Ovzon

Reason: Preview of results

Commissioned research

Not rated

Telecom Equipment

Earnings on the rise

- Strong Q3: EBIT SEK 48m (vs. SEK -23m Q3'24)
- We raise our EPS assumptions, but cut '25e EBIT on lower GMs
- Strong near-term outlook, 33x-14x '25e-'26e EV/EBIT

Strong Q3 on the cards

The SEK 1bn order from the Swedish Defence Materiel Administration (FMV) has been a real game-changer for Ovzon. The contract was signed in May and only contributed ~SEK 65m in Q2, according to our estimates. With the continued deployment of the contract in Q3, we expect strong results in the near future. We forecast Q3 sales of SEK 203m, comprising SEK 160m in SATCOM sales and SEK 43m in terminal sales. We expect gross margins to continue to expand, although the SATCOM mix will likely be more negative in Q3 than in Q2, as Ovzon temporarily decided to use capacity on its proprietary satellite (Ovzon-3); we expect future capacity to come mainly from third-party suppliers, in line with the initial details of the FMV contract. Still, these dynamics mean that there is untapped potential for more Ovzon-3-related orders. Visibility on the timing of such signings is low, but we are modelling a gradual ramp-up in Q4 and into 2026e. Finally, we anticipate significant operational leverage driven by improved sales to lead to Q3 EBIT of SEK 48m, up from SEK -23m in Q3'24.

Estimate changes

We leave our '26-'27 EBIT estimates intact, but cut '25e EBIT by 15% (-8% on EBITDA) due to lower gross margin assumptions on the leased capacity. However, we raise our EPS forecasts following the new credit facility, where Ovzon has reduced interest rates on its debt to ~4.5% (3m STIBOR + 220-290bps) from ~15%.

Positive momentum continues

Recent order signings, combined with the currently increasing demand for SATCOM, make us optimistic about Ovzon's future. We forecast 2026 EBIT of SEK 280m (up from SEK 129m in 2025) coupled with FCF of SEK 371m. We do not include any additional proprietary satellites in our forecasts, although we believe these are increasingly likely to be announced.

Estimate changes (%)

	2025e	2026e	2027e
Sales	1.1	0.0	0.0
EBIT	-15.2	0.0	0.0
EPS	6.1	7.6	1.8

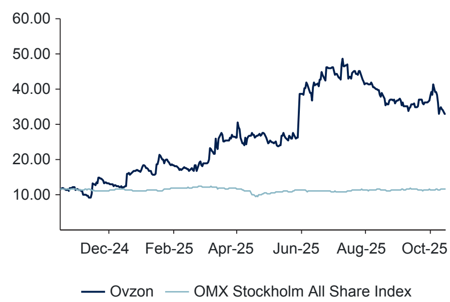
Source: ABG Sundal Collier

OVZON-SE/OVZON SS

Share price (SEK)	14/10/2025	33.35
MCap (SEKm)		3,720
MCap (EURm)		336
No. of shares (m)		111.5
Free float (%)		48.3
Av. daily volume (k)		340

Next event Q3 Report 31 October 2025

Performance



Analyst(s): simon.granath@abgsc.se, +46 8 566 286 32
daniel.thorsson@abgsc.se, +46 8 566 286 82

SEKm	2023	2024	2025e	2026e	2027e
Sales	290	334	707	897	875
EBITDA	-65	0	271	433	460
EBITDA margin (%)	-22.4	0.0	38.3	48.3	52.6
EBIT adj.	-105	-83	129	280	307
EBIT adj. margin (%)	-36.2	-24.9	18.2	31.3	35.1
Pretax profit	-65	-162	121	253	287
EPS	-0.52	-1.46	1.08	2.27	2.32
EPS adj.	-0.61	-1.46	1.08	2.27	2.32
Sales growth (%)	-18.8	15.2	111.7	26.8	-2.4
EPS growth (%)	-26.3	nm	nm	nm	2.0

Source: ABG Sundal Collier, Company Data

	2025e	2026e	2027e
P/E (x)	30.8	14.7	14.4
P/E adj. (x)	30.8	14.7	14.4
P/BVPS (x)	2.17	1.89	1.67
EV/EBITDA (x)	15.6	8.9	7.6
EV/EBIT adj. (x)	32.8	13.8	11.3
EV/sales (x)	5.98	4.31	3.98
ROE adj. (%)	7.3	13.8	12.3
Dividend yield (%)	0.0	0.0	0.0
FCF yield (%)	4.0	10.0	10.4
Le. adj. FCF yld. (%)	3.9	9.9	10.3
Net IB debt/EBITDA (x)	1.9	0.3	-0.5
Le. adj. ND/EBITDA (x)	1.9	0.3	-0.5

Company description

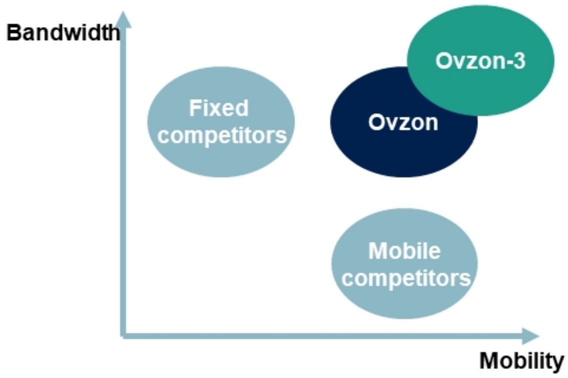
Ovzon is supplier of mobile end-to-end satellite services. Through its self-developed terminal, the company's patent-protected offering combines great mobility with high bandwidth. The company is looking to launch a proprietary satellite. Besides more than doubling Ovzon's saleable capacity, having its own satellite would expand the total offering.

