

31 January 2024

## HITIQ Quarterly Activities Report December 2023

- > **Increased Commercial activity across multiple verticals and demographics**
- > **Positive commercial outlook for H2 2024FY**
- > **Important compliance milestone met**

---

### Commercial Update

The company is focusing on several near-term commercial opportunities, both domestically and internationally, with its commercial team currently in the USA conducting potential customer and partnership meetings and enhancing the company's profile abroad.

The company is pleased to advise that the following commercial arrangements have been executed since the last quarterly activities report.

#### AFL

Subsequent to quarter end the company executed a strategic partnership with the Australian Football League (AFL) to supply both its Nexus head impact sensor technology and concussion management platform to the AFL and AFLW competitions for season 2024.

Commenting on the deal, HITIQ Chief Commercial Officer, Damien Hawes, said: "We are thrilled to broaden our collaboration with the AFL, which alone represents approximately 60% of reported operating revenues for the 2023 financial year. This agreement, encompassing multiple products, reflects the AFL's growing commitment to player safety and wellbeing whilst validating the value our technology brings to the AFL's progressive concussion management practices across different levels of the sport."

HITIQ's industry leading concussion management platform (CSX) will be mandated for use in the AFL and AFLW and offered for use within the VFL and VFLW competitions.

Implementing HITIQ's world class Nexus head impact sensor technology will allow for the capture and detailed analysis of head impact exposure across the AFL and AFLW competitions.

The use of HITIQ's head impact technology and concussion management platform in this way directly correlates to the recent recommendations by the Australian Federal Parliament Senate Inquiry. Further, HITIQ will continue to take a leadership role in the area by providing access to this world leading technology via the rollout of its consumer product offering Smart Mouthguard and ConneQt concussion platform. More information may be found here: <https://www.hitiq.com/hitiq-smart-mouthguard>.



AFL General Counsel Stephen Meade said “For the AFL, the safety and health of our players is of paramount importance. The AFL is committed to mitigating risk of head impacts across the game, including by taking steps that support the players’ health with the best available tools, and rigorous protocols harnessing the power of health technology and evidence-based research. Our partnership with HITIQ is an important component in enabling us to fulfill these objectives”.

### **Sydney Roosters**

Initial sales order from the Sydney Roosters, represents first of kind within the NRL competition. Revenue from agreement is not material, but positively signals important entry point into NRL competition. HITIQ looks forward to supporting the Sydney Roosters for Season 2024.

### **WAFC**

As announced on 23 November 2023, the WAFC have extended their relationship with HITIQ through a sales order for season 2024 on the back of a successful 2023 rollout.

WAFC Executive Manager, Game Development and Community Football, Troy Kirkham, commented: "As a leading organisation in Australian football, we at the West Australian Football Commission are constantly seeking innovative ways to enhance player safety and performance. Across the 2023 season, we had the opportunity to integrate HITIQ's Nexus Solution instrumented mouthguard technology into our programs. The decision to implement this technology has been transformative for our clubs and teams”.

The user-friendliness, robustness and fit of the mouthguards have been praised by our players and coaching staff alike. Their ability to seamlessly integrate into our daily routines without hindering player performance, or negatively impacting the workload of staff or volunteers, has been a key factor in their success. Given the significant benefits we observed last season, it was an easy decision to continue our partnership with HITIQ for the 2024 season. We firmly believe that this technology is a vital tool in our ongoing commitment in prioritising player safety, health and wellbeing. We look forward to another successful season with HITIQ at the forefront of our player health and safety initiatives."

### **Peak Physical Therapy (US)**

Sales order to Peak Physical Therapy, a privately operated Rehabilitation and Performance facility in the USA to support their Snow Sport programs through the integration of HITIQ's Nexus mouthguard solution.

First sale into the private sector globally for HITIQ signifies growing demand for Head impact sensors.

Revenue from agreement is nonmaterial.

### **Monash University, Deakin University & the University of Canterbury**

HITIQ continues to be a valuable tool for research institutions globally with the provision of technology and data to support concussion related research breakthroughs.

#### **Monash**

Monash will continue to utilise HITIQ's Nexus head impact sensor technology to support their expanding blood brain biomarker study. The highly promising study, which began in 2023, demonstrated a correlation between cumulative head impact exposure and elevation in blood brain injury biomarkers.



## **Deakin**

Deakin University will continue their investigation on the impact of repeat head trauma and sleep quality for a second consecutive year,

## **Canterbury**

University of Canterbury to continue their investigation into the efficacy of head gear in to mitigating the severity of head impacts in youth rugby union.

## **Operations**

In December quarter, the Company conducted a Stage 2 audit for the ISO27001 certification. Subsequently, a recommendation from the auditors for the certification was delivered.

Compliance to ISO27001, which is a globally accepted indication of data and information security effectiveness, is critical to enhance market reputation and overcome many of the data risks to commerciality.

