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# BLACKSKY Q2 2022 EARNINGS WEBCAST



August 10, 2022

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# Today's Presenters



**Brian O'Toole**  
Chief Executive Officer



**Henry Dubois**  
Chief Financial Officer



**First of its kind  
platform to achieve  
reliable and dynamic  
hourly monitoring  
from space**

**BlackSky is changing  
how we use space to deliver  
actionable intelligence**

- **High-frequency** monitoring of the most important strategic locations, economic assets and events in the world
- **Actionable intelligence**—from capture to delivery in under 90 minutes
- **Automated ability to detect, reveal, and alert on** trends and changes that matter most



# Ukraine fundamentally changed what customers can expect



**BlackSky is delivering actionable intelligence for a new age of transparency and insights**

## Monitoring Key Events for Government Agencies

Over 1,000 images in 30 days delivered to U.S. and International government organizations

## Dynamic Monitoring of Critical Economic Assets

Delivered critical insights on border crossings, nuclear facilities, and infrastructure

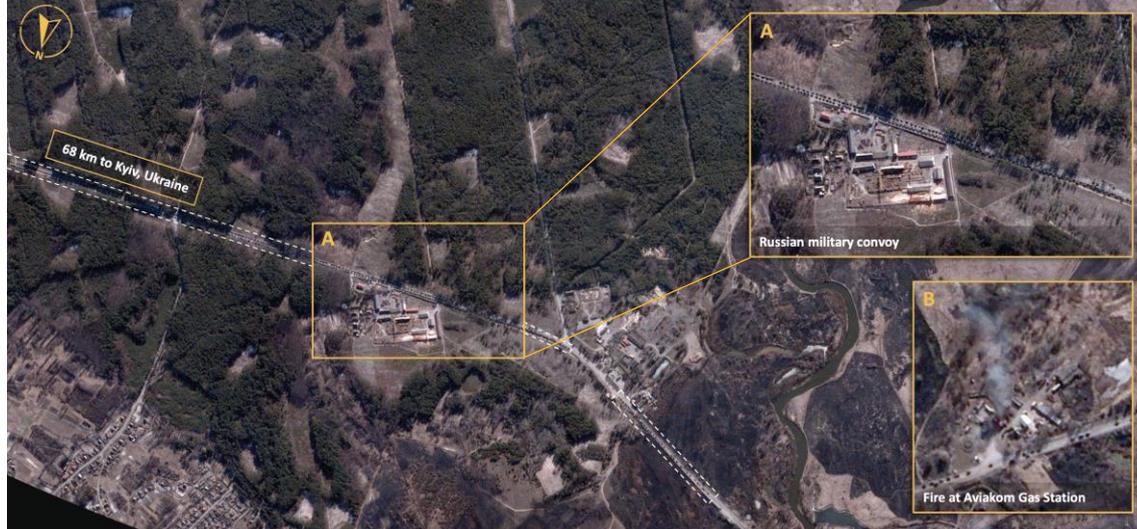
## Supporting Humanitarian Aid Efforts

Delivered critical intelligence to support humanitarian aid initiatives



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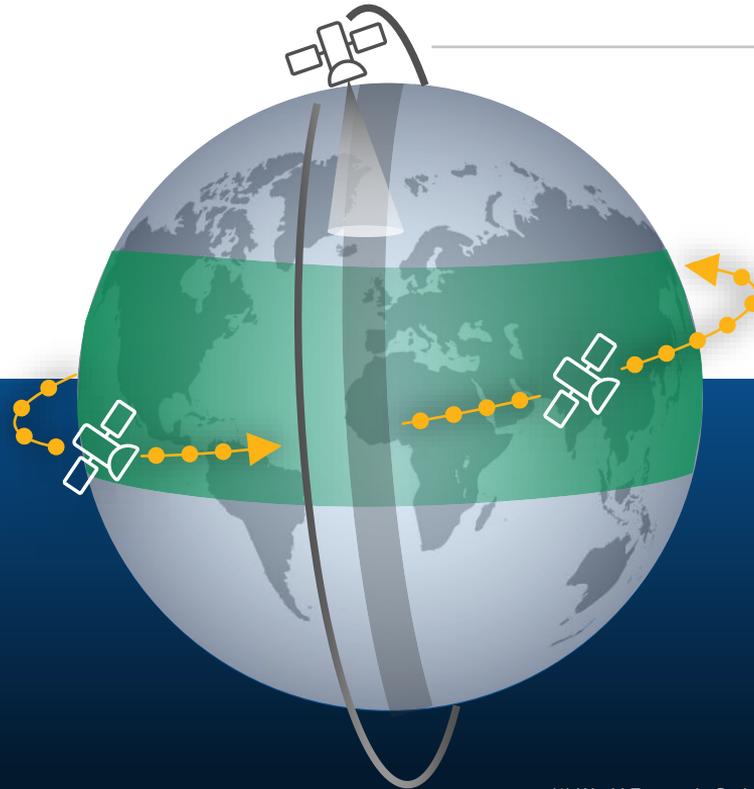
# A smarter approach to space

Disruptive speed, economics, and high value data deliver superior returns on invested capital.

