

APPENDIX 4D

Half-year Report for the period ending 30 September 2021

1. Name of entity

Flexiroam Limited and its Controlled Entities		
ABN	Reporting Period	Previous Corresponding Period
27 143 777 397	Half year ended 30 September 2021	Half year ended 30 September 2020

2. Results for Announcement to the Market

Financial Results	% Increase / (Decrease)	30 Sep 2021 AUD	30 Sep 2020 AUD
Revenues from ordinary activities (<i>item 2.1</i>)	-4%	1,327,067	1,375,902
Loss from ordinary activities after tax attributable to members (<i>item 2.2</i>)	192%	(1,874,071)	(641,175)
Net loss for the period attributable to members (<i>item 2.3</i>)	192%	(1,874,071)	(641,175)
Final and interim dividends (<i>item 2.4</i>)	It is not proposed that an interim dividend be paid.		
Record date for determining entitlements to the dividend (<i>item 2.5</i>)	N/A		
Brief explanation of any of the figures reported above (<i>item 2.6</i>):	Refer to the attached Report for commentary on results.		

3. NTA Backing

	Current Period 30 Sep 2021	Previous Corresponding Period 30 Sep 2020
Net tangible assets per ordinary share (<i>Item 3</i>)	(1.0) cents	(0.7) cents

4. Control gained over entities

Details of entities over which control has been gained or lost (<i>item 4</i>)	N/A
--	-----

5. Dividends paid and payable

Details of dividends or distribution payments (<i>item 5</i>)	No dividends or distributions are payable.
---	--

6. Dividend reinvestment plans

Details of dividend or distribution reinvestment plans (<i>item 6</i>)	There is no dividend reinvestment program in operation.
--	---

7. Details of associates

Details of associates and joint venture entities (<i>item 7</i>)	N/A
--	-----

8. Foreign entities

Foreign entities to disclose which accounting standards are used in compiling the report (<i>item 8</i>)	N/A
--	-----

9. Audit Review Opinion

Details of audit review that is subject to a modified opinion, emphasis of matter or other matter paragraph (<i>item 9</i>)
Emphasis of Matter – Material Uncertainty Related to Going Concern
The Audit Review Report contains an Emphasis of Matter relating to the ability of the Group to continue as a going concern, which is dependent on the Group achieving positive operating cash flows and/or securing additional funding through capital raising to continue to fund its operational and marketing activities.



FLEXIROAM

**HALF-YEAR
REPORT | 2021**

Consolidated Interim Financial Report for the
Half-Year ended **30 September 2021**

TABLE OF CONTENTS

DIRECTORS' REPORT	1
AUDITOR'S INDEPENDENCE DECLARATION	5
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	6
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	7
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	8
CONSOLIDATED STATEMENT OF CASH FLOWS	9
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	10
DIRECTORS' DECLARATION	17
INDEPENDENT AUDITOR'S REVIEW REPORT	18
CORPORATE INFORMATION	20

DIRECTORS' REPORT

The Directors of Flexiroam Limited ('Flexiroam' or 'the Company') and its controlled entities submit herewith their report together with the financial report of the Company and its controlled entities ('the Group') for the half-year ended 30 September 2021.

DIRECTORS

The Directors of the Company during or since the end of the half-year are:

- Jeffrey Ong (appointed 18 March 2015)
- Tat Seng Koh (appointed 3 September 2018)
- Tuck Yin Choy (appointed 13 May 2019, resigned 5 July 2021)
- Thian Choy Ong (appointed 1 October 2019)
- Marc Barnett (appointed 22 February 2021)

COMPANY SECRETARY

- Natalie Teo Shu Qing (appointed 14 February 2020)

PRINCIPAL ACTIVITIES

The Company is involved in telecommunications. During the period in review the principal continuing activities consisted of development and provision of global connectivity solutions.

