



AAC
CLYDE
SPACE

AAC CLYDE SPACE AB (publ) **YEAR-END REPORT** **2023**

Fourth quarter,
October - December
2023 (compared with
October - December
2022)

Net sales amounted to
SEK 70.7 M (60.3),
an increase of 17%

Earnings before interest, tax,
depreciation and amortisation
(EBITDA) amounted to
SEK -9.7 M (-20.1)
including currency differences of
SEK -4.8 M (1.9)

The order backlog amounted to
SEK 630.3 M (427.8)

Cash flow from operating
activities totalled
SEK +58.4 M (+43.1)

Basic and diluted earnings per
share amounted to
SEK -4.91 (-4.34)

Earnings before interest and tax (EBIT)
amounted to
SEK -25.0 M (-28.3)
including impairment of
SEK -6.5 M (0)
of a total loss of a satellite

The total loss after tax was
SEK -27.8 M (-17.4)

Net sales amounted to
SEK 276.6 M (196.7),
an increase of 41%

Earnings before interest, tax,
depreciation and amortisation
(EBITDA) amounted to
SEK +1.0 M (-38.6)
including currency differences of
SEK -2.6 M (+4.8)

Earnings before interest and tax
(EBIT) amounted to
SEK -36.8 M (-67.0)
including impairment of
SEK -6.5 M (0)
of a total loss of a satellite

Cash flow from operating
activities totalled
SEK +3.4 M (+6.4)

Basic and diluted earnings
per share amounted to
SEK -8.73 (-11.82)

The total loss after tax was
SEK -41.4 M (-46.5)

Events in the fourth quarter of 2023

- AAC Clyde Space's subsidiary AAC Omnisys won a EUR 12.0 million (approx. SEK 137 million) order to build radio astronomy receivers for the SKA Observatory. The order will be delivered successively by the first quarter of 2027.
- AAC Clyde Space was selected by Iota Technology to execute an end-to-end satellite mission as part of MagQuest, a multimillion-dollar competition to advance how to measure Earth's magnetic field. The mission will see a 4U EPIC satellite, equipped with Iota Technology's magnetometer payload, launched to measure the Earth's magnetic field. AAC Clyde Space will handle the manufacturing, launch, commissioning, and operation of the satellite for a 3-year period. The total order value amounts to GBP 1.94 M (approx. SEK 25.5 M).
- AAC Clyde Space won a EUR 1.14 million (approx. SEK 13.4 million) order on Starbuck power systems. The order, which comes from an existing customer, is scheduled for final delivery in the first quarter of 2025.
- AAC Clyde Space won a GBP 0.902 million (approx. SEK 12.1 million) order for a 3U satellite, for delivery in Q4 2024.
- AAC Clyde Space received an order for a new satellite, Amber™ Phoenix, from UK-based Horizon Technologies. The total order value is GBP 645,000 (approx. SEK 8.8 million), which Horizon Technologies partially finances by a grant from the UK Space Agency.
- AAC Clyde Space won a EUR 0.55 million (approx. SEK 6.4 million) order for a Starbuck power system. The order is scheduled for final delivery during the fourth quarter of 2024.
- AAC Omnisys, part of the AAC Clyde Space group, delivered a cutting-edge weather sensor payload to OHB Sweden which was successfully integrated into its InnoSat platform.
- AAC Clyde Space delivered the satellites Ymir-1, EPICHyper-3 and the Intuition-1 to the Vandenburg Space Force base in California for launch integration. The satellites were successfully launched on November 11, 2023 aboard a SpaceX Falcon 9 rocket on the Transporter 9 mission
- An Extraordinary General Meeting on 1 November 2023 resolved to consolidate shares, combining 50 shares into 1 new share. The EGM also resolved on other items to enable the share consolidation. Shares in the company were thereafter consolidated with trading in the new consolidated shares starting on 13 November 2023. The total number of shares in the company decreased from 285,191,750 to 5,703,835 through the consolidation.
- The 3U Space Data as a Service satellite Kelpie-2 suffered an anomaly of its payload antenna, which made it unable to deliver the planned data services, resulting in the satellite being reported as lost to the company's insurer. AAC Clyde Space is investigating other options to deliver the data service to the customer to mitigate any financial consequences.
- AAC Clyde Space changed Certified Adviser from Erik Penser Bank AB to Carnegie Investment Bank AB (publ).

