

1. Company details

Name of entity:	Simble Solutions Limited
ABN:	17 608 419 656
Reporting period:	For the year ended 31 December 2021
Previous period:	For the year ended 31 December 2020

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	10.7% to	1,765,034
Loss from ordinary activities after tax attributable to the owners of Simble Solutions Limited	down	7.3% to	(1,165,534)
Loss for the year attributable to the owners of Simble Solutions Limited	down	7.3% to	(1,165,534)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the Group after providing for income tax improved by 7% year on year and amounted to **\$1,165,534** (2020: \$1,257,039).

Total revenues decreased by 10% to **\$1,765,034** (2020: \$1,975,957). Sales revenue increased 5% to \$1,520,537 whilst other income decreased 50% to \$242,065.

Carbon Reporting revenues increased by 54% to **\$171,095** (2020: \$111,006).

Energy Intelligence total revenues increased by 12% to **\$869,998** (2020: \$779,003). Energy Software as a Service (Saas) sales revenue decreased by 12% to \$566,524 whilst hardware sales revenue increased by 358% to \$303,475.

Business Productivity sales revenues decreased by 13% to **\$479,443** (2020: \$548,587).

Other income decreased by 50% to **\$242,065** (2020: \$483,748). Other income is primarily related to research and development grant income, but was inflated in the prior year due to Covid-19 stimulus package receipts.

Net cash used in operating activities increased by 16% to \$1,618,293 (2020: \$1,400,164). The cash balance at 31 December 2021 was \$609,118 (2020: \$791,541).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.01</u>	<u>(0.56)</u>

Calculated as follows:

	Group Unaudited 2021 \$	2020 \$
Net assets/(liabilities)	20,882	(1,339,887)
Finance lease receivable	-	(228,367)
Lease liabilities	-	223,695
	<u>20,882</u>	<u>(1,344,559)</u>
Ordinary shares (No.)	<u>339,971,692</u>	<u>238,264,534</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements are in the process of being audited.

11. Attachments

Details of attachments (if any):

The Preliminary Financial Report of Simble Solutions Limited for the year ended 31 December 2021 is attached.

12. Signed

A handwritten signature in black ink, appearing to read 'Ben Loiterton', written over a horizontal line.

Signed _____

Date: 25 February 2022

Ben Loiterton
Chairman
Sydney

Simble Solutions Limited and its controlled entities

ABN 17 608 419 656

Preliminary Financial Report - 31 December 2021

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Simble Solutions Limited and its controlled entities
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2021



		Group	
	Note	Unaudited	
		2021	2020
		\$	\$
Revenue			
Revenue		1,520,537	1,447,922
Cost of sales		<u>(620,115)</u>	<u>(529,271)</u>
Gross margin		<u>900,422</u>	<u>918,651</u>
Other income		242,065	483,748
Interest revenue calculated using the effective interest method		297	2,261
Recovery of impairment of receivables		2,135	42,026
Expenses			
Marketing		(102,944)	(17,144)
Administration	2	(1,376,120)	(1,607,473)
Research and development		(734,378)	(804,100)
Capital raising costs		-	22,000
Finance costs	2	<u>(97,011)</u>	<u>(297,996)</u>
Loss before income tax benefit		(1,165,534)	(1,258,027)
Income tax benefit		<u>-</u>	<u>988</u>
Loss after income tax benefit for the year attributable to the owners of Simble Solutions Limited		(1,165,534)	(1,257,039)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>(315,600)</u>	<u>124,538</u>
Other comprehensive income/(loss) for the year, net of tax		<u>(315,600)</u>	<u>124,538</u>
Total comprehensive loss for the year attributable to the owners of Simble Solutions Limited		<u><u>(1,481,134)</u></u>	<u><u>(1,132,501)</u></u>
		Cents	Cents
Basic loss per share	7	(0.40)	(0.62)
Diluted loss per share	7	(0.40)	(0.62)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Group Unaudited 2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	3	609,118	791,541
Trade and other receivables		327,043	310,705
Inventories		34,646	47,688
Finance lease receivable		-	228,367
Other assets		191,716	205,769
Total current assets		<u>1,162,523</u>	<u>1,584,070</u>
Non-current assets			
Property, plant and equipment		4,908	403
Other assets		<u>143,162</u>	<u>143,162</u>
Total non-current assets		<u>148,070</u>	<u>143,565</u>
Total assets		<u>1,310,593</u>	<u>1,727,635</u>
Liabilities			
Current liabilities			
Trade and other payables	4	716,937	1,075,420
Contract liabilities		447,672	406,642
Borrowings	5	-	1,236,113
Lease liabilities		-	223,695
Income tax		17,030	17,126
Employee benefits		61,151	66,687
Total current liabilities		<u>1,242,790</u>	<u>3,025,683</u>
Non-current liabilities			
Contract liabilities		27,206	26,241
Employee benefits		<u>19,715</u>	<u>15,598</u>
Total non-current liabilities		<u>46,921</u>	<u>41,839</u>
Total liabilities		<u>1,289,711</u>	<u>3,067,522</u>
Net (liabilities)/assets		<u>20,882</u>	<u>(1,339,887)</u>
Equity			
Issued capital	6	25,912,023	23,079,120
Reserves		2,803,513	3,110,113
Accumulated losses		<u>(28,694,654)</u>	<u>(27,529,120)</u>
Total (deficiency)/equity		<u>20,882</u>	<u>(1,339,887)</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Simble Solutions Limited and its controlled entities
Consolidated statement of changes in equity
For the year ended 31 December 2021



