

Sensys Gatso Group AB

Q2 2021 Market Presentation

Audiocast

August 18, 2021

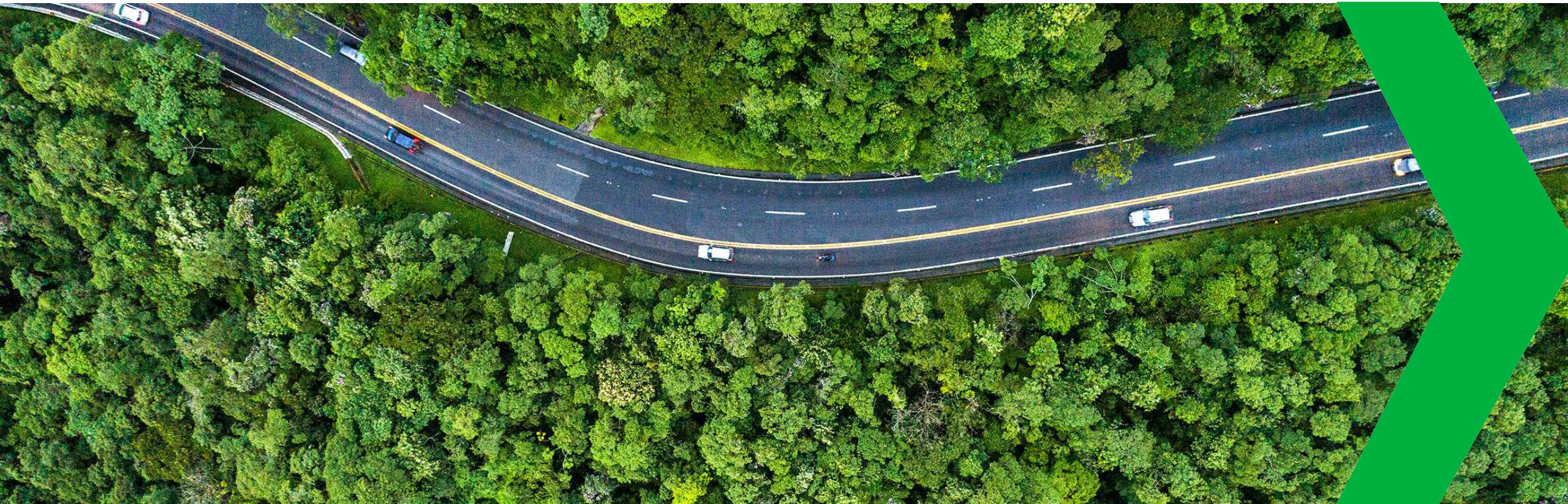
10:00 CET

AGENDA

Q2 AND HALF YEAR 2021 MARKET PRESENTATION

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- » Business update
- » Financial update
- » Summary and Outlook

