



Half-year Report

H1 2021



Astrocast is Taking IoT Further

## Brief presentation of Astrocast

Astrocast delivers the most advanced satellite IoT service for customers looking to track, monitor, manage, and communicate with assets in remote regions of the world. Astrocast enables companies in agriculture and livestock, mining, oil, and gas, maritime, environmental, connected vehicles, and IoT devices to expand their IoT strategies and discover new opportunities anywhere in the world. Astrocast delivers a complete end-to-end, direct-to-orbit service that includes the world's most advanced nanosatellites, state-of-the-art communication modules, and enterprise class services. Astrocast has developed the Astronode S, a cutting-edge module featuring low profile L-band antenna, ultra-low power consumption, and a small form factor. Founded by a renowned team of experts, Astrocast designs and tests all its products in-house, from the satellites to the modules. The Astrocast network has been developed in partnership with:

- Airbus, a multinational aerospace corporation,
- the CEA/Leti, one of the world's largest organizations for applied research in microelectronics and nanotechnology,
- the European Space Agency,
- Thuraya, the mobile satellite services subsidiary of Yahsat, a leading global satellite operator based in the United Arab Emirates.





## Headlines H1 2021

- Successful Launch of the first 10 commercial satellites with Spaceflight
  - 5 satellites on January 24 on SpaceX Falcon 9 Transporter-1 ([link to video](#))
  - 5 satellites on June 30 on SpaceX Falcon 9 Transporter-2 ([link to video](#))
- More than 200 inbound leads generated, of which more than 100 converted into prospects with potential future sales opportunities
- Astropreneur Program launched in April 2021 ([link to webpage](#))
  - 14 Astropreneur agreements signed with customers
  - Customers include leading international telecom operators, system integrators, industry solution providers, device manufacturers and original equipment manufacturers (OEMs) in relevant vertical markets.
- 4 new members including VP of Sales have been hired to the sales team.
- Received payment of CHF 0.8 million from the ESA Artes Global low-cost M2M Service Demonstrator contract signed in 2017
- Signed a new ESA Artes 4.0 Business Application Demonstration Project with Involi for a total of EURO 0.4 million
- Raised CHF 8.2 million of convertible loan agreements (CLAs) adding to the previous CHF 3 million bridge financing to secure operations until the private placement and listing on Euronext Growth Oslo
- Subsequent event
  - In August, Astrocast successfully closed its targeted private placement with the support of high-quality investors allowing the company to be listed on the Euronext Growth exchange on the 25<sup>th</sup>.



## Message from the CEO

It took more than five years of ground-breaking technological developments, and four successful rocket launches to build the foundation of the Astrocast network, a game-changing space-based infrastructure dedicated to the Internet of Things. Our initial nanosatellite network has been successfully deployed in orbit and is performing to our expectations. These remarkable achievements and the growth potential that they are unlocking led us to contemplate a listing of the company on the Euronext Growth stock exchange, earlier this year. Once convinced of our ability to execute on this new strategy, we decided to move forward with the full support of our investors, investment bank and counsels. Starting in March, we dedicated a significant amount of time and resources to support the raise of a 40 million CHF private placement (388 million NOK) and the structuring of the Direct Listing, which attracted interest from a wide range of investors and provides a solid platform for growth and expansion in the years to come. I would like to thank the entire Astrocast team for their extraordinary efforts!

Astrocast has the ambitions and the means to become a dominant player in the global satellite IoT market in the coming 5 years. It is a great source of satisfaction to see major customers progressively starting to expand their IoT strategies and envisioning novel business cases based on this new infrastructure that we have created. Going forward, the growth opportunities in the markets we are targeting are significant and we are very well positioned to take advantage of these opportunities.

The definition of priorities and our execution will be key factors for success. A fine-tuned cooperation between our sales, marketing, customer support and regulatory teams as well as the smooth deployment of our next 20 satellites in orbit should allow us to thrive in this fast-growing industry.

We have set bold objectives; we have created a strong culture of support and innovation within our organization, and we are ready to expand our reach. Lastly, we are blessed with the continuous support from our partners, suppliers and investors, key ingredients for future success!



