

Sensys Gatso Group AB

Q1 2021 Market Presentation

Audiocast

April 27, 2020

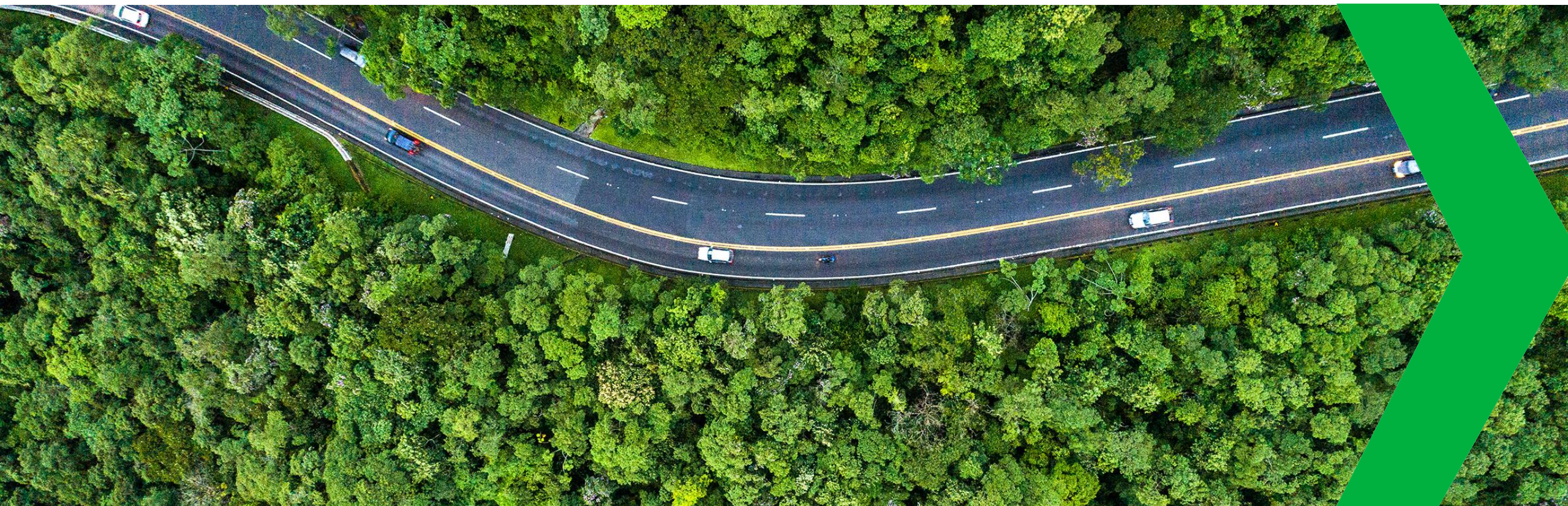
10:00 CET

AGENDA

Q1 2021 MARKET PRESENTATION

Sensys
Gatso
Group

- » Business update
- » Financial update
- » Summary and Outlook
- » Introducing Pär Degerman, CTO

