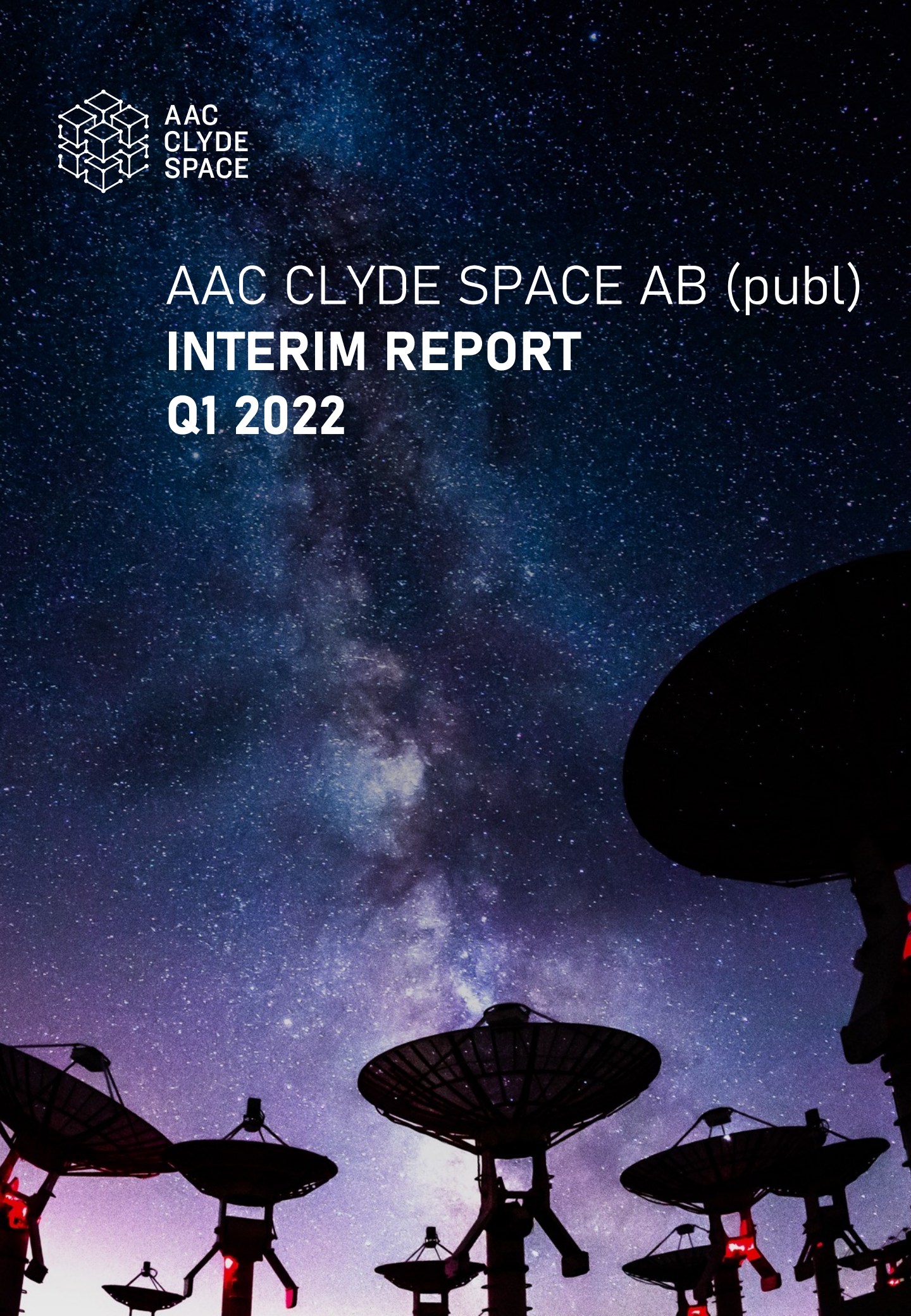




AAC
CLYDE
SPACE

AAC CLYDE SPACE AB (publ) INTERIM REPORT Q1 2022



**FIRST QUARTER,
JANUARY–MARCH
2022 (COMPARED
WITH JANUARY–
MARCH 2021)**

Net sales increased 12% to

SEK 41.2 M (36.8)