## Operational review

### Customer Service

H1 marked the end of the highly successful demonstration mission based on Astrocast's initial two satellites. In the final phase of this demonstration mission a survey was performed with all pilot customers to establish the Net Promoter Score (NPS), a customer satisfaction metric that shows how likely someone is to recommend a brand to others. To our great satisfaction, the survey of our precursor development kit and the associated end-to-end communication service resulted with an NPS of 75. In comparison, the 2021 Apple iPhone featured a NPS of 43.

H1 also marked the following key milestones:

- the shipping of our first commercial development kits that were activated in 8 different countries
- the release of our online customer documentation: <https://docs.astrocast.com>
- the start of 14 customer integration projects using the first 5 satellites in operation

### Network Operations

In spacecraft operations, the launch and early orbit phase (LEOP) is one of the most critical phases of a mission. Spacecraft operations engineers take control of the satellite after it separates from the launch vehicle up to the time when the satellite is safely positioned in its final orbit. Then there is a commission phase (COMP) to ensure that all the sub-systems of the satellites are functioning properly.

The successful preparation, validation, and execution of the operations procedures for Astrocast first 5 satellites were achieved in H1. On top of that, visualization tools for flight data management were developed. The operation readiness review for the next 5 satellites was successfully held and the satellites were launched on time.

Astrocast flies its satellites with propulsion to make sure we adhere to future potential space regulations, and because of this, we have been able to successfully react to several warnings received from the space debris monitoring agencies and perform successful avoidance moves.

## Financial Review

KCHF	H1 2021	YTD 2020	H1 2020
	Unaudited	Audited	Unaudited
Total revenue	823.6	518.6	-
Gross profit <sup>1</sup>	-2'761.2	-2'093.7	-143.7
EBITDA <sup>2</sup>	-5'449.7	-4'350.1	-1'197.1
Cash flow from operations	-1'704.0	-5'933.1	-3'880.2
Cash and cash equivalents	1'267.8	419.7	112.1
Interest-bearing debt	-13'994.7	-5'770.4	-1'379.1
Equity-ratio	13.3%	41.5%	70.2%

<sup>1</sup> Gross profit is defined as revenues less cost of materials, including subcontractor costs

<sup>2</sup> EBITDA is earnings before interest, taxes, depreciation, and amortization

## Revenue

As Astrocast is in pre-revenue stage with our customer hardware to be delivered Q1 2022, the total revenue for H1 2021 of CHF 0.8 million consists essentially of the ESA Artes contract milestone achievements and payments.

## EBITDA

EBITDA in H1 2021 ended at CHF -5.4 million compared to CHF -1.2 million in H1 2020. This is in line with the business plan and is impacted by CHF 1.1 million in increased personnel expenses due to hiring of critical skills necessary to support the plan. CHF 1.7 million of the personnel expenses were capitalized as R&D.

## Cash flow

Astrocast had an operational cash flow of CHF -1.7 million for H1 2021. In addition to the negative results from the operations, the cash flow is impacted by investments in fixed assets, tangible (satellites manufacturing and launches) and intangible (internal and external R&D) of CHF -5.6 million. These cash needs were covered by the CHF 8.2 million investments secured with CLAs. Total cash flow in H1 2021 was CHF 0.8 million, leaving the company with a cash balance of CHF 1.3 million at the end of the period.

## Financial position

During H1 2021, the company raised gross proceeds of CHF 8.2 million in CLAs that has been converted into shares in H2 2021.

The company's total equity at the end of H1 2021 was CHF 3.6 million, corresponding to an equity ratio of 13.3%. The equity ratio at the end of 2020 was 41.5%.

Interest-bearing debt amounted to CHF 14 million comprises of CHF 11.1 million CLAs and of CHF 2.9 million bank debts at the end of the semester compared to CHF 5.8 million of interest-bearing debt at the end of 2020.

As of June 30, 2021, Astrocast had a net cash position of CHF 1.3 million.

