

ASX ANNOUNCEMENT

28 February 2019

FY18 Full Year Results Commentary and March Quarter Business Update

Simble Solutions Limited (ASX:SIS) (**Simble** or the **Company**) an Australian software company focused on energy SaaS solutions, is pleased to provide its financial and operational highlights following today's release of its Appendix 4E and preliminary unaudited results for the full year ended 31 December 2018.

Revenue for the period was \$2.35 million with an underlying EBITDA loss of \$3.51 million.

Financial Highlights

- 134% increase in revenues from the Simble Energy division – Simble's core focus - to A\$785k for the year ended 31 December 2018 compared to the previous corresponding period
- Key driver behind growth in Simble Energy revenues was a 241% increase in customer sites on the Simble Energy Platform
- Cumulative order value of up to \$4.9 million attributable to Simble Energy signed since IPO with the majority executed subsequent to year end - to drive further improvements in recurring revenue
- FY18 receipts from customers of \$2.28 million, up 8% compared to FY17
- Operating cash burn (excl. R&D) improved in every quarter since IPO – December 2018 Quarter (Q4 FY18) was 70% lower versus the March 2018 Quarter (Q1 FY18)
- Significant reduction in cost base in the second half of the year (H2 FY18) compared to the first half (H1 FY18) due to diligent fiscal management and the settlement of legacy balance sheet issues
- Simble Energy division expected to become the primary source of revenue during FY19 based on recently executed sales contracts and sales pipeline

Operational Highlights

- Strong growth in customer sites (+241%) and meters under management (+200%) – trend poised to accelerate with 10,000 smart meters contracted for deployment during H1 FY19
- Simble achieves key prospectus target of expanding distribution channel partnerships and investing in research & development to lay foundation for sustainable future growth

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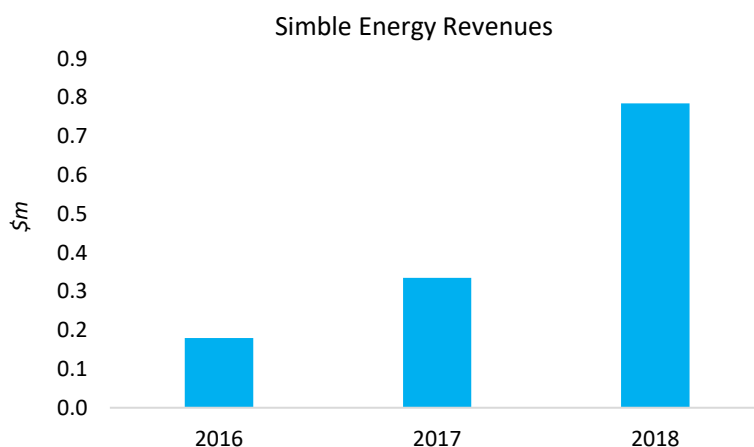
- Early success in the UK cornerstoned by partnerships with Utiligroup, UCR Consultants and Powercor – each targeting a different industry vertical in the smart energy space
- Growth in Australia was slower than expected but recently initiated partnerships – including with BidEnergy and other partners – have the potential to deliver step-change in revenues and allow Simble to nurture the investments made over the past 12 months
- Simble expands product offering through launch of *smart meter ready* “Virtual Analytics App” (residential customers) and “SimbleSense Lite” (business customers) to meet market demand for low-cost software-only products without the need for on-site hardware installation

March Quarter Business Update

- Subsequent to year end Simble announced a strategic long-term partnership with its first energy broker in the UK – UCR Consultants.
 - UCR Consultants will deploy SimbleSenseLite to a minimum of 10,000 meters (approximately 6,000 customers) with the potential to roll out the software to a further 50,000 meters
 - The deal is the first breakthrough in the smart metering market where the UK Government has mandated deployment of 53 million smart meters across all residential households and small businesses. Simble targets this growth opportunity in partnership with Accel-KKR backed Utiligroup – which will service an estimated 80% of this market
 - UCR Consultants committed to provide funding of \$500k by way of unsecured convertible note (refer to announcement dated 5 February 2018), directly investing in Simble
- First client win in partnership with BidEnergy - Banyule City Council
 - Simble recently entered into marketing partnership agreement with BidEnergy Limited (ASX:BID) to commercialise a bundled technology solution comprising of combined IP
 - Banyule City Council will commence onboarding with their first 500 gas, water and electricity accounts on BidEnergys platform where Simble is part of the solution
 - BidEnergy CEO Guy Maine commented: "We have a number of client opportunities where Simble is part of the platform solution, and this early win validates the combined merit of the relationship with Simble."
- Simble was awarded a A\$680k UK government grant in partnership with Cambridge Architectural Research as part of a government energy efficiency scheme. The funds will be used to advance the Company's Virtual Analytics App to help consumers reduce energy consumption

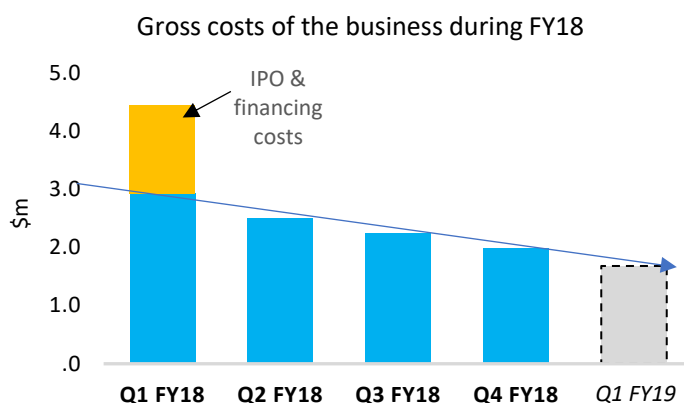
Simble CEO Fadi Geha commented on the growth in the Simble Energy division as well as the past year:

“The financial year 2018 represented the first 12-month period of accelerated focus on Simble Energy following a period of restructuring and strategic focus on energy SaaS and IoT solutions. We've delivered a 134% increase in revenues from our core business and signed additional transformational partnerships and contracts subsequent to year end, adding to the strong momentum in the second half of the year.”



“We have hit the ground running in the new year and our most recent partnerships are already delivering exciting results. Our focus in 2019 will shift from foundation building to execution as we continue to grow our presence in UK and Australia through large client opportunities with an improved commercial model and diversified product offering.”

“I recognise the challenges and headwinds that slowed us down in the first half of 2018. We have built capability and invested in infrastructure ahead of schedule which together with legacy balance sheet issues negatively impacted the bottom line of the FY18 result. However, I can confidently say that this period is well behind us and our investments in innovation, staff and operational infrastructure, underpinned by diligent fiscal policies, have positioned Simble for strong growth.”



“The Board and Management is fully committed to the Company, our shareholders, partners and employees. We continue to monitor costs and cash management, and this includes an assessment of all options and opportunities to improve shareholder value.

“For me it matters that we drive technology as an enabler for our customers around the world and do our bit to build a more sustainable future. We believe 2019 will be an exciting year and I look forward to updating you on our progress.”

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About Simble

Simble Solutions (ASX:SIS) is an Australian software company focused on energy management and Internet of Things solutions. The Simble Energy Platform or ‘SimpleSense’ 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 and residential 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) and Da Nang (Vietnam).

More information: www.simblegroup.com

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