



## **AST SpaceMobile CEO Publishes Letter to Shareholders**

MIDLAND, TX – January 23, 2024 – [AST SpaceMobile, Inc.](#) (“AST SpaceMobile”) (NASDAQ: ASTS), the company building the first and only space-based cellular broadband network accessible directly by everyday smartphones, today announced that Abel Avellan, Chairman and Chief Executive Officer of AST SpaceMobile, published a letter to shareholders. The full text of the letter is below.

### **Dear Fellow Shareholders,**

Last week’s announcement of strategic investments from AT&T, Google and Vodafone and aggregate new financing of up to \$306.5 million in gross proceeds, represents a major leap forward for AST SpaceMobile, not only providing new incremental capital, but perhaps more importantly defining the path forward for the company strategically and commercially.

### **The right long-term partners**

AST SpaceMobile, the only company that has proven technology to deliver cellular broadband connectivity directly from space to your everyday smartphones, is now supported by global leaders in the wireless ecosystem.

- Being able to announce investment by AT&T, Google and Vodafone is humbling and a true testament to the company’s achievements, and the opportunity ahead of us.
- AT&T and Google join existing strategic investors Vodafone, Rakuten, American Tower and Bell Canada, industry leaders own over 20% of AST SpaceMobile (on a fully-diluted economic basis). The support from these leaders, alongside the 40+ mobile network operators with whom we have agreements and understandings and who have over 2 billion subscribers around the world, is necessary for us to achieve our mission.
- Commercial revenue secured with AT&T and with Vodafone (subject to a definitive agreement), and anticipated government related revenues should enable AST SpaceMobile to attract long term, low-cost quasi-governmental funding.
- Google and AST SpaceMobile agreed to collaborate on product development, testing and implementation plans for SpaceMobile network connectivity on its Android and related devices
- Lastly, we continue to advance discussions with additional strategic partners, following the blueprint of commercial payments alongside commercial agreements.

### **The right strategic and commercial investment model**

- The largest piece of capital raised last week was 10-year subordinated convertible notes with 5.50% interest (which may be paid in kind), with a conversion price of \$5.75 per share.

- AT&T and Vodafone, two of our prospective top customers, are not only investing in AST SpaceMobile, but also making \$45.0 million of non-dilutive commercial payments (subject to conditions) on non-dilutive commercial payments and purchasing network equipment, actions which actively shape our commercial and go-to-market strategy and provide a structure for us to bring other customers onto the SpaceMobile network.
- Lastly, while these first commercial payments represent only a small portion of the revenue opportunity in front of us, we believe they are helpful tools for jump-starting the service and efficiently funding the company.

### **The right amount of capital to support the commercial roll out**

- With our first five commercial satellites fully-funded, last year we turned our attention to building and launching the next-generation BlueBirds, which are designed for a 10x improvement in throughput.
- The series of simultaneous deals announced last week reflected our decision that \$300 million was the right amount of capital to bring all together at once.
- Altogether, we announced up to \$306.5 million in aggregate gross proceeds, including convertible notes, non-dilutive commercial payments, common equity and a planned future draw on the company's existing credit facility.
- With our new incremental cash, we continue to maintain momentum and we are also well positioned to finance AST SpaceMobile efficiently for shareholders.

### **Let's keep making history together**

- I am confident that, over the long term, the value of our technology, our strategy, and our partner ecosystem will be fully recognized and realized.
- I, along with all of the members of the AST SpaceMobile board of directors and management team, could not be more excited for the future of space-based communications, and we are excited to be the team leading the first and only space-based cellular broadband network.
- Let's keep it up to achieve our mission of connecting the unconnected!

Sincerely,

A handwritten signature in black ink that reads "Abel Avellan". The signature is written in a cursive style with a horizontal line underneath the name.

Abel Avellan  
Chairman and Chief Executive Officer  
AST SpaceMobile

This press release is not an offer to sell the Company's Class A Common Stock or any other securities of the Company and does not constitute the solicitation of an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

## About AST SpaceMobile

AST SpaceMobile is building the first and only global cellular broadband network in space to operate directly with standard, unmodified mobile devices based on our extensive IP and patent portfolio. Our engineers and space scientists are on a mission to eliminate the connectivity gaps faced by today's five billion mobile subscribers and finally bring broadband to the billions who remain unconnected. For more information, follow AST SpaceMobile on [YouTube](#), [X \(formerly Twitter\)](#), [LinkedIn](#) and [Facebook](#). [Watch this video](#) for an overview of the SpaceMobile mission.

## Forward-Looking Statements

This communication contains "forward-looking statements" that are not historical facts, and involve risks and uncertainties that could cause actual results of AST SpaceMobile to differ materially from those expected and projected. These forward-looking statements can be identified by the use of forward-looking terminology, including the words "believes," "estimates," "anticipates," "expects," "intends," "plans," "may," "will," "would," "potential," "projects," "predicts," "continue," or "should," or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside AST SpaceMobile's control and are difficult to predict.

Factors that may cause such differences include, but are not limited to: (i) expectations regarding AST SpaceMobile's strategies and future financial performance, including AST's future business plans or objectives, expected functionality of the SpaceMobile Service, anticipated timing of the launch of the Block 1 Bluebird satellites, anticipated demand and acceptance of mobile satellite services, prospective performance and commercial opportunities and competitors, the timing of obtaining regulatory approvals, ability to finance its research and development activities, commercial partnership acquisition and retention, products and services, pricing, marketing plans, operating expenses, market trends, revenues, liquidity, cash flows and uses of cash, capital expenditures, and AST's ability to invest in growth initiatives; (ii) the negotiation of definitive agreements with mobile network operators relating to the SpaceMobile service that would supersede preliminary agreements and memoranda of understanding and the ability to enter into commercial agreements with other parties or government entities; (iii) the ability of AST SpaceMobile to achieve the requirements necessary to realize the prepaid revenue opportunities from AT&T and Vodafone; (iv) the ability of AST to receive the waiver necessary to draw up to \$51.5 million under its senior-secured credit facility; (v) the ability of AST to complete additional financings through strategic investors and/or quasi-governmental sources on terms and conditions that are favorable to the Company, or at all; (vi) the ability of AST SpaceMobile to grow and manage growth profitably and retain its key employees and AST SpaceMobile's responses to actions of its competitors and its ability to effectively compete; (vii) changes in applicable laws or regulations; (viii) the possibility that AST SpaceMobile may be adversely affected by other economic, business, and/or competitive factors; (ix) the outcome of any legal proceedings that may be instituted against AST SpaceMobile; and (x) other risks and uncertainties indicated in the Company's filings with the SEC, including those in the Risk Factors section of AST SpaceMobile's Form 10-K filed with the SEC on March 31, 2023.

AST SpaceMobile cautions that the foregoing list of factors is not exclusive. AST SpaceMobile cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk Factors incorporated by reference into AST SpaceMobile's Form 10-K filed with the SEC on March 31, 2023. AST SpaceMobile's securities filings can be

accessed on the EDGAR section of the SEC's website at [www.sec.gov](http://www.sec.gov). Except as expressly required by applicable securities law, AST SpaceMobile disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

**Investor Contact:**

Scott Wisniewski

[investors@ast-science.com](mailto:investors@ast-science.com)

**Media Contact:**

Allison

Eva Murphy Ryan

917-547-7289

[ASTSpaceMobile@allisonpr.com](mailto:ASTSpaceMobile@allisonpr.com)