**90%** of GDP occurs on  
**<15%** of landmass <sup>1</sup>

## DYNAMIC MONITORING

BlackSky's Constellation of **14 satellites** dynamically monitors the most important strategic and economic assets in the world



## STATIC MAPPING

Traditional large polar orbiting constellations collect over the entire world

Global Landmass  
**150M sq.km.** <sup>2</sup>

# BlackSky's Proprietary Platform

Dynamic monitoring and analytics of the most important strategic and economic assets in the world

## High Frequency Imaging Constellation

## AI Enabled SW Platform

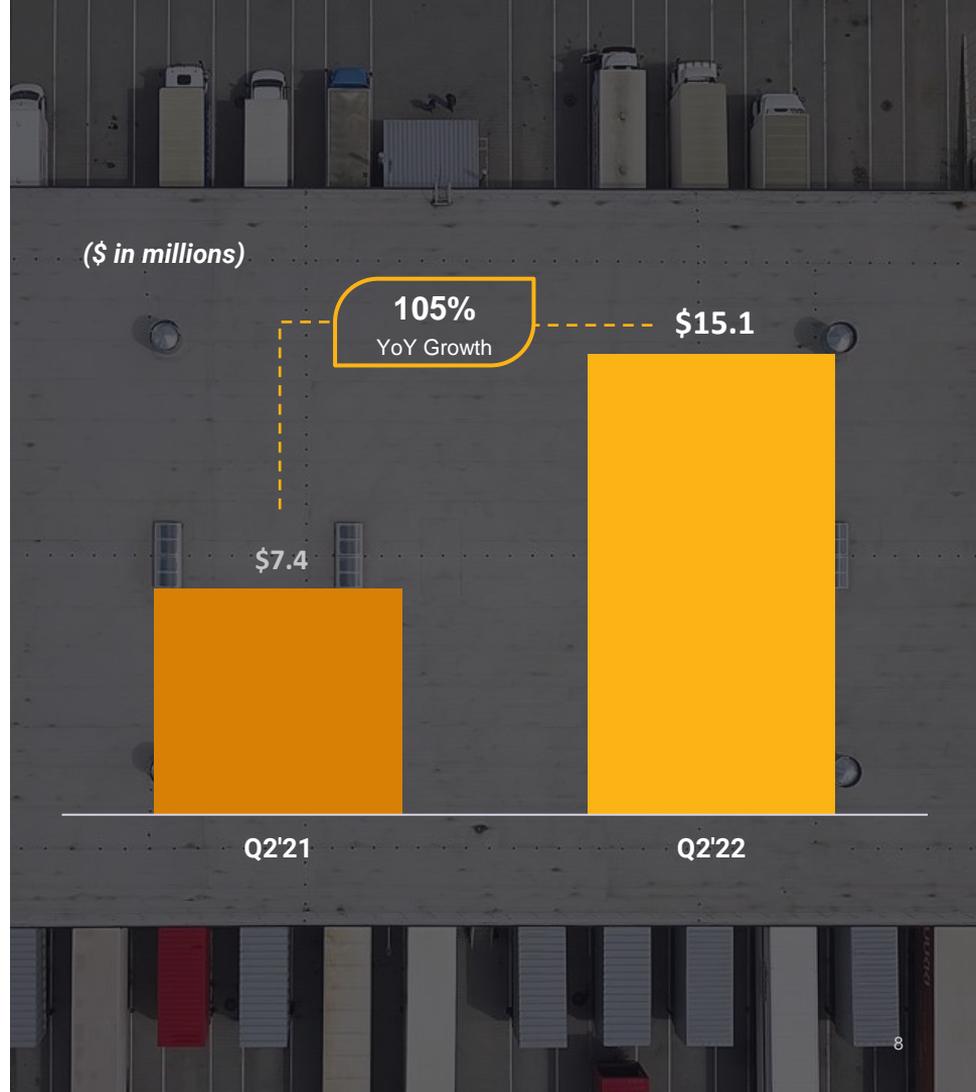
## Actionable Intelligence



# Q2 2022 Revenue Summary

## Strongest Quarter in BlackSky's History

- **More than doubled revenues** in Q2'22 and 1H'22 over the prior year periods
- **Significant growth** in high-margin imagery and software analytical services revenue to 88% of total revenue
- **Strong customer demand** from new and existing U.S. and international government organizations



