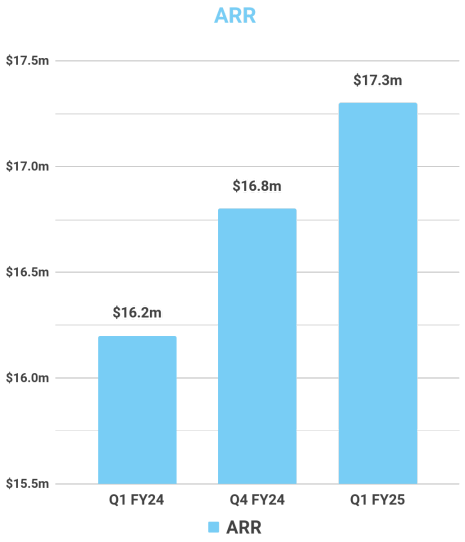
# BEONIC BUSINESS REVIEW Q1 FY2025

## ARR momentum and cost reduction reflect initial success of strategic refresh

### Q1 FY25 Highlights




- Recurring Revenue of $4.3m (+4.4% vs PCP[1]) and Annualised Recurring Revenue (ARR) of $17.3m[2] (+6.7% vs PCP) reflecting initial impacts of Beonic's (ASX:BEO) strategic refresh and focus on airport and retail sectors.
- Cash flow from operations was negatively impacted by $1.1m in delayed receivables and $0.7m in non-recurring payments associated with employee restructuring and cost out initiatives completed over the quarter. As a result, Q1 FY25 net cash outflow from operations was $2.2m.
- Improved cash costs associated with staff and administration of $3.8m (as per the Appendix 4C and excluding the one off restructuring costs), a $0.5m reduction on the PCP highlighting the significant benefit of the implemented cost reduction initiatives.
- During the quarter Beonic received $2.9m of net proceeds from the completed institutional placement (refer ASX release 19 June 2024) with a further $0.85m to be received in Q2 FY25. Proceeds from the institutional placement and associated SPP provide Beonic capital flexibility to execute on its strategic initiatives and accelerate growth plans. Additionally, a non-recurring payment of $0.35m was made to settle a short-term, director loan obligation.
- Continued execution against Airport vertical 'land and expand strategy' with operational footprint expansions at JFK & London Heathrow.
- Notable new contract wins and renewals during the quarter include McArthurGlen Designer Outlets, JB Hi-Fi, World Square, Greensborough Plaza and Erina Fair Shopping Centre.
- Post quarter end, announcement of appointment of current Non-Executive Director, Mr Michael McConnell as Chair of the Board and Mr Robert Alexander to step down as Chairman into the role of Non-Executive Director at the upcoming AGM.

### Outlook

- Over FY25 Beonic will continue to focus on its strategic objectives including:
  - Focus on channel partner program to enhance distribution
  - Capture "land and expand" opportunities in airport vertical
  - Sales initiatives in Americas to drive improved lead conversion and ARR
  - Investments into R&D to accelerate 1st party software development providing upsell opportunities to Beonic's existing installed base (11.8k locations)
  - Deployment of sales teams in key regions to increase the quantum and conversion rate of its already deep $27.6m qualified deal pipeline
  - Right-sized and appropriately positioned headcount to drive cost-savings and efficiency benefits with the aim of improving cash flow

[1] Previous corresponding period (PCP) is 1Q FY24
[2] Annual Recurring Revenue (ARR) based on monthly contracted recurring revenues as at 30 September 2024 multiplied by twelve months

