

## APPENDIX 4E

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

	% INCREASE / (DECREASE)	YEAR ENDED 31 MAR 2023 \$	YEAR ENDED 31 MAR 2022 \$
Revenue from ordinary activities	142.8	8,904,626	3,668,121
Loss after tax from ordinary activities attributable to members	(37.1)	(2,637,526)	(4,193,159)
Net loss for the period attributable to members	(37.1)	(2,637,526)	(4,193,159)

### DIVIDEND INFORMATION

	AMOUNT PER SHARE	FRANKED AMOUNT PER SHARE
Dividend – current reporting period	Nil	Nil
Dividend – previous reporting period	Nil	Nil

### TANGIBLE ASSET BACKING PER ORDINARY SHARE

	ISSUED CAPITAL (NUMBER)	CENTS
Tangible asset backing per ordinary share – previous reporting period	601,295,275	(0.34)
Tangible asset backing per ordinary share – current reporting period	629,439,047	(0.79)

**FLEXIROAM**

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# ANNUAL REPORT 2023

Consolidated Annual Financial Report  
for the Year Ended 31 March 2023

FLEXIROAM LIMITED AND ITS CONTROLLED ENTITIES ACN 143 77 397

# TABLE OF CONTENTS

MESSAGE FOR SHAREHOLDERS FROM CEO	1
DIRECTORS' REPORT	4
AUDITOR'S INDEPENDENCE DECLARATION	13
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	14
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	15
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	16
CONSOLIDATED STATEMENT OF CASH FLOWS	17
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	18
DIRECTORS' DECLARATION	44
INDEPENDENT AUDITOR'S REPORT	45
ASX INFORMATION	49
CORPORATE INFORMATION	52

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# MESSAGE FOR SHAREHOLDERS FROM CEO

Dear Shareholders,

It is my pleasure to present Flexiroam's Annual Report for the 2023 fiscal year (FY23), highlighting our strong operational performance and momentum following significant transformational changes made in recent years. While advancing the transition of the business, we have also continued to seek out and establish strong partnerships while delivering on our objective of lowering data costs and investing heavily in Research and Development to support future growth. We are pleased to report the outstanding financial results for FY23 and the significant improvement in operational performance. We believe that these results provide a strong foundation for the future growth of the business.

## GLOBAL EXPANSION WITH MASTERCARD FOLLOWING SIGNIFICANT GROWTH IN APAC

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 in APAC grew 85% and in Q4 of FY23, Flexiroam onboarded issuers from Europe and EEMEA, bringing the total number of cards enrolled in the Mastercard partnership to over 3M in total.

## FLEXIROAM AVAILABLE ON EMIRATES AIRCRAFT WORLDWIDE

During Q3 FY23, Flexiroam signed an agreement with Emirates to provide SIM cards and eSIMs loaded with 10GB of data and 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. The partnership with Emirates provides Flexiroam with access to a highly engaged and qualified audience who are already travelling and may require roaming services. Flexiroam expects to leverage this partnership to further increase its market share and brand exposure globally.

## EXPANDING REACH THROUGH PARTNERSHIPS AND RESELLER AGREEMENTS

Flexiroam signed numerous eSIM reseller and partnership agreements in FY23 including:

- Sim Local – targeting global travellers, selling eSIMs/data through physical and digital channels
- TripAdd – operating as an add-on ancillary service for airlines and online travel agents
- Kuwait Star – offering SIM and data bundles through retail outlets as a Flexiroam reseller
- Gordian Software – leading B2B technology platform offering solutions for airlines and online travel agencies to sell auxiliary services to travel clients via API connection
- Monty Mobile – providing businesses, service providers and mobile network operators with digital goods and services. Anticipated to sell 20,000 Flexiroam eSIMs in the first year
- Simly Store – large German retailer of prepaid travel SIMs adding Flexiroam to their offering
- Bikago - offering Flexiroam SIMs and eSIMs using the Bikago Mobile brand through its website and local retailers as an upsell to its rental offerings with a A\$150k annual revenue commitment
- Optionizr - selling Flexiroam eSIMs/data through a Flexiroam powered digital reseller portal, targeting airlines and travel agencies
- Easy eSIM - integrating Flexiroam eSIMs into current online channels and portfolio offerings
- Air Ocean Maroc - providing connectivity to aviation crew throughout Africa
- The Women's Tennis Association – providing data to the top 500 players, coaches, and officials
- Connectivity World Global – adding Flexiroam's eSIMs/data to their current range of services
- Telesim – eSIM store becoming a reseller of Flexiroam's eSIMs/data in over 50 destinations
- Sky Call – leading Israeli telco becoming a Flexiroam eSIM/data reseller
- Japan Communications Inc. (JCI) – selling Flexiroam eSIMs/data via eSIM Consumer Platform

## MESSAGE FOR SHAREHOLDERS FROM CEO

### GROWTH IN RECURRING REVENUE ACROSS KEY STRATEGIC VERTICALS

In FY23 numerous strategic partnerships were signed across key verticals Aviation Services, Terminal Enablement Solutions and Maritime Services including:

- Pine Labs - India based mPOS giant who extended their agreement in Malaysia to include UAE
- Ship to Shore – Connectivity to superyachts using its own brand via a White Label agreement
- Internet 4 Crew – Maritime connectivity supplier, focused on the crew working at sea vertical
- Nearshore – Maritime partnership to provide connectivity to vessels and passenger cruise liners in conjunction with the installation of Antennas for both Satellite and mobile connectivity
- Lutikey – US based company manufacturing LutiBand Smartwatches for seniors.
- AAATap – Malaysian consumer application and ecommerce rewards system, with Flexiroam now providing connectivity to the cashless parking payments vertical

### PLATFORM AND INFRASTRUCTURE IMPROVEMENTS DRIVEN BY INVESTMENTS IN RESEARCH & DEVELOPMENT

Throughout FY23 our team focused on making ongoing improvements to the Company's technical infrastructure, to offer a wider range of products and services to resellers and partners. To accelerate the transformational changes in the business, Flexiroam added new features to its current product suite while strengthening the flexibility and scalability of our platform.

Our expanded Engineering team in Poland focused on designing and developing the technology roadmap that will support the growth of the business both vertically and horizontally. At the same time, the Product team delivered our customers with access to a strong and expanding product range and upgraded platform. These improvements led to a significant reduction in data costs.

### DIGITAL MARKETING EFFICIENCY DRIVES ACQUISITION AT SCALE

Flexiroam has continued to widen and enhance its product funnel, primarily through digital marketing, acquiring new customers at scale. Various platforms have been used for digital marketing campaigns to acquire new subscribers including Google, Apple, Facebook and TikTok. Improvements in Return on Ad Spend (ROAS) came through user experience optimisation and improved sophistication in user targeting and content creation, particularly with iOS users. Total registrations increased 105% in FY23 to 212k. Positive YoY ROAS continued, increasing 25% from 9.1x in Mar 2022 to 11.3x in Mar 2023.

### SUBSTANTIAL OPERATIONAL PROGRESS ACROSS ALL AREAS OF THE BUSINESS

Flexiroam's traditional Travel business operates in two distinctly defined markets, Retail Travel and Corporate Travel. In FY23, the Retail grew 197% to A\$6.11M, while Corporate grew 59% to A\$2.06M. In FY24, the corporate segment will be broken down into three new segments and be reported on as Corporate Rewards and Sponsorship, Wholesale Partners, and Reseller Partners.

Flexiroam has also redefined its Solutions business into four vertical segments for FY24 and beyond: Aviation Services, Terminal Enablement Solutions, Enterprise Solutions, and Maritime Services. The company is well-positioned for growth in these segments, with existing contracted revenue and qualified sales pipelines providing a strong foundation to build upon over the next 18-24 months. In addition to the focus on these segments, Flexiroam will pursue single solutions that offer attractive returns on investment and maintain an "incubator" segment to capture further growth opportunities.

World class customer service is a key differentiator for Flexiroam. With improved systems and processes, core customer service metrics continued to transform and improve in FY23. Average first response times reduced to less than 5 mins, contributing to a customer satisfaction rating of 98% in Q4. We continue to focus on high-quality customer support functions to ensure the business can scale, while delivering the required high levels of service.

## MESSAGE FOR SHAREHOLDERS FROM CEO

The focus on iOS installs delivered a positive outcome in FY23, represented by lower total, but higher quality installs. iOS installs increased 299% to 197k in FY23 and new paying users rose 127% to 15.3k in Mar 2023. Monthly active users in Mar 2023 increased 85% to 28.8k and eSIM activations rose 245% to 71k.

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. The growth in new paying users and data sold is a strong indicator of future revenue which will be recognised as and when the data is consumed. In FY23 Flexiroam serviced users originating from 202 countries, who consumed data in 164 destinations.

### EXPANSION AND INVESTMENT OF TALENT ACROSS KEY BUSINESS FUNCTIONS

Over the past 12 months, Flexiroam has made significant investments into expanding our team to support future growth. As demand for our products and services continues to increase, we recognise the importance of having a strong and capable team in place to meet these demands. We believe that investing in our team is key to achieving our long-term growth goals, and we are confident that these efforts will continue to produce outstanding results.

We have built out a strong team of customer service staff based in the Philippines and continue to add resources to our tech team in Poland, including two new managers across product and network.

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

### FINANCIAL MOMENTUM REMAINS POSITIVE

FY23 delivered a strong set of financial results built on the transformational changes made to the business in recent years. The Company delivered substantial revenue growth of 143% to A\$8.90M (FY22: A\$3.69M), as the business was able to capitalise on the increase in global travel. Gross Profit jumped 161% to A\$3.86M, driven by a combination of revenue growth and data cost reductions. As a result, Flexiroam reported an EBITDA loss of A\$2.75M, an improvement of A\$1.23M on the A\$3.98M EBITDA loss in FY22.

Data cost per GB has been successfully reduced by 39% YoY, with efficiencies realised through technical improvements and volume based negotiations.