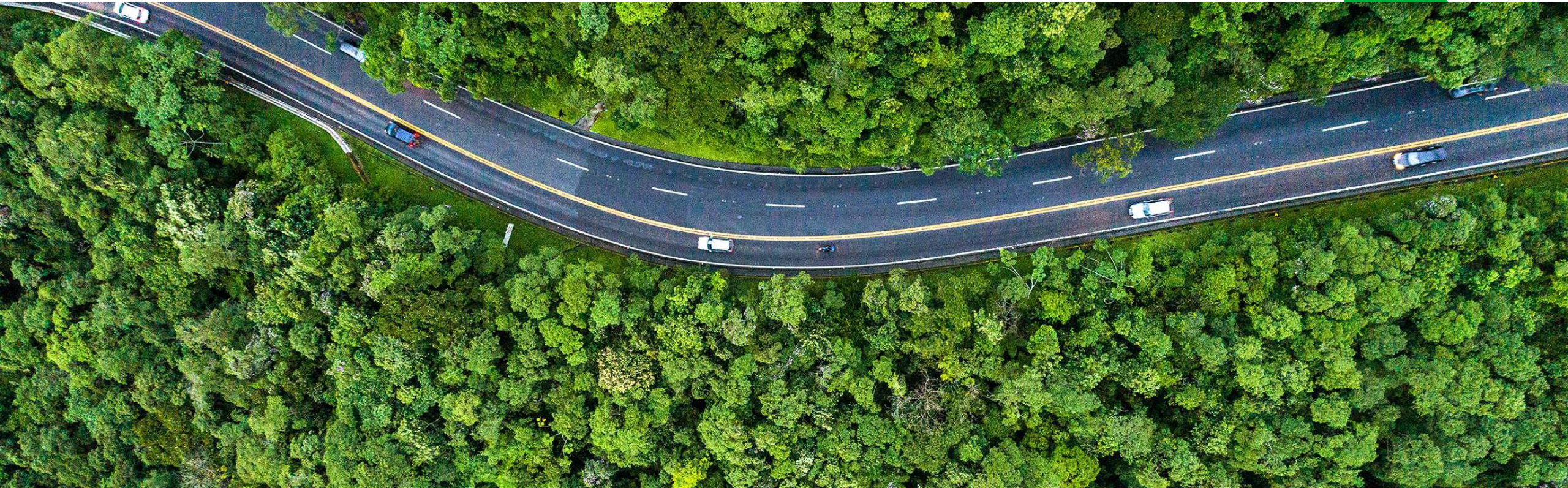


AGENDA

BUSINESS UPDATE

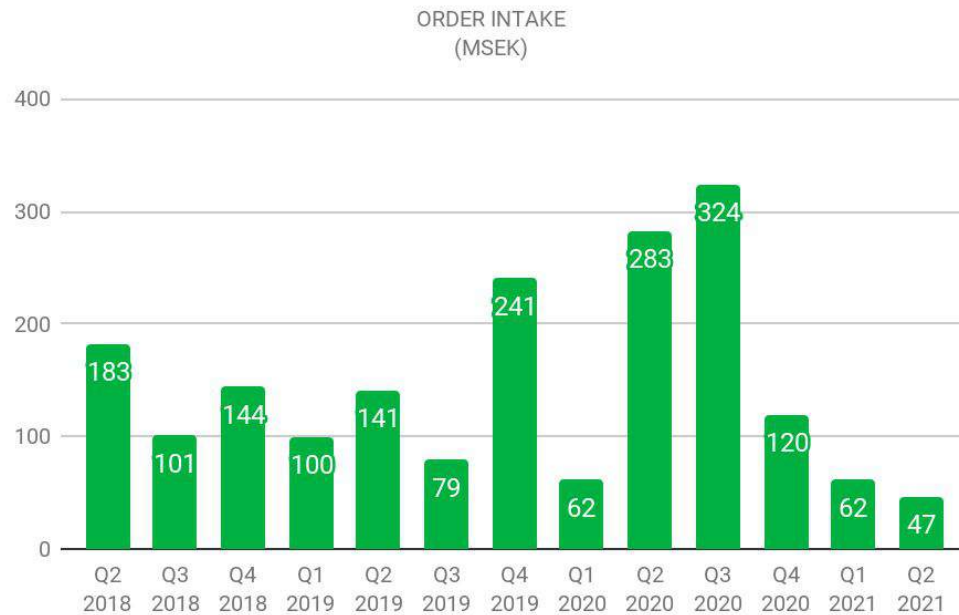
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- » Existing customers support our order intake
- » Total Sales up 35% with US TRaaS Sales up 45%
- » Saudi Arabia contract in steady delivery mode
- » Establishment of Sensys Gatso LATAM
- » Pushing the Costa Rica contract execution
- » Investigation in The Netherlands legally dismissed



Existing customers support our order intake

- Q2 Order intake MSEK 47 (283)
- Repeat orders from existing customers to maintain our +99% uptime of our installed base
- US City councils pick up passing resolutions, post covid
- High activity level and healthy sales pipeline