Sustainability information

Risks

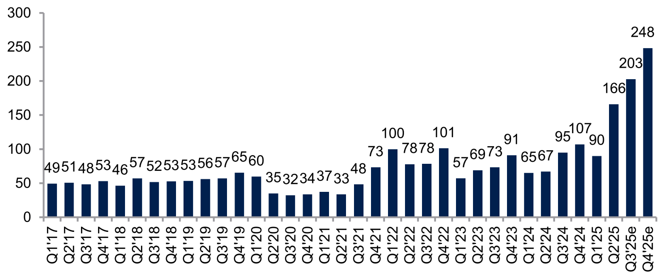
Ovzon relies on satellite capacity from third parties to provide its communication services. Satellites are subject to operational risks while in orbit, many of which cannot be foreseen and may not be included in Ovzon's insurance policies. Almost all of the company's sales are generated via IGC (a subsidiary to the operator Intelsat) and the sales agreement with IGC is subject to annual renewal. Furthermore, the company generates almost all of its revenues in USD, and reports in SEK.

Ovzon's value proposition



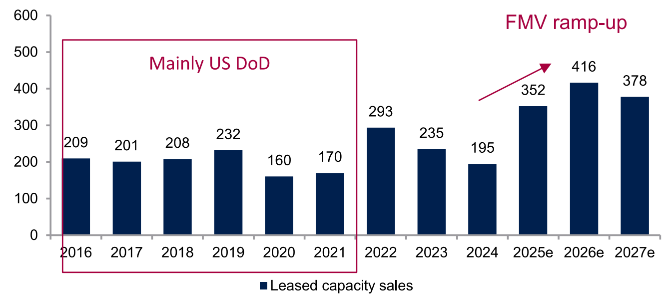
Source: ABG Sundal Collier, company data

Sales, quarterly (SEKm)



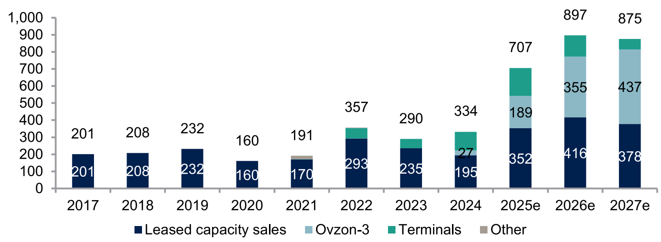
Source: ABG Sundal Collier, company data

Leased capacity sales (SEKm)



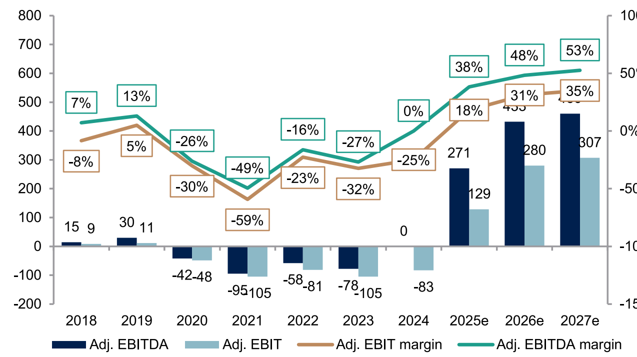
Source: ABG Sundal Collier, company data

Sales breakdown (SEKm)



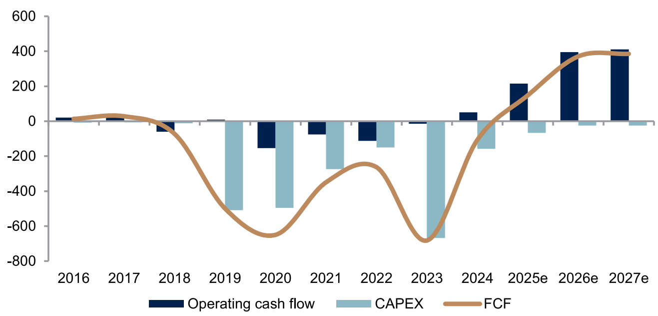
Source: ABG Sundal Collier, company data

Margin breakdown



Source: ABG Sundal Collier, company data

Cash flow (SEKm)



