

**FLEXIROAM**

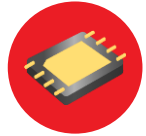
FY22 – Q4 Investor Webinar

April 19<sup>th</sup>, 2022



# FLEXIROAM

Providing seamless connectivity everywhere for anything



Early adopter of **eSIM** technology



One of the 13 worldwide **Apple certified** Global Service **Providers**



Enterprise grade **IoT** solutions

**...with instant access to 520+ mobile networks worldwide**



Listed on the Australian Securities Exchange in 2015  
(ASX: FRX)



## **Overview: Summarising the progress made in Q4 FY22**

### **Strong financial performance**

- Cash receipts of A\$1.4k, up 50% on the previous quarter (Q3FY22: A\$963k) and up 131% on the prior year (Q4FY21: A\$623k)
- Revenue of A\$1.2M, up 11% on the previous quarter (Q3FY22: A\$1.1M) and 96% on the prior corresponding period (Q4FY21: A\$631k)
- Solutions revenue contributed to 12% of total revenue for Q4FY22 (Q3FY22: 8%)
- Strong cash balance at end of March 2022 of A\$4.2 million following the completion of the A\$2.75m capital raise in Feb-22
- Reclassification of Unit Economics metrics is in progress to better recognise costs in the Solutions business and provide a clearer picture of the number of Travel customers required for the business to reach its breakeven point

### **Operational success**

- Significant improvement in key operating metrics including new subscribers (44.1k), monthly active users (15.5k) and data sold (101.7 TB)
- Solutions products continue to be rolled out for key customers, increasing the cumulative billed sims to 128k for the quarter, up 35% on the previous quarter (Q3FY22: 95k)
- Improvements in the marketing funnel following testing of increased installs leading to an increase in new user revenue and conversion percentages in the following month
- Provided connectivity to users from 175 countries in 149 destinations

## **Overview: Summarising the progress made in Q4 FY22**

### **Partnerships**

- Signed several multi-year deals with mPOS providers in Pine Labs, Razer Merchant Services and Seven7 Perfection
- Secured first Maritime communications agreement with Nearshore Networks, a 3-year agreement with a minimum data commitment of 24TB per annum
- Signed first wearable device manufacturer, Lutikey, for a 3-year deal with a minimum annual commitment of A\$135k
- Partnered with Discovery Health, a South African insurance provider, to offer travel rewards to their insurance policy holders, offering data packages
- Secured 3-year deal with vehicle telematics supplier, Asia Mobiliti Technologies, with initial annual revenue of A\$50k

### **Product**

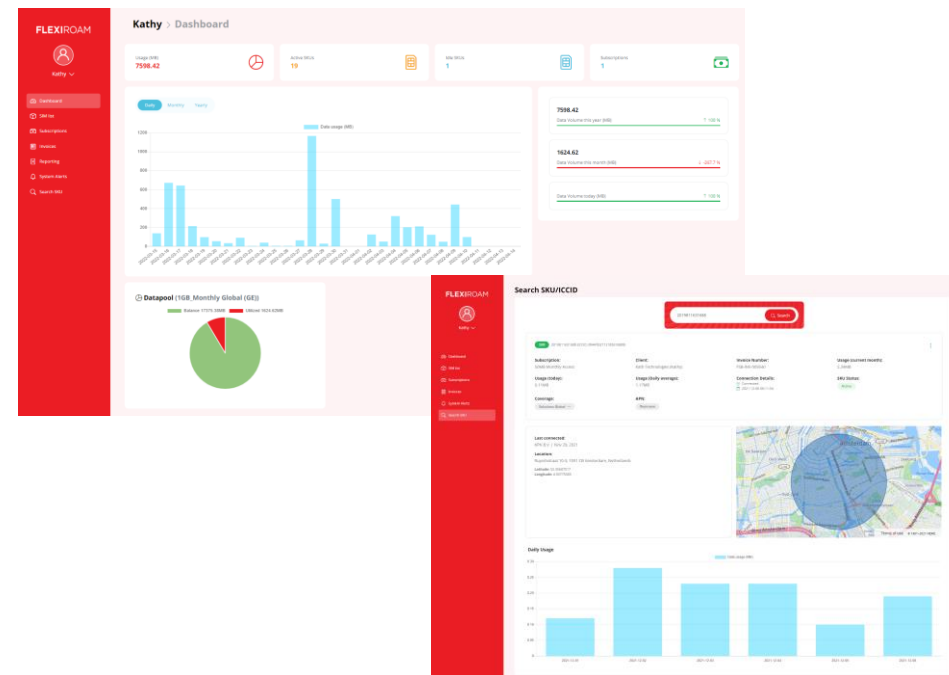
- Enhanced Solutions portal to allow clients to control and manage the allocation and provisioning of data
- Hired 4 new engineers in Eastern Europe, with start dates confirmed across April and May
- Successfully onboarded 6 key clients
- Implemented Apple Pay as a payment solution for iOS users
- Developed clear roadmap to reduce data cost and improve Solutions clients' experience

