

# Sensys Gatso Group AB

Q1 2021 Market Presentation

Audiocast

April 27, 2020

10:00 CET

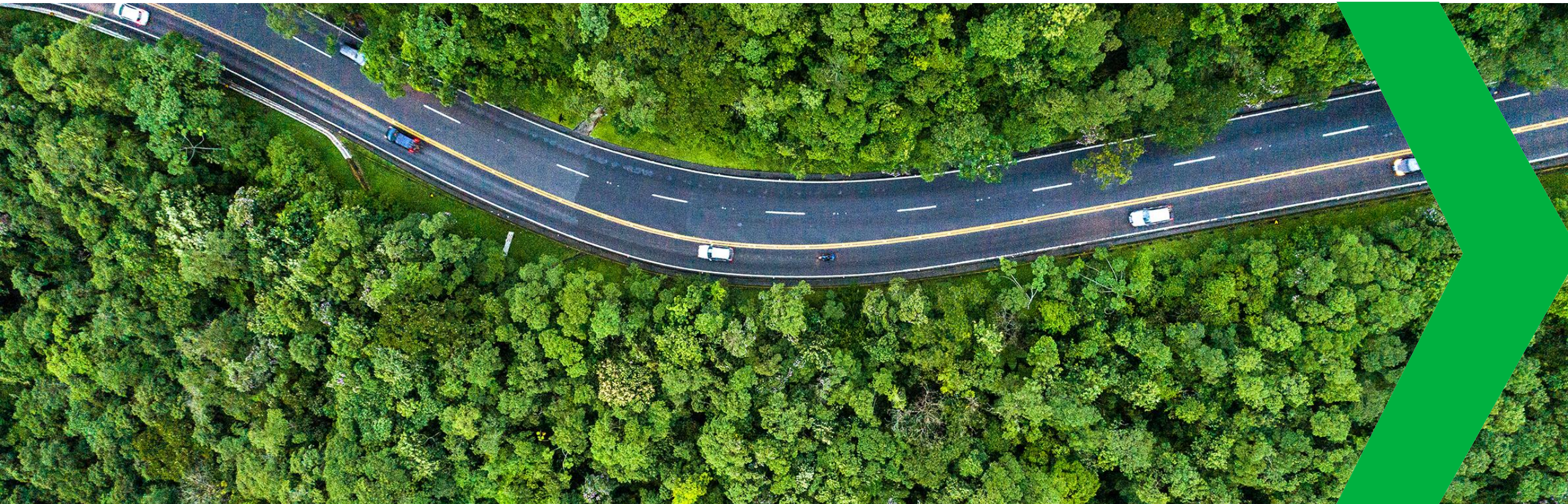


AGENDA

# Q1 2021 MARKET PRESENTATION

Sensys  
Gatso  
Group

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



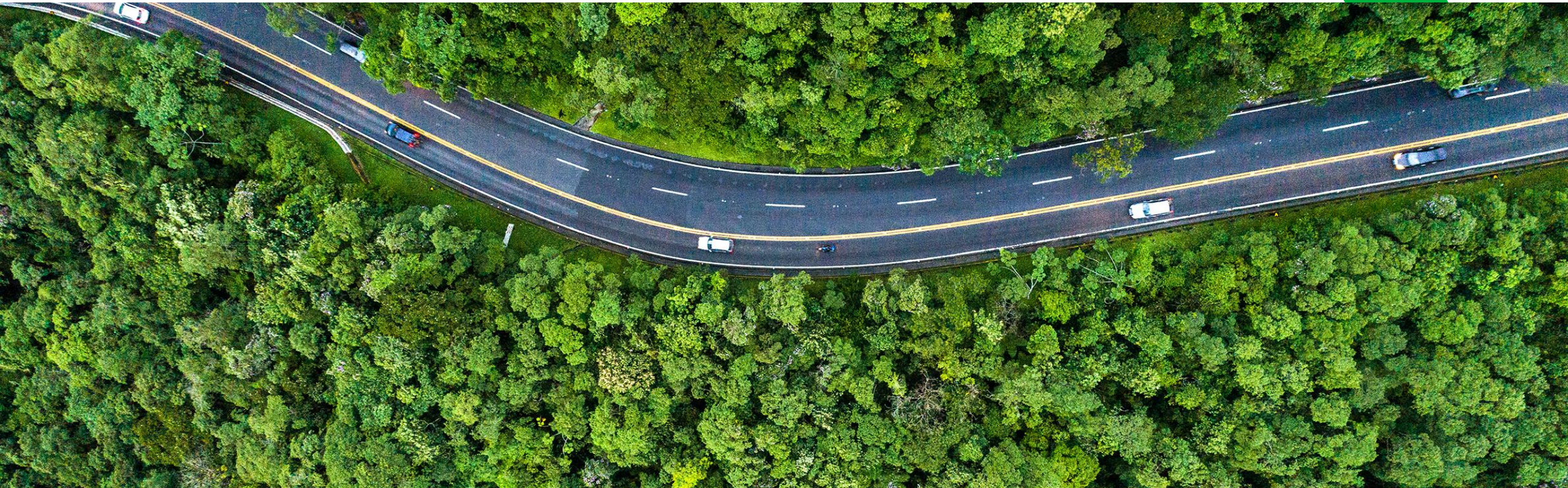


AGENDA

# BUSINESS UPDATE

Sensys  