Source: ABG Sundal Collier, company data

Forecasts, quarterly

SEKm	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25e	Q4'25e
Net sales	**100**	**78**	**78**	**101**	**57**	**69**	**73**	**91**	**65**	**67**	**95**	**107**	**90**	**166**	**203**	**248**
COGS	-83	-54	-50	-58	-52	-56	-53	-59	-40	-38	-51	-55	-38	-61	-83	-99
Gross profit	**16**	**24**	**28**	**44**	**5**	**13**	**20**	**32**	**25**	**29**	**44**	**52**	**52**	**105**	**120**	**150**
Capitalisations	3	4	0	0	4	4	3	4	4	4	1	1	3	1	3	3
Other income	0	2	7	11	12	8	5	12	3	1	3	3	1	1	2	2
Personnel costs	-17	-20	-19	-23	-21	-24	-21	-23	-25	-27	-20	-21	-19	-21	-20	-23
Other external costs	-16	-14	-20	-34	-17	-23	-29	-31	-24	-19	-16	-18	-19	-23	-21	-25
EBITDA	**-13**	**-3**	**-5**	**-2**	**-17**	**-22**	**-22**	**-6**	**-17**	**-12**	**12**	**17**	**18**	**63**	**84**	**106**
Non-recurring items	0	0	0	0	11	0	0	0	0	0	0	0	0	0	0	0
Depreciation	-4	-5	-7	-7	-7	-7	-7	-8	-7	-6	-35	-35	-34	-36	-36	-36
EBITA	**-18**	**-9**	**-12**	**-9**	**-23**	**-28**	**-29**	**-14**	**-25**	**-17**	**-23**	**-18**	**-16**	**27**	**48**	**70**
Adj. EBITA	**-18**	**-9**	**-12**	**-9**	**-34**	**-28**	**-29**	**-14**	**-25**	**-17**	**-23**	**-18**	**-16**	**27**	**48**	**70**
Amortisation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	**-18**	**-9**	**-12**	**-9**	**-23**	**-28**	**-29**	**-14**	**-25**	**-17**	**-23**	**-18**	**-16**	**27**	**48**	**70**
Adj. EBIT	**-18**	**-9**	**-12**	**-9**	**-34**	**-28**	**-29**	**-14**	**-25**	**-17**	**-23**	**-18**	**-16**	**27**	**48**	**70**
Net financials	6	25	14	0	4	-2	0	27	-18	1	-9	-53	12	-6	-7	-7
EBT	**-11**	**16**	**2**	**-9**	**-19**	**-30**	**-29**	**13**	**-43**	**-16**	**-32**	**-71**	**-4**	**21**	**41**	**63**
Tax	-1	0	0	0	0	7	0	0	-1	0	0	0	0	0	0	0
Net income	**-12**	**16**	**2**	**-9**	**-19**	**-23**	**-29**	**13**	**-44**	**-16**	**-32**	**-71**	**-4**	**21**	**41**	**63**
EPS basic (SEK)	-0.2	0.3	0.0	-0.2	-0.4	-0.4	-0.5	0.1	-0.4	-0.1	-0.3	-0.6	0.0	0.2	0.4	0.6
Growth metrics																
Net sales growth q-o-q	36%	-22%	0%	30%	-44%	21%	6%	25%	-29%	3%	42%	13%	-16%	84%	22%	22%
Net sales growth y-o-y	169%	135%	63%	38%	-43%	-11%	-6%	-10%	14%	-3%	30%	18%	38%	148%	114%	132%
Gross profit growth y-o-y	577%	######	271%	799%	-69%	-46%	-28%	-26%	400%	123%	120%	63%	108%	262%	173%	188%
EBIT growth y-o-y	-43%	-71%	-48%	-70%	31%	218%	143%	61%	9%	-39%	-21%	29%	-36%	-259%	-307%	-490%
Adj. EBIT growth y-o-y	-38%	-71%	-48%	-61%	94%	218%	143%	61%	-26%	-39%	-21%	29%	-36%	-259%	-307%	-490%
Margins																
Gross margin	16%	31%	35%	43%	9%	19%	27%	35%	38%	43%	46%	49%	58%	63%	59%	60%
EBITDA margin	-13%	-4%	-7%	-2%	-30%	-32%	-30%	-7%	-26%	-18%	13%	16%	20%	38%	41%	43%
EBIT margin	-18%	-11%	-15%	-9%	-40%	-41%	-40%	-15%	-38%	-25%	-24%	-17%	-18%	16%	23%	28%
EBIT adj. margin	-18%	-11%	-15%	-9%	-60%	-41%	-40%	-15%	-38%	-25%	-24%	-17%	-18%	16%	23%	28%

Sales breakdown	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25e	Q4'25e
Net sales	**100**	**78**	**78**	**101**	**57**	**69**	**73**	**91**	**65**	**67**	**95**	**107**	**90**	**166**	**203**	**248**
Satellite services	58	77	78	81	54	63	62	56	36	57	65	64	76	112	160	193
o/w leased capacity	*58*	*77*	*78*	*81*	*54*	*63*	*62*	*56*	*36*	*57*	*54*	*48*	*45*	*62*	*120*	*125*
o/w Ovzon-3	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*11*	*16*	*31*	*50*	*40*	*68*
Terminals sales	39	2	0	20	3	6	11	35	29	9	29	43	13	53	43	55
Other sales	3	-1	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Ovzon-3 utilisation	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	9%	13%	24%	40%	32%	50%

Source: ABG Sundal Collier, company data

Forecasts, yearly

SEKm	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Net sales	**208**	**232**	**160**	**191**	**357**	**290**	**334**	**707**	**897**	**875**
COGS	-117	-123	-109	-177	-245	-220	-184	-281	-296	-236
Gross profit	**91**	**109**	**51**	**14**	**112**	**70**	**150**	**427**	**601**	**639**
Capitalisations	0	8	10	11	13	15	10	10	15	15
Other income	2	5	3	0	14	37	10	6	8	8
Personnel costs	-28	-48	-56	-66	-79	-89	-93	-84	-96	-103
Other external costs	-76	-45	-50	-62	-118	-100	-77	-88	-95	-99
EBITDA	**-11**	**30**	**-42**	**-103**	**-58**	**-67**	**0**	**271**	**433**	**460**
Non-recurring items	-26	0	0	-9	0	11	0	0	0	0
Depreciation	-6	-6	-6	-10	-23	-29	-83	-142	-152	-153
EBITA	**-18**	**24**	**-48**	**-113**	**-81**	**-94**	**-83**	**129**	**280**	**307**
Adj. EBITA	**9**	**24**	**-48**	**-105**	**-81**	**-105**	**-83**	**129**	**280**	**307**
Amortisation	0	-12	0	0	0	0	0	0	0	0
EBIT	**-18**	**11**	**-48**	**-113**	**-81**	**-94**	**-83**	**129**	**280**	**307**
Adj. EBIT	**9**	**11**	**-48**	**-105**	**-81**	**-105**	**-83**	**129**	**280**	**307**
Net financials	-7	27	-59	30	45	29	-79	-8	-27	-20
EBT	**-25**	**39**	**-107**	**-84**	**-36**	**-65**	**-162**	**121**	**253**	**287**
Tax	-1	-10	3	0	0	7	-1	0	0	-29
Net income	**-26**	**29**	**-104**	**-84**	**-36**	**-58**	**-163**	**121**	**253**	**258**
EPS basic (SEK)	-3.6	0.9	-2.5	-1.8	0.0	-1.2	-1.5	1.1	2.3	2.3
Growth metrics										
Net sales growth q-o-q										
Net sales growth y-o-y	3%	11%	-31%	19%	87%	-19%	15%	112%	27%	-2%
Gross profit growth y-o-y	-3%	20%	-53%	-73%	693%	-37%	114%	184%	41%	6%
EBIT growth y-o-y	nmf	nmf	nmf	135%	nmf	nmf	nmf	nmf	118%	nmf
Adj. EBIT growth y-o-y	nmf	34%	nmf	117%	-23%	30%	-21%	nmf	118%	10%
Margins										
Gross margin	44%	47%	32%	7%	31%	24%	45%	60%	67%	73%
EBITDA margin	-5%	13%	-26%	-54%	-16%	-23%	0%	38%	48%	53%
EBIT margin	-8%	5%	-30%	-59%	-23%	-32%	-25%	18%	31%	35%
EBIT adj. margin	4%	5%	-30%	-55%	-23%	-36%	-25%	18%	31%	35%
Sales breakdown	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025e**	**2026e**	**2027e**
Net sales	**208**	**232**	**160**	**191**	**357**	**290**	**334**	**707**	**897**	**875**
Satellite services	208	232	160	170	293	235	222	541	772	815
o/w leased capacity	*208*	*232*	*160*	*170*	*293*	*235*	*195*	*352*	*416*	*378*
o/w Ovzon-3	*0*	*0*	*0*	*0*	*0*	*0*	*27*	*189*	*355*	*437*
Terminals sales	0	0	0	2	60	55	110	164	125	60
Other sales	0	0	0	19	3	0	0	0	0	0
Ovzon-3 utilisation						0%	6%	37%	65%	80%

