

Shareholder Newsletter

March 2019

Sneak peek at Beam's new 4G devices

Beam Communications is leveraging its established sales channels and expertise in developing high-quality and cost-effective communications devices to target niche markets that require IoT/M2M applications.

The company has also hired the former National Sales Manager of Netcomm Wireless, Richard Mills, to help spearhead the push into these new but related markets.

"While there are hundreds of different applications for IoT and M2M, we will be focusing on specific customers who aren't being properly serviced," said Mr Mills.

"What customers want is a complete solution that is customised for their needs and having 24/7 support from a single vendor."

He should know. He has been securing customers in these niche markets for over a decade and knows where the gaps in the market are.

Beam is looking to introduce two 4G gateways, MG200 and MG400, to capitalise on the market opportunity. The devices can be deployed in vehicles, caravans, small coastal crafts and other industrial environments like inside a vending machine.

The new devices will be built to withstand harsh Australian conditions so that they can be installed just about anywhere.

The MG200 will be a very cost-effective unit that can be used for asset tracking, fleet management, emergency response, monitoring (via external cameras and sensors), digital signage, ticketing/payments and general internet connectivity (WAN, hotspot).





Beam MG400

Beam OG200

The MG400 has the added advantage of having dual WiFi/SIM and a wider array of ports for more customisable applications.

Beam will also launch an outdoor unit, OG200, for easy all-in-one installations in remote locations for customers in energy, agriculture, mining and logistics.

The OG200 can switch between other communications networks and act as a backhaul for M2M devices (e.g. LoRa).

The three 4G devices, which are planned to be launched before the end of FY19, are highly complementary to Beam's current portfolio of mobile satellite devices, and there's demand from Beam's existing sales channels for 4G alternatives.

"The experience gained from developing the Thuraya WE dual-band device and the expertise that David Stewart and Richard Mills brings to Beam has opened new cellular IoT opportunities for our company," said Beam's chief executive Michael Capocchi.

"We will also be launching Beam-branded dual-band versions of these 4G products sometime in FY20."

On top of the world with Iridium GO!

Australian competitive snowboarder **Michaela Davis-Meehan**, who is currently ranked first on the World Freeride Qualifying tour, knows all about the rigours of what it means to be the best in her field. We caught up with Michaela to find out what drives her to be on top of her game.

Q: How old were you when she started training for competition?

I started snowboarding when I was 8 years old. I entered my first competition at 15 and at 16 started competing internationally. I competed for many years in Slopestyle in Burton Opens and World Cups. At age 24, I switched to Freeriding.

Q: What has been the most memorable place you've visited and have there been times where you're at a location where there's no cellular connection?



Aussie snowboarding champs Michaela Davis-Meehan (right) and Amber Arazny

The most unique place would have to be Iran. The people, the culture and the mountains are incredible! Everywhere I go I'm high up in the mountains but there's not always a cellular connection. (continued next page)



The time I needed service was in the backcountry in Thredbo, Australia where I tore my ACL. This is where I wished I had an Iridium GO! as it was a long hike out and ride back to the car.

Q: What are the most important items you always bring with you whenever you travel?

The Iridium GO! device whenever I'm touring and looking for those fresh tracks away from the slopes. It's critical for my safety in remote areas. My snowboarding gear and laptop are must too.

Q: How do you feel about qualifying for the next level in the World Freeride Qualifying Tour?

I am currently ranked no. 1 on the World Freeride Qualifying tour, to make World Tour I have to hold onto that 1st place. There are only 7 women on the World Tour. It is my ultimate goal and would be amazing to make the World Tour and then win it!!

Beam's subsidiary, SatPhone Shop, is sponsoring a documentary following **Michaela Davis-Meehan** and fellow champion Aussie snowboarder **Amber Arazny** on their snowboarding tour through the mountains of Georgia in April 2020.

Get ready for multiple launches in the next 12 months

It's going to be a busy time for Beam as the company gears up to launch a range of new products to continue building on the strong momentum over the last few months, including securing the sixth order for Iridium GO!, which brings the total number of units to 40,000.

While the upcoming launch of the new LTE devices (see page 1) is the next milestone for Beam, it's certainly not the only one that shareholders can look forward to.



Beam is also close to announcing a new product that is jointly developed with another established overseas satellite services company. Like the LTE 4G devices, this new product will allow Beam to tap into a new market segment and should contribute to group earnings in FY20.

There are also significant opportunities for Beam to develop Narrow-Band IoT (NBIoT) devices for specific customers given that demand for cost effective, always connected and long battery life IoT devices is expected to grow significantly.

Further, Beam plans to design and build products for the latest Iridium announced 9770 SFX module that will better utilise the higher throughput of the newly upgraded Iridium NEXT constellation, although this new device will not replace Iridium GO! as the existing device, which has one of the smallest form factors in its class.

Iridium has indicated that there is still plenty of life left in the Iridium GO! product lifecycle, while Beam's Thuraya WE product lifecycle has only just begun.

While the timing of new orders for Iridium GO! and Thuraya WE are outside of management's control, Beam believes it is likely to receive repeat orders for both products sometime in FY20.