



Connecting Mobile Phones
From Anywhere

ASX:BCC
Investor Update - ZOLEO

31 May 2021



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Company Overview



World leader in developing multi-band (satellite, mobile, Wi-Fi) portable devices and services for smart phones



Growing recurring revenues from ZOLEO as well as other devices



Targeting large and growing niche markets for travellers, adventure seekers, rural residents and remote/lone workers



Long-standing partnerships with global industry leaders (e.g. Iridium, Inmarsat, KDDI, Telstra, Thuraya etc)



Successful track record in developing and launching innovative solutions that are used around the world

Developing innovative solutions to keep your smartphone connected from anywhere on Earth

Market Metrics*

Market Cap	\$16.1m
Cash (at 30 April)	\$4.6m
Enterprise Value	\$11.5m
Share Price (52wk range)	15c-39.5c
Shares Held by Top 20	60.4%
No. of Shares on Issue	75.1m

* As of 21 May 2021

Solid Platform to Build Recurring Revenues

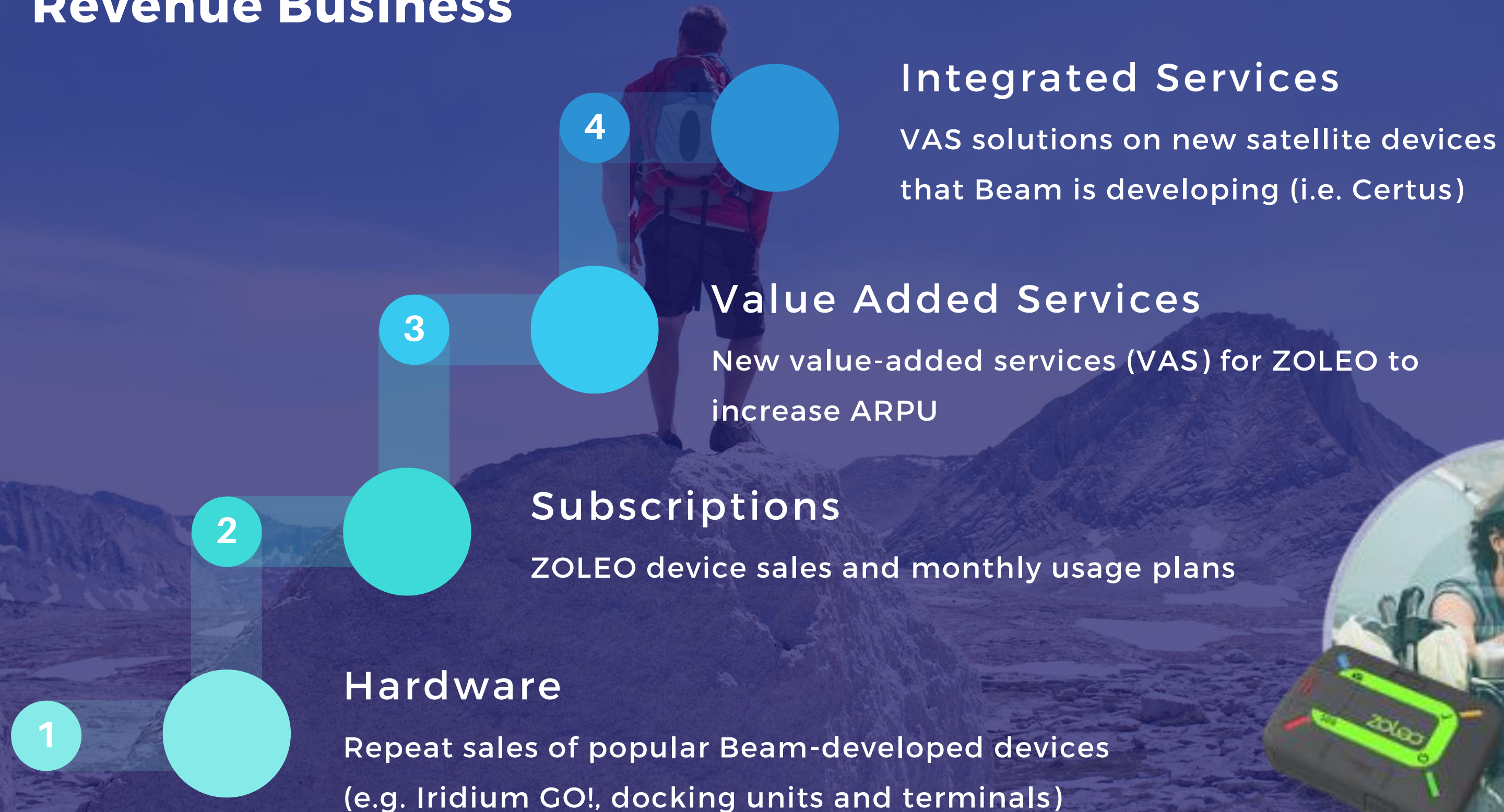
- 1 Beam's legacy business is profitable
- 2 Beam generated a positive operating cashflow in the past six quarters
- 3 Beam's underlying business is strong and supported by recurring contracts
- 4 Beam's SatPhone Shop Subsidiary continues to grow post Covid
- 5 Significant upside from growth in recurring revenues as subscriber base grows

1H21 Results

*Does not yet include ZOLEO recurring revenues

Revenue	\$9M	↑ 26%	Accelerating sales of ZOLEO and other Beam devices more than offset COVID-19 impact
Op Profit	\$481K	↑ 22%	Organic growth in Beam's core business and does not include ZOLEO subscription upside
Cash	\$4.4M	↑ 175%	Driven by capital raising and positive operating cash flow

