



Q TECHNOLOGY GROUP (QTG) OVERVIEW

- Headquarters in Melbourne. Established in 1987
- Strong revenue growth in 2012.
- A review of group structure determined that a sale of the group was in the best interests of shareholders due to the level of debt and current and forecast business conditions. Scheme of Arrangement was terminated due to inability to meet conditions precedent and Sale of API Locksmiths Division to GWA Limited completed 2 October 2012.
- Group debt restructured post sale of API Locksmiths.
- Remaining Business Unit- Q Video Systems (QVS) restructured.
- Corporate Head Office restructured in line with streamlined business.
- Offices around Australia.
- 36 employees after restructure and sale of API Locksmiths.

QTG TRADING RESULTS 2012

Key Financial Highlights	30-Jun-12			30-Jun-11			Change %
	Actual	Adjust	Normalized	Actual	Adjust	Normalized	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Revenue	45,083		49,083	39,842		39,842	47.9%
Gross Profit	21,827		21,827	17,114		17,114	84.7%
Gross Margin	48.5%		44.5%	43.0%		43.0%	5.3%
EBITDA	652	1,124	1,776	(4,084)	5,472	1,388	21.2%
EBITDA Margin	1.3%		3.6%	-10.3%		3.5%	1.4%
EBIT	(343)	1,124	781	(4,573)	5,472	899	(7.2%)
EBIT Margin	-0.7%		1.6%	-11.5%		2.3%	(7.8%)
Finance Costs	(1,674)		(1,674)	(1,367)		(1,367)	91.6%
Adjustments:							
Goodwill Impairment					3,989		
API Acquisition Expenses					753		
API Onerous property lease contract		(61)			444		
Management Restructure		140			150		
One-off inventory impairment		744					
Scheme of arrangement incl legal fees		301					
Gain on disposal of Spectrum							
Discontinued Operations					136		
Normalised NPB ¹	(2,017)	1,124	(893)	(5,940)	5,472	(468)	

QTG CAPITAL STRUCTURE

Number of Shares on issue	196,065,483
Market capitalisation (25/11/12)	\$2.0 million
Number of Unlisted Options on issue	15,103,094
Share price (25/11/12)	1.0
12 month low	.9
12 month high	3.6
Option Expiry dates	Option Price Range
June 2012 to May 2014	\$0.237 to \$0.797
Number of Unlisted Options on issue*	15,103,094

* Note resolution 3 of the Annual General meeting seeks investor approval to cancel all unlisted options.



TECHNOLOGY GROUP
LIMITED

QTG 2012 REVENUE SPLIT PER BUSINESS

Total \$49.8M



QTG POST SALE OF API

- Post API sale 2nd of October.
- The listed QTG entity is an attractive candidate for merger with a larger private company or sale of the QVS business. The Directors will actively look at opportunities to create shareholder value.
- Company restructured post sale of API with QTG Board reduced to 3 directors. Total cost savings in excess of \$750k per annum.
- CFO Adrian McKenzie retired and Edmond Tern appointed CFO and Company Secretary.
- CEO role reduced to reflect business size.

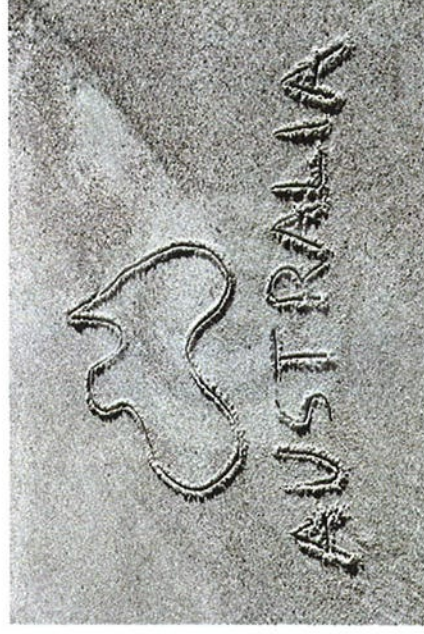
QTG FUNDING POST SALE OF API

- Funding facilities available of \$3.4m with GE Capital
- Comprising of Debtor Funding Facility of \$2.4m and Bank Guarantee Facility of \$1m with GE Capital
- GE Capital facilities until September 2013
- \$655k Bank Guarantee held by GWA Group as security for warranties to September 2013.



QTG FY 2013 EXPECTATIONS

“Debt reduction with a focus on efficiency with a streamlined approach in 2013.”



