



(ARBN 625 668 733 / RCS B215591)

Notice of General Meeting

Notice is given that a General Meeting of Shareholders of Kleos Space S.A., a public limited liability company (*société anonyme*), having its registered office at 7, rue de l'Innovation, L-1896 Kockelscheuer, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B215591 (**KSS** or the **Company**) will be held as follows:

Date: **30 November 2022**

Time: **8:30 a.m. (Luxembourg time) / 6:30 p.m. (Sydney time)**

Venue: **7, rue de l'Innovation, L-1896 Kockelscheuer, Grand Duchy of Luxembourg**

Business

Item 1 – Acknowledgment

- a) **that the value of the Company's net assets as of 30 September 2022 had fallen below one quarter of the Company's share capital; and**
 - b) **of the report of the Board prepared in accordance with article 480-2 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, setting forth the causes of this situation and its proposal in that respect, and**
- proposal to approve the continuation of the activities of the Company.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"That, for the purpose of article 480-2 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, the Shareholders acknowledge (i) that as at 30 September 2022, the value of the Company's net assets had fallen below one quarter of the Company's share capital and (ii) the report of the Board prepared in accordance with article 480-2 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, setting forth the causes of this situation and its proposal in that respect; and consequently resolve to approve the continuation of the activities of the Company".

RECOMMENDATION: The Board unanimously recommends that Shareholders vote in **FAVOUR** of the Resolution in Item 1. The Chairman intends to vote undirected proxies in favour of the Resolution in Item 1.

Other information

An Explanatory Memorandum accompanies and forms part of this notice of General Meeting.

All Shareholders and CDI Holders should read the Explanatory Memorandum carefully and in its entirety. Shareholders and CDI Holders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal advisor for assistance.

Voting by proxy

Proxy voting by Shareholders

Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the proxy in the form provided by the Company.

Proxies must be:

- (a) lodged at the Company's share registry, Link Market Services Limited; or
- (b) posted, faxed or lodged online to the address specified below,

by no later than 6:30 p.m. (Sydney time) on 28 November 2022.

The proxy form has been enclosed. Please read all instructions carefully before completing the proxy form.

Proxy voting by CDI Holders

CDI Holders will be permitted to attend the Meeting but may only vote by directing CHESS Depository Nominees Pty Ltd (**CDN**) to cast proxy votes in the manner directed in the CDI Voting Instruction Form enclosed.

The CDI Voting Instruction Form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, should be sent according to the instructions on the form **by no later than 6:30 p.m. (Sydney time) on 27 November 2022** to allow sufficient time to lodge the combined proxies 48 hours before the time of the Meeting.

The CDI Voting Instruction Form has been enclosed. Please read all instructions carefully before completing the CDI Voting Instruction Form.

In the event a CDI Holder is willing to attend the Meeting in person, he/ she will only be admitted to the Meeting upon presentation of a valid document evidencing his/her identity. In the event the CDI Holder is a legal entity, the individual representing such entity must present authority of his/ her authority to attend the Meeting as well as a valid document evidencing his/her identity.

How to lodge your vote or submit your voting intentions:

Address (hand deliveries): Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney
NSW 2000

Address (postal deliveries): Kleos Space S.A.
C/- Link Market Services Limited
Locked Bag A14
Sydney South
NSW 1235

Australia Fax for lodgement: +61 2 9287 0309

Online: Please visit www.linkmarketservices.com.au to lodge your vote or submit your voting intentions.

Entitlement to vote

The directors of the Company have determined that the shareholding of each Shareholder for the purposes of ascertaining the voting entitlements for the General Meeting and CDI holding of CDI holders will be taken to be held by the persons who are registered as shareholders and CDI holders at 7:00 p.m. (AEDT) / 9:00 a.m. (CEST) on 16 November 2022. Accordingly transfers registered after that time will be disregarded in determining Shareholders entitled to attend and vote at the meeting.

Voting Intentions

Subject to any voting restrictions and exclusions, the Chairman recommends that the Shareholders and holders of CDIs vote in favour of all resolutions on the agenda.

In respect of all available undirected proxies of Shareholders or holders of CDIs, subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

Questions and Comments by Shareholders at the Meeting

A reasonable opportunity will be given to Shareholders and CDI Holders - as a whole - to ask questions or make comments on the management of the Company at the Meeting.

For and on behalf of the Board

Vanessa Chidrawi

Vanessa Chidrawi

Company Secretary and authorised signatory

Date: 21 November 2022

Kleos Space S.A
(ARBN 616 435 753)

Explanatory Memorandum

This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by Shareholders and CDI Holders of Kleos Space S.A. (**KSS** or the **Company**) at the General Meeting to be held at 8:30 a.m. (Luxembourg time) / 6:30 p.m. (Sydney time) on 30 November 2022 at 7, rue de l'Innovation, L-1896 Kockelscheuer, Grand Duchy of Luxembourg.

