



ABN 88 098 640 352

Manalto Limited

Level 11, 216 St Georges Tce

Perth WA 6000

P: +61 8 9481 0389

ASX Announcement

12 July 2018

QUARTERLY ACTIVITIES REPORT – JUNE 2018

Manalto Limited (MTL.ASX) (“the **Company**”) provides the following summary of activities for the quarter ended 30 June 2018.

OPERATIONS UPDATE

Existing Manalto product

During the quarter, the development team continued their focus on the maintenance of the Manalto platform, specifically aimed at the privacy matters that have been raised within the social networking landscape (namely, the recent privacy policy amendments by Facebook and Instagram).

The team in South Africa has continued to roll out small technology updates to the core platform to ensure continued system stability for Manalto clients, especially giving consideration to the new privacy policy amendments.

Further evaluations have taken place within the technology stack of the platform to find more operational efficiencies, specifically aimed at the use of database solutions to service the platform.

The development team have continued their evaluation and testing of the social networks API’s with a special focus on ensuring privacy of customer data with the Manalto platform.

Business as usual continues with the development and technical team assisting the front end of the organization and the Company’s customers with logged tickets and customer queries.

Future development of Manalto Product

The development team is steadily continuing its work on the roadmap development of:

- Further use and functionality of IBM Watson;
- BI Data analysis and advanced reporting via Microsoft Power BI; and
- Increased focus on the improvement of UX of the Manalto UI.

Staff Hires

Manalto had budgeted to hire two to three additional new staff members (likely based in India) following confirmation by ASX of reinstatement to quotation, as well as an additional senior sales executive to manage the sales pipeline and increase sales leads by mid-calendar 2018. To date, one



ABN 88 098 640 352

Manalto Limited

Level 11, 216 St Georges Tce

Perth WA 6000

P: +61 8 9481 0389

hire in India was made and the company plans to re-evaluate these additional hires once reinstatement has commenced.

Sales focus, training and the ability to work with our development team is required for product success and as such the additional resource is a priority.

Sales

Sales during the June 2018 quarter totalled \$18k and customer receipts, \$17k.

The sales team continued to perform and lead all software demonstrations for prospective buyers, nurture relationships with key clients by creating customized reports and keeping data on all franchisees using Manalto product up to date. During the quarter the sales team continued to manage all internal incoming support tickets and communicated directly with the development team to bring fixes to a few minor issues.

For the period the sales team brought in five new franchisees for Mosquito Joe and nine new franchisees for Pool Scouts. Product demonstrations planned for the following quarter with some new target companies look promising at this stage. Several high level meetings are planned for the following quarter.

Status of liquidations

Ireland & Netherlands

As previously announced, Manalto has made the irrevocable decision to liquidate its Irish & Netherlands subsidiaries and cease funding. As stated in the announcement of 20 December 2017, closure of the Ireland and Netherlands offices are underway. Manalto has appointed liquidators in both Ireland and Netherlands. As the debts in Ireland and Netherlands are small, not much emphasis was placed on Ireland and the Netherlands during the quarter.

USA & South Africa

Manalto has appointed liquidators in the USA who have confirmed filing in the USA was completed on 26 February 2018. Letters were sent to all US creditors during the quarter informing them of the US subsidiary's liquidation and that it is not anticipated there will be any remaining assets for distribution or payment to general unsecured creditors. A creditors meeting in the USA is due to be conducted in the next quarter and representations from some creditors are expected. Besides the professional fees to be charged by Manalto's lawyers and accountants in handling this matter, there will be no funding of the US creditors and their claims by Manalto.

Manalto has appointed liquidators in South Africa who are continuing their work on this liquidation, in particular finalising outstanding tax. Besides the professional fees to be charged by Manalto's lawyers and accountants in handling this matter, there will be no funding of the South African creditors, revenue authority and their claims by Manalto.

ABN 88 098 640 352

Manalto Limited
Level 11, 216 St Georges Tce
Perth WA 6000
P: +61 8 9481 0389

CORPORATE UPDATE

Cash position

The cash balance at 30 June 2018 was \$1.516M.

Cashflows in the June quarter varied from forecasted cashflows as follows:

Category	Estimate \$'000	Actual \$'000	Reason
Staff costs	140	67	Budgeted on the assumption that the Company would be reinstated to quotation and fees paid to directors, however this did not eventuate during the quarter and no director fee payments were made.
Admin	170	315	Closure of US credit card facility offset against collateral account \$100k and unbudgeted restructuring advice costs.

Use of funds

As at the date of this report, the Company cash balance is \$1.486M. The Company intends to use these funds as follows.

Category	Budget
Product operating costs	\$120,000
Advertising and marketing	\$50,000
Staff costs	\$525,000
Administration and corporate costs (including current creditors)	\$791,000

Shareholder meeting

At the shareholder meeting held 4 July 2018, all resolutions were passed on the basis of proxy votes received.

Compliance with ASX Listing Rules

The Directors confirm that the Company is in compliance with ASX Listing Rule 3.1.

ENDS

Elizabeth Hunt
Company Secretary
For the Board of Manalto Limited



ABN 88 098 640 352

Manalto Limited

Level 11, 216 St Georges Tce

Perth WA 6000

P: +61 8 9481 0389

About Manalto Limited

Manalto is an integrated technology Company focusing on social media and e-commerce solutions for SMBs and enterprises. Manalto's purpose has and will remain to find a number of ways to service business consumers looking to market and transact (e-commerce) on the internet. Manalto Enterprise is a cloud-based social media management software that enables enterprises to efficiently manage their social media presence across multiple social platforms, at scale, with alignment to their structure. The Manalto solution delivers controls to support brand management and risk management across social media. Manalto saves time, money and resources, while allowing visibility to ensure real-time customer service and engagement. For further information visit manalto.com.

For personal use only