## Q4 Product Outcomes – Enhanced Solutions features to broaden use-cases

A significant amount of product development resources in Q4 were committed to enhancing the Solutions portal, where Solutions clients manage their Flexiroam activities. These improvements have enabled the onboarding of deals signed across Q3 & Q4 and as a result, enabled the product to service additional verticals

### Key Upgrades

- Improved client autonomy through the development of features that allow clients to control and manage the allocation and provisioning of data themselves
- Key developments include the allocation of data to SIMs, tracking of inventory and fulfillment processes, invoice and billing etc
- If required, Flexiroam is able to create bespoke subscription plans and perform bulk allocations at the client's request



As a result of these enhancements, Flexiroam was able to close a deal multiple new partnerships and progress positive conversations with several multi-national companies. Further enhancements are scheduled for Q1

## **Q4 Product Outcomes** – Onboarded key accounts, expanding engineering resources, with more open-roles to be filled

Successfully onboarded the following key clients



Wave Rewards



Nearshore Networks



Pine Labs



BP Mobile



Global Wireless



Razer Pay

Successfully hired several key product roles in Eastern Europe, with several more roles to fill



Hired 4 new engineers in Eastern Europe, with start dates confirmed across April and May

3 open product roles being actively recruited over the coming months

# Q1 FY23 Product Priorities

The focus of the Product team across Q1 will be on improving the client experience, reducing the cost of data and stabilising the backend for future exponential growth

## Provide solutions clients with the required control, visibility and security

- Improve the portal to support flexible and bespoke charging models
- Enhance available security features
- Optimize connectivity logic, selecting networks based on a client's selected priority

## Reduce Data Cost

- Integrate with new connectivity provisioning partners for the Solutions business
- Future proof the service to enable smoother switching of Telco partners as improved pricing and functionality becomes available

## Improve the stability, recoverability and scalability of our backend services

- Migration of source code for production services
- Expand uptime monitoring for all production services for real-time alerts
- Prepare the business for the planned exponential growth in customers and usage

## Summary of Key Deals in Q4



- Signed 3-year contract with Nearshore Networks, a top independent global maritime connectivity solutions supplier to energy markets. Flexiroam will provide connectivity to O&G maritime vessels travelling across Brazil, US, Europe & the Middle East. The agreement contains a data commitment of **24TB per annum**



- Signed 3-year contract with Lutikey LLC, manufacturer of wearable devices, to supply IoT connectivity to their smart devices. The agreement contains a minimum annual volume commitment of **A\$135k**



- Signed a 3-year agreement with transport telematics supplier, Asia Mobiliti Technologies, providing coverage to IoT devices installed in vehicles within Malaysia, Singapore and Thailand, with projected annual revenue of **A\$50k** initially and expected to increase over time



- Signed an agreement with Thingsdata in Jan-22 to provide Plug & Play IoT SIMs, powering data sensors in Europe. Our first Plug & Play module partnership, since December launch. **Initial revenue of A\$25k**



## Summary of Key Deals in Q4



- Signed agreement with Pine Labs to provide connectivity to mPOS devices located across Malaysia and India. Initial rollout will cover devices in Malaysia for an expected initial **annualised revenue of A\$40k**
- Pinelabs is expected to list on the US stock exchange at a US\$7B valuation



- Signed agreement with Razer Inc subsidiary, Razer Merchant Services to provide connectivity to mPOS devices located across Malaysia, starting with 5,000 sims. Expected initial **annualised revenue of A\$100k**
- Razer is listed on the HK stock exchange at a US\$2.7B valuation