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

- AAC Clyde Space secured an order valued at EUR 0.9 million (approx. SEK 9.9 million) for its Sirius range of computers and services. The order is planned for delivery during the fourth quarter of 2024.
- Chief Operating Officer Stefania Mandirola stepped down from her role to explore new professional opportunities. The Group decided not to seek an immediate replacement for the position.
- AAC Clyde Space with its partner TNO, successfully transferred data from a compact laser satellite communications terminal, called SmallCAT, onboard a spacecraft in Low Earth Orbit (LEO) to Earth, thereby demonstrating that the laser satellite communication technology works under spaceflight conditions. AAC has contributed electronics and firmware to the laser communication terminal.
- Anite Bernie stepped down from the Board due to conflicting assignments which limit her in her Board Director role.

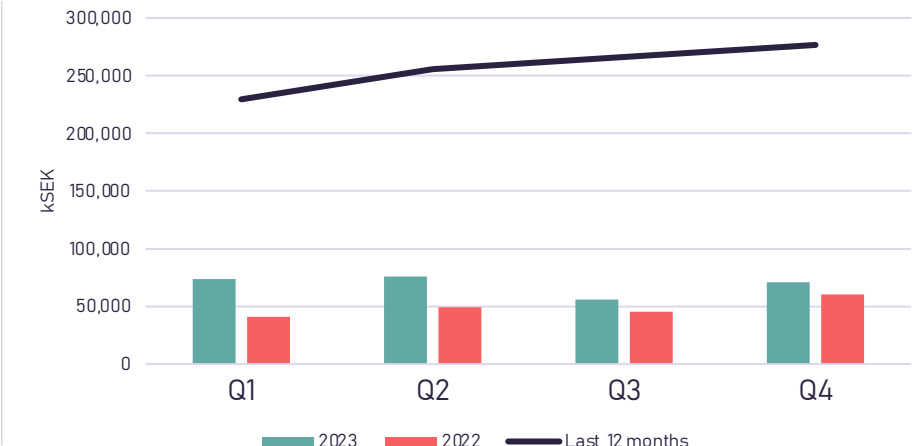
FINANCIAL OVERVIEW – GROUP

kSEK	Oct-Dec 2023	Oct-Dec 2022	Full-Year 2023	Full-Year 2022
Net sales	70,673	60,346	276,605	196,718
EBITDA	-9,699	-20,131	980	-38,599
EBIT	-25,005	-28,260	-36,832	-67,006
Basic and diluted earnings per share, SEK*	-4.91	-4.34	-8.73	-11.82
Equity ratio	71%	75%	71%	75%
Cash flow from operating activities	58,377	43,060	3,354	6,435
Cash flow for the period	37,525	27,212	7,824	-44,711
Cash and cash equivalents	59,546	52,100	59,546	52,100
Order backlog	630,322	427,790	630,322	427,790

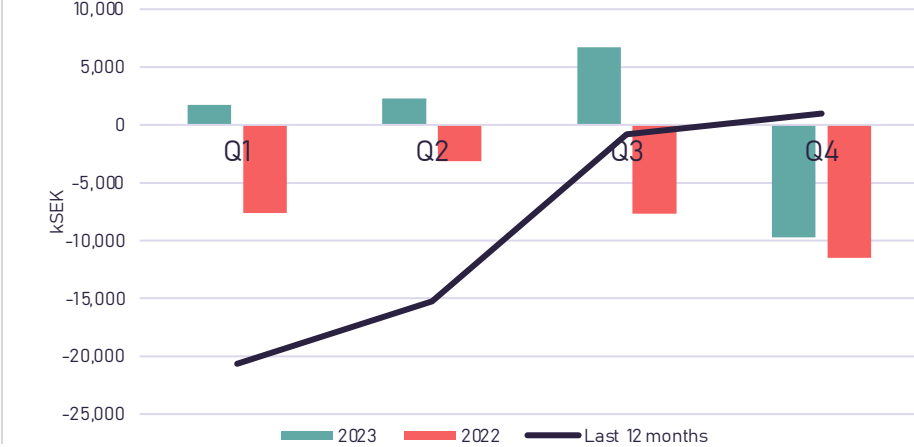
* Basic and diluted earnings per share has been recalculated after the consolidation of shares in November 2023

