



23 October 2018

The Manager
Australian Securities Exchange
Level 5, 20 Bridge Street
Sydney NSW 2000

By Electronic Lodgment

September 2018 Quarter Update

MOQ Limited (ASX:MOQ) ("**MOQ**") is pleased to provide an update on its activities for the quarter ending 30 September 2018. MOQ has also released its Appendix 4C today.

MOQ operates **MOQdigital**, an agile Systems Integrator that delivers market leading technology solutions to drive business outcomes for customers in the new digital world, and **SkoolBag**, a market leading Software-as-a-Service ("**SaaS**") communications platform primarily for the Education market.

Business Update

MOQdigital

MOQdigital is a leading provider of Specialist Services focused on Applications, Data and Infrastructure solutions to drive positive business outcomes, for our customers, through digital transformation initiatives.

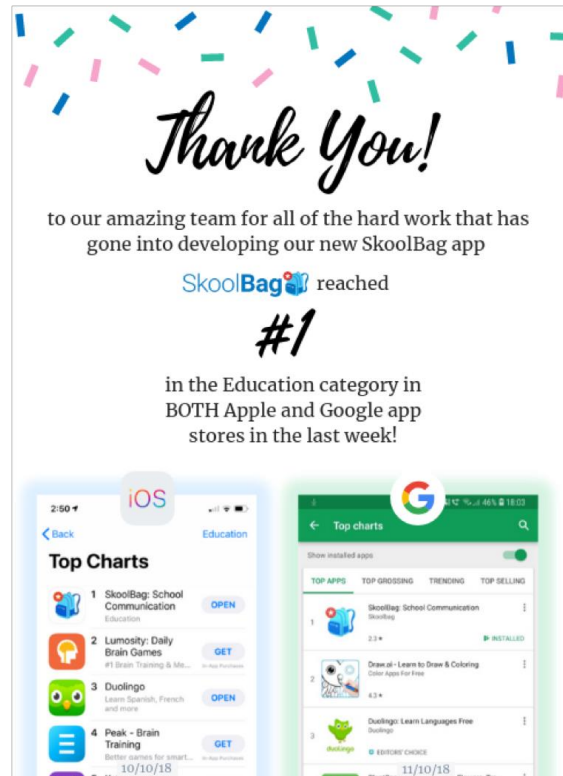
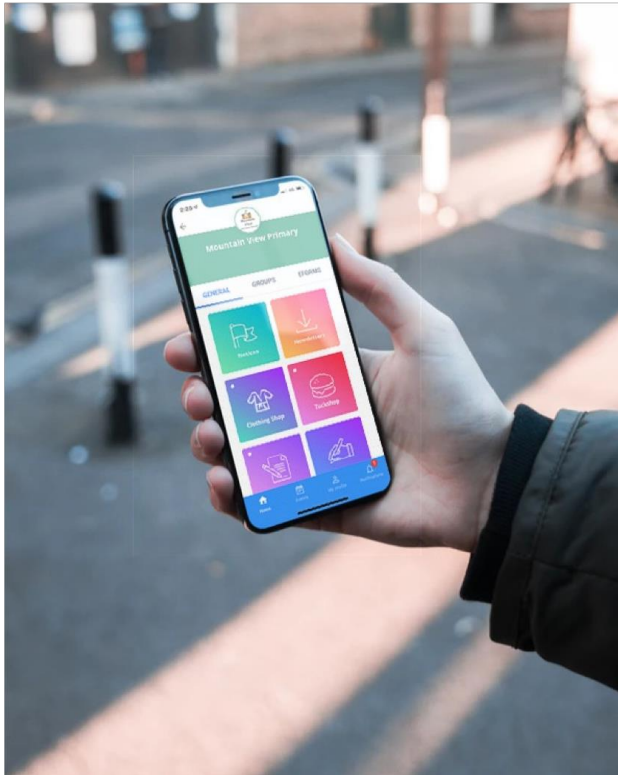
For MOQdigital, Q1 FY19 has featured:

1. A continuation of strong sales and delivery performance across all Lines of Business – Consulting, Integration and Operational Services.
2. Growing volume and quality of pipeline for Digital Transformation and Cloud Migration opportunities.
3. The appointment of Glenn Scown as General Manager – Operational Services. Glenn has significant experience at the Executive level in the Services Provider market and most recently was the COO at Datacom.
4. Glenn's appointment provides greater depth to the MOQdigital Executive team and will allow Chad Lurie (State Manager – NSW) to focus exclusively on growing our business in the NSW region. Additionally, Kelly Wilkes will now focus on People and Culture to ensure our staff are front and centre in our planning as we continue to grow the business, organically and through acquisition.

