



28 January 2025

## STREAMLINED MARKETING DRIVES SUSTAINABLE GROWTH

### *Q2 FY25 UPDATE – October to December 2024*

FlexiRoam Limited (ASX: FRX) ("FlexiRoam", "Company") provides its cash flow report for the three months ended 31 December 2024 (Q2 FY25) and an update on key business activities.

#### Key summary

- The Company recorded **A\$3.31million** in cash receipts, lower **12.66% QoQ** (Q1 FY25: A\$3.79 million) but slightly higher 2.13% YoY (H1 FY24: A\$6.96M).
- Net cash outflow from operating activities was A\$642k, representing a 135.16% increase QoQ (Q1 FY25: A\$273k).
- Currently, management is reassessing the pricing strategy and optimizing platform costs to address these challenges. Although administrative expenses were reduced compared to the prior quarter, certain expenses were settled during the current quarter, leading to an increase in cash outflows for administrative costs instead of a reduction.
- Investing activities included **A\$194k** spent on software enhancements to support marketing analytics and customer management tools.
- The Company secured a **director loan of A\$1.5 million** to bolster working capital, ensuring ample runway for continued operational improvements.
- Cash and cash equivalents at the end of the quarter were **A\$1.23 million**, up from **A\$583k** at the end of Q1 FY25.

Total cash receipts from customers grew to **A\$7.11 million**, representing a YoY increase of **2.16%** (H1 FY24: **A\$6.96 million**). This was driven by a balanced approach to customer retention and acquisition, supported by targeted promotional campaigns.

The Company made significant strides in optimizing its marketing investments, resulting in improved customer acquisition costs (CAC) and enhanced customer lifetime value (CLV). Strategies implemented during Q2 have shown early signs of sustainable growth with lower dependency on high-cost paid media.

FlexiRoam has successfully shifted focus towards scalable and cost-effective marketing strategies, including partnerships with affiliates and leveraging organic growth channels. This strategy is designed to align marketing efforts with long-term profitability objectives.



Continued efforts to streamline operations delivered a reduction in run-rate operating costs, contributing to positive trends in operating cash flows. FlexiRoam is currently carrying out a proposed rights issue aiming to raise circa A\$3.9 mil.

Looking ahead, FlexiRoam will continue to optimize marketing expenditure, focusing on high-impact strategies and leveraging data-driven insights to maximize returns. With a renewed emphasis on profitability and disciplined operating practices, the Company is well-positioned to capitalize on opportunities within the growing eSIM global travel market.

-END-

**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**

27 142 777 397

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

31 DECEMBER 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3,314	7,107
1.2 Payments for		
(a) research and development	(129)	(232)
(b) product manufacturing and operating costs	(2,023)	(3,640)
(c) advertising and marketing	(404)	(1,617)
(d) leased assets	-	-
(e) staff costs	(682)	(1,446)
(f) administration and corporate costs	(700)	(1,057)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(20)	(26)
1.6 Income taxes paid	-	(6)
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>(642)</b>	<b>(915)</b>

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).

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(2)	(2)
(d) investments	-	-
(e) intellectual property	(7)	(10)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	(194)	(448)
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>(203)</b>	<b>(460)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,038
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	(6)	(31)
3.5	Proceeds from borrowings	1,500	1,500
3.6	Repayment of borrowings	-	(400)
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>1,494</b>	<b>2,107</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	583	493
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(642)	(915)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(203)	(460)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,494	2,107
4.5	Effect of movement in exchange rates on cash held	-	7
4.6	<b>Cash and cash equivalents at end of period</b>	<b>1,232</b>	<b>1,232</b>

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	1,232	583
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,232</b>	<b>583</b>

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	167
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		
Director fees and CEO salaries and loan interest to director		

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	1,500	1,500
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	<b>1,500</b>	<b>1,500</b>
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	<p>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.</p> <p>Loan from related party (Refer to ASX announcement dated 30 October 2024 for additional details) Lender: Stephen Frank Picton (Ex-CEO via Richmond Bridge) and Jeffrey Ong Kenn Tat (CEO) Interest rate: 12% Maturity date: 12 months Type of loan: Unsecured</p>		

<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)	(642)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,232
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,232
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	(1.92)
	<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?	
	Answer: No. The Company has implemented some cost saving measures which will help lowering its operating expenditures for the coming quarters.	
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: The Company has announced a partially underwritten entitlement offer targeting to raise up to \$3.92 million. The offer is closing on 30 January 2025	

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: Yes, refer to 8.6.1 and 8.6.2 above.

*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

- 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: 28 January 2025

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.