Transitioning to Higher Recurring Revenue Business



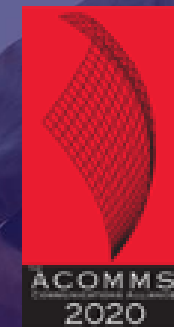


SEAMLESS GLOBAL MESSAGING
FOR SMARTPHONES IS HERE



World's Leading Global Communicator

- ZOLEO a 50/50 JV business between Beam and Roadpost Inc.
- Launched Early 2020 - USA, Canada, Australia
- World's First truly seamless global messaging application
- Extending the reach of smart phones to anywhere on Earth
- Messaging, SOS, Weather & Location Tracking
- Multi award winning product sold in world's largest outdoor retailers



All ZOLEO monthly plans include:

- Your own ZOLEO (Australia-based) SMS number and email address
- Unlimited SOS messaging
- Convenient usage alerts and optional message top-up bundles
- Flexibility to change, suspend or cancel if your needs change*

ZOLEO Plans (AU\$)

Monthly Fee

Included Satellite Messages ⓘ

Additional Satellite Messages

Satellite SOS Alerts

Cellular & Wi-Fi Messages ⓘ

GEOS SOS Monitoring Service

Add-on:

Location Share+ (Optional) ⓘ

Basic

\$32

25

65c/ea

Unlimited

Unlimited

✓

\$7.95/mo

In Touch

\$55

250

50c/ea

Unlimited

Unlimited

✓

\$7.95/mo

BEST VALUE

Unlimited

\$80

Unlimited

Free (unlimited)

Unlimited

Unlimited

✓

\$7.95/mo

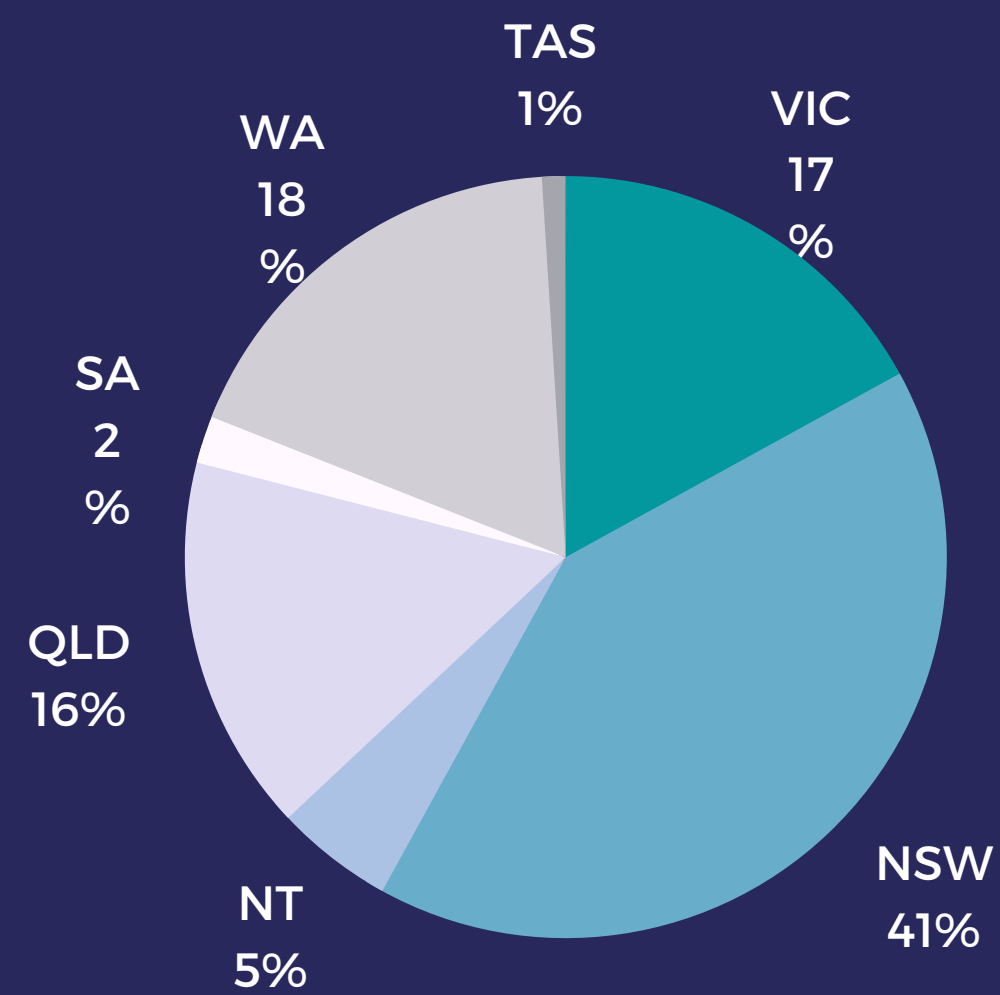
ZOLEO's Competitive Advantage



RRP	A\$345	A\$529
Better value plans	✓	X
Cell & Wi-Fi messaging	✓	X
Dedicated mobile number	✓	X
Waterproof >1m (IP68)	✓	X
Large 900 characters messages	✓	X

- **High Barriers to Entry:** Iridium selective on who they allow on their network
- **Best-in-Class:** Best messaging functionality and battery life and the only IP68 rated device in the product category
- **Intellectual Property:** Beam has ~20 years know-how and track record in developing world's best satellite equipment
- **Key Partnerships:** Beam's long-standing partnerships with industry leaders gives it an edge over competitors

Significant Addressable Consumer Markets for ZOLEO in Australia Alone



% Australian Population Living in Poor Mobile Phone Coverage

Boating Industry >\$7.9B

- >2M Boat Licenses
- >1.3M Motor/Speed Boats & 160K Yachts
- >10K new boats bought annually



