

RESEARCH UPDATE
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214-987-4121

Market Statistics in USD

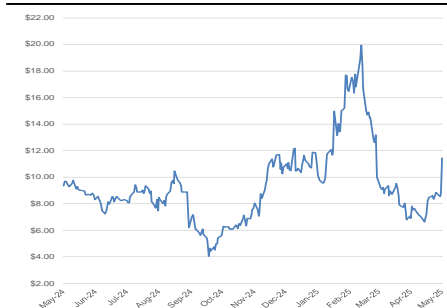
Price	\$ 11.45
52 week Range	\$3.86 - \$21.92
Daily Vol (3-mo. average)	1,246,681
Market Cap (M)	\$ 362.3
Enterprise Value (M)	\$ 409.7
Shares Outstanding: (M)	31.6
Float (M)	26.0
Public Ownership	38.0%
Institutional Ownership	44.3%

Financial Summary in USD

Cash (M)	\$ 21.9
Cash/Share	\$ 0.69
Debt (M)	\$ 115.3
Equity (M)	\$ 88.8
Equity/Share	\$ 2.81

FYE: Dec **2024** **2025E** **2026E**
(all figures in \$M, expect per share values)

Rev	\$ 102.1	\$ 132.0	\$ 170.2
Chng%	8%	29%	29%
Adj. EBITDA	\$ 11.6	\$ 18.1	\$ 42.5
Net Income	\$ (57.0)	\$ (39.2)	\$ (20.2)
EPS	\$ (2.66)	\$ (1.25)	\$ (0.63)
EV/Revenue	3.6x	3.1x	2.4x
EV/EBITDA	31.9x	22.7x	9.6x
P/E	-4.1x	-9.1x	-18.2x


COMPANY DESCRIPTION

BlackSky Technology, Inc. is a space-based intelligence company that delivers real-time imagery, analytics and high-frequency monitoring of the world's most critical and strategic locations, economic assets, and events. BlackSky designs, owns, and operates an industry leading low earth orbit small satellite constellation. This constellation relays space-based data to BlackSky Spectra, the Company's tasking and analytics software platform. BKSJ was established in 2014 and is headquartered in Herndon, VA. BKSJ is listed on the New York Stock Exchange under the ticker symbol "BKSJ".

BLACKSKY TECHNOLOGY, INC. (NYSE: BKSJ)
Company Updates

Financial Results: BKSJ reported revenue, adj EBITDA, and EPS of \$29.5M, (\$0.6)M, and (\$0.42), respectively. This compares to our/consensus estimates of \$27.6M/\$27.2M, \$0.7M/\$1.5M, and (\$0.62)/(\$0.46). The Imagery and Software Analytical Services segment generated \$16.8M in revenue, down from \$17.8M in 1Q24. This decrease was primarily due to timing variability in customer project deliveries. The Professional and Engineering Services segment reported revenue of \$12.7M, a significant increase from \$6.4 M in 1Q24, driven largely by milestone-based progress under the Company's commercial Earth observation contract with India. Consolidated gross margins fell to 57.4%, an increase from 77.4% in 4Q24, impacted by the transfer of a previously capitalized satellite asset sold during the quarter.

Contracts: The Company secured over \$130M in new contracts during 1Q25, including a major seven-year international subscription agreement and multiple multi-year awards supporting both Gen-2 and Gen-3 constellations. These awards expanded BKSJ's backlog by 40% sequentially, rising from \$261.0M at year-end 2024 to \$366.0M by the end of 1Q25. The Company highlighted growing demand from global defense and intelligence agencies, including \$20.0M worth of new customer relationships. Management emphasized the importance of these multi-year contracts for long-term revenue visibility, particularly as Gen-3 satellites are deployed and come online over the course of 2025.

Gen-3 Satellite Launch: In the quarter, The second Gen-3 satellite has been shipped and is on track for a 2Q25 launch. The Company plans to deploy a total of eight Gen-3 satellites by early 2026, with commercial availability beginning later this year.

Balance Sheet and Liquidity: BKSJ ended 1Q25 with a strong liquidity position of \$77.0M, comprising \$20.7M in cash and equivalents, \$1.2M in restricted cash, and \$55.1M in short-term investments. This total includes a \$32.0M prepayment received during the quarter tied to a new international defense contract. Additionally, the Company reported \$39.2M in unbilled contract assets, with \$32.4M expected to convert to cash over the next 12 months. Including ~\$20M in available vendor financing for Gen-3 launches, BKSJ's liquidity exceeds ~\$136.0, a 51% increase y/y. CapEx for the quarter totaled \$8.9M, primarily related to satellite production, and are expected to rise as deployment ramps in 2025.

Guidance: BKSJ reiterated its FY25 revenue guidance in a range of \$125.0M to \$142.0M, driven by strong multi-year sales momentum and the commercial ramp of Gen-3. The Company guided to an adjusted EBITDA range of \$14.0M to \$22.0M. Due to increasing high-margin imagery and analytics contributions and the scaling of Gen-3 capabilities we view this guidance as reasonable and have adjusted our model accordingly.

Valuation: We use a DCF Model and EV/EBITDA comp analysis to guide our valuation. Our DCF analysis produces a valuation range of \$15.39 to \$18.53 with a mid-point of \$16.82. Our EV/EBITDA valuation results in a range of \$14.52 to \$15.86 with a mid-point of \$15.19.

