

FLEXIROAM

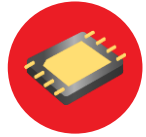
FY23 – Q3 Investor Webinar

January 24th, 2023



FLEXIROAM

Providing seamless connectivity everywhere for anything



Early adopter of **eSIM** technology



One of the 15 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 Q3 FY23

Financial performance

- Revenue of A\$2.5M, up 21% on the previous quarter (Q2: A\$2.1M) and 127% on the prior year
- Cash receipts of A\$2.9M, up 20% on the previous quarter (Q2: A\$2.5M) and 205% on the prior year
- Gross Profit of A\$1.25M, up 166% on the previous quarter (Q2: A\$469k) and 313% on the prior year
- Q3 operating cash burn of A\$488k (incl. A\$231k legacy payments), lower by 19% on the previous quarter
- Strong cash balance at end of Dec 2022 of \$2.5M

Operational success

- Reduced cost per GB by 15% from September to December and 36% on the prior year
- Achieved the single largest day sales and largest single month sales in Flexiroam's history
- Significant improvement in key operating metrics including new paying users (20.1k), Data sold (203TB) and Monthly active users (31.2k)
- Improvements in the marketing funnel, across both user acquisition and monetisation metrics. Registration-payment conversion increased to 44% in December
- Provided connectivity to users from 146 countries in 152 destinations

Overview: Summarising the progress made in Q3 FY23

Partnerships

- Secured partnership with Emirates to include Flexiroam data plans in duty-free inflight magazines in over 100 aircraft
- Onboarded 5 new issuing banks under Mastercard, increasing the expected CIFs to 1.10M
- Signed reseller agreement with Optionzr to sell Flexiroam data SIMs to its existing clientele of airlines and travel agencies
- Signed whitelabel reseller agreements with SIM retailers Bikago and Easy eSIM
- Signed MPOS connectivity agreement with Ava, a payment gateway service provider based in Saudi Arabia
- Signed agreement with Women's Tennis Association to provide global data roaming plans to eligible athletes
- Signed connectivity agreement with Air Ocean Maroc to provide connectivity to their crew members when travelling

Product

- Introduced new Global Data Plan covering 150 countries
- Launched multi-SIM flow, resulting in improved pricing, coverage and lower data costs
- Developed technical tools to enhance customer support for multi-SIM service
- Launched new corporate website to display Flexiroam's B2B offerings to a wider audience and increase lead generation
- Commenced penetration tests across the service to enhance security and reliability for future scale

Operations | Refining our customer's experience



Develop comprehensive chatbot in preparation for growth in users

- Addressing increasing demand for instant responses
- Instant troubleshooting through user provisioning of Account ID



Increase size of customer service team to improve capacity of 24/7 support

- Increase capacity of customer service experts to establish retail-like customer experience
- Increase coverage of time zones in preparation for global footprint expansion



Redesigning of the Flexiroam app

- Improve features and prompts throughout the app
- Redevelopment of app to allow for complete and comprehensive language translation to support larger audience



Enhancement to user guides and FAQs

- Roll out comprehensive video and written content guides
- Increase language options for user guides and FAQ

Launched new Flexiroam corporate website ...

Flexiroam has launched a new website, providing a holistic view on the company's capabilities in connectivity, analytics, platform access management and security

The launch is expected to showcase Flexiroam's B2B offerings to a wider audience and increase lead generation



Summary of Key Deals in Q3 FY23



Emirates

- Signed agreement with Emirates, a leading international airline, to add connectivity as an ancillary for both physical SIM and eSIM, to be sold to Emirates passengers
- SIMs were available in-flight from 10 December 2022, with expected revenue of A\$150k per annum



Bikago

- Signed white-label reseller agreement with Bikago, to provide local travel SIMs in Indonesia
- Contract has a A\$150k per year minimum guarantee

OPTIONIZR

Optionzr

- Signed white-label reseller agreement with Optionzr, a software provider offering alternate payment methods across multiple regions and currencies.