Cash receipts increased 195% to A\$10.19M (FY22: A\$3.45M), with each quarter showing strong underlying growth. As a result, the cash balance at the end of the year was a healthy A\$2.10M, which supports the future growth plans.

The growing pipeline of potential partnerships and the continued reduction in data costs will result in greatly improved economics for the business. We remain confident and well placed to deliver on the company's objective to become cash flow positive in FY24.

### APPRECIATION

Flexiroam delivered outcomes well above expectations in FY23 with strong operational momentum carried forward into FY24. I am proud of the results and the effort that our team delivered throughout the year to position the business for long term global growth. We have continued to transition the business, improving our infrastructure, products and service which will allow us to further scale the company to billions of devices globally and secure partnerships that will underpin our growth in FY24.

I would like to thank the Board, Leadership Team and all the members of the Flexiroam business for their efforts during the year and for their commitment to our success. On behalf of the Board, I would like to thank our investors for supporting our business. Our company is well positioned for success and we look forward to delivering another year of strong performance in FY24 and beyond.

# DIRECTOR'S REPORT

The Directors of Flexiroam Limited ('the Company') and its controlled entities submit herewith their report together with the financial statements of the company ('the Group') for the year ended 31 March 2023.

## 1. DIRECTORS

The names and particulars of the directors of the Company during or since the end of the year 31 March 2023 are:

### **MARC BARNETT (Appointed 22 February 2021)**

#### **Non-Executive Director, re-designated as an Executive Director and CEO effective from 27 April 2021**

Marc Barnett has extensive experience in sales, commercial operations, finance and change management, and brings over 12 years' experience in C-suite roles across the Asia-Pacific region, with multinational corporations and high growth start-ups.

Marc Barnett was most recently Chief Executive Officer of video-on-demand service iflix, until its acquisition by Tencent in June 2020, having joined as Chief Operating Officer in 2016. He accelerated iflix's growth to deliver 50 million app downloads with 25 million monthly active users, rapidly expanding the business to 32 markets spanning Asia, the Middle East and Africa.

Marc Barnett held senior leadership roles at Microsoft and nineMSN. As part of the Microsoft Asia-Pacific Executive Leadership Team, he developed the go-to-market strategy for over 100 sales staff across 13 markets in the region. He represented the interests of Nine Entertainment Co and Microsoft in Joint Ventures.

Marc Barnett has not held directorships in any other Australian listed companies during the past three financial years.

### **JEFREY ONG (Appointed 18 March 2015)**

#### **Executive Director and CEO, transitioned to newly created role of Chief Innovation Office on 27 April 2021, re-designated as Non-Executive Director effective 1 April 2022**

Jefrey Ong is a highly experienced entrepreneur and business leader in the telecommunications and technology sectors. He founded Flexiroam in 2012 and listed the company on ASX in 2015 raising more than A\$10m via IPO. Under his leadership, Flexiroam launched various innovative solutions to the travel and IoT market through the use of eSim technology.

Prior to the transition to Non-executive role, Jefrey Ong has led the team to establish key partnerships with some of the most reputable global brands including Apple, Mastercard, Tripadvisor and Korean Air. These partnerships have helped Flexiroam reach a wider audience and provide its services to travellers all around the world.

He is currently serving as an advisor to several fast growing tech startups in e-commerce, cloud and Web3 space.

Jefrey Ong graduated from Champlain College, United States, with a Bachelor of Science, Degree in Software Engineering. Jef also completed the Innovation & Entrepreneurship Program in Stanford University, United States.

Jefrey Ong has not held directorships in any other Australian listed companies during the past three financial years.

Mr. Ong is the chair of the Nomination and Remuneration Committee.

### **TAT SENG KOH (Appointed 3 September 2018)**

#### **Non-Executive Director, re-designated as an Executive Director effective from 2 November 2020, moved back into the role of Non-Executive Director on 27 April 2021**

Tat Seng Koh has extensive experience in investment banking and corporate finance. He has successfully listed many companies on stock exchanges and raised funds in the debt and equity market.

He was instrumental in the listing of MayAir Group plc and PureCircle Ltd on the AIM Market, London Stock Exchange in 2015 and 2007 respectively. He held the position of Executive Director/Group Chief Financial Officer of MayAir Group plc and was the Group Chief Financial Officer of PureCircle Ltd. Prior to joining PureCircle Ltd, Tat Seng was Head of Corporate Finance at Avenue Securities Sdn Bhd (a member of the ECM Libra Avenue Group) and Associate Director of Corporate Finance of CIMB Investment Bank Berhad, a leading investment bank in Malaysia. He started his career at Coopers & Lybrand (now known as PWC) upon obtaining his bachelor's degree in accounting from University of Malaya in 1990. He is a member of the Malaysian Institute of Accountants and was a member of the Listing Committee of the Labuan International Financial Exchange, a wholly owned subsidiary of Bursa Malaysia Berhad.

Tat Seng has not held directorships in any other Australian listed companies during the past three financial years.

### 1. DIRECTORS – CONTINUED

#### **STEPHEN FRANK PICTON (Appointed 1 June 2022)**

##### **Non-Executive Director**

Steve Picton is a highly experienced and seasoned executive, with over 35 years' of technology and telecommunications leadership experience, spanning sales, marketing and strategy, including 20 years as a Chief Executive Officer.

Steve is currently a Director of management consultancy Richmond Bridge, where he focuses on business development and technology investments. He also sits on the Boards of Echo IQ and Cognian Technologies.

Steve was the Chief Executive Officer of Super Fast Broadband business LBNCo, from June 2015 until January 2021, investing in and leading the business during a period of explosive growth and structural change. Prior to this, Steve worked as a Management Consultant at Richmond Bridge and founded the Gotalk business in Australia for 13 years through to an exit. While Chief Executive Officer of Gotalk, Steve built the largest calling card business in Australia and New Zealand, growing the business to become profitable with solid cash flow. His initial career was with British Telecom in the UK and Asia Pacific where he held senior executive roles within Sales & Marketing and also Corporate Development where he led several substantial M&A activities.

Mr Picton is the chair of the Audit and Risk Committee.

#### **ONG THIAN CHOY (Appointed 1 October 2019, resigned 1 June 2022)**

##### **Non-Executive Director**

Ong Thian Choy is the founder and president of the Reapfield Group which started in 1984. Today, Reapfield Properties is one of the leading real estate agencies in Malaysia, with a network of more than 600 real estate agents in Malaysia.

In his 36 years of real estate experience, Mr Ong Thian Choy was instrumental in the development of a robust business management structure to professionalise the delivery of real estate services in the country.

Ong Thian Choy has not held directorships in any other Australian listed companies during the past three financial years.

### 2. COMPANY SECRETARY

#### **NATALIE TEO (Appointed 14 February 2020)**

Natalie Teo graduated with a Masters in Accounting from Curtin University in Western Australia and holds a Graduate Diploma in Applied Corporate Governance with the Governance Institute of Australia. Ms Teo is a Chartered Secretary and an Associate of the Governance Institute of Australia.

She is currently the secretary to several ASX-listed entities and is working with a firm which provides company secretarial and accounting services to both listed and unlisted entities.

### 3. PRINCIPAL ACTIVITIES

The Group is involved in telecommunications and Internet of Things (IoT) connectivity. There have been no significant changes in the nature of the activities during the year.

### 4. REVIEW OF OPERATIONS

The information and analysis about the Group's financial performance in the financial year 2023 are detailed in the Financial Performance section beginning on page 14 of this annual report.

To further enhance its focus on growth, the Corporate Travel and Solutions lines of business have been redefined into seven distinct vertical segments. These segments are Corporate Rewards and Sponsorship, Wholesale Partners, Reseller Partners, Aviation Services, Terminal Enablement Solutions, Enterprise Solutions, and Maritime Services. The business will maintain an "incubator" segment focused on capturing further growth opportunities in singular solutions that deliver attractive returns.

This shift allows the Company to streamline resources to these specific segments, accelerating the Company's value proposition and specialised expertise in each area. This redefinition of the Corporate Travel and Solutions lines of business reflects Flexiroam's commitment to growth and innovation.

**5. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

Flexiroam continues to invest heavily in Research and Development (R&D) in order to support its future growth through the expansion of the Engineering team in Poland, focused on delivering the technology roadmap supporting both incremental growth, increased system reliability and the new business opportunities being pursued. The Company has already improved the flexibility and functionality of its platforms and is capitalising on the strong and expanding interest in its products. Flexiroam is developing and pursuing scalable prospects, aggressively expanding its travel business and signing deals across new and existing verticals. As part of this investment, Flexiroam has classified this team's costs against R&D being A\$655k from 1 April 2022 to 31 March 2023. Flexiroam will continue to invest in R&D to support the future growth of the business.

The Company also made key additions in Sales and Customer Service, increasing the number of employees from 37 at the end of FY22 to 50 at the end of FY23.

During FY23, the company has vested 28,143,772 fully paid ordinary shares under its Employee Incentive Plan for nil monetary consideration inclusive of the conversion of CEO performance rights and options, executive performance rights, share rights and employee shares for FY2022 to eligible management team members, granted as remuneration during the current financial year.

The Company established the Audit and Risk Committee and Nomination and Remuneration Committee on 20 January 2023. Additional details are available in the Committees respective charters, which can be found at [Schedule-3-Audit-and-Risk-Committee-Charter.pdf \(flexiroam.com\)](#) and [Schedule-4-Remuneration-and-Nomination-Committee-Charter.pdf \(flexiroam.com\)](#).

Flexiroam appointed Tat Seng Koh as non-executive Chairman effective 1 February 2023.

**6. SIGNIFICANT EVENTS AFTER BALANCE DATE**

Effective 1st April 2023, the employment agreement of CEO and Executive Director, Marc Barnett was renewed and his annual remuneration increased to A\$500,000 per annum. The Board has also agreed, subject to shareholder approval under Listing Rule 10.14, to issue 40 million unlisted options to Mr Barnett. These options are proposed to be issued under the Company's new employee option plan in three separate tranches and will be subject to vesting and exercise conditions. The employment contract duration has been amended from 3 years commencing 27 April 2021 to ongoing with no fixed term.

