

# BlackSky Reports Third Quarter 2025 Results

**Company Wins Over \$60 Million in Contract Awards  
Next Very-High Resolution Gen-3 Satellite is at the Launch Site  
Company Maintains 2025 Outlook**

HERNDON, Va.--(BUSINESS WIRE)-- BlackSky Technology Inc. ("BlackSky" or the "Company") (NYSE: BSKY) announced results for the third quarter ended September 30, 2025.

"Strong international demand for our space-based intelligence solutions drove over \$60 million in new contract awards," said Brian E. O'Toole, BlackSky CEO. "Significant international opportunities for commercial imagery, analytics, and sovereign solutions are outpacing the near-term U.S. government business. Sovereign nations around the world are recognizing the best-in-class capability of our Gen-3 satellites at a time when they are increasing their budgets and accelerating acquisition cycles. With strong international demand, the success of Gen-3, the continued build out of our constellation, and our strengthened balance sheet, we are anticipating a strong Q4 and expect to take that momentum into 2026."

## **Third Quarter Financial Highlights:**

- Total revenue of \$19.6 million
- Backlog of \$322.7 million, with approximately 91% from international contracts
- Cash balance increases to \$147.6 million as of September 30, 2025

## **Recent Highlights**

- Won a multi-year contract valued at over \$30 million with a strategic international defense customer to deliver high-cadence Gen-3 tactical ISR services at scale
- Won a new multimillion dollar contract and commenced delivery of Gen-3 imagery services to the U.S. government
- Awarded a seven-figure delivery order from the NGA Luno A program to provide AI-enabled change detection
- Signed a seven-figure space domain awareness expansion contract with HEO for fully-automated non-Earth imaging missions
- Continued to sign early access agreements for Gen-3 imagery and analytic services with new customers
- Next Gen-3 satellite is at the launch site with an anticipated launch in the coming weeks

## **Financial Results**

## **Revenues**

Total revenue for the third quarter of 2025 was \$19.6 million, which reflected the Company's expected reduction in the Electro-Optical Commercial Layer (EOCL) contract with NRO, along with other U.S. government budget uncertainties.

## **Cost of Sales<sup>(1)</sup>**

Total cost of sales as a percentage of revenue was 35% for the third quarter of 2025, compared to 29% for the third quarter of 2024.

## **Operating Expenses**

Operating expenses for the third quarter of 2025 were \$29.6 million, which included \$3.5 million of non-cash stock-based compensation expense and \$7.9 million in depreciation and amortization expenses. Operating expenses for the third quarter of 2024 were \$29.1 million, which included \$2.4 million in non-cash stock-based compensation expense and \$11.1 million in depreciation and amortization expenses. Excluding the non-cash stock-based compensation and depreciation and amortization expenses from both years, cash operating expenses<sup>(2)</sup> for the third quarter of 2025 were \$18.2 million, compared to cash operating expenses of \$15.6 million for the third quarter of 2024. The year-over-year increase of \$2.6 million was primarily due to overhead expenses that were previously included in capitalized satellite assets purchased through our production contract with LeoStella, (now BlackSky Satellite Systems), as a third-party vendor.

## **Net Loss**

Net loss for the third quarter of 2025 was \$15.3 million, compared to a net loss of \$12.6 million for the third quarter of 2024.

## **Adjusted EBITDA<sup>(2)</sup>**

Adjusted EBITDA for the third quarter of 2025 was a loss of \$4.5 million, compared to an adjusted EBITDA of \$0.7 million for the third quarter of 2024. The year-over-year decrease was primarily due to lower EOCL revenues and overhead expenses related to the LeoStella operations acquired in November 2024.

(1) Cost of sales is defined as imagery and software analytical services costs and professional and engineering services cost, less depreciation and amortization expense.

(2) Non-GAAP financial measure. See "Non-GAAP Financial Measures" below and reconciliation table at the end of this press release.

## **Balance Sheet & Capital Expenditures**

As of September 30, 2025, cash and cash equivalents, restricted cash, and short-term investments totaled \$147.6 million, which includes \$65.9 million in net cash proceeds from a convertible note offering completed in July and \$10.8 million from the exercise of certain warrants. The Company has accumulated approximately \$43.4 million in unbilled contract assets, of which \$36.0 million is anticipated to be billed and received over the next 12 months. Capital expenditures for the third quarter of 2025 were \$15.0 million, bringing the

year-to-date total spend to \$33.9 million.

## **2025 Outlook**

The Company is maintaining its full-year 2025 guidance for revenue, adjusted EBITDA and capital expenditures.