SUMMARY

Exhibit 1: Quarterly Results Overview

	1Q25 results		Notes
	Reported	Model	
Total revenues	29.5	27.6	
Cost of sales	12.6	8.1	
Gross (loss) profit	16.9	19.5	Gross margins came in lower than expected following a large asset sale
Gross margin	57.4%	70.6%	
SG&A	21.4	19.7	
R&D	0.2	0.4	
Depreciation and Amortization	7.2	10.3	
Total opex	28.9	30.3	
Operating Profit	(12.0)	(10.8)	Operating profit slightly below our expectations
Operating margin	-40.5%	-39.0%	
EBITDA - adjusted	(0.6)	0.7	Adj. EBITDA came in below our expectations
EBITDA margin	-2.1%	2.5%	
Net income (loss)	(12.8)	(13.7)	
EBITDA margin	-43.4%	-49.4%	
EPS	\$ (0.42)	\$ (0.62)	

	Y/Y Change		Notes
	1Q25	1Q24	
Total revenues	29.5	24.2	Revenues improved year over year
Cost of sales	12.6	7.0	
Gross (loss) profit	16.9	17.2	Contraction in GPM due to above noted asset sale
Gross margin	57.4%	71.0%	
SG&A	21.4	18.8	
R&D	0.2	0.5	
Depreciation and Amortization	7.2	11.2	
Total opex	28.9	30.5	
Operating Profit	(12.0)	(13.3)	Operating profit slightly below our expectations
Operating margin	-40.5%	-54.7%	
EBITDA - adjusted	(0.6)	1.4	Adj. EBITDA came in below our expectations
EBITDA margin	-2.1%	5.7%	
Net income (loss)	(12.8)	(15.8)	
EBITDA margin	-43.4%	-65.2%	
EPS	\$ (0.42)	\$ (0.11)	

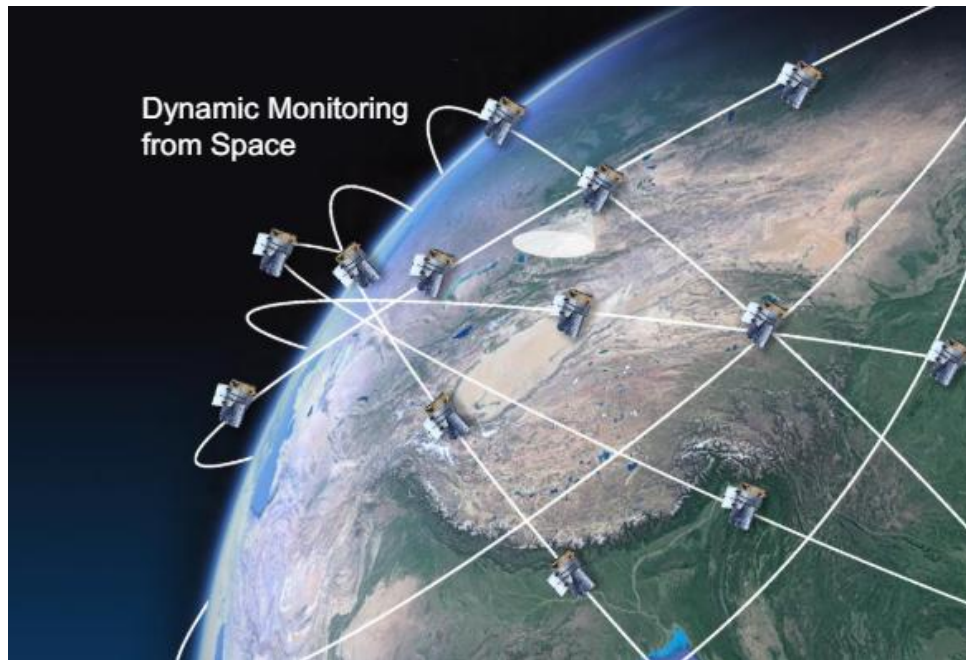
Guidance (\$M)			Notes
Full Year	Previous	Current	
Revenue	125-142	125-142	
Adj. EBITDA	14-22	14-22	
CapEx	60-70	60-70	

Source: Company Reports; Stonegate Capital Markets

Business Overview

BlackSky Technology, Inc. (“BlackSky”, “BKSJ”, or “the Company”) is a space-based intelligence company that delivers real-time imagery, analytics, and high-frequency monitoring of the world’s most critical and strategic locations, economic assets, and events. BlackSky designs, owns, and operates an industry leading low earth orbit small satellite constellation. This constellation relays space-based data to BlackSky Spectra, the Company’s tasking and analytics software platform. BlackSky was established in 2014 and is headquartered in Herndon, VA. BlackSky is listed on the New York Stock Exchange under the ticker symbol “BKSJ”.

Exhibit 2: Company Orbit Overview



Source: Company Presentation

The Company holds contracts with a number of agencies, being trusted by allied military and intelligence organizations to provide timely insights. This is achieved by BlackSky’s satellites that fly in an unconventional mid-inclination orbit, which allows for imaging up to 15 times per day over a landmass that contains 90% of the world’s GDP. This is compared to traditional companies which can only image up to twice per day. This gives customers the ability to dynamically monitor locations on-demand from dawn to dusk. When combined with BlackSky Spectra this imaging is analyzed through proprietary AI enabled software allowing for new vertical market solutions and actionable intelligence. This platform is highly scalable as the continuous expansion of data both grows the data lake and allows for expansion of analytics.

