



Taking IoT Further



Half-year REPORT

2022

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BRIEF PRESENTATION OF ASTROCAST

Astrocast operates a leading global nanosatellite IoT network, offering services 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, land transport, among others, 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 specifically designed for IoT 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 in 2014 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
- CEA/Leti
- European Space Agency
- Thureya

Astrocast is listed on Euronext Growth Oslo and recently announced the acquisition of Hiber, a Netherlands based company offering end-to-end IoT solutions for remotely monitoring off-grid assets.

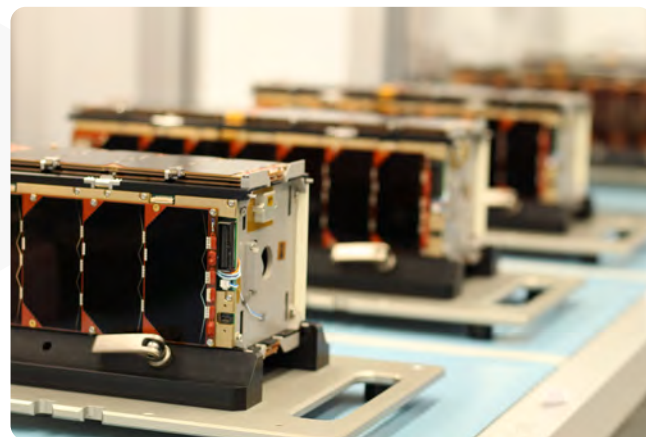
Headlines **H1 2022**

Astrocast's Cost-effective, Bidirectional Satellite IoT service launches commercially



[Read more on page 6 and 12](#)

Spaceflight Inc. and Astrocast Extend Launch Contract

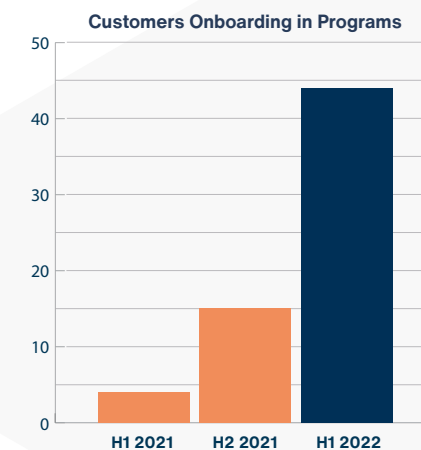


[Read more on page 7](#)

Astrocast acquires Hiber, accelerates OEM strategy



[Read more on page 8 and 9](#)



194% increase in customers onboarding Astropreneur programs

[Read more on page 16](#)

Astrocast partners with UnaBiz and ArrowSpot



[Read more on page 17](#)

Message from the CEO

The Astrocast team has set up a global telecommunication infrastructure based on advanced nanosatellites distributed on two different low-earth polar orbits. This global network allows IoT data to be transported from any place on earth, back and forth, at ultra-low power, inexpensively and reliably. Nothing of this kind has ever been done before. All of this was achieved by a humble team of Swiss disruptors with a limited budget compared to the hundreds of millions that are usually required to put a sustainable telecommunication infrastructure into orbit. The task of getting there from scratch was phenomenal. What a satisfaction for our whole team, partners, and shareholders to see the company hit these first achievements.

In February 2022, we confirmed our success with the official launch of our first commercial satellite IoT service. And the release of our first fully certified products on the market, allowing Astrocast to better support its customers in developing new products and applications with commercial-ready hardware and services.



Fabien Jordan - CEO of Astrocast SA

The success of our service launch enhanced our credibility in the marketplace, and it became easier to continue to grow our ecosystem of devices manufacturers, solutions providers and OEMs, who are now integrating our technology into their products and solutions, with an integration period that can last from a few months up to 18 months, depending on the complexity of the product and the availability of components. The quality of our technical documentation, the reliability of our initial service and the hard work of our small sales and business development team allowed us to start many new collaborations and to solidify previous

interactions. The objective for us remains the same: to start as many integration projects as possible with key players of the industry in order to build the foundation for future massive recurring revenues on data plans. Working towards deploying our full satellite constellation, H1 2022 marked also the extension of our multi-launch agreement with our partner Spaceflight, a leading global launch services provider. Spaceflight has already managed the successful launch of all Astrocast commercial spacecrafts. This agreement will add two missions to accommodate Astrocast's fast-growing IoT constellation.

On 30 of May, Astrocast announced the signature of an agreement to acquire Hiber, an IoT-as-a-Service provider based in Netherland. Hiber has a solid exposure to the Oil & Gas industry being active with 4 of the 7 super majors. This is a sector where we see a great potential for Astrocast as well, supporting these large corporations in their energy transition. This acquisition will bring several key benefits that are described below.

At Astrocast, we have set ambitious objectives, we have created a strong culture of support and innovation and we are expanding our reach. We have built a healthy foundation for future data revenue that will ultimately represent more than 75% of our total revenue. We will achieve this goal by deploying the Astronode S in as many devices as possible, riding on the shoulders of giants, while allowing anybody to access our technology and to develop innovative killer products that we have not even imagined today. Lastly, it is my pleasure to thank our precious partners, suppliers, and investors, who form the key ingredients for future success!









Hiber acquisition

Astrocast signed acquisition agreement with Hiber

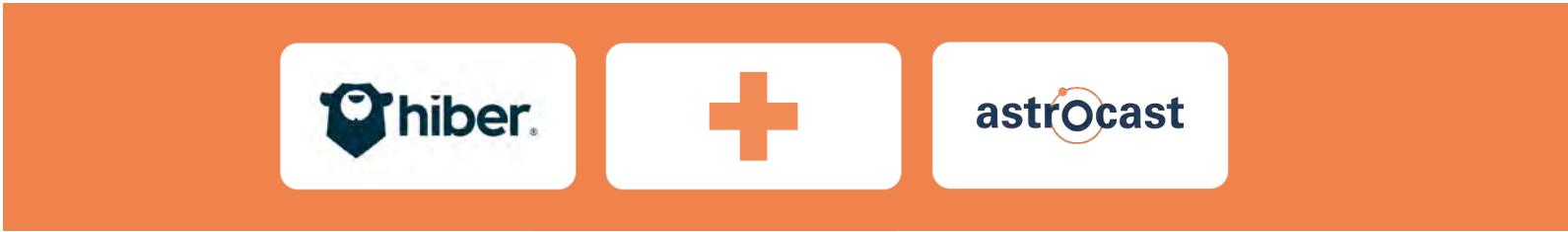
Hiber overview

- Founded in 2016, Hiber is a Netherlands-based private company developing a remote IoT platform providing affordable satellite connectivity to B2B customers
- Through its proprietary solutions, HiberHilo and HiberEasypulse, Hiber specifically addresses its customers' needs in the following verticals: Agriculture, Asset Management, Fleet management, Forestry, Logistics, Mining and Oil & Gas
- Commercializing its solutions through an IoT-as-a-Service business model, Hiber partners with some major industrials in Oil & Gas (Shell, ENI, Exxon) and is now in full commercial phase
- Hiber benefits from a highly-experienced management team that previously held executives positions in large corporates and successful start-ups

Portfolio of solutions across key verticals

| Verticals | Solutions | Sample clients |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Agriculture | | |
| Asset Management |  |  |
| Forestry | | |
| Logistics | Asset tracking IoT for off grid worksites €15/month Installation time: 10 min |  |
| Mining | | GEMFIELDS |
| Oil & Gas |  Wellhead monitoring €350/month Installation time: 1 hour |     |

Transaction Rationale



- **Expands end markets**
Accelerates Astrocast's OEM strategy and gains access to new industry verticals
- **Adds a team of 50+ highly skilled, experienced IoT specialists**
Hiber workforce has unique technical capabilities and understanding of customer IoT needs across multiple verticals
- **Coverage of the Americas region**
Leveraging Hiber's L-Band spectrum access
- **Expands portfolio of products and services**
Provide end-to-end customer solutions complementary to Astrocast's product and service offerings: HiberHilo and HiberEasypulse solutions
- **Broadens investor base**
Provides exposure to new investors

"Hiber brings IoT solutions to its customers located in the most remote locations on earth; we are democratizing data for industries that previously did not have access to affordable and easy-to-use solutions via satellites. We are excited to join forces with Astrocast to continue developing and providing world-class IoT solutions that are unrivalled in service excellence and product innovation within the IoT space."

Roel Jansen, CEO of Hiber



Client Testimonial



"The need for 24/7 asset tracking within global supply chains is vital today, especially within the cold chain. But up until now, truly cost-effective global connectivity has not been available. In our search for a provider, we tested several SatIoT solutions, and selected Astrocast in the end for several reasons. From its bidirectional communication to low energy consumption, optimised data protocols, to chipsets, as well as ease of integration, working with Astrocast has transformed the speed of development – from prototype to reliable production device in less than 12 months."

