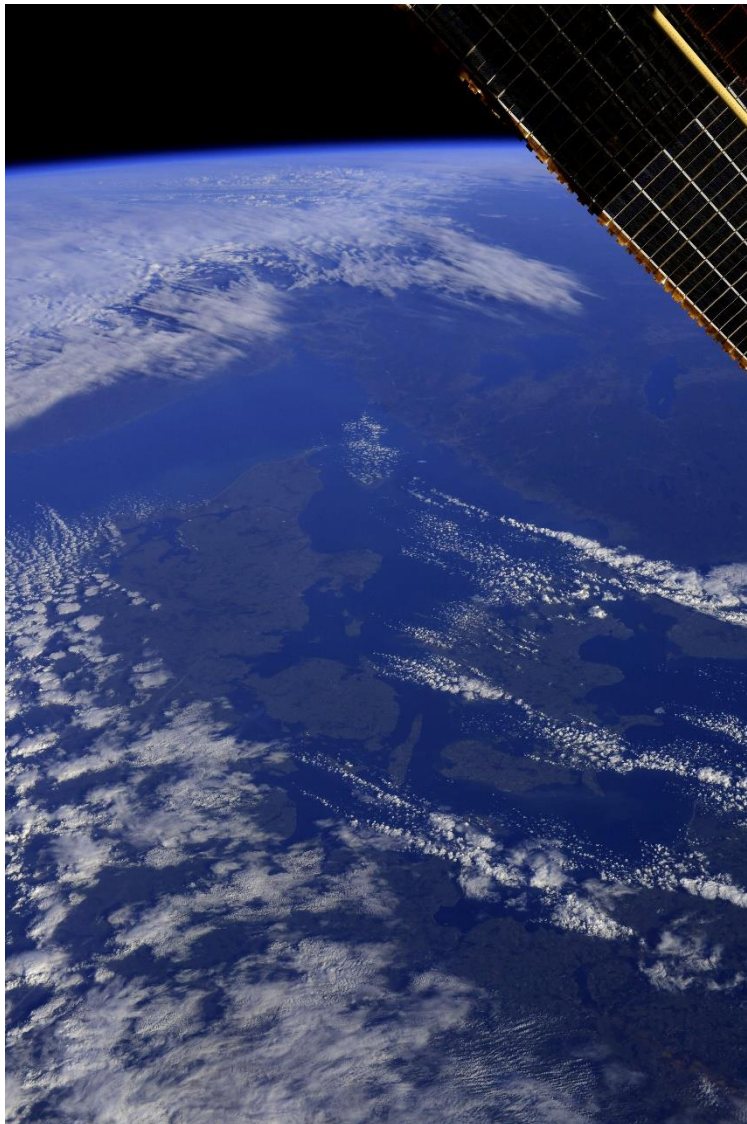




# INTERIM REPORT FIRST HALF YEAR 2023 / 24



## PROFILE

2

Rovsing A/S (Rovsing) develops, manufactures and delivers systems for functional and electrical testing of spacecrafts (primarily satellites) and their payloads.

The products and systems are used for testing of spacecraft sub-systems, including external communication connections and instruments.

The Company's products are modular and are sold either on a stand-alone basis or used as modules in system solutions, customized for the specific spacecraft application. In connection with the configuration of system solutions, third parties' products are also used, and software is configured for the individual spacecraft needs.

The products, inclusive software packages, are flexible and configurable, facilitating tailor-made customer solutions.

More specifically, Rovsing offers, the following equipment solutions:

- Power & Launch EGSE (Electrical Ground Support Equipment)
- Payload EGSE
- Platform EGSE
- Instrument EGSE
- Avionics Test Beds
- Central Check-out Equipment
- Thermal EGSE
- Real-time Simulators

In addition, Rovsing develops software solutions, including solutions based on specific customer specifications, and performs independent software verification/validation (ISVV) for critical space-related software developed by third parties.

Rovsing also provides engineering support for large corporations in the space industry at various locations in Europe and in South America. For more than 15 years, Rovsing has been responsible for configuration control of ground installations at the European space base CSG in Kourou in French Guiana.

The main customers of Rovsing are European and US-based space groups such as Airbus DS, Thales Alenia Space, OHB, Boeing, Lockheed Martin and their key sub-suppliers. The European Space Agency (ESA), NASA and various national space agencies are also among Rovsing's customers.

Cover photo: ESA. Denmark, captured from the International Space Station on 16 October 2023 by ESA astronaut Andreas Mogensen.