Reference:

- 1 : ASX announcement "Flexiroam Signs Agreement with Emirates" dated 24 Oct 2022
2. ASX announcement "Flexiroam Signs White Label Reseller Agreement with Bikago" dated 11 Oct 2022
3. Media release "Flexiroam Signs eSIM Reseller Agreement with Optionizr" dated 17 Nov 2022

Summary of Key Deals in Q3 FY23



Easy eSIM

- Signed white-label reseller agreement with Easy eSIM, an international SIM card company
- Deal has a minimum term of 1-year



Women's Tennis Association

- Signed agreement with Women's Tennis Association ("WTA") to supply eligible members with a data bundle of 3GB Global Data Roaming plan with an option to top up data at discounted rates



Air Ocean Maroc

- Signed agreement with Air Ocean, an aircraft charter company, to provide connectivity to crew members when travelling



Ava

- Signed an agreement with Ava, a payment gateway service provider in Saudi Arabia looking to expand its global footprint.
- Deal has a term of 1-year and is expected to rollout to 300 devices in the initial phase

Reference:

Media release "Flexiroam Signs White label Reseller Agreement with Easy eSIM" dated 24 Nov 2022

Media release "Flexiroam To Provide WTA Members With Global Data Plans" dated 20 December 2022

Emirates | How is it going so far?

Flexiroam SIMs were available inflight since 10 December 22

In-flight demand:



Renewal Statistics

19% of customers purchased additional data once their plan had expired

Top Destinations

UAE, USA, Turkey, Germany, Czech Republic

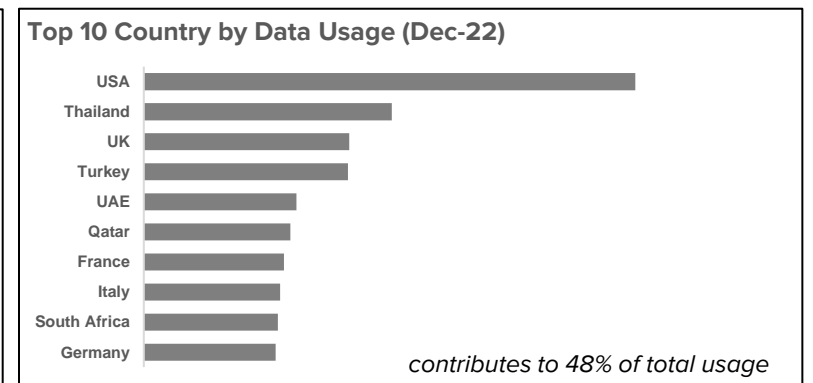
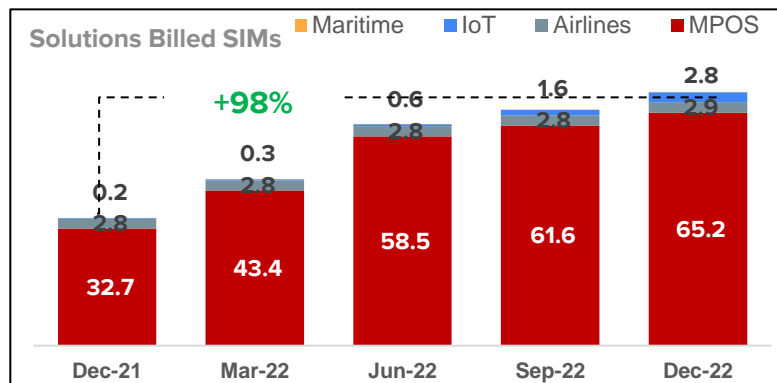
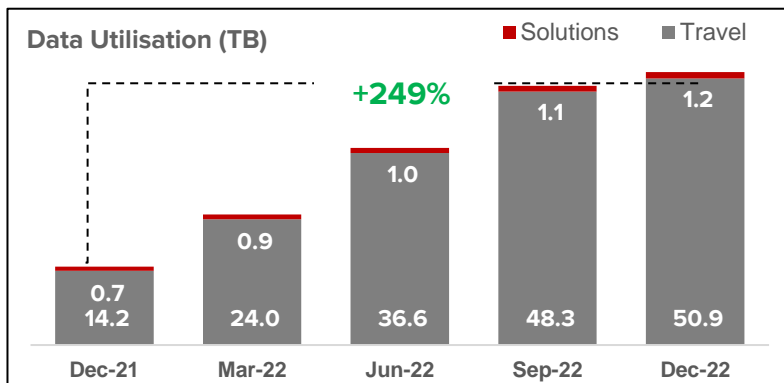
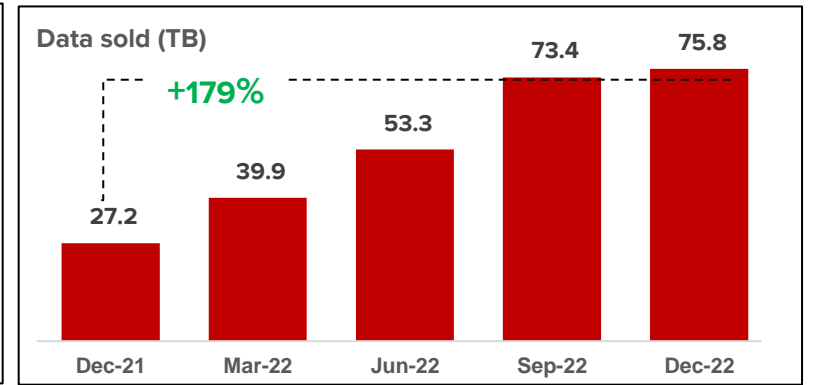
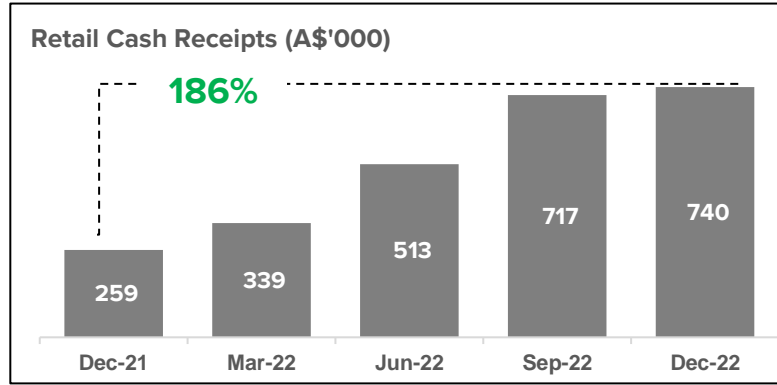
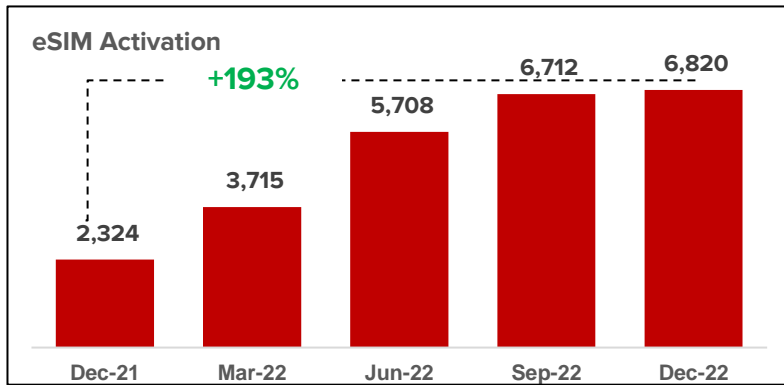
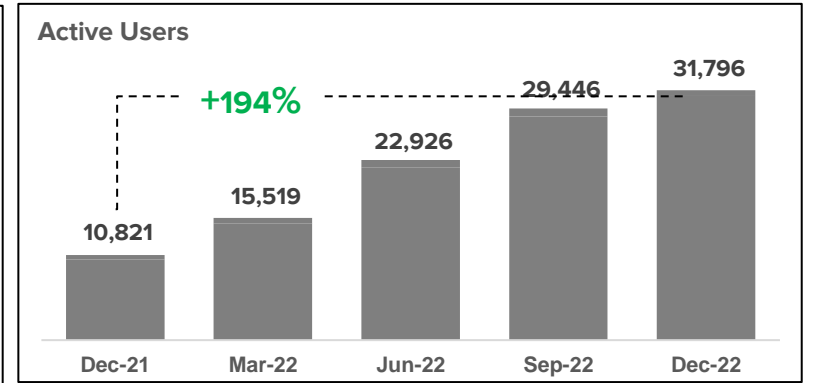
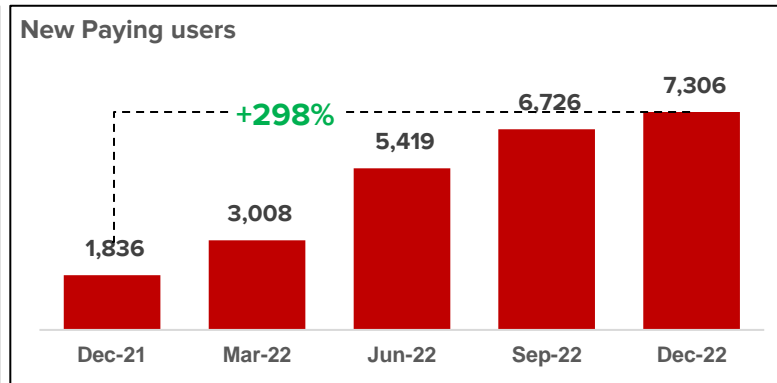
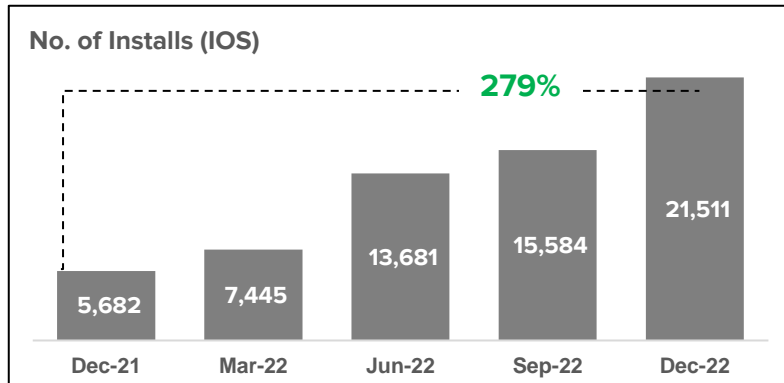
5 countries account for ~60% of total data consumption