Ran Grinshtain -- ArrowSpot co-founder and CEO



Operational review

Regulatory

Astrocast has increased the number of its regulatory licenses to reach 73 countries in June 2022, enabling commercial operations in most countries of EMEA and APAC, and international waters.

During this rapid growth phase, and to keep high standards of quality and compliance, a specific effort was put on developing a long-lasting Quality Management System and a strong GDPR process.

Marketing

Our communication was strengthened in the first half of the year, with two main goals: increase visibility and lead generation. In February, Astrocast made the headlines by launching its full commercial service and unveiling its products and pricing during a live event broadcasted on the internet. The website was updated, new marketing tools implemented, and industry specific content produced. In particular, 3 thought leadership

articles were produced, along with 8 Press Releases, 9 blog articles and a white paper, for a total outlet coverage above 200.

Astrocast also joined the IoT M2M Council as Board member and the Paris Peace Forum “Net Zero Space initiative”.

Products

In January, Astrocast started high-volume production of its Astronode S, Astronode S+ and Astronode DevKit and launched these products commercially to all customers on 1 February 2022. In addition, Astrocast published its low-cost service pricing and its unique service offering that has no activation fee nor hidden fees and automatically selects the best price plan for its customers. This bold move never seen before among New Space companies was well received by customers and proved once again

that Astrocast can combine cost-efficient solutions, service quality and connectivity without borders.

During the first half of the year, Astrocast has been working with many partners such as ArrowSpot, Andrew Moore, DFM Technologies, M2Sat, YDOC, Avirtech, and Involi to develop market specific end-products for maritime cargo tracking and monitoring, remote data loggers, field monitoring, and drone recovery to name a few.

Projects

A consortium including Astrocast won a Horizon Europe project called XGain. This will generate more than 400 thousand EUR of revenues for Astrocast over 3 years.

Astrocast will participate in this research innovation action of building knowledge sharing methods and tools to allow selecting the appropriate connectivity and edge computing technologies for use in remote areas (rural and coastal communities).

Astrocast will demonstrate how its advanced technological solution (SatIoT) can be tailored to individual needs, like in this particular case, in aquaculture. Our satellite network infrastructure will be used to transmit water quality data from offshore oyster farm monitoring sensors.

Network Operations

The network operations team has successfully commissioned and managed the constellation of commercial satellites launched in 2021 to allow for the commercial launch to take place in February 2022.

One very important milestone of the first semester 2022 was getting the bidirectionality of Astrocast’s communication operational for its first customers. Two-way communication is essential both to underpin innovative IoT applications and enable changes to the way the device operates. For example, a business can send a short message to change a device’s operating parameters – reducing the number of times each day a temperature recording is taken, from once an hour to just twice a day. This would reduce power consumption, and extend battery life.

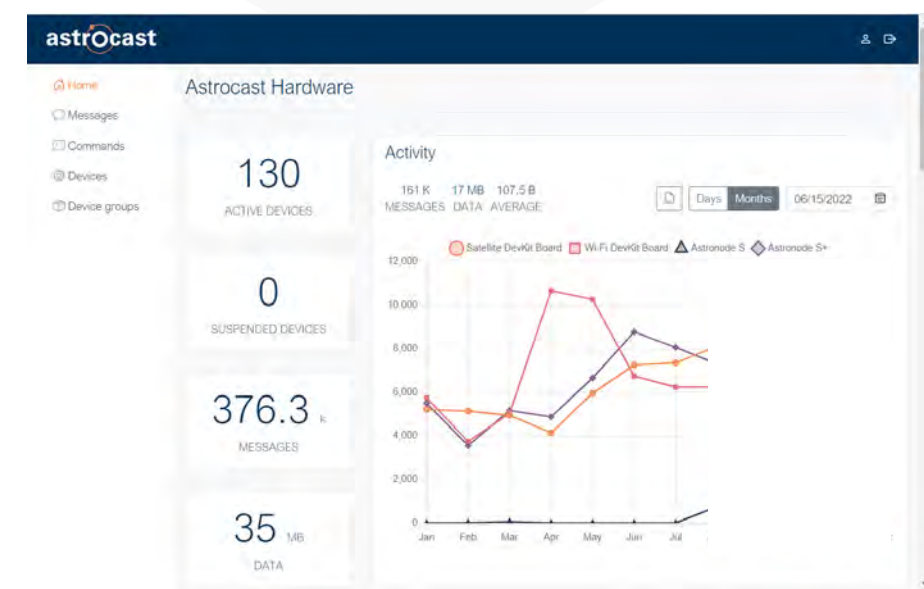
Another example would be to turn on and turn off a device remotely, even from the other side of the world. This feature could be used to save energy by activating a device in the field only when needed, in case of seasonal use for example or to manage an irrigation system remotely.

Data Service

During the first half of 2022, the Applications & Services team has brought 5 releases into operation.

These releases have improved the service that our customers are receiving to retrieve the data sent by their assets in remote regions. Among these are enhancements to our bi-directional service, allowing customers to send Unicast commands to a larger number of devices. In addition, the Astrocast Portal and our public Astrocast API have been enhanced for our customers and airtime service distributors and resellers. We have also hardened our security posture by enhancing the security of our applications, systems, and infrastructure. Security of IoT objects remains paramount.

To provide a smooth customer experience, the team has improved the integration of manufacturing and logistics systems, enhanced our in-house “Sat IoT” service monitoring, and extended the coverage of our quality assurance automation. Finally, a key achievement was to launch our in-house airtime billing system to invoice customers for their usage of our “Sat IoT” data network; this includes monthly billing, multiple data plans, integration with our ERP, and making customer invoices available online in the Astrocast Portal.



Example of a customer dashboard on the Astrocast Portal

Client **Testimonial**



"The Satellite-IoT market is growing rapidly. UnaBiz is pleased to partner with Astrocast and leverage its cost-effective, low-power, bidirectional direct-to-satellite services to complement existing LPWAN projects that we are currently driving in the market."

Henri Bong – Unabiz Co-Founder & Co-CEO

unabiz



Commercial review

The first semester of 2022 marked the official launch of Astrocast’s commercial Satellite IoT Services in early February.

Since the start of 2022, the sales department has engaged with over 500 leads and opportunities generated via marketing actions (outbound marketing and lead generation) and industry events.

The sales team has increased the number of clients onboarded to our Astropreneur Programs, testing & integrating our satellite telecommunication modules, from 15 at the end of 2021 to a total of 44 at the end of H1 2022 (194% increase). These 29 new developer programs of the first semester of 2022 were on boarded across 21 countries (EMEA , APAC).

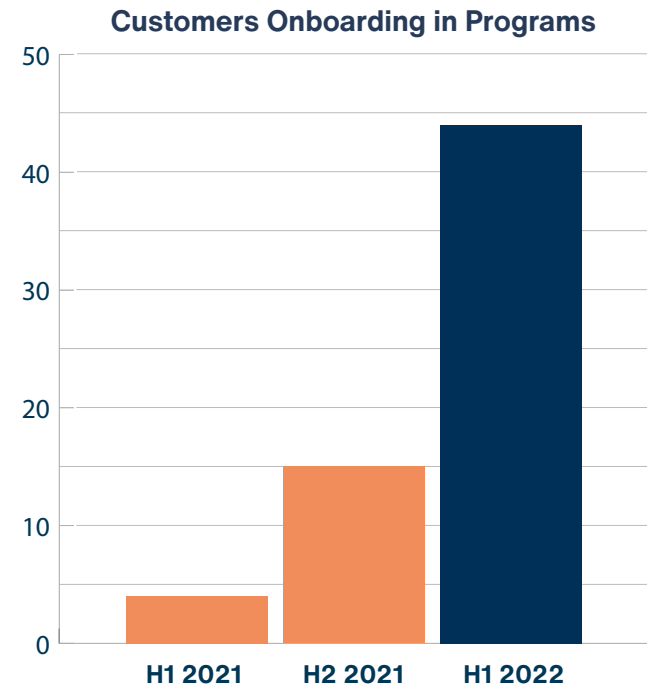
7 clients have completed the Test & Integration phase of the Developer Program and now have Astrocast modules in completed IoT devices, thus enabled with Astrocast Satellite IoT connectivity. Applications: container tracking, soil monitoring, water infrastructure monitoring, livestock tracking, endangered marine animal tracking, commercial drone recovery and marine tracking.