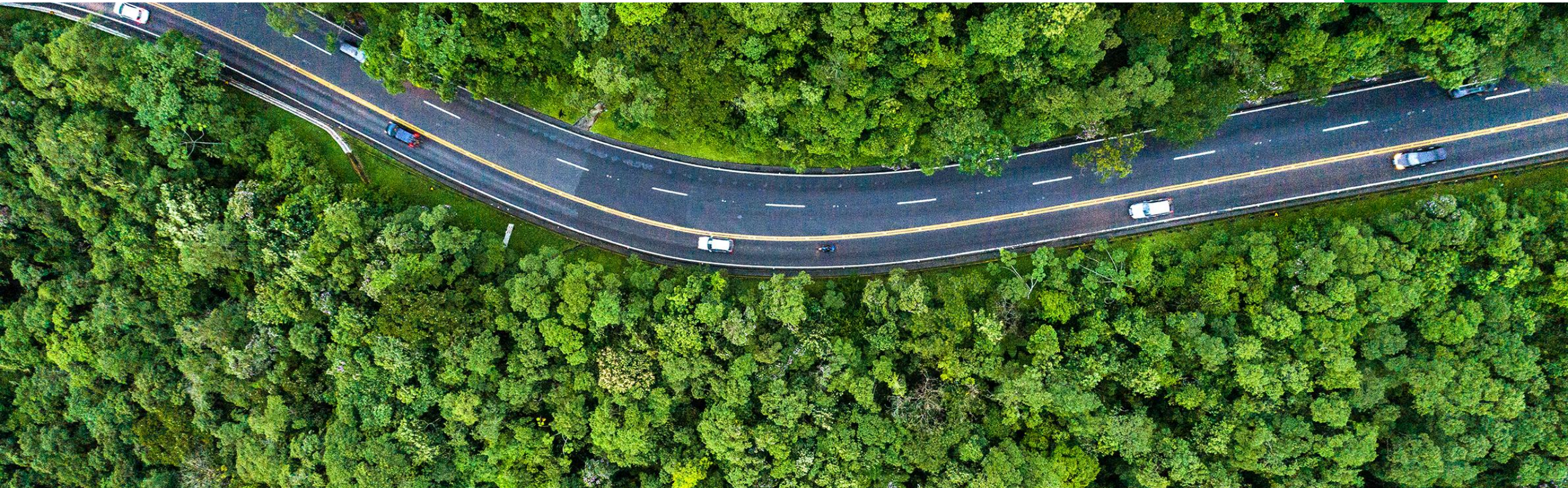


AGENDA

BUSINESS UPDATE

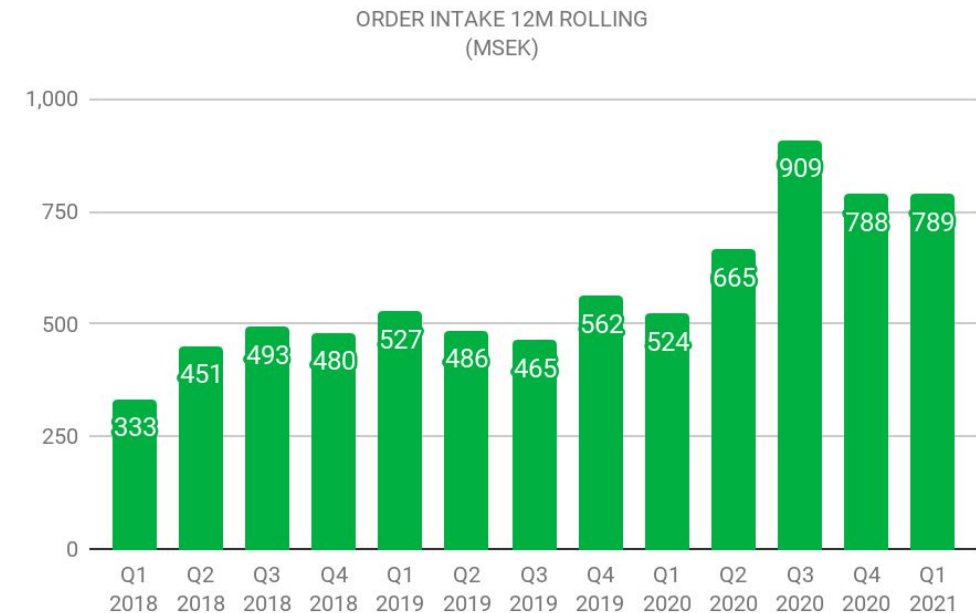
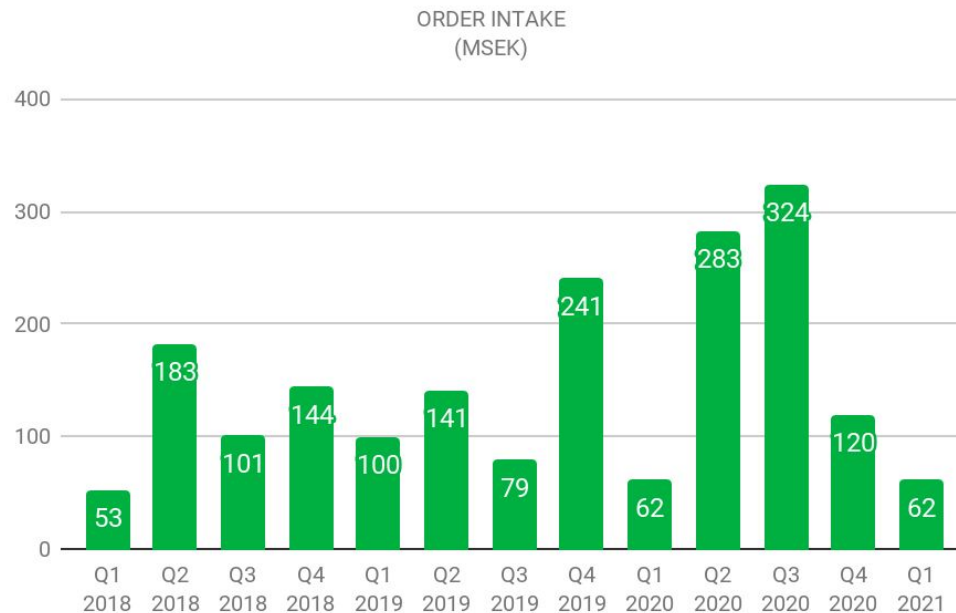
Sensys
Gatso
Group

- » 12-months rolling Order Intake stable at SEK 789 million +50%
- » School Zone Sales expected to pick up in Q2
- » Strong Costa Rica contract position confirmed
- » 20% of KSA contract delivered
- » Financing larger contracts



12M rolling order intake MSEK 789 - up 50%

- Q1 Order intake MSEK 62 (62), in line with typical Q1 order levels
- MSEK 60 Procurement Award in Belgium of which MSEK 14 taken into account in Q1
- 12M rolling order intake stable at MSEK 789



School Zone sales expected to pick up in Q2



Schools have (partially) reopened in March. With that our schoolzone speed programs have also resumed enforcement, protecting the most vulnerable road users: **Children**

- Net sales at SEK78 (96*)
- COVID related school closing in Q4 and Q1 cause temporary lower Sales in the quarter
- US TRaaS Sales expected to pick up again in Q2

School Zone Speed Enforcement TRaaS contracts

Date	MSEK	Period	City	State
2020-Q4	34	5	East Providence	Rhode Island
2020-Q2	21	5	Parma	Ohio
2020-Q1	28	5	St.Mary's	Georgia
2019-Q4	30	3	Buffalo	New York
2019-Q2	44	5	Mount Rainier	Maryland
2018-Q4	32	5	Pawtucket	Rhode Island
	189	4.7	6	5