FINANCIAL PERFORMANCE REVIEW

The Company continues to deliver its stated objective of increasing revenue and growing the global customer base as shown in the results of its first-half performance, highlights as follows:

- Half-year revenue grew by +62.3% or equivalent to A\$1.3m compared to A\$0.8m^[1] from the same period last year on a normalised basis
- Gross margin recorded at A\$0.8m or equivalent to 58.6% as a percentage of revenue, increased by 18.7% on a normalised basis compared to the same period last year (1HFY21: A\$0.7m)^[1]
- Group Consolidated Statement of Profit or Loss recorded EBITDA of A\$(1.9m) in 1HFY22. The Company has been investing in infrastructure and additional resources to position the business for long term global growth. The infrastructure expense in Q1FY22 was A\$0.4m to improve user experience for Travel customers, build the affiliate and reseller portal, solutions portal to centralise account management and the CORE Operating system to be able to scale globally with customised products and services
- Operational expenses recorded at A\$2.7m inclusive one-off cost of A\$0.5m and provision of non-cash performance shares incentive of A\$0.6m
- Higher cash balance by 27.3% or equivalent A\$0.3m compare to first half previous year (A\$1.2m)
- Significant improvements in key operating metrics including new subscribers, active users, paying users and data sold. Additional 24.6k new subscribers, up 23% compared to 1HFY21 coupled with 153% incremental or equivalent to 15.8k in the number of paying users contributed to 36 terabytes of data sold for the past 6 months, an increase of 15 terabytes sold in previous half year
- Subsequent to the end of the half-year, the company completed a strongly supported A\$1.5m capital raising to execute on growth plans, bringing the total cash balance to A\$3m.

[1] One-off revenue recognition of A\$0.55m

STRATEGIC PLAN FY22

During the first half of FY22, the company focussed on the long term global expansion plans and enhancing the existing infrastructure and team. The Company is creating and pursuing scalable opportunities to meet the growing need for IoT services and forming corporate partnerships to expand global penetration across both Travel and Solutions. Closing strategic deals to build significant revenue growth in FY23 is top priority.

The Company's strategic plan has been approved by the Board of Directors. During FY22, the Company expects to generate Revenue of A\$3.6 million, up 42% from A\$2.5 million in FY21. The following are the top priorities:

- Enhance the infrastructure to provide the ability to scale to billions of devices globally and allow various IoT verticals to embed connectivity into their applications
- Build an experienced and diverse Global Leadership Team
- Develop key eSIM solutions to capture IoT demand
- Build out corporate partnerships to drive global penetration across Travel and Solutions
- Close strategic deals to drive substantial revenue expansion in FY23

ENHANCE THE INFRASTRUCTURE

To accommodate growth in both the Travel and Solutions verticals, the company expanded its infrastructure. The creation of the new corporate website combines the Travel and Solutions customers into a single platform that allows customers and investors to get more information about product offers, collaborations, and recent advancements. (www.flexiroam.com)

A new Webshop has been developed to improve the user experience for Travel customers by simplifying access to data packs and learning about Flexiroam's technology, which includes the ability to start data plans at any moment within six months of purchase. To boost client acquisition, the company integrated with trip booking partners and added a new revenue stream to its Webshop in the form of an Affiliates and Reseller programme.

During this time, Flexiroam's backend was also significantly improved, ensuring that the company is ready to expand up to billions of devices. For its Solutions division, a centralised account management system was created, allowing for quick access to billing, ordering, inventory, and fulfilment records.

As the Company diversified into new Solutions verticals, the CoRE Operations System (CORE) was reinforced to allow the Company to scale internationally with bespoke goods and services, while the pipeline of opportunities continues to grow. In keeping with its Global Partnership with Apple, improvements were made to the front and back ends of the Travel app to allow users to install eSIMs without having to scan QR codes, resulting in a better user experience. As the company prepares to scale up, data security has also been improved.

LEADERSHIP TEAM COMPLETED

During the second quarter, the global Leadership Team was fully staffed, with key personnel onboarded. Joost Cordes, located in Amsterdam, joins as Chief Revenue Officer on August 2nd, bringing with him over 14 years of executive sales expertise in the Internet of Things (IoT), telecoms, automotive, and printing industries. He has extensive international expertise, having built and managed sales teams in Europe, the United States, and Asia.

