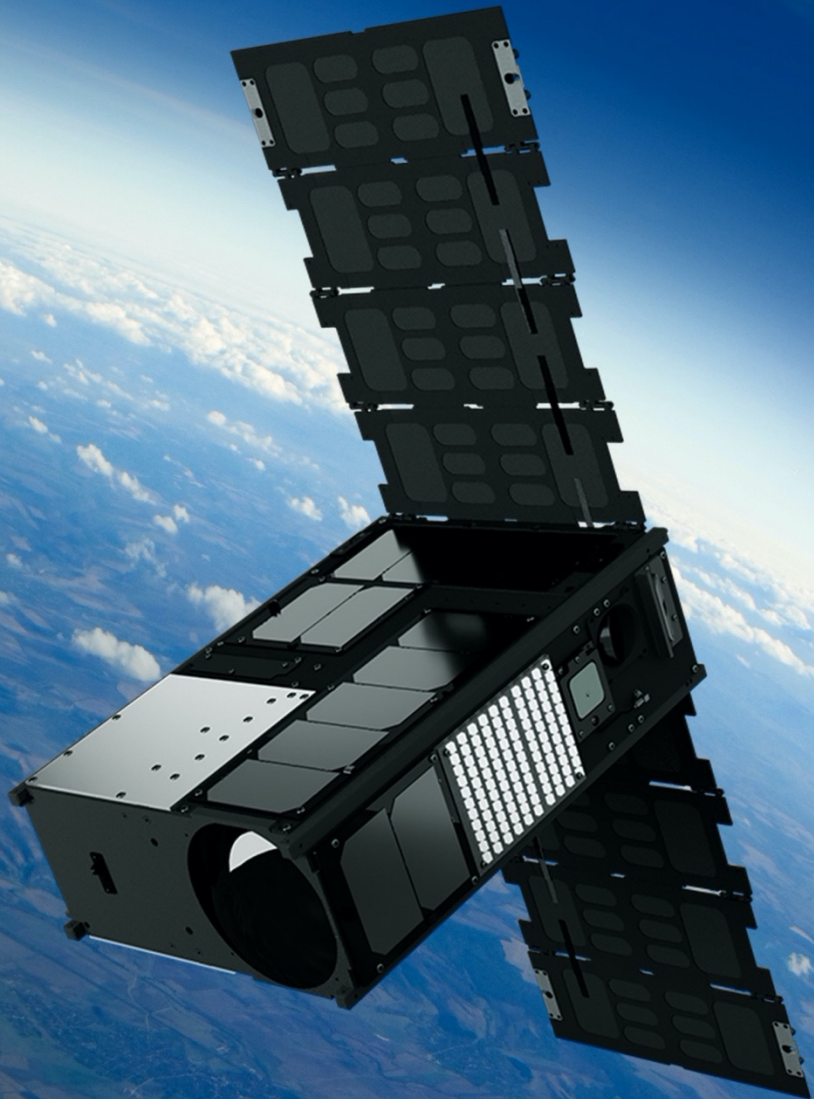




AAC CLYDE SPACE AB (publ) **INTERIM REPORT** **Q2 2022**



**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)

Basic and diluted earnings per share
amounted to

SEK -0.03 (-0.06)

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)

Basic and diluted earnings per share
amounted to

SEK -0.09 (-0.08)

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)

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

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)

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 SpacEL'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