Gatso  
Group

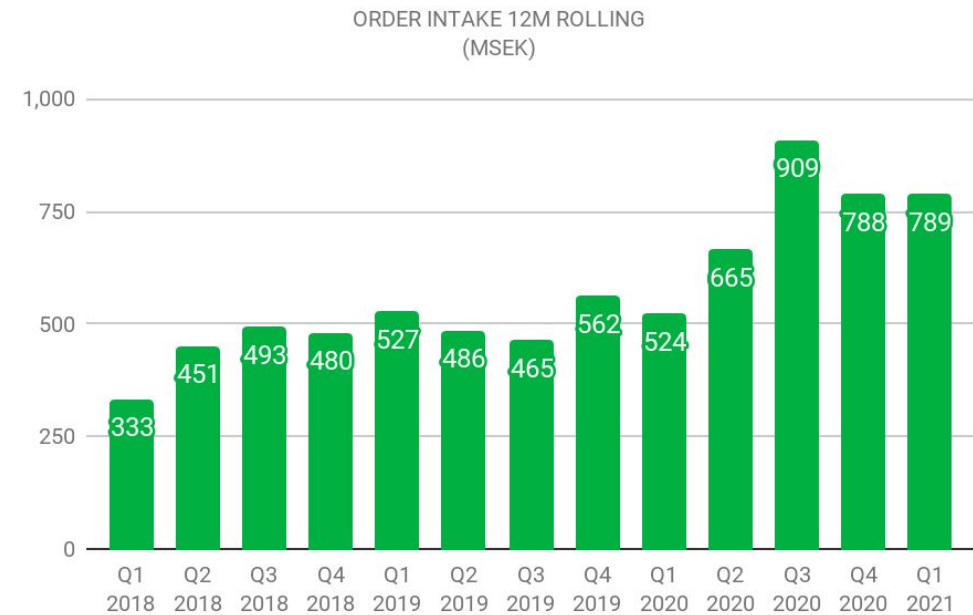
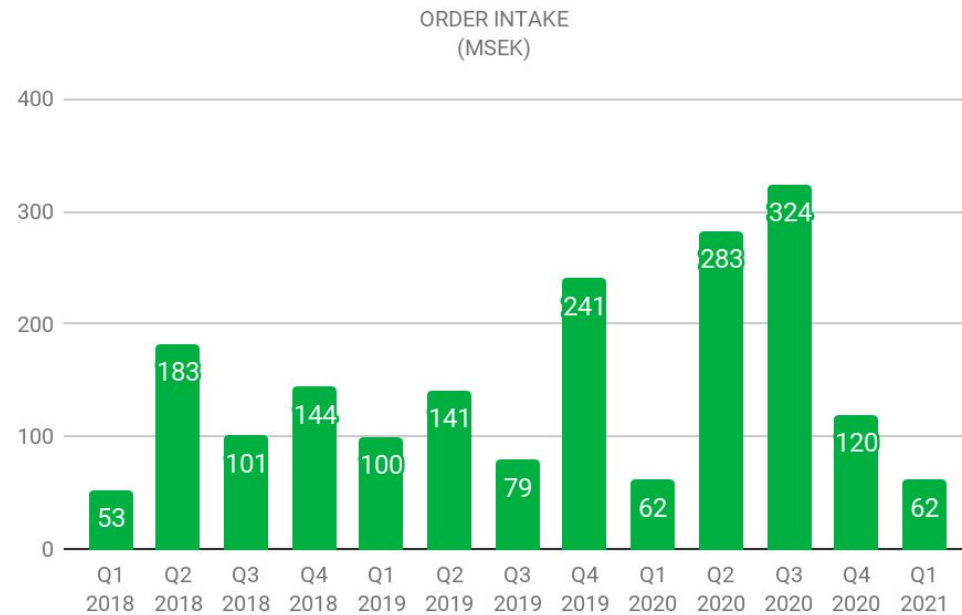
- » 12-months rolling Order Intake stable at SEK 789 million +50%
- » School Zone Sales expected to pick up in Q2
- » Strong Costa Rica contract position confirmed
- » 20% of KSA contract delivered
- » Financing larger contracts





