

MEMORANDUM OF UNDERSTANDING

BETWEEN

**TELECOMUNICAÇÕES BRASILEIRAS S.A. TELEBRAS, A COMPANY LINKED TO THE
MINISTRY OF COMMUNICATIONS OF BRAZIL (“TELEBRAS”) AND**

**SHANGHAI SPACESAIL TECHNOLOGIES CO., LTD., A CHINESE COMPANY WHOSE
CORPORATE PURPOSE IS TO PROVIDE SATELLITE TELECOMMUNICATIONS SERVICES
AND SOLUTIONS (“SPACESAIL”);**

Hereinafter referred to as SIGNATORIES.

WHEREAS:

1. This Memorandum of Understanding will be executed within the scope of the rules and legal provisions applicable in the jurisdiction of each of them;
2. TELEBRAS executes state public policies for digital inclusion and provides connectivity solutions for the Public Administration through terrestrial and satellite networks, playing a fundamental role in the universalization of broadband connectivity in Brazil;
3. By force of Federal Law 14.744/2023, TELEBRAS has the right of preference in the contracting of multimedia communication services for the purpose of offering data transmission, emission and reception capacity, including the provision of internet connection;
4. Among other commitments of the Brazilian Federal Government regarding the elimination of digital exclusion in underprivileged and rural remote regions, and those aimed at the digital transformation of the economy, there is the Government's commitment to ensure universal and significant connectivity to almost 140,000 public schools in Brazil, at a speed suitable for educational purposes;
5. Furthermore, TELEBRAS is implementing the Electronic Government Program – Citizen Service (“GESAC”) - a Brazilian federal government project managed by the Ministry of Communications that brings Internet access via satellite to remote and socially vulnerable areas of Brazil, with the purpose of providing digital inclusion and the provision of strategic services to schools, health units, rural indigenous and quilombola communities, public security, border posts, monitoring of the Amazon, among others;
6. The Ministry of Communications of Brazil renewed the contract with TELEBRAS for the execution of GESAC, aiming to serve 28,000 points over five years;

7. SPACESAIL is building and will operate a global network of Low-Earth-Orbit (LEO) satellites and related terrestrial infrastructure that will deliver global broadband connectivity and other services to education, healthcare, agriculture, transportation, and industry users, including bringing internet connectivity to remote and underserved areas;

8. SPACESAIL proposes to invest in the operation of a LEO satellite system to provide services to expand Brazil's space connectivity offering, and to contribute to reducing the digital divide, especially in isolated regions and less favored rural territories, with an expected start of operations in 2026;

9. SPACESAIL proposes, to the extent possible, developing this project in collaboration with Telebras.

10. SPACESAIL has the interest and capacity to collaborate with the Brazilian public administration in the design and promotion of plans aimed at reducing the digital divide in rural areas of the Brazilian territory and in the digital transformation of essential public services that the Brazilian State provides to its citizens;

11. SPACESAIL is evaluating the establishment of a subsidiary in Brazil to invest and commercially operate within the country.

The SIGNATORIES resolve to sign this Memorandum of Understanding:

Clause 1 Object

This Memorandum of Understanding constitutes a framework agreement to strengthen cooperation activities between the SIGNATORIES, in order to assess, through technical teams, the current needs for satellite connectivity and potential projects that allow meeting said needs. Whenever they deem appropriate, the SIGNATORIES may promote the implementation of specific programs, projects and/or activities associated with this Memorandum of Understanding, through the signing of complementary agreements or other memoranda. The rights and responsibilities under this agreement may be transferred to SPACESAIL's direct or indirect controlled subsidiaries in Brazil, which shall be established in the future.