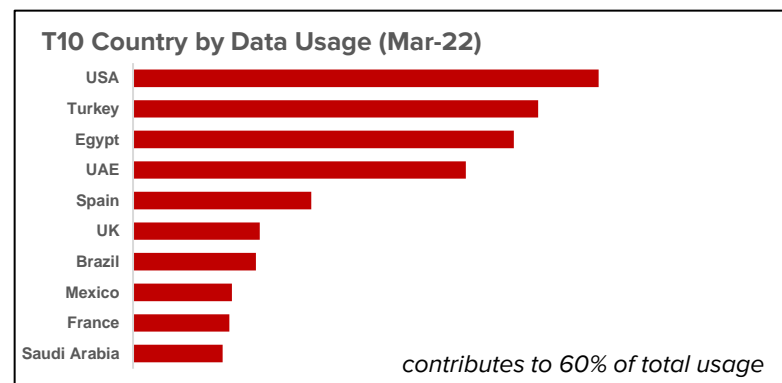
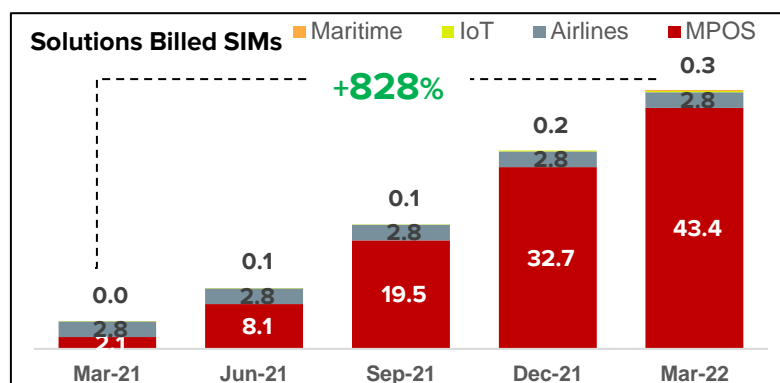
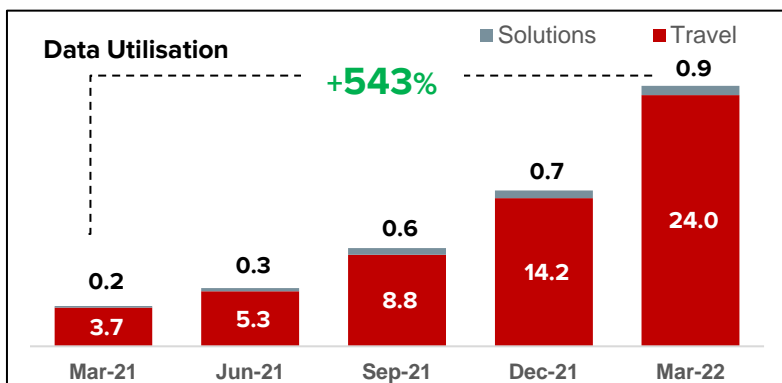
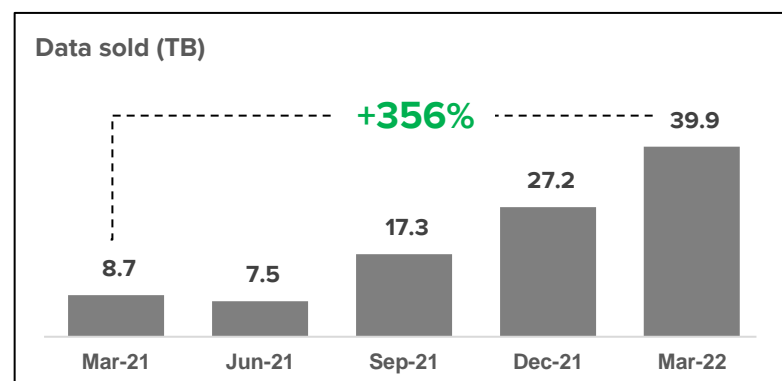
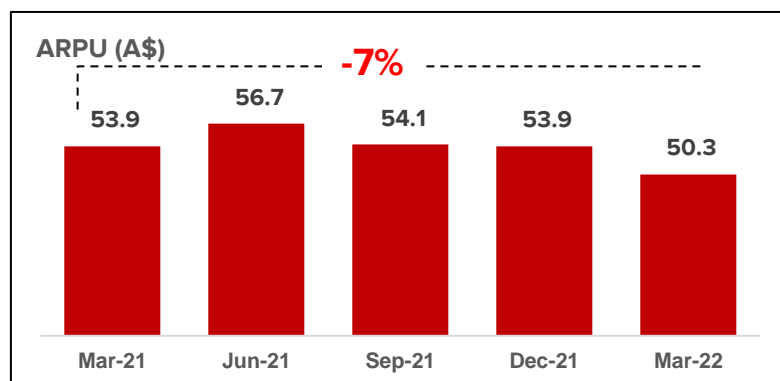