After the February service launch and since the availability of Astrocast production modules, the first clients have placed formal purchase orders in the range of low thousands of Astronode S modules and antennas to begin manufacturing the first production batches of their completed Sat-IoT-enabled devices. These clients are forecasted to order several thousand additional module units in H2 2022 and increase their production in 2023.

Astropreneur programs and opportunities are in development in 21 countries with notable traction in EMEA & APAC regions. Customers include leading international telecom operators, system integrators, industry solution providers, device manufacturers and original equipment manufacturers (OEMs) in relevant vertical markets.

In H1 2022 the Sales team increased with 2 new members, who have been trained and are fully active in their roles: new Sales Support Manager and new Large Key Account Manager.

The sales team has identified and targeted in partnership with several key global TELCOS such as Vodafone, Swisscom, Deutsche Telekom or Telefonica several client Satellite IoT use-cases, thus consolidating relationships with these major players. Telefonica has solicited



Astrocast services through a formal request for proposal. This process has now moved to final negotiation for Astrocast to become Telefonica’s official global satellite IoT supplier. The official communication of contract win is expected in the second semester of 2022.

Partnership agreements in development with key commercial international IoT technology and connectivity suppliers such as Unabiz, Arrowspot, MADA and Soracom, targeting their client-base Satellite IoT use cases.

Three of these key partnerships are highlighted below:

Arrowspot

Arrowspot’s solution enable supply chain managers to take a proactive and cost-effective approach to cargo and fleet management. It has developed track and trace solutions that makes it possible for organizations to monitor moving assets anywhere and anytime along their journey. Clients that are benefiting from working with ArrowSpot include ZIM Shipping Line and Oceanex Inc. Arrowspot is integrating Astrocast’s technology into ArrowSpot’s ArrowTrack SAT device and its ArroWatch application. This advanced hybrid communication tracking solution combines cellular and satellite network access. It enables ArrowSpot’s customers to benefit from full visibility of their supply chains and fleets, allowing for the effective management of assets globally. Go-to-market is planned for Q4 2022 with first deployments on land and at sea.

UnaBiz

The new owner of Sigfox, is a massive IoT service provider, developing custom-designed asset trackers and deploying end-to-end IoT solutions. The collaboration with Astrocast caters for multiple applications, including satellite-only applications and hybrid applications, where data can be transmitted via Astrocast’s direct-to-satellite network or through other LPWA networks. Go-to-market is expected in the first semester 2023.

Telefonica

Arguably one of the largest Telco in the world, has picked Astrocast to complement its terrestrial cellular network with satellite connectivity in specific verticals such as global tracking of goods and agriculture & livestock to name a few. Go to market is expected in the first semester of 2023.

Client **Testimonial**



“By collaborating with Astrocast, Telefonica can offer its customers a multi-connectivity IoT solution and take them further on their IoT journey. The key IoT-use case is to never lose track of your assets.”

Peer Lodbrok. Director MNC Telefónica Global Solutions



Financial review

for the period ended 30 June 2022

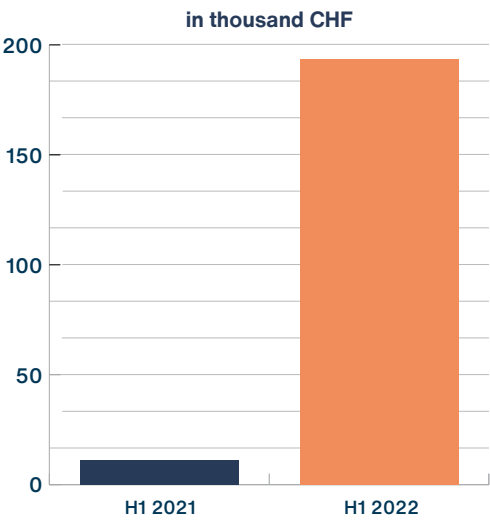
| in thousand CHF | H1 2022 | 2021 | H1 2021 |
|---------------------------|-----------|----------|-----------|
| | Unaudited | Audited | Unaudited |
| Revenue | 287 | 1.068 | 824 |
| Gross margin ¹ | (3.353) | (12.382) | (2.761) |
| EBITDA ² | (9.133) | (18.225) | (5.450) |
| Cash flow from operations | (4.919) | (14.356) | (1.704) |
| Cash and cash equivalents | 533 | 7.206 | (1.268) |
| Interest-bearing debt | 2.888 | 1.333 | 13.995 |
| Equity-ratio | 43% | 69% | 13% |

¹ Gross profit is defined as revenues less cost of materials, including subcontractor costs
² EBITDA is earnings before interest, taxes, depreciation, and amortization

Revenue

The total revenue for H1 2022 of CHF 287 thousand consists essentially of revenues from Astropreneur programs, market specific end products and the first customer orders of the Astronode S. The revenue in 2021 consisted mostly of a satellite development contract with ESA (European Space Agency) that ended last year.

2022 marked the beginning of Astrocast commercial phase with the commercial launch that took place on the 1 February 2022. Revenues from the sale of communication modules and projects in relation to our communication modules started to generate revenue. These represented 11 thousand in the first semester of 2021 and 193 thousand in the same period 2022:



EBITDA

EBITDA in H1 2022 ended at CHF -9.1 million compared to CHF -5.5 million in H1 2021. This is impacted by CHF 2.1 million in increased personnel expenses (3.8 million total in H1 2022) due to hiring of critical skills necessary to support the company’s growth. Average FTE over the period increased from 51.5 for H1 2021 to 70.1 for H1 2022. The capitalization of the R&D cost for H1 2022 was CHF 1.9 million (H1 2021: 1.7 million).

Administration and IT costs doubled in comparison to last year’s first semester, from 0.6 million to 1.2 million for H1 2022. This increase consists of provisions for the 2022 capital increase and legal fees for the Hiber acquisition.

Travel and advertising costs increased by a factor of 6 from 39 thousand to 252 thousand as travel restrictions were lifted in the company and the sales team could once again participate in trade shows and marketing events. The website was also updated for the commercial launch.

Other operational costs also increased from 23 thousand to 265 thousand an consists of IP costs for Astrocast’s trademarks as well as fundraising costs.

Cash Flow

Astrocast had an operational cash flow of CHF -4.9 million for H1 2022. In addition to the result from operating activities, the net change in cash was impacted by investments in fixed assets, tangible (satellites manufacturing and launches) and intangible (internal and external R&D) of CHF -3.3 million. These cash needs were covered by the cash and cash equivalents in the beginning of the period of CHF 7.2 million and bank loans secured in an amount of CHF 1.8 million. The consumption of cash during H1 2022 was CHF -6.7 million, leaving the company with a cash balance of CHF 533 thousand at the end of the period.

Financial position

The company’s total equity at the end of H1 2022 was CHF 13.1 million, corresponding to an equity ratio of 43%. The equity ratio at 31 of December 2021 was 69%.

Interest-bearing debt amounted to CHF 2.9 million at 30 of June 2022 compared to CHF 1.3 million of interest-bearing debt at 31 of December 2021 and comprises essentially of bank debts (CHF 2.5 million). CHF 750 thousand is a long-term COVID loan guaranteed by the Swiss confederation and is to be repaid over 6.5 years with the first instalment starting in June 2025. CHF 750 thousand come from short term bank credit facility guaranteed by the state of Vaud to be reimbursed after fundraising, latest on December 31, 2022. CHF 1 million relates to short-term use of overdraft facility for working capital purposes and will be repaid after fundraising. As of 30 June 2022, Astrocast had a net cash position of CHF 533 thousand.

Financial risk

The Group’s principal financial liabilities comprise interest bearing debt towards third parties and shareholders. The main purpose of these financial liabilities is to finance the Group’s operations and growth. The Group’s principal financial assets consist of a rent deposit. The Group does not hold derivative financial instruments. The Group is exposed to a range of risks affecting its financial performance, including liquidity risk, market risk and currency risk. The Group seeks to minimize potential adverse effects of such risks through sound business practices and risk management.

Risk management is carried out by Group management under policies approved by the Board. As a part of the risk management the Internal Control system (ICS) of Astrocast is a totality of all processes, methods and measures ordered by the Board of Directors (BoD) and Management. Controls at process level are aimed to covering the risks of fundamental faults within individual finance-related processes. The Board reviews and agrees policies for managing each of these risks, which are summarized below:

Liquidity risk

Liquidity risk arises from the necessity to raise additional capital while managing working capital and the finance charges and principal repayments on debt instruments. It is a risk that Astrocast will encounter if the company does not raise additional funds, generating difficulties in meeting its financial obligations as they fall due. The company’s goal is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due as well as being able to take advantage of acquisition opportunities. The Finance department monitors liquidity flows in short-term and long-term reporting.

Market risk

Market risk is the risk that future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk for the Group comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include deposits, bank debts and other interest bearing liabilities.

