

Sensys Gatso Group AB

Q3 2021 Market Presentation

Audiocast

November 24, 2021

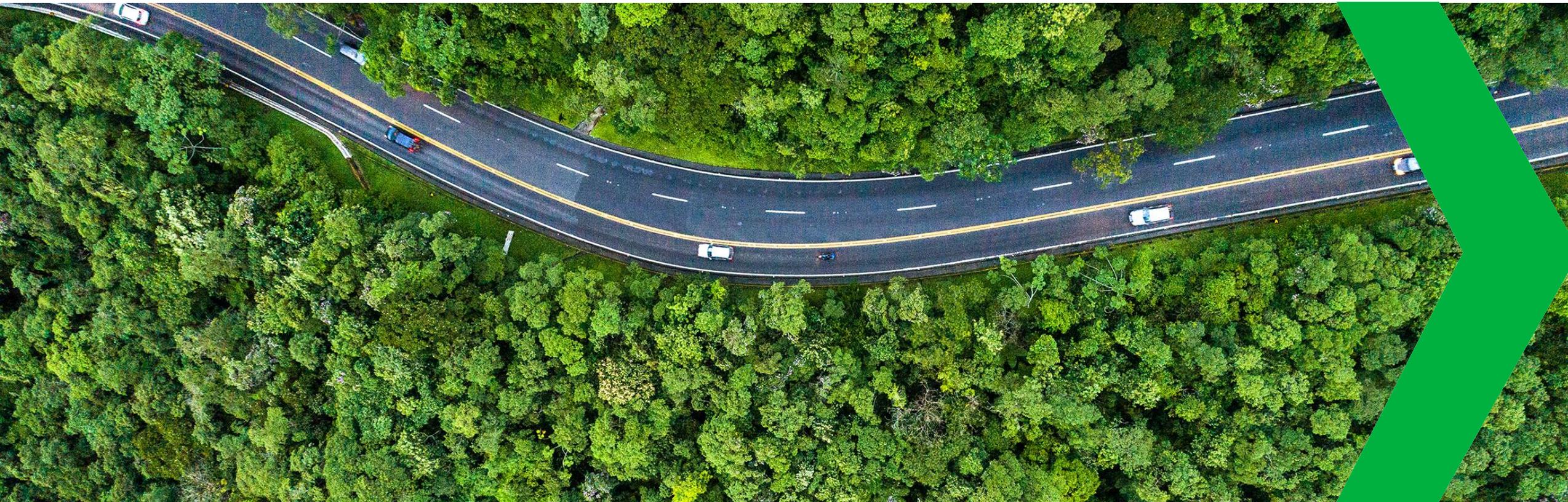
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AGENDA

