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**ASX Code: SAS**

## **MOU signed with Chinese Satellite Communication Company**

### **Highlights**

- SAS has signed a Memorandum of Understanding ("**MOU**") with Commsat – a Chinese satellite communications provider to test and explore the possibility of incorporating its Internet of Things ("**IoT**") and communication services capabilities into the Commsat network
- The collaboration may potentially provide SAS access to the fast growing Chinese market and the ability to leverage and expand its connectivity offering across the entire Greater Chinese region
- Discussions are underway with Commsat to integrate the SAS technology into Commsat IoT offering.

Sky and Space Global Ltd (ASX: **SAS**, "**Sky and Space Global**" or the "**Company**") is pleased to announce it has a MoU with Beijing Commsat Technology Development Co., Ltd. ("**Commsat**") to test and explore how the SAS network can be incorporated into the Commsat IoT offering.

Commsat is a Beijing based satellite communications company that is developing a Low Earth Orbit (LEO) constellation to provide IoT services to users and corporations mainly in the Chinese geographical region.

Under the terms of the MOU, SAS and Commsat will work collaboratively to test and explore how SAS' advanced nano-satellite technology can be incorporated and utilised to significantly advance and enhance the current Commsat network offering. This is further validation of the elite capabilities of the SAS network.

SAS will also explore with Commsat the possibility of joint provision of IoT and additional narrow-band communication services in China, and cooperate to further the business of SAS in Greater China. The Chinese IoT market reached US\$143.4 billion in 2016 and is expected to exceed US\$231.4 billion by the year 2020, and from 2013 to 2017, China's IoT market has been growing rapidly by an annual rate of over 20%<sup>1</sup>. The collaboration will provide SAS with access to this Major and fast developing market. In its "13th Five-Year" plan, the Chinese government has rolled out the country's IoT roadmap and elevated the development of narrowband-IoT infrastructure to a national strategy, under which by the end of 2020, narrowband-IoT network is expected to reach over 600 million connections and a total number of 1.5 million base stations.

<sup>1</sup> [https://www.sohu.com/a/169621998\\_515599](https://www.sohu.com/a/169621998_515599)  
<http://silkbroad.news.cn/english/news/2017/0904/60781.shtml>

Commsat will collaborate with customers with regards to IoT across many sectors, including heavy machinery, containers, logistics, intelligent hubs and wild animals tracing.

The MOU is a preliminary agreement and, while binding, is a pre-cursor to the parties negotiating a more definitive agreement.

**Sky and Space Global's CEO, Mr. Meir Moalem said:**

"We are happy to be working with Commsat and to bring our capabilities to Greater China. We have always believed that China will be an important source of demand for our technology and have identified Commsat, a rising star in the Chinese aerospace community, as a partner to embark on these efforts. This important collaboration will allow us to further expand and promote our business in that part of the world, while assisting Commsat to deliver M2M and IoT services in remote locations and to meet growing demand in China."

**Commsat CEO, Mr. Xie Tao said:**

"We welcome the opportunity to collaborate with Sky and Space Global. We have long been impressed by their ground breaking technology, the innovative business model and the speedy progress of their business plan. We at Commsat believe that we can leverage SAS' capabilities as a pioneer in nano-satellite and communications technologies, with our own extensive connections in China and existing customer engagements for Machine-to-Machine and Internet-of-Things services."

**--Ends--**

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**About Sky and Space Global Ltd**

Sky and Space Global Ltd is an ASX listed (SAS) satellite company with European and Israeli centres of Aerospace, Satellite and Software Industry Experts.

The Company's core business is to operate a communications infrastructure based on nanosatellite technology and develop highly sophisticated software systems that will deploy, maintain orbit control and handle the communication network in space to provide a global coverage. The Company successfully launched its first three nanosatellites, the '3 Diamonds', into space in June 2017 and is preparing for the launch of a constellation of 200 more nanosatellites by 2020.

The Company's vision is to provide affordable communication coverage and services to anyone, anywhere, anytime with relatively low maintenance costs. This will enable Sky and Space Global to deliver cost-effective communications infrastructure and services to those who need it most and to disrupt the telecommunications and international transport industries. Sky and Space Global Ltd owns 100% of Sky and Space Global (UK) Limited.

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## **About Beijing Commsat Technology Development Co., Ltd.**

Beijing Commsat Technology Development Co., Ltd. (Commsat) was established in June 2015, among the first space companies in China who are awarded "National High-tech Enterprises" and "Zhongguancun High-tech Enterprise".

Commsat has "Cubesat + STEAM Education" and "Constellation + IoT Solution" as two major business lines. Commsat aims to create a singular communication network along with ground telecommunication facilities, and to provide real-time "intelligent connections" to valuable assets worldwide, especially in locations with limited ground telecommunication network.

For more information about Commsat, please visit:  
<http://www.commsat.cn/>