

# AAC Clyde Space

H123 results

## Strong trading progress in H123

AAC Clyde Space made strong progress in H123, with revenues up 65% and positive EBITDA. While the mix is not as expected due to delays to some programmes deferring the start of SDaaS revenues to H223, the recent rights issue enables the company to accelerate investment in its own SDaaS satellites for launch next year. As high-margin SDaaS revenues should accelerate from H223, we expect AAC to become increasingly profitable and cash generative.

Year end	Revenue (SEKm)	PBT* (SEKm)	EPS* (SEK)	DPS (SEK)	P/E (x)	Yield (%)
12/21	180.0	(27.0)	(0.14)	0.0	N/A	N/A
12/22	196.7	(17.7)	(0.08)	0.0	N/A	N/A
12/23e	328.4	0.8	0.00	0.0	N/A	N/A
12/24e	481.6	40.3	0.13	0.0	5.2	N/A

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

## Strong start to the year despite SDaaS delays

AAC Clyde Space has made a strong start to FY23, with a 65% rise in revenues in H123 to SEK149.8m, positive first-half EBITDA (SEK4.0m) for the first time, while maintaining a robust order backlog of SEK444m. The result was achieved despite a slower performance at Clyde Space than we expected, largely caused by delays to in-orbit commissioning of satellites deployed during the period deferring the start of Clyde Space's additional SDaaS revenues to H223. Third-party Space Missions activity also remained at a depressed level, although work on AAC's own satellites continues to increase. However, this was more than offset by a very strong performance from Space Products across the group's businesses, all of which saw an increase in H123, most notably at Hyperion and Omnisys.

## Liquidity bolstered by rights issue

At H123 the company had drawn down SEK24.8m of its overdraft facility and secured a bridge loan of SEK20.0m, with gross cash having fallen to SEK13.0m. The subsequent receipt of the SEK35.9m rights issue proceeds and the £1m (c SEK13m) R&D tax credit, together with project milestone payments, should have alleviated the immediate liquidity issues with the bridge loan repaid in August. The announcement of the acceleration of the xSPANCION programme indicates management's confidence. In addition, the SDaaS revenues should start to come on stream in H223 from the satellites deployed in H123, with further launches anticipated later in the year, which should bolster cash generation.

## Valuation: Still on track for positive cash flow

We have reduced our FY24 EPS by around 11%, which still implies a low single-digit P/E multiple. Our capped DCF value falls to SEK5.9/share (SEK6.1/share previously). Both suggest a significant opportunity for investors if AAC Clyde Space can navigate its way to financial self-sufficiency over the next 18 months.

## Aerospace and defence

**8 September 2023**
**Price** **SEK0.68**
**Market cap** **SEK193m**

SEK11.13/\$, SEK13.86/£

Adjusted net debt (SEKm) at 30 June 2023 31.8  
(excluding leases SEK18.9m)

Shares in issue 284.7

Free float 88%

Code AAC

Primary exchange Nasdaq First North  
Premier Growth Market

Secondary exchange OTCQX

## Share price performance



% 1m 3m 12m

Abs (12.9) (10.4) (50.7)

Rel (local) (11.0) (5.1) (54.5)

52-week high/low SEK2.01 SEK0.56

## 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

Q323 results 23 November 2023

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## H123 results

Q223 saw net sales increase by 53% to SEK75.9m (Q222: SEK49.5m). The improvement reflected the start of the unwinding of project delays arising from the COVID disruptions, although there were some ongoing deferrals, notably in the commissioning of SDaaS satellites launched in H123. AAC Clyde Space in Sweden, Hyperion and Omnisys all delivered strong revenue growth in the period, while Clyde Space and SpaceQuest were flat year-on-year, with the smaller AAC Space Africa still building its business. Overall, the group delivered positive EBITDA of SEK2.3m in Q223 (Q222: loss of SEK3.2m), with positive contributions from AAC Clyde, Hyperion, SpaceQuest and Omnisys more than offsetting an increased loss at Clyde Space and start-up losses at AAC Space Africa.

