



AAC
CLYDE
SPACE

AAC CLYDE SPACE AB (publ) **INTERIM REPORT** **Q2 2023**



**SECOND QUARTER,
APRIL-JUNE 2023
(COMPARED WITH
APRIL-JUNE 2022)**

Net sales amounted to
SEK 75.9 M (49.5),
an increase of 53%

Earnings before interest, tax,
depreciation and amortisation
(EBITDA) amounted to
SEK +2.3 M (-3.2)

The order backlog amounted to
SEK 443.7 M (400.2)

Cash flow from operating
activities totalled
SEK -43.0 M (-32.2)

Basic and diluted earnings per
share amounted to
SEK -0.02 (-0.03)

Earnings before interest and tax
(EBIT) amounted to
SEK -5.4 M (-9.5)

The loss after tax was
SEK -4.7 M (-5.8)

JANUARY-JUNE 2023
(COMPARED WITH
JANUARY-JUNE 2022)

Net sales amounted to
SEK 149.8 M (90.7),
an increase of 65%

Earnings before interest, tax,
depreciation and amortisation
(EBITDA) amounted to
SEK +4.0 M (-10.8)

Earnings before interest and tax
(EBIT) amounted to
SEK -10.9 M (-24.1)

Cash flow from operating
activities totalled
SEK -52.8 M (-25.2)

Basic and diluted earnings
per share amounted to
SEK -0.05 (-0.09)

The loss after tax was
SEK -11.1 M (-17.5)

EVENTS IN THE SECOND QUARTER OF 2023

- AAC Clyde Space was part of the team developing the SWI instrument onboard the European Space Agency's (ESA) Jupiter mission JUICE, which started travelling to its destination after launching from French Guinea on April 14 onboard an Ariane 5 rocket.
- EPICHyper-1, a 6U AAC Clyde Space EPIC VIEW satellite, was successfully launched on the SpaceX Transporter-7 mission on April 15, 2023. The satellite will deliver Earth observation data to Canadian company Wyvern Inc., under an exclusive Space Data as a Service (SDaaS) deal. It is planned to be followed by the launch of a further two 6U satellites during 2023.
- The AGM on 25 May resolved on the proposals of the Board of Directors and Nomination Committee. The AGM re-elected the board members Rolf Hallencreutz (chairman), Per Aniansson, Per Danielsson, Will Whitehorn and Anita Bernie and to elect Dino Lorenzini as ordinary board members for the time until the end of next annual general meeting. The Board of Directors was authorized to increase the share capital and the number of shares and votes by a maximum of 20 per cent of the current share capital as well as number of shares and votes through issue of shares, warrants and/or convertibles with or without deviation from the shareholders' preferential rights. The AGM also resolved to issue warrants under three incentive programmes.
- On June 6, the Board of Directors resolved on a rights issue of approx. SEK 74 M and secured loan facilities of SEK 20 M with the aim to grow the Group's Space Data as a Service (SDaaS) business. An EGM on June 26 approved the proposal.
- The Group won a GBP 1.25 M (approx. SEK 16.1 M) order from the NewSpace company Kawa Space for a 6U EPIC LINK satellite and payload. The satellite is planned for delivery during the fourth quarter of 2024.

EVENTS AFTER THE END OF THE REPORTING PERIOD

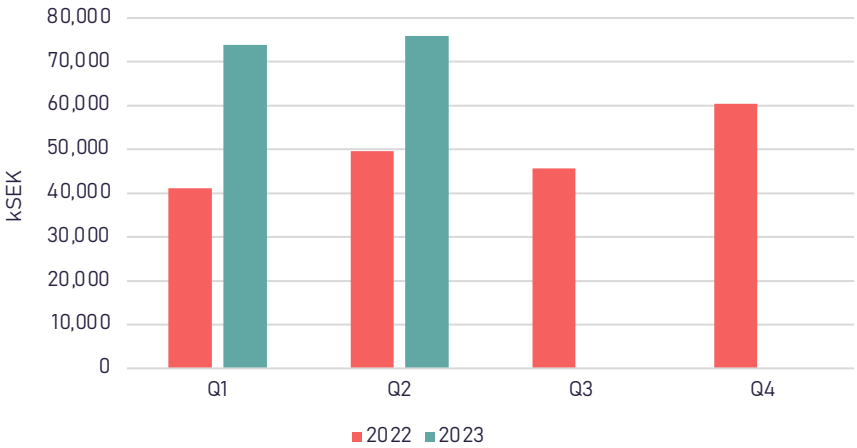
- The European Space Agency's (ESA) Arctic Weather Satellite passed Critical Design Review, a key step to start manufacturing the satellite ahead of the planned launch in 2024. AAC Clyde Space supplies the mission's main instrument, as well as core avionics, under contracts valued at a total of EUR 13.5 M (approx. SEK 160 M).
- The rights issue raised a total of approx. SEK 47.6 M before deduction of transaction costs.
- AAC Clyde Space and its partners, agreed to move into the phase 3B of the xSPANCION project, in which the project will be completed with the manufacturing of 10 novel spacecraft of which four will be launched within the project's framework. The UK Space Agency, through the ESA Pioneer Partnership Projects, will co-fund the Group's investments in the project with EUR 4.5 M (approx. SEK 51.7 M). Through the project, AAC Clyde Space will be able to expand its SDaaS business.