NET SALES AND EBITDA BY QUARTER, ADJUSTED FOR ACQUISITION COSTS

NET SALES – PER QUARTER

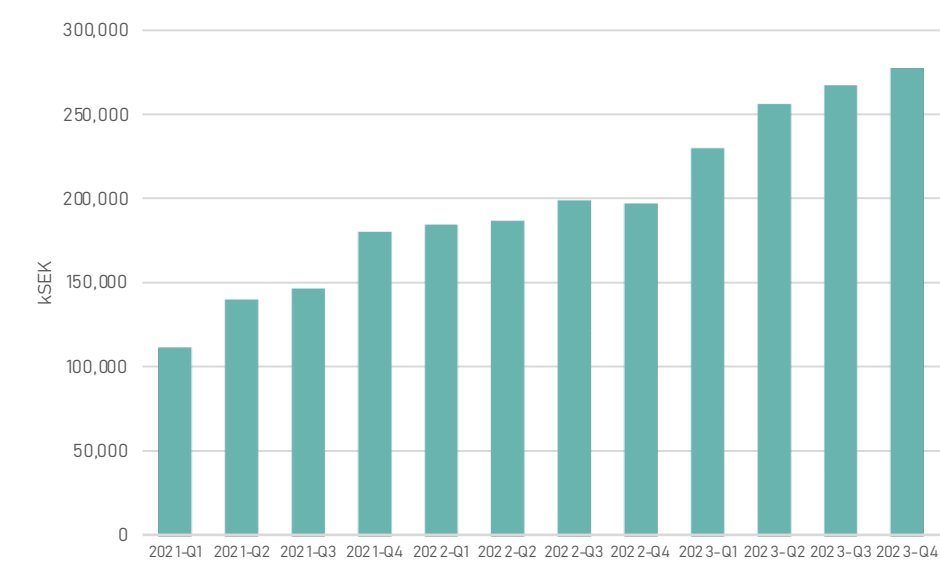


EBITDA – PER QUARTER

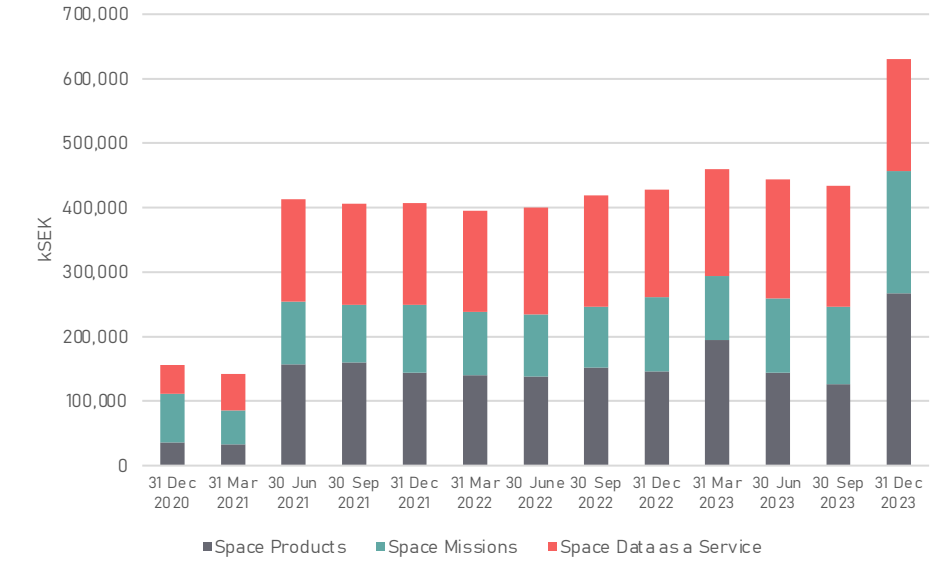


* EBITDA for Q4 2022 adjusted for aborted acquisition costs of SEK 8.6 M

NET SALES – LAST 12 MONTHS



ORDER BACKLOG





COMMENTS FROM THE CEO

A year of transformation

2023 saw AAC Clyde Space continue to expand and grow its capability, while meeting its core financial objectives for the year. The EBITDA and the operational cashflow were positive, revenue grew, and the company strengthened its order backlog, now at more than double revenue in 2023.

Our net sales grew 41% to SEK 276M, while our EBITDA was a positive SEK 980k and would have been even better if not for unfavourable currency exchange fluctuations. At the same time, we closed 2023 with a backlog of SEK 630M, a record for the company that gives us the confidence to successfully execute our 2024 plan. Q4, in particular, saw more than SEK 200M of new orders, showing the strength of demand for our products. We expect to maintain this momentum throughout the year and grow our order backlog.

