

International Orders Boost Backlog 50% y/y;  
Aggressive Gen-3 Launches to Drive 2H Inflection

## Quilty QuickTakes

- Mixed results.** BKSJ reported Q1 revenue of \$29.5M (up 22% y/y), led by milestone driven P&E revenues (~\$9M contribution from India's EO program). AEBITDA declined \$2M due to lower margin infra revenues and LeoStella expenses.
- Gen-3 exceeds expectations.** The first Gen-3 satellite (launched Feb'25) is fully operational and delivered near NIIRS-6 quality images (25cm class equivalent). Commercial services are expected to begin in Q4, with eight Gen-3 satellites on orbit by early 2026.
- Imagery lag.** Imagery revenue declined 6% to \$16.8M, lowest in five quarters, as Gen-3's commercial ramp pushed to Q4 LUNO awards were delayed. While customer feedback is strong, near-term contribution remains muted due to deal timing and phased activation. We expect subscription revenue to reaccelerate as Gen-3 capacity scales.
- Steady P&E.** While India's EO contract drove a near-doubling of P&E revenue (\$12.7M), contractual backlog suggests upside to subscription revenues in the near-term. We expect P&E revenue to stabilize in the \$35-40M annual range in 2025-26.
- Backlog surge.** BKSJ secured >\$130M in new awards during Q1, including a \$100M international imagery contract and a \$20M deal with India. Backlog now stands at \$366M (up 50% y/y and up 40% q/q), with increasing international share- a positive for long-term growth diversification.
- EBITDA dip.** AEBITDA dipped negative (\$0.6M) for the first time in six quarters due to higher SG&A expenses (\$2M in LeoStella costs). Management expects profitability to improve through the year, with Gen-3 contributing meaningfully by Q4. 2025 AEBITDA is guided at \$14-22M, vs. our estimate of \$14.4M.
- Cash burn ahead.** BKSJ generated CFO and FCF of \$27M and \$18M, respectively boosted by a \$32M customer prepayment. We expect BKSJ to burn \$18M of cash in 2025, turning positive by the end of 2026 as BKSJ moves past peak capex (\$69M in 2025) and recurring revenue conversion builds.

## BLACK SKY

### BKSJ Key Data

#### BKSJ | EO

Symbol:	NYSE: BKSJ
Fiscal Year:	December
Stock price:	\$11.52
Shares out (M):	31.4
Market cap (\$, M)	\$361
Enterprise value (\$, M)	\$401

### Q1 2025 Metrics:

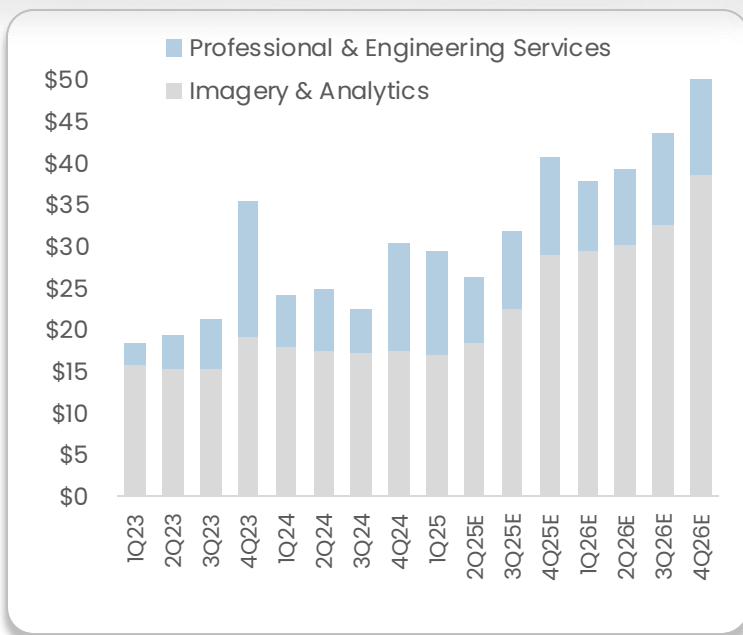
Revenues (\$, M):	\$29.5
Gross Margin:	57.4%
AEBITDA (\$, M):	(\$0.6)
AEBITDA Margin:	n.m.
FCF (\$, M):	\$18.4
Net debt (\$, M):	\$39.5

