



Interim report for AAC Clyde Space AB (publ) January – March 2021

2021-05-27 AAC Clyde Space AB (publ)

First quarter, January–March 2021 (compared with January–March 2020)

- Net sales increased 55% to SEK 36.8 M (23.8)
- Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA) improved 92% and totalled SEK -0.5 M (-6.2)
- Earnings before interest and tax (EBIT) improved 52% and totalled SEK -4.4 M (-9.1)
- The loss after tax was SEK -4.0 M (-9.5)
- Basic and diluted earnings per share amounted to SEK -0.03 (-0.10)
- Cash flow from operating activities amounted to SEK -20.8 M (-6.2) due to accrued, not yet invoiced, revenues in ongoing projects, tax assets and receivables from Scottish Enterprise for ongoing development projects
- The order backlog amounted to SEK 142 M (183). After the acquisition of Omnisys Instruments AB, on 30 April 2021 the order backlog was SEK 260 M

Significant events in the first quarter of 2021

- AAC Clyde Space AB changed its management structure to increase agility and underpin continued growth. A distributed management structure was implemented, with Group-level sales and strategic leadership in Group management, and geographical operations management for each country
- OHB Sweden selected AAC Clyde Space as the intended supplier of core avionics for the ESA Arctic Weather Satellite
- AAC Clyde Space has been awarded a contract with the Canadian Earth observation company Wyvern Inc. to secure a launch of 3 satellites into orbit in 2022. The contract precedes an intended Space Data as a Service agreement between the parties for hyperspectral data delivery expected to be finalised during Q2, 2021

Significant events after the end of the reporting period

- AAC Clyde Space acquired the Swedish space company Omnisys Instruments AB. The company was consolidated into the financial reporting from 30 April 2021. The acquisition increased the Group's order backlog to SEK 260 M at the end of April 2021.
- AAC Clyde Space carried out a directed new share issue of SEK 100 M



Comments from the CEO

It's been a busy start to the year at AAC Clyde Space, as the momentum we've built over the last 12 months continues to gather pace.

Although the pandemic poses an ongoing challenge to people and businesses across the world, we have adapted our operations and hit the ground running in 2021, united by a clear strategy and ambition: to become a world leader in commercial small satellites and services from space.

Our strong first quarter results put us firmly on track to be profitable by 2022, with a 92 percent improvement in EBITDA compared to Q1 2020 and net sales up by 55% over the same period to SEK 36.8 million.

With the support of our investors, we continue to use strategic acquisitions to enhance our capabilities and accelerate our growth plan. Most recently, in April, we acquired Omnisys Instruments, gaining 28 years of experience in developing profitable, high-performance electronics hardware, including world-class atmospheric sensors. This added expertise means that we can build constellations that deliver new data, timelier data, and better-quality data to clients, catapulting our Space Data as a Service offering to new heights. With this latest acquisition, the Group order backlog stands at SEK 260.4 million at the end of April, reflecting the strength of our current strategy and putting our target revenue of SEK 500 million by 2024 well within reach.

In particular, combining AAC Clyde Space satellites with Omnisys sensors will create a revolutionary capability in weather forecasting, of value across a vast range of applications: from farmers seeking to optimize crop yields to shipping operators transporting cargo overseas to cities preparing for hurricanes...to ordinary day-to-day living.

Accurate weather forecasting will become even more important as climate change inflicts increasingly uncertain weather patterns upon our planet. So, I am delighted that our Group is being chosen to support missions, such as the ESA Arctic Weather Satellite (AWS), that aim to further our understanding of the Earth's environment. AWS is the single prototype for a potential constellation of satellites. It aims to improve weather forecasts, in particular over the Arctic region, where it will bring important and missing observations that are beyond the capability of larger geostationary satellites already in use.

As well as expanding our capabilities this quarter, we felt it was the right time to update our management structure to ensure that we remain agile and innovative as we grow. Our new, decentralized approach supports this goal, with Sales and Strategy now sitting within Group management and country operations managed locally.

Towards the end of the summer, we will present an updated plan that lays out our commitment to strengthen our efforts in profitable and commercial environmental applications. Meanwhile, our teams will be focused on fulfilling launches and critical deliveries, integrating our recent acquisitions, and strengthening our pipeline of contracts. Thanks to their hard work and with our newly combined capabilities, we are poised to fulfil the promise of many years of small satellite development and enable a better understanding of our planet at a time when it is most needed.

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 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, 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.