

FLEXIROAM

9 AUGUST 2019

CEO LETTER TO SHAREHOLDERS

Dear Shareholder

As you will have read in recent weeks, one of the items of business considered at the Company's 2019 Annual General Meeting held on 7 August 2019 was to seek approval from Flexiroam shareholders to remove the Company from the official list of the Australian Stock Exchange ("ASX"). The resolution was a "special resolution", meaning that it required 75% of votes in favour to be carried. The proposal was narrowly defeated, with the result that Flexiroam will continue to function as an ASX-listed entity, with its shares freely tradeable on the ASX.

The Board and Management team remain fully focussed on preserving shareholder value and increasing wealth over time. As you will have read in the Notice of Meeting, we feel the low share price is not reflective of the true value of the Company as represented by its technology and growth prospects. We will continue to strive to regain shareholder value and we remain confident in our ability to continuously better our performance to achieve high growth and create that increased value for all shareholders. Our future capital raisings to support growth and business needs will be undertaken with a philosophy of minimal dilutive impact.

In our 2019 Annual Report, the following metrics were reported:

- Group revenue increased by 100% to \$5.59 million (FY2018: \$2.97 million);
- Subscriber base grew by 98% to 260,000 as at end of FY2019 (End FY2018: 131,000);
- Gross profit increased by 88% to \$2.63 million (FY2018: \$1.40 million); and
- Cash receipts from customers grew by 111% to \$6.95 million (FY2018: \$3.30 million).

Flexiroam operates in the fast-growing global travel industry and we will continue to intensify our innovation and product development and our sales and marketing efforts to maintain our current growth trajectory. It is very clear to us that Flexiroam is a much stronger Company today than it was even one year ago and has the platform to grow and create value for its shareholders and staff in the coming years. We strongly believe in the long-term value creation potential of Flexiroam and our strategy to achieve that goal.

Finally, I would like to thank you for your support. The support of our shareholders is appreciated and never taken for granted. These are challenging times, but we are determined to meet those challenges and unwavering in our resolve to secure a valuation in the market that better reflects the value of our technology and growth prospects.

Sincerely,



Jef Ong
Managing Director

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