The Company is not providing a reconciliation of projected Adjusted EBITDA to the most comparable GAAP measure because the Company is unable to predict with reasonable certainty the ultimate outcome of certain significant items necessary to calculate such reconciliation without unreasonable effort. These items include, but are not limited to, stock-based compensation, income taxes, and depreciation and amortization, which are uncertain, depend on various factors, and could have a material impact on GAAP results.

## **Investment Community Conference Call**

BlackSky will host a conference call and webcast for the investment community this morning at 8:30 a.m. EST. Senior management will review the third quarter results, discuss BlackSky's business, and answer questions. To access the live webcast, please click [here](#) or visit the Company's investor relations website at <http://ir.blacksky.com> and then select "News & Events". A presentation accompanying the webcast can also be found on the investor relations website. The webcast and conference call will be archived on the investor relations website following completion of the call.

## **About BlackSky**

BlackSky is a real-time, space-based intelligence company that delivers on-demand, high-frequency imagery, analytics, and high-frequency monitoring of the most critical and strategic locations, economic assets, and events in the world. BlackSky owns and operates one of the industry's most advanced, purpose-built commercial, real-time intelligence system that combines the power of the BlackSky Spectra<sup>®</sup> tasking and analytics software platform and our proprietary low earth orbit satellite constellation.

With BlackSky, customers can see, understand and anticipate changes for a decisive strategic advantage at the tactical edge, and act not just fast, but first. BlackSky is trusted by some of the most demanding U.S. and international government agencies, commercial businesses, and organizations around the world. BlackSky is headquartered in Herndon, VA, and is publicly traded on the New York Stock Exchange as BKSJ. To learn more, visit [www.blacksky.com](http://www.blacksky.com) and follow us on X (Twitter).

## **Non-GAAP Financial Measures**

Adjusted EBITDA is defined as net income or loss attributable to BlackSky before interest income, interest expense, income taxes, depreciation and amortization, as well as significant non-cash and/or non-recurring expenses as our management believes these items are not as useful in evaluating the Company's core operating performance. These items include, but are not limited to, stock-based compensation expense; unrealized (gain) loss on certain warrants/shares classified as derivative liabilities; loss on debt extinguishment; non-recurring transaction costs; severance; litigation, settlements, and related costs; and impairment and asset disposals. Cash operating expenses is defined as operating expenses less stock-

based compensation expense for selling, general, and administrative costs, and depreciation and amortization expense. The Company believes evaluating cash operating expenses is useful to manage expenses as it excludes non-cash items that may obscure the underlying business performance.

Adjusted EBITDA and cash operating expenses are non-GAAP financial performance measures. These measures should not be considered in isolation or as an alternative to measures determined in accordance with GAAP. Please refer to the schedule herein and our filings with the U.S. Securities and Exchange Commission (the "SEC") for a reconciliation of adjusted EBITDA to net loss, the most comparable measure reported in accordance with GAAP, and for a discussion of the presentation, comparability, and use of adjusted EBITDA. Please refer to the schedule herein for a reconciliation of cash operating expenses to operating expenses, the most comparable measure reported in accordance with GAAP, and this press release for a discussion of the use of cash operating expenses.

### **Forward-Looking Statements**

Certain statements and other information included in this press release constitute forward-looking statements under applicable securities laws. Words such as "may", "will", "could", "should", "would", "plan", "potential", "intend", "anticipate", "believe", "estimate", "future", "opportunity", "will likely result", or "expect" and other words, terms, and phrases of similar meaning are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. All statements, other than statements of historical fact, contained in this press release, including statements as to future performance, our guidance outlook for the year and expected capital expenditures, our ability to sustain revenue growth, expectations regarding the receipt of cash from customers over the next 12 months, expectations regarding global demand for our products and services, expectations regarding our EOCL contract with NRO and other U.S. government budget uncertainties, our anticipated liquidity and cash flows, our anticipated Gen-3 satellite launch timing, and our expectations related to future profitability on an adjusted basis, are forward-looking statements.

Forward-looking statements are subject to various risks and uncertainties, which could cause actual results to differ materially from the anticipated results or expectations expressed in this press release. As a result, although BlackSky's management believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because BlackSky can give no assurance that they will prove to be correct. The risks that could cause actual results to differ materially from current expectations include, but are not limited to, factors such as long and unpredictable sales cycles, customer demand, U.S. government budget uncertainties, and our ability to estimate resources for fixed-price contracts, expenses, and other operational and liquidity needs, as well as the risk factors discussed in our most recent Annual Report on Form 10-K, our most recent Quarterly Report on Form 10-Q, and other disclosures about BlackSky and its business included in BlackSky's disclosure materials filed from time to time with the SEC, which are available on the SEC's website at [www.sec.gov](http://www.sec.gov) or on BlackSky's Investor Relations website at [ir.blacksky.com](http://ir.blacksky.com).

