

# Interim report Q2 2024

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# Ovzon at glance

## FACTS

- Founded in Sweden 2006
- Listed on Nasdaq Stockholm, Sweden
- Main operations in Sweden, USA and Europe
- Ovzon offers world-class mobile satellite communications solutions – Ovzon SATCOM-as-a-Service for critical missions

## VISION

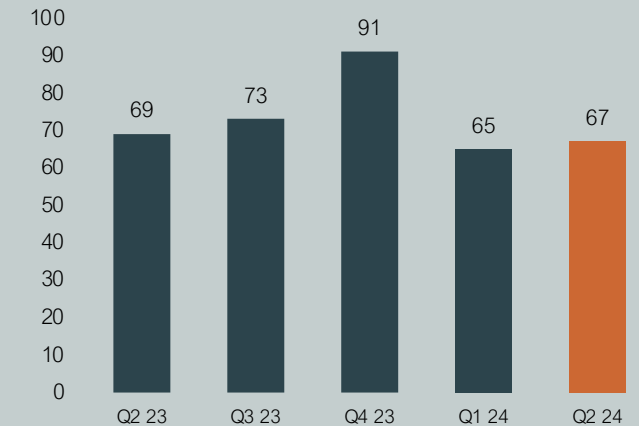
Connecting  
the world's  
critical missions  
via satellite