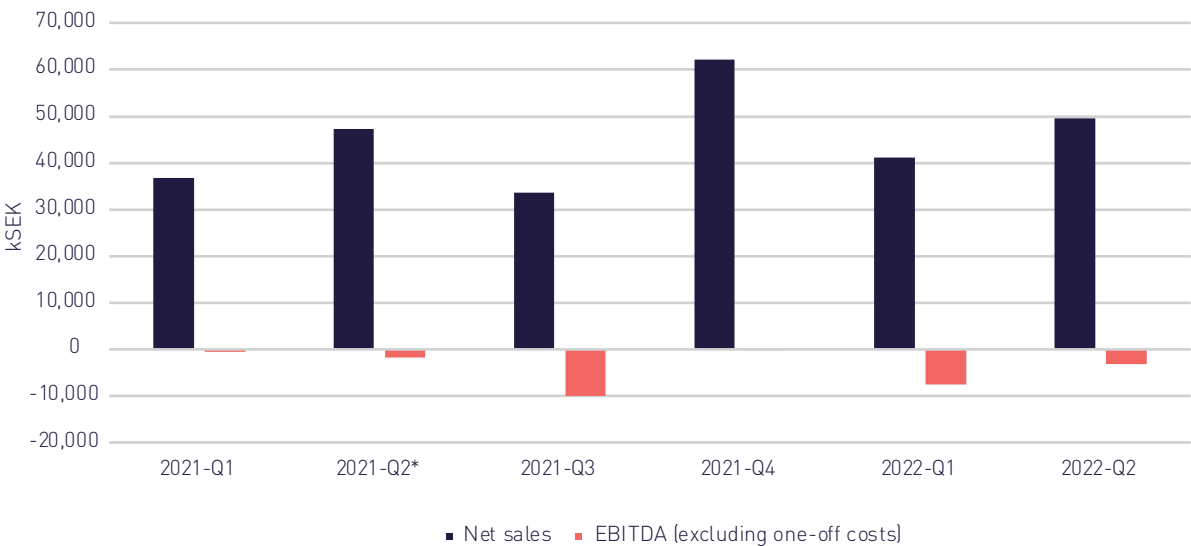
SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- 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

FINANCIAL
OVERVIEW – GROUP

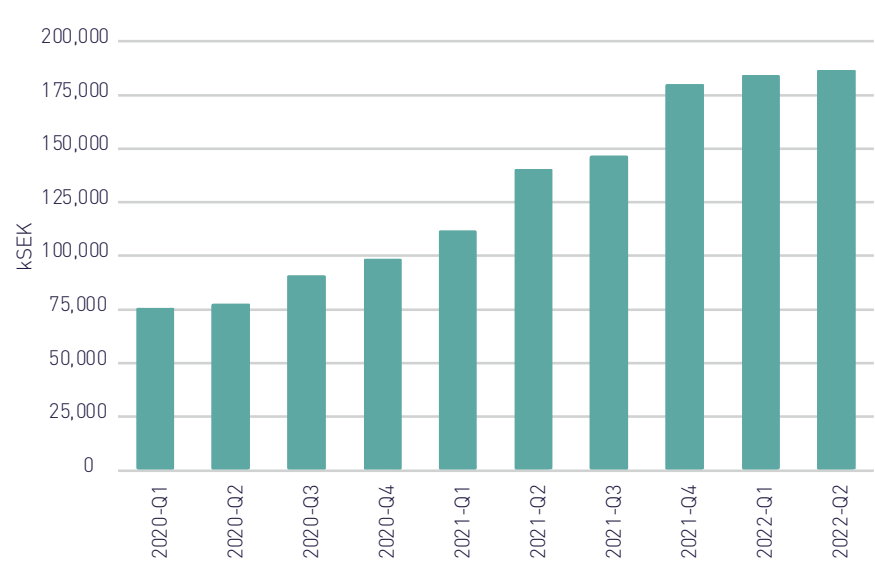
kSEK	Apr- Jun 2022	Apr- Jun 2021	Jan- Jun 2022	Jan- Jun 2021	Full- year 2021
Net sales	49,548	47,377	90,704	84,160	179,950
EBITDA	-3,152	-3,485	-10,776	-3,948	-14,942
EBIT	-9,493	-9,341	-24,126	-13,786	-38,606
Basic and diluted earnings per share, SEK	-0.03	-0.06	-0.09	-0.08	-0.23
Equity ratio	80%	81%	80%	81%	78%
Cash flow from operating activities	-32,255	5,900	-25,248	-14,949	-35,461
Cash flow for the period	-42,330	64,525	-50,056	38,676	32,399
Cash and cash equivalents	46,512	101,700	46,512	101,700	96,110
Order backlog	400,217	412,784	400,217	412,784	407,215

