

# AAC Clyde Space

FY23 results

Strong order backlog underpins growth prospects

Aerospace and defence

4 March 2024

**Price** **SEK47.40**
**Market cap** **SEK270m**

SEK10.34/\$, SEK13.10/£

Adjusted net cash (SEKm) at 31 December 2023 (excluding leases of SEK15.7m) 34.3

Shares in issue 5.7m

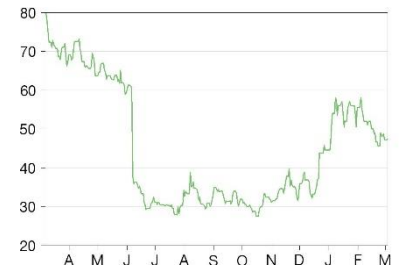
Free float 88.0%

Code AAC

Primary exchange Nasdaq First North Premier Growth Market

Secondary exchange OTCQX

## Share price performance



% 1m 3m 12m

Abs (14.6) 32.0 (38.7)

Rel (local) (18.3) 18.9 (44.5)

52-week high/low SEK79.86 SEK27.50

## Business description

Headquartered in Sweden, AAC Clyde Space is a world leader in nanosatellite end-to-end solutions, subsystems, platforms, services and components, including supply to third parties. It has production and development operations in Sweden, Scotland, the Netherlands, the United States and Africa.

## Next events

FY23 annual report 25 April 2024

Q124 results May 2024

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**AAC Clyde Space is a research client of Edison Investment Research Limited**

In FY23, AAC was largely affected by continuing supplier delays, which compromised the anticipated delivery of subsystems and delayed projects, with subsequent key revenue deferred. Nevertheless, Q423 saw tremendous order inflow worth more than SEK200m, leaving a year-end record backlog of SEK630m, which should bolster the acceleration of revenues towards the SEK430–500m targeted by management in FY24. This should accompany improving profitability and positive operating cash flow and move AAC towards a self-sustaining funding status. Our capped DCF valuation of SEK301/share implies substantial upside potential.

Year end	Revenue (SEKm)	PBT* (SEKm)	EPS* (SEK)	DPS (SEK)	P/E (x)	Yield (%)
12/22	196.7	(23.2)	(5.58)	0.0	N/A	N/A
12/23	276.6	(18.4)	(4.15)	0.0	N/A	N/A
12/24e	465.4	12.4	2.08	0.0	22.8	N/A
12/25e	647.6	52.7	8.72	0.0	5.4	N/A

Note: \*PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

## FY23 constrained by supply chain delays

Although the FY23 results were largely affected by continuing supply chain constraints, revenue increased 41% y-o-y to SEK276.6m and, for the first time, AAC reported positive EBITDA of SEK1.0m. However, we note that this was largely aided by a surge in royalty income (c SEK30.6m at the EBITDA level), which is variable in nature and which we do not expect to be a key driver of income in the future. Q423 was weaker than anticipated, affected by currency exchange losses of SEK4.8m, with an EBITDA loss of SEK9.7m (Q422: loss of SEK20.1m). Q423 basic EPS suffered an increased loss year-on-year of SEK4.91 (Q422: loss of SEK4.34), partially attributable to a SEK6.5m impairment charge from the loss of the Kelpie-2 satellite.

## Record order backlog supports future growth

In Q423, AAC experienced a significant increase in order inflow, surpassing SEK200m, and resulting in a year-end record backlog of SEK630m. This should bolster revenue acceleration towards management's FY24 target of SEK430–500m, with pipeline momentum continuing into 2024. High-margin SDaaS order intake has been broadly static since Q221 at the c SEK160m level, albeit we expect significant data orders after the initial SDaaS satellites start to provide data for evaluation by potential customers. With the first xSPANCION and additional AIS/VDES satellites expected to be deployed, AAC expects to have c 13 of its own satellites in orbit by the beginning of next year, which should augment SDaaS earnings sharply, largely coming through in our 2025 forecasts.

## Valuation: Substantial upside potential

We introduce our FY25 estimates, which incorporate our expectation of increased higher-margin SDaaS sales, which should bolster profitability, with a 5.4x P/E in 2025 appearing undemanding. We have rolled forward our capped DCF to an FY24 basis, which now returns a value of SEK301/share (versus SEK287/share previously), as start-up cash outflow is replaced by stronger future cash generation.

