HiTech Group Australia Limited
2010 Annual General Meeting – 29 October 2010

Chairman's Address to Shareholders

Welcome to our Eleventh Annual General Meeting as a publicly listed company.

FY2010 Results

For the financial year ended 30 June 2010, the consolidated entity's Net profit after taxation (NPAT) is $136,775 (FY09 NLAT of $1.02 million). Operating revenue is $5,524,864 a decrease of 3.13% over the previous financial year. The high margin permanent placement income was 20% higher.

Increased profitability was due to an increase in permanent placement income and an increase in the market value of the Group's investments in other listed entities.

HiTech remains profitable, with a strong balance sheet and no debt. HiTech continues to win new business and is increasing its client base steadily.

Outlook for FY2011

The outlook for FY2011 is positive and promising depending on the prevailing economic conditions at the time and the stock market fluctuations.

For the first quarter 2011, I am pleased to report: operating revenue increased by 49% with an increase of 146% in permanent placement income and a 43% increase in contracting income.

NPAT for the first quarter is over $200K (compared to a loss in the previous corresponding period). The market value of our investment in other listed entities has also increased.

The prospects for the full financial year appear good depending on continuation of the current market conditions. Based on internal management accounts for the first quarter of FY2011, assuming similar market conditions, the Group's expected

NPAT for the full financial year will be in the range of $0.5 to $0.75 million.

The improvement in the ICT recruitment sector is crucial as there continues to be a shortage of good ICT candidates. There has been an improvement in job vacancies.

We have diversified into non-ICT areas and increased our client base. We continue to win new business on all levels.

We continue to explore participation in the rationalisation of the recruitment and ICT industries. HiTech is seeking suitable EPS positive acquisitions in addition to organic growth and we are working on winning more new business in the future.

To sum up, HiTech has returned to profitability, remains resilient with a strong balance sheet, solid cash reserves and no debt as always.

We are determined to improve our results and will continue to do our best to improve overall performance and growth.

I thank you all for your support and commitment as shareholders, staff members, candidates, contractors and valued clients.

Ray Hazouri
Chairman and Chief Executive Officer

29 October 2010