FINANCIAL
OVERVIEW – GROUP

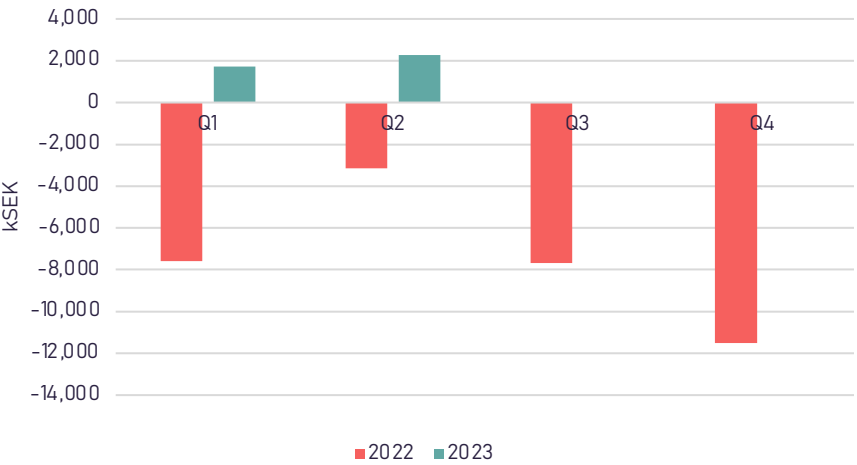
kSEK	Apr- Jun 2023	Apr- Jun 2022	Jan- Jun 2023	Jan- Jun 2022	Full- Year 2022
	2023	2022	2023	2022	2022
Net sales	75,899	49,548	149,800	90,704	196,718
EBITDA	2,257	-3,152	3,968	-10,776	-38,599
EBIT	-5,443	-9,493	-10,869	-24,126	-67,006
Basic and diluted earnings per share, SEK	-0.02	-0.03	-0.05	-0.09	-0.24
Equity ratio	72%	80%	72%	80%	75%
Cash flow from operating activities	-43,039	-32,255	-52,786	-25,248	6,435
Cash flow for the period	-26,314	-42,330	-39,501	-50,056	-44,711
Cash and cash equivalents	12,984	46,512	12,984	46,512	52,100
Order backlog	443,728	400,217	443,728	400,217	427,790

