



## **APPENDIX 4D**

### **HALF-YEARLY REPORT**

<b>Name of Entity:</b>	<b>MOQ LIMITED</b>
<b>ABN:</b>	<b>94 050 240 330</b>
<b>Reporting period:</b>	<b>Half-yearly ended 31 December 2018</b>
<b>Previous corresponding period:</b>	<b>Half-yearly ended 31 December 2017</b>



## Results for Announcement to the Market

Set out below are the statutory results for MOQ Ltd (“MOQ” or the “Company”) and its controlled entities for the half- yearly ended 31 December 2018.

	31 Dec 2018	31 Dec 2017	Movement %
<b>Revenue from ordinary activities</b>	34,678,728	28,917,441	19.9%
<b>EBITDA</b>	1,504,305	997,268	50.8%
<b>Profit from ordinary activities after tax attributable to members</b>	854,931	432,133	97.8%
<b>Net profit after tax attributable to members</b>	854,931	432,133	97.8%
<b>Interim dividend per share (fully franked)</b>	n/a	n/a	-
<b>Final dividend per share (fully franked)</b>	n/a	n/a	-
<b>Basic Earnings per share (cents per share)</b>			
- Continuing operations	0.5300	0.2679	97.8%
- Discontinuing operations	-	-	-
<b>Diluted Earnings per share (cents per share)</b>			
- Continuing operations	0.5057	0.2619	93.1%
- Discontinuing operations	-	-	-
<b>Net Tangible Asset Backing per share</b>	3.06 cents	2.71 cents	12.9%

## Dividend information

	Amount (cents per share)	Record Date	Payment Date
Interim dividend	n/a	n/a	n/a
Final dividend	n/a	n/a	n/a
The company does not have a dividend reinvestment plan.			

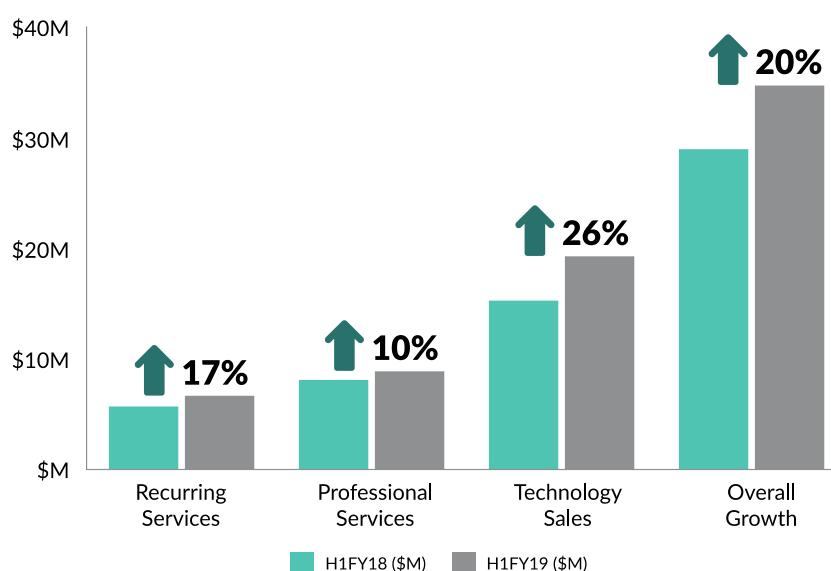
## Commentary on operating results for the period

**MOQ Limited** continues to improve key aspects of its business operations and financial performance in line with our core objective to develop a high value, market leading, publicly listed specialist services business targeting the needs of enterprises seeking to utilise technology to drive digital transformation initiatives.

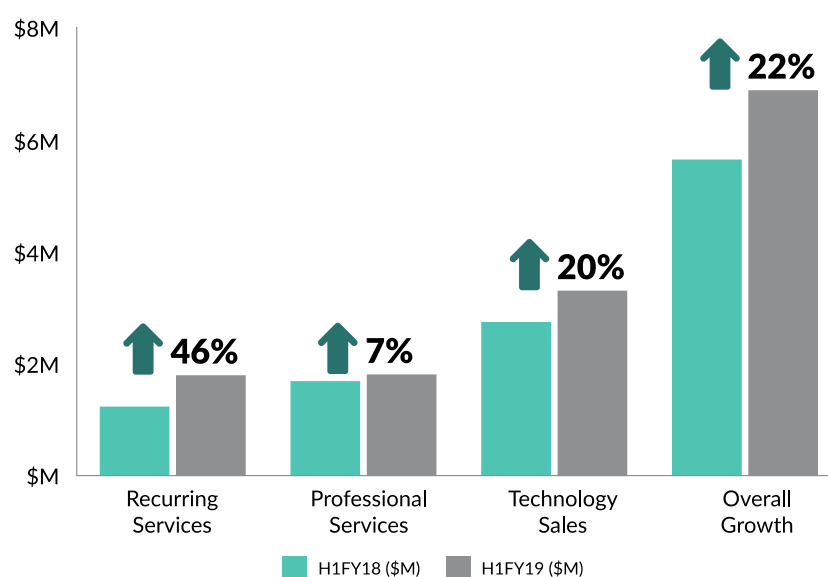
During H1 FY19, MOQ Limited was focused on implementation and delivery on major projects, establishment of significant new client managed services engagements and bringing to market its new product offerings through the Skoolbag business.

The trading results for H1 FY19 continue to support the success of our organic growth strategy and commitment to invest in key opportunities to improve our recurring services revenue stream. The percentage growth achieved at the revenue and gross profit level is illustrated in this table which compares H1 FY19 to H1 FY18:

**Revenue Growth by Segment H1FY19 vs H1FY18**



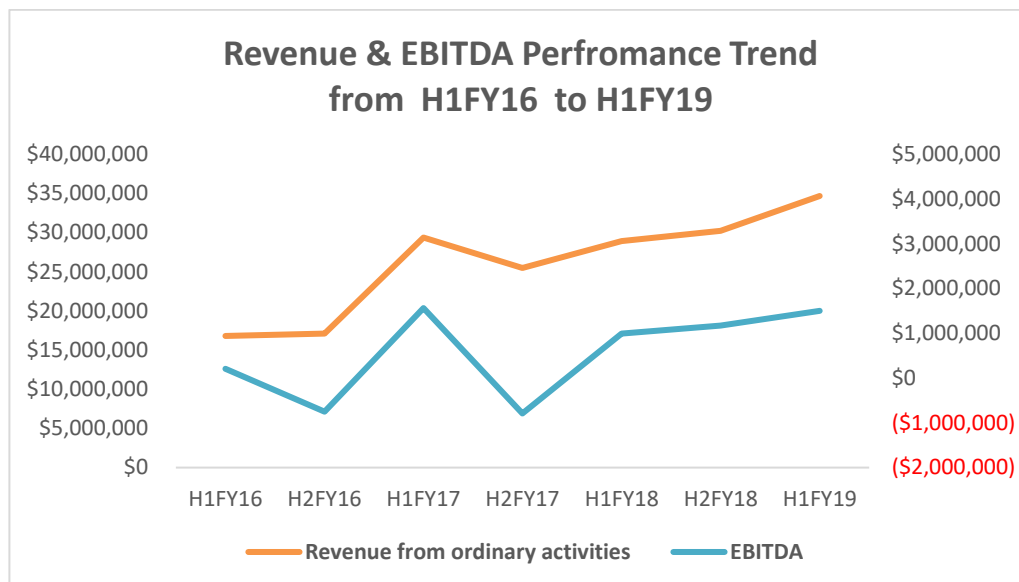
**Gross Profit Growth by Segment H1FY19 vs H1FY18**





Importantly this is also reflected at the EBITDA level with a **51% increase in EBITDA** for H1FY19 over H1 FY18, The EBITDA for H1 FY19 being **\$1,504,305**. **Profit after Tax** also **increased by 98%** over H1 FY18.

In order to provide additional perspective, the following chart illustrates the trend in business financial performance on a half yearly basis since H1FY16.



H1 FY19 was the first reporting period in which MOQ adopted the new accounting standard AASB 15 – Revenue from Contracts with Customers. The primary impact from the application of the new standard to revenue recognition for contracts was a reduction of \$822k in Professional Services revenue, and a corresponding reduction to both gross profit and earnings of \$167k (which have been factored into the above results). We expect this adjustment to be reversed by the end of FY19 as the contract is completed.

Pleasingly, operating expenses (excluding Depreciation & Amortisation) as a percentage of revenue from ordinary activities dropped from 16.3% to 15.6% between H1FY18 and H1FY19. We remain focused on driving operating expense towards 14% of revenues in the medium term.

As mentioned in our latest quarterly cashflow report, we have invested \$769k in capitalised effort to establish 2 long term Managed Services contracts, worth approximately \$7.3m over 5 years. We do not anticipate further capitalisations from these contracts going forward.

Cash generated from operations for H1 FY19 continued to be strong (\$2.9m), off the back of strong Technology revenues.

In summary, MOQ Limited will continue to focus on driving towards both achieving its strategic priorities and improving its financial performance during H2 FY19.

For additional information, MOQ Limited has concurrently released an Investor Presentation with this Half Yearly report.

## MOQdigital

The MOQdigital business provides a range of services and solutions to enable digital business transformation including consulting, integration, and managed services across applications, data and infrastructure platforms.

For MOQdigital, H1 FY19 has been focused around the following key areas:

1. **Transition and On-Boarding of key new Managed Services contracts** – as per previous announcements throughout 2018, MOQdigital closed a range of significant opportunities in late FY18 and has subsequently turned significant resources and focus on ensuring the newly won contracts are successfully transitioned and



established for long term management. Due to the size and complexity of the workloads, this has been a particularly demanding but necessary period in the history of the business.

2. There have been **key wins across all Lines of Business** during H1 FY19 in both NSW and Queensland. These include:
  - a. A significant digital enhancement project to integrate Cloud and On-Premise Data assets for a State Government Owned Corporation.
  - b. An existing client with a global presence has chosen MOQdigital to assist with a complex rebuild of their core infrastructure and identity services as part of a global restructure project.
  - c. A new client, as a leading provider of technology solutions to the Financial Services industry, with a global presence, has chosen MOQdigital to assist in optimising its Cloud architecture and operating environment.
  - d. A significant private education provider has engaged MOQdigital to provide consulting services for over 200 schools aimed at maximizing the alignment of IT investment against curriculum and organizational requirements.
3. **Growth in profitability of Managed Services** – whilst revenue for recurring managed services grew by **21%** for H1 FY19 over H1 FY18, Gross Profit grew by over **45%**. This is a direct result of the investment strategies in FY17 and FY18, including:
  - a. Operational improvements in Managed Services business and improved systems, processes and utilisation of the Colombo operation.
  - b. An increased Sales and Marketing focus.
  - c. Successful transition and on-boarding of new clients during the 6 month period.
4. **The NSW business grew by 24% in H1 FY19 over H1 FY18** – The business in NSW is now established and has a growing staff base, local capability and increased capacity. The pipeline continues to improve in quality and quantity and H1 FY19 produced a range of great wins and new clients.
5. **Acquisition activities** – MOQ has continued to actively pursue M&A opportunities as part of its previously stated growth strategy, and has advanced discussions with various complementary businesses that have the potential to increase MOQ's geographical footprint and/or Go To Market capability and capacity.

For MOQdigital, H1 FY19 represents a period where business stability and positive momentum has continued and this groundwork reflects in the improving financial results and a growing market presence.

## SkoolBag

The SkoolBag business operates and develops a market leading Software-as-a-Service (“SaaS”) communications platform, including mobile apps, primarily for Childcare and Education customers and also in the sports vertical.

For Skoolbag, H1 FY19 has been focused around the following key areas:

### Development of the new SkoolBag mobile application:

During H1 FY19, SkoolBag delivered a new mobile app, implemented improvements based on initial feedback and completed a full roll-out across all education organisations. The technology used in the new SkoolBag Mobile App offers our customers an improved user experience and new features, whilst providing a platform for further feature enhancements and integrations. During December 2018, the SkoolBag app reached #1 position on both the Apple and Google Stores.

During H1 FY19, SkoolBag also released in partnership with Samsung, the Family Hub™ Refrigerator SkoolBag App. This showcases the portability of the SkoolBag platform to smart devices enabling parents to submit absentee or permission slips, receive important communications and notifications for upcoming events like swimming or athletics carnivals and parent teacher interviews.

**Further roll-out of SkoolBag eNewsletter:**

SkoolBag launched its new School eNewsletter product, including an easy to use content management interface for schools. Professionally designed newsletters can be created in minutes, with no prior expertise in digital publishing required. SkoolBag eNewsletters are formatted to be easily viewed on any mobile, tablet, or PC and can be translated to over 100 languages instantly.

