

10 October 2025

The Manager
Market Announcements Platform
Australian Securities Exchange

Notice of Annual General Meeting

Please find attached the Company's Notice of Annual General Meeting of shareholders, to be held as an in-person meeting at the Company's office at Unit 5, 8 Anzed Court, Mulgrave, Victoria on Thursday, 13 November 2025 at 10.00am (AEDT) (*AGM or Meeting*).

Shareholders unable to attend in person can vote by appointing a proxy. All proxy votes must be lodged by 10.00am (AEDT) on Tuesday, 11 November 2025 (as described on pages 3 and 4) and in accordance with the instructions set out on the Proxy Form.

Voting in person will be available for this Meeting. To vote in person at the Meeting you must physically attend the Meeting at the time, date and place set out above. **However, the Company strongly recommends that Shareholders instead lodge a directed proxy in advance of the Meeting**, even if they are planning to attend the Meeting.

An important message from Non-Executive Chair and Beam Communications Holdings Limited's largest shareholder, David Stewart:

"The current Board has listened carefully to shareholder feedback, and we continue to uphold the commitments we made last year. The latest remuneration arrangements are transparent, performance-based, and aligned with the Company's central objective – returning funds to shareholders as soon as possible from the Zoleo share sale. A vote against the Remuneration Report at this time would risk creating uncertainty and distraction when focus is most needed.

This is particularly important as we have been left with little choice but to initiate a new round of litigation for non-payment. We didn't choose this path, but believe it is necessary to protect the interests of the Company and shareholders. What we need now is stability, continuity and retention of expertise at this critical time.

As such, the Board is recommending that all current Directors remain in their roles through the resolution of the Zoleo Inc. dispute. The existing Directors and Executive Team possess unique knowledge of the business and proceedings, making their continuity critical to securing the best outcome for shareholders.

The Non-Executive Directors are not paid to uphold their responsibilities on the Board and remain firmly committed to safeguarding the cash proceeds to be received from the divestment of Zoleo and maximizing the return of capital at the conclusion of arbitration.

Going forward, we acknowledge that change is necessary as we look at other opportunities to crystalise additional value for shareholders."

Included in the attached package are the following documents:

- 'Postcard' Notice of Annual General Meeting,
- Notice of Annual General Meeting with Explanatory Notes,
- Proxy Voting Form,
- 2025 Annual Report

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Beam Communications Holdings Limited
ABN 39 010 568 804

5/8 Anzed Court, Mulgrave,
Victoria, Australia 3170

T +61 3 8561 4200
F +61 3 9560 9055

investor@beamcommunications.com
www.beamcommunications.com

The 'Postcard' Notice of Annual General Meeting was mailed or emailed to shareholders and the Notice of Annual General Meeting and accompanying documents were made available on the Company's website today, 10 October 2025. As explained in the 'Postcard', the Notice of Annual General Meeting and accompanying documents are available for shareholders to access electronically. A copy of the Annual Report for the year ended 30 June 2025 is attached here, it was lodged with the ASX on 17 September 2025 and is available on the Company's website.

Yours faithfully

A handwritten signature in black ink, appearing to read "Dennis Payne".

Dennis Payne
Company Secretary

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10 October 2025

NOTICE OF ANNUAL GENERAL MEETING

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Going forward, we acknowledge that change is necessary as we look at other opportunities to crystallise additional value for shareholders."

Copies of the Notice of Annual General Meeting and Explanatory Statements will be posted to shareholders who have elected to receive them, and are also available for download below:



Beam Communications Holdings Limited
ABN 39 010 568 804

5/8 Anzed Court, Mulgrave,
Victoria, Australia 3170

T: +61 3 8561 4200
F: +61 3 9560 9055

investor@beamcommunications.com
www.beamcommunications.com

- You can access the Meeting Materials online at the Company's website <http://www.beamcommunications.com/agm2025> or via logging in to the Company's registrar MUFG Corporate Markets (AU) Limited's website at <https://au.investorcentre.mpms.mufg.com>
- A complete copy of the Meeting Materials have been posted to the Company's ASX market announcements page at www.asx.com.au under the Company's ASX code "BCC".

Yours faithfully,

Dennis Payne
Company Secretary
Beam Communications Holdings Limited



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BEAM COMMUNICATIONS HOLDINGS LIMITED

ACN 010 568 804

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Voting in person will be available for this Meeting. To vote in person at the Meeting you must physically attend the Meeting at the time, date and place set out above. **However, the Company strongly recommends that Shareholders instead lodge a directed proxy in advance of the Meeting, even if they are planning to attend the Meeting.**

AGENDA

A. ANNUAL REPORT

To table the financial report of the Company and the related reports of the Directors and auditors for the year ended 30 June 2025 and to provide Shareholders with the opportunity to raise any issues or ask any questions generally of the Directors concerning the Annual Report or the business and operations of the Company.

B. ORDINARY RESOLUTIONS

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

1. Election of Director

THAT David Paul James Stewart, a Director appointed by the Board on 28 November 2024 in accordance with the Company's Constitution, being eligible and having offered himself for election, be elected as a Director of the Company.

2. Election of Director

THAT Carl Cheung Hung, a Director appointed by the Board on 28 November 2024 in accordance with the Company's Constitution, being eligible and having offered himself for election, be elected as a Director of the Company.

3. Election of Director

THAT Brendon Lau, a Director appointed by the Board on 16 January 2025 in accordance with the Company's Constitution, being eligible and having offered himself for election, be elected as a Director of the Company.

4. Adoption of Remuneration Report

THAT, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Directors' Report in the Annual Report for the financial year ended 30 June 2025 be adopted by the Company.

This is a non-binding advisory resolution.

5 Conditional Spill Resolution

THAT, Subject to and conditional on at least 25% of the votes being cast against Resolution 4, to hold an extraordinary general meeting of the Company (Spill Meeting) within 90 days of this resolution passing, at which:

- (a) all Non-Executive Directors in office when the resolution to approve the Directors' Report for the financial year ended 30 June 2025 was passed, cease to hold office immediately before the end of the Spill Meeting; and*
- (b) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting, are put to the vote at the Spill Meeting.*

DATED: 10 October 2025

By Order of the Board

Dennis Payne
Company Secretary

GENERAL NOTES

1. Physical Meeting

The Meeting will be held as a physical meeting at the Company's offices at Mulgrave. Registration will commence at 9.30am (AEDT) on the day. All attendees will register their attendance at the registration desk upon arrival.

2. Voting

Shareholders unable to attend in person can only vote by appointing a proxy and the Company strongly recommends that these Shareholders lodge a directed proxy as soon as possible in advance of the Meeting.

Voting in person will be available for this Meeting. To vote in person at the Meeting you must physically attend the Meeting at the time, date and place set out above. Shareholders who are voting in person at the Meeting will be given a voting card upon registration. Shareholders will be required to mark their votes for the respective resolutions at the Meeting. **However, the Company strongly recommends that Shareholders instead lodge a directed proxy in advance of the Meeting**, even if they are planning to attend the Meeting.

3. Voting by proxy

3.1 **(Appointing a Proxy):** A Shareholder who is entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote for the Shareholder at the Meeting by way of the proxy form. A Shareholder who is entitled to cast 2 or more votes at the Meeting may appoint a second proxy. The appointment of the second proxy must be done on a separate copy of the proxy form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Shareholder's voting rights. If a Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a Shareholder of the Company.

3.2 **(Direction to Vote):** If the proxy's appointment specifies the way to vote on a Resolution, and the proxy decides to vote in that capacity on that Resolution, the proxy must vote the way specified (subject to the other provisions of this Notice of Meeting, including the voting exclusions noted below).

3.3 **(Voting restrictions with respect to undirected proxies):** The *Corporations Act 2001* (Cth) (*Corporations Act*) prohibits the Company's key management personnel and their closely related parties voting as proxy on Resolutions connected directly or indirectly with the remuneration of key management personnel such as Resolutions 4 and 5, if the proxy appointment does not specify the way the person is to vote. The prohibition does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise an undirected proxy. If a Shareholder appoints the Chairman of the Meeting as their proxy and the Shareholder does not direct the Chairman of the Meeting how to vote on Resolutions 4 and 5 the Shareholder authorises the Chairman of the Meeting in respect of Resolutions 4 and 5 to exercise the proxy:

- (a) notwithstanding that Resolutions 4 and 5 are connected directly or indirectly with the remuneration of the Company's key management personnel; and

- (b) even if the Chairman of the Meeting has an interest in the outcome of the vote on Resolutions 4 and 5, and that any votes cast by the Chairman of the Meeting in respect of Resolutions 4 and 5, other than as proxy holder, will be disregarded because of that interest.

The Chairman of the Meeting intends to vote undirected proxies (where he has been appropriately authorised, having regard to the voting restrictions set out in this Notice of Meeting) in favour of Resolution 4 and against Resolution 5.

3.4 **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form (and attach any authority under which it is signed or a copy which appears on its face to be an authentic copy) by:

- (a) online via au.investorcentre.mpms.mufg.com by following the prompts You will need your Securityholder Reference Number (SRN) / Holding Identification Number (HIN). These can be found on your holding statement, or
- (b) post to Beam Communications Holdings Limited, Locked Bag A14, Sydney South. NSW 1235 Australia, or
- (c) faxing it to +61 2 9287 0309, or
- (d) hand delivering it to MUFG Corporate Markets Limited, Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta. NSW 2150.

so that it is received by 10.00am (AEDT) on Tuesday, 11 November 2025, being not less than 48 hours prior to commencement of the Meeting. Any revocations of proxies or any original or a certified copy of any power of attorney under which the Voting Instruction was signed must also be received by this time unless previously provided to the share registry.

Proxy Instructions received later than this time will be invalid.

4. **Corporate Representative**

A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. Unless it has previously been given to the Company, the representative should provide evidence of their appointment to the Company prior to Meeting, together with any authority under which it is signed. The appointment must comply with section 250D of the Corporations Act.

5. **Attorney**

A Shareholder may appoint an attorney to vote on their behalf. To be effective for the Meeting, the instrument effecting the appointment (or a copy which appears on its face to be an authentic copy) must be received by the deadline for the receipt of proxy forms (see above), being no later than 48 hours prior to commencement of the Meeting.

6. **Voting Entitlement**

A determination has been made by the Board of Directors of the Company in accordance with Regulation 7.11.37 of the Corporations Regulations 2001 that those persons who are

registered as the holders of shares in the Company at 7.00pm (AEDT) on Tuesday, 11 November 2025, will be taken to be the holders of shares for voting entitlements.

7. **Explanatory Notes**

Explanatory Notes accompany this Notice containing information about the business referred to in this Notice of Meeting.

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EXPLANATORY NOTES

The purpose of these Explanatory Notes (which are included in and form part of this Notice of Annual General Meeting to be held on 13 November 2025) is to provide Shareholders with further information and an explanation of the business of the Meeting and of the resolutions to be proposed and considered at the Meeting, and to assist Shareholders to determine how they wish to vote on these resolutions.

A. ANNUAL REPORT

1. Annual Report

The Corporations Act 2001 (Cth) (*Corporations Act*) requires that the Company's Annual Report which includes the Financial Statements, Directors' Report and Auditor's Report for the year ended 30 June 2025 be laid before the Annual General Meeting.

A copy of the Annual Report has been lodged with the ASX, is available on the Company's website and has been mailed to those Shareholders who have elected to receive a hard copy.

Shareholders will have the opportunity to raise questions about the abovementioned reports at the Meeting, although in accordance with the Corporations Act and the Company's Constitution, there is no need for Shareholders to vote on, approve or adopt these reports.

B. ORDINARY RESOLUTIONS

2. Resolution 1 – Election of Director (David Paul James Stewart)

2.1 Background

ASX Listing Rule 14.4 and rule 13.2 of the Constitution of the Company provide that a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

David Stewart, who was appointed as a Non-Executive Director by the Board on 28 November 2024, retires in accordance with rule 13.2 of the Constitution and ASX Listing Rule 14.4 and, in accordance with the Company's Constitution and being eligible, offers himself for election at this Meeting of the Company.

2.2 Director's Interest

David Stewart holds 10,905,000 ordinary shares in the Company but no options.

2.3 Personal Particulars

David Stewart's personal particulars are set out in the information on Directors at page 4 of the Company's Annual Report.

2.4 Recommendation

The Board believes it is in the best interests of shareholders that all current Directors remain in place through the resolution of the Zoleo Inc. dispute and arbitration. The existing Directors possess unique knowledge of the business and proceedings, making their continuity critical to securing the best outcome for shareholders.

The Board has served without Non-Executive Director fees and remains firmly committed to maximizing the return of capital at the conclusion of arbitration. Excluding the recent settlement issue, the Directors have delivered on the commitments made to shareholders in late 2024, reinforcing their reliability and focus.

Replacing Directors at this stage would risk disruption, loss of expertise, and a weakening of shareholder outcomes. Retaining David Stewart will ensure stability, preserve knowledge, and protect shareholder value.

For these reasons, the Board, with David Stewart abstaining, strongly urges you to vote in favour of David Stewart's continued directorship and vote in favour of Resolution 1.

3. Resolution 2 – Election of Director (Carl Cheung Hung)

3.1 Background

ASX Listing Rule 14.4 and rule 13.2 of the Constitution of the Company provide that a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Carl Hung, who was appointed as a Non-Executive Director by the Board on 28 November 2024, retires in accordance with rule 13.2 of the Constitution and ASX Listing Rule 14.4 and, in accordance with the Company's Constitution and being eligible, offers himself for election at this Meeting of the Company.