Caravan Industry >\$2.6B

- >300K Caravans
- >300K Camper Trailers
- >150K RV's
- 11M caravan trips per year



Hiking Industry >\$1.4B

- >8.3M people overnight hike
- >6.2M people do day trip hiking



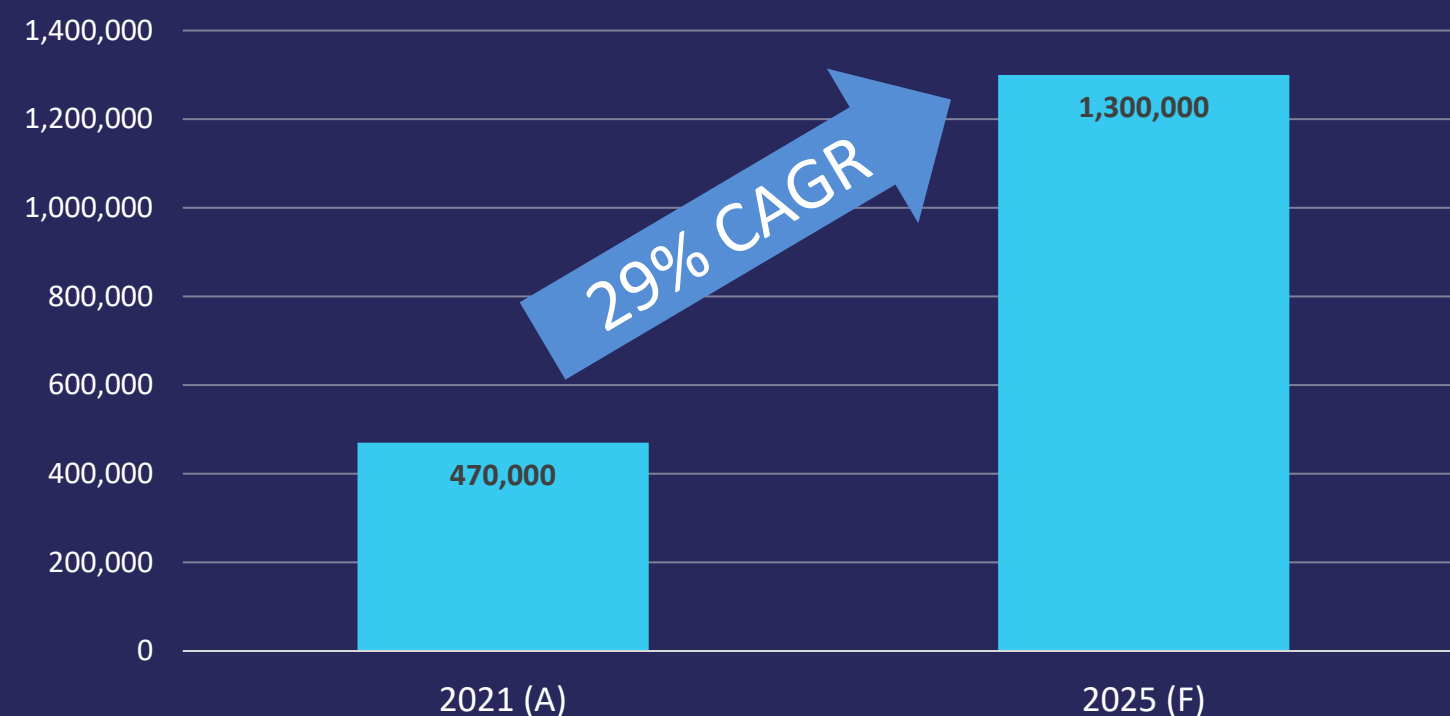
Fringe & Rural Dwellers

- >7M people live in rural/remote Australia
- ~78% of Australia's land mass has NO mobile phone service



ZOLEO is part of the Rapidly Growing PCD Market

Iridium's forecast growth in PCDs



Source: Iridium Investor Day Presentation (26/5/21)

Iridium has recorded a meaningful increase in activations of Personal Communication Devices (PCDs)

“And it's also representing the fact that there're just more and more devices out there... and we see a number of new partners that are showing some success, particularly there's one called ZOLEO.”

- Matt Desch, CEO, Iridium (20/10/2020)