The Directors recommend that Shareholders and CDI Holders read this Explanatory Memorandum before determining whether to support the Resolutions.

ITEM 1 - ACKNOWLEDGMENT

THAT

A) THE VALUE OF THE COMPANY'S NET ASSETS AS OF 30 SEPTEMBER 2022 HAD FALLEN BELOW ONE QUARTER OF THE COMPANY'S SHARE CAPITAL, AND

B) ACKNOWLEDGMENT OF THE REPORT OF THE BOARD PREPARED IN ACCORDANCE WITH ARTICLE 480-2 OF THE LUXEMBOURG LAW OF 10 AUGUST 1915 ON COMMERCIAL COMPANIES, AS AMENDED, SETTING FORTH THE CAUSES OF THIS SITUATION AND ITS PROPOSAL IN THAT RESPECT; AND PROPOSAL TO APPROVE THE CONTINUATION OF THE ACTIVITIES OF THE COMPANY

Board recommendation

The Board recommends that Shareholders vote in **FAVOUR** of the Resolution in Item 1. The Chairman intends to vote undirected proxies in favour of the Resolution.

Continuation of the activities of the Company

In accordance with article 480-2 of the Luxembourg Commercial Law, if as a result of losses, net assets fall below one quarter of the share capital, the board of directors shall convene a general meeting so that it is held within a period not exceeding two months from the time at which the loss was or should have been ascertained by them and such meeting shall resolve, on the possible dissolution of the company and possibly on other measures announced in the agenda.

Based on the latest financial information available to the Board, it is acknowledged that the Company's net assets have decreased to an amount of EUR 6,761,442.00 as of 30 September 2022, which is less than one quarter of the Company's share capital.

In this context, the Board intends to submit the continuation of the activities of the Company for the approval of the Shareholders.

Additionally, article 480-2 of the Luxembourg Commercial Law further provides that the board of directors shall set out the causes of that situation and shall justify its proposals in a special report which must be made available to the shareholders at the registered office of the company eight days before the general meeting. Such report has therefore been prepared by the Board and is attached hereto as Annexure "A".

The Resolution in Item 1 is a Special Resolution. Accordingly, at least 75% of the votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of the Resolution for it to be passed.

GLOSSARY

Unless otherwise defined to the contrary, in this Explanatory Memorandum and the Notice of Meeting:

Articles means the Articles of Association of the Company.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX Limited.

Board means the Board of Directors of the Company.

CDI means CHESS Depository Interest, being a unit of beneficial ownership of a Share legally held by CHESS.

CDI Holder means a holder of CDIs.

CDI Voting Instruction Form means the CDI voting instruction form accompanied by the Notice of Meeting and Explanatory Memorandum.

CHESS means CHESS Depository Nominees Pty Ltd (ACN 071 346 506).

Chairman means the chairman of the Company from time to time, and as at the date of this Notice, being Air Commodore Peter Round.

Company or **KSS** means Kleos Space S.A., a Luxembourg public limited liability company (*société anonyme*), having its registered office at 7, rue de l'Innovation, L-1896 Kockelscheuer, Grand Duchy of Luxembourg.

Director means a Director of the Company.

Entitlement Time means 7:00 p.m. (AEDT) / 9:00 a.m. (CEST) on 16 November 2022.

Explanatory Memorandum means this Explanatory Memorandum which forms part of the Notice of Meeting.

Luxembourg Commercial Law means the law of 10 August 1915 on commercial companies, as amended.

Meeting or **General Meeting** means the general meeting of the Company the subject of the Notice of Meeting, which is scheduled to occur on 30 November 2022.

Notice of Meeting or **Notice** means the notice of meeting accompanied by this Explanatory Memorandum.

Proxy Form means the proxy form accompanied by the Notice of Meeting and Explanatory Memorandum.

Resolution means a resolution set out in the Notice of Meeting.

Shareholder means a holder of a Share.

Share means a fully paid ordinary share in the capital of the Company.

Special Resolution means a resolution that has been passed by at least 75% of the votes cast by Shareholders entitled to vote on the resolution.

Security means an ordinary share in the Company or CHESS depositary interest over such share.

Security holder means a holder of an ordinary share in the Company or CHESS depositary interest over such share.

For personal use only

Annexure A – Special Report of the Board

KLEOS SPACE S.A.