Performance  
Mobility  
Resiliency



## FINANCIALS

REVENUE PER QUARTER, MSEK



OVZON REVENUE R12M

**296** MSEK

CAPEX 2019-Q2 2024

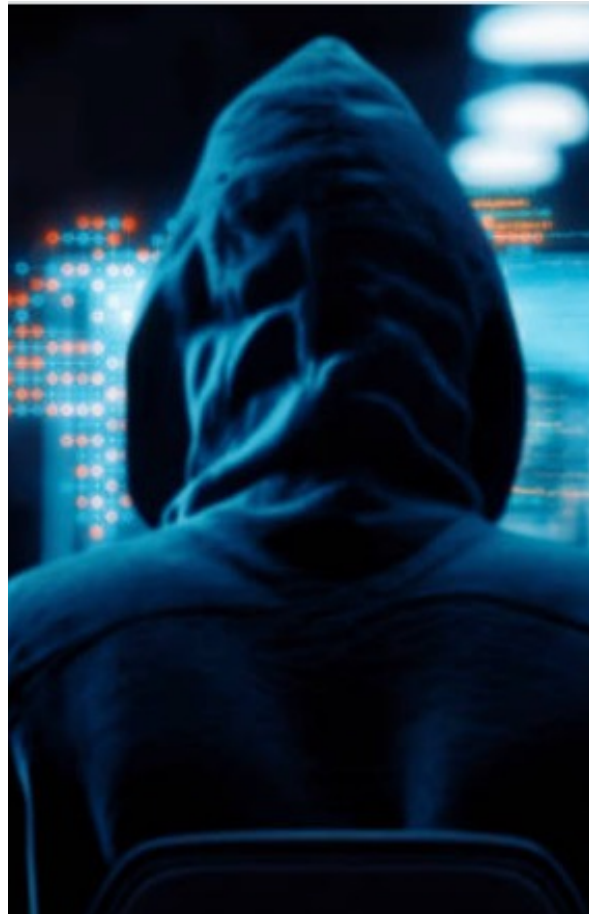
**2,328** MSEK

# The accelerating urgency and demand for satellite communications

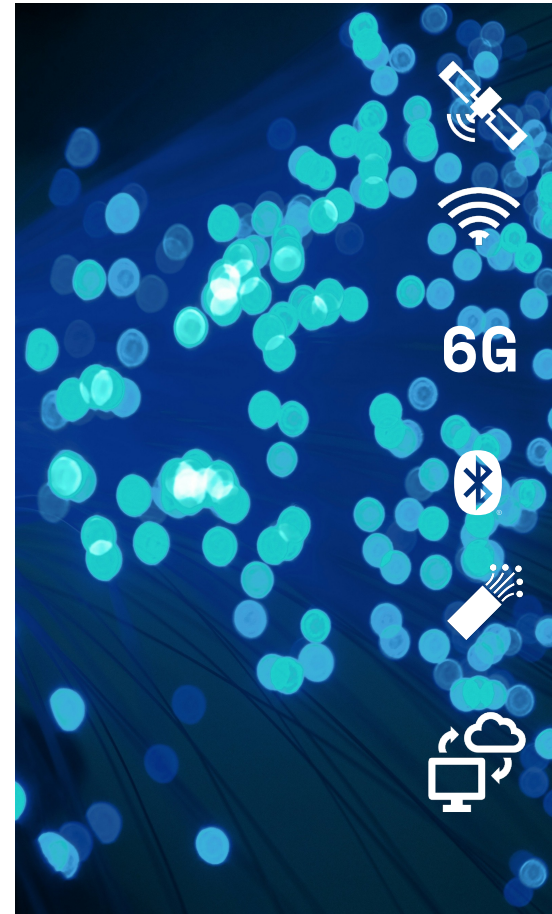
GEOPOLITICAL TENSION



CYBER SECURITY



DIGITALISATION



CLIMATE CHANGE

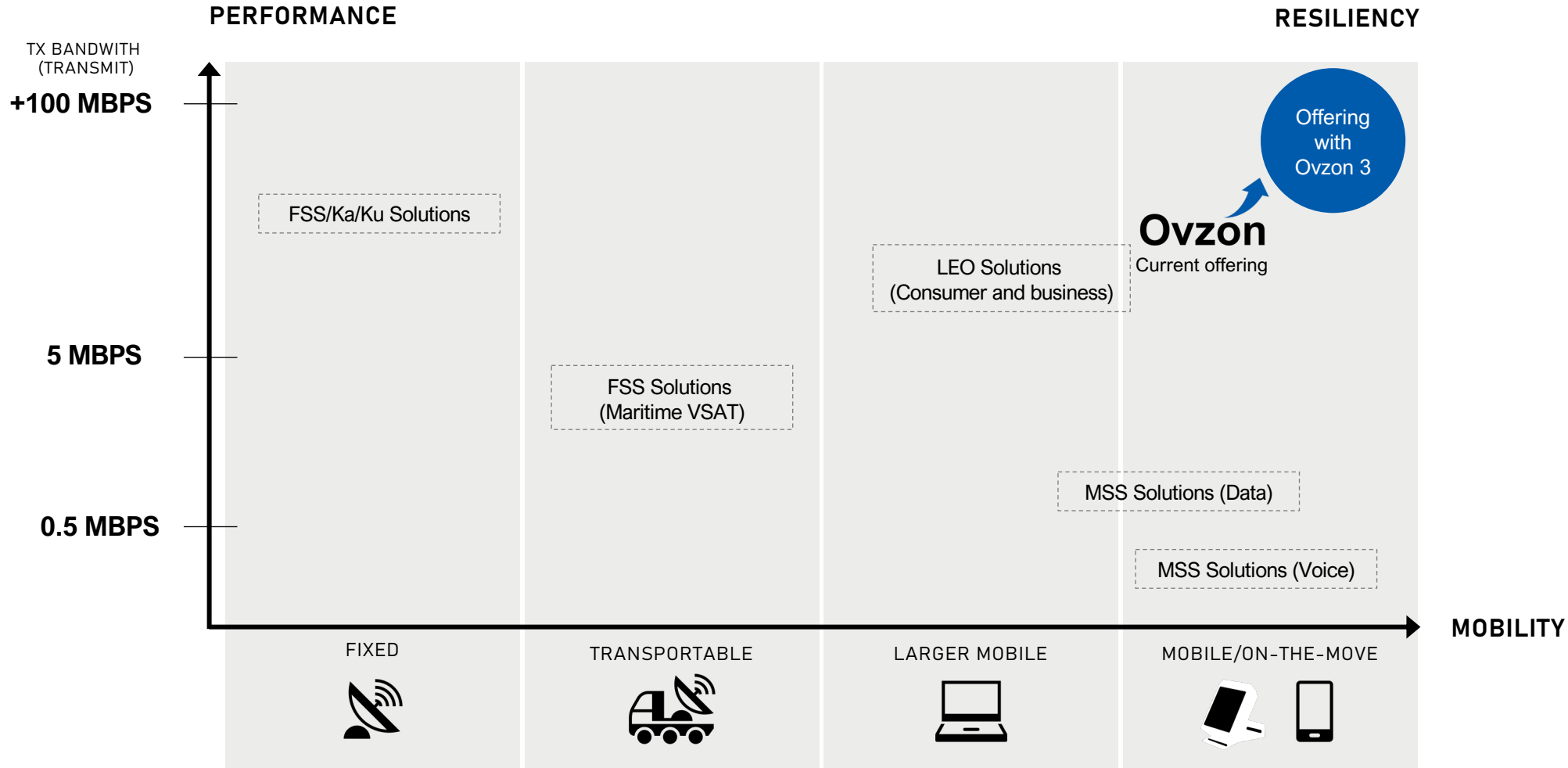


# Ovzon SATCOM-as-a-Service





# Our unique SATCOM-as-a-Service solution



FROM 2024

- Ovzon 3
- Ovzon On-Board-Processor
- Ovzon T6 and Ovzon T7 On-The-Pause mobile satellite terminals portfolio
- Expanded Ovzon On-The-Move mobile satellite terminals portfolio