## **Financial**

The Company had cash reserves of A\$851k as at 31 December 2023.

As advised in Section 6.1 in the Appendix 4C for the period, payments to, or to an associate of, a related party of the entity during quarter A\$128,400 was paid to related parties of the Company as follows:

|                                                                                                                                                                                     |          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| > Executive Director Salary and superannuation                                                                                                                                      | \$72,560 |
| > Non-Executive Director Fees                                                                                                                                                       | \$31,845 |
| > Bookkeeping and Accounting Services provided by Optima Partners, <ul style="list-style-type: none"><li>▪ a related party of non-executive director, Mr. Philip Carulli:</li></ul> | \$23,995 |

**- ENDS -**

Authorised for release by the Board of Directors.

For more information, contact: [investors@hitiq.com](mailto:investors@hitiq.com)

## **About HITIQ**

HITIQ has an evidenced-based brain care solution company deploying world-class technologies.

Our solutions include a sensor-enabled mouthguard to an AI-enabled data analytics interface and, best in class return to play/work support software.

Our technology enables data driven decisions for thousands of professional and amateur sports players who experience brain impacts, empowers clinicians who care for their brains and enhance concussion management policies for progressive leagues around the globe.

Our customers include the Australian Football League (AFL), English Premier League (EPL), and the National Rugby League (NRL), along with numerous other teams in a variety of sporting codes. We also service universities and research organisations studying the impacts (both short and long-term) of repeat head impacts.



## APPENDIX 4C

Quarterly cash flow report for entities  
subject to listing rule 4.7b

## Name of entity

HITIQ Limited

## ABN

53 609 543 213

## Quarter ended ("current quarter")

31 December 2023

| Consolidated statement of cash flows |                                                       | Current quarter \$A'000 | Year to date (12 months)<br>\$A'000 |
|--------------------------------------|-------------------------------------------------------|-------------------------|-------------------------------------|
| <b>1.</b>                            | <b>Cash flows from operating activities</b>           |                         |                                     |
| 1.1                                  | Receipts from customers                               | 219                     | 508                                 |
| 1.2                                  | Payments for                                          |                         |                                     |
|                                      | research and development                              | (119)                   | (220)                               |
|                                      | product manufacturing and operating costs             | -                       | -                                   |
|                                      | advertising and marketing                             | (51)                    | (96)                                |
|                                      | leased assets                                         | -                       | -                                   |
|                                      | staff costs                                           | (1,043)                 | (2,134)                             |
|                                      | administration and corporate costs                    | (439)                   | (1,035)                             |
| 1.3                                  | Dividends received (see note 3)                       | -                       | -                                   |
| 1.4                                  | Interest received                                     | 12                      | 16                                  |
| 1.5                                  | Interest and other costs of finance paid              | (89)                    | (89)                                |
| 1.6                                  | Income taxes paid                                     | -                       | -                                   |
| 1.7                                  | Government grants and tax incentives                  | 1,962                   | 1,962                               |
| 1.8                                  | Other (provide details if material)                   | -                       | -                                   |
| <b>1.9</b>                           | <b>Net cash from / (used in) operating activities</b> | <b>452</b>              | <b>(1,088)</b>                      |
| <b>2.</b>                            | <b>Cash flows from investing activities</b>           |                         |                                     |
| 2.1                                  | Payments to acquire or for:                           |                         |                                     |
|                                      | (a) entities                                          | -                       | -                                   |
|                                      | businesses                                            | (88)                    | (154)                               |
|                                      | property, plant and equipment                         | (5)                     | (12)                                |
|                                      | investments                                           | -                       | -                                   |
|                                      | intellectual property                                 | -                       | -                                   |
|                                      | other non-current assets                              | -                       | -                                   |



# ASX ANNOUNCEMENT

| Consolidated statement of cash flows |                                                       | Current quarter \$A'000 | Year to date (12 months)<br>\$A'000 |
|--------------------------------------|-------------------------------------------------------|-------------------------|-------------------------------------|
| 2.2                                  | Proceeds from disposal of:                            |                         |                                     |
|                                      | (b) entities                                          | -                       | -                                   |
|                                      | businesses                                            | -                       | -                                   |
|                                      | property, plant and equipment                         | -                       | -                                   |
|                                      | investments                                           | -                       | -                                   |
|                                      | intellectual property                                 | -                       | -                                   |
|                                      | other non-current assets                              | -                       | -                                   |
| 2.3                                  | Cash flows from loans to other entities               | -                       | -                                   |
| 2.4                                  | Dividends received (see note 3)                       | -                       | -                                   |
| 2.5                                  | Other (provide details if material)                   | -                       | -                                   |
| 2.6                                  | <b>Net cash from / (used in) investing activities</b> | <b>(93)</b>             | <b>(166)</b>                        |

