

ASX Announcement
Spacetalk Ltd. (ASX: SPA)
1 July 2021

O2 to sell Spacetalk devices in the UK

Highlights

- **Telefónica UK Limited (“O2”) to range Spacetalk Adventurer**
- **Target launch in Q1 FY22¹**
- **Adventurer will mark O2’s first entry into the category of kids smartphone watches, with O2 supporting the launch of Spacetalk across all of its consumer channels**
- **Adventurer will range in all O2 branded stores across the UK and online**
- **Adventurer will be available on O2’s custom plans, giving customers the flexibility to choose how much they pay upfront and the length of their Device Plan**
- **O2 represents a significant new distribution channel for Spacetalk, which will benefit from its customer reach and for the first time having a significant bricks-and-mortar retail presence throughout the UK**

Spacetalk Ltd. (ASX:SPA) (“Spacetalk” or “Company”), developer of innovative technologies that keep families safe and connected, is pleased to announce that Telefónica UK Limited (“O2”) will range Spacetalk Adventurer across its UK retail stores and online channels.

O2 has entered into a commercial arrangement with Spacetalk’s UK distributor whereby Spacetalk will supply O2 inventory through the distributor.

O2 is the principal commercial brand of Telefónica UK Limited, part of the global telecommunications group Telefónica S.A, headquartered in Spain and operating in Europe, and North, Central and South America. O2 is the UK’s largest network with more than 36 million connections, providing 3G, 4G and 5G services while operating a nationwide O2 Wifi service.

Commenting on why Spacetalk was chosen, **O2 Head of Devices and Financing Products Thomas Chant** said: “We have a proud track record of identifying and supporting business partners with innovative solutions which align with our values and bring practical benefits to

¹ Q1 FY22 = 1 July 2021 to 30 September 2021.

our customers. Our relationship with Spacetalk was seeded from a recognition of the fast-growing market of smartphone watches for kids safety and family connectivity. We pride ourselves on being champions of coverage and reliability, and this is especially relevant as it relates to child safety. Spacetalk's Adventurer smartphone watch for kids stands out as the most credible and reliable device to range as part of our commitment to providing safety, confidence and connected engagement for children and their families."

Target launch is in Q1 FY22, with the Adventurer smartphone watch for kids to range in all O2 branded stores across the UK and online.

Adventurer will mark O2's first entry into the category of kids smartphone watches, with O2 supporting the launch of Spacetalk across all of its consumer channels.

Adventurer will be available on O2's custom plans which give customers the ability to choose how much they want to pay upfront and the length of their Device Plan, selecting between three and up to 36 months (in one-month increments).

Spacetalk CEO Mark Fortunatow said: "We are extremely excited that O2 has partnered with Spacetalk to grow and penetrate the category of kids smartphone watches in the UK.

The partnership recognises Spacetalk's expertise and brand equity in the category, and our shared history and passion about child safety and family connectivity.

In addition to bringing the practical benefits of Spacetalk devices to O2, Spacetalk will benefit from O2's customer reach and for the first time having a significant bricks-and-mortar retail presence throughout the UK – critical to effectively marketing and growing the category, and building consumer awareness of Spacetalk products.

We believe Spacetalk's partnership with O2 is the start of an exciting journey to build a very successful business together, and for our Company to access the global market opportunity, in what is a fast-growing and large yet relatively new and niche market of kids smartphone wearables."

The financial impact of selling through O2 is currently unknown, with no guaranteed or minimum level of revenue, however, the Company expects it to have a direct positive impact on the total revenue of the Company and be reflected in the disclosure thereof.

This announcement has been authorised by Spacetalk CEO Mark Fortunatow.

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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/>.

About O2

O2 is the principal commercial brand of Telefónica UK Limited, part of the global telecommunications group Telefónica S.A, headquartered in Spain and operating in Europe, and North, Central and South America.

O2 is the UK's largest network with more than 36 million connections, providing 2G, 3G, 4G and 5G services while operating a nationwide O2 Wifi service.

O2's coverage and reliability are industry recognised, with GWS ranking O2 as the most reliable UK network, three years in a row (2021, 2020, 2019). For four consecutive years O2 has won Best Network Coverage provider at the publicly voted Uswitch Awards (2021, 2020, 2018, 2019). It also won Best Network Performance at the Mobile News Awards in both 2020 and 2019.

The Company is the network of choice for mobile virtual network operators giffgaff, Sky Mobile and Lycamobile and manages a 50:50 joint venture with Tesco for Tesco Mobile.

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O2 has led the industry with its commitment to Customer Fairness. Since 2013 O2 Refresh has split airtime and device costs so customers never pay for a handset they already own, and the evolution of customisable plans gives customers true flexibility over how they pay for their mobile phone. From exclusive Priority Tickets which provide customers with pre-sale tickets for The O2 and O2 Academy venues, 48 hours before everyone else, to England Rugby matches - who O2 have proudly been sponsors of since 1995.

O2 strives to do the right thing as a business and for its customers. It has committed to becoming net zero by 2025 and to working with supply chain partners to reduce carbon emissions by 30% in the next five years. The O2 Recycle scheme encourages customers to dispose of old devices responsibly and was named Best Recycle Service at the Mobile Industry Awards. In 2019 O2 was one of only three companies globally to be recertified at the highest level by the Carbon Trust Standard for reducing supply chain emissions.

Telefónica UK Limited is registered in England and Wales. Registration number: 1743099. Its registered office is at: 260 Bath Road, Slough, Berkshire, SL1 4DX, United Kingdom.