



## Interim report for AAC Clyde Space AB (publ) January – June 2024

### 2024-08-15 AAC Clyde Space AB (publ)

#### Second quarter, April - June 2024 (compared with April - June 2023)

- Net sales amounted to SEK 53.6 M (75.9), a decrease of 29,4 %
- Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -16.5 M (2.3)
- Earnings before interest and tax (EBIT) amounted to SEK -27.4 M (-5.4)
- The total loss after tax was SEK -27.5 M (-4.7)
- Basic and diluted earnings per share amounted to SEK -4.82 (-1.14)
- Cash flow from operating activities totalled SEK +6.8 M (-43.0)
- The order backlog amounted to SEK 660.0 M (443.7)

#### January - June 2024 (compared with January - June 2023)

- Net sales amounted to SEK 125.0 M (149.8), a decrease of 16.6 %
- Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to SEK -3.8 M (4.0)
- Earnings before interest and tax (EBIT) amounted to SEK -31.2 M (-10.9) including impairment of SEK -6.5 M (0) of a satellite not performing as expected
- The total loss after tax was SEK -30.7 M (-11.1)
- Basic and diluted earnings per share amounted to SEK -5.38 (-2.72)
- Cash flow from operating activities totalled SEK -6.2 M (-52.8)

#### Events in the second quarter of 2024

- AAC Clyde Space appointed to lead a consortium that is to develop laser communication system valued at SEK 40.4 M. AAC Hyperion will productionise the existing 1 Gbps system, CubeCAT V1, in corporation with FSO Instruments. This will also expand CubeCat's capacity to 10 Gbps to generate a next-generation terminal to enable space-to-ground communication between small satellites and optical ground stations.
- AAC Clyde Space won its first order for its 16U EPIC satellite to be delivered and commissioned by June 2026. The total order value is EUR 2.3 M (approx. SEK 27.0 M). The satellite will be part of the ESA OPS-SAT VOLT mission and will be capable of hosting multiple payloads. The mission, led by Craft Prospect Ltd. (CPL) is part of ESA's ARTES Scylight programme. It aims to test and evaluate groundbreaking real-time techniques and technologies with a focus on optical and quantum direct to earth communication.
- AAC Clyde Space received its first order on the commercial version of its laser communication terminal CubeCAT. The EUR 0.6 M (approx. SEK 6.5 M) order for two laser communication terminals comes from Greek company EMTECH SPACE S.A. for its mission Hellenic Space Dawn.
- AAC Clyde Space and its partners announced the creation of a hub for laser satellite communications in the Netherlands, supported by agreements with Dutch TNO and FSO Instruments. The agreement marks all three parties' commitment to build up a long-term partnership and aim to establish a European ecosystem for laser satellite communication.
- The satellite Ymir-1 successfully completed two tests with its VDES payload collecting high quality AIS signals from more than 6,000 vessels. This is an important step for the AOS project and the Ymir-1 satellite becoming operational.
- The annual general meeting was held on 23 May, where the board members Rolf Hallencreutz (chairman), Per Aniansson, Per Danielsson and Dino Lorenzini were re-elected and Stuart Martin and Michael Mattsson were elected as ordinary board members.



### Events after the end of the reporting period

- AAC Clyde Space entered into an agreement to acquire Spacemetric AB for a consideration of approx. SEK 16 M (approximately SEK 8 M in cash consideration and approximately SEK 8 M in shares in AAC Clyde Space) and possible earn-outs up to a total of approx. SEK 9 M (approximately SEK 4 M in cash consideration and approximately SEK 5 M in warrants which entitles to subscribe for shares in AAC Clyde Space). Spacemetric is a leading provider of geospatial data management systems for satellite and airborne imaging and video sensors, transforming raw data into imagery products ready for analytics and AI.
- AAC Clyde Space won its first order for the Cyclops Earth observation satellite constellation by entering into a pre-commercial agreement valued at GBP 612,000 (approx. SEK 8.3 M) with the Scottish Government. The project will start in Q3 2024 and continue until Q3 2026.

### Comments from the CEO

**The 2<sup>nd</sup> Quarter of 2024 continued to be a busy time for the company, with important progress made on several key projects. We also faced challenges on some projects, that resulted in lower than expected financial results. Despite these temporary challenges, the outlook for the company remains strong, with a growing order backlog now standing at SEK 660 M, key strategic contracts signed, and important satellite launches approaching.**

The delayed signing of some important projects, supplier delays and issues with late entry into services of satellites have all contributed to total net sales in Q2 of SEK 53.6 M, 29.4% lower than the results from a year ago. The accumulated EBITDA for the first half of the year stands at SEK -3.8 M.

Events that particularly impacted the quarter numbers were a supplier issue on a major project in our Gothenburg site, the issues with the Kelpie satellites and the delayed start of revenue service of some in-orbit satellites. Additionally, several projects originally expected in Q1 of 2024, were only signed later in the quarter or in Q2, and despite the efforts of the teams to progress these projects as fast as possible, supplier issues and staffing constraints in the second half of the quarter limited the revenue that could be recognised on these projects.

With the net sales delays experienced in the first half of the year, the current guidance for the year end net sales is between SEK 350 M and SEK 400 M, a 27% to 45% increase on 2023 numbers. We maintain the guidance of a 5% to 10% positive EBITDA, a substantial increase over the 0.4% EBITDA of 2023.

We signed several new important contracts in the quarter, namely our first order for a 16U satellite, the first order for our CubeCat laser communications terminal, as well as the announcement that AAC Clyde Space's Dutch subsidiary will lead a consortium to build the next generation of laser communication terminals. These events are important milestones strategy of growing our satellite offer to larger, more capable satellites and offer faster and better communication solutions.

After the end of the quarter, we secured our first contract to supply data and services from our new Earth Observation constellation. The Cyclops satellites will deliver a service to Scottish Forestry to search diseased trees in the country's forests, a service increasingly necessary as our climate changes and threats to our forests increase. We are seeing growing interest for the data and services from this constellation, with the build of the first xSPANCION enabled satellite progressing at full pace, and the launch for the first satellite now contracted.

In the next few days, we will see the launch of the Artic Weather Satellite on board a Space X Falcon 9. The satellite's instrument was designed and built by our team in Gothenburg, while the power system and on-board computer were built by our team in Uppsala. This satellite is expected to be the first in a constellation of satellites for Eumetsat, and we look forward to seeing the results of the revolutionary instrument on board.

The same Falcon 9 rocket will also carry Sedna-1, a satellite built by the team in Fairfax, to be added to our in-orbit constellation, increasing our offering of maritime tracking data and taking the number of satellites in the constellation to 11. This expansion of our service offering is a key part of our growth plan, helping to improve our margins and making the company more resilient to the peaks and troughs of the space business.

**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 15 August 2024.

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, in our chosen market, 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 Growth Market (ticker: AAC). Carnegie Investment Bank AB is the Certified Adviser. The share is also traded on the US OTCQX- market under the symbol ACCMF.