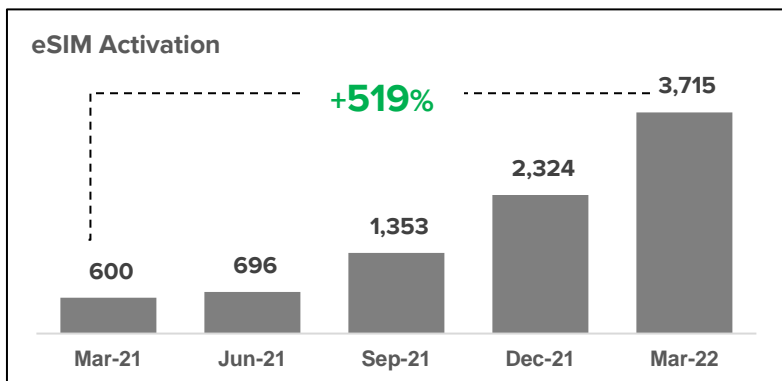
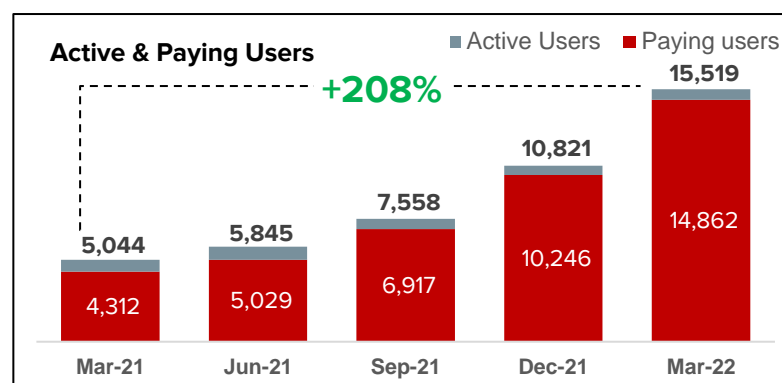
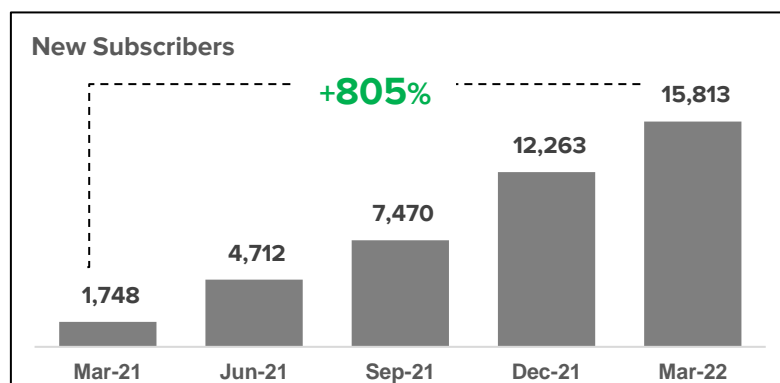
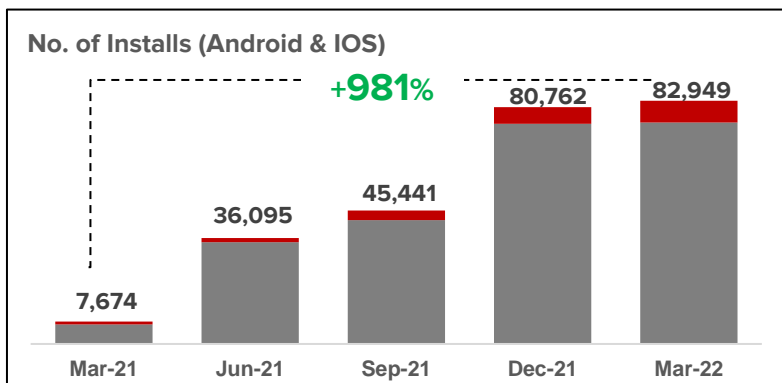


