



Q Technology Group Limited

AGM Presentation

Presented by Rob Rosa, Managing Director

Overview

- Headquarters in Port Melbourne. Established in 1987.
- Q Technology Group Limited trades as Q Security Systems (QSS).
- 37 employees
- QSS Sales Offices in major cities.



FY2016 Trading Results

	2016			2015		
	Actual	Adjust	Normalized	Actual	Adjust	Normalized
Revenue	21,888		21,888	23,786		23,786
Gross Profit	4,374	1,748	6,122	5,532	324	5,856
GP Margin	20.0%		28.0%	23.3%		24.6%
EBITDA	(2,551)	1,748	(803)	(1,744)	918	(825)
EBITDA Margin	-11.7		-3.7%	-7.3%		-3.5%
EBIT	(2,603)	1,748	(855)	(1,857)	918	(938)
EBIT Margin	-11.9%		-3.9%	-7.8%		-3.9%
Interest	(213)		(213)	(177)	-	(177)
Net Profit / (Loss) before tax	(2,816)	1,748	(1,068)	(2,034)	918	(1,115)



Half on Half

QSS FY 2016	1 st Half EBITDA	2 nd Half EBITDA
Results	(462K)	197K



Streamlined Business Model

- Focus branches on sales and customer support.
- Centralize inventory management.
- Continue to grow Q Professional Services revenue stream.
- Sales offices in major capital cities to support national and local client base.
- Rollout of client sales and technical training program.
- National Intrusion Manager
- National Major Projects Manager



FY2016 Achievements

- Consolidation of product lines and reduction of overall vendors.
- Half on half turnaround with QSS profit results.
- Invested in new people with major projects background.
- Supply to Metro Trains for Level Crossing Upgrade Projects.
- Continued to introduce new client base (new accounts 67)



FY2017 Outlook

- Sales for the last 4 months are 14% up on prior corresponding period. Market activity is strengthening and expected to improve in 2017.
- Business is well positioned with new products and services that were not traditionally offered in the past to provide opportunities for new sales.
- QSS reputation is building due to these initiatives as a major project supplier of security equipment
- EBITDA result for the 4 months to 31st October (Unaudited) suggests a small loss for the 1H.



+ Optional Bells & Whistles



Finger Scanner, Proximity Reader, Night Arm station, External Keypads stainless steel



Jul-Oct 2016 (unaudited)

\$'000	YTD Oct 2016	Comparative Oct 2015	Change
QSS Sales Revenue	7,420	6,525	+ 13.7%
QSS EBITDA	(44)	(325)	+86.5%

Inventory Management Summary

Gross Stock 30 th Jun 2016	Gross Stock 18 th Nov 2016	Stock Improvement	Cash Realised
\$8.6M	\$6.46M	\$2.14M	\$2.08M



Corporate

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