## FY23 results affected by continuing project delays

For AAC, FY23 marked a consecutive year of persistent supply chain issues that continued to delay projects and defer revenue recognition into the current year. Despite this, the company reported record revenue of SEK276.6m, up 41% y-o-y, largely driven by exceptional growth from the AAC (up 134% y-o-y) and Hyperion (up 180% y-o-y) divisions, which yielded EBITDA margins of 18% and 31%, respectively. For the first time, AAC reported full-year positive EBITDA of SEK1.0m, albeit largely driven by royalty income (SEK30.6m at the revenue level), which has de minimis associated costs and which we do not expect to be a critical driver of future revenues. Q423 was negatively affected by unfavourable currency exchange fluctuations (SEK4.8m loss), driving down the EBITDA loss to SEK9.7m (FY22: loss of SEK20.1m), and a SEK6.5m impairment charge from the loss of the Kelpie-2 satellite, contributing to the weaker EPS loss of SEK4.91 (Q422: loss of SEK4.34).

Space data as a service (SDaaS) revenues continue to grow, rising 42% y-o-y, albeit at a slower pace than anticipated at the start of the year as a result of delays to in-orbit commissioning of satellites deployed during the year, which we note showed signs of recovery for Clyde in Q4. Nevertheless, with the anticipated launch of four additional satellites in FY24 for AAC's own constellations, alongside additional revenue recognition from the satellites deployed in H123, we expect higher-margin SDaaS to increasingly bolster cash generation in the next couple of years and beyond.

<b>Exhibit 1: AAC Clyde Space FY23 results summary</b>					
SEKm	FY20	FY21	FY22	FY23	% change FY23 vs FY22
<b>By business</b>					
AAC	28.0	41.4	34.8	81.5	134.2%
Clyde	68.0	61.5	59.2	57.9	(2.1%)
Hyperion	2.4	13.9	15.5	43.4	179.5%
SpaceQuest	0.0	19.2	31.4	34.0	8.2%
Omnisys		43.8	52.2	58.3	11.6%
AAC Space Africa			3.6	1.5	(58.0%)
<b>Total group net sales</b>	<b>98.4</b>	<b>180.0</b>	<b>196.7</b>	<b>276.6</b>	<b>40.6%</b>
<b>By activity</b>					
SDaaS	3.1	12.8	16.9	24.0	41.6%
Space Missions	51.6	57.5	36.2	28.3	(28.7%)
Space Products	43.7	108.2	139.8	193.8	42.1%
License & royalties income	0.0	1.4	3.8	30.6	712.8%
<b>Total group net sales</b>	<b>98.4</b>	<b>180.0</b>	<b>196.7</b>	<b>276.6</b>	<b>40.6%</b>
Other operating income	12.7	17.2	25.2	19.5	(22.8%)
Own work capitalised	8.3	13.6	21.8	29.3	34.7%
<b>Total group income</b>	<b>119.5</b>	<b>210.8</b>	<b>243.7</b>	<b>325.5</b>	<b>33.5%</b>
Raw materials & subcontractors	(50.3)	(83.2)	(82.8)	(105.0)	(26.8%)
Personnel costs	(59.4)	(106.0)	(140.8)	(163.5)	(16.1%)
Other external expenses	(19.5)	(28.8)	(43.4)	(44.5)	(2.6%)
Other operating expenses	(7.8)	(5.2)	(15.4)	(11.5)	25.2%
<b>EBITDA (company adjusted)*</b>	<b>(17.5)</b>	<b>(12.4)</b>	<b>(30.0)</b>	<b>1.0</b>	<b>N/A</b>
<b>EBIT (underlying)**</b>	<b>(25.5)</b>	<b>(22.8)</b>	<b>(41.1)</b>	<b>(14.2)</b>	<b>65.5%</b>
<b>Underlying PBT</b>	<b>(26.7)</b>	<b>(27.0)</b>	<b>(23.2)</b>	<b>(18.4)</b>	<b>20.7%</b>
<b>EPS – underlying (SEK)</b>	<b>(12.9)</b>	<b>(7.2)</b>	<b>(5.6)</b>	<b>(4.2)</b>	<b>25.4%</b>
Adjusted net cash	62.2	95.5	52.1	34.3	(34.1%)

Source: AAC Clyde Space reports. Note: \*Before exceptional items. \*\*Before exceptionals and PPA intangible amortisation.

