



30th October 2024

BUSINESS TRANSFORMATION SUBSTANTIALLY COMPLETED

Q1 FY25 UPDATE – July to September 2024

FlexiRoam Limited (ASX: FRX) (“FlexiRoam”, “Company”) announces its results and Appendix 4C for the three months ended 30 September 2024.

Key Highlights:

- Launch of new website and mobile app in August 2024
- Completion of key technology deployments with further enhancements being capex light and largely third party SaaS solutions
- Honing of market strategies following marketing trials from May to August with multiple channels to market launched including Affiliates offering alternatives to high cost paid media
- Significant benefits stemming from the prior investment in data mining, scalable core platforms and customer management tools including Retention solutions to ensure the Company is both data-driven and able to optimise Retention and maximise customer lifecycle value
- Improvement seen in operating cashflow after large outlays in Q4 FY24 related the restructure of the business
- An operating cost review carried out in September expected to deliver around a 10% reduction in ongoing run rate costs with full benefits effective from December
- Substantial progress made with a SIM Management partner aimed at allowing a significant reduction in Sim & roaming data costs
- Subsequent to Q1 a director loan of \$1.5M has been provided to ensure sufficient working capital to support our ongoing growth plans

Financial Performance

During the quarter, the Company reported a revenue increase of 3.1% YoY to A\$3.76m (Q1 FY24: A\$3.65M). Revenue in Q1 was impacted by sales of longer expiry roaming data plans with revenue and margin associated with the expiry of these Plans to be recognised in the P&L starting later in FY25.

Gross Profit fell 1.7% YoY to A\$2.26M (Q1 FY24: A\$2.3M) and down 12.4% QoQ (Q4 FY24: A\$2.58M). Margin was impacted by lower margins within the Travel segments and a cyber-theft event in August and early September that is now behind us. In addition, a previous year traffic commitment was written off after successful negotiations lead to this liability being



extinguished. Excluding the impact of the cyber-theft and the write back of the previous year liability, Gross Profit would have been up 6.6% YoY. The company continues to seek lower unit costs and is utilising targeted marketing strategies to manage and optimise margin.

Cash receipts were A\$3.7M, up 23% YoY (Q1 FY24: A\$3.0M) and 23% higher QoQ (Q3 FY24: A\$3.0M). Negative cash flow of A\$0.29M from Operating Activities was an improvement of \$1.8m over Q4 FY24. Q4 FY24 included significant investments in marketing, staffing and other one-off costs of approximately \$1.45m. Cash outflows from Investing Activities for Q1 FY25 was A\$257k relating to software development. The company ended the quarter with a cash balance of A\$583k as of 30 September 2024 prior to the \$1.5M director loan funds being provided.

Payments to Related Parties and their associates during the quarter were Directors' fees, CEO salary and salary cost for the previous CEO totalling A\$219k.

Commenting on the Q1 FY25 results and the broader developments within the Company, CEO & Executive Chairman Mr. Steve Picton stated: *"There has been substantial progress made across the entire business with Q1 FY25 being the final chapter in the business transformation that commenced in March now deployed. The necessary investments in Q1 FY25 means we will reap the benefits of this operating leverage throughout FY25 and beyond. We will continue to leverage the benefits of our transformation strategy of enhanced operating discipline with the prudent tightening of our operating expenses, with a renewed focus on maintaining margins, capital-light revenue growth and profitability to take advantage of the highly attractive eSIM global travel roaming sector. The transformation is largely complete and we will exploit our operating capabilities across the globe with substantial opportunities in Embedded Connectivity with large travel-focused corporations."*

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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

ACN 143 777 397

Quarter ended ("current quarter")

30 SEPTEMBER 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,793	3,793
1.2 Payments for		
(a) research and development	(103)	(103)
(b) product manufacturing and operating costs	(1,617)	(1,617)
(c) advertising and marketing	(1,213)	(1,213)
(d) leased assets	-	-
(e) staff costs	(764)	(764)
(f) administration and corporate costs	(357)	(357)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(6)	(6)
1.6 Income taxes paid	(6)	(6)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(273)	(273)
¹⁾ 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 flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	(3)	(3)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets	(254)	(254)
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	(257)	(257)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,013	1,013
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	(400)	(400)
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	613	613

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	491	491
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(273)	(273)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(257)	(257)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	613	613
4.5	Effect of movement in exchange rates on cash held	9	9
4.6	Cash and cash equivalents at end of period	583	583

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	583	491
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)	583	491

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	219
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <p>Director fees and CEO salaries</p>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	750	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	750	-
7.5	Unused financing facilities available at quarter end		750
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.		
	Richmond Bridge Superannuation Pty Ltd, maturity 12 months from the draw down date at 12% per annum (Unsecured)		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(273)
8.2	Cash and cash equivalents at quarter end (item 4.6)	583
8.3	Unused finance facilities available at quarter end (item 7.5)	750
8.4	Total available funding (item 8.2 + item 8.3)	1,333
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.88
	<i>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.</i>	
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?	
	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?	
	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?	
	N/A	
	<i>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.</i>	

Compliance statement

- 1 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: 30/10/2024

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.
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.
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.