

Sensys Gatso Group AB

Q2 and H1 2022 Market Presentation

Audiocast

August 18, 2022

AGENDA

Q2 2022 MARKET PRESENTATION

Sensys
Gatso
Group

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



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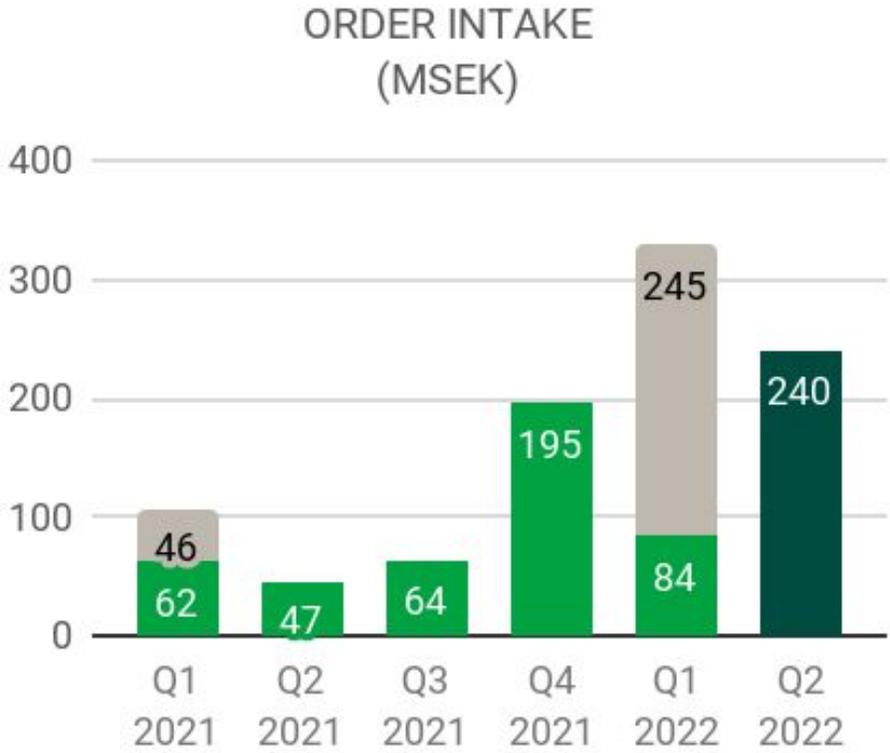
BUSINESS UPDATE

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- » Order Intake up 411%
- » TRaas Sales up 19%
- » TRaaS drives Gross Margin up 4 percentage points
- » EBITDA up by 31%
- » 75% of Saudi Arabia contract delivered
- » Supply chain costs stable throughout 2022
- » Sustainable business case



Order Intake up 411%



- Order intake MSEK 240 (47), up 411%
- TRaaS order in Tasmania Australia of MSEK 74
- 100% of order intake is TRaaS (recurring revenue)
- TRaaS order intake breakdown;
 - Tasmania MSEK 74
 - Two city renewals in USA, MSEK 144
 - Contract renewal in NL, MSEK 10
 - Other, MSEK 12

Tasmania Australia TRaaS contract



- Geographic expansion of TRaaS model
- MSEK 74 over 2 + 1 year period
- SGG owns and operates mobile systems and conducts enforcement sessions and pre-verficates events
- Customer is responsible for adjudication of events, using our Xilium back office platform
- Solutions provided; mobile point to point speed; distracted drivers; ANPR and roaming speed enforcement
- Enforcement to commence upcoming months

