

1. Company details

Name of entity:	Simple Solutions Limited
ABN:	17 608 419 656
Reporting period:	For the year ended 31 December 2022
Previous period:	For the year ended 31 December 2021

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	12.9% to	1,486,673
Loss from ordinary activities after tax attributable to the owners of Simple Solutions Limited	up	91.7% to	(2,269,839)
Loss for the year attributable to the owners of Simple Solutions Limited	up	91.7% to	(2,269,839)

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 amounted to \$2,269,839 (31 December 2021: \$1,184,145).

Total revenues decreased by 12% to **\$1,486,673** (31 December 2021: \$1,706,423). Sales revenue increased 2% to **\$1,486,474** whilst other income decreased by 100% to effectively \$nil.

Carbon Reporting revenues increased by 26% to **\$193,052** (31 December 2021: \$153,095).

Energy Intelligence total revenues increased by 16% to **\$959,327** (31 December 2021: \$824,503). Energy Software as a Service ('SaaS') sales revenue decreased by 12% to \$458,081 whilst hardware sales revenue increased by 65% to \$501,247.

Sales revenues from the Business Productivity legacy business unit decreased by 30% to **\$334,095** (31 December 2021: \$479,443).

Other income decreased by 100% to **\$129** (31 December 2021: \$242,065). Other income in the prior year included research and development grant income, and the one-off result from the sale of the Wise-Owl business. A corresponding subsequent period grant claim for research and development is in process, but has not been included in the current year.

Net cash used in operating activities increased by 39% to **\$1,818,963** (31 December 2021: \$1,302,693). The cash balance at 31 December 2022 was **\$731,702** (31 December 2021: \$609,118).

3. Net tangible assets

	Reporting period Unaudited Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(0.10)</u>	<u>0.01</u>

Calculated as follows:

	Group Unaudited 2022 \$	2021 \$
Net (liabilities)/assets	(434,479)	2,271
Net tangible (liabilities)/assets	(434,479)	2,271
Total number of ordinary shares (No.)	447,332,803	339,971,692

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 have been audited and an unmodified opinion has been issued.

11. Attachments

Details of attachments (if any):

The Preliminary Financial Report of Simble Solutions Limited for the year ended 31 December 2022 is attached.

12. Signed



Signed _____

Date: 24 February 2023

Ben Loiterton
Director
Sydney

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Simble Solutions Limited and its controlled entities

ABN 17 608 419 656

Preliminary Financial Report - 31 December 2022

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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 2022



	Note	Group Unaudited 2022 \$	2021 \$
Revenue			
Revenue		1,486,474	1,457,042
Cost of sales		<u>(692,135)</u>	<u>(580,483)</u>
Gross margin		<u>794,339</u>	<u>876,559</u>
Other income			
Other income		129	242,065
Interest revenue calculated using the effective interest method		70	297
Recovery of impairment of receivables		-	7,019
Expenses			
Professional service and consulting expense		(819,158)	(710,597)
Sales and marketing expense		(128,863)	(75,264)
Occupancy, utilities and office expense		(58,251)	(28,492)
Software development and other IT expense		(299,407)	(324,885)
Travel expense		(62,730)	(7,321)
Employee benefits expense	2	(1,331,664)	(940,082)
Depreciation expense		-	(89,331)
Loss on disposal of investments		-	(58,499)
Net foreign exchange (loss)/gain		(188,882)	256,722
General administration and other expense		(154,623)	(235,325)
Finance expenses	3	<u>(37,829)</u>	<u>(97,011)</u>
Loss before income tax benefit		(2,286,869)	(1,184,145)
Income tax benefit		<u>17,030</u>	<u>-</u>
Loss after income tax benefit for the year attributable to the owners of Simble Solutions Limited		(2,269,839)	(1,184,145)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>167,354</u>	<u>(315,600)</u>
Other comprehensive income/(loss) for the year, net of tax		<u>167,354</u>	<u>(315,600)</u>
Total comprehensive loss for the year attributable to the owners of Simble Solutions Limited		<u>(2,102,485)</u>	<u>(1,499,745)</u>
		Unaudited Cents	Cents
Basic loss per share	8	(0.56)	(0.41)
Diluted loss per share	8	(0.56)	(0.41)