NET SALES AND EBITDA BY QUARTER, ADJUSTED FOR ACQUISITION AND NON-RECURRING COSTS

NET SALES –
PER QUARTER

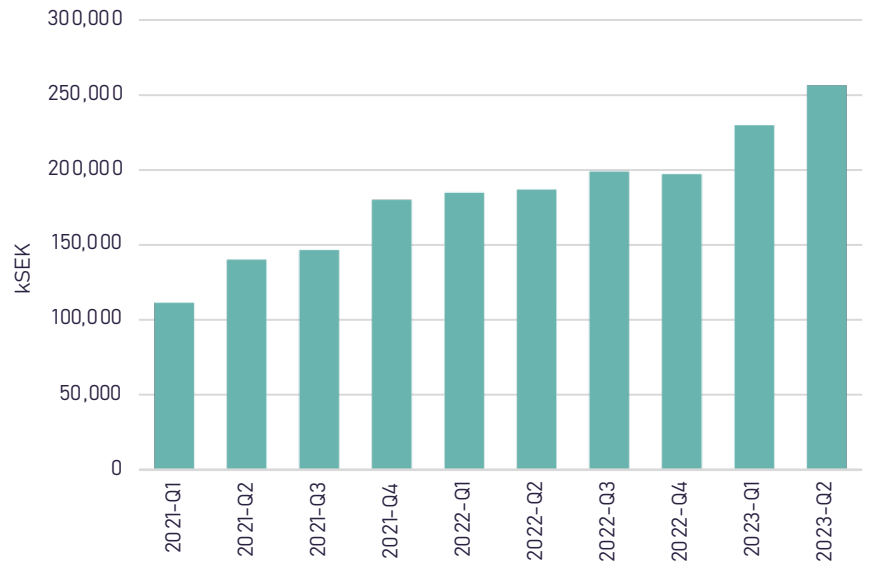


EBITDA –
PER QUARTER

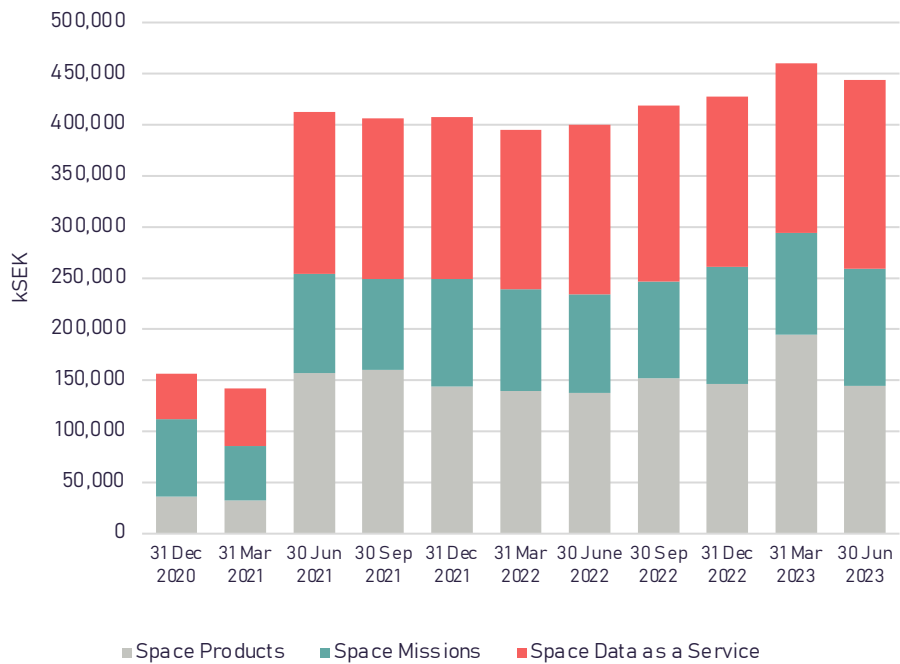


* EBITDA for Q4 2022 adjusted for aborted acquisition costs of SEK 8.6 M

NET SALES – ROLLING 12 MONTHS



ORDER BACKLOG





COMMENTS FROM THE CEO

Strong half-year performance with improving financials

The momentum from the first quarter has carried through to the second, driving a strong first half of 2023, with increased sales and positive EBITDA.

Q2 net sales increased 53% on the previous year, growing to SEK 75.9M from SEK 49.5M, highlighting the increased performance of the company's operations. Half year net sales are 65% higher than in 2022.

This quarter saw the continuation of the improving trend on EBITDA, with a positive EBITDA of SEK 2.3M for Q2, what together with the positive result in Q1, generated an EBITDA of SEK 4.0M for the first half of the year, placing us on course to achieve our goal of a positive EBITDA for the year.

Our order backlog remains strong, currently sitting at SEK 443.7M compared with SEK 400.2M the previous year. Growing this backlog continues to be a priority, and we won a GBP 1.25M order from Kawa Space for a 6U EPIC LINK satellite and payload that will be delivered in the fourth quarter of 2024.

The quarter was another busy period for our teams, with several product deliveries and satellite launches. The JUICE mission launched from French Guiana, carrying the SWI instrument developed by a team from AAC Clyde Space. April saw the launch of some of our satellites on SpaceX's Transporter 7 mission, including the first of our 6U EPIC VIEW satellites. This group-owned satellite will soon start to deliver Earth Observation data to our Canadian client Wyvern.

Over the next year and a half, we will continue to grow our constellations as we bring the number of AAC Clyde Space owned satellites in orbit to 13, including the first VDES satellite. These satellites are vitally important as they will drive our expansion into a space-based data company. Progress on this journey can be seen in our flagship xSPANCION project, manufacturing 10 novel spacecraft with the UK Space Agency, which will see us expand our Space Data as a Service (SDaaS) business. Shortly following the reporting period for our second quarter we agreed to move into phase 3B.

To accelerate the growth of our SDaaS business, on June 6 the Board of Directors resolved on a rights issue. This capital will support the build of the satellites under the xSPANCION project, allowing us to achieve our growth targets quicker.

In line with our mission to improve life on Earth we have begun working towards our own sustainability roadmap. This work will look at how we can make a positive impact on the world around us, not only through the data delivered by our satellites but also through the policies, processes and actions of our own business.

We are delighted with the progress we have made so far in 2023 and want to thank everyone in the team for their hard work which has resulted in our great first half of the year. We continue to work with our customers and partners to help realise the potential of small satellites for our business, the wider sector, and the planet, throughout 2023.

Luis Gomes
CEO

Net sales during the second quarter amounted to SEK 75.9 M (49.5), an increase of 53 %

Second quarter 2023

Sales and earnings

Net sales amounted to SEK 75.9 M (49.5), an increase of 53 %. Total revenue, including work performed by the company for its own use and capitalised, amounted to SEK 90.8 M (58.8). The order backlog amounted to SEK 443.7 M (400.2).

The gross margin was 56 % (69). Personnel costs and Other external expenses increased by 15 % to SEK 53.8 M (46.6) reflecting a larger organisation to manage the expected growth and larger business opportunities.

EBITDA amounted to SEK +2.3 M (-3.2). EBIT totalled SEK -5.4 M (-9.5) and the loss after tax was SEK -4.7 M (-5.8) including interest rates of SEK 1.1 M (0.0).

January-June 2023

Sales and earnings

Net sales amounted to SEK 149.8 M (90.7), an increase of 65 %. Total revenue amounted to SEK 177.9 M (111.4).

EBITDA amounted to SEK 4.0 M (-10.8). EBIT totalled SEK -10.9 M (-24.1) and the loss after tax was SEK -11.1 M (-17.5).

