

Market: OMXC Small Cap

Ticker: ROV

Share price (DKK): 49.6

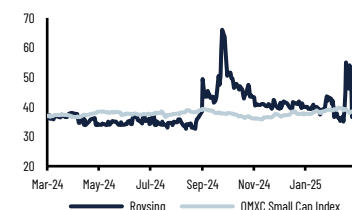
Market cap (DKK): 34m

Net debt (DKK): 5.8m

Enterprise value (DKK): 39.7m

*Includes gross proceeds of DKK 4m from rights issue

Share information



Ytd 24.6% 1 year: 34.1%
1 month: 15.9% 3 year: -26.0%

Note: We apply the closing price from 14 March 2025 (Source: S&P Capital IQ)

Financials

DKKm	2022/23	2023/24	2024/25E*
Revenue	28.3	39.3	37.0-40.0
Revenue growth	5%	39%	-6% to 2%
EBITDA	1.0	2.9	1.0-2.0
EBITDA margin	3%	8%	3% to 5%
Net income	-1.7	0.2	N/A
Net income margin	-6%	0%	N/A
Cash	0.0	0.0	N/A
Interest-bearing debt	11.9	10.3	N/A

Note: *2024/25E financials are based on Rovsing's midpoint of newest guidance ranges. Guidance previously revenue DKK 40-42m, EBITDA DKK 3-4m.

Valuation multiples

	2022/23	2023/24	2024/25E*
P/S (x)	0.8	0.6	0.9
EV/Sales (x)	1.1	0.8	1.0
EV/EBITDA (x)	32.7	10.8	26.5
EV/EBIT (x)	N/A	32.9	N/A
P/E (x)	N/A	132.7	N/A
P/B (x)	3.3	2.2	N/A
P/CF (x)	3.3	17.7	N/A

Note: Multiples for 2022/23 and 2023/24 are based on historical numbers but latest market values. *2024/25E multiples are based on Rovsing's own guidance ranges.

Company description

Founded in 1992, Rovsing is a technology company operating in the space sector. It specializes in developing testing and simulation systems (EGSE) for satellites, while also providing satellite test products, software solutions, and technical support. Customers include major European and US aerospace companies such as NASA, ESA, Boeing, OHB, and more. Rovsing is based in Glostrup, Denmark with around 30 employees, and the company has been listed on OMXC Small Cap in Denmark since 2006.

Investment case

The space industry is growing with satellites recognized as critical infrastructure for military, security, communication, and climate monitoring. Global satellite launches are projected to grow at 8.2%^[1] annually towards 2030, with testing and simulations, a key part of the satellite launch value chain.

In recent years Rovsing has been focused on stabilizing the business and growing its orderbook (DKK 42m as of 01.01.2025), resulting in higher revenue visibility on a 12-month basis. EBITDA has generally been improving, despite a downgrade following the H1 2024/25 results due to customer delays. With the business stabilized, Rovsing is now pursuing new growth opportunities.

While building on increasing demand from major clients, Rovsing is also pursuing strategic partnerships. By leveraging its access to satellite owners, software competencies, and local network, the company aims to develop solutions for the public and private sector. This offers an upside optionality to the investment case.

Rovsing trades at a lower EV/Sales than its peers, (2024A and 2025E). This may be partly explained by slower 2025 growth. However, the closest peer, due to size and profitability level, DAC, trades at much higher multiples despite flat topline growth (2024E vs 2023 revenue). Rovsing's downgraded EBITDA guidance positions its valuation above the peer group for 2025, however, small absolute improvement in EBITDA has a large impact on multiples.

Source [1]: <https://www.marketsandmarkets.com/Market-Reports/satellites-market-189500332.html>

Key investment reasons

Rovsing is well positioned to benefit from the growing space sector, with a significant orderbook and long-running relationships with leading industry players. A strong European foundation can be enhanced by expanding beyond the region over the medium-term.

Rovsing has potential to generate higher margin software revenues, following its recent partnership with Marble Imaging; part of a broader strategy to integrate satellite data to develop solutions for governments/businesses. Despite the future potential, the partnership strategy is early stage, with revenues not expected until 2026, therefore reflecting optionality but no guarantee.

Rovsing has moved towards a stable and positive EBITDA in a challenging aerospace and satellite market where many peers struggle with profitability. A strong orderbook provides revenue visibility, while favorable market trends may boost profitability, or support cash flow for investing in growth acceleration.

Key investment risks

Although Rovsing recently successfully raised around DKK 4m and realized around DKK 4.5m in free cash flow over the last two years, future capital raises may still be necessary. Capital can be needed to fund working capital or to pursue new growth opportunities. It should be noted that part of Rovsing's strategy aims to grow through partnerships, which means less capital is needed.

Working with governments and blue-chip clients leads to financially secure customers, however, Rovsing is a sub-supplier to large projects, which they do not control themselves, and can therefore be exposed to project delays as seen in H1 2024/25.

While the partnership strategy, including the agreement with Marble, has the potential to deliver high-margin software revenue, realizing this potential is not guaranteed and will also take time with Marble Imaging's first satellite planned for launch in 2026.