In 2023, we launched a record 11 satellites, both for ourselves and for our customers. We grew our own constellation by 6 satellites, including launching our first hyperspectral imaging satellites and our first VDES asset, Ymir-1. Ymir-1 is the first in a series of new VDES enabled satellites, designed to deliver enhanced ship safety and communications. Built in our Uppsala facility, it marks the beginning of a new service to be offered by AAC Clyde Space, being the precursor to our VDES constellation.

We also delivered 543 satellite products to our customers around the world, supplied the payload for the Arctic Weather Satellite and successfully demonstrated our laser communications terminal in space. This has only been possible through the dedication of our talented and experienced teams, who continue to excel in the execution of our business.

During the year we also experienced some less positive events, starting with the launch failure of IOD-3 resulting in the destruction of the satellite. Later in the year we announced that the payload antenna of Kelpie-2 had not deployed, and although the satellite is otherwise working well, without the payload it cannot deliver its mission. We continue to work with our customers to see how best we can support their data needs, including from our expanded AIS/VDES fleet to which we will add another two satellites later in 2024.

The xSPANCION project entered its final phase. The first four xSPANCION satellites went through preliminary design review (the first major review of the full, detailed satellite design) at the end of 2023. Manufacturing for the first two starts in the spring, in preparation for the launch of the first satellite in either late 2024 or beginning of 2025. The launch of these satellites will mark a critical milestone for our Earth Observation Space Data as a Service (SDaaS), offering improved data to the agricultural and forestry industrial sectors. These will be the first 16U satellites built by AAC Clyde Space and will introduce a new generation of EPIC VIEW satellites.

As we prepare to expand further our business, we have changed the organisation of the company with the creation of three business lines: Products, Missions and Data & Services, reflecting the reality of our business. This reorganisation ensures a focus on the specific needs of each business line, optimising our teams and infrastructure to deliver the best service to our customers. Over the next few months we will change our financial reporting to reflect the new organisation.

Looking ahead to 2024, we see a growing demand for our products and missions, with new constellations driving that demand. The increased need for timely, good quality data will also drive the growth of our Data & Services business, particularly as more of our satellites come online and we have more data to sell. This growth across all our business lines will result in improved financials for the year and we expect to hit net sales between SEK 430M and SEK 500M, approximately SEK 280M of which is already secured in our backlog, alongside an EBITDA between 5% and 10%, all while achieving a positive cashflow for the year.

Luis Gomes
CEO

FINANCIAL OVERVIEW

**EBITDA for the year
amounted to
SEK +1.0 M (-38.6)**

**Cash flow from
operating activities
for the full year
amounted to SEK
+3.4 M (+6.4)**

Fourth quarter 2023

Sales and earnings

Net sales amounted to SEK 70.7 M (60.3), an increase of 17 %. Total revenue, including work performed by the company for its own use and capitalised, amounted to SEK 79.3 M (76.2). The order backlog amounted to SEK 630.3 M (427.8).

The gross margin, excluding royalties, was 57 % (44). Personnel costs and Other external expenses amounted to SEK 53.3 (60.8) and excluding costs for an aborted acquisition during FY2022 of SEK 53.3 (52.2).

EBITDA amounted to SEK -9.7 M (-20.1) and to SEK -9.7 M (-11.5) excluding costs from an aborted acquisition of SEK 0 M (-8.6). EBIT totalled SEK -25.0 M (-28.3) including impairment of SEK 6.5 M (0) of a total loss of a satellite. The loss after tax was SEK -27.8 M (-17.4).

Full-Year 2023

Sales and earnings

Net sales amounted to SEK 276.6 M (196.7), an increase of 41 %. Total revenue, including work performed by the company for its own use and capitalised, amounted to SEK 325.4 M (243.7).

The gross margin improved to 62 % (58).

EBITDA amounted to SEK +1.0 M (-38.6) and to SEK +1.0M (-30.0), excluding costs from an aborted acquisition of SEK 0 M (-8.6). EBIT totalled SEK -36.8 M (-67.0) including impairment of SEK 6.5 M (0) of a total loss of a satellite. The loss after tax was SEK -41.4 M (-46.5).

