

27 July 2018

Company Announcements Office  
ASX Limited

Flexiroam Limited (“Flexiroam”) (ASX:FRX) is pleased to provide its Appendix 4C and Quarterly Report for Q1 FY19.

## Key Performance Highlights

- Flexiroam’s global territorial reach continues to expand, with current subscribers originating from over 126 countries across 6 continents.
- During Q1 FY19 three (3) distribution partnerships were signed for market expansion into Brazil, Bolivia and China. These partnerships are expected to generate over USD 400,000 in revenue.
- Subscribers and users continued to grow by 69% and 186% respectively in Q1 FY19 compared to Q1 FY18.
- The total number of users who made repeat purchases increased by 40% as at end of Q1 FY19.
- Cash revenue generated in Q1 FY19 was AUD1.4M, representing growth of 208% compared to cash revenue generated in Q1 FY18. This cash revenue generated in Q1 FY19 represents 44% of the total cash revenue for the entire FY18.

## Subscriber and User Growth

Since launching Flexiroam X in 2016, Flexiroam’s global territorial reach continues to expand. Presently Flexiroam’s subscribers originate from over 126 countries across 6 continents. The top five (5) markets are Malaysia, Singapore, Indonesia, United Arab Emirates and Taiwan.

Subscribers and users continued to grow by 69% and 186% respectively in Q1 FY19 compared to Q1 FY18.

This increase in subscribers and users is largely due to the diversified marketing strategies adopted by the Company, coupled with innovative product offerings. In addition the recent strategic distribution partnership entered into is expected to contribute to this growth.

## Cash Sales

Cash receipts from users during Q1 FY19 grew by 208% to almost AUD1.5 million compared to Q1 FY18. The cash receipts generated during Q1 FY19 also represents the highest level of cash inflow for the past 7 consecutive quarters. Cash sales during Q1 FY19 alone represent 44% of total sales for the entire FY18. The growth in cash revenue is due to the Company’s growing user base as well as revenue from recurring users, which currently make up 40% of total users.

## Improved Cash Flow

The Company anticipates the usage growth and consequent cash receipts will continue. During Q1 FY19, Flexiroam continued to pursue its cost optimisation efforts, ensuring available resources are managed efficiently whilst continuing to plan for global market growth.

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# FLEXIROAM

## Distribution Partnerships

During Q1 FY19, Flexiroam entered into 3 new distribution partnerships as part of its strategies for global expansion. These distribution partnerships were signed for market expansion into Brazil, Bolivia and China, and are expected to generate over USD 400,000 in revenue.

**Jeffrey Ong, the CEO of Flexiroam commented:** “We are seeing very encouraging positive traction in Q1 FY19 performance in growth of new users and repeat users, which is being reflected in increased cash revenue. The recent distribution partnerships entered into, which included an order of over USD400,000, will also contribute positively to FY19 performance and wider global reach of our products, services and brand.”

“The first quarter has proven that there is great potential in what we are doing and I am very excited to see where this financial year might take us” he added.

-END-

## 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:

#### Flexiroam Limited

Jeffrey Ong  
Managing Director  
T: +61-8-60016068  
E: investor@flexiroam.com

#### Investor Relations

Jason Khoo,  
Vice President, Global Business Development  
T: +61-8-60016068  
E: biz@flexiroam.com

## 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")**

30 June 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,498	1,498
1.2 Payments for		
(a) research and development	(113)	(113)
(b) product manufacturing and operating costs	(726)	(726)
(c) advertising and marketing	(543)	(543)
(d) leased assets	-	-
(e) staff costs	(244)	(244)
(f) administration and corporate costs	(71)	(71)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(80)	(80)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(278)</b>	<b>(278)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
	(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)	-	-
	Other - Cash acquired from Flexiroam Asia Limited	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	54	54
3.6	Repayment of borrowings	(4)	(4)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>50</b>	<b>50</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	792	792
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(278)	(278)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	50	50
4.5	Effect of movement in exchange rates on cash held	(45)	(45)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>519</b>	<b>519</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	519	792
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>519</b>	<b>792</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

<b>Current quarter \$A'000</b>
79

Director fees, consultancy fees and salaries.

**7. Payments to related entities of the entity and their associates**

- 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

<b>Current quarter \$A'000</b>
-
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8. <b>Financing facilities available</b> <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. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	(119)
9.2 Product manufacturing and operating costs	(1,235)
9.3 Advertising and marketing	(241)
9.4 Leased assets	-
9.5 Staff costs	(266)
9.6 Administration and corporate costs	(143)
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>(2,004)</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	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:  .....  
(Director/Company secretary)

Date: 27 July 2018 .....

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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