

SIMEX TECHNOLOGIES INC

Form 8-K/A

February 18, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934 Date of Report (Date of earliest event reported) February 19, 2004 (December 5, 2003)

SIMEX TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	0-26599	58-2465647
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
2890 Normandy Drive, N.W., Atlanta, Georgia		30305
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (404) 218-9057

N/A

(Former name or former address, if changed since last report)

EXPLANATORY NOTE

This is an amendment (the Amendment) to the Current Report on Form 8-K, filed on December 5, 2003 (the Original Form 8-K) by SIMEX Technologies, Inc. (the Company), and is submitted to amend and restate Item 7 of the Original Form 8-K to provide the financial data related to the Share Exchange with Remote Business, Inc. pursuant to the terms of Exchange Agreement dated September 15, 2003, as amended on December 4, 2003.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(a) Financial Statements of Business Acquired

Financial Statements for the years ended December 31, 2002 and 2001 consisting of the financial statements and notes are provided on pages F-7 through F-14 of this report.

(b) Pro Forma Financial Information

Unaudited pro forma consolidated financial statements relating to the Company and giving effect to the acquisition of Remote Business, Inc. are provided on pages F-2 through F-6 of this report.

(c) Exhibits:

N/A

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report on Form 8-K/A to be signed on its behalf by the undersigned hereunto duly authorized.

SIMEX Technologies, Inc.

By: /s/ Kjell I. Jagelid

Kjell I. Jagelid, President and Chief Executive Officer

Dated: February 18, 2004

SIMEX TECHNOLOGIES, INC.

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SIMEX TECHNOLOGIES, INC.
Unaudited Pro Forma Combined Condensed Financial Statements

Basis of Presentation

On December 5, 2003, the Company acquired Remote Business, Inc. (RBI), a newly-formed subsidiary of Probity Investigations, Inc. (Probity), in exchange for 16,000,000 newly-issued shares of the Company's common stock. Immediately prior to the acquisition, Probity transferred security equipment inventory with a fair value of \$550,000 and the operations of its subsidiary, Remote Business Management, LLC (RBM), excluding all recorded assets and liabilities of RBM, to RBI. The acquisition will be accounted for as a purchase. Because the Company is a non-operating company and the common shares of the Company are thinly-traded, the purchase price will be deemed to be the fair value of the assets acquired. Accordingly, no goodwill will be recorded in the acquisition. The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or the financial position that would have occurred if the acquisition had been consummated as of the assumed date, nor is it necessarily indicative of the future operating results or financial position of the combined companies.

The unaudited pro forma combined condensed balance sheet is based on the Company's historical balance sheet and the financial statements of RBM appearing elsewhere in this report and has been prepared to reflect the Company's acquisition of RBM as of September 30, 2003. The unaudited combined condensed pro forma statements of operations are based on the Company's historical statements of operations and the financial statements of RBM appearing elsewhere in this report, and combines the Company's results of operations and RBM for the nine months ended September 30, 2003 and the year ended December 31, 2002 as if the acquisition occurred on January 1, 2002. These pro forma unaudited combined condensed financial statements should be read in conjunction with the Company's historical financial statements and notes thereto and the financial statements of RBM included elsewhere in this report.

SIMEX TECHNOLOGIES, INC.
Unaudited Pro Forma Combined Condensed Balance Sheet
(in thousands)

	SIMEX Technologies, Inc. Historical as of September 30, 2003	Remote Business Management, LLC Historical as of September 30, 2003	Acquisition Adjustments	Combined Pro Forma
Assets				
Current assets:				
Cash	\$ 29	\$ 75	\$ (75)(A)	\$ 29
Accounts receivable		75	(75)(A)	
Inventory			550(B)	550
Notes and loans receivable	418			418
Other current assets	8			8
	<u>455</u>	<u>75</u>	<u>475</u>	<u>1,005</u>
Total current assets	455	75	475	1,005
Property and equipment, net		35	(35)(A)	
		<u>35</u>	<u>(35)(A)</u>	<u>0</u>
Total assets	\$ 455	\$ 110	\$440	\$1,005
Liabilities and Stockholders Equity				
Current liabilities:				
Bank overdraft	\$	\$ 14	\$ (14)(A)	\$
Current portion of notes payable		6	(6)(A)	
Accounts payable and accrued expenses	107	43	(43)(A)	107
Liabilities discontinued operations	5			5
	<u>112</u>	<u>63</u>	<u>(63)</u>	<u>112</u>
Total current liabilities	112	63	(63)	112
Notes payable, less current portion		5	(5)(A)	
		<u>5</u>	<u>(5)(A)</u>	<u>0</u>
Total liabilities	112	68	(68)	112
Stockholders equity	343	42	(42)(A)	893
			<u>550(B)</u>	<u>893</u>
Total liabilities and stockholders equity	\$ 455	\$ 110	\$440	\$1,005

See accompanying notes to unaudited pro forma combined condensed financial statements.