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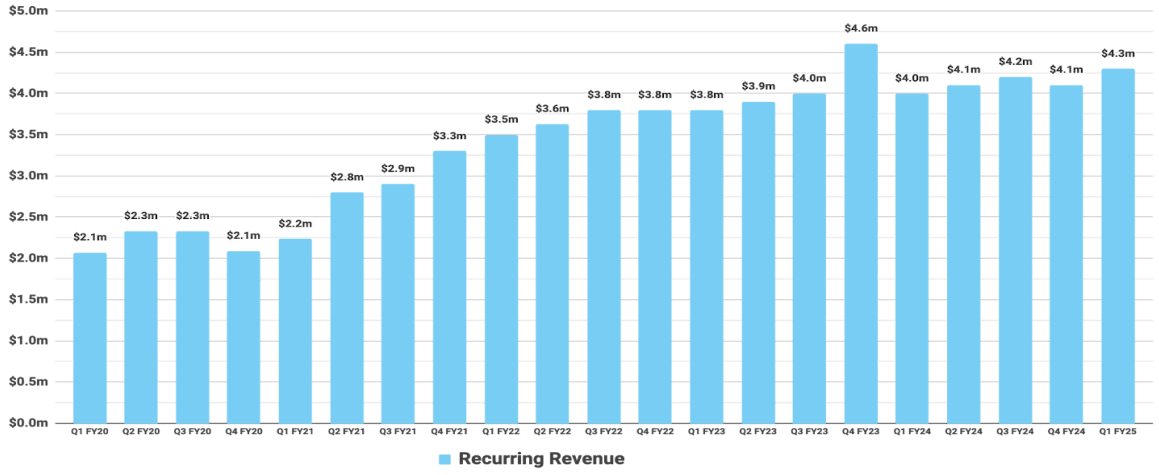
## Commenting on the September 2024 Quarter,

## Beonic CEO, Billy Tucker said:



*"Q1 FY25 saw the initial benefits from the strategic refresh we launched early in 2024 with an improvement in our recurring revenue and a noticeable reduction in our operating cost base. We are continuing to implement a number of initiatives to drive growth via enhanced utilisation of partner-led sales channels and a client first product strategy which will yield further improvement in our financial position in coming quarters. With an incredible installed base, we will continue to focus on improving our recurring revenue position with an ambition to see our ARR account for over 80% of our total revenue. With improved capital flexibility, we are well positioned to deliver on our strategic initiatives and drive the Company towards a self-sustaining cash flow position. With industry leading LiDAR technology, a dominant position in the airport vertical and a truly global presence, Beonic has a robust platform for significant growth and shareholder value creation. "*

## Revenue Performance by Quarter




## Key contract wins during the quarter

Beonic secured renewals and new contract wins during the quarter including:

**Notable new contract wins this quarter**

- **US**: JFK Airport deepens its partnership with Beonic to deploy Beonic's LiDAR technology for improved passenger flow management
- **BR**: Contract win with SmartLuz to deliver Wi-FI analytics via Movoon, furthering Beonic's smart city offering
- **BR:** Beonic has grown its footprint with Hapvida Intermedicia, Brazil's largest healthcare provider, by delivering additional Wi-Fi analytics services
- **APAC:** Secured a new contract with JB Hi-Fi to provide Wi-Fi captive portal solutions
- **APAC:** An expansion contract was secured with Erina Fair Shopping Centre for a comprehensive suite of Wi-Fi and People Counting analytics products



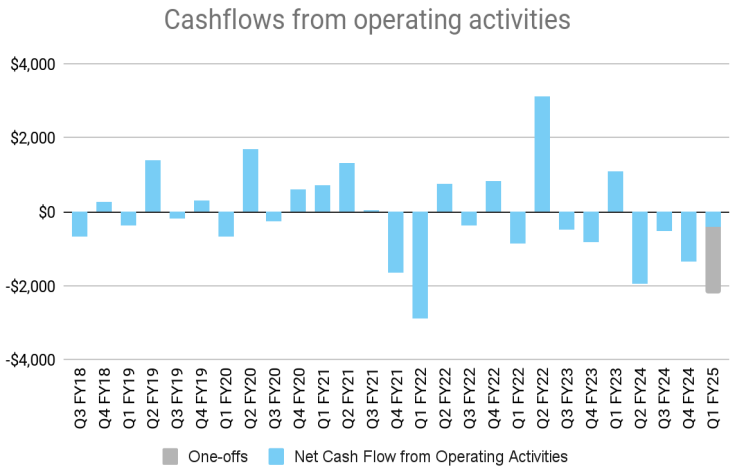
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**Notable renewals this quarter**