The forward-looking statements contained in this press release are expressly qualified in their entirety by the foregoing cautionary statements. All such forward-looking statements are based upon data available as of the date of this press release and speak only as of such

date. BlackSky disclaims any intention or obligation to update or revise any forward-looking statements as a result of new information or future events, except as may be required under applicable securities law.

**BLACKSKY TECHNOLOGY INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND**  
**COMPREHENSIVE LOSS**  
(unaudited)  
(in thousands, except per share amounts)

|                                                                                      | Three Months Ended<br>September 30, |             | Nine Months Ended<br>September 30, |             |
|--------------------------------------------------------------------------------------|-------------------------------------|-------------|------------------------------------|-------------|
|                                                                                      | 2025                                | 2024        | 2025                               | 2024        |
| Revenue                                                                              |                                     |             |                                    |             |
| Imagery & software analytical services                                               | \$ 15,782                           | \$ 17,276   | \$ 50,593                          | \$ 52,578   |
| Professional & engineering services                                                  | 3,836                               | 5,273       | 20,768                             | 19,145      |
| Total revenue                                                                        | 19,618                              | 22,549      | 71,361                             | 71,723      |
| Costs and expenses                                                                   |                                     |             |                                    |             |
| Imagery & software analytical service costs, excluding depreciation and amortization | 4,329                               | 3,682       | 11,607                             | 10,559      |
| Professional & engineering service costs, excluding depreciation and amortization    | 2,486                               | 2,968       | 14,055                             | 10,006      |
| Selling, general and administrative                                                  | 21,735                              | 17,961      | 65,844                             | 54,991      |
| Research and development                                                             | 30                                  | 43          | 292                                | 785         |
| Depreciation and amortization                                                        | 7,864                               | 11,125      | 22,308                             | 33,586      |
| Total costs and expenses                                                             | 36,444                              | 35,779      | 114,106                            | 109,927     |
| Operating loss                                                                       | (16,826)                            | (13,230)    | (42,745)                           | (38,204)    |
| Gain (loss) on derivatives                                                           | 8,386                               | 3,574       | (14,148)                           | 8,593       |
| Loss on debt extinguishment                                                          | (4,140)                             | —           | (4,140)                            | —           |
| Interest income                                                                      | 1,324                               | 257         | 2,574                              | 987         |
| Interest expense                                                                     | (4,037)                             | (3,142)     | (10,889)                           | (8,805)     |
| Other (expense) income, net                                                          | (8)                                 | (22)        | 60                                 | (19)        |
| Loss before income taxes                                                             | (15,301)                            | (12,563)    | (69,288)                           | (37,448)    |
| Income tax expense                                                                   | (39)                                | (28)        | (104)                              | (350)       |
| Net loss                                                                             | (15,340)                            | (12,591)    | (69,392)                           | (37,798)    |
| Other comprehensive income                                                           | —                                   | —           | —                                  | —           |
| Total comprehensive loss                                                             | \$ (15,340)                         | \$ (12,591) | \$ (69,392)                        | \$ (37,798) |
| Basic and diluted loss per share of common stock:                                    |                                     |             |                                    |             |
| Net loss per share of common stock                                                   | \$ (0.44)                           | \$ (0.66)   | \$ (2.11)                          | \$ (2.05)   |

|                                                                |        |        |        |        |
|----------------------------------------------------------------|--------|--------|--------|--------|
| Weighted average common shares outstanding - basic and diluted | 35,194 | 19,120 | 32,843 | 18,394 |
|----------------------------------------------------------------|--------|--------|--------|--------|

**BLACKSKY TECHNOLOGY INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(unaudited)  
(in thousands, except par value)

