1.08)	(1.57)
Diluted earnings per share	20	(1.08)	(1.57)

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 2026

	Note	Consolidated 2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents		173,638	990,959
Trade and other receivables	5	1,239,149	1,809,282
Prepayments		8,752	27,034
Total current assets		1,421,539	2,827,275
Non-current assets			
Property, plant and equipment		49,284	72,628
Right-of-use assets		173,278	231,945
Intangibles		49,129	117,209
Rental deposit		27,225	27,225
Total non-current assets		298,916	449,007
Total assets		1,720,455	3,276,282
Liabilities			
Current liabilities			
Trade and other payables	6	1,416,002	1,146,052
Contract liabilities		323,420	114,754
Convertible notes	7	3,577,730	3,594,682
Lease liabilities		101,476	95,448
Employee benefits	8	398,734	260,083
Borrowings	9	2,082,411	1,783,440
Total current liabilities		7,899,773	6,994,459
Non-current liabilities			
Lease liabilities		89,182	190,662
Employee benefits	8	46,829	113,903
Total non-current liabilities		136,011	304,565
Total liabilities		8,035,784	7,299,024
Net liabilities		(6,315,329)	(4,022,742)
Equity			
Issued capital	10	31,495,611	28,400,528
Reserves		1,040,808	327,320
Accumulated losses		(38,851,748)	(32,750,590)
Total deficiency in equity		(6,315,329)	(4,022,742)

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 2026

Consolidated	Issued capital $	Reserves $	Retained profits $	Total deficiency in equity $
Balance at 1 July 2024	24,026,939	324,778	(25,825,538)	(1,473,821)
Loss after income tax expense for the year	-	-	(7,212,305)	(7,212,305)
Other comprehensive income for the year, net of tax	-	(2,657)	-	(2,657)
Total comprehensive income for the year	-	(2,657)	(7,212,305)	(7,214,962)
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)
Options lapsed during period	-	(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	28,400,528	327,320	(32,750,590)	(4,022,742)

Consolidated	Issued capital $	Reserves $	Retained profits $	Total deficiency in equity $
Balance at 1 July 2025	28,400,528	327,320	(32,750,590)	(4,022,742)
Loss after income tax expense for the year	-	-	(6,101,158)	(6,101,158)
Other comprehensive income for the year, net of tax	-	(5,906)	-	(5,906)
Total comprehensive income for the year	-	(5,906)	(6,101,158)	(6,107,064)
Shares issued	1,470,096	-	-	1,470,096
Issue of conversion notice for convertible notes	1,696,861	-	-	1,696,861
Options issued to brokers	(314,670)	314,670	-	-
Vesting of share based payments	-	434,984	-	434,984
Shares issued as payment to suppliers	11,591	-	-	11,591
Shares issued as payment to directors	67,232	-	-	67,232
Exercise of rights	30,260	(30,260)	-	-
Shares granted but not yet issued	133,713	-	-	133,713
Balance at 30 June 2026	31,495,611	1,040,808	(38,851,748)	(6,315,329)

The above statement of changes in equity should be read in conjunction with the accompanying notes

HITIQ Limited
Statement of cash flows
For the year ended 30 June 2026

	Note	Consolidated 2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		551,532	775,786
Payments to suppliers and employees (inclusive of GST)		(5,677,289)	(6,812,594)
Proceeds from research and development activties		1,512,301	1,620,591
Finance costs		(94,382)	(243,919)
		(3,707,838)	(4,660,136)
Interest received		53,710	5,292
Net cash used in operating activities	19	(3,654,128)	(4,654,844)
Cash flows from investing activities			
Payments for property, plant and equipment		(31,020)	(28,566)
Interest and other finance costs paid		(7,000)	-
Net cash used in investing activities		(38,020)	(28,566)
Cash flows from financing activities			
Proceeds from issue of shares	10	1,925,441	1,481,437
Proceeds from borrowings		2,399,175	5,220,000
Share issue transaction costs		-	(8,950)
Repayment of borrowings		(1,325,665)	(1,471,544)
Repayment of lease liabilities		(124,124)	(130,592)
Net cash from financing activities		2,874,827	5,090,351
Net increase/(decrease) in cash and cash equivalents		(817,321)	406,941
Cash and cash equivalents at the beginning of the financial year		990,959	584,018
Cash and cash equivalents at the end of the financial year		173,638	990,959

