
SEPTEMBER 2014 QUARTERLY REPORT AND BUSINESS UPDATE

Qanda Technology Ltd (**Qanda** or the **Company**) is pleased to present its consolidated Quarterly Cash Flow for the quarter ended 30 September 2014. Key highlights include:

- Receipts from customers exceeded \$1 million
- Completion of entitlement issue to raise \$814,000
- Acquisition of Caramavan.com
- Appointment of CEO and Director
- Cash on hand increased by 222%.

Commenting on the result, Qanda Technology CEO, Chris Noone said “The increased cash receipts, successful entitlement issue and improved cash on hand places the Company in a strong position to optimise the reach and performance of its recent peer-to-peer marketplace acquisitions.”

Receipts from customers increased to \$1,001,000 versus \$593,000 in the June 2014 quarter due to improved sales across the DriveMyCar Rentals and Marketboomer business units.

The entitlement issue completed on 9 July 2014 and placement of entitlement issue shortfall on 28 August 2014 which raised \$814,000 (of which \$9,000 received in June 2014 quarter) and receipt of the R&D tax incentive (\$499,000) contributed to working capital. The subsequent payment of creditors resulted in an increase in payments for working capital compared to the June 2014 quarter.

The acquisition of Caramavan.com, a peer-to-peer caravan rental business was announced during the quarter and completed in October. The acquisition enables the Company to enter the lucrative leisure travel market and provide revenue earning potential for thousands of caravan owners across Australia.

The Board was strengthened with the appointment of Chris Noone as Chief Executive Officer/Executive Director and Domenic Carosa as Non-Executive Director.

Cash on hand at the end of the September 2014 quarter increased by \$490,000 to \$710,000.

Outlook

Subsequent to the end of the quarter the Company completed a \$750,000 placement to institutional and sophisticated investors. The funds raised will be used to underpin the development and marketing of the DriveMyCar Rentals and Caramavan businesses as well as towards general working capital for the Company.



The December 2014 quarter is expected to be one of continuing growth for DriveMyCar Rentals following the signing of a strategic supply agreement with Interleasing, a McMillan Shakespeare Group (ASX:MMS) company, that will enable Interleasing's vehicles located across the country to be rented to drivers.

Marketing campaigns for the Caramavan rental marketplace have commenced and include digital and traditional strategies to cost-effectively increase supply and demand.

Authorised by:

Chris Noone
CEO and Director
Qanda Technology Ltd
Email: chris.noone@qandatechnology.com

Appendix 4C
Quarterly report
for entities admitted
on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

QANDA TECHNOLOGY LTD

ABN

60 066 153 982

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 Months) \$A'000
1.1 Receipts from customers	1,001	1,001
1.2 Payments for (a) staff costs	(366)	(366)
(b) advertising and marketing	(35)	(35)
(c) research and development	(270)	(270)
(d) leased assets	-	-
(e) other working capital	(1,194)	(1,194)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	(15)	(15)
1.6 Income tax credit received	499	499
1.7 Other	-	-
Net operating cash flows	(378)	(378)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

		Current quarter \$A'000	Year to date (3 Months) \$A'000
1.8	Net operating cash flows (carried forward)	(378)	(378)
Cash flows related to investing activities			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(4)	(4)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other	-	-
	Net investing cash flows	(4)	(4)
1.14	Total operating and investing cash flows	(382)	(382)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares, options, etc.	805	805
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	240	240
1.18	Repayment of borrowings	(175)	(175)
1.19	Dividends paid	-	-
1.20	Other	-	-
	Net financing cash flows	870	870
	Net increase (decrease) in cash held	488	(488)
1.21	Cash at beginning of quarter/year to date	220	220
1.22	Exchange rate adjustments to item 1.21	2	2
1.23	Cash at end of quarter	710	710

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(116)
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Executive directors' remuneration	-	(98)
Non-executive directors' remuneration	-	(18)

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 26 August 2014, the Company issued 17,875,000 fully paid ordinary shares ("Shares") in lieu of cash payment for services rendered by a consultant. The Shares were issued pursuant to the Company's 15% placement capacity.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	175	175
3.2	Credit standbyarrangements	-	-

+ See chapter 19 for defined terms.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	710	220
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	710	220

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	Nil	Nil
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net liabilities		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act(except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: **31 October 2014**
CEO/ Managing Director

Print name: **Chris Noone**

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Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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