Earnings before interest and tax (EBIT) amounted to

SEK -14.7 M (-4.4)

Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to

SEK -7.6 M (-0.5)

The loss after tax was

SEK -11.7 M (-4.0)

Basic and diluted earnings per share amounted to

SEK -0.06 (-0.03)

Cash flow from operating activities totalled

SEK 7.0 M (-20.8)

The order backlog increased 178% to

SEK 395 M (142)

SIGNIFICANT EVENTS IN THE FIRST QUARTER OF 2022

- A EUR 441 k (approx. SEK 4.5 M) order was received 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
- 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 a weather instrument. The earn-out is the first of potentially three equal earnout issues of remuneration shares related to the weather instrument project. AAC Clyde Space is developing a new WeatherCube for Space Data as a Service weather constellations. The share issue increases the total number of shares in AAC Clyde Space to 192,725,486

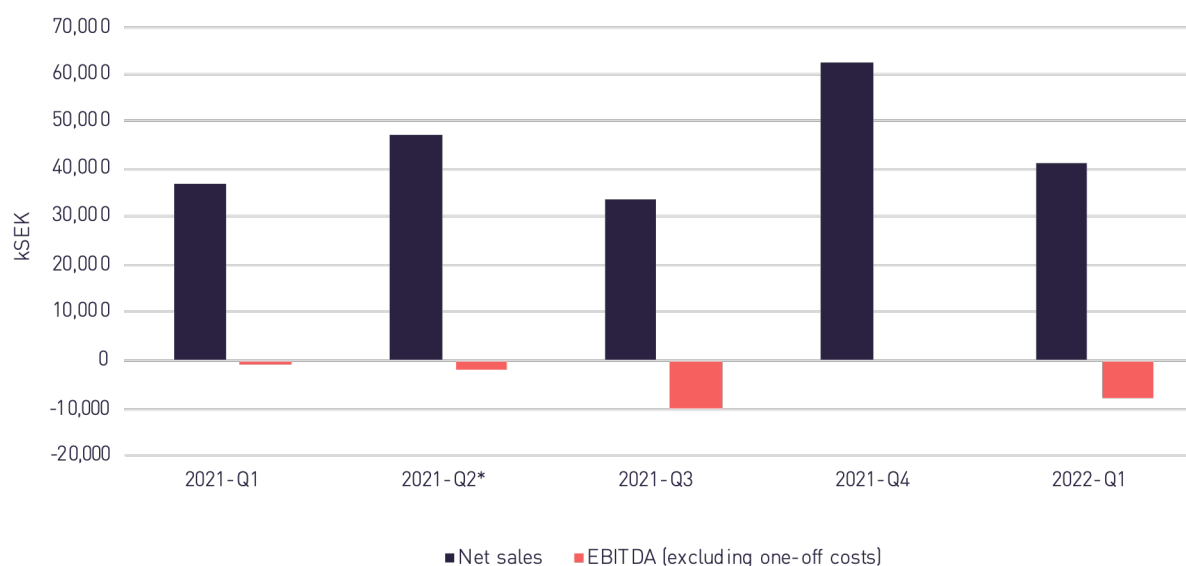
SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- 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