Exhibit 3: Company Customers Overview

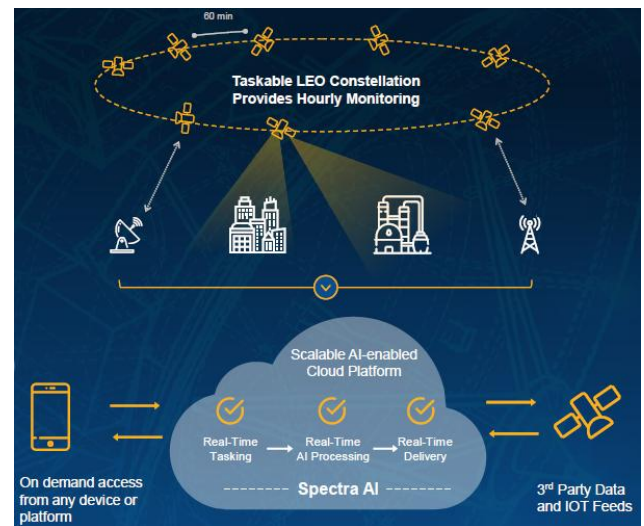


Source: Company Presentation

Services and Products

The Company generates revenue by selling on-demand and assured product and service offerings to both government entities and private entities across the world. The backstop of this is the Company's satellite constellation. In the fourth quarter of 2024, BlackSky introduced the most advanced satellite to date; the Gen-3 satellite. This new technology enhances the Company's capabilities with very-high resolution imagery and high-frequency monitoring. The Company is also currently operates its existing Gen-2 constellation. This constellation provides a unique value with the ability to collect imagery and analytics from dawn-until-dusk at a higher cadence and at lower cost than traditional providers. U.S. and allied militaries rely on BKSJ services for high-revisit monitoring of airfields, vehicle depots, troop movements, and other high-value locations to detect changes in pattern-of-life. BlackSky can distinguish landscape features such as roads and buildings, and gauge commercial activities and patterns such as movements from ships in ports, progress at construction sites, and changes in production such as the number of cars in a parking lot, all completely automated using BlackSky's Spectra software platform. This ability for high-revisit rate imaging and on-demand satellite tasking gives BKSJ a significant advantage over legacy satellite imaging providers. BKSJ breaks its revenue streams into four main categories.

Exhibit 4: Company Orbit Overview



Source: Company Presentation

Imagery – The imagery segment offers high-revisit, high-resolution, satellite imaging products. With the launch of the Gen-3 satellites, customers can now access the highest resolution imagery and improved monitoring capabilities through the BlackSky Spectra software platform. In the platform, customers can directly task the constellation to collect and deliver imagery over specific locations, sites, and regions that are critical to their operations. All imagery products are included in the basic subscription plan for On-Demand tasking. Another option is the Assured access bundle program, where customers receive secure priority access and imaging capacity over a region of interest on a take or pay basis.

Data, Software, and Analytics – The Company also offers subscription-based AI-generated analytics that provide customers with automated access to site monitoring, event monitoring, and global data. Additional services include anomaly detection and enhanced analytics at critical locations. These critical locations include infrastructure such as ports, airports, and construction sites; retail activity; commodities stockpiles; and other sites that contain critical commodities and inventory.

Professional Services – BlackSky also provides professional service solutions to support customer-specific software feature requests and the integration, testing, and training of the imagery and software analytical services into a customer's organizational processes and workflows. This consultant adjacent service is highly profitable for the Company, as it has potential to lead to strong recurring revenues.

Engineering Services – BlackSky also provides engineering services, which include, developing and delivering advanced satellite and payload systems for a limited number of customers that leverage the Company's capabilities in mission systems engineering and operations, ground station operations, and software and systems development. In this model, satellite and payload systems are typically sold to government customers or government resellers under a fixed price contract with additional revenue streams for ongoing support and services once the satellite is in orbit. These contracts allow BlackSky to maintain its production line at scale, benefit from technological developments, and creates further opportunity for ongoing subscription-like contracts.

Competitive Advantages

The Company has competitive advantages on both the hardware and software sides of its business. On the hardware side BlackSky is in the process of implementing its next generation (Gen-3) satellite constellation, with the design completed. The Gen-3 constellation will expand imaging capabilities in low-light or night-time situations using infrared imaging technology. Gen-3 will also feature improved data communication abilities to reduce latency. By improving the imaging resolution quality from about 80cm in the Gen-2 satellites to 35cm in the new Gen-3 satellites, BlackSky remains on the forefront on imaging capabilities. The first Gen-3 satellite was successfully launched in 1Q25, delivering very-high resolution imagery and exceeding customer expectations.

To continue to manufacture its Gen-3 satellites BKSJ has a 50% ownership in LeoStella, a satellite manufacturer. LeoStella has the capabilities to manufacture up to 40 satellites per year, giving BlackSky control over the entire design, manufacturing, and operations of its hardware.

BlackSky also has a decided advantage due to its software capabilities. The BlackSky Spectra platform can process millions of observations a day from both BKSJ’s constellation, as well as external sources that include radar, radio frequency, environmental sensors, Internet of Things devices, asset tracking sensors, and various other third-party news sources and data feeds. The analytics provided by BlackSky Spectra are easily accessible to clients via web interface or APIs. Using these interfaces customers can also task the constellation to receive imagery and analytics directly to email, ERP system, or cloud environment in under 90 minutes on average. These capabilities can also be delivered to customers as a flexible API kit that enables integration of BKSJ capabilities into customers’ existing platforms.

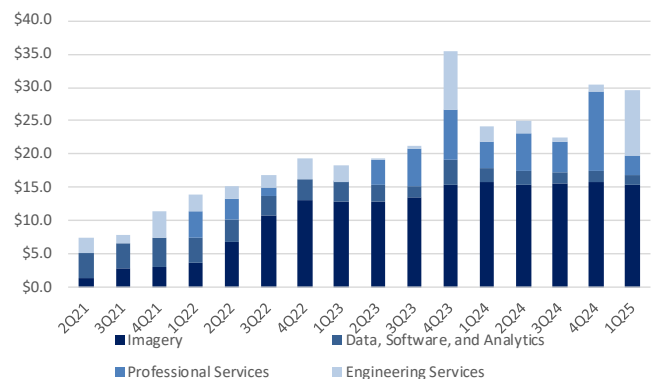
Market Overview

The geospatial market that BKSJ operates in, that includes both imaging services and analytics solutions, is large and growing. Space-based intelligence is playing an increasingly critical role in decision-making for government agencies, commercial enterprises, and organizations around the world. At the same time, a growing number of government defense and intelligence agencies are increasing their reliance on commercial satellite providers to complement their in-house geospatial data sources. According to Markets and Markets, an independent industry research firm, the global geospatial analytics market is projected to grow from about \$33.0 billion in 2024 to about \$55.8 billion by 2029, resulting in a compound annual growth rate of 11.1%.