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

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Note 1. Material accounting policy information (continued)

Going concern

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

As disclosed in the financial statements, the consolidated entity incurred a loss of $6,101,158 (2025: $7,212,305) and had operating cash outflows of $3,654,128 for the year ended 30 June 2026 (2025: $4,654,844). As at 30 June 2026, the consolidated entity held cash and cash equivalents of $173,638 (2025: $990,959). At 30 June the consolidated entity had net liabilities of $6,315,329 and its current liabilities exceeded its current assets by $6,478,234. 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.

Subsequent events relating to going concern

- In July 2026, the consolidated entity completed the first tranche of its placement resulting in a cash inflow of $1.2m with the second tranche of $0.14m expected to be received following Shareholder Approval at the EGM on 7 September (see note 18).

- On 29 July 2026, the consolidated entity received the first tranche of $480,000 of its grant from InvestVic.

- On 27 August 2026, Harmil converted $1m of Convertible Notes into Ordinary Shares (see note 18).

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 other available funding initiatives during the forecast period.

- The forecast includes revenue from the continued commercialisation of the Group's products and technology, including its consumer, sporting, defence, research and other commercial markets.

- The consolidated entity can continue to access its research and development tax incentive entitlements and associated funding facilities, with the proceeds expected to provide funding to the business and/or repay amounts advanced against those entitlements.

- The consolidated entity expects to receive additional government grant funding subject to meeting the relevant grant milestones and conditions.

- The consolidated entity continues to actively manage personnel, manufacturing, administration and other operating costs and has the ability to reduce or defer expenditure where required in response to available funding and cash flows.

- The consolidated entity will continue to pursue additional funding opportunities, including equity capital, debt facilities and other available sources of funding, where required.

- The Directors have the ability to further reduce operating expenditure and defer discretionary expenditure should forecast revenues or other cash inflows be delayed or lower than anticipated.

- The Directors believe that the consolidated entity has the ability and intention, through its funding initiatives, revenue generation, receipt of research and development tax incentives, government grants and management of expenditure, to continue its operations for at least 12 months from the date of this report.

- 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 note 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 consolidated entity.

These events and conditions indicate 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.

Note 1. Material accounting policy information (continued)

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 IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, 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.

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 2026 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:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Note 1. Material accounting policy information (continued)

License and software access fees
The consolidated entity primarily generates revenue from the sale of licenses to access its software which enables its customers to use an application or main web browsers which illustrate the sensor trace data from the mouthguard sensors.

The customer's 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 license 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 license performance obligation. Where billings are in advance of the performance condition, these are deferred on the Statement of Financial Position as a contract liability; where in-arrears, recognised as a contract asset.

Any direct costs 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.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Contract liabilities
Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

Note 1. Material accounting policy information (continued)

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholder's equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

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 2026. 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 consolidated 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 claims lodged during 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 2026 $	2025 $
Revenue from contracts with customers		
Revenue from contracts with customers	366,334	673,249
Other revenue		
Research and development tax rebate	1,217,464	1,341,621
Other revenue	8,668	-
	1,226,132	1,341,621
Revenue	1,592,466	2,014,870

Note 5. Trade and other receivables

	Consolidated 2026 $	2025 $
Current assets		
Trade receivables	29,153	18,736
Research & development tax credits receivable	1,196,763	1,455,000
Capital contribution receivable	-	328,545
Other receivables	13,233	7,001
	1,239,149	1,809,282

Note 6. Trade and other payables

	Consolidated 2026 $	2025 $
Current liabilities		
Trade payables	788,054	781,645
Amounts payable to key management personnel	-	98,602
Amounts payable to ATO	267,309	44,805
Other payables	360,639	221,000
	1,416,002	1,146,052

Refer to note 12 for further information on financial instruments.

