

QUARTERLY UPDATE – DECEMBER 2019

Flexiroam records its highest quarter cash receipts

Flexiroam Limited (ASX: FRX), (“Flexiroam” or the “Group”) is pleased to present its quarterly cash report for the period ended 31 December 2019 and advises:

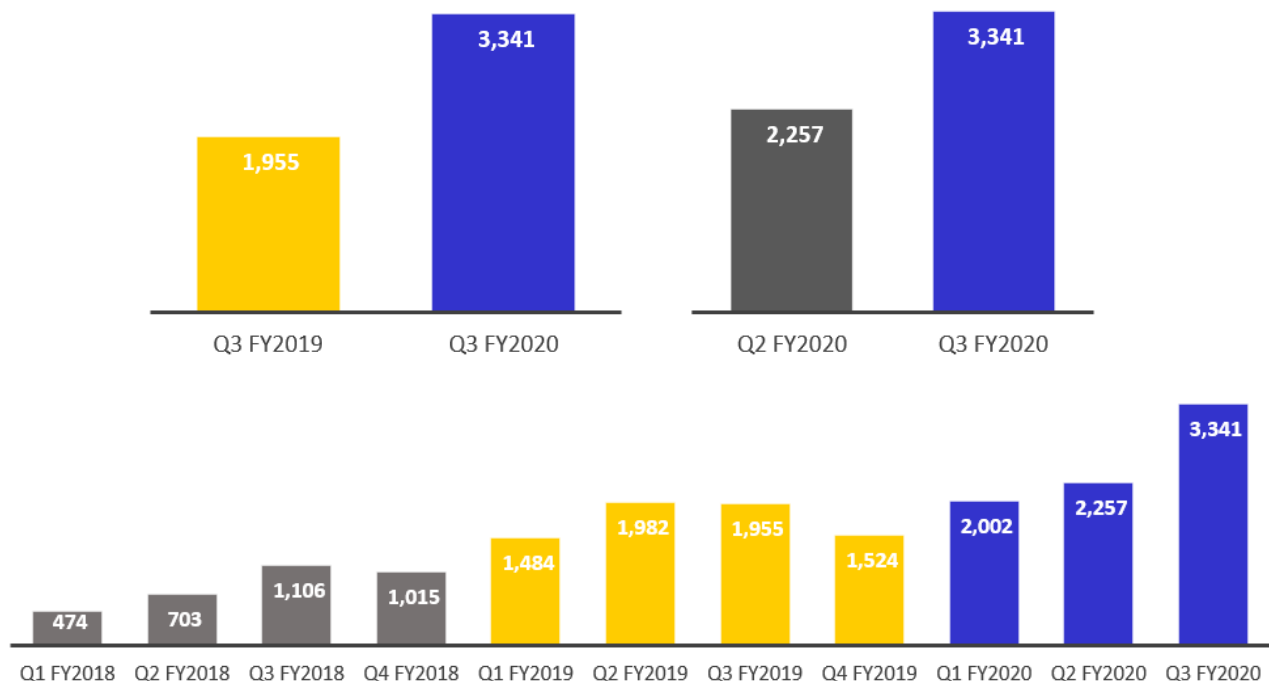
Key Highlights

- Cash receipts for Q3 FY 2020 amounts to A\$3.34m; an increase of 48% compared to Q2 FY 2020 and 71% compared to the previous corresponding quarter (Q3 FY 2019)
- Cumulative subscribers’ compounded annual growth rate (CAGR) is 83% as at 31 December 2019.
- Successful capital raising of A\$1.26m to support future business growth
- Consolidated cash balance as at 31 December 2019 is A\$1,281,678

Substantial Cash Receipts Growth

The Group recorded substantial cash receipts during the quarter of A\$3.34m - an increase of 48% compared to the previous quarter (Q2 FY 2020: A\$2.26m) and 71% compared to the previous corresponding quarter (Q3 FY 2019: A\$1.96m). This represented a major growth compared with the previous periods due to an increase in corporate sales. Corporate sales consist of partnerships with airlines and major industry players which is the Company’s gateway to gain access to up to 35 million travelers and the catalyst for growth for the coming years.