**Broader skillsets with new key hires:**

SkoolBag has expanded the team to further invest in the commercialisation of new and existing products that our target markets need and love. Key new hires have been made across product development, design, user experience, engineering and support.

**SkoolBag pricing increases:**

In H1 FY19, SkoolBag introduced its first pricing increase, after having kept a constant price for over 6 years. As a result of considerable enhancements and value add features, SkoolBag began implementing pricing changes for all subscriptions at time of annual subscription renewal, starting from July 2018.

**Additional information**

Additional Appendix 4D disclosures can be found in the Notes accompanying the Statement of Profit or Loss and other comprehensive income and Statement of Financial Position.

This Appendix 4D is based on the 31 December 2018 half-yearly financial report, which is reviewed by Stantons International Audit and Consulting Pty Ltd (Stantons International).



**MOQ LIMITED  
AND ITS CONTROLLED ENTITIES**

**INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**ABN: 94 050 240 330**

**INDEX**

	Page Number
Directors' Report	3
Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Consolidated Statement of Financial Position	11
Consolidated Statement of Changes in Equity	12
Consolidated Statement of Cash Flows	14
Condensed Notes to the Financial Statements	15
Directors' Declaration	23
Auditor's Independence Declaration	24
Independent Auditor's Review Report	25



## **DIRECTORS' REPORT**

Your directors present their report on the consolidated entity (referred to herein as the “**Group**”) consisting of MOQ Limited (“**MOQ**” or “**Company**”) and its controlled entities for the half-year ended 31 December 2018. The information in the preceding operating and financial review forms part of this directors’ report for the half-year ended 31 December 2018 and is to be read in conjunction with the following information.

### **General Information**

#### **Officers and Directors**

The names and particulars of the Directors during the half-year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

<b>Name</b>	<b>Particulars</b>
Mr David Shein	Non Executive Chairman
Mr Joe D’Addio	Executive Director and Chief Executive Officer
Mr Scott McPherson	Executive Director and Solutions Director
Mr Joey Fridman	Non Executive Director
Mr Michael Pollak	Non Executive Director

#### **Our Business Model and Objectives**

MOQ Limited’s strategy is to develop, build and acquire Cloud centric complementary technology businesses. The Directors of the Company have extensive experience and a proven track record in building and acquiring businesses, as well as providing strategic direction, in order to generate long term sustainable returns for shareholders. The Company is actively pursuing suitable growth opportunities by either organic investment or through synergistic acquisitions in the technology sector.

MOQ Limited’s key priorities include:

- Investment in the organic growth of MOQdigital and a build out of capability in the New South Wales and Queensland markets;
- Continued and increased focus on the growth of recurring revenue streams such as managed services;
- Investment in function and feature improvement of the Skoolbag product, to further grow the user base and revenue streams.
- Prioritise investment in our Applications, Data and Analytics practice and associated solutions; and
- Growth via strategic acquisitions.

#### **Operating and Financial Review for H1 FY19**

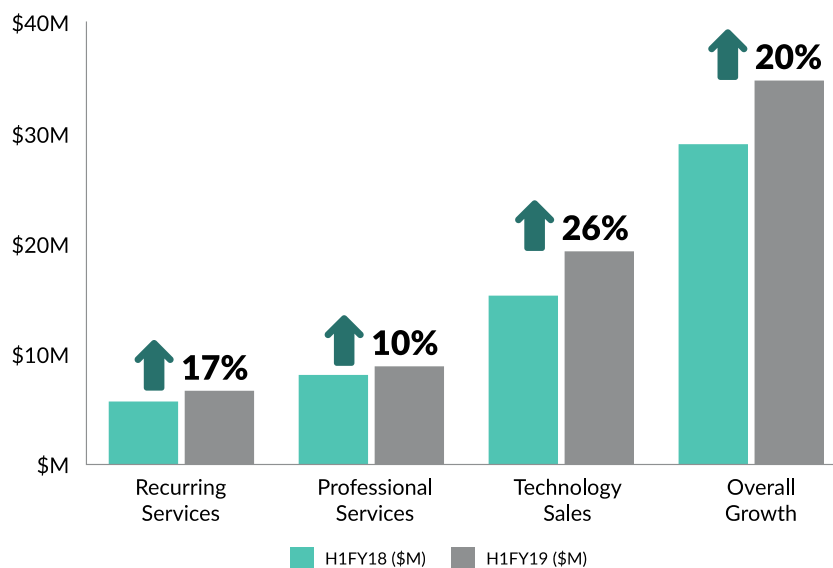
**MOQ Limited** continues to improve key aspects of its business operations and financial performance in line with our core objective to develop a high value, market leading, publicly listed specialist services business targeting the needs of enterprises seeking to utilise technology to drive digital transformation initiatives.

During H1 FY19, MOQ Limited was focused on implementation and delivery on major projects, establishment of significant new client managed services engagements and bringing to market its new product offerings through the Skoolbag business.

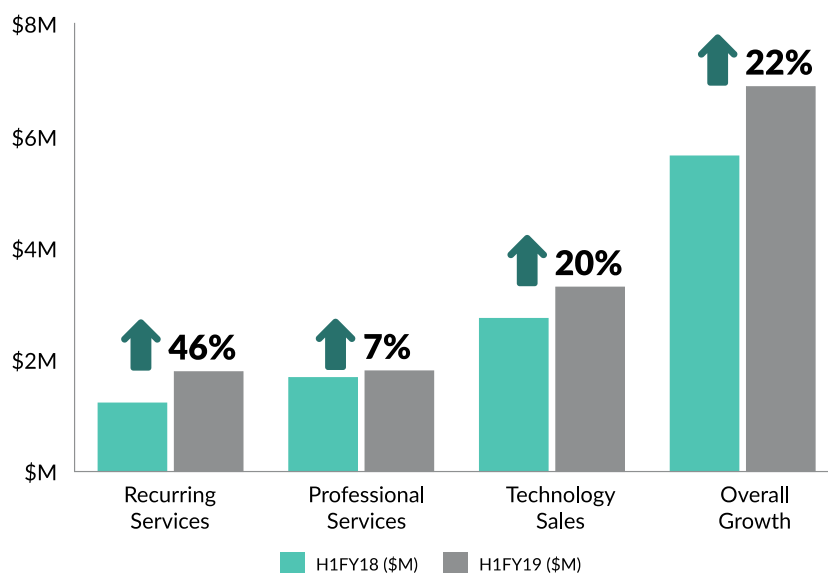
The trading results for H1 FY19 continue to support the success of our organic growth strategy and commitment to invest in key opportunities to improve our recurring services revenue stream. The percentage growth achieved at the revenue and gross profit level is illustrated in this table which compares H1 FY19 to H1 FY18:

**DIRECTORS' REPORT (CONT.)**

**Revenue Growth by Segment H1FY19 vs H1FY18**



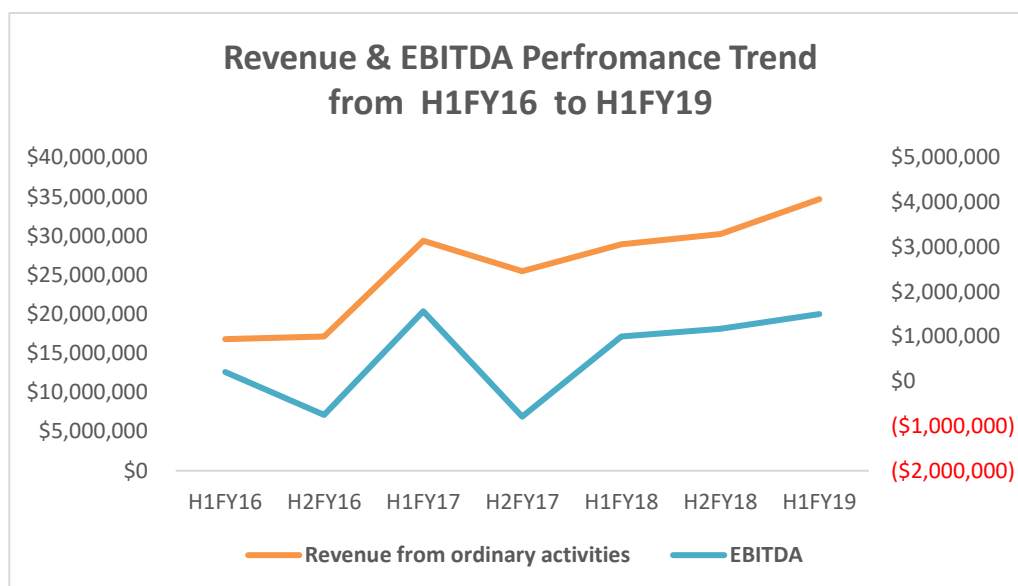
**Gross Profit Growth by Segment H1FY19 vs H1FY18**



Importantly this is also reflected at the EBITDA level with a **51% increase in EBITDA** for H1FY19 over H1 FY18, The EBITDA for H1 FY19 being **\$1,504,305**. **Profit after Tax** also **increased by 98%** over H1 FY18.

## **DIRECTORS' REPORT (CONT.)**

In order to provide additional perspective, the following chart illustrates the trend in business financial performance on a half yearly basis since H1FY16.



H1 FY19 was the first reporting period in which MOQ adopted the new accounting standard AASB 15 – Revenue from Contracts with Customers. The primary impact from the application of the new standard to revenue recognition for contracts was a reduction of \$822k in Professional Services revenue, and a corresponding reduction to both gross profit and earnings of \$167k (which have been factored into the above results). We expect this adjustment to be reversed by the end of FY19 as the contract is completed.

Pleasingly, operating expenses (excluding Depreciation & Amortisation) as a percentage of revenue from ordinary activities dropped from 16.3% to 15.6% between H1FY18 and H1FY19. We remain focused on driving operating expense towards 14% of revenues in the medium term.

As mentioned in our latest quarterly cashflow report, we have invested \$769k in capitalised effort to establish 2 long term Managed Services contracts, worth approximately \$7.3m over 5 years. We do not anticipate further capitalisations from these contracts going forward.

Cash generated from operations for H1 FY19 continued to be strong (\$2.9m), off the back of strong Technology revenues.

In summary, MOQ Limited will continue to focus on driving towards both achieving its strategic priorities and improving its financial performance during H2 FY19.

For additional information, MOQ Limited has concurrently released an Investor Presentation with this Half Yearly report.

## **DIRECTORS' REPORT (CONT.)**

### **MOQdigital**

The MOQdigital business provides a range of services and solutions to enable digital business transformation including consulting, integration, and managed services across applications, data and infrastructure platforms.

For MOQdigital, H1 FY19 has been focused around the following key areas:

1. **Transition and On-Boarding of key new Managed Services contracts** – as per previous announcements throughout 2018, MOQdigital closed a range of significant opportunities in late FY18 and has subsequently turned significant resources and focus on ensuring the newly won contracts are successfully transitioned and established for long term management. Due to the size and complexity of the workloads, this has been a particularly demanding but necessary period in the history of the business.
2. There have been **key wins across all Lines of Business** during H1 FY19 in both NSW and Queensland. These include:
  - a. A significant digital enhancement project to integrate Cloud and On-Premise Data assets for a State Government Owned Corporation.
  - b. An existing client with a global presence has chosen MOQdigital to assist with a complex rebuild of their core infrastructure and identity services as part of a global restructure project.
  - c. A new client, as a leading provider of technology solutions to the Financial Services industry, with a global presence, has chosen MOQdigital to assist in optimising its Cloud architecture and operating environment.
  - d. A significant private education provider has engaged MOQdigital to provide consulting services for over 200 schools aimed at maximizing the alignment of IT investment against curriculum and organizational requirements.
3. **Growth in profitability of Managed Services** – whilst revenue for recurring managed services grew by **21%** for H1 FY19 over H1 FY18, Gross Profit grew by over **45%**. This is a direct result of the investment strategies in FY17 and FY18, including:
  - a. Operational improvements in Managed Services business and improved systems, processes and utilisation of the Colombo operation.
  - b. An increased Sales and Marketing focus.
  - c. Successful transition and on-boarding of new clients during the 6 month period.
4. **The NSW business grew by 24% in H1 FY19 over H1 FY18** – The business in NSW is now established and has a growing staff base, local capability and increased capacity. The pipeline continues to improve in quality and quantity and H1 FY19 produced a range of great wins and new clients.
5. **Acquisition activities** – MOQ has continued to actively pursue M&A opportunities as part of its previously stated growth strategy, and has advanced discussions with various complementary businesses that have the potential to increase MOQ's geographical footprint and/or Go To Market capability and capacity.

