

July 31, 2015

ASX Announcement

Appendix 4C: Consolidated Statement of Cash Flows

Manalto Limited (ASX: MTL) (formerly Healthlinx Limited, ASX: HTX) (“Company”) is pleased to present the attached Appendix 4C: Consolidated Statement of Cash Flows for the quarter ending June 30, 2015.

The operations of the Company are centered in the United States including 100% of current employees, the heavy majority of operating cash flows, and the location of the primary business address. Accordingly, the Directors have elected to present financial information in US dollars. All financial figures in this document are denominated in US dollars except where explicitly denoted.

The Company ended the quarter with cash balances of \$2.095 million (AUD 2.736 million¹), a decrease of \$1.280 million (AUD 1.672 million) from the start of the quarter. The operating expenses for the quarter include a number of one-off setup, recruitment and relocation costs, associated with increases resources in sales, IT and finance, to support the Company’s growth objectives.

The Company expects the operating costs to normalise over the next quarter to under \$1 million per quarter. The Company has initiated cost reduction measures to reduce and manage its cash outflows in order to maximise its existing cash resources.

The underlying operating expenses for the quarter, adjusted for one off expenses, amounted to \$950,000 (AUD 1.240 million). This amount is in line with the operating budget for the quarter.

Invoiced revenue in the quarter was \$34,000 (AUD 44,000) with the majority of the sales invoices issued in mid June.

About Manalto Limited

Manalto Limited (MTL.ASX) is a provider of enterprise social media management solutions. Manalto enables organizations to efficiently manage their social media assets at scale, with alignment to their structure. Manalto delivers controls to support brand management and risk management across social media. It has offices in Los Angeles and Washington DC Metro, and supports customers globally. For further information, please visit Manalto.com.

¹ The exchange rate as at the 30 June 2015 used to convert United States Dollars into Australian dollars is AU\$1 equals US\$0.76554

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

Manalto Limited

ABN

88 098 640 352

Quarter ended ("current quarter")

June 30, 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$USD'000	Year to date (12 months) \$USD'000
1.1 Receipts from customers*	2	29
1.2 Payments for (a) staff costs**	(665)	(1,531)
(b) advertising and marketing	(66)	(129)
(c) research and development	(24)	(56)
(d) leased assets		
(e) other working capital***	(405)	(828)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid		(26)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net operating cash flows	(1,158)	(2,541)

*Whilst the invoiced sales revenue in the quarter was \$34,000, taking the year to date invoiced revenue to \$63,000. The sales effort is currently on free trial periods with a number of customers, some of which are at the contract negotiation stage.

** Since the successful completion of the float, the company has increased resources in both sales and IT to support the expanded company objectives.

*** The operational expenses for the quarter reflect a number of one-off setup and recruitment costs, totaling \$217,000

+ See chapter 19 for defined terms.

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

	Current quarter \$USD'000	Year to date (12 months) \$USD'000
1.8 Net operating cash flows (carried forward)	(1,158)	(2,541)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)		(190)
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(14)	(28)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		10
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		1
1.11 Loans to other entities		(227)
1.12 Loans repaid by other entities		21
1.13 Other (provide details if material)		
Net investing cash flows	(14)	(413)
1.14 Total operating and investing cash flows	(1,172)	(2,954)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares ****	(108)	3,717
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		1,197
1.18 Repayment of borrowings		(129)
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	(108)	4,785
Net increase (decrease) in cash held	(1,280)	1,831
1.21 Cash at beginning of quarter/year to date	3,377	276
1.22 Exchange rate adjustments to item 1.20	(2)	(12)
1.23 Cash at end of quarter	2,095	2,095

**** Comprised of issuance of capital of \$4,591 thousand (\$6,000 thousand AUD) as described in the Prospectus, offset by cash outlays directly related to this capital issuance of \$767 thousand. The \$108,000 for the current quarter relates to capital raising costs paid after 1 April related to the March capital raising.

+ 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 \$USD'000
1.24	Aggregate amount of payments to the parties included in item 1.2	56.5
1.25	Aggregate amount of loans to the parties included in item 1.11	0

1.26 Explanation necessary for an understanding of the transactions

Includes compensation to executive Director Anthony Owen

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

Manalto Convertible Notes with a value of approximately \$1,555 thousand USD were converted to Manalto ordinary fully paid shares, as disclosed in the Prospectus lodged 14 January 2015.

The acquisition of Manalto, Inc..by Healthlinx Limited is accounted for under AASB 2 Share Based Payments whereby the non-cash consideration in a reverse acquisition represents a deemed issue of shares by the legal acquiree (Manalto), equivalent to the current shareholder interest in Healthlinx post the acquisition. The excess of the assessed value of the share based payment over the net assets has been expensed to the income statement as a listing fee. The \$10 thousand amount reported in line 1.10(a) reflects the cash acquired.

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

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$USD'000	Amount used \$USD'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ 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 \$USD'000	Previous quarter \$USD'000
4.1 Cash on hand and at bank	2,095	3,377
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	2,096	3,377

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a)) \$USD'000	Disposals (Item 1.10(a)) \$USD'000
5.1 Name of entity	Healthlinx Limited	N/A
5.2 Place of incorporation or registration	Australia	
5.3 Consideration for acquisition or disposal	846	
5.4 Total net assets	(347)	
5.5 Nature of business	Biotechnology	

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 July 2015
 Company secretary

Print name: Justyn Stedwell

+ See chapter 19 for defined terms.

For personal use only

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

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 Financial Reporting 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.

+ See chapter 19 for defined terms.

For personal use only