## Outlook

In 2021 Astrocast has been consolidating its infrastructures, both on the ground and space segments. The company hired 28 new positions in critical functions to consolidate the organisation and support the increase of commercial services in Q1 2022. The traction and interest for Astrocast products and services is strong and it is important that the company is ready to handle the demand and after-sales support.

In the second half of 2021, Astrocast will focus on executing its sales strategy for commercialisation of its IoT service globally. This will be achieved by securing a network of distributors and partners as well as increasing its footprint with more market access rights. In the first half-year, Astrocast service has been authorised in more than 25 countries and significant efforts to obtain more commercial licences will be maintained in the second half of the year.

On the products side, the coming months will see the Astronode S being FCC and CE certified, while sourcing and production are secured. In the current environment of global semiconductor shortages, Astrocast has been successfully sourcing enough components for the first half of 2022 and keeps engaging with its partners to ensure a smooth production capability throughout 2022.

The company has been growing rapidly, and the current office is functioning at full capacity. We are actively working solutions that will enable us to function seamlessly across all the organization and within the guidelines specified by local authorities regarding the Covid pandemic. In the context of this rapid growth and social challenges, Astrocast has and will continue to strengthen its corporate culture and ensure cohesion within the team.



# Consolidated statements of accounting





## Consolidated profit and loss accounts

CHF	Note	H1 2021	YTD 2020	H1 2020
		Unaudited	Audited	Unaudited
Total Revenues		823 623	518 611	
Total operating income		823 623	518 611	-
Cost for material, goods, services, and energy				
Operations licensing		- 3 177 375	- 2 408 750	-
Laboratory		- 3 368	- 8 502	- 2 241
Charges for ground segments		- 230 396	- 126 939	- 108 739
M2M Terminals		- 173 705	- 68 130	- 32 755
Total operating costs		- 3 584 844	- 2 612 320	- 143 735
<b>Gross profit (loss)</b>		<b>- 2 761 221</b>	<b>- 2 093 709</b>	<b>- 143 735</b>
Total personnel expenses	7, 8	- 1 756 134	- 1 526 482	- 653 735
Other operating expenses				
Rental and facility expenses		- 190 711	- 280 480	- 135 004
Repairs and replacement of operating equipment		- 346	- 781	-
Insurance		- 100 725	- 13 574	- 10 332
Energy and waste disposal		- 14 636	- 7 801	- 1 455
Administration and IT expenses		- 580 782	- 383 808	- 182 643
Travel and advertising		- 39 426	- 121 439	- 85 815
Other operational costs		- 22 026	- 59 878	- 25 418
Total operating expenses	8	- 948 651	- 867 761	- 440 667
Depreciation and amortization	2, 8	- 518 720	- 448 608	- 224 306
<b>Operating profit (loss)</b>		<b>- 5 984 726</b>	<b>- 4 936 560</b>	<b>- 1 462 443</b>
Total financial result	8	- 328 483	35 119	29 438
Total taxes		131	66	-
<b>Net result of the period</b>	8	<b>- 6 313 078</b>	<b>- 4 901 376</b>	<b>- 1 433 004</b>

