

28 October 2016

Company Announcements Office
ASX Limited

A STEADY QUARTER AS FLEXIROAM X STARTS TO MAKE INROADS

Key Performance Highlights

- Flexiroam Limited (“the Company”) reports a marginally improved quarterly operating result amidst a traditionally low sales period.
- A modest increase in sales revenues as the recently launched FLEXIROAM X APP continues to gain popularity among travellers.
- Lower research and development expenditure for the quarter, although expenditure is expected to return to similar levels as advances are made.
- Average direct costs improved leading to lower production manufacturing and operating costs.

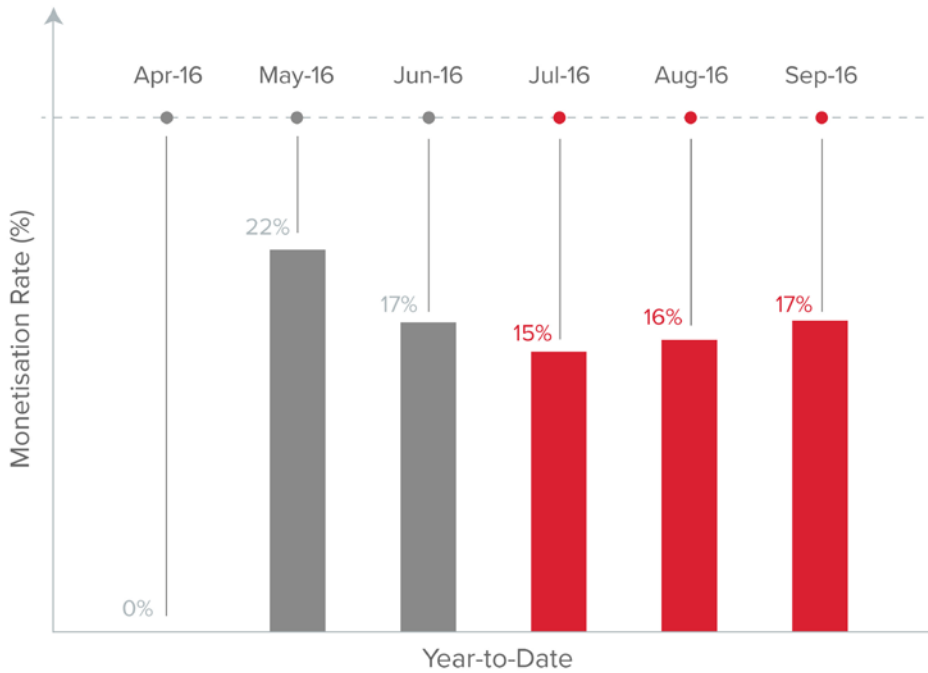
	CURRENT PERIOD 30-Sep-16	PREVIOUS PERIOD 30-Jun-16	INCREASE /(DECREASE)
	\$A '000	\$A '000	%
Receipts from Customers	919	862	7%
Research and Development	(175)	(279)	(37%)
Product Manufacturing and Operating Costs	(194)	(297)	(35%)
Advertising and Marketing	(877)	(900)	(3%)
Staff Costs	(266)	(213)	25%
Administration and Corporate Costs	(172)	(88)	97%

- Advertising and marketing expenses were similar to the previous quarter, reflecting a sustained marketing effort to create brand awareness.
- Staff costs were higher for the quarter as accrued fees were settled and additional hiring was undertaken to bolster the product development and marketing teams.
- Administration and corporate costs reflect the inclusion of annual fees that occurred in the September quarter, as well as some additional professional fees.

For personal use only

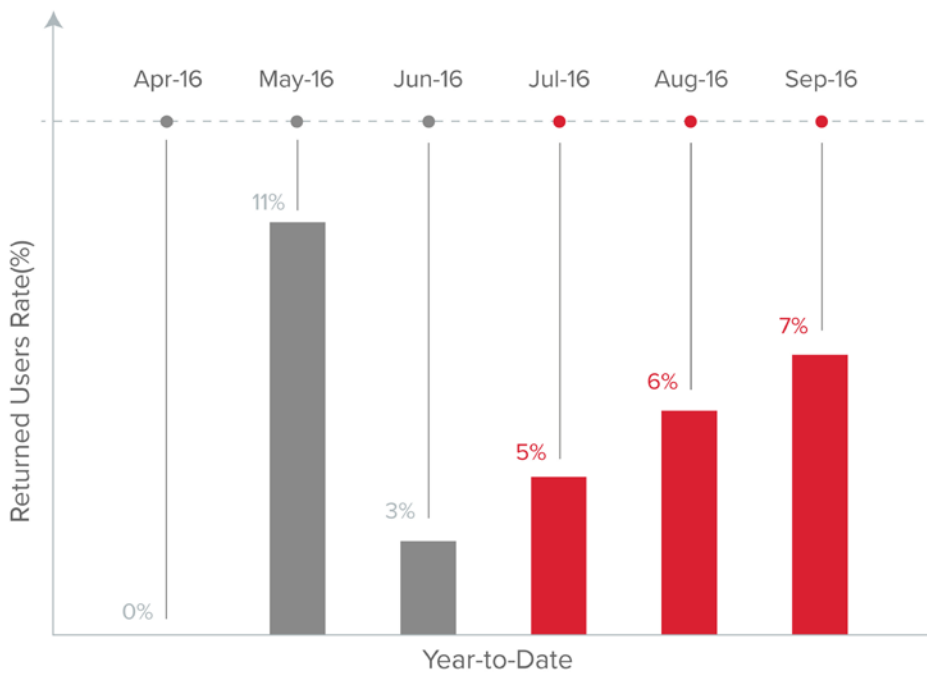
For personal use only

Monetisation Index



- Monetisation rates defined by Paid and Registered Users Ratio were sustained at high teen percentile.