## LIST OF CONTENTS

PROFILE.....	2
LIST OF CONTENTS.....	2
HIGHLIGHTS OF THE HALF YEAR.....	3
FINANCIAL HIGHLIGHTS AND RATIOS.....	4
CORPORATE INFORMATION .....	5
MANAGEMENT STATEMENT .....	10
INCOME AND COMPREHENSIVE INCOME STATEMENT .....	11
BALANCE SHEET .....	12
BALANCE SHEET .....	13
STATEMENT OF CHANGES IN EQUITY .....	14
CASH FLOW STATEMENT .....	15
DEFINITION OF RATIOS .....	21
GLOSSARY .....	22

# HIGHLIGHTS OF THE HALF YEAR

- In the first half year of the financial year 2023/24, the revenue amounted to DKK 17,9 million (H1 2022/23: DKK 13,4 million) or an increase of 33,6% (DKK 4,5 million).
- EBITDA amounted to DKK 1,2 million (H1 2022/23: DKK 0,5 million) or an increase of DKK 0,7 million.
- The order backlog at 31 December 2023 remains at a high level of DKK 54,5 million (H1 2022/23 DKK 43,9 million), with an order intake in H1 of 2023/24 of DKK 4,9 million (H1 2022/23 DKK 24,9 million). The current order backlog is diverse, ranging across several different missions and customers in both institutional and commercial space. A higher number of parallel projects provides a positive operational outlook and robustness against external factors moving forward.
- In order to realise the backlog, Rovsing has been expanding the organization with additional resources and will continue upscale as needed to meet expectations.
- Rovsing has succeeded to improve its capital structure and lower its debt. In December 2023, the Company repaid in full existing bond loans of DKK 4,2 million and in January 2024 the Company announced (announcement 358) that a successful share issue was completed resulting in proceeds of DKK 3,0 million and later in January (announcement 359) the Company announced that a bond loan of DKK 2,2 million was secured whereby the refinancing was completed.
- In February 2024 (announcement 364) the Company announced that a new Board of Directors had been appointed with former Chairman Michael Hove and board member Jakob Færch Bendtsen stepping down, giving room to new competencies and experience to help strengthen the strategy, performance and communication of Rovsing's continued journey. The new board members elected are Kim Brangstrup, Jean Marcel Dühring, Michael Lumholt and Carsten Jørgensen while Ulrich Beck continues and takes on the role of Chairman.
- Our team has supported a wide range of customers during H1 2023/24, delivering test- and simulation systems, individual products, software solutions, ISVV and on-site engineering services for customers such as Airbus DS, Thales Alenia Space, Astroscale, EUMETSAT and Jena-Optronik in support of missions such as Mars Sample Return, ELSA-M, FLEX, CRISTAL, LSTM and ARIEL.
- Rovsing's current onsite service business in CSG Kourou ended ultimo 2023. The Company has decided to adjust the capacity, transferring some employees with the aim of closing down the previous activities. Therefore, the Company sees a one-time effect which negatively impacts our revenue and EBITDA for the second half of the financial year.
- Based on the above, the revenue outlook for 2023/24 is adjusted from the range of DKK 37,0 to 41,0 million to be in the range of DKK 36,0 to 39,0 million, with a positive EBITDA adjusted from the range of DKK 3,5 to 4,5 million to the range of DKK 2,0 to 4,0 million.

# FINANCIAL HIGHLIGHTS AND RATIOS

4

<b>INCOME STATEMENT</b>	<b>1H 2023/24</b>	<b>1H 2022/23</b>	<b>Full year 2022/23</b>
DKK'000			
Revenue	17,869	13,444	28,335
Earnings before interest, taxes, depreciation and amortisation, EBITDA	1,228	535	970
Operating profit (EBIT)	214	-398	-960
Financial income and expenses, net	-674	-741	-1,239
Profit/loss for the year	-460	-1,139	-1,727
<b>BALANCE SHEET</b>			
Non-current assets	16,615	16,235	16,685
Current assets	14,855	13,189	16,505
Total assets	31,470	29,424	33,190
Equity	6,235	7,095	6,622
Non-current liabilities	2,595	3,265	2,973
Current liabilities	22,640	19,064	23,595
Total equity and liabilities	31,470	29,424	33,190
<b>CASH FLOW STATEMENT</b>			
Cash flow from operating activities	10,209	9,185	6,598
Cash flow from investing activities	-855	-665	-1,693
Cash flow from financing activities	-8,522	-7,232	-4,858
Total cash flow	832	1,288	47
<b>KEY FIGURES</b>			
EBITDA margin, %	6.9	4.0	3.4
EBIT margin, %	1.2	-3.0	-3.4
Return on equity, %	-6.9	-14.3	-24.1
Earnings per share (EPS)	-1.0	-2.4	-3.6
Earnings per share (EPS-D)	-0.9	-2.3	-3.6
Cash flow per share (CFPS)	17.4	16.8	-8.1
Equity per share, DKK	13.1	14.9	13.9
Solvency, %	19.8	24.1	20.0
Average number of shares (1,000 shares)	475	472	475
Number of shares at year-end (1,000 shares)	475	475	476

Rovsing's financial year is from 1 July to 30 June.

# CORPORATE INFORMATION

## The Company

Rovsing A/S  
Ejby Industrivej 34-38  
2600 Glostrup, Denmark

Phone: +45 44 200 800  
Fax: +45 44 200 801  
Website: [www.rovsing.dk](http://www.rovsing.dk)  
E-mail: [info@rovsing.dk](mailto:info@rovsing.dk)

Company reg. (CVR) no.: 16 13 90 84  
Date of incorporation: 20 May 1992  
Municipality of registered office: Glostrup, Denmark

## Board of Directors

Ulrich Beck (Chairman)  
Michael Lumholt  
Carsten Jørgensen  
Kim Brangstrup  
Jean Marcel Dühring

## Executive Management

Hjalte Pall Thorvardarson, CEO  
Sigurd Hundrup, CFO

## Auditors

KPMG Statsautoriseret Revisionspartnerskab  
Dampfærgevej 28  
2100 København Ø

## MANAGEMENTS' REVIEW

### REVENUE AND RESULTS

Revenue for the first half year 2023/24 amounted to DKK 17,9 million compared to DKK 13,4 million in the same period last year or an increase of DKK 4,5 million.