3.2 Director's Interest

Carl Hung holds 5,540,874 ordinary shares in the Company but no options.

3.3 Personal Particulars

Carl Hung's personal particulars are set out in the information on Directors at page 5 of the Company's Annual Report.

3.4 Recommendation

The Board believes it is in the best interests of shareholders that all current Directors remain in place through the resolution of the Zoleo Inc. dispute and arbitration. The existing Directors possess unique knowledge of the business and proceedings, making their continuity critical to securing the best outcome for shareholders.

The Board has served without Non-Executive Director fees and remains firmly committed to maximizing the return of capital at the conclusion of arbitration. Excluding the recent settlement issue, the Directors have delivered on the commitments made to shareholders in late 2024, reinforcing their reliability and focus.

Replacing Directors at this stage would risk disruption, loss of expertise, and a weakening of shareholder outcomes. Retaining Carl Hung will ensure stability, preserve knowledge, and protect shareholder value.

For these reasons, the Board, with Carl Hung abstaining, strongly urges you to vote in favour of Carl Hung's continued directorship and vote in favour of Resolution 2.

4. Resolution 3 – Election of Director (Brendon Lau)

4.1 Background

ASX Listing Rule 14.4 and rule 13.2 of the Constitution of the Company provide that a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Brendon Lau, who was appointed as a Non-Executive Director by the Board on 16 January 2025, retires in accordance with rule 13.2 of the Constitution and ASX Listing Rule 14.4 and, in accordance with the Company's Constitution and being eligible, offers himself for election at this Meeting of the Company.

4.2 Director's Interest

Brendon Lau holds 131,789 ordinary shares in the Company but no options.

4.3 Personal Particulars

Brendon Lau's personal particulars are set out in the information on Directors at page 5 of the Company's Annual Report.

4.4 Recommendation

The Board believes it is in the best interests of shareholders that all current Directors remain in place through the resolution of the Zoleo Inc. dispute and arbitration. The existing Directors possess unique knowledge of the business and proceedings, making their continuity critical to securing the best outcome for shareholders.

The Board has served without Non-Executive Director fees and remains firmly committed to maximizing the return of capital at the conclusion of arbitration. Excluding the recent settlement issue, the Directors have delivered on the commitments made to shareholders in late 2024, reinforcing their reliability and focus.

Replacing Directors at this stage would risk disruption, loss of expertise, and a weakening of shareholder outcomes. Retaining Brendon Lau will ensure stability, preserve knowledge, and protect shareholder value.

For these reasons, the Board, with Brendon Lau abstaining, strongly urges you to vote in favour of Brendon Lau's continued directorship and vote in favour of Resolution 3.

5. Resolution 4 – Adoption of Remuneration Report

5.1 Remuneration Report in Annual Report

The Annual Report for the year ended 30 June 2025 contains a Remuneration Report (refer pages 12-20) which sets out the remuneration policy for the Company and reports remuneration arrangements in place for Directors and key management personnel.

The Corporations Act requires the agenda of an annual general meeting to include a resolution for the adoption of the Remuneration Report. Pursuant to section 250R(3) of the Corporations Act, the vote on the resolution is advisory only and is not binding on the Directors or the Company.

The Company's Annual Report is available on the Company website <https://beamcommunications.com/investors/annual-reports> and will be mailed to Shareholders who request a copy.

At the 2024 AGM, just over 62% of votes cast were against the adoption of the Remuneration Report, resulting in a 'first strike'. Those votes were cast under the previous Board of Directors. Since then, the Company has undergone board renewal, and a new Board has been appointed with a clear mandate to reset governance, restore discipline, and deliver value to shareholders.

The current Board has listened carefully to shareholder feedback. We have simplified and strengthened remuneration arrangements, so they are now transparent, performance-based, and aligned with the Company's central objective: returning funds to shareholders as soon as possible from the Zoleo share sale. Importantly, all current Non-Executive Directors have elected not to receive remuneration for their Board service, reflecting their commitment to putting shareholder outcomes first.

As part of the FY2026 budgeting process, the Board has also reviewed executive remuneration to ensure it is appropriate, competitive, and sustainable. This is particularly important as the Company enters into new litigation regarding the Zoleo share sale. In this context, stability, continuity, and the retention of expertise are critical to safeguarding shareholder value. A vote against the Remuneration Report at this time would risk creating uncertainty and distraction when focus is most needed.

The Board is confident that the remuneration framework now in place strikes the right balance between cost discipline, accountability, and the need to retain talent during a pivotal period for the Company.

At the Meeting, a reasonable opportunity will be allowed to the Shareholders for questions and comments on the Remuneration Report.

5.2 Voting Prohibition

A vote on Resolution 4 must not be cast by or on behalf of either of the following persons:

- (a) a member of the key management personnel as disclosed in the Remuneration Report; and

- (b) a closely related party (such as close family members and any controlled companies) of those persons,

unless the vote is cast by a person as proxy for a person entitled to vote on Resolution 4 in accordance with the direction on the proxy form.

5.3 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

6. Resolution 5 – Conditional Spill Resolution

6.1 Contingent Resolution concerning Remuneration Report

Subject to and conditional on at least 25% of the votes cast on Resolution 4, being cast against the Company's Remuneration Report for the financial year ended 30 June 2025, to hold an extraordinary general meeting of the Company (Spill Meeting) within 90 days of this resolution passing, at which:

- (a) all Non-Executive Directors in office when the resolution to approve the Directors' Report for the financial year ended 30 June 2025 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and
- (b) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting are put to the vote at the Spill Meeting.

6.2 Voting Prohibition

A vote on Resolution 5 must not be cast by or on behalf of either of the following persons:

- (a) a member of the key management personnel as disclosed in the Remuneration Report; and
- (b) a closely related party (such as close family members and any controlled companies) of those persons,

unless the vote is cast by a person as proxy for a person entitled to vote on Resolution 5 in accordance with the direction on the proxy form.

6.3 Background

The 'first strike' at the 2024 AGM was a serious message for the Board from shareholders. We have spoken to many shareholders and their advisers to understand their concerns and where we could do better. The Directors believe the changes for 2025, which are detailed in 5.1 above, address the concerns that led to the 'first strike'.

This resolution will only be put to the 2025 AGM if at least 25% of the votes cast on Resolution 4 to adopt the FY2025 Remuneration Report are cast against its adoption. If fewer than 25% of the votes are against its adoption, then there will be no 'second strike' and this resolution will not be put to the AGM.

If the Spill Resolution is passed the Spill Meeting will be held within 90 days. The following Non-Executive Directors will cease to hold office unless they are re-elected at the Spill Meeting:

- David Stewart
- Carl Hung
- Brendon Lau

This does not apply to CEO Michael Capocchi who is not required to stand for re-election as a Director and will continue to hold office during and after the Spill Meeting.

The Board considers the following factors to be relevant to a shareholder's decision on how to vote on this resolution:

- The changes made to executive and Director remuneration strategy, governance and framework do address shareholder concerns and align executive, Director and shareholder objectives while still providing the appropriate motivation,
- None of the Non-Executive Directors receives any directors' fees,
- The importance of the Board remaining consistent through the remaining Zoleo Inc. dispute and arbitration court processes with the in-depth knowledge they have of the business and the dispute, which is critical to safeguarding shareholder value.
- The disruption and significant cost involved in convening a Spill Meeting.

6.4 Recommendation

For the reasons outlined, the Board does not believe that proceeding to a Spill Meeting would be in the best interests of Beam Shareholders. If you do not want a Spill Meeting to take place the Directors recommend that you vote against Resolution 5.

LODGE YOUR VOTE

ONLINE
<https://au.investorcentre.mpms.mufg.com>

BY MAIL
 Beam Communications Holdings Limited
 C/- MUFG Corporate Markets (AU) Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

BY FAX
 +61 2 9287 0309

BY HAND
 MUFG Corporate Markets (AU) Limited
 Parramatta Square, Level 22, Tower 6,
 10 Darcy Street, Parramatta NSW 2150

ALL ENQUIRIES TO
 Telephone: 1300 554 474 Overseas: +61 1300 554 474


X999999999999
PROXY FORM

I/We being a member(s) of Beam Communications Holdings Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY
 the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AEDT) Thursday, 13 November 2025 at Unit 5, 8 Anzed Court, Mulgrave, Victoria (the Meeting)** and at any postponement or adjournment of the Meeting

Important for Resolution 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 4, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in FAVOUR of Resolutions 1 to 4 and AGAINST Resolution 5.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

- 1 Election of Director – David Paul James Stewart
- 2 Election of Director – Carl Cheung Hung
- 3 Election of Director – Brendon Lau
- 4 Adoption of Remuneration Report
- 5 Conditional Spill Resolution

Board Recommendation	For	Against	Abstain*
FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AGAINST	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

i * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

Name and Surname

Name and Surname

Name and Surname

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

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STEP 1

STEP 2

STEP 3

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be received at support@cm.mpms.mufg.com prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.mpms.mufg.com/en/mufg-corporate-markets.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AEDT) Tuesday, 11 November 2025**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged:



ONLINE

<https://au.investorcentre.mpms.mufg.com>

Login to the Investor Centre using the holding details as shown on the Voting/Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your vote by scanning the QR code adjacent or enter the voting link

<https://au.investorcentre.mpms.mufg.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Beam Communications Holdings Limited
C/- MUFG Corporate Markets (AU) Limited
Locked Bag A14
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BY HAND

delivering it to MUFG Corporate Markets (AU) Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO PARTICIPATE IN AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**



Innovative Technology Solutions

ANNUAL REPORT 2025

For personal use only



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Directors

Mr David Paul James Stewart
Mr Michael Ian Capocchi
Mr Carl Cheung Hung
Mr Brendon Lau

Company Secretary

Mr Dennis Frank Payne

Registered office & Principal place of business

Unit 5/8 Anzed Court Mulgrave, VIC, 3170
Ph: (03) 8561 4200

Share Register

Link Market Services Ltd
Locked Bag A14
Sydney South, NSW, 1235x
Ph: 1300 554 474

Auditor

William Buck Audit (Vic) Pty Ltd
Level 20, 181 William Street
Melbourne, VIC 3000
Ph: (03) 9824 8555

Solicitors

Thomson Geer
Level 23, Rialto South Tower, 525 Collins Street
Melbourne, VIC, 3000
Ph: (03) 8080 3500

Stock Exchange Listing

Beam Communications Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: BCC)

Corporate Governance Statement

The Corporate Governance statement can be found on the investors page at <https://www.beamcommunications.com/investors/corporate-governance>

Email

investor@beamcommunications.com

ASX Office

Based in Melbourne

ASX Code

BCC

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Letter from the Chairman

Dear Shareholders,

We commence the new financial year with a robust foundation, having emerged from a transformative, albeit arduous, period.

Our successful divestiture of the Zoleo Inc. joint venture, which resulted in the crystallisation of approximately US\$9.5 million in value, coupled with the right-sizing of the remaining Beam business to restore its profitability, positions our Company favourably to capitalise on opportunities to further enhance shareholder value during the 2026 financial year (FY).

In addition, we are fulfilling our commitment to return capital to shareholders and have engaged BDO Australia to provide guidance to the Board on the most effective strategies to accomplish this objective. Further details on this matter will be communicated in the forthcoming months.

Although these early successes represent progress, our work remains incomplete.

Revitalising the Business for a Prosperous Future

Despite one-off costs from the Zoleo Inc. divestment, Beam's normalised free cash flow rose 45.4% to \$2.1 million, with EBITDA at \$1.9 million.

The cost rationalisation programme started last year has yielded positive results. Work continues to find more operational efficiencies and address shareholder concerns.

As a result, cost savings are projected to exceed the annualised target of \$2.7 million for the current fiscal year, reflecting the Board's focus on strengthening the Company's financial position.

We recorded an \$8.4 million impairment charge in FY2025, writing off all R&D investments in our satellite communications products. As a result, Beam's balance sheet is now clear, and operating cash flow is expected to support the business moving forward.

Our advantages and partnerships with major communications groups like Iridium, Inmarsat Maritime, and Telstra give us clear strategy and financial flexibility for future opportunities.

Charting a New Path

Beam starts this financial year stronger and more focused, anticipating better results in FY2026 due to growth in SatPhone Shop sales, increased core equipment orders, and higher recurring Airtime Services revenue, now surpassing ZOLEO royalties.

We anticipate generating positive operating cash flow and finishing the year with a stronger cash balance, thanks in part to the conclusion of one-time expenses related to the Zoleo Inc. divestment.

With a refined operating model, there may be various potential opportunities for Beam to increase shareholder value in the coming year. The engagement with BDO Australia will support the development of a formal framework to assess these opportunities, which could involve additional business divestments and both organic and inorganic growth strategies. Updates regarding these opportunities will be provided in the upcoming months.

On behalf of the Board of Directors, I extend my sincere gratitude to our shareholders for their unwavering support and to our team for their unwavering dedication throughout this transformative era. Although numerous challenges remain ahead for Beam, I am fully confident in the auspicious future of our esteemed company.



Yours sincerely,

David Stewart
Chairman

Beam Communications Holdings Ltd

17 September 2025

Directors' Report



David Paul James Stewart

Chairman

Age: 71

David Stewart is an experienced CEO and successful entrepreneur with more than 30 years in management and business leadership roles. David founded Banksia Technology Pty Limited in 1988 and successfully managed the company as a fast growing and highly profitable business. In 1996 to 1997 he instigated the successful takeovers of several competitors, including NetComm Limited. David assumed the role of CEO and Managing Director until retiring in 2016.