Q3 2021 MARKET PRESENTATION

Sensys
Gatso
Group

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

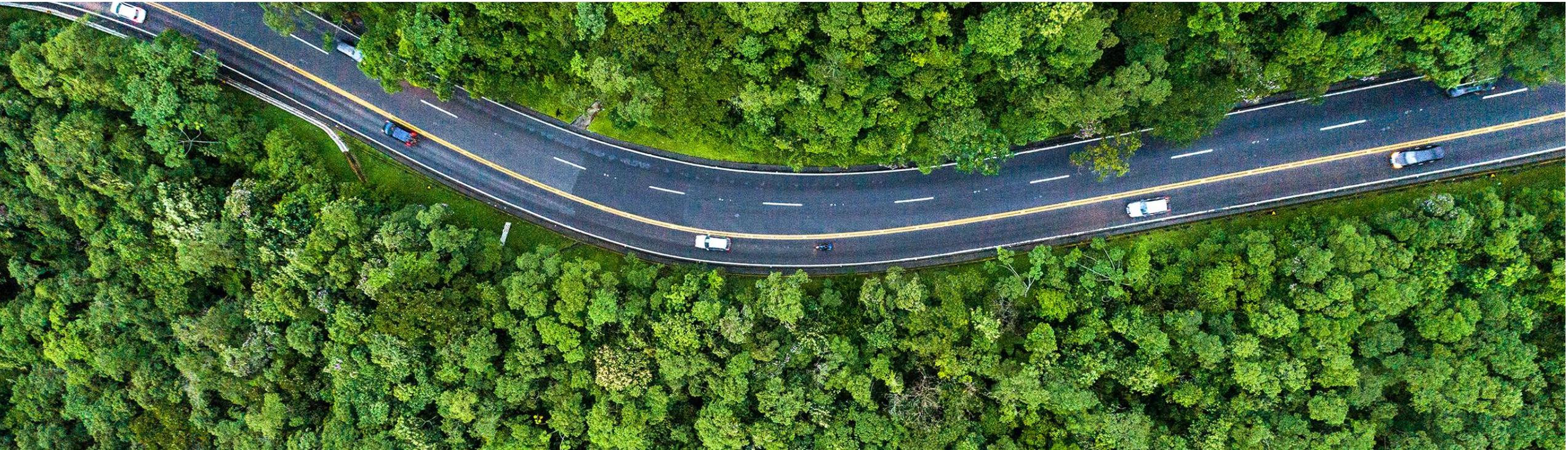


AGENDA

BUSINESS UPDATE

Sensys
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Group

- » Operating profit (EBIT) MSEK 28, up 119%
- » Solid Sales backlog
- » Order intake picking up after the quarter
- » Investments in future growth MSEK 109
- » US TRaaS Sales up 40%
- » USA TRaaS growth push
- » Buffalo Contract suspended, not terminated
- » 40% of Saudi Arabia contract delivered
- » Sensys Gatso Colombia established