NUMBER	EXERCISE PRICE PER OPTION	VESTING CONDITION	EXPIRY DATE
13,333,333	\$0.035	1 year vesting	5 years from date of issue
13,333,333	\$0.075	2 year vesting	5 years from date of issue
13,333,333	\$0.115	3 year vesting	5 years from date of issue

On 11 May 2023, the Company had announced that its Board had resolved to change the Company's financial year end from 31 March to 30 June. The change will align the Company's reporting timetable with the standard Australian reporting cycle and all fully owned subsidiaries will also change to 30 June year end.

### 7. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company has seen data sold and data usage from Travel users significantly increase during FY23 and expects the strong growth in usage to continue into FY24. Flexiroam continued to deliver on its growth strategy, which includes white label solutions to increase global presence across key industries and geographies. Ongoing improvements in operational efficiency have led to an increase in gross profit, driven by increased revenue and significant reductions in data costs.

Flexiroam has a strong pipeline of existing and potential partnerships, and our dedicated global team will continue to seek out new opportunities to expand market share and increase brand recognition across key verticals.

The potential risks associated with the Group's business are outlined below.

#### Competitive market

The industry in which the Company operates in is a highly dynamic and competitive market and is subject to both domestic and global competition, including telecommunication companies and resellers of travel SIMs. Some of the Company's competitors are telecommunication companies that are large organisations with greater financial, technical and human resources.

While the Company undertakes all reasonable due diligence in its business decisions and operations, the Company has no influence or control over the activities or actions of its competitors, whose activities or actions may negatively impact the operating and financial performance of the Company. Notwithstanding stiff competition, the Company continues to respond with a customer-focused strategy, constant research and development into technology, high quality products and services, and improvements to cost structures.

#### Cyber security

A cyber-security breach on the FlexiroamX App could render the FlexiroamX App unavailable for use by customers or customers' personal information could be compromised. An attack may happen without warning and would range in severity.

The Company has in place necessary cyber security measures to minimise and manage such attacks, however there can be no assurance that such security strategies will be effective. Unavailability of the FlexiroamX App could harm the Company's reputation and lead to a loss of revenue, while a compromise on customers' information could hinder the Company's ability to retain existing customers or attract new customers, which could have a material adverse impact on the Company's business.

#### Dependence on third party network providers

The Company's business model is reliant upon third party network providers and the performance of those networks. The Company has support measures in place in the event of any network downtime or disruption, aiming to provide customers with the best possible solution and user experience. However, any network downtime or disruption could materially impact connectivity, and this may affect customer confidence and impact sales of the Company.

#### Currency risk

The Company derives the majority of its revenue in US dollars and has cost exposure mainly in US dollars, Australian dollars and Malaysian Ringgit. Accordingly, changes in the exchange rate between US dollars, Australian dollars and Malaysian Ringgit will have a direct effect on the performance of the Company.

#### Government policy changes and legal risk

The Company's customers are situated globally and the Company's network covers over 200 countries. The Company's operations in the countries in which it operates will be governed by the applicable laws and regulations in those countries. Breaches or non-compliance with these laws and regulations could result in penalties and other liabilities. These may have a material adverse impact on the assets, operations, performance, growth prospects and share price of the Company. Any governmental action or policy changes in relation to aspects such as access to customers, intellectual property protection, trade restrictions and taxation may also adversely affect the Company. In addition, there is a commercial risk that legal action may be taken against the Company in relation to commercial matters.

**8. ENVIRONMENTAL LEGISLATION**

The entity is not subject to any significant environmental legislation.

**9. MEETINGS OF DIRECTORS**

The number of monthly business review meetings of the company's Board of Directors attended by each Director during the year ended 31 March 2023 was:

DIRECTOR	MEETINGS HELD WHILE IN OFFICE	MEETINGS ATTENDED
Marc Barnett	13	13
Jefrey Ong	13	13
Tat Seng Koh	13	13
Stephen Frank Picton	11	11
Ong Thian Choy	2	1

The number of meetings of the company's Audit and Risk Committee attended by each committee during the year ended 31 March 2023 was:

DIRECTOR	MEETINGS HELD WHILE IN OFFICE	MEETINGS ATTENDED
Jefrey Ong	1	1
Tat Seng Koh	1	1
Stephen Frank Picton	1	1

In addition, The Board of Directors approved 7 circular resolutions during the year ended 31 March 2023 which were signed by all Directors of the Company.

The Board convenes biannually for a two-day Business Planning/Review Workshop.

**10. REMUNERATION REPORT (AUDITED)**

This report outlines the remuneration arrangements in place for Directors and other Key Management Personnel of the Group.

**10.1 KEY MANAGEMENT PERSONNEL DISCLOSED IN THIS REPORT**

- i. Marc Barnett (Executive Director and Chief Executive Officer effective from 27 April 2021);
- ii. Jefrey Ong (Non-Executive Director, effective from 1 April 2022);
- iii. Tat Seng Koh (Non-Executive Chairman, effective 1 February 2023);
- iv. Ong Thian Choy (Non-Executive Director, resigned 1 June 2022);
- v. Stephen Frank Picton (Non-Executive Director, effective from 1 June 2022).

**10. REMUNERATION REPORT (AUDITED) – CONTINUED**

**10.2 REMUNERATION GOVERNANCE**

The number of meetings of the company's Nomination and Remuneration Committee attended by each Committee member during the year ended 31 March 2023 was:

DIRECTOR	MEETINGS HELD WHILE IN OFFICE	MEETINGS ATTENDED
Jefrey Ong	5	5
Tat Seng Koh	5	5
Stephen Frank Picton	5	5

The formation of this Nomination and Remuneration Committee occurred on 20 January 2023 to assist and advise the Board in determining the remuneration of Key Management Personnel.

**10.3 NON-EXECUTIVE DIRECTOR REMUNERATION**

The Board seeks to set remuneration of Non-Executive Directors at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is appropriate at this stage of the Company's development.

The Board had resolved that Non-Executive Directors' fees range up to \$60,000 per annum for each Non-Executive Director.

In addition, Non-Executive Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred as a consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors.

Total remuneration for all non-executive directors, last voted upon by shareholders at a meeting held on 30 November 2011, is not to exceed \$250,000 per annum.

**10.4 EXECUTIVE REMUNERATION**

The following table discloses the contractual arrangements with the Group's Key Management Personnel.

a. Key Terms of Remuneration

COMPONENT	CEO DESCRIPTION
Fixed remuneration	\$350,000 per annum
Contract duration	3 years commencing 27 April 2021
Notice by the individual/company	6 months
Other entitlements	Annual and personal leave, Incentive benefit

**10.5 EXECUTIVE REMUNERATION**

a. Summary of amounts paid to key management personnel

The table below discloses the compensation of the Key Management Personnel of the Group during the year ended 31 March 2023.

YEAR ENDED 31 MAR 2023	SHORT-TERM EMPLOYEE BENEFITS SALARY & FEES	BONUS	POST- EMPLOYMENT SUPERANNUATION	SHARE-BASED PAYMENTS	TOTAL	PERCENTAGE OF TOTAL REMUNERATION FOR THE YEAR LINKED TO PERFORMANCE
	\$	\$	\$	\$	\$	%

**Directors — Flexiroam Limited**

Jefrey Ong	60,000	-	-	30,000	90,000	33.3
Tat Seng Koh	60,000	-	-	-	60,000	-
Thian Choy Ong <sup>[1]</sup>	6,000	-	-	-	6,000	-
Marc Barnett	355,558	-	-	887,500	1,243,058	71.4
Stephen Frank Picton <sup>[2]</sup>	45,269	-	4,731	-	50,000	-

**Directors — Flexiroam Sdn Bhd**

Si Pin Lim <sup>[3]</sup>	-	-	-	-	-	-
<b>2023 Total</b>	<b>526,827</b>	<b>-</b>	<b>4,731</b>	<b>917,500</b>	<b>1,449,058</b>	<b>63.3</b>

<sup>[1]</sup> resigned 1 June 2022

<sup>[2]</sup> appointed 1 June 2022

<sup>[3]</sup> resigned 31 May 2022

YEAR ENDED 31 MAR 2022	SHORT-TERM EMPLOYEE BENEFITS SALARY & FEES	BONUS	POST- EMPLOYMENT SUPERANNUATION	SHARE-BASED PAYMENTS	TOTAL	PERCENTAGE OF TOTAL REMUNERATION FOR THE YEAR LINKED TO PERFORMANCE
	\$	\$	\$	\$	\$	%

**Directors — Flexiroam Limited**

Jefrey Ong	165,123	-	14,081	34,909	214,113	16.3
Tat Seng Koh	61,488	-	766	-	62,264	-
Tuck Yin Choy	8,219	-	781	-	9,000	-
Thian Choy Ong	36,000	-	-	-	36,000	-
Marc Barnett	331,373	-	-	868,485	1,199,858	72.4

**Directors — Flexiroam Sdn Bhd**

Si Pin Lim	-	-	-	-	-	-
<b>2022 Total</b>	<b>602,203</b>	<b>-</b>	<b>15,638</b>	<b>903,394</b>	<b>1,521,235</b>	<b>59.4</b>

No member of key management personnel appointed during the year received a payment as part of his or her consideration for agreeing to hold the position (31 March 2022: \$nil).

## DIRECTORS' REPORT

### b. Employee share option plan

The Company has issued 28,143,772 fully paid ordinary shares under its Employee Incentive Plan for nil monetary consideration. This includes conversion of CEO performance rights and options, executive performance rights, share rights and employee shares for FY2022 to eligible management team members. The shares were granted as remuneration during the current financial year.

