

Interim report

January-June 2020

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Strengthened balance sheet in a challenging environment

January–June 2020

- Revenue amounted to TSEK 94,559 (109,348).
- Operating profit amounted to TSEK -11,958 (-4,389).
- Operating profit excluding non-recurring costs amounted to TSEK -11,958 (7,908).
- Profit after tax amounted to TSEK -18,186 (8,418).
- Earnings per share amounted to -0.51 SEK (0.29).

April–June 2020

- Revenue amounted to TSEK 34,983 (55,987).
- Operating profit amounted to TSEK -17,313 (-9,049).
- Operating profit excluding non-recurring costs amounted to TSEK -17,313 (3,248).
- Profit after tax amounted to TSEK -51,891 (-12,915). The result includes currency conversions and financial transaction costs of TSEK -37,668.
- Earnings per share amounted to -1.42 SEK (-0.38).

Significant events during the period

- Ovzon and Airbus Defense and Space has entered into a partnership agreement in which Airbus as a reseller will include Ovzon's innovative satellite communication services into its portfolio.
- Ovzon raised a total of approximately MSEK 504 in two steps; through a directed share issue of MSEK 350 and a rights issue of approximately MSEK 154.

Significant events after the period

- Order from IGC on behalf of the US defense of MUSD 3.9. The order includes, among other things, the capacity of a steerable antenna on IS-39 and will be delivered from September 2020.
- Agreement with Intelsat regarding capacity on IS-39 and IS-37 that substantially increases capacity and reach for the Ovzon service.

Key figures

TSEK	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Revenue	34,983	55,987	94,559	109,348	231,642
Operating profit/loss	-17,313	-9,049	-11,958	-4,389	11,419
Adjusted operating profit/loss*	-17,313	3 248	-11,958	21,671	23,716
Profit/loss for the period after tax	-51,891	12,915	-18,186	8,418	29,230
Earnings per share, SEK	-1.42	-0.38	-0.51	0.29	0.93

*Excluding items affecting comparability

Comments from the CEO

During the second quarter of the year, we further strengthened our financial position through a capital raising where, among other things, the 4th AP Fund entered as a new shareholder. Our strong financial position gives us stability and room to maneuver as we build the company to prepare for our own upcoming satellite Ovzon 3. On the business side, we now have established a collaboration with Airbus as a distributor and we sell together with them to their customers in the defense industry. Together with the distributors we appointed in the first quarter, we thus have a broad sales organization.

Sales work and Covid-19

Our sales and marketing activities were limited by Covid-19 during the quarter. The trade fairs that are important to the industry have been canceled or postponed. We have also not been able to travel as usual to demonstrate our service to existing or potential customers. The turbulent situation in the world economy following the outbreak of Covid-19 and the lower six-month contract from the US DoD signed in March meant, as we predicted in the previous quarterly report, that sales and profitability weakened in the short term during the quarter.

The lower turnover has a direct impact on our gross profit as it means that we have a lower utilization of our leased satellite capacity. The contract with US DoD runs until September and in July we secured another quarter with this customer at a slightly higher level as we expanded the offer with a steerable antenna on Intelsat's IS-39 satellite, where we lease capacity for our service. In this way, we pave the way for Ovzon 3, which is equipped with several steerable antennas.

Increased capacity

To secure additional capacity in the important Ku30b frequency band, we agreed in August with Intelsat on access to three powerful steerable antennas on the Intelsat 39 (IS-39) and Intelsat 37 (IS-37) satellites. The agreement replaces and expands the previous agreement regarding capacity on IS-39. The agreement is an important step for Ovzon to expand our opportunities to serve customers with demands for global reach of high-bandwidth services, and it thus paves the way for our upcoming Ovzon 3 satellite.

Strengthened balance sheet and organization

In June, we further strengthened our financial position through a capital raising totaling approximately MSEK 500 in two steps; a directed new issue of MSEK 350 to, among others, the 4th AP Fund and a rights issue of approximately MSEK 150. The rights issue was subscribed for at 150 percent, a good proof of investors' interest in the growth opportunities we face.

To continuously strengthen our organization is crucial to capture future growth opportunities. During the quarter, the management team was therefore strengthened with Nils Norén as Chief Development and Production Officer and Tom Hopkins as Chief Operations Officer – two important recruitments for key positions, in line with our growth strategy.