Strong position in Costa Rica contract confirmed



- MSEK 192 nation wide traffic enforcement contract from the Costa Rican government
- Physical meetings in March in San Jose with various stakeholders
- Confirmation of willingness to execute the contract and our strong legal position
- Further reinforcement of our position
- Best estimate remains to start second half of 2021 earliest

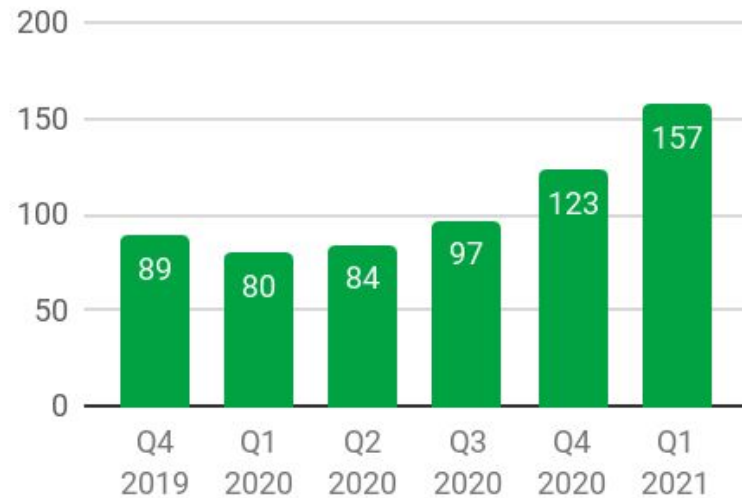
20% of KSA contract delivered



- MSEK 275 contract with Kingdom Saudi Arabia
- Deliveries resumed in February
- 20% delivered, 15% accounted for in 2020
- Roll-out of shipments defined by requirements of end-customer
- Remainder of deliveries foreseen throughout 2021, corresponding to approx. MSEK 220 millions

Financing larger contracts

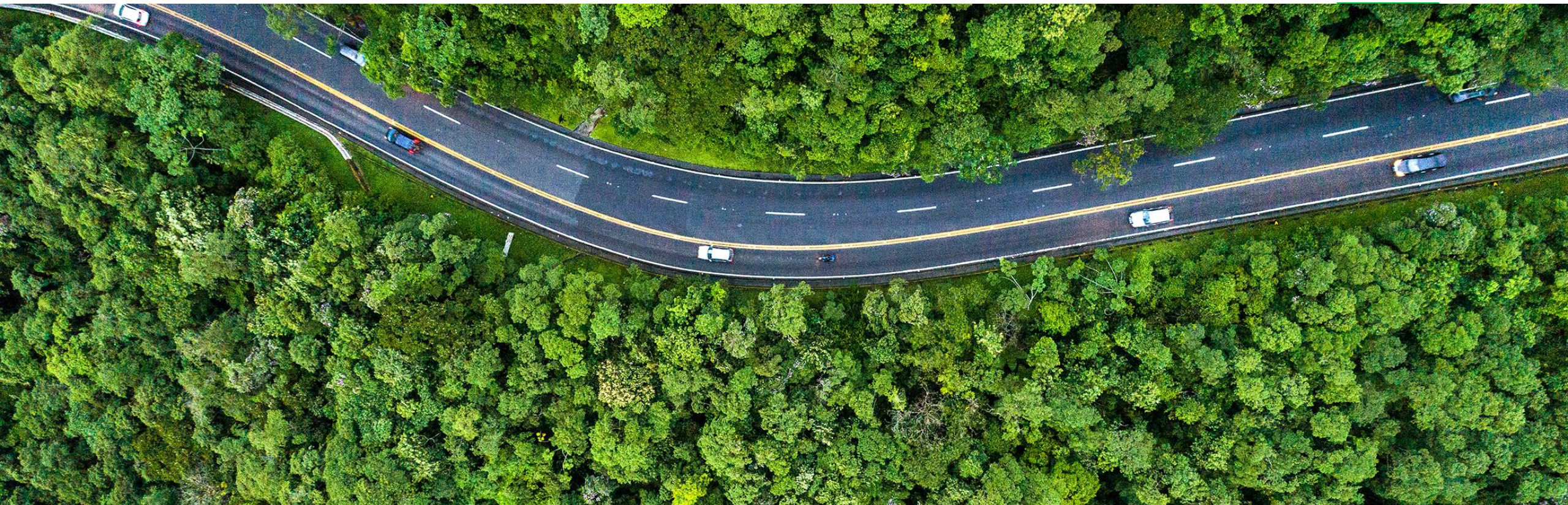
NET WORKING CAPITAL
[ex cash and borrowings] (MSEK)



- Available cash end of Q1 at MSEK 102
- In April we received tranches 2 and 3 of new Rabobank financing to the amount of MSEK 25
- Larger contracts require build-up of inventory and Work in Progress

FINANCIAL UPDATE

- » Consolidated income statement
- » Analysis of the segments performance
- » Development of TRaaS Sales
- » Available cash and financial position