Of the Company’s customers, it is notable that the U.S. Space force has requested a budget of \$30.0B, \$19.2B of which is aimed at R&D, testing, and evaluation. The Company is also taking advantage of demand created by international government and organizations, as exemplified by the \$150.0M, plus contract awarded by a major international ministry of defense, among others.

We believe BKSJ is well positioned to capitalize on this demand as industry wide supply growth is slowing. We believe that legacy satellite imaging providers may not be able to provide the capacity needed to meet the growing demand as their aging constellations are being replaced with lower capacity satellites. We believe the expansion of BKSJ capacity will be met by strong demand and that BlackSky is well positioned to capture a significant share of the growth in the space data and analytics market.

Exhibit 5: Company Revenue Growth by Segment



Source: Company Presentation

Risks

As with any investment, there are certain risks associated with BKSJ's operations as well as with the surrounding economic and regulatory environments common to the research and consulting services industry.

Customer Concentration – BKSJ is dependent on a small number of customers for a significant portion of its revenue. The U.S. federal government and its agencies, along with two other customers accounted for 60% and 62% of total revenue in FY24 and FY23, respectively. If the Company lost one or more of these customers, it would significantly impact earnings.

Computing Infrastructure Dependence – The Company relies on third party SaaS companies to host and maintain its proprietary imagery and analytics used to deliver to its customers. Currently, BKSJ primarily uses Amazon Web Services, and any disruption from this service provider would potentially impact BKSJ customers and could negatively impact BKSJ.

Government Contract – BKSJ has contracts with government entities. Government entities are subject to changing policies, priorities, regulations, mandates, and funding levels. Fluctuations in any of these variables could negatively impact the demand from government entities and impact the Company's revenue.

Satellite Risks – BKSJ operates a fleet of satellites that are very technically complex. Putting a satellite into orbit can be delayed during construction, delayed during launch due to permitting or launch windows closing, and is subject to launch failures. Any of these incidences would negatively impact revenue and could incur impairment charges. Additionally, satellites may fail to operate as intended and/or may not operate through the entire predicted life due to severe environmental stress. This would also adversely affect the Company's profitability.

Competitive Industry – BKSJ operates in a competitive industry with a number of players, some of which are larger than the Company. Should the Company fail to expand its customer base the business may suffer.

Valuation Summary

To help frame our valuation we use a combination of comparative analysis and discounted cash flow analysis.

Our DCF analysis relies on a range of discount rates between 9.75% and 10.25% with a midpoint of 10.00%. This arrives at a valuation range of \$15.39 to \$18.53 with a mid-point of \$16.82.

Sensitivity Analysis:

Discount rate	Terminal Growth Rates				
	1.0%	1.5%	2.0%	2.5%	3.0%
	9.50%	\$16.92	\$17.67	\$18.52	\$19.48
9.75%	\$16.17	\$16.86	\$17.64	\$18.53	\$19.54
10.00%	\$15.47	\$16.11	\$16.82	\$17.63	\$18.56
10.25%	\$14.80	\$15.39	\$16.05	\$16.80	\$17.64
10.50%	\$14.17	\$14.72	\$15.33	\$16.01	\$16.79

Comparative Analysis

(all figures in M, except per share information)

Company Name	Symbol	Price ⁽¹⁾	Mrkt Cap	EV	EV/Revenue ^(2,3)			EV/EBITDA ^(2,3)			P/E ^(2,3)		
					2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E
Airbus SE	ENXTPA: AIR	\$ 178.58	\$ 140,599.0	\$ 137,135.3	1.77x	1.63x	1.44x	17.8x	12.3x	10.7x	28.9x	25.0x	20.0x
Planet Labs PBC	PL	\$ 3.61	\$ 1,091.1	\$ 890.7	4.01x	3.29x	2.69x	-16.4x	-112.1x	49.9x	-9.6x	-23.6x	-32.5x
Parsons Corporation	PSN	\$ 64.04	\$ 6,844.3	\$ 8,058.5	1.59x	1.14x	1.09x	19.3x	12.1x	11.3x	41.7x	18.0x	16.5x
Spire Global, Inc.	SPIR	\$ 9.54	\$ 295.4	\$ 387.6	3.70x	4.29x	3.82x	-10.3x	-18.8x	-45.0x	-3.3x	-12.8x	-8.1x
Average					2.8x	2.6x	2.3x	2.6x	-26.6x	6.7x	14.4x	1.6x	-1.0x
Median					2.7x	2.5x	2.1x	3.7x	-3.3x	11.0x	12.8x	2.6x	4.2x
BlackSky Technology Inc.	BKSY	\$ 11.45	\$ 362.3	\$ 409.7	3.6x	3.1x	2.4x	31.9x	22.7x	9.6x	-4.1x	-9.1x	-18.2x

(1) Previous day's closing price

(2) Estimates are from Capital IQ

(3) Forward estimates as of calendar year

Source: Company reports, CapitalIQ, Stonegate Capital Partners

We are using an EV/EBITDA framework to inform our BKSY valuation. Currently BKSY is trading at a FY26 EV/EBITDA of 9.6x compared to comps at an average of 6.7x, which is significantly influenced by \$SPIR which we view as an outlier. Once accounting for this outlier comp companies are trading at an average of 24.0x. We are using our FY26 expected EBITDA, and an EV/EBITDA range of 13.0x to 14.0x with a midpoint of 13.5x which we believe moves BKSY closer to comp companies in a more normalized market. We believe this is reasonable given the continued growth of company contracts and the continued launch of Gen-3 satellites. This arrives at a valuation range of \$14.52 to \$15.86 with a mid-point of \$15.19.