FINANCIAL OVERVIEW – GROUP

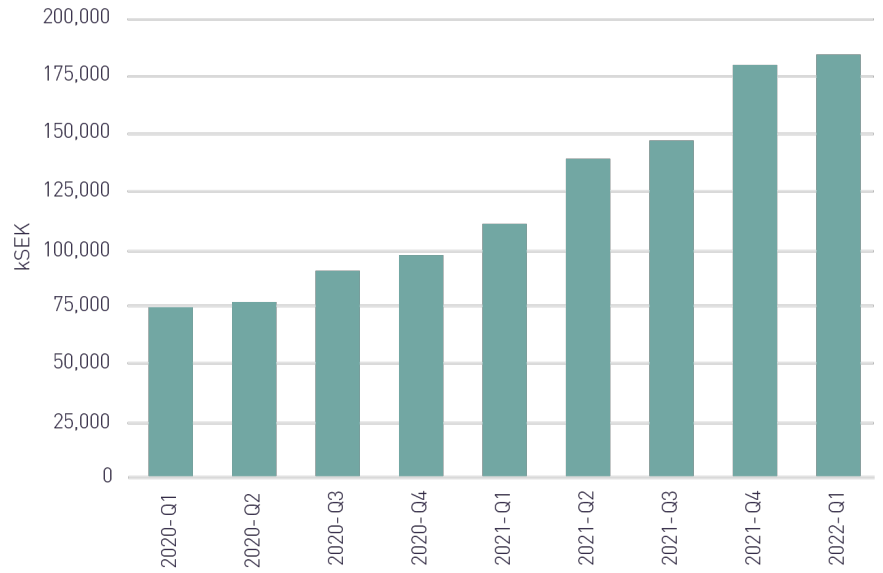
kSEK	Jan-Mar 2022	Jan-Mar 2021	Full-year 2021
Net sales	41,156	36,783	179,950
EBITDA	-7,624	-463	-14,942
EBIT	-14,633	-4,445	-38,606
Basic and diluted earnings per share, SEK	-0.06	-0.03	-0.23
Equity ratio	78%	86%	78%
Cash flow from operating activities	7,007	-20,849	-35,461
Cash flow for the period	-7,726	-25,849	32,399
Cash and cash equivalents	88,924	37,133	96,110
Order backlog	395,147	141,789	407,215

NET SALES AND EBITDA BROKEN DOWN BY QUARTER, ADJUSTED FOR ACQUISITION AND NON-RECURRING COSTS

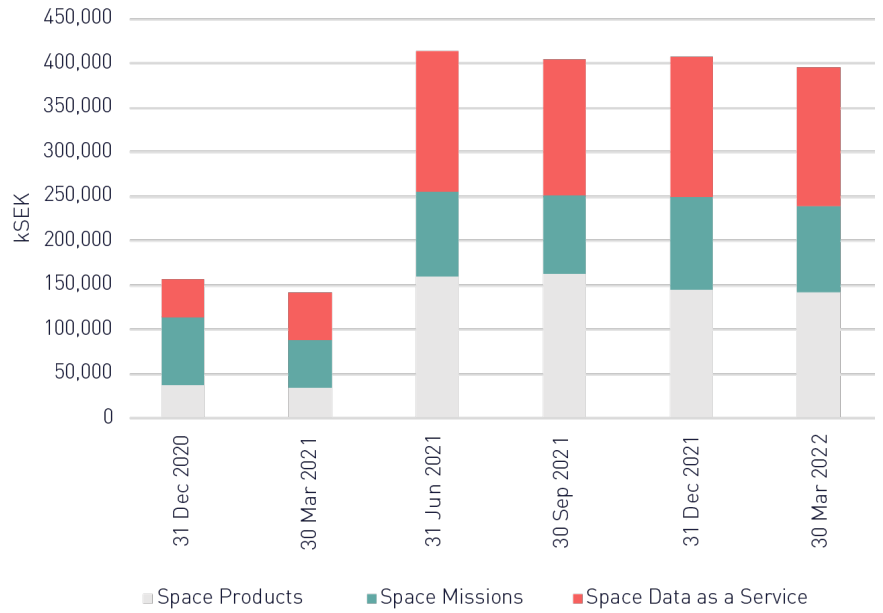


* EBITDA for Q2 2021 adjusted for acquisition costs of SEK 1.7 M

**NET SALES –
ROLLING 12 MONTHS**



ORDER BACKLOG





COMMENTS FROM THE CEO

In the first quarter, we reported net sales of SEK 41.2M and our order backlog increased by 178% over the same period to SEK 395M. Our target remains to be EBITDA positive and to generate positive operational cash flow in 2022.

We've had a productive start to 2022 despite disruption to global supply chains, increased market uncertainty and recent volatility caused by worrisome geopolitical tensions.

The growing need for more accurate and timely data to improve life on earth is generating strong demand in the space economy. We continue to build off the momentum we achieved in 2021 and have seen enhanced interest in our products and services across all areas of our Group.