A year later David was appointed as a Non-Executive Director of NetComm Wireless Limited, a position he held until June 2019 when NetComm was acquired by US-based Casa Systems. In 2016 David was recognised for his significant and valuable contribution to the Australian communications industry with the presentation of the Communications Ambassador 2016 award. The Australian Communications Ambassador award is the highest honour presented by ACOMMS Communications Alliance and CommsDay each year.

Since retiring, David has worked with several tech startups in an advising and investing capacity. He was Chairman of Pycom from 2017 until retiring from the board in July 2021.

David joined the board of Lockbox Technologies in 2018 until the company was taken over in May 2020 and in August 2019 he was announced as a board member for MyNetFone Group Limited.

David currently holds 10,905,000 ordinary shares in the Company.

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Beam Communications Holdings Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

The following persons were directors of Beam Communications Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr David Paul James Stewart (Non-executive chairman, appointed 28 November 2024)

Mr Michael Ian Capocchi (Managing director)

Mr Carl Cheung Hung (Non-executive director, appointed 28 November 2024)

Mr Brendon Lau (Non-executive director, appointed 16 January 2025)

Mr Simon Lister Wallace (Non-executive chairman, not re-elected at AGM held on 28 November 2024)

Mr Mark Allan Chartres (Non-executive director, resigned 15 November 2024)

Mr Peter Kopanidis (Non-executive director, not re-elected at AGM held on 28 November 2024)

The qualifications, experience and special responsibilities of company secretary and each of the directors who held office at the end of the year are:

Company Secretary

Mr Dennis Frank Payne

Dennis Frank Payne has served as Company Secretary of Beam Communications Holdings Limited since 2010. He joined the company in 2005 and, from that time, has also held the role of Chief Financial Officer until stepping down in December 2021.

Before joining Beam, Dennis held senior financial and commercial positions at Cadbury Schweppes and Optus Communications. He holds a Bachelor of Economics and is a Certified Practising Accountant (CPA).

In addition to his work at Beam, Dennis serves as Treasurer and board member of the Sir Edward 'Weary' Dunlop Medical Research Foundation.



Michael Ian Capocchi

Managing Director

Age: 54

Michael Capocchi has over 25 years' experience in the ICT industry and has held several senior management positions. Michael is based in Chicago, USA, which places him closer to the important centres for satellite communications in the USA and UK/Europe.

Michael joined Beam Communications Holdings Limited as the General Manager of the subsidiary, Beam Communications Pty Ltd, in 2003 and was appointed as Managing Director of Beam Communications Holdings Limited in March 2008.

Prior to joining the Group, Michael was the Regional Sales Director for Iridium Satellite LLC, directly managing the sales, distribution and channel management strategies for the Asia-Pacific region. Michael has held senior management positions as the Sales and Marketing Director of Pacific Internet responsible for establishing the Australian operations of the company and with Optus Communications.

Since its inception in August 2018, Michael has been a Director of Zoleo Inc. the joint venture entity of which the Group is a 50% partner with Roadpost Inc of Canada.

Michael Capocchi is an integral part of the Group's business, including managing the day to day operations of the group which occasions extensive domestic and international travel when possible.

Michael currently holds 3,124,320 ordinary shares and 530,798 options in the Company.



Carl Cheung Hung

Non-Executive Director

Age: 41

Carl Hung has a Bachelor of Commerce degree from the University of British Columbia and an Executive MBA from University of Western Ontario's Richard Ivey School of Business. He is a Six Sigma Black Belt certified by SGS. He is also a Certified Management Accountant. Carl is President and CEO of Season Group International Inc., a global Electronic Manufacturing Services provider with footprint in Hong Kong, China, Malaysia, Mexico and the UK.

Season Group has been the preferred contract manufacturer for Beam for several years and has been instrumental in rationalising Beam's manufacturing and supply processes.

Carl currently holds 5,540,874 ordinary shares in the Company.



Brendon Lau

Non-Executive Director

Age: 53

Mr. Lau has deep working knowledge of Beam's businesses as he managed investor relations for the Company for five years till 2023, and he brings two decades of capital markets experience as a stock analyst, investor relations professional and financial journalist.

He has worked in leading organisations, such as the Australian Financial Review and Eureka Report, and has a Master of Business Administration (MBA) from Melbourne Business School.

Brendon currently holds 131,789 ordinary shares in the Company.

Directorships of Other Listed Companies

No director of Beam Communications Holdings Limited has been a director of a listed company in the three years immediately before the end of the financial year.

Principal Activities

The activities of the Group and its controlled entities during the year were the development and marketing of a range of communication products and services, mainly satellite based.

Dividends

There were no dividends paid, recommended or declared during the financial year.

Review of Operations

The loss for the Group after providing for income tax amounted to \$13,541,616 (30 June 2024: \$1,785,892).

A summary of the result for the year is as follows:

	2025 \$	2024 \$
Revenue	25,678,474	32,751,600
Other income (excl. interest)	815,188	441,566
Deduct:		
Cost of goods sold, research & development, administrative marketing and corporate expenses	(24,633,815)	(30,093,951)
Extraordinary Expense – Arbitration Costs	(4,178,020)	(2,990,138)
Operating (loss)/profit before amortisation, depreciation, impairment, interest and tax	(2,318,173)	109,077
Deduct:		
Amortisation and impairment	(9,607,563)	(2,425,598)
Depreciation	(258,486)	(235,686)
Interest	(100,806)	(21,643)
Operating loss	(12,285,028)	(2,573,850)
Income Tax (Expense)/Benefit	(1,256,588)	787,958
Net loss for year	(13,541,616)	(1,785,892)
Total comprehensive loss for year	(13,541,616)	(1,785,892)

Revenue and Profit

The 2025 financial year was a transformational period for Beam with the exit of the Zoleo Inc. joint venture (JV). Due to the divestment of the JV and costs associated with the transaction, total FY25 ordinary revenue fell 21.6% year-on-year (YoY) to \$25.7 million with a net loss of \$13.5 million (FY24 net loss: \$1.8 million), which includes \$8.4 million in one-off impairments of intellectual property (IP) relating to ZOLEO and other innovations. There is no risk of further IP impairments.

Normalised free cash flow (excluding one-off items) increased 45.4% to \$2.1 million, while normalised earnings before interest, tax, depreciation and amortisation (EBITDA) was a positive \$1.9 million. This is compared to the FY25 statutory EBITDA of -\$2.3 million. Additionally, FY25 gross margins have markedly improved to 34.2% (FY24: 30%) as Beam's sales mix moved away from the low-margin ZOLEO devices and there is a notable rebound in Beam's financial performance in the second half of FY25.

Cash at 30 June 2025 was \$1.8 million, and the Company has access to a further \$300K from an available and undrawn overdraft facility. Beam has bank debt of \$85K and a Director's Loan of US\$320K. Beam plans to repay the Director's Loan in full before the end of the current calendar year from its operating cashflow. On this basis, the Company does not currently believe it will need to raise additional equity.

Business Units Performance

Beam's FY25 recurring revenue from Airtime and Services increased 25.4% YoY to \$2.1 million, while its ZOLEO royalty revenue grew 32.8% to \$1.4 million. Beam will stop receiving ZOLEO royalties from December 2025, as outlined in the Settlement Agreement announcement on 13 May 2025.

Meanwhile, Beam's core equipment revenue (sales of Beam-branded and OEM equipment excluding ZOLEO devices) declined 19.1% YoY to \$15.6 million as delays in the delivery of Iridium devices from June to July weighed on the result, while sales of ZOLEO devices to Zoleo Inc. fell 44.7% YoY to \$5.1 million as Beam hands over responsibility for manufacturing the device to Beam's JV partner, Roadpost Inc. (Roadpost).

Hardware sales from SatPhone Shop (SPS), a wholly owned Beam subsidiary and Telstra's largest satellite dealer, dipped 4.2% YoY to 1.6 million. The weakness is due to a number of factors, including the migration to the newly launched SPS website in Q4 FY25 and the disruption from search engine optimisation, coupled with a change in the sales mix from higher value satellite handsets with lower margins to lower value but higher profit accessory sales.

However, the issues with the new website have largely been resolved and sales have improved since the start of FY26.

Zoleo Inc. Divestment

Beam announced it is to receive total gross proceeds of approximately US\$9.5 million from its divestment of the Zoleo Inc. joint venture (JV). The amount includes circa US\$2.6 million that Roadpost agreed to pay Beam under the settlement agreement, and the sale of Beam's 50% stake in the JV, which was valued at US\$6.9 million.

The independent valuer, Secretariat Advisors, LLC (Secretariat) determined that the midpoint Enterprise Value of the JV was US\$17.1 million, and after adjusting for shareholder loans, dues, and redundant cash, the midpoint Equity Value was US\$13.7 million.

The Equity Value was used to determine the price Beam would receive for the sale of its half ownership in the JV.

As determined in the JV agreement between Beam and Roadpost, the proceeds from the sale of the JV will be paid in four equal instalments over three years. The first payment is due 30 days after the release of Secretariat's final valuation report, which was on 20 August 2025. The circa US\$2.6 million under the Settlement agreement is scheduled to be paid to Beam on 27 December 2025.

As a matter of formality and to give legal effect to the transactions, Beam and Roadpost will have to execute on the final sale agreements that cover all elements of the transaction.

Material Business Risks to Strategy and Financial Performance

Beam has identified a number of material risks that may affect the success of the business over the coming periods, including some that are not directly within its control. The Company's risk management approach involves the ongoing assessment, monitoring and reporting of risks that could impede its progress in delivering its strategic priorities. The key risks are outlined below (not ranked in any order), although it is important to note that as Beam's business continues to grow and evolve, these risks and the Company's risk profile may change.

FOREIGN EXCHANGE RISK

Beam's equipment and services are sold around the world and most of its revenue is derived in US dollars. This exposes the Company to fluctuations in exchange rates, which are driven by market forces outside its control. A change in the exchange rate to the Australian dollar may have a positive or negative effect on the business.

PARTNERSHIP RISKS

Beam has established partnerships with most of the world's largest satellite operators, particularly Iridium Communications. A breakdown of such partnerships is likely to impede on the Company's ability to offer hardware and services to Beam's clients and such an outcome may have a material and negative impact on its financial performance.

TECHNOLOGICAL CHANGES AND COMPETITION

The industry that Beam operates in is subject to constant technological change. These changes often bring new opportunities and competitive threats. To ensure the continual growth and profitability of the business, Beam must constantly be vigilant of these changes and invest in improving its existing offering and developing new innovations.

CHANNEL PARTNER SUPPORT

As Beam's products and services are sold in Australia and globally, it relies on its network of channel partners. Beam's ability to acquire and retain these partners will have a material impact on the continued growth in revenue and profitability of the Company. Beam protects its channel network by ensuring these partners can make a reasonable margin and carefully manages sales of its products and services on third-party online marketplaces.

ACCESS TO CAPITAL AND DEBT

Beam's ability to fund future growth and profitability may be affected by its ability to access funding from equity investors, credit markets and other financial institutions. This access is dependent on several factors, such as the Company's financial performance, but may also include factors that are outside its control, such as general economic and market conditions. There is a risk that the Company may be unable to access debt or equity funding when required on favourable terms, or at all.

REGULATORY AND COMPLIANCE RISKS

The telecom and satcom industries are highly regulated in each country. These rules and regulations allowing access to services may change with little warning and can have a positive or negative impact on Beam's financial performance. Further, Beam has to ensure it receives the necessary approvals and meet required industry standards in all countries before it can sell its hardware in those markets.

CYBER SECURITY RISKS

Beam's IT systems contain sensitive information on its products and technology, along with customer and third-party information. While Beam exercises due care in protecting its data, it is possible that these measures will not be enough to prevent unauthorised access to its systems and technologies. Such a breach may expose the Company to financial loss, reputational damage and legal consequences, including claims for compensation by customers or penalties by telecommunications regulators or other authorities.

Directors and Investors

There were no changes in the issued capital of the Group during the year.

Mr David Stewart served as a Non-Executive Director of the Company from 2017 to 2022 and was elected as Non-Executive Chairman in November 2024. He brings extensive experience in the communications industry and has been a valuable advisor to senior management, particularly in the rationalisation of development expenditure. David also provides hands-on support in the assessment and selection of trading partners for innovative new product opportunities. As the Company's major shareholder, he holds 12.62% of the issued shares, David continues to play an active role in assisting the Group to expand its presence in both the satellite and non-satellite communications markets.

Mr. Michael Capocchi is an Executive Director and serves as the Managing Director and Chief Executive Officer across all companies within the Group. Based in the United States, he is strategically positioned to manage relationships with the Group's core clients in the Middle East, UK/Europe, and domestically within the US, while travelling frequently to Australia and maintaining daily contact with senior management. As a significant shareholder, holding 3.62% of the issued shares, Mr. Capocchi is actively involved in driving the Group's strategic growth and operational performance.

Mr. Carl Hung is a Non-Executive Director and the President and Chief Executive Officer of Season Group, a major trading partner of Beam for over 15 years. Through Season, Mr. Hung provides the Group with a wide range of subcontract services, including manufacturing, engineering, tool making, and testing facilities located in Guangdong, China and Malaysia. He is also the third-largest shareholder of the Group, holding 6.41% of the issued shares through Patrison (Asia) Ltd.