Currency risk

Currency risk is the risk that future cash flows, trade receivables, lease liabilities, trade and other payables will fluctuate due to changes in market currency rates. The Group’s exposure to the risk of changes in market currency rates relates primarily to the Group’s multi-currency trade and other payable (USD, EUR, CHF, NOK). The Group does not currently hedge the risk of fluctuation of currency rates. The Group may enter into contracts to offset some of the risk depending on projections of future currency rates.

Outlook

The company will continue to focus on executing its growth strategy by building on the commercial traction of our telecommunication modules with our customers in the development and testing phase, by onboarding new prospects to the Astropreneur Program and by partnering with IoT service providers. Validating our product-market fit with small/medium-size applications is a necessary first step to progressively build a solid credibility in a relatively conservative marketplace. Large OEMs and Systems Integrators are building confidence in order to invest time and resources with a new connectivity provider. Having successfully operated our satellites for more than 3 years, these large customers are increasingly involved, and we are fully ready to serve them with ambitious deployment thanks to our stable and proven infrastructure.

With the acquisition of Hiber, we are taking a big step towards achieving our ambitions. We are mobilizing an integration project to onboard Hiber and realize synergies from this integration. We expect this to also allow us to enter into the Solution Business, in specific verticals where we can capture more value per unit deployed. To do so we intend to keep the well-known Hiber branding and capitalize on the impressive work that the Hiber team has done during the past few years.

From an operational standpoint, we plan to unlock additional landing rights and extend our existing spectrum agreement. The company targets delivering and launching 8 additional nanosatellites in fourth quarter 2022 whilst preparing to produce 20 nanosatellites to be launched in 2023 to continue building our satellite network. We intend to secure future launches with our existing launch providers. The network operations team plans on securing the ground station needs for the next 3 years with our existing partners and continue the optimization of ground station locations.

Our fully operational customer Portal will be regularly upgraded to fulfil specific needs from our customers and stay ahead of the threat when it comes to security.

The company maintains its plan to raise equity in a short to medium timeframe as previously communicated, which will be required for the completion of the Hiber acquisition as well as general corporate purposes and strengthening of the company's liquidity. The volatile financial markets may however continue to impact the fundraising of the company, in particular by delaying the planned IPO in Euronext Growth Paris, but we look forward to a successful year with continued opportunities in existing and new markets.

Shareholders information

Astrocast SA - 20 largest VPS shareholders - register at 30 June 2022

| Rank | in thousand CHF | HOLDING | STAKE* | TYPE |
|------------------------------------------|-----------------------------------|------------|---------|----------|
| 1 | SIX SIS AG | 11,316,864 | 28.53% | Nominee |
| 2 | Deutsche Bank Aktiengesellschaft | 6,332,039 | 15.97% | Nominee |
| 3 | JPMorgan Chase Bank, N.A., London | 5,151,654 | 12.99% | Nominee |
| 4 | UBS Switzerland AG | 3,390,607 | 8.55% | Nominee |
| 5 | J.P. Morgan Securities LLC | 2,637,156 | 6.65% | Nominee |
| 6 | BNP Paribas Securities Services | 1,896,073 | 4.78% | Nominee |
| 7 | Interactive Brokers LLC | 1,626,683 | 4.10% | Nominee |
| 8 | Bank Julius Bär & Co. AG | 887,380 | 2.24% | Nominee |
| 9 | Banque Cantonale Vaudoise | 796,776 | 2.01% | Nominee |
| 10 | Banque Pictet & Cie SA | 793,111 | 2.00% | Nominee |
| 11 | CACEIS Bank | 666,666 | 1.68% | Nominee |
| 12 | MP PENSJON PK | 489,868 | 1.24% | Ordinary |
| 13 | Banque Pictet & Cie SA | 364,747 | 0.92% | Nominee |
| 14 | Credit Suisse (Switzerland) Ltd. | 309,599 | 0.78% | Nominee |
| 15 | MOCKER | 255,408 | 0.64% | Ordinary |
| 16 | MELBØ | 200,000 | 0.50% | Ordinary |
| 17 | CACEIS Bank | 195,074 | 0.49% | Nominee |
| 18 | Citibank, N.A. | 191,500 | 0.48% | Nominee |
| 19 | BNP Paribas Securities Services | 178,658 | 0.45% | Nominee |
| 20 | Saxo Bank A/S | 136,744 | 0.34% | Nominee |
| Total top 20 in VPS | | 37,816,607 | 95.34% | |
| N° of shareholders registered in the VPS | | 256 | | |
| N° of shares registered in the VPS | | 38,836,791 | 97.92% | |
| Total issued | | 39,660,908 | 100.00% | |

*% of total number of outstanding shares

Astrocast SA Consolidated Financial Statements

Consolidated Income Statement for the period ended 30 June 2022

| in thousand CHF | Note | H1 2022 | H1 2021 |
|-------------------------------------------------------|---------|-----------------|----------------|
| | | Unaudited | Unaudited |
| Revenue | | 287 | 824 |
| Cost for material, goods, services, and energy | | | |
| Operations licensing | | (3,256) | (3,177) |
| M2M Modules | | (158) | (174) |
| Charges for ground segments | | (213) | (230) |
| Laboratory and projects material | | (13) | (3) |
| Total cost of goods sold | | (3,640) | (3,584) |
| Gross margin | | (3,353) | (2,760) |
| Personnel expenses | 2.12 | (3,808) | (1,756) |
| Operating expenses | 2.11 | (1,972) | (949) |
| Depreciation and amortization | 2.3/2.4 | (2,197) | (519) |
| Total operational expenditure | | (7,977) | (3,224) |
| Operating loss | | (11,330) | (5,984) |
| Financial result | 2.13 | (126) | (328) |
| Extraordinay revenues | | 37 | - |
| Earnings before taxes | | (11,419) | (6,312) |
| Income taxes | | (11) | - |
| Net result for the period | | (11,430) | (6,312) |

Consolidated Balance Sheet at 30 June 2022

| in thousand CHF | Note | 6/30/2022 | 12/31/2021 |
|-----------------------------------------|------|---------------|---------------|
| | | Unaudited | Audited |
| Cash and cash equivalents | | 533 | 7,206 |
| Trade receivables | | 40 | 22 |
| Other receivables | 2.1 | 642 | 821 |
| Inventories and non-invoiced services | | 265 | 27 |
| Prepaid expenses | | 1,573 | 572 |
| Prepaid launches and insurance | 2.2 | 2,724 | 3,350 |
| Total current assets | | 5,777 | 11,998 |
| Financial assets | | 5 | 5 |
| Tangible assets | 2.3 | 7,057 | 6,774 |
| Intangible assets | 2.4 | 17,788 | 16,957 |
| Total non-current assets | | 24,850 | 23,736 |
| Total Assets | | 30,627 | 35,734 |
| Trade payables | 2.5 | 6,830 | 3,453 |
| Short-term interest-bearing liabilities | 2.6 | 2,138 | 733 |
| Other short-term liabilities | 2.7 | 285 | 393 |
| Accrued expenses | 2.8 | 7,507 | 6,009 |
| Total short-term liabilities | | 16,760 | 10,588 |
| Long-term interest-bearing liabilities | 2.9 | 750 | 600 |
| Total long-term liabilities | | 750 | 600 |
| Total liabilities | | 17,510 | 11,188 |
| Share capital | | 397 | 397 |
| Additional paid-in capital | | 53,180 | 53,180 |
| Other reserves | | (5) | (3) |
| Treasury shares | | (20) | (23) |
| Accumulated losses | | (40,435) | (29,005) |
| Total equity | | 13,117 | 24,546 |
| Total Liabilities and Equity | | 30,627 | 35,734 |

Consolidated Cash Flow Statements for the period ended 30 June 2022

| in thousand CHF | H1 2022 | H1 2021 |
|-----------------------------------------------------|----------------|----------------|
| | Unaudited | Unaudited |
| Cash flow from operating activities | | |
| Net result for the period | (11,430) | (6,312) |
| Depreciation, amortization | 2,197 | 519 |
| Change in account receivable | 163 | (131) |
| Change in inventories | (238) | - |
| Change in accounts payable | 3,375 | 999 |
| Change in other accruals and prepayments | 1,014 | 3,217 |
| Net cash flow from operating activities | (4,919) | (1,708) |
| Cash flow from investing activities | | |
| Investment in tangible and intangible assets | (3,311) | (5,585) |
| Increase of other financial asset | - | (83) |
| Net cash flow from investing activities | (3,311) | (5,668) |
| Cash flow from financing activities | | |
| Increase in short-term interest-bearing liabilities | 19 | 422 |
| Decrease in short-term interest-bearing liabilities | (13) | (328) |
| Increase bank loans | 1,750 | - |
| Reimbursement bank loans | (200) | (50) |
| Proceeds from sale of treasury shares | 2 | - |
| Convertible loan agreement | - | 8,180 |
| Net cash flow from financing activities | 1,558 | 8,224 |
| Net change in cash and cash equivalents | (6,672) | 848 |
| Cash and cash equivalents at beginning of period | 7,206 | 420 |
| Effect of exchange rate fluctuations on cash held | (1) | - |
| Cash and cash equivalents at end of period | 533 | 1,268 |