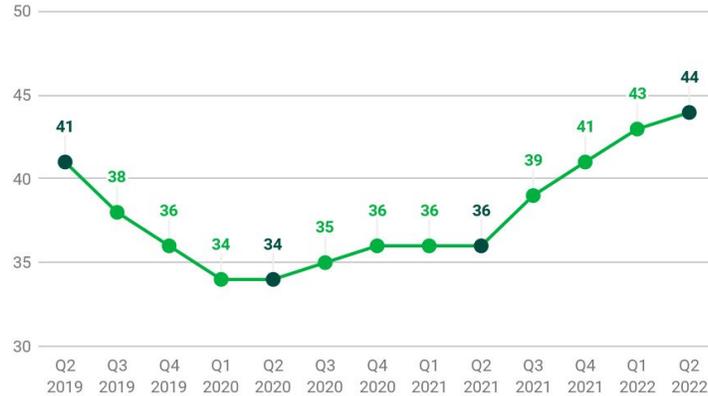
TRaaS sales up 19%

	Q2	Q2	H1	H1
TSEK	2022	2021	2022	2021
System Sales	51	64	95	94
TRaaS: Service & Maintenance	29	29	57	54
TRaaS: Licenses	0	0	2	2
TRaaS: Managed Services	44	32	84	54
Total Sales	124	126	238	204
Of which TRaaS:	74	62	143	109
TRaaS % of total Sales:	59%	49%	60%	54%
TRaaS Growth:	19%		30%	

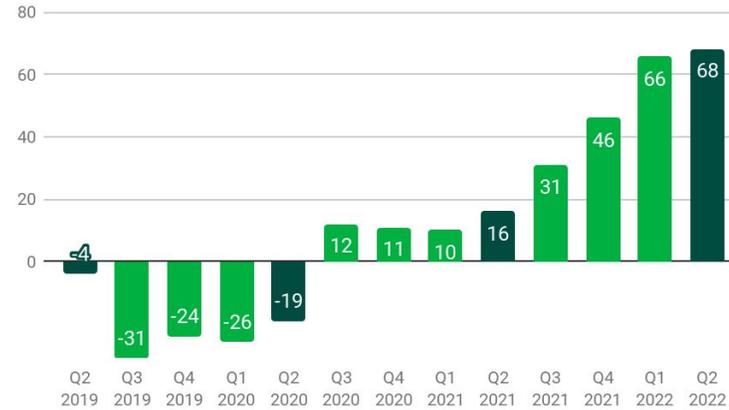
- Total Net Sales MSEK 124 (126)
- TRaaS Sales MSEK 74 (62), up 19%
- US TRaaS MSEK 44, up 38%
- TRaaS sales at 59% of total sales
- Year to date TRaaS sales MSEK 143(109), up 30%

EBITDA up 31%, EBIT up 325%

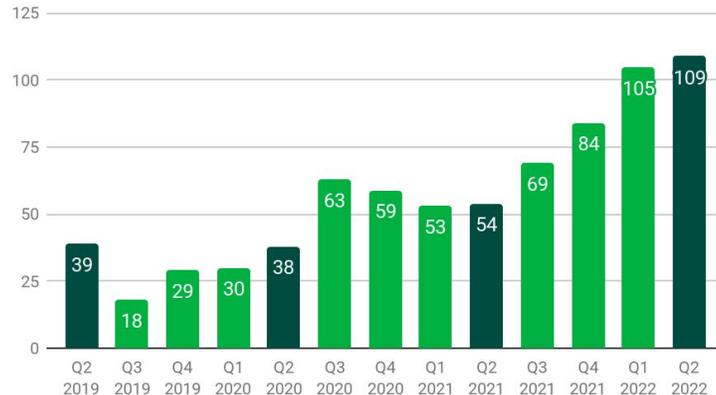
GROSS MARGIN 12M ROLLING (%)



EBIT 12M ROLLING (MSEK)



EBITDA 12M ROLLING (MSEK)



