FLEXIROAM

ANNUAL REPORT 2020

Consolidated Annual Financial Report
for the Year Ended 31 March 2020

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Table of Content

CEO's Report

Dear Shareholders,

As we end FY2020, the impact of COVID-19 has begun to rear its ugly head, as businesses around the world come to a standstill and countries lockdown their borders to travelers. Fortunately for Flexiroam, the growing momentum we had sustained over the last four years since being listed, coupled with a combination of dynamic activities to fuel demand and enhance cost efficiencies, have enabled us to weather the initial impact of the coronavirus. In fact, I'm pleased we have been able to register yet another record year of growth.

Moving forward in these unusual times, it would certainly be business unusual. But I am confident that with the measures we had put in place to future-proof our business before this unexpected global disaster and with the agility and expertise of the team at Flexiroam to ride on opportunities that have arisen because of this pandemic, we have a future that we can continue to build on and, more importantly, grow from.

86% CAGR on cumulative subscribers

Financial Review

Flexiroam continued its stellar growth momentum, with revenue increasing by 23% to $7.28 million (FY2019: $5.93 million). This is attributed to global sales expansion boosted by enhanced distribution channels and strategic partnerships. The improvement in our topline was also brought about by the introduction of new pricing for most data plans in line with the Company's strategy of sustainable growth.

The Company was able to deliver more competitive products in the market resulting in higher acquisition of users. Due to a push in sales and marketing and also an effective pricing strategy, Flexiroam grew the subscriber base by 81% to 472,000 subscribers (end FY2019: 260,000). The number of paying users increased by 104% to 75,083 (FY2019: 36,815). The cumulative subscribers' compound annual growth rate is 86%, a marginal decrease of 8% from the previous year. The decline is the result of lower demand for data and roaming services brought about by restrictions in international travel due to the COVID-19 outbreak.

Despite the pandemic's impact in the final quarter, Flexiroam's annual cash receipts increased by 32%, at $9.1m compared to the previous year (FY2019: $6.95m). At the inception of the COVID-19 outbreak, the decline in data usage was gradual and concentrated mainly in Asia. Sales and marketing efforts were promptly directed to other continents to cushion some of the initial impact.

While the seasonal decline in sales every Q4 was anticipated, the travel restrictions during that period because of the spread of COVID-19 resulted in a significant drop from 22% last year to 54%. Despite the decline, however, cash receipts recorded a slight increase of 1% from the previous corresponding quarter at $1.54m, (Q4 FY2019: $1.52M).

The COVID 19 Impact

COVID-19 has brought the world to a standstill. As much as we had mitigated the initial impact in the early stages of the spread by shifting our sales and marketing efforts away from Asia to the rest of the world, it was inevitable that the virus would catch up with us and indeed lead to the widespread suspension of air links and global travel bans. The effect of the pandemic has stopped our upward trajectory over the last four years.

With the slowdown, we have taken on defensive and offensive strategies. We have enhanced efficiencies and preserved cash flow. We have maintained a lean but strong core team to service our existing partners and subscribers, while ensuring that we stand ready to catch the first wave of travelers when the world opens its doors again.

CEO's Report

At the same time, we have accelerated our efforts in commercializing our enterprise solutions to leverage on our core strengths of connectivity and Big Data analytics. With every crisis, comes opportunities. Businesses will be streamlining their operations in the post-COVID 19 world and will be looking for ways to optimize their resources and keep costs down. With our soon-to-be launched enterprise solutions, we are ready to pivot to a growth business in the direction of the Internet of Things (IoT).

Internet of Things (IoT)

The Internet of Things (IoT) encompasses a connectivity network on which sit smart devices, sensors and meters, and software to enable the exchange of information between devices and repositories. IoT technology holds significant potential in the overall IT and communications industry. The value of the IoT market is expected to reach US$1.3 trillion by 2025, hastened by the increasing adoption of Artificial Intelligence (AI) and connected devices based on machine learning.

Flexiroam's established expertise and technology in connectivity, consumer apps, Big Data and Artificial Intelligence have placed it in good stead to take advantage of the trend. The Company started pivoting to IoT in the early part of FY2020, targeting enterprises. The development team is in the final phase of launching the platform, specifically for use in mobile point of sales, smart transportation, logistics and healthcare. The solution is currently undergoing beta trials with several enterprises and is expected to be commercialized in Q1 FY2021.

Outlook and Prospects

FY2021 is off to a very volatile start with a forecast global recession on the horizon. Times like these require laser-like focus on our goals. We will continue to ride on the brand equity that we have built up for close to a decade in the minds of travelers. While we continue to keep our finger on the pulse of the activities of business and leisure travelers, we are also targeting the lucrative segment of seafarers who continue to journey as essential service providers. The worldwide population of seafarers serving on international merchant ships is estimated at 1.6 million. These workers need internet connectivity while remaining far from home and isolated at sea. Our coverage in more than 120 countries across 580 networks is the lynchpin for them to stay in touch with the world wherever they may be without needing to change network providers each time they arrive at a port of call. Likewise, we will accelerate our existing sales and marketing efforts among another group of essential travelers - the crew of major airlines - partnerships we have built up over the years.

We also intend to work with major brands to garner sales volume. We were able to secure a tie-up with Mastercard, incorporating our service as part of their rewards program to cardholders globally. We will be pitching for more partnerships and large-scale projects and expanding our offering of applications that are able to ride on our expansive platform.

We remain confident in our strong fundamentals and we will continue to focus on delivering growth while managing the risks triggered by these uncertain times. We will continue to advance our efforts to leverage, diversify and expand our portfolio with high-quality innovations. This will constantly be complemented by our search for cost efficiencies and savings to defend our margins and fund sustained growth.

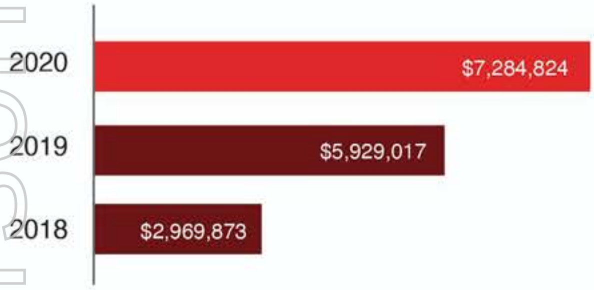
Appreciation

A final note of appreciation for the efforts of the Board, the Management Team and all the members of Flexiroam family. Each and everyone's contribution has been instrumental in the good results of FY2020

Financial Highlights

				2020 vs 2019	
	2020	2019	2018	Change	% Change
Revenue	$7,284,824	$5,929,017	$2,969,873	$1,355,807	23%
Gross Profit	$2,842,878	$2,627,570	$1,398,288	$215,308	8%
EBITDA	-$2,003,387	-$2,476,883	-$2,652,858	$473,496	19%
Gross Margin	**39%**	**44%**	**47%**	**-5%**	**-12%**

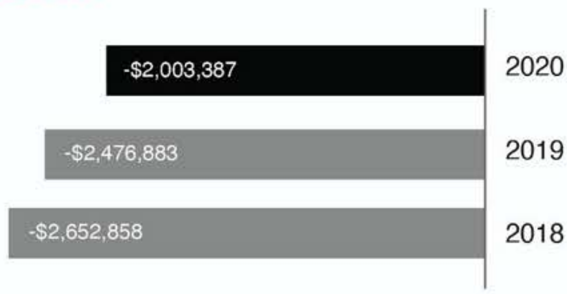
REVENUE



GROSS MARGIN

GROSS PROFIT

EBITDA



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 2020.