Gross profit for the period amounted to DKK 12,4 million compared to DKK 9,7 million in the first half of 2022/23.

The Company's earnings before interest, tax, depreciation and amortisation (EBITDA) for the period amounted to DKK 1,2 million compared to DKK 0,5 million in the same period of the financial year 2022/23 or an increase of DKK 0,7 million.

The net profit for the first half year amounted to DKK -0,5 million compared to DKK -1,1 million in the same period last year.

Equity as per 31 December 2023 amounted to DKK 6,2 million (31 December 2022: DKK 7,1 million).

Cash flow from operating activities for the period amounted to DKK 10,7 million compared to DKK 9,9 million in the first half year 2022/23. Net cash flow from investing activities amounted to DKK -0,9 million (2022/23: DKK -0,7 million). Cash flow from financing activities amounted to DKK -8,5 million (2022/23: DKK -7,2 million) while net cash flow for the period amounted to DKK 0,8 million (2022/23: DKK 1,3 million).

#### Reduction in nominal value of the share

In December 2023 (announcement 355) the Company announced that proposition by the Board of Directors to lower the nominal value per share from DKK 50 to DKK 10 and to lower the share capital with nominal DKK 19.049.120 to cover losses had been approved at the Extraordinary General Meeting.

#### Refinancing of bond-loan, due 31. December 2023

The Company announced in announcement 356 that the Company had repaid in full bond-loans of DKK 4,2 million at 30. December 2023, which were due at 31 December 2023. The Company also stated that it was in advanced stages of negotiating a new financing with a mix of new capital and new bond-loans of minimum DKK 4,0 million. In January 2024 the Company announced (announcement 358) that a successful share issue was completed resulting in proceeds of DKK 3,0 million and later in January (announcement 359) the Company announced that a bond loan of DKK 2,2 million was secured

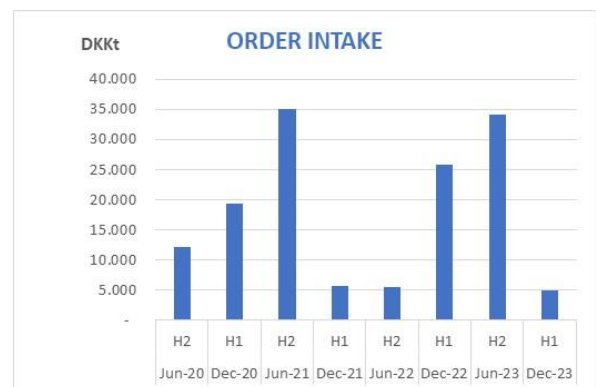
whereby the refinancing was completed with an improved capital structure and lower debt.

#### Changes to the Board of Directors

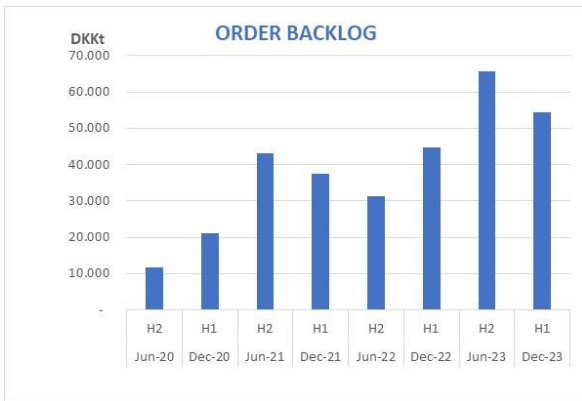
In February 2024 (announcement 364) the Company announced that a new Board of Directors had been appointed with former Chairman Michael Hove and board member Jakob Færch Bendtsen stepping down, giving room to new competencies and experience to help strengthen the strategy, performance and communication of Rovsing's continued journey. The new board members elected are Kim Brangstrup, Jean Marcel Dühring, Michael Lumholt and Carsten Jørgensen while Ulrich Beck continues and takes on the role of Chairman.

The H1 2022/23 realised revenue and EBITDA are in line with expectations at the beginning of the running financial year. With a diverse order backlog of projects, the Rovsing team has had ample projects to tackle and could shift focus if faced with lacking inputs from customers. Recruiting and scaling of the organization has been an ongoing process throughout H1 to scale the capacity to the increased activity level.

The order intake in the first 6 months of the financial year 2023/24 has been lower than in the same period last year as the number of successful and outstanding tenders was lower due to lower demand where our customers are preparing the coming missions awaiting the tendering phase. Rovsing expects increase in tender activity to pick up in H2.



Order backlog remains at a high-level DKK 54,5 million, a success reflecting the efforts invested in sales and project proposals as well to a continuous increase of industry activity. The figure below shows the order backlog exclusive of ongoing service contracts.



The evolution of the order backlog is in line with expectation as the Company maintains a strong competitive position in key market segments.