Emirates has placed orders for additional SIMs from Flexiroam in the first commercial review meeting at the end of December

Find Flexiroam on your next Emirates flight



Key Metrics | Data Cost reduced 15%, MAU up to 31.8k



Financials | Q3-FY23 Key Highlights

Significant Gross Profit improvement, driven by reductions in data cost

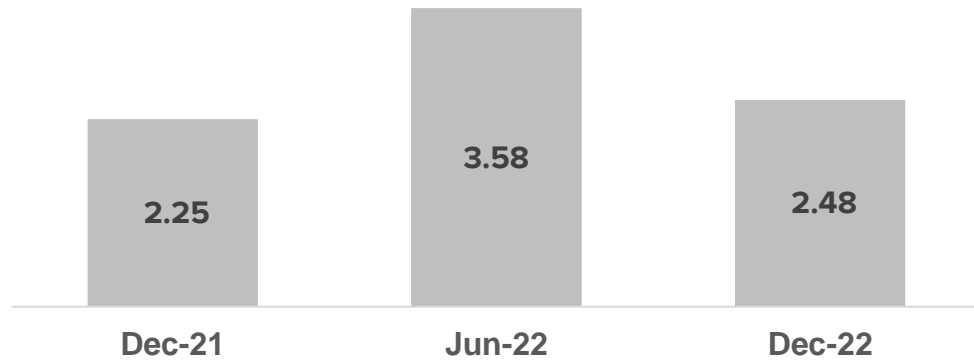
Q3-FY23 P&L Actual							
in AUD	Q3 FY22	Q2	Q3	% Year-on-Year		% Qtr-on-Qtr	
Revenue – Travel	1,019,087	1,903,970	2,322,624	128%		22%	
Revenue – Solutions	88,562	178,908	187,943	112%		5%	
Revenue – Other	6,825	52,383	10,705	57%		-80%	
Revenue	1,114,474	2,135,261	2,521,272	126%		18%	
Cash Receipt – Travel	849,355	2,273,349	2,711,163	219%		19%	
Cash Receipt – Solutions	107,267	163,945	204,860	91%		25%	
Cash Receipt – Other	6,694	22,192	26,158	291%		18%	
Cash Receipt	963,316	2,459,486	2,942,181	205%		20%	
Direct Cost	805,881	1,613,591	1,263,545	57%		-22%	
OPEX	1,124,123	1,894,370	1,666,628	48%		-12%	
EBITDA (exclude FOREX translation)	-815,530	-1,372,700	-408,901	-50%		-70%	