OVZON'S SATCOM-AS-A-SERVICE ADVANTAGES AND UNIQUENESS

- Unique combination of performance, mobility and resiliency
- Integrated turn-key solution
- Guaranteed performance
- Dedicated 24/7/365 service management

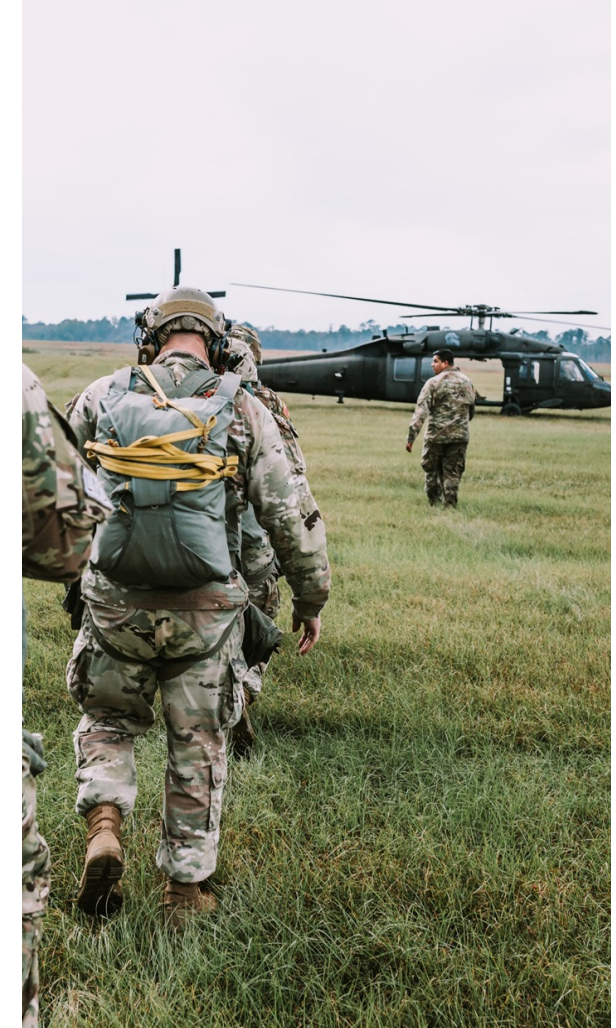
## Q2 events – A new era with Ovzon 3

### During the quarter:

- Launch of Ovzon 3 based services Ovzon Pegasus and Ovzon Orion
- Launch of On-The-Move terminals Ovzon P20 & Ovzon P30
- Renewal SATCOM-as-a-Service to a Spanish Civil Defense customer
- Renewal SATCOM-as-a-Service to UK MoD
- Final in-orbit tests of Ovzon 3
- First use-case Ovzon 3: summer games in Paris

### After the end of the quarter

- Commercial start for Ovzon 3
- First order on Ovzon 3 from U.S. DOD at 6.2 MUSD
- Initial order Ovzon 3 from Swedish Space Corporation







# Expanded Ovzon Services Portfolio – powered by Ovzon 3

## NEW CUSTOMER CENTRIC SERVICES

### Ovzon Pegasus

Ovzon 3 steerable beam service, developed specifically for the critical tasks of the most demanding customers

### Ovzon Orion

Enabled by Ovzon 3 On-Board-Processor, allows for the most advanced features specifically for the mission-critical applications of customers operating in near-peer environment

## TOTAL OVZON SERVICE PORTFOLIO

- Ovzon Plus
- Ovzon Go
- Ovzon Hero
- Ovzon Pegasus
- Ovzon Orion

# Expanded Ovzon Product Portfolio powered by Ovzon 3

OVZON ON-THE-PAUSE  
MOBILE SATELLITE TERMINALS



Ovzon T6



Ovzon T7

OVZON ON-THE-MOVE  
MOBILE SATELLITE TERMINALS



Ovzon Mini



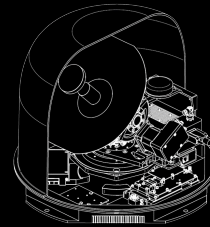
Ovzon Medium H



Ovzon Medium W



Ovzon P20



Ovzon P20





## First use-case on Ovzon 3

- Collaboration with French government through GIGN
- Ensuring connectivity and security during the Summer Games in Paris 2024
- First advanced use-case with Ovzon 3 based SATCOM-as-a-Service
- Including mobile satellite terminals, teleport service and 24/7 dedicated service and support.