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

	Note	Group Unaudited 2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	4	731,702	609,118
Trade and other receivables		303,674	274,627
Inventories		28,637	34,646
Other assets		170,406	191,716
Total current assets		<u>1,234,419</u>	<u>1,110,107</u>
Non-current assets			
Property, plant and equipment		3,590	4,908
Other assets		-	143,162
Total non-current assets		<u>3,590</u>	<u>148,070</u>
Total assets		<u>1,238,009</u>	<u>1,258,177</u>
Liabilities			
Current liabilities			
Trade and other payables	5	812,468	672,937
Contract liabilities		464,843	457,867
Borrowings	6	186,389	-
Income tax		-	17,030
Employee benefits		67,816	61,151
Total current liabilities		<u>1,531,516</u>	<u>1,208,985</u>
Non-current liabilities			
Contract liabilities		114,373	27,206
Employee benefits		26,599	19,715
Total non-current liabilities		<u>140,972</u>	<u>46,921</u>
Total liabilities		<u>1,672,488</u>	<u>1,255,906</u>
Net (liabilities)/assets		<u>(434,479)</u>	<u>2,271</u>
Equity			
Issued capital	7	27,515,411	25,912,023
Reserves		282,214	2,803,513
Accumulated losses		<u>(28,232,104)</u>	<u>(28,713,265)</u>
Total (deficiency)/equity		<u>(434,479)</u>	<u>2,271</u>

Simble Solutions Limited and its controlled entities
 Consolidated statement of changes in equity
 For the year ended 31 December 2022



Group	Issued 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	-	-	(1,184,145)	(1,184,145)
Other comprehensive loss for the year, net of tax	-	(315,600)	-	(315,600)
Total comprehensive loss for the year	-	(315,600)	(1,184,145)	(1,499,745)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 7)	2,832,903	-	-	2,832,903
Share-based payments	-	9,000	-	9,000
Balance at 31 December 2021	<u>25,912,023</u>	<u>2,803,513</u>	<u>(28,713,265)</u>	<u>2,271</u>
Group - Unaudited	Issued capital \$	Reserves \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 January 2022	25,912,023	2,803,513	(28,713,265)	2,271
Loss after income tax benefit for the year	-	-	(2,269,839)	(2,269,839)
Other comprehensive income for the year, net of tax	-	167,354	-	167,354
Total comprehensive income/(loss) for the year	-	167,354	(2,269,839)	(2,102,485)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 7)	1,603,388	-	-	1,603,388
Share-based payments (note 7)	-	62,347	-	62,347
Lapse of share options	-	(2,751,000)	2,751,000	-
Balance at 31 December 2022	<u>27,515,411</u>	<u>282,214</u>	<u>(28,232,104)</u>	<u>(434,479)</u>