The leadership team was further enhanced with the appointment of Jon Gregory as Chief Operating Officer, based in Kuala Lumpur, who commenced on 1 September, bringing more than 10 years of operational leadership, project management, business development and recruitment experience to Flexiroam. Michael King was appointed Chief Technology Officer and will commence on 1 January 2022, in London, bringing a wealth of global product technology leadership experience, having led teams across the US, Europe and Asia.

Flexiroam has established a world-class leadership team capable of expanding the company to its full potential as it expands globally, thanks to the recent appointments. Additional recruitment will be made to help the leadership team in the sales and engineering teams across Europe expand capacity and competence.

STRATEGIC PARTNERSHIPS

Flexiroam and GHL Systems Bhd (GHL), a leading ASEAN payment service provider based in Malaysia that offers a portfolio of end-to-end payment solutions, signed an agreement in June. Flexiroam will provide cellular connectivity to GHL's new payment terminals in Malaysia, the Philippines, and Thailand for an initial two-year period under the terms of the agreement, allowing them to stay connected across multiple networks and improving the availability and security of their payment transactions.

The company also formed partnerships with online travel marketplaces Kayak, Agoda, Hotels Combined, and Klook, allowing travellers to buy in one spot. Customers will be able to book their travel needs from within the app as a result of these relationships, providing a potential to swiftly expand the customer base.

Mastercard has continued to onboard additional banks to its partnership program, with 17 banks on board by 30 September, which provides access to more than 250,000 potential users.

Flexiroam was awarded a contract renewal with Korean Air in July to deliver eSIM-powered connectivity to 2,840 pilots. The system ensures that flight plans, weather forecasts, and other vital updates can be downloaded, as well as providing a platform for staff communication. Flexiroam's capacity to monetise travel partnerships to supply Flexiroam Solutions services is demonstrated by this contract, and the company plans to duplicate the strategy with additional airlines using its strong pipeline. The contract has been renewed through to January 2022, generating A\$60k in annualised recurring revenue.

Flexiroam was named a Merchant Partner in AirAsia's BIG Rewards Program in Indonesia in September. With 2.5 million active members in Indonesia and 25 million users in the ASEAN region, BIG Rewards is the area's top points platform. For every US\$1 spent on Flexiroam items in Indonesia, consumers will earn one BIG Point, which can be redeemed at over 300 Big Rewards retailers for flights, hotels, and lifestyle deals. Flexiroam will offer its subscribers reduced Global Data Plans through AirAsia BIG Rewards Indonesia.

In the second quarter, Flexiroam also secured strategic partnerships with The Athletics Association (TAA) and the Association of Tennis Professionals (ATP). By introducing the service to their followers, users will receive a discount on worldwide data purchases and a free global data plan. To date, 75 members have been enrolled under these partnerships as of mid-October. This is an opportunity to promote Flexiroam's brand, while also expanding its customer base.

CAPITAL RAISE

The company recently completed a A\$1.5m placement of ordinary fully paid shares to existing professional and sophisticated investors, including two current large shareholders of the Company at A\$0.04 per share, an 18% premium to the stock's latest closing price. The placement of 37,500,000 fully paid ordinary shares at an offer price of A\$0.04 per share netting A\$1.5m, with no placement costs incurred.

The Company has a total of 540,647,030 issued and fully paid ordinary shares on 27 October 2021 after the placement completed.

DIRECTORS' REPORT

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Signed in accordance with a resolution of directors made pursuant to section 306 (3)(a) of the Corporations Act 2001.

A handwritten signature in black ink, appearing to be 'M Barnett', with a long horizontal stroke extending to the right.

Marc Barnett

Chief Executive Officer

Signed on this 1st day in November 2021

FLEXIROAM LIMITED

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the review of Flexiroam Limited for the half-year ended 30 September 2021, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in relation to Flexiroam Limited and the entities it controlled during the half-year.