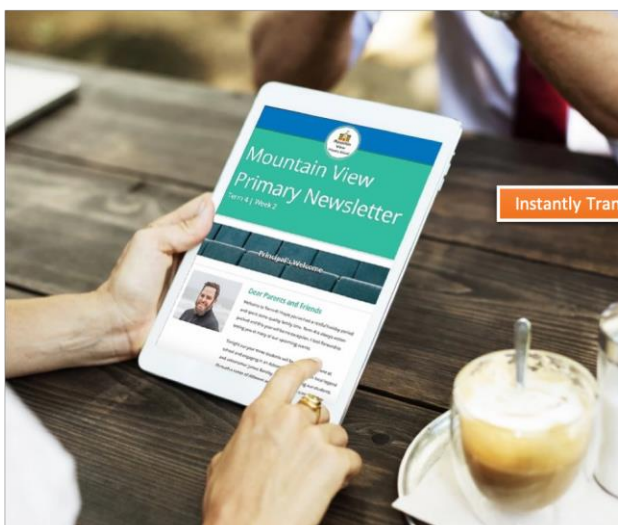
SkoolBag

The SkoolBag business operates and develops a market leading Software-as-a-Service ("**SaaS**") communications platform, including mobile apps, primarily for the education and sports verticals.

1. SkoolBag released its new Mobile App in September. The technology used in the new SkoolBag Mobile App offers our customers an improved user experience and new features, whilst providing a platform for further feature enhancements and integrations. During October the SkoolBag app reached #1 position in the Education category in both the Google and Apple app stores (see communication below).



2. This month, SkoolBag launched its new School eNewsletter product, including an easy to use content management interface for schools. Professionally designed newsletters can be created in minutes, with no prior expertise in digital publishing required. SkoolBag eNewsletters are formatted to be easily viewed on any mobile, tablet, or PC and can be translated to over 100 languages instantly.



3. New appointments in the last quarter include CTO, Customer Success Lead and UI/UX Designer. The SkoolBag team continues to work on new products, feature enhancements, partnerships and the Family Essentials offering.

Commentary on Financials

Q1FY19 operational cash flow was circa \$1.6 million off the back of circa \$21.3 million of receipts from customers. As highlighted in the previous quarter, we anticipated a stronger performance in cashflows off the back of the Enzen contract, however, overall performance for the first quarter has exceeded expectations and contributed to a strong result on operational cashflows.

Capitalisation of app development in Skoolbag amounted to \$170k for the quarter. We are starting to realise the benefits of the investments, as we introduce a refreshed app and platform with new features, and price increases which commenced from 1st July 2018 assisting to fund this continued investment.

About MOQ Limited

MOQ is a global award winning, cloud systems integrator with more than 200 employees which provides ICT Consulting, Integration, Managed Services and Solutions around data, applications, and infrastructure that enables digital business. Our strategy is to build annuity revenue streams through managed services and commercialised IP to capitalise on a rapidly growing digital economy.

Our purpose is to enable our customers to achieve more through the smart use of technology as they embrace digital transformation. We pride ourselves on building lifetime relationships with our customers by driving outcomes to get the best results the business needs.

For further information, please contact:

Brad Cohen
Company Secretary
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+61 2 8039 5015

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

MOQ Limited

ABN

94 050 240 330

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	\$21,268	\$21,268
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(\$10,969)	(\$10,969)
(c) advertising and marketing	(\$143)	(\$143)
(d) leased assets	-	-
(e) staff costs	(\$7,576)	(\$7,576)
(f) administration and corporate costs	(\$968)	(\$968)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	\$8	\$8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(\$6)	(\$6)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	\$1,614	\$1,614

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(\$45)	(\$45)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) intellectual property	(\$170)	(\$170)
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	\$62	\$62
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Working Capital adjustment paid	-	-
2.6	Net cash from / (used in) investing activities	(\$153)	(\$153)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	\$3,964	\$3,964
4.2	Net cash from / (used in) operating activities (item 1.9 above)	\$1,614	\$1,614

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(\$153)	(\$153)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	\$5,425	\$5,425

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	\$5,425	\$3,964
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	\$5,425	\$3,964

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

\$168

-

The amount shown in section 6.1 above relates to directors' salaries / fees and superannuation.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	15
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Payment noted in item 7.1 relates to consulting fees for Monash Private Capital, a shareholder of MOQ Limited, and also an entity associated with Joey Fridman, a non-executive director of MOQ Limited.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	\$1,500	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(\$7,870)
9.3 Advertising and marketing	(\$198)
9.4 Leased assets	-
9.5 Staff costs	(\$7,886)
9.6 Administration and corporate costs	(\$1,000)
9.7 Working Capital Adjustment	-
9.8 Total estimated cash outflows	(\$16,954)

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	-	-
10.2	Place of incorporation or registration	-	-
10.3	Consideration for acquisition or disposal	-	-
10.4	Total net assets	-	-
10.5	Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Director/Company secretary)

Date: 23/10/2018

Print name: Brad Cohen

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.