

**Simble Solutions Limited
and Controlled Entities**

ABN 17 608 419 656

**Annual report
for the period 24 September 2015
(date of incorporation) to 30 June 2016**

**General purpose financial statements
for the period 24 September 2015
(date of incorporation) to 30 June 2016**

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Directors' report

The directors of Simble Solutions Limited (the Company) submit herewith the annual report of the Company and its controlled entities (the Group) for the period 24 September 2015 (date of incorporation) to 30 June 2016. In order to comply with the reporting requirements of the directors, the directors report as follows:

The names of the directors of the Company during or since the end of the financial year are:

Name

David Lawrence Astill (appointed 24 September 2015)
Justin Dobb (appointed 24 September 2015, resigned 17 August 2016)
Fadi Geha (appointed 17 August 2016)
Phillip Shamieh (appointed 14 September 2016)

The directors have been in office since the date of incorporation, being 24 September 2015, to the date of this report, unless otherwise stated.

The particulars of the directors are as follows:

Name	Particulars
Fadi Geha	Chief Executive Officer; Founder of Acresta group, having served as its CEO for the past seven years.
Phillip Shamieh	Executive Commercial Director Senior level executive with 20 years of experience in research, operations, financial management and reporting, and mergers and acquisitions. Director of Allied Resources Limited.
David Astill	Non-Executive Director, Legal practitioner and director of Astill Legal Group.

Principal activities

The Group's principal activities is to build technology applications for businesses and individuals that assist with simplifying operations and scalability.

No significant change in the nature of these activities occurred during the year.

Review of operations

The Company was incorporated on 24th September 2015, under the name of Gymeny Pty Limited. The Company changed its name to Simble Solutions Pty Limited on 16th September 2016, and converted to an unlisted public company on 26 October 2016.

During the financial period, the Group continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

The loss of the Group for the financial period after providing for income tax amounted to \$1,069,160.

Changes in state of affairs

There were no significant change in the state of affairs of the Company and the Group during the financial year.

Subsequent events

There have been a number of circumstances occurring subsequent to the end of the financial year that have significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years. These have been disclosed in note 17 to the financial statements.

Future developments

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Dividends

In respect of the financial year ended 30 June 2016, no dividend was declared or paid.

Share options granted to Directors and senior management

No share options have been granted to Directors and/or senior management during or since the end of the financial period.

Indemnification of officers and auditors

During or since the end of the financial year, the Company secretary and all executive officers of the Company and any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by law. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the directors.

On behalf of the Directors



Director

Fadi Geha

Sydney, 23 October 2017

The Board of Directors
Simble Solutions Limited
Level 12, 6 O'Connell Street
Sydney NSW 2000

23 October 2017

Dear Board Members

Simble Solutions Limited


I am pleased to provide the following declaration of independence to the directors of Simble Solutions Limited.

As lead audit partner for the audit of the consolidated financial statements of Simble Solutions Limited for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Alfred Nehama
Partner
Chartered Accountant

Independent Auditor's Report to the Members of Simble Solutions Limited

We have audited the accompanying financial report, being a general purpose financial report, of Simble Solutions Limited, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 5 to 20.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state that, in accordance with Accounting Standards AASB 101 Presentation of Financial Statements that the financial statements comply with International Financial Reporting.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Simble Solutions Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion


In our opinion:

- a) The financial report of Simble Solutions Limited is in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the company and the consolidated entity's financial position as at 30 June 2016 of its performance for the period ended on that date; and
 - ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b) The financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.

Material uncertainty related to Going Concern

We draw attention to Note 2(m) Going Concern in the financial report which indicates that the company and the consolidated entity incurred a loss after tax of \$591,827 and \$1,069,180 respectively. These conditions, along with other matters as set forth in Note 2(m) Going Concern, indicate that a material uncertainty exists that may cast significant doubt on the ability of the company and the consolidated entity to continue as a Going Concern. Our conclusion is not modified in respect of this matter


DELOITTE TOUCHE TOHMATSU


Alfred Nehama
Partner
Chartered Accountants
Sydney, 23 October 2017

Directors' declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) in the directors' opinion, the attached financial statements and notes give a true and fair view of the financial position and performance of the Group in accordance with the accounting policies set out in Note 2, including compliance with accounting standards; and
- (c) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards as stated in Note 2 to the financial statements, and with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements.