	EV/EBITDA		
2026 E	13.00x	13.50x	14.00x
Adj EBITDA	42.5	42.5	42.5
TEV	552.8	574.1	595.4
Cash	21.9	21.9	21.9
Debt	115.3	115.3	115.3
Mrkt Cap	459.4	480.7	501.9
S/O	31.6	31.6	31.6
Price	\$ 14.52	\$ 15.19	\$ 15.86

Discounted Cash Flow

BlackSky Technology Inc.														
Discounted Cash Flow Model														
<i>(in \$M, except per share)</i>														
Estimates:	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	Terminal Value
Revenue	94.5	102.1	132.0	170.2	221.3	276.6	345.8	423.6	508.3	597.2	686.8	772.7	849.9	
Operating Income	(56.0)	(44.3)	(30.8)	(10.0)	(5.5)	13.8	20.7	31.7	38.1	47.8	54.9	63.4	71.0	
Less: Taxes (benefit)	(0.7)	(0.7)	(0.1)	(0.0)	(0.6)	2.1	3.1	6.3	7.6	9.6	11.0	12.7	14.2	
NOPAT	(55.3)	(43.6)	(30.7)	(9.9)	(5.0)	11.8	17.6	25.3	30.5	38.2	44.0	50.7	56.8	
Plus: Depreciation & Amortization	43.4	43.5	41.0	50.5	55.3	60.9	65.7	69.9	71.2	68.7	61.8	50.2	34.0	
Plus: Changes in WC	(19.3)	(15.2)	(13.2)	(8.5)	(2.2)	(1.4)	(1.7)	(2.1)	(2.5)	(3.0)	(3.4)	(3.9)	(4.2)	
Less: Capex	(43.7)	(50.2)	(65.0)	(42.6)	(33.2)	(27.7)	(8.6)	(4.2)	(5.1)	(6.0)	(6.9)	(7.7)	(8.5)	
Free Cash Flow	(74.9)	(65.4)	(67.9)	(10.5)	14.9	43.6	73.0	88.9	94.0	97.9	95.5	89.3	78.0	994.8
Discount period - months			9	21	33	45	57	69	81	93	105	117	129	
Discount period - years			0.8	1.8	2.8	3.8	4.8	5.8	6.8	7.8	8.8	9.8	10.8	
Discount factor			0.93	0.85	0.77	0.70	0.64	0.58	0.53	0.48	0.43	0.39	0.36	
PV of FCF			(63.2)	(8.9)	11.5	30.5	46.4	51.4	49.4	46.8	41.5	35.3	28.0	357.1
Growth rate assumptions:														
Revenue		8.0%	29.3%	28.9%	30.0%	25.0%	25.0%	22.5%	20.0%	17.5%	15.0%	12.5%	10.0%	
Operating Income		-20.9%	-30.5%	-67.6%	-44.5%	-350%	50.0%	52.7%	20.3%	25.3%	15.0%	15.3%	12.0%	
EBITDA		-94.0%	-1455.6%	297.6%	22.9%	50.0%	15.7%	17.5%	7.6%	6.6%	0.3%	-2.7%	-7.6%	
Free Cash Flow		-12.6%	3.8%	-84.5%	nm	191.7%	67.5%	21.8%	5.8%	4.2%	-2.5%	-6.4%	-12.6%	
Margin assumptions:														
Operating Income	-59.3%	-43.4%	-23.3%	-5.9%	-2.5%	5.0%	6.0%	7.5%	7.5%	8.0%	8.0%	8.2%	8.4%	
D&A as a % of sales	46.0%	42.6%	31.0%	29.7%	25.0%	22.0%	19.0%	16.5%	14.0%	11.5%	9.0%	6.5%	4.0%	
EBITDA	-13.3%	-0.7%	7.7%	23.8%	22.5%	27.0%	25.0%	24.0%	21.5%	19.5%	17.0%	14.7%	12.4%	
Taxes	1.3%	1.7%	0.3%	0.5%	10.0%	15.0%	15.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	
Changes in WC	-20.4%	-14.9%	-10.0%	-5.0%	-1.0%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	
Capex as a % of sales	-46.2%	-49.2%	-49.2%	-25.0%	-15.0%	-10.0%	-2.5%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	
Valuation:														
Shares outstanding	31.6													
PV of FCF	268.6													
PV of Terminal Value	357.1													
Enterprise Value	625.7													
less: Net Debt	93.4													
Estimated Total Value:	532.2													
Est Equity Value/share:	\$16.82													
Sensitivity Analysis:														
										Terminal Growth Rates				
										1.0%	1.5%	2.0%	2.5%	3.0%
Discount rate	9.50%	\$16.92	\$17.67	\$18.52	\$19.48	\$20.60								
	9.75%	\$16.17	\$16.86	\$17.64	\$18.53	\$19.54								
	10.00%	\$15.47	\$16.11	\$16.82	\$17.63	\$18.56								
	10.25%	\$14.80	\$15.39	\$16.05	\$16.80	\$17.64								
	10.50%	\$14.17	\$14.72	\$15.33	\$16.01	\$16.79								
Price	\$11.45													

Source: Company Reports; Stonegate Capital Markets

Balance Sheet

BlackSky Technology Inc.
Consolidated Balance Sheets (\$M)
Fiscal Year End: December