SIMEX TECHNOLOGIES, INC.
Unaudited Pro Forma Combined Condensed Statement of Operations
(in thousands, except per share data)

	SIMEX Technologies, Inc. Historical Nine Months Ended September 30, 2003	Remote Business Management, LLC Historical Nine Months Ended September 30, 2003	Acquisition Adjustments	Combined Pro Forma
Revenue	\$	\$ 375	\$	\$ 375
Expenses:				
Direct costs of revenue		215		215
Selling, general and administrative	302	143	—	445
	<u>302</u>	<u>358</u>	<u>—</u>	<u>660</u>
Net income (loss) from operations	(302)	17		(285)
Interest income (expense)	3	(2)		1
	<u>(299)</u>	<u>15</u>	<u>\$</u>	<u>\$ (284)</u>
Basic and diluted net loss per share	\$ (0.02)			\$ (0.01)
Shares used in computing loss per share	<u>16,555</u>			<u>32,555</u>

See accompanying notes to unaudited pro forma combined condensed financial statements.

SIMEX TECHNOLOGIES, INC.
Unaudited Pro Forma Combined Condensed Statement of Operations
(in thousands, except per share data)

	SIMEX Technologies, Inc. Historical Year Ended December 31, 2002	Remote Business Management, LLC Historical Year Ended December 31, 2002	Acquisition Adjustments	Combined Pro Forma
Revenue	\$	\$ 762	\$	\$ 762
Expenses:				
Direct costs of revenue		546		546
Selling, general and administrative	280	296	—	576
	<u>280</u>	<u>842</u>	<u>—</u>	<u>1,122</u>
Interest expense	(3)	(3)	—	(6)
Loss from continuing operations	(283)	(83)		(366)
Loss from discontinued operations	(3,261)			(3,261)
Cumulative effect of accounting change	(628)			(628)
Net loss	<u>\$ (4,172)</u>	<u>\$ (83)</u>	<u>\$</u>	<u>\$ (4,255)</u>
Basic and diluted loss per share:				
Continuing operations	\$ (0.02)			\$ (0.01)
Discontinued operations	(0.19)			(0.10)
Cumulative effect of accounting change	(0.04)			(0.02)
Net loss	<u>\$ (0.25)</u>			<u>\$ (0.13)</u>
Shares used in computing loss per share	<u>16,555</u>			<u>32,555</u>

See accompanying notes to unaudited pro forma combined condensed financial statements.

SIMEX TECHNOLOGIES, INC.
Notes to Unaudited Pro Forma Combined Condensed Financial Statements

(1) Pro Forma Adjustments

The pro forma adjustments in the accompanying pro forma combined condensed financial statements have been prepared to reflect the acquisition of the operations of Remote Business Management, LLC (RBM) and security equipment inventory for an aggregate purchase price of \$550,000, which consists of 16,000,000 newly-issued shares of the Company s common stock. The purchase price will be allocated to inventory, the sole tangible asset to be acquired.

Pro forma adjustments are made to reflect:

- (A) Elimination of assets and liabilities of RBM not acquired and elimination of the member s equity account of RBM.
- (B) Issuance of 16,000,000 shares of the Company s common stock for the fair value of inventory acquired.

(2) Per Share Information

Basic and diluted net loss per share for the nine months ended September 30, 2003 and for the year ended December 31, 2002 was computed using the 16,555,000 shares of the Company s common stock outstanding, plus the 16,000,000 shares issued for the purchase price.

Report of Independent Public Accountants

**To the Board of Directors and Stockholders of
Remote Business Management, LLC**

We have audited balance sheets of Remote Business Management, LLC as of December 31, 2002 and 2001, and the related statements of operations, changes in member's equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Remote Business Management, LLC as of December 31, 2002 and 2001 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ Miller Ray & Houser LLP

Atlanta, Georgia
January 23, 2004

REMOTE BUSINESS MANAGEMENT, LLC

Balance Sheets
(in thousands)Assets

	<u>December 31,</u>		<u>September</u>
	<u>2001</u>	<u>2002</u>	<u>30,</u>
			<u>2003</u>
			(unaudited)
Current assets:			
Cash	\$22	\$173	\$
Accounts receivable	23	129	75
	—	—	—
Total current assets	45	302	75
Property and equipment, net	32	52	35
	—	—	—
Total assets	\$77	\$354	\$ 110
	—	—	—
	<u>Liabilities and Member s Equity</u>		
Current liabilities:			
Bank overdraft	\$	\$	\$ 14
Current portion of notes payable	5	10	6
Accounts payable and accrued expenses	15	77	43
Unearned revenue		16	
	—	—	—
Total current liabilities	20	103	63
Notes payable, less current portion	6	10	5
	—	—	—
Total liabilities	26	113	68
Member s equity	51	241	42
	—	—	—
Total liabilities and stockholder s equity	\$77	\$354	\$ 110
	—	—	—

See accompanying notes to financial statements.

REMOTE BUSINESS MANAGEMENT, LLC

Statements of Operations

(in thousands)

	Year Ended December 31,		Nine Months Ended September 30, 2003
	2001	2002	(unaudited)
Revenue	\$ 286	\$762	\$ 375
Expenses:			
Direct costs of revenue	171	546	215
Selling, general and administrative	234	296	143
	<u>405</u>	<u>842</u>	<u>358</u>
Income (loss) from operations	(119)	(80) &n	