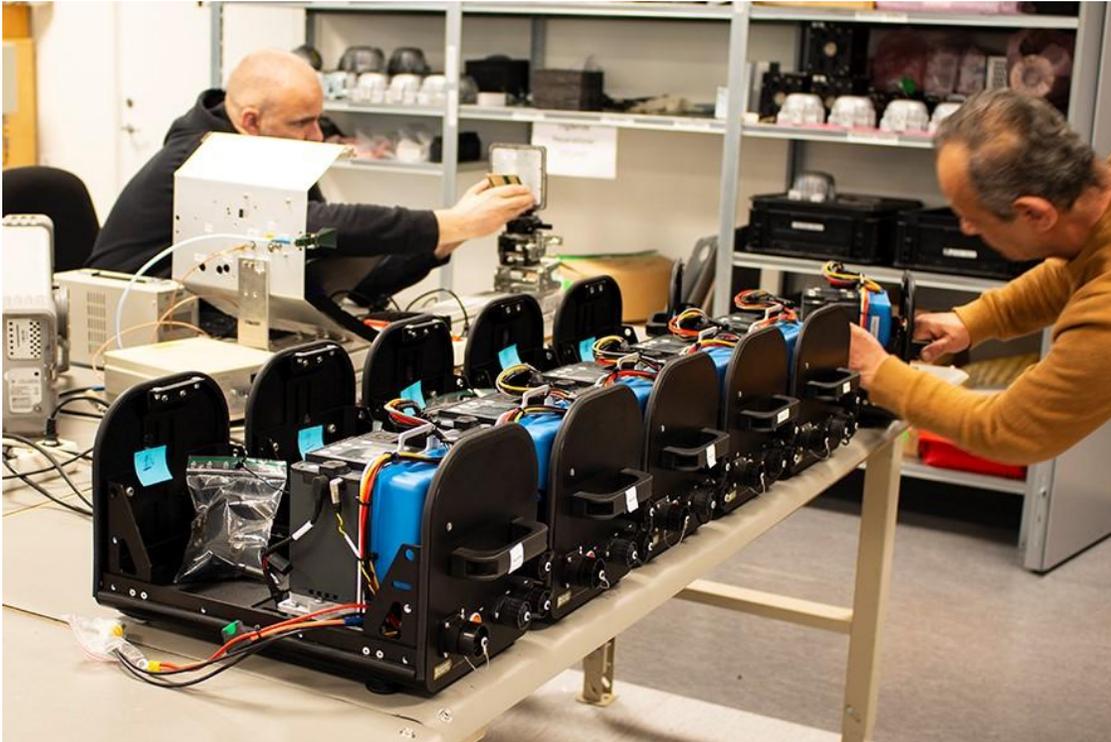
- TRaaS drives Gross Margin up 4 percentage points to 41% (37), 12-months rolling up 8 percentage points
- Structural growth of TRaaS business
- EBITDA MSEK 18 (14), up 31%
- Costs in control MSEK 44 (42), 35% of sales
- 12-months rolling;
 - EBITDA MSEK 109, up 100%
 - 8 consecutive quarters of positive EBIT

75% of Saudi contract delivered



- Saudi Contract in steady delivery mode;
 - 10% delivered in the quarter
 - TD 75% delivered
 - Remaining MSEK 69 in 2022
- Testing new solutions

Stable Supply chain costs expected throughout 2022



- Typically Long lead times for sales, delivery and operations
- Critical components secured for 2022 deliveries
- System Assembly in Europe
- Price agreements with suppliers to secure 2022 Sales and margins
- No Business in Ukraine or Russia
- Our expectations today for 2022;
 - No delivery issues
 - Supply chain costs to remain stable

ESG business profile



UN's 2030 Sustainable Development Goals



Goal 11.

Make cities and human settlements inclusive,
safe, resilient and sustainable

- United Nations 2030 sustainable development goals adopted by governments across the world
- Goal 11: make cities and human settlements inclusive, safe, resilient and sustainable
- Sensys Gatso's solutions help lowering speed, contributing to safety and reduced emissions
- TRaaS makes automated traffic enforcement accessible

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FINANCIAL UPDATE

Sensys
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- » Consolidated income statement
- » Cash flow and available cash
- » Analysis of the segments performance
- » Financial position



Consolidated Income Statement

MSEK	Apr - June	Apr - June	Jan - June	Jan - June
	2022	2021	2022	2021
Net sales	124	126	238	204
Cost of goods sold	-73	-80	-135	-133
Gross profit	51	46	103	71
	41%	37%	43%	35%
Expenses	-44	-42	-90	-80
Operating profit	7	5	13	-10
	6%	4%	5%	-5%
Net financial items	5	-1	9	3
Profit before tax	12	3	22	-7
Tax	-4	0	-7	1
Profit for the period	9	4	15	-6