### 10.6 EQUITY HOLDINGS OF KEY MANAGEMENT PERSONNEL

#### a. Fully paid ordinary shares

Fully paid ordinary shares held by Flexiroam Limited by Key Management Personnel are as follows:

31 MAR 2023	BALANCE AT 1 APR 2022	ALLOTMENT / PURCHASE OF SHARES	DISPOSAL OF SHARES	NET OTHER CHANGES	BALANCE AT 31 MAR 2023	BALANCE HELD NOMINALLY
	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER

#### Directors – Flexiroam Limited

Jefrey Ong	62,021,186	882,353	(8,000,000)	-	54,903,539	-
Tat Seng Koh	42,972,162	4,800,000	-	-	47,772,162	-
Thian Choy Ong	81,943,089	-	-	-	81,943,089	1,943,089
Marc Barnett	-	22,573,530	-	-	22,573,530	-
Stephen Frank Pictou	-	11,855,673	-	-	11,855,673	11,855,673

#### Directors – Flexiroam Sdn Bhd

Si Pin Lim	4,500,000	-	-	-	4,500,000	-
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### b. Share options held by key management personnel

During the year ended 31 March 2023, the share options held by key management personnel expired unexercised on 31 October 2022.

### c. Performance rights

During the year ended 31 March 2023, no share performance rights were granted or exercised by key management personnel. Below rights were granted after obtaining shareholder approval at the 2022 Annual General Meeting and are subject to vesting conditions.

DIRECTORS	GRANT DATE	EXERCISE PRICE	NUMBER	FAIR VALUE	EXPIRY DATE
Marc Barnett	21 June 2022		10,000,000		21 June 2024
Marc Barnett	21 June 2022		1		21 June 2024

### 10.7 VOTING AND COMMENTS MADE AT THE COMPANY'S 2022 ANNUAL GENERAL MEETING

The Company received 99.69% votes, of those shareholders who exercised their right to vote, in favour of the remuneration reports for the 2022 financial period. The Company did not receive any specific feedback at the AGM or throughout the period on its remuneration practices.

### 10.8 LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans to key management personnel.

(This is the end of the Audited Remuneration Report)

### 11. INDEMNITY AND INSURANCE OF OFFICERS

During the financial year, the Company has paid insurance premiums during the year relating to contracts insuring the directors and officers against liability which may arise in connection with them acting as Directors to the extent permitted under the Corporations Act.

### 12. INDEMNITY AND INSURANCE OF AUDITORS

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

### 13. PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

### 14. INTERESTS IN THE SHARES, OPTIONS AND PERFORMANCE RIGHTS OF THE COMPANY AND RELATED BODIES CORPORATE

This has been disclosed in page 11 under Section 10.6 a and c.

### 15. SHARE OPTIONS

On 31 October 2022, 65,620,842 share options expired and unexercised.

### 16. NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

During the year, no fees have been paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms.

### 17. DIVIDENDS

No dividends were paid during the year and no recommendation is made as to dividends.

### 18. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included in this Annual Financial Report.



**Marc Barnett**

Chief Executive Officer

Signed on this 15<sup>th</sup> May 2023



AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor of the audit of Flexiroam Limited for the year ended 31 March 2023, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Flexiroam Limited and the entities it controlled during the year.

Rothsay Audit & Assurance Pty Ltd

Daniel Dalla  
Director

15 May 2023

A Level 1/6 O'Connell Street  
Sydney NSW 2000

A Level 1, Lincoln Building,  
4 Ventnor Avenue, West Perth WA 6005

E info@rothsay.com.au  
W www.rothsay.com.au

ABN 14 129 769 151

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023**

	NOTES	YEAR ENDED 31 MAR 2023 \$	YEAR ENDED 31 MAR 2022 \$
Revenue	6	8,904,626	3,668,121
Cost of sales		(5,044,664)	(2,190,356)
Gross profit / (loss)		3,859,962	1,477,765
Interest received		30,697	7,869
Foreign exchange gains/(losses)		121,255	(201,255)
Other income		75,028	23,761
Administration and operating expenses		(1,164,649)	(1,055,193)
Selling and marketing expenses		(2,702,060)	(1,061,660)
Research and development		(342,089)	(415,815)
Staff costs		(1,205,840)	(1,300,507)
Share based payment		(825,746)	(1,296,191)
Bad debts written off		-	(183,420)
Depreciation and amortisation		(26,685)	(16,958)
Equipment written off		(7,953)	(1,480)
Finance expenses		(499,447)	(170,075)
Loss before income tax		(2,637,526)	(4,193,159)
Income tax expense	16	-	-
Loss for the year		(2,637,526)	(4,193,159)
Other comprehensive (loss)/income			
<i>Items that may be reclassified to profit or loss:</i>			
Foreign exchange translation of foreign controlled subsidiaries		(393,930)	26,971
Total other comprehensive income, net of tax		(393,930)	26,971
<b>Total comprehensive income for the year</b>		<b>(3,031,456)</b>	<b>(4,166,188)</b>
Loss per share (basic and diluted)	19	(0.42) cents	(0.80) cents

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2023**

	NOTES	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	1,029,223	3,161,565
Fixed deposits with a licensed bank	7	1,066,427	1,049,782
Trade and other receivables	9	210,070	66,356
Inventories	10	371,104	280,337
Other assets		76,887	68,090
<b>Total current assets</b>		<b>2,753,711</b>	<b>4,626,130</b>
<b>NON-CURRENT ASSETS</b>			
Plant and Equipment	11	36,000	29,742
Intangible assets	12	102,768	58,315
Development costs	13	692,784	-
<b>Total non-current assets</b>		<b>831,552</b>	<b>88,057</b>
<b>Total Assets</b>		<b>3,585,263</b>	<b>4,714,187</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	4,045,978	4,824,325
Deferred revenue	15	3,735,841	1,880,708
<b>Total current liabilities</b>		<b>7,781,819</b>	<b>6,705,033</b>
<b>Total Liabilities</b>		<b>7,781,819</b>	<b>6,705,033</b>
<b>Net Assets Deficiency</b>		<b>(4,196,556)</b>	<b>(1,990,846)</b>
<b>EQUITY</b>			
Issued capital	17	47,959,378	46,883,390
Reserves	18	(2,442,925)	(1,798,753)
Accumulated losses		(49,713,009)	(47,075,483)
<b>Total Equity Deficiency</b>		<b>(4,196,556)</b>	<b>(1,990,846)</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	ISSUED CAPITAL	OPTION & PERFORMANCE RIGHTS RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	ACCUMULATED LOSS	TOTAL
	\$	\$	\$	\$	\$
<b>BALANCE AT 1 APRIL 2021</b>	<b>42,427,553</b>	<b>299,993</b>	<b>(2,928,498)</b>	<b>(43,182,317)</b>	<b>(3,383,269)</b>
Loss for the year	-	-	-	(4,193,159)	(4,193,159)
Other comprehensive income for the year	-	-	26,971	-	26,971
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>26,971</b>	<b>(4,193,159)</b>	<b>(4,166,188)</b>
Performance rights to employees	-	1,308,611	-	-	1,308,611
Shares issued during the year	4,250,000	-	-	-	4,250,000
Share issue costs	205,837	(205,837)	-	-	-
Options lapsed	-	(299,993)	-	299,993	-
<b>BALANCE AT 31 MARCH 2022</b>	<b>46,883,390</b>	<b>1,102,774</b>	<b>(2,901,527)</b>	<b>(47,075,483)</b>	<b>(1,990,846)</b>
<b>BALANCE AT 1 APRIL 2022</b>	<b>46,883,390</b>	<b>1,102,774</b>	<b>(2,901,527)</b>	<b>(47,075,483)</b>	<b>(1,990,846)</b>
Loss for the year	-	-	-	(2,637,526)	(2,637,526)
Other comprehensive loss for the year	-	-	(393,930)	-	(393,930)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(393,930)</b>	<b>(2,637,526)</b>	<b>(3,031,456)</b>
Performance rights to employees	-	825,746	-	-	825,746
Shares issued during the year	1,066,688	(1,066,688)	-	-	-
Share right conversion	9,300	(9,300)	-	-	-
<b>BALANCE AT 31 MARCH 2023</b>	<b>47,959,378</b>	<b>852,532</b>	<b>(3,295,457)</b>	<b>(49,713,009)</b>	<b>(4,196,556)</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR  
ENDED 31 MARCH 2023**

	NOTES	YEAR ENDED 31 MAR 2023 \$	YEAR ENDED 31 MAR 2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		10,157,794	3,445,259
Payments to suppliers and employees		(11,354,201)	(5,820,089)
Interest paid		(449,447)	(170,075)
Interest received		30,697	7,869
Net cash flows used in operating activities	8	(1,615,157)	(2,537,036)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of equipments	11	(26,875)	(11,458)
Purchase of intangible assets	12	(55,089)	(66,801)
Development cost paid	13	(685,681)	-
Proceeds from disposal of equipment		34,667	-
Net cash flows used in investing activities		(732,979)	(78,259)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital		-	4,250,000
Refund on prior period of share issued		(69)	-
Borrowings - payments		-	(4,628)
Net cash flows (used in)/from financing activities		(69)	4,245,372
Net (decrease)/increase in cash and cash equivalents		(2,348,205)	1,630,077
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>			
Effect of foreign exchange translation		232,508	(228,338)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	7	<b>2,095,650</b>	<b>4,211,347</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. REPORTING ENTITY

These financial statements and notes of Flexiroam Limited (“the Company”) and its subsidiaries (collectively “the Group” or “the Consolidated Entities”) comprise the consolidated financial statements for the Group. For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity and is domiciled in Australia. The Group is involved in the telecommunications and internet of things (IoT) connectivity industry.

## 2. ADOPTION OF NEW AND REVISED AUSTRALIAN ACCOUNTING STANDARDS

### 2.1 STANDARDS AND INTERPRETATIONS APPLICABLE TO 31 MARCH 2023

In the year ended 31 March 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current year reporting period.

### 2.2 STANDARDS AND INTERPRETATIONS IN ISSUE NOT YET ADOPTED

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 31 March 2023.

There are no material impacts of the new and revised Standards and Interpretations on the Group and therefore no change is necessary to the Group’s accounting policies.