01 DIRECTORS

The names and particulars of the directors of the Company during or since the end of the year 31 March 2020 are:

Jefrey Ong

Executive Director and CEO
Appointed 18 March 2015

Jefrey has over 15 years of experience in the telecommunications industry and has co-founded three different technology-based companies. He is currently a Director of Flexiroam Sdn Bhd, and Reapfield Technology Sdn Bhd.

Jefrey is a graduate from Chaplain College with a Bachelor Degree in Computer Science.

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

Tat Seng Koh

Non-Executive Director
Appointed 3 September 2018

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.

Tuck Yin Choy

Non-Executive Director
Appointed 13 May 2019

Tuck Yin has extensive experience in international sales and marketing, currently serving as Global Sales Manager for one of Germany's largest iron and steel industrial technology companies, a role he has held for more than 10 years. He is highly experienced in cross-cultural relationships and communication globally and brings an analytical and systematic approach to decision making and problem solving.

Tuck Yin holds a Bachelor of Economics (Accounting) degree from La Trobe University (1992).

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

Director's Report

01 DIRECTORS (continued)

Ong Thian Choy

Non-Executive Director
Appointed 1 October 2019

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.

Dato' Larry Gan Nyap Liou

Non-Executive Director
Appointed 18 November 2015, resigned 30 September 2019

Dato' Larry Gan Nyap Liou is a Certified Management Consultant and a Chartered Accountant. He is a strategic investor in eCommerce and digital enterprises, and operates an extensive business network of entrepreneurs, incubators, consulting professionals and investment funds.

Dato' Larry Gan Nyap Liou was a worldwide partner in Accenture, the leading global business and technology consulting firm for 16 years and held many global leadership positions. Over a career span of 26 years, he has provided consultation in strategic projects for government organisations and multinational corporations, and invested and worked with innovative technologies around the world.

Other directorships in Australian listed companies during the past three financial years are as follows:

- Fatfish Internet Group Limited – Non-executive Director – appointed on 1 September 2014.
- 8common Limited - Non-executive Director – appointed on 31 March 2014.

The above-named directors held office during and since the end of the year 31 March 2020, unless otherwise stated.

02 COMPANY SECRETARY

Kim Hogg (appointed 15 June 2016, resigned 14 February 2020)
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.

Director's Report

03 PRINCIPAL ACTIVITIES

The Group is involved in telecommunications. There have been no significant changes in the nature of the activities during the year.

04 REVIEW OF OPERATIONS

The information and analysis about the Group's financial performance in financial year 2020 are detailed in the Financial Review section beginning on page 2 of this annual report.

The details on the appointment and resignation of directors in the 2020 financial year are disclosed elsewhere in the Director's Report beginning on page 5.

05 SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During FY2020, the Company successfully completed a private placement of 19,368,950 ordinary fully paid shares at an issue price of $0.04 per share to raise approximately $775,000, before costs. This was followed by a Renounceable Entitlement Offer by the issue of a total of 63,120,842 ordinary fully paid shares at an issue price of $0.02 each with one attaching new option for each share issued. A total of $1.26 million was raised, before costs. An additional 2,500,000 listed options were also issued as consideration for lead manager services.

Total funds raised from the private placement and entitlement issue amounted to approximately $2 million which has been and will be applied to product sales and marketing, research and development and other working capital needs of the Company.

06 SIGNIFICANT EVENTS AFTER BALANCE DATE

The impact of the coronavirus pandemic is ongoing. With the slowdown in the travel industry, the Company has implemented various cost-saving measures and has maintained a lean core team. This is to service our existing partners and subscribers, while ensuring we are ready to catch the first wave of travellers when the pandemic is under control.

07 LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The world saw travel go into hibernation at the start of the year as countries closed their borders to travellers. We would expect a very cautious and gradual reopening from 3Q onwards. This will dampen sales and as such we must be prudent in the management of funds. We anticipate cash end balance to hover at the minimum level until the end of FY2021. Every effort will be made to contain costs to strengthen our balance sheet.

At the same time, to expand our revenue streams, we will be targeting the lucrative segment of seafarers who continue to journey as essential service providers. The worldwide population of seafarers serving on international merchant ships is estimated at 1.6 million. These workers need internet connectivity while remaining far from home and isolated at sea. Our coverage in more than 120 countries across 580 networks is the lynchpin for them to stay in touch with the world wherever they may be without needing to change network providers each time they arrive at a port of call. Likewise, we will accelerate our existing sales and marketing efforts among another group of essential travellers - the crew of major airlines - partnerships we have built up over the years.

We also intend to work with major brands in order to garner sales volume. We were able to secure a tie-up with Mastercard, incorporating our service as part of their rewards programme to cardholders globally. We will be pitching for more partnerships and expanding our offering of applications that are able to ride on our expansive platform.

Throughout FY2021 we expect our team to work from home, meeting face-to-face occasionally through necessity or for the sake of team morale. We expect virtual meetings to be the norm.

Director's Report

08 ENVIRONMENTAL LEGISLATION

The entity is not subject to any significant environmental legislation.

09 MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors attended by each Director during the year ended 31 March 2020 was:

Director	Meetings held while in office	Meetings attended
Jefrey Ong	9	9
Tat Seng Koh	9	9
Tuck Yin Choy	8	8
Ong Thian Choy	3	3
Dato' Larry Gan Nyap Liou	5	5

The Board of Directors approved 3 circular resolutions during the year ended 31 March 2020 which were signed by all Directors of the Company.

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 Jefrey Ong (Executive Director and Chief Executive Officer)
- ii Tat Seng Koh (Non-Executive Director)
- iii Tuck Yin Choy (Non-Executive Director, appointed 13 May 2019)
- iv Ong Thian Choy (Non-Executive Director, appointed 1 October 2019)
- v Dato' Larry Gan Nyap Liou
  (Non-Executive Director, appointed 18 November 2015, resigned 30 September 2019)

10.2 Remuneration Governance

Due to its size, the Company does not have a Remuneration Committee. The Board has not used remuneration consultants in determining the remuneration of Key Management Personnel. The compensation of Key Management Personnel is reviewed by the Board annually.

The Board assesses the appropriateness of the nature and amount of remuneration of such persons on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum shareholder benefit from retention of high quality Key Management Personnel. External advice on remuneration matters is sought whenever the Board deems it necessary but has not been sought during the reporting period.
The remuneration of the Key Management Personnel is not dependent on the satisfaction of a performance condition other than as set out in this report.

10 REMUNERATION REPORT (AUDITED)(continued)

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 Directors had resolved that Non-Executive Directors' fees range up to $36,000 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.

The maximum annual aggregate directors' fee pool limit is $250,000 and was approved by shareholders at the annual general meeting held on 30 November 2011.