"Ovzon's technology and experience is a great match for our needs, and we are looking forward to implementing their SATCOM-as-a-Service," comments General Ghislain Réty, GIGN Commander





#### FACTS

- Purpose built to support the smallest broadband terminals on ground
- All Ku-band payload
- All steerable antenna architecture
- Industry leading transmit and receive performance
- On-Board Processor enabling single hop communication between ultra compact terminals

## Ovzon 3 in commercial service

- Arrived at its dedicated position in beginning of June. Positioned at 59.7E and covering 1/3 of the earth via its five high-power steerable spot beams.
- Successful in-orbit testing and ground systems implementation. Performance and capacity exceeds requirements.
- Commercial start July 5, 2024.
- Ovzon patented solution with six steerable beams and unique software-defined capabilities via the Ovzon On-Board-Processor.



# First orders on Ovzon 3

## U.S. Department of Defense

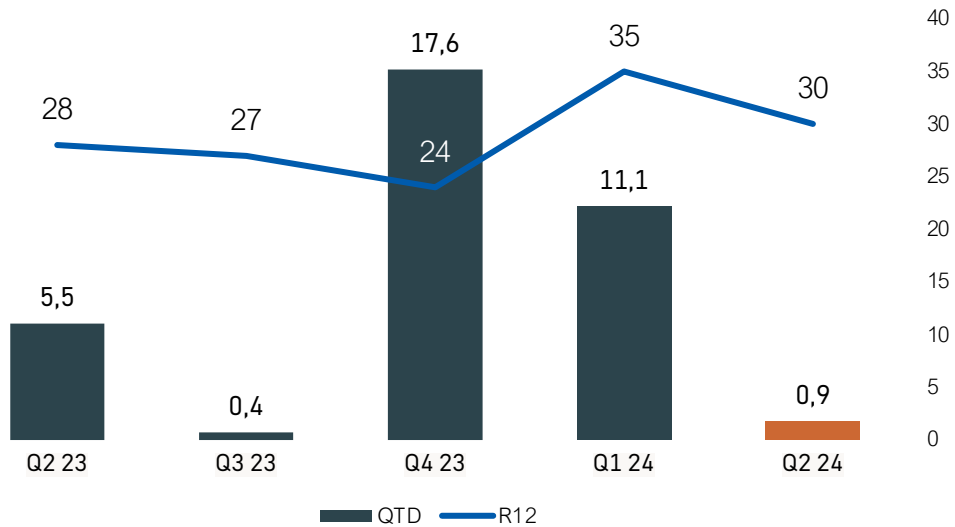
- First Ovzon Pegasus service order on Ovzon 3, through Viasat Government Services.
- 12-month contract at a value of 6.2 MUSD. Expansion vs December 2023 contract.
- Represents first transition from using leased satellite capacity to utilizing Ovzon 3.

## Swedish Space Corporation

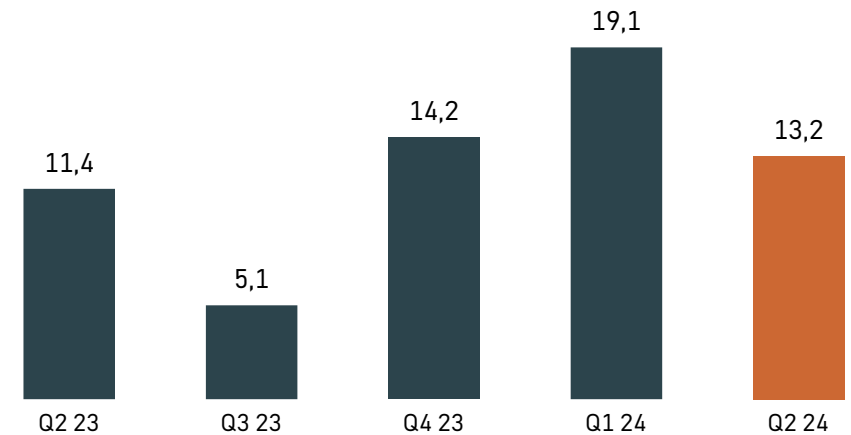
- Initial limited order for Ovzon 3 based SATCOM-as-a-Service.
- The service was delivered within 24 hours of being requested.

