



## Quarterly Activities Report – June 2023

31 July 2023

Sydney, 31 July 2023: **Energy and Sustainability software company Simble Solutions Limited (ASX:SIS)** ('Simble' or 'the Company') is pleased to present its consolidated quarterly cash flow report and business update for the quarter ended 30 June 2023 (**June Quarter** or **Q2 FY23**).

### Highlights

- Cash Receipts from Customers of \$633,248, up 184% compared with \$223k for the previous Q1, and up 52% on the previous corresponding period (Q2 2022);
- Net Cash Used in Operating Activities (cash burn) of (\$182,112), down 76% compared with (\$761k) for the previous Q1;
- Cash balance as at 30 June of \$982,441, Total Available Funding of \$1,182,441, and Estimated Quarters of Funding Available of 6.5;

### Sales & Marketing Update - Australia

- Growth in orders and receipts from expanding solar and energy customers, highlighted by a 78% increase in the sales invoices issued in this Q2 compared to Q1.
- **Origin** – Initial orders underway and ongoing business development activity with Origin Zero to procure further purchase orders from Origin commercial & industrial customers.
- **Intellihub** - Ongoing orders and revenues as Simble continues to roll-out to Intellihub's third-party direct commercial & industrial customers. During the Quarter over 350 power meters for major industrial and embedded customers were migrated to the Simble platform.



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- Proposed further extension of the roll-out program to Intellihub's SME and Local Government customer base to be pursued from Q3 onwards.

### Sales & Marketing Update – United Kingdom

- Continued orders and receipts in the UK from new and existing industrial SimpleSense customers.
- Substantial orders in July from new customers Eurocell and Staircraft, as well as from existing customers Powercor and Sylvania.
- Roll out of further SimpleSense installations for convenience store chain MPK Garages continues, following successful pilot which led to significantly reduced electricity usage. Additional orders for hardware and software are expected in August.
- Ongoing direct sales and marketing into manufacturing and industrial clients in the UK manufacturing sector, where rapidly rising energy costs continue to be a major operational issue.

### Financial Highlights

- Cash Receipts from Customers of \$633,248, up 184% compared with \$223k for the previous Q1, and up 52% on the previous corresponding period (Q2 2022).
- Net Cash Used in Operating Activities (cash burn) of (\$182,112), down 76% compared with (\$761k) for the previous Q1.
- Cash balance as at 30 June of \$982,441.
- The Company implemented cost efficiencies in June including a significant reduction in operational headcount as well as reducing other costs, which took effect during late June, and has delivered a 30% saving in monthly fixed operating overheads moving forward.



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- Total headcount (excluding Non Executive Directors) at the date of this release is 16, down from 21 in Q1, with 6 FTEs in Sydney and the UK, 7 FTEs in the tech team in Vietnam, and 3 part-time executives.
- As required under ASX listing rule 4.7C.3 payments to related parties in the quarter of \$64k are comprised of directors' fees of \$38K and consulting fees of \$26K paid pursuant to letters of appointment and a discreet consulting agreement respectively, with the Company's directors. The basis and principles of director remuneration are consistent with the remuneration report included in the Company's Annual Report which was released to the ASX on 29 March 2023.

### Strategic Update

The Company's focus for the second half of 2023 continues to remain the generation of higher levels of customer acquisition and revenue traction via our channel partners in Australia and the UK, plus ongoing efforts in direct sales to customers in both markets. These efforts, combined with costs controls, are expected to substantially reduce and then eliminate Group operating cash burn in the period ahead.

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**ENDS**

*This announcement has been authorised by the Board of Simble Solutions Limited*



## Simple Solutions Limited (ASX:SIS) | ASX Announcement



### About Simble

Simple Solutions Limited (ASX:SIS) is a global Energy and Sustainability software solutions business, with industry-leading software products enabling Net Zero carbon reporting, and energy efficiency monitoring & intelligence Software-as-a-Service (SaaS) solutions, together with associated services.

The company operates two product platform divisions - *CarbonView* and *SimbleSense*:

> **CarbonView** is an enterprise grade Carbon and Sustainability Reporting platform that allows companies to measure and reduce their carbon emissions and also meet their carbon reporting obligations as they head towards zero carbon emissions.

> **SimbleSense** is an integrated hardware and real-time software solution that enables corporates to visualise & control their energy systems and reduce electricity consumption costs.

Simple operates across the Commercial & Industrial and Medium Sized Enterprises segments across both Australia and the United Kingdom. We distribute our solutions both directly via B2B sales, as well as through multiple channel partners. Simple has an international presence with teams in Australia, the United Kingdom and Vietnam.