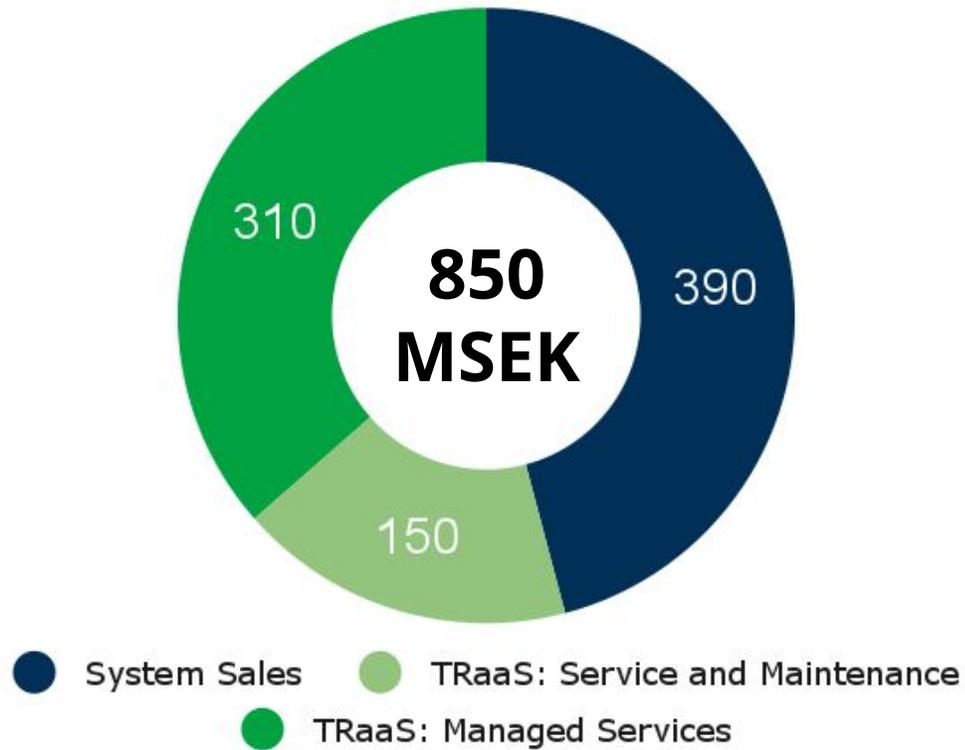


EBIT MSEK 28, up 119%



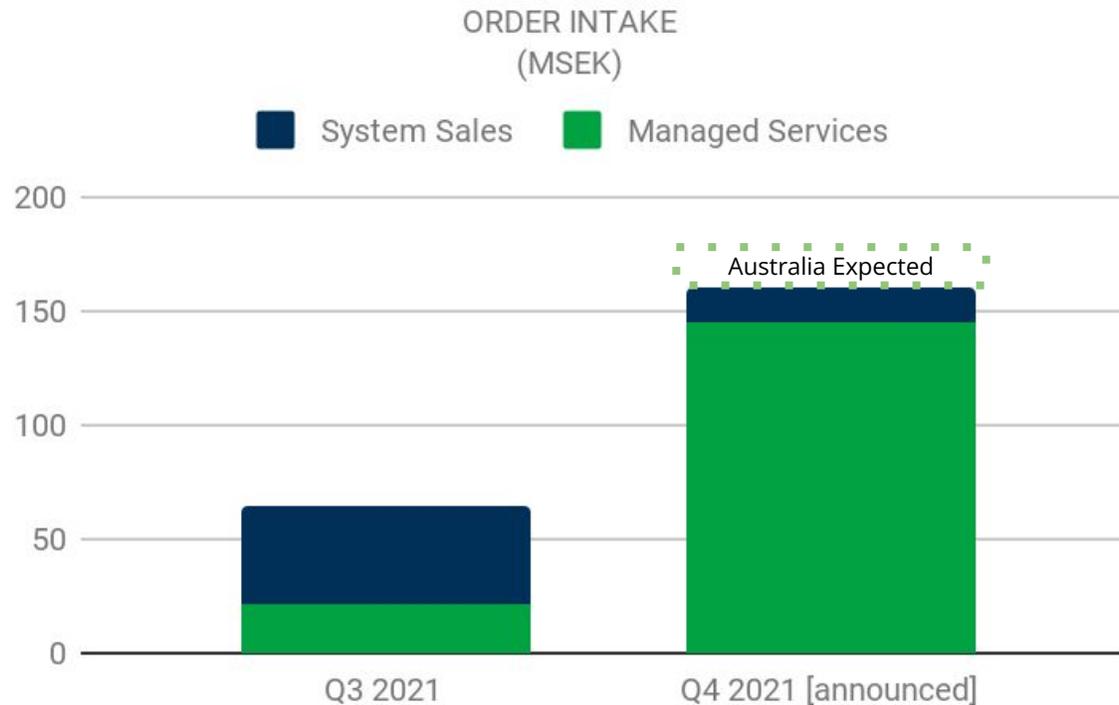
- Gross margin 49%
- EBITDA MSEK 38 → 30% of net sales
- YTD EBITDA up 28%
- Investments in Software Platforms and Fixed Assets in USA
- EBIT MSEK 28, up 119%
- YTD EBIT MSEK 19, up 72% vs full year 2020
- 12 months rolling EBIT at MSEK 31

Solid Order Backlog of MSEK 850



- MSEK 788 12-months rolling order intake, end of 2020
- SEK 2.35 billion total order intake since 2017
- SEK 1.5 billion converted into revenue
- Solid Q3 MSEK 850 Order Backlog;
 - 46% System Sales → near term deliveries
 - 54% TRaaS → deliveries over remaining contract period

Order Intake picking up after the quarter

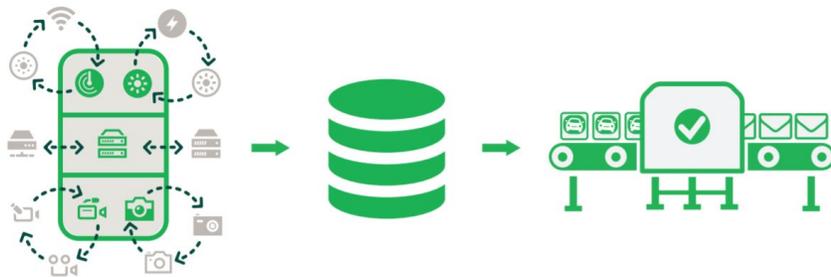


- Q3 order intake MSEK 64 (324)
- Saudi contract of MSEK 275 in Q3 2020
- Good Regional spread of orders
- Strong order intake announced of 181 million after the quarter
- Of which 95% is TRaaS recurring revenue