|                                                                      | September<br>30,<br>2025 | December<br>31,<br>2024 |
|----------------------------------------------------------------------|--------------------------|-------------------------|
| <b>Assets</b>                                                        |                          |                         |
| Current assets:                                                      |                          |                         |
| Cash and cash equivalents                                            | \$ 28,815                | \$ 13,056               |
| Restricted cash                                                      | 1,103                    | 1,322                   |
| Short-term investments                                               | 117,674                  | 39,406                  |
| Accounts receivable, net of allowance of \$69 and \$45, respectively | 3,969                    | 14,701                  |
| Contract assets                                                      | 36,040                   | 27,852                  |
| Inventories                                                          | —                        | 6,043                   |
| Prepaid expenses and other current assets                            | 13,441                   | 4,356                   |
| Total current assets                                                 | 201,042                  | 106,736                 |
| Property and equipment - net                                         | 72,865                   | 45,613                  |
| Operating lease right of use assets - net                            | 3,571                    | 4,029                   |
| Goodwill                                                             | 10,279                   | 10,260                  |
| Intangible assets - net                                              | 4,858                    | 5,446                   |
| Satellite work in process                                            | 79,552                   | 80,601                  |
| Other assets                                                         | 8,690                    | 1,461                   |
| Total assets                                                         | \$ 380,857               | \$ 254,146              |
| <b>Liabilities and stockholders' equity</b>                          |                          |                         |
| Current liabilities:                                                 |                          |                         |
| Accounts payable and accrued liabilities                             | \$ 11,934                | \$ 20,419               |
| Contract liabilities - current                                       | 21,662                   | 2,183                   |
| Debt - current portion                                               | 5,770                    | 1,927                   |
| Other current liabilities                                            | 12,287                   | 1,493                   |
| Total current liabilities                                            | 51,653                   | 26,022                  |
| Operating lease liabilities                                          | 7,641                    | 8,048                   |
| Derivative liabilities                                               | 26,784                   | 17,964                  |
| Deferred revenue - long-term                                         | 14,063                   | —                       |
| Long-term debt - net of current portion                              | 189,291                  | 105,736                 |
| Other liabilities                                                    | 369                      | 2,387                   |
| Total liabilities                                                    | 289,801                  | 160,157                 |

**Stockholders' equity:**

Class A common stock, \$0.0001 par value-authorized, 300,000 shares; issued, 35,991 and 30,960 shares; outstanding, 35,695 shares and 30,663 shares as of September 30, 2025 and December 31, 2024, respectively.

|                                            | 4          | 3          |
|--------------------------------------------|------------|------------|
| Additional paid-in capital                 | 816,632    | 750,174    |
| Accumulated deficit                        | (725,580)  | (656,188)  |
| Total stockholders' equity                 | 91,056     | 93,989     |
| Total liabilities and stockholders' equity | \$ 380,857 | \$ 254,146 |

**BLACKSKY TECHNOLOGY INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(unaudited)  
(in thousands)

|                                                                             | <b>Nine Months Ended<br/>September 30,</b> |             |
|-----------------------------------------------------------------------------|--------------------------------------------|-------------|
|                                                                             | <b>2025</b>                                | <b>2024</b> |
| <b>Cash flows from operating activities:</b>                                |                                            |             |
| Net loss                                                                    | \$ (69,392)                                | \$ (37,798) |
| Adjustments to reconcile net loss to net cash used in operating activities: |                                            |             |
| Depreciation and amortization expense                                       | 22,308                                     | 33,586      |
| Operating lease right of use assets amortization                            | 458                                        | 529         |
| Loss on debt extinguishment                                                 | 4,140                                      | —           |
| Bad debt expense                                                            | 69                                         | 100         |
| Stock-based compensation expense                                            | 10,005                                     | 8,244       |
| Amortization of debt issuance costs and non-cash interest expense           | 3,581                                      | 6,727       |
| Paid in kind interest at time of debt extinguishment                        | (29,079)                                   | —           |
| Capitalized interest                                                        | (484)                                      | —           |
| Loss (gain) on derivatives                                                  | 14,148                                     | (8,593)     |
| Non-cash interest income                                                    | (1,760)                                    | (630)       |
| Loss on disposal of assets                                                  | 203                                        | 44          |
| Loss on impairment of assets                                                | —                                          | 71          |
| Changes in operating assets and liabilities:                                |                                            |             |
| Accounts receivable                                                         | 10,663                                     | (3,313)     |
| Contract assets - current and long-term                                     | (15,012)                                   | (5,133)     |
| Inventories                                                                 | 5,997                                      | —           |
| Prepaid expenses and other current assets                                   | (9,085)                                    | (1,148)     |
| Other assets                                                                | (409)                                      | 2,525       |
| Accounts payable and accrued liabilities                                    | (8,359)                                    | (967)       |
| Other current liabilities                                                   | 9,979                                      | 194         |
| Contract liabilities - current and long-term                                | 33,233                                     | 1,005       |