In the first quarter, we reported net sales of SEK 41.2M and our order backlog improved by 178% over the same period to SEK 395M. Our target remains to be EBITDA positive and to generate positive operational cash flow in 2022.

However, the start of 2022 has not been plain sailing. Ongoing global supply chain issues and the lingering impacts of the pandemic continue to fuel an industry-wide shortage of components and skilled labour.

The component shortage has delayed existing programmes as we are forced to wait for important parts to complete projects. And we have had to hire more contractors, at a higher cost, to mitigate the labour shortage.

This has had a knock-on impact on business sales during the first quarter, but we expect to recognise SEK 171.2M of our order backlog as revenue over the remainder of the year. This means that we expect to generate over SEK 210M of annual sales in 2022 from existing contracts as of end of March. In addition, we expect to recognise more revenue from new orders to meet our financial targets this year.

Furthermore, our capabilities and market-leading technology are driving innovation across critical areas of research.

For example, we continue to make strides in weather forecasting. This quarter we have completed preliminary designs for both the European Space Agency's Arctic Weather Satellite programme and a new WeatherCube for Space Data as a Service weather constellations.

We are also moving closer to making space-based production a reality. In January, we secured a follow-on order from UK-based Space Forge to provide space products for a demonstration spacecraft designed to leverage the space environment for production and experiments – and capable of performing multiple trips to space.

Later this year we plan to launch several of our small satellites, including satellites for Eutelsat and Horizon, and two for our own SDaaS fleet, to provide data for Orbcomm and Wyvern. These launches, scheduled to start from Cornwall, in the summer, the first satellite launch from the British Isles will mark a new phase of growth for the company. They reflect our increasing work with governments and national space programs to further research and development in space.

We remain committed to our ambition to become a world leader in commercial small satellites and services from space.

I also want to thank our entire global team for their commitment and hard work through this period of fast growth and transformation.

Luis Gomes
CEO

Net sales increased 12% to SEK 41.2 M (36.8). Total revenue, including work performed by the company for its own use and capitalised, amounted to SEK 52.6 M (42.4).

First quarter 2022

Sales and earnings

Net sales increased 12% to SEK 41.2 M (36.8). Total revenue, including work performed by the company for its own use and capitalised, amounted to SEK 52.6 M (42.4). The order backlog increased by 178% to SEK 395 M (142), of which SEK 171.2 M is expected to be recognised as revenue during April to December 2022.

The gross margin amounted to 63% (58). Personnel costs and Other external expenses increased by 51% to SEK 41.1 M (27.2), including acquisition of Omnisys Instruments end of April 2021 and forming a larger organization to manage the expected growth and larger business opportunities. Other operating expenses (exchange rate differences) increased to SEK 3.9 M (0.4).

EBITDA amounted to SEK -7.6 M (-0.5). EBIT totalled SEK -14.6 M (-4.4) and the loss after tax was SEK -11.7 M (-4.0).

Exchange-rate differences had a positive impact on the total comprehensive income for the period of SEK 27.9 M (30.5), primarily due to restating goodwill items in Clyde Space and SpaceQuest, which are stated in GBP and USD respectively.

Investments and financial position

Available cash and cash equivalents as of 31 March 2022 totalled SEK 88.9 M (37.1), excluding an unutilised bank overdraft facility of SEK 5 M.

Cash flow from operating activities for the period amounted to SEK +7.0 M (-20.8). The improvement was primarily due to prepayments from customers and achieved milestones in ongoing projects.

The Group's investments in non-current assets for the period totalled SEK 8.4 M (3.8), of which intangible assets accounted for SEK 7.5 M (3.8). 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.

Accounts receivable increased to SEK 21.5 M (14.3) due to increased sales and invoiced milestones in ongoing projects. Other current receivables increased to SEK 57.7 M (41.9), mainly due to accrued revenue in ongoing projects. Other non-current liabilities of SEK 29.4 M (14.6) 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 118.8 M (38.0). The increase is due to prepayments from customers combined with the acquisition of Omnisys Instruments.

