



## Interim report for AAC Clyde Space AB (publ) January – June 2022

### 2022-08-25 AAC Clyde Space AB (publ)

#### Second quarter, April–June 2022 (compared with April–June 2021)

- Net sales increased 4% to SEK 49.5 M (47.4)
- Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -3.2 M (-3.5)
- Earnings before interest and tax (EBIT) amounted to SEK -9.5 M (-9.3)
- The loss after tax was SEK -5.8 M (-9.6)
- Basic and diluted earnings per share amounted to SEK -0.03 (-0.06)
- Cash flow from operating activities totalled SEK -32.2 M (5.9). The negative cash flow is mainly due to revenues during the second quarter being accrued against projects where prepayments already have been received and not yet invoiced milestones in delayed projects
- The order backlog amounted to SEK 400 M (413)

#### January–June 2022 (compared with January–June 2021)

- Net sales increased 8% to SEK 90.7 M (84.2)
- Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -10.8 M (-3.9)
- Earnings before interest and tax (EBIT) amounted to SEK -24.1 M (-13.8)
- The loss after tax was SEK -17.5 M (-13.6)
- Basic and diluted earnings per share amounted to SEK -0.09 (-0.08)
- Cash flow from operating activities totalled SEK -25.2 M (-14.9)

#### Significant events in the second quarter of 2022

- AAC Clyde Space won a 0.56 MEUR (approx. 5.9 MSEK) order for its Sirius avionics for Israeli SpaceIL's Moon mission, Beresheet 2. It will be delivered during Q1 2024
- The previous owners of Omnisys Instruments AB converted the second third of their warrants into shares in AAC Clyde Space. AAC Clyde Space consequently issued 5,780,033 shares. The remaining third of the warrants can thus be converted into shares after 30 October 2022
- AAC Omnisys secured an EUR 0.47 M (approx. SEK 4.9 M) order to deliver strategic spare parts to Airbus Defence and Space for Europe's next generation of meteorological satellites, the MetOp-SG
- AAC Hyperion acquired a contract to develop an onboard artificial intelligence (AI) capability for small satellites in collaboration with the Royal Netherlands Aerospace Centre (NLR). The European Space Agency (ESA) will fund the project with EUR 0.41 M (approx. SEK 4.2 M) sponsored by the Netherlands Space Office (NSO), with means from ESA's General Support Technology Programme (GSTP)
- AAC Space Africa was selected to deliver a ground station to a client in Africa. The order at approx. SEK 3.4 M will be delivered in 2022
- AAC Clyde Space issued 525 457 shares to the previous owners of Omnisys Instrument AB as an earn-out payment achieved following the completion of the preliminary design of the weather instrument to the ESA project Artic Weather Satellite (AWS). The earn-out is the first of potentially three equal earnout issues of remuneration shares related to the AWS-project. Omnisys was awarded a EUR 12.2 million contract to supply microwave sounding sensors to the AWS-project in March 2021. The share issue increases the total number of shares in AAC Clyde Space to 193 250 943



### Significant events after the end of the reporting period

- AAC Clyde Space won a 584 kEUR (approx. 6.1 MSEK) order for Sirius computers and Starbuck power systems from OHB Sweden. The units will be part of the core avionics for a new InnoSat-class satellite
- AAC Clyde Space won a 0.6 MGBP (approx. 7.3 MSEK) order for 25 power systems for a constellation. Delivery will start in the fourth quarter of 2022
- AAC Clyde Space was awarded funding through the European Space Agency's ARTES Core Competitiveness programme which helps European and Canadian industry to develop innovative satcom technology, products and systems. The award will enable AAC Clyde Space to further develop its Starbuck Mini power system to address the needs of future constellations. The total project value is 0.95 MEUR (approx. 10.1 MSEK) of which ESA will fund half, and AAC the other half.

### Comments from the CEO

This quarter, we have continued to navigate industry-wide supply chain issues as we make the final preparations for a series of key launches scheduled towards end of the year.

First among these is Amber-1 (IOD-3). We are proud to be part of this highly anticipated mission and historic moment for the UK space sector. Not only will it make British spaceflight history as the UK's first satellite launch from home soil; it demonstrates how the country's space sector can work together to get new technologies into orbit and make a positive impact on Earth. Built by our team at AAC Clyde Space for Horizon Technologies and Catapult, Amber-1 will be launched on Virgin Orbit's LauncherOne in Cornwall. And later in the year, we'll launch three other satellites on Space-X's Transporter-6, on what will be a very busy (and exciting) period for our team.

Supply chain issues are still affecting the entire industry, delaying the delivery of existing projects and casting uncertainty over delivery times for new customer orders. The result is delayed order intake and reduced net sales due to component shortages. Despite maintaining the value of our order backlog at SEK400M (like the last quarter) and growing our H1 year on year net sales by 8%, to SEK90.7M, our objective of reaching positive EBITDA and operational cashflow moved forward to FY2023. We anticipate significant progress in the second half of the year as we complete more projects and expect to recognise SEK 145M of our order backlog as revenue, but this will not be enough to offset the delays experienced during H1. Ultimately, we expect to generate at least SEK 236M of annual sales in 2022 from existing contracts (at the end of June). Additionally, since the end of the quarter we have secured several new contracts that build on our capabilities and strengthen our position in key areas.

As the world embarks on a new era of lunar exploration, we have won a SEK 5.9M contract to provide our Sirius avionics for Israeli SpaceIL's Moon mission, Beresheet 2. These will be delivered in Q1 2024 for a planned launch in the second half of the year.

AAC Omnisys continues to build on its strong position in technology for weather satellite missions of all sizes. Most recently, it has secured a SEK 4.9M order to deliver strategic spare parts to Airbus Defence and Space for Europe's next generation of meteorological satellites, the MetOp-SG.

Meanwhile, AAC Hyperion has won a contract to develop an onboard artificial intelligence (AI) solution that will improve small satellite capabilities, helping to make shipping routes more efficient, improve agriculture, and better track and predict potential natural disasters. Together with the Royal Netherlands Aerospace Centre, we are developing AI hardware and algorithms that will process and sort data collected by satellites on board, optimise data links and upgrade constellation control and navigation.

Elsewhere in the Group, AAC Space Africa has been selected to deliver a ground station to a client in Africa. The order at approx. SEK 3.4 M will be delivered this year and is an important steppingstone to leverage space-based data and services to improve the quality of life, safety and economic prosperity in the region.

Finally, our power systems continue to be in strong demand. In August we secured a SEK6.1M order from OHB Sweden for our Sirius computers and Starbucks power systems, and follow-on order from an international customer for 25 power systems for an earth observation constellation. In addition, we were awarded funding by the European Space Agency's ARTES Core Competitiveness programme to develop our Starbuck Mini power system. The Starbuck Mini has demonstrated impressive in-orbit performance is an increasingly popular product for a range of missions – from LEO to lunar. This project will make it even more competitive and improve production and delivery times when scaling up to larger volumes.



I look forward to fulfilling these contracts, pushing ahead with launches, and progressing our capabilities. As ever, but particularly in these challenging global conditions, thank you to shareholders for your support – and to our global team for their hard work, tenacity, and determination to fulfil our vision.

**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 CEST on 25 August 2022.

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.