For MOQdigital, H1 FY19 represents a period where business stability and positive momentum has continued and this groundwork reflects in the improving financial results and a growing market presence.

### **SkoolBag**

The SkoolBag business operates and develops a market leading Software-as-a-Service (“SaaS”) communications platform, including mobile apps, primarily for Childcare and Education customers and also in the sports vertical.

For Skoolbag, H1 FY19 has been focused around the following key areas:

## **DIRECTORS' REPORT (CONT.)**

### **Development of the new SkoolBag mobile application:**

During H1 FY19, SkoolBag delivered a new mobile app, implemented improvements based on initial feedback and completed a full roll-out across all education organisations. The technology used in the new SkoolBag Mobile App offers our customers an improved user experience and new features, whilst providing a platform for further feature enhancements and integrations. During December 2018, the SkoolBag app reached #1 position on both the Apple and Google Stores.

During H1 FY19, SkoolBag also released in partnership with Samsung, the Family Hub<sup>™</sup> Refrigerator SkoolBag App. This showcases the portability of the SkoolBag platform to smart devices enabling parents to submit absentee or permission slips, receive important communications and notifications for upcoming events like swimming or athletics carnivals and parent teacher interviews.

### **Further roll-out of SkoolBag eNewsletter:**

SkoolBag launched its new School eNewsletter product, including an easy to use content management interface for schools. Professionally designed newsletters can be created in minutes, with no prior expertise in digital publishing required. SkoolBag eNewsletters are formatted to be easily viewed on any mobile, tablet, or PC and can be translated to over 100 languages instantly.

### **Broader skillsets with new key hires:**

SkoolBag has expanded the team to further invest in the commercialisation of new and existing products that our target markets need and love. Key new hires have been made across product development, design, user experience, engineering and support.

### **SkoolBag pricing increases:**

In H1 FY19, SkoolBag introduced its first pricing increase, after having kept a constant price for over 6 years. As a result of considerable enhancements and value add features, SkoolBag began implementing pricing changes for all subscriptions at time of annual subscription renewal, starting from July 2018.

### **Significant Events after Balance Sheet Date**

The directors are not aware of any matters or circumstances that have arisen since the half-year ended 31 December 2018 that have significantly affected or may significantly affect the operations, results or state of affairs of the Group.

### **Options Exercised**

At the date of this report, the unissued ordinary shares of MOQ Limited under option are as follows:

<b>Grant Date</b>	<b>Balance at 31/12/2018</b>	<b>Balance at the date of this report</b>	<b>Exercise price</b>	<b>Expiry</b>
01/09/2016	3,690,901	3,690,901	\$0.275	01/09/2020
05/07/2018	4,036,358	4,036,358	\$0.255	01/07/2022
<b>TOTAL</b>	<b>7,727,259</b>	<b>7,727,259</b>		

Option holders do not have any rights to participate in any issues of shares or other interests of the company or any other entity.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

#### **Dividends Paid or Recommended**

In respect of the current half-year, no dividends have been declared or paid and none are recommended (2017: \$nil).

#### **Auditor's Independence Declaration**

The lead auditor's independence declaration for the half-year ended 31 December 2018 can be found on page 23 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

A handwritten signature in dark ink, appearing to read 'D Shein', with a stylized flourish at the end.

David Shein  
Non-Executive Chairman  
25 February 2019

**MOQ LIMITED AND ITS CONTROLLED ENTITIES**  
**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**  
**ABN: 94 050 240 330**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 \$	2017 \$
<b>Revenue</b>			
Revenue		34,678,728	28,917,441
Other income		67,414	83,966
<b>Total Revenue</b>	<b>3</b>	<b>34,746,142</b>	<b>29,001,407</b>
Cost of sales	<b>4</b>	(27,806,183)	(23,282,421)
Gross Profit		6,939,959	5,718,986
<b>Expenses</b>			
Share based payments		(98,782)	(80,374)
Depreciation expenses	<b>4</b>	(188,237)	(171,298)
Amortisation expenses	<b>4</b>	(139,773)	(149,128)
Employee benefits	<b>4</b>	(3,329,301)	(2,843,253)
Legal Costs		(55,794)	(15,433)
ASX and registry related expenses		(24,668)	(27,713)
Marketing expense		(329,156)	(337,646)
Occupancy expenses		(553,278)	(539,465)
Professional fees	<b>4</b>	(153,622)	(160,493)
Telecommunication expenses		(140,652)	(172,938)
Other expenses		(739,169)	(538,221)
<b>Total expenses</b>		<b>(5,752,432)</b>	<b>(5,035,962)</b>
<b>Profit before income tax expense</b>		<b>1,187,527</b>	<b>683,024</b>
Income tax expense	<b>5</b>	(332,596)	(250,891)
<b>Profit after income tax</b>		<b>854,931</b>	<b>432,133</b>
<b>Other comprehensive income for the half-year</b>			
Items that may be reclassified subsequently to profit and loss		-	-
Items that will not be reclassified to profit and loss		-	-
Other comprehensive (loss)		(137,799)	(49,489)
<b>Total comprehensive income for the half-year</b>		<b>717,132</b>	<b>382,644</b>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	Notes	2018	2017
		\$	\$
<b>Profit is attributable to</b>			
MOQ Limited		<u>854,931</u>	<u>432,133</u>
		<u>854,931</u>	<u>432,133</u>
<b>Total comprehensive income is attributable to</b>			
MOQ Limited		<u>717,132</u>	<u>382,644</u>
		<u>717,132</u>	<u>382,644</u>
<b>Earnings per share from continuing operations attributable to equity holders of the parent entity</b>			
Basic earnings per share (cents per share)			
- Continuing operations	<b>6</b>	<u>0.5300</u>	<u>0.2679</u>
		<u>0.5300</u>	<u>0.2679</u>
Diluted earnings per share (cents per share)			
- Continuing operations	<b>6</b>	<u>0.5057</u>	<u>0.2619</u>
		<u>0.5057</u>	<u>0.2619</u>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



**MOQ LIMITED AND ITS CONTROLLED ENTITIES**  
**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**  
**ABN: 94 050 240 330**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2018**