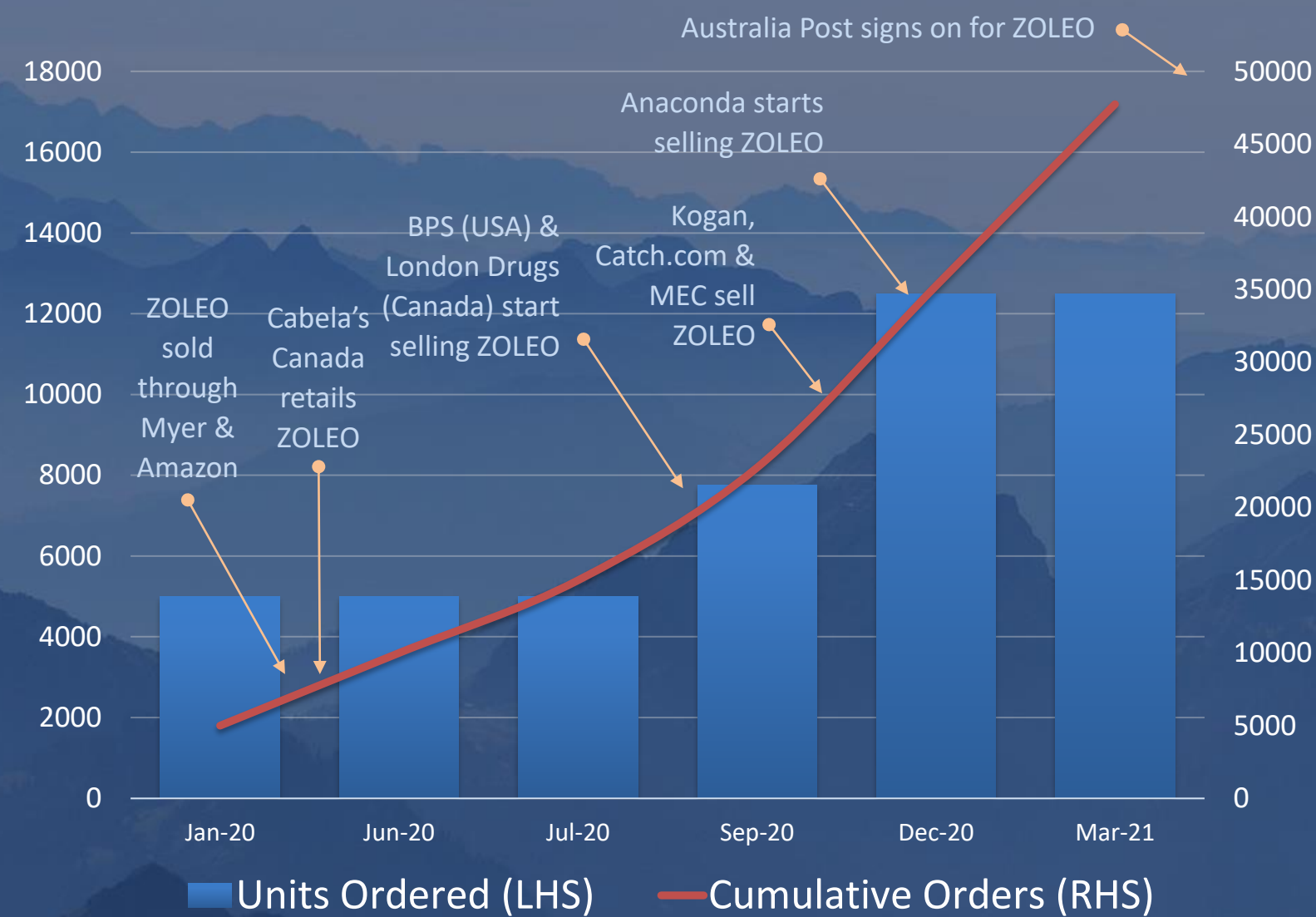
Personal Communications Device (PCD) is one of the fastest growing and most exciting parts of the satellite market

Iridium's IoT data business (which includes PCDs) grew 20% pcp in the last four quarters and the PCD segment is forecast to expand by 29% CAGR through 2025

Revenue in Garmin's “Outdoor” business (which includes inReach) expanded 13.3% in 2019 and 22.9% in 2020 to US\$1.13bn and is one of the group's fastest growing divisions

Accelerating Orders for ZOLEO

Each new major retailer adds significantly to orders for ZOLEO over future periods



Total ZOLEOs ordered to-date: ~47,000

Total units invoiced/shipped: **38,653***

*as of 31 May

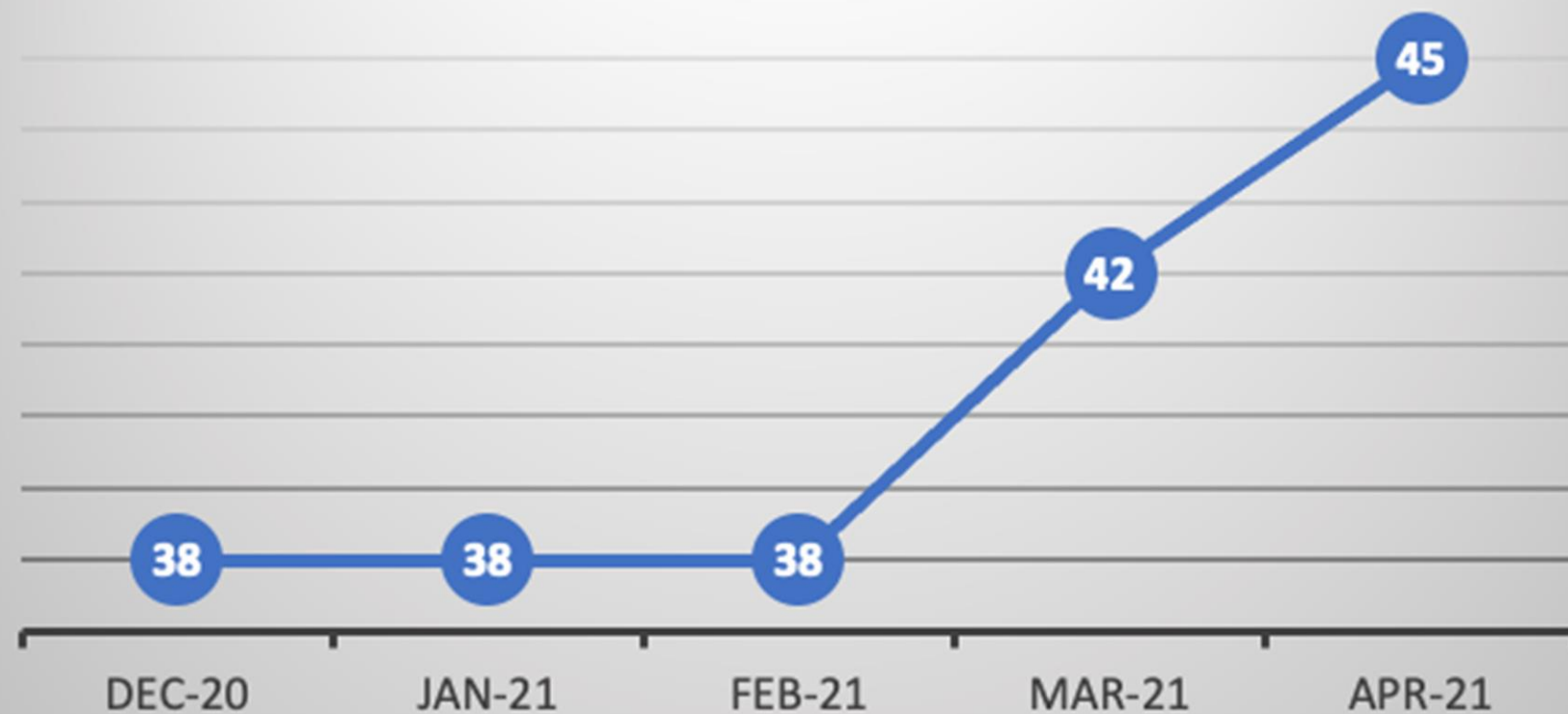
Major Retailers in Australia and North America partnering to sell ZOLEO