10.4 Executive Remuneration

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

a) Flexiroam Limited

COMPONENT	CEO DESCRIPTION
Fixed remuneration	$120,000 per annum
Contract duration	3 years commencing on 16 June 2015
Notice by the individual/company	6 months
Other entitlements	Annual leave

b) Summary of amounts paid to key management personnel

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

YEAR ENDED 31 MARCH 2020	Short-term employee benefits salary & fees ($)	Bonus ($)	Post-employment super-annuation ($)	Share-based payments ($)	Total ($)	% of total remuneration for the year linked to performance
Directors - Flexiroam Limited						
Jefrey Ong	154,398	-	4,212	-	158,610	-
Tat Seng Koh	35,801	-	-	-	35,801	-
Tuck Yin Choy	31,839	-	-	-	31,839	-
Thian Choy Ong	28,302	-	-	-	28,302	-
Dato' Larry Gan Nyap Liou	17,971	-	-	-	17,971	-
Directors - Flexiroam Sdn Bhd						
Si Pin Lim	-	-	-	-	-	-
2020 TOTAL	**268,311**	**-**	**4,212**	**-**	**272,523**	**-**

10 REMUNERATION REPORT (AUDITED)(continued)

10.4 Executive Remuneration

b) Summary of amounts paid to key management personnel

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

YEAR ENDED 31 MARCH 2019	Short-term employee benefits salary & fees ($)	Bonus ($)	Post-employment super-annuation ($)	Share-based payments ($)	Total ($)	% of total remuneration for the year linked to performance
Directors - Flexiroam Limited						
Jefrey Ong	160,743	-	4,020	-	164,763	-
Dato' Larry Gan Nyap Liou	35,482	-	-	-	35,482	-
Tat Seng Koh	20,913	-	-	-	20,913	-
Paul Khong	16,500	-	-	-	16,500	-
Wai Hong Fong	10,000	-	-	-	10,000	-
Cheryl Yeoh	15,493	-	-		15,493	-
Directors - Flexiroam Sdn Bhd						
Thian Choy Ong	20,181	-	-	-	20,181	-
Si Pin Lim	-	-	-	-	-	-
2019 TOTAL	**279,312**	**-**	**4,020**	**-**	**283,332**	**-**

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 2019: $nil).

No cash bonus were granted as compensation for the current financial year (31 March 2019: $nil).

c) Employee share option plan

No employee share options were granted as remuneration for the current financial year (31 March 2019: $nil).

10.5 Equity Holdings of Key Management Personnel

a) Fully paid ordinary shares

31 MARCH 2020	Balance at 1 April 2020 Number	Allotment/ Purchase of Shares Number	Disposal of Shares Number	Net Other Changes Number	Balance at 31 March 2020 Number	Balance Held Nominally Number
Directors - Flexiroam Limited						
Jefrey Ong	48,626,589	12,784,841	-	-	61,411,430	-
Tat Seng Koh	19,168,000	4,792,000	-	-	23,960,000	-
Thian Choy Ong	48,800,000	12,200,000	-	-	61,000,000	1,000,000
Dato' Larry Gan Nyap Liou	13,629,990	-	-	(13,629,990)[1]	-	-
Directors - Flexiroam Sdn Bhd						
Si Pin Lim	4,500,000	-	-	-	4,500,000	-

[1] Directors resigned during the year ended 31 March 2020

10 REMUNERATION REPORT (AUDITED)(continued)

b) Share options held by key management personnel

During the year ended 31 March 2020, share options were issued to key management personnel in relation to Renounceable Entitlement Offer completed in 31 October 2019 where ordinary fully paid shares were issued at a price of $0.02 each with one attaching new option for each share. The options form a new class of quoted securities (ASX: FRXO).

Directors	Grant Date	Exercice Price	Number	Fair Value	Expiry Date
Jefrey Ong	31 October 2019	$0.12	12,282,286	$nil	31 October 2022
Tat Seng Koh	31 October 2019	$0.12	4,792,000	$nil	31 October 2022
Thian Choy Ong	31 October 2019	$0.12	12,200,000[1]	$nil	31 October 2022

[1] 200,000 options are held through indirect shares

c) Performance rights

During the year ended 31 March 2020 no share performance rights were granted or exercised by key management personnel.

10.6 Voting and Comments made at the Company's 2019 Annual General Meeting

The Company received more than 91.1% of votes, of those shareholders who exercised their right to vote, in favour of the remuneration reports for the 2019 financial period. The Company did not receive any specific feedback at the AGM or throughout the period on its remuneration practices.

10.7 Loans to Key Management Personnel

There were no loans to key management personnel.

11 INDEMNITY AND INSURANCE OF OFFICERS

The Company has not indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, and no insurance premium has been paid in respect of a contract to insure the directors and officers of the company.

Director's Report

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

The following relevant interests in shares and options of the Company or a related body corporate were held by the Directors as at the date of this report.

Directors	Fully Paid Ordinary Shares Number	Share Options Number	Performance Rights Number
Directors - Flexiroam Limited			
Jefrey Ong	61,411,430	12,282,286	-
Tat Seng Koh	23,960,000	4,792,000	-
Tuck Yin Choy	-	-	-
Thian Choy Ong	61,000,000	12,200,000	-
Directors - Flexiroam Sdn Bhd			
Si Pin Lim	4,500,000	-	-

15 SHARE OPTIONS

During the year ended 31 March 2020, share options were issued in relation to Renounceable Entitlement Offer completed in 31 October 2019 where ordinary fully paid shares were issued at a price of $0.02 each with one attaching new option for each share. The options form a new class of quoted securities (ASX: FRXO). These options do not entitle holders to participate in dividends.

Grant Date	Expiry Date	Exercise Price	Number
31 October 2019	31 October 2022	$0.12	65,620,842

Director's Report

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.

The Directors are also satisfied that the provision of non-audit services by an auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board fulfilling the role of an audit committee to ensure they do not impact the impartiality and objectivity of the auditor; and

- None of the services undermine the general principles relating to auditor's independence as set out in APES 110 Code of Ethics for Professional Accountants.

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.

Jefrey Ong

Chief Executive Officer
Signed on this 3rd day in July

Crowe

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3 July 2020

The Board of Directors
Flexiroam Limited
15 McCabe Street
North Fremantle, WA 6159

Dear Board Members

FLEXIROAM LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of Flexiroam Limited.