## OPERATIONAL REVIEW

### The European market

Rovsing continues to be a key player within the European institutional space market, holding a position as one of the key level 1 suppliers of the major European Prime contractors in their efforts to capture upcoming mission within space exploration, earth observation, communication and other critical infrastructure as showcased by our ongoing contracts across the spectrum.

The Rovsing team continued work on the Galileo Second Generation (G2G) EGSEs, implementing the changes to the baseline for the customer Thales Alenia Space (TAS) Italy. The BatSim/BCE system went through successful CDR and TRR milestones in H1, with delivery planned for early 2024 and the remainder of set 1 is expected to be delivered during the spring with the following 4 sets to follow in 2024-2025.

The Mars Sample Return (MSR) Earth Return Orbiter (ERO) Electrical Satellite Interface Simulator (E-SIS) for Airbus DS has seen several stoppage periods due to programme level changes for the MSR mission. Rovsing is in final stages of testing of the E-SIS pending updates from customer regarding further MSR changes.

Following the successful completion of the MSR-ERO Startracker contract, Jena-Optronik has awarded Rovsing with a follow up contract for the Independent SW Validation & Verification (ISVV) of the LIDAR, Iso for the MSR-ERO mission, an activity which was started beginning of H2. In addition, the Company has an ISVV contract related to the MSR-ERO programme performing the OBC-GNC ISVV with our partner Critical Software, a contract that is expected to run until the end of 2024.

Rovsing involvement as key contributor to the MSR programme for the E-SIS and multiple ISVV tasks

showcases the capabilities and reliability of Rovsing on flagship ESA and NASA exploration programmes.

For the PLATINO programme and customer SITAEL S.p.A in Italy, Rovsing remains to deliver a MiniCOTE system, the system is ready, pending harness definitions from the customer.

The European Commission Copernicus programme provides vital data from satellites which help address challenges such as urbanisation, food security, rising sea levels, diminishing polar ice, natural disasters and, of course, climate change. Rovsing has contributed to many of the current suite of Sentinel satellite missions. Looking to the future the capabilities of the Copernicus space component is being enhanced by six new satellites (CO<sub>2</sub>M, LSTM, CHIME, ROSE-L, CIMR and CRISTAL), currently being developed by ESA and built by European industry. Rovsing has already secured multiple contracts and is working on 4 out of 6 satellites with different primes (LSTM, ROSE-L, CIMR and CRISTAL).

Rovsing was awarded the CRISTAL Boot SW Validation contract by TAS-F with a KO held in January 2023, but due to programme shift the Rovsing activities shifted to pick up pace in autumn 2023 and are expected to be completed in 2024.

Airbus DS selected Rovsing to deliver the Power SCOE as well as the Power Front-Ends for the Copernicus CRISTAL and LSTM missions. The first Power Front-End delivery was shipped to Airbus DS in August 2023 and the second set delivered December 2023. The CDR for the Power SCOE project was successfully conducted in July 2023. The Power SCOE racks are currently being assembled in Rovsing facilities with deliveries planned for spring 2024 and autumn 2025 of sets 1 and 2 respectively.

In June 2023, Rovsing and TAS-I conducted the successful Kick-off of the CIMR UMB/COTE SCOE project with deliveries scheduled for end 2024 and mid 2025 of the respective two sets.

The ROSE-L Power EGSEs were awarded to Rovsing by TAS-I in July 2023 with delivery scheduled for end 2024.

Rovsing is supporting Airbus DS on the ARIEL mission by providing the Satellite Interface Simulators (SIS). The assembly and integration of the first two sets being completed with a TRR in August 2023 and deliveries in early 2024 of the two reduced sets and spring 2024 of the two full sets.

Rovsing is delivering the FORUM Platform Emulator SCOE to OHB. FORUM is an ESA mission which will measure Earth's outgoing radiation in the far-infrared part of the electromagnetic spectrum that has never been measured from space before. The Platform Emulator SCOE project was kicked-off in January 2023 and completed the CDR milestone in June 2023. Changes to the requirements have been introduced and delivery has shifted to spring 2024 to accommodate these. OHB has in July 2023 awarded Rovsing with a 2<sup>nd</sup> FORUM contract, for the Thermal EGSE which is scheduled to be delivered in latter half of 2024 after requirement changes introduced by OHB in H1.

In June 2023, TAS-I awarded Rovsing with a contract for supplying a Power SCOE for a domestic European Military satellite. The kick-off was conducted successfully in early July 2023 with the CDR completed successfully in H1 the production is in full swing with deliveries scheduled for spring and autumn 2024 of the respective two sets.

Rovsing has continued support for the Artemis missions with the Orion Multi-Purpose Crew Vehicle (MPCV) European Service Module (ESM). Four Solar Array Wing Front End Equipment (SAW FEE) systems are deployed, two with Airbus DS in Bremen and Ariane Group in Les Mureaux, one with Lockheed Martin in Colorado for the Integrated Test Lab and the fourth with NASA at the Kennedy Space Center. Three MPCV-ESM PCDU EGSE have also been delivered to Leonardo in Milan. As part of the NASA Artemis and Lunar Gateway programmes, ESA has committed to providing an additional three ESMs. In this connection Rovsing is continuing to provide engineering support both remote & onsite as well as spare parts and possible upgrades.

