

ASX RELEASE

17 February 2023

Vigilance Mission Enters Operational Phase with Monthly Service Delivery Milestone

Kleos Space S.A. (ASX: KSS, Frankfurt: KS1) (Kleos or Company), a space-powered defence & intelligence technology company, is pleased to confirm that the Vigilance Mission (KSF1) satellites have now been entered into operations, following achievement of reliably delivering data products against a monthly service level to Government and Commercial customers.

Bringing Vigilance mission into its operational phase is the key catalyst for commencing deferred revenue recognition this quarter, revenue growth and cash receipts.¹

Commenting on this milestone, Alan Khalili, CEO, said:

“Reaching this critical milestone moves the Company into production mode, confirming the Vigilance mission satellites are now in commercial operation, delivering consistent and reliable data from a specific area of interest which is being processed through our proprietary signal processing platform and being sold to our early adopter customers as intelligence products.

“We now look forward to expanding our product offering through bringing additional already launched satellites online, including the Patrol Mission (KSF2), expected to commence data delivery in the coming months.”

- ENDS -

This announcement has been authorised by Executive Director, Andy Bowyer.



For further information, please contact:

Kleos Space S.A.

Andrew Bowyer

LUX P: +352 2088 2290

UK P: +44(0)330 0571886

US P: +1 202-866-8794

E: andy.bowyer@kleosglobal.com

Reign Advisory

AUS P: +61 2 9174 5388

E: kss@reignadvisory.com

About Kleos Space S.A.

Kleos is a Space-powered defence & intelligence technology Company with operations in Luxembourg, the U.S. and U.K. Kleos uses RF sensors in Space to collect radio transmissions (RF Data) in key areas of interest around the globe. Collected data is processed through Kleos' proprietary processing platform delivering an intelligence output, in order to efficiently uncover and expose activity on land and sea. Intelligence product customers, including analytics and intelligence entities, license data on a subscription basis (Data-as-a-Service aka DaaS), for government and commercial use cases – aiding better and faster decision making. Kleos' first satellite cluster, the Scouting Mission (KSM), successfully launched in November 2020 and performed as a test and technology demonstration whilst collecting data. The Company's second satellite cluster, the Vigilance Mission, successfully launched in June 2021 and its Patrol Mission launched in April 2022. Kleos' fourth cluster, the Observer Mission, was launched in January 2023. For more information visit: www.kleos.space

¹The statements relating to the constellation status, delivery of the data product and revenue timings involve known and unknown risks, uncertainties and other factors that may cause the Company's actual performance, and achievements to differ materially from any performance or achievements, expressed or implied by these statements including the ability of any individual satellite to generate useful collected data. Relevant factors may include, but are not limited to, technological resourcing, technical and launch delays, satellite health status, the ability for the satellite manufacturer to resolve any known or unknown issues in a timely manner, accounting treatment of assets to comply with IFRS rules, foreign exchange fluctuations and general economic conditions, increased costs, the risk and uncertainties associated with space technology, Geopolitical and social risks, supplier delivery issues, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues, covid 19 or other pandemic impacts, and litigation. The Company monitors these factors in order to make periodic assessments, which could result in the impairment of the intellectual property and satellite assets which are not able to contribute to free cash flow as intended. There is a risk that the long-term revenues associated with the cluster may be negatively impacted and/or that short-term revenues may be delayed until the next cluster becomes commercially operational. For further information as to the risks which may impact the Company's results and performance, please see the risk factors included in the Prospectus lodged with ASX in August 2018.