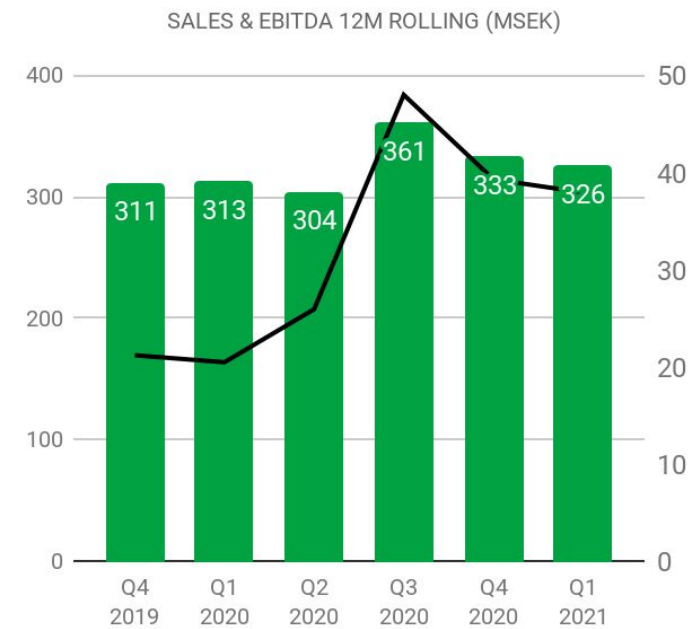
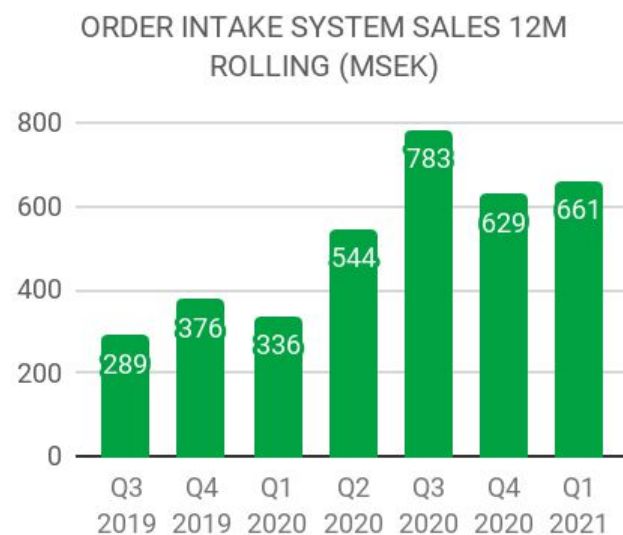


Consolidated Income Statement

	Jan - Mar	Jan - Mar	Jan - Mar	Jan - Dec	Jan - Dec
TSEK	2021	2020	2021	2020	2019
Net sales	78,101	95,630	78,101	454,933	406,325
Cost of goods sold	-53,584	-66,964	-53,584	-293,066	-261,278
Gross profit	24,517	28,666	24,517	161,867	145,047
	31.4%	30.0%	31.4%	35.6%	35.7%
Expenses	-38,655	-42,387	-38,655	-151,046	-169,439
Operating profit	-14,138	-13,721	-14,138	10,821	-24,392
	-18.1%	-14.3%	-18.1%	2.4%	-6.0%
Net financial items	4,284	-5,138	4,284	-8,345	-3,137
Profit before tax	-9,854	-18,859	-9,854	2,476	-27,529
Tax	68	68	68	68	68
Profit for the period	-9,786	-18,791	-9,786	2,544	-27,461

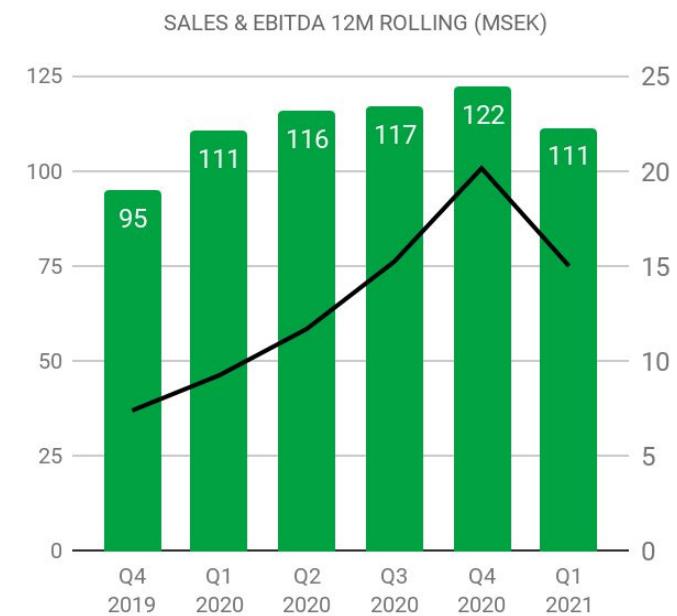
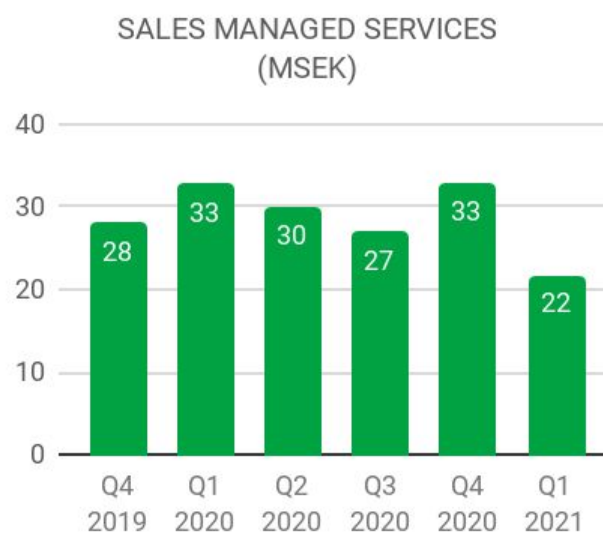
Segment System Sales