Investments and financial position

Cash and cash equivalents as of 30 June 2023 amounted to SEK 13.0 M (46.5), and SEK 5.2 M (5.0) in unused overdraft facility. The total overdraft facility amounts to SEK 30 M (5.0). After period-end, a rights issue was carried out which raised a total of SEK 47.6 M before deduction of transaction costs.

Cash flow from operating activities for the period amounted to SEK -52.8 M (-25.2).

The Group's investments in non-current assets for the period totalled SEK 28.4 M (17.3), of which intangible assets accounted for SEK 20.2 M (16.2). Investment in intangible assets mainly comprised development expenses related to the ORBCOMM and Wyvern projects, ongoing development of next-generation space products and satellite platforms (50% financed by Scottish Enterprise) and investments in two new Space Data as a Service satellites.

Inventories increased to SEK 23.0 M (18.7), mainly due to purchase of standard components to facilitate shorter lead times. Other receivables increased to SEK 93.0 M (72.6) mainly due to accrued not yet invoiced revenues and a R&D Tax Claim. The R&D Tax Claim (GBP 1.0 M) was paid in August. Other non-current liabilities of SEK 10.2 M (25.1) pertain to non-cash restatements of additional considerations for the acquisition of Omnisys Instruments under IAS 32 and IFRS 9. The additional considerations are settled through the conversion of warrants to shares. Other liabilities increased to SEK 170.7 (100.7) mainly due to increased prepayments from customers, a bridge loan of SEK 20 M which was amortized in August and utilization of the overdraft facility.

The subsidiary Omnisys Technologies received, during the second quarter of 2023, a claim of unpaid invoices of EUR 195 k from a supplier relating to a project that was finalised in 2017. The project was finalised before Omnisys Instruments was acquired in 2021. Investigation is ongoing to determine if it is a legitimate claim or not.

The equity ratio amounted to 72 % (80).

Personnel and organisation

There were 187 employees (174) at the end of the period.

Parent Company

Parent Company net sales for the period totalled SEK 40.9 M (30.0), and the loss after tax was SEK -3.4 M (-7.5). Investments in non-current assets amounted to SEK 0.1 M (0.8). The equity ratio amounted to 83 % (92).

The share

AAC Clyde Space's share is traded on Nasdaq First North Growth Market under the symbol AAC. The share is also traded on the American OTCQX market under the symbol ACCMF.

As of 30 June 2023, 204,811,010 shares had been issued at a quotient value of SEK 0.04 per share. All shares carry equal rights to the company's profits and assets. On 30 June 2023, the number of shareholders totalled 12,822. A table with the largest shareholders can be found on page 14 in this report.

Incentive programs

The AGM in June 2020 resolved on a directed issue of warrants to the Board and to employees in Sweden and the UK. Each warrant entitles the holder to subscribe for one new share at the subscription price of SEK 4.26 per share. The warrants can be exercised during the period through 1 July 2023 until 31 December 2023:

- As of 30 June 2023, Board members had subscribed for 192,000 warrants (incentive scheme 2020/2023:C)
- As of 30 June 2023, employees in Sweden had subscribed for 365,336 warrants (incentive scheme 2020/2023:A)
- As of 30 June 2023, employees in the UK had subscribed for 1,056,000 warrants (incentive scheme 2020/2023:B)

A total of 1,613,336 warrants have been subscribed for, which entails a potential dilution effect of around 1 % and that AAC Clyde Space will potentially raise approximately SEK 6.6 M.

The AGM in May 2022 resolved on a directed issue of warrants to the Board and to all employees. Each warrant entitles the holder to subscribe for one new share at the subscription price of SEK 1.91 per share. The warrants can be exercised during the period through 1 July 2025 until 31 December 2025:

- As of 30 June 2023, Board members had subscribed for 291,667 warrants (incentive scheme 2022/2025:C)
- As of 30 June 2023, employees in Sweden had subscribed for 1,250,000 warrants (incentive scheme 2022/2025:A)
- As of 30 June 2023, employees outside of Sweden had subscribed for 1,723,333 warrants (incentive scheme 2022/2025:B)

A total of 3,265,000 warrants have been subscribed for, which entails a potential dilution effect of around 2 % and that AAC Clyde Space will potentially raise approximately SEK 6.2 M.

AAC Clyde Space and its partners, agreed to move into the phase 3B of the xSPANCION project, in which the project will be completed with the manufacturing of 10 novel spacecraft of which four will be launched within the project's framework.

The AGM in May 2023 resolved on a directed issue of warrants to the Board and to all employees. Each warrant entitles the holder to subscribe for one new share at a subscription price of SEK 0.76 per share. The warrants can be exercised during the period through 1 July 2026 until 31 December 2026:

- As of 30 June 2023, Board members had subscribed for 275,975 warrants (incentive scheme 2023/2026:C)
- As of 30 June 2023, employees in Sweden had subscribed for 769,825 warrants (incentive scheme 2023/2026:A)
- As of 30 June 2023, employees outside of Sweden had subscribed for 1,946,350 warrants (incentive scheme 2023/2026:B)

A total of 2,992,150 warrants have been subscribed for, which entails a potential dilution effect of around 2 % and that AAC Clyde Space will potentially raise approximately SEK 2.3 M.

