

## Appendix 4E Preliminary Final Report

**Q Technology Group Limited**  
**ABN 27 009 259 876**

### Details of the reporting period and the previous corresponding period

Reporting Period: 30 June 2019  
Previous Corresponding Period: 30 June 2018

### Results for announcement to the market

Key information	2019 \$'000	2018 \$'000	% Change
Revenues from ordinary activities	6,174	12,879	-52.1%
Loss from ordinary activities after tax attributable to members	(2,425)	(2,052)	-28.6%
Net loss attributable to members	(2,425)	(2,052)	-28.6%

Dividends Paid and Proposed	Amount per security	Franked amount per security at 30% of Tax
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Previous corresponding period	Nil	Nil

Record date for determining entitlements to the dividend.	No dividend has been declared or paid
Dividend re-investment plan.	No dividend re-investment plan in operation

Net Tangible Assets Backing	2019	2018
Net tangible asset backing per ordinary security	(\$.02)	(\$.02)

QRSciences Security Pty Ltd was the operating arm of Q Technology Group trading as Q Security Systems ("QSS"). As announced to the market on 30 April 2019, the trading performance for the second quarter deteriorated through the end of the quarter and this trend unfortunately continued due to delays with major customer projects. In response to the increased losses being generated by the QSS subsidiary the board and management immediately set about to review the operations and at the same time explore a range of options or recapitalise the business in order to support the future working capital requirements of that business.

Recapitalisation proposals were received during this time which would have seen the operating business restructured and retained, but binding terms were not able to be negotiated.

Accordingly, without access to sufficient additional capital to fund the needs of the operating business, on 30 April 2019 the Board of QSS resolved to appoint a Voluntary Administrator with immediate effect.

In parallel with the decision of the directors of QSS to appoint a Voluntary Administrator to the operating subsidiary the board has been working with various parties to explore options to fund the recapitalisation of the listed company with the intention to re-establish the business. Discussions are continuing.

**Q TECHNOLOGY GROUP LIMITED AND CONTROLLED ENTITIES**

**ADDITIONAL INFORMATION FOR  
PUBLICLY LISTED COMPANIES**

**Control gained or lost over entities in the year**

Please note above comments in respect to QRSciences Security Pty Ltd. There were no other changes during the year.

**Status of Audit**

The 30 June 2019 financial report for Q Technology Group Limited has not yet been audited.

A handwritten signature in blue ink, appearing to read 'D Potter', with a long horizontal flourish extending to the right.

Douglas Potter  
Chairman  
Q Technology Group Limited

21 August 2019

	Consolidated Group	
	2019	2018
	\$'000	\$'000
Loss for the year	(480)	(443)
Other comprehensive income for the year:	-	-
Total comprehensive income for the year	(480)	(443)
Total comprehensive income attributable to:		
- Members of the parent entity	(480)	(443)
	(480)	(443)

# Q TECHNOLOGY GROUP LIMITED AND CONTROLLED ENTITIES

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Consolidated Group	
	2019	2018
	\$'000	\$'000
<b><u>ASSETS</u></b>		
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	13	383
Trade and other receivables	-	1,692
Inventories	-	2,212
Other current assets	-	210
<b>TOTAL CURRENT ASSETS</b>	<b>13</b>	<b>4,497</b>
<b><u>NON-CURRENT ASSETS</u></b>		
Property, plant and equipment	-	203
Deferred tax assets	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>-</b>	<b>203</b>
<b>TOTAL ASSETS</b>	<b>13</b>	<b>4,700</b>
<b><u>LIABILITIES</u></b>		
<b><u>CURRENT LIABILITIES</u></b>		
Trade and other payables	333	3,417
Borrowings	929	1,036
Provisions	-	306
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,262</b>	<b>4,759</b>
<b><u>NON-CURRENT LIABILITIES</u></b>		
Borrowings	-	677
Provisions	-	135
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>-</b>	<b>812</b>
<b>TOTAL LIABILITIES</b>	<b>1,262</b>	<b>5,571</b>
<b>NET ASSETS</b>	<b>(1,249)</b>	<b>(871)</b>
<b><u>EQUITY</u></b>		
Issued capital	76,661	75,145
Reserves	-	-
Accumulated losses	(77,910)	(76,016)
<b>TOTAL EQUITY</b>	<b>(1,249)</b>	<b>(871)</b>

# Q TECHNOLOGY GROUP LIMITED AND CONTROLLED ENTITIES

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2019

	Issued Capital \$'000	Accumulate d losses \$'000	Options Reserve \$'000	Total \$'000
<b>Balance at 1 July 2018</b>	75,145	(76,015)	-	(870)
Loss attributable to members of the parent entity	-	(1,895)	-	(1,895)
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>75,145</b>	<b>(77,910)</b>	<b>-</b>	<b>(2,765)</b>
<b>Transactions with owners, in their capacity as owner, and other transfers</b>				
Dividends paid and provided for	-	-	-	-
Shares issued during the year	1,516	-	-	1,516
Transfers from reserves to accumulated losses	-	-	-	-
<b>Balance at 30 June 2019</b>	<b>76,661</b>	<b>(77,910)</b>	<b>-</b>	<b>(1,249)</b>

  

<b>Balance at 1 July 2017</b>	74,121	(73,963)	-	158
Loss attributable to members of the parent entity	-	(2,052)	-	(2,052)
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>74,121</b>	<b>(76,015)</b>	<b>-</b>	<b>(1,894)</b>
<b>Transactions with owners, in their capacity as owner, and other transfers</b>				
Dividends paid and provided for	-	-	-	-
Shares issued during the year	1,023	-	-	1,023
Transfers from reserves to accumulated losses	-	-	-	-
<b>Balance at 30 June 2018</b>	<b>75,145</b>	<b>(76,015)</b>	<b>-</b>	<b>(870)</b>

# Q TECHNOLOGY GROUP LIMITED AND CONTROLLED ENTITIES

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2019

	Consolidated Group	
	2019 \$000	2018 \$000
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Receipts from customers	7,352	13,372
Payments to suppliers and employees	(8,337)	(13,622)
Interest received	-	2
Finance costs	(1117)	(172)
<b>Net cash provided by/(used in) operating activities</b>	<b>(1,102)</b>	<b>(420)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Proceeds from sale of property, plant and equipment	-	6
Transfer to deposits	-	(124)
Purchase of property, plant and equipment	-	(5)
<b>Net cash provided by/(used in) investing activities</b>	<b>-</b>	<b>(123)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Proceeds from issue of shares	1,516	1,023
Proceeds from borrowings	252	97
Repayment of borrowings	-	-
<b>Net cash provided by/(used in) financing activities</b>	<b>1,768</b>	<b>1,120</b>
Net (decrease)/increase in cash held	666	577
Cash and cash equivalents at beginning of financial year	(653)	(1,231)
<b>Cash and cash equivalents at end of financial year</b>	<b>13</b>	<b>(653)</b>