Our current onsite service business in CSG Kourou ended ultimo 2023. Rovsing decided to ramp down the activities at CSG and is in the process of offloading the team and operations related to the previous activity. The Company remains open to explore new activities for CSG Kourou, given a profitable setup.

### **The North American market**

No customer or trade show visits to North America were conducted during H1. In H2, deliveries of products are planned for Boeing in support of their satellite test facilities, fulfilling an order awarded in H1 2023/24.

As a supplier of various EGSE to the European Service Module (ESM) for the Orion Crew Capsule, Rovsing remains a vital partner for the Artemis mission 1 which flew successfully to the moon and

back during the fall 2022. Further Artemis missions are planned in the coming years with the aim of bringing humans back to the Moon. With a long-term commitment of NASA and ESA for additional ESM / Service Modules, Rovsing participates with related service agreements for the coming years.

The overall North American market for commercial, military, and civil space remains a growth opportunity and strategic focus for the Company.

### **Emerging space markets**

In H1 2023/24, Rovsing was awarded the first product orders from South Korea. Deliveries were in two batches, the final one in January 2024 following an training visit by the customer at our facilities in Glostrup.

Rovsing continues to closely monitor emerging and ambitious space markets with their increasing space budgets, with the target of acquiring new customers in coming years.

### **Product development and production**

Improvements in the value chain, continuous improvements of quality and efficiency are a constant success factor to improve the Company's competitive advantage. During H1, Rovsing has continued to invest efforts on improving its product base as well as related logistics, production and testing environments while leveraging co-financing where possible.

Rovsing's strategic roadmap focuses on achieving increased scalability such that our already modular products can be better address the widening range of satellite architectures. In H1, efforts related to product development and feature improvements in the domains of both software and hardware have continued as these are key enablers for Rovsing abilities to deliver diverse market leading system solutions to customers.

During H1 2023/24 Rovsing has continued efforts related to further opportunities, matching the Company's expertise, concerning mainly Defence and Critical Infrastructures on Danish and European level to broaden the scope of business in close cooperation with Prime Contractors and other potential partners.

### **Organisation and management**

By the end of December 2023, Rovsing employed a total of 28 employees, counted on a full-time-equivalent basis. Most employees were employed at the company's head office in Glostrup, Denmark,



but the company also has employees in Kourou, French Guiana, where they provide support and consultancy services.

At the Company's annual general meeting in October 2023 Michael Hove, Jakob Færch Bendtsen and Ulrich Beck were reelected to the Board of Directors.

At the Company's extraordinary general meeting in February 2024 former Chairman Michael Hove and board member Jakob Færch Bendtsen stepped down and new board members were elected: Kim Brangstrup, Jean Marcel Dühring, Michael Lumholt and Carsten Jørgensen while Ulrich Beck continues and takes on the role of Chairman.

### World events

The war in Ukraine and the situation in Israel and Gaza has continued to be a major disruption event affecting the global prices, leadtimes and financial stability. At Rovsing an active business continuity plan to address the volatile situation has been in place since the COVID-19 pandemic in order to ensure continuous evaluation of the business based on supply chain, internal resources, progress and governmental guidelines.

Management continues to monitor the situation and take appropriate actions to minimize any potential business impacts moving forward.

### Outlook for 2023/24

The revenue outlook for 2023/24 is adjusted from the range of DKK 37,0 to 41,0 million to be in the range of DKK 36,0 to 39,0 million, with a positive EBITDA adjusted from the range of DKK 3,5 to 4,5 million to the range of DKK 2,0 to 4,0 million.

### EVENTS AFTER THE REPORTING PERIOD

Rovsing has succeeded to improve its capital structure and lower its debt. In January 2024 the Company announced (announcement 358) that a successful share issue was completed resulting in proceeds of DKK 3,0 million and later in January (announcement 359) the Company announced that a bond loan of DKK 2,2 million was secured whereby the refinancing was completed.

In February 2024 (announcement 364) the Company announced that a new Board of Directors had been appointed with former Chairman Michael Hove and board member Jakob Færch Bendtsen stepping down, giving room to new competencies and experience to help strengthen the strategy, performance and communication of Rovsing's

continued journey. The new board members elected are Kim Brangstrup, Jean Marcel Dühring, Michael Lumholt and Carsten Jørgensen while Ulrich Beck continues and takes on the role of Chairman.

After the balance sheet date, no events have occurred that materially affect the Company's financial position.

# MANAGEMENT STATEMENT

The Board of Directors and the Executive Management have today discussed and approved the interim report for Rovsing A/S for the period 1 July – 31 December 2023.

The interim report, which has neither been audited nor reviewed by the company's auditor, has been prepared in accordance with IAS 34, "Interim Financial Reporting", as adopted by the EU and in line with additional Danish interim reporting requirements for listed companies.

In our opinion, the financial statements give a true and fair view of Rovsing A/S' assets, liabilities and financial position as at 31 December 2023 and of the results of the company's operations and cash flow for the period 1 July – 31 December 2023.

Further, in our opinion, the management review gives a true and fair review of the development in the company's operations and financial matters, the result of the company's operations for the period and the financial position as a whole as well as a description of the principal risks and uncertainties that the company faces.