ASSETS	FY 2020	FY 2021	Q1 Mar-22	Q2 Jun-22	Q3 Sep-22	Q4 Dec-22	FY 2022	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25
Cash and Cash Equivalents	5.1	165.6	135.9	64.8	37.2	34.2	34.2	57.0	41.1	32.1	32.8	32.8	15.0	25.6	56.2	13.1	13.1	20.7
Restricted Cash	5.5	2.5	2.5	2.5	2.8	2.8	2.8	2.8	1.8	1.8	0.6	0.6	0.4	1.1	1.1	1.3	1.3	1.2
Short-Term Investments	-	-	-	43.8	50.7	38.0	38.0	11.8	16.6	17.5	19.7	19.7	20.4	15.7	7.1	39.4	39.4	55.1
Accounts Receivable, Net	2.9	2.6	5.5	3.4	5.1	3.1	3.1	9.1	7.4	2.7	7.1	7.1	5.6	8.2	10.3	14.7	14.7	7.9
Accounts Receivable from Equity Method Investees	-	-	-	-	-	-	-	-	-	1.1	-	-	-	-	-	-	-	-
Prepaid Expenses	1.0	6.3	5.0	4.3	5.5	4.7	4.7	4.3	3.6	5.4	4.2	4.2	3.8	3.7	5.1	4.4	4.4	4.0
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.0	6.0	-
Contract Assets	3.8	1.7	2.9	5.5	5.9	5.7	5.7	6.4	8.6	9.9	15.2	15.2	24.1	28.2	26.7	27.9	27.9	32.4
Total Current Assets	18.2	178.7	151.8	124.4	107.2	88.5	88.5	91.4	79.1	70.7	79.6	79.6	69.4	82.4	106.5	106.7	106.7	121.3
PP&E	20.9	70.6	67.1	83.9	78.2	71.6	71.6	87.4	81.6	74.6	67.1	67.1	59.9	52.5	46.9	45.6	45.6	60.6
Operating Lease ROU Assets	-	-	-	-	-	3.6	3.6	3.3	2.6	1.8	1.6	1.6	4.5	4.2	2.6	4.0	4.0	3.9
Goodwill	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	10.3
Investment in Equity Method Investees	3.3	4.0	4.3	5.2	4.2	5.3	5.3	5.8	5.9	6.2	-	-	-	-	-	-	-	-
Intangible Assets	3.8	2.5	2.3	2.2	2.1	1.9	1.9	1.8	1.6	1.5	1.4	1.4	1.2	1.1	0.9	6.5	6.5	5.2
Satellite Procurement WIP	62.7	40.1	51.8	35.8	41.7	51.0	51.0	39.6	44.6	45.4	56.0	56.0	62.1	71.7	76.5	80.6	80.6	75.6
Other Assets	1.7	0.6	0.6	0.3	1.7	2.8	2.8	2.6	3.3	3.3	9.3	9.3	3.6	3.0	2.6	1.5	1.5	7.9
Total Assets	119.9	305.8	287.3	261.1	244.3	234.1	234.1	241.2	228.1	212.8	224.3	224.3	210.1	224.3	245.5	254.3	254.3	284.9
LIABILITIES AND SHAREHOLDERS' EQUITY																		
Accounts Payable and Accrued Liabilities	8.0	10.8	15.5	13.9	14.6	14.4	14.4	10.6	10.8	10.5	11.6	11.6	13.1	11.5	12.7	20.4	20.4	13.0
Amounts Payable to Equity Method Investees	8.8	5.6	4.0	1.5	1.7	3.7	3.7	2.4	2.2	-	10.8	10.8	0.2	2.4	-	-	-	-
Contract Liabilities	14.5	11.3	9.5	4.9	9.0	6.8	6.8	3.9	3.2	6.6	3.7	3.7	2.2	4.6	4.2	2.2	2.2	12.6
Current Portion of Longterm Debt	16.7	-	-	-	-	-	-	-	-	-	-	-	0.3	0.3	0.3	1.9	1.9	3.8
Other Current Liabilities	7.4	2.8	2.6	2.8	1.5	2.0	2.0	4.0	1.2	1.5	1.7	1.7	1.6	0.9	1.5	1.5	1.5	2.6
Total Current Liabilities	55.4	30.5	31.6	23.2	26.8	26.9	26.9	20.9	17.4	18.7	27.8	27.8	17.3	19.7	18.8	26.0	26.0	32.0
Liability for Estimated Contract Losses	6.3	6.1	3.6	3.4	2.0	0.7	0.7	0.6	-	-	-	-	-	-	-	-	-	-
Long-Term Contract Liabilities	2.6	0.6	3.0	-	0.0	0.1	0.1	0.1	0.2	0.1	-	-	-	-	-	-	-	-
Operating Lease Liabilities	-	-	-	-	-	3.1	3.1	3.1	3.1	3.3	3.0	3.0	7.0	6.9	7.0	8.0	8.0	7.9
Derivative Liabilities	-	16.9	8.8	13.4	6.3	5.1	5.1	21.3	32.4	15.4	15.1	15.1	15.4	10.1	6.6	18.0	18.0	16.1
Long-Term Debt	84.9	71.4	71.9	72.4	73.0	76.2	76.2	76.3	79.4	79.5	83.5	83.5	84.7	108.3	98.4	105.7	105.7	111.6
Other Liabilities	3.6	0.7	1.5	5.2	2.9	0.0	0.0	0.1	7.0	3.7	1.7	1.7	4.0	2.8	4.4	2.4	2.4	28.5
Total Liabilities	152.7	126.1	120.4	117.6	110.9	112.2	112.2	122.3	139.5	120.7	131.2	131.2	128.4	147.8	135.2	160.2	160.2	196.0
Common Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional Paid in Capital	191.2	650.5	657.8	660.7	663.7	667.0	667.0	681.3	684.4	687.3	692.1	692.1	696.5	700.7	747.0	750.2	750.2	757.8
Accumulated Deficit	(224.0)	(470.9)	(490.9)	(517.2)	(530.3)	(545.1)	(545.1)	(562.4)	(595.9)	(595.2)	(599.0)	(599.0)	(614.8)	(624.2)	(636.8)	(656.0)	(656.0)	(669.0)
Total Consolidated Equity	(32.8)	179.6	166.9	143.5	133.4	121.9	121.9	118.9	88.5	92.1	93.1	93.1	81.7	76.5	110.3	94.2	94.2	88.8
Total Liabilities and Shareholders' Equity	119.9	305.8	287.3	261.1	244.3	234.1	234.1	241.2	228.1	212.8	224.3	224.3	210.1	224.3	245.5	254.3	254.3	284.9