- Partnered with Discovery Health, a South African insurance provider, to offer travel rewards to their insurance policy holders, offering data packages
- Discovery Limited is listed on the Johannesburg Stock Exchange with a market cap of US\$7.9B



- Signed 3-year contract with Cycledios, a Smart Recreation Bicycle System Platform provider in Malaysia. Flexiroam will provide a data-pool service of secure network connectivity to enable Cycledios's customers to connect and rent their bikes at the rental location

# Key Metrics | Continual growth across key metrics



## Flexiroam Travel | Social Media Mentions



**Pat Cummins**  
Australian Cricket  
Team Captain

1M followers

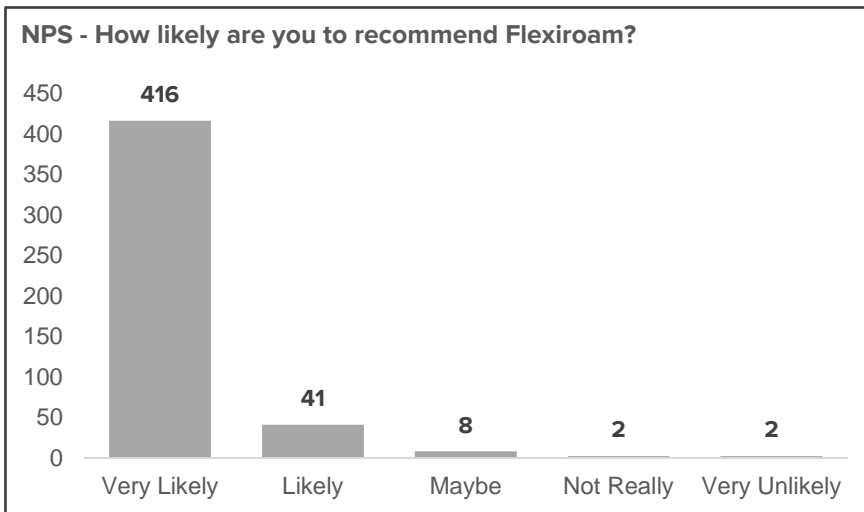
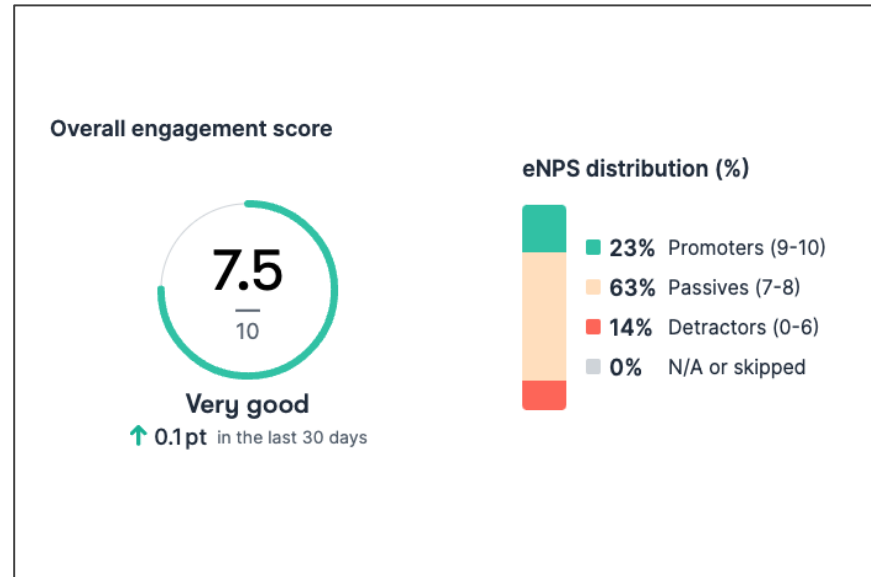
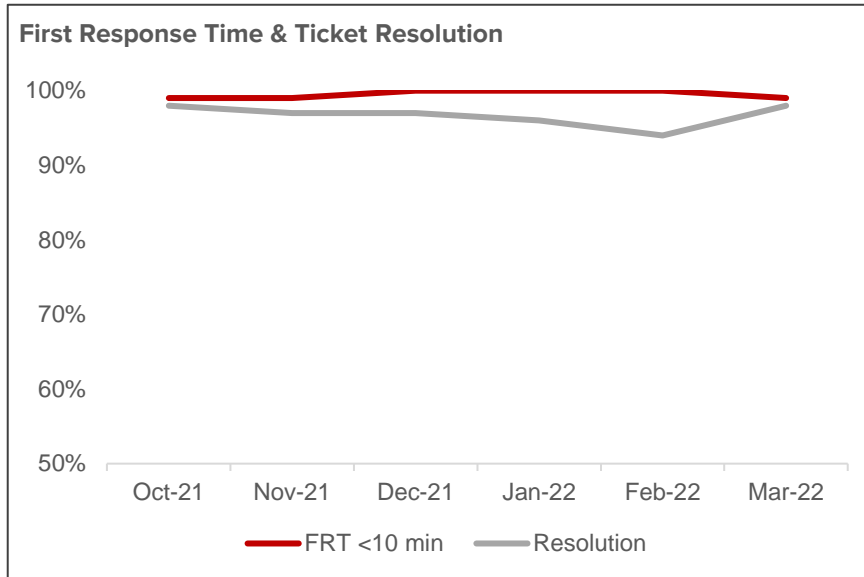


**Neroli Meadows**  
Australian TV  
Presenter

78k followers

Flexiroam travel App was recommended by Pat Cummins and Neroli Meadows in March























## Feedback | Customers & Staff continue to experience Flexiroam positively



# Financials | Q4-FY22 Key Highlights

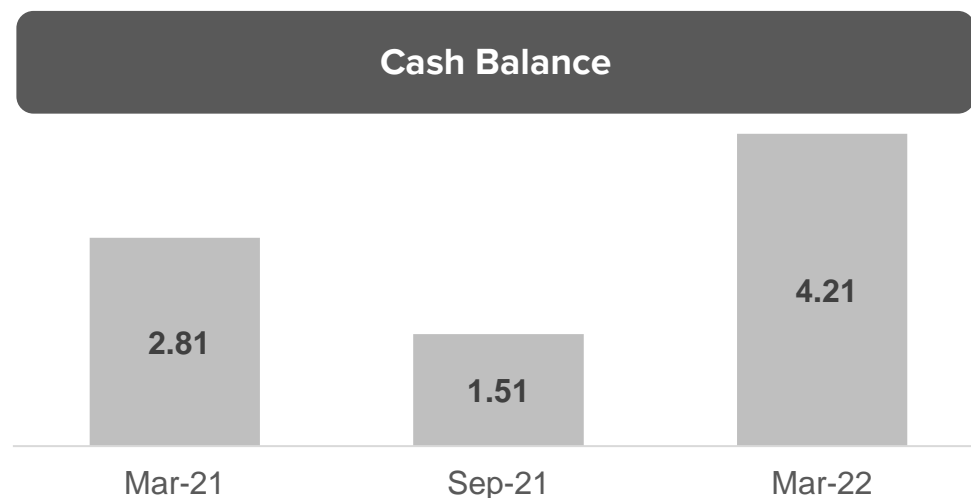
Continued strong growth of Revenue and Cash Receipts, higher OPEX primarily driven by staff costs

OPEX and Direct Cost in Q3 FY22 are inclusive of reclassification transaction of A\$0.2m