Adj. EBITDA	Q1	Q2	Q3	Q4	Full Yr	Margin %
<b>2024A</b>	1.4	2.1	0.7	7.4	11.6	11.4%
<b>2025E</b>	-0.6A	1.6E	4.4E	9.0E	14.4E	11.2%
<b>2026E</b>	8.2E	9.1E	11.5E	15.9E	44.7E	26.1%
Revenue	Q1	Q2	Q3	Q4	Full Yr	Y/Y Growth
<b>2024A</b>	24.2	24.9	22.5	30.4	102.1	8.0%
<b>2025E</b>	29.5A	26.3E	32.0E	40.8E	128.7E	26.1%
<b>2026E</b>	38.0E	39.3E	43.6E	50.2E	170.9E	32.8%

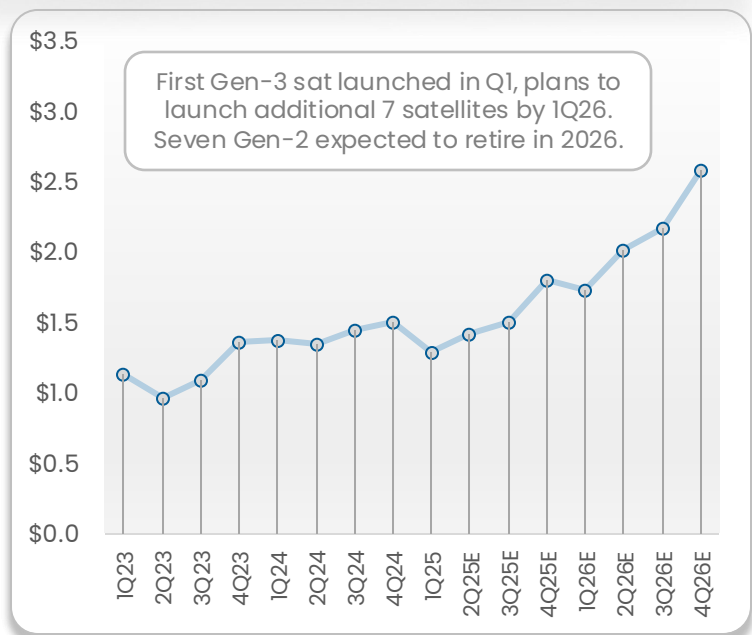
# Top Q1 Takeaways

Metric	Q1 2025 Readout	What You Need to Know
Gen-3 Lift	⬆️	Initial Gen-3 services begin pilot use over summer, commercial roll-out slated for Q4. With 12 satellites deployment targeted by end-2026, BKSY is positioned to unlock its \$366M backlog tied to high revisit 35cm capacity. We project imagery revenue to grow at a 37% CAGR (2024-26), reaching \$131M in 2026.
International Pivot	○	Q1 growth was APAC-led (\$9M from India), offset by a 21% drop in North America and steady Middle East sales. This shift is mirrored in the contract book, with 92% (\$120M) of new bookings in Q1 were international. We model the US share stabilizing near 50% going forward, down from 86% in 2021.
Capex Peak	○	Q1 capex totaled \$8.9M, ~14% of its \$60-70M full-year capex guide. Spending will accelerate in 2H to support Gen-3 launch cadence. We expect peak spend of \$69M in 2025, tapering to \$45M in 2026 as the constellation nears full deployment.
Strong Liquidity	⬆️	BKSY ended the quarter with \$76M in cash and CE, supported by \$32M in advances. Pro-forma liquidity is \$136M, incl. contract assets (\$40M) and vendor financing (\$20M). While near-term funding needs are covered, 2026 debt maturities (\$93M) will trigger refinancing.
AI Integration	⬆️	With Gen-3 imagery feeding into Spectra, BKSY is positioned to scale its AI-led intelligence offerings. The company's software-first approach enables automation at scale, a key to unlocking pricing premium and drive ACV post-2025.

## Quarterly Revenue Contribution



## Imagery Revenue per Space Asset



### BlackSky Technologies Quarterly Income Sheet

(\$, M)	1Q24	2Q24	3Q24	4Q24	2024
Revenues	24.2	24.9	22.5	30.4	102.1
Cost of revenues	7.0	6.9	6.7	6.9	27.4
Gross profit	17.2	18.1	15.9	23.5	74.7
R&D	0.5	0.3	0.0	0.6	1.3
SG&A	18.8	18.2	18.0	19.1	74.1
D&A	11.2	11.3	11.1	10.0	43.5
Satellite impairment loss	-	-	-	-	-
Operating income	(13.3)	(11.7)	(13.2)	(6.1)	(44.3)
Interest expense, net	2.2	2.7	2.9	2.8	10.6
Other expenses	0.3	(5.3)	(3.6)	9.9	1.4
Pretax profit	(15.7)	(9.1)	(12.6)	(18.8)	(56.3)
Taxes	0.1	0.3	0.0	0.4	0.7
Net income	(15.8)	(9.4)	(12.6)	(19.2)	(57.0)