Signed in accordance with a resolution of the directors made pursuant to Section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Director

Fadi Geha

Sydney, 23 October 2017

**Statement of profit or loss and other comprehensive income for the period
24 September 2015 to 30 June 2016**

	Consolidated 2016 \$	Company 2016 \$
Revenue	-	-
Administrative expenses	(671,198)	(280,181)
Research & Development expenses	(212,657)	(206,592)
Marketing expenses	(87,076)	(17,054)
IPO related expenses	(88,000)	(88,000)
Finance costs	(10,229)	-
Loss before tax	(1,069,160)	(591,827)
Income tax expense	-	-
Loss for the period	(1,069,160)	(591,827)
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation	(28)	-
Other comprehensive income for the period, net of tax	(28)	-
Total comprehensive loss for the period	(1,069,188)	(591,827)

Notes to the financial statements are included on pages 10 to 20.

Statement of financial position at 30 June 2016

	Note	Consolidated 2016 \$	Company 2016 \$
Current assets			
Cash and cash equivalents	4	11,432	-
Trade and other receivables	5	136,607	-
		<u>148,039</u>	<u>-</u>
Non-current assets			
Property, Plant and Equipment	6	772	-
Investment in subsidiaries	10	-	2
		<u>-</u>	<u>2</u>
Total assets		<u>148,811</u>	<u>2</u>
Current liabilities			
Trade and other payables	7	263,745	236,684
Loans payable	8	954,253	358,144
		<u>-</u>	<u>-</u>
Total liabilities		<u>1,217,998</u>	<u>591,828</u>
Net liabilities		<u>(1,069,187)</u>	<u>(591,826)</u>
Equity			
Share capital	9	1	1
Accumulated loss		(1,069,160)	(591,827)
Foreign currency translation reserve		(28)	-
Deficit		<u>(1,069,187)</u>	<u>(591,826)</u>

Notes to the financial statements are included on pages 10 to 20.

**Statement of changes in equity for the period 24 September 2015
to 30 June 2016**

Consolidated	Issued capital \$	Foreign currency translation reserve \$	Accumulated Loss \$	Total \$
Balance on incorporation	1	-	-	1
Loss for the year	-	-	(1,069,160)	(1,069,160)
Exchange differences arising on translation of foreign operations	-	(28)	-	(28)
Total comprehensive loss for the period	1	(28)	(1,069,160)	(1,069,187)
Balance at 30 June 2016	1	(28)	(1,069,160)	(1,069,187)

Company	Issued capital \$	Foreign currency translation reserve \$	Accumulated Loss \$	Total \$
Balance on incorporation	1	-	-	1
Loss for the year	-	-	(591,827)	(591,827)
Exchange differences arising on translation of foreign operations	-	-	-	-
Total comprehensive loss for the period	-	-	(591,827)	(591,826)
Balance at 30 June 2016	-	-	(591,827)	(591,826)

Notes to the financial statements are included on pages 10 to 20.

**Statement of cash flows for the period 24 September 2015
to 30 June 2016**

	Note	Consolidated 2016 \$	Company 2016 \$
Cash flows from operating activities			
Payments to suppliers and employees		(813,938)	(358,145)
Net cash outflow from operating activities	16(b)	(813,938)	(358,143)
Cash flows from financing activities			
Investment in subsidiaries		-	(2)
Net proceeds from borrowings		826,170	358,145
Net cash inflow from financing activities		825,398	358,143
Net increase in cash and cash equivalents		11,460	-
Cash and cash equivalents at the beginning of the financial year		-	-
Effects of exchange rate changes on cash		(28)	-
Cash and cash equivalents at end of year	16(a)	11,432	-

Notes to the financial statements are included on pages 10 to 21.

Notes to the Financial Statements

1. General information

Simble Solutions Limited is an unlisted public company, incorporated and operating in Australia. The registered office and its principal place of business are as follows:

Registered office and principal place of business

Level 12, 6 O'Connell Street
Sydney NSW 2000

The Company was converted to a public company on 26 October 2016.

The Group's principal activities are to build technology applications for businesses and individuals that assist with simplifying operations and scalability.