|      |                                                                                            |            |            |
|------|--------------------------------------------------------------------------------------------|------------|------------|
| 3.   | <b>Cash flows from financing activities</b>                                                |            |            |
| 3.1  | Proceeds from issues of equity securities<br>(excluding convertible debt securities)       | 1,797      | 1,797      |
| 3.2  | Proceeds from issue of convertible debt securities                                         | -          | -          |
| 3.3  | Proceeds from exercise of options                                                          | -          | -          |
| 3.4  | Transaction costs related to issues of equity<br>securities or convertible debt securities | -          | -          |
| 3.5  | Proceeds from borrowings                                                                   | -          | -          |
| 3.6  | Repayment of borrowings                                                                    | (1,562)    | (1,672)    |
| 3.7  | Transaction costs related to loans and borrowings                                          | -          | -          |
| 3.8  | Dividends paid                                                                             | -          | -          |
| 3.9  | Other (provide details if material)                                                        | -          | -          |
| 3.10 | <b>Net cash from / (used in) financing activities</b>                                      | <b>235</b> | <b>125</b> |

|     |                                                                                  |      |         |
|-----|----------------------------------------------------------------------------------|------|---------|
| 4.  | <b>Net increase / (decrease) in cash and cash<br/>equivalents for the period</b> |      |         |
| 4.1 | Cash and cash equivalents at beginning of period                                 | 257  | 1,980   |
| 4.2 | Net cash from / (used in) operating activities<br>(item 1.9 above)               | 452  | (1,088) |
| 4.3 | Net cash from / (used in) investing activities<br>(item 2.6 above)               | (93) | (166)   |
| 4.4 | Net cash from / (used in) financing activities<br>(item 3.10 above)              | 235  | 125     |



# ASX ANNOUNCEMENT

| Consolidated statement of cash flows |                                                   | Current quarter \$A'000 | Year to date (12 months)<br>\$A'000 |
|--------------------------------------|---------------------------------------------------|-------------------------|-------------------------------------|
| 4.5                                  | Effect of movement in exchange rates on cash held | -                       | -                                   |
| 4.6                                  | <b>Cash and cash equivalents at end of period</b> | <b>851</b>              | <b>851</b>                          |

| 5.  | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|
| 5.1 | Bank balances                                                                                                                                                     | 851                        | 257                         |
| 5.2 | Call deposits                                                                                                                                                     | -                          | -                           |
| 5.3 | Bank overdrafts                                                                                                                                                   | -                          | -                           |
| 5.4 | Other (provide details)                                                                                                                                           | -                          | -                           |
| 5.5 | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>                                                                                  | <b>851</b>                 | <b>257</b>                  |

| 6.  | Payments to related parties of the entity and their associates                          | Current quarter<br>\$A'000 |
|-----|-----------------------------------------------------------------------------------------|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 128                        |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | -                          |

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

| 7.  | Financing facilities<br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>                                                                                                               | Total facility amount at<br>quarter end<br>\$A'000 | Amount drawn at quarter end<br>\$A'000 |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------|
| 7.1 | Loan facilities                                                                                                                                                                                                                                                                                                                             | -                                                  | -                                      |
| 7.2 | Credit standby arrangements                                                                                                                                                                                                                                                                                                                 | -                                                  | -                                      |
| 7.3 | Other (please specify)                                                                                                                                                                                                                                                                                                                      | -                                                  | -                                      |
| 7.4 | <b>Total financing facilities</b>                                                                                                                                                                                                                                                                                                           | <b>-</b>                                           | <b>-</b>                               |
| 7.5 | <b>Unused financing facilities available at quarter end</b>                                                                                                                                                                                                                                                                                 |                                                    | -                                      |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. |                                                    |                                        |



| 8.    | Estimated cash available for future operating activities                                                                                                                                                           | \$A'000 |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| 8.1   | Net cash from / (used in) operating activities (item 1.9)                                                                                                                                                          | 452     |
| 8.2   | Cash and cash equivalents at quarter end (item 4.6)                                                                                                                                                                | 851     |
| 8.3   | Unused finance facilities available at quarter end (item 7.5)                                                                                                                                                      | -       |
| 8.4   | Total available funding (item 8.2 + item 8.3)                                                                                                                                                                      | 851     |
| 8.5   | Estimated quarters of funding available (item 8.4 divided by item 8.1)                                                                                                                                             | N/A     |
|       | <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i> |         |
| 8.6   | If item 8.5 is less than 2 quarters, please provide answers to the following questions:                                                                                                                            |         |
| 8.6.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?                                                                        |         |
|       | Answer:                                                                                                                                                                                                            |         |
| 8.6.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?   |         |
|       | Answer:                                                                                                                                                                                                            |         |
| 8.6.3 | Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?                                                                                        |         |
|       | Answer:                                                                                                                                                                                                            |         |
|       | <i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>                                                                                               |         |

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2024

Authorised by: The Board of HITIQ Limited  
(Name of body or officer authorising release – see note 4)

## Notes

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the