<b>Exhibit 1: AAC Clyde Space H123 results summary</b>			
<b>SEKm</b>	<b>H122</b>	<b>H123</b>	<b>H123 vs H122</b>
AAC	19.82	28.5	44%
Clyde	25.21	25.8	2%
Hyperion	6.79	30.6	351%
SpaceQuest	14.43	20.7	44%
Omnisys	22.74	43.2	90%
AAC Space Africa	1.72	1.0	(41%)
<b>Net sales</b>	<b>90.70</b>	<b>149.8</b>	<b>65%</b>
SDaaS	8.24	9.1	10%
Space Missions	22.46	14.5	(35%)
Space Products	60.01	120.1	100%
Licence income	0.00	6.1	
<b>Net sales</b>	<b>90.70</b>	<b>149.8</b>	<b>65%</b>
Other operating income	9.86	12.8	30%
Development work capitalised	10.88	15.3	41%
<b>Group income</b>	<b>111.45</b>	<b>177.9</b>	<b>60%</b>
Raw materials & subcontractors	(30.78)	(65.48)	113%
Personnel costs	(68.13)	(82.48)	21%
Other external expenses	(19.58)	(22.91)	17%
Other operating expenses	(3.74)	(3.07)	(18%)
<b>EBITDA</b>	<b>(10.78)</b>	<b>3.97</b>	<b>N/M</b>
Depreciation and Amortisation	(13.35)	(14.84)	11%
<b>EBIT</b>	<b>(24.13)</b>	<b>(10.87)</b>	<b>(55%)</b>
<b>PBT</b>	<b>(18.81)</b>	<b>(10.57)</b>	<b>(44%)</b>
Net income	(17.50)	(11.13)	(36%)
<b>EPS (SEK)</b>	<b>(0.09)</b>	<b>(0.05)</b>	<b>(44%)</b>
Adjusted net cash/(debt) at period end	46.5	(31.8)	N/M
Lease liabilities	(12.7)	(18.9)	+49%
Total net financial assets	33.8	(50.7)	N/M

Source: Company reports

Key highlights of H123 were:

- Group net sales rose 65% to SEK149.8m (H122: SEK90.7m). SDaaS sales were up 10% to SEK9.1m, with the anticipated Q223 acceleration deferred until H223 due to satellite commissioning delays, with further additional launches also expected before the year end. Space Products doubled to SEK120.1m (H122: SEK60.0m), reflecting strong growth at AAC Clyde Space in Sweden, Omnisys and Hyperion. Space Missions' performance continued to be the main casualty of project delays, with sales falling 35% to SEK14.5m (H122: SEK22.5m).
- The group generated positive EBITDA of SEK4.0m (H122: loss SEK10.8m), with a sequential improvement in Q223 to SEK2.3m. SpaceQuest and Hyperion both increased their contribution in H123 to SEK5.6m (H122: SEK4.2m) and SEK9.7m (H122: SEK0.8m), respectively. AAC Clyde Space in Sweden reduced its EBITDA loss to SEK0.8m (H122 loss: SEK9.5m) following a positive SEK3.1m contribution in Q223. Omnisys's contribution fell to SEK4.3m (H122:

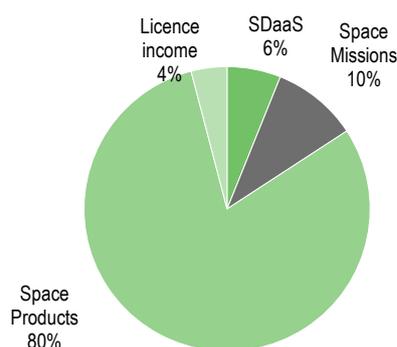
SEK5.1m) despite the strong revenue growth. Clyde Space saw its EBITDA loss increase to SEK12.7m (H122 loss: SEK10.0m) due to the revenue deferrals.