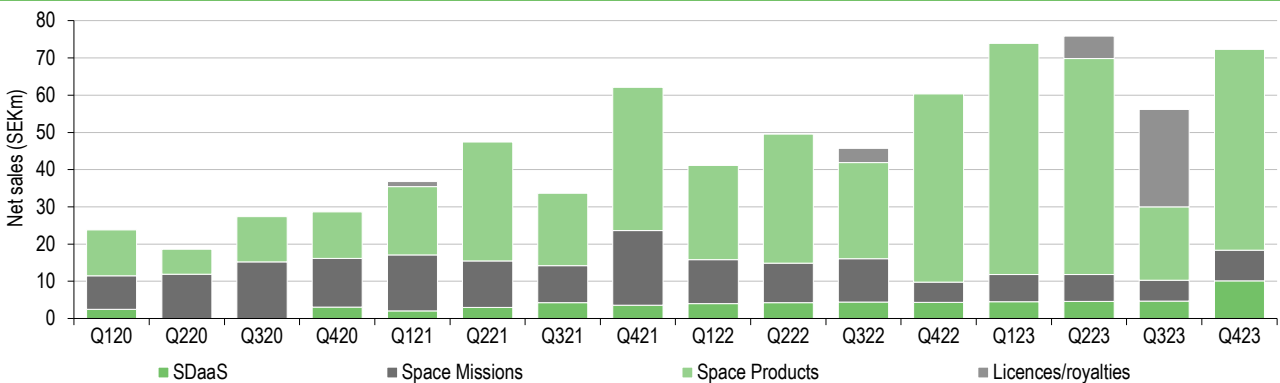
The key highlights of FY23 were:

- Group net sales rose 41% to SEK276.6m (FY22: SEK196.7m). SDaaS sales were up 42% to SEK24.0m, largely driven by a surge in Clyde revenue recognition in Q423 that had been deferred from H123 due to satellite commissioning delays. Space Products revenue increased

42% to SEK193.8m, reflecting tremendous growth at Hyperion (up 180%), alongside AAC Clyde Space in Sweden (up 134%) and Omnisys (up 11.6%). Space Missions' performance continued to be the main casualty of project delays, with sales falling 29% to SEK28.3m. We note that revenue excluding licence income of SEK30.6m (the majority of which, SEK26.2m, came through in Q323) increased by 25%.

- The group generated positive EBITDA of SEK1.0m (FY22: SEK30.0m loss) despite additional investment in personnel costs and infrastructure, although this was largely driven by royalties, which are extremely high margin with few associated costs. The EBITDA loss excluding licence income stood at SEK29.6m, which we note is roughly in line with last year's SEK30.0m loss (excluding aborted acquisition costs of SEK8.6m). Positive EBITDA contributions came from AAC Clyde, Hyperion, SpaceQuest and Omnisys, which, including royalty income, more than offset an increased loss at Clyde Space and start-up losses from AAC Space Africa. Hyperion was exceptionally strong, with EBITDA of SEK13.4m (FY22: SEK0.7m) as it moved from a development phase into customer supply.
- The underlying loss before tax of SEK18.4m was 21% lower than in FY22 despite a SEK22.1m reduction in net financial items to a loss of SEK4.2m (FY22: SEK17.9m), largely attributable to higher interest expense from increased debt.
- The group continued to invest in future growth opportunities, with SEK47.8m invested in fixed assets during the year, of which SEK29.3m was intangible assets, primarily development costs. We expect the level of investment to continue to rise as the number of AAC-owned and operated satellites grows for an increasing number of constellations (eg for the xSPANCION satellite project).
- Operating cash inflow declined year-on-year to SEK3.4m (FY22: SEK6.4m), reflecting a SEK33.9m decline in working capital increases to SEK10.4m.
- Adjusted net cash (excluding lease liabilities of SEK15.7m) stood at SEK34.3m (FY22: SEK52.1m) due to the use of a SEK25.2m of a bank overdraft facility.

