

FLEXIROAM

30 April 2018

Company Announcements Office
ASX Limited

Key Performance Highlights

	CURRENT YEAR	PREVIOUS YEAR	INCREASE / (DECREASE)
	31-Mar-18	31-Mar-17	
	\$A '000	\$A '000	%
Receipts from consumer business	2,795	744	276%
Receipts from corporate business	586	1,695	(65%)
Total receipts from customers	3,380	2,439	39%
Research and development	(378)	(642)	(41%)
Product manufacturing and operating costs	(1,844)	(1,090)	69%
Advertising and marketing	(1,641)	(2,515)	(35%)
Staff costs	(941)	(932)	1%
Administration and corporate costs	(833)	(750)	11%

Receipts from customers

Extensive effort over the course of FY2018 focusing on retail customers has resulted in sales increase of more than 200 percent from the consumer segment over the previous financial year.

Emphasis on growing sales in the consumer segment has contributed to an overall increase in yearly sales by 39% compared to the year ended 31 March 2017. This growth is largely driven by high recurring transactions from retail customers.

Despite a reduction in corporate sales for FY2018, the number of distribution partners has grown to a total of 243 partners and sub-partners from 45 countries.

Payment for operating expenses

Product and manufacturing costs increased by 69% compared to the year ended 31 March 2017 due to the organic increase in the number of active customers.

Research and development costs fell by 41% as a result of continuous streamlining efforts focusing on developing artificial intelligence (AI) capabilities.

Close attention to advertising and marketing costs continued to show positive results with a decrease of 69% resulting from a more efficient and effective digital marketing strategy.

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Net cash outflow

The increase in receipts from customers and decrease in payments for operating expenses resulted in an improved net cash outflow compared to the previous year ended 31 March 2017.

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ABOUT FLEXIROAM

FLEXIROAM (ASX:FRX) is a new breed telecommunication company that enables travellers to bypass roaming charges around the world. FLEXIROAM is a telecommunication company that does not own physical infrastructure but connects its users to 580 network operations around the globe making its services available in over 100 countries and territories. The Company was listed on the Australian Securities Exchange ("ASX") in June 2015 under the code FRX, and is today one of the fastest growing global virtual mobile operator in Asia Pacific.

For more information, please contact:

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Flexiroam Limited

ABN

27 143 777 397

Quarter ended ("current quarter")

31 March 2018

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	912	3,380
1.2 Payments for		
(a) research and development	(111)	(378)
(b) product manufacturing and operating costs	(485)	(1,844)
(c) advertising and marketing	(520)	(1,641)
(d) leased assets	-	-
(e) staff costs	(260)	(941)
(f) administration and corporate costs	(255)	(833)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	30
1.5 Interest and other costs of finance paid	(86)	(226)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(802)	(2,453)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(18)
(b) businesses (see item 10)	-	-
(c) investments	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	74	74
	(d) intellectual property	-	-
	(e) 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)	-	-
	Other - Cash acquired from Flexiroam Asia Limited	-	-
2.6	Net cash from / (used in) investing activities	73	56

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(3)	(13)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(3)	(13)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,534	3,146
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(802)	(2,453)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	73	56

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)	(3)	(13)
4.5	Effect of movement in exchange rates on cash held	(10)	56
4.6	Cash and cash equivalents at end of quarter	792	792

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	792	1,534
5.2	Call deposits	-	-
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)	792	1,534

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	76
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Director fees, consultancy fees and salary.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(119)
9.2 Product manufacturing and operating costs	(657)
9.3 Advertising and marketing	(777)
9.4 Leased assets	-
9.5 Staff costs	(266)
9.6 Administration and corporate costs	(167)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(1,986)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

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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.

Sign here:  Date: 30 April 2018

(Director/Company secretary)

Print name: Jeffrey Ong

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

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