- **UK**: A contract extension with McArthurGlen Designer Outlets for the provision of Wi-Fi analytics services
- **US**: Secured a 12-month extension for both Chicago O'Hare Airport (ORD) to Chicago Midway Airport (MDW) via Boingo, utilising Beonic's camera analytics platform
- **US:** Extension received from Metropolitan Washington Airports Authority (MWAA) using WiFi analytics services
- **APAC:** Secured a 3-year renewal with World Square, a large shopping centre, to provide People Counting, Engage, Guest Wi-Fi and Wi-Fi Analytics solutions

## Net Cash Flow from Operating Activities and Balance Sheet Flexibility

Q1 FY25 net cash outflow from operations of $2.2m. Cashflow performance for the quarter was impacted by $1.1m in delayed receivables and $0.7m in payments associated with employee restructuring and cost-out initiatives. The cashflow performance is anticipated to improve in Q2FY25 and over the remainder of FY25 driven by improved working capital initiatives, cost saving initiatives and improved topline revenue performance.




The Company had USD $3.1m (~AUD $4.7m) of debt facilities at 30 September 2024 of which was fully drawn.

## Corporate

**Board Transformation**

Post the end of the quarter The Board of Directors have agreed to appoint current Non-Executive Director, Mr Michael McConnell as Chair of the Board. Mr Robert Alexander has decided to step down as Chairman into the role of Non-Executive Director. These changes will be effective from the conclusion of the Annual General Meeting. Mr Michael McConnell was appointed as independent non-executive director of the Company effective 1 July 2024. Michael is a seasoned global business executive with over thirty years of experience. Michael currently serves on the Board of OneSpan, Adacel, QuickFee, and Jacob Stern & Sons.

**Director Fees**

As noted in Section 6 of the Appendix 4C, the Directors' fees stated were made to the Directors of the entity during the quarter, consisting of salaries and fees for Executive and Non-Executive Directors, respectively. Additionally, a non-recurring payment of $0.35m was made to settle a short-term, director loan obligation (Sections 3.6 and 6.2 of Appendix 4C), as well as $0.03m in interest. No other payments were made to any related parties or their associates of the entity.

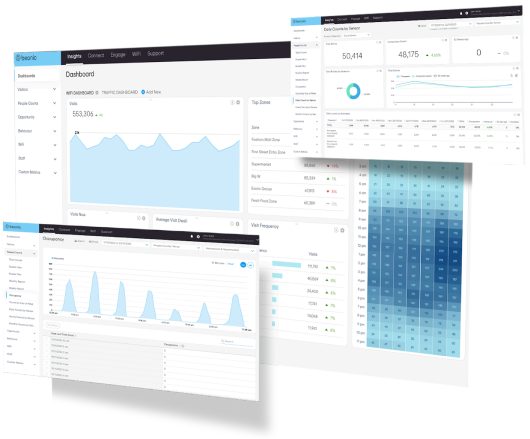
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# About Beonic

At Beonic, we create intelligent places with our AI-driven platform. Our technology transforms the places where people work, play, travel, shop and meet—optimising touchpoints, driving loyalty, and delivering differentiated experiences.



Our platform unifies your data points on one proprietary platform to give you the insights needed to solve the complex challenges of your present and future.

We ingest data from a diverse range of technologies including WiFi, Camera, People counting, LiDAR, CCTV and IoT devices. We combine these datasets with contextual data like weather, retail sales and sociodemographic to improve operational performance for retailers, airports, stadiums, smart cities and other public and commercial venues.

Beonic further augments insights generated by the platform with its data & marketing services offering: A team of data science and digital marketing consultants who help our clients harness more value from their data.

This announcement has been approved by Beonic Limited's Board.