Strong Momentum in Australia

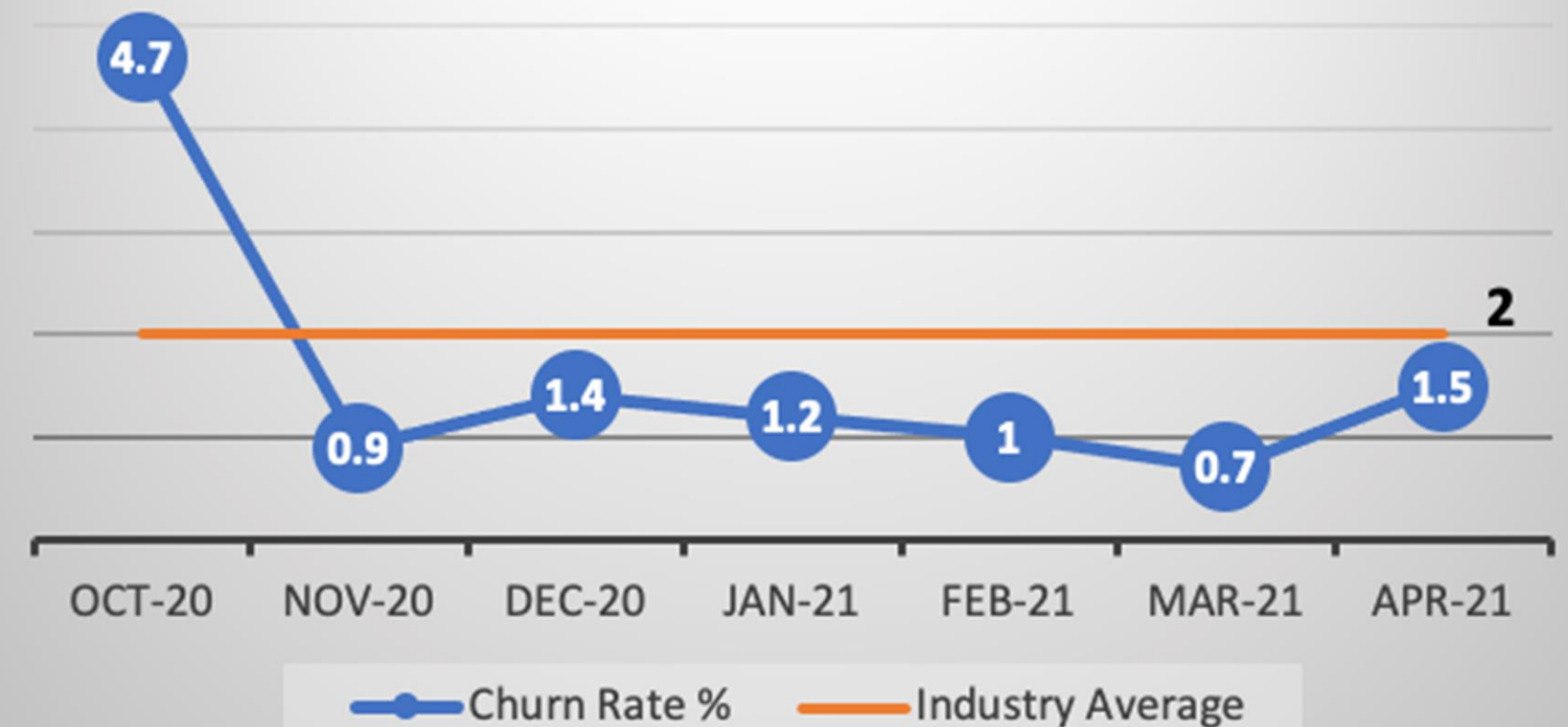
Sales of ZOLEO in Australia have accelerated in recent months after a slow start in 2020 due to COVID-19 lockdowns

Australian ARPU A\$



Average Revenue Per User (ARPU)

Australian ZOLEO Churn Rate (%)