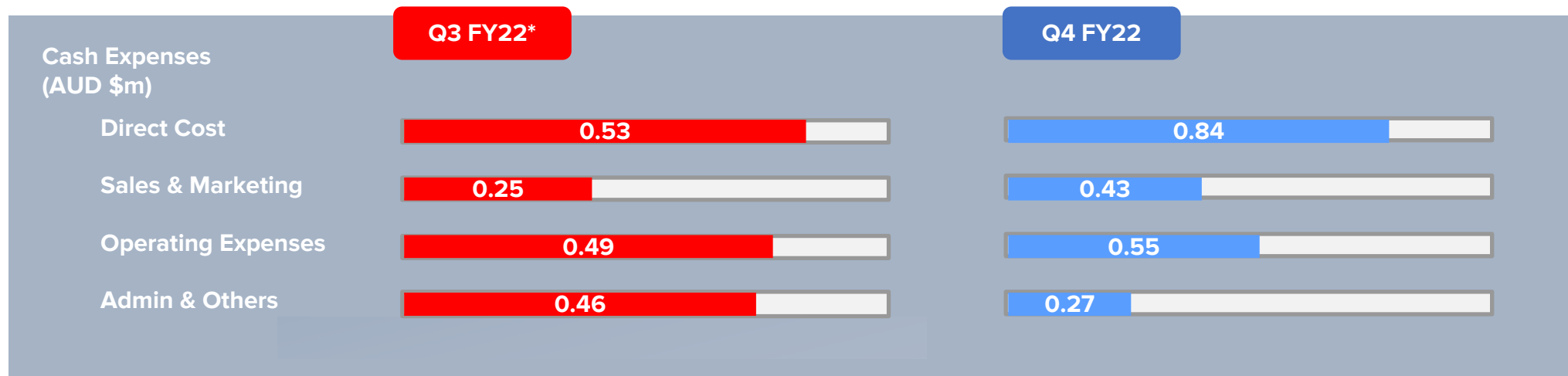
Q4-FY22 P&L Actual <i>(unaudited)</i>							
in AUD	Q4 FY21	Q3 FY22	Q4 FY22	vs. LY		vs. Q3	
Revenue - Travel	576,112	1,019,087	1,082,733	88%		6%	
Revenue - Solutions	54,410	88,562	152,816	181%		73%	
Revenue - Others	5,000	6,825	5,420	8%		-21%	
Revenue	635,522	1,114,474	1,240,969	96%		11%	
Cash Receipt - Travel	557,306	860,853	1,348,850	142%		57%	
Cash Receipt - Solutions	60,260	95,769	82,891	38%		-13%	
Cash Receipt - Others	6,008	6,694	8,798	46%		31%	
Cash Receipt	623,574	963,316	1,440,539	131%		50%	
Direct Cost	3,211,548	805,881*	852,132	-73%		6%	
OPEX	332,416	1,124,123*	1,644,280	395%		46%	
EBITDA (exclude FOREX translation)	-2,908,441	-815,530	-1,255,443	-57%		54%	

## Financials | Q4-FY22 Key Highlights

The Q4 burn rate amounted to A\$645k, 16% below the previous quarter of A\$764k



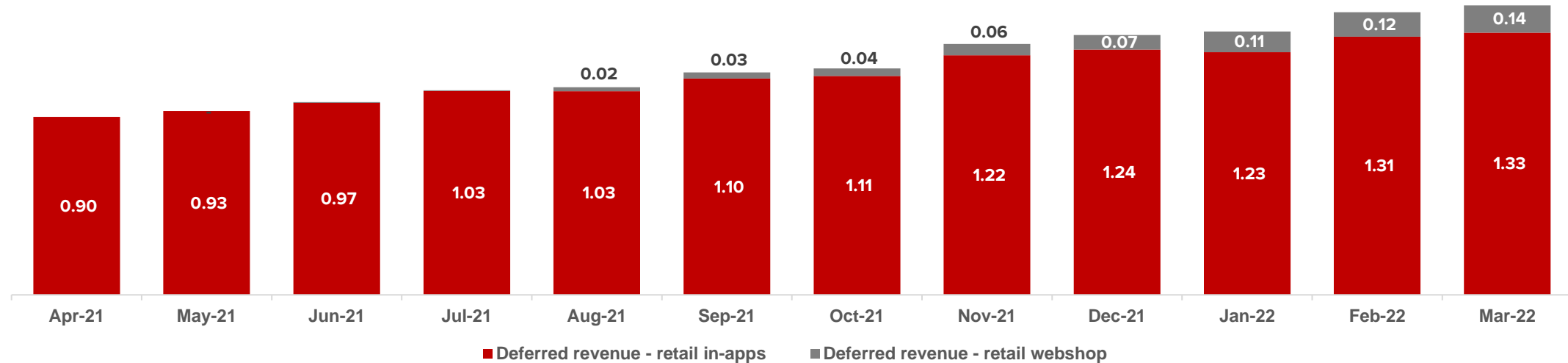
- Q4 Cash receipts of A\$1.4m up 50% compared to previous quarter (Q3FY22: A\$963k), primarily driven by travel sales, both retail and corporate (Mastercard)
- Achieved the highest retail sales of FY22 in March, bringing total retail cash receipts in Q4 to A\$869k, up 12% (Q3FY22: A\$773k)
- Total operating cash outflows of A\$2m (Q3FY22: A\$1.7M), in-line with growing data usage and global team expansion