Glostrup, 20 February 2024

## Executive Management

Hjalte Pall Thorvardarson (CEO)

Sigurd Hundrup (CFO)

## Board of Directors

Ulrich Beck (Chairman)

Michael Lumholt

Carsten Jørgensen

Kim Brangstrup

Jean Marcel Dühning

# INCOME AND COMPREHENSIVE INCOME STATEMENT

Note	INCOME AND COMPREHENSIVE INCOME STATEMENT	1H 2023/24	1H 2022/23	Full year 2022/23
	DKK'000			
2	Revenue	17,869	13,444	28,335
	Changes in inventories and work materials used	-6,246	-4,226	-8,759
	Work performed by the entity and capitalised	742	501	1,092
	<b>Gross profit</b>	<b>12,365</b>	<b>9,719</b>	<b>20,668</b>
	Other external expenses	-1,318	-1,084	-2,428
	Staff costs	-9,819	-8,100	-17,270
	<b>Operating profit before depreciation and amortisation (EBITDA)</b>	<b>1,228</b>	<b>535</b>	<b>970</b>
	Depreciation, amortisation and impairment	-1,014	-933	-1,930
	<b>Operating profit/loss (EBIT)</b>	<b>214</b>	<b>-398</b>	<b>-960</b>
	Financial income	18	29	50
	Financial expenses	-692	-770	-1,289
	<b>Profit/loss before tax</b>	<b>-460</b>	<b>-1,139</b>	<b>-2,199</b>
	Tax on profit/loss for the year	0	0	472
	<b>Net profit</b>	<b>-460</b>	<b>-1,139</b>	<b>-1,727</b>
	<b>Comprehensive income</b>	<b>-460</b>	<b>-1,139</b>	<b>-1,727</b>
	<b>Allocation of profit/loss and comprehensive income:</b>			
	Shareholders of Rovsing A/S	-460	-1,139	-1,727
	<b>Earnings per share</b>			
3	Earnings per share (EPS Basic)	-1.0	-2.4	-3.6
	Earnings per share (EPS-D)	-0.9	-2.3	-3.6

# BALANCE SHEET

12

Note	<b>BALANCE SHEET, ASSETS</b>	<b>31/12/2023</b>	<b>31/12/2022</b>	<b>30/6/2023</b>
	DKK'000			
	<b>Non-current assets</b>			
	<b>Intangible assets</b>			
5	Completed development projects	11,321	10,507	11,763
5	Development projects in progress	1,017	861	206
		<b>12,338</b>	<b>11,368</b>	<b>11,969</b>
	<b>Property, plant and equipment</b>			
	Property, plant and equipment	764	917	846
6	Right-of-Use assets	900	1,597	1,257
		<b>1,664</b>	<b>2,514</b>	<b>2,103</b>
	<b>Other non-current assets</b>			
	Tax	470	210	470
	Deferred tax	2,143	2,143	2,143
		<b>2,613</b>	<b>2,353</b>	<b>2,613</b>
	<b>Total non-current assets</b>	<b>16,615</b>	<b>16,235</b>	<b>16,685</b>
	<b>Current assets</b>			
	Inventories	4,943	2,808	4,647
	Trade receivables	1,441	3,493	5,836
	Contract work in progress	6,111	4,346	3,439
	Tax	0	75	210
	Other receivables	60	14	473
	Prepayments	1,419	1,163	1,851
	Cash	881	1,290	49
	<b>Total current assets</b>	<b>14,855</b>	<b>13,189</b>	<b>16,505</b>
	<b>TOTAL ASSETS</b>	<b>31,470</b>	<b>29,424</b>	<b>33,190</b>

# BALANCE SHEET

Note **BALANCE SHEET, EQUITY AND LIABILITIES**

	31/12/2023	31/12/2022	30/6/2023
DKK'ooo			
<b>Equity</b>			
Share capital	4,762	23,811	23,811
Reserves for development costs	4,550	3,446	4,129
Retained earnings	-3,077	-20,162	-21,318
<b>Total equity</b>	<b>6,235</b>	<b>7,095</b>	<b>6,622</b>
<b>Non current liabilities</b>			
VF loan	2,500	2,500	2,500
6 Lease liabilities	95	765	473
<b>Total non current liabilities</b>	<b>2,595</b>	<b>3,265</b>	<b>2,973</b>
<b>Current liabilities</b>			
Credit institutions	0	0	3,841
Bond loans	0	4,200	4,200
6 Lease liabilities	891	850	854
VAT loan	0	985	0
Prepayments, customers	14,370	9,470	8,885
Trade payables	2,727	888	2,621
Other payables	4,652	2,671	3,194
<b>Total current liabilities</b>	<b>22,640</b>	<b>19,064</b>	<b>23,595</b>
<b>Total liabilities</b>	<b>25,235</b>	<b>22,329</b>	<b>26,568</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31,470</b>	<b>29,424</b>	<b>33,190</b>

