



ASX ANNOUNCEMENT

01 May 2018

March 2018 Quarterly Report, Business Update and Changes to the Board and Key Personnel

Simble Solutions Limited (ASX:SIS) (**Simble** or the **Company**) an Australian software company focused on energy management and mobility SaaS solutions, is pleased to present its consolidated quarterly cash flow report and business update for the quarter ended 31 March 2018.

Highlights

- Strengthened balance sheet after completion of heavily oversubscribed \$7.5m Initial Public Offering (IPO) with subsequent ASX listing on 22 February 2018
- Simble is on track to deliver its key prospectus objective to expand channel partnerships for the Simble Energy Platform
- Sales and marketing progress anchored by agreement with Optus to market the Simble Energy Platform to all of its Australian business customers
- Growing sales pipeline in Australia and the UK with channel partnership negotiations progressing rapidly
- Normalised cash burn rate \$1.25m during March quarter as Simble accelerates channel marketing investments and receives first commercial order from an Optus customer¹
- Phil Shamieh not to seek re-election as a Director at the Company's AGM and to resign as Executive Commercial Director²
- Martin Hannah to join Simble as Chief Technology Officer, effective immediately

Initial Public Offer

Simble was admitted to the ASX official list on 22 February 2018 following a heavily oversubscribed IPO, which raised \$7.5 million before costs - the maximum offer amount. The IPO witnessed strong institutional and retail demand, with more than ten institutional shareholders subscribing for a significant amount of the IPO. Patersons Securities Limited was the Lead Manager for the IPO. Hogan Lovells acted as Australian Legal Advisors.

The IPO has significantly strengthened Simble's balance sheet. Outstanding convertible notes with a face value of \$3.8 million have converted into ordinary shares whilst working capital improvements are supporting accelerated channel marketing investments for the Simble Energy Platform.

¹ Refer to "Consolidated Cash Flows" on page 4 for further information.

² Refer to "Changes to Board and Key Personnel" on page 3 for further information.

Sales and Marketing

During the quarter Simble focused on building a scalable channel partnership network in Australia and the UK to roll out its Internet of Things (IoT) enabled energy management solution.

The Simble Energy Platform – an enabling tool for businesses to reduce their energy consumption – has received interest from a variety of prospective channel partners.

Simble is pleased to report that the largest opportunities outlined in its prospectus dated 15 December 2017 (**Prospectus**) have advanced. The table below outlines progression achieved during the quarter, the most significant of which was completion of channel partnership negotiations with Optus.

Subsequent to quarter's end, Optus agreed to market the Simble Energy Platform to its entire customer base under a channel partnership agreement³. In preparation for a progressive rise in customers via this partnership over the coming year, Simble has expanded internal support capabilities and commenced briefing sessions for Optus personnel.

The Simble Energy Platform has received its first commercial order from an Optus customer. Simble sees excellent potential to convert its Optus partnership and other opportunities within its sales pipeline into long term commercial contracts.

Table 1: Progression of opportunities outlined in Prospectus

Identity	Status		Opportunity
	Dec Qtr	Mar Qtr	
Australian Energy Service Providers	Existing Customers	Further sites added	Upsell to further sites
UK Energy Service Provider	Completed trials	Channel partnership negotiation	15 new customers / month
Major Lighting OEM	Trial pending	Channel partnership negotiation	30 new customers / month
2 x Small Utility	Negotiating trials	Negotiating trials	TBC
Major Telco (Optus)	Negotiating LOI	Channel partnership*	100 – 300 new customers / month
Major UK Bank	Contract negotiation	Trial underway	Total of 1000 branches
Major European Airport	Trial Pending	Channel partnership negotiation**	TBC
Major UK Metering Company	Demonstration	Demonstration	20 new customers / month

* reflects status as of April 3rd

** targeting major air and land transportation hubs including a major European airport – trial pending

³ Refer to the Company's ASX Announcement dated 3 April 2018

At this point there remains material uncertainty as to whether any of these opportunities can be converted into profitable contracts and Simble makes no representations about the probability and timing of revenue associated with these opportunities, or the opportunities outlined in Table 2 below.

In addition to advancing the existing opportunity pipeline that was disclosed in the Prospectus, Simble continues to grow its sales pipeline, having identified new opportunities in both Australia and the UK. We are pleased to announce that expansion into the UK market is gaining serious momentum with channel partnership negotiations progressing rapidly. The table below provides an overview of a selected number of opportunities that have emerged subsequent to Simble's listing on the ASX.

Table 2: A selection of new opportunities currently in the sales pipeline

Identity	Status		Opportunity
	Dec Qtr	Mar Qtr	
Major Australian Technology Distributor	-	Contract negotiation	TBC
Local arm of Global Electronics Company	-	Contract negotiation	TBC
Australian Energy Service Company	-	Contract negotiation	TBC
Small UK Utility	-	Contract negotiation	TBC
UK Energy and Infrastructure Provider	-	Contract negotiation	TBC

Technology and Products

During the quarter Simble executed a new master agreement with Wattwatchers, an Australian technology hardware supplier supporting the Simble Energy Platform. The Simble Energy Platform captures data streams from Wattwatchers' hardware devices for monitoring and controlling electrical circuits in real-time through the cloud.