**Exhibit 2: Net sales by activity Q120–Q423**

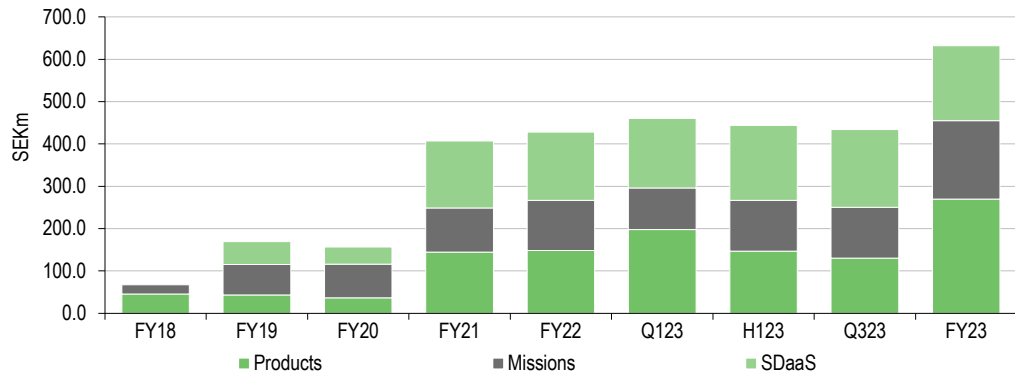


Source: AAC Clyde Space reports

## Record order backlog supports future growth

While FY23 proved to be more challenging than expected, with continued delays to component supply and projects exacerbated by summer shutdowns, alongside the loss of the Kelpie-2 3U SDaaS satellite, the company continues to build its pipeline, with a record year-end order backlog of SEK630m. More than SEK200m of this was secured in Q423, with a large proportion of this being a SEK137m Omnisys contract to supply radio astronomy receivers for the SKA Observatory and preparatory work set to commence in the current year. SDaaS orders have remained fairly static since Q221 at the c SEK160m level, albeit we expect significant data orders after the initial SDaaS satellites start to provide data for evaluation by potential customers.

**Exhibit 3: Order backlog development by activity (SEKm)**



Source: AAC Clyde Space reports

Pipeline momentum has continued into FY24, with the following events reported since our last [note](#):

- 22 January 2024:** AAC Clyde Space won an order worth c SEK9.9m for its Sirius range of onboard computers and services, designed for low Earth orbit (LEO) satellite constellation missions, with delivery planned for Q424.
- 24 January 2024:** AAC Clyde Space (Hyperion), partnered with TNO, successfully demonstrated that the laser satellite communications terminal (SmallCAT) transfers data onboard a spacecraft in LEO to Earth, with AAC responsible for contributing electronics and firmware components. A commercial version for use in nanosatellites, CubeCAT (1.3kg, 10cm<sup>3</sup>), is currently being developed. This presents a promising revenue opportunity for AAC with the accelerating use of [laser communication technologies](#) (infrared wavelength) to send satellite data directly to Earth, as an alternative to traditional radio frequency communication.
- 15 February 2024:** Intuitive Machines' Nova-C spacecraft (Odysseus) was successfully launched on a SpaceX Falcon 9 rocket incorporating AAC's proprietary Starbuck power system, as part of [NASA's Commercial Lunar Payload Services](#) initiative. This is focused on the investigation of space weather and lunar surface interactions, in addition to radio astronomy. Odysseus successfully soft landed on the moon eight days later.
- 28 February 2024:** AAC Space Africa has successfully secured its first satellite order, valued at c SEK2.3m and scheduled for delivery in June 2024. This marks a pivotal achievement in the company's expansion in the African market.
- 4 March 2024:** AAC Clyde Space has secured a c SEK56.2m order for 11 satellite kits from LusoSpace to be delivered in Q424. These will be used to build VDES-equipped EPIC 8U satellites as a maritime communication system, set to be launched in late 2025.

AAC currently has 10 satellites in space, four of which are delivering data under SDaaS contracts, with another five undergoing commissioning, including [Ymir-1](#), which, subject to demonstration of its VHF Data Exchange System (VDES) capabilities, will start delivering automatic identification system (AIS) data to ORBCOMM. FY24 should see the deployment of four self-owned and operated LEO data acquisition nanosatellites, which should help transform the group's financial dynamics, with a burgeoning quantity of data available to sell via subscription contracts. This includes the two additional VDES satellites expected to be launched in Q3 and Q4, which should stimulate high-margin data sales to third parties within six months of deployment.