Investments and financial position

Available cash and cash equivalents as of 31 December 2023 totalled SEK 59.5 M (52.1), including use of SEK 25.2 M (0) of a bank overdraft facility. The total available overdraft facility amounts to SEK 30 M (5.0).

Cash flow from operating activities during the fourth quarter amounted to SEK +58.4 M (+43.1) and for the full year to SEK +3.4 M (+6.4). The assessment, based on the current order backlog, new customer orders and ongoing discussions regarding measures to mitigate short term cash flow effects from delayed projects, is that the Group is financed for the next 12 months.

The Group's investments in non-current assets for the year totalled SEK 47.7 M (40.9), of which intangible assets accounted for SEK 32.8 M (27.7). 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.

Other receivables increased to SEK 87.0 M (55.9) mainly due to accrued royalties. Other liabilities increased to SEK 213.0 (140.5) mainly due to increased prepayments from customers and utilization of the overdraft facility.

The equity ratio amounted to 71 % (75).

Personnel and organisation

There were 188 employees (183) at the end of the period.

Parent Company

Parent Company net sales for the period totalled SEK 108.3 M (68.6), and the result after tax, before impairment of the shares in the subsidiary Clyde Space Ltd, was SEK +7.5 M (-21.5) and after impairment SEK +7.5 M (-80.1). Investments in non-current assets amounted to SEK 1.4 M (1.8). The equity ratio amounted to 87 % (88).

Dividend

The Board of Directors proposes to the Annual General Meeting that no dividend should be distributed for the 2023 financial year.

2024 Annual General Meeting

The Annual General Meeting will be held in Uppsala at 1:00 p.m. CEST on 22 May 2024. Notice convening the meeting will be sent not later than 26 April 2024.

The share

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

During the fourth quarter, the company undertook a reverse split of its share, where 50 shares were consolidated into 1 new share. The total number of shares in the company decreased from 285,191,750 to 5,703,835 through the consolidation, which also included an associated smaller share issue to facilitate the transaction.

As of 31 December 2023, 5,703,835 shares had been issued at a quotient value of SEK 2.00 per share. All shares carry equal rights to the company's profits and assets. On 31 December 2023, the number of shareholders totalled 12,188. A table with the largest shareholders can be found on page 20 in this report.

Incentive programs

An Extraordinary General Meeting on 1 November 2023 resolved to consolidate shares, combining 50 shares into 1 new share. Fifty (50) warrants are now required to subscribe for one (1) share, previously one (1) warrant was required to subscribe for one (1) share. The subscription prices have also been recalculated following the consolidation.

The AGM in June 2020 resolved on a directed issue of warrants to the Board and to employees in Sweden and the UK. Fifty (50) warrants entitled the holder to subscribe for one (1) new share at a subscription price of SEK 211.11 per share. The warrants could be exercised during the period through 1 July 2023 until 31 December 2023. No exercises were carried out since the subscription price were higher than the actual share price during the period:

- As of 31 December 2023, Board members had subscribed for 192,000 warrants (incentive scheme 2020/2023:C)
- As of 31 December 2023, employees in Sweden had subscribed for 365,336 warrants (incentive scheme 2020/2023:A)
- As of 31 December 2023, employees in the UK had subscribed for 1,056,000 warrants (incentive scheme 2020/2023:B)

The AGM in May 2022 resolved on a directed issue of warrants to the Board and to all employees. Fifty (50) warrants entitle the holder to subscribe for one new share at a subscription price of SEK 94.65. The warrants can be exercised during the period through 1 July 2025 until 31 December 2025:

- As of 31 December 2023, Board members had subscribed for 291,667 warrants (incentive scheme 2022/2025:C)
- As of 31 December 2023, employees in Sweden had subscribed for 1,216,666 warrants (incentive scheme 2022/2025:A)
- As of 31 December 2023, employees outside of Sweden had subscribed for 1,685,000 warrants (incentive scheme 2022/2025:B)

A total of 3,193,333 warrants have been subscribed for, which entails a potential dilution effect of around 1 % and that AAC Clyde Space will potentially raise approximately SEK 6.0 M.