# 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



- 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
	<b>189</b>	<b>4.7</b>	<b>6</b>	<b>5</b>

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

# 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

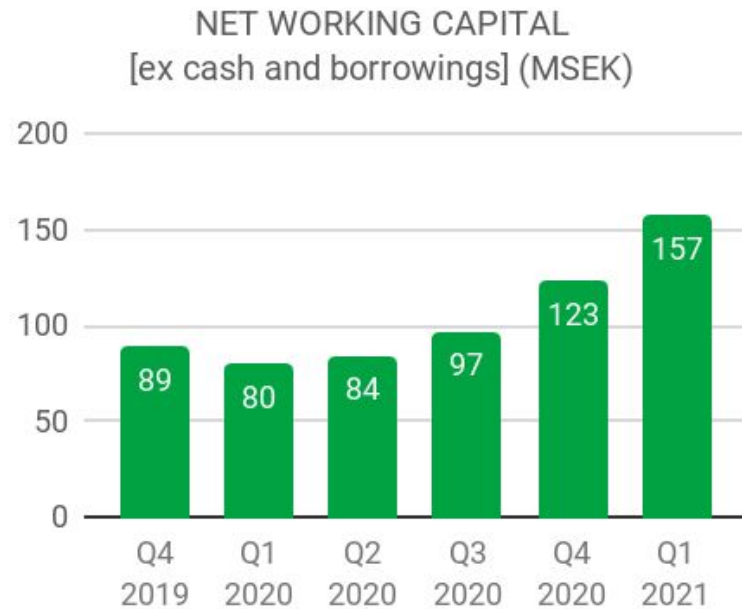


# 20% of KSA contract delivered



- 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



