

ASX ANNOUNCEMENT

31 October 2019

September 2019 Quarterly Report and Business Update

Simble Solutions Limited (ASX:SIS) (**Simble** or the **Company**) an Australian software company focused on energy Software-as-a-Service (**SaaS**) solutions, is pleased to present its consolidated quarterly cash flow report and business update for the quarter ended 30 September 2019 (**September Quarter** or **Q3 FY19**).

Financial Highlights for the September Quarter

- Cash inflows from operating activities for the September Quarter of \$0.36 million compared to revenues of \$0.54 million (revenues up 38% on pcip, unaudited)
- Year-to-date cash inflows from operating activities of \$1.57 million compared to year-to-date revenues of \$2 million (revenues up 14% on pcip, unaudited)
- Net cash used in operating activities for the September Quarter of \$0.59 million, compared to \$0.53 million in pcip (September 2018 Quarter)
- The September Quarter saw delays in cash collections due to longer than expected sales cycles and timing of payments. Cash collections in Q4 will be higher than in the current quarter.

Operational Highlights for the September Quarter

- While immediate sales activity was weak during this quarter Simble has continued to focus on expanding the depth and size of the Company's channel partner network and advanced commercial discussions with a number of key parties in the UK energy market, and new revenue opportunities in Australia
- Early in the quarter, Simble was awarded a five-year SaaS contract from Powercor to provide energy software to a leading UK Confectionery Manufacturer.
- In Australia, Wattwatchers, manufacturer of energy meters, executed a Reseller Agreement to market Simble's software capabilities to new and existing customers. Under the terms of the agreement, Simble will be Wattwatchers' preferred energy management supplier in Australia as well as for its expanding presence in the UK. Wattwatchers will own-brand Simble's mobile applications and dashboards – in iOS and Android versions - supported by the SimbleSense cloud platform and virtual analytics capabilities - for consumer-led energy management in homes and small-to-medium sized enterprises (SMEs).

Simble Solutions Limited (ASX:SIS)
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Board Commentary

The Board is highly active in assessing all operational aspects of the business and is in the process of implementing financial and capital management restructuring initiatives, including a combination of revenue generation activities, operational realignments and substantial cost cutting measures. These initiatives are designed to increase revenues, reduce operating cash burn and restore shareholder value.

ENDS

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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 '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 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

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Simble Solutions Limited

ABN

17 608 419 656

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	293	1,468
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(260)	(865)
(c) marketplace and channel expansion	(170)	(615)
(d) leased assets	-	-
(e) staff costs	(153)	(493)
(f) administration and corporate costs	(366)	(942)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development tax offset recovered	70	101
1.8 Other (provide details if material)	-	-
Payments for prior year operating costs		
(i) marketplace and channel expansion	-	-
(ii) staff costs	-	-
(iii) administration and corporate costs	-	-
1.9 Net cash from / (used in) operating activities	(586)	(1,347)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:	-	-
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) Payments for software development, net of research and development tax offsets	(640)	(1,527)
	(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	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(640)	(1,527)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	1,709	1,709
3.2	Proceeds from issue of convertible notes	-	1,162
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	(119)	(119)
3.7	Transaction costs related to loans and borrowings	(1)	(55)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,590	2,697

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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	410	951
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(586)	(1,347)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(640)	(1,527)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,590	2,697
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	774	774

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	700	316
5.2	Call deposits	51	51
5.3	Bank overdrafts	-	-
5.4	Securities on deposit	23	43
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	774	410

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	22
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	

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	
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	

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	260	260
8.2 Credit standby arrangements		
8.3 Trade Finance	200	0
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.		


Trade Finance facility to allow purchase of hardware for resale to meet increasing demand, and thereby managing payment cycle of creditors and then subsequent receipt of receivables. Lender: FIFO Capital. 2.65% per Month. Unsecured.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Software development, net of research and development tax offsets	497
9.2 Product manufacturing and operating costs	164
9.3 Channel Enablement & Marketing	157
9.4 Interest on Convertible Notes	0
9.5 Staff costs	133
9.6 Administration and corporate costs	284
9.7 Other (Retirement of prior liabilities)	513
9.8 Total estimated cash outflows	1,748

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: 
(Company secretary)

Date: 31 October 2019

Print name: Hasaka Martin

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.