The AGM in May 2023 resolved on a directed issue of warrants to the Board and to all employees. Fifty (50) warrants entitle the holder to subscribe for one (1) new share at a subscription price of SEK 37.66 per share. The warrants can be exercised during the period through 1 July 2026 until 31 December 2026:

- As of 31 December 2023, Board members had subscribed for 275,975 warrants (incentive scheme 2023/2026:C)
- As of 31 December 2023, employees in Sweden had subscribed for 769,825 warrants (incentive scheme 2023/2026:A)
- As of 31 December 2023, employees outside of Sweden had subscribed for 1,830,150 warrants (incentive scheme 2023/2026:B)

A total of 2,875,950 warrants have been subscribed for, which entails a potential dilution effect of around 1 % and that AAC Clyde Space will potentially raise approximately SEK 2.2 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.

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

Annual Report 2023	25 April 2024
Interim Report Jan-Mar 2024	16 May 2024
Annual General Meeting 2024	23 May 2024
Interim Report Jan-Jun 2024	15 August 2024
Interim Report Jan-Sep 2024	7 November 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 Year-End Report 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 on 15 February 2024

Rolf Hallencreutz
Chairman of the Board

Per Aniansson
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 year-end report has not been reviewed by the Company's auditor.

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, in our chosen markets, 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. Carnegie Investment Bank AB is the Certified Adviser.

The share is also traded on the OTCQX-market under the symbol ACCMF.

FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

kSEK	Oct-Dec 2023	Oct-Dec 2022	Full-Year 2023	Full-Year 2022
Net sales	70,673	60,346	276,605	196,718
Work performed by the company for its own use and capitalised	8,352	6,079	29,349	21,781
Other operating income	319	9,740	19,500	25,248
TOTAL	79,344	76,165	325,454	243,747
Raw materials and subcontractors	-30,553	-33,940	-105,005	-82,811
Personnel costs	-42,045	-39,927	-163,463	-140,795
Other external expenses	-11,276	-20,853	-44,517	-43,389
Other operating expenses	-5,169	-1,576	-11,489	-15,351
EBITDA	-9,699	-20,131	980	-38,599
Depreciation/amortisation and impairment of tangible and intangible assets	-15,306	-8,129	-37,812	-28,407
EBIT	-25,005	-28,260	-36,832	-67,006
Financial income	1,588	11,249	4,414	19,732
Financial expenses	-4,646	-515	-8,640	-1,864
Net financial items	-3,058	10,734	-4,226	17,868
Income tax	114	87	-504	2,590
PROFIT/LOSS FOR THE PERIOD BEFORE NCI	-27,949	-17,439	-41,562	-46,548
Net Income attr to Non-controlling interests	120	-	199	-
PROFIT/LOSS FOR THE PERIOD ATTRIBUTED TO PARENT COMPANY SHAREHOLDERS	-27,829	-17,439	-41,363	-46,548
Other comprehensive income:				
Items that may be transferred to profit or loss				
Exchange-rate differences	-21,795	-2,038	1,965	26,984
Other comprehensive income for the period	-21,795	-2,038	1,965	26,984
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTR TO PARENT COMPANY SHAREHOLDERS	-49,624	-19,477	-39,398	-19,564

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

SEK	Oct-Dec 2023	Oct-Dec 2022	Full-Year 2023	Full-Year 2022
Average no. of shares – basic	5,697,332	4,019,153	4,762,058	3,937,707
No. of shares at end of period	5,703,835	4,096,220	5,703,835	4,096,220
Average no. of shares – diluted	5,697,332	4,019,153	4,780,004	3,937,707
Basic and diluted earnings per share	-4.91	-4.34	-8.73	-11.82
Diluted earnings per share	-4.91	-4.34	-8.73	-11.82

*A consolidation of shares 1:50 took place in November 2023. Historical earnings per share have been recalculated to have a fair comparison.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

