

Beam Communications Holdings Limited ABN 39 010 568 804

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The Manager Market Announcements Platform Australian Securities Exchange Limited

SUCCESSFUL COMPLETION OF \$5M PLACEMENT AND LAUNCH OF SPP TO ACCELERATE BEAM'S INTERNATIONAL GROWTH PLANS

Highlights:

- Beam undertakes a capital raise to accelerate its international growth agenda, including a more rapid roll-out of ZOLEO to additional markets
- The Company has successfully raised \$5m via a share placement with demand heavily exceeding expectations
- Eligible shareholders will have opportunity to participate in a SPP and can subscribe for up to \$30k in new shares at same offer price of \$0.44 as the placement, which is a 19% discount to the five-day VWAP
- Proceeds will be used to launch ZOLEO into more countries than originally planned, R&D for the next-gen ZOLEO, developing APIs/SDKs for third-party integration, manufacture of Iridium Certus[®] devices and for other growth opportunities.
- Provide Beam the optionality to consider strategic acquisitions

Beam Communications Holdings Ltd (ASX: BCC, "Beam" or the "**Company**") is pleased to announce that it has successfully completed a new share placement (**Placement**) to raise approximately \$5 million and will undertake a share purchase plan (**SPP**) to accelerate its international growth agenda.

The Placement was significantly scaled back from what could have been raised after the lead manager, Peak Asset Management, received bids aggregating to more than 43% above what was being sought from high net worth and institutional investors.

The offer price for the new shares of \$0.44 per share represents a 15.4% discount to Beam's last closing share price on 18 November 2021 and a discount of 19.4% to the five-day volume weighted average price (**VWAP**) for the Company's listed ordinary shares. Investors participating in the Placement will also be issued with one option for every four new shares allocated (1:4 attaching options). The option will have an exercise price of \$1.00 and will expire two years from issue.

Use of Funds

Beam will use the proceeds from the capital raise to:

- Expand the launch of ZOLEO into Europe in early 2022, beyond its initial plan to only include the UK and one other EU country;
- Accelerate plans to launch ZOLEO into additional markets outside of Europe;



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- Ramp-up the development of APIs and SDKs to allow strategic partners to integrate the ZOLEO service into their platforms;
- Commence R&D of the next-generation ZOLEO device;
- Fund initial build of Iridium Certus devices in 2022;
- Provide Beam with optionality to consider, and if appealing then negotiate from a position of strength and certainty, strategic acquisitions; and
- Bolster working capital to drive continued growth in its key businesses at a time when demand for personal satellite communication devices is expected to increase following the global pandemic.

Share Purchase Plan

Beam's existing eligible shareholders will be given the opportunity to subscribe for up to \$30,000 of new shares at the same offer price as the Placement of \$0.44 per new share under a SPP. Participants in the SPP will not be eligible to receive attaching options.

The SPP aims to raise approximately \$1 million, and Beam reserves the right to close the SPP early and scale back applications at its absolute and sole discretion.

When determining the amount (if any) by which to scale back a SPP application, the Company may consider a number of factors, including the size of an applicant's shareholdings in the Company after the SPP record date, the movement in shareholding between the record date and the closing date of the SPP and the date on which an application was made, earlier applications given precedence.

Beam will release further information on the SPP, including key dates, shortly.

The Company's Board of Directors thanks investors, whether those owners joined our share register recently, or some time ago, for their manifest support.

Yours faithfully,

Michael Capocchi Managing Director



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About Beam Communications 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 <u>www.satphoneshop.com</u>. For more information, visit <u>www.beamcommunications.com</u>.

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 <u>www.zoleo.com</u>.