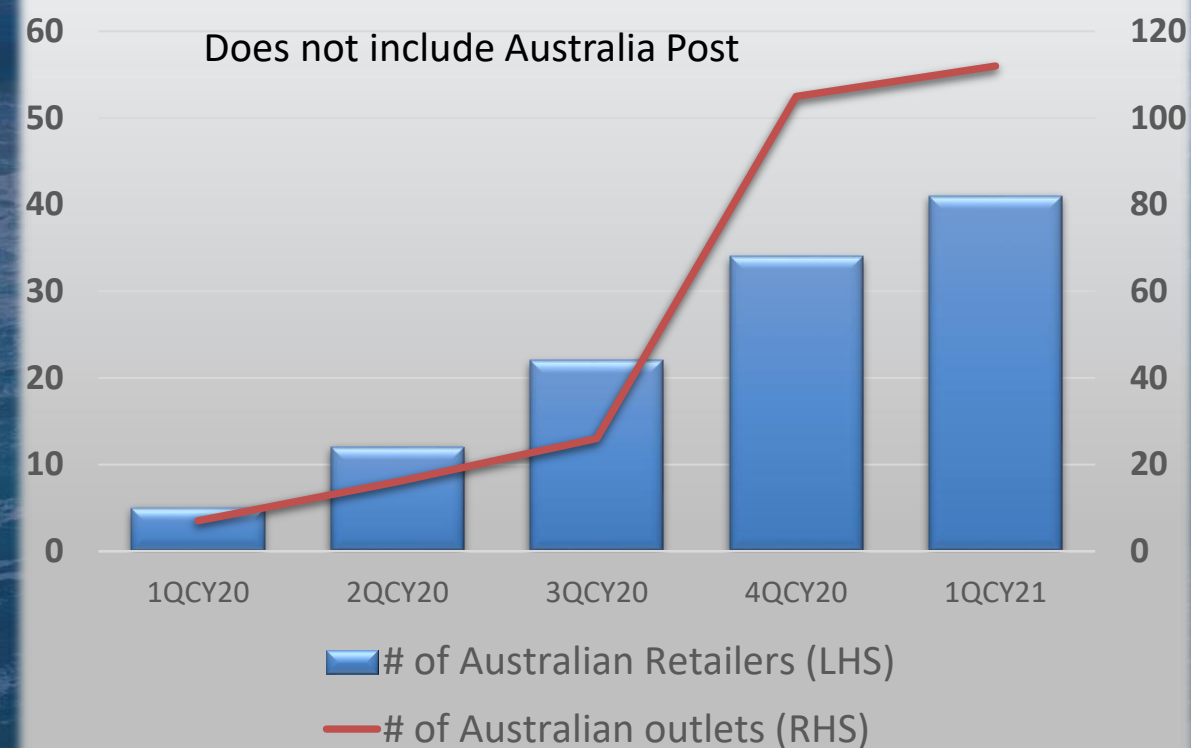


ZOLEO's subscriber "stickiness" is reflected in its below industry churn rate

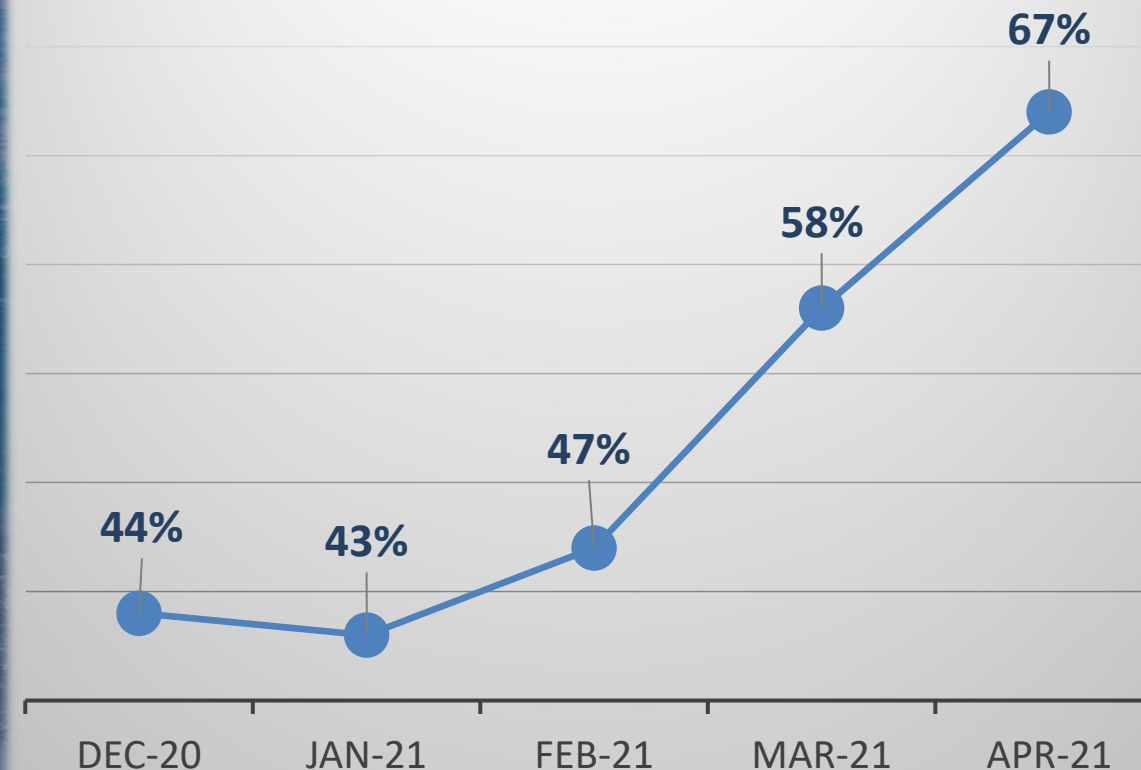
Strong Momentum in Australia

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Number of retailers and stores selling ZOLEO