SEK 109 million invested for future growth



- MSEK 109 Investments for future growth;
 - MSEK 23 Fixed Assets TRaaS USA
 - MSEK 17 Software core development
 - MSEK 69 Net Working Capital
- Working capital investment translates into cash in upcoming quarters
- Financing;
 - MSEK 75 from Q3 2020 D.S.I.
 - MSEK 34 from Cash Flow from Operations



Flux | DATA GENERATION SENSORS

Puls. | DATA ANALYTICS SOFTWARE

XILUM | BACKOFFICE PROCESSING SOFTWARE

US TRaaS Sales up 40%



- Total Net Sales MSEK 130
- Total TRaaS MSEK 66, up 28%
- YTD TRaaS 52% of total Sales
- US TRaaS Sales MSEK 37, up 40%
- Normalization of School Zone speed enforcement programs expected

USA TRaaS growth push



- Positive political and monetary momentum
- 25 states allow for Automated Traffic Enforcement
- SGUS serves 35 cities in 11 States
- Potential to further push our profitable growth

Buffalo Contract suspended, not terminated



- Operations suspended due to politics
- Unprecedented in SGUS 15 year history
- Contract not terminated
- Could restart

40% of Saudi Arabia contract delivered



- MSEK 275 Vehicle-in-Motion contract
- To date 40% / MSEK 110 delivered, of which 15% / MSEK 40 accounted for in 2020
- Complexities at end-customer
- Customer Visit in November
- Additional 15% revenue expected in 2021, remainder in 2022

Sensys Gatso Colombia established



Offices of Sensys Gatso Colombia in Barranquilla

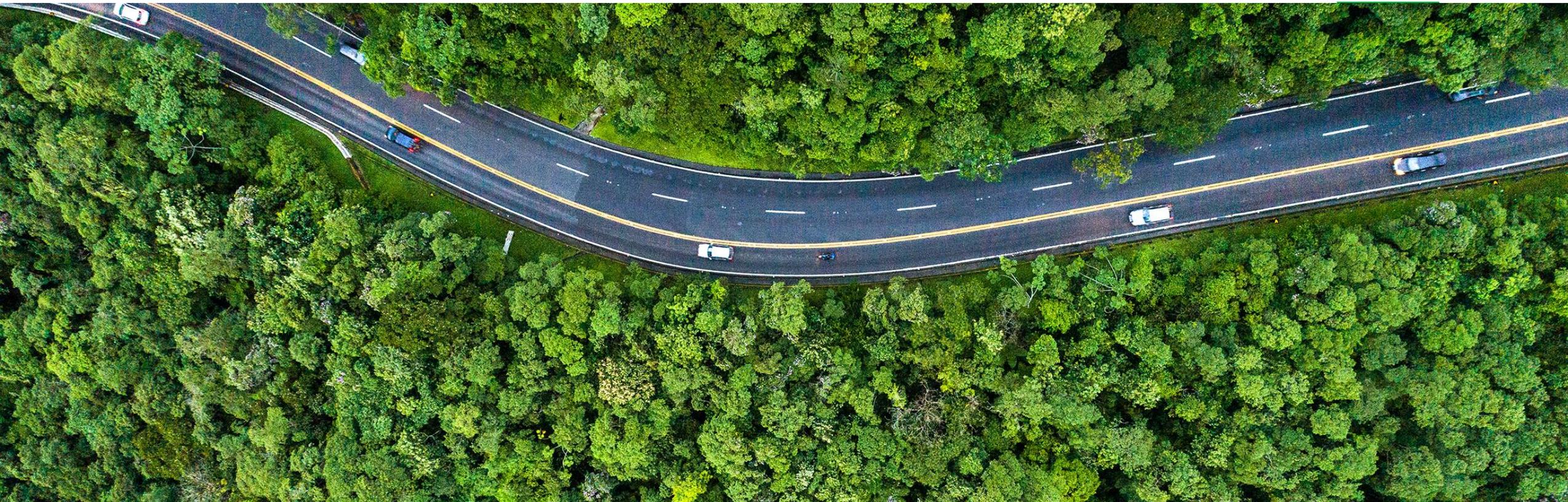
- JV with Capatest Colombia SAS
- Full TRaaS business model
- 2 operational contracts in place
- MSEK 145 million over 17 years
- Delivering on strategic growth pillar

