

3 September 2025

Sky and Space Company Shareholder Update

Dear Shareholders,

In August 2025, after four years of unsuccessful efforts to raise capital for Sky and Space Company ("SAS" or the "Company") initially through transactions designed to create liquidity for shareholders, the Company, due to capital constraints and a cessation of ongoing operations, completed the sale of its UK and Polish subsidiaries to a third party, and therefore, substantially all of the Company's assets in value (namely the spectrum rights held by its UK subsidiary). The closing of the transaction has enabled the Company to repay and extinguish its obligations to its senior secured lenders and junior secured convertible noteholders and is expected to facilitate the settling of its unpaid creditor obligations. The Company will finalise its outstanding regulatory filings and undertake an orderly winding down of its affairs; expected to be completed in the next six months.

The Company has spent almost four years working to complete a transaction. This process included exploring multiple types of transactions; including De-SPAC transactions, sale of minority and majority interests in the Company and sale of key assets for cash plus equity in the purchaser. The Company engaged directly or through advisors, including investment banks, brokers, family office networks (all engaged on a contingency basis), with over:

- 25 SPACs – including holding a definitive agreement in executable form only for the SPAC to fail to deliver the promised supplemental funds (a PIPE);
- 300 potential equity investors / asset purchasers with varying levels of success – with multiple transactions substantially agreed, only for potential investors to pull out due to financing failures; and
- Four non-binding term sheets.

Unfortunately, the Company's efforts to find a transaction that would provide a return on investment for shareholders were unsuccessful, in part due to a very soft capital market for pre-revenue companies and in part due to regulatory complications with raising funds for an Australian public company whose shares are not listed on a trading platform.

After the Company's extensive but unsuccessful attempts over an extended period of time to procure a preferable transaction, and having regard to the further funding requirements for the Company to continue to operate, the SAS Board believes the sale of its UK and Polish subsidiaries was the only transaction available to the Company to realise value, pay its creditors and release all security held by its financiers. Given potential regulatory issues around the Company's main asset – its spectrum rights – the Company's Board considers that the transaction achieved a significantly better outcome for the Company and its creditors than any outcome that could have been achieved had the Company entered into external administration.

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The Company further notes that, in 2025, the Company reconstituted its board of directors after Xavier Kris, Stephen Gorenstein and Silvio Salom resigned in 2024. They were replaced with Benjamin Jolly and Loyola Dsouza, two individuals who were able to assist the Company in securing and finalising the sale transaction.

Best Regards

A handwritten signature in black ink, appearing to read 'M P Gilroy', written in a cursive style.

Mark P Gilroy
Chairman