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

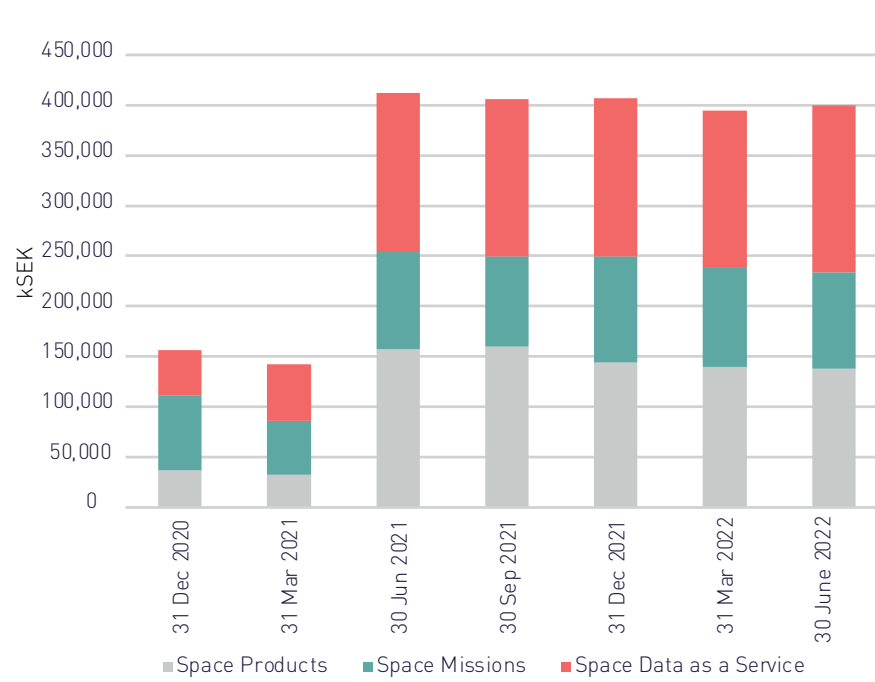


* EBITDA for Q2 2021 adjusted for acquisition costs of SEK 1.7 M

NET SALES –
ROLLING 12 MONTHS



ORDER BACKLOG





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. 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 will now be achieved in 2023. 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. This quarter 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

FINANCIAL OVERVIEW

Net sales increased 8% to SEK 90.7 M (84.2). Total revenue amounted to SEK 111.4 M (96.0).

Second quarter 2022

Sales and earnings

Net sales increased 4% to SEK 49.5 M (47.4). Total revenue, including work performed by the company for its own use and capitalised, amounted to SEK 58.8 M (53.5). The order backlog amounted to SEK 400 M (413), of which SEK 145 M is expected to be recognised as revenue during July to December 2022.

The gross margin amounted to 69% (58). Personnel costs and Other external expenses increased by 36% to SEK 46.6 M (34.2), reflecting the acquisition of Omnisys Instruments end of April 2021 and forming a larger organization to manage the expected growth and larger business opportunities.

EBITDA amounted to SEK -3.2 M (-3.5). EBIT totalled SEK -9.5 M (-9.3) and the loss after tax was SEK -5.8 M (-9.6).

Exchange-rate differences had a positive impact on the total comprehensive income for the period of SEK 16.9 M (-8.6), primarily due to restating goodwill items in Clyde Space and SpaceQuest, which are stated in GBP and USD respectively.

January-June 2022

Sales and earnings

Net sales increased 8% to SEK 90.7 M (84.2). Total revenue amounted to SEK 111.4 M (96.0).

EBITDA amounted to SEK -10.8 M (-3.9). EBIT totalled SEK -24.1 M (-13.8) and the loss after tax was SEK -17.5 M (-13.6).

Investments and financial position

Available cash and cash equivalents as of 30 June 2022 totalled SEK 46.5 M (101.7), excluding an unutilised bank overdraft facility of SEK 5 M.