## Consolidated balance sheet

CHF	Note	H1 2021	YTD 2020
		Unaudited	Audited
Cash and cash equivalents		1 267 789	419 727
Trade accounts receivables		11 085	-
Other short-term receivables		198 275	79 472
Inventories and non-invoiced services		19 468	19 468
Prepaid expenses and accrued income		2 815 702	4 083 328
Prepaid launches and insurance		2 596 110	4 038 198
<b>Total current assets</b>		<b>6 908 429</b>	<b>8 640 194</b>
Financial assets		88 655	5 235
Tangible assets	2	252 299	252 715
Facility installations		1 004 255	1 053 042
Satellites on ground or under constructions		476 505	1 900 630
Satellites in orbit	2	5 660 314	1 381 571
Accumulated depreciation of satellites		- 1 072 314	- 689 338
Intangible assets	2	14 041 353	11 397 605
<b>Total non-current assets</b>		<b>20 451 067</b>	<b>15 301 460</b>
<b>Total Assets</b>		<b>27 359 497</b>	<b>23 941 654</b>
Trade accounts payable		8 578 486	7 579 558
Short-term interest-bearing liabilities	3, 4	13 294 737	4 970 392
Other short-term liabilities	3, 6	539 654	552 527
Accrued expenses, deferred income, and short-term provisions		618 936	94 420
<b>Total short-term liabilities</b>		<b>23 031 812</b>	<b>13 196 898</b>
Long-term interest-bearing liabilities	4	700 000	800 000
<b>Total long-term liabilities</b>		<b>700 000</b>	<b>800 000</b>
<b>Total liabilities</b>		<b>23 731 812</b>	<b>13 996 898</b>
Share capital	5	234 475	234 475
Additional paid-in capital		17 319 550	17 323 544
Retained losses		- 7 613 263	- 2 711 887
Net loss		- 6 313 078	- 4 901 376
<b>Total equity</b>		<b>3 627 684</b>	<b>9 944 756</b>
<b>Total Liabilities and Equity</b>		<b>27 359 497</b>	<b>23 941 654</b>

## Consolidated Cash Flow Statement

CHF	Note	H1 2021	YTD 2020	H1 2020
		Unaudited	Unaudited	Unaudited
<b>Cash flow from operating activities</b>				
<b>Loss before tax</b>		<b>- 6 313 209</b>	<b>- 4 901 442</b>	<b>- 1 433 004</b>
Income tax received		131	66	-
Depreciation, amortization		518 720	448 608	224 306
Change in account receivable		- 129 887	- 19 563	- 88 298
Change in inventories		-	1 232	1 232
Change in accounts payable		998 927	1 165 740	- 183 507
Change in other accruals and prepayments		3 221 357	- 2 627 778	- 2 400 961
Other changes		- 3 994		
<b>Net cash flow from operating activities</b>		<b>- 1 707 955</b>	<b>- 5 933 137</b>	<b>- 3 880 233</b>
<b>Cash flow from investing activities</b>				
Purchase of fixed assets		- 5 584 907	- 4 181 905	- 2 248 733
<b>Net cash flow from investing activities</b>		<b>- 5 584 907</b>	<b>- 4 181 905</b>	<b>- 2 248 733</b>
<b>Cash flow from financing activities</b>				
Increase in financial assets		- 83 420	- 2 985	- 5 235
Increase in short-term interest-bearing liabilities		8 324 344	4 470 392	879 120
Difference in long-term liabilities		- 100 000	800 000	-
Capital increase			4 647 028	4 746 865
<b>Net cash flow from financing activities</b>		<b>8 140 924</b>	<b>9 914 435</b>	<b>5 620 749</b>
<b>Net change in cash and cash equivalents</b>		<b>848 062</b>	<b>- 200 607</b>	<b>- 508 216</b>
Cash and cash equivalents at beginning of period		419 727	620 333	620 333
Cash and cash equivalents at end of period		1 267 789	419 727	112 117

## Notes to H1 2021 interim consolidated statements

### Note 1 Information about the company

Name: Astrocast SA	Chairman: José Achache
Legal entity: Limited by shares	Directors: Fabien Jordan, Federico Belloni, Roland Loos, Yves Pillonel
Registered office: Chavannes-près-Renens	Auditors: BDO Lausanne
Listed: Euronext Growth Market at Oslo Børs	Currency: CHF
Listing date: 25.08.2021	

### Note 2 Information on accounting principles

The 2021 half year accounts of Astrocast SA, have been prepared in accordance with the provisions of Swiss Accounting Law (Section 32 of the Swiss Code of Obligations). They have been prepared on the going concern basis and are otherwise consistent with the principles applied in the latest annual report.

In accordance with the Euronext Growth Rule Books, an IFRS reconciliation table has been prepared (see note 8).

Accounting policy for tangible / intangible assets:

Tangible assets are stated at cost less accumulated depreciation. Depreciation is recognized over their useful lives on the following bases:

Category	Useful life
Satellites and related costs	5 years
Laboratory installations	8 years
Office furniture	8 years
IT equipment	5 years

Internally generated intangible assets are carried at cost less accumulated amortisation. Amortisation is recognized on a straight-line basis over their estimated useful lives.