- 12 months rolling Order Intake remains stable at MSEK 661
- Sales at MSEK 56, 11% lower than Q1 2020, 12 months rolling up 4% to MSEK 326
- EBITDA for Q1 at MSEK -3, 12 months rolling up 90% to to MSEK 38

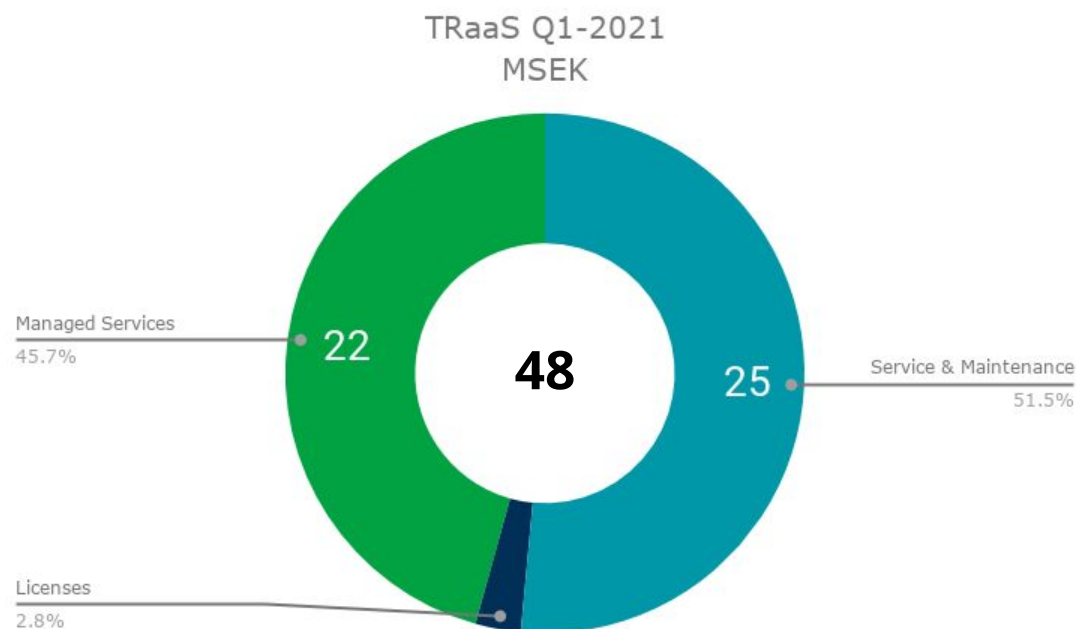


Segment Managed Services

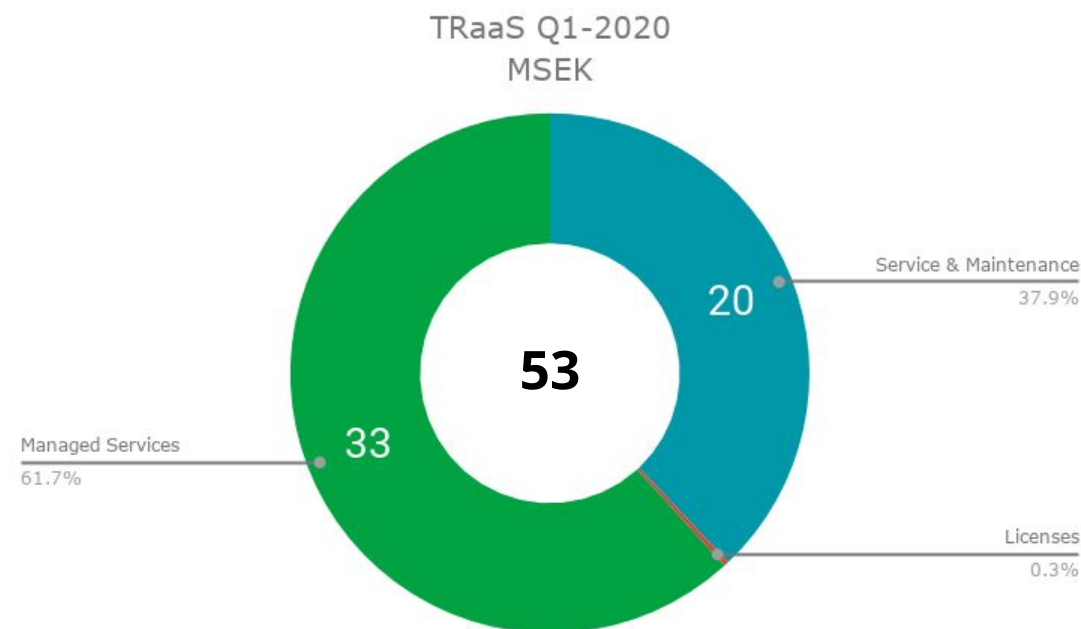
- 12 months rolling order intake MSEK 128 (126)
- Q1 sales 33% down compared to Q1 2020, 12 months rolling remains at MSEK 111
- EBITDA for Q1 at MSEK -3, 12 months rolling up 67% to MSEK 15