- A large part of the EBITDA improvement was due to the stabilisation of the cost base, which has changed little over the last three quarters. The leveraging of higher sales over a largely fixed cost base remains a key element of the investment proposition for AAC.
- The loss before tax of SEK10.6m was 44% lower than in H122 (SEK18.8m) despite a SEK5.0m reduction in net financial income.

Adjusted net debt (excluding leases) at end H123 was SEK31.8m before the benefit of the rights issue proceeds of SEK35.9m in July. Gross cash was SEK13.0m compared to SEK52.1m at the start of the year. The operating cash outflow was SEK43.0m in Q223 (Q222: SEK32.2m), reflecting further working capital increases. For H123, the operating outflow increased to SEK52.8m compared to SEK25.3m in H122. As well as the fund-raising, we expect receipt of the R&D tax credit and milestone payments, together with the start-up of the SDaaS revenues, to boost H223 cash flow.

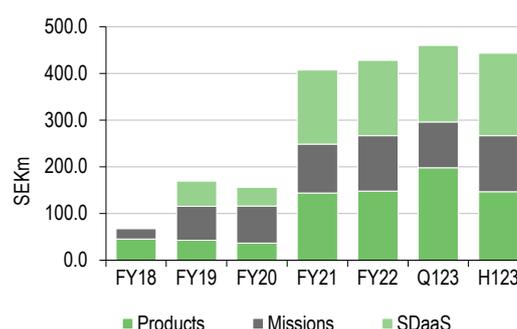
The order backlog remained robust at SEK443.7m with strong sales growth outpacing still healthy order intake. While some of the Space Products backlog was consumed during Q223, both Space missions and SDaaS saw moderate increases as sales did not meet earlier expectations.

**Exhibit 2: Net sales split by segment, activity (H123: SEK149.8m)**



Source: Company reports

**Exhibit 3: Order backlog development (H123: SEK443.7m)**



Source: Company reports. Note: Split estimated by EIR.

## Subsidiaries progression

To try and provide a better understanding of how the group is growing, we include commentary on each subsidiary.

### AAC Clyde Space AB

In the original Uppsala-based business, the operations continue to focus on Space Products revenues in the form of a suite of avionics, data processing and power management systems for customers. It has started to build up its Space Mission capabilities, although at present these remain relatively small (H123 sales: SEK1.16m).

**Exhibit 4: AAC Clyde Space AB quarterly development**

SEKm	Q122	Q222	H122	Q123	Q223	H123
- Space Missions	1.33	0.42	1.75	0.65	0.50	1.16
- Space Products	9.51	8.56	18.07	10.72	10.52	21.25
- Licence income	0.00	0.00	0.00	0.00	6.07	6.07
<b>Net sales</b>	<b>10.84</b>	<b>8.97</b>	<b>19.82</b>	<b>11.38</b>	<b>17.10</b>	<b>28.47</b>
EBITDA	(2.22)	(7.26)	(9.48)	(3.83)	3.05	(0.79)
Margin (%)	-20.5%	-80.8%	-47.8%	-33.7%	17.8%	-2.8%

Source: Company reports

Q223 saw a sharp improvement in performance as avionics sales grew, thanks to recent order intake. The business also received further licence income of SEK6.1m (H122: nil), which we now expect to be an element of future revenues and is essentially a 100% margin. It boosted Q223 EBITDA to SEK3.05m, which was not enough to offset the Q123 loss, but the margin of almost 18% is encouraging and more aligned with our medium-term expectations.

## Clyde Space

The Glasgow-based operations are the principal core Space Missions activity of the group, providing satellite platforms and mission solutions to third parties, as well as developing platforms for its own use as it builds up its SDaaS offering.

