

ASX RELEASE

30 December 2019

CEO End of 2019 Review and Update

Kleos Space S.A (**ASX:KSS, Frankfurt:KS1, Kleos or Company**), a space-powered Radio Frequency Reconnaissance data-as-a-service (DaaS) company, in accordance with Listing Rule 3.17.1, provides the following update sent to all shareholders of the Company who have provided the Company's share register with email addresses.

The end-of-year review and update was sent by Andy Bowyer, CEO of Kleos.

START

Dear Shareholder

Kleos has received confirmation, following the successful launch of PSLV 47 (27th Nov) and PSLV 48 (11th Dec), that the Kleos Scouting Mission¹ will launch on PSLV 49 from Chennai, India.

We eagerly await the time when the launch date can be announced, and all final preparations put in place for this historic moment for the Company.

For old, new and emerging Space businesses, launch volatility remains a challenge. Launching assets is the key to generate revenue, it drives credibility in the marketplace and as a result leads valuation.

Despite having worked in the Space industry for 15 years, launch volatility hasn't diminished. In my background working in Space science and exploration, these delays were historically counted in years, nowadays they are only months, but the pressure is amplified. Nevertheless, our unique satellites will soon be launched and deployed into formation, observing the Earth and locating VHF transmissions to help in the coordination of the fight against illegal maritime activity, delivering data to a marketplace that is anxious to receive our insight.

Despite our frustration, we need to celebrate the significant achievements of 2019 that our small team has delivered including:

- the development and building of the first cluster of 4x satellites in impressive time
- preparation for customer interaction with our data product
- strong market traction – close to 100 data sales deals in the pipeline, including a number of pre-orders from Europe, South America and North America
- participating in a US Air Force accelerator program
- maritime safety collaborations including with Spire Global
- route to market for US Government sales via GSA portal and channel agreement with L3Harris

¹ The multi-satellite Scouting Mission system will form the foundation of a constellation that delivers a picture of hidden maritime activity, enhancing the intelligence capability of government and commercial entities when AIS (Automatic Identification System) is defeated, imagery is unclear, or targets are out of patrol range. The Scouting Mission is made up of 4x nano-satellites built by GomSpace in Denmark.

I am honoured and privileged to publicly recognise and thank our faithful and loyal supporters, stakeholders – employees, advisors, shareholders, investors, bankers, and brokers who feel every bump in the road as keenly as we do.

2019 has seen Kleos Space transition into an international Company supported by leaders in their fields in Europe, South America and North America. To have attracted such talent speaks volumes about the opportunities in front of us.

Going into 2020; the overwhelming feeling across the Board and Management team is one of being poised on the edge of massive accelerated growth, our data is wanted, our technology works, investors are extremely enthusiastic. 2019 was about building traction, about creating the opportunity that has grown and grown, 2020 is delivery and expansion.

As always, the Board and Management team thank you for your continued support.

END

This announcement has been authorised by Andy Bowyer, CEO of Kleos Space S.A.

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About Kleos Space S.A.

Kleos Space S.A. (ASX: KSS) (Frankfurt: KS1) is a space enabled, activity-based intelligence, data as a service company based in Luxembourg. Kleos Space aims to guard borders, protect assets and save lives by delivering activity-based intelligence and geolocation as a service. The first Kleos Space satellite system, known as Kleos Scouting Mission (KSM), will deliver commercially available data and perform as a technology demonstration. KSM will be the keystone for a later global high capacity constellation. The Scouting Mission will deliver targeted daily services with the full constellation delivering near-real-time global observation. For more information please visit: www.kleos.space.