

Q Technology Group Limited (ASX: QTG) ("QTG" or "Company") is pleased to advise that it has secured funding of \$550,000 by way of convertible loan notes (subject to shareholder approval) to various individual sophisticated and professional investors to recapitalise the Company.

The Company on 19 July 2021 formally exchanged a Convertible Loan Note Agreement ("CN Agreement") that provides, among other things, for the issue of a total of 550,000 convertible notes each with a face value of \$1.00 ("Convertible Notes") to the investors (subject to shareholder approval).

The principal investor is Investment Advisers Alliance Pty Limited ("IAA") and its associated entities.

The Company's securities were suspended from official quotation on ASX on 1 November 2019 on the basis that its operations were not sufficient to warrant the continued quotation of the Company's securities on the ASX.

### **Key Terms of the Convertible Notes**

Under the terms of the CN Agreement, Stratagem Tools Pty Limited, McSchillers SMSF Pty Ltd and Madilia Pty Ltd ("Noteholders") will be issued with a total of 550,000 Convertible Notes.

Each Convertible Note has a face value of \$1.00 and, if converted, each Convertible Note will result in the issue of 500 Shares at a conversion price of \$0.002 per Share. The terms of the Convertible Notes were subject to a condition that the Convertible Notes would not be convertible until such time as shareholder approval is received. For this reason, the Convertible Notes are classified as debt until such time that their conversion is approved under the ASX Listing Rules, and then following such shareholder approval, they will be classified as securities.

In the event that Shareholder approval is obtained and all Convertible Notes are exercised, the Company will issue a maximum total of 275,000,000 Shares to the Noteholders.

### **Use of Funds**

The funds raised from the Convertible Notes will be strictly applied towards the following:

- (a) payment of outstanding creditors of the Company;
- (b) ongoing compliance costs during that period; and
- (c) working capital.

### **Board Changes**

The Board has appointed Peter Chai, Susan Lay and Sesidhar Kolikonda as directors of the Company effective today.

### **PETER CHAI PROFILE**

Peter Chai is currently the Executive Director of Ephraim Resources Limited and Investment Advisers Alliance Pty Limited.

He was the personal adviser to the late Datuk Jaafar Ahmad (former Central Bank Governor of Malaysia & Namibia). Corporate Adviser to the Board of The Merino Company. And Senior

management roles at AIMS Financial Group, Coats Viyella Garments Asia-Pacific, Shakey's International Limited and Byford International Limited.

Previous Public Company Directorships;

- Quattro Plus Real Estate Trust (ASX: QPR);
- Quattro RE Limited;
- Ragusa Minerals Ltd (ASX : RAS)
- Pan Asia Corporation Limited (ASX: PZC);
- Bisan Limited (ASX: BSN).

### **SUSAN LAY PROFILE**

Susan Lay is currently Executive Director of Stratagem Tools Pty Limited. Susan has over 25 years of management consulting, strategic and business development, has spearheaded 7 successful start-ups and is an advisor to blue chip companies in Australia, South-East Asia and USA.

Previous roles include:

- Managing Director (Singapore and Malaysia) – C-Bridge Internet Solutions Ltd. (Listed on NASDAQ : CBIS).
- General Manager (South-East Asia) – WSA Online Pty Ltd. (acquired by listed Multiimedia Limited (ASX : MUL))

Consultant (Singapore & Malaysia) – Commerce Exchange (COMEX an affiliate of The InfoComm Development Authority of Singapore (IDA))

Education & Qualifications:

- Bachelor of Business – University of Technology, Sydney, Australia.
- Strategic Marketing Management, Executive Management Program – Harvard University, Graduate School of Business Administration, Boston, USA.

### **SESIDHAR KOLIKONDA PROFILE**

Sesidhar Kolikonda (Sesi) is currently the Executive Director of Arvensys Group of companies.

Between 2005 and 2012, Sesi gained national and international experience by working for blue chip companies Infosys Limited and United Technologies Corporation. In the process, he built strong knowledge in niche technologies, enterprise architectures and strong business relationships with companies such as; NCR Global, Colt Technology Services Group Limited, Telstra Limited, Otis Worldwide, Boral and Komatsu.

Recently, Sesi was instrumental in building an innovative next generation platform for the highly-secured ATM & POS machines & systems.

The three new Board members will be required to seek election to the Board at the next general meeting of shareholders. All existing directors have resigned effective today.

The new board members intend to identify a future opportunities for the Company, which once identified will be annouced in accordance with the ASX Listing Rules.

### **This Announcement**

This announcement has been authorised by the Board of Q Technology Group Limited.