

ROVSING

1. Rovsing Mission:

- To support customers in the aerospace industry to operate flawless systems by supplying systems and products for ground simulation & testing.

2. Vision – Rovsing 2021 Strategic Program

- Rovsing will develop into a strong high tech SME, recognized as a key player in aerospace with key expertise in the Aeronautics, Space & Defence Industry.

3. Management & Leadership

- CEO with prime space industry expertise, new CFO & lean management team;
- New members of Board of Directors with financial and industrial expertise, and competences in strategy, turnaround, and profitable growth;
- New shareholders with strong support to Rovsing's strategic development.

4. Rovsing's core skills

Rovsing's critical skills and competences:

- Digital electronics & firmware, IoT;
- Embedded & system software;
- Project management – LEAN & Agile;
- Process competence – ISO 9001 & CNQ;
- Product quality and reliability;
- Responsiveness to Product Life Cycle, i.e. digitalization challenges in Aeronautics, Space & Defence.

5. Product Range / Portfolio

Current product range (2016/17):

- Test systems & Products (65%)
- Software Verification (ISVV) (15%)
- On-site engineering Services (20%)

GROW TOP LINE

6. Market expansion focus

- Make products known worldwide;
- In the established institutional segment:
 - Strengthen preferred supplier status with ESA & EU national agencies
 - Pursue opportunities with NASA and other major non-EU space agencies;
- In the competitive private commercial segment:
 - Focus on Communication, Weather, and Earth Observation satellites;
 - Support professional small satellite programmes & constellations;
- In the growing Military/Security segment
 - Leverage DK/Nordic environment;
 - Leverage competences and product portfolio with various European defense research project budgets.

7. Product development focus

- Focus R&D on standard products, reduce complexity;
- Focus on profitable implementation and configurable S/W for customized systems

8. Geographical sales focus

- Focus on Europe through direct sales and leverage existing customer relationships;
- Expand in the US through local partners (RT Logic is current US partner);
- Establish foothold in APAC through local partners (Keliang is partner in PR China);

9. Market sizes and Rovsing share [%]

Global market of Electrical Ground Support Equipment: USD 100m p.a.
 ESA ESGE market: EUR 20m p.a.
 ESA Rovsing market share: <3%
 Est. Europe market growth: 3.5% p.a.
 Est. USA market growth: 7.5% p.a.

IMPROVE MARGINS

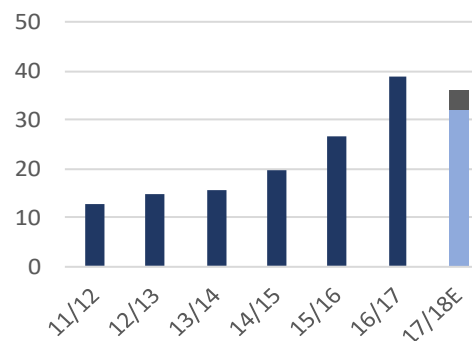
10. Cost efficient production/sourcing

- Comprehensive cost savings program initiated;
- Make-or-buy decisions are revisited;
- Focus on improved profitability in product manufacturing;
- Full supplier review/renegotiation programme to be completed in Q1 2018.

11. Organisation & Employees:

- Increase use of salary models with performance based incentives;
- Implement Value based team KPIs to ensure focus on profitability, roll out LEAN & 6 Σ tools to minimize waste;
- Improve accountability and focus on financial performance in project planning and resource allocation throughout the organisation;
- Strengthening of reporting and management systems.

Turnover, 6 years + guidance, DKKm



FOCUS ON VALUE CREATION

12. Capital structure – key to drive turnaround

- The capital structure has been strengthened;
- Strong short-term focus on liquidity/improve cash management;
- Review contractual terms;
- Continued use of EKF project funding;
- Capture relevant grant programs from EU et al. to facilitate development of segments.

13. Value based incentives – investors with long-term perspective

- All Board members and CEO are shareholders;
- 3-year warrant programme in place for Board, management & senior managers.

14. Reporting and Investor Relations - investor story for success from Denmark

- Upgrade IR activities;
- Modernize corporate web-site;
- Improve on-time, on quality reporting;

15. Financials

Actual performance 2016/2017:

- Revenue: DKK 39 mio.
- EBITDA: DKK 1.3 mio.
- EBITDA margin: 3.3%

Financial guidance 2017/2018:

- Revenue: DKK 32-36 mio.
- EBITDA: DKK 0-2 mio.

Financial medium-term targets

- Revenue above DKK 64 mio. in 2021/22
- EBITDA-margin % of +10% in 2021/22.