Ovzon

Fast comment

New SEK 58m terminal order from FMV

- SEK 58m follow-up order (Terminals) from Swedish FMV
- Deliveries start in H1'26
- Supports Terminals sales in '26e (~20% of sales)

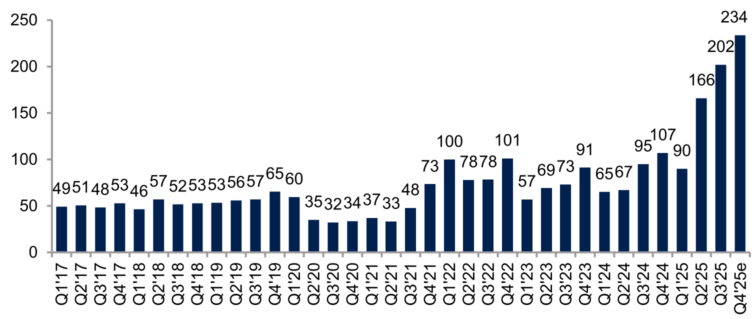
SEK 58m follow-up order from FMV

Following a period of quiet order announcements, Ovzon has today announced a SEK 58m supplementary order from the Swedish Defence Materiel Administration (FMV) for additional satellite terminals. This order complements the SEK 1bn breakthrough order placed with the same customer in May 2025. The latter was primarily related to SATCOM revenues (~80% of the contract), while the remaining 20% was related to terminals. The terminals are also compatible with Ovzon-3, suggesting that more SATCOM contract capacity could shift to Ovzon-3 over time (note that the May contract was primarily for leased capacity).

Estimate revisions

According to the press release, deliveries under the SEK 58m contract will begin in H1 2026, which we believe will lead to positive sales estimate revisions for Terminals sales in 2026e. However, Terminals only comprise ~20% of sales (2025e), whereas activity in terms of SATCOM announcements remains quiet. Given the complexity of such contracts - they are typically large and involve significant commitment from both the customer and Ovzon - it is not surprising that sales cycles are long. We note that consensus expects increased SATCOM revenues in 2026, so these assumptions could be at risk if no announcement is made. Nevertheless, today's order announcement is positive and supports the 2026 estimates. SATCOM demand remains high, and the stock is trading at 14x '26e EV/EBIT (9% FCF yield).

Sales, quarterly (SEKm)



Source: ABG Sundal Collier, company data

Commissioned research

Not rated

Telecom Equipment

OVZON-SE/OVZON SS

Share price (SEK)	17/12/2025	33.50
MCap (SEKm)		3,736
MCap (EURm)		342
No. of shares (m)		111.5
Free float (%)		60.4
Av. daily volume (k)		340

Next event Q4 Report 19 February 2026

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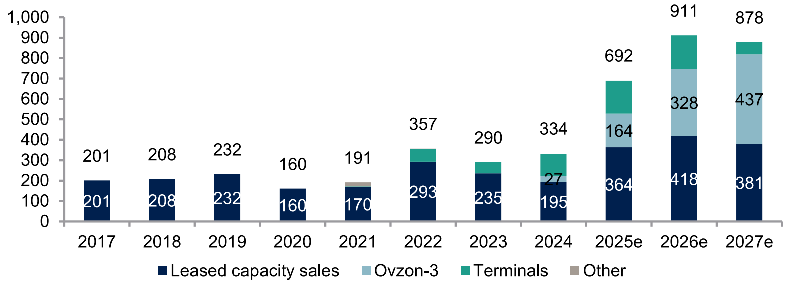
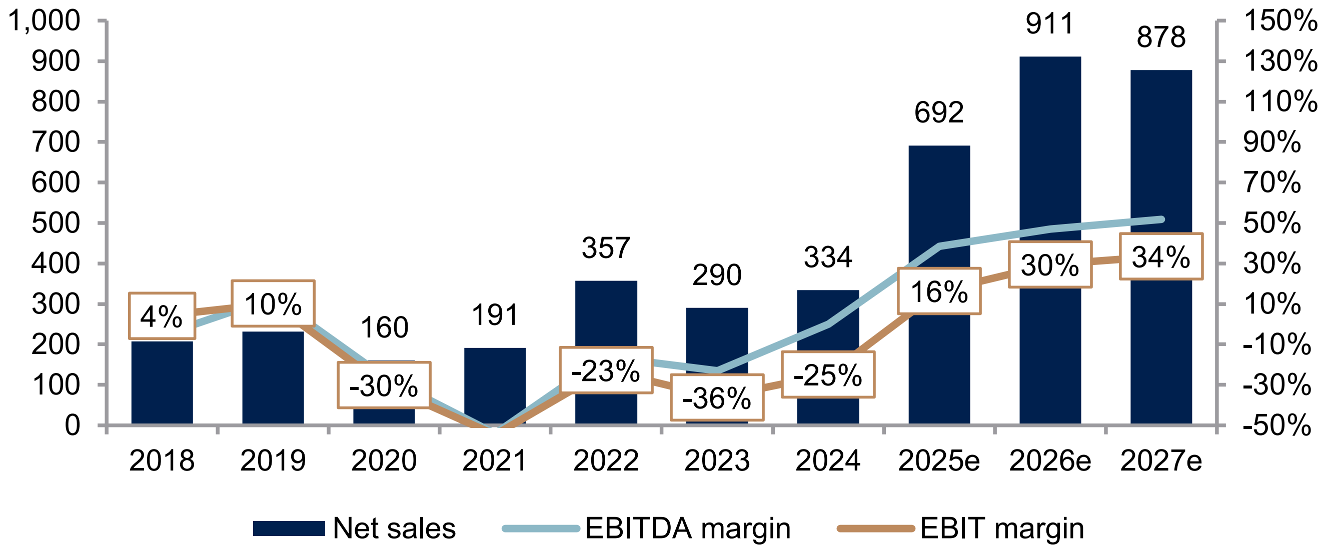
Sales breakdown (SEKm)