1. General information

1.1. Information about the company

| Name | Chairman | Directors | Registered office |
|--------------|--------------|-------------------------------------------------------------|------------------------------------|
| Astrocast SA | José Achache | Fabien Jordan, Federico Belloni, Roland Loos, Yves Pillonel | Chavannes-près-Renens, Switzerland |

| Listed | Listing date | Legal Entity | Auditors | Incorporation date |
|-------------------------------------|----------------|-------------------|--------------|--------------------|
| Euronext Growth Market at Oslo Bors | 25 August 2021 | Limited by shares | BDO Lausanne | 1 October 2014 |

Company objective

The company’s purpose is to provide services and to sell products in the fields of systems engineering, electronic design and/or software development and all similar or convergent activities

1.2. Accounting principles

The consolidated financial statements of Astrocast SA are 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.

The consolidated financial statements include the figures of the fully owned subsidiary Astrocast Austria GmbH, Vienna, Austria, incorporated on 30 July 2021. The income statement, the cash flow statement and notes presented in the consolidated financial statements comprise the operations of the parent company for the full calendar year and the subsidiary since incorporation.

Astrocast communicated to the market on the 5th of April 2022 its intention to list on Euronext Growth Paris to expand and deepen investor base. Astrocast intends to raise CHF 60m to CHF 80m in this initial public offering, and concurrently to apply for the listing of its shares on Euronext Growth Paris, in addition to its existing listing on Euronext Growth Oslo. Through this new listing, the Company hopes to expand its institutional investor base and increase liquidity.

Astrocast has appointed as Joint Global Coordinators for the initial public offering Bryan, Garnier & Co, a leading European growth-focused investment bank and long-term financial advisor of the Company, Deutsche Bank AG, which brings in-depth Space Tech sector knowledge along with its pan-European equity distribution platform, and Clarksons Platou Securities AS, the investment banking arm of the global maritime conglomerate Clarksons Group. The target will be to complete the transaction this year, subject to market conditions and regulatory approvals.

1.3. Principles and scope of consolidation

The consolidated financial statements include all companies in which Astrocast SA holds either directly or indirectly more than 50% of the voting rights or over which it has control in another form. New companies that were acquired during the reporting period are included in the consolidated financial statements from the date on which the company was founded or from the date on which control of the company is transferred to Astrocast SA.

| Company name | Registered office | Currency | Share capital | Participation 6/30/2022 | Participation 12/31/2021 | Participation 6/30/2021 |
|----------------|------------------------------------|----------|---------------|-------------------------|--------------------------|-------------------------|
| Astrocast SA | Chavannes-près-Renens, Switzerland | CHF | 396,609 | n/a | n/a | n/a |
| Astrocast GmbH | Vienna, Austria | EUR | 35,000 | 100 % | 100 % | - |

Astrocast Austria GmbH, Vienna, Austria was founded during the financial year 2021 and is fully owned by Astrocast SA. Astrocast SA holds 100% of the voting rights of Astrocast GmbH. The company objective of Astrocast GmbH is the operation and offer of satellite-based public communication networks and services.

Intercompany assets and liabilities as well as income and expenses are fully consolidated. All intercompany transactions are eliminated on consolidation.

1.4. Foreign currency translation

All companies report their financial statements in local currency. For the balance sheet closing rates are used for foreign currency translation. For the income statement average rates are used. The following exchange rates prevail:

| Currency | Closing rate | Average rate |
|----------|--------------|--------------|
| 1 EUR | 1.00717 | 1.04555 |

1.5. Accounting policies for balance sheet items

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks that can be withdrawn without notice. They are held to maturity and carried at fair value. The amount due to credit card institutions has been deducted from the final amount. not. Equally, depreciation is not suspended merely because the asset is temporarily unused. Depreciation of satellites begins as soon as they are in orbit.

Trade receivables, other receivables and non-invoiced services

Trade receivables are recognised once the company has the unconditional right to payment. Accounts receivables are initially recognized at the transaction value according to contractual terms and conditions. They do not carry any interest.

Subsequently, accounts receivables are measured at amortised cost which equals their transaction values less provision for impairment. For impairment of trade receivables, the company estimates expected lifetime credit losses that would typically be carried for each receivable based on the credit risk class upon the initial recognition of the receivables. Expected lifetime credit losses are estimated based on historical financial information as well as forward-looking data. Additional provisions are recognised when specific circumstances or forward-looking information lead the company to believe that additional collectability risk exists with respect to customers that are not reflected in loss expectancy rates. The company writes off trade receivables when it has no reasonable expectation of recovery. The company evaluates the credit risk of its customers on an ongoing basis. Foreign currency revaluations and impairment losses are recognised in the income statement. On derecognition, gains and losses are recognised in the income statement.

Prepaid expenses and prepaid launches

Prepayments represent expenditure booked during the financial year but relating to a subsequent financial year. The prepaid expenses include mainly Data R&D as well as rental of third-party satellite launch capacity. Prepaid expenses are recognised at cost which equals their transaction values less provision for impairment, if any.

Tangible assets

Tangible assets are initially stated at acquisition cost. After initial recognition, the item is carried at cost less accumulated depreciation and impairment losses. Depreciation is calculated on the gross amount over the useful life of the asset using the straight-line method. Normal annual use is reflected in the scheduled depreciation (see note 2.7).

Depreciation is recognized over the tangible assets' useful lives on the following bases:

| Category | Useful life |
|---------------------------------------------|-----------------|
| Equipment | 5 years |
| Facility installations | 8 years |
| Satellites on ground and under construction | not depreciated |
| Demonstration satellites in orbit | 4 years |
| Commercial satellites in orbit | 5 years |

Depreciation begins when the asset is available for use, i.e. regardless of whether the asset is effectively used or not. Equally, depreciation is not suspended merely because the asset is temporarily unused. Depreciation of satellites begins as soon as they are in orbit.

Intangible assets

Intangible assets are measured initially at cost. For the subsequent measurement, intangible assets are measured using the cost model, i.e. at cost of acquisition or production less amortization and impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives.

Useful lives are set individually for each asset and fall within the following ranges:

| Category | Useful life |
|----------------------------|-------------|
| Communication protocol | 5 years |
| Technology and chips | 5 years |
| Data | 5 years |
| Modules | 5 years |
| Satellites | 5 years |
| Network and ground segment | 5 years |

Amortization begins when the asset is available for use, i.e. regardless of whether the intangible asset is effectively used or not. Equally, amortization is not suspended merely because the intangible asset is temporarily unused.

Trade accounts payable

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Short - and long-term interest-bearing liabilities

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost.

Treasury shares

Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. In case of a resale, the gain or loss is recognized through the income statement as financial income or financial expense, respectively.

Leases

Leasing and rental contracts are recognized based on legal ownership. Therefore, any leasing or rental expenses are recognized as expenses in the period they are incurred; however, the leased or rented objects themselves are not recognized in the balance sheet.

2. Notes to the consolidated financial statements

2.1. Other receivables

| in thousand CHF | Consolidated | |
|----------------------------------|--------------|------------|
| | 6/30/2022 | 12/31/2021 |
| Advance to suppliers | 439 | 709 |
| VAT receivables | 192 | 80 |
| Other receivables from employees | 11 | 32 |
| Other receivables | 642 | 821 |

Advance to suppliers down payments correspond to prepayments for the material to produce modules.

2.2. Prepaid launches and insurance

| in thousand CHF | Consolidated | |
|--------------------------------|--------------|------------|
| | 6/30/2022 | 12/31/2021 |
| Insurance for launch | 11 | - |
| 3rd Orbital Plan | 2,321 | 1,659 |
| 4th Orbital Plan | 5 | 5 |
| 5th Orbital Plan | 181 | 1,475 |
| 6th Orbital Plan | 206 | 211 |
| Prepaid launches and insurance | 2,724 | 3,350 |

There is one account (Orbital plan) for each reservation of launch capacity for our satellites on a specific launch vehicle.

