

RESEARCH UPDATE
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Market Statistics in USD

| | |
|---------------------------|------------------|
| Price | \$ 16.63 |
| 52 week Range | \$6.15 - \$33.20 |
| Daily Vol (3-mo. average) | 1,968,466 |
| Market Cap (M) | \$ 594.6 |
| Enterprise Value (M) | \$ 670.1 |
| Pro Forma Shares Out (M) | 35.8 |
| Float (M) | 28.1 |
| Public Ownership | 24.1% |
| Institutional Ownership | 60.0% |

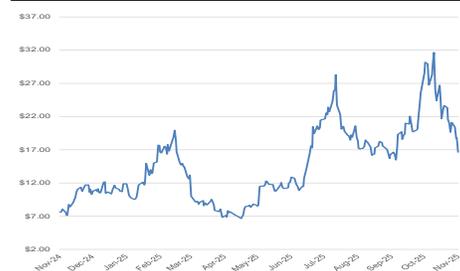
Financial Summary in USD

| | |
|--------------------------|----------|
| Cash and Equivalents (M) | \$ 125.6 |
| Cash/Share | \$ 3.51 |
| Debt (M) | \$ 201.1 |
| Equity (M) | \$ 94.9 |
| Equity/Share | \$ 2.65 |

FYE: Dec 2025 2026E 2027E

(all figures in \$M, expect per share values)

| | | | |
|-------------|-----------|-----------|-----------|
| Rev | \$ 106.6 | \$ 133.4 | \$ 165.5 |
| Chng% | 4% | 25% | 24% |
| Adj. EBITDA | \$ 0.9 | \$ 15.5 | \$ 38.9 |
| Net Income | \$ (70.3) | \$ (56.4) | \$ (44.0) |
| EPS | \$ (3.28) | \$ (1.57) | \$ (1.22) |
| EV/Revenue | 6.8x | 5.0x | 4.1x |
| EV/EBITDA | 806.1x | 43.3x | 17.2x |
| P/E | -5.7x | -10.6x | -13.6x |


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 \$35.2M, \$8.8M, and (\$0.02), respectively. This compares to our/consensus estimates of \$41.1M/\$36.1M, \$11.1M/\$7.2M, and (\$0.18)/(\$0.28). Imagery and Software Analytical Services revenue declined to \$14.5M (-17% y/y), with management remaining cautious amid EOCL-related budget uncertainty. Mission Solutions rose to \$9.5M (vs. \$1.0M last year) on a new international Gen-3 contract and milestone deliveries. Professional and Engineering Services slipped to \$11.2M from \$11.9M y/y due to project timing. Adjusted EBITDA increased to \$8.8M from \$7.4M on higher revenue and cost discipline, while gross margin improved to 72.6% from 65.3% in 3Q25.

Contracts: As of FY25, BKSJ secured over \$240M in new multi-year contracts, growing backlog to \$345M, with international Gen-3 contracts representing over 90% of total backlog. In 4Q25, highlights included a new eight-figure multi-year award for a Gen-3 satellite and advanced imagery services, continued milestone execution on a previously disclosed \$30M+ tactical ISR contract, seven-figure NGA Luno options, and additional orders through the U.S. Space Force's Global Data Marketplace. The Company also continued converting international Gen-3 early access pilots into longer-term subscriptions, while management noted its addressable market is expanding materially, with the number of countries that now have sovereign space capability rising to over 60, versus roughly 12 to 15 countries less than five years ago.

Gen-3 Satellite Launch: BKSJ's third Gen-3 satellite has already entered commercial service, with the next satellite at the launch site and the constellation on track to scale to between 8 or 9 satellites by FY26 year-end. Management also highlighted strengthening Gen-3 demand, with growing customer adoption supporting incremental revenue across space-based intelligence, advanced imagery, and AI-enabled analytics, particularly as international customers expand sovereign, mission-critical use cases.

Balance Sheet and Liquidity: Cash, restricted cash, and short-term investments totaled \$125.6M. Unbilled contract assets declined to approximately \$26.8M as major contract milestones triggered invoicing, while accounts receivable ended at \$37.6M. Capital expenditures were \$12.7M in 4Q25 and \$46.6M for FY25. Including cash, unbilled contract assets, accounts receivable, and available vendor financing, management cited total liquidity of over \$225M.

Guidance: BKSJ announced its FY26 outlook for revenue of \$120M to \$145M, adjusted EBITDA of \$6M to \$18M, and capital expenditures of \$50M to \$60M. Management expects FY26 to be transformative, supported by international demand, Gen 3 availability, and backlog conversion. 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 \$22.77 to \$27.88 with a mid-point of \$25.09. Our EV/EBITDA valuation results in a range of \$25.06 to \$30.49 with a mid-point of \$27.77.

SUMMARY

Exhibit 1: Quarterly Results Overview

| | 4Q25 results | | Notes |
|-------------------------------|------------------|------------------|--|
| | Reported | Model | |
| Total revenues | 35.2 | 41.1 | Revenue below our expectations |
| Cost of sales | 9.6 | 11.2 | |
| Gross (loss) profit | 25.6 | 29.9 | Gross margins were in-line with expectations |
| Gross margin | 72.6% | 72.7% | |
| SG&A | 21.6 | 22.6 | |
| R&D | 0.1 | 0.0 | |
| Depreciation and Amortization | 8.0 | 10.0 | |
| Total opex | 29.7 | 32.6 | |
| Operating Profit | (4.2) | (2.8) | Operating profit below our expectations |
| Operating margin | -11.8% | -6.7% | |
| EBITDA - adjusted | 8.8 | 11.1 | Adj. EBITDA came in below our expectations |
| EBITDA margin | 25.0% | 27.1% | |
| Net income (loss) | (0.9) | (6.3) | |
| EBITDA margin | -2.5% | -15.4% | |
| EPS | \$ (0.02) | \$ (0.18) | |

| | Y/Y Change | | Notes |
|-------------------------------|------------------|------------------|--|
| | 4Q25 | 4Q24 | |
| Total revenues | 35.2 | 30.4 | Revenues significantly increased y/y from mission solutions growth |
| Cost of sales | 9.6 | 6.9 | |
| Gross (loss) profit | 25.6 | 23.5 | |
| Gross margin | 72.6% | 77.4% | |
| SG&A | 21.6 | 19.1 | |
| R&D | 0.1 | 0.6 | |
| Depreciation and Amortization | 8.0 | 10.0 | |
| Total opex | 29.7 | 29.6 | Maintained OpEx y/y from impressive cost management |
| Operating Profit | (4.2) | (6.1) | |
| Operating margin | -11.8% | -20.1% | |
| EBITDA - adjusted | 8.8 | 7.4 | |
| EBITDA margin | 25.0% | 24.3% | |
| Net income (loss) | (0.9) | (19.2) | |
| EBITDA margin | -2.5% | -63.3% | |
| EPS | \$ (0.02) | \$ (1.01) | |