## 3. GOING CONCERN

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred an operating loss of \$2,637,526 for the year ended 31 March 2023 (31 March 2022: \$4,193,159) and a net cash outflow from operating activities amounting to \$1,615,157 (31 March 2022: \$2,537,036). As at 31 March 2023, the Group has a net current asset deficiency of \$5,028,108 (31 March 2022: \$2,078,903) and net asset deficiency of \$4,196,556 (31 March 2022: \$1,990,846). The ability of the Group to continue as a going concern is dependent on the Group achieving positive operating cash flows and/or securing additional funding through capital raising to continue to fund its operational and marketing activities. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group’s ability to continue as a going concern.

The Directors are satisfied that the going concern basis of preparation is appropriate and there are reasonable grounds to believe that the Group will continue as a going concern due to the following factors:

- The Directors are confident in the outlook of improved financial performance of the business to deliver future profitable operations; and/or
- The Company is able to raise further capital based on historical success. The Company has successfully raised \$4.25 million in FY22 through share placements in October 2021 and July 2022.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These general-purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations, and comply with other requirements of the law.

Australian Accounting Standards are equivalent to International Financial Reporting Standards ("IFRS"). Compliance with Australian Accounting Standards ensures that these financial statements comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Except for the cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### 4.2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability through its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights of an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights are sufficient to give it power, including,

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties, rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

#### 4.3 SIGNIFICANT ACCOUNTING POLICIES ADOPTED

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

##### a. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

### 4. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### b. Foreign currency translation

The functional currency of the Company and subsidiaries are measured using the currency of the primary economic environment in which the Company and subsidiaries operate; being Australian Dollars, Malaysian Ringgit, and US Dollars respectively. However, as the majority of the Company's shareholder base is Australian, these financial statements are presented in Australian Dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss. Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

As at the balance sheet date the assets and liabilities of the Group are translated into the presentation currency of Flexiroam Limited at the rate of exchange ruling at the balance date and income and expense items are translated at the average exchange rate for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

#### b. Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Group recognises revenue when a customer obtains control of a good and/or services and thus has the ability to direct the use and obtain benefits from the goods and/or services.

#### Telecommunication revenue

- Revenues from the sales of x-licenses are recognised over time based on customer usage or upon expiration of the validity period of the data, specifically for reseller and/or wholesale partners;
- Revenue from the sale of data roaming plans is recognised over time based on the customer usage or upon expiration of the validity period of the data, specifically for retail;
- Revenue from sale of Flexiroam credits are deferred until the credits are converted to data plans and over time based on the customer usage or upon expiration of the validity period of the data;

#### Solutions revenue

- Revenues from the recurring plans are recognised over time as they are mostly monthly subscriptions.

### 4. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets' net carrying amount on initial recognition.

#### d. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### e. Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within periods ranging from 14 days to 90 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

#### f. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### g. Financial instruments

##### Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Financial instruments are then classified and measured as set out below.

##### Classification and subsequent measurement

All financial instruments of the Group are subsequently measured at amortised cost, using the effective interest rate method.

##### Amortised cost

Amortised cost is calculated as a) the amount at which the financial asset or liability is measured at initial recognition; b) less principal repayments; c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and d) less any reduction for impairment.

##### Effective interest rate method

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

### 4. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Derecognition

Financial instruments are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Group no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

#### h. Plant and Equipment

Equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Equipment	3 - 5 years
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The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

#### Impairment

The carrying values of plant and equipment are reviewed for indicators of impairment at each balance date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

### 4. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

For plant and equipment, impairment losses are recognised in the consolidated statement of profit or loss and other comprehensive income in the cost of sales line item.

#### Derecognition and disposal

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

#### i. Intangible assets

Intangible assets with finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight-line method over their estimated useful lives, as follows:

Trademark and patents	10 years
Website development costs	5 years

#### j. Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

#### k. Research and development expenditure

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as non-current assets to the extent that such expenditure is expected to generate future economic benefits.

Development expenditure is capitalised if, and only if, an entity can demonstrate all of the following:-

- its ability to measure reliably the expenditure attributable to the asset under development;
- the product or process is technically and commercially feasible;
- its future economic benefits are probable;
- its intention to complete and the ability to use or sell the developed asset; and
- the availability of adequate technical, financial and other resources to complete the asset under development.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any.

Development expenditure initially recognised as an expense is not recognised as assets in the subsequent period.

The development expenditure is amortised on a straight-line method over a period of 5 years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

The amortisation method, useful life and residual value are reviewed, and adjusted if appropriate, at the end of each reporting period.

### 4. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### I. Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables, which are recognised inclusive of GST. The net amount of GST recoverable from the taxation authority is included as part of receivables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financial activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### m. Income tax

##### Current tax

Current tax is calculated by reference to the amount of income taxes payable to or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

##### Deferred tax

Deferred tax is accounted for using the liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with these investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authorities and the Group intends to settle its current tax assets and liabilities on a net basis.

### 4. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the consolidated statement of profit or loss and other comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

#### n. Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### o. Share-based payment transactions

##### Equity settled transactions

The Group provides benefits to employees in the form of share-based payments, whereby employees render services in exchange for shares (equity-settled transactions).

There is currently one plan in place to provide these benefits which is the Employee Incentive Plan. A new plan will be adopted for FY24 and beyond.

The cost of these equity-settled transactions with employees is measured by reference to the market price of the shares traded on ASX at the date at which they are issued.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Flexiroam Limited (market conditions).

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects:

- iii. the extent to which the vesting period has expired; and
- iv. the Group's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

#### p. Parent entity financial information

The financial information for the parent entity, Flexiroam Limited, disclosed in Note 19 has been prepared on the same basis as the consolidated financial statements, except as set out below.

##### Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the parent entity's financial statements.

##### Share-based payments

The grant by the Company of shares over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking.

### 4. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### q. Employee benefits

##### Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year which the associated services are rendered by employees of the Company.

##### Defined contribution plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund (EPF), including the Group's Malaysian subsidiary. Such contributions are recognised as an expense in profit or loss as incurred.

#### r. Earnings/Loss per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

#### s. Critical accounting judgements and key sources of estimation uncertainty

The Directors make a number of estimates and assumptions in preparing general purpose financial statements. The resulting accounting estimates, will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods if relevant.

##### Recognition of revenue from expected breakage

Revenue from expected breakage amounts are recognised in proportion to the pattern of rights exercised by the customer. The Group has determined the breakage ratio using the pattern of rights exercised by the customer based on the average historical data in the last 2 years. The total breakage revenue is then computed based on the amount of data utilised but not expired during the year.

## 5. FINANCIAL RISK MANAGEMENT

Risk management is carried out under policies set by the Board of Directors. Certain responsibilities are also delegated to the Audit and Risk Committee. The Board provides principles for overall risk management, as well as policies currency specific areas. A copy of the Group's risk management policy can be found at

[Schedule-3-Audit-and-Risk-Committee-Charter.pdf \(flexiroam.com\)](#)

### a. Categories of financial instruments

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
<b>FINANCIAL ASSETS</b>		
Cash at bank	1,029,223	3,161,565
Fixed deposits with licensed bank	1,066,427	1,049,782
Trade and other receivables	210,070	66,356
<b>FINANCIAL LIABILITIES</b>		
Trade and other payables	4,045,978	4,824,325

### b. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2022.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as general administrative outgoings. Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

### c. Financial risk management objective and policies

The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders while minimising potential adverse effects on the performance of the Group. The Group's financial risk management policies were established to ensure the adequacy of financial resources for business development and in managing its credit, interest, liquidity, and cash flow risks.

### d. Market risk

#### Foreign currency risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The functional currency of the Company and subsidiaries are measured using the currency of the primary economic environment in which the Company and subsidiaries operate ; being Australian Dollars, Malaysian Ringgit, and US Dollars respectively. However, as the majority of the Company's shareholder base is Australian, these financial statements are presented in Australian dollars.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

**5. FINANCIAL RISK MANAGEMENT – CONTINUED**

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise.

The carrying amounts of the Group’s foreign currency denominated monetary assets and liabilities at the balance date expressed in Australian dollars are as follows:

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
<b>FINANCIAL ASSETS</b>		
Cash at bank	1,002,593	2,539,082
Fixed deposits with licensed bank	1,066,427	1,049,782
Trade and other receivables	207,082	56,515
<b>FINANCIAL LIABILITIES</b>		
Trade and other payables	3,927,086	4,706,133

Foreign currency sensitivity analysis

The Group is exposed to Malaysian Ringgit (RM) and US Dollars (USD) currency fluctuations.

The following table details the Group’s sensitivity to a 0.5% increase and decrease in the Australian Dollar (AUD) against the Malaysian Ringgit (RM) and US Dollars (USD). 0.5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rate. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.5% change in foreign currency rates.

A positive number indicates an increase in profit or loss and other equity where the Australian Dollar strengthens against the respective currency. For a weakening of the Australian Dollar against the respective currency there would be an equal and opposite impact on the profit and other equity and the balances below would be negative.

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5. FINANCIAL RISK MANAGEMENT – CONTINUED

		RM & USD DOWN 0.5%		RM & USD UP 0.5%	
		AUD UP 0.5%	(LOSS)	AUD DOWN 0.5%	GAIN
	\$	\$	\$	\$	\$
<b>31 MARCH 2023</b>					
<b>FINANCIAL ASSETS</b>					
Cash at bank	1,002,593	997,580	(5,013)	1,007,606	5,013
Fixed deposits with a licensed bank	1,066,427	1,061,095	(5,332)	1,071,759	5,332
Trade and other receivables	207,082	206,047	(1,035)	208,118	1,035
<b>FINANCIAL LIABILITIES</b>					
Trade and other payables	3,927,086	3,946,722	19,635	3,907,451	(19,635)
<b>31 MARCH 2022</b>					
<b>FINANCIAL ASSETS</b>					
Cash and cash equivalents	2,539,082	2,526,386	(12,695)	2,551,777	12,695
Fixed deposits with a licensed bank	1,049,782	1,044,533	(5,249)	1,055,031	5,249
Trade and other receivables	56,515	56,232	(283)	56,797	283
<b>FINANCIAL LIABILITIES</b>					
Trade and other payables	4,706,133	4,729,664	23,531	4,682,602	(23,531)

Credit risk

Credit risk is the risk of default by clients and counterparties. Cash deposits and trade receivables may give rise to credit risk which requires the loss to be recognised if a counterparty fails to perform as contracted. It is the Group's policy to monitor the financial standing of these counterparties on an on-going basis to ensure that the Group's exposure to credit risk is minimal. The Group has no material credit risk exposure as at 31 March 2023.