<b>Exhibit 5: Clyde Space quarterly development</b>						
SEKm	Q122	Q222	H122	Q123	Q223	H123
- SDaaS	0.09	0.27	0.37	0.00	0.00	0.00
- Space Missions	10.44	8.62	19.06	6.61	6.78	13.38
- Space Products	3.59	2.19	5.79	7.77	4.65	12.42
<b>Net sales</b>	<b>14.13</b>	<b>11.08</b>	<b>25.21</b>	<b>14.38</b>	<b>11.43</b>	<b>25.80</b>
EBITDA	(5.94)	(4.02)	(9.96)	(5.55)	(7.11)	(12.66)
Margin (%)	-42.1%	-36.2%	-39.5%	-38.6%	-62.2%	-49.1%

Source: Company reports

Although revenues were marginally up year-on-year in H123, the performance was not as strong as anticipated. It should be noted that much of the capitalised development work, which is increasing as its own satellite development accelerates, is in Clyde Space, so activity levels are higher than net sales suggest. More satellites are to be launched over the next 18 months. The primary reason for the H123 shortfall against our expectations was the delay to commissioning launched satellites that had been expected to start generating higher-margin SDaaS revenues during Q223. These are now expected to come onstream in H223, providing a significant boost to both sales and EBITDA performance, which should accelerate into FY24 as more of its own network satellites are deployed.

## Hyperion Technologies

Based in Delft in the Netherlands, Hyperion supplies reliable, high-performance miniaturised subsystems for small satellites, including electronic and mechatronic systems. It has built a strong reputation for attitude and orbit control technologies and laser communications, and is working closely with academic and industry partners on advanced technologies such as optical satellite communications and propulsion systems. Hyperion's sales are categorised as Space Products.

<b>Exhibit 6: Hyperion quarterly development</b>						
SEKm	Q122	Q222	H122	Q123	Q223	H123
Net sales	2.20	4.59	6.79	15.77	14.87	30.63
EBITDA	(0.54)	1.32	0.78	5.01	4.73	9.73
Margin (%)	-24.7%	28.8%	11.5%	31.7%	31.8%	31.8%

Source: Company reports

Revenues stepped up strongly in H123 and remained stable at c SEK15m in both quarters, generating a consistent and healthy margin of c 31.8%. Revenue was over four times the level of H122, with the total in FY22 only SEK15.5m. The performance was well ahead of our expectations, so we have significantly upgraded our revenue estimates for FY23, although we are assuming the strong performance is likely to ease a bit in H223. Nevertheless, Hyperion should make a strong contribution to the group EBITDA improvement.

## SpaceQuest

SpaceQuest is the US arm of AAC Clyde based in Fairfax, Virginia in the United States. The business has been operating longer than the other AAC subsidiaries and already delivers SDaaS from its own constellation of four satellites and ground stations. It also supplies a range of satellite

components, microsatellite subsystems, ground stations, AIS data and M2M connectivity to other commercial aerospace manufacturers and institutions.

<b>Exhibit 7: SpaceQuest quarterly development</b>						
SEKm	Q122	Q222	H122	Q123	Q223	H123
- SDaaS	3.91	3.96	7.87	4.52	4.57	9.10
- Space Products	1.73	4.84	6.56	7.83	3.79	11.62
<b>Net sales</b>	<b>5.64</b>	<b>8.79</b>	<b>14.43</b>	<b>12.35</b>	<b>8.36</b>	<b>20.72</b>
EBITDA	0.90	3.26	4.15	3.50	2.11	5.61
Margin (%)	15.9%	37.1%	28.8%	28.3%	25.2%	27.1%

Source: Company reports

SpaceQuest also made strong progress compared to H122, with revenues more than doubling. However, overall, this was much as expected. There was a slight mix shift as SDaaS revenues of SEK9.1m continued to be delivered by the existing fleet of satellites at a relatively stable rate, with the deployment of newer platforms now deferred to FY24. We believe the delays were caused by supply chain issues. However, while the Space Products revenues compensated for the modest shortfall in H123, Q223 saw a sharp drop-off in sales that resulted in some overhead under-recovery, leading to a drop in the EBITDA margin to 25.2%. We expect H223 to be similar to the first-half performance with a significant improvement in SDaaS revenues in FY24.