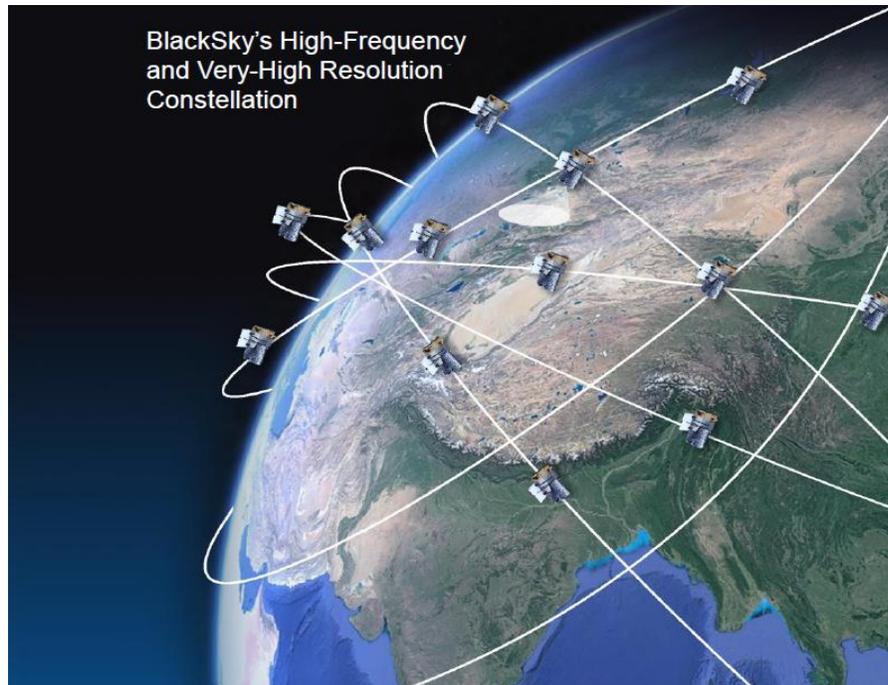
| Guidance (\$M) | | Notes |
|----------------|----------|------------|
| Full Year | Previous | Current |
| Revenue | N/A | 120 to 145 |
| Adj. EBITDA | N/A | 6 to 18 |
| CapEx | N/A | 50 to 60 |

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

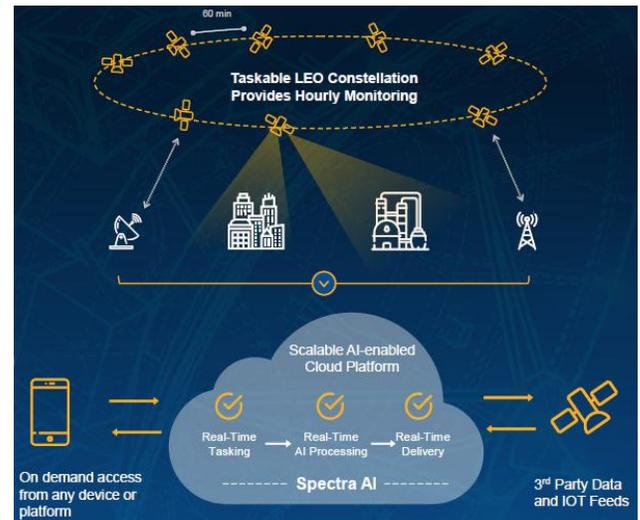


Source: Company Presentation

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.

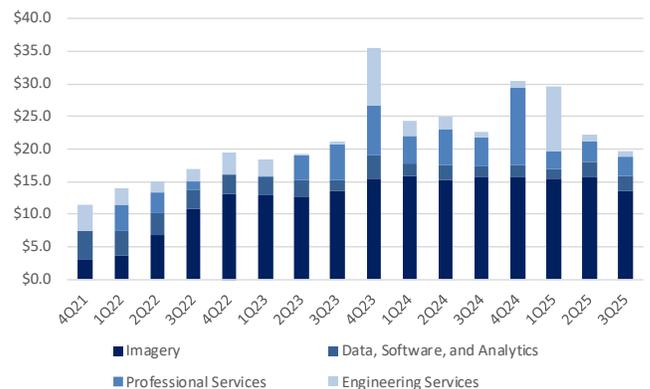
Market Overview

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 \$22.77 to \$27.88 with a mid-point of \$25.09.

Sensitivity Analysis:

| Discount rate | Terminal Growth Rates | | | | |
|---------------|-----------------------|---------|---------|---------|---------|
| | 1.0% | 1.5% | 2.0% | 2.5% | 3.0% |
| 9.50% | \$25.07 | \$26.33 | \$27.76 | \$29.40 | \$31.29 |
| 9.75% | \$23.90 | \$25.07 | \$26.38 | \$27.88 | \$29.59 |
| 10.00% | \$22.81 | \$23.88 | \$25.09 | \$26.46 | \$28.02 |
| 10.25% | \$21.78 | \$22.77 | \$23.88 | \$25.14 | \$26.57 |
| 10.50% | \$20.81 | \$21.72 | \$22.75 | \$23.91 | \$25.21 |

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) | | |
|--------------------------|-------------|----------------------|-------------|-------------|-----------------------------|-------------|-------------|----------------------------|--------------|--------------|----------------------|---------------|----------------|
| | | | | | 2025 | 2026E | 2027E | 2025 | 2026E | 2027E | 2025 | 2026E | 2027E |
| Airbus SE | ENXTPA: AIR | \$240.71 | \$190,013.9 | \$191,849.4 | 2.15x | 2.05x | 1.82x | 19.9x | 15.3x | 13.1x | 30.0x | 28.3x | 23.1x |
| Planet Labs PBC | PL | \$12.46 | \$3,836.7 | \$3,582.7 | 20.09x | 9.49x | 7.51x | 980.6x | 172.6x | 69.1x | N/A | -187.1x | -1208.5x |
| Parsons Corporation | PSN | \$82.08 | \$8,740.6 | \$9,818.6 | 1.20x | 1.47x | 1.36x | 14.4x | 15.1x | 13.8x | 27.4x | 25.3x | 22.1x |
| Spire Global, Inc. | SPIR | \$8.75 | \$286.3 | \$182.2 | 2.30x | 2.39x | 1.98x | -3.9x | -8.0x | N/A | N/A | -5.9x | -8.3x |
| Average | | | | | 6.4x | 3.8x | 3.2x | 252.8x | 48.8x | 32.0x | 28.7x | -34.9x | -292.9x |
| Median | | | | | 2.2x | 2.2x | 1.9x | 17.2x | 15.2x | 13.8x | 28.7x | 9.7x | 6.9x |
| BlackSky Technology Inc. | BKSY | \$16.63 | \$594.6 | \$670.1 | 6.8x | 5.0x | 4.1x | 806.1x | 43.3x | 17.2x | -5.7x | -10.6x | -13.6x |

(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 17.2x compared to comps at an average of 32.0x, 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 32.0x. We are using our FY27 expected EBITDA, and an EV/EBITDA range of 25.0x to 30.0x with a midpoint of 27.5x 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 \$25.06 to \$30.49 with a mid-point of \$27.77.

| | EV/EBITDA | | |
|--------------|-----------------|-----------------|-----------------|
| 2027E | 25.00x | 27.50x | 30.00x |
| Adj EBITDA | 38.9 | 38.9 | 38.9 |
| TEV | 971.4 | 1,068.5 | 1,165.6 |
| Cash | 125.6 | 125.6 | 125.6 |
| Debt | 201.1 | 201.1 | 201.1 |
| Mrkt Cap | 895.8 | 992.9 | 1,090.1 |
| S/O | 35.8 | 35.8 | 35.8 |
| Price | \$ 25.06 | \$ 27.77 | \$ 30.49 |