The following table provides information regarding cash and cash equivalents.

	NOTE	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
Cash at bank	7	1,029,223	3,161,565
Fixed deposits with a licensed bank	7	1,066,427	1,049,782
		<b>2,095,650</b>	<b>4,211,347</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 5. FINANCIAL RISK MANAGEMENT – CONTINUED

#### Interest rate risk

The financial instruments which primarily expose the Group to interest rate risk are cash and cash equivalents. The Group's exposure to interest rate risk and the effective interest rate for classes of financial assets and financial liabilities and its contractual cash flows is set out below:

	NOTE	EFFECTIVE INTEREST RATE	FIXED INTEREST RATE	FLOATING INTEREST RATE	1 YEAR OR LESS	1 TO 5 YEARS	NON- INTEREST BEARING	TOTAL
				\$	\$	\$	\$	\$
<b>31 MARCH 2023</b>								
<b>FINANCIAL ASSETS</b>								
Cash and cash equivalents	7	-	-	-	-	-	1,029,223	<b>1,029,223</b>
Fixed deposits with a licensed bank	7	2.77% - 5.30%	-	-	1,066,427	-	-	<b>1,066,427</b>
Trade and other receivables		-	-	-	-	-	210,070	<b>210,070</b>
			-	-	<b>1,066,427</b>	-	<b>1,239,293</b>	<b>2,305,720</b>
<b>FINANCIAL LIABILITY</b>								
Trade and other payables	12	-	-	-	-	-	4,045,978	<b>4,045,978</b>
			-	-	-	-	<b>4,045,978</b>	<b>4,045,978</b>
<b>31 MARCH 2022</b>								
<b>FINANCIAL ASSETS</b>								
Cash at bank	7	-	-	-	-	-	3,161,565	<b>3,161,565</b>
Fixed deposits with a licensed bank	7	1.70% - 2.03%	-	-	1,049,782	-	-	<b>1,049,782</b>
Trade and other receivables		-	-	-	-	-	66,356	<b>66,356</b>
			-	-	<b>1,049,782</b>	-	<b>3,227,921</b>	<b>4,277,703</b>
<b>FINANCIAL LIABILITY</b>								
Trade and other payables	12	-	-	-	-	-	4,824,325	<b>4,824,325</b>
			-	-	-	-	<b>4,824,325</b>	<b>4,824,325</b>

## 5. FINANCIAL RISK MANAGEMENT – CONTINUED

The sensitivity analysis has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At the reporting date, the Group's financial assets are carried at amortised cost. Only our fixed deposits are subject to interest rate risk since the carrying amounts or the future cash flows will fluctuate because of a change in market interest rate.

### Liquidity and cash flow risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

### Fair values

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analyses.

The Directors consider that the carrying amounts of financial assets and financial liabilities which are all recorded at amortised cost less accumulated impairment charges in these financial statements approximate their fair values.

## 6. REVENUE

	YEAR ENDED 31 MAR 2023 \$	YEAR ENDED 31 MAR 2022 \$
Corporate sales <sup>[1]</sup> – telecommunications	2,056,817	1,290,104
Consumer sales <sup>[2]</sup> – telecommunications	6,113,727	2,057,928
Solutions <sup>[3]</sup>	734,082	320,089
	<b>8,904,626</b>	<b>3,668,121</b>

<sup>[1]</sup> Corporate sales consist of business-to-business (B2B) transactions involving local and foreign travel agencies.

<sup>[2]</sup> Consumer sales consist of business-to-consumer (B2C) transactions involving local and foreign travellers.

<sup>[3]</sup> Solutions sales consist of business-to-business (B2B) transactions involving local and foreign partners.

**7. CASH AND CASH EQUIVALENTS**

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
Cash at bank	1,029,223	3,161,565
Fixed deposits with a licensed bank	1,066,427	1,049,782
	<b>2,095,650</b>	<b>4,211,437</b>

Fixed deposits of the Group and of the Company amounting to \$1,066,427 and \$ nil (31 March 2022: \$1,049,782 and \$ nil) respectively are deposited to a licensed bank.

The weighted average effective interest rates of the fixed deposits with licensed bank at the reporting date range from 2.77% to 5.30% (31 March 2022: 1.70% to 2.03%) per annum.

The fixed deposits have maturity periods range from 6 to 12 (31 March 2022: 3 to 6) months.

**8. CASH FLOW INFORMATION**

Reconciliation of loss for the period to net cash flows from operating activities

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
Loss for the year	(2,637,526)	(4,193,159)
Depreciation and amortisation	26,685	16,958
Foreign exchange movements	(671,522)	156,566
Bad debts written off	-	183,420
Plant and equipment written off	7,953	1,480
Share based payments	825,746	1,308,611
Increase in trade and other receivables	(143,714)	(133,771)
Increase/(Decrease) in inventories	(90,767)	40,853
Increase/(Decrease) in other assets	(8,797)	62,786
(Decrease)/Increase in trade and other payables	(778,347)	168,316
Increase/(Decrease) in deferred revenue	1,855,132	(149,096)
<b>Net cash used in operating activities</b>	<b>(1,615,157)</b>	<b>(2,537,036)</b>

9. TRADE AND OTHER RECEIVABLES

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
<b>Trade and other receivables</b>		
Trade receivables	121,735	39,223
Other receivables	88,335	27,133
	<b>210,070</b>	<b>66,356</b>

Trade receivables are normally collected within 30 to 90 days.

10. INVENTORIES

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
<b>Inventories</b>		
Finished goods, at cost	371,104	280,337
	<b>371,104</b>	<b>280,337</b>
Recognised in profit or loss		
Inventories recognised as cost of sales	162,963	64,175
Impairment loss on inventories	8,649	-

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 11. PLANT AND EQUIPMENT

As at 31 March 2023, the Group's - equipment consists of the following:

	FURNITURE & FITTINGS \$	OFFICE EQUIPMENT \$	TOTAL \$
<b>AT COST</b>			
<b>As at 1 April 2021</b>	<b>934</b>	<b>65,867</b>	<b>66,801</b>
Additions	-	11,458	11,458
Disposals/ Write-off/ Adjustment	-	(6,396)	(6,396)
Foreign exchange effects	5	296	301
<b>As at 31 March 2022</b>	<b>939</b>	<b>71,225</b>	<b>72,164</b>
Additions	-	26,875	26,875
Disposals/ Write-off/ Adjustment	(901)	(38,546)	(39,447)
Foreign exchange effects	52	4,490	4,542
<b>As at 31 March 2023</b>	<b>90</b>	<b>64,044</b>	<b>64,134</b>
<b>ACCUMULATED DEPRECIATION</b>			
<b>As at 1 April 2021</b>	<b>233</b>	<b>37,693</b>	<b>37,926</b>
Depreciation expense	87	9,252	9,339
Disposals/ Write-off/ Adjustment	-	(4,916)	(4,916)
Foreign exchange effects	(2)	75	73
<b>As at 31 March 2022</b>	<b>318</b>	<b>42,104</b>	<b>42,422</b>
Depreciation expense	60	13,754	13,814
Disposals/ Write-off/ Adjustment	(306)	(30,637)	(30,943)
Foreign exchange effects	18	2,823	2,841
<b>As at 31 March 2023</b>	<b>90</b>	<b>28,044</b>	<b>28,134</b>
<b>CARRYING AMOUNT</b>			
<b>As at 31 March 2022</b>	<b>621</b>	<b>29,121</b>	<b>29,742</b>
<b>As at 31 March 2023</b>	<b>-</b>	<b>36,000</b>	<b>36,000</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 12. INTANGIBLE ASSETS

As at 31 March 2023, the Group's Intangible Assets consists of the following:

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
<b>AT COST</b>		
<b>At beginning of the financial year</b>	<b>65,756</b>	-
Additions	55,089	66,801
Disposals/Write-off/Adjustment	(1,740)	-
Foreign exchange effects	2,865	(1,045)
<b>At end of the financial year</b>	<b>121,970</b>	<b>65,756</b>
<b>ACCUMULATED AMORTISATION</b>		
<b>At beginning of the financial year</b>	<b>7,441</b>	-
Amortisation expenses	12,871	7,619
Disposals/Write-off/Adjustment	(493)	-
Foreign exchange effects	(617)	(178)
<b>At end of the financial year</b>	<b>19,202</b>	<b>7,441</b>
<b>CARRYING AMOUNT</b>	<b>102,768</b>	<b>58,315</b>
Included in intangible assets are website development and intellectual property such as trademarks and patents. A breakdown of these is as follows:		
Website development costs	65,126	27,474
Trademark and patents	37,642	30,841
<b>CARRYING AMOUNT</b>	<b>102,768</b>	<b>58,315</b>

13. DEVELOPMENT COSTS

As at 31 March 2023, the Group's development costs consist of the following:

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
<b>AT COST</b>		
<b>At beginning of the financial year</b>	-	-
Additions	685,681	-
Disposals/Write-off/Adjustment	-	-
Foreign exchange effects	7,103	-
<b>At end of the financial year</b>	<b>692,784</b>	-
<b>ACCUMULATED AMORTISATION</b>		
<b>At beginning of the financial year</b>	-	-
Amortisation expenses	-	-
Disposals/Write-off/Adjustment	-	-
Foreign exchange effects	-	-
<b>At end of the financial year</b>	-	-
<b>CARRYING AMOUNT</b>		
	<b>692,784</b>	-
Included in additions during the financial year are:-		
Staff cost	<b>685,681</b>	-

The development costs are specifically allocated for the enhancement of portals, apps, and API modifications in both the Travel and Solutions reportable segments to support incremental growth, increase system reliability and pursue new business opportunities.

