

# Sensys Gatso Group AB

## Market Presentation

Ticker | SENS

Small Cap | Market Cap SEK Billion 1.2

Nasdaq Stockholm

November 2022

AGENDA

# Q3 2022 MARKET PRESENTATION

Sensys  
Gatso  
Group

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



AGENDA

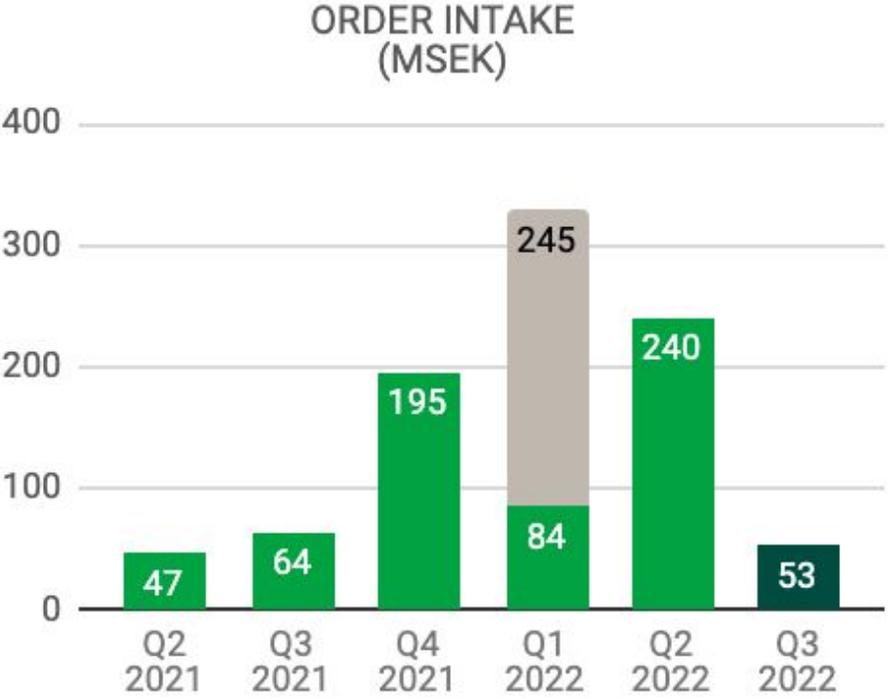
# BUSINESS UPDATE

Sensys  
Gatso  
Group

- » The largest order won in our history
- » Already historic 2022 order intake of more than SEK 1.2 billion
- » Our new FLUX embedded software platform
- » TRaaS Sales, up 16%, driving Gross Margin, at 46%
- » Investments in future growth
- » Strong financial position



# 12-months rolling order intake up 85%



- Order intake MSEK 53 (64)
- Of which LATAM orders MSEK 29
- 12-months rolling order intake MSEK 543 (293), up 85%
- MSEK 840 Swedish contract to be added in Q4

