



Beam Communications Holdings Limited

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The Manager
Market Announcements Platform
Australian Securities Exchange Limited

APPENDIX 4C – SEPTEMBER QUARTER 2020

Beam Communications Holdings Limited (ASX: BCC) is pleased to release its Quarterly Cash Flow Report (Appendix 4C) for the three months to 30 September 2020.

A Market Update incorporating comments on the Quarterly Cash Flow Report was separately released earlier today.

Yours faithfully

A handwritten signature in black ink, appearing to read "Michael Capocchi", is positioned above the printed name and title.

Michael Capocchi
Managing Director

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About Beam Communications Holdings Limited

Beam Communications Holdings Limited (formerly World Reach Limited) is an Australian publicly-listed company that specialises in the design, development, manufacture and distribution of satellite, cellular and dual-mode equipment, applications and services. Its products and services are adopted by some of the world's largest satellite and telecommunications companies, such as Iridium, Telstra, KDDI, Inmarsat & Thuraya, to fill the global needs of Information Communication & Technology markets. Beam Communications Holdings Limited owns 100% of Beam Communications Pty Ltd and SatPhone Shop Pty Ltd www.satphoneshop.com. For more information, visit www.beamcommunications.com.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Beam Communications Holdings Limited

ABN

39 010 568 804

Quarter ended ("current quarter")

30 September 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	4149	4149
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(3379)	(3379)
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(875)	(875)
(f) administration and corporate costs		
1.3 Dividends received (see note 3)		
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(37)	(37)
1.6 Income taxes paid	(3)	(3)
1.7 Gov grants and tax incentives - Covid19	352	352
1.8 Other (provide details if material) -Rent/GST	(55)	(55)
1.9 Net cash from / (used in) operating activities	152	152
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	-	-
(d) investments		
(e) intellectual property		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets – product dev capitalised	(566)	(566)
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	-	-
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (providedetails if material)-R&D grant	-	-
2.6	Net cash from / (used in) investing activities	(566)	(566)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings – NAB Support Loan (Covid-19)	500	500
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material) – JV net funding	-	-
3.10	Net cash from / (used in) financing activities	500	500)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	874	874
4.2	Net cash from / (used in) operating activities (item 1.9 above)	152	152
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(566)	(566)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	500	500
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	960	960

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	960	874
5.2	Call deposits		
5.3	Bank overdrafts	-	-
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	960	874

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	339
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Payments for subcontract manufactured products and related activities on an arm's length basis.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	750	-
7.2	Credit standby arrangements		
7.3	Other(pleasespecify) –Secured Term Loans	3320	1440
7.4	Total financing facilities	4070	1440
7.5	Unused financing facilities available at quarter end		2630
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>AUD overdraft \$300,000 and USD overdraft US\$320,000 (=A\$450,000) with National Australia Bank secured by fixed & floating charge. Arrangements were completed in 2016 for a secured term loan from shareholder SGV1 Holdings Limited of US\$2,000,000 (=A\$2,820,000) on the terms described in the ASX announcement on 19 October 2016. The Company later reached formal agreements with SGV1 Holdings Limited to extend the repayment date of the finance facility initially to 1 January 2021 and then on 20 August 2020 out to 1 April 2022.</p> <p>On 1 July the NAB granted Beam a 3 year term loan of \$500,000 part secured by the Australian government under their Covid19 relief program. The loan has been drawn.</p> <p>In addition, on 19 October 2020 the Company completed capital raising arrangements for a total of \$5.3m, receiving cash from the first tranche placement of \$3.3m on that day. \$2.0m will follow in December subject to shareholder approval.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	152
8.2	Cash and cash equivalents at quarter end (item 4.6)	960
8.3	Unused finance facilities available at quarter end (item 7.5) –	2630
8.4	Total available funding (item 8.2 + item 8.3)	3590
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: On 19 October 2020 capital raising arrangements were completed for a total raising of \$5.3m over two tranches.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:28 October 2020.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.