- 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

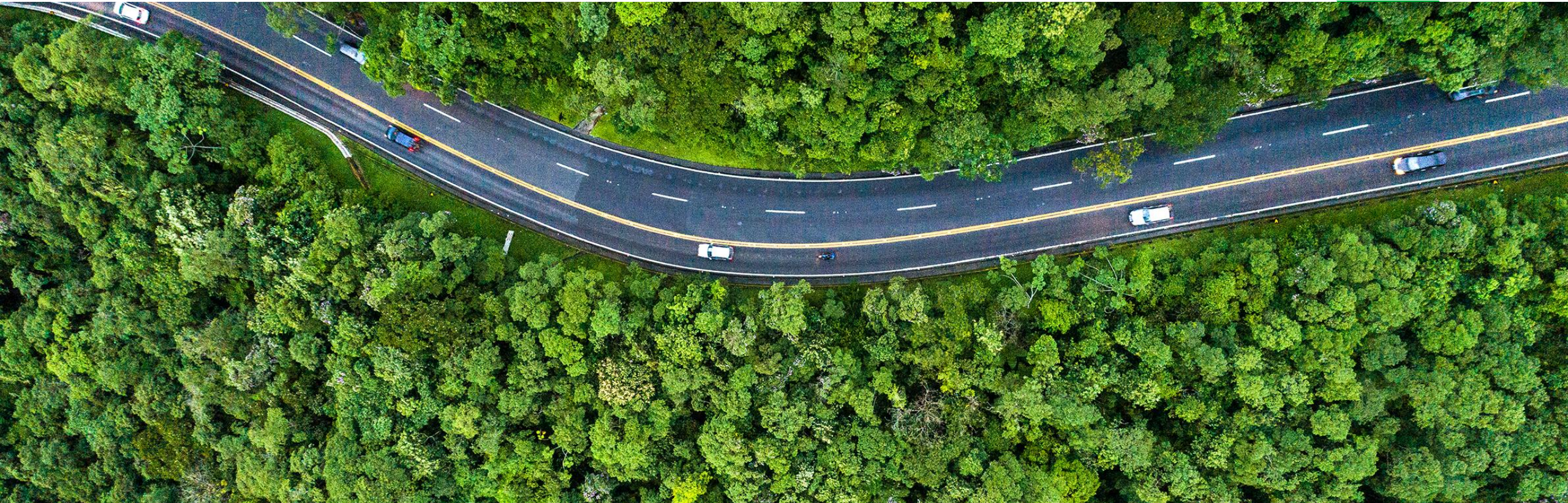


AGENDA

# FINANCIAL UPDATE

Sensys  
Gatso  
Group

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





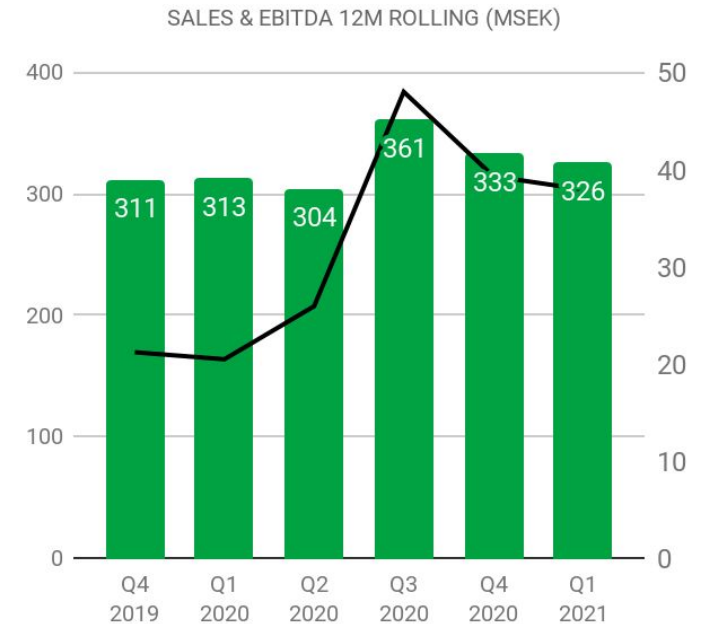
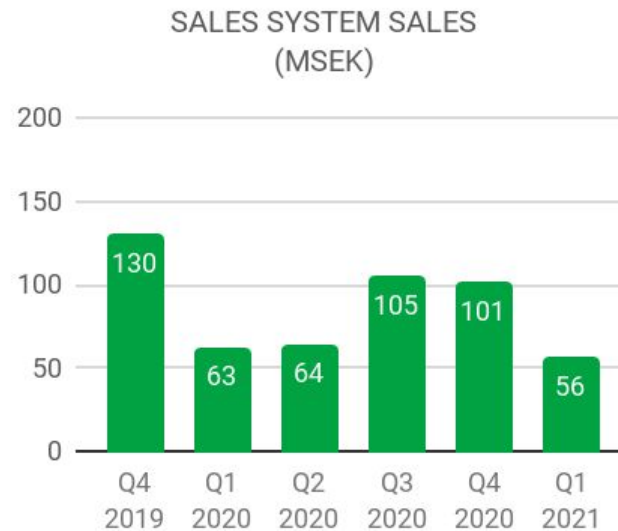
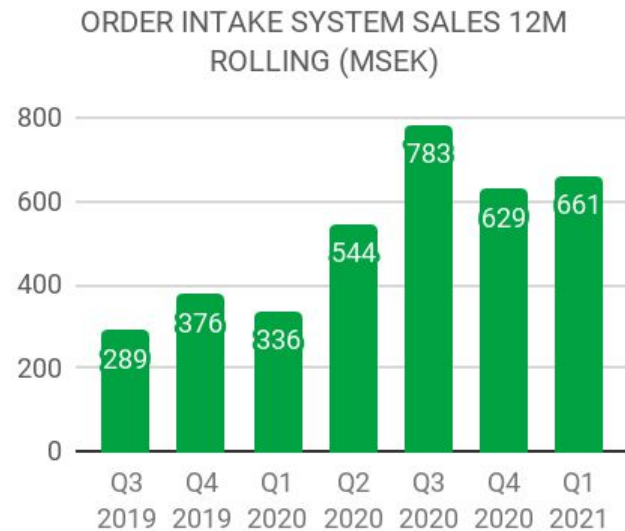
# Consolidated Income Statement