# Largest order won in our history, worth SEK 850 million



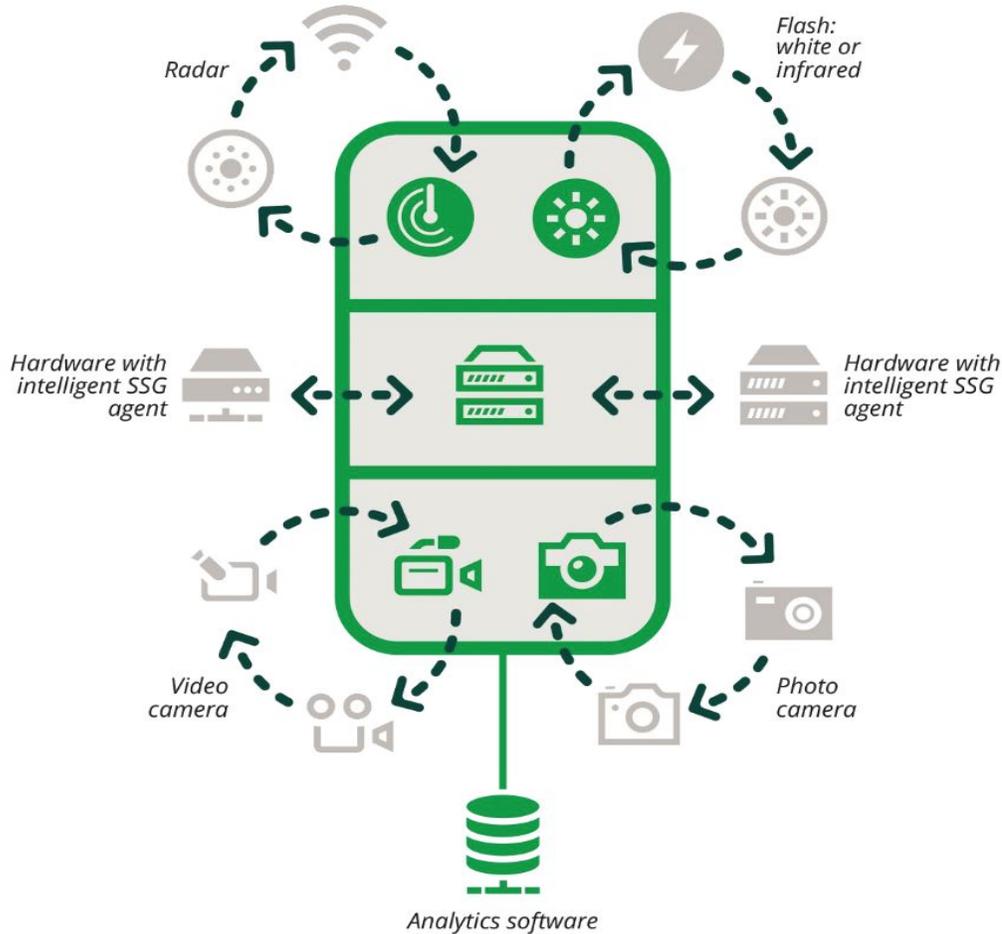
- Contract signed November 16th
- From our strategically important customer Trafikverket
- Global leader in traffic safety and “owner” of Vision Zero
- Single technology provider to TrV since 1997
- Upto MSEK 850 over twelve years contract period
  - MSEK 400 in first six years
  - Revenue distribution: 50% TRaaS / 50% system sales

# Historic 2022 order intake of SEK 1.2 billion



- Two large contracts in our home markets NL and SE in 2022
- SEK 250 million in Netherlands → added to order intake starting as of Q1 2023
- SEK 850 million in Sweden → added to order intake starting in Q4 2022
- Highest single year order intake in 2022 of more than SEK 1.2 billion.

# Introducing FLUX, our new embedded software platform



- Trafikverket uses FLUX, our new embedded software platform
- Designed to be highly flexible and scalable
- Cost effective and future proof solution
- Great teamwork

# TRaaS Sales up 16% and 80% of total sales



	Q3	Q3	YTD	YTD
MSEK	2022	2021	2022	2021
System Sales	19.3	64.7	114.7	159.1
TRaaS: Service & Maintenance	30.6	26.4	87.2	80.4
TRaaS: Licenses	0.8	2.4	2.3	4.1
TRaaS: Managed Services	44.7	36.9	129.1	90.6
<b>Total Sales</b>	<b>95.4</b>	<b>130.4</b>	<b>333.3</b>	<b>334.3</b>
Of which TRaaS:	76.0	65.7	218.6	175.2
<b>TRaaS % of total Sales:</b>	<b>80%</b>	<b>50%</b>	<b>66%</b>	<b>52%</b>

- Total sales MSEK 95 (130)
- Q3 2021 included significant deliveries to Saudi customer
- Q3 Strategic TRaaS sales MSEK 76 (66), up 16%
- Q3 TRaaS sales is 80% of total Sales, compared to 50% last year
- Higher volumes in USA and favorable FX
- 12-months rolling;
  - Total sales: MSEK 506 (469), up 8%
  - TRaaS sales: MSEK 291 (234), up 24%
  - TRaaS sales represents 58% of total sales
  - 2025 target is 60% of total sales

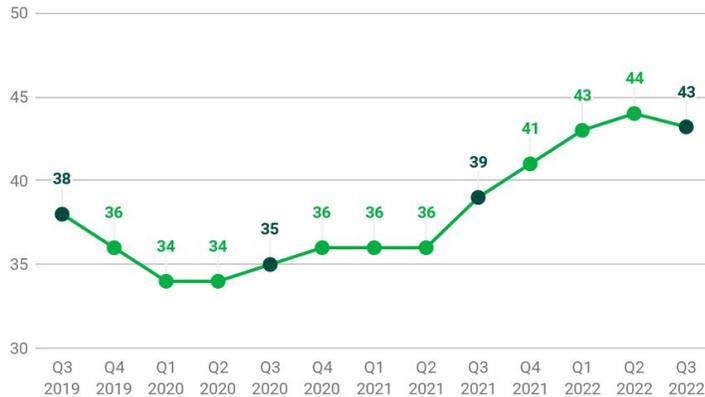
# TRaaS drives Gross Margin to 46%



SALES & GROSS MARGIN (MSEK)