Note 7. Convertible notes

	Consolidated 2026 $	2025 $
Current liabilities		
Convertible notes payable	3,577,730	3,594,682

Note 7. Convertible notes (continued)

The consolidated entity has issued three tranches of convertible notes as set out below. The notes have a conversion price at the election of the note holder to a 10% discount of the prevailing 7-day VWAP of the Company's shares at the date of conversions and if redeemed prior to completion of the term a 10% early redemption fee will apply. Interest may capitalize into the loan and also be subject to the same conversion terms and conditions.

The conversion options in these tranches of convertible notes have been valued applying a Black-Scholes methodology and are considered to be Level 2 hierarchy valuations. There was no change in this hierarchy in the period.

On 6 February 2026 in an Extraordinary General Meeting, it was resolved that Tranches 2-4 would be consolidated into one outstanding convertible loan note, with a maturity date of 15th December 2026 on the same aforesaid terms and conditions.

Tranche 5 does not have any current ability to convert at 30 June 2026, however the agreement is written with the underlying implicit aim for the balance to be convertible to share capital at a future date.

Convertible note tranche	Date drawn	Principal	Coupon interest rate	Spot price	Risk-free rate	Dividend yield	Volatility	Maturity date
Tranche 2	23/10/2024	1,600,000	12.5%	$0.0022	4.413%	-	70%	15/12/2026
Tranche 3	13/12/2024	1,000,000	12.5%	$0.0040	4.413%	-	70%	15/12/2026
Tranche 4	22/01/2025	500,000	12.5%	$0.0022	4.413%	-	70%	15/12/2026
Tranche 5	09/04/2026	250,000	12.0%	$0.0020	4.413%	-	70%	09/10/2026
Tranche 5A	07/05/2026	400,000	12.0%	$0.0010	4.413%	-	70%	07/11/2026
Tranche 5B	01/06/2026	350,000	12.0%	$0.0010	4.413%	-	70%	01/01/2027

Note 8. Employee benefits

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Annual leave owing to key management personnel	31,484	17,740
Annual leave - other employees	286,982	242,343
Long service leave	80,268	-
	398,734	260,083
Non-current liabilities		
Long service leave	46,829	113,903

Note 9. Borrowings

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
R&D Loan 2026 - Harmil Angel Investments Pty Ltd	1,493,824	-
Loan - Harmil Angel Investments Pty Ltd	588,587	506,617
R&D Loan - Rockford RDP Pty Ltd	-	1,276,490
Credit card	-	333
	2,082,411	1,783,440

Note 9. Borrowings (continued)

R&D Loan
At balance date, the Consolidated entity had an R&D Tax Incentive loan balance of $1,493,824. The loan bears interest at 15% per annum, matures 365 days from the date of the facility agreement, and is secured against the Consolidated entity's R&D Tax Incentive refund receivable. Repayment is to be made from the proceeds of the R&D refund.

Related Party Loan - Harmil No Bull
At balance date, the Consolidated entity had a loan balance of $588,587 owing to its major shareholder, Harmil. The loan bears interest at 15% per annum. The term was initially for 6 months but it has been agreed that the loan will not be called for repayments within the next 12 months.

Note 10. Issued capital

	Consolidated			
	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	756,219,270	459,697,914	31,495,611	28,400,528

Note 10. Issued capital (continued)