2.3. Tangible assets

| in thousand CHF | Equipment | Facility installations | Satellites on ground and under construction | Demonstration satellites in orbit | Commercial satellites in orbit | TOTAL |
|------------------------------|-----------|------------------------|---------------------------------------------|-----------------------------------|--------------------------------|--------|
| Cost | | | | | | |
| Balance at 1 of January 2022 | 569 | 1,360 | 1,460 | 1,664 | 4,814 | 9,867 |
| Additions | 33 | 74 | 806 | - | - | 913 |
| Balance at 30 of June 2022 | 602 | 1,434 | 2,266 | 1,664 | 4,814 | 10,780 |
| Accumulated depreciation | | | | | | |
| Balance at 1 of January 2022 | 275 | 427 | - | 1,664 | 727 | 3,093 |
| Depreciation for the period | 34 | 115 | - | - | 481 | 630 |
| Balance at 30 of June 2022 | 309 | 542 | - | 1,664 | 1,208 | 3,723 |
| Carrying amount | | | | | | |
| At 31 of December 2021 | 294 | 933 | 1,460 | - | 4,087 | 6,774 |
| At 30 of June 2022 | 293 | 892 | 2,266 | - | 3,606 | 7,057 |

The company carried out the depreciation of the satellites in respect with the useful life of the satellites:

Demonstration satellites were fully depreciated in 2021.

Commercial satellites have a 5-year life expectancy and the depreciation starts from the month of the launch and represents and expense of CHF 481k for H1 2022.

2.4. Intangible assets

| in thousand CHF | Communica- tion protocol | Chips and technology | Data | Modules | Satellites | Network and ground segment | Total |
|---------------------------------|-----------------------------|-------------------------|-------|---------|------------|----------------------------------|--------|
| Cost | | | | | | | |
| Balance at 1 of January 2022 | 3,566 | 2,984 | 2,007 | 2,754 | 3,259 | 2,387 | 16,957 |
| Additions | 9 | 121 | 792 | 290 | 636 | 550 | 2,398 |
| Balance at 30 of June 2022 | 3,575 | 3,105 | 2,799 | 3,044 | 3,895 | 2,937 | 19,355 |
| Accumulated amortization | | | | | | | |
| Balance at 1 of January 2022 | - | - | - | - | - | - | - |
| Amortization for the period | 298 | 255 | 228 | 247 | 308 | 231 | 1,567 |
| Balance at 30 of June 2022 | 298 | 255 | 228 | 247 | 308 | 231 | 1,567 |
| Carrying amount | | | | | | | |
| At 31 of December 2021 | 3,566 | 2,984 | 2,007 | 2,754 | 3,259 | 2,387 | 16,957 |
| At 30 of June 2022 | 3,277 | 2,850 | 2,571 | 2,797 | 3,587 | 2,706 | 17,788 |

Intangible assets increased by CHF 2.4 million in H1 2022 and are mainly based on internal developments with capitalized personnel costs of CHF 1.9 million and other intangible assets acquired from third parties in the course of the development of Astrocast's business.

2.5. Trade payables

| in thousand CHF | 6/30/2022 | Consolidated 12/31/2021 |
|--------------------------------|-----------|----------------------------|
| Payables towards third parties | 6,786 | 3,405 |
| Advance from customers | 44 | 48 |
| Trade payables | 6,830 | 3,453 |

2.6. Short-term interest-bearing liabilities

| in thousand CHF | 6/30/2022 | Consolidated 12/31/2021 |
|-----------------------------------------------|-----------|----------------------------|
| Bank and other loans | 1,950 | 433 |
| Shareholders* | 174 | 300 |
| Other short-term interest-bearing liabilities | 14 | - |
| Short-term interest-bearing liabilities | 2,138 | 733 |

* At June 30 June 2022, the amount is related to the interests not yet paid from convertible loans already converted to share capital.

| in thousand CHF | Bank loan # 1 | Bank loan # 2 | Bank loan # 3 | Bank loan # 4 | Other loan |
|--------------------------------|------------------|------------------|------------------|------------------|------------|
| Nominal value | 500 | 375 | 500 | 375 | 500 |
| Outstanding value at 6/30/2022 | 500 | 375 | 500 | 375 | 200 |
| Interest rate | 3.00% | 2.75% | 2.95% | 2.95% | 2% - 6% |
| Maturity | 12/30/2022 | 12/30/2022 | 12/31/2022 | 1/3/2023 | 10/31/2022 |

Shortly after the closing date, the company signed several convertible loan agreements with investors for a total amount of CHF 1.5 million. The cash has been received at the publication date of these interim consolidated financial statements.

2.7. Other short-term liabilities

| in thousand CHF | 6/30/2022 | Consolidated 12/31/2021 |
|-------------------------------------------|-----------|----------------------------|
| Employees, social charges & tax at source | 285 | 393 |
| Other short-term liabilities | 285 | 393 |

2.8. Accrued expenses

| in thousand CHF | 6/30/2022 | Consolidated 12/31/2021 |
|--------------------------|-----------|----------------------------|
| Spectrum leasing accrual | 5,645 | 4,792 |
| Other accrued expenses | 1,862 | 1,217 |
| Accrued expenses | 7,507 | 6,009 |

Other elements are mainly provisions on fees for the 2022 financing round, stamp-tax payables on the 2021 financing round and accruals for overtime and holidays.

2.9. Long-term interest-bearing liabilities

| in thousand CHF | 6/30/2022 | Consolidated 12/31/2021 |
|----------------------------------------|-----------|----------------------------|
| Third parties | 750 | 600 |
| Long-term interest-bearing liabilities | 750 | 600 |

| in thousand CHF | Bank loan # 5 |
|--------------------------------|------------------|
| Nominal value | 1,000 |
| Outstanding value at 6/30/2022 | 750 |
| Interest rate | 0.50% |
| Maturity | 12/31/2028 |

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 duration of the loan was 66 months in total with a quarterly limit reduction of CHF 50,000 beginning 31 March 2021.

On 22 June 2022, a reviewed COVID-19 contract has been signed. The new duration of the loan is 78 months in total with a quarterly limit reduction of CHF 50,000 beginning from 30 June 2025. For the other conditions, they are the same as the original contract as referred above.

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.

2.10. Share capital and shareholder information

The share capital of Astrocast SA as of 30 June 2022 was divided into 39,660,908 registered shares with a nominal value of CHF 0.01 each. On 30 July 2021, Astrocast SA carried out a share split while transforming all shares into registered shares. This led to an increase of 23,213,025 shares with a nominal value of CHF 0.01 each based on the 112,449 outstanding registered shares and 122,026 preferential shares (total 234,475 outstanding shares) with a nominal value of CHF 1.00 each as per 31 December 2020. In parallel to the share split and transformation, Astrocast SA carried out a capital increase that led to the creation of 16,213,408 registered shares with a nominal value of CHF 0.01 each. The share capital is fully paid up.

| total outstanding shares | 6/30/2022 | 12/31/2021 |
|-------------------------------------------|------------|------------|
| Number of shares outstanding on 1 January | 39,660,908 | 234,475 |
| New shares issued | - | 39,426,433 |
| Number of shares outstanding | 39,660,908 | 39,660,908 |

All shares have equal voting and dividend rights.

In accordance with the articles of association, the Board of Directors is authorised to increase the share capital as follows as per 30 June 2022:

- Authorized share capital of 11,723,750 registered shares.

Further, the share capital may be increased as follows:

- Conditional share capital for the ESOP of 1,552,500 registered shares, and
- Conditional share capital for loans with conversion rights or option rights and other financial instruments of 10,171,250 registered shares.

2.11. Operating expenses

| in thousand CHF | Consolidated | |
|--------------------------------|--------------|---------|
| | H1 2022 | H1 2021 |
| Rental and facility expenses | 176 | 191 |
| Insurance | 43 | 101 |
| Energy and waste disposal | 47 | 15 |
| Administration and IT expenses | 1,188 | 580 |
| Travel and advertising | 252 | 39 |
| Other operational costs | 266 | 23 |
| Operating expenses | 1,972 | 949 |

2.12. Personnel expenses

| in thousand CHF | Consolidated | |
|---------------------------------------------|--------------|---------|
| | H1 2022 | H1 2021 |
| Personnel expenses | 4,557 | 2,690 |
| Social charges | 559 | 378 |
| Third party expenses | 493 | 353 |
| Other personnel expenses | 91 | 30 |
| Capitalization of internally generated cost | (1,892) | (1,695) |
| Personnel expenses | 3,808 | 1,756 |

2.13 Financial result

| in thousand CHF | Consolidated | |
|----------------------------------|--------------|---------|
| | H1 2022 | H1 2021 |
| Net foreign exchange gain/(loss) | (30) | 24 |
| Interest expenses | (79) | (352) |
| Bank fees | (17) | - |
| Financial result | (126) | (328) |

3. Other disclosures

3.1. Number of employees

| | 6/30/2022 | 12/31/2021 |
|--------------------------------------------|-----------|------------|
| Average of full-time employees over period | 70.1 | 53.0 |

3.2. Pension fund

| in thousand CHF | 6/30/2022 | 12/31/2021 |
|-------------------------------------------------------------------------------|-----------|------------|
| Liabilities relating to pension fund (included in the recognized liabilities) | 167 | 128 |

3.3. Significant shareholders

There were no beneficiary owners that have informed the company that they hold more than 5% of the voting rights. Please also see “Shareholders information” on page 23. VPS shareholders may only exercise their voting rights through DNB Bank ASA.