The equity ratio amounted to 78% (86).

Personnel and organisation

There were 169 employees (127) at the end of the period.

Parent Company

Parent Company net sales for the period totalled SEK 11.1 M (12.6), and the loss after tax was SEK -2.4 M (-2.2). Investments in non-current assets amounted to SEK 0.6 M (0.1). The equity ratio amounted to 92% (95).

AAC Space Africa was selected to deliver a ground station to a client in Africa. The order valued at approx. SEK 3.4 M will be delivered in 2022.

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 31 March 2022, 192,725,486 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 31 March 2022, the number of shareholders totalled 13,161. A table with the largest shareholders can be found on page 17 in this report.

The AGM of AAC Clyde Space 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 31 March 2022, Board members had subscribed for 192,000 warrants (incentive scheme 2020/2023:C)
- As of 31 March 2022, employees in Sweden had subscribed for 450,668 warrants (incentive scheme 2020/2023:A)
- As of 31 March 2022, employees in the UK had subscribed for 1,344,000 warrants (incentive scheme 2020/2023:B)

A total of 1,986,668 warrants have been subscribed for, which entails a potential dilution effect of around 1% and that AAC Clyde Space will potentially raise approximately SEK 8.5 M.

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 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 valued at approx. SEK 3.4 M will be delivered in 2022. The ground station is essential in the operation of the client's planned satellites but can also serve other missions. It will support several frequency bands up to the S-band as well as the amateur VHF band. The ground station can be operated from the control room, remotely or in an automated mode.

AAC Clyde Space issued 525,457 shares to the previous owners of Omnisys Instrument AB as an earn-out payment achieved through the completion of the preliminary design of the weather instrument to the ESA project Artic Weather Satellite (AWS). 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.

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.

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

Annual General Meeting 2022	19 May 2022
Interim Report Jan–Jun 2022	25 Aug 2022
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: www.aac-clyde.space.

Certification

The Board of Directors and CEO give their assurance that the report for the period January–March 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, 19 May 2022

Rolf Hallencreutz Chairman of the Board	Per Aniansson Board member	Anita Bernie Board member
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Per Danielsson Board member	Nicole Robinson Board member	William Whitehorn Board member
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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, e-mail certifiedadviser@penser.se, telephone +46 (0)8-463 83 00, is the Certified Adviser.

FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

kSEK	Jan-Mar 2022	Jan-Mar 2021	Full-year 2021
Net sales	41,156	36,783	179,950
Work performed by the company for its own use and capitalised	5,335	2,185	13,630
Other operating income	6,099	3,476	17,245
TOTAL	52,590	42,444	210,825
Raw materials and subcontractors	-15,272	-15,289	-83,234
Personnel costs	-32,564	-20,770	-106,946
Other external expenses	-8,522	-6,441	-30,454
Other operating expenses	-3,856	-407	-5,216
EBITDA	-7,624	-463	-14,942
Depreciation/amortisation and impairment of tangible and intangible assets	-7,009	-3,982	-23,583
EBIT	-14,633	-4,445	-38,606
Financial income	2,479	284	764
Financial expenses	-335	-252	-4,927
Net financial items	2,144	32	-4,163
Income tax	772	435	3,282
PROFIT/LOSS FOR THE PERIOD	-11,717	-3,978	-39,483
Other comprehensive income:			
Items that may be transferred to profit or loss			
Exchange-rate differences	27,885	30,520	38,336
Other comprehensive income for the period	27,885	30,520	38,336
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	16,168	26,542	-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

	Jan-Mar 2022	Jan-Mar 2021	Full-year 2021
Average no. of shares – basic	192,375,181	147,204,310	173,829,770
No. of shares at end of period	192,725,486	147,204,310	192,200,029
Average no. of shares – diluted	206,856,981	147,204,310	173,829,770
Basic earnings per share, SEK	-0.06	-0.03	-0.23
Diluted earnings per share, SEK	-0.06	-0.03	-0.23