Source: ABG Sundal Collier, company data

Income Statement (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	208	232	160	191	357	290	334	707	897	875
COGS	-117	-123	-109	-177	-245	-220	-184	-281	-296	-236
Gross profit	91	109	51	14	112	70	150	427	601	639
Other operating items	-103	-79	-93	-118	-169	-135	-150	-156	-168	-179
EBITDA	**-12**	**30**	**-42**	**-103**	**-58**	**-65**	**0**	**271**	**433**	**460**
Depreciation and amortisation	-5	-6	-6	-10	-23	-29	-83	-142	-152	-153
of which leasing depreciation	0	-2	-2	-2	-2	-2	-3	-3	-3	-4
EBITA	**-18**	**24**	**-48**	**-113**	**-81**	**-94**	**-83**	**129**	**280**	**307**
EO Items	-26	0	0	-9	0	11	0	0	0	0
Impairment and PPA amortisation	0	-12	0	0	0	0	0	0	0	0
EBIT	**-18**	**11**	**-48**	**-113**	**-81**	**-94**	**-83**	**129**	**280**	**307**
Net financial items	-7	27	-59	30	45	29	-79	-8	-27	-20
Pretax profit	**-25**	**39**	**-107**	**-84**	**-36**	**-65**	**-162**	**121**	**253**	**287**
Tax	-1	-10	3	0	-0	7	-1	0	0	-29
Net profit	**-26**	**29**	**-104**	**-84**	**-36**	**-58**	**-163**	**121**	**253**	**258**
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	**-26**	**29**	**-104**	**-84**	**-36**	**-58**	**-163**	**121**	**253**	**258**
EPS	-3.63	0.87	-2.25	-1.64	-0.71	-0.52	-1.46	1.08	2.27	2.32
EPS adj.	0.21	1.15	-2.25	-1.46	-0.71	-0.61	-1.46	1.08	2.27	2.32
Total extraordinary items after tax	-27	0	0	-9	0	10	0	0	0	0
Leasing payments	0	-2	-1	-1	-1	-4	-3	-4	-4	-4
Tax rate (%)	*-4.1*	*24.6*	*2.8*	*0.0*	*-1.1*	*10.8*	*-0.6*	*0.0*	*0.0*	*10.0*
Gross margin (%)	*43.6*	*47.1*	*32.1*	*7.3*	*31.2*	*24.1*	*44.9*	*60.3*	*67.0*	*73.0*
EBITDA margin (%)	*-5.9*	*13.0*	*-26.1*	*-54.1*	*-16.2*	*-22.4*	*0.0*	*38.3*	*48.3*	*52.6*
EBITA margin (%)	*-8.4*	*10.2*	*-30.1*	*-59.2*	*-22.7*	*-32.4*	*-24.9*	*18.2*	*31.3*	*35.1*
EBIT margin (%)	*-8.4*	*4.9*	*-30.1*	*-59.2*	*-22.7*	*-32.4*	*-24.9*	*18.2*	*31.3*	*35.1*
Pre-tax margin (%)	*-11.9*	*16.7*	*-66.7*	*-43.8*	*-10.0*	*-22.4*	*-48.5*	*17.1*	*28.3*	*32.8*
Net margin (%)	*-12.3*	*12.6*	*-64.8*	*-43.8*	*-10.1*	*-20.0*	*-48.8*	*17.1*	*28.3*	*29.5*
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
Sales growth (%)	*3.4*	*11.4*	*-30.7*	*19.3*	*86.5*	*-18.8*	*15.2*	*111.7*	*26.8*	*-2.4*
EBITDA growth (%)	*-142.3*	*-344.5*	*-238.8*	*146.9*	*-44.3*	*12.7*	*-100.0*	*--*	*59.8*	*6.4*
EBITA growth (%)	*-173.0*	*-235.2*	*-303.6*	*134.8*	*-28.5*	*16.0*	*-11.7*	*-255.1*	*117.7*	*9.5*
EBIT growth (%)	*-173.0*	*-165.1*	*-522.8*	*nm*	*-28.5*	*16.0*	*-11.7*	*-255.1*	*nm*	*9.5*
Net profit growth (%)	*-520.3*	*-214.0*	*-456.0*	*-19.4*	*-56.8*	*60.3*	*181.0*	*-174.1*	*109.7*	*2.0*
EPS growth (%)	*--*	*nm*	*nm*	*-27.3*	*-56.8*	*-26.3*	*nm*	*nm*	*nm*	*2.0*
Profitability	-	-	-	-	-	-	-	-	-	-
ROE (%)	*107.8*	*6.7*	*-10.0*	*-6.1*	*-2.5*	*-3.7*	*-9.7*	*7.3*	*13.8*	*12.3*
ROE adj. (%)	*-6.2*	*9.6*	*-10.0*	*-5.5*	*-2.5*	*-4.3*	*-9.7*	*7.3*	*13.8*	*12.3*
ROCE (%)	*-22.2*	*14.5*	*-4.6*	*-3.5*	*0.5*	*-1.7*	*-3.5*	*5.4*	*11.6*	*12.8*
ROCE adj. (%)	*10.8*	*5.2*	*-4.6*	*-6.8*	*-4.4*	*-4.9*	*-3.5*	*5.4*	*11.6*	*12.8*
ROIC (%)	*-124.4*	*6.2*	*-5.7*	*-9.1*	*-5.5*	*-4.4*	*-3.8*	*5.8*	*13.0*	*13.5*
ROIC adj. (%)	*60.5*	*6.2*	*-5.7*	*-8.4*	*-5.5*	*-5.0*	*-3.8*	*5.8*	*13.0*	*13.5*
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
EBITDA adj.	14	30	-42	-95	-58	-76	0	271	433	460
EBITDA adj. margin (%)	*6.6*	*13.0*	*-26.1*	*-49.5*	*-16.2*	*-26.2*	*0.0*	*38.3*	*48.3*	*52.6*
EBITDA lease adj.	14	29	-43	-96	-59	-80	-3	267	429	456
EBITDA lease adj. margin (%)	*6.6*	*12.3*	*-27.0*	*-50.2*	*-16.6*	*-27.6*	*-0.9*	*37.7*	*47.8*	*52.2*
EBITA adj.	9	24	-48	-105	-81	-105	-83	129	280	307
EBITA adj. margin (%)	*4.1*	*10.2*	*-30.1*	*-54.7*	*-22.7*	*-36.2*	*-24.9*	*18.2*	*31.3*	*35.1*
EBIT adj.	9	11	-48	-105	-81	-105	-83	129	280	307
EBIT adj. margin (%)	*4.1*	*4.9*	*-30.1*	*-54.7*	*-22.7*	*-36.2*	*-24.9*	*18.2*	*31.3*	*35.1*
Pretax profit Adj.	1	51	-107	-75	-36	-76	-162	121	253	287
Net profit Adj.	1	42	-104	-75	-36	-68	-163	121	253	258
Net profit to shareholders adj.	1	42	-104	-75	-36	-68	-163	121	253	258
Net adj. margin (%)	*0.7*	*17.9*	*-64.8*	*-39.2*	*-10.1*	*-23.4*	*-48.8*	*17.1*	*28.3*	*29.5*