## STATEMENT OF CHANGES IN EQUITY

DKK'000				
	SHARE CAPITAL	RESERVES FOR DEVELOP- MENT COSTS	RETAINED EARNINGS	TOTAL
<b>2022/23</b>				
Equity at 1 July 2022	23,662	3,139	-18,716	8,085
<b>Comprehensive income for the period</b>				
Comprehensive income	0	0	-1,139	-1,139
Transferred between reserves	0	307	-307	0
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>307</b>	<b>-1,446</b>	<b>-1,139</b>
<b>Other transactions</b>				
Capital increase	149	0	23	172
Costs capital increase	0	0	-23	-23
<b>Total transactions with owners</b>	<b>149</b>	<b>0</b>	<b>0</b>	<b>149</b>
Equity at 31 December 2022	23,811	3,446	-20,162	7,095
<b>2023/24</b>				
Equity at 1 July 2023	23,811	4,129	-21,318	6,622
<b>Comprehensive income for the period</b>				
Comprehensive income	0	0	-460	-460
Transferred between reserves	0	421	-421	0
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>421</b>	<b>-881</b>	<b>-460</b>
<b>Other transactions</b>				
Capital decrease	-19,049	0	19,049	0
Costs capital increase	0	0	-55	-55
Warrant programme	0	0	128	128
<b>Total transactions with owners</b>	<b>-19,049</b>	<b>0</b>	<b>19,122</b>	<b>73</b>
Equity at 31 December 2023	4,762	4,550	-3,077	6,235

# CASH FLOW STATEMENT

<b>CASH FLOW STATEMENT</b>	<b>1H 2023/24</b>	<b>1H 2022/23</b>	<b>Full year 2022/23</b>
DKK'000			
<b>Profit/loss for the year</b>	<b>-460</b>	<b>-1,139</b>	<b>-1,727</b>
Adjustment for non-cash operating items etc.:			
Depreciation, amortisation and impairment	1,014	933	1,930
Other non-cash operating items, net	129	0	149
Financial income	-18	-29	-50
Financial expenses	692	770	1,289
Tax on profit/loss for the year	0	0	-472
<b>Cash flows from operations before changes in working capital</b>	<b>1,357</b>	<b>535</b>	<b>1,119</b>
Change in working capital	9,316	9,391	6,643
<b>Cash flow from operations</b>	<b>10,673</b>	<b>9,926</b>	<b>7,762</b>
Interest receivable	18	29	50
Interest payable	-692	-770	-1,289
Refund of corporate tax (LL§8x)	210	0	75
<b>Cash flow from operating activities</b>	<b>10,209</b>	<b>9,185</b>	<b>6,598</b>
Acquisition of intangible assets	-809	-655	-1,644
Acquisition of tangible assets	-46	-10	-49
<b>Cash flow from investing activities</b>	<b>-855</b>	<b>-665</b>	<b>-1,693</b>
Debt with credit institutions	-3,841	-8,260	-1,920
VF loan	0	2,500	0
Principal paid on lease	-427	-438	-886
Bond loans	-4,200	0	0
Other debt	0	-1,184	-2,169
Capital increase, net proceeds from issue	0	173	172
Costs charged to equity	-54	-23	-55
<b>Cash flow from financing activities</b>	<b>-8,522</b>	<b>-7,232</b>	<b>-4,858</b>
<b>Net cash flow for the period</b>	<b>832</b>	<b>1,288</b>	<b>47</b>
Cash, beginning of year	49	2	2
<b>Cash, end of period</b>	<b>881</b>	<b>1,290</b>	<b>49</b>

## NOTES

### 1 ACCOUNTING POLICIES

The interim report has been prepared in accordance with IAS 34, Interim financial reporting, as adopted by the EU and further Danish disclosure requirements in respect of interim reports for listed companies.

The accounting policies used for the interim report is the same as used for the Annual Report 2022/23.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals.

The interim report is presented in DKK thousands (DKK '000).

For further details regarding accounting policies, we refer to the Annual Report 2022/23.

#### **New standards, interpretations and amendments adopted**

Rovsing has implemented all new and amended standards (IFRS) and interpretations (IFRIC) as adopted by the EU and which are effective for the financial year beginning on 1 July 2023. The implementation of these new or amended standards and interpretations had no material impact on the financial statements.

The half-year report is prepared in DKK.



## 2 REVENUE

	1H 2023/24	1H 2022/23
DKK'000		
Developed products and systems	14,848	11,271
Software Verifications (ISVV)	1,325	914
On-site Engineering Services	1,696	1,259
	<b>17,869</b>	<b>13,444</b>

### GEOGRAPHIC MARKETS

DKK'000		
EU	14,528	10,036
UK	2,827	3,163
Outside Europe	514	245
	<b>17,869</b>	<b>13,444</b>

Revenue from products, systems and services is recognised over time, using the input method.

The majority of the projects are sold as fixed price contracts and revenue from projects is usually recognised over time; applying the percentage of completion cost-to-cost method. A project contract will often entitle us to receive a down payment from the customer, followed by several milestone payments linked to a milestone progress plan. Upon completion and customer acceptance we will usually be entitled to the final payment.

### 3 SEASON

The Company's activities have not been affected by any season in the period.

### 4 EARNINGS PER SHARE

DKK'000	H1 2023/24	H1 2022/23
Profit/loss for the year	-460	-1,139
Average number of issued shares (1,000)	475	472
Earnings per share, (EPS Basic), of DKK 50 each	-1.0	-2.4

Rovsing holds 1,259 shares of the Company's own shares.