Mr Brendon Lau was appointed as an Independent Non-Executive Director of the Company in January 2025. He brings over two decades of capital markets experience across stock analysis, investor relations, and financial journalism. He has a strong working knowledge of the Company's operations, having managed Beam's investor relations function for five years until 2023. His professional background includes senior roles at leading organisations such as the Australian Financial Review and Eureka Report. He holds a Master of Business Administration (MBA) from the Melbourne Business School.

The Directors believe the Group is well placed to continue to deliver strong results in FY26 due to the Group's strong balance sheet and many growth options, including focusing on the continued success and ongoing geographical expansion of the existing Beam's products.

Significant Changes in the State of Affairs

Other than those noted above there were no significant changes in the state of affairs of the Group during the financial year.

Matters Subsequent to the End of the Financial Year

Subsequent to reporting date, final valuation report was received on 20 August 2025 from the independent valuator Secretariat Advisors, LLC, whereby total fair market value of the Zoleo Inc joint venture to be US\$13.7 million (equivalent to approximately A\$21.1 million) with Beam to receive US\$6.9 million from the sale of its 50% share in the joint venture.

In addition, a settlement agreement has been reached on 22 April 2025, with the joint venture partner Roadpost Inc., whereby Beam is to receive approximately US\$2.6 million (equivalent to approximately A\$4.1 million) from Roadpost Inc. upon the closing of sale of Beam shares in Zoleo to Roadpost.

Consequently, total amount payable for Beam's exit from Zoleo Inc. joint venture will be in the order of US\$~9.5 million (before costs) over three years, with the fourth and final instalment to be payable on 19 September 2028.

As a matter of formality and to give legal effect to the transactions, Beam and Roadpost will have to execute on the final sale agreements that cover all elements of the transaction.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely Developments and Expected Results of Operations

The company will continue the design, development, sub-contract manufacturing, marketing and supplying of a range of communications devices, mainly satellite based.

Further information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental Regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Meetings of Directors

The number of meetings of the Group's Board of Directors ('The Board') and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Directors Meetings		Audit Committees	
	Attended	Meetings Held	Attended	Meetings Held
Mr D Stewart	7	7	1	1
Mr M Capocchi	20	20	-	-
Mr C Hung	7	7	1	1
Mr B Lau	6	6	-	-
Mr S Wallace	12	12	1	1
Mr P Kopanidis	12	12	1	1
Mr M Chartres	10	10	-	-

Meetings Held: represents the number of meetings held during the time the director held office.

Remuneration Report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Share-based compensation

Principles used to Determine the Nature and Amount of Remuneration

This report details the nature and amount of remuneration for each Director and KMP of Beam Communications Holdings Limited.

Remuneration Policy

The Group is committed to remunerating its Executive Directors and senior executives in a manner that is market-competitive, consistent with best practice and which supports the interests of shareholders. The Group aims to align the interests of Executive Directors and senior executives with those of shareholders by remunerating through performance and long-term incentive plans in addition to fixed remuneration.

The remuneration of Non-executive Directors is determined by the Board having regard to the level of fees paid to non-executive directors by other companies of similar size and stature and in aggregate must not exceed the maximum annual amount approved by the Group's shareholders, currently \$500,000, as determined at the General Meeting held on 3 August 2007.

Senior executives' remuneration consists of the following elements:

- fixed salary;
- short-term incentive bonus where applicable based on performance
- long-term incentive share option scheme; and
- other benefits including superannuation.

Fixed Salary

The salary of senior executives is determined from a review of the market and reflects core performance requirements and expectations. In addition, the Company considers the following:

- The scope of the individual's role;
- The individual's level of skill and experience;
- Legal and industrial obligations;
- Labour market conditions; and
- The complexity of the Company's business.

The purpose of a performance bonus is to reward an individual's actual achievement of performance objectives and for materially improved Group performance. Consequently, performance-based remuneration is paid where a clear contribution to successful outcomes for the Group is demonstrated and the individual attains and excels against pre-agreed key performance indicators during a performance cycle.

In assessing the relative performance of the senior executives and the Group as a whole measured against the primary objective of enhancing shareholder value over time, the Board has regard to key financial indicators. In accordance with Section 300A of the Corporations Act 2001 the following table summarises the Group's performance over the last 5 years.

	2025	2024	2023	2022	2021
Net profit/(loss) before tax	(12,285,028)	(2,573,850)	1,925,038	120,631	780,446
EBITDA	(2,318,173)	109,077	4,207,627	1,476,720	1,990,880
Normalised EBITA	1,861,456	3,101,611	4,207,627	1,476,720	1,990,880
Basic earnings per share (cents)	(15.67)	(2.07)	2.4	(0.22)	0.76
Share price at 30 June (\$)	0.13	0.15	0.18	0.20	0.24
Market Capitalisation at 30 June (\$m)	10.80	12.53	15.60	17.28	17.64
Dividends per share	Nil	Nil	Nil	Nil	Nil

Despite the Group experiencing EBITDA loss of \$2,318,173 in 2025 following the adverse outcome of the arbitration of Zoleo Inc. joint venture with Roadpost Inc., the Group has exhibited resilience and used this period as an opportunity to restructure its cost base. As a result, the Group is on track to achieve annualised cost saving in excess of \$2.7 million in FY26.

The Group's normalised EBITDA (after excluding the extraordinary item of arbitration costs) was \$1,861,456 (FY24: \$3,101,611).

The Board believes that the accompanying financial tables illustrate the positive strategic direction the Group has taken over the past five years and reflect, to a significant extent, the performance and leadership of the senior executive team during this period. However, due to the nature of the Group's business, it is acknowledged that major external factors can significantly influence a given financial year's profit results.

The Group's confidence and resilience in executing its strategic initiatives, implementing its cost rationalisation program, and effectively navigating the challenges arising from the joint venture disputes and arbitration process, while defending the value of the joint venture it helped create, were clearly demonstrated in FY25, as evidenced by the Group's ability to maintain a positive normalised EBITDA during the year.

Long-term Incentives

The Group's Share Option Incentive Plan, in which Directors and senior executives may participate, was approved by shareholders on 27 October 2017 and authorises the Directors to issue options in respect of up to 10% of the shares on issue at a given time.

The Group ensures that the payment of equity-based executive remuneration is made in accordance with the thresholds set in plans approved by shareholders.

As noted in this report, no options were issued during the year.

Other Benefits

Senior executives are entitled to statutory superannuation and other bonus payments subject to the discretion of the Managing Director and the Board.

Employment Contracts

KMP	Notice	Termination Payment	Non-Compete	Term
Mr D Stewart	None	None	None	None
Mr M Capocchi	6 months	Notice paid in leu	None post-employment	No fixed term
Mr C Hung	None	None	None	None
Mr B Lau	None	None	None	None
Mr S Wallace	-	-	-	-
Mr P Kopanidis	-	-	-	-
Mr M Chartres	-	-	-	-
Mr W Wong	1 month	Notice paid in leu	None post-employment	No fixed term
Mr D Sleigh	-	-	-	-
Mr W Christie	-	-	-	-

Details of Remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables:

The key management personnel of the Group consisted of the following Directors of Beam Communications Holdings Limited:

- Mr David Paul James Stewart (Non-executive chairman, appointed 28 November 2024)
- Mr Michael Ian Capocchi (Managing director)
- Mr Carl Cheung Hung (Non-executive director, appointed 28 November 2024)
- Mr Brendon Lau (Non-executive director, appointed 16 January 2025)
- Mr Simon Lister Wallace (Non-executive chairman, not re-elected at AGM held on 28 November 2024)
- Mr Mark Allan Chartres (Non-executive director, resigned 15 November 2024)
- Mr Peter Kopanidis (Non-executive director, not re-elected at AGM held on 28 November 2024)

And the following persons:

- Mr Wee Mong Wong - Chief Financial Officer (appointed 10 February 2025)
- Mr William Christie - Chief Technical Officer (resigned 27 December 2024)
- Mr Dean Sleigh - Chief Financial Officer (terminated 12 February 2025)

The remuneration for each director and each of the other key management personnel of the Group receiving the highest remuneration during the year was as follows:

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Termination	Total
	Cash salary and fees	Cash bonus and commission	Employee benefits payable (b)	Superannuation	Employee benefits payable	Options (a)	Benefits	
30 June 2025	\$	\$	\$	\$	\$	\$	\$	\$
Non-Executive Directors:								
Mr D Stewart (d)	-	-	-	-	-	-	-	-
Mr C Hung (d)	-	-	-	-	-	-	-	-
Mr B Lau (d)	-	-	-	-	-	-	-	-
Mr S Wallace	28,825	-	-	3,315	-	-	-	32,140
Mr P Kopanidis	20,142	-	-	2,316	-	-	-	22,458
Mr M Chartres	16,667	-	-	-	-	-	-	16,667
Executive Directors:								
Mr M Capocchi (c)	539,201	-	32,960	50,829	20,799	7,564	-	651,353
Other Key Management Personnel:								
Mr W Wong (e)	82,115	15,000	6,731	11,654	123	-	-	115,623
Mr D Sleigh	159,839	-	(19,272)	20,675	(3,275)	-	43,281	201,248
Mr W Christie	125,683	-	(40,141)	15,152	(95,494)	-	127,760	132,960
	<u>972,472</u>	<u>15,000</u>	<u>(19,722)</u>	<u>103,941</u>	<u>(77,847)</u>	<u>7,564</u>	<u>171,041</u>	<u>1,172,449</u>

30 June 2024	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus and commission	Employee benefits payable (b)	Superannuation	Employee benefits payable	Options (a)	
	\$	\$	\$	\$	\$	\$	\$
Non-Executive Directors:							
Mr S Wallace	70,908	-	-	7,977	-	-	78,885
Mr M Chartres	29,167	-	-	-	-	21,595	50,762
Mr P Kopanidis	22,522	-	-	2,477	-	1,187	26,186
Executive Directors:							
Mr M Capocchi (c)	534,109	40,000	(16,926)	64,531	10,023	44,653	676,390
Other Key Management Personnel:							
Mr W Christie	253,112	20,000	13,416	29,930	8,466	-	324,924
Mr D Sleigh	250,000	20,000	11,179	30,299	1,528	30,633	343,639
	1,159,818	80,000	7,669	135,214	20,017	98,068	1,500,786

a) Option based compensation relates to the value of options issued to date and brought to account pro-rata to the time period from the date of granting to the date of vesting, except where Accounting Standard AASB 2 required expensing the period of service related to those options, notwithstanding that the issue of those options, in the case of Directors was subject to shareholder approval, and in the case of key management employees, subject to performance review.

(b) Employee benefits payable represents net increase in benefits payable charged to the consolidated statement of profit or loss and other comprehensive income in the current year.

(c) The majority of Mr Capocchi's remuneration is in US dollars. For FY 2025 his remuneration has been converted into AU dollars monthly and the rate average for the year was 0.6468.

(d) Directors D Stewart, C Hung and B Lau were not remunerated for their services as a director of the company.

(e) Mr W Wong was granted performance bonus for FY25, which is payable in FY26, subject to performance review, based on successful completion of FY25 audited financial report.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name:	Fixed remuneration		At risk - STI		At risk - LTI	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Non-Executive Directors:						
Mr D Stewart	-	-	-	-	-	-
Mr C Hung	-	-	-	-	-	-
Mr B Lau	-	-	-	-	-	-
Mr S Wallace	100%	100%	-	-	-	-
Mr M Chartres	100%	57%	-	-	-	43%
Mr P Kopanidis	100%	95%	-	-	-	5%
Executive Directors:						
Mr M Capocchi	99%	87%	-	6%	1%	7%
Other Key Management Personnel:						
Mr W Wong	87%	-	13%	-	-	-
Mr W Christie	100%	94%	-	6%	-	-
Mr D Sleigh	100%	85%	-	6%	-	9%

Share-based Compensation

Share holdings

The number of shares in the Company held during the financial year by each key management person including their personally related parties are set out below:

2025	Balance 1 July 2024	Addition on appointment	Options exercised	Placement issue	Ceasing to be a KMP	Net change other (a)	Balance 30 June 2025
Directors:							
Mr D Stewart (b)	-	10,905,000	-	-	-	-	10,905,000
Mr C Hung (c)	-	5,409,874	-	-	-	131,000	5,540,874
Mr B Lau (d)	-	131,789	-	-	-	-	131,789
Mr S Wallace	350,000	-	-	-	(350,000)	-	-
Mr M Capocchi	3,124,320	-	-	-	-	-	3,124,320
Mr M Chartres	-	-	-	-	-	-	-
Mr P Kopanidis	55,500	-	-	-	(55,500)	-	-
Other:							
Mr W Wong	-	-	-	-	-	-	-
Mr W Christie	62,778	-	-	-	(62,778)	-	-
Mr D Sleigh (e)	18,182	-	-	-	(18,182)	-	-
	3,610,780	16,446,663	-	-	(486,460)	131,000	19,701,983

2024	Balance 1 July 2023	Addition on appointment	Options exercised	Placement issue	Ceasing to be a KMP	Net change other (a)	Balance 30 June 2024
Directors:							
Mr S Wallace	200,000	-	-	-	-	150,000	350,000
Mr M Capocchi	3,124,320	-	-	-	-	-	3,124,320
Mr M Chartres	-	-	-	-	-	55,500	55,500
Other:							
Mr W Christie	62,778	-	-	-	-	-	62,778
Mr D Sleigh	18,182	-	-	-	-	-	18,182
	3,405,280	-	-	-	-	205,500	3,610,780

(a) Net change other refers to shares purchased or sold on-market or off-market at current market prices during the financial year.