2. Significant accounting policies

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Accounting Standards and Interpretations.

The financial statements comprise the consolidated financial statements of the Group and the financial statements of the Company. For the purposes of preparing the financial statements, the Company is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and the notes of the Company and the Group, comply with International Financial Reporting Standards.

Basis of preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Deferred tax

Deferred tax assets in respect of tax losses have not been recognised. Determining the extent to which deferred tax asset balances should be recognised requires an estimation of future taxable profits. Budgets will be closely monitored and adjustments made in future periods if such adjustments are appropriate.

Development Costs

The Group has adopted a policy of capitalising development costs only for products for which an assessment is made that the product is technically feasible and will generate definite economic benefits for the company going forward. The capitalised costs are subsequently amortised over the expected useful life of the product. Development costs during the period have not been capitalised.

There were no other critical accounting judgements nor critical accounting estimates in applying the Group's accounting policies during the year.

Adoption of new and revised Accounting Standards

In the current year, the company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries) (referred to as 'the consolidated entity' or 'the group' in these financial statements). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. In the separate financial statements of the company, intra-group transactions ('common control transactions') are generally accounted for by reference to the existing (consolidated) book value of the items. Where the transaction value of common control transactions differ from their consolidated book value, the difference is recognised as a contribution by or distribution to equity participants by the transacting entities.

(b) Foreign currency

The financial statements of the group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements, the results and financial position of the entity are expressed in Australian dollars, which is the functional currency of Simble Solutions Ltd, and the presentation currency for the financial statements.

In preparing the financial statements of the group, transactions in currencies other than the group's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

The assets and liabilities of the group's foreign operations are translated into Australian dollars at exchange rates prevailing on the statement of financial position date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in the translation reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in the current liabilities in the statement of financial position.

(d) Financial assets

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest income is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(e) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

2. Significant accounting policies (continued)

(f) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date.

Deferred tax

Deferred tax is accounted for in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in branches and associates, and interests in joint ventures except where the group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the statement of comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity.

(g) Property, plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful life, residual values and depreciation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

Computers	1 - 2 years
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2. Significant accounting policies (continued)

(h) Financial liabilities

Financial liabilities are classified as other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

(i) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Research and Development tax incentive

Where the company is entitled to a Research and Development tax incentive payment due to the company meeting certain threshold criteria, the amount receivable is recorded as grant income. Where the company is entitled to a reduction in current income tax payable for Research and Development costs, the amount is offset against the current tax liability and recognised in current tax expense as a credit.

(j) Intangible assets

Computer and development software

Computer software is recorded at cost less accumulated amortisation and impairment. Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service. Amortisation is charged on a straight line basis over their estimated useful lives of 5 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

(k) Standards and Interpretations issued not yet effective

At the date of authorisation of the financial report, the Standards and Interpretations listed below were in issue but not yet effective.

Initial application of the following Standards will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the company's financial report.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards'	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2017	30 June 2018
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	1 January 2016	30 June 2017
AASB 16 'Leases'	1 January 2019	30 June 2020

(l) Comparatives

The Company was incorporated on 24 September 2015. Accordingly, comparative financial information is not presented.

(m) Going Concern

The Directors have prepared the financial report on the Going Concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 30 June 2016, the Company and the Group's statement of financial position reflected working capital deficiencies of \$591,826 and \$1,069,959 respectively. Furthermore, the Company and the Group's statement of profit and loss and other comprehensive income for the period ended 30 June 2016 reflected net losses of \$591,827 and \$1,069,160 respectively.

Included in current liabilities are loans payable to related parties. Since the year end, all the loans payable to related parties were forgiven.

As described in Note 17 (iv), the Group intends to make an Initial Public Offering (IPO) of its shares in around November 2017, and to list its shares on the Australian Securities Exchange. The Group expects to raise capital of \$5,000,000 under the IPO.

The Directors have reviewed the profit and loss and cash flow budgets through to December 2018. The budget indicates that the Group will operate at, or near, a profitable EBITDA basis.

If the Group is unable to generate sufficient cash flows and to successfully raise capital under the IPO, then significant uncertainty would exist as to whether the Group and the Parent will continue as Going Concerns and therefore whether they will realise their assets in the normal course of business and at the amounts stated in the financial statements.