Société anonyme

7, rue de l'Innovation, L-1896 Kockelscheuer, Grand Duchy of Luxembourg
ARBN 625 668 733 / RCS B215591

**REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY
FOR THE PURPOSES OF ARTICLE 480-2 OF THE LUXEMBOURG LAW
ON COMMERCIAL COMPANIES
DATED 10 AUGUST 1915, AS AMENDED (the "Law")**

Dear Shareholders

The board of directors of **Kleos Space S.A.**, a public limited liability company (*société anonyme*), having its registered office at 7, rue de l'Innovation, L-1896 Kockelscheuer, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B215591 (the **Board**) has drafted the following detailed report in accordance with the requirements of article 480-2 of the Law pursuant to which:

- (i) if as a result of losses, net assets fall below 25% of the share capital, the board of directors shall convene a general meeting so that it is held within a period not exceeding two months from the time at which the loss was or should have been ascertained by them and such meeting shall resolve, where applicable in accordance with the conditions provided for in article 450-3 of the Law, on the possible dissolution of the company and possibly on other measures announced in the agenda; and
- (ii) the board of directors shall set out the causes of that situation and shall justify its proposals in a special report which must be made available to the shareholders at the registered office of the company eight days before the general meeting. If it proposes to continue to conduct business, it shall set out in its report the measures which it intends to take in order to remedy the financial situation of the company.

I. BACKGROUND

Based on the latest financial information available to the Board, it is acknowledged that the net assets of Kleos Space S.A. (**Company**) have, as at 30 September 2022, decreased to an amount of EUR 6,761,442.00, which is less than 25% of the Company's share capital.

II. CAUSES

In accordance with article 480-2 of the Law, the Board has considered that the causes for such situation were the following:

- the Company is still in its pre-operational phase, building out the planned satellite constellation as per the business plan described in the Company's prospectus;
- the Company has been utilising the equity funding raised thus far to invest in assets and develop the infrastructure necessary to exploit the satellite constellation once it becomes operational;
- the KSM cluster of satellites was launched in November 2020 and was fully written off in June 2022 due to technical malfunctions in two of the four satellites; and
- delayed revenues due to the unexpected commissioning delays of the KSF1 and KSF2 satellite clusters.*

III. CONTINUATION OF THE ACTIVITIES OF THE COMPANY

Notwithstanding the fact that the Company's net assets have fallen below 25% of the Company's share capital, the Board intends to propose to the general meeting of shareholders to continue the activities of the Company.

Such proposal is justified by the fact that the Company has commenced commercial operations in March 2022, with the satellites generating revenues.

The measures which the Company intends to take in order to remedy its financial situation are the following:

- the Company has started generating commercial revenues and is expecting to grow revenues by the first quarter of 2023*; and
- the Company is also investigating further financing opportunities to finance the longer-term expansion of the satellite constellation.

Signature page to the report of the Board of the Company for the purposes of article 480-2 of the Law, dated 21 November 2022.



Name: Andrew Bowyer

**On behalf of the Board of Directors of Kleos
Space S.A.**

*The forward-looking statements relating to targets involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements, expressed or implied by these forward-looking statements. Relevant factors may include, but are not limited to, technical and launch delays, foreign exchange fluctuations and general economic conditions, increased costs, the risk and uncertainties associated with space technology, political and social risks, 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 and litigation. 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



KLEOS

KLEOS SPACE SA

ARBN 625 668 733

LODGE YOUR VOTE



ONLINE

<https://investorcentre.linkgroup.com>



BY MAIL

Kleos Space S.A.
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

CDI VOTING INSTRUCTION FORM

DIRECTION TO CHESS DEPOSITARY NOMINEES PTY LTD

I/We being a holder of CHESS Depositary Interests (CDIs) of Kleos Space S.A. (**Company**) hereby direct CHESS Depositary Nominees Pty Ltd (CDN) to vote the shares underlying my/our CDI holding at the General Meeting of security holders of the Company to be held at **8:30am (Luxembourg time) / 6:30pm (Sydney time) on Wednesday, 30 November 2022 at 7, rue de l'Innovation, L-1896 Kockelscheuer, Grand Duchy of Luxembourg**, and at any adjournment or postponement of that Meeting, in accordance with the following directions. By execution of this CDI Voting Instruction Form the undersigned hereby authorises CDN to appoint such proxies or their substitutes in their discretion to vote in accordance with the directions set out below.

The **Notice of Meeting** can be viewed and downloaded at www2.asx.com.au/markets/company/kss.

PROXY APPOINTMENT – this only needs to be completed if you wish to attend the Meeting or appoint another person to attend the Meeting

If you wish to attend the Meeting in person or appoint another person or company other than CDN, who need not be a security holder, to attend and act on your behalf at the Meeting or any adjournment or postponement thereof, please insert their name(s) in this box.