	Notes	31 December 2018 \$	30 June 2018 \$
<b>Current Assets</b>			
Cash and cash equivalents		5,677,531	3,963,738
Trade and other receivables		8,622,438	9,999,166
Work In Progress		464,557	455,590
Other assets		1,636,497	1,318,706
		<u>16,401,023</u>	<u>15,737,200</u>
<b>Non Current Assets</b>			
Other assets		968,776	422,219
Deferred tax assets		647,938	660,367
Property, plant and equipment		816,158	892,399
Intangibles		14,746,913	14,482,355
		<u>17,179,785</u>	<u>16,457,340</u>
<b>Total assets</b>		<b><u>33,580,808</u></b>	<b><u>32,194,540</u></b>
<b>Current Liabilities</b>			
Trade and other payables		8,951,080	8,325,577
Current Tax Payable		474,891	172,893
Deferred revenue		2,706,238	3,021,008
Provisions		1,630,694	1,705,113
		<u>13,762,903</u>	<u>13,224,591</u>
<b>Non - Current Liabilities</b>			
Provisions		140,575	108,533
		<u>13,903,478</u>	<u>13,333,124</u>
<b>Total Liabilities</b>		<b><u>13,903,478</u></b>	<b><u>13,333,124</u></b>
<b>Net Assets</b>		<b><u>19,677,330</u></b>	<b><u>18,861,416</u></b>
<b>Equity</b>			
Issued capital	7 (a)	49,615,752	49,615,752
Reserves		102,749	141,766
Accumulated losses		(30,041,171)	(30,896,102)
<b>Total Equity</b>		<b><u>19,677,330</u></b>	<b><u>18,861,416</u></b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

---

**MOQ LIMITED AND ITS CONTROLLED ENTITIES**  
**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**  
**ABN: 94 050 240 330**

---

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	<b>Issued Capital</b>	<b>Reserves</b>	<b>Accumulated Losses</b>	<b>Total Equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 July 2018</b>	<b>49,615,752</b>	<b>141,766</b>	<b>(30,896,102)</b>	<b>18,861,416</b>
Net profit for the year	-	-	854,931	854,931
Other comprehensive loss for the year	-	(137,799)	-	(137,799)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(137,799)</b>	<b>854,931</b>	<b>717,132</b>
<b>Transactions with owners in their capacity as owners</b>				
Issue of share capital	-	-	-	-
Option Premium Reserve	-	98,782	-	98,782
Capital raising costs	-	-	-	-
<b>Balance as at 31 December 2018</b>	<b><u>49,615,752</u></b>	<b><u>102,749</u></b>	<b><u>(30,041,171)</u></b>	<b><u>19,677,330</u></b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

---

**MOQ LIMITED AND ITS CONTROLLED ENTITIES**  
**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**  
**ABN: 94 050 240 330**

---

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 DECEMBER 2017**

	<b>Issued Capital</b>	<b>Reserves</b>	<b>Accumulated Losses</b>	<b>Total Equity</b>
	\$	\$	\$	\$
<b>Balance as at 1 July 2017</b>	<u>49,615,752</u>	<u>(26,763)</u>	<u>(32,025,283)</u>	<u>17,563,706</u>
Net profit for the year	-	-	432,133	432,133
Other comprehensive loss	-	(49,489)	-	(49,489)
<b>Total comprehensive income for the half year</b>	<u>-</u>	<u>(49,489)</u>	<u>432,133</u>	<u>382,644</u>
<b>Transactions with owners in their capacity as owners</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Issue of share capital	-	-	-	-
Option Premium Reserve	-	80,374	-	80,374
Capital raising costs	-	-	-	-
<b>Balance as at 31 December 2017</b>	<u>49,615,752</u>	<u>4,122</u>	<u>(31,593,150)</u>	<u>18,026,724</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

---

**MOQ LIMITED AND ITS CONTROLLED ENTITIES**  
**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**  
**ABN: 94 050 240 330**

---

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 \$	2017 \$
<b>Cash flow from operating activities</b>			
Receipts from customers		39,255,773	33,014,285
Payments to suppliers and employees		(36,340,625)	(31,768,387)
Interest received		11,232	6,182
Income taxes paid		(6,246)	(58,200)
Net cash provided by operating activities		<u>2,920,134</u>	<u>1,193,880</u>
<b>Cash flow from investing activities</b>			
Payment for property plant and equipment		(85,140)	(396,102)
Payments for intellectual property		(396,849)	(221,031)
Payments for capitalised costs		(768,523)	-
Payments for deposit		44,171	(31,836)
Working capital completion receipts / payments		-	-
Net cash (used in) investing activities		<u>(1,206,341)</u>	<u>(648,969)</u>
<b>Cash flow from financing activities</b>			
Proceeds from issue of shares and options		-	-
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		1,713,793	544,911
Cash and cash equivalents at beginning of the half-year		3,963,738	3,265,859
Cash and cash equivalents at end of the half-year		<u><u>5,677,531</u></u>	<u><u>3,810,770</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

**NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

This interim financial report of the Company and its controlled entities (the Group) for the half-year ended 31 December 2018 was authorised for issue at the date of the directors' report.

**(a) Basis of preparation of the interim financial report**

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The half-year financial report does not include all notes of the type normally included in the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's financial report for the financial year ended 30 June 2018, except for the adoption of AASB 15: Revenue from Contracts with Customers for the half year ended 31 December 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued for is not yet effective. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

**(b) New and revised accounting requirements applicable to the current half-year reporting period**

A new Standard, being AASB 15: Revenue from Contracts with Customers have been adopted for this half year reporting period. No restatement has been required for previous financial statements.

The group has identified the following main categories by segment:

- Technology – sale of ICT hardware, software and licensing
- Professional Services – Infrastructure, Cloud, Data & Analytics, Consulting Professional Services and SkoolBag application set up, web hosting and online marketing services.
- Recurring Services – Managed Services, SkoolBag Mobile App services.

**(i) Rendering of Recurring Services – Managed Services**

Managed Services & Mobile App revenues primarily derives from provision of IT service desk and outsourced IT services. Where consideration is received in advance of performance, it is initially recorded as deferred revenue. Revenue is recognised as the performance obligations are satisfied which is considered to be evenly over the contracted term. No changes to revenue recognition were identified under AASB 15.

**(ii) Rendering of Services – Professional Services**

Revenue from professional services for Infrastructure, Cloud, Data & Analytics and Consulting are recognised over time either by reference to the stage of completion of the contracts, or by the labour hours incurred to date if provided for contractually. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the outcome cannot be reasonably measured, revenue is only recognised to the extent of the recoverable costs incurred to date of the performance obligation.

