

Market: First North Premier SE

Ticker: GOMX

Share price (SEK): 5.16

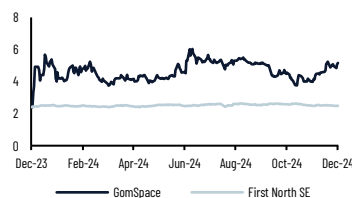
Market cap (SEKm): 725.9

Net debt (SEKm): 49.3 (Q2 2024)\*

Enterprise value (SEKm): 775.1

\*No updated net debt numbers for Q3 2024

## Share information



YTD: 17.3% 1 year: 165.3%  
1 month: 29.0% 3 years: -53.2%

Note: We apply the closing price from 18 December 2024 (Source: Capital IQ).

## Financials

SEKm	2023	2024E*	2025E*
Revenue	234.5	>245.0	320.0-380.0
Revenue growth	18%	>4%	31%-55%
EBITDA	-34.2	<-24.5	-6.4 to +38.0
EBITDA margin	-15%	<-10%	-2% to +10%
Net income	-115.6	N/A	N/A
Net income margin	-49%	N/A	N/A
Cash	61.1	N/A	N/A
Interest-bearing debt	81.4	N/A	N/A

Note: \*2024E and 2025E financials are based on GomSpace's guidance ranges (implied calculations). Read the full guidance ranges below the peer group table.

## Valuation multiples

	2023	2024E*	2025E*
P/S (x)	2.6	3.0	2.1
EV/Sales (x)	2.7	3.2	2.2
EV/EBITDA (x)	-18.7	-31.6	55.4
EV/EBIT (x)	-6.9	N/A	N/A
P/E (x)	-5.4	N/A	N/A
P/B (x)	7.1	N/A	N/A
P/CF (x)	-12.9	N/A	N/A

Note: Multiples 2023 are based on historical numbers. 2024E and 2025E multiples are based on GomSpace's new guidance ranges.

## Company description

Founded in 2007, GomSpace is a space company that manufactures and supplies hardware and software in satellite solutions within the nanosatellite and microsatellite segments. GomSpace's business units are divided into Programs (57% of revenue in Q3 2024), Products (37% of revenue in Q3 2024), and North America (6% of revenue in Q3 2024). GomSpace has headquarter in Aalborg, Denmark, and the company has been listed on Nasdaq First North Premier in Sweden since 2016.

## Investment case

In today's everyday life in the developed world, space services are vital within important areas such as satellite internet, military surveillance, air traffic management, maritime communication and control, and IoT (Internet of Things). The nanosatellite and microsatellite market is expected to grow with a CAGR of approx. 19% from 2022 to 2027.<sup>1</sup> Market growth is driven by increased data amounts, military intelligence, online tracking, connectivity, and the need to optimize moving assets across industries.

After a successful stabilization and transformation process, GomSpace is now entering a new phase. In 2025, GomSpace now guides for revenue growth of at least 30%, EBITDA margin between -2% and +10%, and positive free cash flow. Growth expectations are supported by its solid order book, especially in the Programs business unit with more than 70% of revenue already contracted.

Looking at valuation, our peer group indicates a broad range on EV/Sales and EV/EBITDA multiples. However, GomSpace now trades close to the median EV/Sales multiples (Capital IQ), with GomSpace trading at EV/Sales of approx. 3.2x (2024E) and approx. 2.2x (2025E) based on the new guidance midranges. Looking at profitability multiples, the sector is increasing its profitability focus, however, it is still early to apply EV/EBITDA multiples. Based on the midrange in GomSpace's new 2025 EBITDA guidance range (4% EBITDA margin), the share trades at approx. 55x EV/EBITDA (2025E).

<sup>1</sup><https://www.marketsandmarkets.com/Market-Reports/nanosatellite-and-microsatellite-market-130496085.html>

## Key investment reasons

Being one of the few established companies with flight heritage, GomSpace has a strong value proposition in the industry, and GomSpace also expects to grow above an expected double-digit market growth in 2025.