(b) Mr David Stewart was appointed as a Director on 28 November 2024.

(c) Mr Carl Hung was appointed as a Director on 28 November 2024.

(d) Mr Brendon Lau was appointed as a Director on 28 November 2024.

(e) Mr Dean Sleigh was terminated as CFO on 12 February 2025.

Options

The number of options over ordinary shares in the Company held during the financial year by each key management person including their personally related parties is set out below:

2025	Balance 1 July 2024	Granted as remuneration	Issued as equity investment	Options exercised	Options lapsed	Balance 30 June 2025
Directors:						
Mr D Stewart	-	-	-	-	-	-
Mr C Hung	-	-	-	-	-	-
Mr B Lau	-	-	-	-	-	-
Mr S Wallace	-	-	-	-	-	-
Mr M Capocchi	530,798	-	-	-	-	530,798
Mr M Chartres	1,300,000	-	-	-	(1,300,000)	-
Mr P Kopanidis	178,000	-	-	-	(178,000)	-
Other:						
Mr W Wong	-	-	-	-	-	-
Mr W Christie	-	-	-	-	-	-
Mr D Sleigh	400,000	-	-	-	(400,000)	-
	2,408,798	-	-	-	(1,878,000)	530,798

2024	Balance 1 July 2023	Granted as remuneration	Issued as equity investment	Options exercised	Options lapsed	Balance 30 June 2024
Directors:						
Mr S Wallace	-	-	-	-	-	-
Mr M Capocchi	530,798	-	-	-	-	530,798
Mr P Kopandis	-	178,000	-	-	-	178,000
Mr M Chartres	1,300,000	-	-	-	-	1,300,000
Other:						
Mr W Christie	-	-	-	-	-	-
Mr D Sleigh	404,546	-	-	-	(4,546)	400,000
	2,235,344	178,000	-	-	(4,546)	2,408,798

All options held by Directors and key management personnel at 30 June 2025 were currently un-exercisable except M Capocchi. Options held by M Capocchi will expire on 31st August 2026.

Shares Issued on Exercise of Remuneration Options

No shares were issued on exercise of remuneration options during the current period.

Voting and Comments Made at the Company's 2024 Annual General Meeting (AGM)

At the Company's most recent AGM, held on 28 November 2024, a resolution to adopt the prior year (2024) remuneration report was put to the vote and more than 25% of votes were cast against the adoption of that report. This constituted a "first strike" under the executive remuneration related provisions of the Corporations Act.

The current Board has reviewed the remuneration structure and cost to the business of all senior executives as part of the FY26 budgeting process.

The Board believes that salaries in FY26 are appropriate for the business and in line with the employment market.

Options Issued

Details of options over ordinary shares granted, vested and lapsed for directors and other key management personnel as part of compensation during the years ended 30 June 2025 and 30 June 2024 are set out below:

2025	Grant date	Vesting date	Number of options granted	Value of options granted \$	Value of options vested \$	Value of options exercised \$	Value of options lapsed \$
Directors:							
Mr D Stewart	-	-	-	-	-	-	-
Mr C Hung	-	-	-	-	-	-	-
Mr B Lau	-	-	-	-	-	-	-
Mr M Capocchi	30/11/2021	31/8/2024	530,798	122,614	122,614	-	-
Mr S Wallace	-	-	-	-	-	-	-
Mr M Chartres	-	-	-	-	-	-	-
Mr P Kopanidis	-	-	-	-	-	-	-
Other:							
Mr W Wong	-	-	-	-	-	-	-
Mr W Christie	-	-	-	-	-	-	-
Mr D Sleigh	-	-	-	-	-	-	-
2024	Grant date	Vesting date	Number of options granted	Value of options granted \$	Value of options vested \$	Value of options exercised \$	Value of options lapsed \$
Directors:							
Mr S Wallace	-	-	-	-	-	-	-
Mr M Capocchi	-	-	-	-	-	-	-
Mr M Chartres	-	-	-	-	-	-	-
Mr P Kopanidis	09/02/2024	09/02/2025	178,000	6,113	-	-	-
Other:							
Mr W Christie	-	-	-	-	-	-	-
Mr D Sleigh	-	-	-	-	-	-	-

Details of options granted to and/or vested to key management personnel during the 2025 financial year are outlined below:

2025	Vested No.	Granted No.	Grant date	Value of options granted date	Exercise price	First exercise date	Expiry date
Directors:							
Mr D Stewart	-	-	-	-	-	-	-
Mr C Hung	-	-	-	-	-	-	-
Mr B Lau	-	-	-	-	-	-	-
Mr S Wallace	-	-	-	-	-	-	-
Mr P Kopanidis	-	-	-	-	-	-	-
Mr M Chartres	-	-	-	-	-	-	-
Mr M Capocchi	530,798	-	30/11/2021	0.231	0.35	31/8/2024	31/8/2026
	<u>530,798</u>						
Other:							
Mr W Wong	-	-	-	-	-	-	-
Mr W Christie	-	-	-	-	-	-	-
Mr D Sleigh	-	-	-	-	-	-	-
	<u>530,798</u>						

This concludes the remuneration report, which has been audited.

Shares under Option

Unissued ordinary shares of Beam Communications Holdings Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
30 November 2021	31 August 2026	\$0.35	530,798

Shares Issued on the Exercise of Options

No ordinary shares were issued during the year ended 30 June 2025 and up to the date of this report on the exercise of options granted.

Indemnity and Insurance of Directors and Officers

During the year, the Group has paid premiums in respect of an insurance contract to indemnify its Directors and officers against liabilities that may arise from their positions. Directors and officers indemnified include the Company Secretary, all directors and all executive officers participating in the management of the Group.

Further disclosure required under section 300(9) of the Corporations Act is prohibited under the terms of the insurance contract.

Indemnity and Insurance of Auditor

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.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-Audit Services

There were no non-audit services provided during the financial year by the auditor.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

William Buck was appointed in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Mr David Stewart
Chairman

28 August 2025

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Beam Communications Holdings Limited

As lead auditor for the audit of Beam Communications Holdings Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Beam Communications Holdings Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

Alan Finnis

A. A. Finnis

Director

Melbourne, 28 August 2025

Beam Communications Holdings Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated	
		30 June 2025	30 June 2024
		\$	\$
Revenue	4	25,678,474	32,751,600
Other income	5	816,796	443,961
Expenses			
Cost of sales		(16,834,566)	(22,231,639)
Employment expense		(4,571,178)	(4,952,874)
Depreciation and amortisation expense		(1,492,704)	(2,661,284)
Finance costs		(102,415)	(24,039)
Administrative expense		(548,298)	(494,631)
Arbitration cost		(4,178,020)	(2,990,138)
Impairment of intangible assets		(8,373,345)	-
Legal, insurance and patent		(343,453)	(200,225)
Marketing and ICT		(511,280)	(925,262)
Other		(1,825,039)	(1,289,319)
Loss before income tax (expense)/benefit		(12,285,028)	(2,573,850)
Income tax (expense)/benefit	7	(1,256,588)	787,958
Loss after income tax (expense)/benefit for the year attributable to the owners of Beam Communications Holdings Limited		(13,541,616)	(1,785,892)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Beam Communications Holdings Limited		<u>(13,541,616)</u>	<u>(1,785,892)</u>
		Cents	Cents
Basic earnings per share	27	(15.67)	(2.07)
Diluted earnings per share	27	(15.67)	(2.07)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Beam Communications Holdings Limited
Statement of financial position
As at 30 June 2025

Note	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Assets		
Current assets		
	1,784,140	3,106,780
8	3,271,464	4,953,280
9	2,989,301	5,683,568
	<u>8,044,905</u>	<u>13,743,628</u>
Non-current assets		
8	112,867	112,867
12	81,670	91,646
10	288,436	497,299
13	-	9,396,764
14	-	1,250,930
	<u>482,973</u>	<u>11,349,506</u>
	8,527,878	25,093,134
Liabilities		
Current liabilities		
15	2,910,625	6,332,880
16	604,425	-
17	210,536	193,831
18	1,267,542	1,480,150
	<u>4,993,128</u>	<u>8,006,861</u>
Non-current liabilities		
17	91,650	302,195
18	244,829	51,755
	<u>336,479</u>	<u>353,950</u>
	5,329,607	8,360,811
	3,198,271	16,732,323
Equity		
19	17,374,871	17,374,871
	122,614	254,490
	<u>(14,299,214)</u>	<u>(897,038)</u>
	3,198,271	16,732,323

The above statement of financial position should be read in conjunction with the accompanying notes

Beam Communications Holdings Limited
Statement of changes in equity
For the year ended 30 June 2025

Consolidated	Issued capital \$	Reserves \$	Retained earnings / accumulated losses \$	Total equity \$
Balance at 1 July 2023	17,374,871	188,422	856,499	18,419,792
Loss after income tax benefit for the year	-	-	(1,785,892)	(1,785,892)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(1,785,892)	(1,785,892)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 24)	-	98,423	-	98,423
Adjustment for broker options expired	-	(32,355)	32,355	-
Balance at 30 June 2024	<u>17,374,871</u>	<u>254,490</u>	<u>(897,038)</u>	<u>16,732,323</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	17,374,871	254,490	(897,038)	16,732,323
Loss after income tax expense for the year	-	-	(13,541,616)	(13,541,616)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(13,541,616)	(13,541,616)
<i>Transactions with owners in their capacity as owners:</i>				
share based payments	-	7,564	-	7,564
Adjustment for remuneration-based options lapsed	-	(139,440)	139,440	-
Balance at 30 June 2025	<u>17,374,871</u>	<u>122,614</u>	<u>(14,299,214)</u>	<u>3,198,271</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Beam Communications Holdings Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	Consolidated	
		30 June 2025	30 June 2024
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		29,732,817	36,536,423
Payments to suppliers and employees (inclusive of GST)		(31,443,709)	(35,218,475)
Interest received		1,608	2,395
Insurance proceeds received		-	12,222
Interest and finance charges paid		(111,560)	(24,039)
Income tax expense		(5,658)	(5,417)
Net cash (used in)/from operating activities	22	(1,826,502)	1,303,109
Cash flows from investing activities			
Payments for property, plant and equipment	12	(35,336)	(36,846)
Payments for capitalised development costs		(80,635)	(2,890,266)
Net cash used in investing activities		(115,971)	(2,927,112)
Cash flows from financing activities			
Lease liability repayments		(193,839)	(220,705)
Net proceeds from borrowings		813,672	-
Net cash from/(used in) financing activities		619,833	(220,705)
Net decrease in cash and cash equivalents		(1,322,640)	(1,844,708)
Cash and cash equivalents at the beginning of the financial year		3,106,780	4,951,488
Cash and cash equivalents at the end of the financial year		<u>1,784,140</u>	<u>3,106,780</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The impact of these standards did not have a material impact on the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001 and comply with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Accounting policies

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied to all years presented, unless otherwise stated. When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Beam Communications Holdings Limited) and all of the subsidiaries which are entities the parent controls. A list of the subsidiaries is provided in note 29.

(b) Income tax

Income tax expense (benefit) for the year comprises current income tax expense (credit) and deferred income tax expense (benefit).

A net deferred tax asset is recognised in the current year reflecting the movements in deferred tax assets and liabilities for the period.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. At each reporting date, the Group re-assesses unrecognised deferred tax assets as to the extent that it has become probable that future tax profit will enable recognition.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 1. Material accounting policy information (continued)

intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Beam Communications Holdings Limited and its wholly owned Australian subsidiaries have formed a tax consolidated group under the tax consolidation regime. The current tax liability of each group entity and deferred tax assets arising from tax losses are immediately assumed by the parent entity.

(c) Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(d) Plant and equipment

Plant and equipment are carried at cost less any accumulated depreciation and impairment losses, where applicable.

The carrying amount of plant and equipment is reviewed at each reporting date by directors to ensure it is not in excess of the recoverable amount from these assets.

Repairs and maintenance to plant and equipment is charged to the statement of profit or loss and other comprehensive income during the financial period in which it is incurred.

The depreciable amount of plant and equipment is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use.

The straight-line depreciation rates for plant and equipment were:

Office furniture and equipment	10 years
Computer and test equipment	3 years
Rental equipment	3 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials and direct labour.

(f) Development costs

Development costs are capitalised only when it is probable that the expected future economic benefits would flow to the company and can be measured reliably. Development costs have a finite life and are amortised on a systematic basis matched to future production. Expenditure not related to the creation of a new product is recognised as an expense when incurred.

The amortisation rate for capitalised development costs is dependent on an assessment of the minimum useful life of each project.

(g) Employee benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Note 1. Material accounting policy information (continued)

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

Option based compensation relates to the value of options issued to date and brought to account pro-rata to the time period from the date of issue to the date of vesting, except in the case of Director's where Accounting Standard AASB 2 requires expensing to begin from the commencement of service related to those options, notwithstanding that the issue of those options is subject to shareholder approval.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(h) Impairment of non-financial assets

At each reporting date, the group reviews the carrying values of its assets to determine whether there is an indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income. Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Where applicable, bank overdrafts are disclosed within other financial liabilities in current liabilities on the statement of financial position.