3.4. Treasury shares

Treasury shares held by the company:

| | Number of shares | Price per share in CHF | Value of treasury shares in CHF |
|----------------|------------------|------------------------|---------------------------------|
| 1 January 2022 | 2,270,861 | 0.01 | 22,709 |
| Sale (ESOP) | (232,427) | 0.01 | (2,324) |
| 30 June 2022 | 2,038,434 | | 20,384 |

232,427 treasury shares were sold for their nominal value of 0.01 CHF to employee stock option plan (ESOP) beneficiaries.

3.5. Lease obligations

The maturity of leasing obligations which have a residual term of more than twelve months, or which cannot be cancelled within the next twelve months are as follows:

| in thousand CHF | 6/30/2022 | 12/31/2021 |
|-------------------|-----------|------------|
| Up to 1 year | 260 | 269 |
| 1-5 years | 988 | 990 |
| More than 5 years | 3,025 | 3,148 |
| Total | 4,273 | 4,407 |

The lease obligations correspond mainly to the long-term rental contract for the office and operational space with a lease term until 2039.

3.6. Compensation of the Board of Directors and the Senior Management

Compensation of the Board in H1 2022

The total compensation of the Board for the financial half year 2022 amounts to CHF 159 thousand (H1 2021: nil). The compensation of the Board consists of a fixed compensation paid in cash, exercised stock options, and related social insurances (where applicable).

| Name | Position | H1 2022 total | H1 2022 of which cash | H1 2022 of which options to shares | H1 2022 social insurance contribution |
|-------------------|----------|---------------|-----------------------|------------------------------------|---------------------------------------|
| José Achache | Chairman | 40 | 40 | - | - |
| Federico Belloni* | Member | - | - | - | - |
| Jon Cholak | Member | 10 | 10 | - | - |
| Fabien Jordan* | Member | - | - | - | - |
| Roland Loos | Member | 10 | 10 | - | - |
| Yves Pillonel | Member | 12 | 10 | - | 2 |
| Jan Eyvin Wang | Member | 87 | 10 | 77 | - |
| Total | | 159 | 80 | 77 | 2 |

* Fabien Jordan and Federico Belloni do not receive any Board Member compensation. Their compensation is detailed in the section below “Compensation of the Senior Management in H1 2022”.

Compensation of the Senior Management in H1 2022

The total compensation of the Senior Management (including stock options, social insurance, pension contributions and others) for the financial half year 2022 amounts to CHF 0.9 million (H1 2021: 0.4 million). 145,000 stock options were granted to the Senior Management during the first half of 2022 (H1 2021: nil), of which 100,000 were granted in compensation to the corresponding number of options granted in 2019 that had to be cancelled due to the change in nominal value of the shares that occurred in the process of the listing on Euronext Growth Oslo. The highest compensation in the first half of 2022 was conferred to Laurent Vieira de Mello, COO (H1 2021: Federico Belloni, CTO).

| (In thousands of CHF) | H1 2022 highest compensation | H1 2022 other members | H1 2022 total senior management | H1 2021 highest compensation | H1 2021 other members | H1 2021 total senior management |
|----------------------------------------------------|------------------------------|-----------------------|---------------------------------|------------------------------|-----------------------|---------------------------------|
| Semi-annual base salary | 83 | 452 | 535 | 80 | 279 | 359 |
| Stock options | 185 | 53 | 238 | - | - | - |
| Social insurance, pension contributions and others | 25 | 55 | 80 | 12 | 48 | 60 |
| Total | 293 | 560 | 853 | 92 | 327 | 419 |

There were no other compensation, loans or credit facilities paid by the Company or any of its group companies to members of the Board or to Senior Management in the first half of 2022 other than those disclosed above.

3.7. Audit fees

For the half-year 2022, the fees for audit-related services amounted to CHF 227 thousand.

| in thousand CHF | Consolidated | |
|---------------------------------------------------------------------------------------------------------------|--------------|---------|
| | H1 2022 | H1 2021 |
| Audit services (stand-alone financial statements, consolidated financial statements and compensation report)* | 127 | 15 |
| Other services | 100 | 1 |
| Total audit fees | 227 | 16 |

* Audit services include 2022 half year financial statements review in the context of the future listing and prorata of the annual audit fees.

3.8. Related parties

The related parties consist primarily of members of the Board of Directors and the Executive Board, and companies under their control. Information on the allocation of shares to the Board of Directors and the Executive Board is disclosed in detail in note 3.6.

In 2022, Astrocast SA conducted business with Astrocast US LLC. The company is under control of a Board member and serves as a payroll company for Astrocast in the USA. As per 30 June 2022, the parties did not have any outstanding positions (30 June 2021: no outstanding positions).

As of 30 June 2022, no other material transactions were conducted, and no receivables or liabilities were outstanding towards other related parties or associated companies. All business relations with related parties are conducted at arm’s length. No unusual transactions were affected with either the main shareholders or other related parties.

3.9. Going concern

The group’s accounts are prepared on a going concern basis. To date, the group has financed its cash requirements primarily from share issuances and debt financing. The group is still in the ramp-up phase and accordingly has not reached a positive operating result yet. It is exposed to all the risks inherent in establishing and growing a business.

The group expects that the financing of the Company will be insured for at least the next twelve months.

The future viability of the group is dependent on its ability to raise additional capital and/or debt to finance its operations. Should the Company not succeed in attracting additional funding in the future, it may be unable to realize its assets and discharge its liabilities in the normal course of business. As a consequence, the liquidity of the Company over the next twelve months might be seriously negatively impacted. Thus, a material uncertainty exists that may cast significant doubt about the Company’s ability to continue as a going concern.

Management continues to explore options to obtain additional funding, including by carrying out the planned international placement of shares followed by an admission on Euronext Growth Paris and by raising debt financing for its short-term cash needs.

3.10. Significant events after the balance sheet date

The company has raised CHF 1.5M of convertible loans with investors shortly after the closing date and is working towards securing additional short-term cash in order to ensure its operations.

IFRS reconciliation table

IFRS Income Statement for the period ended 30 of June 2022

| in thousand CHF | H1 2022 | | | H1 2021 | | |
|-------------------------------------------------------|-----------------|------------------|-----------------|----------------|------------------|----------------|
| | Swiss CO | IFRS adjustments | IFRS | Swiss CO | IFRS adjustments | IFRS |
| Revenue | 287 | - | 287 | 824 | - | 824 |
| Other income, grants | - | 17 | 17 | 824 | - | 824 |
| Total income | 287 | 17 | 304 | 824 | - | 824 |
| Cost for material, goods, services, and energy | | | | | | |
| Operations licensing | (3,256) | - | (3,256) | (3,178) | - | (3,178) |
| M2M modules | (158) | - | (158) | (174) | - | (174) |
| Charges for ground segments | (213) | - | (213) | (230) | - | (230) |
| Laboratory and projects material | (13) | - | (13) | (3) | - | (3) |
| Total cost of goods sold | (3,640) | - | (3,640) | (3,585) | - | (3,585) |
| Gross margin | (3,353) | 17 | (3,336) | (2,761) | - | (2,761) |
| Personnel expenses | (3,808) | (991) | (4,799) | (1,756) | (57) | (1,813) |
| Operating expenses | (1,972) | 134 | (1,838) | (949) | 139 | (810) |
| Depreciation and amortization | (2,197) | 151 | (2,046) | (519) | (77) | (596) |
| Total operational expenditure | (7,977) | (706) | (8,683) | (3,224) | 5 | (3,219) |
| Operating loss | (11,330) | (689) | (12,019) | (5,985) | 5 | (5,980) |
| Financial result | (126) | (96) | (222) | (328) | (98) | (426) |
| Extraordinary revenues | 37 | (37) | - | - | - | - |
| Income taxes | (11) | - | (11) | - | 12 | 12 |
| Net result for the period | (11,430) | (822) | (12,252) | (6,313) | (81) | (6,394) |

