13 April 2018

OPERATIONAL UPDATE

Highlights

- **Pilot Programme completed with Poolshop franchise operations**
- **Implementation of PoolBox solution underway**
- **Significant milestone achieved with monthly booked revenue exceeding operational costs in the month of March**

Cirralto Limited (Cirralto) (ASX: CRO) is pleased to announce that it has passed the Pilot phase with franchise groups within the Australian and New Zealand pool services industry and has subsequently commenced implementation with several new customers within the industry.

Additionally, as the business continues to grow its order book and revenues, the milestone of monthly booked revenue exceeding operational costs has been reached for the first time during March. This is an important milestone, which together with the recent capital raising provides a strong platform for further growth as the business expands and ramps up its implementation capability.

Cirralto has collaborated together with two other technology suppliers to develop a new cloud based fully integrated solution for the pool industry called PoolBox. The Cirralto PoolBox solution is a revolutionary new platform that enables any pool business to seamlessly integrate their point of sale, payments, accounting, service scheduling and water testing all into one complete solution. This eliminates the need for multiple data entry, providing efficiencies, accuracy and control across the businesses. The solution provides business owners with greater control over sales, financials, inventory management and service engagement in addition to removing hours of work each week in administration.

A typical business engagement covers the Initial Implementation phase plus a 3 year software as a service (SaaS) contract which is invoiced monthly over the 3 year term.

Current engagements will provide Cirralto access to approximately 50% of the Australia and New Zealand pool services industry which when progressively rolled out will provide recurring revenue over a 3 year term.

Cirralto CEO, Mike Mulvey, commented, “It has been exciting working together with this large pool services market place to develop a flexible solution that delivers great efficiencies and value across the board.

The Cirralto modernisation suite of products and solutions is extremely adaptable across many industry groups. We are currently implementing our solutions across other franchise groups, including home services franchises and the hospitality services industry.

Our pipeline of opportunities continues to grow within these sectors and we are also looking at other markets as prime opportunity for our solutions.

I am extremely pleased that we have reached the milestone in our business that sees our booked revenues exceeding our costs on a monthly basis. This is a great start and on the back of our recent capital raise gives us an excellent platform to launch from, starting with the ramp up of our implementation and sales teams to cope with the increased demand for the Cirralto Solutions.”

Adrian Floate, Founder of Cirralto, has been focused on building fully integrated technology services that change the way businesses transact for over 20 years. Adrian states, “the pool industry was a natural fit to apply a fully integrated software solution. The industry has many independent businesses that are working with up to six different pieces of software that don’t naturally integrate with each other. This makes business extremely inefficient and time consuming. There is a better way and we are here to work together with pool business owners to take them through a business transformation.”

When questioned about the on-boarding process, Floate said, “It’s quick…very quick. Depending on the cleanliness of data (which we will also help with) the group can have a pool business migrated onto the platform and working within two weeks”.

More detailed information on PoolBox can be obtained on Cirralto’s web site.

www.cirralto.com.au

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About Cirralto

Cirralto Limited (ASX: CRO) listed company that owns and operates technology assets and services that enable modernisation of business IT systems via the conversion, migration and management of server based legacy data and systems to the Cloud.