

12 May 2020

ASX ANNOUNCEMENT

HT8 April Unaudited Monthly Sales Exceeds Last Year Quarterly Sales on early success of Pro-Hygiene Product Range

Harris Technology Group Limited (HT8) is pleased to provide the following market update.

On 9 April 2020, HT8 announced to the ASX that unaudited revenue for the March 2020 quarter had significantly increased and was expected to be sustained at similar levels for the foreseeable future.

On 17 April 2020, HT8 announced to the ASX that it had established the Pro-Hygiene range of products including facemasks, hand sanitiser gels and alcohol wipes. Revenue from the Pro-Hygiene range for the June 2020 quarter was estimated to be \$400,000.

Sales revenue (unaudited) for April 2020 for both the IT/CE (Consumer Electronics Division) and the Pro-Hygiene division was \$2.72 million. This compares with sales revenue (unaudited) for the March 2020 quarter of \$3.4 million and sales for the April - June 2019 quarter (audited) of \$2.23 million.

Sales of Pro-Hygiene products for April 2020 was \$1.05 million (unaudited) at a gross margin of 20%. The board expects the Pro-Hygiene division to continue achieving strong results for the foreseeable future based on the following factors:

- a) HT8 has expanded its product range by securing the non-exclusive Australian distribution rights for the "Tender Kiss" brand of alcohol tissues from Guangzhou Baihua Sanitary Products Co. The tissues are being imported from China and sales of the brand will commence this month. The distribution rights are ongoing with no specific termination date.
- b) HT8 is confident that supplies of products from China should continue. The first shipment of GOTDYA brand hand sanitisers (see announcement dated 17 April 2020) have arrived and sales have begun. Further shipments of products are in transit.
- c) A national network of sales agents to sell Pro-Hygiene products has been established. One agent has been appointed for each state of Australia and each agent is entitled to commission only on sales. All sales by the agents are offline, sales will take place by agents visiting retailers.

HT8 has successfully registered a domain of www.pro-hygiene.com.au. This domain is currently pointed to HT8's e-commerce site <https://www.apca.net.au/Pro-hygiene/>.

HT8 had another record-breaking month on substantial sales growth for its IT/CE e-commerce business in April 2020. Sales revenue (unaudited) was \$1.68 million.

The Company will update the ASX regarding expected profit for the year ended 30 June 2020 in the coming weeks.

The release of this announcement was authorised by the Company's chairman on behalf of the HT8 board.

Andrew Plympton
Chairman