Ovzon 3 on schedule

Ovzon 3, which is now in production at our partner Maxar, is planned to be launched during the latter part of 2021. The pandemic has not affected the satellite construction, which is progressing according to plan. With Ovzon 3 our capacity multiplies, and the satellite gives us the opportunity to offer new services and increased functionality. Ovzon 3 is the first of a number of planned satellites for global reach for our service based on our own satellites.

The external business environment continue to be challenging and we do not expect any improvement in 2020. This affects our ability to take on new business and the turnover rate during the remaining part of 2020 will thus be in line with the turnover rate in the second quarter, which means that turnover for 2020 will be lower than for 2019.

We are, however, well positioned. We have a strong balance sheet, we are strengthening the organization, we have added new satellite capacity and taken our first contract on a steerable antenna. In this difficult business climate, we are preparing to be in a position to grow in 2021.

Magnus René, CEO

This information is inside information that Ovzon is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 08.30 CET on August 18, 2020.

About Ovzon

Ovzon provides broadband satellite service through its own and leased satellite capacity to customers in various parts of the world.

Vision

To revolutionize mobile broadband via satellite by offering global coverage of the highest bandwidth through the smallest terminals.

Business idea

The Group provides mobile satellite broadband services in areas without functioning infrastructure.

Financial targets

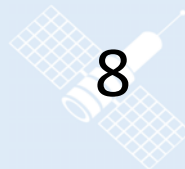
Ovzon's financial target is to continue to develop and expand its current service offering in the coming years, at the same time as the company prepares the launch of its first self-developed satellite.

Ovzon at a glance

Customer segments



Leased satellites



2 key trends

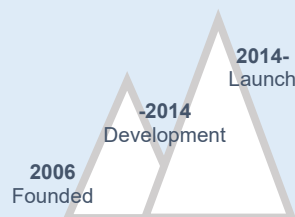
Increased bandwidth and mobility requirements



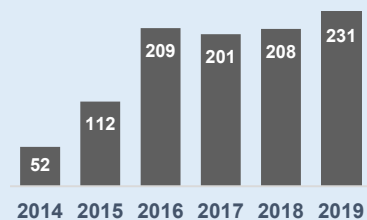
3 offices



14 years of business



Sales, MSEK



Financial overview

Development during the quarter

<i>TSEK</i>	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Helår 2019
Revenue	34 983	55 987	94 559	109 348	231 642
Operating profit/loss	-17 313	-9 049	-11 958	-4 389	11 419
Adj Operating profit/loss*	-17,313	3 248	-11,958	21 671	23 716
Profit/loss for the period after tax	-51,891	12,915	-18,186	8 418	29 230
Earnings per share, SEK	-1.42	-0.38	-0.51	0.29	0.93

*Excluding items affecting comparability

Revenue

Revenue for the quarter amounted to TSEK 34,983 (55,987). Revenue for the first six months amounted to TSEK 94,559 (109,348). The lower revenue was a result of the, in comparison to previous contracts, lower six-month contract (totaling MUSD 6.9) with the US DoD that was signed in March 2020. The lower volume during the now agreed six-month period is due to changing geographical needs and certain budget constraints.

Operating profit

Operating profit for the quarter amounted to TSEK -17,313 (-9,049). The operating profit for the first six months amounted to -11,958 (-4,389). Operating profit has been significantly affected by the renewed six-month contract with the US military in March 2020. The contract volume was MUSD 6.9, compared to MUSD 13.7 for the previous six-month period, while the cost of leased satellite capacity remained unchanged. The lower volume has also meant that the company during the second quarter had some unsold satellite capacity for which the company bore costs.

Profit/loss after financial items

Net financial items for the quarter amounted to TSEK -37,668 (-919) with a loss after financial items of TSEK 54,981 (9,968). Net financial items for the first six months amounted to TSEK -9,307 (15,742) with a loss after financial items of TSEK 21,265 (11,353).

Along with significant currency effects of -23,781 on the part of the company's liquidity and group balances held in US dollars, the weak net financial items was a result of expensed prepaid transaction expenses in connection with financing of TSEK -14,818 during the quarter. The prepaid transaction expenses were linked to the subordinated loan facility which was replaced by equity during the quarter.

Profit/loss after tax

Loss after tax for the quarter amounted to TSEK -51,891 (-12,915). Loss after tax for the first six months amounted to -18,186 (8,418).

Cash flow

Cash flow from operating activities for the quarter amounted to TSEK -62,691 (-28,069) and for the first six months to TSEK -49,018 (-3,410).