Basic EPS	(\$0.88)	(\$0.52)	(\$0.66)	(\$0.63)	(\$2.69)
Diluted EPS	(\$0.88)	(\$0.52)	(\$0.66)	(\$0.63)	(\$2.69)

Wtd ave shares	17.9	18.1	19.1	30.6	21.4
Fully diluted shares	17.9	18.1	19.1	30.6	21.4

CFO	(3.8)	(1.8)	1.0	(1.8)	(6.4)
Capex	(14.6)	(12.9)	(13.1)	(9.5)	(50.2)
FCF	(18.5)	(14.7)	(12.1)	(11.4)	(56.6)

Adj. EBITDA	1Q24	2Q24	3Q24	4Q24	2024
GAAP operating income	(13.3)	(11.7)	(13.2)	(6.1)	(44.3)
Non-cash stock comp	3.4	2.4	2.5	2.9	11.2
D&A	11.2	11.3	11.1	10.0	43.5
Other	0.1	0.2	0.3	0.6	1.2
<b>Adjusted EBITDA</b>	<b>1.4</b>	<b>2.1</b>	<b>0.7</b>	<b>7.4</b>	<b>11.6</b>

Margin Analysis	1Q24	2Q24	3Q24	4Q24	2024
Gross margin	71.0%	72.4%	70.5%	77.4%	73.1%
R&D	1.9%	1.1%	0.2%	1.8%	1.3%
SG&A	77.6%	73.0%	79.7%	62.8%	72.6%
D&A	46.1%	45.2%	49.3%	32.8%	42.6%
OpEx	79.5%	74.2%	79.8%	64.7%	73.9%
Oper. Profit	-54.7%	-47.0%	-58.7%	-20.1%	-43.4%
Taxes	-0.4%	-2.8%	-0.2%	-2.1%	-1.3%
Adj. EBITDA	5.7%	8.6%	3.3%	24.3%	11.4%
FCF Margin	-76.1%	-59.0%	-53.7%	-37.4%	-55.5%

YOY Growth	1Q24	2Q24	3Q24	4Q24	2024
Revenues	31.7%	29.0%	6.1%	-14.5%	8.0%
R&D	111.1%	62.5%	-67.7%	373.7%	109.0%
SG&A	-0.7%	-3.0%	2.2%	10.0%	2.0%
D&A	15.8%	-4.2%	-1.6%	-6.9%	0.3%
OpEx (ex-D&A)	0.6%	-2.3%	1.7%	12.4%	2.9%

	proj. 1Q25	proj. 2Q25	proj. 3Q25	proj. 4Q25	proj. 2025
Revenues	29.5	26.3	32.0	40.8	128.7
Cost of revenues	12.6	7.9	9.5	12.1	42.2
Gross profit	16.9	18.4	22.4	28.7	86.5
R&D	0.2	0.3	0.3	0.3	1.1
SG&A	21.4	20.0	20.8	22.5	84.7
D&A	7.2	8.4	9.8	11.3	36.7
Satellite impairment loss	-	-	-	-	-
Operating income	(12.0)	(10.3)	(8.4)	(5.4)	(36.0)
Interest expense, net	2.8	2.5	2.8	2.9	11.0
Other expenses	(2.0)	0.5	0.5	0.5	(0.5)
Pretax profit	(12.8)	(13.3)	(11.7)	(8.8)	(46.5)
Taxes	0.0	0.0	0.0	0.0	0.0
Net income	(12.8)	(13.3)	(11.7)	(8.8)	(46.5)
Basic EPS	(\$0.42)	(\$0.42)	(\$0.37)	(\$0.27)	(\$1.48)
Diluted EPS	(\$0.42)	(\$0.42)	(\$0.37)	(\$0.27)	(\$1.48)
Wtd ave shares	30.8	31.5	31.7	31.9	31.4
Fully diluted shares	30.8	31.5	31.7	31.9	31.4

CFO	27.2	7.7	7.5	8.4	50.8
Capex	(8.9)	(17.4)	(22.5)	(20.2)	(69.0)
FCF	18.4	(9.8)	(15.0)	(11.7)	(18.2)