Related-party transactions

During the period, Board members have invoiced the company on market terms for the performance of consultant services linked to the company's operations. The services were performed primarily by the Chairman of the Board, refer to Note 6.

Events after the reporting period

The European Space Agency's (ESA) Arctic Weather Satellite passed Critical Design Review, a key step to start manufacturing the satellite ahead of the planned launch in 2024. AAC Clyde Space supplies the mission's main instrument, as well as core avionics, under contracts valued at a total of EUR 13.5 M (approx. SEK 160 M).

The rights issue raised a total of approx. SEK 47.6 M before deduction of transaction costs.

AAC Clyde Space and its partners, agreed to move into the phase 3B of the xSPANCION project, in which the project will be completed with the manufacturing of 10 novel spacecraft of which four will be launched within the project's framework. The UK Space Agency, through the ESA Pioneer Partnership Projects, will co-fund the Group's investments in the project with EUR 4.5 M (approx. SEK 51.7 M). Through the project, AAC Clyde Space will be able to expand its SDaaS business.

Significant risks and uncertainties

An account of the Group's material financial and business risks can be found in the administration report and under Note 3 in the 2022 Annual Report. No further significant risks are deemed to have arisen during the period.

Reporting calendar

Interim Report Jan-Sep 2023	23 Nov 2023
Year-end Report 2023	15 Feb 2024
Annual Report 2023	25 April 2024
Interim Report Jan-Mar 2024	16 May 2024
Annual General Meeting	23 May 2024
Interim Report Jan-Jun 2024	15 Aug 2024
Interim Report Jan-Sep 2024	7 Nov 2024

The Annual Report and interim reports are available on the company's website: <https://investor.aac-clyde.space/en/financial-reports/>

Certification

The Board of Directors and CEO give their assurance that the January-June 2023 provides a true and fair account of the Parent Company's and Group's operations, financial position, and results, and that it describes the material risks and uncertainties faced by the Parent Company and the companies that form the Group.

Uppsala, 30 August 2023

Rolf Hallencreutz
Chairman of the Board

Per Aniansson
Board member

Anita Bernie
Board member

Per Danielsson
Board member

Dino Lorenzini
Board member

William Whitehorn
Board member

Luis Gomes
CEO

Questions may be directed to:

CEO Luis Gomes, investor@aac-clydespace.com

CFO Mats Thideman, investor@aac-clydespace.com, mobile +46 (0)70-556 09 73

This report has not been audited.

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 AB (Corp. Reg. No. 556677-0599) has its registered office in Uppsala at Uppsala Science Park, Dag Hammarskjölds väg 48, SE-751 83 Uppsala, Sweden.

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

FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

kSEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Full-Year 2022
Net sales	75,899	49,548	149,800	90,704	196,718
Work performed by the company for its own use and capitalised	6,630	5,545	15,320	10,880	21,781
Other operating income	8,272	3,764	12,786	9,863	25,248
TOTAL	90,801	58,857	177,906	111,447	243,747
Raw materials and subcontractors	-33,661	-15,504	-65,478	-30,776	-82,811
Personnel costs	-42,421	-35,564	-82,481	-68,128	-140,795
Other external expenses	-11,427	-11,054	-22,910	-19,576	-43,389
Other operating expenses	-1,035	113	-3,069	-3,743	-15,351
EBITDA	2,257	-3,152	3,968	-10,776	-38,599
Depreciation/amortisation and impairment of tangible and intangible assets	-7,700	-6,341	-14,837	-13,350	-28,407
EBIT	-5,443	-9,493	-10,869	-24,126	-67,006
Financial income	2,436	3,622	2,810	6,101	19,732
Financial expenses	-1,653	-447	-2,507	-782	-1,864
Net financial items	783	3,175	303	5,319	17,868
Income tax	-14	532	-568	1,304	2,590
PROFIT/LOSS FOR THE PERIOD	-4,674	-5,786	-11,134	-17,503	-46,548
Other comprehensive income:					
Items that may be transferred to profit or loss					
Exchange-rate differences	26,604	16,885	33,611	44,770	26,984
Other comprehensive income for the period	26,604	16,885	33,611	44,770	26,984
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	21,930	11,099	22,477	27,267	-19,564

Profit/loss for the period and total comprehensive income are, in their entirety, attributable to Parent Company shareholders.