Cash flow from investing activities for the quarter amounted to TSEK -143,262 (-4,214) and for the first half six months to TSEK -240,160 (-45,284). The investments were mainly attributable to the company's first own satellite (Ovzon 3), a project that is expected to be completed in 2021 (see also Note 4).

Cash flow from financing activities for the quarter amounted to TSEK 496,358 (-331) and for the first six months to TSEK 580,293 (679,426). During the first half of the year, the company carried out two directed issues and a rights issue which contributed a total of TSEK 588,624 to the company (before issue costs of TSEK 7,630).

Financial position

The Group's cash and cash equivalents on the balance sheet date amounted to TSEK 552,771, compared with TSEK 257,382 at the beginning of the year. Equity amounted to TSEK 1,358,750, compared with TSEK 796,296 at the beginning of the year. The equity/assets ratio amounted to 94 percent (94)

Incentive program

During 2018, the company introduced new incentive programs "Warrants Program 2018/2021" and "Employee Option Program 2018/2021". The company's management team has subscribed for the maximum number of options and warrants granted, a total of 167,000 and other employees have subscribed 121,000 options and warrants. Following the rights issue in January 2019, the terms of the warrant program and employee option program have been restated. Each option entitles to subscription of 2.06 new shares in the company at a price of SEK 58.32 per share. If all options and warrants are used in the programs, a dilution of 1.3% of the shares and votes in the company occurs. The time period for the options and warrants runs from 15 May 2021 until 15 June 2021.

In connection with the raising of the subordinated loan facility of TSEK 200,000 on July 3, 2019, 1,500,000 warrants were issued to the subordinated lenders. Following the rights issue in June 2020, the terms of the warrants have been recalculated. Each option entitles the holder to subscribe for 1.02 new shares in the company at a price of SEK 98.16 per share. The warrants run over a maximum of 5 years and may be exercised for subscription of shares up to and including 3 July 2024.

At an Extraordinary General Meeting on May 18, 2020, it was decided to issue a maximum of 900,000 warrants under the "Warrant Program 2020/2023". The company's management team has subscribed for the maximum number of warrants granted, a total of 450,000 and other personnel have subscribed for a total of 200,000 options. Each warrant entitles the holder to subscribe for one new share in the Company at a price of SEK 102.10 per share. If all granted warrants and options are used in the programs, there will be a dilution of 1.4 percent of the shares and votes in the company. The exercise period for the warrants runs from 18 June 2023 to 18 July 2023.

Management and organization

At the AGM on April 1, 2020 Dan Jangblad and Cecilia Driving were elected as members of the board. Lennart Hällkvist, declined to be re-elected.

In connection with the statutory board meeting, an audit committee was established where Cecilia Driving is chairman and a remuneration committee where Anders Björkman is chairman.

The number of employees in the Group at the end of the period was 29 (23).

Significant risks and uncertainties

Risks associated with the Group's operations can generally be divided into operational risk related to business activities and risk related to financing activities. There was no major change to significant risks or uncertainties during the period apart from Covid-19. For a detailed description of Ovzon's risks, uncertainties and how they are managed, refer to Ovzon's 2019 Annual Report.

Effects of Covid-19

In addition to the risks and uncertainties presented in the annual report, the outbreak of Covid-19 has a potential impact on Ovzon's operations. The main risk areas associated with Covid-19 include delayed commercial activities, potential disruptions in supply chains, the well-being of our employees, and the financial stability of our customers and suppliers.

Parent company

Parent Company operations comprise senior management and staff functions and other central costs. The Parent Company invoices the subsidiaries for these costs.

The Parent Company's revenue for the period amounted to TSEK 2,824 (2,820), with a profit after financial items of TSEK -3,878 (12,694). Cash and cash equivalents at the balance sheet date are TSEK 482,347 and at the beginning of the year TSEK 211,070. Investments during the period are TSEK - (-). Equity amounted to TSEK 1,548,132, compared with TSEK 970,863 at the beginning of the year.

The number of employees is 2 (2).

The company's major shareholders

At the end of the reporting period: Investment AB Öresund (11.8%), Bure Equity AB (11.3%), AFA Försäkring (9.2%), Fjärde AP-Fonden (8.8%), Futur Pension (8.2 %), OverHorizon (Cyprus) Plc (6.6%) and other shareholders (44.1%). As of the balance sheet date, the total number of shares was 46,244,688.