Q2

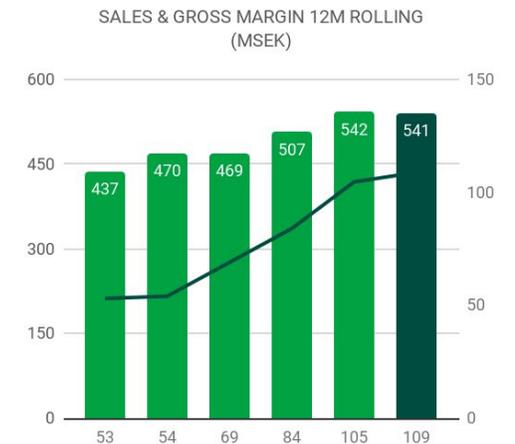
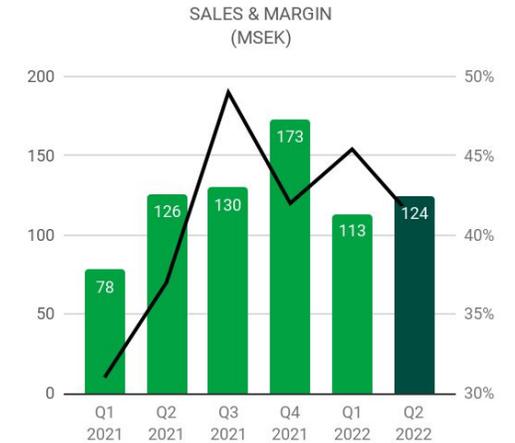
H1

Gross Profit
+11%

Gross Profit
+45%

EBIT
MSEK
+2

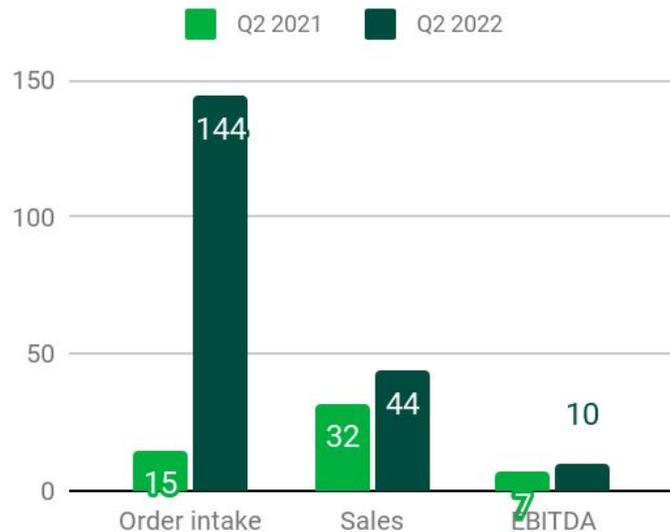
EBIT
MSEK
+23



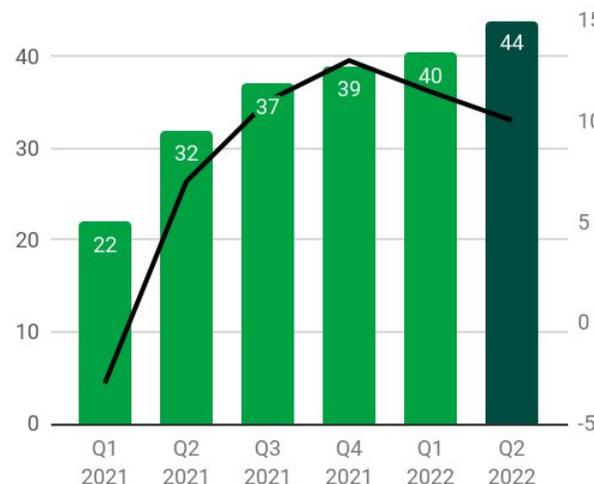
Segment Managed Services

- Sales Q2 increased MSEK 12, 12-months rolling up 40% to MSEK 160
- Order intake Q2 increased MSEK 129, 12-months rolling up 188% to MSEK 343
- EBITDA Q2 increased MSEK 3, 12-months rolling up 180% to MSEK 45