No amortisation on the development costs as the software development is not yet completed and ready to be commercialised.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 14. TRADE AND OTHER PAYABLES

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
Trade payables	547,804	-
Other payables	274,468	407,396
Accruals	3,223,706	4,416,929
	<b>4,045,978</b>	<b>4,824,325</b>

Trade payables are non-interest bearing and are normally settled within 30 to 90 days.

### 15. DEFERRED REVENUE

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
Corporate sales	773,929	400,950
Consumer sales	2,947,627	1,468,160
Solutions	14,285	11,598
<b>Total</b>	<b>3,735,841</b>	<b>1,880,708</b>
<b>Reconciliation</b>		
Opening balance	1,880,708	2,029,804
Net additions/(expenses off)	1,645,436	(184,427)
Foreign exchange translation effects	209,697	35,331
<b>Closing balance</b>	<b>3,735,841</b>	<b>1,880,708</b>

Advance billing to customers give rise to provisions for unearned revenue in respect of services which have not been rendered as at the end of the reporting period.

16. INCOME TAX

	YEAR ENDED 31 MAR 2023 \$	YEAR ENDED 31 MAR 2022 \$
Current year tax		
Income tax	-	-
Deferred tax		
Current year deferred tax	-	-
Numerical reconciliation between tax expense and pre-tax net profit		
Loss before income tax	(2,637,526)	(4,193,159)
Income tax using the domestic corporation tax rate of 30% (2021: 30%)	(791,258)	(1,257,948)
Overseas tax rates adjustment*	380,553	177,015
Increase/(Decrease) in income tax expense due to:		
Non-deductible expenses:		
Other	(75,073)	350,453
Add/(Deduct) adjustments due to:		
Unused tax losses not recognised as deferred tax assets	783,438	706,109
Utilisation of tax losses previously not recognised as deferred tax assets	(303,646)	-
Other timing differences not recognised	5,986	24,371
<b>Income tax expense</b>	<b>-</b>	<b>-</b>
<b>Unrecognised deferred tax balances</b>		
• Tax losses	3,644,175	4,752,320
• Other timing differences not recognised	37,759	65,757
	<b>3,681,934</b>	<b>4,818,077</b>

\*The Malaysia and Hong Kong applicable tax rates for the current financial year are 24% and 16.5%, respectively. Tax losses in Malaysia can only be carried forward for 7 years.

The Group has tax losses arising in Australia of \$3,644,175 (31 March 2022: \$2,863,906) that are available indefinitely for offset against future taxable profits. The utilisation of the tax losses is subject to satisfying continuity of ownership test or business continuity test.

17. ISSUED CAPITAL

	NUMBER	\$
Ordinary shares issued (net of share issue costs)	<b>629,439,047</b>	<b>47,959,378</b>
<b>Reconciliation</b>		
<b>BALANCE AT 1 APRIL 2021</b>	500,647,030	42,427,553
Movements for the year	100,648,245	4,455,837
<b>BALANCE AT 31 MARCH 2022</b>	<b>601,295,275</b>	<b>46,883,390</b>
<b>BALANCE AT 1 APRIL 2022</b>	601,295,275	46,883,390
Share issue – 2 June 2022 <sup>[a]</sup>	27,843,772	1,066,688
Share issue – 15 July 2022 <sup>[b]</sup>	300,000	9,300
<b>BALANCE AT 31 MARCH 2023</b>	<b>629,439,047</b>	<b>47,959,378</b>

<sup>[a]</sup> On 2 June 2022, the Company issued 40,318,001 fully paid ordinary shares at an issue price of \$0.04 and \$0.034 to eligible employees pursuant to the Employee Incentive Plan approved by shareholders with shareholding lock periods between 12 to 24 months. The issuance of shares is nil in cash consideration. These shares will be transferred to issued capital upon expiry of the holding lock periods. During the year, 27,843,772 of these performance rights have vested and been converted to fully paid ordinary shares and the remaining shares did not vest. The 27,843,772 shares comprises 20 million performance rights that are vested and converted to fully paid ordinary shares at a deemed issue price of \$0.04 and 7,843,772 vested employee incentive shares issued at a deemed issue price of A\$0.034. The remaining shares will be transferred to issued capital upon expiry of the holding lock periods.

<sup>[b]</sup> On 15 July 2022, the Company received an exercise notice in respect of vested Tranche 1 share rights, being 300,000 ordinary fully paid shares at an issue price of \$0.031 per share had been issued to eligible employees pursuant to the Employee Incentive Plan approved by shareholders.

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The tabled ordinary shares issued above do not include unvested shares.

Dividends

No dividends were paid or proposed during the year ended 31 March 2023 (31 March 2022: \$nil).

18. RESERVES

Foreign currency translation reserve

The foreign currency exchange reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

Option and performance rights reserve

This reserve is used to record the value of equity benefits of options and performance rights provided to employees and directors.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 19. LOSS PER SHARE

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic loss per share computations:

	YEAR ENDED 31 MAR 2023	YEAR ENDED 31 MAR 2022
	\$	\$
Loss attributable to ordinary equity holders	(2,637,526)	(4,193,159)
	NUMBER	NUMBER
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	624,623,119	526,083,050
	CENTS	CENTS
<b>Loss per share (basic and diluted)</b>	<b>(0.42)</b>	<b>(0.80)</b>

### 20. RELATED PARTY TRANSACTIONS

#### a. Key management personnel

##### Compensation of key management personnel

	YEAR ENDED 31 MAR 2023	YEAR ENDED 31 MAR 2022
	\$	\$
Short-term employee benefits	526,827	602,203
Share based payment	917,500	903,394
Post-employment superannuation	4,731	15,638
	<b>1,449,058</b>	<b>1,521,235</b>

#### b. Subsidiaries

The consolidated financial statements include the financial statements of Flexiroam Limited and the following subsidiaries:

NAME	COUNTRY OF INCORPORATION	% EQUITY INTEREST	
		2023	2022
Super Bonus Profit Sdn Bhd	Malaysia	100%	100%
Flexiroam Sdn Bhd	Malaysia	100%	100%
Flexiroam Asia Limited	Hong Kong	100%	100%
Flexiroam Global - FZCO	United Arab Emirates	100%	100%

Flexiroam Limited, an Australian-incorporated company, serves as the legal parent of the Flexiroam Group.

## 21. LEGAL PARENT ENTITY INFORMATION

The following detailed information is related to the parent entity, Flexiroam Limited, as at 31 March 2023.

	AS AT 31 MAR 2023 \$	AS AT 31 MAR 2022 \$
Current assets	46,829	347,006
Non-current assets	24,607,333	23,770,728
<b>Total assets</b>	<b>24,654,162</b>	<b>24,117,734</b>
Current liabilities	332,570	119,765
<b>Total liabilities</b>	<b>332,570</b>	<b>119,765</b>
Contributed equity	29,076,621	28,000,633
Accumulated losses	(5,607,617)	(5,004,918)
Reserves	852,588	1,002,254
<b>Total equity</b>	<b>24,321,592</b>	<b>23,997,969</b>
Loss for the year	(502,123)	(1,375,129)
Other comprehensive income for the year	-	-
<b>Total comprehensive loss for the year</b>	<b>(502,123)</b>	<b>(1,375,129)</b>

The Company has provided a guarantee of continuing financial support to its subsidiaries.

## 22. SIGNIFICANT EVENTS AFTER BALANCE DATE

Effective 1st April 2023, the employment agreement of CEO and Executive Director, Marc Barnett was renewed and his annual remuneration increased to A\$500,000 per annum. The Board has also agreed, subject to shareholder approval under Listing Rule 10.14, to issue 40 million unlisted options to Mr Barnett. These options are proposed to be issued under the Company's employee incentive plan in three separate tranches and will be subject to vesting and exercise conditions. The employment contract duration has been amended from 3 years commencing 27 April 2021 to ongoing with no fixed term.

NUMBER	EXERCISE PRICE PER OPTION	VESTING CONDITION	EXPIRY DATE
13,333,333	\$0.035	1 year vesting	5 years from date of issue
13,333,333	\$0.075	2 year vesting	5 years from date of issue
13,333,333	\$0.115	3 year vesting	5 years from date of issue

On 11 May 2023, the Company had announced that its Board had resolved to change the Company's financial year end from 31 March to 30 June. The change will align the Company's reporting timetable with the standard Australian reporting cycle and all fully owned subsidiaries will also change to 30 June year end.

### 23. COMMITMENTS AND CONTINGENCIES

At the date of this report, there does not exist:

- any charge on the assets of the Group which has arisen since the end of the financial year which secures the liabilities of any other person; or
- any contingent liability of the Group which has arisen since the end of the financial year.

No contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Group to meet its obligations as and when they fall due.

### 24. AUDIT AND OTHER SERVICES

During the year, the following fees were paid or payable for services provided by the auditor of the Group, its related practices and non-related audit firms:

	YEAR ENDED 31 MAR 2023 \$	YEAR ENDED 31 MAR 2022 \$
<b>Audit and other assurance services</b>		
Audit and review of financial statements		
Rothsay Audit & Assurance Pty Ltd	19,726	44,223
Component auditors	29,930	43,717
Total remuneration for audit and other assurance services audit or review of the financial report	<b>49,656</b>	<b>87,940</b>

### 25. PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Principal place of business is at Lot 4-401 & 4-402, Level 4, The Starling Mall, No. 6, Jalan SS21/37, Damansara Utama, 47400 Petaling Jaya, Selangor, Malaysia and Registered office at Suite 6, 4 Riseley Street, Applecross Western Australia 6153.

### 26. SEGMENT REPORTING

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about the components of the group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the chief operating decision maker.