GomSpace has delivered on its stabilization and transformation phase, and the company is now entering the next phase with expectations of higher growth, improved profitability, and positive free cash flow.

The new 2025 guidance is supported by its order intake and order book, including its momentum of large microsatellite contracts. Importantly, the potential huge SEK ~650m contract for Indonesia's Ministry of Marine Affairs and Fisheries will provide an upside, however, GomSpace is still waiting for the final terms and conditions between Denmark and Indonesia to be completed even though EIFO has approved a government export loan.

## Key investment risks

Despite GomSpace's strong execution of the transformation process to become a more market-oriented and profitable organization, there are still some related risks. This includes the fact that there are few proven paths to profitability across the new space industry and thus no late-stage profitable peers in the sector. As a result, there is still some uncertainty about which profitability level the industry and GomSpace can achieve over the next years.

Although GomSpace has a cash position of SEK 62.3m (end Q3 2024) and guidance of positive free cash flow for both 2024 and 2025, the industry has historically been bumpier and more capital-intensive than expected. As a result, the need for further capital can therefore not be ruled out at some point. However, a potential future capital raise could come on the back of larger growth opportunity investments and an improved business case visibility.

## Peer group

Company	Price (local)	Total return YTD	Market cap (EURm)	Net debt (EURm)	EV/Sales (x)		Revenue growth (%)		EV/EBITDA (x)	
					2024E	2025E	2024E	2025E	2024E	2025E
ACC Clyde Space AB	SEK 46.75	4.8%	24.0	-1.7	0.7	0.4	36.0%	59.1%	10.2	3.4
Spire Global, Inc.	USD 12.51	60.0%	290.3	62.0	3.1	2.5	18.4%	24.1%	45.2	14.6
Rocket Lab USA, Inc.	USD 22.92	314.5%	10,934.3	-29.8	26.3	19.2	82.5%	42.0%	N/A	N/A
<b>Median</b>		<b>60.0%</b>	<b>290.3</b>	<b>-1.7</b>	<b>3.1</b>	<b>2.5</b>	<b>36.0%</b>	<b>42.0%</b>	<b>27.7</b>	<b>9.0</b>
<b>GomSpace Group AB*</b>	<b>SEK 5.16</b>	<b>17.3%</b>	<b>63.2</b>	<b>4.3</b>	<b>3.2</b>	<b>2.2</b>	<b>4.5%</b>	<b>42.9%</b>	<b>-31.6</b>	<b>55.4</b>

Note: Peer group estimates are based on analyst mean estimates from Capital IQ. \*We do not have analyst estimates for GomSpace from Capital IQ. As a result, we apply GomSpace's own guidance ranges. In 2024, GomSpace expects revenue above SEK 245m, EBITDA margin better than -10%, and positive free cash flow. In 2025, GomSpace expects revenue between SEK 320-380m, EBITDA margin between -2% to +10%, and positive free cash flow. Data is extracted on 18 December 2024. Source: HC Andersen Capital and Capital IQ.

# 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 Capital IQ. HC Andersen Capital assumes no responsibility for the correctness of the numbers in the peer group; however, considers Capital IQ a credible source of information.

GomSpace operates within the commercial satellite market, targeting the nano and micro segments. 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 micro- and nanosatellite market. 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. In August 2024, Lockheed Martin announced an acquisition of Terran Orbital for a valuation that corresponds to approx. 3.3x EV/Sales (2023A) and approx. 3.1x EV/Sales (2024E).

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

Spire Global: Spire Global is based and listed in the US, providing global space-based data and analytics to offer powerful insights and information about Earth. Like GomSpace, the company also targets the commercial nanosatellite market.

Rocket Lab USA: Lastly, the peer group consists of Rocket Lab USA, listed in the US, delivering launch services and satellite manufacturing. Note that Rocket Lab USA is significantly larger than GomSpace, but a comparison is valuable as both companies have their core capabilities within technology and hardware.