



ASX Release

14 October 2026

Historical Breach of ASX Listing Rules 3.1 and 10.1

HiTech Group Australia Limited (ASX: HIT) (“**HiTech**” or “**Company**”) provides this announcement in accordance with ASX Listing Rule 18.8(a), following notification from ASX that the Company breached ASX Listing Rules 3.1 and 10.1 in connection with a transaction that occurred in July 2020.

Background

On 4 May 2018, HiTech advanced an interest-free loan of \$638,000 to its Chief Executive Officer and Executive Director, Mr Elias Hazouri, to fund the exercise of 2,900,000 share options (“**Loan**”). The Loan was disclosed in HiTech’s Full Year Statutory Accounts for the financial year ended 30 June 2018. On 14 July 2020, the Board resolved to write off the Loan in full. The write-off was approved by the Board in recognition of Mr Hazouri’s significant contribution to the Company’s performance.

Breach of Listing Rule 10.1

ASX Listing Rule 10.1 requires a listed entity to obtain the approval of holders of its ordinary securities before disposing of a substantial asset to a related party.

Under ASX Listing Rule 10.2, an asset is substantial if its value, or the value of the consideration for it, is 5% or more of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules. Based on the Company’s half year accounts for the period ended 31 December 2019 (being the latest accounts given to ASX prior to the write-off), the Company’s equity interests were \$7,120,197, resulting in a substantial asset threshold of \$356,009.85.

As a director, Mr Hazouri was a related party of the Company for the purposes of Listing Rule 10.1.1. The write-off of the Loan decreased its value by \$638,000, which exceeded the substantial asset threshold and constituted the disposal of a substantial asset for the purposes of Listing Rule 10.1.

The Company did not recognise at the time that the write-off required shareholder approval under Listing Rule 10.1. Accordingly, ASX has determined that the Company breached Listing Rule 10.1 by disposing of a substantial asset to a related party without obtaining approval from the holders of the Company’s ordinary securities.

Breach of Listing Rule 3.1

The write-off of the Loan was likely to have been information that a reasonable person would have expected to have a material effect on the price or value of the Company’s securities, and that should have been given to ASX at that time. The Company did not recognise this at the time and, accordingly, inadvertently breached Listing Rule 3.1.

Compliance arrangements

The relevant transaction occurred more than six years ago. Since that time, the Board has strengthened its compliance processes to ensure that transactions involving related parties are identified and assessed against the Listing Rules, and that the Board seeks external advice, including external legal advice, in connection with any transaction that may give rise to an obligation under the Listing Rules. The Company has also strengthened its continuous disclosure arrangements. Directors and senior management are required to promptly notify the Chair and Company Secretary of



information that may be market sensitive. Potentially material information is escalated for assessment against Listing Rule 3.1, with external legal advice obtained where appropriate. The Board oversees material disclosure decisions, and the Company Secretary is responsible for coordinating the preparation, approval and release of announcements to ASX. These arrangements are intended to ensure that market-sensitive information is identified, considered and disclosed to ASX promptly in accordance with the Company's continuous disclosure obligations.

About HiTech Group Australia Limited

HiTech Group Australia Limited (ASX: HIT) is a leading Australian professional services and workforce solutions provider, delivering project services, technology recruitment, ICT contracting and specialist workforce solutions. For more than 33 years, HiTech has partnered with Federal Government agencies and major private sector commercial organisations, supplying highly skilled professionals across digital transformation, cyber security, data and analytics, cloud technologies, software and hardware engineering, project delivery and other business-critical capability areas.

Supported by a reputation for service excellence, enduring client relationships and disciplined operational performance, HiTech continues to execute a strategy focused on sustainable organic growth, complemented by targeted acquisitions that enhance capability, extend market reach and deliver long-term value for customers, employees and shareholders.

This announcement has been authorised for release by the Board of HiTech Group Australia Limited.