The agreement is designed to support progressive volume growth anticipated from the recently announced channel partnership agreement with Optus and other sales initiatives currently underway. It accelerates a successful four-year commercial partnership between Simble and Wattwatchers to take a bundled energy efficiency solution to market.

Changes to Board and Key Personnel

Simble today announces that Mr Phil Shamieh has given notice that he will resign from his role as Executive Commercial Director. Mr Shamieh will phase out of his responsibilities over the course of his six month notice period. In addition, Mr Shamieh will no longer be seeking re-election as a Director at the Company's annual general meeting on 15 May 2018 (**AGM**). Mr Shamieh has been instrumental to Simble's development and successful initial public offering in February 2018. The Board of Directors would like to record their appreciation for his leadership and contributions and wish him all the best for his future endeavours.

As a consequence of this, the Board advises that it has resolved to withdraw Resolution 3 (being a proposed resolution to re-elect Mr Phillip Shamieh to the Board) from the agenda for the forthcoming AGM.

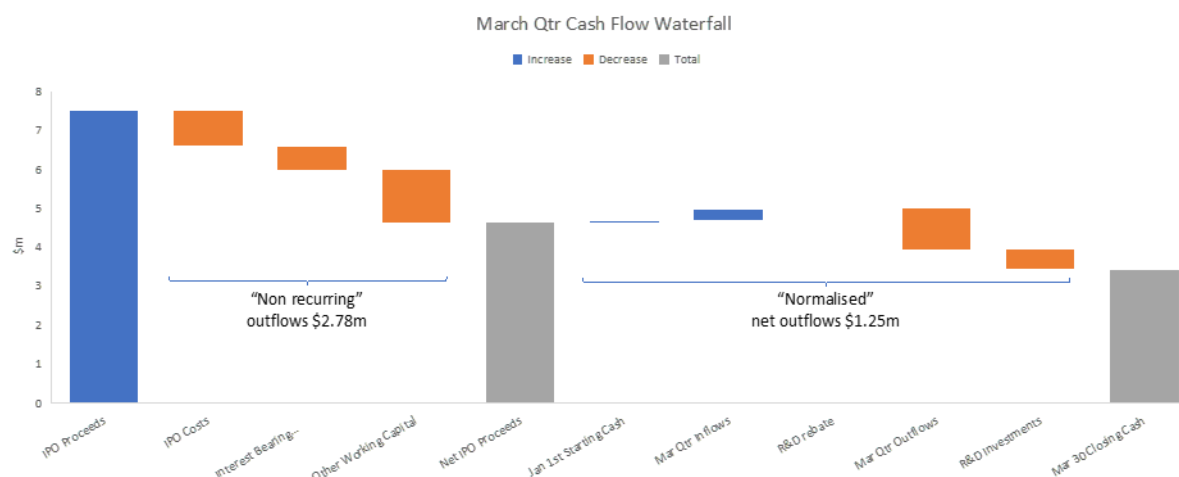
Furthermore, Simble is pleased to announce the appointment of Mr Martin Hannah as Chief Technology Officer (CTO) of Simble Solutions, joining the executive management team effective immediately. Martin will be responsible for driving Simble's innovation agenda in Technology and R&D and will oversee service delivery as well as channel fulfilment. Martin brings a wealth of experience in both technology and operational delivery, having previously led companies through local and international expansion.

Consolidated Cash Flows

The Company recorded customer receipts totalling \$284k during the March quarter. This was principally driven by Simble's existing mobility software business, where cash receipts are historically weighted strongly to the second half of the calendar year due to the sales cycle of our existing customers. Cash receipts were consistent with Simble's historical trend for the March quarter.

Cash outflows for the March quarter were inflated by "non-recurring" outgoings totalling \$2.78m. These outgoings related to costs associated with the IPO, as well as historical working capital liabilities. Expenses in relation to the IPO, including interest on Convertible Notes, totalled \$1.34m, while a one-off outflow relating to pre-quarter activities amounted to \$1.44m.

On a normalised basis, net outflows for the March quarter were \$1.25m, which includes a \$525k investment in software Research and Development (R&D) to drive further product innovation.



The one off expenses incurred during the quarter have substantially strengthened Simble's balance sheet. With end of quarter cash reserves of \$3.4m, the Company is now accelerating channel partnership discussions surrounding the Simble Energy Platform and will continue to update shareholders as material agreements are secured.

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About Simble

Simble Solutions (ASX:SIS) is an Australian software company focused on energy management and mobility solutions. The Simble Energy Platform or 'SimbleSense' is an integrated hardware and real-time software solution that enables businesses to visualise, control and monetise their energy systems. The Company's Software as a Service (SaaS) platform has Internet of Things (IoT) capabilities and empowers enterprises and consumers to remotely automate energy savings opportunities to reduce their energy bill. Simble operates in the SME SaaS market and targets the distribution of its platform through channel partners. Simble has an international presence with offices in Sydney and Melbourne (Australia), London (UK), Auckland (New Zealand), Dubai (UAE) and Da Nang (Vietnam).