AGENDA

FINANCIAL UPDATE

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- » Consolidated income statement
- » Analysis of the segments performance
- » Available cash and working capital position
- » Investments in fixed assets



Consolidated Income Statement

	July - Sep	July - Sep	Jan - Sep	Jan - Sep
MSEK	2021	2020	2021	2020
Net sales	130	132	334	321
Cost of goods sold	-67	-82	-200	-208
Gross profit	63	49	134	113
	49%	37%	40%	35%
Expenses	-35	-36	-115	-115
Operating profit	28	13	19	-2
	22%	10%	6%	-1%
Net financial items	-2	-4	1	-7
Profit before tax	27	9	20	-9
Tax	-4	-3	-4	2
Profit for the period	22	6	16	-7

**Gross Margin
49%**

**Gross Profit
+29%**

**EBIT
MSEK
28**

SALES & GROSS MARGIN

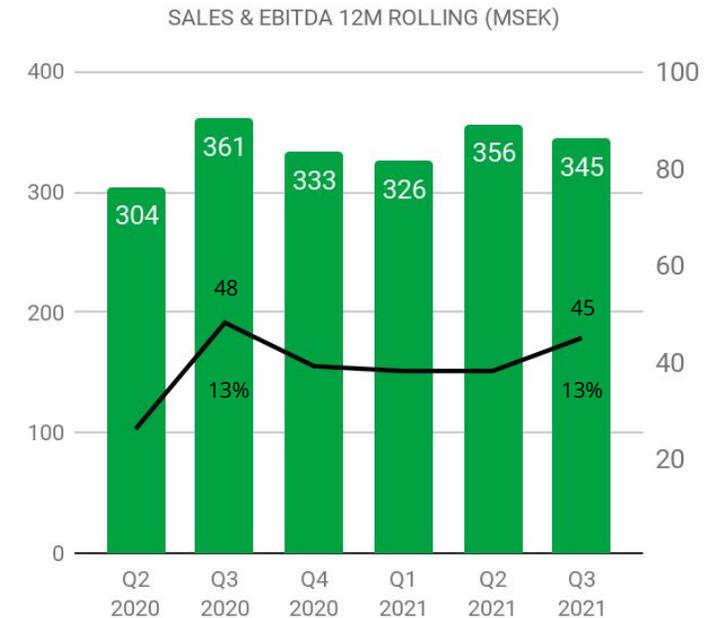


SALES & GROSS MARGIN 12M ROLLING



Segment System Sales

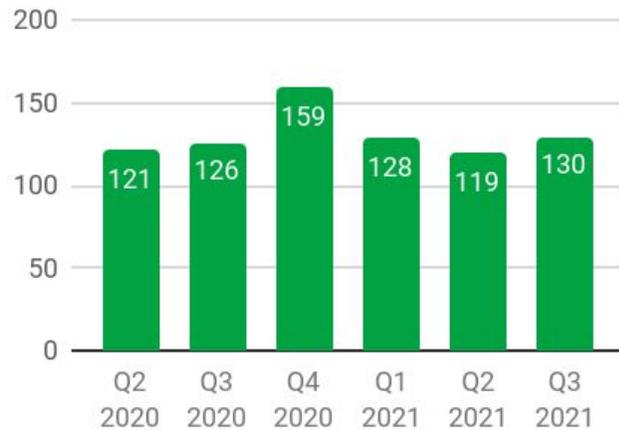
- 12 months rolling Order Intake at MSEK 164, Backlog MSEK 540
- Higher quarterly EBITDA of MSEK 27 (20) on sales of MSEK 93 (105)
- 12 months rolling EBITDA with MSEK 45 (48) remains at 13%