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



# Segment System Sales

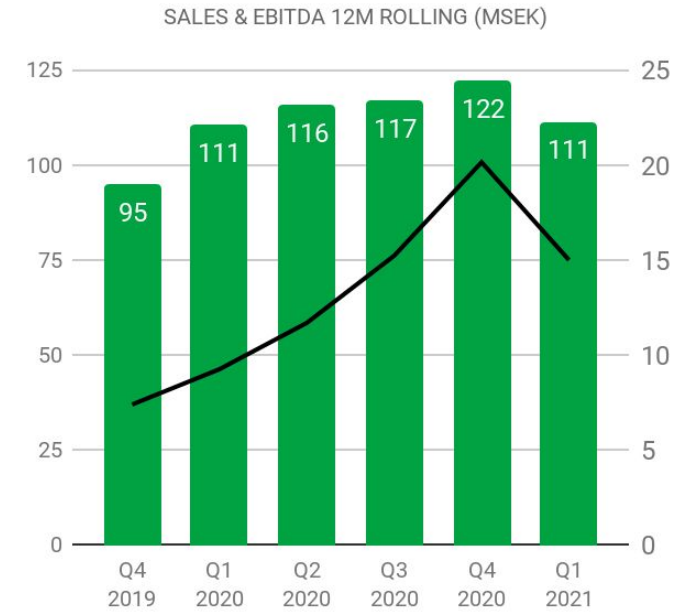
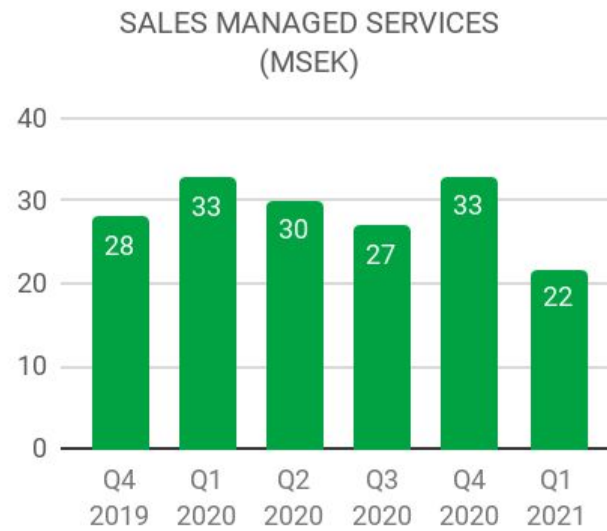
- 12 months rolling Order Intake remains stable at MSEK 661
- Sales at MSEK 56, 11% lower than Q1 2020, 12 months rolling up 4% to MSEK 326
- EBITDA for Q1 at MSEK -3, 12 months rolling up 90% to to MSEK 38