To learn more please visit us at:

[simblegroup.com](https://simblegroup.com)

[carbon-view.com](https://carbon-view.com)

[simbleenergy.com](https://simbleenergy.com)

### Investor & Corporate Enquiries:

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Simble Solutions Limited

**ABN**

17 608 419 656

**Quarter ended ("current quarter")**

30 June 2023

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(6 months)<br/>\$A'000</b> |
|---|------------------------------------|--|
| <b>1. Cash flows from operating activities</b>            |                                    |  |
| 1.1 Receipts from customers                               | 633                                | 857  |
| 1.2 Payments for  |                                    |  |
| (a) research and development                              | (161)                              | (375)  |
| (b) product manufacturing and operating costs             | (159)                              | (329)  |
| (c) marketplace and channel expansion                     | (53)                               | (129)  |
| (d) leased assets   | -                                  | -  |
| (e) staff costs   | (287)                              | (601)  |
| (f) administration and corporate costs                    | (150)                              | (352)  |
| 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 Government grants and tax incentives                  | -                                  | -  |
| 1.8 Other (provide details if material)                   |                                    |  |
| Retirement of prior liabilities                           | (5)                                | (14)   |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(182)</b>                       | <b>(943)</b>                                   |
| <b>2. Cash flows from investing activities</b>            |                                    |  |
| 2.1 Payments to acquire or for:                           |                                    |  |
| (a) entities  | -                                  | -  |
| (b) businesses  | -                                  | -  |
| (c) property, plant and equipment                         | -                                  | -  |
| (d) investments   | -                                  | -  |
| (e) intellectual property                                 | -                                  | -  |

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date<br>(6 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| (f) other non-current assets                              | -                          | -                                     |
| 2.2 Proceeds from disposal of:                            |                            |                                       |
| (a) entities  | -                          | -                                     |
| (b) businesses  | -                          | -                                     |
| (c) property, plant and equipment                         | -                          | -                                     |
| (d) investments   | -                          | -                                     |
| (e) intellectual property                                 | -                          | -                                     |
| (f) 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)                   | -                          | -                                     |
| <b>2.6 Net cash from / (used in) investing activities</b> | <b>-</b>                   | <b>-</b>                              |

|   |              |              |
|---|--------------|--------------|
| <b>3. Cash flows from financing activities</b>  |              |              |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities)       | -            | 1,456        |
| 3.2 Proceeds from issue of convertible debt securities                                      | -            | -            |
| 3.3 Proceeds from exercise of options   | -            | -            |
| 3.4 Transaction costs related to issues of equity securities or convertible debt securities | (158)        | (266)        |
| 3.5 Proceeds from borrowings  | -            | -            |
| 3.6 Repayment of borrowings   | -            | -            |
| 3.7 Transaction costs related to loans and borrowings                                       | -            | (1)          |
| 3.8 Dividends paid  | -            | -            |
| 3.9 Other (provide details if material)   | -            | -            |
| <b>3.10 Net cash from / (used in) financing activities</b>                                  | <b>(158)</b> | <b>1,189</b> |

|   |       |       |
|---|-------|-------|
| <b>4. Net increase / (decrease) in cash and cash equivalents for the period</b> |       |       |
| 4.1 Cash and cash equivalents at beginning of period                            | 1,322 | 736   |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above)             | (182) | (943) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above)             | -     | -     |

| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(6 months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above) | (158)                              | 1,189  |
| 4.5   | Effect of movement in exchange rates on cash held                |                                    |  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                | <b>982</b>                         | <b>982</b>                                     |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 932                                | 1,272                               |
| 5.2        | Call deposits   | 50                                 | 50                                  |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other (provide details)   | -                                  | -                                   |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>982</b>                         | <b>1,322</b>                        |

| <b>6.</b>   | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|---|---|------------------------------------|
| 6.1   | Aggregate amount of payments to related parties and their associates included in item 1 | 64                                 |
| 6.2   | Aggregate amount of payments to related parties and their associates included in item 2 | -                                  |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> |   |                                    |

| <b>7. Financing facilities</b>   | <b>Total facility amount at quarter end<br/>\$A'000</b> | <b>Amount drawn at quarter end<br/>\$A'000</b> |
|--|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>  |   |  |
| 7.1 Loan facilities  | 91  | 91   |
| 7.2 Credit standby arrangements  | -   | -  |
| 7.3 Other (Trade Finance)  | 200   | -  |
| <b>7.4 Total financing facilities</b>  | <b>291</b>  | <b>91</b>                                      |
| <b>7.5 Unused financing facilities available at quarter end</b>  |   | <b>200</b>                                     |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.  |   |  |
| <p>Shareholder loan facility provided by UCR Consultants Ltd: GBP50K, 12-month term, 10% p.a. interest payable monthly, unsecured.</p> <p>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.</p> |   |  |

| <b>8. Estimated cash available for future operating activities</b>   | <b>\$A'000</b> |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)  | (182)          |
| 8.2 Cash and cash equivalents at quarter end (item 4.6)  | 982            |
| 8.3 Unused finance facilities available at quarter end (item 7.5)  | 200            |
| 8.4 Total available funding (item 8.2 + item 8.3)  | 1,182          |
| <b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  | <b>6.50</b>    |
| <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>     |                |
| 8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:  |                |
| 8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?  |                |
| Answer:  |                |
| 8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? |                |
| Answer:  |                |



8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

## 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.

Date: 31 July 2023

Authorised by: By the Board  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.