GROSS MARGIN 12M ROLLING (%)



- 46% Gross Margin (49%)
- 12-months rolling Gross Margin up 4 percentage points from 39% to 43%;
- Structural growth of TRaaS business

# Investing for future growth



- Expenses MSEK 44 (39)
- Adjusted for one-off COVID related benefits in Q3/21 and FX effects
- New ERP system in implementation phase
- Higher sales expenses in USA
  - new leadership and sales team
  - proactive sales model and related expenses
- 12-months rolling;
  - EBITDA: MSEK 77 (69), up 12%
  - EBITDA%Sales: 15.2% (14.7%)
  - EBIT: MSEK 36 (31), up 16%

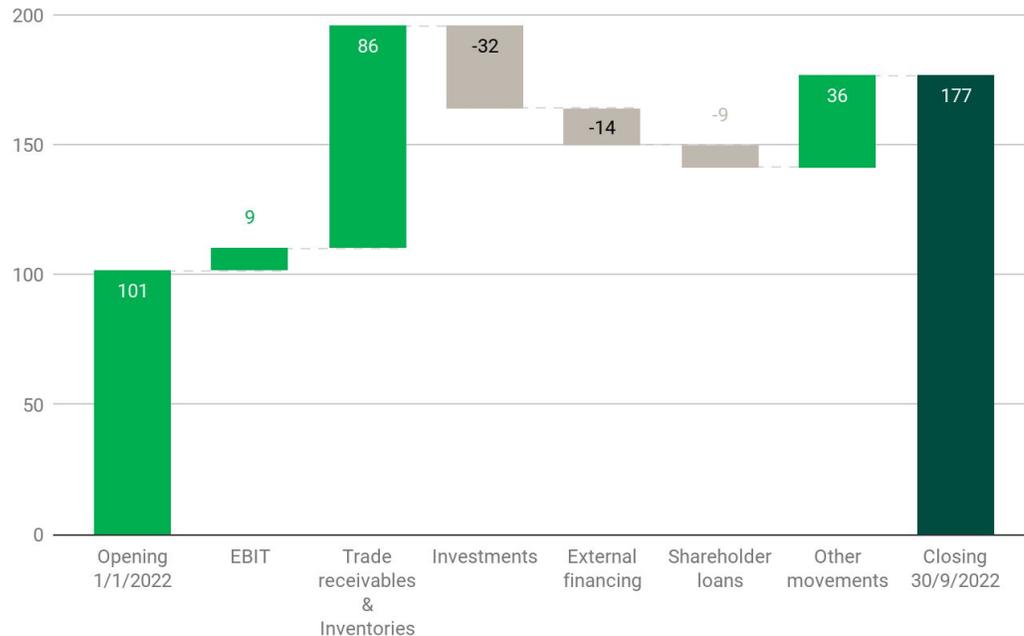
# Investing in Saudi Arabia



- 75 % of Saudi Contract delivered
- Total 950 units delivered to KSA since 2018
- Deliveries temporarily paused due to availability of vehicles and drivers
- Expected to resume second half of 2023
- Meanwhile Proof of Performance testing with new fixed speed and redlight solutions
- New subsidiary in Riyadh, led by SGG Head of operations Mr. Fawaz Alabri

# Free available cash up 70%

AVAILABLE CASH MOVEMENTS YTD Q3 2022



- Free Available cash MSEK 177(73), up 70%
- YTD positive CF MSEK 119 (-2), increase of MSEK 121
  - MSEK 86 payments of trade receivables
  - MSEK 36 other movements
- YTD MSEK 76 added to available cash
- Healthy financial position

AGENDA

# FINANCIAL UPDATE

Sensys  
Gatso  
Group

- » Consolidated income statement
- » Analysis of the segments performance
- » Financial position