Peer group

Company	Price (local)	Total return YTD	Market cap (EURm)	Net debt (EURm)	EV/Sales		EV/EBITDA		Revenue growth %		EBITDA margin	
					FY2024	FY2025	FY2024	FY2025	FY2024	FY2025	3-yr avg	LTM
Ovzon	SEK 26.4	53.9%	266	57	10.4	6.9	N/A	16.0	13.5%	50.6%	-14.0%	-9.8%
GomSpace Group	SEK 7.2	66.4%	92	2	4.0	2.9	N/A	65.1	8.1%	36.2%	-50.6%	10.7%
AAC Clyde Space	SEK 79.4	71.3%	42	-4	1.1	0.7	9.1	0.0	22.8%	59.8%	-2.6%	0.0%
Danish Aerospace Company (DAC)	DKK 16.5	469.0%	24	2	8.5	N/A	78.4	N/A	-22.6%	N/A	9.4%	12.4%
Median		68.9%	67	2	6.3	2.9	43.7	16.0	10.8%	50.6%	-8.3%	5.4%
Rovsing	DKK 49.6	24.6%	4.6	0.8	1.1	1.0	15.1	26.5	38.5%	-1.9%	4.8%	5.2%

Note: Data from 14/03/2025

Source: S&P Capital IQ

Note: Peer group estimates are based on analyst estimates from S&P Capital IQ. *We do not have analyst estimates for GomSpace and DAC from S&P Capital IQ. As a result, we apply GomSpace's 2025 guidance and DAC's 2024 guidance. Data is extracted on 17 March 2025. Source: HC Andersen Capital and S&P Capital IQ. Also note that Rovsing has skewed reporting period from 1 July - 30 June. No adjustments are made for uneven reporting periods. Note EV FY2024 and FY2025, calculated on latest EV from 14.03.2025. Rovsing net debt includes gross cash of DKK 4m from March 2025 capital raise.

Appendix: Peer group



Estimates and assumptions: Most data in the peer group has not been calculated by HC Andersen Capital but is instead consensus analyst estimates from S&P Capital IQ. HC Andersen Capital assumes no responsibility for the correctness of the numbers in the peer group; however, considers S&P Capital IQ a credible source of information.

Rovsing: operates within the commercial satellite market, supporting satellite launches via testing and simulation equipment. Over the past years, there have been some market consolidation and relevant M&A activities. For perspectives on valuation multiples, the peer group contains listed companies within the Space-sector. Below, we have briefly described the companies used in the peer group. Note that the comparison varies in company sizes, delivered services, and located geographies. In addition, the peer group landscape may change due to fast-changing technological developments.

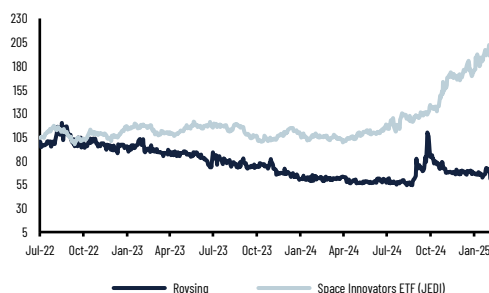
AAC Clyde Space: Similar to Rovsing, AAC Clyde Space is listed on Nasdaq First North Premier in Sweden, and the company also operates within the commercial market. AAC Clyde Space specializes in small satellite technologies and services that enable customers to access timely data from space.

GomSpace: manufactures and supplies hardware and software in satellite solutions within the nanosatellite and microsatellite segments. Lately, it has directed its strategic focus to marine domain awareness. GomSpace's business units are divided into Programs, Products, and North America, in 2024. GomSpace is headquartered in Aalborg, Denmark, and the company has been listed on Nasdaq First North Premier in Sweden since 2016.

Danish Aerospace Company (DAC): is a Danish-based aerospace company specializing in the design, development, and production of medical monitoring and fitness equipment for space applications. DAC supports a human presence in space with its product portfolio including respiratory equipment for spaceflight, bicycle ergometers for astronaut exercise, and medical monitoring devices. DAC and Rovsing are both prominent Danish small-cap aerospace companies, and despite operating in different verticals, share similar underlying markets and space agency clients.

Ovzon AB: offers world-leading integrated mobile satellite communications services, SATCOM-as-a-Service, to customers globally. The services combine high throughput satellite networks, mobile satellite terminals, gateway services, and dedicated customer support. This might be a peer the furthest away from Rovsing's current offerings, but a good peer to the potential future business areas, where Rovsing, together with partners, will resemble more a service offering, as is the case with Ovzon AB.

Market development: For perspective, we compare Rovsing with the VanEck Vectors Space Innovators (JEDI) since JEDI's first inception month in June 2022. VanEck Vectors Space Innovators seeks to invest in a portfolio of equity securities with the aim of providing investment returns that closely track the performance of the MVIS[®] Global Space Industry ESG Index. This gives exposure to companies involved in space exploration, rockets and propulsion systems, satellite equipment, and communication solutions. As shown by the development below, the space sector in the last 6 months has seen renewed investor interest.



Note: S&P Capital IQ data is extracted on 05 March 2025.
Source: HC Andersen Capital and S&P Capital IQ.

Estimates and assumptions: Peer data has not been calculated by HC Andersen Capital but is instead consensus analyst estimates from S&P Capital IQ. Some of the companies have limited analyst coverage. HC Andersen Capital assumes no responsibility for the correctness of the numbers in the peer group; however, considers S&P Capital IQ a credible source of information.

Description of partners: Marble Imaging is a German space technology company specializing in high-resolution Earth observation (EO) solutions. The company is developing a constellation of Very High-Resolution (VHR) satellites, aimed at delivering daily EO analytics for applications in climate monitoring, security, and infrastructure management. By providing real-time geospatial intelligence, Marble Imaging supports decision-making for governments, defense organizations, and commercial enterprises.

In 2024, Marble Imaging partnered with Rovsing A/S to enhance space-based data processing and mission support capabilities. Leveraging Rovsing's expertise in satellite testing and electrical ground support equipment (EGSE), the collaboration ensures seamless integration and validation of Marble's EO satellite systems. This partnership aligns with European space and defense strategies, with the potential to strengthen Arctic surveillance, critical infrastructure protection, and environmental monitoring.