

ASX Announcement/Press Release | 19 October 2023

Spacetalk Limited (ASX: SPA)

Spacetalk launches Loop smartwatch, a full featured addition to the Spacetalk range.

Investment highlights

- Spacetalk releases its Loop 4G and GPS smartwatch, which delivers the same safety and peace of mind capabilities that Spacetalk is renowned for.
- Loop is expected to build on Spacetalk's predominant position in the Australian kids' safety smartwatch market segment.
- Its features include phone calling capability, SMS messaging, location tracking, a parent-approved contacts list, the ability to create safe zones & alerts, and a distraction free school mode.
- The Loop safety smartwatch launch is timed to meet the needs of families during the busy holiday trading period.
- Loop sales are expected to materially add to Spacetalk's subscription revenues and gross profit, aided by its set up (pre-loaded SIM with device soft locked to the Spacetalk Mobile network).

Spacetalk Limited (ASX: SPA) ("Spacetalk" or "the Company") is pleased to announce the release of its Loop 4G safety smartwatch, which specifically targets parents wanting a safety smartwatch for their kids. Key features of this new product include:

- 4G phone calling capability – the ability to make 4G phone calls keeps parents in the loop
- SMS messaging and instant messaging
- A parent-approved contacts list – No inbound and outbound calls or text messages with anyone outside a parent created contact list
- GPS location awareness, with location on demand – important for parents' peace of mind
- Safe zones & alerts – allows the creation of safe zones for frequented locations and get alerts every time they enter or leave
- School mode – At the tap of a button, Loop converts to a regular watch during school time, lessening distractions when learning
- SOS alert with unlimited emergency contacts
- Health & fitness monitoring tools
- Reminders and Alerts set from the Spacetalk parent app
- 2MP Camera for happy snaps
- Calculator, Timer/Stopwatch, Calendar and Weather

Additionally, Loop has no social media or internet browser, keeping curious eyes away from harmful content.

The Loop 4G safety smartwatch is the Company's second hardware launch in calendar 2023. It represents another significant deliverable in Spacetalk's growth strategy, which is premised on the creation of a broad-based product ecosystem that meets the needs of families at every life stage.

Loop is expected to materially increase Spacetalk's revenue base

The release of the Loop 4G smartwatch represents another deliverable in Spacetalk's stated strategy of providing an ecosystem of products that materially enhances family safety (and peace of mind that comes with it) across every stage of life.

Loop meets a central part of this growth strategy, which is the creation of recurring software and Spacetalk Mobile (Mobile Virtual Network Operator (MVNO)) revenue stream. It comes with a pre-loaded SIM. Loop is additionally soft locked to the Spacetalk Mobile network, meaning it has a Spacetalk SIM pre-installed.

Aided by this set up, Loop is expected to provide a material boost to Spacetalk's revenue and gross profit and take the Company a step closer to achieving its goal of boosting the uptake rate of its Spacetalk Mobile MVNO services. The soft lock will drive significant growth in MVNO annual recurring revenue (ARR). The additional sales volume flowing from Loop's launch will drive margin from the Company's device offerings, and is also expected to bolster ARR from the Spacetalk App.

Taken together, these revenue gains will help Spacetalk move ever closer to its stated target of \$20m-\$25M of ARR within the next three years.

Spacetalk Chief Executive Officer and Managing Director Simon Crowther, said:

"We continue to execute on our strategy and The Loop 4G safety smartwatch is our second new hardware launch in calendar 2023. The timing is important for the upcoming holiday period and its comprehensive safety features will make it a great gift for kids. Loop is an important next step in the development of our ecosystem and will drive continued growth of Spacetalk Mobile subscriptions."

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About Spacetalk Limited (ASX: SPA)

Spacetalk Limited (ASX: SPA) is a software services and smartwatch hardware product developer. As a package, the company's technology platform provides a complete digital communication solution that supports safety and security for families across their life cycles and for employees working in remote settings. The company's unique proprietary ecosystem, which has continued to evolve over time, is today recognised as a leader in family safety and the connected wearables industry.

The Spacetalk technology platform comprises both market-leading hardware and a trusted, client-controlled software platform that provides safety and security to users via the benefits of mobile technology.

The multi-functional Software-as-a-Service Spacetalk App can be customised, giving clients the ability to enable or disable individual features. Parents are empowered to block their child's access to the open internet, social media and inappropriate adult content while simultaneously blocking calls and messages from unknown senders. The app can also track the location of vulnerable family members, including children and seniors requiring constant monitoring.

Spacetalk's best-in-class software platform additionally supports children's development by facilitating engaging, confidence-building experiences that the whole family can participate in and enjoy.

Spacetalk's core hardware, its smartphone-watch, is effectively a child's first mobile phone. It offers all the benefits of a smartphone, operating on a secure, private and parent-controlled ecosystem that can be customised to reflect each family's needs and values.

To learn more, please visit: www.spacetalk.co/

For more information



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This ASX announcement has been authorised by the Board of Spacetalk Limited (ASX: SPA)