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# 2023 Annual General Meeting

30 November 2023

ASX:BCC

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# Year of Achievements

## Inflection Point with Business Reaching Scale



### Record FY23 Results

Revenue +67% YoY to \$39.5m,  
EBITDA +189% YoY to \$4.3m,  
NPAT +\$2.3m YoY



### Strong Cash Generation

Positive Op Cash Flow of \$2.4M in FY23 (+636% YoY) with FY24 cash balance expected to be stronger



### Significant Jump in Recurring Rev

Group recurring revenue from ZOLEO and airtime increased 40% YoY and further growth in 1QFY24 (+86% PCP)



### New Device Launched

Successfully launched the Iridium GO! exec that is backed by a US\$12M contract



### ZOLEO Sub Growth

Continued strong ANZ subscriber growth of 67% PCP to 7.3K in 1QFY24 as annualised royalties hit >\$1M

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# History of Innovations

## Laying the Foundations for the Record Results

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World's first RJ11 & tracking capable Iridium 9555 dock & fully integrated docking units

2009



World's first Iridium approved Extreme 9575 docking units

2012



Revolutionary first-gen Iridium GO! – making satellite comms accessible for smart devices

2014



Thuraya WE – world's first all-in-one dual mode satellite & LTE portable Wi-Fi device

2017



Launched ZOLEO – world's first seamless global satellite communicator

2020



Launched Iridium GO! EXEC portable satellite hotspot

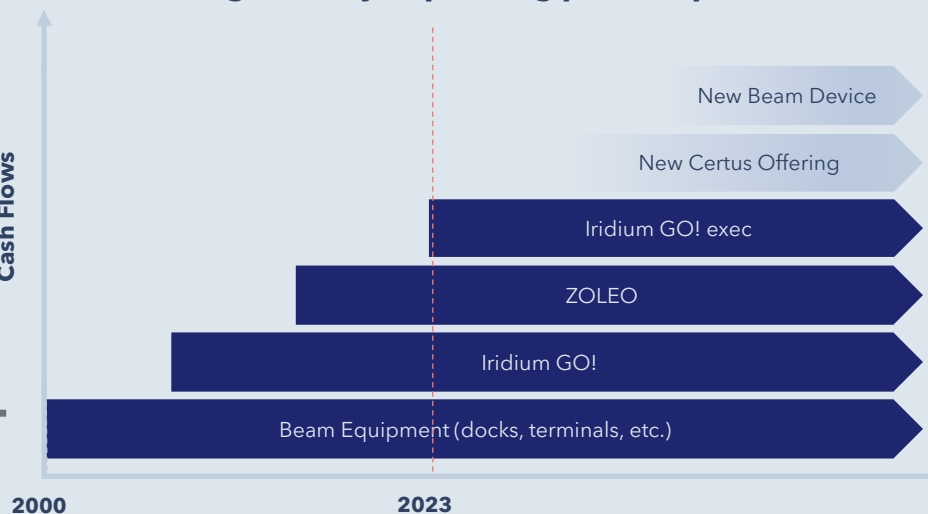
2023

Developing world-first innovations every 2-3 years

# Multi-Year Transformation

## Financial Inflection Point with Multiple Offerings & Revenue Streams

### Building scale by expanding product portfolio



NB: satellite equipment has long product lifecycles

#### New Beam-Branded Device

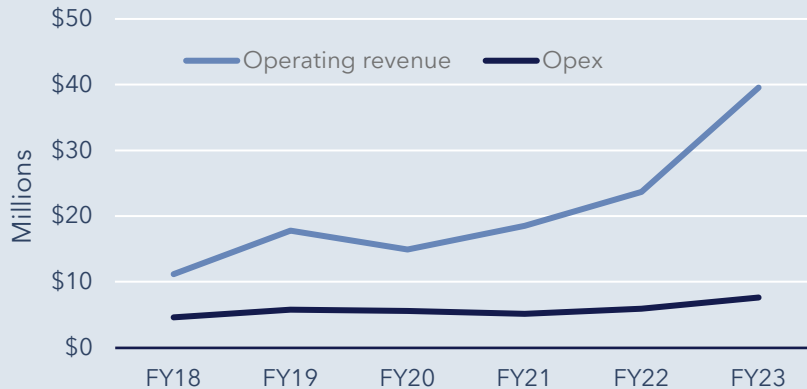
A new solution to generate hardware sales and recurring subscription revenue for Beam

#### Further Iridium Certus® Offering

Beam is developing another next-gen satellite offering on the back of the success of Iridium GO! exec®

