

## QUARTERLY UPDATE – June 2022

***Flexiroam grows revenue 30% quarter on quarter with monthly and quarterly data usage higher than 2019 peak***

**Flexiroam Limited (ASX:FRX)**, (“Flexiroam”, “Company” or the “Group”) is pleased to present the following quarterly activities report, together with its Appendix 4C for the period ended 30 June 2022 (Q1FY23).

### Key Highlights:

- Cash receipts of A\$1.73m, up 20% on the previous quarter (Q4FY22: A\$1.44m) and up 369% on the prior corresponding period (Q1FY22: A\$0.37m)
- Revenue of A\$1.60m, up 30% on the previous quarter (Q4FY22: A\$1.23m) and 200% on the prior corresponding quarter (Q1FY22: A\$0.53m), exceeding Q1 budget by 11%
- Continued strong growth across key Travel performance metrics, with subscribers up 23% to 54.2k (Q4FY22: 44.1k), eSIM activation up 59% to 15k (Q4FY22: 9k), Data sold up 37% to 139.2TB (Q4FY22: 101.7TB) and monthly active users up 48% to 22.9k (March 22: 15.5k)
- Internet of Things (IoT) deals signed with Lutikey Smartwatches, Internet 4 Crew and Ship to Shore. Pine Labs mPOS connectivity agreement expanded to cover the United Arab Emirates
- Partnership with Gordian Software, where Flexiroam’s eSIM connectivity will be offered as an ancillary product to customers of leading airlines and online travel agencies
- Re-signed agreement for the third consecutive year to provide connectivity to the 24<sup>th</sup> International AIDS Conference (AIDS2022), including associated pre-conferences
- Cash balance of A\$3.58m at 30 June 2022. Q1 net cash outflow of A\$0.63m (inclusive of legacy data cost payments from 2020 of A\$0.13m), 21% lower compared to previous quarter excluding capital raising (Q4FY22: A\$0.79m\*).
- Steve Picton appointed as a Non-Executive Director, effective 1 June 2022

Commenting on the progress made during the first quarter of FY23, Chief Executive Officer Marc Barnett said: “The first quarter of the 2023 financial year saw Flexiroam continue to scale the Travel business, with significant growth in data usage and active users that shows no signs of slowing down. The Solutions business continues to enter new verticals (wearable technology and maritime connectivity), signing deals with Lutikey, Internet 4 Crew and Ship to Shore.”

“To ensure we are providing the best possible offering to our customers, we have focused on implementing enhancements across our Solutions platform. Over the quarter, our Engineering Team has improved the client experience and the stability, recoverability, and scalability of our backend services. These changes provide a strong base for our continued growth across our key Solutions verticals.”

*\* Exclusive of capital raise of A\$2.7million*

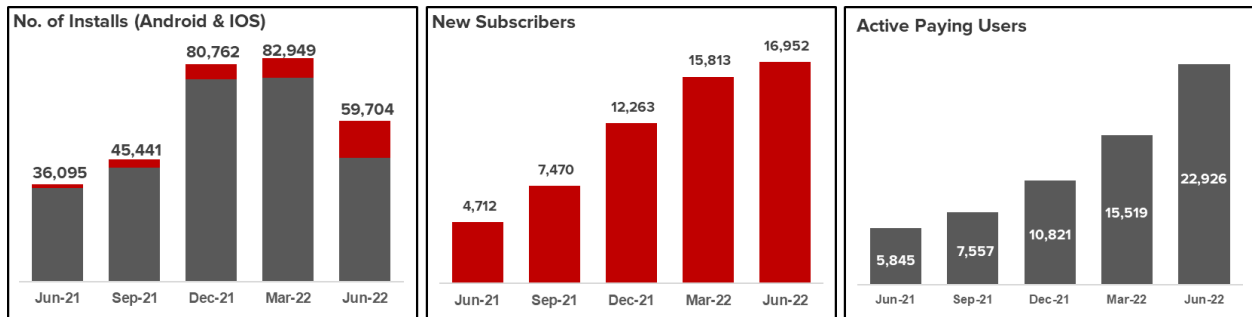
# FLEXIROAM

“It is great to have Steve Picton join our Board as a Non-Executive Director of Flexiroam. Steve is a highly experienced and seasoned executive with over 35 years’ of technology and telecommunications leadership experience, and I look forward to his valued contributions as we rapidly scale. I would also like to recognise the contributions of David Ong, our largest individual shareholder, who stepped down from his role as Non-Executive Director, to pursue other interests. On behalf of the Board, I would like to thank David for his many years of service.”

