

19 APRIL 2024

FlexiRoam delivers positive cash flow in Q3 and successfully raises A\$2M

Q3 FY24 UPDATE – January to March 2024

FlexiRoam Limited (ASX: FRX), ("FlexiRoam", "Company" or the "Group") is pleased to announce its results and Appendix 4C for the three months ended 31 March 2024.

Key highlights:

- Revenue increased 44% YoY, driven by growth in travel retail & corporate partnerships
- Cash receipts increased 25% YoY, predominantly from growth in corporate partnerships
- Gross Margin improved 100% YoY, driven by growth in revenue and significant reductions in data costs (down 42% YoY)
- Achieved positive Operating Cash Flow of A\$834k (274% improvement QoQ)
- New Branding and Retail offerings to consumers launched in Q3 FY24
- Current Executive Chairman, Steve Picton appointed as CEO
- Established a highly experienced Advisory Board to assist with the execution of its revised Corporate Strategy across its core Travel segment and Channel Partners

Financial Performance

During the quarter, the Company reported a revenue increase of 44% YoY to A\$3.91M (Q3 FY23: A\$2.71M) and up 2% QoQ (Q2 FY24: A\$3.82M).

Gross profit jumped 100% YoY to A\$3.29M (Q3 FY23: A\$1.65M) and up 29% QoQ (Q2 FY24: A\$2.5M). This growth was primarily driven by the increase in overall revenue coupled with significant reductions in unit data costs of 42% YoY (increased scale, deeper long-term partnerships and improved technology).

Cash receipts were A\$3.82M, up 25% YoY (Q3 FY23: A\$3.06M) and -3% lower QoQ (Q2 FY24: A\$3.91M). Net cash flow of positive A\$834k from Operating Activities A\$1.04M higher YoY (Q3 FY23: -A\$205k) and A\$612k higher QoQ (Q2 FY23: A\$223k). Cash outflows from Investing Activities for Q3 FY24 was A\$432k, with a cash balance of A\$2.48M as at 31 March 2024, inclusive of the Capital Raise of A\$1.48M.

Payments to Related Parties and their associates during the quarter were directors' fees, CEO salary and outgoing CEO expenses totalling A\$57k.

Appointment of CEO and Advisory Board, CFO stepping down

The Company's Executive Chairman, Mr Stephen (Steve) Picton, has been appointed as CEO of the Company, effective 6 February 2024, whilst Mr Marc Barnett, who has led FlexiRoam through a period of transformational growth, will step down and support Steve over the coming months to ensure a seamless management transition.



Steve is an experienced corporate executive with extensive experience in the technology and communications sector and joined the Company in June 2022 as a Non-Executive Director, before transitioning to the role of Executive Chairman in November last year.

A highly skilled Advisory Board has been established to assist with the execution of its revised Corporate Strategy across its core Travel segment, Channel Partners and Solutions segments. The Advisory Board is comprised of highly experienced professionals across the digital marketing, Online User Experience (UX), branding & image, Carrier, technology and finance industry sectors. Importantly, the Advisory Board will add to and complement the existing skills of the FlexiRoam Board and management team.

The Advisory Board is comprised of:-

- Shai Luft, Co-Founder of Bench Media, with a 25-year track record of creating and growing businesses across telco, health, education, travel and more;
- Jennifer Peace, who has worked at the forefront of leading marketing, brand, advertising and start-up companies for over 25 years, with a career spanning across Europe, Asia and Australia; and
- James Sutton, founder of Studio LDN, a Human Experience (HX) agency, has expertise spanning over 20 years of leading HX/CX/UX projects with customer-centric thinking and robust customer research methodologies. James has led many design teams to build beautiful digital experiences and products in the start-up and enterprise space in both the UK and Australia.

Aik Kuang (AK) Heng will be stepping down as Chief Financial Officer (CFO), effective 10 May 2024. In the interim, Damien Stephens, has been appointed as Chief Commercial Officer and takes over the Chief Financial Officer responsibilities plus leadership of Carrier and Technology areas. Damien is a Chartered Accountant with over 25 years of commercial experience in the technology & telecommunications sectors both in Australia and internationally. Reporting to Damien, Li Choong Tan has been appointed to a new role of Head of Technology & Operations managing all aspects of the Company's technology development & operations as well as customer operations functions.

Capital raise of A\$2M via share rights issue

FlexiRoam has successfully completed its 1-for-15 non-renounceable entitlement offer of 43,434,509 fully paid ordinary shares at A\$0.023 per share (**New Shares**) and a private placement of 43,478,261 New Shares to raise a total of A\$1,998,994 before costs.

- From the recent March entitlement offer, acceptances were received for a total of 21,695,379 New Shares (including applications for additional New Shares) raising A\$498,994 and representing approximately 49% of the total Entitlement Offer amount.
- On 18 April 2024, the Company announced the completion of a placement of the remaining shortfall shares of 21,739,130 New Shares to a range of sophisticated Australian investors. This was completed at the same price as the initial Entitlement Offer, A\$0.023 per Share, raising A\$500,000 before costs.
- Together with the A\$1 million private placement (43,478,261 New Shares at the same issue price of A\$0.023 per New Share) to Executive Chairman and CEO, Steve Picton, the Company has successfully raised A\$2 million.

