



Quarterly Activities Report - June 2022

Sydney, 27 July 2022: **Smart energy Software-as-a-Service (SaaS) 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 2022 (**June Quarter** or **Q2 FY22**).

Highlights

- Simble recorded solid sales activities across both Australia and UK during the quarter, with Receipts from Customers of \$417K across all business units for the quarter, a 101% increase on the prior quarter.
- The Company and its staff are focused on revenue generation and new customer acquisition across both the CarbonView and SimbleSense product units.
- Simble continues to invest in sales and marketing activities and grow the sales pipeline, specifically with the direct digital advertising promotion of CarbonView to the enterprise market sector.

Sales & Marketing Update

Energy costs are front-page news across the World, in particular in our core markets of Australia and the UK. Additionally, there is rapidly growing concern and awareness of the imperative to move to carbon Net Zero.

Accordingly, the Company is experiencing greater interest in its carbon accounting and energy metering software products, delivering good sales momentum and industrial customer interest in Simble's core offerings.

Sales and marketing highlights for the quarter include:

- June was the Company's strongest sales month this calendar year, with orders from current and new customers, including David Brown Santasalo Group, Sylvania Lighting, Brownhills Glass and Bluewater (GA Harper) in the UK, and Solar Energy Enterprises and Juice Capital in Australia.



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- David Brown Santasalo Group in the UK represents a model-type of customer target for the Company moving forward, in June 22 purchasing the full SimbleSense suite of energy management tools to monitor energy usage across one of their largest industrial sites, including a £100K package of software, power and gas metering devices, and associated installation services.
- David Brown Group is also an existing major CarbonView customer, using the Company's SaaS platform to monitor and manage carbon emissions.
- During the quarter there has been a substantial investment into digital marketing social media and targeted online search advertising, leading to a broad funnel of sales leads for CarbonView in particular, with efforts going into ongoing pitches and proposals to various mid and large sized companies.
- Simble has ramped up participation at various energy and carbon trade conferences and marketing events, including the *Smart Energy Conference* at ICC in Sydney in May.
- The Company will also sponsor and attend the upcoming *ESG Summit* to be held on the 3rd and 4th of August and the *Industrial Net Zero Conference* to be held between 30th of August and 1st of September, both in Sydney.
- These events are attended by major corporations seeking to address sustainability, energy and environmental objectives, and Simble will attend with its sales team.

Financial Highlights

- The Company's revenue mix is deliberately evolving, with focus on expansion of the CarbonView business in both Australia and Europe, further growth of SimbleSense sales in the UK, and managing the decline in revenues from the legacy Mobility unit.
- The Company continues to invest heavily in sales, marketing and growth initiatives, such as digital marketing and trade conferences.
- Total headcount of 17 has increased over the past 9 months by 30% with all new hires in sales and new customer support.
- Currently the Company has 14 FTEs and 3 part-time executives.
- Net cash used in operating activities for the quarter of \$468K was an improvement on net cash burn of \$602K in the prior March quarter.



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- Investment in software R&D continued, with \$147K of expenditure in the quarter, classified in the accompanying Appendix 4C as Operating Expenses.
- Excluding this long term R&D investment in our platform, net cash used in regular operating activities was \$321K, which reflects the Company's ongoing investment in people and marketing for growth.
- As required under ASX listing rule 4.7C.3 payments to related parties in the quarter of \$47K are comprised of directors' fees paid pursuant to letters of appointment. 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 2022.
- Receipts in the period include the second tranche of the March 2022 placement of \$0.7m which was received following shareholder approval at the Company's Annual General Meeting in May 2022
- End of quarter cash balance was \$1.3m

Strategic Update

As previously advised the Company continues to undertake a strategic review process. The first part of this process has involved substantially improving and re-focusing sales and marketing functions and reducing operating costs. These settings have been largely made, however require ongoing application of efforts and momentum.

The second part of the review process is focused on consideration of a range of prospective joint venture, merger and acquisition opportunities. Efforts to pursue these initiatives continue.

ENDS

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



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About Simble

Simble Solutions Limited (ASX:SIS) is a global software company with products enabling Net Zero carbon reporting, and energy monitoring & intelligence Software-as-a-Service (SaaS) solutions.

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 businesses to visualise & control their energy systems and reduce energy costs.

Simble operates across the Commercial & Industrial and Small to Medium Sized Enterprises (SME) segments, and distributes both directly via B2B sales, as well as through multiple channel partners. Simble has an international presence with offices in Australia, the United Kingdom and Vietnam.

To learn more please visit us at:

simblegroup.com

carbon-view.com

simbleenergy.com

Investor & Corporate Enquiries:

Ben Loiterton

Executive Chair

Ph: +61 2 8208 3366

E: invest@simble.io

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 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	417	624
1.2 Payments for		
(a) research and development	(147)	(360)
(b) product manufacturing and operating costs	(91)	(197)
(c) marketplace and channel expansion	(82)	(170)
(d) leased assets	-	-
(e) staff costs	(301)	(625)
(f) administration and corporate costs	(224)	(405)
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	-	127
1.8 Other (provide details if material) Retirement of prior liabilities	(41)	(64)
1.9 Net cash from / (used in) operating activities	(468)	(1,071)
2. Cash flows from investing activities		
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 \$A'000	Year to date (6 months) \$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)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	703	1,650
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	75	88
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(102)	(102)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(1)	(1)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	675	1,634

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,109	753
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(468)	(1,071)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	675	1,634
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	1,316	1,316

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	1,266	1,059
5.2	Call deposits	50	50
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,316	1,109

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	47
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>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (Trade Finance)	200	-
7.4 Total financing facilities	200	-
7.5 Unused financing facilities available at quarter end		200
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.		
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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(468)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,316
8.3 Unused finance facilities available at quarter end (item 7.5)	200
8.4 Total available funding (item 8.2 + item 8.3)	1,516
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.24
<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:	
<i>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.</i>	

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: 27 July 2022

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.