In addition, the first four (of 10) [xSPANCION satellites](#) went through a preliminary design review at the end of 2023, with manufacturing of the first two satellites expected to commence in H124 in preparation for the launch of the first satellite in either H224 or H125. These will be the first 16U satellites built by AAC Clyde Space and will introduce a new generation of EPIC VIEW satellites.

Once deployed and commissioned, they should bolster accelerated growth in the high-margin data revenue streams.

## Outlook: Introducing 2025 earnings forecasts

FY23 revenue of SEK276.6m was broadly in line with our estimate of SEK277.5m, albeit an unfavourable mix of lower operating income, negative currency fluctuations and the SEK6.5m impairment charge for the loss of Kelpie-2 in Q4 meant that the bottom line suffered a larger loss than expected, with an underlying EPS loss of SEK4.2 (Edison estimate: loss of SEK1.3).

With an element of catch-up from deferred FY23 projects and systems deliveries, we continue to expect the backlog to support our FY24 growth expectations for the group. We expect to see additional healthy order intake in the current year, with the newly deployed satellites providing verification of the SDaaS offering. Our FY24 revenue expectation is broadly unchanged at SEK465.4m, with high-margin SDaaS revenues expected to grow sharply at 66.8% y-o-y, largely attributable to Clyde orders. We expect the company to continue to leverage higher sales over a largely fixed cost base.

Our 2024 EBITDA forecast is positive at SEK32.9m and incorporates only SEK10m from royalties. This forecast is 37% lower than previously anticipated due to lower expected capitalised R&D, with fewer satellites expected to be deployed this year. This in turn provides a positive underlying EPS estimate of SEK2.1 (previously SEK3.9). We expect operating cash inflow to increase to SEK35.9m, albeit investment to support growth (forecast at SEK59.7m) is likely to lead to an FY24 reduction in net cash to SEK11.5m (pre IFRS 16).

Exhibit 4: AAC Clyde earnings revisions							
Year to 31 December (SEKm)	2023			2024e			2025e
	Estimate	Actual	% change	Prior	New	% change	New
<b>By business</b>							
AAC	72.6	81.5	12.3%	82.3	91.9	11.6%	117.5
Clyde	51.0	57.9	13.7%	177.6	183.2	3.2%	291.7
Hyperion	51.2	43.4	(15.3%)	56.3	52.1	(7.6%)	57.3
SpaceQuest	36.1	34.0	(5.9%)	51.0	48.0	(5.9%)	72.1
Omnisys	62.7	58.3	(7.0%)	94.0	87.5	(7.0%)	105.0
AAC Space Africa	3.9	1.5	(61.8%)	6.9	2.8	(59.6%)	4.2
<b>Total group net sales</b>	<b>277.5</b>	<b>276.6</b>	<b>(0.3%)</b>	<b>468.2</b>	<b>465.4</b>	<b>(0.6%)</b>	<b>647.6</b>
<b>By activity</b>							
SDaaS	19.0	24.0	26.2%	40.0	40.0	0.0%	81.0
Space Missions	32.5	28.3	(13.1%)	113.6	103.7	(8.7%)	179.4
Space Products	193.7	193.8	0.0%	304.6	311.7	2.3%	377.2
Licence & royalties income	32.2	30.6	(5.1%)	10.0	10.0	0.0%	10.0
<b>Total group net sales</b>	<b>277.5</b>	<b>276.6</b>	<b>(0.3%)</b>	<b>468.2</b>	<b>465.4</b>	<b>(0.6%)</b>	<b>647.6</b>
Other operating income	26.3	19.5		3.0	3.0		3.0
Own work capitalised	30.3	29.3		52.3	39.6		43.7
<b>Total group income</b>	<b>334.1</b>	<b>325.5</b>	<b>(2.6%)</b>	<b>523.5</b>	<b>508.0</b>	<b>(3.0%)</b>	<b>694.2</b>
Raw materials & subcontractors	(106.7)	(105.0)	(1.6%)	(204.9)	(203.6)	(0.7%)	(277.8)
Personnel costs	(165.4)	(163.5)	(1.2%)	(190.3)	(196.2)	3.1%	(241.1)
Other external expenses	(41.7)	(44.5)	6.8%	(68.7)	(68.3)	(0.6%)	(89.3)
Other operating expenses	(9.7)	(11.5)	18.3%	(7.0)	(7.0)	(0.6%)	(6.5)
<b>EBITDA (company adjusted)</b>	<b>10.6</b>	<b>1.0</b>	<b>(90.8%)</b>	<b>52.5</b>	<b>32.9</b>	<b>(37.3%)</b>	<b>79.6</b>
EBIT (adjusted)	(5.6)	(14.2)	154.1%	22.8	13.1	(42.6%)	56.1
<b>Underlying PBT</b>	<b>(3.9)</b>	<b>(18.4)</b>	<b>371.7%</b>	<b>23.3</b>	<b>12.4</b>	<b>(46.7%)</b>	<b>52.7</b>
<b>EPS – underlying, diluted (SEK)</b>	<b>(1.28)</b>	<b>(4.16)</b>	<b>225.5%</b>	<b>3.88</b>	<b>2.09</b>	<b>(46.2%)</b>	<b>8.75</b>
DPS (SEK)	0.0	0.0		0.0	0.0		0.0
Adjusted net cash/(debt)	36.5	34.3	(5.9%)	61.5	11.5	(81.4%)	31.5