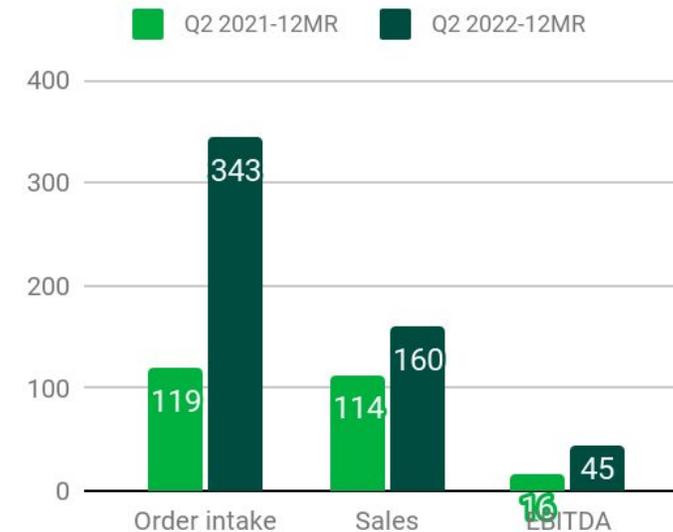
KEY FINANCIALS (MSEK)



SALES & EBITDA MANAGED SERVICES (MSEK)



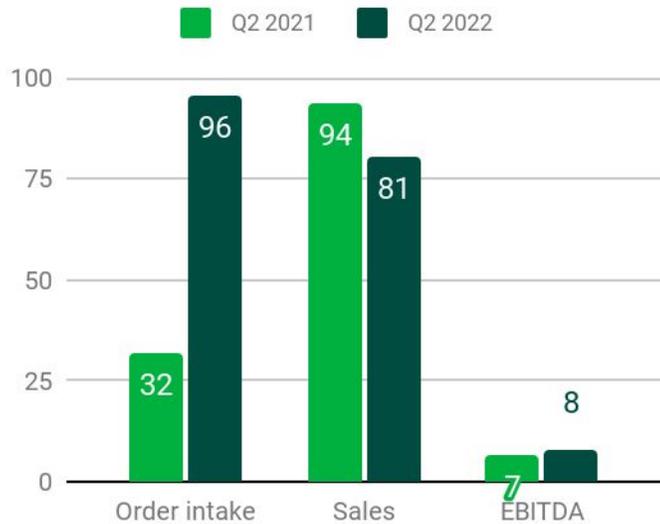
KEY FINANCIALS (MSEK)



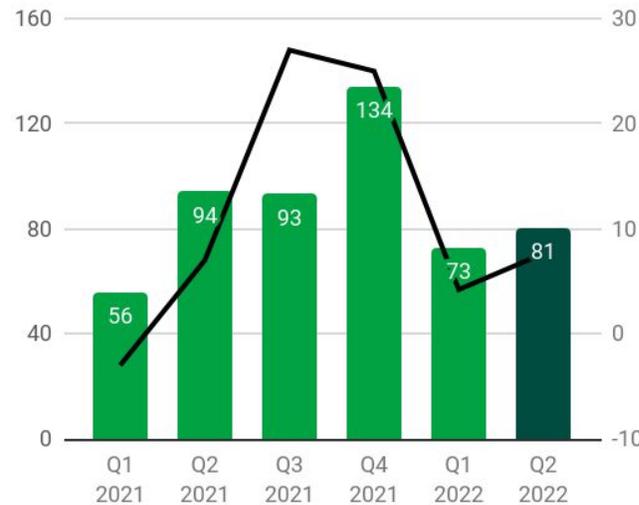
Segment System Sales

- Sales Q1 increased MSEK 17, 12-months rolling up 21% to MSEK 394
- Order intake Q1 same level MSEK 57
- EBITDA Q1 increased MSEK 6, 12-months rolling up 62% to MSEK 63