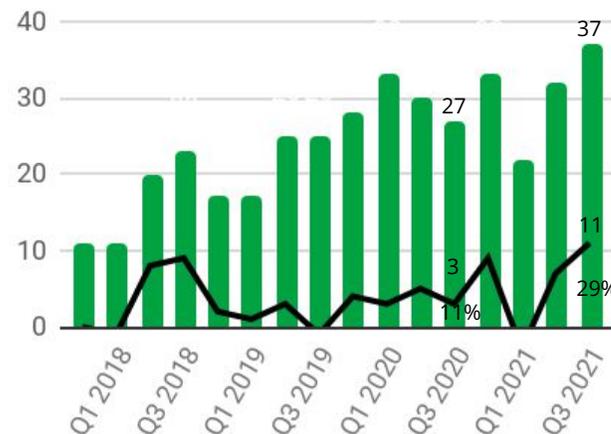
Segment Managed Services

- 12 months rolling order intake MSEK 130 (126), backlog at MSEK 310
- Q3 sales 37% up compared to Q3 2020, 12 months rolling arrived at MSEK 124
- 12-months rolling EBITDA remains in up-trend with an increase of 60% from MSEK 15 to MSEK 24

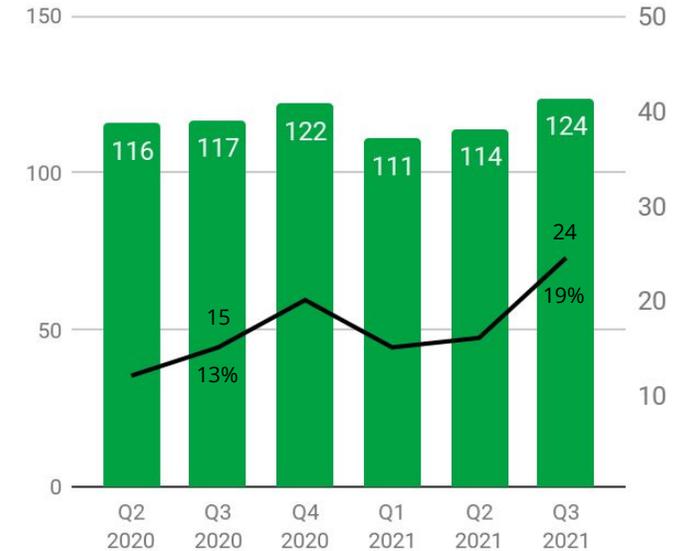
ORDER INTAKE MANAGED SERVICES 12M ROLLING (MSEK)



SALES & EBITDA MANAGED SERVICES (MSEK)



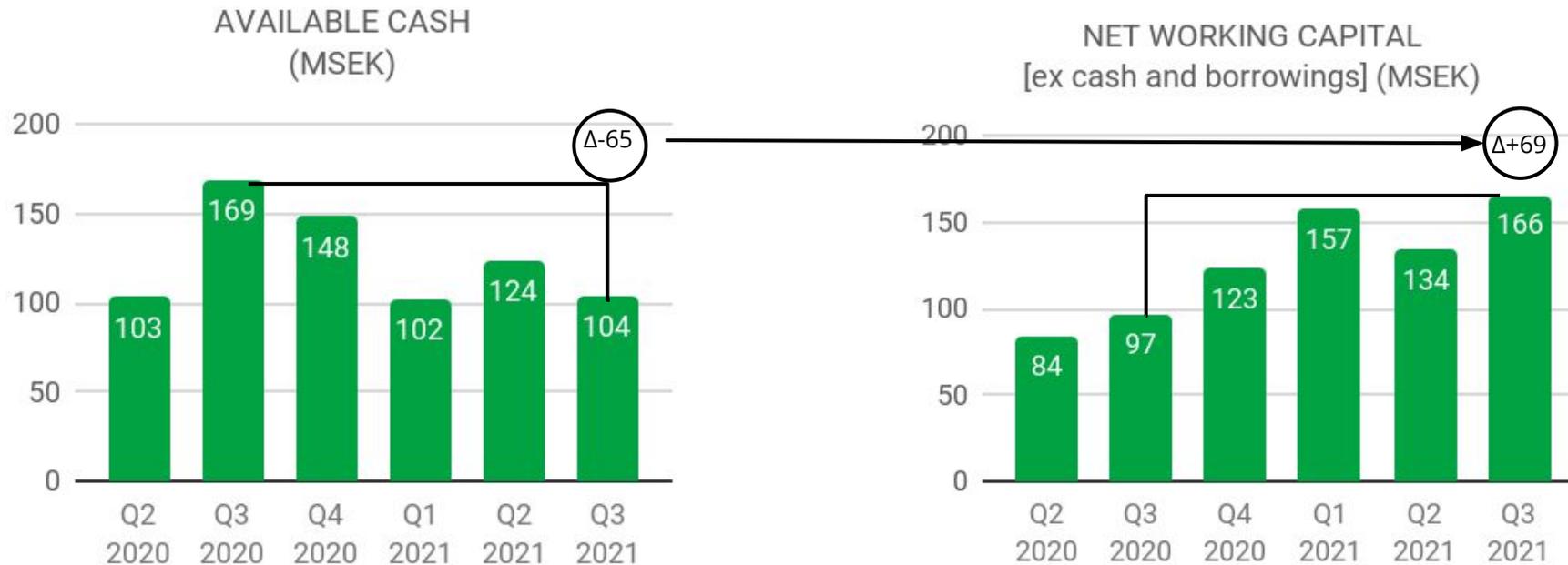
SALES & EBITDA 12M ROLLING (MSEK)