Cash flow from operating activities for the period amounted to SEK -25.2 M (-14.9) following changes in working capital for the second quarter amounting to SEK -30.0 M (9.2). The change of the working capital during the quarter is primarily due to a R&D Tax Credit claim of approx. 10.8 MSEK (which was paid from the UK HMRC in August 2022) and revenues during the second quarter being accrued against projects where prepayments already have been received and not yet invoiced milestones in delayed projects. The assessment, based on the current order backlog and new customer orders intake, is that the Group is financed for the next 12 months.

The Group's investments in non-current assets for the period totalled SEK 17.3 M (17.9), of which intangible assets accounted for SEK 16.2 M (10.1). Investment in intangible assets mainly comprised development expenses related to the ORBCOMM project, ongoing development of next-generation space products and satellite platforms (50% financed by Scottish Enterprise) and development.

Other current receivables increased to SEK 72.6 M (57.0), mainly due to accrued revenue in ongoing projects and an R&D Tax Credit claim of approx. SEK 10.8 M. Other non-current liabilities of SEK 25.1 M (34.5) pertain to non-cash restatements of additional considerations for the acquisitions of SpaceQuest and Omnisys Instruments under IAS 32 and IFRS 9. The additional considerations are settled through the conversion of warrants to shares. Other current liabilities amounted to SEK 100.7 M (72.0). The increase is due to prepayments from customers.

The equity ratio amounted to 80% (81).

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.

Personnel and organisation

There were 174 employees (163) at the end of the period.

Parent Company

Parent Company net sales for the period totalled SEK 30.0 M (21.8), and the loss after tax was SEK -7.5 M (-6.9). Investments in non-current assets amounted to SEK 0.8 M (0.1). The equity ratio amounted to 92% (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 2022, 199,030,976 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 2022, the number of shareholders totalled 12,736. A table with the largest shareholders can be found on page 18 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 2022, Board members had subscribed for 192,000 warrants (incentive scheme 2020/2023:C)
- As of 30 June 2022, employees in Sweden had subscribed for 408,000 warrants (incentive scheme 2020/2023:A)
- As of 30 June 2022, employees in the UK had subscribed for 1,280,000 warrants (incentive scheme 2020/2023:B)

A total of 1,880,000 warrants have been subscribed for, which entails a potential dilution effect of around 1% and that AAC Clyde Space will potentially raise approximately SEK 8.0 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 2022, Board members had subscribed for 325,000 warrants (incentive scheme 2022/2025:C)
- As of 30 June 2022, employees in Sweden had subscribed for 1,150,000 warrants (incentive scheme 2022/2025:A)
- As of 15 July 2022, employees outside of Sweden had subscribed for 1,675,000 warrants (incentive scheme 2022/2025:B)

A total of 3,150,000 warrants have been subscribed for, which entails a potential dilution effect of around 2% and that AAC Clyde Space will potentially raise approximately SEK 6.0 M.

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.

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 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. The order is expected to be delivered middle of 2023.

The Sirius computer and the Starbuck Mini power system were originally developed for the first InnoSat satellite, as part of a programme financed by the Swedish National Space Agency. They are now used extensively in a variety of space missions, offering industry leading, robust performance for small and medium sized satellites.

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. Building on multiple previous orders (totalling more than 50 units), this order shall support the international customers' Earth Observation constellation scale-up. The power systems include a PCDU (Power Conditioning and Distribution Unit), which receives and distributes power, and a large capacity battery. The power system is built on the company's heritage products, STARBUCK-NANO and OPTIMUS, demonstrating the capability of these heritage ranges.

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. The project will develop features for test and manufacturing, to improve efficient serial production and speed up delivery times when scaling up to larger volumes. Additional features and standardised modules will also be added to target new customers as well as existing clients' next generation of satellites.

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 2021 Annual Report. COVID-19 affected operations in the form of lower income recognition than planned in projects, since deliveries from subcontractors were delayed. The ongoing war in Ukraine has not so far affected operations. It remains difficult to estimate the final impact of COVID-19 and the war on the Group. No further significant risks are deemed to have arisen during the period.