Balance Sheet at 30 of June 2022

| in thousand CHF | 6/30/2022 | | | 6/30/2021 | | |
|-----------------------------------------|---------------|------------------|---------------|---------------|------------------|---------------|
| | Swiss CO | IFRS adjustments | IFRS | Swiss CO | IFRS adjustments | IFRS |
| Cash and cash equivalents | 533 | - | 533 | 1,268 | - | 1,268 |
| Trade receivables | 40 | - | 40 | 11 | - | 11 |
| Other receivables | 641 | - | 641 | 198 | - | 198 |
| Inventories and non-invoiced services | 266 | - | 266 | 19 | - | 19 |
| Prepaid expenses | 1,573 | - | 1,573 | 2,816 | - | 2,816 |
| Prepaid launches and insurance | 2,724 | - | 2,724 | 2,596 | - | 2,596 |
| Total current assets | 5,777 | - | 5,777 | 6,908 | - | 6,908 |
| Financial assets | 5 | - | 5 | 89 | - | 89 |
| Tangible assets | 7,057 | 2,619 | 9,676 | 6,321 | 2,807 | 9,128 |
| Intangible assets | 17,788 | (2,623) | 15,165 | 14,041 | (2,861) | 11,180 |
| Total non-current assets | 24,850 | (4) | 24,846 | 20,451 | (54) | 20,397 |
| Total Assets | 30,627 | (4) | 30,623 | 27,359 | (54) | 27,305 |
| Trade payables | 6,830 | - | 6,830 | 8,578 | - | 8,578 |
| Short-term interest-bearing liabilities | 2,138 | - | 2,138 | 13,295 | - | 13,295 |
| Other short-term liabilities | 285 | - | 285 | 540 | - | 540 |
| Accrued expenses | 7,507 | - | 7,507 | 619 | - | 619 |
| Total short-term liabilities | 16,760 | - | 16,760 | 23,032 | - | 23,032 |
| Long-term interest-bearing liabilities | 750 | - | 750 | 700 | - | 700 |
| Defined benefit obligation | - | - | - | - | 571 | 571 |
| Lease liability | - | 2,869 | 2,869 | - | 2,942 | 2,942 |
| Deferred tax liability | - | - | - | - | (12) | (12) |
| Total long-term liabilities | 750 | 2,869 | 3,619 | 700 | 3,501 | 4,201 |
| Total liabilities | 17,510 | 2,869 | 20,379 | 23,732 | 3,501 | 27,233 |
| Share capital | 397 | - | 397 | 234 | - | 234 |
| Other comprehensive income | - | 1,055 | 1,055 | - | (161) | (161) |
| Additional paid-in capital | 53,180 | 766 | 53,946 | 17,320 | 7 | 17,327 |
| Other reserves | (5) | - | (5) | - | - | - |
| Treasury shares | (20) | 2 | (18) | - | - | - |
| Reserve for share-based payments | - | 120 | 120 | - | - | - |
| Accumulated losses | (40,435) | (4,816) | (45,251) | (13,927) | (3,401) | (17,328) |
| Total equity | 13,117 | (2,873) | 10,244 | 3,627 | (3,555) | 72 |
| Total Liabilities and Equity | 30,627 | (4) | 30,623 | 27,359 | (54) | 27,305 |

1. General information

Astrocast SA is registered in Switzerland and prepares its financial statements according to the Swiss Code of Obligations (CO). The company has prepared this reconciliation table to International Financial Accounting Standards (IFRS) with the stipulations of the Euronext Growth Markets Rule Book Part I (para 3.2.3).

This IFRS reconciliation table is not a complete set of financial statements in the sense of IFRS. However, this reconciliation table has been prepared by determining the financial position and financial performance of the entity in accordance with the accounting principles stipulated by IFRS and comparing these to the respective statutory values.

The information presented below has been derived from:

- the financial statements as of and for the 6-month period ended 30 June 2021
- the financial statements as of and for the 6-month period ended 30 June 2022.

The consolidated financial statements of Astrocast SA are 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.

The consolidated financial statements include the figures of the fully owned subsidiary Astrocast Austria GmbH, Vienna, Austria, incorporated on 30 July 2021.

2. Reconciliation of comprehensive income

| IN THOUSAND CHF | REFERENCE | H1 2022 | H1 2021 |
|-----------------------------------------|-----------|----------|---------|
| Statutory net result | | (11,430) | (6,313) |
| Other income, grants | (4) | 17 | - |
| Personnel expenses | (1) | (991) | (57) |
| Operating expenses | (2) | 134 | 139 |
| Depreciation and amortization | (2) | 151 | (77) |
| Financial result | (2) | (96) | (98) |
| Taxes | (3) | - | 12 |
| Extraordinary results | (4) | (37) | - |
| Reconciled net result according to IFRS | | (12,252) | (6,394) |

(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 recognized.

(2) In accordance with IFRS 16, the lease of offices and other operational space has 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, lease payments are recognized in the income statement according to the cost incurred over the rental period.

(3) In the statutory financial statements of 2021, previous capitalizations of labour costs for development projects were reduced for intangible assets. The reductions only refer to personnel expenses. Also, additional depreciation due to the reclassification from intangible assets to tangible assets, from previous years were booked in 2021. In IFRS the reduction of the capitalization and the additional depreciation are shown in the corresponding year, which leads to a restatement of the 2020 net result.

(4) Under CO subsidies of CHF 17k are presented in extraordinary revenue, whereas under IFRS they are presented in other income, grants. Under CO social insurance expenses of CHF 20k are presented in extraordinary revenue, whereas under IFRS they are presented in personnel expenses.

This table shall be read in connection with the financial information document dated 30 September 2022.

Legal Notice

This report contains forward looking information and statements relating to the business, performance, and items that may be interpreted to impact the results of the company and/or the industry and markets in which it operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as “aims”, “anticipates”, “believes”, “estimates”, “expects”, “foresees”, “intends”, “plans”, “predicts”, “projects”, “targets”, and similar expressions. Such forward-looking statements are based on current expectations, estimates, and projections, reflect current views concerning future events, and are subject to risks, uncertainties, and assumptions, and may be subject to change without notice. Forward-looking statements are not guaranteeing any future performance, and risks, uncertainties, and other important factors could cause the actual business, performance, results, or the industry and markets in which the company operates in, to differ materially from the statements expressed or implied in this release by such forward-looking statements.

Factors that could cause actual results to differ materially in the future from those reflected in forward-looking statements contained in this report include, among others:

- Changes in the economic and business environment
- Exchange rate and interest rate changes
- Introduction of competing products
- Inadequate acceptance of new products or services
- Changes in the business strategy

No representation is made that any of these forward looking statements or forecasts will come to pass or that any forecasted performance, capacities, or results will be achieved, and you are cautioned not to place any undue reliance on any forward-looking statements. Astrocast SA neither plans nor assumes any obligation to update or keep any forward-looking statements up to date.

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 2022 have been prepared in accordance with EURONEXT GROWTH OSLO RULE BOOK - PART II – FINANCIAL REPORTING, in accordance with the provisions of Swiss Code of Obligations with an IFRS reconciliation table and that the information contained therein were prepared on a going concern basis.

Chavannes-près-Renens, 29 September 2022

Board of Directors

Astrocast SA

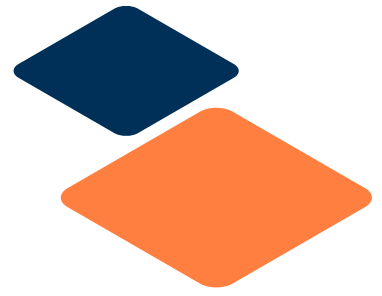
Ledgy signatures below

Contact

CFO: Kjell Karlsen kkarlsen@astrocast.com

Head of Finance: Nicholas Petrig npetrig@astrocast.com

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



Astrocast SA

Chemin des Ramiers 20
1022 Chavannes-près-Renens
Switzerland

Signatures

Signed for Astrocast SA
CHE-415.432.149
Initiated by Nicholas Petrig
Open in Ledgy <https://app.ledgy.com/signature/RNNBXxb9adjvf4gbT>

Jon Cholak

29 Sep 2022



Ledgy Standard Electronic Signature
Certified under European eIDAS law

Federico Belloni

29 Sep 2022



Ledgy Standard Electronic Signature
Certified under European eIDAS law

Fabien Jordan

29 Sep 2022



Ledgy Standard Electronic Signature
Certified under European eIDAS law

Jan Eyvin Wang

29 Sep 2022



Ledgy Standard Electronic Signature
Certified under European eIDAS law

José Achache

29 Sep 2022



Ledgy Standard Electronic Signature
Certified under European eIDAS law

Roland Loos

29 Sep 2022



Ledgy Standard Electronic Signature
Certified under European eIDAS law

Yves Pillonel

29 Sep 2022



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