A reduction to Professional Services revenue of \$822,108 and Gross Profit as well as Profit before Tax of \$167,281 were made for the half year ended 31<sup>st</sup> December 2018. No adjustments were made to prior periods.

(iii) Rendering of Services – SkoolBag application set up

Application set up revenues consist of fees charged for the setting up of the mobile application for customers. Where the Group has an enforceable right to payment for performance completed and no alternative use for the asset, it recognises revenue at the point of completion of the set up when the performance obligations have been satisfied, as per AASB 15. No changes to revenue recognition were identified under AASB 15.

(iv) Rendering of Services – SkoolBag web hosting

Hosting revenue primarily derives from website hosting services. Where consideration is received in advance of performance, it is initially recorded as deferred revenue. Revenue is recognised as the performance obligations are satisfied which is considered to be evenly over the contracted term. No changes to revenue recognition were identified under AASB 15.

(v) Rendering of Services – SkoolBag Online marketing

Online marketing revenue consists of rebates received from advertisers for successful customer sign-ups to advertiser services. Revenue is recognised at the point where advertisers confirm the rebates have been earned. No changes to revenue recognition were identified under AASB 15.

(vi) Technology Sales and Transaction prices

The Group's customer contracts may include multiple performance obligations. In these cases the Group allocates the transaction price to each performance obligation based on the relative standalone selling prices of each distinct service. Standalone selling prices are determined based on prices charged to customers for individual products and services taking into consideration the size and length of contracts, service rate cards and the Group's overall go to market strategy. No changes to revenue recognition were identified under AASB 15.

(vii) Principal versus agent considerations

The Group acts as an agent for vendors of Cloud Services and recommends such services to customers where appropriate. Where consumption of such services meet certain criteria set by the vendor, the Group may be entitled to rebates. Such rebates are recognised in arrears upon confirmation by the vendors of the rebates earned. No changes to revenue recognition were identified under AASB 15.

(viii) Customer acquisition costs

Incremental costs of obtaining a contract with a customer are capitalised when expected to be recovered under the contract. Where costs are incurred in transitioning a Managed Services contract, such costs are capitalised and amortised over the expected period of benefit.

The Group capitalised \$768,523 of customer acquisition costs for the half year ended 31<sup>st</sup> December 2018. These costs are amortised over the length of the contracts, which is up to 60 months. No adjustments have been made for prior periods.

AASB 15 allows entities to immediately expense costs which would have been amortised within a year or less and for such situations the Group recognises the incremental costs of obtaining contracts as an expense when incurred.

(ix) Taxation impacts

The adoption of AASB 15 has not resulted in a deferral of revenues and costs of goods sold from prior periods into future periods.

(ix) Presentation and disclosure requirements

As required for condensed interim financial statements, the Group has disaggregated revenue recognised from contracts with customers into categories that depict how the nature, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group also disclosed information about the relationship between the disclosure of disaggregated revenue and

revenue information disclosed for each reportable segment. Please refer Note 2: Segment Information for details of disaggregated revenue.

There are no other new and revised Standards and amendments thereof and Interpretations issued by the Australian Accounting Standards Board (the AASB) that is relevant to the Group's operations and effective for the current reporting period.

**(c) Critical accounting estimates and judgements**

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assumed a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

**Key Estimates**

*Impairment of Non-Current Assets*

The Company assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to an impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

*Debtors (Bad Debt Provision)*

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, historical collection rates and specific knowledge of the individual debtors' financial position.

*Impairment of goodwill*

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

**(d) Going Concern Basis**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The directors believe that preparation of the financial report on a going concern basis is appropriate.

---

**MOQ LIMITED AND ITS CONTROLLED ENTITIES**  
**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**  
**ABN: 94 050 240 330**

---

**NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 2: SEGMENT INFORMATION**

The Company has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) to make financial and operational decisions and to allocate resources. We attribute sales to an operating segment based on the type of product or service provided to the customer.

We have identified three reportable segments, as follows:

- Technology Sales – provision of vendor hardware, software and associated licenses and maintenance contracts,
- Professional Services – provision of a range of specialist services including consulting, project management, systems and software engineering services to assist clients with strategy, architecture, design, development and implementation of ICT solutions.
- Recurring Services – a combination of managed services including operations, support and ICT management, as well as a range of in-house developed commercialised IP and Cloud (SAAS) based solutions.

The consolidated entity primarily services clients in one geographical segment being Australia, with support from Sri Lanka, Singapore and New Zealand. However, there are no material revenues generated outside of Australia, and as a result no additional geographical segment information has been provided.

The segment information provided to the Board of directors, for the reportable segments is as follows:

<b>31 December 2018</b>	<b>Recurring Services \$</b>	<b>Professional Services \$</b>	<b>Technology Sales \$</b>	<b>Unallocated \$</b>	<b>Total \$</b>
<b>Revenue from external customers</b>	<b>6,617,851</b>	<b>8,829,118</b>	<b>19,231,759</b>	<b>-</b>	<b>34,678,728</b>
Other income	-	-	-	67,414	67,414
<b>Total Reportable Segment results (before tax)</b>	<b>1,783,133</b>	<b>1,796,531</b>	<b>3,292,881</b>	<b>(5,685,018)</b>	<b>1,187,527</b>
<b>Timing of revenue recognition:</b>					
Services / goods transferred at a point in time			19,231,759		19,231,759
Services transferred over time	6,617,851	8,829,118			15,446,969
Total segment assets				33,580,808	33,580,808
Total segment liabilities				13,903,478	13,903,478



---

**MOQ LIMITED AND ITS CONTROLLED ENTITIES**  
**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**  
**ABN: 94 050 240 330**

---

<b>31 December 2017</b>	<b>Recurring Services</b>	<b>Professional Services</b>	<b>Technology Sales</b>	<b>Unallocated</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenue from external customers</b>	<b>5,646,615</b>	<b>8,049,112</b>	<b>15,221,714</b>		<b>28,917,441</b>
Other income	-	-	-	83,966	83,966
<b>Total Reportable Segment results (before tax)</b>	<b>1,223,068</b>	<b>1,678,657</b>	<b>2,733,295</b>	<b>(4,951,996)</b>	<b>683,024</b>
<b>Timing of revenue recognition:</b>					
Services / goods transferred at a point in time			15,221,714		15,221,714
Services transferred over time	5,646,615	8,049,112			13,695,727
Total segment assets				28,074,913	28,074,913
Total segment liabilities				9,960,154	9,960,154

**NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 3: REVENUE**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Revenue from services	34,678,728	28,917,441
Interest received	11,232	6,182
Other income	56,182	77,784
<b>Total Revenue</b>	<b>34,746,142</b>	<b>29,001,407</b>

**NOTE 4: OPERATING PROFIT**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Profit before income tax includes the following expenses:		
(a) Cost of sales		
Technology	15,938,878	12,488,419
Recurring services	4,834,718	4,423,547
Professional services	7,032,587	6,370,455
	<b>27,806,183</b>	<b>23,282,421</b>
(b) Depreciation	188,237	171,298
Amortisation	139,773	149,128
	<b>328,010</b>	<b>320,426</b>
(c) Employee benefits, other labour and related expenses		
Wages and salaries	2,430,154	2,076,383
Superannuation	222,652	200,242
Other employee benefits expenses	676,495	566,628
	<b>3,329,301</b>	<b>2,843,253</b>
(d) Legal Costs	55,794	15,433
(e) Professional services		
Consultants fees	65,344	60,805
Compliance fees	80,739	88,496
Other fees	7,539	11,192
	<b>153,622</b>	<b>160,493</b>

**NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 5: INCOME TAX**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable</b>		
Profit from continuing operations before income tax expense	1,187,527	683,024
Income tax calculated at 30% (2017: 30%)	356,258	204,907
Tax effect of amounts which are not taxable income	(23,662)	45,984
Under/(over) provision previous period	-	-
Income tax expense	<u>332,596</u>	<u>250,891</u>

Deferred income tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets on unused tax losses were not recognised in the prior periods as the Directors have determined it was not probable that those tax losses will be recouped.

**NOTE 6: EARNINGS PER SHARE**

	<b>Dec 2018</b>	<b>Dec 2017</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Basic earnings per share (cents per share)</b>		
From continuing operations	<u>0.5300</u>	<u>0.2679</u>
	<u>0.5300</u>	<u>0.2679</u>
<b>(b) Diluted earnings per share (cents per share)</b>		
From continuing operations	<u>0.5057</u>	<u>0.2619</u>
	<u>0.5057</u>	<u>0.2619</u>
<b>(c) Reconciliation of profit in calculating earnings per share</b>		
Basic and diluted profit per share		
Profit after tax from continuing operations attributable to ordinary equity holders	<u>854,931</u>	<u>432,133</u>
	<u>854,931</u>	<u>432,133</u>
<b>(d) Total shares</b>		
Weighted average number of ordinary shares outstanding during the half-year used in the calculation of basic earnings per share	<u>161,320,702</u>	<u>161,320,702</u>
Weighted average number of ordinary shares outstanding during the half-year used in the calculation of diluted earnings per share	<u>169,047,961</u>	<u>165,028,270</u>

**NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 7: SHARE CAPITAL**

**(a) Details of share issues**

For the half-year ended 31 December 2018:

<b>Details</b>	<b>No. of Shares</b>	<b>Issue Value \$</b>
<b>Balance at the beginning of the period</b>	<b>161,320,702</b>	<b>49,615,752</b>
<b>Balance as at 31 December 2018</b>	<b>161,320,702</b>	<b>49,615,752</b>

Holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at shareholder meetings, otherwise each member present at a meeting or by proxy has one vote on a show of hands. In the event of the winding up of the Company, ordinary shareholders rank after creditors and share in any proceeds on winding up in proportion to the number of shares held.

**(b) Options**

<b>ASX Code</b>	<b>Balance at 31 Dec 2018</b>	<b>Balance at 31 Dec 2017</b>	<b>Weighted Average Exercise price</b>	<b>Expiry</b>
Unlisted options	3,690,901 <sup>1</sup>	3,690,901	\$0.275	01/09/2020
Unlisted options	4,036,358 <sup>2</sup>	-	\$0.255	01/07/2022
<b>Total Options</b>	<b>7,727,259</b>	<b>3,690,901</b>	<b>\$0.2646</b>	

<sup>1</sup> On the 1 September 2016, unlisted and unvested options were issued to selected staff at an exercise price of \$0.275 each, expiring by 1 September 2020. These options vest upon employee period of service milestones and expire on 1 September 2020. The fair value of the unlisted options granted was \$385,802, and will be expensed over the vesting period.

<sup>2</sup> On the 5 July 2018, unlisted and unvested options were issued to selected staff at an exercise price of \$0.255 each, expiring by 1 July 2022. These options vest upon employee period of service milestones and expire on 1 July 2022. The fair value of the unlisted options granted was \$281,249, and will be expensed over the vesting period.

**NOTE 8: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There are no contingent liabilities or assets as at the date of this report.

**NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE**

The directors are not aware of any matters or circumstances that have arisen since the half-year ended 31 December 2018 that have significantly affected or may significantly affect the operations, results or state of affairs of the Company.

## **DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of MOQ Limited (the "Company"), the directors of the Company declare that:

1. In the Directors opinion, the financial statements and notes, as set out on pages 8 to 21 are in accordance with the *Corporations Act 2001* and
  - i. comply with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - ii. give a true and fair view of the financial position as at 31 December 2018 and of the performance for the half-year ended on that date of the consolidated group;
2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

On behalf of the Directors



---

David Shein  
Non-Executive Chairman  
25 February 2019  
Sydney

25 February 2019

Board of Directors  
MOQ Limited  
Suite G.01, Ground Floor  
3-5 West Street  
North Sydney, NSW, 2060

Dear Sirs

**RE: MOQ LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of MOQ Limited.

As Audit Director for the review of the financial statements of MOQ Limited for the half year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED**  
**(Trading as Stantons International)**  
**(An Authorised Audit Company)**



**Samir Tirodkar**  
**Director**

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
MOQ LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of MOQ Limited, which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for MOQ Limited (the consolidated entity). The consolidated entity comprises both MOQ Limited ("the Company") and the entities it controlled during the half year.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of MOQ Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of MOQ Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

*Independence*

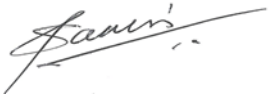
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of MOQ Limited on 25 February 2019.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of MOQ Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(Trading as Stantons International)**  
**(An Authorised Audit Company)**

*Stantons International Audit and Consulting Pty Ltd*  


**Samir Tirodkar**  
**Director**

West Perth, Western Australia  
25 February 2019