Source: ABG Sundal Collier, Company Data

Cash Flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	-12	30	-42	-103	-58	-65	0	271	433	460
Net financial items	-7	27	-59	30	45	29	-79	-8	-27	-20
Paid tax	-1	-10	3	0	-0	7	-2	0	0	-29
Non-cash items	0	-21	44	-20	-40	-25	31	0	0	0
Cash flow before change in WC	-20	27	-54	-94	-53	-54	-50	263	406	412
Change in working capital	-40	-17	-100	18	-60	40	101	-47	-10	-1

Cash Flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Operating cash flow	**-60**	**10**	**-154**	**-76**	**-112**	**-14**	**51**	**215**	**396**	**410**
Capex tangible fixed assets	-12	-509	-475	-258	-131	-625	-141	-53	-5	-5
Capex intangible fixed assets	-0	0	0	-16	-19	-43	-17	-15	-20	-20
Acquisitions and Disposals	0	0	0	0	0	0	0	0	0	0
Free cash flow	**-73**	**-499**	**-628**	**-350**	**-263**	**-682**	**-107**	**148**	**371**	**385**
Dividend paid	0	0	0	0	0	0	0	0	0	0
Share issues and buybacks	223	695	575	252	0	436	0	0	0	0
Leasing liability amortisation	0	-2	-1	-1	-1	-4	-3	-4	-4	-4
Other non-cash items	9	18	-17	1	-21	42	-129	-3	0	-0