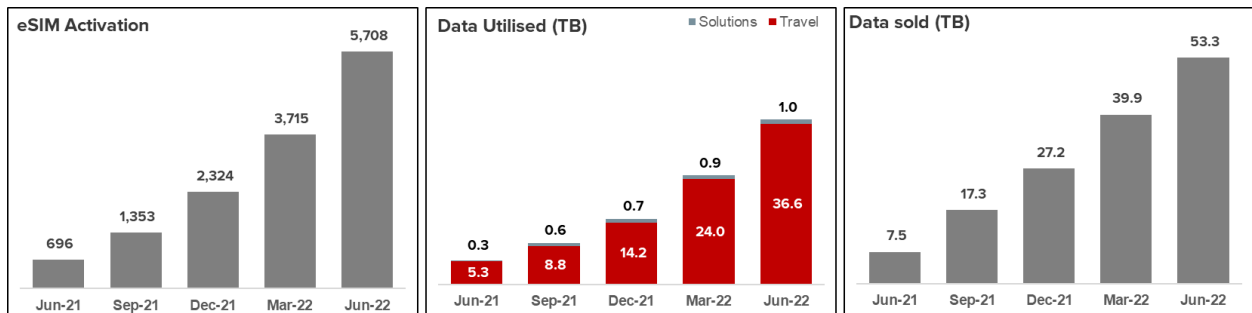
“We are successfully executing on our growth plans and I am very excited about the opportunities ahead of us. We expect our Solutions revenue to scale up over upcoming quarters as we continue to roll out existing deals and execute on our pipeline of opportunities. While our Product and Engineering Teams committed to ongoing improvement and development of new solutions that can be rolled out globally, our Sales Team is engaged with multiple opportunities, positioning us well to continue to grow throughout the remainder of FY23.”

## Sustained growth in operational metrics

Flexiroam continued to deliver improved performance across all key operating metrics during Q1FY23. The user base continued to grow with new monthly subscribers increasing to 16.9k, up 7% on the previous quarter (March 22: 15.8k). Total installs reduced to 59.7k (Q4FY22: 82.9k) as the focus shifted toward iOS users, yielding better conversion metrics. Monthly active paying users increased to 22.9k, up 48% from the previous quarter (March 22: 15.5k). eSIM activations continued to scale up to 5.7k, increasing by 54% compared to the previous quarter (March 22: 3.7k)



Monthly data sold increased to 53.3TB, up 34% from Q4FY22, while data utilised increased to 36.6TB, up 53% from the previous quarter. The increase in new users and data sold is a forward indicator of revenue, while the increase in data utilisation indicates increased travel frequency and active adoption of the Flexiroam product whilst roaming. In Q1, Flexiroam serviced users from 178 countries in 147 destinations.



# FLEXIROAM

Flexiroam Solutions provide connectivity to a range of verticals including mPOS, transport, maritime and other IoT clients. During Q1, the number of cumulative billed IoT devices increased by 31% to 169k (Q4FY22: 129k), as clients signed in Q4FY22 were onboarded. With several new IoT customers signing contracts in Q1, Flexiroam anticipates the number of billed devices to grow beyond 1 million by the end of the financial year.

## **Travel partnerships**

During Q1, Flexiroam signed a partnership with Washington-based Gordian Software, a leading B2B technology platform providing solutions for airlines and online travel agencies to sell ancillary services to travel customers, via API integration. Gordian will be adding Flexiroam as the default ancillary for mobile data services globally, providing exposure to a vast network of potential Travel customers, via partners including Trip.com, lastminute.com, Priceline, Qantas, American Airlines and British Airways.

Flexiroam also managed to secure a deal with South-African insurance provider, Discovery Insure, to offer travel rewards to their customers by pre-purchasing discounted data packages. This allows Discovery Insure to provide an instant and safe network connectivity to their policyholders.

