

25 January 2017

Company Announcements Office
ASX Limited

REDUCED NET QUARTERLY OUTFLOW A STEP IN THE RIGHT DIRECTION

Key Performance Highlights

- Flexiroam Limited (“the Company”) reports improved retail customer revenues for the December 2016 quarter.
- Revenues from corporate customers declined as orders were rescheduled.
- The Company continued to streamline its research and development activities focusing on enhancement of Flexiroam-X.
- Direct costs increased, primarily because promotional codes were converted to data usage.
- Advertising and marketing costs declined as the Company continues to optimise its digital marketing strategy.
- Administration and corporate costs were slightly lower for the quarter, mainly due to reduced professional fees and one-off annual charges.

	CURRENT QUARTER 31-Dec-16 \$A '000	PREVIOUS QUARTER 30-Sep-16 \$A '000	INCREASE / (DECREASE) %
Receipts from retail customers	222	130	71%
Receipts from corporate customers	41	784	(95%)
Research and development	(91)	(175)	(48%)
Product manufacturing and operating costs	(310)	(191)	62%
Advertising and marketing	(171)	(854)	(80%)
Staff costs	(202)	(269)	(25%)
Administration and corporate costs	(144)	(172)	(16%)

For personal use only

Recent Announcements

- In November 2016 Flexiroam entered into a partnership agreement with Singapore Airlines Staff Union (“SIASU”) to collaborate on marketing and coordinate sales of Flexiroam products and services to SIASU members for a period of two years.
- In November 2016 Flexiroam signed a sponsorship agreement with Tripzilla of Singapore . Tripzilla travel portal collates the latest tour packages from hundreds of travel agencies in Singapore and aggregates them on their website for price comparison and booking. Flexiroam and Tripzilla together with Hotel Boss Singapore are partnering for a giveaway contest, where participants stand a chance to win a free stay in Hotel Boss Singapore and enjoy free data from FLEXIROAM X when they travel.
- In November 2016 Flexiroam entered into a partnership agreement with Shopee Mobile Malaysia. Shopee is a major mobile marketplace in Southeast Asia and Taiwan, where everyone can browse, shop and sell. Flexiroam will be participating in Shopee’s first anniversary celebration as a sponsor. As an official partner, Flexiroam’s brand and logo will be featured on Shopee’s marketing channels, including mobile app and social media platforms.
- In December 2016 Flexiroam appointed a subsidiary of Brightstar Corp as a consignee with exclusive rights to display and sell FLEXIROAM X. Brightstar distributes and manages inventories for mobile device manufacturers, wireless operators and retailers. Globally Brightstar serves over 200 mobile network operators, 50,000 retailers and 15,000 enterprise customers.
- In January 2017 Flexiroam entered into a partnership agreement with Chan Brothers, one of Singapore’s largest travel agents and tour operators with over 50 years’ experience in the travel industry. In this agreement Chan Brother will purchase FLEXIROAM X and advertise Flexiroam’s products and services on their marketing channels, including Facebook posts, newspapers and website banners.
- In November 2016 Flexiroam launched its “Data for Voice” functionality to its FLEXIROAM X users which enables the users to make international calls to mobile and fixed lines in over 100 countries from users’ data pool.

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")

31 December 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	263	2,039
1.2 Payments for		
(a) research and development	(91)	(545)
(b) product manufacturing and operating costs	(310)	(798)
(c) advertising and marketing	(171)	(1,922)
(d) leased assets	-	-
(e) staff costs	(202)	(684)
(f) administration and corporate costs	(144)	(404)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	20	78
1.5 Interest and other costs of finance paid	(12)	(23)
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	(647)	(2,259)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(105)	(207)
(b) businesses (see item 10)	-	-
(c) investments	-	-

For personal use only

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
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	(105)	(210)

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)	(9)
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)	(9)

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	4,983	6,709
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(647)	(2,258)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(105)	(210)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	(9)
4.5	Effect of movement in exchange rates on cash held	(3)	(7)
4.6	Cash and cash equivalents at end of quarter	4,225	4,225

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	4,225	4,983
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)	4,225	4,983

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

92

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	(1,164)
9.3 Advertising and marketing	(136)
9.4 Leased assets	-
9.5 Staff costs	(321)
9.6 Administration and corporate costs	(247)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(1,939)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

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:  Date: 25 January 2017

(Director/Company secretary)

Print name: Jefrey 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