Loyalty Index



- After a spike in May 2016 following the launch of FLEXIROAM X, our Loyalty Index that measures the rate of returned paid users had now assumed a smoother upward trajectory.

Recent Announcements

- In August 2016, Flexiroam entered into a strategic partnership agreement with TripAdvisor, the world's largest travel website with 350 million average monthly unique visitors, 385 million reviews and opinions covering 6.6 million accommodations, restaurants and attractions. This partnership gives the opportunity to Flexiroam to co-brand with TripAdvisor to deliver greater value and more diverse users experience to FLEXIROAM X subscribers.
- In August 2016, Flexiroam received an endorsement from Pacific Asia Travel Association ("PATA") as its Preferred Mobile and Data Partner. PATA is a non-profit organisation comprising 95 governmental tourism bodies, 29 international airlines and 63 educational institutions, with over 17,000 travel professionals. As PATA's preferred partner FLEXIROAM X will be featured in all the activities and events that PATA organises globally.
- In October 2016, Flexiroam signed a sponsorship agreement with Foodpanda to undertake a joint marketing campaign to create brand awareness. Foodpanda is a leading online food delivery services provider active in over 580 cities around the world. In the joint marketing campaign Flexiroam will sponsor FLEXIROAM X Starter Packs for grand prize winners and free data for all Foodpanda users who become new FLEXIROAM X users. Foodpanda will feature Flexiroam on its social media platforms and vice-versa.
- In October 2016 Flexiroam entered into a partnership agreement with Carousell Pte Ltd to undertake a joint marketing campaign to create brand awareness. Carousell is a Singapore based community marketplace that boasts one of the world's largest and fastest growing mobile marketplace apps. The campaign is designed to target consumers who are planning for year-end holiday and looking for travel related items in Carousell.
- In October 2016 Flexiroam launched an updated version of FLEXIROAM X in iOS and Android to support multiple languages. This will enable Flexiroam to add new languages to localise FLEXIROAM X.

ENDS

ABOUT FLEXIROAM

FLEXIROAM (ASX:FRX) is a new breed telecommunications company that enables travellers to bypass roaming charges around the world. The Company unveiled its flagship data roaming product, FLEXIROAM X which allows users to earn up to 100GB data to be used in over 100 countries with plans which last up to 1 year. FLEXIROAM is a telecommunication company that does not own physical infrastructure but connects its users to 580 network operations around the globe making its services available in over 100 countries and territories. The Company was listed on the Australian Securities Exchange ("ASX") in June 2015 under the code FRX, and is today one of the fastest growing global virtual mobile operator in Asia Pacific.

For more information, please contact:**Flexiroam Limited**

Jefrey Ong
Managing Director
T: +61-8-62252364
E: investor@flexiroam.com

Investor Relations

Jason Khoo,
Vice President, Global Business Development
T: +61-2-81034843
E: biz@flexiroam.com

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Flexiroam Limited

ABN

27 143 777 397

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	919	1,781
1.2 Payments for		
(a) research and development	(175)	(454)
(b) product manufacturing and operating costs	(194)	(491)
(c) advertising and marketing	(878)	(1,777)
(d) leased assets	-	-
(e) staff costs	(266)	(479)
(f) administration and corporate costs	(172)	(260)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	22	58
1.5 Interest and other costs of finance paid	(7)	(11)
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	(751)	(1,633)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(94)	(101)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-

For personal use only

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	(13)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
	Other - Cash acquired from Flexiroam Asia Limited	-	10
2.6	Net cash from / (used in) investing activities	(94)	(104)
3. Cash flows from financing activities			
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(3)	(6)
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	(3)	(6)
4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1	Cash and cash equivalents at beginning of quarter/year to date	5,843	6,709
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(751)	(1,633)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(94)	(104)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	(6)
4.5	Effect of movement in exchange rates on cash held	(12)	17
4.6	Cash and cash equivalents at end of quarter	4,983	4,983

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	4,983	5,843
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)	4,983	5,843

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	74
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Director fees, consultancy fees and salary.
Includes amounts paid to entities associated with the Directors.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

For personal use only

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

--

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(71)
9.2 Product manufacturing and operating costs	(972)
9.3 Advertising and marketing	(1,540)
9.4 Leased assets	-
9.5 Staff costs	(321)
9.6 Administration and corporate costs	(209)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(3,113)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	Flexiroam Asia Limited	-
10.2 Place of incorporation or registration	Hong Kong	-
10.3 Consideration for acquisition or disposal	\$A 137	-
10.4 Total net assets	\$A 2,881	-
10.5 Nature of business	Telecommunications	-

For personal use only

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.

Sign here: 
(Director/Company secretary)

Date: 28 October 2016

Print name: Jeffrey Ong

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

For personal use only