The Board of directors has decided not to amortize the intangible assets during the period. Further, the valuation of the intangible assets and the tangible assets (satellites and related costs) depend on the future economic benefits they will bring to the Company. At this stage, there is an uncertainty on the future cash flows.

The interim financial statements are unaudited and do not include a complete set of financial statement disclosures.



## Note 3 Additional information relating to balance sheet items

	30.06.2021	31.12.2020
<b>Short-term interest-bearing liabilities</b>		
Third Parties	12'702'354	5'350'000
Shareholders	590'000	90'000
<b>Total</b>	<b>13'292'354</b>	<b>5'440'000</b>
Guarantees	None	None
Interest rate third parties (up to)	12.00%	12.00%
Interest rate Shareholders	5.00%	5.00%
<b>Other short-term liabilities (without interest)</b>		
Third Parties	-	-
Shareholders	2'382	2'382
Personnel, social charges, and tax liabilities	539'654	555'436
<b>Total</b>	<b>542'037</b>	<b>557'818</b>

## Note 4 COVID-19 guaranteed loan

To guarantee a sufficient level of cash and cash equivalents, Astrocast SA has taken a COVID-19 guaranteed loan for a total amount of CHF 1 million. The total amount of the loan was granted at an interest rate of 0.5%. Based on decisions of the Swiss Federal finance department, the interest conditions can be adapted to market developments on 31 March once a year, the first time on 31 March 2022. The duration of the loan is 60 months, with a quarterly limit reduction of CHF 50'000 beginning 31 March 2021.

During the period of use of the COVID-19 credit, the company is not allowed to pay dividends, and it cannot reimburse capital contributions. In addition, there are other restrictions on granting and repaying loans to group companies and shareholders.

## Note 5 Share capital and shareholder information

Share class	Issued (%)	Issued shares	Share capital (CHF)	Nominal values p.s. (CHF)
Ordinary Shares	47,96%	112 449	112 449,00	1,00
Preferred A (2017)	22,19%	52 027	52 027,00	1,00
Preferred A (2019)	21,79%	51 094	51 094,00	1,00
Preferred A1 (2020)	8,06%	18 905	18 905,00	1,00
<b>Total</b>	<b>100,00%</b>	<b>234 475</b>	<b>234 475,00</b>	<b>1,00</b>

All shares have equal voting and dividend rights.

In addition to the currently outstanding shares, Astrocast SA also had 3 638 options outstanding on June 30, 2021.

Shareholder	Shares	%
Schroder & Co Banque SA	35 908	15,31%
Fabien Jordan	17 367	7,41%
Federico Belloni	17 059	7,28%
Julian Peter Harris	16 705	7,12%
Jean-Michel Jordan	16 486	7,03%
Bertil Chapuis	16 405	7,00%
Coges Corratierie Gestion SA	10 260	4,38%
Roland Loos	7 120	3,04%
José Achache	7 001	2,99%
Nest Sammelstiftung	6 918	2,95%
Airbus Group Ventures Fund II, L.P.	6 250	2,67%
François Stieger	4 933	2,10%
Richard Samuel Friedrich von Tcharner	4 854	2,07%
Kjell Karlsen	4 100	1,75%
Adit Ventures, LLC	4 010	1,71%
CHANCO HOLDINGS ADVISORS SA	3 878	1,65%
André Jolivet	3 600	1,54%
Muriel Richard-Noca	2 920	1,25%
Verve Investment Syndicates LLC	2 664	1,14%
David Wicki	2 474	1,06%
<b>Total (20 largest shareholders)</b>	<b>190 912</b>	<b>81,42%</b>
Other shareholders	43 563	18,58%

Shares or options on shares held by management, governance bodies and by employees:

	30.06.2021	31.12.2020
Board	14'721	14'721
Board & Senior Management	34'426	34'426
Senior Management	7'100	7'100
Other employees	23'277	23'277