Balance Sheet (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Goodwill	-	-	-	-	-	-	-	-	-	-
Other intangible assets	7	3	21	24	59	84	103	101	95	89
Tangible fixed assets	38	532	984	1,345	1,478	2,102	2,241	2,171	2,052	1,934
Right-of-use asset	0	7	5	7	8	4	9	10	11	11
Total other fixed assets	1	1	0	0	0	0	0	0	0	0
Fixed assets	46	543	1,010	1,376	1,545	2,190	2,353	2,282	2,159	2,034
Inventories	0	0	0	0	0	0	0	0	0	0
Receivables	8	91	134	71	101	107	290	226	314	306
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	77	257	185	406	276	247	126	218	286	418
Total assets	**131**	**892**	**1,329**	**1,853**	**1,922**	**2,544**	**2,769**	**2,727**	**2,759**	**2,758**
Shareholders equity	73	796	1,293	1,450	1,393	1,780	1,590	1,711	1,964	2,222
Minority	-	-	-	-	-	-	-	-	-	-
Total equity	**73**	**796**	**1,293**	**1,450**	**1,393**	**1,780**	**1,590**	**1,711**	**1,964**	**2,222**
Long-term debt	0	0	0	317	470	640	67	67	67	67
Pension debt	-	-	-	-	-	-	-	-	-	-
Convertible debt	-	-	-	-	-	-	-	-	-	-
Leasing liability	0	7	5	7	8	4	7	8	9	9
Total other long-term liabilities	1	0	0	0	0	0	0	0	0	0
Short-term debt	37	0	0	0	0	13	701	651	351	101
Accounts payable	20	89	31	79	49	107	401	290	368	359
Other current liabilities	0	0	0	0	1	1	2	0	0	0
Total liabilities and equity	**131**	**892**	**1,329**	**1,853**	**1,922**	**2,545**	**2,768**	**2,727**	**2,759**	**2,758**
Net IB debt	-41	-251	-180	-83	202	410	649	508	141	-241
Net IB debt excl. pension debt	-41	-251	-180	-83	202	410	649	508	141	-241
Net IB debt excl. leasing	-41	-258	-185	-90	194	406	642	500	132	-250
Capital employed	110	803	1,298	1,774	1,871	2,437	2,365	2,437	2,391	2,399
Capital invested	32	545	1,113	1,368	1,595	2,189	2,240	2,218	2,105	1,982
Working capital	-11	3	103	-8	50	-1	-113	-64	-54	-52
EV breakdown	-	-	-	-	-	-	-	-	-	-
Market cap. diluted (m)	236	1,120	1,542	1,710	1,710	3,720	3,720	3,720	3,720	3,720
Net IB debt adj.	-41	-251	-180	-83	202	410	649	508	141	-241
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
EV	**195**	**869**	**1,363**	**1,627**	**1,912**	**4,130**	**4,369**	**4,227**	**3,860**	**3,479**
Total assets turnover (%)	183.8	45.3	14.4	12.0	18.9	13.0	12.6	25.7	32.7	31.7
Working capital/sales (%)	-12.1	-1.8	32.9	24.8	5.9	8.5	-17.1	-12.5	-6.5	-6.1
Financial risk and debt service	-	-	-	-	-	-	-	-	-	-
Net debt/equity (%)	-55.9	-31.6	-13.9	-5.7	14.5	23.0	40.8	29.7	7.2	-10.8
Net debt / market cap (%)	-17.3	-22.4	-11.7	-4.8	11.8	11.0	17.4	13.6	3.8	-6.5
Equity ratio (%)	55.6	89.3	97.2	78.3	72.5	70.0	57.4	62.7	71.2	80.6
Net IB debt adj. / equity (%)	-55.9	-31.6	-13.9	-5.7	14.5	23.0	40.8	29.7	7.2	-10.8
Current ratio	1.50	3.94	10.17	6.01	7.41	2.93	0.38	0.47	0.83	1.57
EBITDA/net interest	1.7	1.1	0.7	3.5	1.3	2.2	0.0	33.8	16.0	23.0
Net IB debt/EBITDA (x)	3.3	-8.3	4.3	0.8	-3.5	-6.3	--	1.9	0.3	-0.5
Net IB debt/EBITDA lease adj. (x)	-3.0	-9.0	4.3	0.9	-3.3	-5.1	-214.0	1.9	0.3	-0.5
Interest coverage	2.5	0.9	0.8	3.8	1.8	3.2	1.1	16.1	10.4	15.4

Source: ABG Sundal Collier, Company Data

Share Data (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Actual shares outstanding	7	34	46	51	51	112	112	112	112	112
Actual shares outstanding (avg)	7	34	46	51	51	112	112	112	112	112

Share Data (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
All additional shares	7	27	13	5	0	60	0	0	0	0
Issue month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assumed dil. of shares from conv.	0	0	0	0	0	0	0	0	0	0
As. dil. of shares from conv. (avg)	0	0	0	0	0	0	0	0	0	0
Conv. debt not assumed as equity	0	0	0	0	0	0	0	0	0	0
No. of warrants	0	0	0	0	0	0	0	0	0	0
Market value per warrant	0	0	0	0	0	0	0	0	0	0
Dilution from warrants	0	0	0	0	0	0	0	0	0	0
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reported earnings per share	-3.63	0.93	-2.52	-1.76	-0.04	-1.23	-1.45	1.09	2.27	2.32