The capital raise will enable FlexiRoam to accelerate growth initiatives and invest in infrastructure upgrades and R&D initiatives, with additional marketing investment intended to increase efficiency and effectiveness of customer acquisition and retention.



Launch of new branding and strategy

During Q3, FlexiRoam has refreshed its branding and strategy with a focus to achieve rapid, profitable growth with an ambition to achieve a CAGR growth of two times the market growth over the next 5 years and attain 20% of the 'Challenger' eSIM traveller market.

The new strategy focuses on a few key strategic decisions:

- FlexiRoam has considered the eSIM market and determined that to win, scale rapidly and benefit from the positive tailwinds, it must remain laser-focused on the traveller market.
- By consequence, the current technology investment related to the IoT business market will be API-focused and deployed, with currently budgeted funds redirected to drive growth in the core travel market.
- Transitioning to a TravelTech company, focusing on Retail Travel and B2B sectors, with FlexiRoam seeking to service clients internationally, offering an extensive range of Global, Regional and Local Plans.
- The core Retail go-to-market strategy will be Digital Marketing supported by leading B2B2C channel partners, underpinned and informed by the Company's new solid brand platform.
- Growing Distribution and Wholesale partners will form a core element of FlexiRoam's scale aspirations.

Commenting on the 3Q results and the broader developments within the Company, CEO Steve Picton said: "These are a strong set of results that illustrate the huge potential for FlexiRoam in a highly attractive eSIM global travel roaming market. The successful capital raise of \$2M is an acknowledgment of this and in particular the participation of a number of new Australian sophisticated investors (Family Office and High Net Worth) further validates our strategy. We are quickly building our skills in the marketing & technology areas both internally and through the members of the Advisory Board. As a TravelTech business, our strategic goals and definition of success are aligned and well defined. We are passionate about what we do and our focus over the next 90 days will be to complete this transformation including the deployment of the key remaining elements in out technology plan. FY25 will then be about execution and a laser-focus on meeting our corporate goals."

Investor Webinar

FlexiRoam CEO, Steve Picton, will host an investor webinar regarding the Company's quarterly update on Tuesday, 7th May 2024 at 3:00pm AEDT.

For those wishing to join the webinar, pre-registration is required by following the link below: https://us02web.zoom.us/webinar/register/WN_s2fwaGLIS-CgfGknbAPvpQ

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AUTHORISED BY THE BOARD OF DIRECTORS



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ABOUT FLEXIROAM

FlexiRoam Limited (ASX: FRX) is the connectivity solution for a new era of travel. Globally, travellers are seeking a more flexible, spontaneous travel experience, facilitated by seamless data at competitive rates. FlexiRoam's versatile network spans 520 network operators in over 200 countries and regions, making it the preferred service for consumers and businesses worldwide. Our ability to provide a trusted global communications network for Partners adds solution values within our data service. And with a 'Customer at the Heart' ethos we live and breathe our purpose, 'to open-up global connectivity so that every person can experience the joy of flexible travel'.

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	Quarter ended ("current quarter")

ACN 143 777 397 31 MARCH 2024

Cor	nsolidated 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	3,816	10,775
1.2	Payments for		
	(a) research and development	(110)	(281)
	(b) product manufacturing and operating costs(c) advertising and marketing	(798) (636)	(4,150) (1,662)
	(d) leased assets	-	-
	(e) staff costs	(559)	(1,754)
	(f) administration and corporate costs	(782)	(1,731)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(97)	(357)
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	834	840

These numbers exclude expenditure directly attributable to software development activities that are capitalised as an intangible asset under Australian Accounting Standards. These capitalised costs are shown below in section 2.1(f).

2.	Cash flow	s from investing activities		
2.1	Payments to	acquire or for:		
	(a) entities		-	-
	(b) busines	sses	-	-
	(c) propert	y, plant and equipment	-	(26)
	(d) investm	nents	-	-
	(e) intellect	tual property	-	-
	(f) other no	on-current assets	(432)	(1,270)

ASX Listing Rules Appendix 4C (17/07/20)

Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	(432)	(1,296)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,483	1,483
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	-	400 ¹
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)	-	-
3.10	Net cash from / (used in) financing activities	1,483	1,883

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	760	1,299
4.2	Net cash from / (used in) operating activities (item 1.9 above)	834	840
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(432)	(1,296)

¹ Refer ASX announcement dated 14 September 2023 and the Quarterly Update and Appendix 4C – September 2023, which was released on 20 October 2023

Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,483	1,883
4.5	Effect of movement in exchange rates on cash held	(165)	(246)
4.6	Cash and cash equivalents at end of period	2,480	2,480

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	2,480	760
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)	2,480	760

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	57
6.2	Aggregate amount of payments to related parties and their associates included in item 2	_

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, Interim CEO Salary & Previous CEO Expenses

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.	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at qu	arter 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.		tional financing

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	834
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,480
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,480
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	Note: if the entity has reported positive not operating each flows in item 1.0. answer item	Q F as "NI/A" Otherwise a

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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

8.6.1 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

8.6.2 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

8.6.3 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

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 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.

Date: 19 April 2024

Authorised by: The Board of Flexiroam Limited

Notes

- 1. 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.
- 2. 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.
- 4. 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".
- 5. 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.