Available cash and working capital position



- Available cash MSEK 104 (169)
- Operating cash flow YTD at approx break even level, due to investments in Net Working Capital Assets due to big projects like Saudi Project (+69), will be converted to cash
- Repayment of Vendor Loan in the quarter MSEK 10

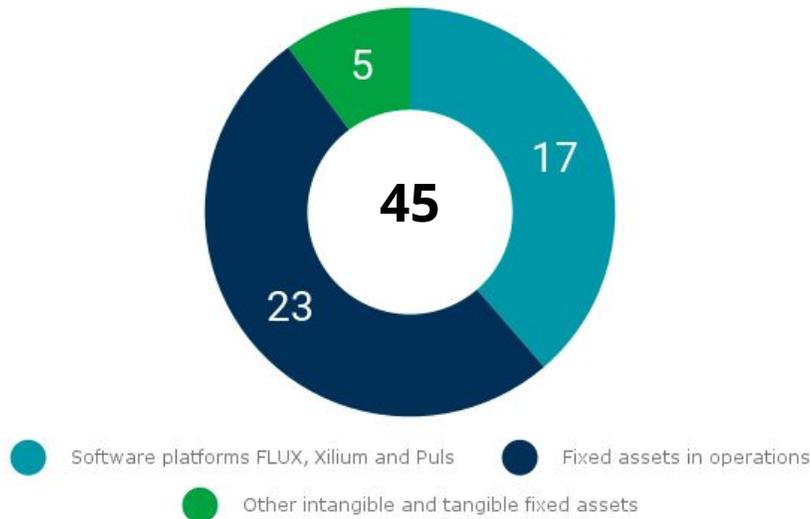


Investments paying off

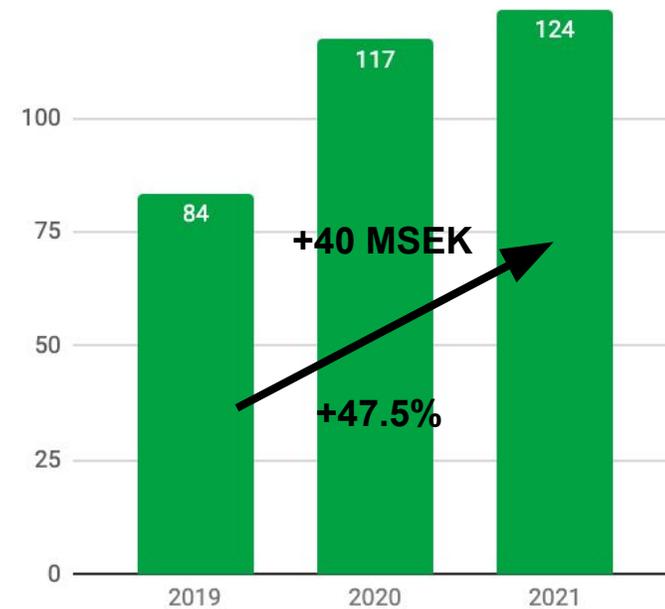


- Continued investments in Fixed Assets in operations; 12 months rolling MSEK 23 (30)
- More dedicated resources in development of our three platforms FLUX, Xilium and PULS; 12 months rolling MSEK 17 (11)