EARNINGS PER SHARE, BASED ON PROFIT FOR THE PERIOD ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS

SEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Full-Year 2022
Average no. of shares – basic	204,811,010	192,375,181	204,811,010	195,177,621	196,885,358
No. of shares at end of period	204,811,010	199,030,976	204,811,010	199,030,976	204,811,010
Average no. of shares – diluted	204,811,010	207,382,438	204,811,010	199,030,976	196,885,358
Basic and diluted earnings per share	-0.02	-0.03	-0.05	-0.09	-0.24

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

kSEK	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Non-current assets			
Intangible assets	711,474	690,787	665,456
Tangible assets	74,044	39,330	63,191
Financial assets	-	112	90
Total non-current assets	785,518	730,229	728,737
Current assets			
Inventories	23,038	18,698	20,237
Accounts receivable	31,920	22,214	24,452
Other receivables	93,035	72,642	55,875
Cash and cash equivalents	12,984	46,512	52,100
Total current assets	160,977	160,066	152,664
TOTAL ASSETS	946,495	890,295	881,401
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders	685,792	708,864	663,506
Non-current liabilities			
Lease liabilities	13,155	7,462	5,646
Other non-current liabilities	10,218	25,065	11,041
Deferred tax liabilities	18,221	22,241	19,243
Total non-current liabilities	41,594	54,768	35,930
Current liabilities			
Accounts payable	48,380	25,917	41,503
Other liabilities	170,729	100,746	140,462
Other current liabilities	219,109	126,663	181,965
TOTAL EQUITY AND LIABILITIES	946,495	890,295	881,401

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

kSEK	Share capital	Ongoing new issue	Other contributed capital	Reserves	Retained earnings incl. profit/loss for the period	Total equity
Opening balance, 1 January 2022	7,688	0	889,723	39,478	-258,077	678,812
Profit/loss for the period					-17,503	-17,503
Other comprehensive income				44,770		44,770
Total comprehensive income	0	0	0	44,770	-17,503	27,267
Transactions with shareholders						
Subscription of warrants	273		241			514
Non-cash issue – acquisition of Omnisys			2,232			2,232
Warrants T02020/2023						0
Warrants T02022/2025			39			39
Closing balance, per 30 June 2022	7,961	0	892,235	84,251	-275,580	708,864
Opening balance, 1 January 2023	8,192	0	892,848	66,462	-303,996	663,506
Profit/loss for the period					-11,134	-11,134
Other comprehensive income				33,611		33,611
Total comprehensive income	0	0	0	33,611	-11,134	22,477
Transactions with shareholders						
Correction of conversion differences			32	-1,379	596	-751
Warrants T02020/2023			84			84
Warrants T02022/2025			476			476
Closing balance, per 30 June 2023	8,192	0	893,440	98,694	-314,534	685,792

Equity is attributable in its entirety to Parent Company shareholders.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

kSEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Full-Year 2022
Cash flow from operating activities before changes in working capital	3,321	-2,213	3,516	-9,033	-37,810
Total changes in working capital	-46,360	-30,042	-56,302	-16,215	44,245
Cash flow from operating activities	-43,039	-32,255	-52,786	-25,248	6,435
Cash flow from investing activities	-14,456	-8,899	-28,385	-17,312	-40,874
Cash flow from financing activities	31,181	-1,176	41,670	-7,496	-10,272
CASH FLOW FOR THE PERIOD	-26,314	-42,330	-39,501	-50,056	-44,711
Cash and cash equivalents at start of period	39,060	88,924	52,100	96,110	96,110
Exchange-rate differences in cash and cash equivalents	238	-82	385	458	701
CASH AND CASH EQUIVALENTS AT END OF PERIOD	12,984	46,512	12,984	46,512	52,100

CONDENSED PARENT COMPANY INCOME STATEMENT

kSEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Full-Year 2022
Net sales	23,827	18,911	40,872	30,016	68,629
Work performed by the company for its own use and capitalised	210	201	210	285	465
Other operating income	1,419	333	2,186	805	1,711
Total operating income	25,456	19,445	43,268	31,106	70,805
Raw materials and subcontractors	-3,288	-3,841	-6,927	-7,608	-18,649
Personnel costs	-10,811	-7,981	-19,265	-14,011	-28,395
Other external expenses	-9,457	-13,059	-18,572	-17,596	-45,759
Other operating expenses	-495	-164	-1,008	-499	-1,200
EBITDA	1,405	-5,600	-2,504	-8,608	-23,198
Depreciation/amortisation and impairment of tangible and intangible assets	-160	-63	-320	-176	-368
EBIT	1,245	-5,663	-2,824	-8,784	-23,566
Other interest income and similar profit/loss items	721	744	1,067	1,573	2,796
Interest expenses and similar profit/loss items	-1,268	-199	-1,688	-263	-717
Impairment of shares in subsidiaries	-	-	-	-	-58,655
Total earnings from financial items	-547	545	-621	1,310	-56,576
PROFIT AFTER FINANCIAL ITEMS	698	-5,118	-3,445	-7,474	-80,142
Tax on profit/loss for the period	-	-	-	-	-
Profit/loss for the period	698	-5,118	-3,445	-7,474	-80,142

In the Parent Company, no items are recognised in other comprehensive income and, therefore, total comprehensive income for the period was consistent with profit/loss for the period.