Rothsay Audit & Assurance Pty Ltd



Daniel Dalla

Director

Sydney, 1 November 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

	NOTES	HALF-YEAR ENDED 30 SEP 2021 \$	HALF-YEAR ENDED 30 SEP 2020 \$
Revenue	2	1,327,067	1,375,902
Cost of sales		(548,928)	(162,120)
Gross profit		778,139	1,213,782
Interest income		2,408	499
Foreign exchange gains/(losses)		50,588	(1,339,086)
Other income		11,515	102,708
Administration and operating expenses		(805,347)	(323,062)
Selling and marketing expenses		(473,993)	(112,585)
Research and development		(163,822)	(91,105)
Staff costs		(1,204,707)	(51,527)
Depreciation and amortisation		(7,001)	(18,588)
Finance expenses		(61,851)	(22,161)
Loss before income tax		(1,874,071)	(641,175)
Income tax expense		-	-
Loss for the period		(1,874,071)	(641,175)
Other comprehensive (loss)/income			
<i>Items that may be re-classified to profit or loss:</i>			
Foreign exchange translation		(351,993)	2,024,545
Total other comprehensive (loss)/income, net of tax		(351,993)	2,024,545
Total comprehensive (loss)/income for the period		(2,226,064)	1,383,370
Loss per share (basic and diluted)		(0.4) cents	(0.2) cents

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	NOTES	AS AT 30 SEP 2021 \$	AS AT 31 MAR 2021 \$
CURRENT ASSETS			
Cash and cash equivalents		1,511,323	2,809,608
Trade and other receivables		55,908	116,005
Inventory	3	297,236	321,190
Other assets	4	27,543	130,876
Total current assets		1,892,010	3,377,679
NON-CURRENT ASSETS			
Plant and equipment		34,556	28,875
Intangible assets		50,332	-
Total non-current assets		84,888	28,875
Total Assets		1,976,898	3,406,554
CURRENT LIABILITIES			
Trade and other payables	5	5,032,517	4,756,585
Deferred revenue	6	1,851,787	2,029,804
Borrowings		-	3,434
Total current liabilities		6,884,304	6,789,823
Total Liabilities		6,884,304	6,789,823
Net Liabilities		(4,907,406)	(3,383,269)
EQUITY			
Issued capital	7	42,512,553	42,427,553
Reserves		(2,663,564)	(2,628,505)
Accumulated losses		(44,756,395)	(43,182,317)
Total equity		(4,907,406)	(3,383,269)

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

	ISSUED CAPITAL \$	OPTION & PERFORMANCE RIGHTS RESERVE \$	FOREX TRANSLATION RESERVE \$	ACCUMULATED LOSS \$	TOTAL \$
BALANCE AT 1 APRIL 2020	39,366,706	299,993	(4,042,609)	(40,742,836)	(5,118,746)
Loss for the period	-	-	-	(641,175)	(641,175)
Other comprehensive income for the period	-	-	2,024,545	-	2,024,545
Total comprehensive income/(loss) for the period	-	-	2,024,545	(641,175)	1,383,370
Capital issued during the period	1,017,347	-	-	-	1,017,347
BALANCE AT 30 SEPTEMBER 2020	40,384,053	299,993	(2,018,064)	(41,384,011)	(2,718,029)
BALANCE AT 1 APRIL 2021	42,427,553	299,993	(2,928,498)	(43,182,317)	(3,383,269)
Loss for the period	-	-	-	(1,874,071)	(1,874,071)
Other comprehensive loss for the period	-	-	(351,993)	-	(351,993)
Total comprehensive loss for the period	-	-	(351,993)	(1,874,071)	(2,226,064)
Contributions by and distributions to owners of the Company:					
- Performance rights to employees	-	701,927	-	-	701,927
- Issuance of joining shares	85,000	(85,000)	-	-	-
- Options lapsed	-	(299,993)	-	299,993	-
BALANCE AT 30 SEPTEMBER 2021	42,512,553	616,927	(3,280,491)	(44,756,395)	(4,907,406)