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

kSEK	31 Mar 2022	31 Mar 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	669,855	526,684	639,515
Tangible assets	40,203	27,864	41,475
Financial assets	123	115	90
Total non-current assets	710,181	554,663	681,080
Current assets			
Inventories	16,121	12,920	13,201
Accounts receivable	21,536	14,278	23,023
Other receivables	57,698	41,861	60,992
Cash and cash equivalents	88,924	37,133	96,110
Total current assets	184,279	106,192	193,327
TOTAL ASSETS	894,460	660,855	874,407
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders	696,129	570,118	678,812
Non-current liabilities			
Liabilities to credit institutions	-	303	-
Lease liabilities	8,697	8,854	9,989
Other non-current liabilities	29,438	14,554	28,931
Deferred tax liabilities	22,509	9,292	22,410
Total non-current liabilities	60,644	33,003	61,330
Current liabilities			
Accounts payable	18,918	19,680	26,473
Other liabilities	118,769	38,054	107,793
Other current liabilities	137,687	57,734	134,266
TOTAL EQUITY AND LIABILITIES	894,460	660,855	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					-3,978	-3,978
Other comprehensive income				30,520		30,520
Total comprehensive income	0	0	0	30,520	-3,978	26,542
Transactions with shareholders						
Reclassification of additional purchase consideration, SpaceQuest			-14,488			-14,488
Non-cash issue – acquisition of SpaceQuest	960	-87,973	87,013			0
Warrants T02020/2023			294			294
Closing balance, per 31 Mar 2021	5,888	0	755,114	31,704	-222,590	570,118
Opening balance, 1 January 2022	7,688	0	889,723	39,481	-258,080	678,812
Profit/loss for the period					-11,717	-11,717
Other comprehensive income				27,885		27,885
Total comprehensive income	0	0	0	27,885	-11,717	16,168
Transactions with shareholders						
Subscription of warrants	21		1,029			1,050
Warrants T02020/2023			99			99
Closing balance, per 31 Mar 2022	7,709	0	890,851	67,366	-269,797	696,129

Equity is attributable in its entirety to Parent Company shareholders.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

kSEK	Jan-Mar 2022	Jan-Mar 2021	Full-year 2021
Cash flow from operating activities before changes in working capital	-6,820	-433	-15,189
Total changes in working capital	13,827	-20,416	-20,272
Cash flow from operating activities	7,007	-20,849	-35,461
Cash flow from investing activities	-8,413	-3,728	-21,779
Cash flow from financing activities	-6,320	-1,272	89,639
CASH FLOW FOR THE PERIOD	-7,726	-25,849	32,399
Cash and cash equivalents at start of period	96,110	62,434	62,434
Exchange-rate differences in cash and cash equivalents	540	548	1,278
CASH AND CASH EQUIVALENTS AT END OF PERIOD	88,924	37,133	96,110

CONDENSED PARENT COMPANY INCOME STATEMENT

kSEK	Jan-Mar 2022	Jan-Mar 2021	Full-Year 2021
Net sales	11,105	12,582	55,133
Work performed by the company for its own use and capitalised	84	39	137
Other operating income	472	224	816
Total operating income	11,661	12,845	56,086
Raw materials and subcontractors	-3,767	-5,884	-19,830
Personnel costs	-6,030	-5,077	-21,574
Other external expenses	-4,537	-4,012	-28,108
Other operating expenses	-335	-146	-517
EBITDA	-3,008	-2,274	-13,943
Depreciation/amortisation and impairment of tangible and intangible assets	-113	-262	-1,009
EBIT	-3,121	-2,536	-14,952
Other interest income and similar profit/loss items	829	311	1,630
Interest expenses and similar profit/loss items	-64	-2	-167
Impairment of shares in subsidiaries	-	-	-
Total earnings from financial items	765	309	1,463
PROFIT AFTER FINANCIAL ITEMS	-2,356	-2,227	-13,489
Tax on profit/loss for the period	-	-	-
Profit/loss for the period	-2,356	-2,227	-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	31 Mar 2022	31 Mar 2021	31 Mar 2021
ASSETS			
Non-current assets			
Intangible assets	2,944	2,897	2,422
Tangible assets	634	43	698
Receivables from Group companies	29,068	7,054	26,037
Financial assets	540,839	441,778	543,487
Total non-current assets	573,485	451,772	572,644
Current assets			
Inventories	3,398	2,731	2,646
Accounts receivable	6,167	6,479	6,063
Receivables from Group companies	17,774	4,015	18,217
Other receivables	11,696	9,660	10,930
Cash and bank balances	45,292	33,939	70,548
Total current assets	84,327	56,824	108,404
TOTAL ASSETS	657,812	508,596	681,048
EQUITY AND LIABILITIES			
Equity			
Restricted equity	10,534	4,408	9,556
Unrestricted equity	594,531	476,458	596,451
Total equity	605,065	480,866	606,007
Non-current liabilities			
Other non-current liabilities	39,438	14,554	38,931
Total non-current liabilities	39,438	14,554	38,931
Current liabilities			
Accounts payable	3,329	5,206	6,823
Liabilities to Group companies	216	629	9,940
Other liabilities	9,764	7,341	19,347
Other current liabilities	13,309	13,176	36,110
TOTAL EQUITY AND LIABILITIES	657,812	508,596	681,048