# BlackSky Platform. **Validated.**

Selected as a long-term trusted mission partner of the NRO to support our country's most critical military intelligence needs

BlackSky addresses new and expanded requirements for high frequency monitoring

## \$1B Electro Optical Commercial Layer (EOCL) Contract

Delivery of advanced high frequency imagery from current and future satellite constellations

### Valued up to \$1.021B over 10 Years

- 5-year base period

- Five 1-year option periods

### Starting value of \$85.8M

- \$71.7M allocated to first 2 years

### Comprehensive Imagery Services

- Intelligence point / area collection

- Theatre downlink to gov. data terminals

- Advanced imaging services

# Additional Key Wins and Global Customer Expansion



**Joint Artificial  
Intelligence Center  
(JAIC)**



I A R P A

**Intelligence Advanced  
Research Projects Activity  
(IARPA)**



**United States  
Air Force  
(USAF)**



**Multiple international Ministries of Defense and other organizations**

# The U.S. Government's next-generation defense priorities align with BlackSky

Space programs are well-funded and outpacing broader defense spending

**\$24.5B**

↑ **25%**

U.S. Space Force and SDA budget was nearly \$5B above FY22 funding <sup>1</sup>



BlackSky has contracts with key agencies



BlackSky's operational capabilities align with space-based defense priorities



Tactical ISR from Space



Space Domain Awareness (SDA)



Resilient Small Satellite Constellations



Real-Time Data & Analytics

# BLACK|SKY



**350K** Organizations | **100** Countries

BLACK|SKY

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## First Real Time Satellite Tasking For ArcGIS Online Customers

Integration of BlackSky's Spectra Platform with Esri provides Esri users with in-app dynamic satellite tasking

- **Esri is the industry leader** in geospatial intelligence software
- **High-frequency revisit** constellation provides up to hourly images of important locations
- **Combines BlackSky images and Esri data** seamlessly for critical geospatial intelligence



# Q2 2022 Revenue

- **Record revenue in Q2**, up 105% over the prior year period
- **10<sup>th</sup> consecutive quarter** of year-over-year revenue growth
- **161% year-over-year growth** in high-margin imagery and software analytical services revenue
- **Imagery and software analytical services revenue grew** to 88% of total revenues

## Strong Quarterly Revenue Growth

(\$ in millions)



# Q2 2022 Cost of Sales



**Significant reductions in cost of sales** as a % of revenue from prior year period

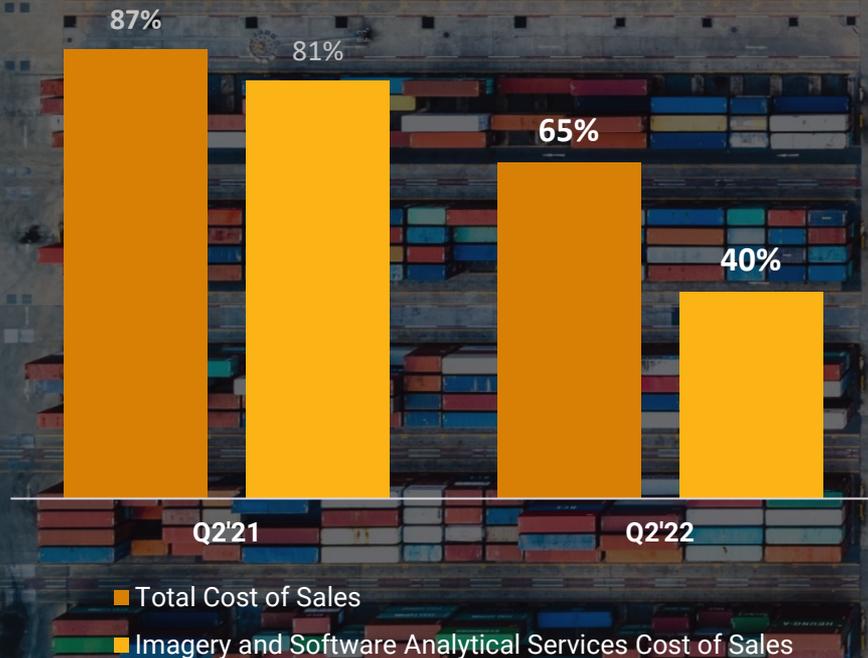


**Increased imagery and software analytical services revenue** drove cost of sales improvements



**Low fixed cost structure** for imagery & software analytical services provides leverage opportunity with increased revenue volumes