Outlook

The company believes that the market for satellite communications services that require high mobility and performance will continue to develop positively. The company expects to contract new customers during the year who will also be interested in capacity at Ovzon 3. The turbulent situation in the world economy following the outbreak of Covid-19 and the shorter six-month contract from the US DoD that was signed in March, will in the short term have an impact in turnover and net result.

The external business environment continue to be challenging and the company does not expect any improvement in 2020. This affects our ability to take on new business and the turnover rate during the remaining part of 2020 will thus be in line with the turnover rate in the second quarter, which means that turnover for 2020 will be lower than for 2019.

Financial calendar

Interim Report January-September 2020	October 21, 2020
Year-end report 2020	February 19, 2021

Review by auditors

The year-end report has not been subject to review by the company's auditors.

Certification

The Board of Directors hereby declare that the interim report provides a true and fair overview of the Parent Company and the Group's operations, position and earnings, and describes significant risks and uncertainties such as the parent company and the companies of the Group are assessed to be facing.

Stockholm, August 18, 2020

Magnus René
CEO and Board member

Anders Björkman
Chairman of the Board

Cecilia Driving
Board member

Dan Jangblad
Board member

Nicklas Paulson
Board member

Patrik Tigerschiöld
Board member

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Group financial statements

Group income statements

TSEK	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Revenue	34 983	55 987	94 559	109 348	231 642
Other operating income	2 231	3 307	5 766	3 622	13 681
Purchased satellite capacity and other direct costs	-28 382	-30 980	-57 634	-59 461	-122 518
Other external costs	-11 203	-12 078	-20 556	-21 593	-45 065
Employee benefit expenses	-16 600	-10 891	-29 341	-19 869	-47 542
Depreciation/amortisation	-1 548	-14 394	-3 224	-16 436	-18 779
Other operating expenses	3 206	–	-1 528	–	–
Operating profit/loss	-17 313	-9 049	-11 958	-4 389	11 419
Financial income	-22 770	-519	5 671	16 641	28 498
Financial expenses	-14 898	-400	-14 978	-899	-1 129
Profit/loss after financial items	-54 981	-9 968	-21 265	11 353	38 788
Tax on the profit for the period	3 090	-2 947	3 079	-2 935	-9 558
NET PROFIT/LOSS FOR THE PERIOD	-51 891	-12 915	-18 186	8 418	29 230
<i>Net profit/loss for the period attributable to:</i>					
Shareholders of the Parent Company	-51 891	-12 915	-18 186	8 418	29 230
<i>Earnings per share attributable to:</i>					
Shareholders of the Parent Company, SEK ¹⁾	-1,42	-0,38	-0,51	0,29	0,93
Average number of shares ¹⁾	36 434 335	33 585 596	35 472 771	29 410 591	31 515 251

¹⁾ No dilutive effect.

Group statements over comprehensive income

TSEK	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Helår 2019
Profit/loss for the period	-51 891	-12 915	-18 186	8 418	29 230
Other comprehensive income:					
Items that can be subsequently reclassified to the income statement:					
- Translation differences	9 601	146	-641	-4 566	-5 369
Other comprehensive income after tax	9 601	146	-641	-4 566	-5 369
Comprehensive income/loss for the period	-42 290	-12 769	-18 827	3 852	23 861
<i>Comprehensive income/loss for the period attributable to:</i>					
Shareholders of the Parent Company	-42 290	-12 769	-18 827	3 852	23 861
Comprehensive income/loss for the period	-42 290	-12 769	-18 827	3 852	23 861

Consolidated condensed balance sheets

TSEK	30 jun 2020	30 jun 2019	31 dec 2019
ASSETS ¹⁾			
Intangible fixed assets	25 133	3 840	3 110
Property, plant and equipment ²⁾	746 039	70 769	532 093
Access rights Assets	6 190	7 690	6 944
Financial fixed assets	2 207	1 085	1 089
Inventory	28 476	9 657	15 960
Current receivables ³⁾	87 574	12 165	75 407
Cash and cash equivalents	552 771	719 733	257 382
TOTAL ASSETS	1 448 390	824 939	891 985
EQUITY AND LIABILITIES			
Equity	1 358 750	771 335	796 296
Deferred tax liabilities	–	1 089	–
Liabilities related to leasing, interest-bearing	6 469	7 802	7 154
Current liabilities, interest-bearing	–	23 800	–
Current liabilities, non-interest-bearing	83 171	20 913	88 535
TOTAL EQUITY AND LIABILITIES	1 448 390	824 939	891 985

¹⁾ The carrying amounts of financial assets and liabilities are either measured at fair value or represent a close approximation of fair value.