Reporting calendar

Interim Report Jan–Sep 2022	24 Nov 2022
Year-end Report 2022	23 Feb 2023

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 report for the period January–June 2022 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, 25 August 2022

Rolf Hallencreutz
Chairman of the Board

Per Aniansson
Board member

Anita Bernie
Board member

Per Danielsson
Board member

Nicole Robinson
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 reviewed by the 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 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.

FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

kSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Full-year 2021
Net sales	49,548	47,377	90,704	84,160	179,950
Work performed by the company for its own use and capitalised	5,545	3,235	10,880	5,420	13,630
Other operating income	3,764	2,915	9,863	6,391	17,245
TOTAL	58,857	53,527	111,447	95,971	210,825
Raw materials and subcontractors	-15,504	-20,000	-30,776	-35,289	-83,234
Personnel costs	-35,564	-27,236	-68,128	-48,006	-106,946
Other external expenses	-11,054	-6,989	-19,576	-13,430	-30,454
Other operating expenses	113	-2,787	-3,743	-3,194	-5,216
EBITDA	-3,152	-3,485	-10,776	-3,948	-14,942
Depreciation/amortisation and impairment of tangible and intangible assets	-6,341	-5,856	-13,350	-9,838	-23,583
EBIT	-9,493	-9,341	-24,126	-13,786	-38,606
Financial income	3,622	330	6,101	614	764
Financial expenses	-447	-1,072	-782	-1,324	-4,927
Net financial items	3,175	-742	5,319	-710	-4,163
Income tax	532	465	1,304	900	3,282
PROFIT/LOSS FOR THE PERIOD	-5,786	-9,618	-17,503	-13,596	-39,483
Other comprehensive income:					
<i>Items that may be transferred to profit or loss</i>					
Exchange-rate differences	16,885	-8,658	44,770	21,862	38,336
Other comprehensive income for the period	16,885	-8,658	44,770	21,862	38,336
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	11,099	-18,276	27,267	8,266	-1,151

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

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Full-year 2021
Average no. of shares – basic	192,375,181	173,348,101	195,177,621	160,276,205	173,829,770
No. of shares at end of period	199,030,976	186,419,996	199,030,976	186,419,996	192,200,029
Average no. of shares – diluted	207,382,438	173,348,101	199,030,976	160,276,205	173,829,770
Basic and diluted earnings per share	-0.03	-0.06	-0.09	-0.08	-0.23

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

kSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	690,787	624,311	639,515
Tangible assets	39,330	33,055	41,475
Financial assets	112	109	90
Total non-current assets	730,229	657,475	681,080
Current assets			
Inventories	18,698	14,993	13,201
Accounts receivable	22,214	23,368	23,023
Other receivables	72,642	56,969	60,992
Cash and cash equivalents	46,512	101,700	96,110
Total current assets	160,066	197,030	193,327
TOTAL ASSETS	890,295	854,505	874,407
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders	708,864	688,052	678,812
Non-current liabilities			
Liabilities to credit institutions	–	297	–
Lease liabilities	7,462	12,561	9,989
Other non-current liabilities	25,065	34,484	28,931
Deferred tax liabilities	22,241	24,295	22,410
Total non-current liabilities	54,768	71,637	61,330
Current liabilities			
Accounts payable	25,917	22,683	26,473
Other liabilities	100,746	72,133	107,793
Other current liabilities	126,663	94,816	134,266
TOTAL EQUITY AND LIABILITIES	890,295	854,505	874,407

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 2021	4,928	87,973	682,295	1,184	-218,612	557,770
Profit/loss for the period					-13,596	-13,596
Other comprehensive income				21,862		21,862
Total comprehensive income	0	0	0	21,862	-13,596	8,266
Transactions with shareholders						
Reclassification of additional purchase consideration, SpaceQuest			-14,488			-14,488
Directed share issue	1,569		98,431			100,000
Issue expenses			-5,891			-5,891
Non-cash issue – acquisition of Omnisys			41,770			41,770
Non-cash issue – acquisition of SpaceQuest	960	-87,973	87,013			0
Warrants T02020/2023			626			626
Closing balance, per 30 Jun 2021	7,457	0	889,756	23,046	-232,207	688,052
Opening balance, 1 January 2022	7,688	0	889,723	39,481	-258,080	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						
Reclassification of additional purchase consideration, SpaceQuest						0
Directed share issue						0
Issue expenses						0
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 Jun 2022	7,961	0	892,235	84,251	-275,583	708,864