	Consolidated 2016 \$	Company 2016 \$
3. Loss for the period		
Loss for the period has been arrived at after charging the following items of income and expense:		
Research and development expense	212,657	206,592
Interest expense	10,229	-
	<hr/>	<hr/>
4. Cash and cash equivalents		
Cash at bank and in hand	11,432	-
	<hr/>	<hr/>
5. Trade and other receivables		
Other receivables	8,523	-
Amounts receivable from related entity ⁽ⁱ⁾	128,084	-
Net trade and other receivables	136,607	-
	<hr/>	<hr/>
(i) Amounts receivable from related entity :-		
Simble Holdings IP Pty Limited	128,084	-
	<hr/>	<hr/>
6. Property, plant and equipment		
Office equipment		
At cost	772	-
Less accumulated depreciation	-	-
	772	-
	<hr/>	<hr/>
7. Trade and other payables		
Trade payables	59,760	50,350
Accrued expenses	203,985	183,334
	263,745	233,684
	<hr/>	<hr/>
8. Loans payable		
Related entities:		
Simble Solutions (Hong Kong) Limited	-	358,144
Simble Corporate Limited	813,109	-
Simble Holdings (Hong Kong) Limited	221,798	-
Incipient Capital Limited	(80,654)	-
	<hr/>	<hr/>
	954,253	358,144
	<hr/>	<hr/>

9. Issued capital

100 fully paid ordinary shares

Consolidated 2016 \$	Company 2016 \$
1	1

10. Subsidiaries

Name of entity	Country of incorporation	2016 %	Cost \$
Parent entity			
Simble Solutions Limited	Australia		
Subsidiaries			
Simble Solutions (Hong Kong) Limited	Hong Kong	100	1
Simble Holdings Pty Limited	Australia*	100	1
			2

*Dormant

11. Key management personnel compensation

The Directors are responsible for determining the nature and amount of compensation of key management personnel. The compensation structure is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and key management personnel are on a continuing basis, the terms of which are not expected to change in the future.

Compensation made to key management personnel of the Company and the Group is set out below:

Short term benefits:

	Consolidated 2016	Company 2016
Salary and wages	70,000	10,000
Non-cash benefits	-	-
	70,000	10,000

12. Related party transactions

Parent entity

Simble Solutions Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 10.

Key management personnel

Disclosures relating to key management personnel are set out in note 11.

Loans receivable and payable

Loans receivable and payable from and to related entities at the reporting date are disclosed in notes 5 and 8. All loans are interest free.

13. Financial instruments

Market and credit risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. The Group is not exposed to any significant price, interest or credit risk.

Liquidity risk

All liabilities at 30 June 2016 were repayable within 1 year. Refer note 16 (1v) for further details in regard to liabilities to related parties.

14. Contingent liabilities

There are no contingent liabilities as at 30 June 2016.

	Consolidated 2016 \$	Company 2016 \$
15. Auditors remuneration		
Audit and review of financial rep	30,000	20,000
Due diligence and other IPO related services	88,000	88,000

The auditors of the Company are Deloitte Touche Tohmatsu.

16. Notes to the cash flow statement

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:

Cash at bank	11,432	-
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(b) Reconciliation of profit/(loss) from ordinary activities after related income tax to net cash flows from operating activities

Loss for the year	(1,069,160)	(591,827)
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Changes in net assets and liabilities:

Decrease/(Increase) in assets:

Trade and other receivables	(8,523)	-
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(Decrease)/Increase in liabilities:

Trade and other payables	263,745	233,684
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Net cash provided by operating activities	(813,938)	(358,143)
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17. Subsequent Events

The following events have occurred subsequent to the year end:

(i) Acquisition of Simble group entities

During July 2016, the Simble group undertook a reorganisation whereby 100% of the share capital in each of Simble Solutions IP Pty Limited, Simble Solutions (Hong Kong) Ltd and Incipient IT (Vietnam) Company Pty Ltd was transferred to Simble Solutions Limited. The shares in each of these entities were previously owned by Simble Corporate Limited, or its holding company, Incipient Capital Limited. Simble Solutions Limited is 100% owned by Simble Corporate Limited, and the transfer of shares has been considered as a business combination of entities under common control. Accordingly, the shares were transferred at net asset value.