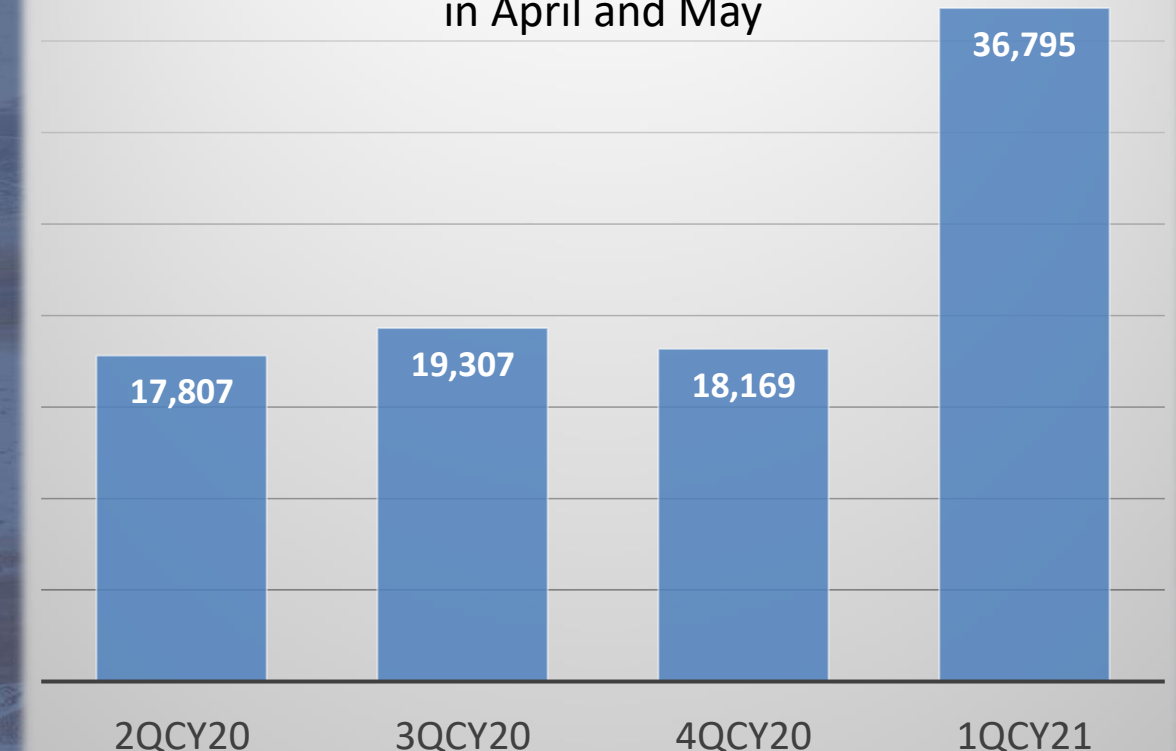


% Growth rate in Australian Subscribers



ZOLEO Australia Website Hits

Website hits continue to accelerate in April and May



New Recurring Revenue Opportunities: Value Added Services

Location Share+

- Add on service launched in May 2021
- Low monthly add-on fee of A\$7.95
- Allows ZOLEO users to share their location with up to five check-in contacts
- Users can opt to send their location automatically in 6 minutes to 4 hours intervals

Other Potential Services

- **Partner support:** API and SDK development to support access to key ZOLEO capabilities for partner apps
- **Broadcast feature:** Allows users to send a message to multiple recipients
- **Enterprise tools:** Developing platform to allow central management and tracking of multiple ZOLEO devices

The “Network Effect”

The number of downloads of the free ZOLEO app exceeds the number of devices sold as subscribers are asking their contacts to download the ZOLEO app to keep in touch (much like WhatsApp)

This gives the JV the ability to promote its services to a wider pool of consumers



Significant Government & Enterprise Markets in Australia

- High level of interest from **government and enterprise customers in all markets**
- ZOLEO is an ideal solution as it has **no reliance on local infrastructure**
- Applications include **remote workers, emergency services, journey management (vehicles/vessels)**
- **Several small trials** are underway in **Australia and North America**
- **These trials are expected to lead to bigger opportunities** for ZOLEO
- Beam is in the process of hiring personnel to focus on this **market opportunity in Australia**

Emergency Services

>9K Rural Health Workers
>40K State Emergency Service Volunteers
195K Volunteer Fire Fighters

Resources Industry

>350 operational sites
>160K workers

Agriculture

>135K Farms
>220K Workers in Agriculture
Farms cover 61% of Australia's land mass

Long-Haul Heavy Transport

>100K Articulated Trucks in Australia
>200K Drivers



ZOLEO Government Case Study

Industry: Government (Northern Territory)

Situation: Council footprint covers approx 360,873km² and staff have to drive for a few or several hours to get to towns or communities

Problem: No mobile coverage while driving between centres. Staff carry satellite phones and UHF radios

Solution: Started trialling ZOLEO and early feedback has been positive with further orders of ZOLEO expected.



"Staff who have Zoleo are very happy with them and haven't reported any negative opinions back to me as yet. I envisage having more Zoleo units than satellite phones moving forward due to the cost of the satellite phone. I would recommend them and will be getting more in the near future."

-Tanya Brown, Administration And Records Management, Victoria Daly Regional Council

ZOLEO Expansion and New Markets

Activities required ahead of EU Launch

- Development and transfer of backend infrastructure to more scalable platform (AWS)
- Alignment with mobile operators for message delivery
- Identification and engagement with distributors
- Development of strategic marketing plans
- Website development/ Multilingual



Beam to launch ZOLEO in New Zealand (Beam's territory) in July 2021

Launch in to UK and select EU markets early 2022 (Profits shared 50/50)

Other selected EU countries and 1-2 Asian markets in CY22

ZOLEO Revenue Model and Recurring Revenue Streams

50/50 JV business between Beam and Roadpost Inc. (RP)

- Beam manufactures ZOLEO device and sells to JV

Op Profit from Subscriptions are Shared Between Partners

- Beam & RP receive 70% of op profit (royalty) from subs in their territory
- 30% retained by JV
- Op profit from ROW consolidated in JV
- 50% of JV profits belong to Beam

Key profit driver from subscriptions and not device sales



Beam and RP are Master Distributors for their respective territories

- Master Distributors appoint authorised retailers
- Beam territories are Australia, NZ, China and Japan
- RP territories are Canada and USA
- Beam & RP to jointly manage Rest of World (ROW) or appoint partners