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

	NOTES	HALF-YEAR ENDED 30 SEP 2021 \$	HALF-YEAR ENDED 30 SEP 2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,046,864	787,045
Payments to suppliers and employees		(2,144,218)	(1,169,282)
Interest paid		(59,561)	(22,161)
Interest received		2,408	449
Net cash flows used in operating activities		(1,154,507)	(403,949)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of plant and equipment		-	2,335
Purchase of plant and equipment		(32,049)	-
Net cash flows (used in)/from investing activities		(32,049)	2,335
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	1,017,347
Repayment of borrowings		(4,628)	-
Net cash flows (used in)/provided by financing activities		(4,628)	1,017,347
Net (decrease)/ increase in cash and cash equivalents		(1,191,184)	615,733
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD			
Foreign exchange fluctuations on opening cash balances		(107,101)	(44,008)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD			
		1,511,323	1,187,466

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

This consolidated interim financial report includes the consolidated financial statements and notes to the consolidated financial statements of Flexiroam Limited (“the Company”) and its subsidiaries Flexiroam Sdn. Bhd., Flexiroam Asia Limited, Super Bonus Profit Sdn. Bhd. and Flexiroam Global FZCO (collectively “the Group”). The Company is a for-profit entity primarily and is domiciled in Australia.

This half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 ‘Interim Financial Reporting’, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (‘AASB’). Compliance with AASB 134 ensures compliance with IAS 34 ‘Interim Financial Reporting’.

This consolidated interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 31 March 2021 and any public announcements made by the Company and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

BASIS OF PREPARATION

The consolidated interim financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The functional currency of the Company and subsidiary are measured using the currency of the primary economic environment in which the Company and subsidiaries operates; being Australian Dollars, Malaysian Ringgit, United States Dollar and United Arab Emirates Dirham, respectively. However, as the majority of the Company’s shareholder base is Australian, these consolidated financial statements are presented in Australian Dollars.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period and does not include full disclosures of the type normally included in an annual financial report.

ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

ADOPTION OF NEW AND REVISED AUSTRALIAN ACCOUNTING STANDARDS

STANDARDS AND INTERPRETATIONS APPLICABLE TO 30 SEPTEMBER 2021

In the half-year ended 30 September 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current half-year reporting period.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY ESTIMATES

The preparation of a half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 31 March 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

GOING CONCERN

These consolidated financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the consolidated financial statements, the Group incurred an operating loss of \$1,874,071 for the half-year ended 30 September 2021 (30 September 2020 loss: \$641,175) and a net cash outflow from operating activities amounting to \$1,154,507 (30 September 2020 outflow: \$403,949). The ability of the Group to continue as a going concern is dependent on the Group achieving positive operating cash flows and/or securing additional funding through capital raising to continue to fund its operational and marketing activities. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

The Directors are satisfied that the going concern basis of preparation is appropriate and there are reasonable grounds to believe that the Group will continue as a going concern due to the following factors:

- The Directors have received undertakings of financial support from the Group's major shareholders to assist it in meeting its financial obligations as and when they fall due;
- The Directors are confident in the outlook of improved financial performance of the business to deliver future profitable operations; and/or
- The Company is able to raise further capital based on historical success. The Company has just completed capital raised from existing professional and sophisticated investors of \$1.5 million through a share placement as disclosed in Note 11 to the financial statements.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

NOTE 2 — REVENUE

	HALF-YEAR ENDED 30 SEP 2021 \$	HALF-YEAR ENDED 30 SEP 2020 \$
Corporate ^[a]	469,216	752,479
Consumer ^[b]	779,140	623,423
Solutions ^[c]	78,711	-
	1,327,067	1,375,902

^a Corporate sales consist of business to business transactions involving local and foreign travel agencies.

^b Consumer sales consist of business to consumer transactions involving local and foreign travellers.

