

15 May 2023

Flexiroam reports strong operating and financial momentum in FY23

Flexiroam Limited (ASX: FRX), (“Flexiroam”, “Company” or the “Group”) is pleased to announce its results for the 12 months ended 31 March 2023 (FY23), a year which highlighted strong operational performance and momentum following significant transformational changes made in recent years.

In FY23, the Company achieved numerous milestones, in-line with its strategic growth plan:

- Delivered strong financial results
 - o Revenue improved by 143% to A\$8.90M
 - o Gross Profit increased 161% to A\$3.86M
 - o Cash receipts up 195% to A\$10.19M
 - o Data cost per GB reduced by 39% YoY;
- Continued to expand reach through a range of eSIM and partnership agreements signed through the year;
- Focused on making and delivering ongoing and meaningful improvements to the company's technical infrastructure capability;
- Made substantial operational progress across all areas of the business with the Travel businesses of Retail and Corporate both growing particularly strongly;
- Expanded and invested in talent across key business functions to support future growth;

Commenting on the FY23 result, Flexiroam Chief Executive Officer Marc Barnett said: “I am pleased with the strong performance across the business in the 2023 fiscal year, a year that demonstrated strong momentum, following the transformational changes we have been making. While advancing the transition of the business, we have also continued to establish strong partnerships while delivering on our objective of lowering data costs and investing heavily in R&D to support future growth.

With the outstanding financial results now reported for FY23 and the demonstrable improvement in operational performance, we are comfortable that the business is set up well for the future.”

Partnerships continue to drive growth and recurring revenue across key strategic verticals

During FY23, Flexiroam continued to progress many important strategic partnerships. During Q2 FY23 Flexiroam's long standing partnership with Mastercard Asia Pacific expanded globally to cover all worldwide Mastercard credit card issuers, allowing any Mastercard issuing bank to participate in the program. Throughout FY23, total cards enrolled in the program across APAC grew 85%.

During Q3 FY23, Flexiroam signed an agreement with Emirates to provide Flexiroam SIM cards and eSIMs loaded with 10GB of data, to be stocked as an in-flight product in Emirates aircraft. The agreement has the scope to expand and will generate an expected annual revenue of A\$150,000.

Flexiroam also expanded its reach by signing 15 eSIM reseller and partnership agreements, with a range of international organisations and providers. Flexiroam signed six strategic partnerships across key verticals of Aviation Services, Terminal Enablement Solutions and Maritime Services.

Continued investment in platform, infrastructure and digital marketing

The Company's technical infrastructure continued to benefit from investment in R&D throughout FY23 in order to offer a wider range of products and services to its resellers and partners. Flexiroam expanded its engineering team in Poland and through its Product team delivered a range of new features to its current product suite while strengthening the flexibility and scalability of its platform.

Flexiroam continued to widen and enhance its product funnel, primarily through digital marketing, acquiring new customers at scale. Various global platforms have been used for digital marketing campaigns to acquire new subscribers and there has been very positive improvements in Return on

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Ad Spend (ROAS) throughout the year. Total iOS registrations increased 105% in FY23 to 212k while ROAS grew 25% YoY to March.

Substantial operational progress across all areas of the business

Continual growth and momentum during FY23 allowed Flexiroam to take the opportunity to redefine the new growth engines that will sustain the improving and changing growth profile of the business.

Flexiroam's traditional Travel business operates in two distinctly defined markets, Corporate and Retail. In FY23, the Retail segment grew 197% to A\$6.11M while Corporate grew 59% to A\$2.06M.

Flexiroam also redefined its Solutions business into four vertical segments for FY24: Aviation Services, Terminal Enablement Solutions, Enterprise Solutions and Maritime Services. The Company is well-positioned for growth across these key segments.

World-class customer service remains a key differentiator for Flexiroam, with improved systems and processes, core customer service metrics transformed and improved in FY23. Average first response times reduced to less than 5 minutes, contributing to a customer satisfaction rating of 98% in Q4.

Improving the price competitiveness of Flexiroam plans was a key focus and helped drive an increase in data sold of 193% to 697TB in FY23. Flexiroam serviced users originating from 202 countries, who consumed data in 164 destinations.

Expansion and investment of talent underpins the future

In FY23 Flexiroam made significant investment into expanding its team to support future growth. The strong team of customer service staff, based in the Philippines, prepares Flexiroam for the ongoing growth in active users and resources added to the tech team in Poland will drive further improvements across both product and network.

In addition, Flexiroam extended the employment agreement for CEO and Executive Director, Marc Barnett and appointed Tat Seng Koh as non-executive Chairman effective 1 February 2023.

Business outlook is bright

FY23 was an outstanding year for the business, both operationally and financially. Large and transformation steps forward were taken which have improved Flexiroam's infrastructure, products and service offering which will allow the Company to further scale to billions of devices globally and secure partnerships that will underpin further growth in FY24.

The growing pipeline of potential partnerships and the continued reduction in data costs will also result in greatly improved economics for the business. The business is well placed to deliver on its objective to become cash flow positive and EBITDA positive in FY24.

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AUTHORISED BY THE BOARD OF DIRECTORS

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ABOUT FLEXIROAM

Founded in 2011 by Jeffrey Ong, Flexiroam Limited (ASX:FRX) started with a mission to push the boundaries of communications. What began as a solution for travellers needing seamless mobile data at competitive rates, has evolved beyond the consumer travel market.

Flexiroam provides connectivity across any device, in any part of the world for any application. The Company is a superconnector for people and machines globally. Flexiroam's versatile network now spans across 520 network operators in over 150 countries and territories, making it the preferred service for consumers and businesses worldwide.

For further information, please visit <https://www.flexiroam.com/>