Adj. EBITDA	1Q25	2Q25	3Q25	4Q25	2025
GAAP operating income	(12.0)	(10.3)	(8.4)	(5.4)	(36.0)
Non-cash stock comp	2.9	2.9	3.0	3.1	12.0
D&A	7.2	8.4	9.8	11.3	36.7
Other	1.2	0.5	0.0	0.0	1.7
<b>Adjusted EBITDA</b>	<b>(0.6)</b>	<b>1.6</b>	<b>4.4</b>	<b>9.0</b>	<b>14.4</b>

Margin Analysis	1Q25	2Q25	3Q25	4Q25	2025
Gross margin	57.4%	69.9%	70.1%	70.3%	67.2%
R&D	0.8%	1.0%	0.8%	0.8%	0.8%
SG&A	72.6%	76.0%	65.0%	55.0%	65.8%
D&A	24.5%	31.8%	30.6%	27.6%	28.5%
OpEx	73.4%	77.0%	65.8%	55.8%	66.7%
Oper. Profit	-40.5%	-38.9%	-26.3%	-13.1%	-28.0%
Taxes	-0.2%	0.0%	0.0%	0.0%	-0.1%
Adj. EBITDA	-2.1%	5.9%	13.8%	22.1%	11.2%
FCF Margin	62.2%	-37.1%	-47.0%	-28.8%	-14.1%

YOY Growth	1Q25	2Q25	3Q25	4Q25	2025
Revenues	21.9%	5.6%	41.7%	34.5%	26.1%
R&D	-46.3%	-7.9%	494.6%	-41.5%	-18.8%
SG&A	14.0%	9.9%	15.7%	17.8%	14.4%
D&A	-35.3%	-25.6%	-12.0%	13.2%	-15.7%
OpEx (ex-D&A)	12.5%	9.6%	16.8%	16.1%	13.8%

	proj. 1Q26	proj. 2Q26	proj. 3Q26	proj. 4Q26	proj. 2026
Revenues	38.0	39.3	43.6	50.2	170.9
Cost of revenues	10.9	11.4	13.1	14.5	49.9
Gross profit	27.0	27.9	30.5	35.6	121.1
R&D	0.5	0.5	0.5	0.5	2.0
SG&A	21.6	21.6	21.8	22.6	87.6
D&A	12.2	12.2	13.6	14.9	52.9
Satellite impairment loss	-	-	-	-	-
Operating income	(7.2)	(6.4)	(5.4)	(2.3)	(21.3)
Interest expense, net	3.1	3.2	3.2	3.3	12.8
Other expenses	0.5	0.5	0.5	0.5	2.0
Pretax profit	(10.8)	(10.1)	(9.1)	(6.1)	(36.1)
Taxes	0.0	0.0	0.0	0.0	0.0
Net income	(10.8)	(10.1)	(9.1)	(6.1)	(36.1)
Basic EPS	(\$0.34)	(\$0.31)	(\$0.28)	(\$0.19)	(\$1.12)
Diluted EPS	(\$0.34)	(\$0.31)	(\$0.28)	(\$0.19)	(\$1.12)
Wtd ave shares	32.1	32.3	32.5	32.7	32.4
Fully diluted shares	32.1	32.3	32.5	32.7	32.4

CFO	8.5	8.8	10.0	15.9	43.3
Capex	(14.3)	(11.9)	(11.9)	(7.0)	(45.1)
FCF	(5.8)	(3.0)	(1.9)	8.9	(1.8)

Adj. EBITDA	1Q26	2Q26	3Q26	4Q26	2026
GAAP operating income	(7.2)	(6.4)	(5.4)	(2.3)	(21.3)
Non-cash stock comp	3.3	3.3	3.3	3.3	13.2
D&A	12.2	12.2	13.6	14.9	52.9
Other	0.0	0.0	0.0	0.0	0.0
<b>Adjusted EBITDA</b>	<b>8.2</b>	<b>9.1</b>	<b>11.5</b>	<b>15.9</b>	<b>44.7</b>

Margin Analysis	1Q26	2Q26	3Q26	4Q26	2026
Gross margin	71.3%	71.0%	70.0%	71.0%	70.8%
R&D	1.2%	1.2%	1.2%	1.0%	1.1%
SG&A	57.0%	55.0%	50.0%	45.0%	51.2%
D&A	32.0%	31.2%	31.1%	29.7%	30.9%
OpEx	58.2%	56.2%	51.2%	46.0%	52.4%
Oper. Profit	-19.0%	-16.3%	-12.3%	-4.7%	-12.5%
Taxes	0.0%	0.0%	0.0%	0.0%	0.0%
Adj. EBITDA	21.6%	23.1%	26.4%	31.7%	26.1%
FCF Margin	-15.3%	-7.7%	-4.4%	17.8%	-1.1%