^c Solutions sales consist of business to business transactions involving local and foreign partners.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 – INVENTORY

	AS AT 30 SEP 2021 \$	AS AT 31 MAR 2021 \$
Opening balance	321,190	416,365
Distribution	(1,855)	(95,175)
Written down	(22,099)	-
Closing balance	297,236	321,190

The inventory refers to microchip and SIM cards.

NOTE 4 – OTHER ASSETS

	AS AT 30 SEP 2021 \$	AS AT 31 MAR 2021 \$
Prepayments	27,543	130,876
	27,543	130,876
Reconciliation		
Opening balance	130,876	130,708
Net (charged out)/additions	(103,333)	168
Closing balance	27,543	130,876

NOTE 5 – TRADE AND OTHER PAYABLES

	AS AT 30 SEP 2021 \$	AS AT 31 MAR 2021 \$
Other payables	15,544	13,918
Accruals	5,016,973	4,742,667
	5,032,517	4,756,585

Trade payables are non-interest bearing and are normally settled within 30 to 90 days.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 — DEFERRED REVENUE

	AS AT 30 SEP 2021 \$	AS AT 31 MAR 2021 \$
Corporate sales	703,454	1,069,042
Consumer sales	1,128,527	960,762
Solutions	19,806	-
	1,851,787	2,029,804
Reconciliation		
Opening balance	2,029,804	4,119,431
Net charged out	(71,039)	(1,297,525)
Foreign exchange translation effects	(106,978)	(792,102)
Closing balance	1,851,787	2,029,804

Advance billing to customers that give rise to provisions for unearned revenue in respect of services which have not been rendered as at the end of the reporting period.

NOTE 7 — ISSUED CAPITAL

	NUMBER OF SHARES	\$
Ordinary shares issued (net of share issue costs)	503,147,030	42,512,553
Reconciliation		
BALANCE AT 1 APRIL 2020	305,204,293	39,366,706
Share issue – 14 August 2020 ^[a]	101,734,661	1,017,347
Share issue – 4 November 2020 ^[b]	2,439,024	60,000
Share issue – 17 November 2020 ^[c]	86,956,522	2,000,000
Share issue – 15 December 2020 ^[d]	4,312,530	103,500
Share issue costs	-	(120,000)
BALANCE AT 31 MARCH 2021	500,647,030	42,427,553
BALANCE AT 1 APRIL 2021	500,647,030	42,427,553
Share issue – 6 August 2021 ^[e]	1,500,000	51,000
Share issue – 6 September 2021 ^[f]	1,000,000	34,000
BALANCE AT 30 SEPTEMBER 2021	503,147,030	42,512,553

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 – ISSUED CAPITAL

- ^a On 14 August 2020, the Company successfully completed a fully underwritten Non-Renounceable Rights Offer to shareholders by the issue of 101,734,661 ordinary fully paid shares at an issue price of \$0.01. Total funds raised for this Rights Offer amounted to \$1.02 million.
- ^b On 4 November 2020, the Company issued a total of 2,439,024 ordinary fully paid shares at a deemed issue price of \$0.0246 to the Directors in satisfaction of unpaid director fees for the period 1 April 2020 to 31 August 2020. The issuance of shares is nil in cash consideration.
- ^c On 17 November 2020, the Company successfully completed a capital raising of \$2 million by the issue of 86,956,522 ordinary fully paid shares at an issue price of \$0.023 each. The Placement was undertaken within the Company's existing placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A. The new investors were not related parties of the Company.
- ^d On 15 December 2020, the Company issued a total of 4,312,530 ordinary full paid shares at a deemed issue price of \$0.024 per share to eligible employees pursuant to the Employee Incentive Plan approved by shareholders in recognition of their contributions to the Company throughout the year during the coronavirus pandemic period. The issuance of shares is nil in cash consideration.
- ^e On 6 August 2021, the Company issued a total of 1,500,000 ordinary fully paid shares at nil monetary consideration to the eligible employees under the Employee Incentive Plan approved by shareholders as Joining Shares which are subject to a 12-month holding lock from the date of issue.
- ^f On 6 September 2021, the Company issued a total of 1,000,000 ordinary fully paid shares at nil monetary consideration to the eligible employee under the Employee Incentive Plan approved by shareholders as Joining Shares which are subject to a 12-month holding lock from the date of issue.