## Note 6 Other information

Liabilities relating to pension fund (Included in the 539'654 CHF mentioned in Note 3)	122'238	128'106
---	---------	---------

## Note 7 Number of employees

Average of full-time employees over period 51.5 39

## Note 8 Reconciliation of comprehensive income to IFRS

In CHF		1.01. - 30.06.2021	1.01. - 30.06.2020
Statutory net result		-6,313,078	-1,433,004
Personnel expenses	1	-57,541	-23,570
Operating expenses	2	139,200	139,200
Depreciation and amortization	2	-76,901	-76,901
Financial result	2	-98.199	-101,360
Taxes	3	12,028	11,791
Reconciled net result according to IFRS		-6,394,491	-1,483,844

### Remarks:

1. In accordance with IFRS 2 stock options granted have been recognized at fair value and in accordance with IAS 19 the movement of the defined benefit obligation is booked.
2. In accordance with IFRS 16 the lease of (office rent/lab/apartment) had to be recognized as a right of use asset with the corresponding lease liability. The right of use asset is depreciated over the lease period. In the statutory financial statements, the lease payments are recognized when they fall due.
3. As a result of the recognition of the leases in the balance sheet under IFRS a deferred tax liability would be recognized.

This table shall be read in connection with the financial information document dated 24<sup>th</sup> August 2021.

## Note 9 Events after the balance sheet date

Registration of Austrian subsidiary on 30.07.2021, mainly to have an EU branch and apply for commercial licenses in Europe. It can serve as a back-up solution for registration of satellites. Successful 40 million CHF private placement and listing on Euronext Growth Market at Oslo Børs on 25.08.2021. After a share split of 1 to 0.01 ratio, the number of shares went from 234,475 to 23,447,500 and combined with an additional 16,213,408 shares raised from the private placement to a total 39,660,908 shares.

## STATEMENT OF THE BOARD OF DIRECTORS

We declare that, to the best of our knowledge, the half-year financial statements for the period 1 January to 30 June 2021 have been prepared in accordance with Euronext Growth Oslo Rule Book - Part II – Financial Reporting, in accordance with the provisions of Swiss Accounting Law with an IFRS reconciliation table and that the information contained therein provides a true and fair view of the Group's assets, liabilities, financial position, and overall results.

We further declare that, to the best of our knowledge, the half-year report provides a true and fair view of important events that have taken place during the accounting period and their impact on the half-year financial statements, as well as the most important risks and uncertainties facing the business in the forthcoming accounting period.

Chavannes-près-Renens, September 29, 2021

Board of Directors

**Astrocast SA**

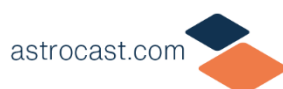
Ledgy signatures below

Contact

**CFO :** Kjell Karlsen [kkarlsen@astrocast.com](mailto:kkarlsen@astrocast.com)

**Head of Finance:** Nicholas Petrig [npetrig@astrocast.com](mailto:npetrig@astrocast.com)

<https://www.astrocast.com/investors-relations/>





# Signatures

Signed for Astrocast SA  
CHE-415.432.149  
Initiated by Nicholas Petrig  
Open in Ledgy <https://app.ledgy.com/signature/gkJLZhhAyyMLNrCdH>

*Jan Eyvin Wang*

29 Sep 2021



**Ledgy Standard Electronic Signature**  
Certified under European eIDAS law

*Jon Cholak*

29 Sep 2021



**Ledgy Standard Electronic Signature**  
Certified under European eIDAS law

*Federico Belloni*

29 Sep 2021



**Ledgy Standard Electronic Signature**  
Certified under European eIDAS law

*Yves Pillonel*

29 Sep 2021



**Ledgy Standard Electronic Signature**  
Certified under European eIDAS law

*José Achache*

29 Sep 2021



**Ledgy Standard Electronic Signature**  
Certified under European eIDAS law

*Fabien Jordan*

29 Sep 2021



**Ledgy Standard Electronic Signature**  
Certified under European eIDAS law

*Roland Loos*

29 Sep 2021



**Ledgy Standard Electronic Signature**  
Certified under European eIDAS law