Investments 12 Months Rolling Q3 2021
MSEK

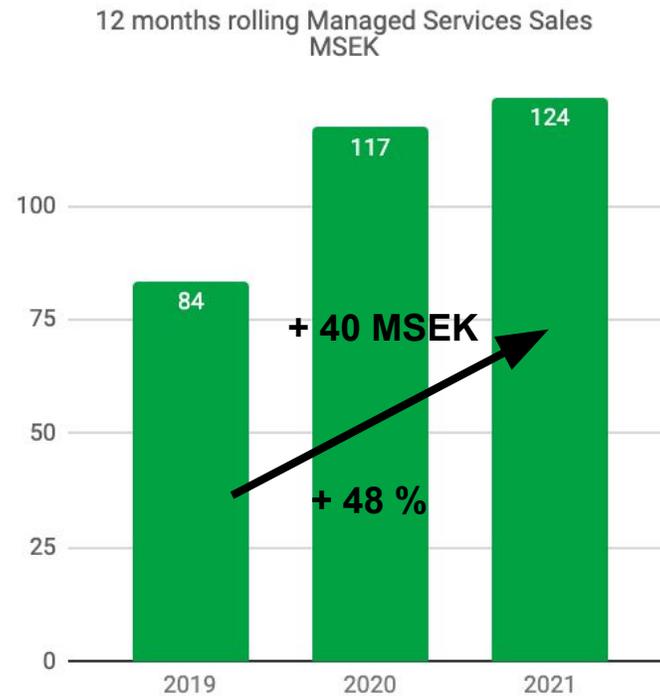


12 months rolling Managed Services Sales
MSEK

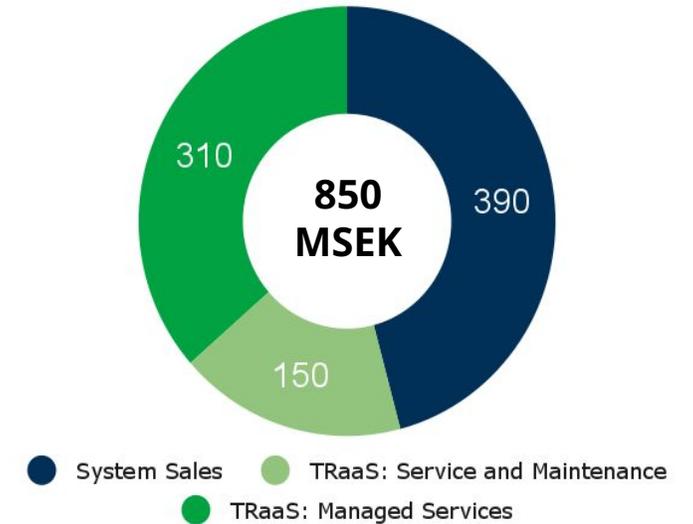




Improving profitability



TRaaS momentum



Solid Order Backlog

Q&A

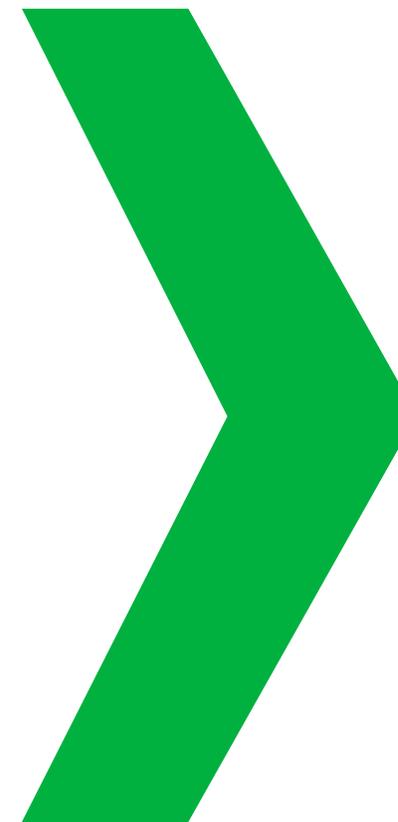


Ivo Mönnink, CEO



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.