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The Manager
Market Announcements Platform
Australian Securities Exchange Limited

BEAM DELIVERS RECORD INTERIM REVENUE AND A MORE THAN DOUBLING IN HALF-YEARLY NPAT

Highlights:

- Revenue jumps 39% to a record high of \$12.5m for the six months to 31 December 2021
- NPAT increased 111% on pcp to \$388k
- ZOLEO sales the main contributor to revenue growth, with Beam's other product lines also recording double-digit revenue growth
- ZOLEO launch into UK and EU markets scheduled for April
- ANZ ZOLEO subscriber numbers now in excess of 2K and gaining further momentum
- Improving demand for other devices/equipment as COVID restrictions eased further
- Positive outlook with multiple growth opportunities for Beam in 2022

Beam Communications Holdings Ltd (ASX: BCC) is pleased to announce record revenue for the six months to 31 December 2021, with all key divisions contributing to the growth in both income and earnings.

First half revenue increased by 39.3% over the previous corresponding period (**pcp**) to \$12.5 million, the highest interim revenue figure in Beam's history. First half net profit after tax (**NPAT**) more than doubled to \$388,108 (1H FY21: \$183,960) despite Beam's ongoing investment to support the promotion of ZOLEO.

The sharp increase in sales of ZOLEO units to Beam's joint venture entity, ZOLEO Inc., was a large contributor to the strong top-line growth. Group earnings before interest, tax, depreciation and amortisation (**EBITDA**) improved by 6.3% pcp to \$1.1 million, with the ZOLEO device attractively priced to entice consumer adoption and encourage subscription revenue growth.

Subscriptions are a more important medium- to long-term profit driver for Beam than sales of the device.

Growth in ZOLEO subscribers

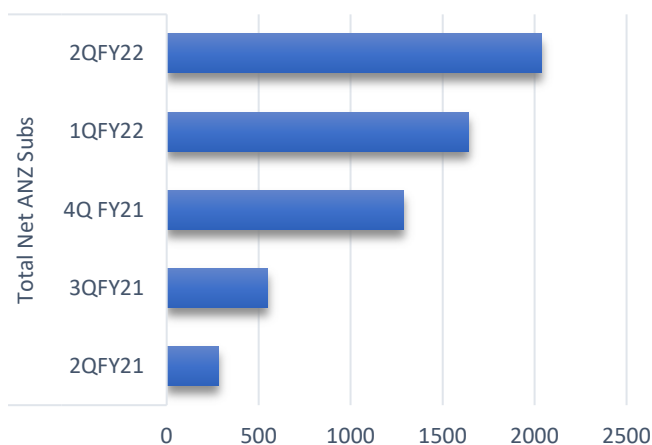
To that end, the number of ZOLEO subscribers in Beam's territories of Australia and New Zealand continued to grow strongly. The Company has 2,000+ subscribers as of 31 December 2021, representing a substantial increase over the same period in FY21 with this growth momentum expected to carry into H2FY2022.

As a result, the royalty payment to Beam (that is based on 70% of gross subscription margin from customers in its territories) has grown exponentially, although off a modest base and accounting for the lag effect of subscription revenue. But as this subscription base builds, Beam's EBITDA margin is expected to expand materially.

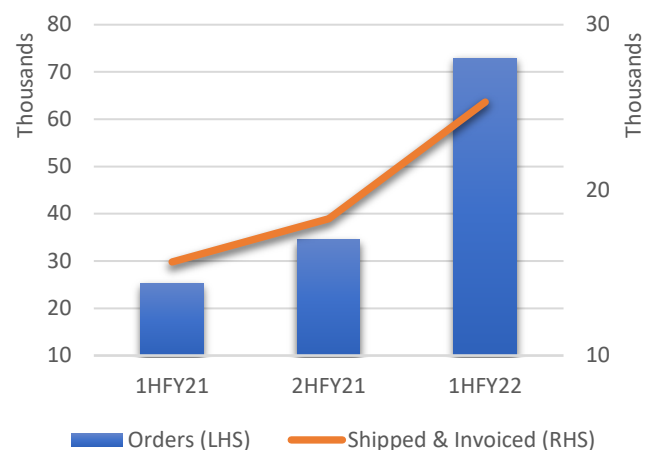
Importantly, the global growth runway for ZOLEO subscriptions is significant, as highlighted by the recent increase in orders for the seamless global satellite solution. Beam received orders for 38,960 ZOLEO units in the December 2021 quarter alone, the highest in any quarter and 212% ahead of the pcq in 2020.