Equity is attributable in its entirety to Parent Company shareholders.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

kSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Full-year 2021
Cash flow from operating activities before changes in working capital	-2,213	-3,287	-9,033	-3,720	-15,189
Total changes in working capital	-30,042	9,187	-16,215	-11,229	-20,272
Cash flow from operating activities	-32,255	5,900	-25,248	-14,949	-35,461
Cash flow from investing activities	-8,899	-38,934	-17,312	-42,662	-21,779
Cash flow from financing activities	-1,176	97,559	-7,496	96,287	89,639
CASH FLOW FOR THE PERIOD	-42,330	64,525	-50,056	38,676	32,399
Cash and cash equivalents at start of period	88,924	37,133	96,110	62,434	62,434
Exchange-rate differences in cash and cash equivalents	-82	42	458	590	1,278
CASH AND CASH EQUIVALENTS AT END OF PERIOD	46,512	101,700	46,512	101,700	96,110

CONDENSED PARENT COMPANY INCOME STATEMENT

kSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Full-Year 2021
Net sales	18,911	9,213	30,016	21,795	55,133
Work performed by the company for its own use and capitalised	201	-	285	39	137
Other operating income	333	57	805	281	816
Total operating income	19,445	9,270	31,106	22,115	56,086
Raw materials and subcontractors	-3,841	-3,724	-7,608	-9,608	-19,830
Personnel costs	-7,981	-5,543	-14,011	-10,620	-21,574
Other external expenses	-13,059	-4,557	-17,596	-8,569	-28,108
Other operating expenses	-164	-97	-499	-243	-517
EBITDA	-5,600	-4,651	-8,608	-6,925	-13,943
Depreciation/amortisation and impairment of tangible and intangible assets	-63	-241	-176	-503	-1,009
EBIT	-5,663	-4,892	-8,784	-7,428	-14,952
Other interest income and similar profit/loss items	744	246	1,573	557	1,630
Interest expenses and similar profit/loss items	-199	-39	-263	-41	-167
Total earnings from financial items	545	207	1,310	516	1,463
PROFIT AFTER FINANCIAL ITEMS	-5,118	-4,685	-7,474	-6,912	-13,489
Tax on profit/loss for the period	-	-	-	-	-
Profit/loss for the period	-5,118	-4,685	-7,474	-6,912	-13,489

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 2022	30 Jun 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	3,208	2,684	2,422
Tangible assets	571	519	698
Receivables from Group companies	40,780	24,249	26,037
Financial assets	538,172	540,298	543,487
Total non-current assets	582,731	567,750	572,644
Current assets			
Inventories	5,028	2,858	2,646
Accounts receivable	3,963	5,825	6,063
Receivables from Group companies	24,319	6,035	18,217
Other receivables	16,483	8,521	10,930
Cash and bank balances	20,291	77,648	70,548
Total current assets	70,084	100,887	108,404
TOTAL ASSETS	652,815	668,637	681,048
EQUITY AND LIABILITIES			
Equity			
Restricted equity	10,991	6,054	9,556
Unrestricted equity	590,678	606,337	596,451
Total equity	601,669	612,391	606,007
Non-current liabilities			
Other non-current liabilities	35,065	44,484	38,931
Total non-current liabilities	35,065	44,484	38,931
Current liabilities			
Accounts payable	4,741	4,918	6,823
Liabilities to Group companies	687	130	9,940
Other liabilities	10,653	6,714	19,347
Other current liabilities	16,081	11,762	36,110
TOTAL EQUITY AND LIABILITIES	652,815	668,637	681,048