Liquidity

Current Ratio	0.3x	5.9x	4.8x	5.4x	4.0x	3.3x	3.3x	4.4x	4.6x	3.8x	2.9x	2.9x	4.0x	4.2x	5.7x	4.1x	4.1x	3.8x
Working Capital	(37.2)	148.1	120.2	101.2	80.4	61.6	61.6	70.5	61.8	52.0	51.8	51.8	52.1	62.8	87.7	80.7	80.7	89.3

Leverage

Net Debt to Equity	-294.1%	-52.4%	-38.3%	5.3%	26.8%	34.5%	34.5%	16.3%	43.3%	51.4%	54.4%	54.4%	85.7%	108.5%	38.6%	100.4%	100.4%	106.5%
Net Debt to Capital	80.5%	-30.8%	-22.3%	2.9%	14.6%	18.0%	18.0%	8.0%	16.8%	22.2%	22.6%	22.6%	33.3%	37.0%	17.4%	37.2%	37.2%	33.2%

Source: Company Reports, Stonegate Capital Partners

Income Statement

BlackSky Technology Inc.																			
Consolidated Statements of Income (in \$M, except per share amounts)																			
Fiscal Year End: December																			
	FY 2021	FY 2022	FY 2023	Q1	Q2	Q3	Q4	Q1	Q2 E	Q3 E	Q4 E	Q1 E	Q2 E	Q3 E	Q4 E	Q1 E	Q2 E	Q3 E	Q4 E
				Mar-24	Jun-24	Sep-24	Dec-24	FY 2024	Mar-25	Jun-25	Sep-25	Dec-25	FY 2025E	Mar-26	Jun-26	Sep-26	Dec-26	FY 2026E	
Imagery & Software Analytical Services	\$ 23.1	\$ 48.7	\$ 65.4	\$ 17.8	\$ 17.5	\$ 17.3	\$ 17.5	\$ 70.1	\$ 16.8	\$ 18.3	\$ 24.2	\$ 32.3	\$ 91.7	\$ 32.0	\$ 31.2	\$ 31.4	\$ 38.8	\$ 133.4	
Engineering & Systems Integration	11.0	16.7	29.1	6.4	7.5	5.3	12.9	32.0	12.7	8.6	8.7	10.3	40.3	8.9	8.2	9.1	10.6	36.8	
Total Revenues	34.1	65.4	94.5	24.2	24.9	22.5	30.4	102.1	29.5	26.9	32.9	42.7	132.0	40.9	39.3	40.6	49.4	170.2	
Operating Expenses:																			
Imagery & Software Analytical Service Cost	19.6	14.5	13.8	3.4	3.4	3.7	3.3	13.9	3.8	3.3	4.4	5.5	17.0	5.4	5.6	6.3	6.2	23.5	
Professional & Engineering Service Cost	15.1	21.8	20.0	3.6	3.5	3.0	3.5	13.5	8.8	4.3	4.8	5.2	23.0	5.3	4.5	5.0	4.8	19.6	
Gross Profit	(0.7)	29.1	60.7	17.2	18.1	15.9	23.5	74.7	16.9	19.3	23.7	32.0	92.0	30.1	29.2	29.3	38.4	127.0	
SG&A	86.7	79.3	72.6	18.8	18.2	18.0	19.1	74.1	21.4	19.3	19.6	20.4	80.7	22.7	20.5	20.8	21.6	85.6	
R&D	0.1	0.7	0.6	0.5	0.3	0.0	0.6	1.3	0.2	0.3	0.3	0.3	1.1	0.3	0.2	0.3	0.2	0.9	
Depreciation and Amortization	14.3	35.7	43.4	11.2	11.3	11.1	10.0	43.5	7.2	10.5	11.3	12.0	41.0	12.0	12.5	13.0	13.0	50.5	
Satellite Impairment Loss	18.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses	119.5	115.7	116.7	30.5	29.8	29.1	29.6	119.0	28.9	30.1	31.1	32.7	122.8	35.0	33.2	34.1	34.8	137.0	
Operating Income	(120.1)	(86.5)	(56.0)	(13.3)	(11.7)	(13.2)	(6.1)	(44.3)	(12.0)	(10.7)	(7.4)	(0.7)	(30.8)	(4.9)	(3.9)	(4.8)	3.6	(10.0)	
Gain on Debt Extinguishment	4.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gain on Derivates	23.9	11.8	7.7	(0.3)	5.3	3.6	(11.4)	(2.8)	1.9	-	-	-	1.9	-	-	-	-	-	
Income on Equity Method Investments	1.0	1.9	4.2	-	-	-	1.4	1.4	-	-	-	-	-	-	-	-	-	-	
Interest Income	-	1.1	2.1	0.4	0.3	0.3	0.6	1.6	0.6	0.5	0.5	0.5	2.1	0.5	0.5	0.5	0.5	1.8	
Interest Expense	(5.2)	(5.4)	(9.3)	(2.6)	(3.0)	(3.1)	(3.4)	(12.2)	(3.3)	(3.0)	(3.0)	(3.0)	(12.3)	(3.0)	(3.0)	(3.0)	(3.0)	(12.0)	
Other (expense) income, net	(147.7)	2.1	(1.8)	0.0	0.0	(0.0)	0.1	0.1	0.1	-	-	-	0.1	-	-	-	-	-	
Profit Before Taxes	(244.0)	(75.0)	(53.2)	(15.7)	(9.1)	(12.6)	(18.8)	(56.3)	(12.8)	(13.2)	(9.9)	(3.2)	(39.1)	(7.4)	(6.5)	(7.3)	1.1	(20.2)	
Provision for Income Tax	-	-	(0.7)	(0.1)	(0.3)	(0.0)	(0.4)	(0.7)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	0.0	(0.0)	
Gain from Discontinued Operations	(1.7)	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net Income	(245.6)	(74.3)	(53.9)	(15.8)	(9.4)	(12.6)	(19.2)	(57.0)	(12.8)	(13.3)	(9.9)	(3.2)	(39.2)	(7.4)	(6.5)	(7.4)	1.1	(20.2)	
Basic EPS	\$ (3.39)	\$ (0.63)	\$ (3.18)	\$ (0.11)	\$ (0.06)	\$ (0.66)	\$ (1.01)	\$ (2.66)	\$ (0.42)	\$ (0.43)	\$ (0.32)	\$ (0.10)	\$ (1.25)	\$ (0.24)	\$ (0.20)	\$ (0.23)	\$ 0.03	\$ (0.63)	
Diluted EPS	\$ (3.39)	\$ (0.63)	\$ (3.18)	\$ (0.11)	\$ (0.06)	\$ (0.66)	\$ (1.01)	\$ (2.66)	\$ (0.42)	\$ (0.43)	\$ (0.32)	\$ (0.10)	\$ (1.25)	\$ (0.24)	\$ (0.20)	\$ (0.23)	\$ 0.03	\$ (0.63)	
WTD Shares Out - Basic	72.5	117.8	16.9	143.2	145.2	19.1	19.1	21.4	30.8	31.1	31.4	31.7	31.3	31.6	31.9	32.2	32.5	32.1	
WTD Shares Out - Diluted	72.5	117.8	16.9	143.2	145.2	19.1	19.1	21.4	30.8	31.1	31.4	31.7	31.3	31.6	31.9	32.2	32.5	32.1	
EBITDA	(107.8)	(48.1)	(14.4)	(2.1)	(0.4)	(2.1)	3.9	(0.7)	(4.7)	(0.2)	3.9	11.3	10.3	7.1	8.6	8.2	16.6	40.5	
Adjusted EBITDA	\$ (44.4)	\$ (29.5)	\$ (1.1)	\$ 1.4	\$ 2.1	\$ 0.7	\$ 7.4	\$ 11.6	\$ (0.6)	\$ 1.0	\$ 5.1	\$ 12.5	\$ 18.1	\$ 7.6	\$ 9.1	\$ 8.7	\$ 17.1	\$ 42.5	