Discounted Cash Flow

| BlackSky Technology Inc. | | | | | | | | | | | | | | |
|-----------------------------------|----------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------|
| Discounted Cash Flow Model | | | | | | | | | | | | | | |
| <i>(in \$M, except per share)</i> | | | | | | | | | | | | | | |
| Estimates: | 2024 | 2025 | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | 2032E | 2033E | 2034E | 2035E | 2036E | Terminal Value |
| Revenue | 102.1 | 106.6 | 133.4 | 165.5 | 204.3 | 250.3 | 304.1 | 364.9 | 428.8 | 488.8 | 547.5 | 602.3 | 662.5 | |
| Operating Income | (44.3) | (46.9) | (44.0) | (32.9) | 5.1 | 12.5 | 30.4 | 54.7 | 85.8 | 122.2 | 164.3 | 180.7 | 198.7 | |
| Less: Taxes (benefit) | (0.7) | (0.1) | (1.4) | (1.1) | 0.8 | 2.5 | 7.6 | 13.7 | 21.4 | 30.6 | 41.1 | 45.2 | 49.7 | |
| NOPAT | (43.6) | (46.8) | (42.6) | (31.8) | 4.3 | 10.0 | 22.8 | 41.1 | 64.3 | 91.7 | 123.2 | 135.5 | 149.1 | |
| Plus: Depreciation & Amortization | 43.5 | 30.3 | 43.5 | 55.8 | 62.7 | 40.0 | 41.1 | 36.4 | 29.3 | 11.0 | 12.0 | 13.2 | | |
| Plus: Changes in WC | (15.2) | 3.7 | (6.7) | (8.3) | (2.0) | (1.9) | (1.8) | (2.1) | (2.4) | (2.7) | (3.0) | (3.3) | | |
| Less: Capex | (50.2) | (46.6) | (55.0) | (41.4) | (35.8) | (25.0) | (15.2) | (9.1) | (4.3) | (4.9) | (5.5) | (6.0) | (6.6) | |
| Free Cash Flow | (65.4) | (59.3) | (60.8) | (25.7) | 29.3 | 23.2 | 46.8 | 70.3 | 94.3 | 113.7 | 125.9 | 138.5 | 152.4 | 1,942.7 |
| Discount period - months | | | 12 | 24 | 36 | 48 | 60 | 72 | 84 | 96 | 108 | 120 | 132 | |
| Discount period - years | | | 1.0 | 2.0 | 3.0 | 4.0 | 5.0 | 6.0 | 7.0 | 8.0 | 9.0 | 10.0 | 11.0 | |
| Discount factor | | | 0.91 | 0.83 | 0.75 | 0.68 | 0.62 | 0.56 | 0.51 | 0.47 | 0.42 | 0.39 | 0.35 | |
| PV of FCF | | | (55.3) | (21.3) | 22.0 | 15.8 | 29.1 | 39.7 | 48.4 | 53.0 | 53.4 | 53.4 | 53.4 | 680.9 |
| Growth rate assumptions: | | | | | | | | | | | | | | |
| Revenue | | 4.4% | 25.2% | 24.0% | 23.5% | 22.5% | 21.5% | 20.0% | 17.5% | 14.0% | 12.0% | 10.0% | 10.0% | |
| Operating Income | | 5.9% | -6.2% | -25.3% | -116% | 145.0% | 143.0% | 80.0% | 56.7% | 42.5% | 34.4% | 10.0% | 10.0% | |
| EBITDA | | 2101.9% | -96.9% | ##### | 196.8% | -22.5% | 36.0% | 32.8% | 28.8% | 24.0% | 15.6% | 10.0% | 10.0% | |
| Free Cash Flow | | -9.3% | 2.5% | -57.7% | nm | -20.9% | 102.3% | 50.0% | 34.3% | 20.5% | 10.8% | 10.0% | 10.0% | |
| Margin assumptions: | | | | | | | | | | | | | | |
| Operating Income | -43.4% | -44.0% | -33.0% | -19.9% | 2.5% | 5.0% | 10.0% | 15.0% | 20.0% | 25.0% | 30.0% | 30.0% | 30.0% | |
| D&A as a % of sales | 42.6% | 28.5% | 32.6% | 33.7% | 30.7% | 16.0% | 13.5% | 11.0% | 8.5% | 6.0% | 2.0% | 2.0% | 2.0% | |
| EBITDA | -0.7% | -15.5% | -0.4% | 13.8% | 33.2% | 21.0% | 23.5% | 26.0% | 28.5% | 31.0% | 32.0% | 32.0% | 32.0% | |
| Taxes | 1.7% | 0.3% | 3.1% | 3.2% | 15.0% | 20.0% | 25.0% | 25.0% | 25.0% | 25.0% | 25.0% | 25.0% | 25.0% | |
| Changes in WC | -14.9% | 3.4% | -5.0% | -5.0% | -1.0% | -0.8% | -0.6% | -0.5% | -0.5% | -0.5% | -0.5% | -0.5% | -0.5% | |
| Capex as a % of sales | -49.2% | -43.7% | -41.2% | -25.0% | -17.5% | -10.0% | -5.0% | -2.5% | -1.0% | -1.0% | -1.0% | -1.0% | -1.0% | |
| Valuation: | | | | | | | | | | | | | | |
| Shares outstanding | 35.8 | | | | | | | | | | | | | |
| PV of FCF | 291.6 | | | | | | | | | | | | | |
| PV of Terminal Value | 680.9 | | | | | | | | | | | | | |
| Enterprise Value | 972.6 | | | | | | | | | | | | | |
| less: Net Debt | 75.6 | | | | | | | | | | | | | |
| Estimated Total Value: | 897.0 | | | | | | | | | | | | | |
| Est Equity Value/share: | \$25.09 | | | | | | | | | | | | | |
| Price | \$16.63 | | | | | | | | | | | | | |

| Sensitivity Analysis: | | | | | | |
|------------------------------|---------------|------------------------------|-------------|-------------|-------------|-------------|
| | | Terminal Growth Rates | | | | |
| | | 1.0% | 1.5% | 2.0% | 2.5% | 3.0% |
| Discount rate | 9.50% | \$25.07 | \$26.33 | \$27.76 | \$29.40 | \$31.29 |
| | 9.75% | \$23.90 | \$25.07 | \$26.38 | \$27.88 | \$29.59 |
| | 10.00% | \$22.81 | \$23.88 | \$25.09 | \$26.46 | \$28.02 |
| | 10.25% | \$21.78 | \$22.77 | \$23.88 | \$25.14 | \$26.57 |
| | 10.50% | \$20.81 | \$21.72 | \$22.75 | \$23.91 | \$25.21 |