* Software Development activities of A\$383k has been capitalized as an intangible assets

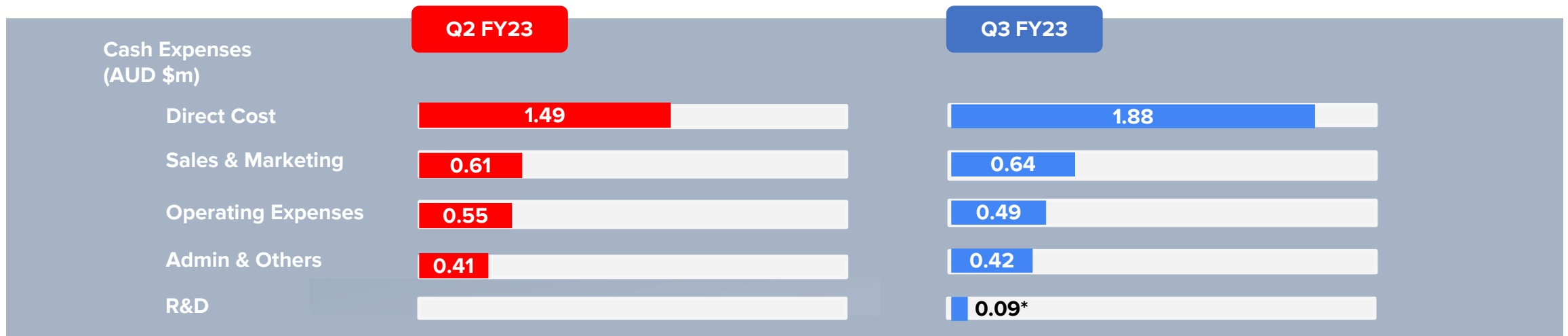
Financials | Q3-FY23 Key Highlights

Q3 net operating outflows of A\$488k, 19.5% lower than Q2

Cash Balance



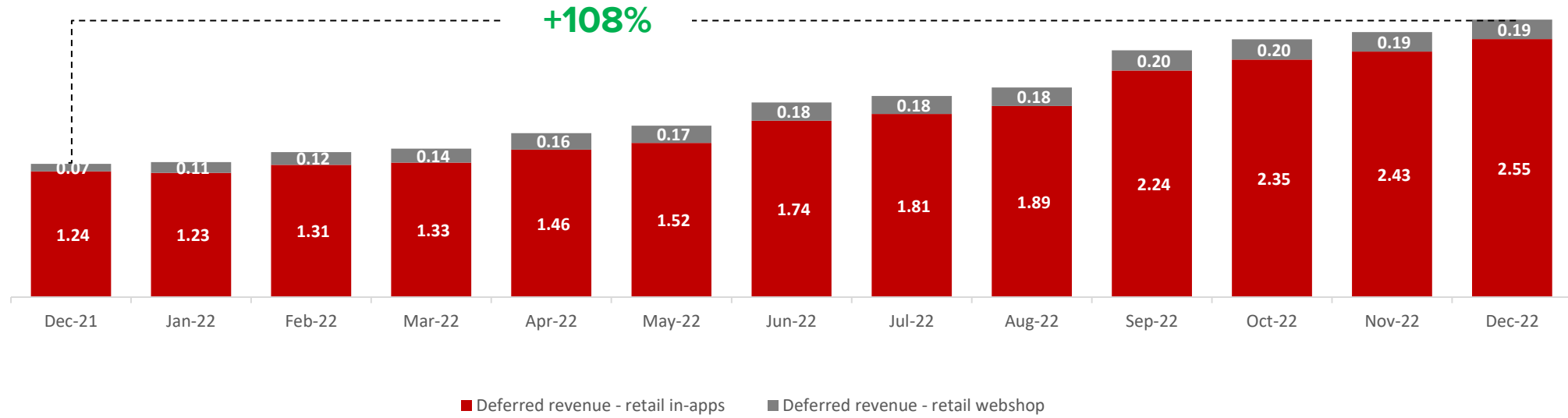
- Cash receipts of A\$2.94M, up 20% on Q2 (A\$2.46M) and up 205% year on year (A\$963k);
- Cash burn from Operating Activities of A\$488k, a reduction of A\$276k year on year (A\$764k);
- The 2021 legacy payments to Flexiroam's data connectivity suppliers of A\$869k have now been paid in full. Q3 legacy payments totaled A\$231k, 51% higher than Q2 (A\$153k);
- Reclassification of Operating Cost (Software Development activities) against R&D of A\$383k from April – November 2022;
- Cash balance of A\$2.48M as of 31 December 2022