Total Sales up 35%

TRaaS Sales up 46% from Q1



- Net sales at SEK 126 (94), up 35%
- Highest Q2 Sales performance since Sensys Gatso merger
- US TRaaS Sales picked up in Q2 as expected
- TRaaS Sales up 45% from Q1
- Two new TRaaS contracts in USA
- Healthy sales pipeline to secure future growth

School Zone Speed Enforcement TRaaS contracts

| Date | MSEK | Period | City | State |
|---------|------------|------------|-----------------|--------------|
| 2021-Q3 | 10 | 5 | Hoschton | Georgia |
| 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 |
| | 199 | 4.7 | 7 | 5 |

Saudi Arabia contract in steady delivery mode



SGG and Tahakom project leaders collaborating in Riyadh, August 2021

- MSEK 275 contract with Kingdom Saudi Arabia
- First MSEK 66 contract completed with final payment received in July
- To date 35% / MSEK 95 delivered, of which 15% / MSEK 40 accounted for in 2020
- Steady progress of deliveries, driven by end-customer requirements
- Remainder of deliveries foreseen throughout 2021 and beginning of 2022, corresponding to approx. MSEK 180

Establishment of Sensys Gatso LATAM



- Objective to centrally manage business activities
- Region with growth potential
- Regional Director Latam Jose Lozano started July
- Operate close to our end customers
- Contracts in Costa Rica, Colombia and Barbados
- Partnership development in Panama and Ecuador

Pushing the Costa Rica contract execution



LATAM Regional Director Jose Lozano at Costa Rica parliament, August 2021

- MSEK 192 nation wide traffic enforcement contract from the Costa Rican government
- Budgetary constraints hamper timing of execution
- Further confirmation of willingness to execute the contract and our strong legal position
- Budget allocation expected in December for first deliveries to start in 2022

Investigation in The Netherlands legally dismissed



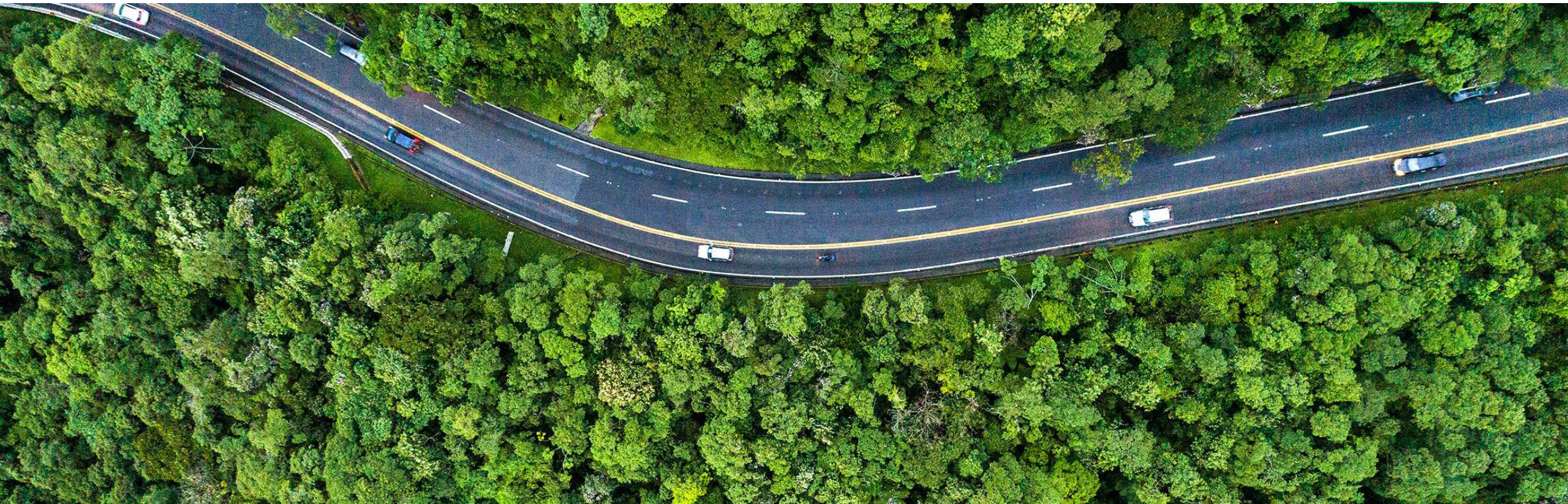
- Related to allegations in 2014-2015 in Gatsometer Netherlands
- Full transparency and cooperation with FIOD
- Allegations dismissed and no prosecution
- Positive, fast and rare outcome
- Integrity prevails