# Revenue Growth History

Revenue growing ~3x faster than Opex



Opex % of revenue

FY18	FY19	FY20	FY21	FY22	FY23
41.3%	32.4%	37.4%	27.8%	25.0%	19.2%

- Operating leverage increases as new products/services are added
- 5-year revenue CAGR 29%, 5-year Opex CAGR 11%
- Proven heritage of innovation and growing addressable markets

Improving affordability and new technologies are transforming Mobile Satcom **from niche to mass market**

- Global Mobile Satellite Service (MSS) market forecast to grow at 6.9% CAGR to US\$9.2B by 2030<sup>1</sup>
- Beam's success over the years to expand its portfolio of commercial offerings puts it in a strong position to benefit from this growth
- Confidence in Beam's outlook is further bolstered by Iridium's (NASDAQ: IRDM) strong results over the past several quarters
- Iridium credits the increasing popularity of personal communication devices for the strong growth in its Commercial IoT business<sup>2</sup>

1) <https://www.skyquestt.com/report/mobile-satellite-services-market>  
 2) <https://investor.iridium.com/2023-10-19-Iridium-Announces-Third-Quarter-2023-Results-Reports-Record-Operational-EBITDA-Updates-Guidance>

# Record Results

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1

## Record FY23 Operating Revenue | EBITDA

- FY23 revenue +67% YoY to \$39.5m,
- EBITDA +189% YoY to \$4.3m,
- NPAT +\$2.3m YoY



2

## Growth Across All Divisions in FY23

- Core Beam Revenue +129%
- SatPhone Shop Revenue +6.7% and
- ZOLEO Royalties +72.1%



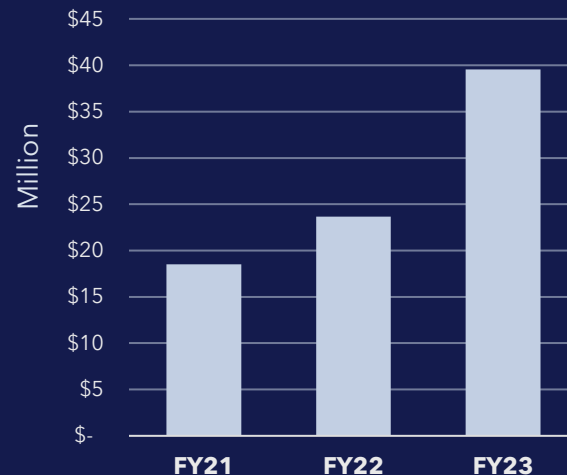
3

## Recurring Revenues

- Total recurring revenue up 86% in 1QFY24 vs. PCP
- ZOLEO annualised royalty revenue jumps >41% to \$1M+
- Forecasting continued growth in high-margin recurring revenues



## Operating Revenue



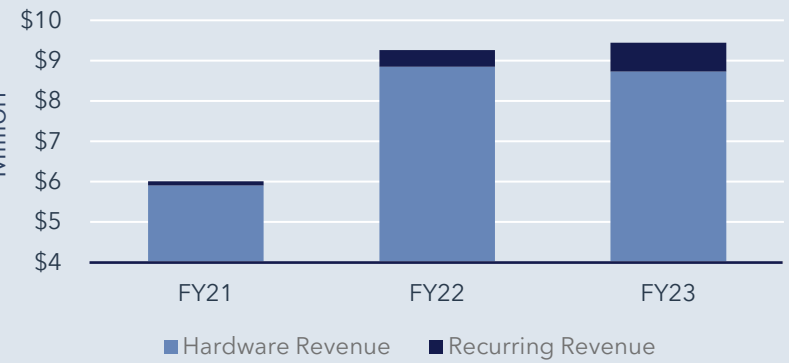
	% Change	FY23 (\$m)	FY22 (\$m)
Op Revenue	+67%	39.552	23.663
EBITDA	+189%	4.264	1.477
PBT	Large	1.925	0.121
NPAT		2.075	(0.176)

# ZOLEO | Performance<sup>1</sup>

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	FY23	FY22	FY21
Hardware Revenue	\$8.7m	\$8.9m	\$5.9m
Royalty Revenue	\$711,324	\$413,359	\$104,040
Total GM	\$929,926	\$587,571	\$365,898
Net ANZ Subs (#)	6,218	3,739	1,287

Beam ZOLEO Revenue



## Result Commentary



Gross margin expected to rise further with annualised recurring revenue growing to over \$1M in 1QFY24