Source: Company Reports; Stonegate Capital Markets

Balance Sheet

| BlackSky Technology Inc. Consolidated Balance Sheets (\$M) Fiscal Year End: December | | | | | | | | | | | | | | | | | | |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| ASSETS | FY 2020 | FY 2021 | 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 | Q2 Jun-25 | Q3 Sep-25 | Q4 Dec-25 | FY 2025 |
| Cash and Cash Equivalents | 5.1 | 165.6 | 34.2 | 57.0 | 41.1 | 32.1 | 32.8 | 32.8 | 15.0 | 25.6 | 56.2 | 13.1 | 13.1 | 20.7 | 22.6 | 28.8 | 42.4 | 42.4 |
| Restricted Cash | 5.5 | 2.5 | 2.8 | 2.8 | 1.8 | 1.8 | 0.6 | 0.6 | 0.4 | 1.1 | 1.1 | 1.3 | 1.3 | 1.2 | 1.2 | 1.1 | 1.1 | 1.1 |
| Short-Term Investments | - | - | 38.0 | 11.8 | 16.6 | 17.5 | 19.7 | 19.7 | 20.4 | 15.7 | 7.1 | 39.4 | 39.4 | 55.1 | 71.2 | 117.7 | 82.0 | 82.0 |
| Accounts Receivable, Net | 2.9 | 2.6 | 3.1 | 9.1 | 7.4 | 2.7 | 7.1 | 7.1 | 5.6 | 8.2 | 10.3 | 14.7 | 14.7 | 7.9 | 6.9 | 4.0 | 37.6 | 37.6 |
| Accounts Receivable from Equity Method Investees | - | - | - | - | - | 1.1 | - | - | - | - | - | - | - | - | - | - | - | - |
| Prepaid Expenses | 1.0 | 6.3 | 4.7 | 4.3 | 3.6 | 5.4 | 4.2 | 4.2 | 3.8 | 3.7 | 5.1 | 4.4 | 4.4 | 4.0 | 3.8 | 13.4 | 12.3 | 12.3 |
| Inventories | - | - | - | - | - | - | - | - | - | - | - | 6.0 | 6.0 | - | - | - | 6.2 | 6.2 |
| Contract Assets | 3.8 | 1.7 | 5.7 | 6.4 | 8.6 | 9.9 | 15.2 | 15.2 | 24.1 | 28.2 | 26.7 | 27.9 | 27.9 | 32.4 | 33.2 | 36.0 | 26.1 | 26.1 |
| Total Current Assets | 18.2 | 178.7 | 88.5 | 91.4 | 79.1 | 70.7 | 79.6 | 79.6 | 69.4 | 82.4 | 106.5 | 106.7 | 106.7 | 121.3 | 138.8 | 201.0 | 207.8 | 207.8 |
| PP&E | 20.9 | 70.6 | 71.6 | 87.4 | 81.6 | 74.6 | 67.1 | 67.1 | 59.9 | 52.5 | 46.9 | 45.6 | 45.6 | 60.6 | 76.8 | 72.9 | 79.0 | 79.0 |
| Operating Lease ROU Assets | - | - | 3.6 | 3.3 | 2.6 | 1.8 | 1.6 | 1.6 | 4.5 | 4.2 | 2.6 | 4.0 | 4.0 | 3.9 | 3.7 | 3.6 | 3.4 | 3.4 |
| 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 | 10.3 | 10.3 | 10.3 | 10.3 | 10.3 |
| Investment in Equity Method Investees | 3.3 | 4.0 | 5.3 | 5.8 | 5.9 | 6.2 | - | - | - | - | - | - | - | - | - | - | - | - |
| Intangible Assets | 3.8 | 2.5 | 1.9 | 1.8 | 1.6 | 1.5 | 1.4 | 1.4 | 1.2 | 1.1 | 0.9 | 6.5 | 6.5 | 5.2 | 5.1 | 4.9 | 4.4 | 4.4 |
| Satellite Procurement WIP | 62.7 | 40.1 | 51.0 | 39.6 | 44.6 | 45.4 | 56.0 | 56.0 | 62.1 | 71.7 | 76.5 | 80.6 | 80.6 | 75.6 | 65.6 | 79.6 | 80.7 | 80.7 |
| Other Assets | 1.7 | 0.6 | 2.8 | 2.6 | 3.3 | 3.3 | 9.3 | 9.3 | 3.6 | 3.0 | 2.6 | 1.5 | 1.5 | 7.9 | 10.6 | 8.7 | 1.6 | 1.6 |
| Total Assets | 119.9 | 305.8 | 234.1 | 241.2 | 228.1 | 212.8 | 224.3 | 224.3 | 210.1 | 224.3 | 245.5 | 254.3 | 254.3 | 284.9 | 310.8 | 380.9 | 387.3 | 387.3 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | | | | | | | | | | | | | | |
| Accounts Payable and Accrued Liabilities | 8.0 | 10.8 | 14.4 | 10.6 | 10.8 | 10.5 | 11.6 | 11.6 | 13.1 | 11.5 | 12.7 | 20.4 | 20.4 | 13.0 | 12.3 | 11.9 | 14.9 | 14.9 |
| Amounts Payable to Equity Method Investees | 8.8 | 5.6 | 3.7 | 2.4 | 2.2 | - | 10.8 | 10.8 | 0.2 | 2.4 | - | - | - | - | - | - | - | - |
| Contract Liabilities | 14.5 | 11.3 | 6.8 | 3.9 | 3.2 | 6.6 | 3.7 | 3.7 | 2.2 | 4.6 | 4.2 | 2.2 | 2.2 | 12.6 | 16.6 | 21.7 | 21.6 | 21.6 |
| Current Portion of Longterm Debt | 16.7 | - | - | - | - | - | - | - | 0.3 | 0.3 | 0.3 | 1.9 | 1.9 | 3.8 | 5.2 | 5.8 | 7.9 | 7.9 |
| Other Current Liabilities | 7.4 | 2.8 | 2.0 | 4.0 | 1.2 | 1.5 | 1.7 | 1.7 | 1.6 | 0.9 | 1.5 | 1.5 | 1.5 | 2.6 | 3.3 | 12.3 | 16.1 | 16.1 |
| Total Current Liabilities | 55.4 | 30.5 | 26.9 | 20.9 | 17.4 | 18.7 | 27.8 | 27.8 | 17.3 | 19.7 | 18.8 | 26.0 | 26.0 | 32.0 | 37.4 | 51.7 | 60.5 | 60.5 |
| Liability for Estimated Contract Losses | 6.3 | 6.1 | 0.7 | 0.6 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Long-Term Contract Liabilities | 2.6 | 0.6 | 0.1 | 0.1 | 0.2 | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - |
| Operating Lease Liabilities | - | - | 3.1 | 3.1 | 3.1 | 3.3 | 3.0 | 3.0 | 7.0 | 6.9 | 7.0 | 8.0 | 8.0 | 7.9 | 7.8 | 7.6 | 7.6 | 7.6 |
| Derivative Liabilities | - | 16.9 | 5.1 | 21.3 | 32.4 | 15.4 | 15.1 | 15.1 | 15.4 | 10.1 | 6.6 | 18.0 | 18.0 | 16.1 | 40.5 | 26.8 | 20.6 | 20.6 |
| Long-Term Debt | 84.9 | 71.4 | 76.2 | 76.3 | 79.4 | 79.5 | 83.5 | 83.5 | 84.7 | 108.3 | 98.4 | 105.7 | 105.7 | 111.6 | 117.3 | 189.3 | 193.2 | 193.2 |
| Deferred revenue - long-term | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 9.9 | 9.9 |
| Other Liabilities | 3.6 | 0.7 | 0.0 | 0.1 | 7.0 | 3.7 | 1.7 | 1.7 | 4.0 | 2.8 | 4.4 | 2.4 | 2.4 | 28.5 | 21.3 | 14.4 | 0.6 | 0.6 |
| Total Liabilities | 152.7 | 126.1 | 112.2 | 122.3 | 139.5 | 120.7 | 131.2 | 131.2 | 128.4 | 147.8 | 135.2 | 160.2 | 160.2 | 196.0 | 224.2 | 289.8 | 292.4 | 292.4 |
| 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 | 667.0 | 681.3 | 684.4 | 687.3 | 692.1 | 692.1 | 696.5 | 700.7 | 747.0 | 750.2 | 750.2 | 757.8 | 796.8 | 816.6 | 821.3 | 821.3 |
| Accumulated Deficit | (224.0) | (470.9) | (545.1) | (562.4) | (595.9) | (595.2) | (599.0) | (599.0) | (614.8) | (624.2) | (636.8) | (656.0) | (656.0) | (669.0) | (710.2) | (725.6) | (726.4) | (726.4) |
| Total Consolidated Equity | (32.8) | 179.6 | 121.9 | 118.9 | 88.5 | 92.1 | 93.1 | 93.1 | 81.7 | 76.5 | 110.3 | 94.2 | 94.2 | 88.8 | 86.6 | 91.1 | 94.9 | 94.9 |
| Total Liabilities and Shareholders' Equity | 119.9 | 305.8 | 234.1 | 241.2 | 228.1 | 212.8 | 224.3 | 224.3 | 210.1 | 224.3 | 245.5 | 254.3 | 254.3 | 284.9 | 310.8 | 380.9 | 387.3 | 387.3 |
| Liquidity | | | | | | | | | | | | | | | | | | |
| Current Ratio | 0.3x | 5.9x | 3.3x | 4.4x | 4.6x | 3.8x | 2.9x | 2.9x | 4.0x | 4.2x | 5.7x | 4.1x | 4.1x | 3.8x | 3.7x | 3.9x | 3.4x | 3.4x |
| Working Capital | (37.2) | 148.1 | 61.6 | 70.5 | 61.8 | 52.0 | 51.8 | 51.8 | 52.1 | 62.8 | 87.7 | 80.7 | 80.7 | 89.3 | 101.4 | 149.4 | 147.3 | 147.3 |
| Leverage | | | | | | | | | | | | | | | | | | |
| Net Debt to Equity | -294.1% | -52.4% | 34.5% | 16.3% | 43.3% | 51.4% | 54.4% | 54.4% | 85.7% | 108.5% | 38.6% | 100.4% | 100.4% | 106.5% | 187.7% | 182.6% | 167.2% | 167.2% |
| Net Debt to Capital | 80.5% | -30.8% | 18.0% | 8.0% | 16.8% | 22.2% | 22.6% | 22.6% | 33.3% | 37.0% | 17.4% | 37.2% | 37.2% | 33.2% | 52.3% | 43.7% | 41.0% | 41.0% |

