HiTech Group Australia Limited

2013 Annual General Meeting - 18 October 2013

Chairman's Address to Shareholders

Welcome to our 14th Annual General Meeting as a publicly listed company.

FY2013 Results

For the financial year ended 30 June 2013, the company's operating revenue is $7,366,800, a decrease of 23.5% over the previous corresponding period (pcp). The permanent placement revenue was 7.2% lower and contracting revenue was 24.8% lower than pcp.

Net profit after taxation (NPAT) is $164,504 (FY12: $556,699). **Gross Profit is $1,589,917** (FY12: $2,058,372). Decreased profitability was due to a reduction in contracting and permanent placement income.

Our Net tangible Assets (NTA) increased by 5.42% to $0.10 per share.

Cash at end of year increased by 46.7% to $2,757,958.

The directors declared a fully franked dividend of 0.5 cents per ordinary share with a record date of 11 September 2013 to be paid on 25 September.

HiTech remains profitable, with a strong balance sheet and no debt in an environment where there is ongoing national economic uncertainty. HiTech continues to win new business and is increasing its client base steadily.

Outlook for FY2014

Our outlook for FY2014 depends on the prevailing economic conditions at the time and the demand for human talent from business and government.

For the first quarter FY2014, operating revenue decreased by almost half over pcp, mainly due to a decrease in contracting revenue. Profit will be affected accordingly unless the market improves. We expect the first half year to have a break even result.

Based on internal management accounts, assuming similar market conditions, the Group's expected NPAT for the full financial year is expected to be in the range of $0.1 to $0.5 million.

To sum up, despite the challenging market, HiTech remains profitable, 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

18 October 2013