# Consolidated Income Statement

MSEK	July - Sep	July - Sep	Jan - Sep	Jan - Sep
	2022	2021	2022	2021
System Sales	19	65	115	159
TRaaS Sales	76	66	219	175
<b>Total Sales</b>	<b>95</b>	<b>130</b>	<b>333</b>	<b>334</b>
Cost of goods sold	-51	-67	-187	-200
<b>Gross profit</b>	<b>44</b>	<b>63</b>	<b>147</b>	<b>134</b>
	46%	49%	44%	40%
Expenses	-48	-35	-138	-115
<b>Operating profit</b>	<b>-4</b>	<b>28</b>	<b>9</b>	<b>19</b>
	-4%	22%	3%	6%
Net financial items	3	-2	12	1
<b>Profit before tax</b>	<b>-1</b>	<b>27</b>	<b>21</b>	<b>20</b>
Tax	-4	-4	-11	-4
<b>Profit for the period</b>	<b>-5</b>	<b>22</b>	<b>10</b>	<b>16</b>

Q3

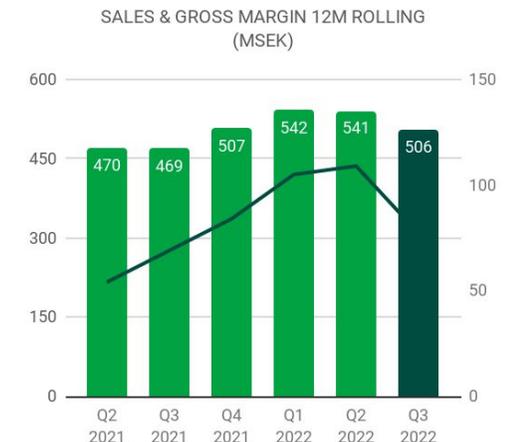
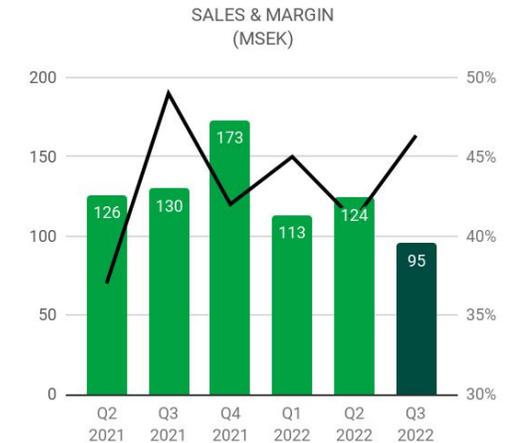
**TRaaS  
Sales**  
**+16%**

