Ovzon

Fast comment

Commissioned research

Not rated

Renewed order with EU NATO customer

- Renewed SEK 74m order with EU NATO customer (Ovzon-3 related)
- 100% SATCOM (5-months); deliveries start 1 Aug'26
- Supports our estimates; potential for more orders

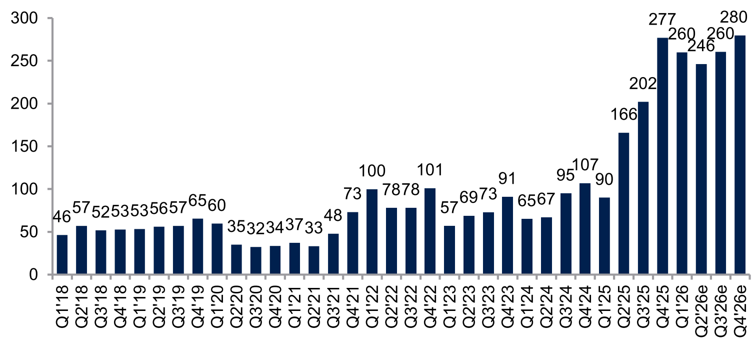
A welcomed order announcement

Ovzon has signed a SEK 74m renewal order from the defence organisation of a European NATO country relating to the company's full SATCOM solution on Ovzon-3. Order intake has been quiet for a while, so today's news is welcome. The order will run for five months from 1 Aug'26. This order is a renewal of one received on 19 Dec'25, but, unlike that one, it only includes SATCOM. There is also potential for further expansion and extension, and the company views this as the beginning of a broader initiative to establish a shared satellite communication coalition with additional European NATO countries.

Supports 2026e estimates

The order is roughly the same size as the previous contract (SEK 96m SATCOM order for ~6 months) and continues to utilise the spare capacity we have identified on Ovzon-3 (~50% utilisation, according to our estimates). The fact that this renewal is SATCOM-only, rather than including terminals, suggests that the customer is renewing because of the capacity itself - i.e. "high-quality" revenue. As the contract begins on 1 August, the majority of the value will be realised in H2 2026. The 'coalition' language is worth keeping an eye on; if it leads to more European NATO countries signing up, it would be a good way to expand the customer base further. Overall, a positive order that breaks a quiet period and supports our 2026 estimates. Stock is trading at 14x '26e EV/EBIT on our current estimates.

Sales, quarterly (SEKm)



Source: ABG Sundal Collier, company data

Telecom Equipment

OVZON-SE/OVZON SS

Share price (SEK)	29/6/2026	41.84
MCap (SEKm)		4,698
MCap (EURm)		423
No. of shares (m)		111.5
Free float (%)		65.8
Av. daily volume (k)		340