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$**
Balance	1 July 2024	351,844,967		24,026,939
Notice of conversion to equity of convertible notes	8 October 2024			1,856,682
Refund of accrued share issue costs	1 November 2024			18,008
Share based payment	15 November 2024	2,000,000	$0.022	45,000
Share based payment	16 December 2024	7,469,440	$0.026	194,765
Share based payment	3 February 2025	3,077,856	$0.024	75,000
Share based payment	3 February 2025	2,170,187	$0.040	86,807
Share based payment	14 April 2025	1,000,000	$0.030	30,000
Shares issued	8 May 2025	30,909,091	$0.022	680,000
Share issue costs				(48,300)
Vesting of performance rights	30 May 2025	2,460,000		115,620
Share based payment	17 June 2025	4,090,909	$0.022	90,000
Shares issued - Rights issue	27 June 2025	54,675,464	$0.022	1,202,860
Share issue costs	27 June 2025			(68,756)
Share based payment	30 June 2025			14,123
Shares approved not yet issued	30 June 2025			51,780
Share based payment*				30,000
Balance	30 June 2025	459,697,914		28,400,528
Issue of shares - shortfall	14 August 2025	9,407,275	$0.022	206,960
Issue of shares	15 August 2025	3,000,000	$0.022	66,000
Issue of shares	2 October 2025	11,363,637	$0.022	250,000
Share based payment - accrued in prior period [1]	3 October 2025	1,363,637	$0.022	-
Issue of shares - Management EIP [2]	8 October 2025	2,150,000	$0.040	26,786
Issue of shares - Management EIP [2]	14 November 2025	400,000	$0.040	9,334
Issue of shares	16 December 2025	40,909,092	$0.022	900,000
Costs of raising capital				(314,670)
Issue of shares	19 January 2026	2,772,728	$0.017	47,136
Conversion of convertible note to equity - accrued in prior period [3]	25 February 2026	97,474,962	$0.020	92,817
Performance rights exercised	27 February 2026	1,780,000	$0.013	30,260
Issue of shares	6 March 2026	681,818	$0.022	11,591
Shares issued in lieu of directors fees	6 March 2026	1,830,176	$0.017	31,113
Conversion of convertible note to equity	7 April 2026	123,388,031	$0.017	1,604,044
Receipt of funds for unissued equity [4]				133,712
Balance	30 June 2026	756,219,270		31,495,611

[1] 1,363,637 shares issued in current period but accrued in prior period as part of share-based payment relating to services provided during the prior period.

[2] Equity Incentive Plan - Shares to management approved but not yet issued relate to 2,550,000 shares with a 12-month service condition. Accrued balance represents shares vested to 30 June 2026.

[3] Remaining amount was accrued on 8 October 2024.

[4] Shares were subsequently issued on 3 July 2026.

Note 10. Issued capital (continued)

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.

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 consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2025 Annual Report.

Note 11. Dividends

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

Note 12. 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 exposure is liquidity risk.

The consolidated entity has no material exposure to price risk, foreign currency risk or interest rate risk, as financial assets and liabilities are predominantly denominated in Australian dollars and debt instruments are held at amortised cost with fixed terms.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

Note 12. Financial instruments (continued)

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

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 - 2026	Weighted average interest rate %	Within 6 months $	Between 6 and 12 months $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,416,002	-	-	-	1,416,002
Interest-bearing - variable						
Borrowings	15.00%	2,082,411	-	-	-	2,082,411
Convertible notes	12.50%	3,750,000	350,000	-	-	4,100,000
Total non-derivatives		7,248,413	350,000	-	-	7,598,413

Consolidated - 2025	Weighted average interest rate %	Within 6 months $	Between 6 and 12 months $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,229,297	-	-	-	1,229,297
Interest-bearing - variable						
Borrowings	15.00%	1,775,633	-	-	-	1,775,633
Convertible notes	12.50%	3,035,257	559,425	-	-	3,594,682
Total non-derivatives		6,040,187	559,425	-	-	6,599,612

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 13. 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 2026 $	Consolidated 2025 $
Short-term employee benefits	360,142	329,953
Post-employment benefits	34,892	22,925
Share-based payments	166,690	174,891
	561,724	527,769

Note 14. Contingent liabilities

The consolidated entity has given bank guarantees as at 30 June 2026 of $nil (2025: $nil) in respect of rental arrangements.

The directors consider that the consolidated entity had no other material contingent liabilities as at 30 June 2026 (2025: Nil).