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 | FY 2024 | Q1 Mar-25 | Q2 Jun-25 | Q3 Sep-25 | Q4 Dec-25 | FY 2025 | Q1 E Mar-26 | Q2 E Jun-26 | Q3 E Sep-26 | Q4 E Dec-26 | FY 2026E | Q1 E Mar-27 | Q2 E Jun-27 | Q3 E Sep-27 | Q4 E Dec-27 | FY 2027E |
| Space-based Intelligence & AI Services | \$ 23.1 | \$ 48.7 | \$ 65.4 | \$ 70.1 | \$ 16.8 | \$ 18.0 | \$ 15.8 | \$ 14.5 | \$ 65.1 | \$ 18.9 | \$ 20.7 | \$ 23.7 | \$ 21.1 | \$ 84.3 | \$ 23.7 | \$ 26.9 | \$ 28.4 | \$ 27.4 | \$ 106.3 |
| Mission Solutions | \$ - | \$ - | \$ - | \$ 1.0 | \$ - | \$ - | \$ - | \$ 9.5 | \$ 9.5 | \$ 5.5 | \$ 6.1 | \$ 6.5 | \$ 9.0 | \$ 27.1 | \$ 6.1 | \$ 6.7 | \$ 7.5 | \$ 8.6 | \$ 28.8 |
| Advanced Technology Program | 11.0 | 16.7 | 29.1 | 31.1 | 12.7 | 4.2 | 3.8 | 11.2 | 32.0 | 4.5 | 4.6 | 5.6 | 7.3 | 22.0 | 5.6 | 6.0 | 6.7 | 12.0 | 30.3 |
| Total Revenues | 34.1 | 65.4 | 94.5 | 102.1 | 29.5 | 22.2 | 19.6 | 35.2 | 106.6 | 28.9 | 31.4 | 35.7 | 37.4 | 133.4 | 35.3 | 39.6 | 42.6 | 48.0 | 165.5 |
| Operating Expenses: | | | | | | | | | | | | | | | | | | | |
| Space-based Intelligence & AI Services Costs | 19.6 | 14.5 | 13.8 | 13.9 | 3.8 | 3.5 | 4.3 | 4.1 | 15.8 | 4.4 | 4.8 | 5.4 | 4.8 | 19.4 | 5.2 | 5.9 | 6.2 | 6.0 | 23.4 |
| Mission Solutions Costs | - | - | - | 0.8 | - | - | - | 3.5 | 3.5 | 1.9 | 2.1 | 2.3 | 3.2 | 9.5 | 2.1 | 2.4 | 2.6 | 3.0 | 10.1 |
| Advanced Technology Program Costs | 15.1 | 21.8 | 20.0 | 12.7 | 8.8 | 2.8 | 2.5 | 2.0 | 16.1 | 2.7 | 2.6 | 3.2 | 1.8 | 10.3 | 3.2 | 3.6 | 3.8 | 3.0 | 13.7 |
| Gross Profit | (0.7) | 29.1 | 60.7 | 74.7 | 16.9 | 16.0 | 12.8 | 25.6 | 71.3 | 19.9 | 22.0 | 24.8 | 27.5 | 94.3 | 24.7 | 27.8 | 29.9 | 35.9 | 118.3 |
| SG&A | 86.7 | 79.3 | 72.6 | 74.1 | 21.4 | 22.7 | 21.7 | 21.6 | 87.4 | 21.7 | 23.6 | 24.3 | 24.3 | 93.8 | 23.3 | 23.6 | 25.3 | 22.1 | 94.3 |
| R&D | 0.1 | 0.7 | 0.6 | 1.3 | 0.2 | 0.0 | 0.0 | 0.1 | 0.4 | 0.3 | 0.2 | 0.3 | 0.2 | 0.9 | 0.3 | 0.3 | 0.3 | 0.3 | 1.2 |
| Depreciation and Amortization | 14.3 | 35.7 | 43.4 | 43.5 | 7.2 | 7.2 | 7.9 | 8.0 | 30.3 | 9.0 | 10.0 | 11.5 | 13.0 | 43.5 | 13.5 | 13.8 | 14.0 | 14.5 | 55.8 |
| Satellite Impairment Loss | 18.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Operating Expenses | 119.5 | 115.7 | 116.7 | 119.0 | 28.9 | 29.9 | 29.6 | 29.7 | 118.2 | 30.9 | 33.8 | 36.1 | 37.4 | 138.3 | 37.1 | 37.6 | 39.6 | 36.9 | 151.2 |
| Operating Income | (120.1) | (86.5) | (56.0) | (44.3) | (12.0) | (13.9) | (16.8) | (4.2) | (46.9) | (11.0) | (11.8) | (11.3) | (9.9) | (44.0) | (12.4) | (9.9) | (9.7) | (0.9) | (32.9) |
| Gain on Debt Extinguishment | 4.1 | - | - | - | - | - | (4.1) | - | (4.1) | - | - | - | - | - | - | - | - | - | - |
| Gain on Derivates | 23.9 | 11.8 | 7.7 | (2.8) | 1.9 | (24.4) | 8.4 | 6.1 | (8.0) | - | - | - | - | - | - | - | - | - | - |
| Income on Equity Method Investments | 1.0 | 1.9 | 4.2 | 1.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Income | - | 1.1 | 2.1 | 1.6 | 0.6 | 0.7 | 1.3 | 1.2 | 3.8 | 1.3 | 1.3 | 1.3 | 1.3 | 5.0 | 1.5 | 1.5 | 1.5 | 1.5 | 6.0 |
| Interest Expense | (5.2) | (5.4) | (9.3) | (12.2) | (3.3) | (3.5) | (4.0) | (4.1) | (14.9) | (4.0) | (4.0) | (4.0) | (4.0) | (16.0) | (4.0) | (4.0) | (4.0) | (4.0) | (16.0) |
| Other (expense) income, net | (147.7) | 2.1 | (1.8) | 0.1 | 0.1 | 0.0 | (0.0) | 0.1 | 0.1 | - | - | - | - | - | - | - | - | - | - |
| Profit Before Taxes | (244.0) | (75.0) | (53.2) | (56.3) | (12.8) | (41.2) | (15.3) | (0.8) | (70.1) | (13.7) | (14.6) | (14.1) | (12.7) | (55.0) | (14.9) | (12.4) | (12.2) | (3.4) | (42.9) |
| Provision for Income Tax | - | - | (0.7) | (0.7) | (0.0) | (0.0) | (0.0) | (0.0) | (0.1) | (0.3) | (0.4) | (0.3) | (0.3) | (1.4) | (0.4) | (0.3) | (0.3) | (0.1) | (1.1) |
| Gain from Discontinued Operations | (1.7) | 0.7 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Income | (245.6) | (74.3) | (53.9) | (57.0) | (12.8) | (41.2) | (15.3) | (0.9) | (70.3) | (14.1) | (14.9) | (14.4) | (13.0) | (56.4) | (15.2) | (12.7) | (12.5) | (3.5) | (44.0) |
| Basic EPS | \$ (3.39) | \$ (0.63) | \$ (3.18) | \$ (2.66) | \$ (0.42) | \$ (1.27) | \$ (0.44) | \$ (0.02) | \$ (3.28) | \$ (0.39) | \$ (0.42) | \$ (0.40) | \$ (0.36) | \$ (1.57) | \$ (0.42) | \$ (0.35) | \$ (0.35) | \$ (0.10) | \$ (1.22) |
| Diluted EPS | \$ (3.39) | \$ (0.63) | \$ (3.18) | \$ (2.66) | \$ (0.42) | \$ (1.27) | \$ (0.44) | \$ (0.02) | \$ (3.28) | \$ (0.39) | \$ (0.42) | \$ (0.40) | \$ (0.36) | \$ (1.57) | \$ (0.42) | \$ (0.35) | \$ (0.35) | \$ (0.10) | \$ (1.22) |
| WTD Shares Out - Basic | 72.5 | 117.8 | 16.9 | 21.4 | 30.8 | 32.5 | 35.2 | 35.8 | 21.4 | 35.8 | 35.8 | 35.9 | 35.9 | 35.8 | 35.9 | 36.0 | 36.0 | 36.0 | 36.0 |
| WTD Shares Out - Diluted | 72.5 | 117.8 | 16.9 | 21.4 | 30.8 | 32.5 | 35.2 | 35.8 | 21.4 | 35.8 | 35.8 | 35.9 | 35.9 | 35.8 | 35.9 | 36.0 | 36.0 | 36.0 | 36.0 |
| EBITDA | (107.8) | (48.1) | (14.4) | (0.7) | (4.7) | (6.7) | (9.0) | 3.9 | (16.5) | (2.0) | (1.8) | 0.2 | 3.1 | (0.5) | 1.1 | 3.9 | 4.3 | 13.6 | 22.9 |
| Adjusted EBITDA | \$ (44.4) | \$ (29.5) | \$ (1.1) | \$ 11.6 | \$ (0.6) | \$ (2.8) | \$ (4.5) | \$ 8.8 | \$ 0.9 | \$ 2.0 | \$ 2.2 | \$ 4.2 | \$ 7.1 | \$ 15.5 | \$ 5.1 | \$ 7.9 | \$ 8.3 | \$ 17.6 | \$ 38.9 |