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

DIVIDENDS

No dividends were paid or proposed during the half-year ended 30 September 2021 (31 March 2021: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 — SEGMENT REPORTING

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about the components of the group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Company's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the chief operating decision maker.

As at 30 September 2021, the Group operated in two business segments being the telecommunication and solutions business segments.

During the current period, the chief decision makers have been reviewing operations and making decisions based on the supply and provision of telecommunications as a single operating unit. Internal management accounts are consequently prepared on this basis.

	PERIOD ENDED 30 SEPTEMBER 2021			YEAR ENDED 31 MARCH 2021		
	TRAVEL \$	SOLUTIONS \$	TOTAL \$	TRAVEL \$	SOLUTIONS \$	TOTAL \$
Segment and group revenue	1,248,356	78,711	1,327,067	2,465,355	54,648	2,520,003
Segment and group cost of sales	(527,097)	(21,831)	(548,928)	(3,496,329)	(10,044)	(3,506,373)
Other income and forex gains	-	-	64,511	-	-	(107,544)
Administration and operating expenses	-	-	(2,709,720)	-	-	(1,319,959)
Depreciation and amortisation	-	-	(7,001)	-	-	(25,608)
Group profit/ (loss) for the period/year	721,259	56,880	(1,874,071)	(1,030,974)	44,604	(2,439,481)
Net cash used in operating activities	-	-	(1,154,507)	-	-	(538,521)
Net cash (used in)/from investing activities	-	-	(32,049)	-	-	2,335
Net cash (used in)/provided by financing activities	-	-	(4,628)	-	-	2,888,365
Net cash inflow	-	-	(1,191,184)	-	-	2,352,179
Asset	-	-	1,976,898	-	-	3,406,554
Liabilities	-	-	6,884,304	-	-	6,789,823

NOTE 9 — FINANCIAL INSTRUMENTS

The accounting policies and methods of computation adopted are consistent with those of the previous year and corresponding half-year.

The Directors consider that the carrying value of the financial assets and financial liabilities as recognised in the consolidated financial statements approximate their fair values.

NOTE 10 — SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

On 14 April 2021, the Company invested 100% in Flexiroam Global FZCO which was incorporated in Dubai, United Arab Emirates, as a Free Zone Company under the Dubai Silicon Oasis Authority.

On 27 April 2021, the Board appointed Marc Barnett as the Group's Chief Executive Officer and Executive Director with a base salary of A\$350,000 per annum. Jeffrey Ong has taken up the role of Chief Innovation Officer and Tat Seng Koh has transitioned from Executive Director to Non-Executive Director.

At the Annual General Meeting held on 19 August, shareholders approved the issue of the following equity securities:

- 10,000,000 zero exercise price CEO Options to Mr. Marc Barnett or his nominee (**CEO Options**);
- 10,000,000 CEO Performance Rights to Mr. Marc Barnett or his nominee (**CEO Performance Rights**);
- An Executive Performance Right representing Shares to a maximum value of A\$175,000 to Mr. Marc Barnett; and
- An Executive Performance Right representing Shares to a maximum value of A\$60,000 to Mr. Jeffrey Ong (**Executive Performance Rights**),

on the terms and conditions outlined in the notice of annual general meeting and in accordance with the terms and conditions of the Company's Employee Incentive Plan. The securities were issued on 23 August 2021 and have various vesting conditions, including financial and non-financial performance measures for each executive.

Share-based payment expense of A\$0.6m was recorded in the half-year to 30 September 2021 in relation to the above securities and other securities issued to employees under the Company's Employee Incentive Plan.

On 6 August 2021 and 6 September 2021, the Company successfully allotted and issued 1,500,000 and 1,000,000 fully paid ordinary shares at nil monetary consideration to the eligible employees under the Employee Incentive Plan approved by shareholders as Joining Shares respectively, which are subject to a 12-month holding lock from the date of issue.