TRaaS Sales Development



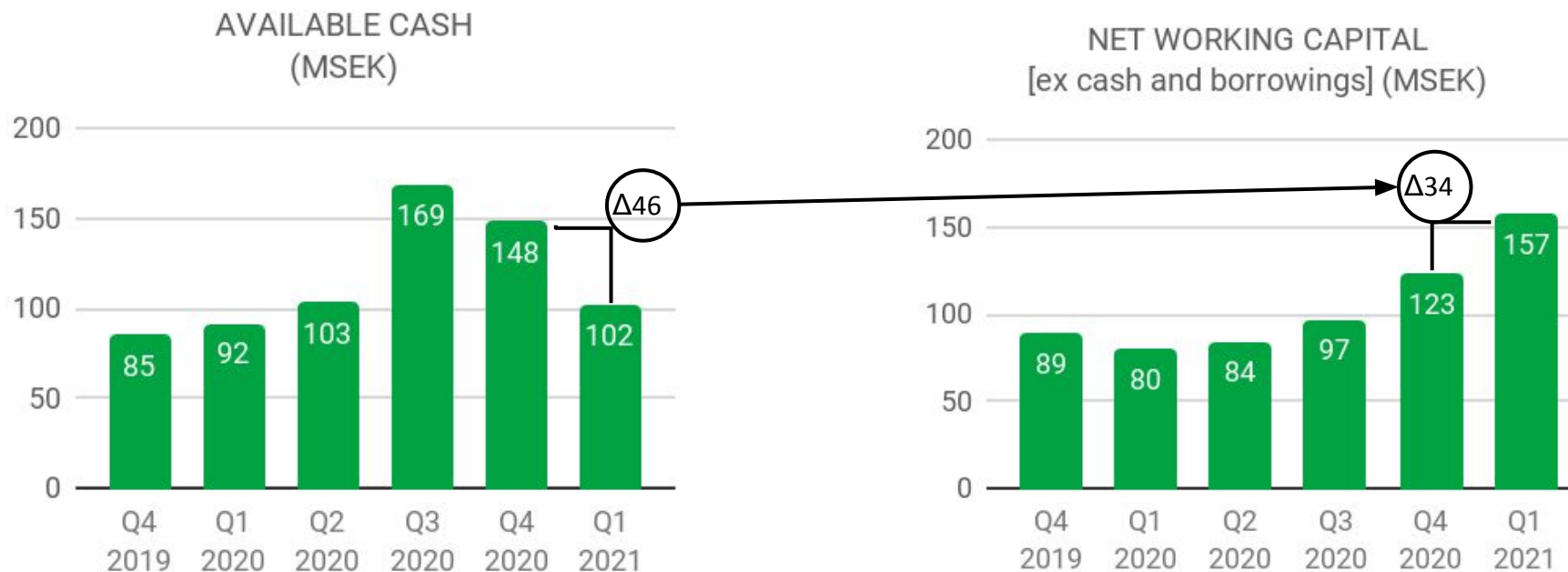
Managed Services Sales temporarily suppressed due to school closings



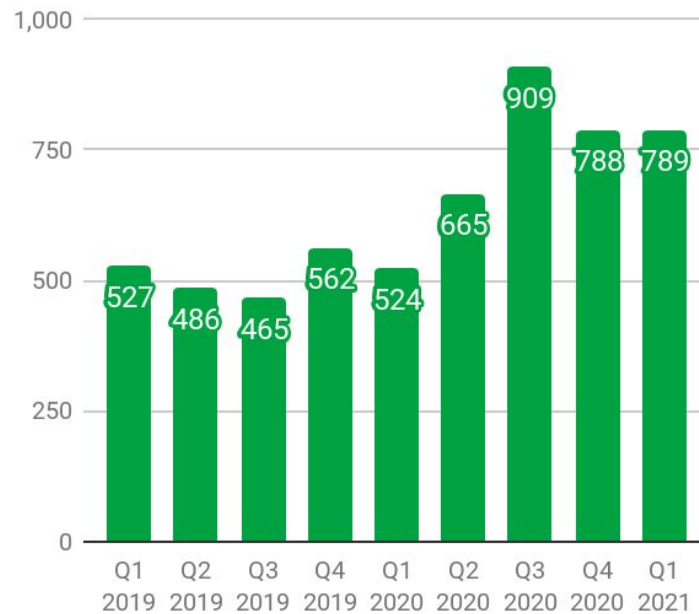
Service & Maintenance increased due to growth of active installed base

Available cash and financial position

- Available cash at MSEK 102 (92)
- Q1 Operating cash flow negative MSEK 40 (positive 20)
- Net working capital [Ex cash and borrowings] MSEK 157