As lead audit partner for the audit of the financial report of Flexiroam Limited for the financial year ended 31 March 2020, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Crowe Sydney

Crowe Sydney

Suwarti Asmono
Partner

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	Year Ended 31 March 2020 $	Year Ended 31 March 2019 $
Revenue	6	7,284,824	5,929,017
Cost of sales		(4,441,946)	(3,301,447)
Gross profit / (loss)		2,842,878	2,627,570
Interest received		1,150	2,101
Foreign exchange gains / (losses)		1,012,136	311,972
Other income		326	50
Administration and operating expenses		(893,540)	(721,716)
Selling and marketing expenses		(3,251,390)	(3,613,758)
Research and development		(527,705)	(485,483)
Staff costs		(1,186,092)	(552,125)
Depreciation and amortisation		(62,687)	(75,575)
Fixed asset written off		-	(43,392)
Finance expenses		(393,873)	(326,564)
Loss before income tax		(2,458,797)	(2,876,920)
Income tax expense	14	-	-
Loss for the year/period		(2,458,797)	(2,876,920)
Other comprehensive loss			
Items that may be re-classified to profit or loss:			
Foreign exchange translation		(1,538,760)	(483,291)
Revaluation of available-for-sale assets		-	-
Total other comprehensive loss, net of tax		(1,538,760)	(483,291)
Total comprehensive loss for the year/period		**(3,997,557)**	**(3,360,211)**
Loss per share (basic and diluted)	17	(0.92) cents	(1.36) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	As at 31 March 2020 $	As at 31 March 2019 $
CURRENT ASSETS			
Cash and cash equivalents	7	615,741	528,017
Trade and other receivables		157,087	315,075
Inventory		416,365	219,807
Other assets		130,708	2,726
Total current assets		**1,319,901**	**1,065,625**
NON-CURRENT ASSETS			
Plant and equipment	9	73,304	116,980
Right of use asset	10	12,666	-
Total non-current assets		**85,970**	**116,980**
Total Assets		**1,405,871**	**1,182,605**
CURRENT LIABILITIES			
Trade and other payables	11	2,392,770	2,148,774
Deferred revenue	12	4,119,431	2,065,205
Lease liability	13	12,416	15,507
Total current liabilities		**6,524,617**	**4,229,486**
NON-CURRENT LIABILITIES			
Lease liability	13	-	11,875
Total non-current liabilities		**-**	**11,875**
Total Liabilities		**6,524,617**	**4,241,361**
Net Assets		**(5,118,746)**	**(3,058,756)**
EQUITY			
Issued capital	15	39,366,706	37,429,139
Reserves	16	(3,742,616)	(2,203,856)
Accumulated losses		(40,742,836)	(38,284,039)
Total equity		**(5,118,746)**	**(3,058,756)**

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 2020

	Issued Capital $	Option and Performance Rights Reserve $	Forex Translation Reserve $	Accumulated Loss $	Total $
Balance at 1 April 2018	**36,268,139**	**299,993**	**(2,016,608)**	**(35,341,229)**	**(789,705)**
Impact of changes in accounting standards	-	-	(3,950)	(65,890)	(69,840)
Adjusted balance 1 April 2018	**36,268,139**	**299,993**	**(2,020,558)**	**(35,407,119)**	**(859,545)**
Loss for the year	-	-	-	(2,876,920)	(2,876,920)
Other comprehensive loss for the year	-	-	(483,291)	-	(483,291)
Total comprehensive loss for the year	**-**	**-**	**(483,291)**	**(2,876,920)**	**(3,360,211)**
Shares issued during the year	1,161,000	-	-	-	1,161,000
Balance at 31 March 2019	**37,429,139**	**299,993**	**(2,503,849)**	**(38,284,039)**	**(3,058,756)**
Balance at 1 April 2019	**37,429,139**	**299,993**	**(2,503,849)**	**(38,284,039)**	**(3,058,756)**
Loss for the year	-	-	-	(2,458,797)	(2,458,797)
Other comprehensive loss for the year	-	-	(1,538,760)	-	(1,538,760)
Total comprehensive loss for the year	**-**	**-**	**(1,538,760)**	**(2,458,797)**	**(3,997,557)**
Shares issued during the year	2,037,174	-	-	-	2,037,174
Share issue costs	(99,607)	-	-	-	(99,607)
Balance at 31 March 2020	**39,366,706**	**299,993**	**(4,042,609)**	**(40,742,836)**	**(5,118,746)**

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 2020

	Note	Year Ended 31 March 2020 $	Year Ended 31 March 2019 $
Cash flows from operating activities			
Receipts from customers		9,134,371	6,947,603
Payments to suppliers and employees		(10,564,638)	(7,752,124)
Interest paid		(393,873)	(326,564)
Interest received		1,150	2,101
Net cash flows used in operating activities	8	(1,822,990)	(1,128,984)
Cash flows from investing activities			
Purchase of plant and equipment	9	(23,896)	(14,473)
Net cash flows used in investing activities		(23,896)	(14,473)
Cash flows from financing activities			
Proceeds from issue of share capital		2,037,175	1,161,000
Payments for share issue costs		(99,607)	-
Borrowings – payments		(16,275)	(15,092)
Net cash flows provided by financing activities		1,921,293	1,145,908
Net increase in cash and cash equivalents		74,407	2,451
Cash and cash equivalents at the beginning of the year		**528,017**	**700,000**
Foreign exchange fluctuations on opening cash balances		13,317	(174,434)
Cash and cash equivalents at the end of the year	7	**615,741**	**528,017**

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

Notes to the Consolidated Financial Statements

01 REPORTING ENTITY

These financial statements and notes of Flexiroam Limited ("the Company") and its subsidiaries (collectively "the Group") comprise the consolidated financial statements for the Group. For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity primarily and is domiciled in Australia. The Group is involved in the telecommunications industry.

02 ADOPTION OF NEW AND REVISED AUSTRALIAN ACCOUNTING STANDARDS

These financial statements and notes of Flexiroam Limited ("the Company") and its subsidiaries (collectively "the Group") comprise the consolidated financial statements for the Group. For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity primarily and is domiciled in Australia. The Group is involved in the telecommunications industry.

2.1 Standards and Interpretations applicable to 31 March 2020

In the year ended 31 March 2020, 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.

As a result of this review, the Group adopted the following new and revised Australian Accounting Standards from 1 April 2019.

a) AASB 16 "Leases"

This standard issued in February 2016 is applicable to annual reporting periods beginning on 1 January 2019. The new standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases, unless the underlying asset is of short-term and low- value. The Group concluded that adoption of the new Standard has no material impact on the financial statements of the Group.

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 2020.

Other than the above, there are no other material impact of the new and revised Standards and Interpretations on the Group and therefore no change is necessary to Group accounting policies.

03 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 $2,458,797 for the year ended 31 March 2020 (31 March 2019 loss: $2,876,920) and a net cash outflow from operating activities amounting to $1,822,990 (31 March 2019 outflow: $1,128,984). As at 31 March 2020, the Group has a net current asset deficiency of $5,204,716 (31 March 2019: $3,163,861) and net asset deficiency of $5,118,746 (31 March 2019: $3,058,756). 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 going concern.

Notes to the Consolidated Financial Statements

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 have received undertakings of financial support from the Group's major shareholders to assist it in meeting its financial obligations as when they fall due;
- With the slowdown in the travel industry due to the ongoing impact of the coronavirus pandemic, the Directors have implemented various cost-saving measures and has maintained a lean core team. This is to service the existing partners and subscribers, while ensuring the readiness to catch the first wave of travellers when the pandemic is under control. The Directors expect a very cautious and gradual reopening from 3Q onwards. This will dampen sales and as such the Directors remain prudent in the management of funds. The cash end balance is anticipated to hover at the minimum level until the end of FY2021. Thus, every effort will be made to contain costs to strengthen the balance sheet; and/or
- The Company is able to raise further capital based on historical success. Note 15 discloses the capital raising completed as at the date of this report.

