



Quarterly Activities Report Q4 December 2023

25 January 2024

Sydney, 25 January 2024: **Energy and Sustainability software company Simble Solutions Limited (ASX:SIS)** ('Simble' or 'the Company') is pleased to present its Quarterly Cash Flow Report (Appendix 4C) and Quarterly Activities Report for the quarter ended 31 December 2023 (**December Quarter** or **Q4 FY23**).

Sales and Operational Update

Australia

- New channel partner contract (announced October 2023) with Australian energy retailer BlueNRG fully underway and first enterprise customer onboarded, with further activities to engage additional industrial customers being implemented (*SimbleSense product focus*).
- Ongoing monthly growth of meters installed for PPA solar customers, with nearly 700 metres installed at various industrial rooftop solar installations, in particular via channel partner Juice Energy (*SimbleSense*).
- Steady progress with channel partners Intellihub (approx 2,000 meters now under management) and Origin Energy (*SimbleSense*).
- Discussions with various potential new *SimbleSense* customers and channels.
- New distribution initiative with channel partner Energy & Carbon Solutions to target industrial and commercial customers in 2024 (*CarbonView*).
- Completed deployment of software solution to Barwon Health.

United Kingdom

- New industrial installations of *SimbleSense* in December into five substantial business customer sites – Eurocell, Staircraft, Shepherd Neame Brewery, Mastermelt and DB Santasalo.

- Planned additional investment into a *SimbleSense* co-selling initiative with our existing channel distribution partner Powercor, focused on industrial, solar and LED sectors.
- Renewed efforts commenced by channel partner Sylvania Lighting to push their **SylSmart** offering (white-labelled version of *SimbleSense*) to the industrial LED lighting market in Europe. While the Sylvania relationship has taken several years to get traction, the partner has made a substantial investment into the co-branded product offering and sales team training.
- Pipeline of various new *SimbleSense* customers being pursued, including convenience store chains (saving power costs from refrigeration), restaurant chains, services businesses, and industrial companies.
- Pursuing new larger commercial leads in the UK for *CarbonView*.