Next event Q2 report 17 July 2026

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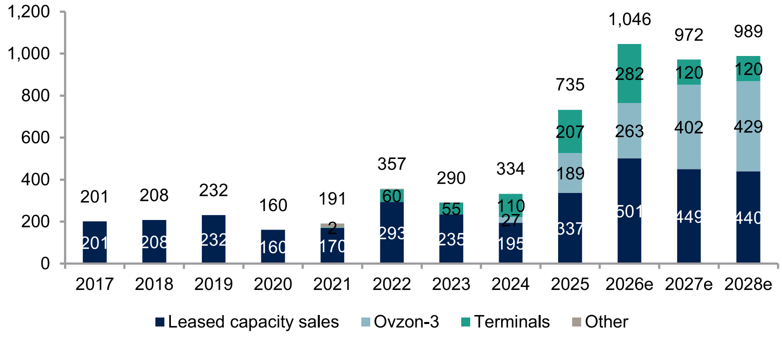
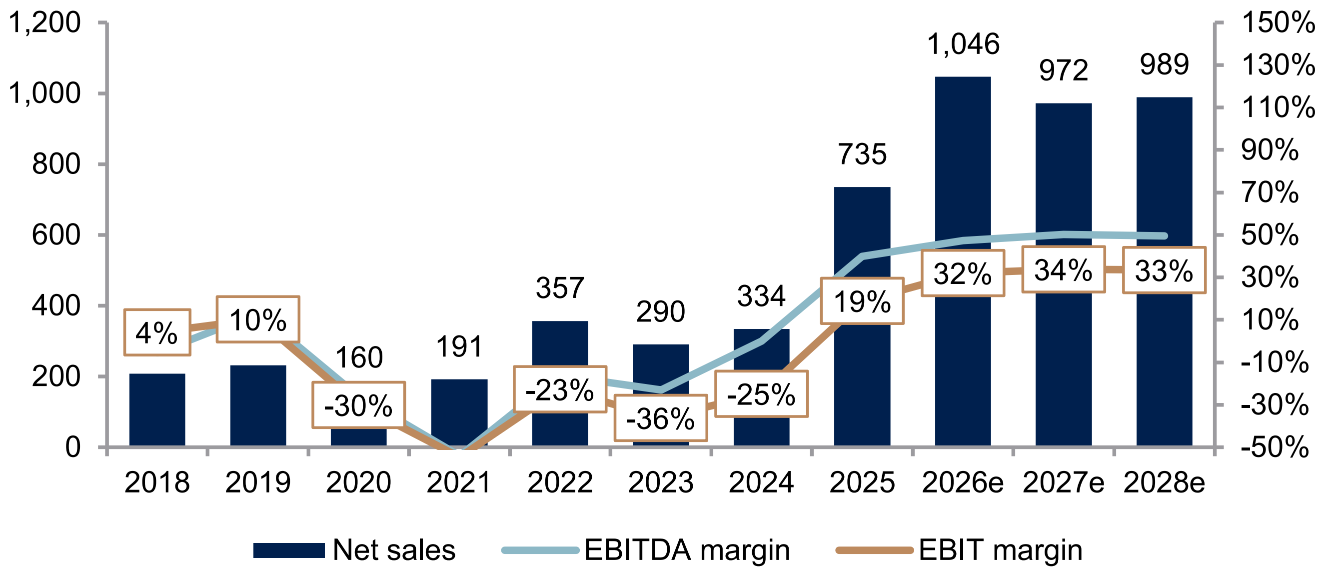
Sales breakdown (SEKm)



Source: ABG Sundal Collier, company data

Net sales (SEKm) and EBIT margins



Source: ABG Sundal Collier, company data

SEKm	2024	2025	2026e	2027e	2028e
Sales	334	735	1,046	972	989
Sales growth (%)	*15.2*	*120.1*	*42.4*	*-7.1*	*1.8*
EBITDA	0	291	495	488	490
EBITDA margin (%)	*0.0*	*39.6*	*47.3*	*50.2*	*49.5*
EBIT adj.	-83	139	335	328	330
EBIT adj. margin (%)	*-24.9*	*18.9*	*32.0*	*33.8*	*33.4*
Pretax profit	-162	104	329	323	345
EPS	-1.46	1.21	2.36	2.38	2.54
EPS growth (%)	*nm*	*nm*	*94.8*	*0.8*	*6.9*
EPS adj.	-1.46	1.21	2.36	2.38	2.54
DPS	0.00	0.00	0.00	0.00	0.00
EV/EBITDA (x)	--	16.8	9.3	8.7	7.8
EV/EBIT adj. (x)	-64.0	35.2	13.7	13.0	11.6
P/E (x)	nm	34.6	17.7	17.6	16.5
P/E adj. (x)	nm	34.6	17.7	17.6	16.5
EV/sales (x)	15.91	6.66	4.38	4.38	3.89
FCF yield (%)	-2.3	6.2	7.0	7.2	8.9
Le. adj. FCF yld. (%)	-2.4	6.1	6.9	7.1	8.8
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net IB debt/EBITDA (x)	--	0.8	-0.2	-0.8	-1.7
Le. adj. ND/EBITDA (x)	-214.0	0.8	-0.2	-0.9	-1.7

Source: ABG Sundal Collier, Company Data

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