AGENDA

FINANCIAL UPDATE

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



Consolidated Income Statement

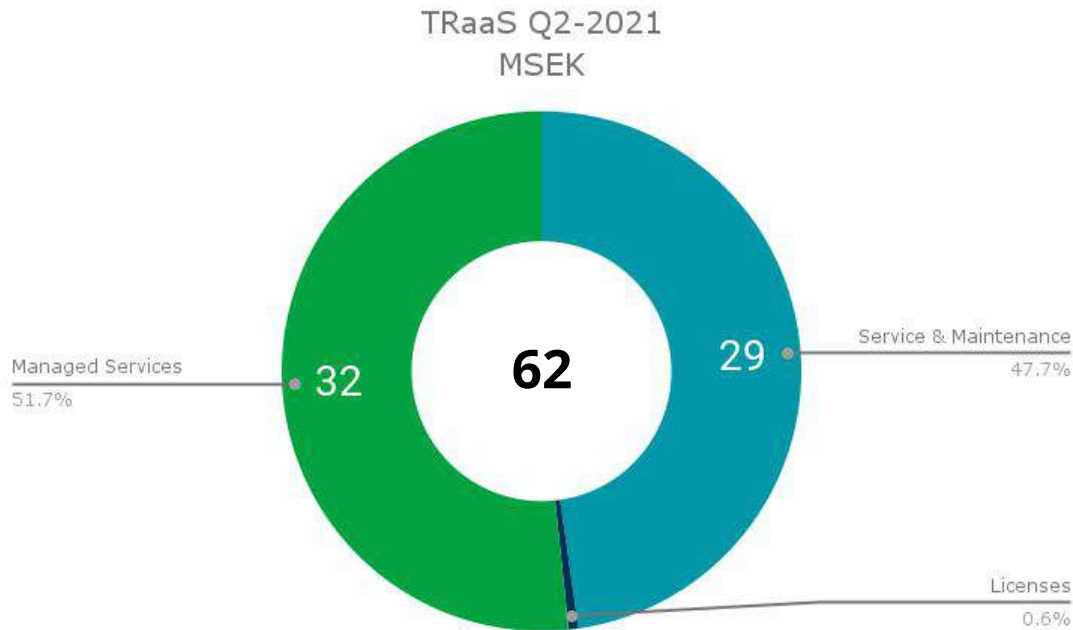
| | Apr - June | Apr - June | Jan - June | Jan - June |
|------------------------------|------------|------------|------------|------------|
| TSEK | 2021 | 2020 | 2021 | 2020 |
| Net sales | 126 | 93 | 204 | 189 |
| Cost of goods sold | -80 | -58 | -133 | -125 |
| Gross profit | 46 | 35 | 71 | 64 |
| | 37% | 37% | 35% | 34% |
| Expenses | -42 | -36 | -80 | -78 |
| Operating profit | 5 | -1 | -10 | -15 |
| | 3.6% | -1.0% | -4.7% | -7.7% |
| Net financial items | -1 | 2 | 3 | -3 |
| Profit before tax | 3 | 1 | -7 | -18 |
| Tax | 0 | 2 | 1 | 5 |
| Profit for the period | 4 | 3 | -6 | -13 |