|                                                                        |                  |                  |
|------------------------------------------------------------------------|------------------|------------------|
| Other liabilities                                                      | (196)            | (10)             |
| Net cash used in operating activities                                  | (18,992)         | (4,567)          |
| <b>Cash flows from investing activities:</b>                           |                  |                  |
| Purchase of property and equipment                                     | (11,959)         | (12,289)         |
| Satellite work in process                                              | (21,942)         | (28,410)         |
| Purchases of short-term investments                                    | (120,509)        | (13,488)         |
| Proceeds from maturities of short-term investments                     | 44,000           | 26,725           |
| Net cash used in investing activities                                  | (110,410)        | (27,462)         |
| <b>Cash flows from financing activities:</b>                           |                  |                  |
| Proceeds from equity issuances, net of equity issuance costs           | 40,832           | 47,343           |
| Proceeds from issuance of debt                                         | 185,000          | 20,000           |
| Proceeds from options exercised and ESPP shares purchased              | 180              | 157              |
| Proceeds from warrants exercised                                       | 10,753           | —                |
| Repayments of debt                                                     | (83,377)         | (10,000)         |
| Payments for debt issuance costs                                       | (7,304)          | (632)            |
| Withholding tax payments on vesting of restricted stock units          | (1,142)          | (967)            |
| Net cash provided by financing activities                              | 144,942          | 55,901           |
| <b>Net increase in cash, cash equivalents, and restricted cash</b>     | <b>15,540</b>    | <b>23,872</b>    |
| <b>Cash, cash equivalents, and restricted cash – beginning of year</b> | <b>14,378</b>    | <b>33,434</b>    |
| <b>Cash, cash equivalents, and restricted cash – end of period</b>     | <b>\$ 29,918</b> | <b>\$ 57,306</b> |

**BLACKSKY TECHNOLOGY INC.**  
**RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA**  
(unaudited)  
(in thousands)

|                                            | <b>Three Months Ended<br/>September 30,</b> |               | <b>Nine Months Ended<br/>September 30,</b> |                 |
|--------------------------------------------|---------------------------------------------|---------------|--------------------------------------------|-----------------|
|                                            | <b>2025</b>                                 | <b>2024</b>   | <b>2025</b>                                | <b>2024</b>     |
| Net loss                                   | \$ (15,340)                                 | \$ (12,591)   | \$ (69,392)                                | \$ (37,798)     |
| Interest income                            | (1,324)                                     | (257)         | (2,574)                                    | (987)           |
| Interest expense                           | 4,037                                       | 3,142         | 10,889                                     | 8,805           |
| Income tax expense                         | 39                                          | 28            | 104                                        | 350             |
| Depreciation and amortization              | 7,864                                       | 11,125        | 22,308                                     | 33,586          |
| Stock-based compensation expense           | 3,654                                       | 2,519         | 10,005                                     | 8,244           |
| (Gain) loss on derivatives                 | (8,386)                                     | (3,574)       | 14,148                                     | (8,593)         |
| Loss on debt extinguishment                | 4,140                                       | —             | 4,140                                      | —               |
| Non-recurring transaction costs            | 224                                         | 228           | 1,255                                      | 228             |
| Severance                                  | 77                                          | 78            | 409                                        | 219             |
| Litigation, settlements, and related costs | 485                                         | (28)          | 700                                        | 137             |
| Impairment and asset disposals             | 46                                          | 71            | 90                                         | 71              |
| Adjusted EBITDA                            | <u>\$ (4,484)</u>                           | <u>\$ 741</u> | <u>\$ (7,918)</u>                          | <u>\$ 4,262</u> |

**BLACKSKY TECHNOLOGY INC.**  
**RECONCILIATION OF OPERATING EXPENSES TO CASH OPERATING EXPENSES**  
(unaudited)  
(in thousands)

|                                                                           | <b>Three Months Ended<br/>September 30,</b> |                  | <b>Nine Months Ended<br/>September 30,</b> |                  |
|---------------------------------------------------------------------------|---------------------------------------------|------------------|--------------------------------------------|------------------|
|                                                                           | <b>2025</b>                                 | <b>2024</b>      | <b>2025</b>                                | <b>2024</b>      |
| Operating expenses                                                        | \$ 29,629                                   | \$ 29,129        | \$ 88,444                                  | \$ 89,362        |
| Stock-based compensation for selling,<br>general and administrative costs | (3,482)                                     | (2,377)          | (9,527)                                    | (7,747)          |
| Depreciation and amortization                                             | (7,864)                                     | (11,125)         | (22,308)                                   | (33,586)         |
| Cash operating expenses                                                   | <u>\$ 18,283</u>                            | <u>\$ 15,627</u> | <u>\$ 56,609</u>                           | <u>\$ 48,029</u> |

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Source: BlackSky Technology Inc.