SHAREHOLDERS AS OF 31 DECEMBER 2022

SHAREHOLDERS	NO. OF SHARES	VOTES & CAPITAL
CBNY-RJA-CLIENT ASSET ACCT*	24,000,000	12.45%
Försäkringsaktiebolaget, Avanza Pension	13,832,742	7.18%
NORDNET PENSIONS FÖRSÄKRINGAR AB	3,498,315	1.82%
KOCK, JOHN	3,247,934	1.69%
UBS SWITZERLAND AG, W8IMY	3,217,628	1.67%
TJ JUNIOR AB	2,996,400	1.55%
C INT VELD BEHEER B.V	2,585,000	1.34%
G.L.E MONNA BEHEER B.V	2,585,000	1.34%
S. ENGELLEN BEHEER B.V	2,585,000	1.34%
BNY MELLON SA/NV (FORMER bny), W8IMY	2,556,658	1.33%
Övriga	131,620,809	68.29%
TOTAL	192,725,486	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, Vice President of Future Programmes, 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	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
AAC Clyde Space	-2,220	-1,676	-14,302*
Clyde Space	-5,944	-537	-10,737
Hyperion	-544	598	758
SpaceQuest	895	1,152	5,245
Omnisys	1,302	-	5,387
AAC Space Africa	-1,113	-	-1,293
Total EBITDA	-7,624	-463	-14,942

* 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.

	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Total EBITDA	-7,624	-463	-14,942
Net financial items	2,144	32	-4,163
Depreciation and amortisation of tangible and intangible assets	-7,009	-3,982	-23,664
Earnings before tax	-12,489	-4,413	-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.

January-March 2022							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	14,227	11,105	3,309	5,639	8,288	505	43,073
Income from other segments	-97	-263	-1,111	-	-	-446	-1,917
Income from external customers	14,130	10,842	2,198	5,639	8,288	59	41,156
Space Data as a Service	94	-	-	3,912	-	-	4,006
Space Missions	10,440	1,331	-	-	-	-	11,771
Space Products	3,596	9,511	2,198	1,727	8,288	59	25,379
Licenses/Royalties	-	-	-	-	-	-	0
Total	14,130	10,842	2,198	5,639	8,288	59	41,156

January-March 2021							
	Clyde Space	AAC Clyde Space	Hyperion	Space Quest	Omnisys	AAC Space Africa	Total
Income by segment	17,716	12,852	3,406	3,932	-	-	37,636
Income from other segments	-654	-199	-	-	-	-	-853
Income from external customers	17,062	12,383	3,406	3,932	0	0	36,783
Space Data as a Service	-	-	-	2,014	-	-	2,014
Space Missions	12,292	2,817	-	-	-	-	15,109
Space Products	4,770	8,185	3,406	1,918	-	-	18,279
Licenses/Royalties	-	1,381	-	-	-	-	1,381
Total	17,062	12,383	3,406	3,932	0	0	36,783

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 31 March 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 255 (487) 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



AAC
CLYDE
SPACE