**Sales
+35%**

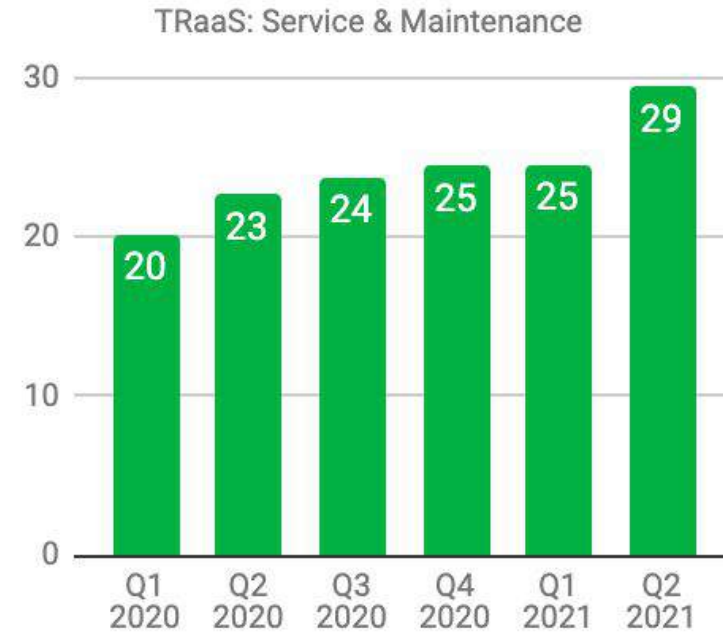
**EBIT
5MSEK**



TRaaS Sales Development



Managed Services Sales grows with 7% compared to Q2-2020

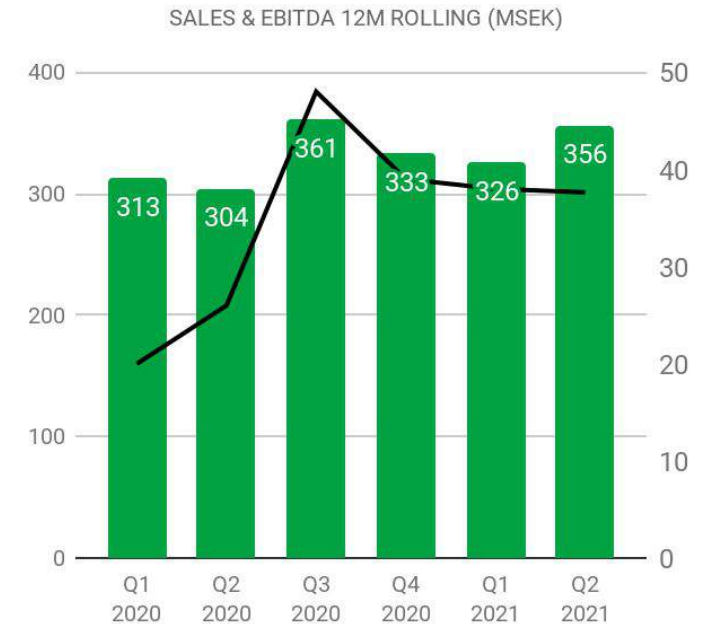


Service & Maintenance increased due to growth of active installed base

Segment System Sales



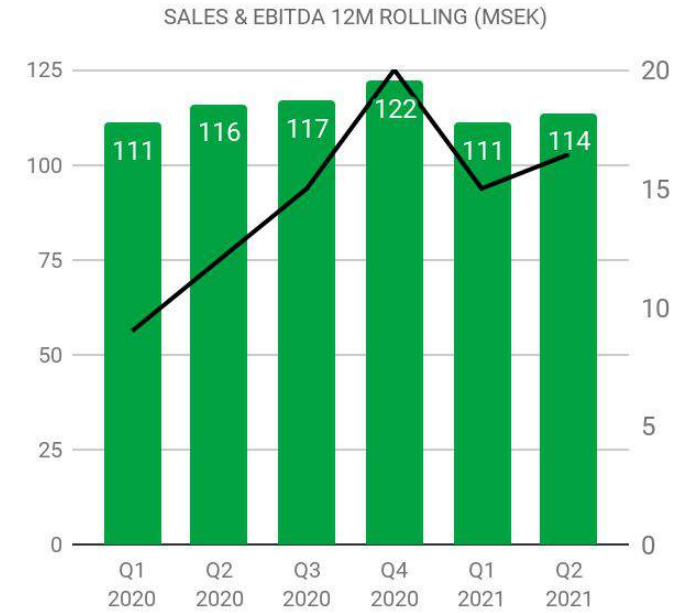
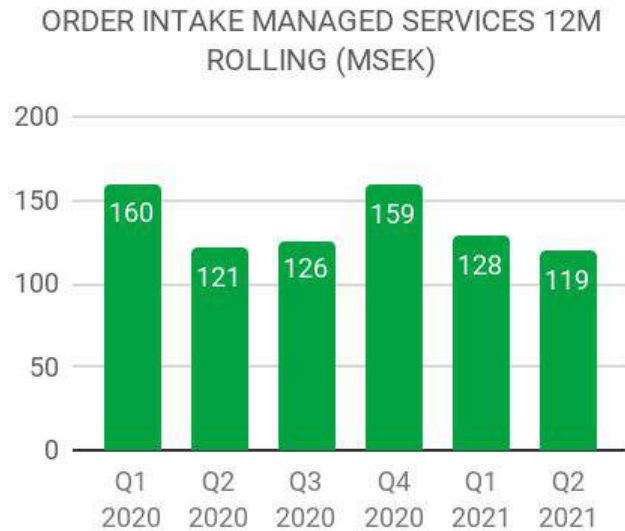
- 12 months rolling Order Intake remains stable at MSEK 434