# 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

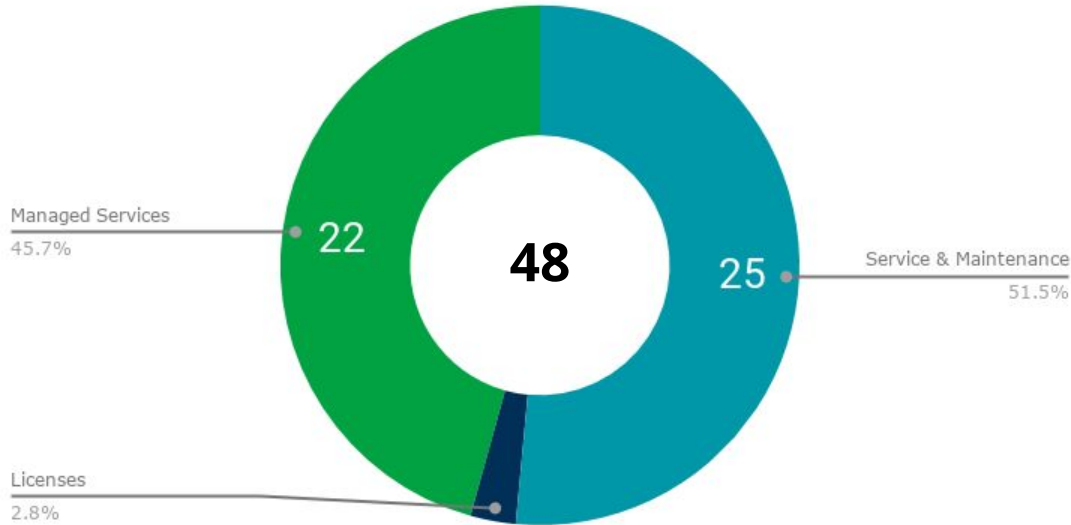




# TRaaS Sales Development

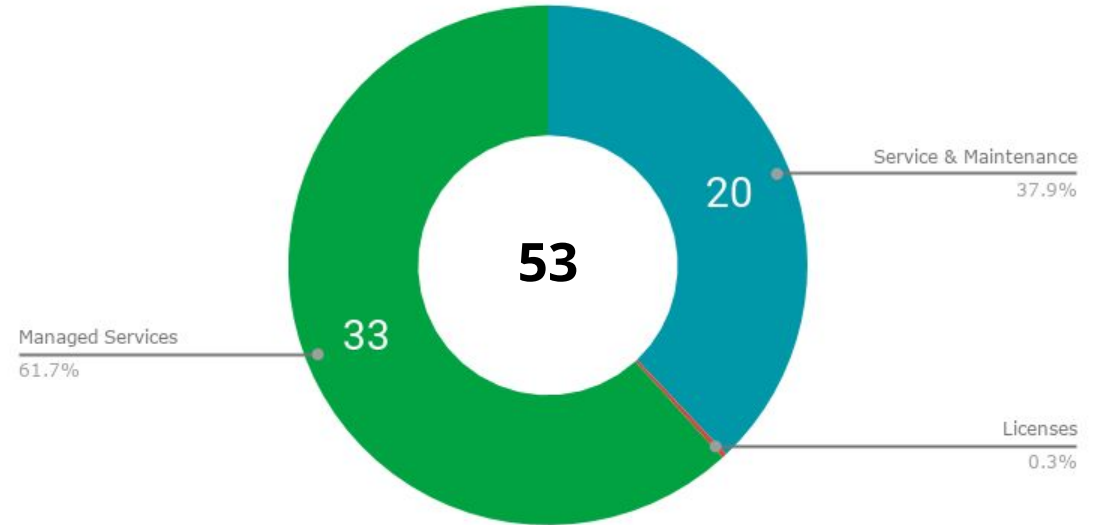


TRaaS Q1-2021  
MSEK



*Managed Services Sales temporarily suppressed due to school closings*

TRaaS Q1-2020  
MSEK



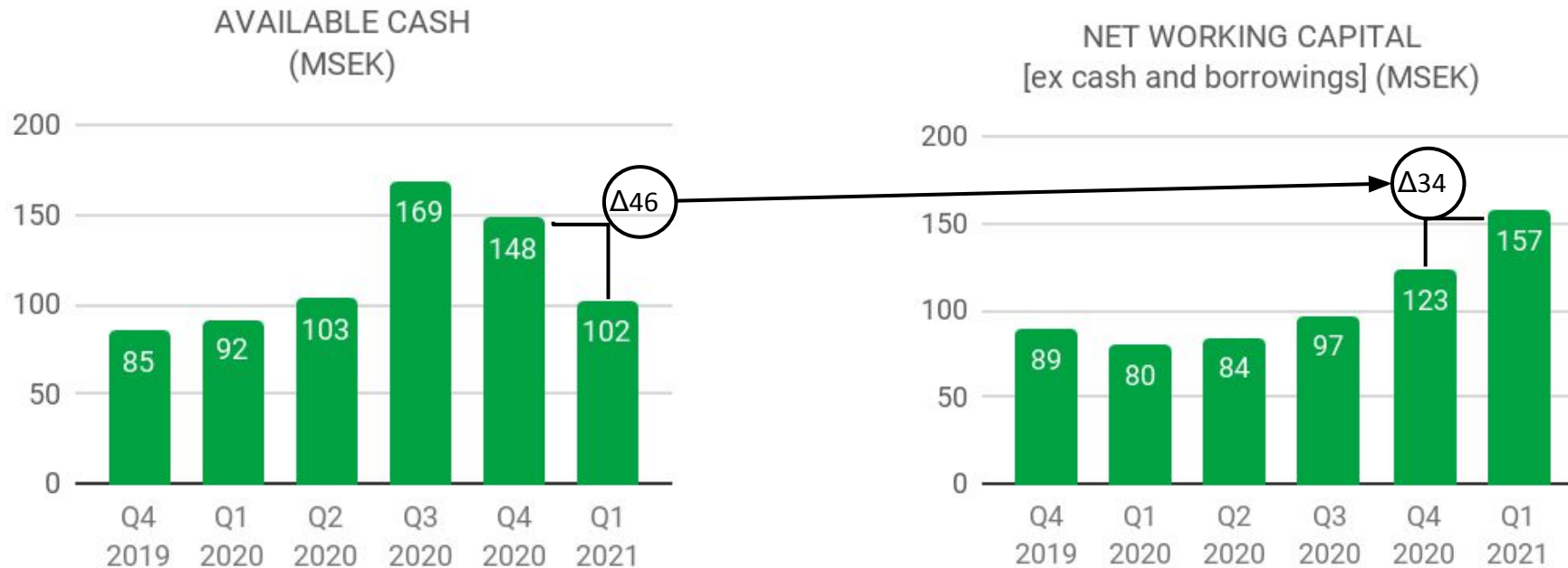