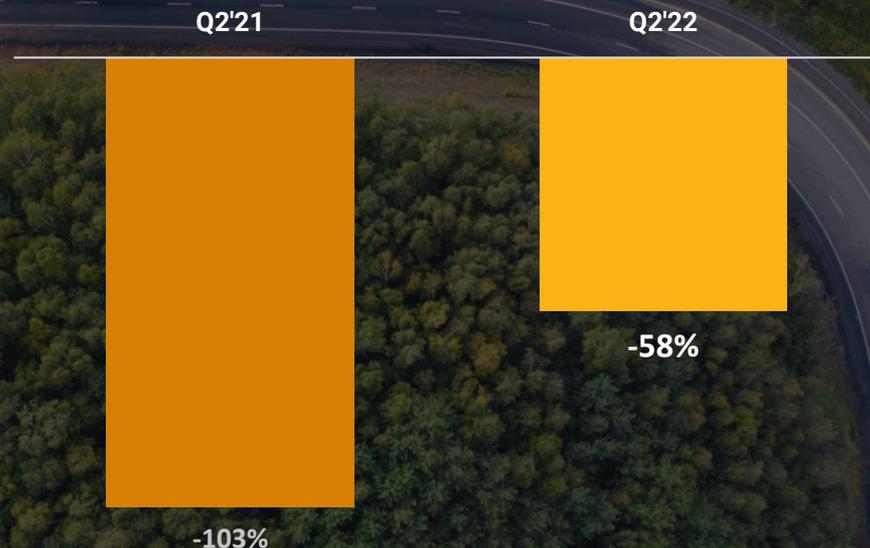
## Significant Reductions in Cost of Sales as a % of Revenue (% of total revenue)



# Q2 2022 Adjusted EBITDA

- **Sequential improvement in adjusted EBITDA margin** since Q2 of 2021
- **High margin imagery and software analytical services revenue** growth driving margin expansion
- **Strong customer demand** to drive significant revenue growth and operating leverage

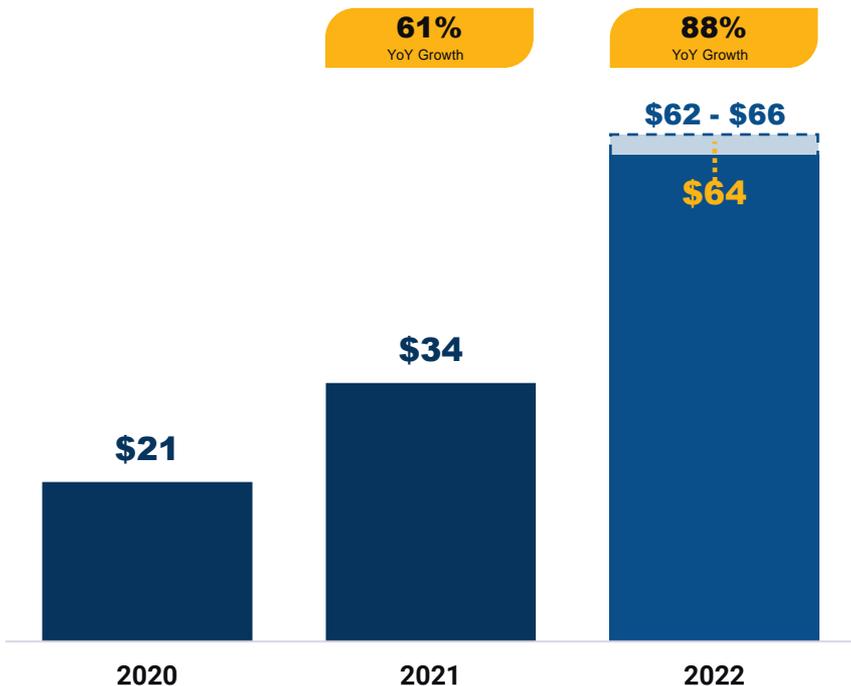
## Adjusted EBITDA Margin Improvement (% of total revenue)



# Revised 2022 Guidance

## Annual Revenue

(\$ in millions)



## Revenue

- Raised 2022 revenue guidance to \$62M - \$66M
- 88% year-over-year growth, taking the mid-point
- Prior range was \$58M - \$62M

## Capital Expenditures

- \$52M - \$56M

## Achieving a High Margin Business Model

- Growing revenue diversification into high margin data and analytics
- Reducing cost of sales as we monetize capacity
- Improving capital efficiencies



BlackSky's  
business is  
accelerating

## Q2 2022 Highlights

- ✓ **Record Q2 revenues**, more than doubling over prior year period
- ✓ **Established our baseline constellation**, first of its kind platform to achieve reliable and dynamic hourly monitoring from space
- ✓ **Won several large multi-year contracts**, including 10-yr. \$1B EOCL program validating BlackSky's technology and long-term strategy
- ✓ **Established new strategic partnerships with Esri**, expanding our access to a new commercial customer base
- ✓ **Raised revenue guidance to \$62M - \$66M**

# BLACK(SKY

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