- Sales at MSEK 94, 47% higher than Q2 2020, 12 months rolling up 17% to MSEK 356
- 12 months rolling EBITDA increase from MSEK 26 to MSEK 38, an increase of 46%



Segment Managed Services



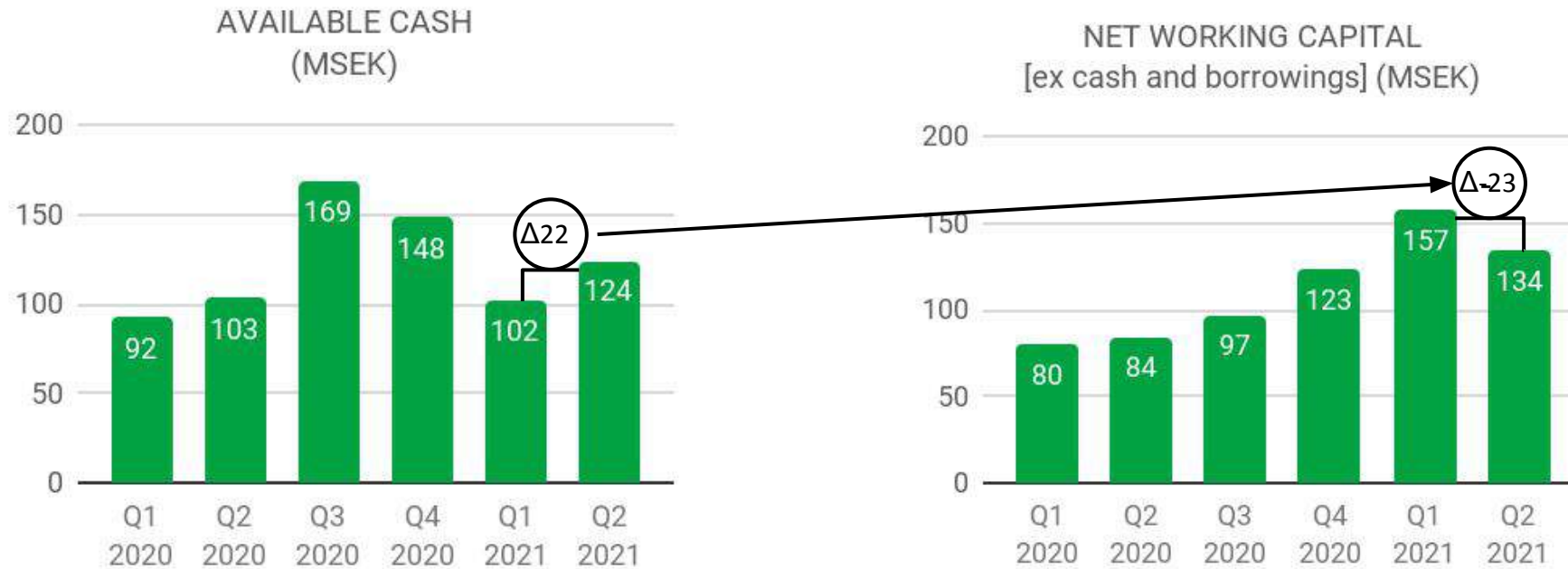
- 12 months rolling order intake MSEK 119 (121)
- Q2 sales 7% up compared to Q2 2020, 12 months rolling arrived at MSEK 114
- 12-months rolling EBITDA remains in up-trend with an increase of 33% from MSEK 12 to MSEK 16.