Group	Issued capital \$	Shareholder capital \$	Reserves \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 January 2020	21,543,678	137,100	2,850,575	(26,272,081)	(1,740,728)
Loss after income tax benefit for the year	-	-	-	(1,257,039)	(1,257,039)
Other comprehensive income for the year, net of tax	-	-	124,538	-	124,538
Total comprehensive income/(loss) for the year	-	-	124,538	(1,257,039)	(1,132,501)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 6)	1,535,442	(137,100)	-	-	1,398,342
Share-based payments	-	-	135,000	-	135,000
Balance at 31 December 2020	<u>23,079,120</u>	<u>-</u>	<u>3,110,113</u>	<u>(27,529,120)</u>	<u>(1,339,887)</u>

Group	Issued capital \$	Shareholder capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 January 2021	23,079,120	-	3,110,113	(27,529,120)	(1,339,887)
Loss after income tax expense for the year	-	-	-	(1,165,534)	(1,165,534)
Other comprehensive loss for the year, net of tax	-	-	(315,600)	-	(315,600)
Total comprehensive loss for the year	-	-	(315,600)	(1,165,534)	(1,481,134)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 6)	2,832,903	-	-	-	2,832,903
Share-based payments	-	-	9,000	-	9,000
Balance at 31 December 2021	<u>25,912,023</u>	<u>-</u>	<u>2,803,513</u>	<u>(28,694,654)</u>	<u>20,882</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Group Unaudited 2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,759,135	1,463,854
Payments to suppliers and employees (inclusive of GST)		(3,287,807)	(3,052,031)
		(1,528,672)	(1,588,177)
Interest received		297	2,261
Research and development tax offset recovered		-	483,748
Interest and other finance costs paid		(89,918)	(297,996)
Net cash used in operating activities		(1,618,293)	(1,400,164)
Cash flows from investing activities			
Payments for property, plant and equipment		(4,799)	(403)
Payments for security deposits		(6,192)	-
Proceeds from release of security deposits		-	20,170
Loans from related parties		-	(34,652)
Repayment of loans from related parties		34,652	-
Net cash from/(used in) investing activities		23,661	(14,885)
Cash flows from financing activities			
Proceeds from issue of shares	6	1,791,687	1,459,133
Share issue transaction costs	6	(137,891)	(60,791)
Repayment of trade finance		-	(140,000)
Proceeds from borrowings		-	283,814
Proceeds from lease receivable		169,868	235,910
Repayment of lease liabilities		(223,695)	(276,928)
Repayment of borrowings		(123,661)	-
Repayment of convertible notes		(64,099)	-
Net cash from financing activities		1,412,209	1,501,138
Net (decrease)/increase in cash and cash equivalents		(182,423)	86,089
Cash and cash equivalents at the beginning of the financial year		791,541	705,452
Cash and cash equivalents at the end of the financial year	3	<u>609,118</u>	<u>791,541</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Simble Solutions Limited as a Group consisting of Simble Solutions Limited ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the year (referred to in these financial statements as the 'Group'). The financial statements are presented in Australian dollars, which is Simble Solutions Limited's functional and presentation currency.