## **Flexiroam Solutions customer base significantly expanded**

Flexiroam's Sales Team established new partnerships to grow the Solutions business during the quarter, entering the Wearable Technology and Maritime verticals. New agreements continue to increase the visibility of Flexiroam's connectivity solutions and will lead to growth in data consumption, cash receipts and recurring revenue over time, as contracts scale.

### Wearables vertical

Flexiroam signed its first wearable technology deal with Lutikey LLC, a US based company that manufactures LutiBand Smartwatches for seniors. Under the agreement, Flexiroam will provide IoT connectivity to a minimum of 10,000 LutiBand Smartwatches which allow seniors and people with pre-existing medical conditions to be protected via geo-location, biometrics sensors and interconnections with emergency services, in the case of emergencies. The three-year agreement will provide a minimum annual volume commitment of A\$135k which is expected to grow as the number of devices and data consumption increases.

### mPOS Connectivity

Flexiroam continued to build its mPOS customer base, extending its existing Malaysian connectivity agreement with Pine Labs to now cover the United Arab Emirates. Pine Labs is a leading merchant commerce business that provides payment acceptance and merchant commerce solutions to customers in India, the Middle East and Southeast Asia. The deal provides monthly recurring revenue, which will increase as additional devices are rolled out.

# FLEXIROAM

As at the end of Q1FY23, Flexiroam has distributed 120k SIMs across mPOS clients with 58k connected devices, contributing 93% of total Solutions revenue. The total number of connected devices is expected to expand through replacements and new device rollouts from existing and new clients across multiple regions.

## Maritime Communications

Following the success of its first Maritime Communications deal signed with Nearshore Networks, Flexiroam signed connectivity agreements with Internet 4 Crew and Ship to Shore to build out this vertical.

Internet 4 Crew is a leading provider of prepaid eSIM connectivity plans for workers aboard cruise and working vessels, with customers based principally in Europe, the UK, Mexico and the United States. There is a high demand for Internet 4 Crew products, with over 200,000 eSIM products sold in the last 5 years. Demand is expected to significantly increase with maritime travel picking up as recreational cruises return. Flexiroam will leverage this demand by providing a white-label data reselling solution to Internet 4 Crew for an initial term of one year, with its customers receiving global connectivity while working at sea.

Subsequent to quarter end, Flexiroam secured another maritime communications agreement with Ship to Shore Solutions, a connectivity company providing innovative satellite communications and IT solutions to marine businesses. Ship to Shore will access Flexiroam's network to supply data to superyachts under its management. Data will be accessed by vessels within the UK and Europe, with data being pre-paid to cover the 4 month term and the option to purchase additional data when required.

## White label travel connectivity

Following the successful launch of Flexiroam's white label offering in Q3FY22, Simly Store has signed a white label connectivity agreement for a two-year term. Simly Store is a leading provider of prepaid SIM cards for international travelers in Germany, with high demand from its customer base of 80,000 users for US data plans, primarily via eSIM. Flexiroam will power Simly Store's offering with its network switching technology, ensuring customers have reliable and stable connections globally.

## **Powering International AIDS conference**

During the quarter, Flexiroam signed on to provide connectivity to the 24<sup>th</sup> International AIDS Conference, following its success for the two prior conferences. Flexiroam will provide data connectivity to conference delegates in Africa, South America & Caribbean Islands, Asia Pacific, Europe and North America, for them to participate in the hybrid conference to be hosted in Montreal, Canada.

# FLEXIROAM

## Continued strong financial performance

The Company delivered revenue of A\$1.60 million, a significant increase of 200% on the prior corresponding period (Q1FY22: A\$0.53m) and up 30% compared to the previous quarter (Q4FY22: A\$1.23m). This resulted in exceeding the Q1 budget by 11%.

Flexiroam received cash receipts of A\$1.73 million up 20% on the previous quarter (Q4FY22: A\$1.44m) and up 369% on the prior corresponding period (Q1FY22: A\$0.37m). Cash receipts from Solutions increased 1,451% from the prior corresponding period to A\$163K, to now make up 9% of total cash receipts.

Payments to Related Parties and their associates during Q1FY23 were comprised of executive director salaries and fees and non-executive director fees of approximately A\$135k. Flexiroam ended the quarter with a strong cash balance of A\$3.58 million, which supports the Company's strategic growth plans.