(j) Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The entity recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the entity uses its incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received, any initial direct costs and an estimate of any costs to dismantle and remove the asset at the end of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. They are subject to impairment or adjusted for remeasurement.

Note 1. Material accounting policy information (continued)

(k) Revenue recognition

Revenue from the sale of goods or services is brought to account upon fulfilment of the relevant performance obligations of the contract with the customer. Performance obligations are fulfilled upon delivery of the goods or services to the customer at which point the transaction price is brought to account as revenue. The transaction price is the amount of consideration to which the group expects to be entitled in exchange for transferring promised goods or services to a customer.

Recurring revenues derived from airtime usage and related services are recognised over time, as the performance obligations are satisfied by providing access to network services and related benefits continuously throughout the contract period.

Revenue is measured based on the consideration specified in the contract, net of discounts, rebates, and amounts collected on behalf of third parties (such as goods and services tax).

For airtime and other services, revenue is recognised as the services are rendered to the customer, reflecting the pattern of consumption and the Group's ongoing transfer of service benefits. Where amounts are invoiced in advance, they are initially recorded as contract liabilities (deferred revenue) and recognised in the statement of profit or loss and other comprehensive income over the service period.

Interest revenue and rental income are recognised when they become receivable. Other revenue is recognised when the right to receive the revenue has been established.

(l) Interest in joint venture

A joint venture represents the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Where the Group is a party to a joint venture, the Group recognises its interests in the joint venture using the equity method whereby the investment in the joint venture is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the joint venture.

The statement of profit or loss and other comprehensive income reflects the Group's share of the results of operations of the joint venture. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

(m) Foreign currency transactions and balances

Functional and presentation currency

The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income.

(n) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the asset or expense cost. Receivables and Payables are shown in the statement of financial position as inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

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Note 1. Material accounting policy information (continued)

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) 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.

(q) New Accounting Standards and Interpretations not yet mandatory or early adopted

The below are Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods:

Accounting Standards and Interpretations	Applicable to annual reporting periods beginning on or after
AASB 2014-10 Sale or contribution of Assets between an Investor and its Associate or Joint Venture	1 Jan 2025

The Group has assessed the impact of this standard and concluded that the adoption of AASB 2024-10 will have no material impact on its consolidated financial statements as the Group has not entered into any such transactions during the reporting period, nor does it expect to in the foreseeable future.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets

The consolidated group determines the estimated useful lives and related amortisation charges for its finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease liabilities

The incremental borrowing rate applied to various lease liabilities recognised under AASB 16 ranges between 6.34% - 8%.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The amount of net deferred tax assets which may be realised in the future is dependent on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Employee benefits provision

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Warranty provision

In determining the level of provision required for warranties the Group has made judgements in respect of the expected performance of the products, the number of customers who will actually claim under the warranty and how often, and the costs of fulfilling the conditions of the warranty. The provision is based on estimates made from historical warranty data associated with similar products and services.

Note 3. Operating segments

Identification of reportable operating segments

The Group has identified operating segments based upon internal reports that are reviewed and used by the Directors in assessing performance and determining the allocation of resources in respect of its satellite communications products services and online sales. As the online sales segment operated by SatPhone Shop Pty Ltd, a wholly owned subsidiary company, does not meet the quantitative threshold for separate disclosure, the company considers its aggregate segment as its sole segment. Accordingly, revenue and results are fully disclosed in the consolidated statement of profit or loss and other comprehensive income for this aggregated sole operating segment.

The consolidated statement of financial position discloses the sole operating segment assets and liabilities which are held within Australia.

Major customers

The Group has a number of customers to whom it provides products and services. The Group supplied a single customer in Canada, accounting for 23% of revenue (2024: 26%) and the second largest customer, located in the U.S., accounted for 19% of revenue (2024: 27%). The next most significant customer accounts for 7% of revenue (2024: 6%).

Geographical information

The geographical disaggregation of sales has been presented in note 4.

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 4. Revenue

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Equipment sales	22,269,059	30,050,706
Airtime	1,974,876	1,599,248
Royalty fees	1,368,157	1,030,410
Other	66,382	71,236
	<u>25,678,474</u>	<u>32,751,600</u>

Revenue

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Geographical regions</i>		
Australia	7,553,313	7,239,862
United States of America	5,155,565	9,376,273
United Arab Emirates	515,552	524,383
United Kingdom	1,271,299	1,206,678
China	344,567	710,562
Canada	6,480,330	9,212,159
Japan	486,442	308,909
Other foreign countries	3,871,406	4,172,774
	<u>25,678,474</u>	<u>32,751,600</u>

Timing of revenue recognition

Goods and services transferred at a point in time
Goods and services transferred over time

Goods and services transferred at a point in time	22,335,441	30,121,942
Goods and services transferred over time	3,343,033	2,629,658
	<u>25,678,474</u>	<u>32,751,600</u>

Note 5. Other income

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Research and development grant	815,188	429,344
Interest	1,608	2,395
Insurance proceeds	-	12,222
Other income	<u>816,796</u>	<u>443,961</u>

Beam Communications Holdings Limited
Notes to the financial statements
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Note 6. Expenses

Profit before income tax includes the following specific expenses:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Cost of sales</i>		
Opening inventories	5,683,568	7,462,235
Add: Purchases and other stock adjustments	14,140,299	20,452,972
	<u>19,823,867</u>	<u>27,915,207</u>
Less: Closing inventories (note 9)	<u>(2,989,301)</u>	<u>(5,683,568)</u>
	<u>16,834,566</u>	<u>22,231,639</u>
<i>Other expenses</i>		
Product development costs expensed	1,161,858	681,432
Operating lease payments	62,587	19,406
Travel expense	159,836	332,279

Note 7. Income tax benefit

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Income tax expense/(benefit)</i>		
US tax expense benefit	5,658	5,417
Current movement of temporary difference in net deferred tax assets	1,509,585	(398,089)
Movement in deferred tax asset associated with carry forward tax losses	(126,033)	(262,664)
R&D tax offset	<u>(132,622)</u>	<u>(132,622)</u>
Aggregate income tax expense/(benefit)	<u>1,256,588</u>	<u>(787,958)</u>
<i>Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate</i>		
Loss before income tax (expense)/benefit	<u>(12,285,028)</u>	<u>(2,573,850)</u>
Tax at the statutory tax rate of 25% (FY24: 30%)	(3,071,257)	(772,155)
Tax reconciling items	3,071,257	772,155
US tax expense	5,658	5,417
Deferred tax assets benefit/(loss)	<u>1,250,930</u>	<u>(793,375)</u>
Income tax expense/(benefit)	<u>1,256,588</u>	<u>(787,958)</u>

Income tax expense includes a tax expense of \$5,658 (FY24: \$5,417 tax credit), incurred by the Group's USA subsidiary, which is unable to be combined with Australian tax losses.

There are no franking credits available to equity holders.

Beam Communications Holdings Limited
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Note 8. Trade and other receivables

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current assets</i>		
Trade receivables	435,173	3,816,498
Less: Allowance for expected credit losses	(4,623)	(3,477)
	<u>430,550</u>	<u>3,813,021</u>
Other receivables and prepayments	2,839,980	1,139,325
Rental & other security deposits	934	934
	<u>2,840,914</u>	<u>1,140,259</u>
	<u>3,271,464</u>	<u>4,953,280</u>
<i>Non-current assets</i>		
Rental & other security deposits	112,867	112,867
	<u>112,867</u>	<u>112,867</u>
	<u>3,384,331</u>	<u>5,066,147</u>

Ageing reconciliation	Within trade terms	Past due but not impaired (days overdue) 31-60	Past due but not impaired (days overdue) 61-90	Past due but not impaired (days overdue) 90+	Past due & impaired	Gross amount
2025						
<i>Current</i>						
Trade receivables	458,955	90,173	11,030	(129,608)	4,623	435,173
Other receivables	2,839,980	-	-	-	-	2,839,980
Rental & other security deposits	113,801	-	-	-	-	113,801
Expected credit loss rate	-	-	-	-	100.00%	1.06%
2024						
<i>Current</i>						
Trade receivables	2,825,559	395,435	8,910	583,117	3,477	3,816,498
Other receivables	1,139,325	-	-	-	-	1,139,325
Rental & other security deposits	113,801	-	-	-	-	113,801
Expected credit loss rate	-	-	-	-	100.00%	0.09%

All trade receivables past due terms but not impaired are expected to be received in the normal course of business.

Note 9. Inventories

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current assets</i>		
Raw materials - at cost	458,822	736,682
Finished goods - at cost	3,748,691	5,891,047
Less: Provision for impairment	(1,218,212)	(944,161)
	<u>2,989,301</u>	<u>5,683,568</u>

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Note 10. Right-of-use assets

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Non-current assets</i>		
Plant and equipment - right-of-use	633,833	633,833
Less: Accumulated depreciation	<u>(345,397)</u>	<u>(136,534)</u>
	<u><u>288,436</u></u>	<u><u>497,299</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Balance
	\$
Balance at 1 July 2023	95,903
Additions	586,152
Depreciation expense	<u>(184,756)</u>
Balance at 30 June 2024	497,299
Depreciation expense	<u>(208,863)</u>
Balance at 30 June 2025	<u><u>288,436</u></u>

The Group leases building and two forklifts, with respective lease terms of 12, 5, and 3 years. Initially, the building was leased for a 9-year term starting in January 2015. This lease was modified in December 2023 to incorporate an additional three-year period.

None of the lease contracts include terms for variable payments.

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Amount recognised in profit or loss		
Depreciation expense on right-of-use assets	208,863	184,756
Interest expense on lease liabilities	26,289	23,903
Expense relating to short-term leases	12,585	19,429

Beam Communications Holdings Limited
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Note 11. Interest in joint venture

The Group has a 50% share in a joint venture company, Zoleo Inc., which was incorporated in Canada in August 2018.

Zoleo Inc. had no contingent liabilities or capital commitments as at 30 June 2025.

The Group's accumulated contribution US\$775,000 had been previously recognised as an increase in investment as per the equity accounting method and was written down to nil during the prior financial year as the Group's share of the accumulated losses exceeds the investment total. Share of profit/loss is not included based on settlement and impending divestment.

Summarised financial information:

	Zoleo Inc	Zoleo Inc
	2025	2024
	\$	\$
Summarised statement of financial position:		
Current assets	4,466,666	4,780,260
Total assets	<u>4,466,666</u>	<u>4,780,260</u>
Current liabilities	(4,651,919)	(6,134,322)
Non-current liabilities	(2,366,412)	(2,339,976)
Total liabilities	<u>(7,018,331)</u>	<u>(8,474,298)</u>
Net asset deficiency	<u>(2,551,665)</u>	<u>(3,694,038)</u>
Share capital	302	302
Accumulated losses	<u>(2,551,967)</u>	<u>(3,694,340)</u>
Net equity	<u>(2,551,665)</u>	<u>(3,694,038)</u>
Summarised statement of profit or loss and other comprehensive income:		
Revenue	43,697,129	46,634,490
Cost of goods sold	<u>(36,893,271)</u>	<u>(40,623,796)</u>
Gross profit	<u>6,803,858</u>	<u>6,010,694</u>
<i>Expenses</i>		
Operating staff costs	(3,739,621)	(3,595,734)
Marketing	(357,714)	(574,410)
Professional services	(124,568)	(127,182)
Billing & support fees	(920,696)	(920,815)
Other expenses	(639,661)	(753,979)
Total expenses	<u>(5,782,260)</u>	<u>(5,972,120)</u>
Non-operating income	<u>31,172</u>	<u>19,307</u>
Non-operating expense	<u>23,569</u>	<u>(111,660)</u>
Tax	<u>-</u>	<u>(89,135)</u>
Profit/(Loss) for the year	<u>1,076,339</u>	<u>(142,914)</u>
Group's share of Profit/(loss) for the year ended	<u>538,169</u>	<u>(71,457)</u>

Beam Communications Holdings Limited
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Note 12. Plant and equipment

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Non-current assets</i>		
Office furniture and equipment - at cost	535,397	508,058
Less: Accumulated depreciation	<u>(496,987)</u>	<u>(490,434)</u>
	38,410	17,624
Computer and test equipment - at cost	537,030	529,910
Less: Accumulated depreciation	<u>(507,222)</u>	<u>(474,415)</u>
	29,808	55,495
Rental equipment - at cost	47,970	43,657
Less: Accumulated depreciation	<u>(34,518)</u>	<u>(25,130)</u>
	13,452	18,527
Total plant and equipment	<u>81,670</u>	<u>91,646</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Office furniture & equipment \$	Computer & test equipment \$	Rental equipment \$	Total \$
Balance at 1 July 2023	25,709	62,274	11,603	99,586
Additions	-	30,927	17,882	48,809
Disposals	-	-	(5,817)	(5,817)
Depreciation expense	<u>(8,085)</u>	<u>(37,706)</u>	<u>(5,141)</u>	<u>(50,932)</u>
Balance at 30 June 2024	17,624	55,495	18,527	91,646
Additions	27,338	7,997	11,726	47,061
Disposals	-	-	(7,413)	(7,413)
Depreciation expense	<u>(6,553)</u>	<u>(33,683)</u>	<u>(9,388)</u>	<u>(49,624)</u>
Balance at 30 June 2025	<u>38,409</u>	<u>29,809</u>	<u>13,452</u>	<u>81,670</u>

Note 13. Development costs

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Non-current assets</i>		
Development costs	12,933,301	12,722,482
Less: Accumulated amortisation	<u>(4,559,956)</u>	<u>(3,325,718)</u>
Less: Impairment	<u>(8,373,345)</u>	<u>-</u>
	-	9,396,764

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Notes to the financial statements
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Note 13. Development costs (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Movement in carrying amount of development costs

Consolidated	\$
Balance at 1 July 2023	8,914,889
Additions	2,907,473
Amortisation expense	<u>(2,425,598)</u>
Balance at 30 June 2024	9,396,764
Additions	210,799
Impairment of assets	(8,373,345)
Amortisation expense	<u>(1,234,218)</u>
Balance at 30 June 2025	<u><u>-</u></u>

The \$8.4 million impairment charge for the period arose due to the early realisation of future economic benefits (\$3.6M), the cancellation of projects previously under development (\$1.5M), mitigating further capital investment and to prioritise capital returns over growth, and the write down of a development project due to the uncertainty around the ZOLEO Inc. arbitration settlement (\$3.3M). The recoverable amount was assessed to be nil (which is the basis of the impairment assessment outlined).