Available cash and working capital position



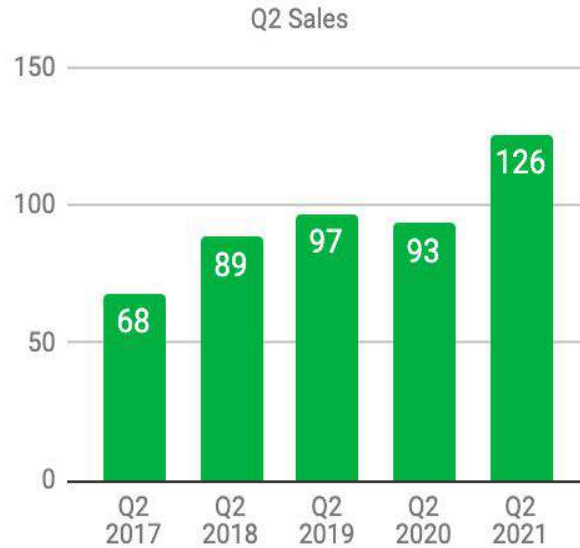
- Available cash at MSEK 124 (102)
- Q2 Operating cash flow positive MSEK 39 (2), First half year at near breakeven point (-1)
- Net working capital [Ex cash and borrowings] MSEK 135 (84)



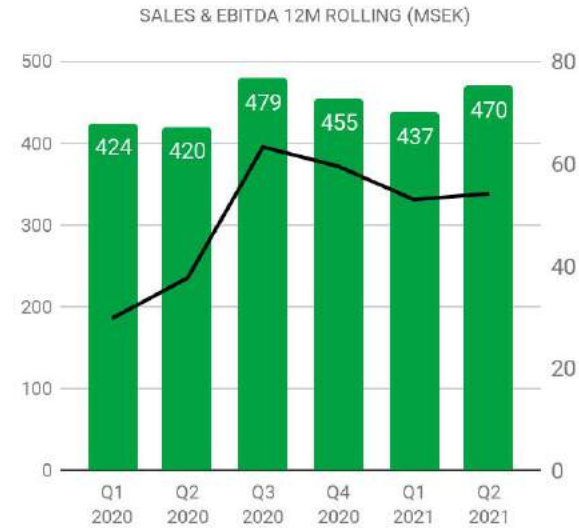
Outlook



12M rolling Order Intake 553



Best Q2 since Sensys Gatso merger



**12M rolling Sales up 12%
EBITDA up 42%**

2025 Goals

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

On track with long term goals

Q&A



Ivo Mönnink, CEO



Simon Mulder, CFO

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.