# Positive order intake trend R12

ORDER INTAKE (MUSD)



ORDER BOOK (MUSD)

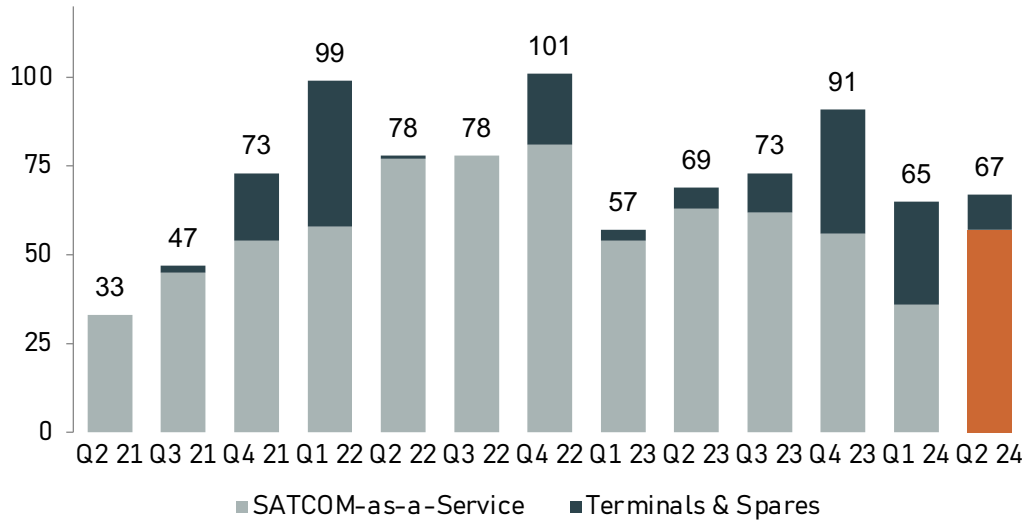


- Order intake in the quarter totaled 0.9 (5.5) MUSD, corresponding to 9 (60) MSEK.
- Order intake rolling 12 months amounts to 30 (28) MUSD, corresponding to 318 (304) MSEK.
- Order book amounts to 13.2 (11.4) MUSD, corresponding to 140 (124) MSEK.
- Focus on sustaining current customer base and expanding with new customers in foremost Europe and USA. Long sales cycles for larger and longer contracts.

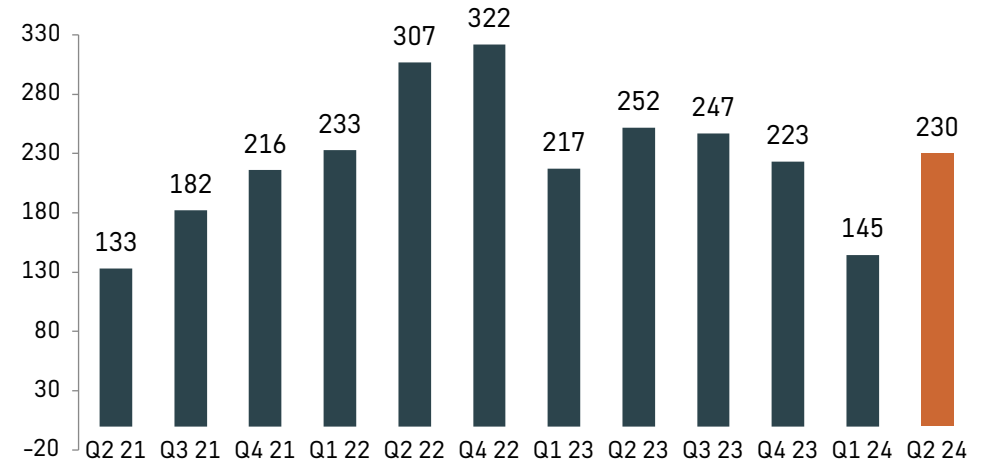


# Revenue in line with previous quarter

REVENUE (MSEK)