kSEK	31 Dec 2023	31 Dec 2022
ASSETS		
Non-current assets		
Intangible assets	672,606	665,456
Tangible assets	73,567	63,191
Financial assets	–	90
Total non-current assets	746,173	728,737
Current assets		
Inventories	22,088	20,237
Accounts receivable	23,513	24,452
Other receivables	87,050	55,875
Cash and cash equivalents	59,546	52,100
Total current assets	192,197	152,664
TOTAL ASSETS	938,370	881,401
EQUITY AND LIABILITIES		
Equity attributable to Parent Company shareholders	663,565	663,506
Equity attributable to Non-Controlling Interest	–813	–
Total Equity	662,752	663,506
Non-current liabilities		
Lease liabilities	10,150	11,041
Other non-current liabilities	354	5,646
Deferred tax liabilities	15,724	19,243
Total non-current liabilities	26,228	35,930
Current liabilities		
Accounts payable	36,412	41,503
Other liabilities	212,978	140,462
Other current liabilities	249,390	181,965
TOTAL EQUITY AND LIABILITIES	938,370	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 attributable to shareholders	Non-controlling interest	Total equity
Opening balance, 1 January 2022	7,688	0	889,723	39,478	-258,077	678,812	0	678,812
Profit/loss for the period					-46,548	-46,548		-46,548
Other comprehensive income				26,984		26,984		26,984
Total comprehensive income	0	0	0	26,984	-46,548	-19,564		-19,564
Transactions with shareholders								
Correction of conversion differences OB					629	629		629
Directed share issue						0		0
Warrants T02020/2023			283			283		283
Warrants T02022/2025			482			482		482
Issue expenses						0		0
Non-cash issue – acquisition of Omnisys	504		2,360			2,864		2,864
Closing balance, per 31 Dec 2022	8,192	0	892,848	66,462	-303,996	663,506	0	663,506
Opening balance, 1 January 2023	8,192	0	892,848	66,462	-303,996	663,506	0	663,506
Profit/loss for the period					-41,363	-41,363	-199	-41,562
Other comprehensive income				1,965		1,965	66	2,031
Total comprehensive income	0	0	0	1,965	-41,363	-39,398	-133	-39,531
Transactions with shareholders								0
Adjustment of opening balances			32			32		32
Reclassifications					-259	-259		-259
Transaction between owners					680	680	-680	0
Rights share issue	3,176		44,467			47,643		47,643
Issue expenses			-10,083			-10,083		-10,083
Non-cash issue – acquisition of Omnisys	22		285			307		307
Directed share issue	18		142			160		160
Warrants T02020/2023			84			84		84
Warrants T02022/2025			711			711		711
Warrants T02023/2026			182			182		182
Closing balance, per 31 Dec 2023	11,408	0	928,668	68,427	-344,939	663,565	-813	662,752

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

kSEK	Oct-Dec 2023	Oct-Dec 2022	Full-Year 2023	Full-Year 2022
Cash flow from operating activities before changes in working capital	-17,825	-20,010	-7,012	-37,810
Total changes in working capital	76,202	63,070	10,366	44,245
Cash flow from operating activities	58,377	43,060	3,354	6,435
Cash flow from investing activities	-6,706	-14,214	-47,672	-40,874
Cash flow from financing activities	-14,146	-1,634	52,142	-10,272
CASH FLOW FOR THE PERIOD	37,525	27,212	7,824	-44,711
Cash and cash equivalents at start of period	22,677	25,030	52,100	96,110
Exchange-rate differences in cash and cash equivalents	-656	-142	-378	701
CASH AND CASH EQUIVALENTS AT END OF PERIOD	59,546	52,100	59,546	52,100

CONDENSED PARENT COMPANY INCOME STATEMENT

kSEK	Oct-Dec 2023	Oct-Dec 2022	Full-Year 2023	Full-Year 2022
Net sales	28,461	19,600	108,335	68,629
Work performed by the company for its own use and capitalised	796	99	1,390	465
Other operating income	1,488	280	5,112	1,711
Total operating income	30,745	19,979	114,837	70,805
Raw materials and subcontractors	-9,808	-6,842	-20,012	-18,649
Personnel costs	-11,417	-8,215	-39,373	-28,395
Other external expenses	-10,476	-18,549	-37,773	-45,759
Other operating expenses	-4,881	-279	-7,310	-1,200
EBITDA	-5,837	-13,906	10,369	-23,198
Depreciation/amortisation and impairment of tangible and intangible assets	-264	-101	-786	-368
EBIT	-6,101	-14,007	9,583	-23,566
Interest income and similar profit/loss items	621	321	2,339	2,796
Interest expenses and similar profit/loss items	-1,333	-182	-4,429	-717
Impairment of shares in subsidiaries	-	-	-	-58,655
Total earnings from financial items	-712	139	-2,090	-56,576
PROFIT AFTER FINANCIAL ITEMS	-6,813	-13,868	7,493	-80,142
Tax on profit/loss for the period	-	-	-	-
Profit/loss for the period	-6,813	-13,868	7,493	-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	31 Dec 2023	31 Dec 2022
ASSETS		
Non-current assets		
Intangible assets	4,282	3,392
Tangible assets	1,006	1,113
Receivables from Group companies	29,275	16,117
Financial assets	525,502	525,451
Total non-current assets	560,065	546,073
Current assets		
Inventories	5,881	5,576
Accounts receivable	7,260	3,143
Receivables from Group companies	43,452	30,190
Other receivables	40,322	12,008
Cash and bank balances	6,672	5,767
Total current assets	103,587	56,684
TOTAL ASSETS	663,652	602,757
EQUITY AND LIABILITIES		
Equity		
Restricted equity	13,030	9,538
Unrestricted equity	562,995	519,989
Total equity	576,025	529,527
Non-current liabilities		
Other non-current liabilities	10,000	21,949
Total non-current liabilities	10,000	21,949
Current liabilities		
Accounts payable	8,430	9,421
Liabilities to Group companies	6,937	15,379
Other liabilities	62,260	26,481
Other current liabilities	77,627	51,281
TOTAL EQUITY AND LIABILITIES	663,652	602,757

