



Year-end report for AAC Clyde Space AB (publ) January – December 2020

2021-02-18 AAC Clyde Space AB (publ)

Fourth quarter, October–December 2020 (compared with October–December 2019)

- Net sales amounted to SEK 28.7 M (20.6). Hyperion, which was acquired in November, accounted for SEK 2.4 M of net sales
- Adjusted Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA) amounted to SEK -1.6 M (-5.2), excluding acquisition costs of SEK 7.6 M and non-recurring personnel costs of SEK 1.8 M
- EBITDA totalled SEK -10.9 M (-5.2)
- Adjusted Earnings before interest and tax (EBIT) amounted to SEK -3.8 M (-8.4), excluding acquisition costs and non-recurring personnel costs
- EBIT totalled SEK -13.2 M (-8.4)
- The loss after tax was SEK -13.4 M (-8.4). Hyperion, which was acquired in November, contributed a profit of SEK 0.3 M to earnings after tax
- Basic and diluted earnings per share amounted to SEK -0.11 (-0.09)
- Cash flow from operating activities totalled SEK -11.7 M (-0.6)
- The order backlog amounted to SEK 156 M (169)

Full-year 2020 (compared with full-year 2019)

- Net sales amounted to SEK 98.4 M (66.4)
- Adjusted Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA) amounted to SEK -17.5 M (-27.3), excluding acquisition costs of SEK 7.6 M and non-recurring personnel costs of SEK 1.8 M
- EBITDA totalled SEK -26.8 M (-27.3)
- Adjusted Earnings before interest and tax (EBIT) amounted to SEK -28.1 M (-40.2), excluding acquisition costs and non-recurring personnel costs
- EBIT totalled SEK -37.5 M (-40.2)
- The loss after tax was SEK -38.3 M (-40.6)
- Basic and diluted earnings per share amounted to SEK -0.37 (-0.48)
- Cash flow from operating activities totalled SEK -14.5 M (-15.7)

Significant events in the fourth quarter of 2020

- AAC Clyde Space embarked on the three-year development project xSPANCION together with the European Space Agency (ESA), with a first phase of EUR 1.8 M (approximately SEK 18.4 M)
- AAC Clyde Space acquired 100% of the shares in Hyperion Technologies BV, based in the Netherlands, on 10 November 2020. The company was consolidated into the financial reporting from 1 November 2020
- AAC Clyde Space acquired 100% of the shares in the US firm SpaceQuest Ltd on 30 December 2020. The company was consolidated into the financial reporting from 31 December 2020
- AAC Clyde Space carried out a directed share issue of SEK 52 M



- The British Space Forge tasked AAC Clyde Space with designing a satellite platform that will take advantage of the space environment for production in-orbit. The order value is GBP 0.1 M (approximately SEK 1.3 M)

Significant events after the end of the reporting period

- AAC Clyde Space AB's subsidiary Hyperion captured an order to carry out an in-orbit verification of CubeCAT, its space-based laser communication terminal. The terminal will substantially improve and facilitate data communication via small satellites

Comments from the CEO

This final quarter of 2020 closes a very exciting year for AAC Clyde Space. We achieved nearly 50% organic growth and late in the fourth quarter we closed the acquisitions of Hyperion and SpaceQuest. All of this was completed despite widespread Covid-19 restriction and a financial down-turn. Lockdowns from the early part of 2020 changed the parameters of our operation and we went to work largely remotely. We had to completely reconfigure our cleanrooms to ensure the health and safety of our colleagues; but we adapted and focused on successfully building space hardware and satellite missions. The momentum has carried on in the first few weeks of 2021 and we are set for a very exciting year.

At year end we had clean rooms in full production, with eight satellites at different stages of manufacture; two more satellites in orbit and plenty of exciting new activities for the year ahead. Despite the economic downturn in the world economy, we maintained a strong level of sales during the year, securing three new missions and sales of several important subsystems. At the same time, we have built a large and promising sales pipe-line. We foresee very strong growth for 2021 and onwards.

Our financials for the quarter and the year show substantial progress, with our yearly revenue growing more than 48%. Our EBITDA exclusive of acquisition cost developed strongly in the second half 2020 and improved by 36% for the full year compared to 2019.

In 2020 we took big strides in meeting our strategic objectives of building a world-leading small satellite group. We expanded our product line with the acquisition of Hyperion Technologies, and made a decisive entry into the US market with the acquisition of SpaceQuest. These are two moves important in meeting our strategic goals.

During 2021 we will continue to focus on rapid growth and improved financial results. We are expanding our technical capabilities, our service offerings to customers and improving our delivery. Hyperion has brought products and subsystems that will improve our missions, and it also introduces laser communications to the range of AAC's capabilities, a key technology for our future service provision.

The xSPANCION contract that we signed with ESA in November, supported by the UK Space Agency, underpins the expansion of our space as a service offering for the next two years. This allied with the new capabilities that we acquired in SpaceQuest – a constellation of satellites and a network of ground stations – will enhance and accelerate our ability to deliver services to our customers, at a time when we see a fast-growing demand for space based data and services.

As we look forward to a busy year ahead, with many launches, many critical deliveries, and the start of service of our new AIS satellites. We are aiming for very strong organic growth in parallel with some potential strategic acquisition. The combination of this strong organic growth and select acquisitions means we are now on a target to bring the group sales to 500 M SEK by 2024.

2020 was a challenging and very different year for all of us. I would like to take this opportunity to congratulate our staff for all their dedicated support and thanks to all our customers and suppliers for your support. Lastly thanks to all our shareholders for their backing - it is a group that has grown from 6,000 to more than 12,000 over the last year.

Luis Gomes
CEO



FOR MORE INFORMATION:

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The year-end report and further information are available at <https://investor.aac-clyde.space/en/financial-reports>

ABOUT AAC CLYDE SPACE

AAC Clyde Space offers turnkey solutions and services from mission design to on-orbit operations, including reliable customizable satellite platforms in the range of 1 to 50 Kg and a full range of subsystems for cube and small satellites. With unrivalled flight heritage and end-to-end service, AAC Clyde Space enables customers to reach their mission goals through a single, trusted point of contact.

AAC Clyde Space's shares are traded on Nasdaq First North Premier Growth Market. Erik Penser Bank AB, e-mail certifiedadviser@penser.se, telephone +46 8 463 83 00, is the Certified Adviser. The share is also traded on the US OTCQX-market under the symbol ACCMF.