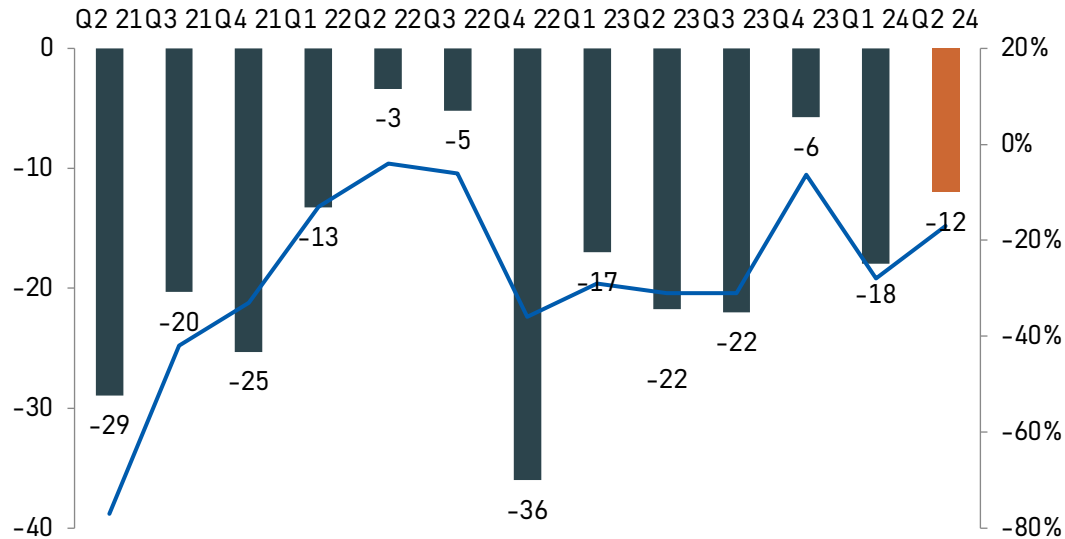
RUN RATE REVENUE (MSEK)  
OVZON SATCOM-as-a-Service



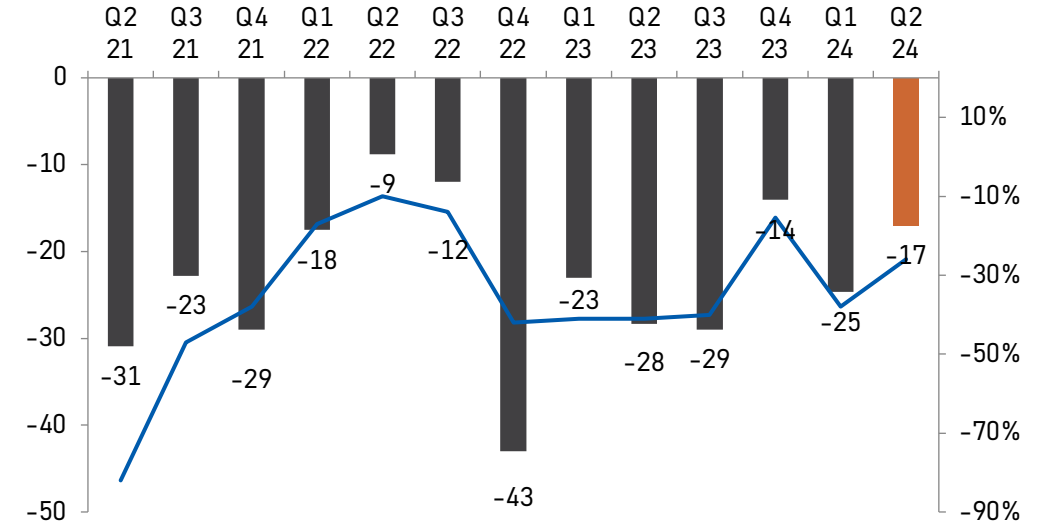
- Revenue slightly decreased compared to Q2 2023.
- SATCOM-as-a-Service revenue recovered from Q1 due to deliveries on the European order received in Q1.
- Run rate revenue from SATCOM-as-a-Service is up from Q1 due to service revenue increase in Europe.

# Gradually improving EBITDA

EBITDA AND EBITDA MARGIN (MSEK)



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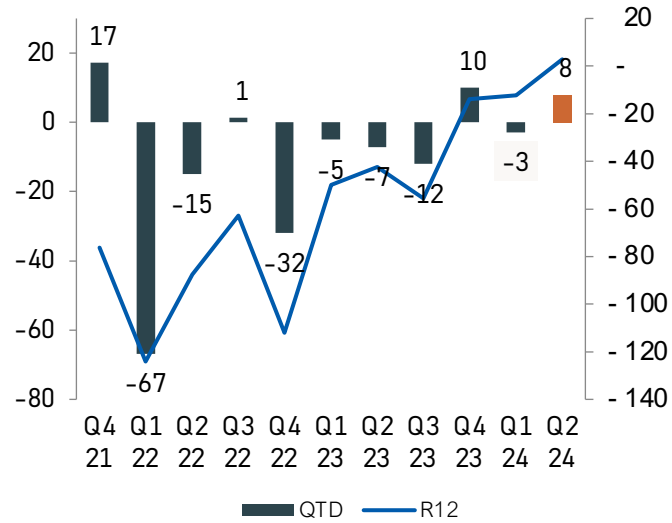


- EBITDA improved vs last year. Positively affected by higher utilization of leased satellite capacity and sales of mobile satellite terminals. Negatively affected by increased investments in sales and marketing activities.
- EBITDA-margin for the period was -17% (-31%) and EBIT margin -26% (-41%).