Further, Beam received additional orders for 20,824 units this month, as announced to the market on 11 February 2022. This takes the total number of ZOLEO devices ordered to 163,009 and the total number of devices shipped and invoiced to 66,745 since launch in early 2020.

Cumulative Growth in # of Subs Despite Lockdowns



Number of ZOLEOs Ordered & Invoiced per Half-Year



Other highlights

Beam's other product lines and businesses also reported strong growth in H1FY2022 compared to the same period last year. Its wholly owned subsidiary and Telstra's largest satellite equipment dealer, SatPhone Shop, recorded a 38% increase in interim sales vs. the pcq.

Meanwhile, sales of Beam equipment (not including ZOLEO) jumped 34% over the same period as the Company benefited from broad-based demand for portable satellite equipment as COVID-19 restrictions eased. This demand is not only coming from retail consumers but also business and government customers.

This trend isn't confined to Australia either, as evidenced by the rise in sales of the Beam-developed Iridium GO! portable hotspot device to its long-standing partner **Iridium Communications Inc**

(NASDAQ: IRDM). Sales of the device jumped 64% vs. the pcp and Iridium has continued to experience strong demand for Iridium GO! since the start of the current calendar year.

Outlook for FY2022

The growth momentum that Beam has experienced to date is expected to maintain throughout the rest of the financial year, and beyond. This is particularly so for ZOLEO, which continues to gain traction in a largely untapped global marketplace.

Beam and its joint venture partner Roadpost Inc. are on track to launch the multi-award-winning solution into Europe by April this year. There are five markets that will initially be targeted, comprising the United Kingdom, Denmark, Norway, Finland and Sweden.

The Company's confidence in the outlook for ZOLEO is further bolstered by the momentum building in the Enterprise & Government sector for trials and small initial orders, plus the addition of new Australian retailers partnering to sell ZOLEO. In the last two months alone, three retailers have joined the network.

These include **Bapcor Limited's** (ASX: BAP) Autobarn chain, leading recreational vehicle (RV) and outdoor equipment group **Leisure-Tec**, which is part of German company **Truma Gerätetechnik GmbH & Co. KG**, and **FWR Brands** – the owner of prominent outdoor retail websites Caravanrvcamping.com.au and MyGenerator.com.au. The latest partnerships take the total number of Australian retail outlets selling ZOLEO to well over 400.

Further, ZOLEO is also now available on New Zealand's largest online auction and classifieds website **Trade Me** and Beam is close to signing on more key retailers and distributors in Australia and New Zealand.

Meanwhile, Beam is not seeing a slowdown in demand for its other equipment and devices. If anything, the Personal Communication Devices (PCD) segment remains one of the fastest growing parts of the satellite industry, and this is likely to persist over the next few years.

Beam is well placed to benefit from these consumer patterns, as it looks to launch its first Iridium Certus® device, which is capable of higher data speeds, later this year. Beam is exploring the opportunity to introduce value-added services with its new Certus® devices that will provide it with an additional recurring income stream.



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In light of the multiple growth opportunities that lie ahead of Beam as outlined above, the Company believes it is embarking on a period of accelerated growth.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Michael Capocchi", written over a horizontal line.

Michael Capocchi
Managing Director

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About Beam Communications Holdings Limited

Beam Communications Holdings Limited is an Australian publicly-listed company (ASX:BCC) that specialises in the design, development, manufacture and distribution of satellite, cellular and dual-mode equipment applications and services. Its products and services are adopted by some of the world's largest satellite and telecommunications companies, such as Iridium, Telstra, KDDI, Inmarsat & Thuraya, to fill the global needs of Information Communication & Technology markets. Beam Communications Holdings Limited owns 100% of Beam Communications Pty Ltd and SatPhone Shop Pty Ltd www.satphoneshop.com. For more information, visit www.beamcommunications.com.

About ZOLEO Inc.

Formed in 2018 and headquartered in Toronto, Canada, ZOLEO Inc. is a joint venture between Beam Communication Pty. Ltd. and Roadpost Inc. that is pioneering the development of innovative lower cost, consumer-oriented global messaging solutions, including innovative wireless devices and apps based on Iridium short burst data (SBD), cellular and Wi-Fi standards. The company serves three primary markets including consumers residing on the fringe of cellular coverage, outdoor recreation and lone worker safety. Its products are offered through authorised retailers in the US, Canada and Australia. Roadpost is responsible for retail distribution in North America and Beam is responsible for the Asia Pacific region. Staged distribution in other regions will be jointly managed. For more information visit www.zoleo.com.