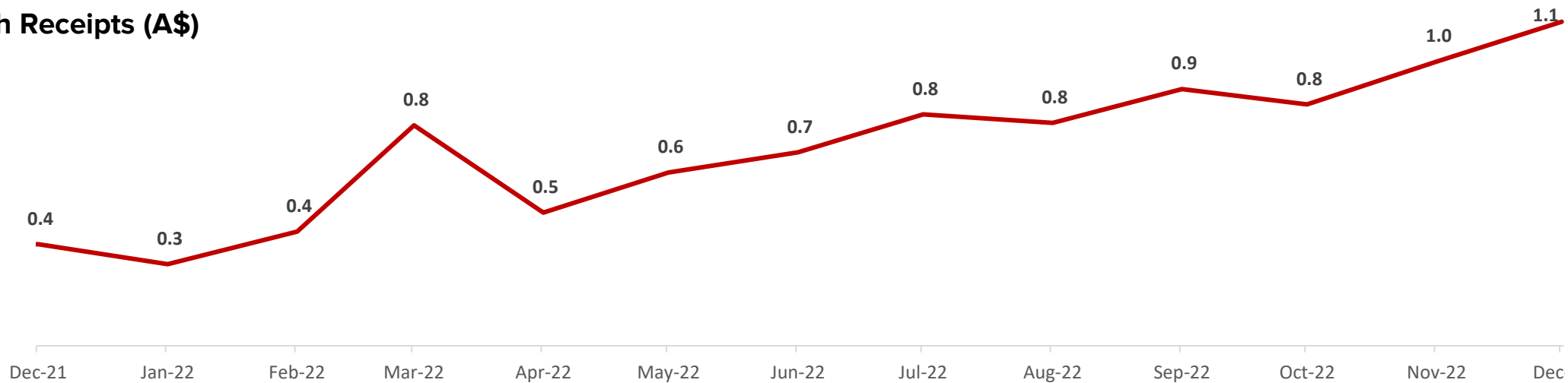
* Excluding Software Development activities of A\$383k has been capitalized as an intangible assets under Australian Accounting Standards

Financials | Deferred Revenue and Cash Receipts Evolution

Deferred Revenue (A\$)







Cash Receipts (A\$)



New Business Development – Delivering Future Growth

The previous Solutions line of business has been further defined into three vertical segments being **Aviation Services**, **Terminal Enablement Solutions** and **Maritime Services**.

The business will continue to innovate and as such, will maintain an “incubator” segment focused on capturing further growth opportunities as well as being opportunistic with singular solutions that deliver attractive returns

 <p>Aviation Services</p>	<p>Aircraft-related connectivity, focused on EFB for pilots and PED for flight attendants and crews and ground crew connectivity for seamless IoT data transmission</p>
 <p>Terminal Enablement Solutions</p>	<p>Connectivity required for transaction-related services such as point of sale devices, ticketing and parking terminals and other endpoint use-cases</p>
 <p>Maritime Services</p>	<p>Connectivity required by ships, ranging from industrial tankers, offshore vessels, Cruiseliners to private yachts</p>
 <p>Incubator</p>	<p>Other verticals not conforming to the 3 segments above, such as wearable devices, enterprise solutions, vehicular telematics. As a vertical becomes a key target, financials will be captured as a standalone segment</p>

Wrapping Up...

Key Takeaways

- 1 Data cost per GB expected to continue reducing, forecasting a further 10% reduction in Q4
- 2 Continued rollout of SIMs in Emirates aircraft and Mastercard expansion beyond APAC to accelerate
- 3 Ongoing evolution of retail customer experience remains a key focus, culminating in a new and improved Flexiroam app
- 4 Deeper focus on specific adjacent segments, namely, Terminal Enablement Solutions, Maritime Services and Aviation
- 5 Flexiroam to achieve cash flow breakeven in FY24

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