*Service & Maintenance increased due to growth of active installed base*



# Available cash and financial position

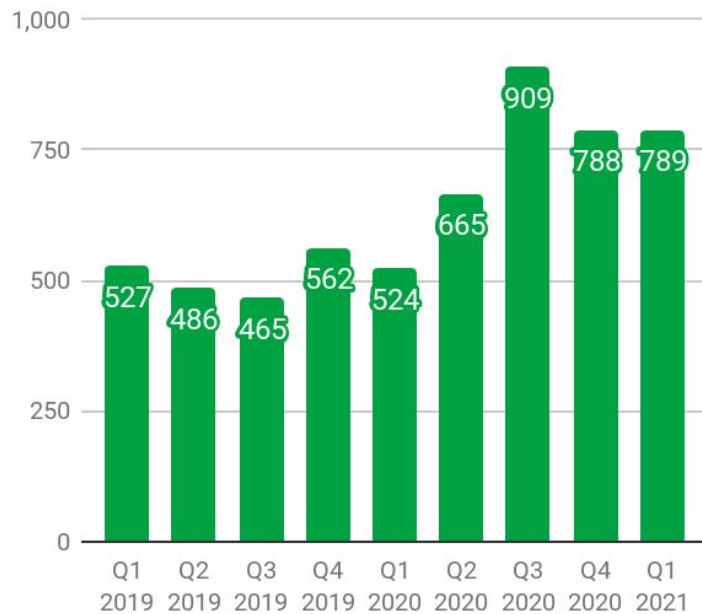


- Available cash at MSEK 102 (92)
- Q1 Operating cash flow negative MSEK 40 (positive 20)
- Net working capital [Ex cash and borrowings] MSEK 157