| Margin Analysis | | | | | | | | | | | | | | | | | | | |
|-------------------|---------|---------|--------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|--------|
| Gross Margin | -1.9% | 44.6% | 64.2% | 73.1% | 57.4% | 71.9% | 65.3% | 72.6% | 66.9% | 69.0% | 69.9% | 69.4% | 73.7% | 70.6% | 70.1% | 70.0% | 70.2% | 74.9% | 71.5% |
| Operating Margin | -352.5% | -132.4% | -59.3% | -43.4% | -40.5% | -62.8% | -85.8% | -11.8% | -44.0% | -38.0% | -37.6% | -31.7% | -26.5% | -33.0% | -35.0% | -24.9% | -22.9% | -1.9% | -19.9% |
| EBITDA Margin | -130.4% | -45.1% | -1.1% | 11.4% | -2.1% | -12.7% | -22.9% | 25.0% | 0.8% | 7.0% | 7.0% | 11.7% | 19.0% | 11.6% | 14.6% | 19.8% | 19.4% | 36.6% | 23.5% |
| Pre-Tax Margin | -715.8% | -114.8% | -56.3% | -55.1% | -43.3% | -185.6% | -78.0% | -2.4% | -65.8% | -47.5% | -46.3% | -39.3% | -33.9% | -41.2% | -42.1% | -31.2% | -28.7% | -7.1% | -25.9% |
| Net Income Margin | -720.7% | -113.8% | -57.1% | -55.9% | -43.4% | -185.8% | -78.2% | -2.5% | -65.9% | -48.7% | -47.5% | -40.3% | -34.7% | -42.3% | -43.2% | -32.0% | -29.5% | -7.3% | -26.6% |
| Tax Rate | 0.0% | 0.0% | 1.3% | 1.3% | 0.2% | 0.1% | 0.3% | 2.5% | 0.2% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |

| Growth Rate Y/Y | | | | | | | | | | | | | | | | | | | |
|------------------------|---------|--------|--------|--------|--------|--------|--------|--------|--------|-------|--------|--------|---------|--------|--------|--------|--------|--------|--------|
| Total Revenue | 61.3% | 91.7% | 44.6% | 8.0% | 21.9% | -11.0% | -13.0% | 15.9% | 4.4% | -2.2% | 41.6% | 82.2% | 6.1% | 25.2% | 22.1% | 26.1% | 19.1% | 28.4% | 24.0% |
| Total cost of revenues | 246.6% | 98.5% | 99.1% | 97.3% | 110.8% | 98.6% | 101.9% | 108.0% | 104.8% | 96.0% | 119.7% | 129.1% | 120.1% | 115.6% | 119.5% | 114.5% | 111.2% | 103.4% | 111.8% |
| Operating Income | 190.2% | -28.0% | -35.3% | -20.9% | -9.6% | 18.9% | 27.2% | -31.8% | 5.9% | -8.3% | -15.2% | -32.8% | 138.4% | -6.2% | 12.5% | -16.4% | -13.9% | -90.7% | -25.3% |
| Pre-Tax Income | 411.3% | -69.2% | -29.1% | 5.8% | -18.8% | 350.6% | 21.8% | -95.5% | 24.6% | 7.4% | -64.7% | -8.1% | 1394.5% | -21.6% | 8.2% | -15.0% | -13.0% | -73.0% | -22.0% |
| Net Income | 1157.5% | -69.7% | -27.5% | 5.8% | -19.0% | 338.9% | 21.8% | -95.5% | 23.2% | 9.8% | -63.8% | -6.1% | 1394.5% | -19.8% | 8.2% | -15.0% | -13.0% | -73.0% | -22.0% |