Source: AAC Clyde Space accounts, Edison Investment Research estimates

We also introduce FY25 forecasts, which incorporate our anticipation of a rapidly burgeoning number of annual subscription SDaaS contract wins, associated with high-margin earnings. We

forecast a SDaaS revenue increase of 103% to SEK81m y-o-y, largely contributing to our anticipated group revenue and EBITDA growth of 39% and 142% to SEK647.6m and SEK79.6m, respectively, yielding a margin of 12.3% (2024e: 7.1%). This anticipated increase in EBITDA is also attributable to AAC’s ability to leverage higher sales over a largely fixed cost base. We forecast 2025 underlying EPS of SEK8.8/share, which incorporates our assumptions of a surge in SDaaS revenue recognition with increased nanosatellite deployment, expected to stand at 10–12 annually in the medium term (including replenishment). We expect 2025 to be the first year of positive free cash flow of SEK19m despite the anticipated continued increase in capex.

## Valuation: SEK301/share implies substantial upside

In terms of valuation, our capped DCF has been rolled forward to FY24. As we would expect given the nature of the company and its model, the increasing cash flows lead to a significant increment in value as weaker historical cash flow is replaced by stronger future generation. As a reminder, our capped model captures six years of forecasts and then assumes zero growth in the terminal value. We consider this to be conservative as we do not capture continued growth in the company beyond the forecast period, with AAC clearly outlining a burgeoning growth path.

The sensitivity of the value to terminal growth rates and weighted average cost of capital (WACC) assumptions is shown in Exhibit 5 below, with the WACC calculated at 11.4%. The returned value is SEK301/share (SEK287/share previously), reflecting stronger growth in out-year cash flows.

Exhibit 5: AAC DCF sensitivity to WACC and terminal growth rate (SEK/share)									
	WACC								
Terminal growth rate	7.0%	8.0%	9.0%	10.0%	11.0%	11.4%	12.0%	13.0%	14.0%
0%	563	477	410	358	315	301	280	251	226
1%	649	539	456	393	343	326	302	269	241
2%	771	622	516	437	377	356	329	290	258
3%	952	737	595	494	419	394	361	316	279

Source: Edison Investment Research estimates

We also note that the more traditional earnings-based metrics are becoming more meaningful, with a single-digit 2025e P/E of 5.4x, at an early stage of the growth trajectory.