Link will then send you a legal form of proxy which will grant you or the person specified by you the right to attend and vote at the Meeting. Please remember that a legal proxy is subject to all terms and conditions that apply to proxies as outlined in the *Notice of Meeting* including any cut off time for receipt of valid proxies.

VOTING INSTRUCTIONS

Voting instructions will only be valid and accepted by CDN if they are signed and received no later than 72 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolution

1 Acknowledgment

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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a) That the value of the Company's net assets as of 30 September 2022 had fallen below one quarter of the Company's share capital; and

b) Of the report of the Board prepared in accordance with article 480-2 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, setting forth the causes of this situation and its proposal in that respect, and proposal to approve the continuation of the activities of the Company.



* If you do not mark the "For", "Against" or "Abstain" box your vote will not be counted.

SIGNATURE OF CDI HOLDERS – THIS MUST BE COMPLETED

CDI Holder 1 (Individual)

Sole Director and Sole Company Secretary

Joint CDI Holder 2 (Individual)

Director/Company Secretary (Delete one)

Joint CDI Holder 3 (Individual)

Director

This form should be signed by the CDI Holder in accordance with the instructions overleaf.

KSS PRX2203I

HOW TO COMPLETE THIS CDI VOTING INSTRUCTION FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's CDI register. If this information is incorrect, please make the correction on the form. CDI Holders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your CDIs using this form.**

DIRECTION TO CHESS DEPOSITARY NOMINEES PTY LTD

Each CHESS Depositary Interest (CDI) is evidence of an indirect ownership in the Company's shares of common stock (Shares). The underlying Shares are registered in the name of CHESS Depositary Nominees Pty Ltd (CDN). As holders of CDIs are not the legal owners of the Shares, CDN is entitled to vote at the Meetings of security holders on the instruction of the registered holders of the CDIs.

APPOINTMENT OF A PROXY

If you wish to attend the Meeting in person or appoint some person or company other than CDN, who need not be a security holder, to attend and act on your behalf at the Meeting or any adjournment or postponement thereof, please insert your name(s) or the name of your chosen appointee in the box in Step 2. Link will then send you a legal form of proxy which will grant you or the person specified by you the right to attend and vote at the Meeting. Please remember that a legal proxy is subject to all terms and conditions that apply to proxies as outlined in the *Notice of General Meeting* including any cut off time for receipt of valid proxies.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either holder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with Link. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: with respect to an Australian company, where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place. With respect to a U.S. company or other entity, this form may be signed by one officer. Please give full name and title under the signature.

LODGEMENT OF A CDI VOTING INSTRUCTION FORM

This CDI Voting Instruction Form (and any Power of Attorney under which it is signed) must be received at an address given below by **6:30pm (Sydney time) on 27 November 2022**, being not later than 72 hours before the commencement of the Meeting. Any CDI Voting Instruction Form received after that time will be invalid.

CDI Voting Instruction Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the CDI Voting Instruction Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, security holders will need their "Holder Identifier" - Security holder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Kleos Space S.A.
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

* in business hours (Monday to Friday, 9:00am–5:00pm)

21 November 2022

Dear Security Holder

KLEOS SPACE S.A. – GENERAL MEETING

An Extraordinary General Meeting of Kleos Space S.A. (**Kleos** or **Company**) will be held at 8.30 a.m. (Luxembourg time) / 6.30 p.m. (Sydney time) on **30 November 2022**, at the Company's offices in Luxembourg.

The agenda for the meeting is:

Acknowledgment a) that the value of the Company's net assets as of 30 September 2022 had fallen below one quarter of the Company's share capital; and b) of the report of the Board of directors of the Company prepared in accordance with article 480-2 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, setting forth the causes of this situation and its proposal in that respect; and Proposal to approve the continuation of the activities of the Company.

The Notice of Meeting and accompanying explanatory memorandum are being made available to shareholders electronically and a hard copy will not be despatched.

You are able to access the Notice of Meeting on the ASX market announcements platform at <https://www2.asx.com.au/markets/company/kss> or on the Company's website at <https://kleos.space/investors/#documents>

We encourage you to return the enclosed Voting Instruction Form by email to Link at **vote@linkmarketservices.com.au** to provide instructions on how CDN is to vote on your behalf at the meeting. The form may also be completed electronically via www.linkmarketservices.com.au. Voting instructions must be received by 6.30 p.m. (Sydney time) on **27 November 2022** in order to be counted.

Kindly contact Link on 1300 554 474, if you have any questions or require assistance in relation to the submission of your voting instructions. We also encourage you to change your communications preferences with Link, to receive future communication by email to allow for prompt receipt of communications.

Yours faithfully

Vanessa Chidrawi

Vanessa Chidrawi

Company Secretary