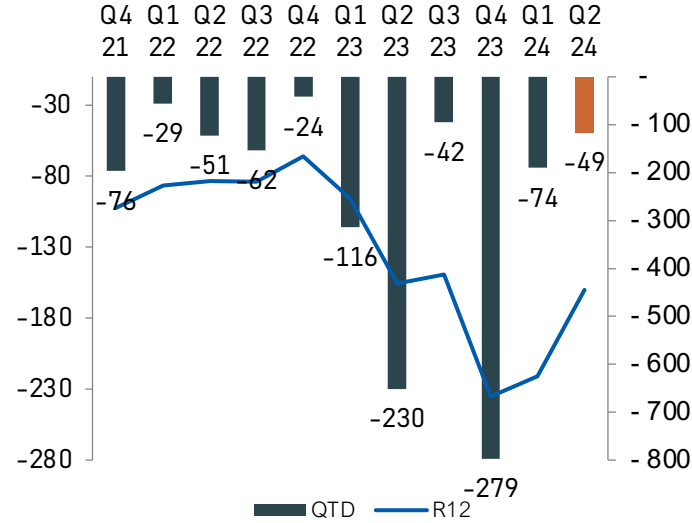


# Improved cash flow

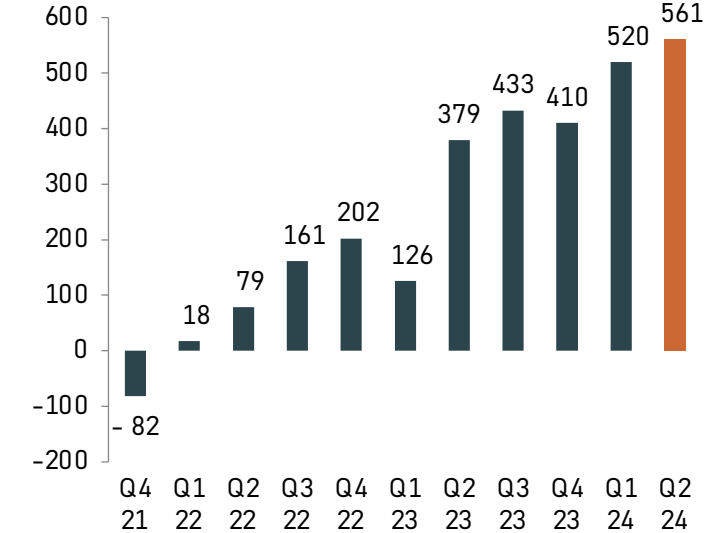
### CASH FLOW FROM OPERATIONS (MSEK)



### CASH FLOW FROM INVESTMENTS (MSEK)



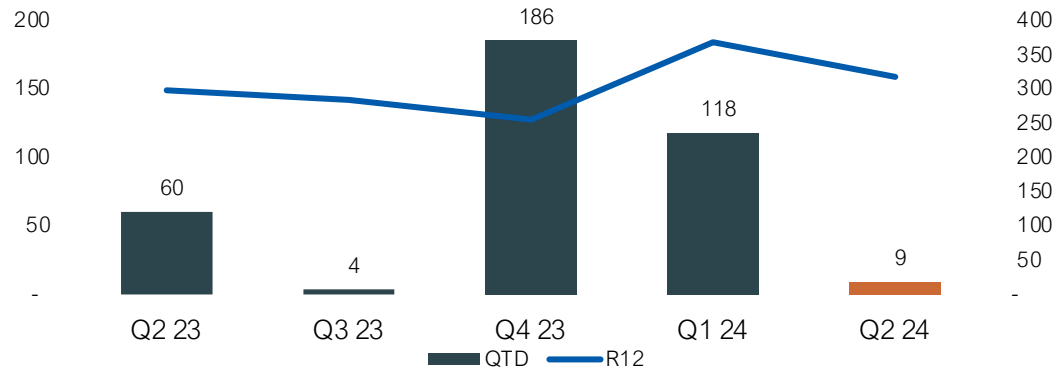
### NET DEBT (MSEK)