Note 14. Deferred tax

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Non-current assets</i>		
Deferred tax asset	-	4,219,149
Deferred tax liability	-	<u>(2,968,219)</u>
Deferred tax asset	<u>-</u>	<u>1,250,930</u>

The deferred tax expense reflects the movements in the deferred assets and liabilities. The directors have recognised 0% (30 June 2024: 100%) of the deferred tax assets and liabilities relating to carried forward tax losses. The directors have recognised 0% (30 June 2024: 100%) of non-refundable R&D tax credits.

The Group has written off deferred tax assets amounting to \$1,250,930 as of 31 December 2024. This decision was based on the assessment that sufficient future profitability and taxable income to fully realise the value of these assets is not expected, following a conservative approach.

The deferred tax assets may be reinstated in the future if deemed realisable, provided there are no adverse changes in income tax legislation. Additionally, the Group should be anticipated to generate sufficient future assessable income to realise the benefit and comply with the conditions of deductibility imposed by law.

Beam Communications Holdings Limited
Notes to the financial statements
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Note 15. Trade and other payables

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current liabilities</i>		
Trade payables and accruals	2,380,963	5,268,042
Deferred R&D income	-	815,188
Other deferred income	529,662	249,650
	<u>2,910,625</u>	<u>6,332,880</u>

The Group initially recognises refundable R&D investment grants deferred income upon receipt and brings to account the income over the same period as the amortisation of the related completed project cost. During the year, \$815,000 deferred R&D grant income was recognised in the statement of profit & loss as shown in note 5.

Refer to note 20 for further information on financial instruments.

Note 16. Borrowings

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current liabilities</i>		
Bank loans	95,275	-
Related party loan	509,150	-
	<u>604,425</u>	<u>-</u>

Total secured liabilities

Related party loan: The Group received a 12-month loan of USD \$320,000 from Adia Venture Limited, a company associated with non-executive director Mr Carl Hung, on 27 December 2024 at 11% p.a.

Bank loan: The Group has a loan facility with National Australia Bank, which reduces each month and is partially secured by the Australian government. The facility was utilised on 26 November 2024 and was fully drawn as of 30 June 2025 at an annual interest rate of 8.75%. The facility expires on 8 May 2026.

The carrying amounts of the borrowings represent the fair value, calculated using a discount rate of 6.24%.

All bank facilities are secured by first ranking Registered Mortgage Debenture over the Group's assets including uncalled capital and called but unpaid capital.

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 16. Borrowings (continued)

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Total facilities		
Bank overdraft	300,000	780,000
Bank guarantee facility	50,000	50,000
	<u>350,000</u>	<u>830,000</u>
Used at the reporting date		
Bank overdraft	-	-
Bank guarantee facility	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
Unused at the reporting date		
Bank overdraft	300,000	780,000
Bank guarantee facility	-	-
	<u>300,000</u>	<u>780,000</u>

Note 17. Lease liabilities

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current liabilities</i>		
Lease liability	210,536	193,831
<i>Non-current liabilities</i>		
Lease liability	91,650	302,195
	<u>302,186</u>	<u>496,026</u>

The entity does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

Refer to note 20 for further information on financial instruments.

Carrying amounts and movements

	\$
Balance at 1 July 2023	130,650
Additional	586,152
Decrease in liability	(220,776)
Balance at 30 June 2024	<u>496,026</u>
Decrease in liability	(193,840)
Balance at 30 June 2025	<u><u>302,186</u></u>

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 18. Provisions

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current liabilities</i>		
Employee benefits	802,740	1,215,955
Excess material costs	328,391	-
Warranty costs	136,411	264,195
	<u>1,267,542</u>	<u>1,480,150</u>
<i>Non-current liabilities</i>		
Employee benefits	44,829	51,755
Lease make good	200,000	-
	<u>244,829</u>	<u>51,755</u>
	<u><u>1,512,371</u></u>	<u><u>1,531,905</u></u>

Movements in provisions

Movements in each class of provision during the current financial year are set out below:

	Excess material	Employee benefits	Warranty costs	Make good	Total
	\$	\$	\$	\$	\$
Consolidated - 30 June 2025					
Carrying amount at the start of the year	-	1,267,709	264,195	-	1,531,904
Additional provisions recognised	328,391	481,119	20,405	200,000	1,029,915
Amounts used	-	(901,259)	(148,189)	-	(1,049,448)
Carrying amount at the end of the year	<u>328,391</u>	<u>847,569</u>	<u>136,411</u>	<u>200,000</u>	<u>1,512,371</u>

Note 19. Issued capital

	Consolidated			
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>86,421,921</u>	<u>86,421,921</u>	<u>17,374,871</u>	<u>17,374,871</u>

(a) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Share buy-back

There is no current on-market share buy-back.

(c) Capital risk management

When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

No dividends have been paid or declared in respect of ordinary shares for the 2025 financial year.

Note 19. Issued capital (continued)

The Group effectively manages its capital by assessing the financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders, share issues, or convertible note issues.

The capital risk management policy remains unchanged from the 30 June 2024 Annual Report.

Note 20. Financial instruments

Financial risk management objectives

The Group undertakes transactions in a range of financial instruments including:

- cash assets;
- receivables;
- payables;
- deposits

Activities undertaken by entities within the Group result in exposure to a number of financial risks, including market risk interest rate risk, foreign currency risk, credit risk and liquidity risk.

Due to the size of operation conducted by the Group, risk management is monitored directly by the Board of Directors of the parent company with the aim of mitigation of the above risks and reduction of the volatility on the financial performance of the Group.

The risks associated with material financial instruments and the Group's policies for minimising these risks are detailed below:

Market risk management

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

Interest rate risk for the Group primarily arises from bank funding.

Facilities are provided by the Group's bankers and if, drawn upon, are at variable interest rates based upon Business Overdraft Prime Indicator rates plus a risk margin. The group diligently manages the facilities and its accompanying rate risk in its daily operations by keeping the net debt portfolio at a minimum level or in an in-funds position.

These risks exposures related to the financial instruments are not considered material and therefore no sensitivity analysis has been provided.

Financial Instrument Composition and Maturity

The Group's exposure to interest rate risk, and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 20. Financial instruments (continued)

	Floating interest	Fixed interest	Weighted average interest rate %	Non-interest bearing	Total
2025					
<i>Financial assets</i>					
Cash assets	1,784,140	-	0.00%	-	1,784,140
Receivables	-	-	0.00%	3,384,331	3,384,331
	<u>1,784,140</u>	<u>-</u>		<u>3,384,331</u>	<u>5,168,471</u>
<i>Financial liabilities</i>					
Payables (excluding deferred income)	-	604,425	6.24%	2,380,963	2,985,388
Lease liabilities	-	302,186	6.41%	-	302,186
	<u>-</u>	<u>906,611</u>		<u>2,380,963</u>	<u>3,287,574</u>
2024					
<i>Financial assets</i>					
Cash assets	3,106,780	-	0.00%	-	3,106,780
Receivables	-	-	0.00%	5,066,147	5,066,147
	<u>3,106,780</u>	<u>-</u>		<u>5,066,147</u>	<u>8,172,927</u>
<i>Financial liabilities</i>					
Payables (excluding deferred income)	-	-	0.00%	5,268,042	5,268,042
Lease liabilities	-	496,026	6.34%	-	496,026
	<u>-</u>	<u>496,026</u>		<u>5,268,042</u>	<u>5,764,068</u>

Foreign currency risk management

Foreign currency risk refers to the risk that the value of a financial commitment, recognised asset or liability will fluctuate due to changes in foreign currency rates. The Group conducts the majority of its receivable and payable transactions in foreign currency, primarily in US Dollars. The Group's foreign currency exchange risk arises from the holding of foreign currency deposits and transactions in normal trading operations resulting in trade receivables and payables being held at balance date.

2025	USD\$	CAD\$	NZD\$
Receivables in foreign currency	224,918	-	6,992
Payables in foreign currency	(918,718)	(155,387)	-
	<u>(693,800)</u>	<u>(155,387)</u>	<u>6,992</u>

Foreign currency risk sensitivity:

If foreign exchange rates were to increase/decrease by 10% from rates used to determine values as at reporting date then the impacts on profit and equity due to unrealised foreign currency exchange gains or losses on foreign currency deposits and trade receivables and payables are as follows:

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 20. Financial instruments (continued)

	Foreign currency movement	Year ended 30 June 2025	Year ended 30 June 2024
Impact on profit after tax	+/- 10%	+/- 19,186	+/- 253,816
Impact on equity	+/- 10%	+/- 19,186	+/- 253,816

The above sensitivity reflects the net holding of foreign currency financial instruments at balance date. Whilst foreign currency payables and receivables are largely offsetting during the year, the Group monitors and manages the associated currency risks in order to reduce the impact of market risk volatility, therefore no further sensitivity analysis has been provided.

Price risk

Price risk encompasses the potential for adverse effects on an entity's financial performance due to fluctuations in the prices of purchased goods and services, influenced by varying market conditions. To counter the risk, the Group consistently evaluates purchase prices as a routine operation, strategically determining the best timing and quantity for each acquisition.

Credit risk management

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause a financial loss to the Group.

The credit risk on financial assets of the Group that have been recognised in the statement of financial position is the carrying amount, net of any provision for doubtful debts. The Group minimises credit risk by performing credit assessments on all new customers, and continuing major customers, and where necessary, obtaining advance payments.

Ongoing credit evaluation is performed on the financial condition of customers and, where appropriate, an allowance for doubtful debts is raised.

The Group does not have any credit risk arising from money market instruments, foreign currency contracts, cross currency and interest rate swaps.

Liquidity risk management

Liquidity risk includes the risk that, as a result of the Consolidated Group's operational liquidity requirements, the Group:

- will not have sufficient funds to settle a transaction on the due date;
- will be forced to sell financial assets at a value which is less than what they are worth;
- may be unable to settle or recover a financial asset at all.

To help reduce these risks the Group:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained; and
- monitors forecast cash flows and endeavours to ensure that adequate borrowing facilities are maintained and/or maturity dates are managed appropriately.

The Group's exposure to liquidity risk on classes of financial assets and financial liabilities, is as follows:

	1 year	1 - 5 years	Total contractual cash flows
2025			
<i>Asset/Liability class</i>			
Cash and cash equivalents	1,784,140	-	1,784,140
Receivables	3,271,464	112,867	3,384,331
Payables and borrowings (excluding deferred income)	(2,985,388)	-	(2,985,388)
Lease liabilities	(210,536)	(91,650)	(302,186)
Net maturities	<u>1,859,680</u>	<u>21,217</u>	<u>1,880,897</u>

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 20. Financial instruments (continued)

2024	1 year	1 - 5 years	Total
<i>Asset/Liability class</i>			
Cash and cash equivalents	3,106,780	-	3,106,780
Receivables	4,953,280	112,867	5,066,147
Payables and borrowings (excluding deferred income)	(5,268,042)	-	(5,268,042)
Lease liabilities	(193,831)	(302,195)	(496,026)
Net maturities	<u>2,598,187</u>	<u>(189,328)</u>	<u>2,408,859</u>

Note 21. Commitments and contingencies

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Capital expenditure projects</i>		
Within one year	-	2,072,000
One to five years	-	-
More than five years	-	-
	<u>-</u>	<u>2,072,000</u>

Capital commitments relate to product development projects being undertaken by the subsidiary, Beam Communications Pty Ltd.

Superannuation commitments

Beam Communications Holdings Limited makes superannuation contributions to prescribed superannuation funds on behalf of employees and executive directors, as required by the Superannuation Guarantee legislation. The principal types of benefits are death, permanent disability and superannuation benefits upon retirement.