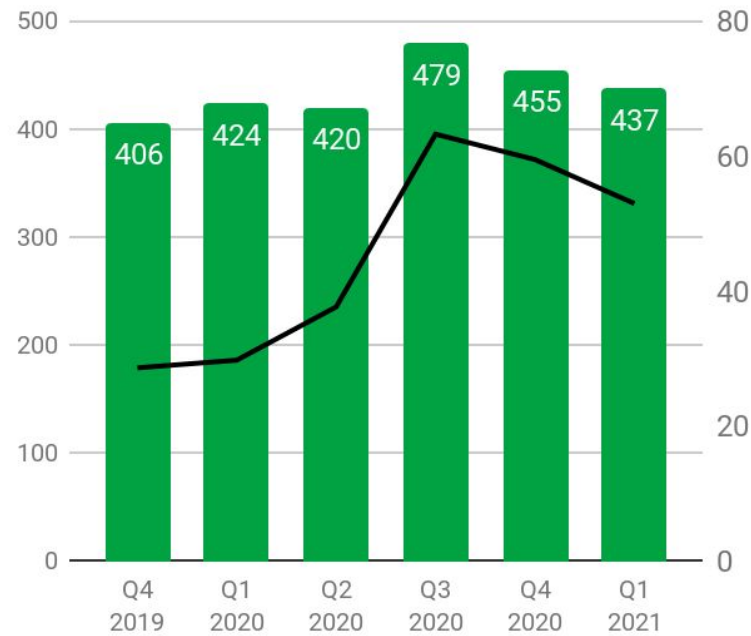


ORDER INTAKE 12M ROLLING
(MSEK)



**12M rolling
Order Intake up 50%**

SALES & EBITDA 12M ROLLING (MSEK)