Margin Analysis																		
Gross Margin	-1.9%	44.6%	64.2%	71.0%	72.4%	70.5%	77.4%	73.1%	57.4%	71.8%	72.2%	75.0%	69.7%	73.6%	74.3%	72.1%	77.8%	74.6%
Operating Margin	-352.5%	-132.4%	-59.3%	-54.7%	-47.0%	-58.7%	-20.1%	-43.4%	-40.5%	-39.8%	-22.4%	-1.7%	-23.3%	-11.9%	-10.0%	-11.8%	7.4%	-5.9%
EBITDA Margin	-130.4%	-45.1%	-1.1%	5.7%	8.6%	3.3%	24.3%	11.4%	-2.1%	3.8%	15.6%	29.4%	13.7%	18.6%	23.0%	21.5%	34.7%	25.0%
Pre-Tax Margin	-715.8%	-114.8%	-56.3%	-64.9%	-36.7%	-55.7%	-62.0%	-55.1%	-43.3%	-49.1%	-30.0%	-7.5%	-29.6%	-18.2%	-16.5%	-18.1%	2.2%	-11.9%
Net Income Margin	-720.7%	-113.8%	-57.1%	-65.2%	-37.7%	-55.8%	-63.3%	-55.9%	-43.4%	-49.2%	-30.1%	-7.5%	-29.7%	-18.2%	-16.6%	-18.1%	2.2%	-11.9%
Tax Rate	0.0%	0.0%	1.3%	0.4%	2.8%	0.2%	2.1%	1.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%

Growth Rate Y/Y																		
Total Revenue	61.3%	91.7%	44.6%	31.7%	29.0%	6.1%	-14.5%	8.0%	21.9%	8.0%	45.8%	40.4%	29.3%	38.4%	46.1%	23.4%	15.9%	28.9%
Total cost of revenues	246.6%	98.5%	99.1%	106.2%	93.4%	100.0%	90.8%	97.3%	110.8%	102.7%	112.5%	118.9%	111.2%	110.2%	115.0%	112.7%	105.6%	110.7%
Operating Income	190.2%	-28.0%	-35.3%	-21.6%	-41.2%	-8.9%	30.5%	-20.9%	-9.6%	-8.5%	-44.2%	-88.3%	-30.5%	-59.3%	-63.2%	-35.1%	-611.1%	-67.6%
Pre-Tax Income	411.3%	-69.2%	-29.1%	-8.5%	-72.6%	-1645.3%	454.3%	5.8%	-18.8%	44.6%	-21.4%	-82.9%	-30.5%	-41.9%	-50.8%	-25.7%	-134.0%	-48.4%
Net Income	1157.5%	-69.7%	-27.5%	-8.7%	-71.9%	-1965.3%	400.1%	5.8%	-19.0%	41.0%	-21.4%	-83.3%	-31.3%	-41.9%	-50.8%	-25.7%	-134.0%	-48.4%

Source: Company Reports, Stonegate Capital Partners estimates

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