



AAC Clyde Space to develop a 19.7 MEUR (approx. 202 MSEK) innovative Constellation Services with ESA and UK Space Agency

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AAC Clyde Space embarks on a 3-year project, named xSPANCION, with the European Space Agency (ESA) to develop an innovative satellite constellation service, including the manufacturing of 10 spacecrafts. The UK Space Agency through ESA, will co-fund the project with 9.9 MEUR (approx. 101.4 MSEK). AAC Clyde Space intends to, outside this project, enter into customer service agreements for data delivery from the constellation.

During the first phase of the project running until mid-2021, AAC Clyde Space will deliver a preliminary design for its next generation space as a service offering. The value of this first phase is 1.8 MEUR (approx. 18.4 MSEK) of which 0.9 MEUR (approx. 9.2 MSEK) will be co-funded by UK Space Agency through ESA, providing sufficient resources to achieve comfortably this part of the project. The co-funding from UK Space Agency will be recognized as revenue with no net margin since AAC Clyde Space and partners will co-fund the remaining 0.9 MEUR (approx. 9.2 MEUR).

Once the first phase is successfully completed, the project culminates in the manufacturing of 10 satellites and demonstration of 4 of them in orbit. The value of this part of the project is 17.9 MEUR (approx. 183.3 MSEK) of which 8.9 MEUR (approx. 91.1 MSEK), will be co-funded by UK Space Agency through ESA.

In parallel and in anticipation to the second phase, AAC Clyde Space intends to enter into customer agreements for data delivery from its constellation services, bringing additional match co-fund to the project.

The latter part of the project will ready AAC Clyde Space for large volume production and constellation operations. The project encompasses design of a satellite platform and production process, manufacturing, licensing, and launch co-ordination, as well as the development of new technologies for the future constellation, such as for propulsion, intersatellite links, safe and secure transmission of data and a customer interface. Several parts of the project will benefit from development work financed by Scottish Enterprise as announced in June 2020.

The project is structured as a Public Private Partnership, through which AAC Clyde Space will collaborate with Bright Ascension, the University of Strathclyde, D-Orbit UK, the Satellite Applications Catapult and Alden Legal UK.

“xSPANCION will revolutionize our space as a service offering. It will allow us to significantly reduce the cost of every message collected, every image captured, supporting those business cases that to date have not been able to justify the capex to have 100s of sensors in orbit. Fundamentally, our customers will no longer have to worry about how to access space, they can focus on how to enhance their core business. The xSPANCION project will catalyze a new generation of applications not previously possible”, says AAC Clyde Space CEO Luis Gomes.

“This game-changing project will see AAC Clyde Space develop cutting edge technology, including communication between satellites to increase data performance, and help keep the UK at the forefront of the global small satellite market. Building satellites quicker and in higher volumes is not only vital to meet the increasing demand for services we all rely on, it also supports the launch of small satellites from UK soil in the coming years. The UK is a leading investor in telecommunications research, which is why we recently committed a £250 million of investment to back ESA projects led by innovative companies like AAC Clyde Space”, says the UK Space Agency Chief Executive Dr Graham Turnock.



FOR MORE INFORMATION:

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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 and on the OTCQX Market. Erik Penser Bank AB, e-mail certifiedadviser@penser.se, telephone +46 8 463 83 00, is the Certified Adviser.