Consolidated condensed statement of changes in equity

TSEK	30 jun 2020	30 jun 2019	31 dec 2019
Equity at the beginning of the year	796 296	72 978	72 978
Comprehensive income/loss for the period	-18 827	3 852	23 861
Share issue, net after transaction costs	580 994	694 373	694 373
Employee stock options, according to IFRS 2	134	132	266
Issued warrants	153	–	4 818
EQUITY AT THE END OF THE PERIOD	1 358 750	771 335	796 296

Consolidated condensed cash flow statements

TSEK	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Cash flow from operating activities before changes in working capital	-12 997	1 894	-6 422	6 258	27 026
Total change in working capital	-49 694	-29 963	-42 596	-9 668	-17 401
Cash flow from operating activities	-62 691	-28 069	-49 018	-3 410	9 625
Cash flow from investing activities	-143 262	-4 214	-240 160	-45 284	-509 108
Cash flow from financing activities	496 358	-331	580 293	679 426	654 947
CASH FLOW FOR THE PERIOD	290 405	-32 614	291 115	630 732	155 464
Cash and cash equivalents at the beginning of the period	265 401	752 363	257 382	77 165	77 165
Exchange-rate difference in cash and cash equivalents	-3 035	-16	4 274	11 836	24 753
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	552 771	719 733	552 771	719 733	257 382

Notes, Group

Note 1: Basis of preparation and accounting policies for the group

Ovzon applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report was prepared in accordance with the Swedish Annual Accounts Act and IAS 34 Interim Reporting. The same accounting principles and calculation methods are applied as in the latest Annual Report. This interim report consists of pages 1-17 and is to be read in its entirety.

New or revised IFRS and IFRIC interpretative statements are currently not considered to have any significant impact on Ovzon's financial reports.

Note 2: Business segment reporting

Segment information is not presented because the business activities comprise only one segment.

Note 3: Fair value of financial instrument

The Group has no derivative instruments or other financial instruments measured at fair value.

The fair value of long-term and current interest-bearing liabilities is not considered to deviate materially from their carrying amount. For financial instruments measured at amortised cost (accounts receivable, other receivables, cash and cash equivalents, trade payables and other interest-free liabilities), their fair value is considered equal to their carrying amount.

Note 4: Current material fixed assets under construction and advance payments

In 2015, OverHorizon AB signed an agreement with Orbital Sciences Corporation on the acquisition of a communications satellite with associated ground equipment, support and training. Advances paid and work performed will only to a certain extent be reusable in the Ovzon 3 project, which is why the company, in the second quarter of 2019, has written down previously paid advances of TSEK 12,297.

Ongoing investment relates to the company's own satellite Ovzon 3, the satellite is expected to be completed in 2021.

	30 Jun 2020	31 Dec 2019
Ongoing investment: Ovzon 3, TSEK		
Opening balance accrued costs and advances paid	538 307	35 613
Costs and advances paid during the year 1)	210 394	504 246
Translation difference	417	-1 552
Closing balance accumulated capitalized costs	749 117	538 307
Opening balance write-downs	-12 297	-
Writed-downs for the year 2)		-12 297
Closing balance accumulated write-downs 2)	-12 297	-12 297
Closing balance, reported value)	736 820	526 010

1) Of the period's capitalization TSEK 12 965 relates to internal work

2) In addition to the carrying amount, prepaid transaction expenses of TSEK 73 236 are reported in accordance with IFRS 9

Note 5: Tax

Deferred tax assets on tax-loss carry forwards are not included on the balance sheet.

Note 6: Pledged assets and contingent liabilities

No changes per balance sheet date since the published annual report 2019.

Note 7: Related-party transactions

During the previous year, the company finalized amortizations of TSEK 38,093 (regarding loan debt and accrued interest) to Ethern AB and Equi Performance AB. Of amortized liquidation, TSEK 14,293 was used to subscribe for shares in the company in connection with the rights issue in the first quarter of 2019. During the previous year, OverHorizon (Cyprus) Plc TSEK 1,380 was also invoiced for various costs charged to Ovzon AB.

Note 8: Distribution of net sales

The Group's services have, as in previous year, during the period mainly been provided to customers in the US.