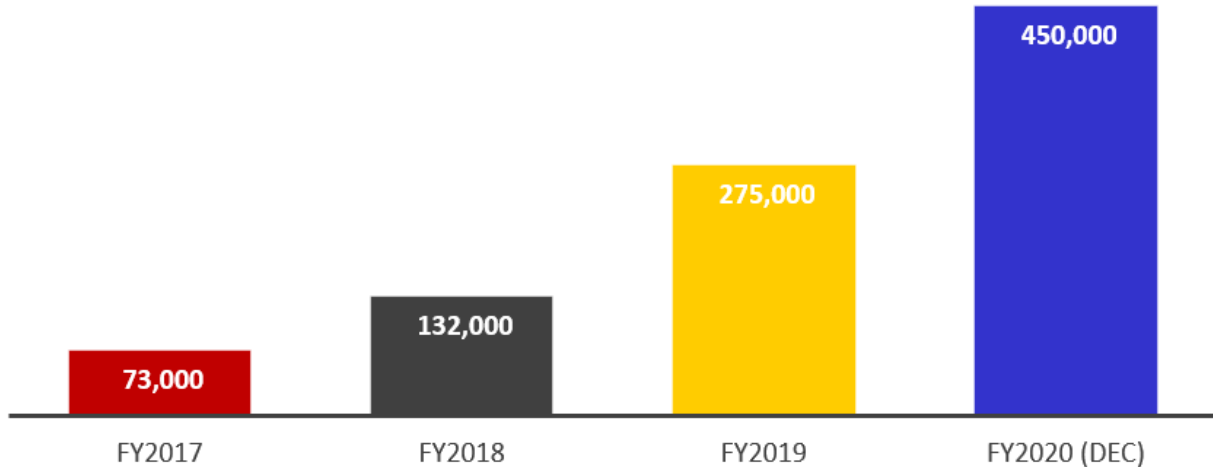
CASH RECEIPTS (In A\$’000s)



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Sustained Increase in Global Subscribers

CUMULATIVE SUBSCRIBERS



As at 31 December 2019, cumulative subscribers have grown to up to 450,000 – an increase of 63% from FY2019. Over the past 3 years, cumulative subscribers show an increasing trend with a compounded growth rate of 83%. This is attributable to continued sales and marketing efforts focused on global distribution channels and strategic partnerships.

Successful Capital Raising to Fund Future Growth Strategies

During the quarter, the Company successfully completed a Renounceable Entitlement Offer. A total of 63,120,842 ordinary fully paid shares were issued at an issue price of A\$ 0.02 each with one attaching new option for each share issued. A small share placement of 2,600,000 shares and 2,600,000 attaching options on the same terms as the Renounceable Entitlement Offer was also completed, and an additional 2,500,000 listed options were also issued as consideration for lead manager services. Total funds raised amounted to A\$1.26m which will be applied to product sales and marketing, research and development and other working capital needs of the Company.

Authorised by:

Jefrey Ong
Chief Executive Officer

ABOUT FLEXIROAM LIMITED

FLEXIROAM (ASX: FRX) FLEXIROAM (ASX: FRX) is a global connectivity provider offering data access to travellers across the world. Its service coverage spans across 150 countries with its access to over 580 network operators globally. Flexiroam is affiliated with over 100 travel industry partners including major international airlines to serve customers from over 190 countries and territories.

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 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,341	7,600
1.2 Payments for		
(a) research and development	(115)	(317)
(b) product manufacturing and operating costs	(1,629)	(3,727)
(c) advertising and marketing	(970)	(2,958)
(d) leased assets	-	-
(e) staff costs	(239)	(646)
(f) administration and corporate costs	(427)	(845)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	(112)	(323)
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	(151)	(1,215)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(8)	(19)
(b) businesses (see item 10)	-	-
(c) investments	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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	-	-
(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)	-	-
2.6 Net cash from / (used in) investing activities	(8)	(19)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,262	2,037
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	(40)	-
3.6 Repayment of borrowings	(4)	(12)
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	1,218	2,025

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	268	528
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(151)	(1,215)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(8)	(19)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,218	2,025

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(45)	(37)
4.6	Cash and cash equivalents at end of quarter	1,282	1,282

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	1,282	268
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)	1,282	268

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	131
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 salaries

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	(113)
9.2 Product manufacturing and operating costs	(1,044)
9.3 Advertising and marketing	(1,328)
9.4 Leased assets	-
9.5 Staff costs	(288)
9.6 Administration and corporate costs	(251)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows*	(3,024)

*excludes receipts from sales

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.

This statement gives a true and fair view of the matters disclosed.

Sign here: Date: 31 January 2020
(Director/~~Company secretary~~)

Print name: Jefrey 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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