YTD

**TRaaS  
Sales**  
**+25%**

**Gross  
Margin**  
**46%**

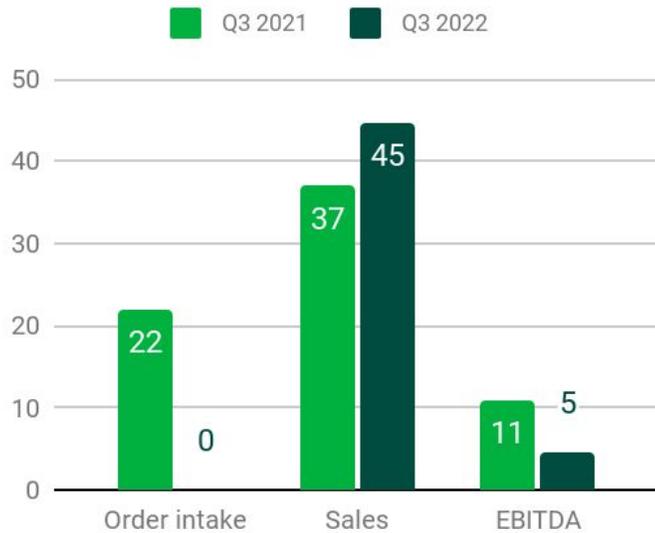
**Gross  
Margin**  
**44%**



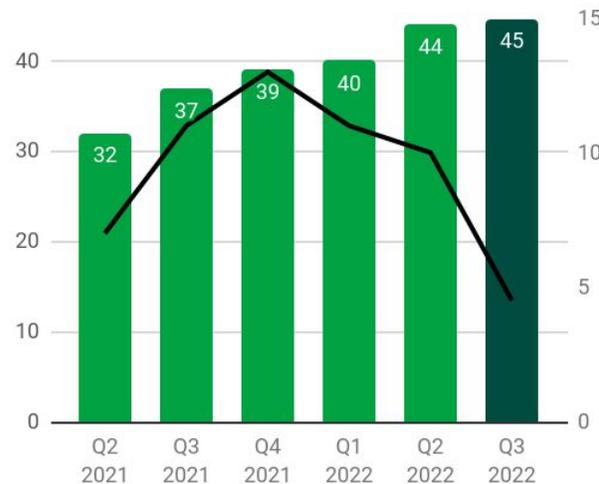
# Segment Managed Services

- Sales Q3 increased MSEK 8, 12-months rolling up 35% to MSEK 168
- No order intake for the quarter, 12-months rolling up 246% to MSEK 321
- EBITDA Q3 at MSEK 5, 12-months rolling up 63% to MSEK 39

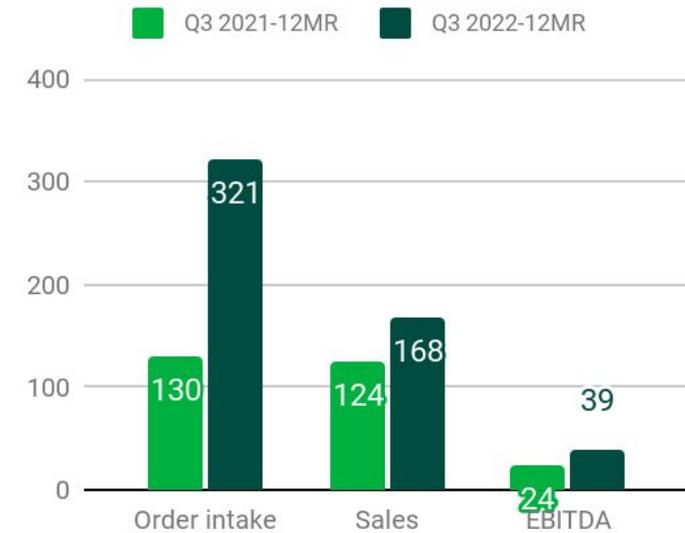
KEY FINANCIALS  
(MSEK)



SALES & EBITDA MANAGED SERVICES  
(MSEK)



KEY FINANCIALS  
(MSEK)



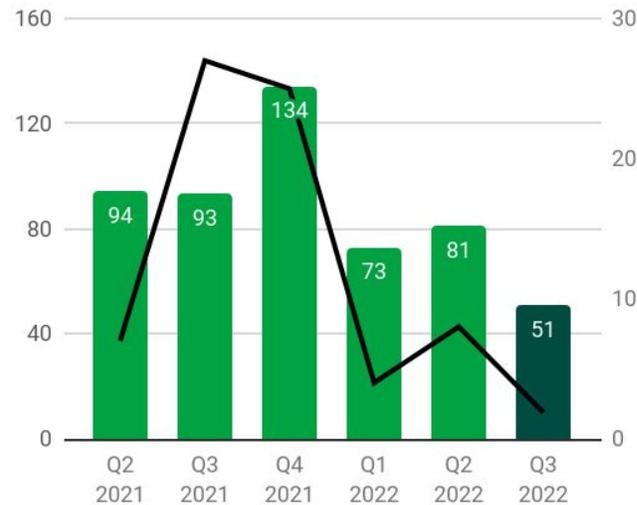
# Segment System Sales

- Sales Q3 MSEK 42 lower, 12-months rolling similar level at MSEK 338
- Order intake Q3 at MSEK 53, 12 months rolling 53% higher at MSEK 251
- EBITDA Q3 at MSEK 2, 12-months rolling 15% lower at MSEK 39

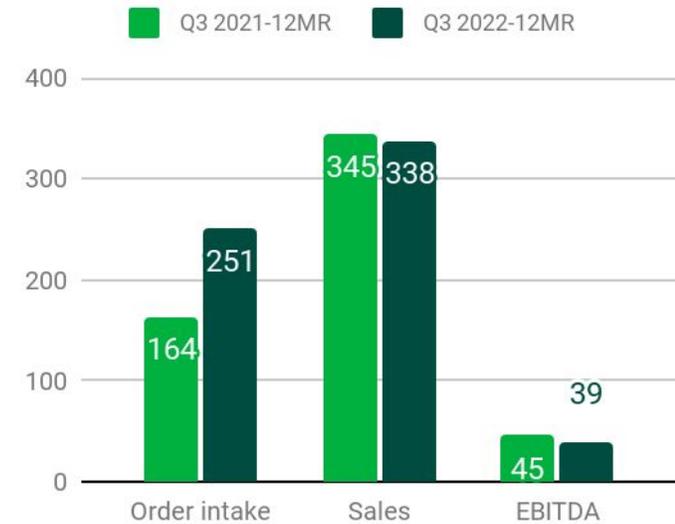
KEY FINANCIALS (MSEK)