### Omnisys Instruments

Omnisys is the most recently acquired of the group businesses and is based in Gothenburg, Sweden. It develops and manufactures measuring instruments, including advanced weather data sensors for meteorological and climate research applications. The company is able to develop advanced payloads that should be available to provide space data for customers operating in a growing number of fields such as science, medical and security. All of Omnisys's sales are categorised as Space Products.

<b>Exhibit 8: Omnisys quarterly development</b>						
SEKm	Q122	Q222	H122	Q123	Q223	H123
<b>Net sales</b>	<b>8.29</b>	<b>14.45</b>	<b>22.74</b>	<b>19.11</b>	<b>24.04</b>	<b>43.16</b>
EBITDA	1.30	3.83	5.14	3.28	1.00	4.28
Margin (%)	15.7%	26.5%	22.6%	26.6%	11.9%	20.6%

Source: Company reports

Omnisys saw a further significant increase in revenues in Q223 as it continued to work through its backlog. However, while Q223 saw exceptionally high growth, the margin dropped considerably as there were excess costs incurred on one specific project. We do not expect the issue to persist and we would expect margins to return to more normal levels of more than 20% in H223.

### AAC Space Africa

Based in Cape Town, South Africa, AAC Space Africa commenced operations in August 2021 to capitalise on the expected rapid growth in demand for satellites and space services in Africa. The business has been designated as AAC's centre of excellence for advanced radio communication systems and is still in its start-up phase.

In H123, it generated modest revenues of SEK1.0m (H122: SEK1.7m), although the previous year benefited from a Space Missions project that completed in Q422. The H123 EBITDA loss was SEK2.2m compared to a loss of SEK1.4m in H122.

## Outlook and earnings revisions

H223 should see the launch of additional satellites for Orbcomm and Wyvern adding to the launches in H123. In addition, AAC Clyde Space and its partners in the Airbus OneWeb Satellites joint venture, Orbcomm and Saab, are set to launch Ymir-1 in November, the first demonstrator

satellite for the proposed VHF Data Exchange System maritime communication system. With the first xSPANCION and additional SpaceQuest satellites expected to be deployed in FY24, AAC expects to have 13 of its own satellites in operation by the end of next year. That should ensure that SDaaS revenues grow sharply over the next 18 months.

With the Space Mission backlog recently enhanced by the SEK16.1m order from Kawa Space and the shorter-cycle Space Products backlog maintained at a similar level to the start of the year, the company appears to be on track to achieve the target of SEK500m sales in FY24.

As a result of the significant difference in the sales mix in H123 compared to our expectations, we have reduced our sales estimate for FY23 by 7.5%. We significantly cut our Clyde Space revenue expectations to reflect the slower ramp-up of SDaaS and the still sluggish third-party Space Missions sales activity. However, the reduction is offset to a great degree by sharper than expected improvements at both Hyperion and Omnisys. SpaceQuest and AAC Clyde Space in Sweden are trading much as anticipated. Overall, we are not changing our PBT or EPS estimates substantially, although the percentage change is significant for small numbers.

Our aggregate adjustments for FY24 lead to a marginal decline in revenues and EBITDA, with a 10% reduction in PBT and 11% lower EPS due to a slightly higher share count (we have assumed all of the Omnisys earnout shares are issued by the end of FY24).