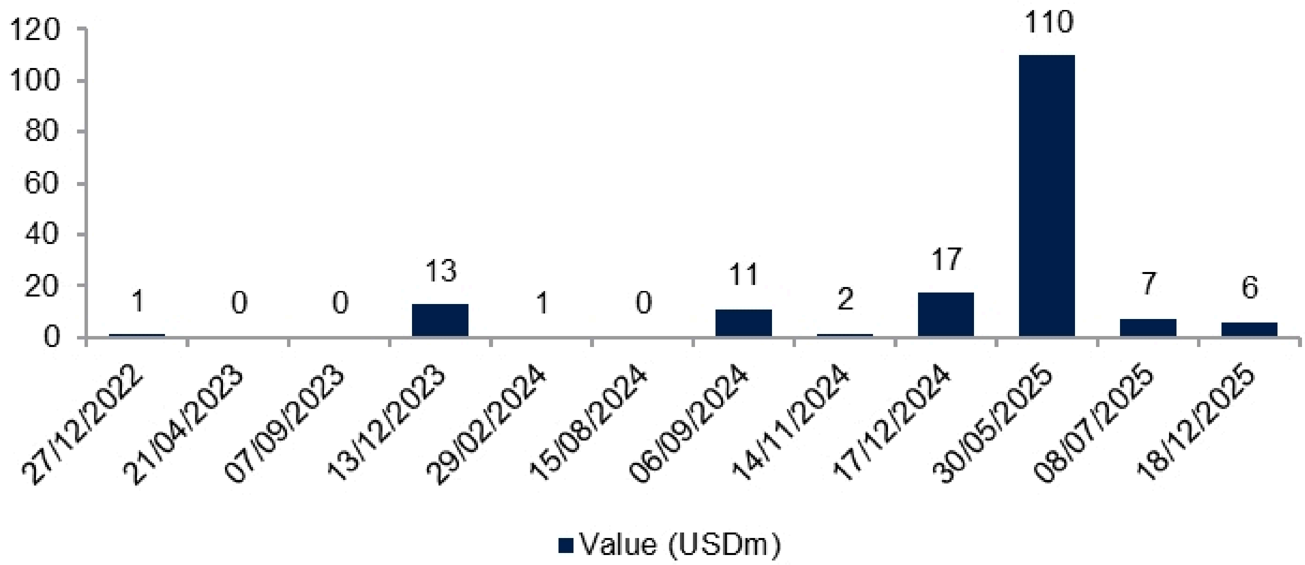
Source: ABG Sundal Collier, company data

Net sales (SEKm) and EBIT margins



Source: ABG Sundal Collier, company data

SSC/FMV orders (USDm)



Source: ABG Sundal Collier, company data

SEKm	2023	2024	2025e	2026e	2027e
Sales	290	334	692	911	878
Sales growth (%)	*-18.8*	*15.2*	*107.1*	*31.8*	*-3.7*
EBITDA					
EBITDA margin (%)	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
EBIT adj.	-94	-83	113	269	294
EBIT adj. margin (%)	*-32.4*	*-24.9*	*16.4*	*29.5*	*33.5*
Pretax profit	-94	-83	113	269	294
EPS	-0.52	-1.46	0.77	2.17	2.25
EPS growth (%)	*-26.3*	*nm*	*nm*	*nm*	*3.9*
EPS adj.					
DPS					
EV/EBITDA (x)	--	--	--	--	--
EV/EBIT adj. (x)	0.0	0.0	0.0	0.0	0.0
P/E (x)	nm	nm	43.3	15.4	14.9
P/E adj. (x)	--	--	--	--	--
EV/sales (x)	0.00	0.00	0.00	0.00	0.00
FCF yield (%)	0.0	0.0	0.0	0.0	0.0
Le. adj. FCF yld. (%)	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net IB debt/EBITDA (x)	--	--	--	--	--
Le. adj. ND/EBITDA (x)	--	--	--	--	--

Source: ABG Sundal Collier, Company Data

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