Learn more at www.beonic.com or follow Beonic updates at https://au.linkedin.com/company/beonic

**Media**
Billy Tucker
Chief Executive Officer
P: +61 2 8188 1188
E: billy.tucker@beonic.com

**Investors**
Craig Sainsbury
Automic Markets
P: +61 428 550 499
E: craig.sainsbury@automigroup.com.au

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# Appendix 4C

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

**Name of entity**

BEONIC LIMITED

| **ABN** | **Quarter ended ("current quarter")** |
|---|---|
| 20 009 264 699 | 30 SEPTEMBER 2024 |

| **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 | 4,711 | 4,711 |
| 1.2 | Payments for | | |
| | (a) research and development | - | - |
| | (b) product manufacturing and operating costs | (1,993) | (1,993) |
| | (c) advertising and marketing | (150) | (150) |
| | (d) leased assets | - | - |
| | (e) staff costs | (3,851) | (3,851) |
| | (f) administration and corporate costs | (708) | (708) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 4 | 4 |
| 1.5 | Interest and other costs of finance paid | (184) | (184) |
| 1.6 | Income taxes paid | (49) | (49) |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (provide details if material) | - | - |
| **1.9** | **Net cash from / (used in) operating activities** | **(2,220)** | **(2,220)** |
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) businesses | - | - |
| | (c) property, plant and equipment | (40) | (40) |
| | (d) investments | - | - |
| | (e) intellectual property | - | - |

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| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (3 months) $A'000 |
|---|---|---|---|
| | (f) other non-current assets | - | - |
| 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 (provide details if material) | - | - |
| **2.6** | **Net cash from / (used in) investing activities** | **(40)** | **(40)** |

| | | | |
|---|---|---|---|
| **3.** | **Cash flows from financing activities** | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 3,211 | 3,211 |
| 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 | (279) | (279) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | (350) | (350) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| **3.10** | **Net cash from / (used in) financing activities** | **2,582** | **2,582** |

| | | | |
|---|---|---|---|
| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
| 4.1 | Cash and cash equivalents at beginning of period | 2,730 | 2,730 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (2,220) | (2,220) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (40) | (40) |

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| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (3 months) $A'000 |
|---|---|---|---|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 2,582 | 2,582 |
| 4.5 | Effect of movement in exchange rates on cash held | (84) | (84) |
| **4.6** | **Cash and cash equivalents at end of period** | **2,968** | **2,968** |

| 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 | 2,968 | 2,968 |
| 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)** | **2,968** | **2,968** |

| 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 | 229 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | 350 |

*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.*

| 7. | Financing facilities<br>*Note: the term "facility' includes all forms of financing arrangements available to the entity.*<br>*Add notes as necessary for an understanding of the sources of finance available to the entity.* | Total facility amount at quarter end $A'000 | Amount drawn at quarter end $A'000 |
|---|---|---|---|
| 7.1 | Loan facilities | 4,721 | 4,721 |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | **Total financing facilities** | 4,721 | 4,721 |
| 7.5 | **Unused financing facilities available at quarter end** | | - |
| 7.6 | 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. | | |

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7.1 Blue Venshures SPV 1 LLC secured loan facility totalling USD $3,100,000 (~AUD $4.7m) commencing from 25 January 2024 and ending on 24 January 2026. The loan carries a 15% annual interest rate, with payments due quarterly. The principal amount is repayable at the conclusion of the two-year term. No financial conditions are attached.

| 8. | Estimated cash available for future operating activities | $A'000 |
|---|---|---|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (2,220) |
| 8.2 | Cash and cash equivalents at quarter end (item 4.6) | 2,968 |
| 8.3 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.4 | Total available funding (item 8.2 + item 8.3) | 2,968 |
| 8.5 | **Estimated quarters of funding available (item 8.4 divided by item 8.1)** | 1.34 |

*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.*

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: Yes, Cashflow performance for the quarter was impacted by a number of one-off events including $1.1m in delayed receivables and $0.7m payments associated with employee restructuring and cost out initiatives, resulting in lower labour costs. Additionally, $0.85m in additional Placement funding is due in Q2 FY25.

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: Yes, $0.85m in additional Placement funding is due in Q2 FY25.

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: Yes, on the basis of the one-off events discussed above in question 8.6.1 as well as the additional Placement funds of $0.85m, discussed above in question 8.6.2.

*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: 31 October 2024

Authorised by: The Board of Beonic Limited
(Name of body or officer authorising release – see note 4)

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**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.

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