<b>Exhibit 9: AAC Clyde Space earnings revisions</b>						
SEKm	2023e			2024e		
	Prior	New	% change	Prior	New	% change
<u>By business</u>						
AAC	66.0	69.0	4.6%	89.3	89.9	0.7%
Clyde	145.9	79.6	(45.4%)	207.1	179.3	(13.4%)
Hyperion	20.2	56.6	180.8%	24.2	62.3	157.4%
SpaceQuest	40.8	40.8	0.0%	53.1	53.1	0.0%
Omnisys	67.9	78.4	15.4%	84.9	90.1	6.2%
AAC Space Africa	14.3	3.9		25.0	6.9	(72.5%)
<b>Total group net sales</b>	<b>355.1</b>	<b>328.4</b>	<b>(7.5%)</b>	<b>483.6</b>	<b>481.6</b>	<b>(0.4%)</b>
<u>By activity</u>						
SDaaS	55.0	35.0	(36.4%)	101.0	101.0	0.0%
Space Missions	74.7	41.0	(45.1%)	88.0	79.8	(9.4%)
Space Products	225.4	236.3	4.8%	294.6	290.9	(1.3%)
Licence & royalties income	0.0	16.1		0.0	10.0	
<b>Total group net sales</b>	<b>355.1</b>	<b>328.4</b>	<b>(7.5%)</b>	<b>483.6</b>	<b>481.6</b>	<b>(0.4%)</b>
Other operating income	7.3	20.3		3.0	3.0	
Own work capitalised	38.0	35.3		53.3	53.2	
<b>Total group income</b>	<b>400.4</b>	<b>384.0</b>	<b>(4.1%)</b>	<b>540.0</b>	<b>537.8</b>	<b>(0.4%)</b>
Raw materials & subcontractors	(149.1)	(142.9)	(4.2%)	(200.7)	(197.5)	(1.6%)
Personnel costs	(165.4)	(165.4)	0.0%	(190.3)	(190.3)	0.0%
Other external expenses	(60.4)	(52.5)	(13.0%)	(72.5)	(72.2)	(0.4%)
Other operating expenses	(3.6)	(6.6)	85.0%	(4.8)	(6.7)	39.4%
<b>EBITDA (company adjusted)</b>	<b>21.9</b>	<b>16.7</b>	<b>(23.9%)</b>	<b>71.5</b>	<b>71.0</b>	<b>(0.7%)</b>
<b>EBIT (adjusted)</b>	<b>(2.5)</b>	<b>(0.8)</b>	<b>(66.5%)</b>	<b>42.8</b>	<b>40.3</b>	<b>(5.9%)</b>
<b>Underlying PBT</b>	<b>0.6</b>	<b>0.8</b>	<b>24.1%</b>	<b>44.9</b>	<b>40.3</b>	<b>(10.2%)</b>
<b>EPS - underlying continuing (SEK)</b>	<b>0.00</b>	<b>0.00</b>	<b>28.3%</b>	<b>0.15</b>	<b>0.13</b>	<b>(10.6%)</b>
Adjusted net cash/(debt)	63.5	46.6	(26.6%)	99.2	78.9	(20.5%)
Source: Edison Investment Research estimates						