Financial Update

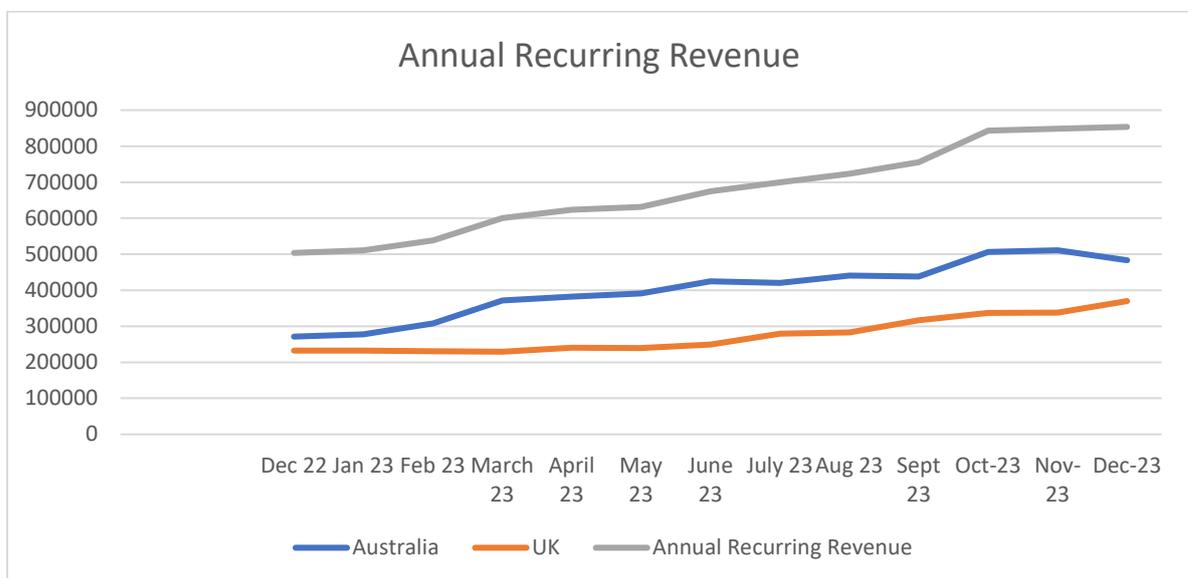
Quarterly Cashflow

- Net Cash from Operating Activities was \$97k compared with net outflows (burn) of (\$477k) for the previous Q3, (\$182k) for Q2 and (\$762k) for Q1.
- Total cash receipts for the Quarter of \$849k.
- Cash Receipts for Q4 from customers was \$489k compared with \$361k for the previous Q3, and the Company received R&D and other grants income from Governments in the UK and Australia of A\$360k, as expected.
- Invoices issued during the Quarter totalled \$516k, reflecting stable sales activity and orders from customers, compared with \$543k in the previous Q3, and \$320k for Q2.

Annual Recurring Revenue (ARR)

- Group ARR growth rate for the full 2023 year (FY23) was 69.5%.
- Group monthly AAR growth rate has been consistent averaging 4.5%.
- Australia ARR growth rate for FY23 was 78%, driven by our main energy and solar channel partners.
- UK ARR growth rate for FY23 of 59%, driven by direct customer acquisition, and also partner traction, albeit with some expected churn within the partner customer base.

- *SimpleSense* as an energy cost reduction solution has been the top growth product for the group as was expected.
- Customer demand for *CarbonView* remains soft, awaiting the introduction of compulsory carbon reporting in due course to drive more interest in software reporting and move customers away from manual consultants.



Outgoings

- Simble’s fixed operating overheads (cost-base) has been reduced by nearly 30% during 2023 as previously forecast and reported:

<u>Simble Fixed Operating Overhead by Quarter (cash, unaudited):</u>	
Q1 2023 (March)	\$815k
Q2 2023 (June)	\$676k
Q3 2023 (September)	\$674k
Q4 2023 (December)	\$578k

Cost of Goods Sold (energy metering devices) are not included:



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- Total headcount (excluding Non Executive Directors) at the date of this release is unchanged at 16, with 6 FTEs in Sydney and the UK, 8 FTEs in the tech team in Vietnam, and 2 part-time executives.
- Cash balance as at 31 December was \$602k.
- As required under ASX listing rule 4.7C.3 payments to related parties in the quarter of \$101k are comprised of directors' fees and salary paid to executive directors of \$73k. It also includes consulting fees of \$28k paid pursuant to letters of appointment and a 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 continues to focus on the generation of additional customer acquisition and revenue growth via our channel partners in Australia and the UK, plus ongoing efforts in direct sales to customers in both markets, while keeping operating costs contained, to move into profitability as soon as possible.

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 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.

Simble 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. Simble has an international presence with teams in Australia, the United Kingdom and Vietnam.

To learn more please visit us at:

simblegroup.com

carbon-view.com

simbleenergy.com

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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")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	489	1,706
1.2 Payments for		
(a) research and development	(170)	(682)
(b) product manufacturing and operating costs	(174)	(649)
(c) marketplace and channel expansion	(12)	(215)
(d) leased assets	-	-
(e) staff costs	(295)	(1,170)
(f) administration and corporate costs	(101)	(659)
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	360	360
1.8 Other (provide details if material)		
Retirement of prior liabilities	-	(14)
1.9 Net cash from / (used in) operating activities	97	(1,323)
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 (12 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)	-	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	-	(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)	-	-
3.10 Net cash from / (used in) financing activities	-	1,189

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	505	736
4.2 Net cash from / (used in) operating activities (item 1.9 above)	97	(1,323)
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 (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)		1,189
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	602	602

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	552	455
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)	602	505

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	101
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	94	91
7.2 Credit standby arrangements	-	-
7.3 Other (Trade Finance)	-	-
7.4 Total financing facilities	94	91
7.5 Unused financing facilities available at quarter end	[]	
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.	[]	
Shareholder loan facility provided by UCR Consultants Ltd: GBP50K, 12-month term, 10% p.a. interest payable monthly, unsecured.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	90
8.2 Cash and cash equivalents at quarter end (item 4.6)	602
8.3 Unused finance facilities available at quarter end (item 7.5)	[]
8.4 Total available funding (item 8.2 + item 8.3)	602
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<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: 25 January 2024

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.