Note 15. Related party transactions

Parent entity
HITIQ Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 17.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2026 $	2025 $
Payment to Optima Financial Group Pty Ltd for goods and services: (Director related entity of Philip Carulli)		
Bookkeeping services	9,075	34,980
Accounting and taxation services	28,025	48,252

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

Note 16. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2026 $	2025 $
Loss after income tax	(6,095,266)	(6,794,569)
Total comprehensive income	(6,095,266)	(6,794,569)

Note 16. Parent entity information (continued)

Statement of financial position

	Parent 2026 $	Parent 2025 $
Total current assets	1,401,692	2,803,546
Total assets	1,697,304	3,131,236
Total current liabilities	7,852,095	6,885,088
Total liabilities	7,988,106	7,171,198
Equity		
Issued capital	31,495,611	28,400,528
Other reserves	1,000,863	281,469
Accumulated losses	(38,787,276)	(32,721,959)
Total deficiency in equity	(6,290,802)	(4,039,962)

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 2026 and 30 June 2025.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

Material accounting policy information
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 17. 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 2026 %	Ownership interest 2025 %
HITIQ Limited	United States	100.00%	100.00%
CSX Limited	New Zealand	100.00%	100.00%

Note 18. Events after the reporting period

Subsequent to the end of the reporting period, the following significant events took place:

- In July 2026, the consolidated entity completed the first tranche of its placement resulting in a cash inflow of $1.2m with the second tranche of $0.2m expected to be received following the EGM on 7 September.

- On 27 July 2026, Jennifer Tucker resigned as a Non-Executive Director of the company.

- On 29 July 2026, the consolidated entity received the first tranche of $480,000 of its grant from InvestVic.

- On 27 August 2026, Harmil exercised its right under the convertible note facility to convert $1 million of outstanding convertible notes into ordinary shares. As the conversion occurred after the reporting date, no adjustment has been made to the amounts recognised in these financial statements.

No other matter or circumstance has arisen since 30 June 2026 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 19. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2026 $	2025 $
Loss after income tax expense for the year	(6,101,158)	(7,212,305)
Adjustments for:		
Depreciation and amortisation	75,555	448,114
Vesting charges for share-based payments	798,217	1,123,947
Foreign exchange differences	6,015	-
Finance charges accrued into convertible notes	428,634	653,217
Change in operating assets and liabilities:		
Decrease in trade and other receivables	570,134	629,691
Decrease/(increase) in accrued revenue	208,666	(315,510)
Decrease in prepayments	18,282	54,267
Increase in trade and other payables	269,950	117,797
Increase/(decrease) in employee benefits	71,577	(154,062)
Net cash used in operating activities	(3,654,128)	(4,654,844)

Note 20. Earnings per share

	Consolidated	
	2026 $	2025 $
Loss after income tax attributable to the owners of HITIQ Limited	(6,101,158)	(7,212,305)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	567,114,009	460,497,914
Weighted average number of ordinary shares used in calculating diluted earnings per share	567,114,009	460,497,914

Note 20. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	(1.08)	(1.57)
Diluted earnings per share	(1.08)	(1.57)

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 21. Share-based payments

A share option 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 options and performance rights granted under the plan:

Options

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
16/12/2024	30/06/2029	$0.000	1,750,000	-	-	-	1,750,000
16/12/2024	30/06/2029	$0.000	1,750,000	-	-	-	1,750,000
16/12/2024	30/06/2029	$0.000	1,750,000	-	-	-	1,750,000
30/01/2025	30/06/2029	$0.000	9,840,000	-	(480,000)	-	9,360,000
30/01/2025	30/06/2029	$0.000	800,000	-	-	-	800,000
30/01/2025	30/06/2029	$0.000	800,000	-	-	-	800,000
30/01/2025	30/06/2029	$0.000	800,000	-	-	-	800,000
27/02/2026	31/12/2026	$0.000	-	4,910,000	(1,300,000)	-	3,610,000
27/02/2026	31/12/2026	$0.000	-	750,000	-	-	750,000
06/03/2026	31/12/2026	$0.000	-	477,273	-	-	477,273
06/03/2026	31/12/2026	$0.000	-	477,273	-	-	477,273
06/03/2026	31/12/2026	$0.000	-	477,273	-	-	477,273
			17,490,000	7,091,819	(1,780,000)	-	22,801,819

Performance rights

The fair value of share-based payment arrangements granted in the year estimated as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the options or rights were granted.