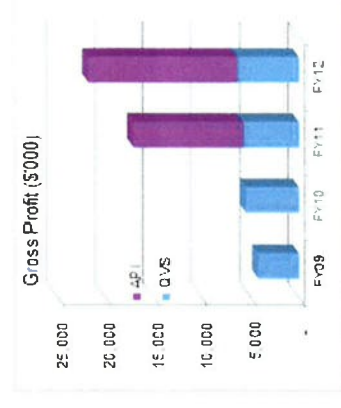
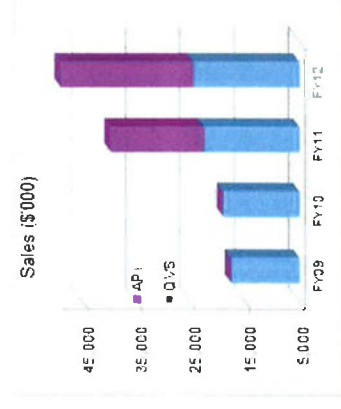
- All debt with Helmsman now repaid in full from proceeds of API Locksmith sale.
- Group restructure implemented with cost reductions in both QTG Head Office and Q Video Systems to drive savings from 1 December 2012.
- Management team focused on delivering ‘best in class’ solutions to our customers
- Q Video Systems plan to have a greater digital presence in the security market, with an expected 60% of population uptake of smart phones and tablets in 2013.



TECHNOLOGY GROUP
LIMITED

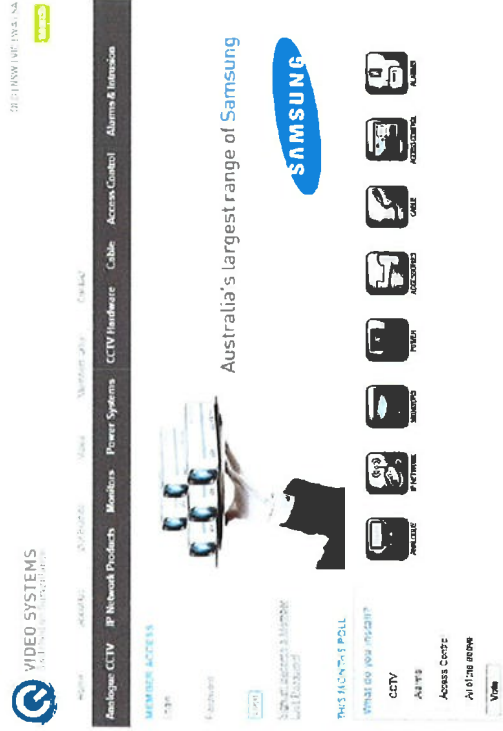
2012 Q VIDEO SYSTEMS (QVS) SNAPSHOT

- 2012 Revenue up 8.6% to \$24.5m
- 2012 EBIT of \$1m.
- Sales of Samsung products growing significantly with a continuing strengthened relationship.
- TYCO relationship continues to grow with more product lines introduced.
- RISCO a major global alarm manufacturer moves its distribution to QVS.
- Recognised as market leader in Australian Security market.



QVS SNAPSHOT CONTINUED

“Q Video Systems is extremely successful with steady growth.”



- Q Video Systems has built its name on service excellence, high stock availability, fast and reliable delivery, expert technical support with a total end-to-end turn-key solution.
- The company is the second largest CCTV distributor in Australia. Our first class service and technical expertise has seen growth over the last five years.
- We are a single source for all security needs – analytics-enabled video encoders and wireless transmitters, megapixel and IP cameras, robust video management software, integrated video analytics, comprehensive access control technology, and world class alarms.



QVS NEW STRUCTURE

“QVS is structured with experienced senior security professionals harnessing the energy of up and coming talent.”

BRANCHES	NATIONAL	VIC	NSW	QLD	WA	SA
STAFF NUMBERS	10	6	6	7	5	1

Q Video Systems has 5 sales outlets located across Australia with 34 full time staff.

The newly established centralized National Warehouse is located in Laverton, Victoria and is managed by the National Warehouse and Logistics Manager.

The centralization of stock has improved the efficiency of stock transfer to branches and ensures that stock levels are maintained for customer demand.

As part of the structure, each branch (except SA) contains its own warehouse which is managed locally by a dedicated store-person. In South Australia, the stock is managed by the Manager, and will be expanded as sales grow in the region.

2013 QTG FUTURE OUTLOOK/ COST REDUCTIONS

- QVS sales for 4 months to October \$7.7m (2011 \$9m) (unaudited)
- QVS gross margin for months to Oct 25.7% (2011 26%) (unaudited)

COST SAVINGS ACTIONED

Q VIDEO SYSTEMS

- Reduction in staff numbers: 34 staff, Nov 2012 (39 staff, Nov 2011)
- Average month operating costs for 4 months \$429k (2011/12 \$493k)

Q TECHNOLOGY GROUP

- Restructure of CEO and CFO roles.
- 3 staff redundancies.
- New monthly operating costs of \$80k going forward (2011/12 \$240k per month)

QTG BOARD MEMBERS

Rick Stokes

Managing Director

Mr Bruce Higgins

Chairman & Non-executive Director

Mr Douglas Potter

Non-executive Director

Mr Edmond Tern

Company Secretary & CFO

Head Office Contact
Q Technology Group Ltd
5/435 Williamstown Road
Port Melbourne Victoria 3207

P +61(3) 9646-9016
F +61(3) 9646-9086

<http://www.qtechnologygroup.com.au>