Retailers sell devices to Customers

- Retailers make money from margin on product
- Retailers include channels directly controlled by JV partners (e.g. Beam's SatPhone Shop, eBay, Amazon, Kogan)
- Retailers do not share subscription revenues

Customers Activate Subscriptions Directly via JV

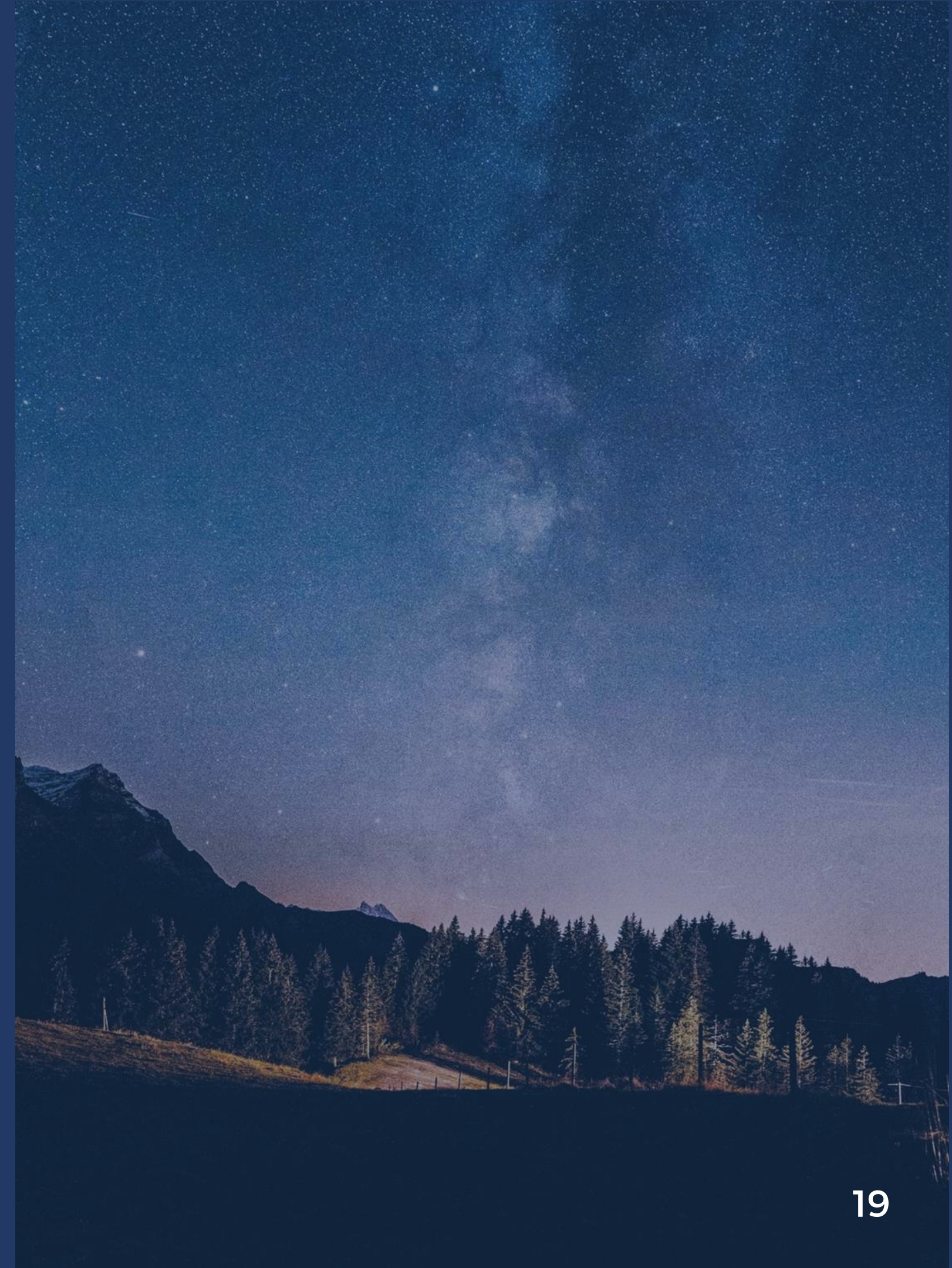
- Customer applies for service @ Zoleo.com
- ZOLEO owns the customer and bills them directly
- Customer support managed by ZOLEO Inc

Material Earnings From ZOLEO

What If...

- 15K subscribers in Beam's territories will generate ~\$1.5m-\$1.8m* in operating profit a year for Beam
- Total Revenue from lowest cost plan is \$29.09 (ex-GST) a month X 12 months X 15k subs = \$5.2m
- Excludes additional upside from Value Added Services and other markets
- 15K subscribers forecasted across Beam's territories by end of FY23
- Profit margin increases exponentially as more subscribers are added due to strong operating leverage

*Excluding amortisation of the capitalised development costs



Beyond the Numbers

Growth in total subscriber numbers for the ZOLEO Joint Venture is important to Beam.

In the event that value is crystallised by the JV (e.g. trade sale, IPO), Beam is entitled to half of the proceeds.



Beam and Roadpost do not need to contribute additional capital to the JV for its current operations in Australia and North America

Expansion into new markets (e.g. Europe) and product upgrades may require additional capital from partners

Beam is able to fund its share of investment from existing resources

An aerial photograph of Australia is shown in a dark blue, monochromatic style. Overlaid on the map is a complex network of thin, light blue lines connecting numerous small, glowing white dots. These dots are distributed across the landmass, with a higher concentration in the eastern and southern regions, suggesting a telecommunications or data network map. The overall aesthetic is high-tech and digital.

THANK YOU

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