(ii) Acquisition of Acresta Sub Group

On 1 September 2016, Simble Solutions Limited acquired 100% of the share capital of Acresta Carbon Pty Ltd, Simble Mobility Pty Ltd, Acresta Innovations Pty Ltd, Simble (NZ) Limited, Simble Digital Pty Ltd and Simble UK Limited (jointly, the Acresta Sub Group) for an initial consideration of \$4,200,000, settled by the issue of the number of shares that represent a 43% interest of Simble Solutions Limited's issued capital at the time. In addition, the vendors of the shares in the Acresta Sub Group are entitled to deferred consideration as follows:

- \$2,500,000 payable by way of issuance of ordinary shares of Simble, calculated by dividing \$2,500,000 by the 30 day VWAP immediately prior to Performance Condition 1 being met;
- \$2,500,000 payable by way of issuance of ordinary shares of Simble, calculated by dividing \$2,500,000 by the 30 day VWAP immediately prior to Performance Condition 2 being met; and
- \$5,000,000 payable by way of issuance of ordinary shares in Simble, calculated by dividing \$5,000,000 by the 30 day VWAP immediately prior to Performance Condition 3 being met.

Performance Conditions 1, 2 and 3 mean Simble Solutions Limited having a market capitalisation of at least \$50m, \$75m and \$100m or above, respectively, for a period of at least 14 days within 3 years from the Initial Public Offer date.

Goodwill of \$2,515,219 represents the residual value of the purchase price of the Acresta Sub Group over the fair value of identifiable tangible and intangible assets, and has been determined on a provisional basis.

17. Subsequent Events (continued)

Details of the acquisitions are as follows:

	Provisional fair value
	\$
Cash and cash equivalents	220,447
Trade and other receivables	443,658
Prepayments	562,116
Other assets	458,438
Property, plant and equipment	10,758
Development costs	2,017,992
Other intangible assets	-
Deferred tax asset	19,220
Trade and other payables	(465,904)
Deferred revenue	(1,316,914)
Taxation owing	(149,664)
Employee entitlements	(115,366)
	<hr/>
Net assets acquired	1,684,781
Goodwill	2,515,219
	<hr/>
Acquisition date fair value of the total consideration transferred	4,200,000
	<hr/>
Cash used to acquire business net of cash acquired:	
Acquisition date fair value of the total consideration transferred	4,200,000
Cash and cash equivalents acquired	220,447
Less: shares issued by the Company as part of consideration	(4,200,000)
	<hr/>
Net cash acquired	220,447

As the acquisition date was completed subsequent to 30 June 2016, the Acresta Sub Group did not contribute to the financial results of Simble Solutions Limited in the financial year ended 30 June 2016. As a stand-alone group, the Acresta Sub Group had aggregated revenue and net profit after tax for the year ended 30 June 2016 (after eliminating intra-entity transaction) of \$3,637,000 and \$675,000 respectively.

(iii) Acquisition of Wise Owl Holdings Pty Limited

In October 2016, Simble Solutions Limited acquired 100% interest in Wise Owl Holdings Pty Limited for \$1. Prior to this acquisition, Wise Owl Holdings Pty Limited acquired the business and assets of Wise-Owl.com Pty Limited for \$1.

(iv) Loans forgiven

Since the year end, the loans payable to Simble Corporate Limited and Simble Holdings (Hong Kong) Limited of \$813,109 and \$221,798 respectively, were forgiven.

(v) Issue of Convertible Notes

Subsequent to the year end, the Company issued Convertible Notes, raising \$3,334,684.

The Notes will be converted to Shares in the Company or redeemed on 31 December 2017 or as a result of the occurrence of a Liquidity Event (being a backdoor listing or initial public offering of the ordinary shares in the capital of the issuer). The convertible notes outstanding as of the balance date carry an interest rate of 14% p.a.

On a liquidity event, each Convertible Note will be converted to 1.25 ordinary shares.

(vi) Initial Public Offering

The Company intends to make an Initial Public Offering (IPO) on the Australian Securities Exchange (ASX) in or around November 2017. A due diligence process is underway to facilitate the IPO. In preparation for the IPO, the Company converted from a proprietary company to a public company on 26 October 2016.