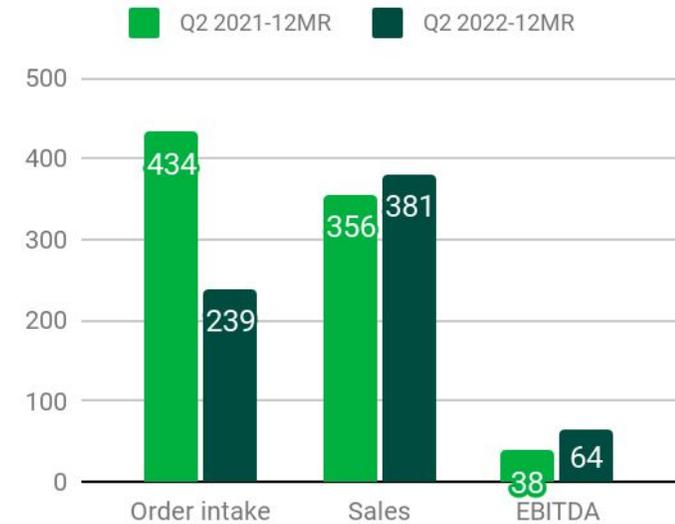
KEY FINANCIALS (MSEK)



SALES & EBITDA SYSTEM SALES (MSEK)



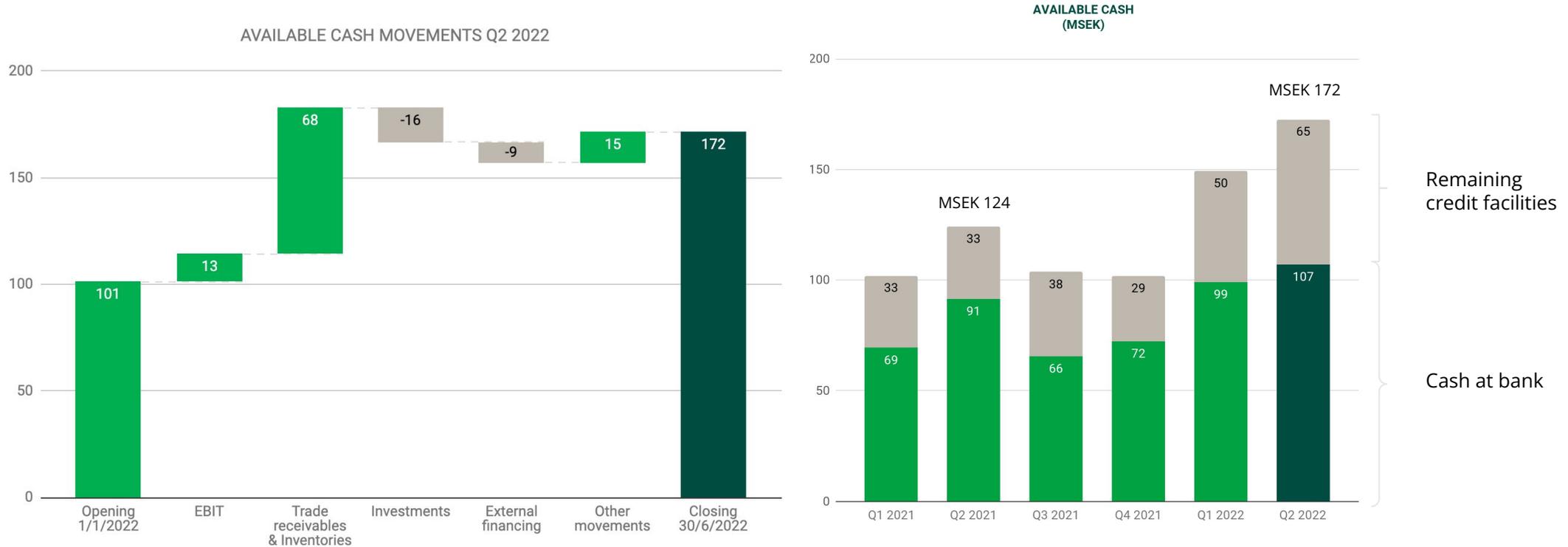
KEY FINANCIALS (MSEK)