## Investor Webinar

Flexiroam CEO Marc Barnett will host an investor webinar regarding the Company's quarterly update on **Tuesday, 2<sup>nd</sup> August 2022 at 3:00pm AEST**. The presentation will be followed by a Q&A session.

For those wishing to join the webinar, pre-registration is required by following the link below:

[https://us02web.zoom.us/webinar/register/WN\\_FnT3NRv2TqCPllh53sngw](https://us02web.zoom.us/webinar/register/WN_FnT3NRv2TqCPllh53sngw).

-END-

# FLEXIROAM

## AUTHORISED BY THE BOARD OF DIRECTORS

### Corporate Inquiries

Marc Barnett, CEO & Executive Director  
Telephone: +61 2 8188 3919  
Email: [investor@flexiroam.com](mailto:investor@flexiroam.com)

### Investor Inquiries

Market Eye  
Justin Foord  
Telephone: +61 2 8097 1200  
Email: [justin.foord@marketeye.com.au](mailto:justin.foord@marketeye.com.au)

## ABOUT FLEXIROAM

*Founded in 2011 by Jeffrey Ong, CIO and Executive Director, Flexiroam Limited (ASX:FRX) started with a mission to push the boundaries of communications. What began as a solution for travellers needing seamless mobile data at competitive rates, has evolved beyond the consumer travel market.*

*Flexiroam provides connectivity across any device, in any part of the world for any application. The Company is a superconnector for people and machines globally. Flexiroam's versatile network now spans across 520 network operators in over 200 countries and territories, making it the preferred service for consumers and businesses worldwide.*

*For further information, please visit <https://www.flexiroam.com/>*

### **Disclaimer**

*This announcement contains "forward-looking statements" concerning Flexiroam and its operations, economic performance, plans and expectations. Without limiting the foregoing, statements including the words "believes", "anticipates", "plans", "expects", and similar expressions are also forward-looking statements.*

*Forward-looking statements reflect, among other things, Flexiroam's plans and objectives for future operations, current views with respect to future events and future economic performance and projections of various financial items. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ from those expressed or implied by forward-looking statements. Factors that may cause actual results to differ materially include, among other factors, general economic conditions in Australia and globally, competition in the markets in which Flexiroam does and will operate, technological innovation and business and operational risk management.*

*The forward-looking statements contained in this announcement should not be taken as implying the assumptions on which the projections have been prepared are considered correct or exhaustive. Readers are cautioned not to unduly rely on these forward-looking statements and the Company undertakes no obligation to update or revise the forward-looking statements except as required by law.*

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

FLEXIROAM LIMITED
-------------------

**ABN**

ACN 143 777 397
-----------------

**Quarter ended ("current quarter")**

30 JUNE 2022
--------------

<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	1,730	1,730
1.2 Payments for		
(a) research and development	(144)	(144)
(b) product manufacturing and operating costs	(1,102)	(1,102)
(c) advertising and marketing	(389)	(389)
(d) leased assets	-	-
(e) staff costs	(546)	(546)
(f) administration and corporate costs	(234)	(234)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(83)	(83)
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>(768)</b>	<b>(768)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(29)	(29)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(29)</b>	<b>(29)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
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>-</b>	<b>-</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 period	4,211	4,211
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(768)	(768)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(29)	(29)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-



## Quarterly cash flow report for entities subject to Listing Rule 4.7B

4.5	Effect of movement in exchange rates on cash held	170	170
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,584</b>	<b>3,584</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	3,584	4,211
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>3,584</b>	<b>4,211</b>

**6. Payments to related parties of the entity and their associates**

6.1	Aggregate amount of payments to related parties and their associates included in item 1	135
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter  
\$A'000**

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

## Director fees, consultancy fees, and salaries

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-
7.2	Credit standby arrangements	-
7.3	Other (please specify)	-
<b>7.4</b>	<b>Total financing facilities</b>	<b>-</b>

**7.5 Unused financing facilities available at quarter end**

-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Not applicable

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	(768)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	3,584
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	3,584
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>4.67</b>

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

## Compliance statement

- 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.

Date: 19 July 2022

Authorised by: The Board of Flexiroam Limited

## Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow 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 cash flow 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.
- 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.
- If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.