YOY Growth	1Q26	2Q26	3Q26	4Q26	2026
Revenues	28.5%	49.1%	36.3%	22.8%	32.8%
R&D	85.9%	78.9%	104.5%	53.5%	78.8%
SG&A	0.9%	7.9%	4.9%	0.5%	3.4%
D&A	68.1%	45.9%	38.6%	32.2%	44.1%
OpEx (ex-D&A)	1.8%	8.8%	6.1%	1.2%	4.4%

## BlackSky Technologies Quarterly Segment Revenues

Segment Revenues	1Q24	2Q24	3Q24	4Q24	2024	proj.	proj.	proj.	proj.	proj.	proj.	proj.	proj.	proj.	
	1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26	3Q26	4Q26	2026					
Imagery & Analytics	17.8	17.5	17.3	17.5	70.1	16.8	18.3	22.5	28.8	86.5	29.5	30.3	32.6	38.7	130.9
P&E	6.4	7.5	5.3	12.9	32.0	12.7	8.0	9.5	12.0	42.2	8.5	9.0	11.0	11.5	40.0
Total revenue	24.2	24.9	22.5	30.4	102.1	29.5	26.3	32.0	40.8	128.7	38.0	39.3	43.6	50.2	170.9
<b>Y/Y Growth</b>															
Imagery & Analytics	13%	14%	13%	-8%	7%	-6%	5%	30%	65%	23%	75%	65%	45%	34%	51%
P&E	143%	87%	-12%	-22%	10%	99%	7%	80%	-7%	32%	-33%	13%	16%	-4%	-5%
Total revenue	31.7%	29.0%	6.1%	-14.5%	8.0%	21.9%	5.6%	41.7%	34.5%	26.1%	28.5%	49.1%	36.3%	22.8%	32.8%
<b>% of Total</b>															
Imagery & Analytics	74%	70%	77%	58%	69%	57%	70%	70%	71%	67%	78%	77%	75%	77%	77%
P&E	26%	30%	23%	42%	31%	43%	30%	30%	29%	33%	22%	23%	25%	23%	23%
Total revenue	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Backlog orders	244.8	260.6	250.5	261.0	261.0	366.0									
Contract additions, renewals	30.0	40.0	12.4	40.9	123.3	134.5									
<b>By Customer</b>															
U.S. federal govt. and agencies	14.6	13.9	12.9	19.8	61.3	11.7	11.9	15.7	20.8	60.1	16.4	16.6	21.1	26.6	80.7
International government	9.0	10.0	9.0	9.7	37.8	17.1	14.4	16.1	19.3	67.0	20.3	21.3	22.4	23.5	87.5
Commercial and other	0.6	1.0	0.6	0.9	3.1	0.7	0.1	0.1	0.7	1.6	1.3	1.4	0.1	0.0	2.7
Total revenue	24.2	24.9	22.5	30.4	102.1	29.5	26.3	32.0	40.8	128.7	38.0	39.3	43.6	50.2	170.9
<b>% Growth</b>															
U.S. federal govt. and agencies, Y/Y	7%	-1%	-8%	19%	5%	-20%	-15%	22%	5%	-2%	40%	40%	34%	28%	34%
International government, Q/Q	106%	11%	-10%	7%	9%	90%	-16%	12%	20%	77%	5%	5%	5%	5%	31%
International government, Y/Y	106%	106%	32%	-48%	9%	90%	43%	78%	100%	77%	19%	48%	39%	22%	31%
Commercial and other, Y/Y	87%	149%	60%	137%	109%	14%	-90%	-83%	-19%	-47%	76%	1240%	-17%	-99%	68%
<b>% of Total</b>															
U.S. federal govt. and agencies	60%	56%	57%	65%	60%	40%	45%	49%	51%	47%	43%	42%	48%	53%	47%
International government	37%	40%	40%	32%	37%	58%	55%	50%	47%	52%	53%	54%	51%	47%	51%
Commercial and other	3%	4%	3%	3%	3%	2%	0%	0%	2%	1%	3%	3%	0%	0%	2%
Total revenue	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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