CONDENSED PARENT COMPANY BALANCE SHEET

kSEK	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Non-current assets			
Intangible assets	3,312	3,208	3,392
Tangible assets	973	571	1,113
Receivables from Group companies	30,190	40,780	16,117
Financial assets	524,139	538,172	525,451
Total non-current assets	558,614	582,731	546,073
Current assets			
Inventories	7,111	5,028	5,576
Accounts receivable	9,797	3,963	3,143
Receivables from Group companies	42,330	24,319	30,190
Other receivables	16,481	16,483	12,008
Cash and bank balances	1,286	20,291	5,767
Total current assets	77,005	70,084	56,684
TOTAL ASSETS	635,619	652,815	602,757
EQUITY AND LIABILITIES			
Equity			
Restricted equity	9,538	10,991	9,538
Unrestricted equity	517,103	590,678	519,989
Total equity	526,641	601,669	529,527
Non-current liabilities			
Other non-current liabilities	20,218	35,065	21,949
Total non-current liabilities	20,218	35,065	21,949
Current liabilities			
Accounts payable	11,940	4,741	9,421
Liabilities to Group companies	7,013	687	15,379
Other liabilities	69,807	10,653	26,481
Other current liabilities	88,760	16,081	51,281
TOTAL EQUITY AND LIABILITIES	635,619	652,815	602,757

SHAREHOLDERS AS OF 30 JUN 2023

SHAREHOLDERS	NO. OF SHARES	VOTES & CAPITAL
CBNY-RJA-CLIENT ASSET ACCT*	24,000,000	11.72%
AVANZA PENSION	12,810,844	6.25%
AESA2104 AB	5,819,270	2.84%
UBS SWITZERLAND AG, W8IMY	3,060,591	1.49%
KOCK, JOHN	2,637,464	1.29%
C In T Veld Beheer BV	2,585,000	1.26%
GLE Monna Beheer BV	2,585,000	1.26%
S Engelen Beheer BV	2,585,000	1.26%
Walldow, Anders	2,400,000	1.17%
Soltorpet AB	2,130,583	1.04%
Others	144,197,258	70.41%
TOTAL	204,811,010	100.0%

* Refers to SpaceQuest's previous owners

NOTES

NOTE 1 GENERAL INFORMATION

AAC Clyde Space AB (publ) Corp. Reg. No. 556677-0599 is the Parent Company registered in Sweden with its registered office in Uppsala at Uppsala Science Park, Dag Hammarskjölds väg 48, SE-751 83 Uppsala, Sweden.

Unless otherwise stated, all amounts are in thousands of SEK (kSEK). Data in parentheses pertain to the comparative period.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The Parent Company's interim report has been prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 of the Swedish Financial Reporting Board.

The accounting policies applied agree with those described in the AAC Clyde Space Group's Annual Report for 2022.

NOTE 3 SEGMENT INFORMATION

Description of segments and primary activities

AAC Clyde Space's strategic steering group, consisting of its Chief Executive Officer, Chief Operating Officer, Chief Technology Officer, Chief Commercial Officer, President Data & Services, Chief People Officer, Chief Scientific Officer and Chief Financial Officer, corresponds to the chief operating decisionmaker (CODM) for the AAC Clyde Space Group and evaluates the Group's financial position and performance as well as makes strategic decisions. Company management has determined the operating segments based on the information reviewed by the executive committee for the purposes of allocating resources and assessing performance.

The strategic steering group has identified six reportable segments in the Group's operations:

AAC Clyde Space, operations in Uppsala, Sweden

AAC Clyde Space primarily develops and produces data processing and power systems for CubeSats and small satellites (1–500 kg).

Clyde Space, operations in Scotland

Clyde Space offers customised, turnkey services from design, subsystems and satellite platforms from 1 to 50 kg to operation of satellite systems in orbit and delivery of data to customers.

Hyperion Technologies, operations in the Netherlands

Hyperion specialises in high-performing, miniaturised subsystems for small satellites. The company's focus is on high-performing and reliable electronics and mechatronic systems.

SpaceQuest, operations in the US

SpaceQuest delivers data from space to customers from its own constellation of satellites and ground stations. The company also supplies subsystems to many commercial aerospace companies and institutions.

Omnisys Instruments, operations in Gothenburg, Sweden

Omnisys develops and manufactures measuring instruments, primarily for advanced space projects. Moreover, the company has an extensive track record developing weather data sensors to create reliable weather forecasting and data for climate research.

AAC Space Africa, operations in South Africa

AAC Space Africa will design, build, and deliver space missions to the continent from its Cape Town base in South Africa's Western Cape Province. The company is the group's centre of competence for advanced radio communication.

The strategic steering group primarily uses adjusted earnings before interest, tax, depreciation and amortisation (EBITDA, see below) in assessing the operating segment's earnings.

EBITDA	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022
AAC Clyde Space	3,045	-7,255	-786	-9,475	-20,737*
Clyde Space	-7,112	-4,015	-12,661	-9,959	-33,630
Hyperion	4,727	1,323	9,733	779	699
SpaceQuest	2,107	3,258	5,606	4,153	9,258
Omnisys	997	3,834	4,277	5,136	9,408
AAC Space Africa	-1,507	-297	-2,201	-1,410	-3,597
Total EBITDA	2,257	-3,152	3,968	-10,776	-38,599

* includes aborted acquisition costs of SEK 8,611 k

A reconciliation of the Group's earnings before tax and EBITDA is shown below.