Source: Company Reports, Stonegate Capital Partners estimates

Cash Flow Statement

BlackSky Technology Inc.
Consolidated Cash Flow Statements (\$M)
Fiscal Year End: December

| CASH FLOW | FY 2020 | FY 2021 | 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 | Q2 Jun-25 | Q3 Sep-25 | Q4 Dec-25 | FY 2025 |
|---|---------------|---------------|----------------|---------------|---------------|--------------|--------------|---------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|
| Operating Activities | | | | | | | | | | | | | | | | | | |
| Net Income | (19.5) | (245.6) | (74.2) | (17.3) | (33.4) | 0.7 | (3.8) | (53.9) | (15.8) | (9.4) | (12.6) | (19.2) | (57.0) | (12.8) | (41.2) | (15.3) | (0.9) | (70.3) |
| Gain/loss from Discontinued Operations, Net of Income Taxes | 28.2 | (1.7) | 0.7 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gain/(Loss) From Continuing Operations | (47.7) | (244.0) | (74.9) | (17.3) | (33.4) | 0.7 | (3.8) | (53.9) | (15.8) | (9.4) | (12.6) | (19.2) | (57.0) | (12.8) | (41.2) | (15.3) | (0.9) | (70.3) |
| Depreciation and Amortization Expenses | 9.8 | 14.3 | 35.7 | 9.7 | 11.8 | 11.3 | 10.7 | 43.4 | 11.2 | 11.3 | 11.1 | 10.0 | 43.5 | 7.2 | 7.2 | 7.9 | 8.0 | 30.3 |
| Transfer of satellite procurement work in process to engineering service Costs | - | - | - | - | - | - | 4.9 | 4.9 | - | - | - | 0.3 | 0.3 | - | - | - | 8.5 | 8.5 |
| Operating Lease Right of Use Asset Amortization | - | - | 1.6 | 0.4 | 0.2 | 0.1 | 0.1 | 0.9 | 0.2 | 0.2 | 0.2 | 0.1 | 0.6 | 0.2 | 0.2 | 0.2 | 0.2 | 0.6 |
| Gain/loss on Debt Extinguishments | (0.3) | (4.1) | - | - | - | - | - | - | - | - | - | - | 0.1 | - | - | 4.1 | - | 4.1 |
| Bad Debt Expense/recovery | - | 0.1 | (0.0) | - | 0.0 | 0.0 | 0.1 | 0.2 | 0.1 | 0.0 | (0.0) | 11.1 | 11.2 | 0.0 | 0.1 | (0.0) | (0.1) | - |
| Stock Based Compensation Expense | 2.0 | 42.6 | 20.0 | 3.0 | 2.3 | 2.4 | 3.1 | 10.9 | 3.4 | 2.4 | 2.5 | 1.0 | 9.2 | 2.9 | 3.5 | 3.7 | 4.2 | 14.2 |
| Loss on Issuance of 2021 Convertible Bridge Notes | - | 99.7 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Loss on Issuance of 2021 Convertible Bridge Notes Rights Offering | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Issuance Costs for Derivative Liabilities and Debt Carried At Fair Value | - | 48.0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gain/loss on Equity Method Investments | 1.0 | (1.0) | (2.1) | (0.5) | (0.1) | (0.3) | (3.3) | (4.2) | - | - | - | (1.4) | (1.4) | - | - | - | - | - |
| Loss on Disposal of Property and Equipment | - | 0.0 | - | (0.0) | - | 0.1 | - | 0.1 | - | 0.0 | (0.0) | - | 0.0 | - | 0.1 | 0.1 | (0.2) | - |
| Gain/loss on Derivatives | 0.6 | (23.9) | (11.8) | (1.5) | 11.1 | (17.0) | (0.2) | (7.7) | 0.3 | (5.3) | (3.6) | 11.4 | 2.8 | (1.9) | 24.4 | (8.4) | (6.1) | 8.0 |
| Satellite Impairment Loss | - | 18.4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Loss on Impairments of Assets | - | - | - | - | - | - | 0.1 | 0.1 | - | - | - | 0.1 | 0.1 | - | - | - | - | - |
| Interest Incomes | - | - | - | (0.2) | (0.2) | (0.2) | 0.6 | - | (0.3) | (0.2) | (0.1) | 0.6 | - | (0.4) | (0.5) | (0.9) | 1.8 | - |
| Amortization of Debt Discount and Issuance Costs | 1.1 | 1.8 | 1.8 | 0.1 | 0.1 | 0.1 | 7.7 | 8.0 | 2.1 | 2.3 | 2.3 | (6.7) | - | 2.4 | 1.6 | (0.4) | 0.2 | 3.8 |
| Noncash Interest Income | - | - | (0.7) | - | - | - | (0.8) | (0.8) | - | - | - | (1.1) | (1.1) | - | - | - | (2.6) | (2.6) |
| Other Net | - | - | 0.1 | - | - | - | - | - | - | - | - | 0.3 | 0.3 | 0.0 | (0.2) | (29.4) | 0.7 | (28.8) |
| Cash Flow from operating activities before working capital changes | 14.1 | 195.9 | 44.7 | 11.0 | 25.2 | (3.5) | 23.0 | 55.7 | 16.9 | 10.6 | 12.5 | 25.7 | 65.8 | 10.4 | 36.3 | (23.2) | 14.7 | 38.3 |
| Accounts Receivable | 1.4 | 0.2 | (0.5) | (5.9) | 1.7 | 4.6 | (4.5) | (4.1) | 1.4 | (2.6) | (2.1) | (4.5) | (7.8) | 6.8 | 1.0 | 2.9 | (33.6) | (23.0) |
| Contract Assets | (3.8) | 2.1 | (6.0) | (0.6) | (3.5) | (1.2) | (11.0) | (16.3) | (3.3) | (3.4) | 1.6 | 0.1 | (5.0) | (11.0) | (3.3) | (0.7) | 17.2 | 2.2 |
| Inventories | - | - | - | - | - | - | - | - | - | - | - | - | - | 6.0 | - | - | - | (6.0) |
| Prepaid Expenses and Other Current Assets | 0.4 | (5.2) | 1.4 | 0.5 | 0.7 | (1.2) | 1.1 | 1.1 | (0.2) | 0.1 | (1.1) | 1.7 | 0.6 | 0.4 | 0.3 | (9.7) | 0.9 | (8.2) |
| Other Assets | (1.0) | (0.3) | (0.0) | (0.0) | 1.1 | 0.0 | 0.2 | 1.3 | 0.3 | 0.1 | 2.1 | (0.1) | 2.4 | 0.0 | (0.1) | (0.4) | 0.4 | - |
| Accounts Payable and Accrued Liabilities | 2.5 | 2.5 | (0.1) | (3.0) | 4.0 | (0.2) | 2.5 | 3.3 | (2.4) | 0.4 | 1.0 | (3.1) | (4.1) | (7.3) | (0.8) | (0.3) | (1.0) | (9.4) |
| Liability for Estimated Contract Losses | 6.3 | (0.2) | - | (0.1) | 0.1 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Liabilities | 3.9 | 3.0 | (3.0) | 0.1 | 8.6 | (3.3) | (5.9) | (0.5) | (0.0) | (0.0) | 0.0 | (0.3) | (0.4) | (0.0) | - | (0.2) | - | (0.2) |
| Contract Liabilities - Current and Long-term | 9.0 | (5.3) | (4.9) | (3.0) | (0.5) | 3.3 | (2.9) | (3.1) | (1.2) | 3.2 | (1.0) | (2.0) | (1.0) | 34.3 | (0.1) | (1.0) | (4.0) | 29.2 |