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Shares outstanding adj.	7	34	46	51	51	112	112	112	112	112
Diluted shares adj.	7	34	46	51	51	112	112	112	112	112
EPS	-3.63	0.87	-2.25	-1.64	-0.71	-0.52	-1.46	1.08	2.27	2.32
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EPS adj.	0.21	1.15	-2.25	-1.46	-0.71	-0.61	-1.46	1.08	2.27	2.32
BVPS	10.33	23.71	27.95	28.29	27.17	15.96	14.26	15.34	17.61	19.93
BVPS adj.	9.41	23.62	27.50	27.82	26.01	15.21	13.33	14.43	16.76	19.13
Net IB debt/share	-5.77	-7.48	-3.89	-1.61	3.95	3.68	5.82	4.55	1.26	-2.16
Share price	33.35	33.35	33.35	33.35	33.35	33.35	33.35	33.35	33.35	33.35
Market cap. (m)	236	1,120	1,542	1,710	1,710	3,720	3,720	3,720	3,720	3,720
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	nm	38.3	nm	nm	nm	nm	nm	30.8	14.7	14.4
EV/sales (x)	0.9	3.8	8.5	8.5	5.4	14.2	13.1	6.0	4.3	4.0
EV/EBITDA (x)	-15.8	28.8	-32.5	-15.7	-33.1	-63.5	--	15.6	8.9	7.6
EV/EBITA (x)	-11.1	36.6	-28.2	-14.4	-23.6	-43.9	-52.6	32.8	13.8	11.3
EV/EBIT (x)	-11.1	76.1	-28.2	-14.4	-23.6	-43.9	-52.6	32.8	13.8	11.3
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF yield (%)	-30.8	-44.6	-40.7	-20.5	-15.4	-18.3	-2.9	4.0	10.0	10.4
Le. adj. FCF yld. (%)	-30.8	-44.7	-40.8	-20.5	-15.5	-18.4	-3.0	3.9	9.9	10.3
P/BVPS (x)	3.23	1.41	1.19	1.18	1.23	2.09	2.34	2.17	1.89	1.67
P/BVPS adj. (x)	3.23	1.41	1.19	1.18	1.23	2.09	2.34	2.17	1.89	1.67
P/E adj. (x)	nm	29.1	nm	nm	nm	nm	nm	30.8	14.7	14.4
EV/EBITDA adj. (x)	14.2	28.8	-32.5	-17.2	-33.1	-54.3	--	15.6	8.9	7.6
EV/EBITA adj. (x)	22.9	36.6	-28.2	-15.6	-23.6	-39.3	-52.6	32.8	13.8	11.3
EV/EBIT adj. (x)	22.9	76.1	-28.2	-15.6	-23.6	-39.3	-52.6	32.8	13.8	11.3
EV/CE (x)	1.8	1.1	1.0	0.9	1.0	1.7	1.8	1.7	1.6	1.4
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	5.8	219.8	295.8	143.1	42.2	230.3	47.3	9.5	2.8	2.9
Capex/depreciation	2.3	103.1	97.9	35.0	7.1	24.7	2.0	0.5	0.2	0.2
Capex tangibles / tangible fixed assets	31.4	95.7	48.2	19.2	8.9	29.7	6.3	2.4	0.2	0.3
Capex intangibles / definite intangibles	--	--	--	--	--	--	--	--	--	--
Depreciation on intang / def. intang	--	--	--	--	--	--	--	--	--	--
Depreciation on tangibles / tangibles	0.8	0.2	0.2	0.5	1.1	0.9	2.9	5.4	5.7	6.1

Source: ABG Sundal Collier, Company Data

Analyst Certification

We, ABGSC Telecom Equipment Research, Simon Granath and Daniel Thorsson, analyst(s) with ABG Sundal Collier ASA , ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, ABG Sundal Collier AB and/or ABG Sundal Collier Limited (hereinafter collectively referred to as “ABG Sundal Collier”), and the author(s) of this report, certify that not withstanding the existence of any such potential conflicts of interests referred to below, the views expressed in this report accurately reflect my/our personal view about the companies and securities covered in this report. I/We further certify that I/We has/have not been, nor am/are or will be, receiving direct or indirect compensation related to the specific recommendations or views contained in this report.

This report is produced by ABG Sundal Collier, which may cover companies either in accordance with legal requirements designed to promote the independence of investment research (“independent research”) or as commissioned research. Commissioned research is paid for by the subject company. As such, commissioned research is deemed to constitute an acceptable minor non-monetary benefit (i.e., not investment research) as defined in MiFID II.

Analyst valuation methods

ABG Sundal Collier analysts may publish valuation ranges for stocks covered under Company Sponsored Research. These valuation ranges rely on various valuation methods. One of the most frequently used methods is the valuation of a company by calculation of that company's discounted cash flow (DCF). Another valuation method is the analysis of a company's return on capital employed relative to its cost of capital. Finally, the analysts may analyse various valuation multiples (e.g. the P/E multiples and the EV/EBITDA multiples) relative to global industry peers. In special cases, particularly for property companies and investment companies, the ratio of price to net asset value is considered. Valuation ranges may be changed when earnings and cash flow forecasts are changed. They may also be changed when the underlying value of a company's assets changes (in the cases of investment companies, property companies or insurance companies) or when factors impacting the required rate of return change.

Expected updates

ABGSC has no fixed schedule for updating its research reports. Unless expressly stated otherwise, ABGSC expects (but does not undertake) to issue updates when considered necessary by the research department, for example following the publication of new figures or forecasts by a company or in the event of any material news on a company or its industry.

Important Company Specific Disclosure

The following disclosures relate to the relationship between ABG Sundal Collier and its affiliates and the companies covered by ABG Sundal Collier referred to in this research report.

Unless disclosed in this section, ABG Sundal Collier has no required regulatory disclosures to make in relation to an ownership position for the analyst(s) and members of the analyst's household, ownership by ABG Sundal Collier, ownership in ABG Sundal Collier by the company(ies) to whom the report(s) refer(s) to, market making, managed or co-managed public offerings, compensation for provision of certain services, directorship of the analyst, or a member of the analyst's household, or in relation to any contractual obligations to the issuance of this research report.

ABG Sundal Collier has undertaken a contractual obligation to issue this report and receives predetermined compensation from the company covered in this report.

ABG Sundal Collier is not aware of any other actual, material conflicts of interest of the analyst or ABG Sundal Collier of which the analyst knows or has reason to know at the time of the publication of this report.

Production of report: 10/15/2025 16:17.

All prices are as of market close on 14 October, 2025 unless otherwise noted.

Disclaimer

This report has been prepared by ABG Sundal Collier ASA, ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, ABG Sundal Collier AB and/or ABG Sundal Collier Limited and any of their directors, officers, representatives and employees (hereinafter collectively referred to as “ABG Sundal Collier”). This report is not a product of any other affiliated or associated companies of any of the above entities.

This report is provided solely for the information and use of professional investors, who are expected to make their own investment decisions without undue reliance on this report. The information contained herein does not apply to, and should not be relied upon by, retail clients. This report is for distribution only under such circumstances as may be permitted by applicable law. Research reports prepared by ABG Sundal Collier are for information purposes only. The recommendation(s) in this report is (are) has/have no regard to specific investment objectives and the financial situation or needs of any specific recipient. ABG Sundal Collier and/or its affiliates accepts no liability whatsoever for any losses arising from any use of this report or its contents. This report is not to be used or considered as an offer to sell, or a solicitation of an offer to buy. The information herein has been obtained from, and any opinions herein are based upon, sources believed reliable, but ABG Sundal Collier and/or its affiliates make no representation as to its accuracy or completeness and it should not be relied upon as such. All opinions and estimates herein reflect the judgment of ABG Sundal Collier on the date of this report and are subject to change without notice. Past performance is not indicative of future results.