SALES & EBITDA SYSTEM SALES (MSEK)



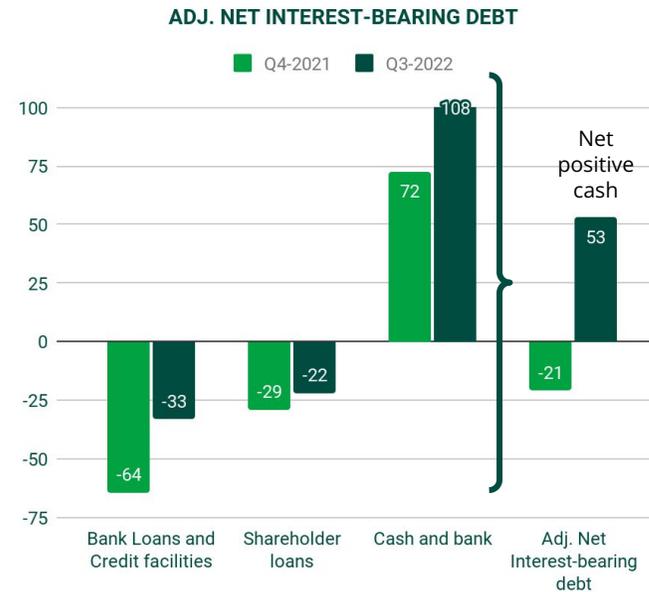
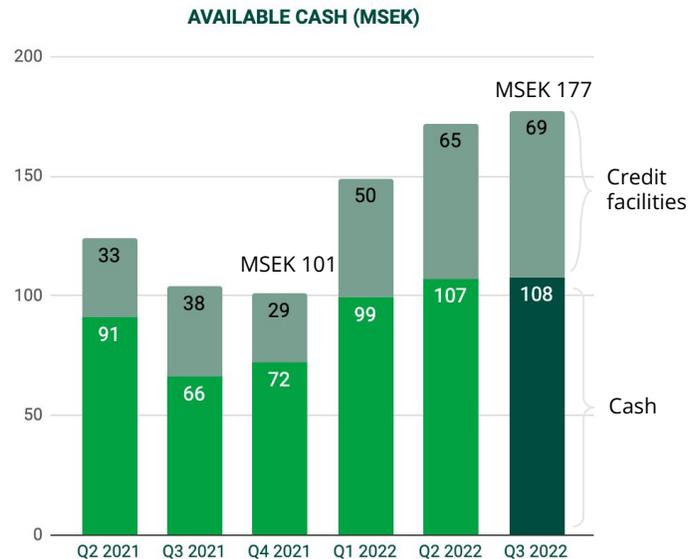
KEY FINANCIALS (MSEK)



# Financial Position



- Available cash increased by MSEK 76 from MSEK 101 to MSEK 177
- Final repayment of Vendor Loan during the quarter MSEK 9
- Net positive cash position MSEK 53