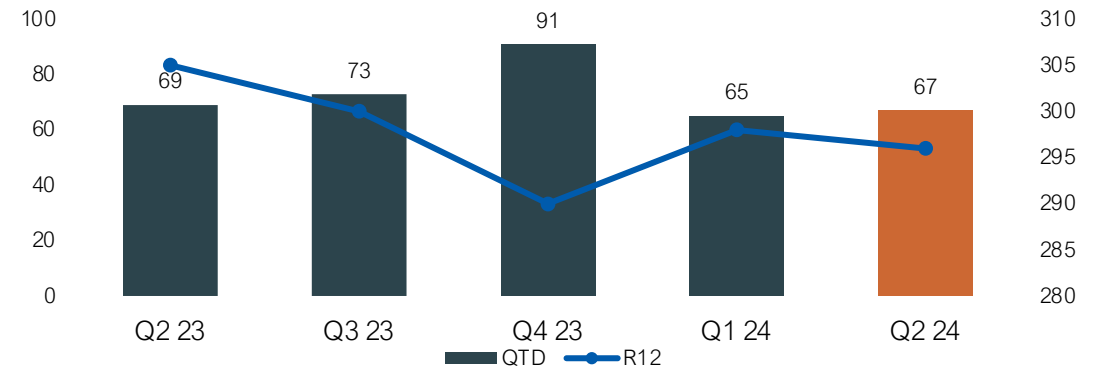
- Cash flow from operating activities for Q2 was 8 (-7) MSEK.
- Cash flow from investing activities for Q2 was -49 (-230) MSEK. Investments attributable primarily to Ovzon 3.
- Net debt increased to 561 (379) MSEK as a result of investments in the Ovzon 3 program.

# Second quarter financial development

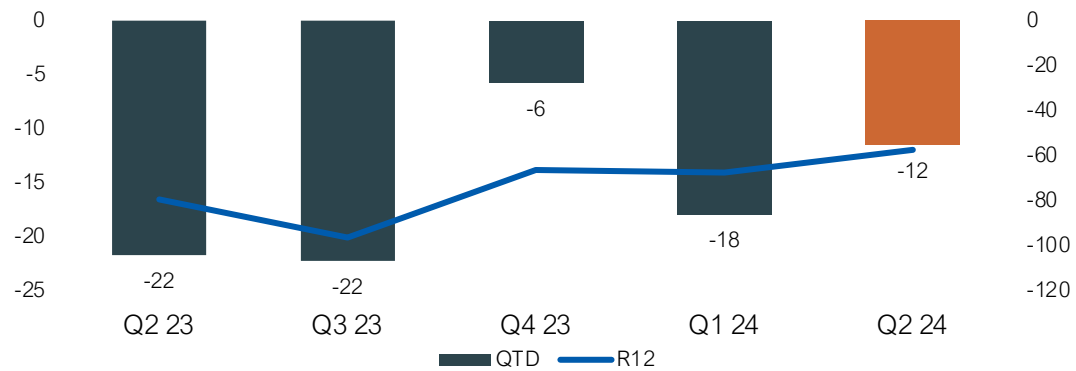
ORDER INTAKE (MSEK)



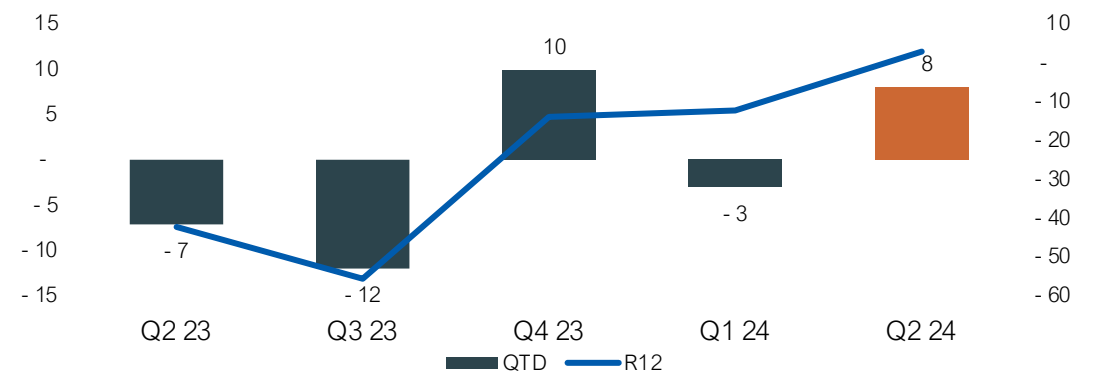
REVENUE (MSEK)



EBITDA (MSEK)



OPERATING CASH FLOW (MSEK)





## Going forward 2024–2025

- Grow and expand by leveraging Ovzon 3
- Optimize capacity utilization – own and leased
- Drive a step-change in profitable growth
  - Focus: Defense, National Security and Public Safety
  - Industrialize: Step by step scale-up of the company
  - Concentrate: On sales, capturing larger and longer-term contracts
- Sharpen positioning of Ovzon
- Finalize ongoing technology programs and investments
- Strengthen financial position

Connecting the world's critical missions via satellite



Thank you!

