



Interim report for AAC Clyde Space AB (publ) January – March 2023

2023-04-25 AAC Clyde Space AB (publ)

First quarter, January–March 2023 (compared with January–March 2022)

- Net sales amounted to SEK 73.9 M (41.2), an increase of 79%
- Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK 1.7 M (-7.6)
- Earnings before interest and tax (EBIT) amounted to SEK -5.4 M (-14.6)
- The loss after tax was SEK -6.5 M (-11.7)
- Basic and diluted earnings per share amounted to SEK -0.03 (-0.06)
- Cash flow from operating activities totalled SEK -9.7 M (7.0)
- The order backlog amounted to SEK 460.2 M (395.1)

Events in the first quarter of 2023

- 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
- 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
- AAC Clyde Space shipped the first of three satellites that are to deliver hyperspectral imagery data to Canadian company, Wyvern. The satellites will continue the transformation of AAC Clyde Space into a space-based data company over the coming years
- A consortium including AAC Clyde Space subsidiary Hyperion, was selected by TNO of the Netherlands to deliver a new direct-to-Earth laser communication terminal for small satellites in LEO. The order value is EUR 0.3 M (approx. SEK 3.3 M) with planned delivery in 2025
- AAC Clyde Space expanded its existing overdraft bank facility from SEK 5 M to SEK 30 M. The move will enable the Group to deliver on its expanding order backlog, as it strengthens the working capital to an appropriate level for current business activities



- AAC Clyde Space received orders for its Starbuck power system and Sirius computers from several customers amounting to a total of approx. SEK 20.1 M. The orders are scheduled for delivery from Q4 2023 until mid-2024

Events after the end of the reporting period

- AAC Clyde Space was part of the team developing the SWI instrument onboard the European Space Agency's (ESA) Jupiter mission JUICE, that 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

Comments from the CEO

The strategic transition to Space Data as a Service continues as planned

AAC Clyde Space has started 2023 well, with strong sales momentum, successful satellite launches and growing interest in our systems and specialist components from customers around the world.

In the first three months of the year, we increased net sales by 79% to SEK 73.9M, against SEK 41.2M in 2022, and reported a positive EBITDA of SEK 1.7M, compared to a loss of SEK 7.6M last year.

We increased our order backlog to SEK 460.2 M (395.1M) and see continued positive momentum this year, as the supply chain and staffing issues that have impacted on the wider industry begin to ease.

In January, two satellites built by AAC Clyde Space were successfully launched on Transporter 6, marking the start of an extremely busy year for satellite launches. One of the satellites launched is Kelpie-1, a 3U EPIC nanosatellite, first in a new generation of Space Data as a Service (SDaaS) satellites that will join AAC Clyde Space's own constellation and increase our offering of AIS data.

In April, we launched two more satellites on Transporter 7, including EPICHyper-1, a 6U EPICView nanosatellite, which will extend the data offering from our constellation to hyperspectral image data. Once deployed and commissioned, this satellite will support farmers around the world to improve the productivity of their fields, supporting the global drive to secure food supplies.

In the next year and a half, seven more satellites will be added to the constellation, bringing the total number to thirteen, including the first VDES satellites. This growth of our proprietary constellation continues the transformation of AAC Clyde Space into a space-based data company over the coming years.

As we increase the offering of space data and services to the market, we are already working on the next phases of expansion of our constellation. Work is on-going on our larger platform that can accommodate more capable sensors and more sophisticated solutions to manage and process data.

AAC Clyde Space's strategic transition to Space Data as a Service continues according to plan. Our performance in the first quarter is fully in line with our plan to deliver on our targets of positive EBITDA 2023 and SEK 500 million revenue 2024. We expect 2023 to be a value inflection point in our strategy of profitable growth.

We are pleased by the progress we have made in the first quarter and want to thank our team for their hard work in achieving this strong start to the year. We continue to work with our customers and partners to capitalize on the huge potential of small satellites and build significant revenue growth in 2023.

Luis Gomes
CEO



FOR MORE INFORMATION:

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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.