Financial statements, Parent Company

Condensed parent company income statements

TSEK	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Full-year
	2020	2019	2020	2019	2019
Revenue	1 412	1 131	2 824	2 820	21 807
Other operating income	328	2 195	1 265	2 195	3 324
Other external costs	-3 622	-4 054	-7 076	-8 177	-14 767
Personnel costs	-2 094	-1 437	-5 134	-3 373	-8 580
Operating profit/loss	-3 976	-2 165	-8 121	-6 535	1 784
Financial revenues	-16 036	1 810	19 060	19 229	40 681
Financial expenses	-14 818	25	-14 818	-	-
Profit/loss after financial items	-34 829	-330	-3 878	12 694	42 465
Tax	-	11	-	11	11
NET PROFIT/LOSS FOR THE PERIOD	-34 829	-319	-3 878	12 705	42 476

Parent company statements of comprehensive income

TSEK	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Full-year
	2020	2019	2020	2019	2019
Profit/loss for the period	-34 829	-319	-3 878	12 705	42 476
Other comprehensive income:	-	-	-	-	-
Comprehensive income for the period	-34 829	-319	-3 878	12 705	42 476

Condensed parent company balance sheet

TSEK	30 Jun	30 Jun	31 Dec
	2020	2019	2019
ASSETS ¹⁾			
Shares in Group companies	26 605	1 605	26 605
Receivables from Group companies	974 221	248 168	695 251
Current receivables	70 213	1 537	66 637
Cash and cash equivalents	482 347	687 780	211 070
TOTAL ASSETS	1 553 386	939 090	999 563
EQUITY AND LIABILITIES ¹⁾			
Equity	1 548 132	936 275	970 863
Current liabilities, non-interest bearing	5 254	2 815	28 700
TOTAL EQUITY AND LIABILITIES	1 553 386	939 090	999 563

1) The carrying amounts of financial assets and liabilities are either measured at fair value or represent a close approximation of fair value.

Condensed parent company statement of changes in equity

TSEK	30 Jun 2020	30 Jun 2019	31 Dec 2019
Equity at the beginning of the year	970 863	229 197	229 197
Comprehensive income for the period	-3 878	12 705	42 476
Share issue, net after transaction costs	580 994	694 373	694 373
Other contributed capital	-	-	4 817
Issued warrants	153	-	-
EQUITY AT THE END OF THE PERIOD	1 548 132	936 275	970 863

Notes, Parent Company income statement and balance sheet

Note 1: Accounting policies

The company has prepared the interim report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The accounting policies applied in the preparation of this interim report apply to all periods and are consistent with the accounting policies presented in Note 2 Summary of significant accounting policies in the 2018 Annual Report for Ovzon AB (publ).

Note 2: Related-party transactions

The company has also invoiced OverHorizon (Cyprus) Plc TSEK 1,380 for various expenses charged to Ovzon AB.

Note 3: Pledged assets and contingent liabilities

No changes since the annual report 2019 was submitted.

Note 4: Receivables in group companies

	30 jun 2020	31 Dec 2019
Receivables in group companies, TSEK		
OverHorizon AB	661,455	409 775
OverHorizon OHO 1 Limited	118,486	115 047
OverHorizon Communications Group LLC	425	285
OverHorizon LLC	193,856	170 144
Total	974,222	695 251

Ovzon AB (publ) is the parent company of the Group, which also consists of the subsidiaries OverHorizon AB, OverHorizon OHO 1 Ltd, OverHorizon Communications Group LLC and OverHorizon LLC, a wholly owned subsidiary of OverHorizon Communications Group LLC.

Note 5: Events after the balance sheet date

Ovzon received an order from IGC on behalf of the US DoD for a total of MUSD 3.9. The order includes, among other things, the capacity of a steerable antenna on IS39.

Alternative key ratios

The company reports alternative key ratios in this interim report. The alternative key ratios provide valuable supplementary information to investors and other stakeholders as they enable evaluation of the company's performance. The alternative key ratios in this report may differ from the calculation method of similar measurements used by other companies.

Adjusted operating profit/loss

Operating profit/loss excluding items affecting comparability.

Operating margin

Operating profit/loss in relation to revenue.

Adjusted operating margin

Operating profit/loss, excluding items affecting comparability, in relation to revenue.

Earnings per share

Profit for the period in relation to the average number of shares. Average number of shares is calculated as the number of shares at the end of the period multiplied by the number of days that this number of shares has existed during the period, plus any other number of shares during the period multiplied by the number of days that this number of shares has existed during the period, divided by the total number of days in the period.

Equity/asset ratio

Equity in relation to total assets.