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ASX ANNOUNCEMENT 20 August 2025

ZOLEO INC. FINAL VALUATION & INTENTION TO PROVIDE A CAPITAL RETURN TO SHAREHOLDERS

Highlights:

- **Total amount payable for Beam's exit from the Zoleo Inc. joint venture (JV) is US~$9.5M (~A$14.6M)**
- **The total amount includes the US~$2.6M that Roadpost Inc. agreed to pay Beam under the settlement agreement and the sale of Beam's 50% stake in the JV**
- **Independent valuer, Secretariat Advisors, determined the total equity value of the JV at US$13.7M (Beam receives half)**
- **Beam reaffirms its intention to undertake a capital return and has appointed BDO Australia to provide advice on available options**
- **Under the JV agreement, Roadpost to pay 25% of Beam's share of the valuation within 30 days with the balance to be paid in equal annual instalments over three years**
- **Secretariat's valuation is final and binding with no right of appeal**
- **Beam continues to explore other opportunities for its remaining businesses to unlock further value for shareholders**

Beam Communications Holdings Ltd (ASX: BCC, "Beam" or the "Company") wishes to announce the valuation results for the Zoleo Inc. joint venture (JV) by independent valuer, Secretariat Advisors, LLC (Secretariat) and to reaffirm its commitment to undertake a capital return.

Secretariat has determined the total equity value of the JV to be ~US$13.7M (~A$21.1M) with Beam to receive US$6.9M from the sale of its 50% share in the JV to Roadpost Inc. (Roadpost).

Under the original JV agreement, the costs relating to the valuation process are borne by the seller (Beam) and Secretariat's valuation is final and binding with no course for appeal.

Roadpost has agreed to pay Beam a further US$~2.6M under a separate Settlement Agreement announced on 13 May 2025[1]. This takes the total amount payable for Beam's exit from Zoleo Inc. to US$~9.5 million (before costs).

Beam's Chairman, David Stewart, commented:

> *"The independent valuation confirms the significant value that Beam has created in the Zoleo Inc. joint venture. Our focus can now turn to restructuring Beam to become a leaner and profitable organisation as we continue to look for other opportunities to unlock more value for shareholders."*

Timing of Payments and Shareholder Distribution

Beam has engaged BDO Australia to provide advice on available options on the distribution of the proceeds. The amounts and timing of payments to Beam are determined by the JV agreement. Beam has summarized the timetable set out in the JV agreement and calculated the gross amounts that Roadpost is to pay below:

[1] https://announcements.asx.com.au/asxpdf/20250513/pdf/06jp3c6md0k606.pdf

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Payment Type	Amount	Payment Date
First instalment for Zoleo's equity value	US$1.72M	19 Sep 2025
Estimated Payment under Settlement Agreement	US$~2.60M	27 Dec 2025
Second instalment for Zoleo's equity value	US$1.72M	19 Sep 2026
Third instalment for Zoleo's equity value	US$1.72M	19 Sep 2027
Fourth instalment for Zoleo's equity value	US$1.72M	19 Sep 2028
TOTAL	**US$9.48M**	

BDO will also assist Beam in exploring value adding opportunities for the remaining business, including exploring the most viable and expedient options of capital return. Beam will provide further updates on these issues in due course.

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.

Key Highlights of the Valuation

The valuation was undertaken by Secretariat, an international legal advisory and consulting firm appointed by both Beam and Roadpost, to determine the Fair Market Value (FMV) of all of the issued and outstanding shares of each class of Zoleo Inc. as at the Valuation Date of 30th April, 2023.

Key highlights from Secretariat's valuation include:

- **Valuation Date**: The FMV of Zoleo Inc. was assessed as at 30th April 2023, in accordance with the terms of the JV Agreement and arbitration ruling.
- **Primary Methodology**: The valuation relied mainly on the Discounted Cash Flow (DCF) approach, reflecting expected future cash flows from device sales and subscription services, adjusted for key operational changes post-transaction.
- **Secondary Benchmarking**: A market approach was used to validate the DCF outcomes to corroborate the valuation conclusions derived under the primary approach.
- **Enterprise and Equity Values**: The midpoint Enterprise Value was US$17.12 million, and after adjusting for shareholder loans, dues, and redundant cash, the midpoint Equity Value was US$13.74 million.
- **Post-Transaction Adjustments**: The valuation reflects the termination of Beam's distribution and manufacturing oversight roles, the cancellation of royalty obligations, the transfer of Beam's intellectual property for the device, and Zoleo Inc.'s assumption of all JV operational responsibilities.

This announcement has been approved by the Board of Directors.

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About Beam Communications Holdings Limited

Beam Communications Holdings Limited is an Australian publicly-listed company (ASX:BCC) that specialises in the design, development, sub-contract manufacture, and distribution of satellite, cellular and dual-mode equipment applications and services. Beam has developed several world-first innovations and its products and services are adopted by some of the world's largest satellite and telecommunications companies, such as Iridium, Telstra, KDDI, Inmarsat and Thuraya. Beam also developed the multi-award winning ZOLEO device, which generates recurring subscription revenues for the Group. Beam Communications Holdings Limited owns 100% of Beam Communications Pty Ltd and SatPhone Shop Pty Ltd www.satphoneshop.com. For more information, visit www.beamcommunications.com.