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.

04 ADOPTION OF NEW AND REVISED AUSTRALIAN ACCOUNTING STANDARDS

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

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.

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.

a) 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

Notes to the Consolidated Financial Statements

b) Foreign currency translation (continued)

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 fluctuated 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.

c) 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 recognise 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 sale of x-licenses are recognised over time based on customer usage or upon expiration of the validity period of the data or expected breakage in proportion to the pattern of rights exercised by the customer;

- Revenue from the sale of data roaming plans is recognised over time based on customer usage or upon expiration of the validity period of the data or expected breakage in proportion to the pattern of rights exercised by the customer;

- Revenues 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;

- Revenues from sale of gift cards are deferred until the gift cards are redeemed and over time based on the customer usage or upon expiration of the validity period of the data; and

- Revenues from the sale of vouchers to corporate customers are recognised upon redemption and utilisation of data or upon expiry of the validity period of the vouchers.

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 30 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

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 30 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.

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. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are then classified and measured as set out below.

Classification and subsequent measurement

All financial instruments of the Company 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.

g) Financial instruments (continued)

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.

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 Company 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.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

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 & equipment

Plant and 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:

Plant and equipment 5-10 years

h) Plant & equipment (continued)

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 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.
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 property, 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) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company 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.

j) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except: less payment is not due within 12 months.

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.

k) 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 Company 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 Company 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 Company intends to settle its current tax assets and liabilities on a net basis.

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.

l) 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.

m) Share-based payment transactions

Equity settled transactions

The Group provides benefits to employees of Flexiroam Sdn Bhd 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 Performance Rights Plan.

The cost of these equity-settled transactions with employees of Flexiroam Sdn Bhd 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:

i the extent to which the vesting period has expired; and

ii 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 consolidated statement of profit or loss and other comprehensive income 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.

n) 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.

Notes to the Consolidated Financial Statements

o) 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). Such contributions are recognised as an expense in the consolidated statement of profit or loss and other comprehensive income as incurred.

p) 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.

q) 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 amount are recognised in proportion to the pattern of rights exercised by the customer. The Group has determined the breakage ratio using 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 amount of data utilised but not expired during the year.

05 FINANCIAL RISK MANAGEMENT

a) Categories of financial instruments

	As at 31 Mar 2020 $	As at 31 Mar 2019 $
Financial assets		
Cash and cash equivalents	615,741	528,017
Trade and other receivables	157,087	315,075
Financial liabilities		
Trade and other payables	1,592,778	1,890,419
Lease liability	12,416	27,382

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 2019.

The capital structure of the Group consists of debt, 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 tax, dividends and 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 Company's overall financial risk management objective is to ensure that the Company creates value for its shareholders while minimising potential adverse effects on the performance of the Company. The Company'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 subsidiary are measured using the currency of the primary economic environment in which the Company and subsidiary operates; 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.

Foreign currency risk

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 2020 $	As at 31 Mar 2019 $
Financial assets		
Cash and cash equivalents	157,087	33,504
Financial liabilities		
Trade and other payables	122,737	323,432

Notes to the Consolidated Financial Statements

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.

		RM & USD DOWN 0.5%		RM & USD UP 0.5%	
	$	AUD UP 0.5% $	(LOSS) $	AUD DOWN 0.5% $	GAIN $
31 MAR 2020					
Financial assets					
Cash and cash equivalents	16,628	16,545	(83)	16,711	83
Financial liabilities					
Trade and other payables	122,437	121,825	(612)	123,049	612
31 MAR 2019					
Financial assets					
Cash and cash equivalents	33,504	33,336	(168)	33,672	168
Financial liabilities					
Trade and other payables	323,432	321,815	(1,617)	325,049	1,617

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 Company'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 2020.

Notes to the Consolidated Financial Statements

Credit risk (continued)

Credit risk related to balances with banks and other financial institutions is managed by the Board in accordance with approved board policy. The following table provides information regarding the credit risk relating to cash

	Note	As at 31 March 2020 $	As at 31 March 2019 $
Cash and cash equivalents			
	7	615,741	528,017
		615,741	**528,017**

Interest rate risk

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

	Note	Effective Interest Rate	Floating Interest Rate $	1 year or less $	1 - 5 years $	Non-interest bearing $	Total $
31 MAR 2020							
Financial assets							
Cash assets	7		-	-	-	615,741	**615,741**
Trade and other receivables			-	-	-	157,087	**157,087**
			-	**-**	**-**	**772,828**	**772,828**
Financial liabilities							
Trade and other payables	11	-	-	-	-	1,592,778	**1,592,778**
Lease liability	13	4.3	-	12,416	-	-	**12,416**
			-	**12,416**	**-**	**1,592,778**	**1,605,194**
31 MAR 2019							
Financial assets							
Cash assets	7		-	-	-	528,017	**528,017**
Trade and other receivables			-	-	-	315,075	**315,075**
			-	**-**	**-**	**843,092**	**843,092**
Financial liabilities							
Trade and other payables	11	-	-	-	-	1,890,419	**1,890,419**
Lease liability	13	4.4	-	15,507	11,875	-	**27,382**
			-	**15,507**	**11,875**	**1,890,419**	**1,917,801**

The sensitivity analyses have 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 reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's net revenue would increase by $nil and decrease by $nil respectively (31 March 2019: $nil).

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 Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing 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.

06 REVENUE

	Year Ended 31 March 2020 $	Year Ended 31 March 2019 $
Corporate sales[1]	430,679	606,020
Consumer sales[2]	6,854,145	5,322,997
	7,284,824	**5,929,017**

[1] Corporate sales consist of business to business transactions involving local and foreign travel agencies.
[2] Consumer sales consist of business to consumer transactions involving local and foreign travellers.

Notes to the Consolidated Financial Statements

07 CASH AND CASH EQUIVALENTS

	As at 31 March 2020 $	As at 31 March 2019 $
Cash at bank	615,741	528,017
	615,741	**528,017**

Cash at bank earns interest at floating rates based on daily bank deposit rates.

08 CASH FLOW INFORMATION

	As at 31 March 2020 $	As at 31 March 2019 $
Loss for the period	(2,458,797)	(2,876,920)
Depreciation and amortisation	62,687	75,575
Forex movements	(1,558,551)	(312,142)
Fixed asset written off	-	43,392
Increase in trade and other receivables	157,989	(158,712)
(Increase)/Decrease in inventory	(196,558)	(206,163)
Decrease in other assets	(127,982)	60,825
Increase in trade and other payables	243,996	1,041,715
Increase in deferred revenue	2,054,226	1,203,446
Net cash from operating activities	**(1,822,990)**	**(1,128,984)**

09 PLANT AND EQUIPMENT

As at 31 March 2020, the Group's property, plant and equipment consists of the following:

	Furniture & Fittings $	Office Equipment $	Renovation $	Motor Vehicle[1] $	Total $
AT COST					
As at 1 April 2018	**10,281**	**119,937**	**179,464**	**97,227**	**406,909**
Additions	275	14,199	-	-	14,473
Disposals/ Write-off	-	(44,601)	(59,414)	-	(104,015)
Foreign exchange effects	276	3,572	4,608	2,515	10,971
As at 31 March 2019	**10,832**	**93,107**	**124,658**	**99,742**	**328,339**
Additions	1,629	22,267	-	-	23,896
Disposals/ Write-off/ Adjustment	-	(3,902)	-	(108,564)	(108,564)
Foreign exchange effects	1,072	9,537	11,026	8,822	30,457
As at 31 March 2020	**13,533**	**121,009**	**135,684**	**-**	**270,226**
ACCUMULATED DEPRECIATION					
As at 1 April 2018	**5,513**	**45,788**	**91,093**	**46,993**	**189,387**
Depreciation expense	1,983	19,360	34,837	19,395	75,575
Disposals/ Write-off	-	(13,764)	(46,859)	-	(60,623)
Foreign exchange effects	199	1,729	3,323	1,769	7,019
As at 31 March 2019	**7,695**	**53,113**	**82,394**	**68,157**	**211,359**
Depreciation expense	2,084	14,861	25,411	20,332	62,688
Disposals/ Write-off/ Adjustment	-	(3,912)	-	(95,898)	(99,810)
Foreign exchange effects	822	5,441	9,013	7,409	22,685
As at 31 March 2020	**10,601**	**69,503**	**116,818**	**-**	**196,922**
CARRYING AMOUNT					
As at 31 March 2019	**3,137**	**39,994**	**42,264**	**31,585**	**116,980**
As at 31 March 2020	**2,932**	**51,506**	**18,866**	**-**	**73,304**

[1] Motor vehicle is reclassified as Right of use asset in compliance to AASB 16 leases.

Notes to the Consolidated Financial Statements

10 RIGHT OF USE ASSET

	As at 31 March 2020 $	As at 31 March 2019 $
Opening balance	-	-
Adjustment related to adoption of AASB 16	31,585	-
Depreciation charges	(20,332)	
Foreign exchange translation effects	1,413	-
Closing balance	**12,666**	**-**

The right of use asset is consist of motor vehicle used as security for the lease liability.

11 TRADE AND OTHER PAYABLES

	As at 31 March 2020 $	As at 31 March 2019 $
Trade payables	1,592,778	1,890,419
Accruals	799,992	258,355
	2,392,770	**2,148,774**

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

12 DEFERRED REVENUE

	As at 31 March 2020 $	As at 31 March 2019 $
Corporate sales	2,331,998	1,067,929
Consumer sales	1,787,433	997,276
	4,119,431	**2,065,205**
Reconciliation		
Opening balance	2,065,205	791,917
Adjustment related to adoption of AASB 15	-	69,840
Net additions	1,749,364	1,131,237
Foreign exchange translation effects	304,862	72,211
Closing balance	**4,119,431**	**2,065,205**

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

Notes to the Consolidated Financial Statements

13 LEASE LIABILITY

	As at 31 March 2020 $	As at 31 March 2019 $
Minimum hire purchase payments:		
Within 12 months	12,604	17,034
After 1 year to 5 years	-	11,356
	12,604	28,390
Less: Future interest charges	(188)	(1,008)
Present value of hire purchase	**12,416**	**27,382**
Repayable as follows:		
Current liabilities - within 1 year	12,416	15,507
Long term liabilities - after 1 year to 5 years	-	11,875
	12,416	**27,382**

Leased liability is consist of borrowings and are secured by motor vehicles with a carrying value of $12,666 (31 March 2019: $31,585), as disclosed in Note 9 and Note 10.

Notes to the Consolidated Financial Statements

14 INCOME TAX

	Year Ended 31 March 2020 $	Year Ended 31 March 2019 $
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	(2,458,797)	(2,876,920)
Income tax using the domestic corporation tax rate of 30% (2019: 30%)	(737,639)	(863,076)
Overseas tax rates adjustment*	170,714	252,588
Increase/(decrease) in income tax expense due to:		
Non-deductible expenses:		
■ Other	-	-
Add/(deduct) adjustments due to:		
■ Unused tax losses not recognised as deferred tax assets	697,351	730,091
Other timing differences not recognised	(130,426)	(119,603)
Income tax expense/(benefit)	**-**	**-**
Unrecognised deferred tax balances		
■ Tax losses	4,101,790	3,138,026
■ Other timing differences not recognised	(176,532)	(50,313)
	3,925,258	**3,087,713**

*The Malaysia and Hong Kong applicable tax rates for the current financial year are 24% and 16.5%, respectively.

The Group has tax losses arising in Australia of $2,311,230 (31 March 2019: $2,145,563) 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.

15 ISSUED CAPITAL

	Number	$
Ordinary shares issued (net of share issue costs)	**305,204,293**	**39,466,313**
Reconciliation		
Balance at 1 April 2018	193,689,501	36,268,139
Movements for the period	29,025,000	1,161,000
Balance at 31 March 2019	**222,714,501**	**37,429,139**
Balance at 1 April 2019	222,714,501	37,429,139
Share issue – 3 May 2019 [a]	19,368,950	774,758
Share issue – 31 October 2019 [b]	63,120,842	1,262,416
Share issue costs	-	(99,607)
Balance at 31 March 2020	**305,204,293**	**39,366,706**

[a] On 3 May 2019, the Company successfully completed a capital raising of $0.77m by the issue of 19,368,950 ordinary fully paid shares at an issue price of $0.04 each. The placement has been made to an investor qualifying under Section 708 of the Corporations Act and the Company has used its existing issuance capacity under the ASX Listing Rule 7.1A to complete the issue. The investor is not a related party of the Company.

[b] On 31 October 2019, the Company successfully completed a Renounceable Entitlement Offer by the issue of a total of 63,120,842 ordinary fully paid shares at an issue price of $0.02 each with one attaching new option for each share issued. An additional of 2,500,000 listed options were also issued as consideration for the lead manager services. The options form a new class of quoted securities (ASX: FRXO) exercisable at $0.12 each and expiring on 31 October 2022. Total funds raised for this entitlement issue amounted to $1.26m.

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.

Dividends

No dividends were paid or proposed during the year ended 31 March 2020 (31 March 2019: $nil).

16 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.

17 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 March 2020 $	Year Ended 31 March 2019 $
Loss attributable to ordinary equity holder	(2,458,797)	(2,876,920)
	NUMBER	NUMBER
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	266,897,290	211,343,063
	CENTS	CENTS
Loss per share (basic and diluted)	**(0.92)**	**(1.36)**

18 RELATED PARTY TRANSACTIONS

a) Key management personnel

Compensation of key management personnel

	Year Ended 31 March 2020 $	Year Ended 31 March 2019 $
Short-term employee benefits	268,311	279,312
Post-employment superannuation	4,212	4,020
	272,523	**283,332**

b) Subsidiaries

The consolidated financial statements include the financial statements of Flexiroam Limited:

Name	Country of Incorporation	% Equity Interest 2020	% Equity Interest 2019
Super Bonus Profit Sdn Bhd	Malaysia	100%	100%
Flexiroam Sdn Bhd	Malaysia	100%	100%
Flexiroam Asia Limited	Hong Kong	100%	100%

Flexiroam Limited which was incorporated in Australia, is the legal parent of the Group.