The compensation of our research analysts is determined exclusively by research management and senior management, but not including investment banking management. Compensation is not based on specific investment banking revenues, however, it is determined from the profitability of the ABG Sundal Collier group, which includes earnings from investment banking operations and other business. Investors should assume that ABG Sundal Collier ASA, ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge and/or ABG Sundal Collier AB is seeking or will seek investment banking or other business relationships with the companies in this report.

The research analyst(s) responsible for the preparation of this report may interact with trading desk and sales personnel and other departments for the purpose of gathering, synthesizing and interpreting market information. From time to time, ABG Sundal Collier and/or its affiliates and any shareholders, directors, officers, or employees thereof may (I) have a position in, or otherwise be interested in, any securities directly or indirectly connected to the subject of this report, or (II) perform investment banking or other services for, or solicit investment banking or other services from, a company mentioned in this report. ABG Sundal Collier and/or its affiliates rely on information barriers to control the flow of information contained in one or more areas of ABG Sundal Collier, into other areas, units, groups or affiliates of ABG Sundal Collier.

Norway: ABG Sundal Collier ASA is regulated by the Financial Supervisory Authority of Norway (Finanstilsynet)

Denmark: ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, is regulated by the Financial Supervisory Authority of Norway (Finanstilsynet) and the Danish Financial Supervisory Authority (Finanstilsynet)

Sweden: ABG Sundal Collier AB is regulated by the Swedish Financial Supervisory Authority (Finansinspektionen)

UK: This report is a communication made, or approved for communication in the UK, by ABG Sundal Collier Limited, authorised and regulated by the Financial Conduct Authority in the conduct of its business.

US: This report is being distributed in the United States (U.S.) in accordance with FINRA Rule 1220 by ABG Sundal Collier Inc., an SEC registered broker-dealer and a FINRA/SIPC member which accepts responsibility for its content and its compliance with FINRA Rule 2241. Research reports distributed in the U.S. are intended solely for “major U.S. institutional investors,” and “U.S. institutional investors” as defined under Rule 15a-6 of the Securities Exchange Act of 1934 and any related interpretive guidance and no-action letters issued by the Staff of the U.S. Securities and Exchange Commission (“SEC”) collectively (“SEC Rule 15a-6”). Each major U.S. institutional investor and U.S. institutional investor that receives a copy of this research report, by its acceptance of such report, represents that it agrees that it will not distribute this research report to any other person. This communication is only intended for major U.S. institutional investors and U.S. institutional investors. Any person which is not a major U.S. institutional investor, or a U.S. institutional investor as covered by SEC Rule 15a-6 must not rely on this communication. The delivery of this research report to any person in the U.S. is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. Any major U.S. institutional investor or U.S. institutional investor receiving this report which wishes to effect transactions in any securities referred to herein should contact ABG Sundal Collier Inc., not its affiliates. Further information on the securities referred to herein may be obtained from ABG Sundal Collier Inc., on request.

Singapore: This report is distributed in Singapore by ABG Sundal Collier Pte. Ltd, which is not licensed under the Financial Advisors Act (Chapter 110 of Singapore). In Singapore, this report may only be distributed to institutional investors as defined in Section 4A(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (“SFA”), and should not be circulated to any other person in Singapore.

Canada: This report is being distributed by ABG Sundal Collier ASA in Canada pursuant to section 8.25 of National Instrument 31-103 or an equivalent provision and has not been tailored to the needs of any specific investor in Canada. The information contained in this report is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering or an offer to sell the securities described herein, in Canada or any province or territory thereof. No securities commission or similar regulatory authority in Canada has reviewed or considered this report, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. Under no circumstances is this report to be construed as an offer to sell such securities or as a solicitation of an offer to buy such securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada may only be made in accordance with applicable securities laws and only by a dealer properly registered under such securities laws, or alternatively, pursuant to an applicable dealer registration exemption, in the Canadian jurisdiction in which such offer or sale is made.

Additional information available upon request. If reference is made in this report to other companies and ABG Sundal Collier provides research coverage for those companies, details regarding disclosures may be found on our website www.abgsc.com.

Norway
Ruseløkkveien 26, 8th floor
0251 Oslo
Norway
Tel: +47 22 01 60 00
Fax: +47 22 01 60 60

Sweden
Regeringsgatan 25, 8th floor
111 53 Stockholm
Sweden
Tel: +46 8 566 286 00
Fax: +46 8 566 286 01

USA
140 Broadway, Suite 4604
New York, NY 10005
USA
Tel. +1 212 605 3800
Fax. +1 212 605 3801

Germany
Schillerstrasse 2, 5. OG
60313 Frankfurt
Germany
Tel +49 69 96 86 96 0
Fax +49 69 96 86 96 99

Denmark
Forbindelsesvej 12,
2100 Copenhagen
Denmark
Tel: +45 35 46 61 00
Fax: +45 35 46 61 10

United Kingdom
10 Paternoster Row, 5th floor
London EC4M 7EJ
UK
Tel: +44 20 7905 5600
Fax: +44 20 7905 5601

Singapore
10 Collyer Quay
Ocean Financial Center
#40-07, Singapore 049315
Tel +65 6808 6082

Switzerland
ABG Sundal Collier AG
Representative Office
Schwanenplatz 4
6004 Lucerne
Switzerland
Tel +41 79 502 33 39