ASX Announcement
Spacetalk Ltd. (ASX:SPA)
23 June 2022

JumpySIM Update

Highlights

- **Spacetalk to launch JumpySIM MVNO Service in Australia**
- **Targeted launch in 1QFY23 boosting recurring revenue streams**
- **JumpySIM MVNO Service US Launch Confirmed**

Spacetalk Ltd. (ASX:SPA) ("Spacetalk" or "Company"), developer of innovative technologies providing child safety and development tools to support wellness, is pleased to provide this update on its JumpySIM Mobile Virtual Network Operator ("MVNO") project.

JumpySIM in Australia

Spacetalk has entered into agreements to provide a JumpySIM virtual mobile network service in Australia. JumpySIM in Australia will use part of Telstra's 4G and 3G[1] mobile network.

Once JumpySIM is launched, Spacetalk wearables (Kids, Adventurer and Life) sold through Australian e-commerce and retail channels will include A JumpySIM mobile networked SIM.

JumpySIM service subscriptions in Australia will come bundled with a Spacetalk App subscription for Kids and Adventurer wearables. Users of other mobile services will still need to purchase a Spacetalk App subscription separately. The Company believes the bundling of the App fee with the JumpySIM subscription fee will significantly simplify and enhance the Spacetalk customer proposition and user experience.

[1] Telstra's 3G Network (850Mhz band) will close in mid-2024.

The LAUNCH of JumpySIM in Australia is expected to generate new and additional recurring revenues. It is anticipated that JumpySIM in Australia will generate a marginal additional gross margin in the order of AU$2-3 per user per month. It is also anticipated that JumpySIM will reduce churn in recurring app fee subscriptions.

Spacetalk is planning to launch JumpySIM in Australia during 1QFY23 in advance of the Black Friday and Cyber Monday sales period. The cost of implementation and development will be met from within the Company's existing financial resources.

JumpySIM in USA

Spacetalk confirms that JumpySIM has launched in the United States. Subject to a brief inventory transition period, all Spacetalk wearables sold in the US through on-line and retail channels will come bundled with a JumpySIM cellular (mobile) network SIM.

As also previously advised, Spacetalk anticipates that JumpySIM's US service will generate a gross margin in the order of US$4-5 per month per user.

JumpySIM operates on the AT&T network and provides customers with a wearables mobile service tailored for kid's.

Spacetalk CEO Mark Fortunatow said: "The launch of JumpySIM in Australia is a continuation of our strategy to both enhance our profit margins, grow recurring revenues, and improve our customers' experience. It is also the logical next step our evolution.

"I am a very excited about our JumpySIM initiative and how it will strengthen our business."

The financial impact on Spacetalk from the establishment of JumpySIM is currently unknown, with no guaranteed or minimum level of revenue, however, the Company anticipates it to have a direct positive impact on the total revenue of the Company and be reflected in future disclosures thereof.

This announcement has been authorised by Spacetalk CEO Mark Fortunatow.

For more information, please contact:

Dimitri Burshtein
Investor Relations and Corporate Development
dburshtein@spacetalkwatch.com
M: +61 493 041 751

About Spacetalk Ltd.

Spacetalk Ltd. (ASX: SPA) is a global technology provider of secure communication solutions for families to stay connected and protected.

Spacetalk's range of all-in-one smartphone GPS watches for children (Spacetalk Kids and Spacetalk Adventurer) and seniors (Spacetalk Life) are purpose built with tailored features, design qualities and best practice data encryption, security, and privacy technologies, for families to stay confidently connected. Fun, fashionable, secure, and technologically advanced, Spacetalk devices deliver confidence for the child and senior wearer, enhanced controls for the guardian, and engaging functionalities for the whole family to stay connected.

The Spacetalk App is designed to provide a family environment for fun, engaging and secure media consumption beyond its device control functionalities for the guardian. Every linked contact – parents, grandparents, extended family members and friends – regardless of whether they are Android or iOS users, can interact with linked Spacetalk devices and each other through the Spacetalk App.

Spacetalk was founded in 2001 and listed on the ASX in 2003 as MGM Wireless Limited, which developed the world's first SMS student absence notification platform for schools and went on to become Australia's most successful school messaging company. On 12 November 2020, the Company changed its name to Spacetalk Ltd.

To learn more about the Spacetalk devices and app platform, and the Company, please visit: https://www.spacetalkwatch.com/. Investor Centre: https://investors.spacetalkwatch.com/.