Name	No. 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
Employees	4,910,000	28/01/2026	28/01/2026	31/12/2026	0.017	166.85%	4.51%	0.017	83,470	Vested on 27 February 2026
Management	750,000	28/01/2026	28/01/2026	31/12/2026	0.017	166.85%	4.51%	0.017	12,750	Vested on 27 February 2026
Management	477,273	06/03/2026	06/03/2026	31/12/2026	0.017	166.85%	4.51%	0.017	8,114	Remains a Director on 30 June 2026
Management	477,273	06/03/2026	06/03/2026	31/12/2026	0.017	166.85%	4.51%	0.017	8,114	Remains a Director on 30 June 2026
Management	477,273	06/03/2026	06/03/2026	31/12/2026	0.017	166.85%	4.51%	0.017	8,114	Remains a Director on 30 June 2026

Note 21. Share-based payments (continued)

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

Performance rights exercised during the year

	30 June 2026			30 June 2025		
	Exercised number	Exercise date	Share price at exercise date	Exercised number	Exercise date	Share price at exercise date
Employees	480,000	27/02/2026	0.013	2,460,000	30/05/2026	0.020
Employees	1,300,000	27/02/2026	0.013	-		-

Payments through issued share capital

Details	Date	Shares	Issue price	$
Payment for investor related services	03/10/2025	1,363,637	0.022	30,000
Payment of employee entitlement	08/10/2025	2,150,000	0.040	86,000
Payment of employee entitlement	14/11/2025	400,000	0.040	16,000
Payment of directors fees	06/03/2026	1,830,176	0.039	71,750

Each of the payments referenced represented the fair value at grant date in respect of the services provided.

HITIQ Limited
Consolidated entity disclosure statement
As at 30 June 2026

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
HITIQ Limited	Body corporate	Australia	-	Australia
HITIQ Limited	Body corporate	United States	100.00%	United States
CSX Limited	Body corporate	New Zealand	100.00%	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. 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.

HITIQ Limited
Directors' declaration
30 June 2026

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 IFRS Accounting 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 2026 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

- 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

28 August 2026

Independent auditor's report to the members of HITIQ Limited

Report on the audit of the financial report

Opinion

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 2026 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 2026,

— 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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities 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.

William Buck
ACCOUNTANTS & ADVISORS

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 $6,101,158 and net cash outflows from operations of $3,654,128 during the year ended 30 June 2026 and, as of that date, the Group had net liabilities of $6,315,329 and its current liabilities exceeded its current assets by $6,478,234. 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 Revenue from Contracts with Customers.* 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	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.

WilliamBuck
ACCOUNTANTS & ADVISORS

	— The potential for any post-contract servicing work to be performed at the conclusion of the contract and whether 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 2026 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 2026, 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 2026.

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
Director
Melbourne, 28 August 2026

The shareholder information set out below was applicable as at 13 August 2026.

Distribution of equitable securities

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

	Ordinary shares		Options over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	28	-	8	-
1,001 to 5,000	248	0.09	14	0.04
5,001 to 10,000	184	0.15	7	0.05
10,001 to 100,000	857	3.82	44	1.87
100,001 and over	528	95.94	73	98.04
	1,845	100.00	146	100.00

Based on the closing price of $0.006 on 13 August 2026, the number of holders with an unmarketable holding: 1,227, with total 29,304,952 shares, amounting to 3.13% of Issued Capital.