| Other Current Liabilities | (0.3) | (2.7) | (1.2) | 1.7 | (2.8) | 0.5 | (0.4) | (1.0) | 0.4 | (0.8) | 0.5 | (0.2) | 0.0 | 0.6 | 0.6 | 8.8 | 3.1 | 13.1 |
| Cash Flows (used In)/provided By Operating Activities : Discontinued Operations | (16.4) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash flow generated/(absorbed) from operating Activities | (31.7) | (53.9) | (44.5) | (16.6) | 1.0 | (0.2) | (1.6) | (17.4) | (3.8) | (1.8) | 1.0 | (1.8) | (6.4) | 27.2 | (7.3) | (39.0) | (9.3) | (28.3) |
| Investing Activities | | | | | | | | | | | | | | | | | | |
| Purchase of Property and Equipment | (0.3) | (1.3) | (11.7) | (2.9) | (5.6) | (3.9) | (3.0) | (15.3) | (3.3) | (3.3) | (5.7) | (3.4) | (15.7) | (4.5) | (3.6) | (3.9) | (4.3) | (16.2) |
| Satellite Procurement Work in Process | (18.1) | (62.6) | (32.4) | (12.9) | (7.0) | (3.7) | (4.8) | (28.4) | (11.3) | (9.6) | (7.4) | (6.1) | (34.6) | (4.4) | (6.4) | (11.2) | (8.4) | (30.3) |
| Purchases of Short-term Investment | - | - | (50.3) | (11.8) | (7.6) | (9.8) | (10.9) | (40.1) | (9.5) | (4.0) | - | (39.4) | (52.9) | (28.3) | (28.7) | (63.6) | (7.3) | (127.8) |
| Proceeds from Maturities of Short-term Investments | - | - | 13.0 | 38.1 | 3.0 | 9.0 | 9.0 | 59.1 | 9.0 | 9.0 | 8.7 | 7.5 | 34.2 | 13.0 | 13.0 | 18.0 | 43.8 | 87.8 |
| Proceeds from Sale of Equity Method Investment | - | - | - | - | - | - | 9.5 | 9.5 | - | - | - | - | - | - | - | - | - | - |
| Proceeds from Sale of Property and Equipment | - | - | - | - | 0.0 | - | - | 0.0 | - | - | - | - | - | - | - | - | - | - |
| Purchase of Domain Names | - | (0.0) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Distributions from Equity Method Investments | - | 0.3 | 0.8 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash Flows Provided By (used In) Investing Activities Discontinued Operations | 8.6 | - | (1.0) | - | - | - | - | - | - | - | - | 0.5 | 0.5 | - | - | - | - | - |
| Cash flow generated by Investing Activities | (9.8) | (63.6) | (81.6) | 10.5 | (17.2) | (8.3) | (0.3) | (15.2) | (15.1) | (7.9) | (4.4) | (40.9) | (68.3) | (24.1) | (25.7) | (60.6) | 23.8 | (86.6) |
| Financing Activities | | | | | | | | | | | | | | | | | | |
| Proceeds from equity issuances, net of equity issuance Costs | - | - | - | 29.4 | 0.6 | 0.8 | 1.9 | 32.7 | 1.3 | 1.6 | 44.4 | (0.3) | 47.0 | 5.1 | 35.7 | (0.0) | (0.0) | 40.8 |
| Proceeds from Options Exercised | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | - | 0.2 | 0.3 | - | 0.2 | - | 1.8 | 2.0 |
| Proceeds from Warrants Exercised | - | 0.2 | - | - | - | - | - | - | - | - | - | - | - | - | - | 10.8 | - | 10.8 |
| Proceeds from Recapitalization Transaction, Net of Payment of Equity Issuance Costs | - | 244.9 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payments of Transaction Costs Related to Sponsor Shares | - | (0.3) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Proceeds from Issuance of Debt | 3.6 | 58.6 | - | - | - | - | - | - | - | 20.0 | - | - | 20.0 | - | - | 185.0 | - | 185.0 |
| Payments for debt issuance costs | - | - | - | - | - | - | - | - | - | (0.6) | - | - | (0.6) | (0.2) | - | (7.1) | - | (7.3) |
| Withholding Tax Payment on Vesting of Restricted Stock Awards and Options Exercised | (0.0) | - | (5.1) | - | (0.4) | (0.6) | (0.4) | (1.4) | (0.4) | (0.1) | (0.4) | - | (1.0) | (0.5) | (0.6) | (0.1) | (1.6) | (2.7) |
| Payments of transaction Costs for debt modification | - | - | (0.0) | (0.6) | (0.0) | (0.8) | - | (1.3) | - | - | - | - | - | - | - | - | - | - |
| Payments of transaction Costs related to derivative liabilities | - | - | - | (0.0) | (0.9) | - | - | (0.9) | - | - | - | - | - | - | - | - | - | - |
| Payments for Deferred Financing Costs | - | - | - | - | - | - | (0.1) | (0.1) | (0.0) | (0.1) | 0.1 | (0.1) | (0.1) | (0.0) | - | 0.0 | - | - |
| Capital Lease Payments | (0.0) | (0.0) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt Payments | - | (22.2) | - | - | - | - | - | - | - | - | (10.0) | - | (10.0) | - | (0.6) | (82.8) | (1.1) | (84.5) |
| Payments for Debt and Equity Issuance Costs | (0.1) | (6.2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash flow generated/(absorbed) by financing Activities | 3.4 | 275.0 | (5.1) | 28.9 | (0.7) | (0.5) | 1.4 | 29.1 | 0.9 | 21.0 | 34.0 | (0.2) | 55.7 | 4.4 | 34.8 | 105.8 | (0.9) | 144.1 |
| Net Cash flow in the year | (38.0) | 157.5 | (131.1) | 22.8 | (16.9) | (9.0) | (0.5) | (3.6) | (18.1) | 11.3 | 30.7 | (42.9) | (19.1) | 7.5 | 1.8 | 6.2 | 13.6 | 29.2 |
| Cash and Cash Equivalents | | | | | | | | | | | | | | | | | | |
| Beginning Cash balance | 48.6 | 10.6 | 168.1 | 37.0 | 59.8 | 42.9 | 34.0 | 37.0 | 33.4 | 15.4 | 26.6 | 57.3 | 33.4 | 14.4 | 21.9 | 23.7 | 29.9 | 14.4 |
| Ending Cash balance | 10.6 | 168.1 | 37.0 | 59.8 | 42.9 | 34.0 | 33.4 | 33.4 | 15.4 | 26.6 | 57.3 | 14.4 | 14.4 | 21.9 | 23.7 | 29.9 | 43.5 | 43.5 |

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