**Exhibit 10: Financial summary**

	SEKm	2020	2021	2022	2023e	2024e
Year-end December		IFRS	IFRS	IFRS	IFRS	IFRS
<b>PROFIT &amp; LOSS</b>						
Net sales		98.4	180.0	196.7	328.4	481.6
Own work capitalised and other operating income		21.1	30.9	52.5	55.6	56.2
Group income		119.5	210.8	249.2	384.0	537.8
EBITDA		(17.5)	(12.4)	(24.5)	16.7	71.0
Operating Profit (before amort. and except.)		(22.2)	(21.9)	(34.9)	2.2	54.4
Intangible Amortisation		(3.3)	(0.9)	(0.7)	(3.0)	(14.1)
Exceptionals		(12.1)	(15.8)	(26.0)	(17.5)	(17.5)
Other		0.0	0.0	0.0	0.0	0.0
Operating Profit		(37.5)	(38.6)	(61.6)	(18.3)	22.8
Net Interest		(1.3)	(4.2)	17.9	1.6	0.0
Profit Before Tax (norm)		(26.7)	(27.0)	(17.7)	0.8	40.3
Profit Before Tax (FRS 3)		(38.8)	(42.8)	(43.7)	(16.7)	22.8
Tax		0.5	3.3	2.6	0.8	(1.1)
Profit After Tax (norm)		(26.4)	(24.9)	(16.4)	0.7	38.3
Profit After Tax (FRS 3)		(38.3)	(39.5)	(41.1)	(15.9)	21.7
Average Number of Shares Outstanding (m)		102.3	173.8	196.9	246.1	285.5
EPS - fully diluted (SEK)		(0.26)	(0.14)	(0.08)	0.00	0.13
EPS - normalised (SEK)		(0.26)	(0.14)	(0.08)	0.00	0.13
EPS - (IFRS) (SEK)		(0.37)	(0.23)	(0.21)	(0.06)	0.08
Dividend per share (SEK)		0.0	0.0	0.0	0.0	0.0
EBITDA Margin (%)		-17.8	-6.9	-12.5	5.1	14.8
Operating Margin (before GW and except.) (%)		-22.5	-12.2	-17.7	0.7	11.3
<b>BALANCE SHEET</b>						
Fixed Assets		523.0	681.0	728.6	749.8	778.2
Intangible Assets		494.3	639.5	665.5	665.3	671.9
Tangible Assets		16.2	26.4	46.4	67.6	91.5
Right of use asset		12.5	15.1	16.8	16.8	14.8
Investments		0.0	0.0	0.0	0.0	0.0
Current Assets		113.3	193.4	152.8	165.6	222.7
Stocks		12.8	13.2	20.2	32.8	45.8
Debtors		9.5	23.0	24.5	36.1	50.3
Cash		62.4	96.1	52.1	57.1	92.9
Other		28.5	61.1	56.0	39.5	33.8
Current Liabilities		(56.1)	(129.2)	(170.2)	(183.5)	(244.1)
Creditors		(56.1)	(128.5)	(170.2)	(183.5)	(244.1)
Short term borrowings		0.0	(0.6)	0.0	0.0	0.0
Long Term Liabilities		(14.4)	(16.6)	(17.8)	(30.2)	(33.6)
Long term borrowings		(0.3)	0.0	0.0	(10.5)	(13.9)
Lease liabilities		(12.9)	(15.1)	(16.5)	(18.5)	(18.5)
Other long term liabilities		(1.2)	(1.5)	(1.2)	(1.2)	(1.1)
Net Assets		565.8	728.6	693.5	701.6	723.3
<b>CASH FLOW</b>						
Operating Cash Flow		(14.6)	(37.3)	(13.2)	3.2	103.0
Net Interest		(0.2)	(0.2)	18.3	3.6	2.0
Tax		0.4	2.1	1.3	(0.0)	(2.0)
Capex		(17.2)	(29.2)	(40.9)	(50.1)	(72.7)
Acquisitions/disposals		(6.2)	2.6	(43.7)	2.0	2.0
Financing		49.2	94.1	33.4	35.9	0.0
Dividends		0.0	0.0	0.0	0.0	0.0
Net Cash Flow		11.4	32.0	(44.7)	(5.5)	32.3
Opening net debt/(cash) excluding lease liabilities		(51.6)	(62.2)	(95.5)	(52.1)	(46.6)
HP finance leases initiated		0.0	0.0	0.0	0.0	0.0
Other		(0.8)	1.3	1.3	0.0	0.0
Closing net debt/(cash) excluding lease liabilities		(62.2)	(95.5)	(52.1)	(46.6)	(78.9)
Net financial liabilities including lease liabilities		(49.3)	(80.4)	(35.6)	(28.1)	(60.4)

Source: Company reports, Edison Investment Research estimates

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