**12M rolling
EBITDA up 77%**

2025 Goals

- Sales > SEK 1BN
- of which MSEK 600 TRaaS
- EBITDA > 15%

**On track with
long term goals**

AGENDA | New CTO

→ Experience | Automotive



VOLKSWAGEN
AKTIENGESELLSCHAFT



einride

→ European commission | C-ITS Platform

→ Standardization | ISO, ETSI

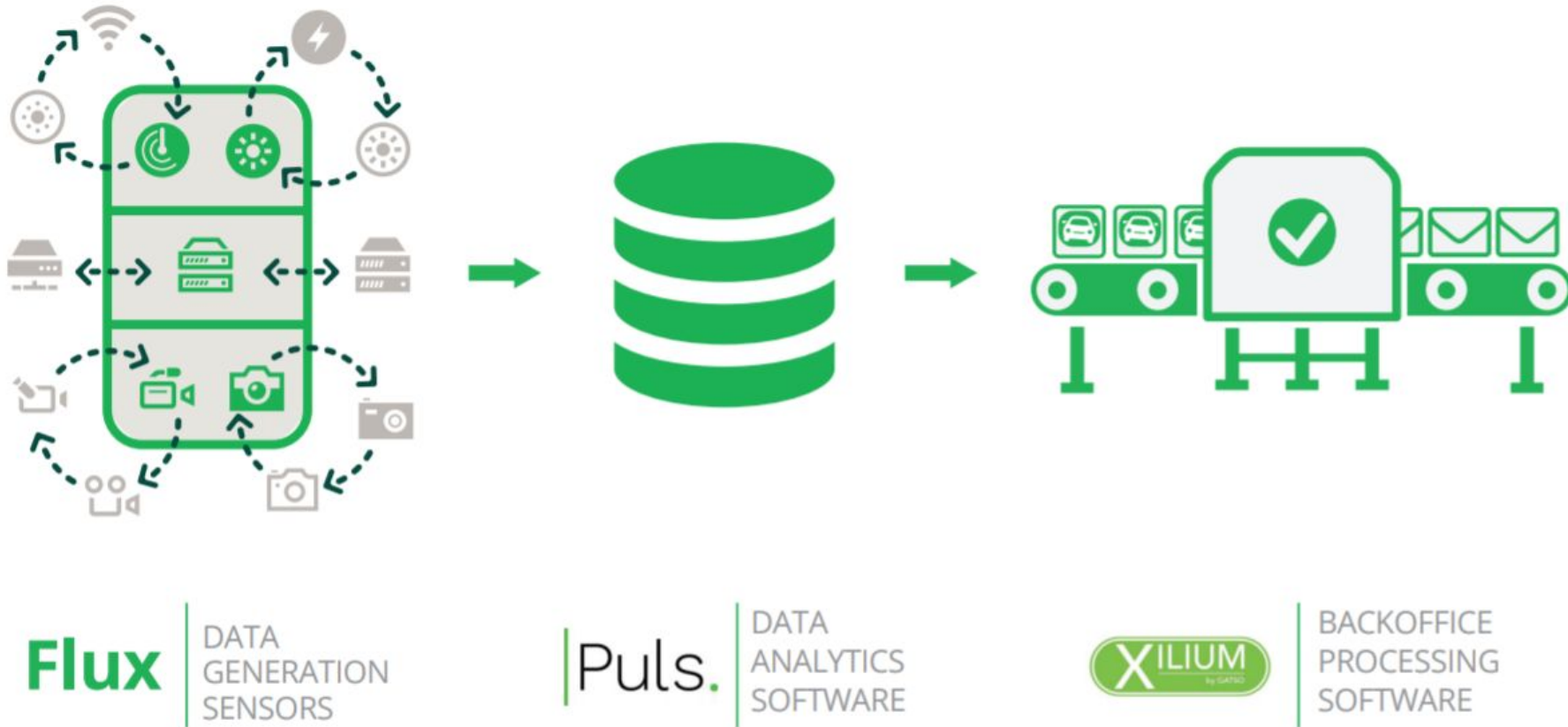
→ CTO at Sensys Gatso Group | Feb 2021



Pär Degerman
CTO



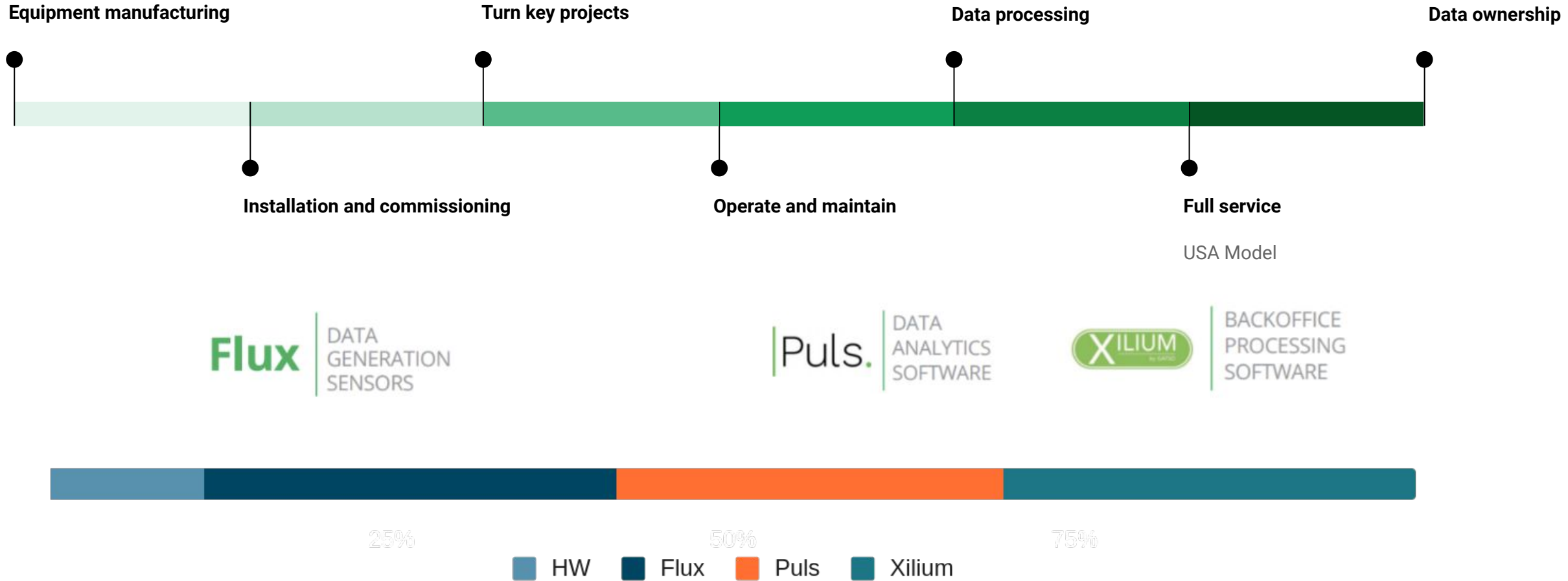
Full service offering in action



UNIQUE TECHNOLOGY

A scalable business model

Sensys
Gatso
Group



UNIQUE TECHNOLOGY

Technology vision

Sensys
Gatso
Group

Flux

DATA
GENERATION
SENSORS

Puls.

DATA
ANALYTICS
SOFTWARE

XILIUM

BACKOFFICE
PROCESSING
SOFTWARE



In summary

- **Strong order book** - the 12-months rolling order intake arrived at SEK 789 million, an equal level compared to Q4 2020 and increase of 50% in comparison to last year.
- **KSA 20 % of MSEK 275 delivered** - We foresee the remainder of the deliveries under the contract still to be executed throughout 2021 and we already see this in April.
- **Costa Rica contract position confirmed** - We believe this 192 million program will be rolled-out as projected, but on a different timeline. With the information we have from our recent visit the strong contract position is confirmed. Our best estimate remains that first deliveries will start in the second half of 2021.
- **School Zones Sales in the USA expected to pick up in Q2** - As schools have reopened in March, it can be expected that US TRaaS Sales will start picking up again in the second half of Q2 of this year.
- **Technology update from our CTO** - future proof product lines, Puls allows for connectivity and data generation. Xilium allows for efficient processing of high volumes of new types of solutions. We are a technology company and we will be more disclosing more on that. Pär will update the market twice a year on technology developments.

Q&A



Ivo Mönnink, CEO



Simon Mulder, CFO



Pär Degerman, CTO

Contact: investor@sensysgatso.com



Investment proposition

1**Leading global player in Traffic Enforcement Solutions**

A global brand with the strongest heritage in the industry.

2**Relevant, growing and dynamic market**

We operate in a market with high potential growth rates and increasing relevance and interest across the world.

3**Focused strategies to grow Service Business (TRaaS)**

We aim for ambitious growth focused on the USA, entering new markets with our TRaaS recurring business model, flexible hardware & scalable software platforms and expand our service model in existing markets.

4**Sustained Financial and Operating Performance**

We are driven by a flexible operating model, scalable software solutions and rigorous cost control.

5**Products and solutions for a safer and more sustainable planet**

Our solutions contributes to reducing greenhouse gas emissions, reduced speed and ultimately improved road safety, in accordance with 2030 UN's sustainable development goals.