SHAREHOLDERS AS OF 31 DECEMBER 2023

SHAREHOLDERS	NO. OF SHARES	VOTES & CAPITAL
CBNY-RJA-CLIENT ASSET ACCT*	624,000	10.94%
AVANZA PENSION	364,130	6.38%
AESA2104 AB	125,848	2.21%
NORDNET PENSIONSFORESKRING AB	110,912	1.94%
Walldow, Anders	76,800	1.35%
Soltorpet AB	69,166	1.21%
EUROCLEAR BANK S.A/N.V, W8-IMY	55,078	0.97%
Kock, John	52,750	0.92%
C In t Veld Beheer BV	51,700	0.91%
GLE Monna Beheer BV	51,700	0.91%
Others	4,121,751	72.26%
TOTAL	5,703,835	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	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
AAC Clyde Space	-4,352	-9,115*	14,512	-20,737*
Clyde Space	-8,423	-15,646	-33,809	-33,630
Hyperion	2,007	1,011	13,448	699
SpaceQuest	1,912	2,283	10,427	9,258
Omnisys	748	2,583	1,895	9,408
AAC Space Africa	-1,591	-1,245	-5,493	-3,597
Total EBITDA	-9,699	-20,131	980	-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.

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Total EBITDA	-9,699	-20,131	980	-38,599
Net financial items	-3,058	10,734	-4,226	17,868
Depreciation and amortisation of tangible and intangible assets	-15,306	-8,149	-37,812	-28,407
Earnings before tax	-28,063	-17,546	-41,058	-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.

October - December 2023							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	29,041	28,461	8,263	7,223	12,721	1,504	87,213
Income from other segments	-6,779	-7,418	-230	-354	-614	-1,145	-16,540
Income from external customers	22,262	21,043	8,033	6,869	12,107	359	70,673
Space Data as a Service	5,868	-	-	4,279	-	-	10,147
Space Missions	6,902	904	-	-	-	367	8,173
Space Products	9,492	21,789	8,033	2,590	12,107	-8	54,003
Licenses/Royalties	-	-1,650	-	-	-	-	-1,650
Total	22,262	21,043	8,033	6,869	12,107	359	70,673

October - December 2022							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	26,274	19,600	6,994	9,097	19,939	1,654	83,558
Income from other segments	-4,250	-16,713	-1,099	-214	-18	-918	-23,212
Income from external customers	22,024	2,887	5,895	8,883	19,921	736	60,346
Space Data as a Service	-234	-	-	4,569	-	-	4,335
Space Missions	3,325	1,459	-	-	-	696	5,480
Space Products	18,933	1,428	5,895	4,314	19,921	40	50,531
Licenses/Royalties	-	-	-	-	-	-	0
Total	22,024	2,887	5,895	8,883	19,921	736	60,346

January–December 2023							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	78,323	108,335	47,013	35,036	59,378	4,963	333,048
Income from other segments	-20,374	-26,866	-3,637	-1,041	-1,066	-3,459	-56,443
Income from external customers	57,949	81,469	43,376	33,995	58,312	1,504	276,605
Space Data as a Service	6,064	-	-	17,911	-	-	23,975
Space Missions	24,962	2,939	-	-	-	367	28,268
Space Products	26,923	47,953	43,376	16,084	58,312	1,137	193,785
Licenses/Royalties	0	30,577	-	-	-	-	30,577
Total	57,949	81,469	43,376	33,995	58,312	1,504	276,605

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 31 December 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 838 k (1,091) 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