ANZ subscriber growth increased a further 17% to 7.3K+ in 1QFY24 vs. end of FY23



Enterprise/Government sales expected to accelerate after launch of ZOLEO Track



Inherent value in ZOLEO asset that has ~81K global subscribers (+14% since end FY23)

<sup>1</sup> Represents Beam hardware sales to ZOLEO Inc, Beam device sales to ANZ channel partners, ANZ device sales made by Beam and subscription royalties received from ZOLEO Inc. ZOLEO Inc. is accounted for as a joint venture per AASB 128 Investments in Associates and Joint Ventures



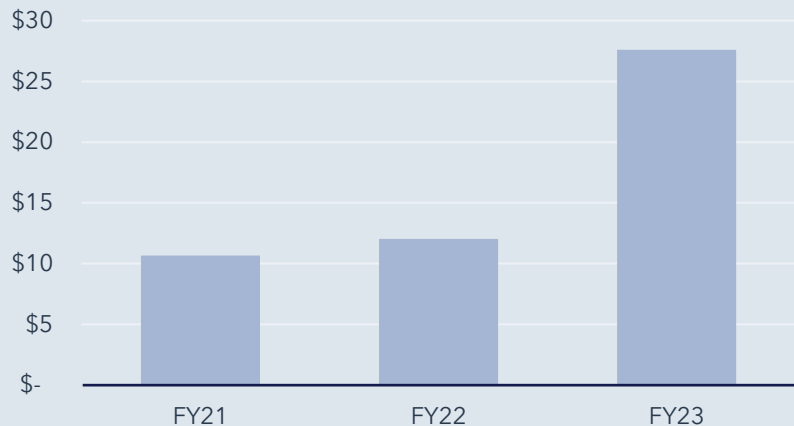


# Core Beam | Performance

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	FY23	FY22	FY21
Revenue	\$27.6m	\$12.1m	\$10.7m
Gross Profit	\$10.4m	\$5.1m	\$4.8m
Gross Margin %	38%	43%	45%

Core Beam Revenue (ex ZOLEO)



## Result Commentary



Successful launch of Iridium GO! exec<sup>®</sup> contributing to growth



Iridium GO! exec orders expected to exceed minimum US\$12M contract



Demand for original Iridium GO!<sup>®</sup> hotspot remains strong



Sales of other Beam equipment (docks, terminals, etc) also increased

# SatPhone Shop | Performance

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	FY23	FY22	FY21
Revenue	\$2.5m	\$2.4m	\$1.8m
Gross Profit	\$879,625	\$814,533	\$592,171
Gross Margin %	35.0%	34.6%	32.3%

SatPhone Shop Revenue



## Result Commentary



Leveraged to growth in the Mobile Satellite Service market



FY23 recurring airtime revenue (sold through SPS) grew 31% YoY



Strong interest in satellite solutions from government, enterprise and consumers



Strategic value in SPS which gives Beam an important channel to market

# ZOLEO Ownership

Two Potential and Significant Value-Accretive Outcomes for Beam

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Beam and its JV partner, Roadpost Inc., have commenced a formal arbitration process.

Two likely outcomes:

- **Beam will become the 100% owner of Zoleo Inc; or**
- **Beam will divest and crystallise its 50% share of the JV to Roadpost.**

## Beam own's 50% of a global business of very significant inherent value



Zoleo Inc. is expected to generate total revenue of ~\$45M in FY24 and will be cash generating under single ownership



The number of "sticky" global subscribers hit 81K in September 2023 - 187% CAGR since 2020



Low average global churn rate of ~3.5% and monthly ARPU of US\$26 (~A\$39)



Generated revenue of \$40.6M in FY23 (circa two-thirds recurring) - reflecting CAGR of 183%\*



Large distribution network with ~400 ZOLEO dealers in ~1,200 locations worldwide

\*Since inception to 16 November 2023

# Beam | Outlook

## Strategic Outlook

- Range of world-first innovations that are well positioned to grow with the global mobile satellite market
- Further increases in ZOLEO royalties from subscribers, enterprise/govt customers, EU traction
- Solid balance sheet to fund growth agenda
- Beam's earnings profile is different from what it was only a few years ago

## Financial Outlook

- H1 remains in-line with expectations
- H2 forecast to be weaker than PcP largely due to order deferment into FY25
- FY24 normalised EBITDA now expected to range \$3.1M-\$3.6M
- Higher cash balance expected in FY24 despite CAPEX for new innovations and arbitration costs
- Positive operating cash flow outlook from ongoing unwinding of trade working capital
- CAPEX of circa \$3M in FY24 for development of two new innovations

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