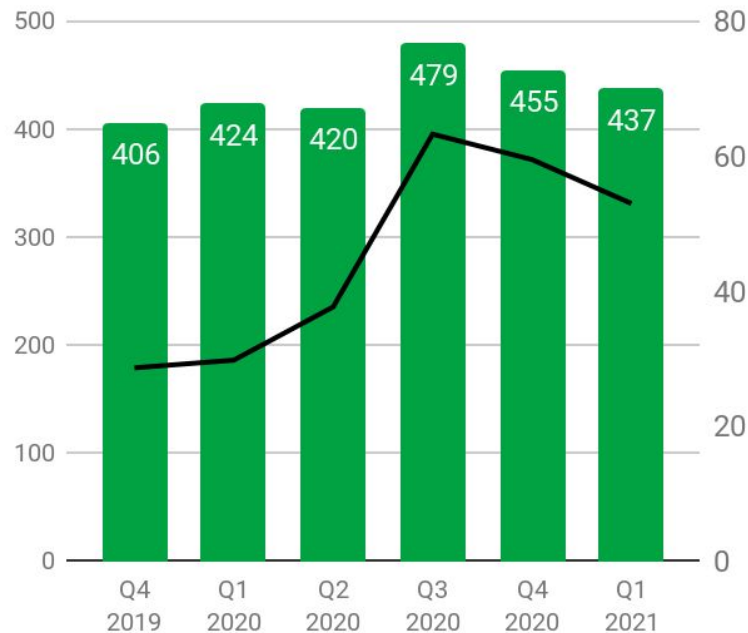


ORDER INTAKE 12M ROLLING (MSEK)



**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



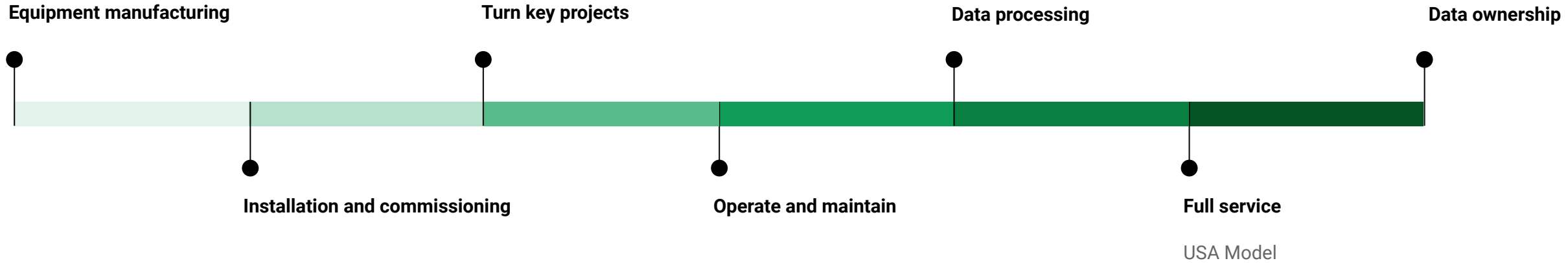
**Flux** | DATA GENERATION SENSORS

**Puls.** | DATA ANALYTICS SOFTWARE

**XILIUM** | BACKOFFICE PROCESSING SOFTWARE

UNIQUE TECHNOLOGY

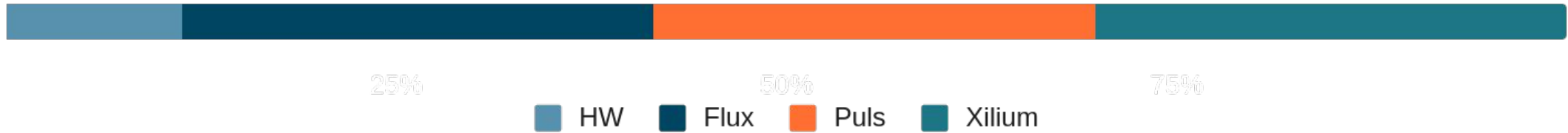
# A scalable business model



**Flux** | DATA GENERATION SENSORS

**Puls.** | DATA ANALYTICS SOFTWARE

**XILIUM** | BACKOFFICE PROCESSING SOFTWARE





UNIQUE TECHNOLOGY

# Technology vision



**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](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.