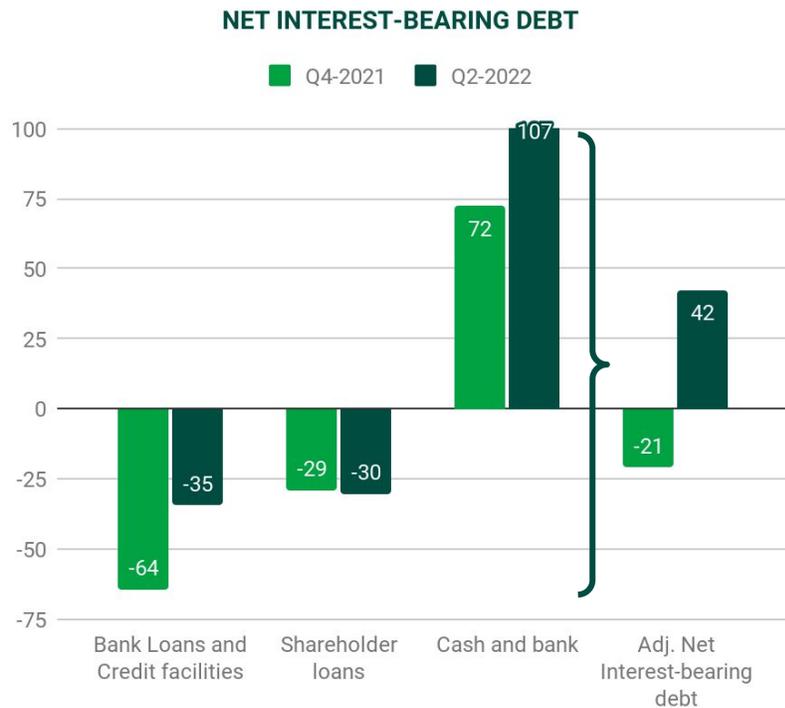
Cash flow and Available cash



- Available cash increased by MSEK 48 from MSEK 124 to MSEK 172
- Main driver is payments from trade receivables and deliveries from inventories (MSEK+68)