Notes to the Consolidated Financial Statements

19 LEGAL PARENT ENTITY INFORMATION

The following detailed information is related to the parent entity, Flexiroam Limited, as at 31 March 2020.

	As at 31 March 2020 $	As at 31 March 2019 $
Current assets	57,625	3,857
Non-current assets	17,102,450	15,347,732
Total assets	**17,160,075**	**15,351,589**
Current liabilities	70,710	32,871
Total liabilities	**70,710**	**32,871**
Contributed equity	20,483,949	18,546,382
Accumulated losses	(3,694,577)	(3,527,657)
Reserves	299,993	299,993
Total equity	**17,089,365**	**15,318,718**
Loss for the year	(166,921)	(169,764)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	**(166,921)**	**(169,764)**

20 SIGNIFICANT EVENTS AFTER BALANCE DATE

The impact of the coronavirus pandemic is ongoing. With the slowdown in the travel industry, the Company has implemented various cost-saving measures and has maintained a lean core team. This is to service our existing partners and subscribers, while ensuring we are ready to catch the first wave of travellers when the pandemic is under control.

The Company has engaged solicitor to facilitate 1:2 Non-Renounceable Right Issue (NRRI) at an issue price of $0.01 per share to raise approximately $ 1,017,348. The NRRI will be finalised by the end of August 2020.

Apart from the events disclosed above, no other matter or circumstance has arisen since 31 March 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

21 COMMITMENTS AND CONTINGENCIES

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

a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

b) any contingent liability of the Company 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 Company to meet its obligations as and when they fall due.

Notes to the Consolidated Financial Statements

22 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 March 2020 $	Year Ended 31 March 2019 $
Audit and other assurance services		
Audit and review of financial statements		
Crowe Sydney and component auditors	97,749	60,082
Total remuneration for audit and other assurance services	97,749	60,082

23 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 Company'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.

During the current year, the Group changed the geographical segment presentation in order to provide a more meaningful and useful information to the chief operating decision maker.

As at 31 March 2020, the Group operated in one business segment being the telecommunication business segment and 6 geographical market segments, namely the telecommunications market in Africa, Asia, Europe, North America, South America, and Oceania & Antarctica.

During the current period, the chief decision makers have been reviewing operations and making decisions based on the supply and provision of telecommunications as a single operating unit. Internal management accounts are consequently prepared on this basis.

Notes to the Consolidated Financial Statements

23 SEGMENT REPORTING – CONTINUED

As at 31 March 2020, the Group's property, plant and equipment consists of the following:

	Africa $	Asia $	Europe $	North America $	South America $	Oceania & Antarctica $	Unallocated $	Total $
YEAR ENDED 31 MARCH 2020								
Revenue								
Corporate	105	387,257	14,965	7,889	18,707	1,756	-	430,679
Consumer	196,861	4,042,868	847,522	803,949	758,523	204,422	-	6,854,145
Total segment and group revenue	**196,966**	**4,430,125**	**862,487**	**811,838**	**777,230**	**206,178**	**-**	**7,284,824**
Segment and group cost of sales	**(120,101)**	**(2,701,283)**	**(525,904)**	**(495,021)**	**(473,919)**	**(125,718)**	**-**	**(4,441,946)**
Other income and forex gains	-	-	-	-	-	-	1,013,612	1,013,612
Administration and operating expenses	-	-	-	-	-	-	(6,252,600)	(6,252,600)
Depreciation and amortisation	-	-	-	-	-	-	(62,687)	(62,687)
Group profit/ (loss) for the period	**76,865**	**1,728,842**	**336,583**	**316,817**	**303,311**	**80,460**	**(5,301,675)**	**(2,458,797)**
Net cash flows from operating activities	106,511	2,395,631	466,397	439,009	420,294	111,493	(5,762,325)	(1,822,990)
Net cash flows from investing activities	-	-	-	-	-	-	(23,896)	(23,896)
Net cash flows from financing activities	-	-	-	-	-	-	1,921,293	1,921,293
Net cash inflow/(outflow)	**106,511**	**2,395,631**	**466,397**	**439,009**	**420,294**	**111,493**	**(3,864,928)**	**74,407**
AS AT 31 MARCH 2020								
Assets	**38,012**	**854,952**	**166,448**	**156,674**	**149,995**	**39,790**	-	**1,405,871**
Liabilities	**176,412**	**3,967,819**	**772,482**	**727,119**	**696,122**	**184,663**	-	**6,524,617**

Notes to the Consolidated Financial Statements

23 SEGMENT REPORTING – CONTINUED

As at 31 March 2020, the Group's property, plant and equipment consists of the following:

	Africa $	Asia $	Europe $	North America $	South America $	Oceania & Antarctica $	Unallocated $	Total $
YEAR ENDED 31 MARCH 2019								
Revenue								
Corporate	147,236	162,193	88,237	13,101	191,874	3,379	-	606,020
Consumer	117,885	3,601,159	479,988	389,371	587,860	146,734	-	5,322,997
Total segment and group revenue	**265,121**	**3,763,352**	**568,225**	**402,472**	**779,734**	**150,113**	**-**	**5,929,017**
Segment and group cost of sales	**(147,627)**	**(2,095,543)**	**(316,404)**	**(224,108)**	**(434,178)**	**(83,587)**	**-**	**(3,301,447)**
Other income and forex gains	-	-	-	-	-	-	314,123	314,123
Administration and operating expenses	-	-	-	-	-	-	(5,743,038)	(5,743,038)
Depreciation and amortisation	-	-	-	-	-	-	(75,575)	(75,575)
Group profit/ (loss) for the period	**117,494**	**1,667,809**	**251,821**	**178,364**	**345,556**	**66,526**	**(5,504,490)**	**(2,876,920)**
Net cash flows from operating activities	138,868	1,971,204	297,630	210,810	408,416	78,628	(4,234,540)	(1,128,984)
Net cash flows from investing activities	-	-	-	-	-	-	(14,473)	(14,473)
Net cash flows from financing activities	-	-	-	-	-	-	1,145,908	1,145,908
Net cash inflow/(outflow)	**138,868**	**1,971,204**	**297,630**	**210,810**	**408,416**	**78,628**	**(3,103,105)**	**2,451**
AS AT 31 MARCH 2019								
Assets	**58,028**	**741,103**	**114,632**	**79,078**	**160,334**	**29,430**	**-**	**1,182,605**
Liabilities	**189,655**	**2,692,139**	**406,484**	**287,911**	**557,788**	**107,384**	**-**	**4,241,361**

Director's 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) comply 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 2020 and of the performance for the period 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 period ended 31 March 2020.

