

## Motopia Completes the Acquisition of Cirralto

### Highlights

- **Motopia completes acquisition of Cirralto Business Services**
- **Management reiterates longer-term sales pipeline in excess of \$20M**
- **Operating Cashflow is forecast to breakeven March 2018**
- **Recruitment of Sydney team is underway**

**Sydney, 7 September 2017;** The Board of Motopia Limited (the Company) is pleased to announce the completion of the acquisition of Cirralto Business Services Pty Ltd (Cirralto). The Company today issued 132,500,000 shares in the Company to Cirralto vendors as consideration for the acquisition. The issue of consideration shares was approved by the Company's shareholders on 30 June 2017.

The acquisition condition precedent that the Company raise \$2.6 million pre-acquisition was waived by mutual-agreement between the Company and Cirralto, the Company has already raised \$1.845 million of the \$2.6 million with the balance to be raised upon completion of the placement of the remaining current rights issue shortfall.

The Company expects to complete the raising of funds pursuant to the rights issue shortfall before 30 September 2017. The remaining shortfall from the rights issue is 23,310,525 shares following the issue of 27,754,284 shares under the shortfall today (as detailed in the Appendix 3B lodged with ASX today).

Further to the ASX Announcement of 24 August, Motopia will apply funds raised to the recruitment of key staff hires in the new Sydney office and Perth offices. Significant sales enquiry and partner referral for the unique Platform as a Service (PaaS) offering has continued to strengthen over past weeks and management are confident that the company's revenue outlook as announced on August 24, will be achieved for 2018 and beyond.

### Revenue Forecast 2018 / 2019

The Company reiterates the ASX Announcement of August 24, that given recent significant progress and scale of sales enquiry to date, the board is confident in the achievement of the stated revenue and financial performance targets in the 2018 financial year. The board has approved an Annual Budget that delivers strong revenue of a minimum of \$2.5M during FY 2018, based on current resources, and transitions to being cash flow positive by March 2018. As the team is expanded off the back of the current Rights Issue funding, continued to growth in demand, management expect to achieve revenues well in

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excess of this minimum benchmark. The Company will enjoy a strong monthly cash position throughout this period and will show further significant growth and profitability during FY 2019.

As per the last company last outlook announcement, the Company is also developing reselling relationships with Synergistic partners who have incumbent customers and an ambition to modernise and build upon those relationships in our target markets. To that end, the Company can announce that Cirralto has signed a reselling agreement with Telstra whereby Cirralto products and services will be resold by Telstra. The terms of this agreement are confidential but the Company is confident it will make further announcements about the revenue impact of this agreement in line with customer successes.

These combined strategies have created strong demand for our collective products and services and the Company can already confirm a longer-term sales pipeline in excess of A\$20M.

With the expansion of our team over the next year we would expect this sales pipeline figure to further increase.

The board of Motopia would like to thank all shareholders for their continued support and now that the acquisition has completed we look forward to more consistent news flow relating to new contracts and revenue upgrades.

For more information, visit [www.motopia.com](http://www.motopia.com) or contact:

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### **About Motopia Limited**

Motopia Ltd (ASX:MOT) is an ASX listed company that owns and operates technology assets that enable modernization of business IT systems via the conversion, migration and management of server based legacy data and systems to the cloud.

With the completion of the acquisition of Cirralto, the board is positioning Motopia as a "migrate" anything technology company to offer our customers a set of tools to migrate from any legacy custom software platform to the cloud.