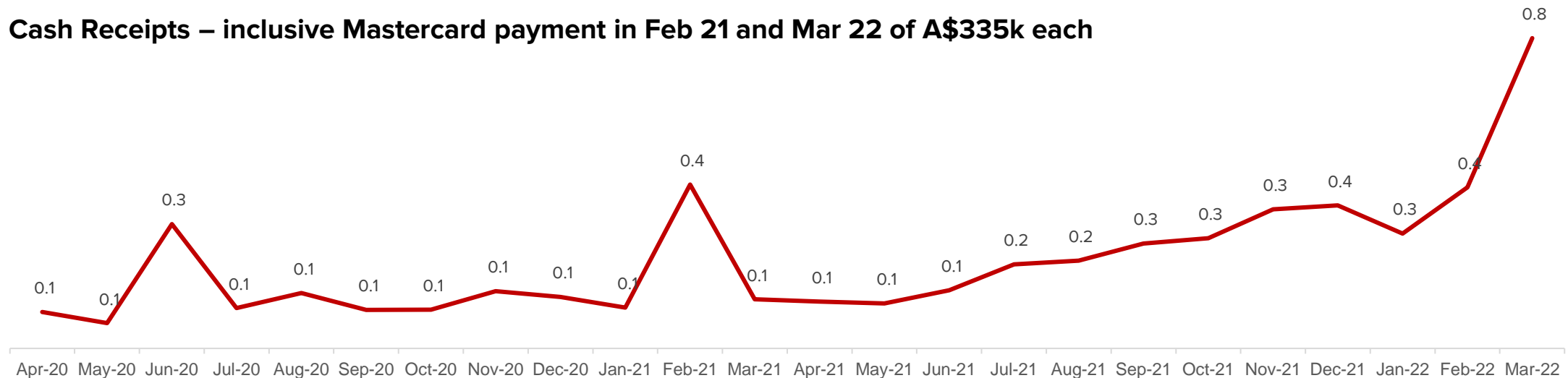
\*Reclassification of promotional data cost from sales and marketing to direct cost amounting to A\$100k

## Financials | Deferred Revenue and Cash Receipts Evolution

Deferred Revenue - Retail future revenue growth, increased by 58% YoY

























Cash Receipts – inclusive Mastercard payment in Feb 21 and Mar 22 of A\$335k each



# Financials | FY22 Key Highlights

## Continued strong financial performance

Achieved Revenue & EBITDA budget for FY22. 12% below budget on cash receipts

FY22 P&L Actual <i>(unaudited)</i>							
in AUD	LY	Budget	CY	vs. LY		vs. BUD	
Revenue - Travel	2,465,355	3,048,590	3,350,176	36%		10%	
Revenue - Solutions	54,648	521,277	320,089	486%		-39%	
Revenue - Others	107,708	0	23,761	-78%			
Revenue	2,627,711	3,569,867	3,694,025	41%		3%	
Cash receipt - Travel	1,599,829	3,000,830	3,188,971	99%		6%	
Cash receipt - Solutions	64,919	940,000	270,619	317%		-71%	
Cash receipt - Others	109,167	0	22,801	-79%			
Cash receipt	1,773,915	3,940,830	3,482,391	96%		-12%	
Direct cost	3,506,373*	1,980,000	2,206,942	-37%		11%	
OPEX	1,300,591	5,744,549	5,476,642	321%		-5%	
EBITDA (exclude FOREX translation)	-2,179,253	-4,154,682	-3,989,558	83%		-4%	



## Wrapping Up...

### Key Takeaways

- 1 15 Deals totaling an annualised revenue of \$2M signed over the last 2 quarters will start contributing revenue in Q1 FY23
- 2 12 months after expanding into the Solutions business, recurring Solutions revenue has increased to 12% of the total quarterly revenue and will continue to grow
- 3 Data usage from travel users has increased significantly over the last quarter, almost back to pre-pandemic levels
- 4 Product development resources are focused on reducing overall data costs and backend stability while continuing the onboarding of clients
- 5 Developing new features and solutions based on market demands will continue to be a priority as the business remains committed to expanding across multiple verticals and use cases
- 6 The business is really well positioned to capitalise on a growing list of opportunities following a year of transition



# APPENDICES

# Attractive Business Model



## Global network of partners and customers

Spanning over 520 network operators, 200 countries and territories worldwide



## Asset-light

No upstream mobile network infrastructure ownership



## Long-term recurring revenue

Connectivity solutions yield recurring revenue streams



## Digital value chain

Ability to scale rapidly with high cost efficiencies

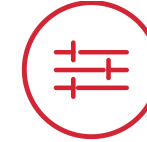
## ...with a world class tech engine

A centralised engine that aggregates all mobile network providers (MNOs), to provide seamless and telco-agnostic connectivity, to any consumer & IoT verticals globally.