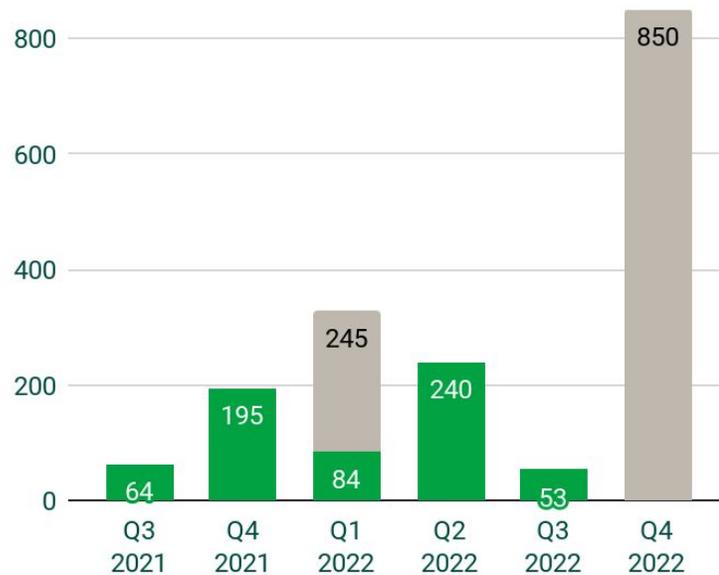


***With our solvency at 76% and a net positive cash position, the company's financial position remains strong***

# Outlook

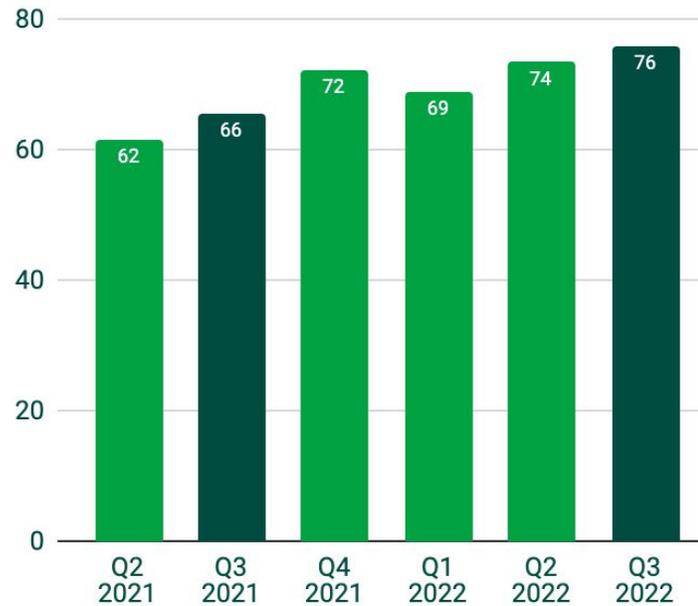


ORDER INTAKE (MSEK)



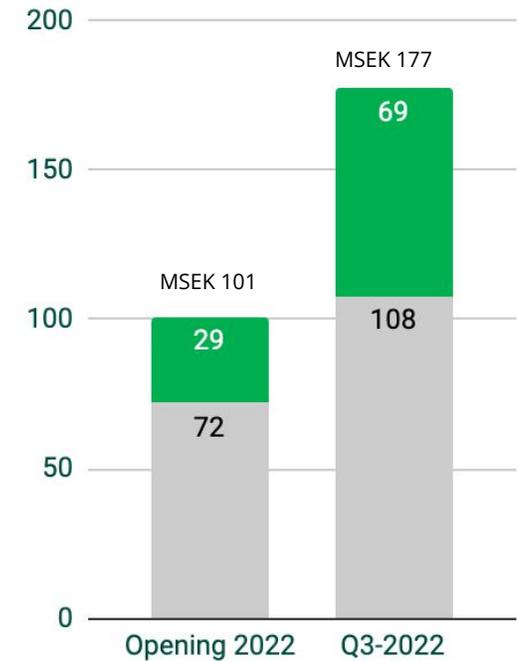
**Highest order intake in single year**

TRAAS SALES (MSEK)



**TRaaS momentum continues**

AVAILABLE CASH



**Strong financial position**

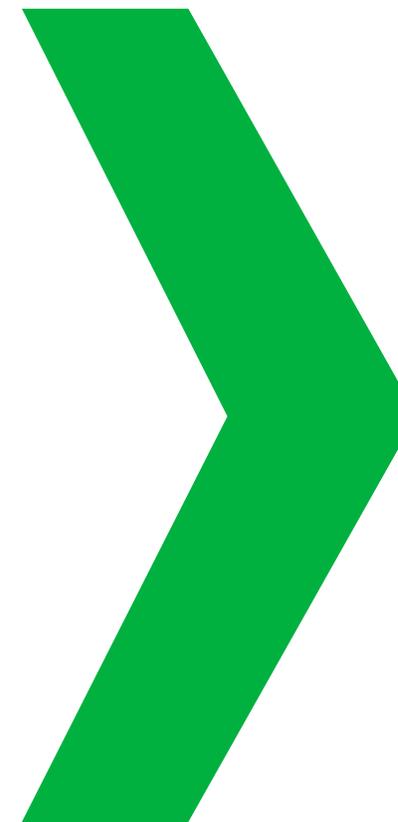
# Q&A



Ivo Mönnink, CEO

Simon Mulder, CFO

**Contact: [investor@sensysgatso.com](mailto: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.