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
HARMIL ANGEL INVESTMENTS PTY LTD <HARMIL ANGEL INVESTMENT A/C>	284,516,635	30.39
KABUNGA HOLDINGS PTY LTD <KABUNGA FAMILY A/C>	75,240,138	8.04
NEWFOUND INVESTMENTS PTY LTD <NEWFOUND SUPERANNUATION A/C>	31,142,858	3.33
LACE POP PTY LTD <RMJ A/C>	25,649,353	2.74
BERNE NO 132 NOMINEES PTY LTD <791994 A/C>	21,428,572	2.29
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	21,291,110	2.27
ARTEMIS FAMILY NOMINEES PTY LTD <ARTEMIS A/C>	15,917,260	1.70
MR MICHAEL DEAN VEGAR <M VEGAR INVESTMENT A/C>	11,880,428	1.27
BOND STREET CUSTODIANS LIMITED <TIADVI - D89395 A/C>	9,711,766	1.04
SPARK PLUS PTE LTD	8,696,030	0.93
CITICORP NOMINEES PTY LIMITED	7,953,136	0.85
MR MARK SHANNON ROONEY	6,761,987	0.72
PALM DEVELOPMENTS PTY LTD	6,594,607	0.70
SCINTILLA STRATEGIC INVESTMENTS LIMITED	6,388,888	0.68
MR MARTIN PAUL BRESLIN <THE MPB A/C>	6,200,000	0.66
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	5,737,548	0.61
MR EARL ROBERT EDDINGS	5,668,340	0.61
RIYA INVESTMENTS PTY LTD	5,500,000	0.59
WESTBURY SUPER CO PTY LTD <CROMB VAGNER SUPER A/C>	5,329,764	0.57
MR SEAMUS BALDWIN	5,220,018	0.56
	566,828,438	60.55

	Listed options over ordinary shares	
	Number held	**% of total options issued**
SPARK PLUS PTE LTD	11,363,703	11.54
ARTEMIS FAMILY NOMINEES PTY LTD <ARTEMIS A/C>	9,958,630	10.11
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	5,681,819	5.77
LACE POP PTY LTD <RMJ A/C>	5,681,818	5.77
BILGOLA NOMINEES PTY LIMITED	5,260,317	5.34
NEAVE TRADING PTY LTD	5,099,974	5.18
NEWFOUND INVESTMENTS PTY LTD <NEWFOUND SUPERANNUATION A/C>	4,441,936	4.51
MR SCOTT CRANK & MS LOLA CRANK <GAMBATTE SUPER FUND A/C>	3,583,094	3.64
MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	3,030,304	3.08
JABIR AMIRALI SMSF PTY LTD <JABIR AMIRALI SMSF A/C>	2,500,000	2.54
BOUTIQUE CAPITAL PTY LTD <PHOENIX GROWTH FUND A/C>	2,272,727	2.31
RIYA INVESTMENTS PTY LTD	2,000,000	2.03
ACCURATE FINANCE CONSULTANTS PTY LTD	1,991,726	2.02
TIME VALUATIONS PTY LTD	1,970,473	2.00
RIYA INVESTMENTS PTY LTD	1,800,000	1.83
MR CRAIG GRAEME CHAPMAN <NAMPAC DISCRETIONARY A/C>	1,752,719	1.78
MR SEAMUS BALDWIN	1,701,182	1.73
SCINTILLA STRATEGIC INVESTMENTS LIMITED	1,500,000	1.52
GFN NOMINEES PTY LTD <GFN FAMILY SF A/C>	1,500,000	1.52
MYALL RESOURCES PTY LTD <MYALL GROUP SUPER FUND A/C>	1,500,000	1.52
	74,590,422	75.74

Unquoted equity securities

	Number on issue	**Number of holders**
Performance rights	21,097,273	28

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	**% of total shares issued**
Harmil Angel Investments Pty Ltd and associates	288,947,302	30.86
Kabunga Holdings Pty Ltd atf Kabunga Family Trust	75,240,138	8.04

Restricted Securities

Class	**Number**	**End date of Escrow**
Ordinary shares	2,772,728	19/01/2027
HIQOA listed options	340,909	06/03/2027

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.

On-Market Buy-back
There is no current on-market buy-back.

Securities Approved for the purposes of item 7 of section 611 of the corporations act which have not yet been completed
At the 6 February 2026 General Meeting, shareholders approved the issue of shares to the Harmil group on conversion of convertible notes. As at 13 August 2026 the convertible notes and associated accrued interest totalled $3,577,730 which may be converted at the request of Harmil group at a conversion price of 90% of the 7-day volume weighted average price (VWAP) prior to conversion.

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.