### **ROBUST INFRASTRUCTURE**

Ability to scale up to billions of devices & high availability connection to mission critical applications.



### **EMBEDDED CONNECTIVITY**

Allowing various consumer & IoT verticals to embed connectivity into their applications with a few lines of code.



### **MULTI NETWORK CAPABILITY**

Agnostic to different types of consumer & IoT connectivity - 3G/4G/5G to provide global coverage.



### **INDUSTRY AGNOSTIC BILLING**

Highly customisable subscription plans catered towards various consumer & IoT business model need.

# Early adopter of eSIM technology

One of the 13 worldwide Apple certified Global Service Providers



No physical SIM cards required



Faster connectivity and more secure encryption

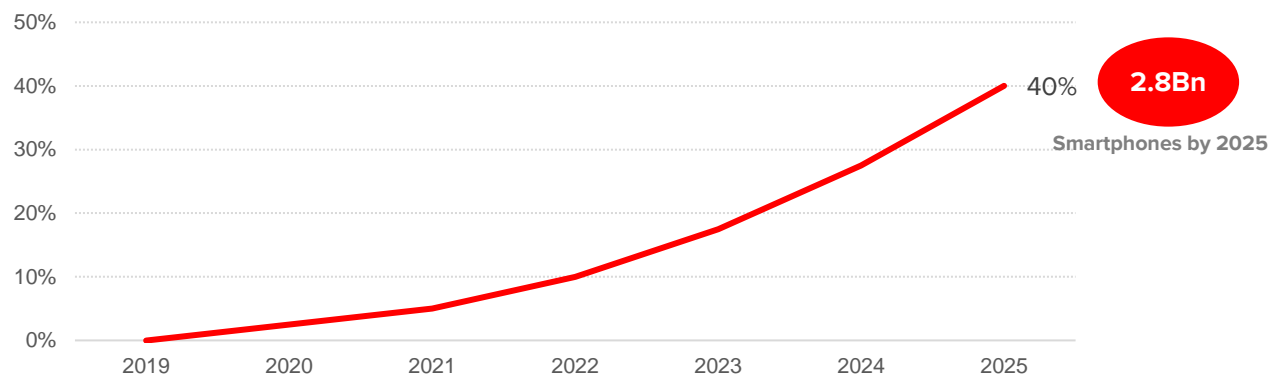


Easy one-time setup at your fingertips with Flexiroam X app



Get instant access to 520 telecommunication network providers worldwide

## eSIM Smartphone Connections by 2025



Percentage of total smartphone connections (install based) globally



# The Flexiroam Revenue Model



## REVENUE MODEL

- Fully digital supply chain. Reduced inventory and distribution cost
- Receive cash upfront, pay for usage only when customers utilise data
- Certified provision into devices via manufacturers
- Recurring revenue from enterprise customers with low churn rate (machine lifetime > 10 yrs)





# Disclaimer

This presentation has been prepared by FLEXIROAM Limited (the “Company”). It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. You should treat the contents of this presentation, or any information provided in connection with it, as financial advice, financial product advice or advice relating to legal, taxation or investment matters.

No representation or warranty (whether express or implied) is made by the Company or any of its officers, advisers, agents or employees as to the accuracy, completeness or reasonableness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or provided in connection with it, or any omission from this presentation, nor as to the attainability of any estimates, forecasts or projections set out in this presentation.

This presentation is provided expressly on the basis that you will carry out your own independent inquiries into the matters contained in the presentation and make your own independent decisions about the affairs, financial position or prospects of the Company. The Company reserves the right to update, amend or supplement the information at any time in its absolute discretion (without incurring any obligation to do so).

Neither the Company, nor its related bodies corporate, officers, their advisers, agents and employees accept any responsibility or liability to you or to any other person or entity arising out of this presentation including pursuant to the general law (whether for negligence, under statute or otherwise), or under the Australian Securities and Investments Commission Act 2001. Corporations Act 2001, Competition and Consumer Act 2010 or any corresponding provision of any Australian state or territory legislation (or the law of any similar legislation in any other jurisdiction), or similar provision under any applicable law.

Any such responsibility or liability is, to the maximum extent permitted by law, expressly disclaimed and excluded.

Nothing in this material should be construed as either an offer to sell or a solicitation off an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in the Company.

## **Forward Looking Statements**

This presentation contains reference to certain intentions, expectations, future plans, strategy and prospects of the Company (“Forward-Looking Statements”. Those Forward-Looking Statements may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks.

The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation of warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause the Company’s actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these Forward-Looking Statements. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

# FLEXIROAM

**Get in touch with us**

✉ [marc@flexiroam.com](mailto:marc@flexiroam.com)

🌐 [www.flexiroam.com](http://www.flexiroam.com)

📍 Dubai, UAE