### 5 INTANGIBLE ASSETS

The Company has during the period 1 July - 31 December 2023 incurred costs for intangible assets for DKK 0,8 million. As described in the management's report in the 2022/23 annual report, future earnings are related to product development projects. Earnings size and timely realization is subject to uncertainty. Impairment test for intangible assets will be carried out per 30 June 2024, after completion of budgets, etc. for the next 3 years period. See also the section "Risk factors" in the annual report 2022/23.

## 6 RIGHT OF USE ASSETS

	Rent facility	Other leases	Total
DKK'000			
Right-of-use as of 1 July 2023	970	287	1,257
Additions	0	87	87
Depreciations	-312	-132	-444
<b>Right-of-use as of 31 December 2023</b>	<b>658</b>	<b>242</b>	<b>900</b>

<b>Lease liabilities</b>		
DKK'000		<b>31-12-2023</b>
Non current		95
Current		891
<b>Lease liabilities</b>		<b>986</b>

<b>Amounts included in the income statement</b>		
DKK'000		<b>31-12-2023</b>
Interest expense leases		28
Depreciation recognised on Right-of-use assets		444

## 7 CONTINGENT ASSETS AND LIABILITIES

The Company has co-funded development projects with ESA. A co-financing obligation in the agreements entered into with ESA, the Company itself holds about 25% - 50% of the estimated costs.

## **8 TRANSACTIONS BETWEEN PARTNERS AND RELATED PARTIES**

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The Company has no related parties or partners with a controlling influence.

The company has registered the following shareholders as holding 5% or more of the share capital:

- 6,75 %, Jean Dühring
- 6,59%, Catpen A/S

The Company's related parties include also the board of directors and management.

## **9 EVENTS AFTER THE 31 DECEMBER 2023**

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Rovsing has succeeded to improve its capital structure and lower its debt. In January 2024 the Company announced (announcement 358) that a successful share issue was completed resulting in proceeds of DKK 3,0 million and later in January (announcement 359) the Company announced that a bond loan of DKK 2,2 million was secured whereby the refinancing was completed.

In February 2024 (announcement 364) the Company announced that a new Board of Directors had been appointed with former Chairman Michael Hove and board member Jakob Færch Bendtsen stepping down, giving room to new competencies and experience to help strengthen the strategy, performance and communication of Rovsing's continued journey. The new board members elected are Kim Brangstrup, Jean Marcel Dühring, Michael Lumholt and Carsten Jørgensen while Ulrich Beck continues and takes on the role of Chairman.

The Company knows of no events or issues after 31 December 2023 that has a substantial influence on the financial position of the company.

## DEFINITION OF RATIOS

<b>Ratio</b>	<b>Explanation</b>
No. of shares, end of period	The total number of outstanding shares at any given time, exclusive of the Company's treasury shares.
Cash flow per share (DKK)	Cash flows from operating activities divided by average number of shares.
EBITDA margin (profit margin before depreciation and amortisation) (%)	Earnings before interest, tax depreciation and amortisation as a percentage of revenue.
EBIT margin (profit margin) (%)	Earnings before interest and tax as a percentage of revenue.
Equity ratio	Equity, end of year, as a percentage of total assets.
Return on equity (%)	Profit/loss for the year after tax divided by average equity.
Average no. of outstanding shares (1,000)	Average number of outstanding shares at any given time.
Net asset value per share (DKK)	Equity at year-end divided by number of shares at year-end.
Earnings per share (DKK)	The Company's share of profit/loss for the year divided by average no. of shares.
Solvency ratio (%)	Traditional way of expressing the Company's financial strength.

# GLOSSARY

<b>Term</b>	<b>Explanation</b>
Application	Specific use of a product
Airbus Defense & Space	French, German, British and Spanish company operating in the defense, space and telecommunications industry
Check-out system	System for testing and controlling a satellite or instrument
DSTE	Digital Simulation & Test Equipment
ESA	The European Space Agency
ESTEC	European Space Research and Technology Centre
FTE	Full time equivalent
Copernicus	Earth Observation Satellite programme under EU
Galileo	European satellite navigation system
Industrial collaboration agreement	Agreement signed by non-Danish suppliers of defense material to Denmark with the Danish Enterprise and Construction Agency to ensure that the supplier undertakes in return to acquire defense material manufactured by Danish companies.
ISVV (Independent Software Verification & Validation)	Independent verification and validation of software
Kick-Off	Kick-Off meeting to start up a project
Command control system	Guidance system
CSG	Centre Spatial Guyanais
Critical software	Software, the failure or breakdown of which may cause loss of life, loss of spacecraft or loss of performance of the planned task, or software for which error rectification may prove very costly.
MPCV	Multi-Purpose Crew Vehicle
Outsourcing	The outsourcing of part of or a whole assignment with a subcontractor
Prime Contractor	The company with the main responsibility for carrying out a major ESA project
Project manager	Person in charge of carrying out a project
Thales Alenia Space	European space and defense industry company
EGSE	Electrical Ground Support Equipment
Power SCOE	Special Checkout Equipment for testing satellite power systems
SAS	Solar Array Simulator
SLP	Second Level Protection
MASC	Measurement, Acquisition, Simulation & Commanding
MetOp-SG	Meteorological Operational Satellite - Second Generation

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