Financial position

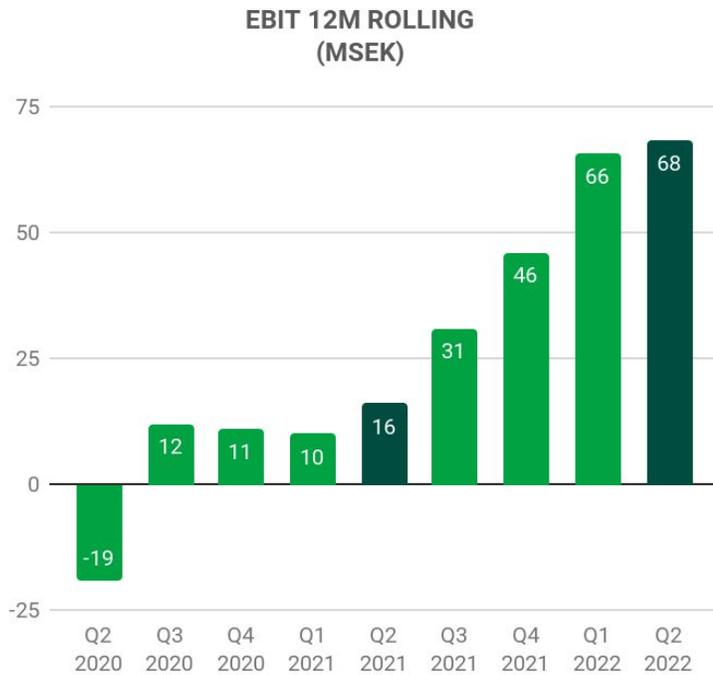


Solvency
76%

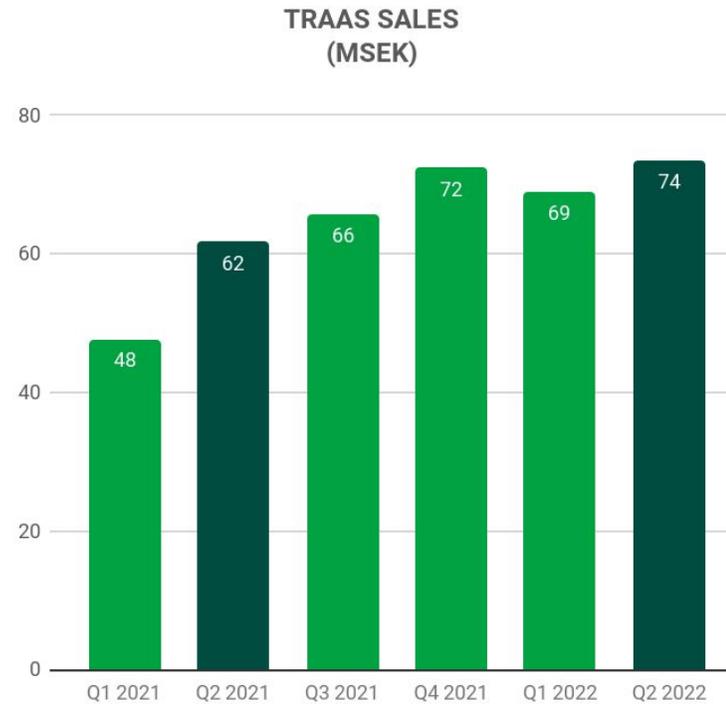
- **Improved Net interest-bearing debt by MSEK 63 from MSEK -21 to MSEK 42**
 - Less usage of bank financing moving from MSEK -64 to MSEK -35
 - After the period the company has repaid the final 9 million tranche of Shareholder loans related to the acquisition of Gatso.
 - Increased cash at bank of MSEK 35, closing at MSEK 107

- **Solvency (Equity/assets ratio) remains high at at approx 76%**

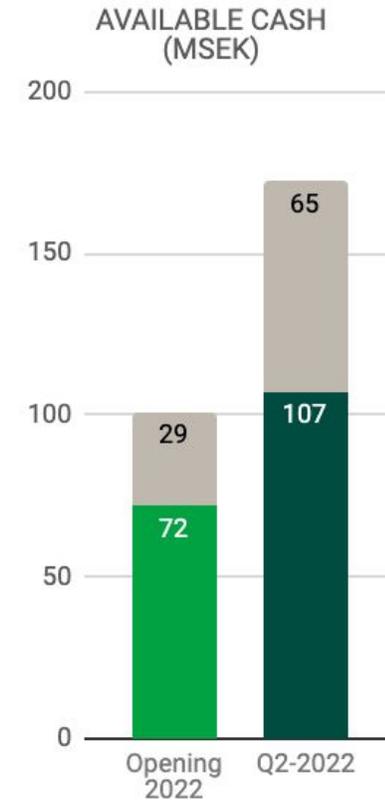
Outlook



Improving profitability



TRaaS momentum



Strong financial position

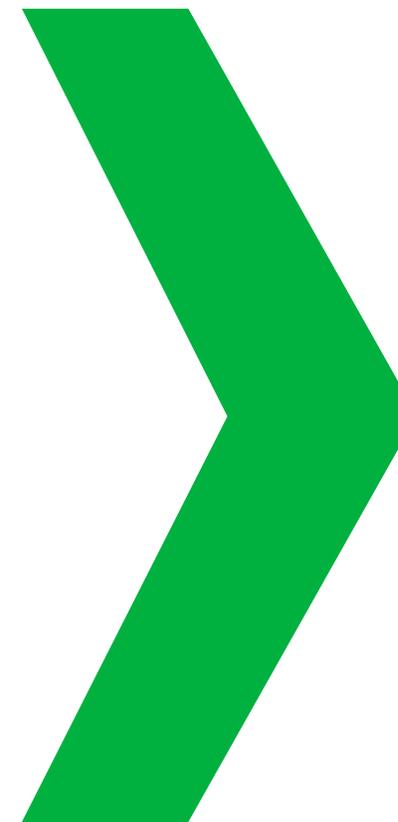
Q&A



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.