The chief operating decision makers have been reviewing operations and making decisions based on the supply and provision of telecommunications and solutions as two operating units. Internal management accounts are consequently prepared on this basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 26. SEGMENT REPORTING – CONTINUED

	YEAR ENDED 31 MARCH 2023			YEAR ENDED 31 MARCH 2022		
	TRAVEL	SOLUTIONS	TOTAL	TRAVEL	SOLUTIONS	TOTAL
Segment and group revenue	8,170,544	734,082	8,904,626	3,348,032	320,089	3,668,121
Segment and group cost of sales	(4,913,634)	(131,030)	(5,044,664)	(2,112,186)	(78,170)	(2,190,356)
Other income and forex gains / (loss)	-	-	226,980	-	-	(169,625)
Administration and operating expenses	-	-	(6,697,783)	-	-	(5,484,341)
Depreciation and amortisation	-	-	(26,685)	-	-	(16,958)
<b>Group profit / (loss) for the period</b>	<b>3,256,910</b>	<b>603,052</b>	<b>(2,637,526)</b>	<b>1,235,846</b>	<b>241,919</b>	<b>(4,193,159)</b>
Net cash flows used in operating activities	-	-	(1,615,157)	-	-	(2,537,036)
Net cash flows used in investing activities	-	-	(732,979)	-	-	(78,259)
Net cash flows (used in)/from financing activities	-	-	(69)	-	-	4,245,372
<b>Net cash inflow / (outflow)</b>	<b>-</b>	<b>-</b>	<b>(2,348,205)</b>	<b>-</b>	<b>-</b>	<b>1,630,077</b>
Assets	-	-	3,585,263	-	-	4,714,187
Liabilities	-	-	7,781,819	-	-	6,705,033

# DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statements of Changes in Equity, accompanying notes, are in accordance with the Corporations Act 2001 and:
  - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. give a true and fair view of the financial position as at 31 March 2023 and of the performance for the year ended on that date of the Group.
2. In the Directors' opinion, there are reasonable grounds to believe Flexiroam Limited and its controlled entities will be able to pay its debts as and when they become due and payable.
3. Note 4 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.
4. The Directors have been given the declarations as required by Section 295A of the Corporations Act for the year ended 31 March 2023.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

On behalf of the Board



**Marc Barnett**

Chief Executive Director

Signed on this 15<sup>th</sup> May 2023

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ROTHSAY  
AUDIT & ASSURANCE PTY LTD

FLEXIROAM LIMITED

INDEPENDENT AUDITOR'S REPORT

To the members of Flexiroam Limited

Opinion

We have audited the financial report of Flexiroam Limited ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 31 March 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration of the Company.

In our opinion the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 31 March 2023 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 3 of the annual financial report, which discloses a loss of \$2,637,526 for the year ended 31 March 2023 and as at that date a deficiency in net assets of \$4,196,556. These conditions along with other matters that are set forth in Note 3, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group maybe unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.



FLEXIROAM LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<i>Key Audit Matter - Revenue Recognition</i>	<i>How our Audit Addressed the Key Audit Matter</i>
<p>The Group's revenue is generated from the sales of mobile data to local and international travellers.</p> <p>We consider accuracy and completeness of amounts recognised as revenue to be a key audit matter given its significance to the Group's financial reporting and the high volume of transactions.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Held discussions with the Group's management and the component auditors to gain an understanding of the Group's revenue recognition processes;</li> <li>• Performed walkthrough for a sample of sales transactions;</li> <li>• Tested a sample of sales transactions to supporting documentation;</li> <li>• Tested the accuracy of sales cut-off at reporting date;</li> <li>• Tested the completeness and accuracy of the recognition of deferred revenue;</li> <li>• Reviewed the reasonableness of the revenue recognised in accordance with AASB 15: <i>Revenue from Contracts with Customers</i>; and</li> <li>• We have also assessed the appropriateness of the disclosures included in the financial report.</li> </ul>

<i>Key Audit Matter - Assessment for impairment of development assets</i>	<i>How our Audit Addressed the Key Audit Matter</i>
<p>The Group capitalised development costs of \$692,784 during the financial year.</p> <p>We identified the recognition of development costs in accordance with AASB 138 <i>Intangible Assets</i> and the assessment for impairment of the development costs as a key audit matter due to the significant judgements and estimates involved.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• We evaluated the capitalisation process and determined that costs capitalised met the requirements of AASB 138;</li> <li>• We reviewed management's impairment assessment, including the key assumptions and judgements; and</li> <li>• We have also assessed the appropriateness of the disclosures included in the financial report.</li> </ul>

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FLEXIROAM LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 March 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Directors' Responsibility for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibility for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/Home.aspx](http://www.auasb.gov.au/Home.aspx).

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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FLEXIROAM LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

**Report on the Remuneration Report**

**Opinion on the Remuneration Report**

We have audited the remuneration report included in the directors' report for the year ended 31 March 2023.

In our opinion the remuneration report of Flexiroam Limited for the year ended 31 March 2023 complies with section 300A of the *Corporations Act 2001*.

**Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Rothsay Audit & Assurance Pty Ltd

Daniel Dalla  
Director  
Sydney, 15 May 2023

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# ASX INFORMATION AS AT 31 MARCH 2023

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

## 1. SUBSTANTIAL SHAREHOLDERS

NAME	NUMBER OF ORDINARY SHARES HELD	PERCENTAGE OF CAPITAL HELD
CITICORP NOMINEES PTY LIMITED	94,848,574	14.78
MR THIAN CHOY ONG	75,200,000	11.71
MR KENN TAT ONG	54,748,562	8.53
MR MICHAEL KING	25,465,938	3.97
MR KAY YIP NG	25,010,000	3.90

## 2. DISTRIBUTION OF SECURITY HOLDERS

FULLY PAID ORDINARY SHARES				
RANGE	HOLDERS	UNITS	%	
1 – 1,000	39	11,323	0.00%	
1,001 – 5,000	30	91,605	0.01%	
5,001 – 10,000	131	1,153,563	0.18%	
10,001 – 100,000	540	23,107,149	3.60%	
100,001 – over	299	617,549,636	96.21%	
	1,039	641,913,276	100%	

## 3. UNMARKETABLE PARCELS

Holding less than a marketable parcel of ordinary shares (being 13,513 shares as at 31 March 2023);

HOLDERS	UNITS
252	1,871,308

## 4. RESTRICTED SECURITIES OR SECURITIES SUBJECT TO VOLUNTARY ESCROW

As at 31 March 2023, the Company had no restricted securities on issue.

As at 31 March 2023, the Company had no securities subject to voluntary escrow.

## 5. UNQUOTED SECURITIES

As at 31 March 2023, the Company had no unquoted securities on issue.

6. TWENTY LARGEST SHAREHOLDERS – ORDINARY SHARES

NAME	NUMBER OF ORDINARY SHARES HELD	PERCENTAGE OF CAPITAL HELD
1 CITICORP NOMINEES PTY LIMITED	94,848,574	14.78
2 MR THIAN CHOY ONG	75,200,000	11.71
3 MR KENN TAT ONG	54,748,562	8.53
4 MR MICHAEL KING	25,465,938	3.97
5 MR KAY YIP NG	25,010,000	3.90
6 MR MARC BARNETT	22,573,530	3.52
7 GENERAL TECHNOLOGY SDN BHD	22,183,333	3.46
8 HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	21,576,626	3.36
9 BNP PARIBAS NOMINEES PTY LTD	15,958,596	2.49
10 NATIONAL NOMINEES LIMITED	11,855,673	1.85
11 MS PEK SAN YIP	10,168,000	1.58
12 MR THOMAS RICHARD HOOLE	9,000,000	1.40
13 MR TAT SENG KOH	8,550,000	1.33
14 MR PAUL JASON WIDDIS	6,399,736	1.01
15 TA SECURITIES HOLDINGS BERHAD	6,391,667	1.00
16 BNP PARIBAS NOMS PTY LTD	6,386,536	0.99
17 MR KIAN CHUNG CHIN	6,173,750	0.96
18 MR EUGENE LINNIK	6,035,605	0.94
19 SHOOTING FISH PTY LTD <STONE COLD SPER FUND A/C>	5,300,000	0.83
20 STONE COLD INDUSTRIES PTY LTD	5,270,000	0.82
<b>TOTAL</b>	<b>439,096,126</b>	<b>68.4</b>

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**7. VOTING RIGHTS**

In accordance with the Company’s Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote.

Options do not carry any voting rights.

**8. ON-MARKET BUYBACK**

There is no current on-market buy-back.

**9. STOCK EXCHANGE LISTING**

Quotation has been granted for the Company’s Ordinary Shares (ASX:FRX) and Listed Options (ASX:FRXO).

**10. PRINCIPLES OF GOOD CORPORATE GOVERNANCE AND RECOMMENDATIONS**

The Board has adopted and approved the Company’s Corporate Governance Statement, which can be found on the Company’s website at <https://investor.flexiroam.com/about>.

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# CORPORATE INFORMATION

## DIRECTORS

Jeffrey Ong  
Tat Seng Koh  
Marc Barnett  
Stephen Frank Picton

## COMPANY SECRETARY

Natalie Teo

## REGISTERED OFFICE

Suite 6, 4 Riseley Street  
Applecross Western Australia 6153

## PRINCIPAL PLACE OF BUSINESS

Lot 4-401 & 4-402, Level 4, The Starling Mall,  
No. 6, Jalan SS21/37, Damansara Utama,  
47400 Petaling Jaya, Selangor, Malaysia

## AUDITORS

Rothsay Audit & Assurance Pty Ltd  
Level 1/6 O'Connell Street, Sydney NSW 2000

## BANKERS

National Australia Bank  
100 St Georges Terrace, Perth WA 6000

## SHARE REGISTRY

Advanced Share Registry  
110 Stirling Highway, Nedlands WA 6009

Ph: 08 9389 8033  
Fax: 08 9262 3723

## SECURITIES EXCHANGE LISTING

Flexiroam Limited shares are listed on the  
Australian Securities Exchange (ASX code: FRX)

## WEBSITE

[www.flexiroam.com](http://www.flexiroam.com)

## CONTACT INFORMATION

Ph: +61863892688  
Email: [investor@flexiroam.com](mailto:investor@flexiroam.com)

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