**Exhibit 6: Financial summary**

	SEKm	2021	2022	2023	2024e	2025e
Year end December		IFRS	IFRS	IFRS	IFRS	IFRS
<b>PROFIT &amp; LOSS</b>						
Net sales		180.0	196.7	276.6	465.4	647.6
Own work capitalised and other operating income		30.9	47.0	48.8	42.6	46.7
Group income		210.8	243.7	325.5	508.0	694.2
EBITDA		(12.4)	(30.0)	1.0	32.9	79.6
Operating Profit (before amort. and except.)		(21.9)	(40.3)	(11.6)	16.5	60.3
Intangible Amortisation		(0.9)	(0.7)	(2.6)	(3.4)	(4.2)
Exceptionals		(15.8)	(26.0)	(22.7)	(16.2)	(15.5)
Other		0.0	0.0	0.0	0.0	0.0
Operating Profit		(38.6)	(67.0)	(36.8)	(3.1)	40.6
Net Interest		(4.2)	17.9	(4.2)	(0.7)	(3.4)
Profit Before Tax (norm)		(27.0)	(23.2)	(18.4)	12.4	52.7
Profit Before Tax (FRS 3)		(42.8)	(49.1)	(41.1)	(3.7)	37.1
Tax		3.3	2.6	(0.5)	0.2	(1.9)
Profit After Tax (norm)		(24.9)	(22.0)	(20.032)	11.8	50.0
Profit After Tax (FRS 3)		(39.5)	(46.5)	(41.6)	(3.5)	35.3
Average Number of Shares Outstanding (m)		3.5	3.9	4.8	5.7	5.7
EPS - fully diluted (SEK)		(7.17)	(5.58)	(4.16)	2.09	8.75
EPS - normalised (SEK)		(7.17)	(5.58)	(4.15)	2.08	8.72
EPS - (IFRS) (SEK)		(11.36)	(11.82)	(8.69)	(0.60)	6.16
Dividend per share (SEK)		0.0	0.0	0.0	0.0	0.0
EBITDA Margin (%)		-6.9	-15.2	0.4	7.1	12.3
Operating Margin (before GW and except.) (%)		-12.2	-20.5	-4.2	3.5	9.3
<b>BALANCE SHEET</b>						
Fixed Assets		681.0	728.6	746.2	773.9	807.8
Intangible Assets		639.5	665.5	672.6	677.6	686.6
Tangible Assets		26.4	46.4	56.7	80.5	106.4
Right of use asset		15.1	16.8	16.8	15.8	14.8
Investments		0.0	0.0	0.0	0.0	0.0
Current Assets		193.4	152.8	192.2	145.0	214.7
Stocks		13.2	20.2	22.1	35.3	46.7
Debtors		23.0	24.5	23.5	37.6	49.7
Cash		96.1	52.1	59.5	39.5	79.5
Other		61.1	56.0	87.1	32.6	38.9
Current Liabilities		(129.2)	(170.2)	(243.9)	(200.3)	(248.7)
Creditors		(128.5)	(170.2)	(218.7)	(200.3)	(248.7)
Short term borrowings		(0.6)	0.0	(25.2)	0.0	0.0
Long Term Liabilities		(16.6)	(17.8)	(16.7)	(44.9)	(64.8)
Long term borrowings		0.0	0.0	0.0	(28.1)	(48.0)
Lease liabilities		(15.1)	(16.5)	(15.7)	(15.7)	(15.7)
Other long term liabilities		(1.5)	(1.2)	(1.1)	(1.1)	(1.1)
Net Assets		728.6	693.5	677.7	673.8	709.1
<b>CASH FLOW</b>						
Operating Cash Flow		(37.3)	(13.1)	5.1	36.1	93.1
Net Interest		(0.2)	18.3	(0.1)	0.3	(2.4)
Tax		2.1	1.2	(1.6)	(0.6)	(2.6)
Capex		(29.2)	(40.9)	(47.7)	(59.7)	(68.9)
Acquisitions/disposals		2.6	(43.7)	4.1	1.0	1.0
Financing		94.1	33.4	35.9	0.0	0.0
Dividends		0.0	0.0	0.0	0.0	0.0
Net Cash Flow		32.0	(44.7)	(4.3)	(22.9)	20.1
Opening net debt/(cash) excluding lease liabilities		(62.2)	(95.5)	(52.1)	(34.3)	(11.5)
HP finance leases initiated		0.0	0.0	0.0	0.0	1.0
Other		1.3	1.3	(13.5)	0.0	(0.0)
Closing net debt/(cash) excluding lease liabilities		(95.5)	(52.1)	(34.3)	(11.5)	(31.5)
Net financial liabilities including lease liabilities		(80.4)	(35.6)	(18.7)	4.2	(16.9)

Source: Edison Investment Research

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