SHAREHOLDERS AS OF 30 JUNE 2022

SHAREHOLDERS	NO. OF SHARES	VOTES & CAPITAL
CBNY-RJA-CLIENT ASSET ACCT*	24,000,000	12.06%
AVANZA PENSION	13,057,389	6.56%
AESA2104 AB	6,354,928	3.19%
NORDNET PENSIONS FÖRSÄKRINGAR AB	3,451,495	1.73%
UBS SWITZERLAND AG, W8IMY	3,217,628	1.62%
KOCK, JOHN	3,066,100	1.54%
TJ JUNIOR AB	3,000,000	1.51%
C INT VELD BEHEER B.V	2,585,000	1.30%
G.L.E MONNA BEHEER B.V	2,585,000	1.30%
S. ENGELÉN BEHEER B.v	2,585,000	1.30%
Övriga	135,128,436	67.89%
TOTAL	199,030,976	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 2021.

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, HR Director, 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 2022	Apr–Jun 2021	Jan–Jun 2022	Jan–Jun 2021	Jan–Dec 2021
AAC Clyde Space	-7,255	-5,810*	-9,475	-7,486*	-14,302**
Clyde Space	-4,015	-4,295	-9,959	-4,832	-10,737
Hyperion	1,323	1,162	779	1,760	758
SpaceQuest	3,258	1,999	4,153	3,151	5,245
Omnisys	3,834	3,459	5,136	3,459	5,387
AAC Space Africa	-297	-	-1,410	-	-1,293
Total EBITDA	-3,152	-3,485	-10,776	-3,948	-14,942

* includes acquisition costs of kSEK 1,668

** includes acquisition costs of kSEK 1,668 and non-recurring personnel costs of 948

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

	Apr–Jun 2022	Apr–Jun 2021	Jan–Jun 2022	Jan–Jun 2021	Jan–Dec 2021
Total EBITDA	-3,152	-3,485	-10,776	-3,948	-14,942
Net financial items	3,175	-742	5,319	-710	-4,163
Depreciation and amortisation of tangible and intangible assets	-6,341	-5,856	-13,350	-9,838	-23,664
Earnings before tax	-6,318	-10,083	-18,807	-14,496	-42,769

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 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	-	-	-	-	-	-	-
Total	11,084	8,974	4,592	8,791	14,449	1,658	49,548

April–June 2021	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	14,805	9,213	4,554	5,421	15,484	-	49,477
Income from other segments	-292	-1,808	-	-	-	-	-2,100
Income from external customers	14,513	7,405	4,554	5,421	15,484	0	47,377
Space Data as a Service	122	-	-	2,854	-	-	2,976
Space Missions	11,965	494	-	-	-	-	12,459
Space Products	2,426	6,911	4,554	2,567	15,484	-	31,942
Licenses/Royalties	-	-	-	-	-	-	0
Total	14,513	7,405	4,554	5,421	15,484	0	47,377

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	-	-	-	-	-	-	-
Total	25,215	19,816	6,790	14,430	22,737	1,717	90,704

January–June 2021							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	32,521	21,795	7,960	9,353	15,484	-	87,113
Income from other segments	-946	-2,007	-	-	-	-	-2,953
Income from external customers	31,575	19,788	7,960	9,353	15,484	0	84,160
Space Data as a Service	122	3,311	-	4,868	-	-	8,301
Space Missions	24,257	-	-	-	-	-	24,257
Space Products	7,196	15,096	7,960	4,485	15,484	-	50,221
Licenses/Royalties	-	1,381	-	-	-	-	1,381
Total	31,575	19,788	7,960	9,353	15,484	0	84,160

January–December 2021							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	73,475	55,133	16,402	19,435	43,840	488	208,773
Income from other segments	-11,971	-13,695	-2,467	-202	-	-488	-28,823
Income from external customers	61,504	41,438	13,935	19,233	43,840	0	179,950
Space Data as a Service	1,203	-	-	11,637	-	-	12,840
Space Missions	48,575	8,935	-	-	-	-	57,510
Space Products	11,726	31,122	13,935	7,596	43,840	-	108,219
Licenses/Royalties	-	1,381	-	-	-	-	1,381
Total	61,504	41,438	13,935	19,233	43,840	0	179,950

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

As of 30 June 2022, 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 SpaceQuest and 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 kSEK 466 (722) 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