NOTE 11 — SIGNIFICANT EVENTS AFTER 30 SEPTEMBER 2021

Except for the events described below, there were no matters or circumstances arising since the end of the reporting period that have significantly affected, or may significantly affect the operations of the Group or the state of affairs of the Group in the financial period subsequent to 30 September 2021.

The company undertook a capital raise of A\$1.5 million, which was completed on 22 October 2021. The placement of 37,500,000 fully paid ordinary shares at an offer price of A\$0.04 per share, was an 18% premium to the stock's last closing price. The funds were raised from existing professional and sophisticated investors including two current large shareholders of the Company.

The funds raised will be used to execute on Flexiroam's growth initiatives, including:

- Developing new eSIM solutions to capture Internet of Things (IoT) demand, with a focus on pursuing highly scalable and recurring opportunities
- Executing on the growing pipeline of Flexiroam Solutions growth opportunities
- Hiring Sales & Engineering resources across Europe to increase capacity and capability
- Driving global penetration and substantial revenue expansion in FY23

NOTE 12 — COMMITMENTS AND CONTINGENCIES

There has been no change in contingent liabilities and commitments since the last annual reporting date.

NOTE 13 — RELATED PARTY TRANSACTIONS

Other than the transactions detailed elsewhere in the financial statements, there are no related party transactions during the financial period.

DIRECTORS' DECLARATION

In the opinion of the Directors of the Group:

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Group's financial position as at 30 September 2021 and of its performance for the half-year then ended; and
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Board



Marc Barnett

Chief Executive Officer

Signed on this 1st day in November 2021

FLEXIROAM LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Flexiroam Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year consolidated financial report of Flexiroam Limited, which comprises the consolidated statement of financial position as at 30 September 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity (or "Group") comprising Flexiroam Limited and the entities it controlled at the half-year's end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Flexiroam Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group's financial position as at 30 September 2021 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 Going Concern section, which indicates that the Group incurred a loss for the half-year to 30 September 2021 of \$1,874,071 and net cash outflows of \$1,154,507. As at 30 September 2021 the group had a deficiency in net assets of \$4,907,406.

As stated in Note 1, these events and conditions along with other matters set forth in Note 1, indicate that a material uncertainty exists that may cast doubt on the ability of the Group to continue as a going concern. Our conclusion is not modified in respect of this matter.

Basis for Conclusion

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Flexiroam Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



FLEXIROAM LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT

Directors' Responsibility for the Half-Year Financial Report

The directors of Flexiroam Limited are responsible for the preparation of the consolidated half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 30 September 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Rothsay Audit & Assurance Pty Ltd

Director

Sydney, 1 November 2021

CORPORATE INFORMATION

This half-year report is for Flexiroam Limited and its controlled entities. Unless otherwise stated, all amounts are presented in \$AUD.

DIRECTORS

Jefrey Ong
Tat Seng Koh
Thian Choy Ong
Marc Barnett

COMPANY SECRETARY

Natalie Teo Shu Qing

REGISTERED OFFICE

15 McCabe Street, North Fremantle,
Western Australia 6159

PRINCIPAL PLACE OF BUSINESS

Lot 4-401 & 4-402, Level 4, The Starling Mall,
No. 6, Jalan SS21/37, Damansara Utama,
47400 Petaling Jaya, Selangor, Malaysia

AUDITORS

Rothsay Audit & Assurance Pty Ltd
Level 1/12 O'Connell Street, Sydney NSW 2000

BANKERS

National Australia Bank
100 St Georges Terrace, PERTH WA 6000

SHARE REGISTRY

Advanced Share Registry
110 Stirling Highway, NEDLANDS WA 6009

Ph : 08 9389 8033

Fax : 08 9262 3723

SECURITIES EXCHANGE LISTING

Flexiroam Limited shares are listed on the
Australian Securities Exchange (ASX code : FRX)

WEBSITE

www.flexiroam.com

CONTACT INFORMATION

Ph: +61281883919

Email: investor@flexiroam.com

FLEXIROAM