



## Year-End Report for AAC Clyde Space AB (publ) January – December 2022

### 2023-02-23 AAC Clyde Space AB (publ)

#### Fourth quarter, October–December 2022 (compared with October–December 2021)

- Net sales amounted to SEK 60.3 M (62.1), a decrease of 3%
- Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -20.1 M (-1.0) and to SEK -11.5 M (0.0) excluding costs from an aborted acquisition of SEK -8.6 M (0.0) and non-recurring personnel costs of 0.0 M (-1.0)
- Earnings before interest and tax (EBIT) amounted to SEK -28.3 M (-8.0)
- The loss after tax was SEK -17.4 M (-8.3) including financial income due to restatements of additional considerations for the acquisitions of SpaceQuest Ltd and Omnisys Instruments
- Basic and diluted earnings per share amounted to SEK -0.09 (-0.04)
- Cash flow from operating activities totalled SEK +43.1 M (-1.7). The positive cash flow is mainly due to achieved and paid milestones and prepayments from new orders during the quarter
- The order backlog amounted to SEK 427.8 M (407.2)

#### Full-Year 2022 (compared with Full-Year 2021)

- Net sales increased 9% to SEK 196.7 M (180.0)
- Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -38.6 M (-14.9) SEK and to SEK -30.0 M (-12.3) excluding costs from an aborted acquisition of SEK -8.6 M (0.0) and non-recurring personnel costs and acquisition costs of 0.0 M (-2.6)
- Earnings before interest and tax (EBIT) amounted to SEK -67.0 M (-38.6)
- The loss after tax was SEK -46.5 M (-39.5) including financial income due to restatements of additional considerations for the acquisitions of SpaceQuest Ltd and Omnisys Instruments
- Basic and diluted earnings per share amounted to SEK -0.24 (-0.23)
- Cash flow from operating activities totalled SEK +6.4 M (-35.5)

#### Events in the fourth quarter of 2022

- AAC Clyde Space and its partners, agreed to progress into the final phase of the xSPANCION project, the demonstration phase. This will begin with a phase 3A, focused on scaling constellation production capacity and delivering data services to users. The value of this phase is EUR 3.3 M (approx. SEK 35.8 M), of which the UK Space Agency, through the ESA's Pioneer Partnership Projects, will contribute EUR 1.6 M (approx. SEK 17.9 M)
- AAC Clyde Space won a GBP 0.875 M (approx. SEK 10.9 M) order for a Sirius computer from Astroscale Ltd., for inclusion in their End-of-Life space debris removal service, ELSA-M. The order follows a GBP 0.94 M (approx. SEK 11.6 M) order for a Starbuck power system from Astroscale announced on September 22, 2022
- AAC Clyde Space won a contract to maintain radiometers in the telescopes of the Atacama Large Millimeter/submillimeter Array (ALMA) in Chile. The contract runs for five years and is worth EUR 574 k (approx. SEK 6.2 M)
- The previous owners of Omnisys Instruments AB converted the remaining third of their warrants into shares in AAC Clyde Space. Consequently, AAC Clyde Space issued 5,780,845 shares, bringing the total number of shares in the company to 204,811,010
- AAC Clyde Space won a contract to continue to operate the SeaHawk satellite for one more year, a contract that may be extended up to two years further provided that the spacecraft continues to deliver data. The one-year contract has a value of USD 175 k (approx. SEK 1.9 M)



- AAC Space Africa, part of the AAC Clyde Space group, brought in the manufacture and distribution of the Pulsar range of satellite communication systems after licensing the technology
- AAC Clyde Space received a USD 0.85 M (approx. SEK 8.8 M) order on subsystems for the IM-3 mission to the Moon led by the U.S. company Intuitive Machines. The order is the third received by AAC Clyde Space for the U.S. company's lunar landing missions
- Astroscale Ltd. extended its order from AAC Clyde Space for its end-of-life space debris removal service, ELSA-M, with additional hardware and functionality valued at GBP 0.611 M (approx. SEK 7.7 M). The order follows orders announced earlier in 2022 for a Sirius computer and a Starbuck power system totalling GBP 1.8 M (approx. SEK 23.0 M)

#### **Events after the end of the reporting period**

- Kelpie-1, a 3U AAC Clyde Space EPIC nanosatellite, was successfully launched on the SpaceX Transporter-6 mission on January 3, 2023. Kelpie-1 will deliver AIS data to the U.S. company ORBCOMM Inc., a global provider of Internet of Things (IoT) solutions, under an exclusive Space Data as a Service (SDaaS) deal. It is planned to be followed by the launch of a second Kelpie satellite in the first half of 2023
- An AAC Clyde Space manufactured satellite was lost when a Virgin Orbit rocket failed to reach orbit. All satellites on the launch were reported to have been lost, including IOD-3 manufactured by AAC Clyde Space for the Satellite Applications Catapult. The loss had no financial impact on AAC Clyde Space
- AAC Clyde Space received a EUR 234 k (approx. SEK 2.6 M) order from UK-based Space Forge to provide space products for a demonstration spacecraft designed to leverage the space environment for production and experiments, capable of performing multiple trips to space
- A consortium including AAC Clyde Space's subsidiary AAC Hyperion was selected by European Defence Fund to develop a less than 100 kg satellite to be placed in geostationary orbit (GEO) for space situational awareness. The satellite, named Naucrates, is not to be trackable from ground radar, optical telescope or radio telescope. It is set to be the first European GEO satellite for Space Situational Awareness (SSA) in GEO
- AAC Clyde Space won a USD 0.59 M (approx. SEK 6.1 M) order for reaction wheels to be used on a number of small satellites. The order comes from a US blue chip company
- AAC Clyde Space was selected to deliver products valued at USD 1.6 M (approx. SEK 16.6 M) to a US blue chip company. AAC SpaceQuest will procure and resell the products with margins that are lower than on its proprietary products. The products will be delivered over a period of 12 months
- AAC Clyde Space won an order for satellite subsystems valued at USD 2.3 M (approx. SEK 23.8 M) from a US development company supplying spacecraft and other multi-mission systems



## Comments from the CEO

2022 was a year of steady progress for AAC Clyde Space. We grew topline sales and delivered several satellites, despite industrywide supply chain issues, rising costs, and continued staff shortages. We increased net sales by 9% to SEK 196.7M (compared to SEK 180M in 2021), just short of our SEK 210M target. We delivered our targeted positive operating cash flow for FY 2022 – and we expect to maintain positive operating cash flow and achieve positive EBITDA in 2023.