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

	Note	Group Unaudited 2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,688,034	1,693,956
Payments to suppliers and employees (inclusive of GST)		<u>(3,600,970)</u>	<u>(2,907,028)</u>
		(1,912,936)	(1,213,072)
Interest received		70	297
Other revenue		129	-
Interest and other finance costs paid		(35,645)	(89,918)
Research and development tax offset recovered		-	-
Income taxes refunded		<u>129,419</u>	<u>-</u>
Net cash used in operating activities		<u>(1,818,963)</u>	<u>(1,302,693)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(36)	(4,799)
Payments for security deposits		-	(6,192)
Proceeds from disposal of property, plant and equipment		883	-
Proceeds from release of security deposits		1,569	-
Loans from related parties		(18,000)	-
Repayment of loans from related parties		<u>-</u>	<u>34,652</u>
Net cash from/(used in) investing activities		<u>(15,584)</u>	<u>23,661</u>
Cash flows from financing activities			
Proceeds from issue of shares	7	1,650,000	1,791,687
Proceeds from exercise of options		87,500	-
Share issue transaction costs	7	(134,112)	(137,891)
Proceeds from borrowings		186,389	-
Proceeds from lease receivable		-	169,868
Repayment of lease liabilities		-	(223,695)
Repayment of borrowings		-	(123,661)
Repayment of convertible notes		<u>-</u>	<u>(64,099)</u>
Net cash from financing activities		<u>1,789,777</u>	<u>1,412,209</u>
Net (decrease)/increase in cash and cash equivalents		(44,770)	133,177
Cash and cash equivalents at the beginning of the financial year		609,118	791,541
Effects of exchange rate changes on cash and cash equivalents		<u>167,354</u>	<u>(315,600)</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>731,702</u></u>	<u><u>609,118</u></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. Employee benefits expense

	Group	
	2022	2021
	\$	\$
Salaries and wages	1,241,880	839,581
Superannuation	84,622	86,355
Share-based payments	-	9,000
Other employee related expenses	5,162	5,146
	<u>1,331,664</u>	<u>940,082</u>

Note 3. Finance expenses

	Group	
	2022	2021
	\$	\$
Bank fees and charges	3,399	12,869
Interest expense on lease liability	20,583	-
Other interest expense	13,847	84,142
	<u>37,829</u>	<u>97,011</u>

Note 4. Cash and cash equivalents

	Group	
	Unaudited 2022	2021
	\$	\$
<i>Current assets</i>		
Cash at bank	681,702	559,118
Cash on deposit	50,000	50,000
	<u>731,702</u>	<u>609,118</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 5. Trade and other payables

	Group	
	Unaudited 2022	2021
	\$	\$
<i>Current liabilities</i>		
Trade payables	662,037	485,102
Amounts payable to other related party, Wise-Owl.com Pty Limited	24,680	42,680
Accrued expenses	37,423	53,475
Other payables	88,328	91,680
	<u>812,468</u>	<u>672,937</u>

Note 6. Borrowings

	Group	
	Unaudited 2022	2021
	\$	\$
<i>Current liabilities</i>		
Bank loans	<u>186,389</u>	<u>-</u>

The bank loan is unsecured and commenced on 31 December 2022 with a maturity date of 31 December 2023. The bank loans are interest bearing at 10% per annum, payable monthly.

Note 7. Issued capital

	Unaudited 2022	2021	Group	
	Shares	Shares	Unaudited 2022	2021
			\$	\$
Ordinary shares - fully paid	<u>447,332,803</u>	<u>339,971,692</u>	<u>27,515,411</u>	<u>25,912,023</u>

Note 7. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 January 2021	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	339,971,692		25,912,023
Issue of shares on exercise of options	16 February 2022	694,444	\$0.018	12,500
Issue of shares	21 March 2022	45,214,564	\$0.020	904,291
Issue of shares	26 May 2022	37,285,436	\$0.020	745,709
Issue of shares on exercise of options	15 June 2022	4,166,667	\$0.018	75,000
Issue of shares	1 December 2022	20,000,000	\$0.013	-
Share issue transaction costs				(134,112)
Balance	31 December 2022	<u>447,332,803</u>		<u>27,515,411</u>

Note 8. Loss per share

	Group	
	Unaudited 2022 \$	2021 \$
Loss after income tax attributable to the owners of Simble Solutions Limited	<u>(2,269,839)</u>	<u>(1,184,145)</u>
	Unaudited Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	<u>402,462,164</u>	<u>289,055,111</u>
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>402,462,164</u>	<u>289,055,111</u>
	Unaudited Cents	Cents
Basic loss per share	(0.56)	(0.41)
Diluted loss per share	(0.56)	(0.41)

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