Simble Solutions Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

C/O Boardroom Pty Limited
 Level 12
 225 George Street
 Sydney NSW 2000

Principal place of business

Level 2
 383 George Street
 Sydney NSW 2000

Note 2. Expenses

	Group	
	Unaudited	
	2021	2020
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Administration</i>		
Employee benefits expense	844,727	656,350
Superannuation	86,355	83,429
Share-based payments expense	9,000	135,000
Rental expense for short-term leases	28,492	34,503
Depreciation	89,331	1,759
Loss on disposal of investments	58,499	-
General administration and other	259,716	696,432
Total administration	1,376,120	1,607,473
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	-	279,200
Interest and finance charges paid/payable on lease liabilities	97,011	18,796
Finance costs expensed	97,011	297,996

Note 3. Cash and cash equivalents

	Group Unaudited 2021 \$	2020 \$
<i>Current assets</i>		
Cash at bank	559,118	740,155
Cash on deposit	50,000	51,386
	<u>609,118</u>	<u>791,541</u>

The above figures are reconciled to cash and cash equivalents at the end of the financial period in the statement of cash flows as shown above.

Note 4. Trade and other payables

	Group Unaudited 2021 \$	2020 \$
<i>Current liabilities</i>		
Trade payables	529,102	413,212
Amounts payable to other related party, Wise-Owl.com Pty Limited	42,680	166,341
Accrued expenses	53,475	154,875
Other payables	91,680	340,992
	<u>716,937</u>	<u>1,075,420</u>

Note 5. Borrowings

	Group Unaudited 2021 \$	2020 \$
<i>Current liabilities</i>		
Convertible notes payable	-	1,236,113

Conversion of notes to equity

During the year, the holders of 942,000 notes entered into deeds of amendment to the original convertible note deeds, the effect of which was to agree to the conversion of the notes and capitalised interest into ordinary shares at a conversion price of \$0.04 and amending the conversion date to the date on which shareholders approved the conversion. Shareholder approval was received at the 2021 Annual General Meeting ('AGM') on 20 May 2021 resulting in the conversion of \$1,179,107 of notes payable and capitalised interest into 29,477,670 fully paid ordinary shares on 25 May 2021.

Convertible notes payable

The holders of the remaining 50,000 notes were able to convert all or part of the notes held to ordinary shares at a conversion price of \$0.15 up to 31 December 2021 subject to obtaining shareholder approval. Given the conversion price, the remaining notes payable and capitalised interest totalling \$64,099 were repaid in full before 31 December 2021.

Note 6. Issued capital

		Unaudited 2021 Shares	Group Unaudited 2021 \$	2020 Shares	2020 \$
Ordinary shares - fully paid		<u>339,971,692</u>	<u>25,912,023</u>	<u>238,264,534</u>	<u>23,079,120</u>
<i>Movements in ordinary share capital</i>					
Details	Date	Shares	Issue price		\$
Balance	1 January 2020	163,060,417			21,543,678
Issue of shares (December 2019 tranche 1)	6 January 2020	6,284,000	\$0.025		157,100
Issue of shares (March placement)	23 March 2020	20,833,335	\$0.018		375,000
Issue of shares (SPP)	30 March 2020	7,237,500	\$0.016		115,800
Issue of shares (December 2019 tranche 2)	8 May 2020	4,400,000	\$0.025		110,000
Issue of shares (October placement)	8 October 2020	36,449,282	\$0.023		838,333
Share issue transaction costs		-	\$0.000		(60,791)
Balance	31 December 2020	238,264,534			23,079,120
Issue of shares	22 January 2021	7,028,988	\$0.023		161,667
Issue of shares on conversion of convertible notes	25 May 2021	29,477,670	\$0.040		1,179,107
Issue of shares	4 August 2021	62,200,000	\$0.025		1,555,000
Issue of shares	1 October 2021	3,000,000	\$0.025		75,000
Issue of shares on exercise of options	15 November 2021	500	\$0.040		20
Share issue transaction costs					(137,891)
Balance	31 December 2021	<u>339,971,692</u>			<u>25,912,023</u>

Note 7. Loss per share

	Group Unaudited 2021 \$	2020 \$
Loss after income tax attributable to the owners of Simble Solutions Limited	<u>(1,165,534)</u>	<u>(1,257,039)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	<u>289,055,111</u>	<u>202,228,087</u>
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>289,055,111</u>	<u>202,228,087</u>
	Cents	Cents
Basic loss per share	(0.40)	(0.62)
Diluted loss per share	(0.40)	(0.62)

No dilution has been included as losses were incurred in the current and previous period.