



## ASX ANNOUNCEMENT

5 November 2019

### **Simble announces placement, cost savings & senior executive changes**

#### **Summary**

- Simble raises \$1.1 million through issuance of 22 million ordinary shares at \$0.05, a 20.5% premium to the 3-day VWAP and 14.2% premium to the 10-day VWAP
- Company implements cost reduction initiatives that will deliver in excess of \$700k in annualised cost savings for CY2020
- Simble announces changes to its senior executive team, effective immediately
- The Board of Directors is highly active in tackling the Company's issues to promote a turnaround with a sharp commercial focus and continues to work through all aspects of a strategic review

#### **Placement**

Simble Solutions Limited (**Simble** or the **Company**) today announced a share placement of 22 million ordinary shares at \$0.05 to raise \$1.1 million (**Placement**) through sophisticated investors.

The Placement shares are issued at \$0.05 per share, a 22% premium to the 3-day volume weighted average price (**VWAP**) and 13.6% premium to the 10-day VWAP. Shares will rank equally with existing Simble shares. The Placement was conducted under the Company's existing 15% capacity under listing rule 7.1. The Placement was made to sophisticated and wholesale investors, including an existing substantial shareholder.

Participants in the Placement will receive unlisted new options based on 1 option for every 10 new shares for a total of 2.2 million options, exercisable at a price of \$0.15 per share for a period of 24 months, of which 2 million options issued to the existing substantial shareholder are subject to shareholder approval.

The funds will be utilised to strengthen the Company's balance sheet, support growth in revenue in the UK market and for general working capital.

#### **Senior changes and cost reduction initiatives**

Following a detailed strategic review by the Board, Simble announces changes to its executive leadership team to broaden leadership roles and capabilities as the Company increases its focus on efficient financial and capital management controls and targeted revenue generation.

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The Board has determined that Fadi Geha, currently Chief Executive Officer, will hand over the CEO role to Ronen Ghosh, currently Chief Financial Officer. Ronen will utilise his depth of experience and appropriate skill set to focus on resetting the Company's financial footing.

Ronen will work closely with the Board and the executive leadership team to implement strong financial and capital management controls and restructuring initiatives to ensure Simble is well positioned to exploit its growth potential in a unique space. A summary of the key terms of Ronen Ghosh's employment as Chief Executive Officer of the Company are set out in the Appendix to this announcement.

The Board thanks Fadi Geha for his services as Chief Executive Officer and Fadi will work closely with Ronen to ensure a smooth and orderly transition of the CEO role over the coming months. Fadi will remain a committed shareholder of the Company and focus on sales and revenue generation in his role as Executive Director.

**Philip Tye, Chairman of Simble commenting on the executive changes:**

*"The Board is confident that these changes will enable further operational and financial development and leadership, ensuring a focus on maximising revenue generation and cost control. Recognising the key skills, capabilities and track record of our key executives, we are confident that this management realignment will achieve a better, more targeted outcome for the business, employees and shareholders as we enter the next phase of Simble's development."*

**Fadi Geha commented on his new role and appointment of Ronen Ghosh:**

*"I am incredibly proud to have led the business through such a transformational period as CEO, all the way from start-up to an ASX listed company with an international presence. Ronen will bring a wealth of financial management and strategic experience to the business and I am excited to be closely involved in the success of the Company going forward."*

The Board and CEO Ronen Ghosh have implemented a range of aggressive cost-cutting initiatives that will deliver in excess of \$700k in annualised cost savings for CY2020.

These cost-saving initiatives are part of a broader business review and are designed to increase revenues, reduce operating cash burn and restore shareholder value

**Ronen Ghosh commented on his appointment as CEO:**

*"The Company has very exciting prospects, but we are cognisant of the fact that urgent changes to the financial management are needed to support the growth of the Company. We have a well-defined objective and have already implemented a range of aggressive initiatives as part of a broader turnaround strategy."*

The Board of Simble is highly active in tackling the Company's issues to promote a turnaround with a sharp commercial focus and is continuing to work through all aspects of an ongoing strategic review. The Board and executive leadership team will focus on a commitment to sound financial management and cost control to support the growth of the Company.

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## **Executive Biography**

**Ronen Ghosh** is a finance executive with more than 25 years of experience in blue chip organisations operating globally in the fields of intellectual property, entertainment & media rights management, and investment management.

Most recently, he served as Finance Director at BMG Australia, a subsidiary of media company Bertelsmann. Prior to that he spent 12 years as Chief Financial Officer and Company Secretary of the Albert Group of Companies. Ronen is a Chartered Accountant and Graduate of the Australian Institute of Company Directors.

**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 (Australia), London (UK) and Da Nang (Vietnam).

More information: [www.simblegroup.com](http://www.simblegroup.com)

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## **APPENDIX**

### **Summary of terms of Mr. Ronen Ghosh's employment as Chief Executive Officer (CEO).**

#### **(a) Term and termination**

Ronen Ghosh was appointed as Chief Executive Officer on 5 November 2019.

Under the terms of Ronen Ghosh's employment as Chief Executive Officer, his employment continues until terminated by either party in accordance with the agreement.

In the event of termination without cause, 3 months' notice is required.

#### **(b) Remuneration**

- a. Base salary – Mr. Ghosh's base salary as CEO is \$250,000 per annum
- b. Bonuses – The Company may, if the Board determines in its absolute discretion and subject to any relevant performance or other conditions, restrictions or requirement of the Board or of the ASX Listing Rules, pay a short-term incentive to Mr. Ghosh.