	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Jan–Dec 2022
Total EBITDA	2,257	-3,152	3,968	-10,776	-38,599
Net financial items	783	3,175	303	5,319	17,868
Depreciation and amortisation of tangible and intangible assets	-7,700	-6,341	-14,837	-13,350	-28,407
Earnings before tax	-4,660	-6,318	-10,566	-18,807	-49,138

NOTE 4 NET SALES

Income

Sales between segments are carried out at arm's length. Since income from external parties is reported to the strategic steering group, it is measured in a manner consistent with that in the consolidated statement of comprehensive income. The majority of income is recognised over time.

April–June 2023	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	16,225	23,827	15,199	8,566	24,089	732	88,638
Income from other segments	-4,799	-6,728	-334	-202	-45	-631	-12,739
Income from external customers	11,426	17,099	14,865	8,364	24,044	101	75,899
Space Data as a Service	-	-	-	4,573	-	-	4,573
Space Missions	6,776	503	-	-	-	-	7,279
Space Products	4,649	10,523	14,865	3,791	24,044	101	57,973
Licenses/Royalties	-	6,073	-	-	-	-	6,073
Total	11,425	17,099	14,865	8,364	24,044	101	75,899

April–June 2022	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	19,306	18,911	5,262	9,408	14,449	2,165	69,501
Income from other segments	-8,222	-9,937	-670	-617	-	-507	-19,953
Income from external customers	11,084	8,974	4,592	8,791	14,449	1,658	49,548
Space Data as a Service	274	-	-	3,955	-	-	4,229
Space Missions	8,616	417	-	-	-	1,658	10,691
Space Products	2,194	8,557	4,592	4,836	14,449	-	34,628
Licenses/Royalties	-	-	-	-	-	-	0
Total	11,084	8,974	4,592	8,791	14,449	1,658	49,548

January–June 2023							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	34,519	40,872	33,723	21,166	43,304	2,189	175,773
Income from other segments	-8,715	-12,398	-3,091	-448	-148	-1,173	-25,973
Income from external customers	25,804	28,474	30,632	20,718	43,156	1,016	149,800
Space Data as a Service	-	-	-	9,095	-	-	9,095
Space Missions	13,384	1,155	-	-	-	-	14,539
Space Products	12,420	21,246	30,632	11,623	43,156	1,016	120,093
Licenses/Royalties	-	6,073	-	-	-	-	6,073
Total	25,804	28,474	30,632	20,718	43,156	1,016	149,800

January–June 2022							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	33,534	30,016	8,571	15,047	22,737	2,670	112,574
Income from other segments	-8,319	-10,200	-1,781	-617	-	-953	-21,870
Income from external customers	25,215	19,816	6,790	14,430	22,737	1,717	90,704
Space Data as a Service	368	-	-	7,867	-	-	8,235
Space Missions	19,057	1,748	-	-	-	1,658	22,462
Space Products	5,790	18,068	6,790	6,563	22,737	59	60,007
Licenses/Royalties	-	-	-	-	-	-	0
Total	25,215	19,816	6,790	14,430	22,737	1,717	90,704

January–December 2022							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	76,511	68,629	18,882	32,461	52,254	6,157	254,894
Income from other segments	-17,318	-33,844	-3,363	-1,054	-18	-2,579	-58,176
Income from external customers	59,193	34,785	15,519	31,407	52,236	3,578	196,718
Space Data as a Service	426	-	-	16,508	-	-	16,934
Space Missions	32,262	3,920	-	-	-	3,479	39,661
Space Products	26,505	27,103	15,519	14,899	52,236	99	136,361
Licenses/Royalties	-	3,762	-	-	-	-	3,762
Total	59,193	34,785	15,519	31,407	52,236	3,578	196,718

NOTE 5 FINANCIAL INSTRUMENTS – FAIR VALUE OF FINANCIAL LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

As of 30 June 2023, there were no financial liabilities measured at fair value in addition to what is stated below. Fair values for foreign currency forwards are found in Level 2 of the fair value hierarchy.

Liabilities for the additional purchase consideration for shares in Omnisys are measured at fair value. Fair values for additional purchase considerations are found in Level 3 of the fair value hierarchy.

Definitions of the levels in the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as price listings) or indirectly (i.e. derived from price listings).
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The carrying amounts for liabilities to credit institutions recognised at amortised cost correspond to their fair values for the current period and the comparative period.

NOTE 6 RELATED-PARTY TRANSACTIONS

During the period, four Board members have invoiced the company SEK 410 k (466) at market rates for the performance of consultant services linked to the company's operations.

NOTE 7 FINANCIAL KEY PERFORMANCE INDICATORS

Definitions of key performance indicators

Equity ratio, %	Equity divided by total assets
EBITDA	Operating profit/loss before depreciation/amortisation of tangible and intangible assets
Order backlog	The total at the end of the period of remaining unearned project revenue on confirmed orders, including products that have yet to be delivered or invoiced
Gross margin	Net sales less Raw materials and subcontractors divided by Net sales