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

Jefrey Ong
Director
Signed on this 3rd day in July

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Independent Auditor's Report to the Members of Flexiroam Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Flexiroam Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 March 2020, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 31 March 2020 and of its financial performance for the year then ended; 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* (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 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

We draw attention to Note 3 in the financial report, which indicates that the Group incurred an operating loss of $2,458,797 for the year ended 31 March 2020 and a net cash outflow from operating activities amounting to $1,822,990. As at 31 March 2020, the Group had a net current asset deficiency of $5,204,716 and a net asset deficiency of $5,118,746. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How we addressed the Key Audit Matter
Revenue recognition (Note 6)	
The Group's revenue is generated from the sales of mobile data to local and international travellers. The accuracy and completeness of amounts recognised as revenue is a key audit matter due to the high volume of transactions and the complexity of the pricing system.	Our audit procedures included the following: • Held discussions with the Group's management and the component auditors to gain an understanding of the Group's revenue recognition processes. • Performed walk through of the sales transactions on a sampling basis. • Tested sales transactions to the supporting documents on a sampling basis. • Tested the accuracy of sales cut-off at reporting date. • Performed IT general control and application testing. • Reviewed the reasonableness of the breakage revenue recognised in accordance with AASB 15: *Revenue from Contracts with Customers*.

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 2020, 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 that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors 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 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 to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities 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 the 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or

business activities within the Group to express an opinion on the group financial report. The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

We communicate with the directors regarding, among 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 the audit.

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 these matters in the 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 the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 2020.

In our opinion, the remuneration report of Flexiroam Limited, for the year ended 31 March 2020, 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.

Crowe Sydney

Crowe Sydney

Suwarti Asmono
Partner

3 July 2020
Sydney

ASX Information as at 02 July 2020

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

01 SUBSTANTIAL SHAREHOLDERS

Name	Number of Ordinary Shares Held	Percentage of Capital Held
MR KENN TAT ONG	60,374,100	19.78
MR THIAN CHOY ONG	60,000,000	19.65
CITICORP NOMINEES PTY LIMITED	29,094,849	9.53
MR. YEOH AIK CHEONG	24,211,187	7.93
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	17,505,612	5.73

02 DISTRIBUTION OF SECURITY HOLDERS

FULLY PAID ORDINARY SHARES			
Range	Holders	Units	%
1 - 1,000	14	3,144	0.00%
1,001 - 5,000	33	110,840	0.04%
5,001 - 10,000	64	575,839	0.19%
10,001 - 100,000	118	5,290,286	1.73%
100,001 - over	86	299,224,184	98.04%
	315	305,204,293	100.00%

LISTED OPTIONS EXERCISABLE AT $0.12 EACH ON OR BEFORE 31/10/2022			
Range	Holders	Units	%
1 - 1,000	3	580	0.00%
1,001 - 5,000	11	27,336	0.04%
5,001 - 10,000	5	37,288	0.16%
10,001 - 100,000	19	690,818	1.05%
100,001 - over	39	64,864,820	98.85%
	77	65,620,842	100.00%

03 UNMARKETABLE PARCELS

Holding less than a marketable parcel of ordinary shares (being 31,249 shares as at 02 July 2020):

Holders	Units
161	1,693,601

04 RESTRICTED SECURITIES OR SECURITIES SUBJECT TO VOLUNTARY ESCROW

As at 02 July 2020, the Company had no restricted securities on issue.

As at 02 July 2020, the Company had no securities subject to voluntary escrow.

ASX Information as at 02 July 2020

05 UNQUOTED SECURITIES

As at 02 July 2020, the Company had no unquoted securities on issue.

06 TWENTY LARGEST SHAREHOLDERS – ORDINARY SHARES

	Name	Number of Ordinary Shares Held	Percentage of Capital Held
1	MR KENN TAT ONG	60,374,100	19.78
2	MR THIAN CHOY ONG	60,000,000	19.65
3	CITICORP NOMINEES PTY LIMITED	29,094,849	9.53
4	MR YEOH AIK CHEONG	24,211,187	7.93
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	17,505,612	5.74
6	RHB SECURITIES SINGAPORE PTE LTD <CLIENTS A/C>	11,190,000	3.66
7	MS PEK SAN YIP	10,168,000	3.33
8	GENERAL TECHNOLOGY SDN BHD	8,500,000	2.78
9	MR KIAN CHUNG CHIN	6,173,750	2.03
10	TA SECURITIES HOLDINGS BERHAD	5,825,000	1.90
11	LOVE MOORE PTY LTD <MOORE LOVE SUPERFUND A/C>	5,750,000	1.88
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,520,548	1.80
13	MR BOO WIE KHOO	4,750,000	1.55
14	SI PIN LIM	4,500,000	1.47
15	DR PENG YEW WONG	3,750,000	1.22
16	MR WAI PIN NG	3,728,220	1.22
17	MR CHEE CHEEON OW	3,308,595	1.08
18	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAIL CLIENT>	2,185,375	0.71
19	MRS ZI JUAN QI <CHEN FAMILY A/C>	1,900,000	0.62
20	BNP PARIBAS NOMS PTY LTD <UOB KAY HIAN PRIV LTD DRP>	1,690,000	0.55
	TOTAL	**270,125,236**	**88.50**

ASX Information as at 02 July 2020

TWENTY LARGEST OPTIONHOLDERS – LISTED OPTIONS

	Name	Number of Options Held	Percentage of Capital Held
1	MR KENN TAT ONG	12,074,820	18.40
2	MR THIAN CHOY ONG	12,000,000	18.28
3	SANDWICH HOLDINGS PTY LTD	5,526,289	8.42
4	CITICORP NOMINEES PTY LIMITED	4,887,038	7.44
5	MR AIK CHEONG YEOH	4,842,237	7.37
6	LOVE MOORE PTY LTD <MOORE LOVE SUPERFUND A/C>	4,000,000	6.09
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,673,122	5.59
8	GENERAL TECHNOLOGY SDN BHD	2,100,000	3.20
9	MR MICHAEL SOUCIK AND MRS HEATHER SOUCIK	1,647,500	2.51
10	MR KIAN CHUNG CHIN	1,234,750	1.88
11	MR ARJUNAN SUNDARAMOORTHY	1,080,000	1.64
12	BOND STREET CUSTODIANS LIMITED	1,000,000	1.52
13	MRS YAN WANG	775,000	1.18
14	MR JAMES ALEXANDER LOVE	775,000	1.18
15	DR LEON EUGENE PRETORIUS	750,000	1.14
16	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	657,650	1.00
17	NAUTICAL HOLDINGS WA PTY LTD <ABANDON SHIP S/F>	600,000	0.91
18	MRS GLORIA MARIA PHONG	600,000	0.91
19	MR BENJAMIN JAMES OPIE	600,000	0.91
20	BND INVESTMENTS PTY LTD <B & N DRAFFEN FAMILY A/C>	500,000	0.76
	TOTAL	**59,323,406**	**90.40**

07 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.

08 ON-MARKET BUYBACK

There is no current on-market buy-back.

09 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

Corporate Information

DIRECTORS	Jefrey Ong Tat Seng Koh Tuck Yin Choy Ong Thian Choy
COMPANY SECRETARY	Natalie Teo (appointed 14 February 2020)
REGISTERED OFFICE	15 McCabe Street, North Fremantle, Western Australia 6159
PRINCIPAL PLACE OF BUSINESS	22-2 Jalan PJU 8/3A, Bandar Damansara Perdana, 47820, Petaling Jaya, Selangor D.E., Malaysia
AUDITORS	Crowe Sydney Level 15 1 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
CONTACT INFORMATION	Ph : +61281883919 Email : investor@flexiroam.com