

ASX Announcement | 25 February 2026

Spacetalk Ltd (ASX: SPA)

Half-Year Results Highlight Strategic Transformation and Recurring Revenue Growth

Strong Active Mobile subscriber growth, platform launch completed, and foundations laid for scalable software expansion.

Spacetalk Ltd (ASX: SPA) ("Spacetalk" or "the Company") is pleased to provide its half-year results for the six months ended 31 December 2025 (1H26).

KEY PERFORMANCE HIGHLIGHTS

- Annual recurring revenue (ARR) increased 9% on the prior corresponding period ("pcp") to \$12.0M, reflecting continued growth in subscription services.
- Active mobile subscribers increased 26% on pcp to 57.6k, supporting scalable and capital-efficient growth.
- Revenue from continuing operations decreased 6% on pcp to \$9.3M, primarily due to timing-related impacts from retailer ordering patterns, which resulted in lower device sales during the period.
- Gross margin increased slightly to 50% compared to 49% in pcp.
- Operating expenses increased 64% on pcp to \$8.7M, as the business commenced targeted reinvestment to support the Company's strategic transition to a software-led business model and build a pipeline of Domestic and International Telco software sales opportunities resulting in the first agreement with TPG to deploy the Spacetalk App to 2.8m Vodafone customers.
- Cash in bank was \$1.5M at period end.

Summary cash flow statement (\$'000)	1H26	1H25	% Change
Receipts from customers	10,154	7,957	28%
Cash Paid to suppliers and employees	(14,462)	(9,262)	56%
Net cash used in operating activities	(3,818)	(1,666)	129%
Purchase of intangible assets	(1,964)	(652)	201%
Cash used in investing activities	(1,970)	(659)	199%
Cash flow before financing activities	(5,788)	(2,325)	149%
Cash flow from financing activities	6,176	2,971	108%
Net increase in cash and cash equivalents	389	649	-40%
Cash and cash equivalents at period end	1,538	2,419	-36%

Commenting on the half year performance, Spacetalk's CEO and Managing Director, Simon Crowther, said:

"1H26 was a transformational period for Spacetalk, marked by the launch of the Spacetalk 2.0 App and the completion of a significant platform upgrade. The business now operates on a scalable, cloud-based architecture that supports its software-led, hardware-enabled family safety ecosystem and future monetisation initiatives.

Annual Recurring Revenue (ARR) increased 9% year-on-year to \$12m (1H25: \$11m). Growth was driven by a 26% increase in active mobile subscribers to 57.4k (1H25: 45.6k). Spacetalk Mobile ARR now represents 42% of total customer revenue, up from 28% in the prior corresponding period.

International expansion also progressed through a capital-light, e-commerce-led strategy across key markets. The next phase of this expansion is to establish anchor retail partnerships in priority markets to build brand awareness and new customer acquisition across both retail and e-commerce channels.

The new Spacetalk platform supports our software roadmap to deliver a compelling app experience to users and customers for the first time. The inclusion of key new features, particularly content filtering, scheduled for launch in 2H26, is expected to drive increasing ARR linked to software sales. The announcement of an MOU with TPG Vodafone to distribute our software to millions of Vodafone customers is a significant step for the business, and we expect to announce additional Telco deals in due course. In addition, we made progress on the assessment and planning for entry into the seniors sector via a cost-effective Pilot

program later in the year. The seniors sector represents a significant value creation opportunity for shareholders. The investment in the Spacetalk platform is key to enabling the full potential of the IP we exclusively licensed from NeuRA

Looking ahead, strategic telco partnerships and continued platform innovation are expected to accelerate subscriber growth, deepen ecosystem engagement through the deployment of AI-powered customer value management activity, and support sustainable, long-term value creation.”

1H25 Financial Results Summary

Revenue from continuing operations was \$9.3 million, representing a 6% decrease on the prior corresponding period (pcp). The reduction was primarily due to timing-related softness in device sales, while underlying performance across recurring subscription revenue streams remained strong.

Active Spacetalk Mobile subscribers increased by 26% to 57.4k (1H25: 45.6k), driven by strong customer acquisition. As a result, Spacetalk Mobile revenue grew 29% to \$3.9 million (1H25: \$3.0 million).

ARR increased by 9% to \$12.0 million, underpinned by continued growth in subscription services.

Gross margin increased slightly to 50% from 49%, demonstrating resilience in underlying profitability of the Company’s business model.

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The release of this announcement has been approved by Spacetalk’s CEO, Simon Crowther, on behalf of the board of directors of the Company.

To keep up to date with company news and announcements, visit: investorhub.spacetalk.co

For further information or investor enquiries, please contact: investors@spacetalk.co

Spacetalk Limited (ASX: SPA)

Simon Crowther

CEO and Managing Director

spacetalk.co

ABOUT SPACETALK LTD

Spacetalk Ltd (ASX: SPA) develops and sells hardware and software to provide safety at every stage of life. Spacetalk offers families a suite of solutions: Australia's best-selling Kids Smart Watches (GFK Report July 2024: Total Sales of Kids Smartwatch in Australia), Spacetalk Mobile, Spacetalk App, and Adult Wearables. The Spacetalk ecosystem provides freedom with peace of mind. To learn more, please visit: spacetalk.co

FORWARD-LOOKING STATEMENTS

This announcement may contain forward-looking statements. These statements are based on Spacetalk's expectations, estimates, and projections at the time the statements are made. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Actual outcomes and results may differ materially from those expressed or implied in these forward-looking statements. Spacetalk undertakes no obligation to update these statements for events or circumstances occurring after the date of this announcement.