Note 22. Reconciliation of loss after income tax to net cash from/ (used in) operating activities

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Loss after income tax (expense)/benefit for the year	(13,541,616)	(1,785,892)
Adjustments for:		
Depreciation	258,486	235,686
Amortisation	1,234,218	2,425,598
Impairment	8,373,345	-
Unrealised foreign currency net (gains)/losses	(48,796)	82,071
Share options expensed	7,564	98,069
Notional interest expense	33,490	-
Change in operating assets and liabilities:		
Decrease in trade and other operating assets	1,681,816	254,755
Decrease in inventories	2,420,217	2,337,345
Decrease/(increase) in deferred tax assets	1,250,930	(793,375)
Decrease in trade and other operating liabilities	(2,687,106)	(562,258)
Decrease in employee benefits	(420,140)	(19,688)
(Decrease)/increase in provision for warranty costs	(127,785)	73,622
Decrease in income in advance	(535,176)	(484,145)
Increase/(decrease) in provision for stock obsolescence	274,051	(558,679)
Net cash from/(used in) operating activities	<u>(1,826,502)</u>	<u>1,303,109</u>

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 23. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Short-term employee benefits	967,750	1,247,487
Post-employment benefits	85,879	135,214
Long-term benefits	(77,847)	20,017
Termination benefits	171,041	-
Share-based payments	7,564	98,068
	<u>1,154,387</u>	<u>1,500,786</u>

Note 24. Share-based payments

Share Option Incentive Plan

Share options under the Share Option Incentive Plan are granted at the discretion of the directors based on terms and conditions set out in the Company's Share Option Incentive Plan. The directors may at any time and from time to time determine eligible persons for the purposes of the option plan and select amongst those eligible persons participants who will be invited to participate in the option plan.

Options issued to directors pursuant to the option plan will be subject to approval of shareholders in general meeting, in compliance with the Listing Rules.

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) and movements in share options issued under the Share Option Incentive Plan during the year for the Company:

	30 June 2025	WAEP	30 June 2024	WAEP
	No.	\$	No.	\$
Outstanding at the beginning of the financial year	2,408,798	-	2,230,798	-
Issued during the financial year	-	-	178,000	0.3000
Lapsed during the financial year	(1,878,000)	0.3351	-	-
Exercised during the financial year	-	-	-	-
Outstanding at the end of the financial year	<u>530,798</u>		<u>2,408,798</u>	
Outstanding at the date of this report	<u>530,798</u>		<u>2,408,798</u>	
Exercisable at the date of this report	<u>530,798</u>		<u>1,300,000</u>	

The fair value of the options granted to Managing Director Mr. M Capocchi has been determined using the Black-Scholes option value model as detailed below.

Grant date	30 November 2021
Number of options	530,798
Expiry date	31 August 2026
Share price at valuation date (\$)	0.4200
Exercise price per option (\$)	0.3500
Expected volatility	65%
Dividend yield	0%
Risk free interest rate	1.29%
Fair value per option at grant date (\$)	0.231

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck Audit (Vic) Pty Ltd, the auditor of the company:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Audit services - William Buck Audit (Vic) Pty Ltd FY25	95,000	-
Audit services - RSM Australia Partners FY24	35,109	120,634
	<u>130,109</u>	<u>120,634</u>

Note 26. Related party transactions

Parent entity

Beam Communications Holdings Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 29.

Key management personnel

Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Payments for sales of good and services:		
Sales to Season Group	60,200	-
Payment for goods and services:		
Purchases from Season Group	2,568,984	-
Consulting fees paid Vantage Point Partners	27,500	-
Payment for other expenses:		
Interest paid to Adia Venture Limited	27,378	-

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Current receivables:		
Trade receivables from Season Group	32,634	-
Current payables:		
Trade payables to Season Group	1,208,691	-

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 26. Related party transactions (continued)

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Current borrowings:		
Secured loan from Adia Venture Limited	509,150	-

Mr C Hung was appointed as director of the Group on 28th November 2024, and is also the president and a director of Season Group. During the year ended 30 June 2025 the Group subcontracted Season Group as one of its manufacturing partners on arms length basis, in accordance with a contract signed prior to his appointment as director. Transactions between the Group and Season Group are on normal commercial terms and conditions no more favourable than those available to other parties.

On 27th December 2024, the Group received a US\$320,000 secured loan from Adia Venture Limited, a company associated with non-executive director Mr C Hung. The loan was fully drawn on 30th December 2024. Refer to Note 16 for more details.

Mr B Lau was appointed as non-executive director of the Group on 16th January 2025. Prior to his appointment as a non-executive director, the Group engaged Vantage Point Partners ("VPP"), an agency founded by Mr B Lau, to provide investor relations services to the Group. Transactions between the Group and VPP are on normal commercial terms and conditions no more favourable than those available to other parties.

All transactions were made on normal commercial terms and conditions and at market rates.

Note 27. Earnings per share

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Loss after income tax attributable to the owners of Beam Communications Holdings Limited	(13,541,616)	(1,785,892)
Loss after income tax attributable to the owners of Beam Communications Holdings Limited used in calculating diluted earnings per share	<u>(13,541,616)</u>	<u>(1,785,892)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>86,421,921</u>	<u>86,421,921</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>86,421,921</u>	<u>86,421,921</u>

Options have not been considered in the dilutive earnings per share calculation due to the average market price being less than the exercisable price.

	30 June 2025	30 June 2024
	Cents	Cents
Basic earnings per share	(15.67)	(2.07)
Diluted earnings per share	(15.67)	(2.07)

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 28. Parent entity information

Statement of profit or loss and other comprehensive income

	Parent 30 June 2025	Parent 30 June 2024
	\$	\$
Loss from continuing operations	(2,185,873)	(1,883,001)
Tax (expense)/benefit	(1,250,930)	793,375
Loss for the year attributable to owners of the Company	<u>(3,436,803)</u>	<u>(1,089,626)</u>
Other comprehensive income	-	-
Total loss and other comprehensive income for the year attributable to owners of the Company	<u>(3,436,803)</u>	<u>(1,089,626)</u>

Statement of financial position

	Parent 30 June 2025	Parent 30 June 2024
	\$	\$
Assets		
Current assets	3,730,247	5,503,576
Non-current assets	469,495	1,934,214
Total assets	<u>4,199,742</u>	<u>7,437,790</u>
Liabilities		
Current liabilities	(5,283,191)	(5,074,529)
Non-current liabilities	(336,479)	(353,950)
Total liabilities	<u>(5,619,670)</u>	<u>(5,428,479)</u>
Net assets	<u>(1,419,928)</u>	<u>2,009,311</u>
Equity		
Issued capital	17,374,871	17,374,871
Reserves	122,614	254,490
Accumulated losses	<u>(18,917,413)</u>	<u>(15,620,050)</u>
	<u>(1,419,928)</u>	<u>2,009,311</u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 and 30 June 2024.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments

The parent entity had no capital commitments as at 30 June 2025 and 30 June 2024.

Material accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1.

Beam Communications Holdings Limited
Notes to the financial statements
30 June 2025

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2025 %	30 June 2024 %
Beam Communications Pty Ltd	Australia	100.00%	100.00%
SatPhonerental Pty Ltd	Australia	100.00%	100.00%
SatPhone Shop Pty Ltd	Australia	100.00%	100.00%
Beam Communications USA Inc	United States of America	100.00%	100.00%

Note 30. Events after the reporting period

Subsequent to reporting date, final valuation report was received on 20 August 2025 from the independent valuator Secretariat Advisors, LLC, whereby total fair market value of the Zoleo Inc. joint venture to be US\$13.7 million (equivalent to approximately A\$21.1 million) with Beam to receive US\$6.9 million from the sale of its 50% share in the joint venture.

In addition, a settlement agreement has been reached on 22 April 2025, with the joint venture partner Roadpost Inc., whereby Beam is to receive approximately US\$2.6 million (equivalent to approximately A\$4.1 million) from Roadpost Inc. upon the closing of sale of Beam shares in Zoleo to Roadpost.

Consequently, total amount payable for Beam's exit from Zoleo Inc. joint venture will be in the order of US\$~9.5 million (before costs) over three years, with the fourth and final instalment to be payable on 19 September 2028.

As a matter of formality and to give legal effect to the transactions, Beam and Roadpost will have to execute on the final sale agreements that cover all elements of the transaction.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Beam Communications Holdings Limited
Consolidated entity disclosure statement
As at 30 June 2025

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Beam Communications Holdings Limited	Parent Company	Australia	-	Australia*
Beam Communications Pty Ltd	Body Corporate	Australia	100.00%	Australia*
SatPhonerental Pty Ltd	Body Corporate	Australia	100.00%	Australia*
SatPhone Shop Pty Ltd	Body Corporate	Australia	100.00%	Australia*
Beam Communications USA Inc	Body Corporate	United States of America	100.00%	Australia*, United States of America

* Beam Communications Holdings Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295(3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vi) of the Corporations Act 2001).

Partnerships and trusts

Australian tax law generally does not contain corresponding residency tests for partnerships and trusts and these entities are typically taxed on a flow-through basis. Additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

Beam Communications Holdings Limited
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mr David Stewart
Chairman

28 August 2025

Independent auditor's report to the members of Beam Communications Holdings Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Beam Communications Holdings Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2025,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

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.

Impairment of Intangible Assets	Area of focus (refer also to notes 1, 2, and 13)	How our audit addressed the key audit matter
	<p>As at 30 June 2025 the Group held intangible assets on its statement of financial position of \$nil (30 June 2024: \$9.4 million)</p> <p>Under <i>AASB 136 – Impairment of assets</i> the Group has performed an impairment assessment for intangible assets. As a result the Group has recognised an impairment charge of \$8.4 million as at 30 June 2025.</p> <p>We identified this area as a key audit matter due to the quantum of the impairment charge recorded during the year and management judgment involved in calculating the charge which has been recorded.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> — Assessing managements review of any indicators of impairment; and — Confirming that the quantum of the charge recorded by management was reasonable and in line with the specific business circumstances in respect of the loss of the arbitration case by the Group which has resulted in the value of these intangible assets being impaired to \$nil as at 30 June 2025. <p>Reviewed the adequacy of disclosures against the requirements of <i>AASB 136 – Impairment of assets</i>.</p>
Inventory	<p>Area of focus (refer also to notes 1 & 9)</p> <p>The Group's inventory of \$3.0 million is significant to the financial statements and has decreased significantly from prior year.</p> <p>Inventory is required to be carried at the lower of its cost and net realisable value applying the weighted average cost method.</p> <p>The valuation of inventory involves significant judgement by management as value depends on the age and types of product.</p>	<p>How our audit addressed the key audit matter</p> <p>Our audit procedures included:</p> <p>A physical verification of inventory; Performance of cut-off testing for both inwards and outwards goods around the year end date; On a sample basis, validated the cost price of inventory items through to supporting documentation; A review of subsequent product sales to ensure inventory was valued at the lower of cost and net realisable value; and We assessed management's judgements in relation to the need for provisioning based on the ageing and condition of the inventory.</p> <p>We also considered the adequacy of disclosures in relation to inventory.</p>

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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 30 June 2025, 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.

Other Matter

The financial report of the Group for the year ended 30 June 2024 was audited by another auditor who expressed an unmodified opinion on the financial report on 29 August 2024.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of 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.

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A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Beam Communications Holdings Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

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.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A Finnis

A. A Finnis

Director

Melbourne 28 August 2025

Security Holder Information

This section includes information required by ASX Listing Rules, which is not disclosed elsewhere in this Annual Report.

As at 31 July 2025:

TOP 20 SHAREHOLDERS

	Number	% of Class
David Stewart	10,905,000	12.62%
FF Okram Pty Ltd	8,634,258	9.99%
Patrison (Asia) Ltd	5,540,874	6.41%
Bolivianos Group	5,248,641	6.07%
Michael Capocchi	3,124,320	3.62%
Dr Malaka Ameratunga	2,350,000	2.72%
HSBC Custody Nominees	2,122,282	2.46%
Stefan Zan Piruze	2,009,350	2.33%
Artpreciation Pty Ltd	1,798,632	2.08%
Hoffman Capital Pty Ltd	1,677,523	1.94%
Vincent Galante	1,590,922	1.84%
Catch 88 Pty Ltd	1,573,278	1.82%
Hotton Family	1,344,487	1.56%
Christopher Silvestro	1,300,000	1.50%
G Chan Pension Pty Ltd	1,091,347	1.26%
Hughes Asset Management	1,078,818	1.25%
Sealex Pty Ltd	1,015,860	1.18%
Cedric Schaffer	1,000,000	1.16%
Tom Bekiaris	911,835	1.06%
Alan Berrick	697,955	0.81%
Total Top 20	55,015,382	63.66%
Total Issued	86,421,921	100.00%

SUBSTANTIAL SHAREHOLDERS

	Number held	% of class
David Stewart	10,905,000	12.62%

No options are held by a substantial shareholder to subscribe to ordinary fully paid shares.

UNMARKETABLE PARCELS

	Shares
Minimum \$500 parcel at \$0.13	3,846
Holders	460
Shares	537,992
% Total Issued	0.62

DISTRIBUTION OF SHARES

Ranges	Number of holders	% of holders
1-1,000	273	26.3%
1,001-5000	250	24%
5,001-10,000	124	11.9%
10,001-100,000	295	28.4%
100,001 and above	98	9.4%
Total number of Holders	1,152	100%

VOTING RIGHTS

There are 86,421,921 ordinary fully paid shares held by 1,040 members and these are the only class of share currently issued. The Company's Constitution provides that every member present in person, by proxy or by corporate representative or by appointed attorney shall on the show of hands have one vote and shall on a poll have one vote for each fully paid share held. The Constitution also authorises the Chairman to adopt any procedure which is in the Chairman's opinion necessary or desirable for the proper and orderly casting or recording of votes at any general meeting of the Company, whether on a show of hands or on a poll.

HOLDERS OF EACH CLASS OF EQUITY SECURITY

The company has issued:

- A.** 86,421,921 ordinary fully paid shares to 1,040 shareholders; and
- B.** 530,798 unlisted options @\$0.35 each expiring 31 August 2026 to 1 holder.

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