Clause 2 Implementation

The SIGNATORIES agree to establish a Technical Team, which constitutes the main framework for cooperation, and whose main objectives will be:

- a) To identify, size and quantify in technical and economic terms the current and future needs of the demand for satellite connectivity in Brazil.
- b) To project these needs over a time horizon of at least fifteen (15) years.
- c) Share experiences and knowledge on the governance and operational mechanisms of space infrastructures and make recommendations on the ideal governance framework for the future operation of shared space capabilities.
- d) Explore the possibility of developing a project to share new space infrastructures that meet the needs of the Federative Republic of Brazil and that guarantee the independence and autonomy of the State for the development of public policy programs aimed at eliminating the digital divide.
- e) Explore the possibility of developing technological and scientific training projects with Brazilian universities to provide specialized labor in the country in the area of Space.

The SIGNATORIES may agree to incorporate into the Technical Team, permanently or temporarily, those entities that, by their nature or mission, can provide relevant information or technical knowledge necessary for the proper functioning of the team and the fulfillment of its objectives.

The progress and monitoring of the activities carried out within the scope of this document will be the responsibility of:

On the part of Telebras:

Name: Nauro Luiz Scheufler

Position: Technical and Operations Director

Address: SIG Quadra 4, Edifício Capital Financial Center, Bloco A, sala 218, cep 70640-440, Brasília, DF

E-mail: nauro.scheufler@telebras.com.br

On the part of SPACESAIL:

Name: Mr. Jing Wang

Position: Regional Director

Address: Building 7, Rafael Sky City, No.288 Qianfan Road, Songjiang District, Shanghai, China

E-mail: jing.wang@spacesail.net

Clause 3
Joint Programs, Projects and/or Activities

The work programs, projects and/or activities developed under this Memorandum of Understanding will contain proposals for joint implementation that fall within the competences of each of the SIGNATORIES.

Once the programs, projects and/or activities have been defined and the respective authorizations and resources have been obtained, the SIGNATORIES may sign specific agreements, memoranda of understanding or exchange of letters, in which the terms and conditions for the execution of the agreed projects, programs and activities may be outlined in greater detail, as well as the objectives, activities to be carried out, the action plan, schedules, evaluation and monitoring controls, among others.

There will be no costs or expenses of any kind between the SIGNATORIES in relation to this Memorandum of Understanding.

Clause 4
Protection of Intellectual Property and Confidentiality

Any intellectual property rights generated under the protection of either of the SIGNATORIES shall be protected in accordance with the rules and regulations of each country and in accordance with the relevant international agreements to which both countries are parties. Neither SIGNATORY may disclose or distribute information of another SIGNATORY under this Memorandum of Understanding unless signed consents are provided.

Clause 5
Dispute Resolution

Any differences that may arise from the interpretation and/or implementation of this Memorandum of Understanding shall be resolved amicably through consultations between the SIGNATORIES. Neither SIGNATORY shall be liable to the other for damages or to claim any type of penalty or compensation due to non-compliance or failure to comply with this Memorandum of Understanding. Each SIGNATORY's sole remedy for non-compliance or failure to comply by the other is termination of this Memorandum of Understanding.

**Clause 6
Amendments**

Amendments to this Memorandum of Understanding may only be made by mutual agreement expressed in writing by the duly authorized representatives of the SIGNATORIES. The instruments containing the amendments shall be added as annexes to this Memorandum of Understanding and shall form part thereof.


**Clause 7
Commencement, Duration and Termination of its Application**

This Memorandum of Understanding shall come into force upon its signature by the SIGNATORIES and shall remain in force for a period of fifteen (15) years, with the possibility of renewal after an exchange of correspondence between the SIGNATORIES. This Memorandum of Understanding may be freely terminated by either SIGNATORIES, without incurring any liability, upon written notice to the other at least three (3) months in advance.

This Memorandum of Understanding is signed in two languages: Portuguese and English. If there remains unresolved conflict between the above two languages, the English version will prevail.

Signed in Brasília, DF, Brazil, on November 19th, 2024.

For Shanghai SPACESAIL Technologies Co., Ltd.


Jason Jie Zheng
President

For TELEBRAS S.A.


Frederico Siqueira Filho
President