The order backlog, which has risen to SEK 427.8M, and an optimistic sales pipeline give us confidence going into 2023. We saw strong demand for our power systems and on-board computers from repeat customers during the year, which has continued into the start of 2023. We have also delivered satellites for launch to our customers and continue to make progress on building our own satellites, which will provide space data as a service to our clients.

Despite recent industry wide issues, we believe there are reasons to be more optimistic looking ahead in 2023 and beyond. Interest in space services and space-based data, provided by small satellites, continues to grow as more industries see value and benefit. We are well positioned to take advantage of this demand across several sectors, ranging from shipping to agriculture.

Powered by more advanced satellites, we are developing services for agriculture and forestry to drive efficiency through precision farming as well as better monitoring through enhanced imaging. We are building the next generation of maritime communications based on the VHF Data Exchange System (VDES), that operates between ships, shore stations and satellites. While also developing more accurate space-based instruments to predict and forecast weather.

As mentioned, the fourth quarter saw continued development on several fronts, with repeat orders for components, progress on key research projects, and extensions to existing data services.

Astroscale ordered components for its end-of-life space debris removal service, ELSA-M, with the contract covering additional hardware and functionality. And the US company Intuitive Machines, ordered subsystems for its IM-3 mission to the moon, the third such order.

Meanwhile, in November, RocketLab launched the MATS satellite, a Swedish scientific mission. It carries our Starbuck-Mini power system, Sirius data-handling subsystem, and custom-built solar panel, as well as scientific instruments developed by AAC Omnisys. The mission is studying waves in the upper atmosphere and their influence on weather and climate.

Together with our partners, we have agreed to progress into the final, demonstration phase of the xSPANCION project. This will begin with a phase focused on scaling constellation production capacity and delivering data services to users.

On the service side, we have won a contract to maintain radiometers in the telescopes of the Atacama Large Millimeter/submillimeter Array (ALMA) in Chile. We will also continue to operate the SeaHawk satellite for one more year, a contract that may be extended up to two years further, provided the spacecraft continues to deliver data.

This momentum has been maintained into the start of 2023, with new component and product orders, a new European development project and the launch of several satellites.

We have won an order for the satellite subsystems from a US development company supply spacecraft and other multi-mission systems. We've also secured an order from UK-based Space Forge to provide space products for a demonstration spacecraft designed to leverage the space environment for production and experiments. It will be capable of performing multiple trips to space.

A consortium, including AAC Clyde Space subsidiary AAC Hyperion, has been selected by the European Defence Fund to develop a satellite, weighing less than 100kg, to be placed into geostationary orbit (GEO) for Space Situational Awareness (SSA). The satellite, named Naucrates, is set to be the first European GEO satellite for SSA, and we're thrilled to be a part of this landmark project.

In January, Kelpie-1, an EU AAC Clyde Space EPIC nanosatellite, was successfully launched on the SpaceX Transporter-6 mission on January 3, 2023. Kelpie-1 will deliver AIS data to US company ORBCOMM, a global provider of Internet of Things (IoT) solutions, under an exclusive Space Data as a Service (SDaaS) deal. It is planned to be followed by the launch of a second Kelpie satellite in the first half of 2023.

Sadly, a satellite manufactured by AAC Clyde Space for the Satellite Applications Catapult was lost when a Virgin Orbit rocket failed to reach orbit. All satellites on the launch have been lost. This loss had no financial impact on AAC Clyde Space.

We continue to work with our customers and partners – both new and existing – to realise the huge potential of small satellites for business and people on earth. We are ready and excited to keep building significant revenue growth in 2023, and to achieve positive EBITDA and operational cashflow for all our shareholders.

**Luis Gomes**  
CEO



**FOR MORE INFORMATION:**

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The information in this press release is such that AAC Clyde Space AB (publ) shall announce publicly according to the EU Regulation No 596/2014 on market abuse (MAR). The information was submitted for publication, through the agency of the contact person set out above, at 8:30 CET on 23 February 2023.

The interim report and further information are available at <https://investor.aac-clyde.space/en/financial-reports>

**ABOUT AAC CLYDE SPACE**

AAC Clyde Space specialises in small satellite technologies and services that enable businesses, governments and educational organisations to access high-quality, timely data from space. Its growing capabilities bring together three divisions:

**Space Data as a Service** – delivering data from space directly to customers

**Space missions** – turnkey solutions that empower customers to streamline their space missions

**Space products and components** – a full range of off-the-shelf and tailor-made subsystems, components and sensors

AAC Clyde Space aims to become a world leader in commercial small satellites and services from space, applying advances in its technology to tackle global challenges and improve our life on Earth.

The Group's main operations are located in Sweden, the United Kingdom, the Netherlands, South Africa and the USA, with partner networks in Japan and South Korea.

AAC Clyde Space's shares are traded on Nasdaq First North Premier Stockholm. Erik Penser Bank AB is the Certified Adviser. The share is also traded on the US OTCQX- market under the symbol ACCMF.