

Sensys Gatso Group AB

Market Presentation

Interim Report Q4 and year end 2024 and Financial Outlook 2025

Sensys
Gatso
Group

February 28, 2025
10:00 CET

Ivo Mönnink, CEO
Simon Mulder, CFO

Ticker | **SGG**
Nasdaq Small Cap Stockholm

AGENDA

2024 Q4 - MARKET PRESENTATION

Sensys
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- » Business update
- » Financial update
- » Summary and Financial Outlook 2025



Our long-term strategy remains unchanged

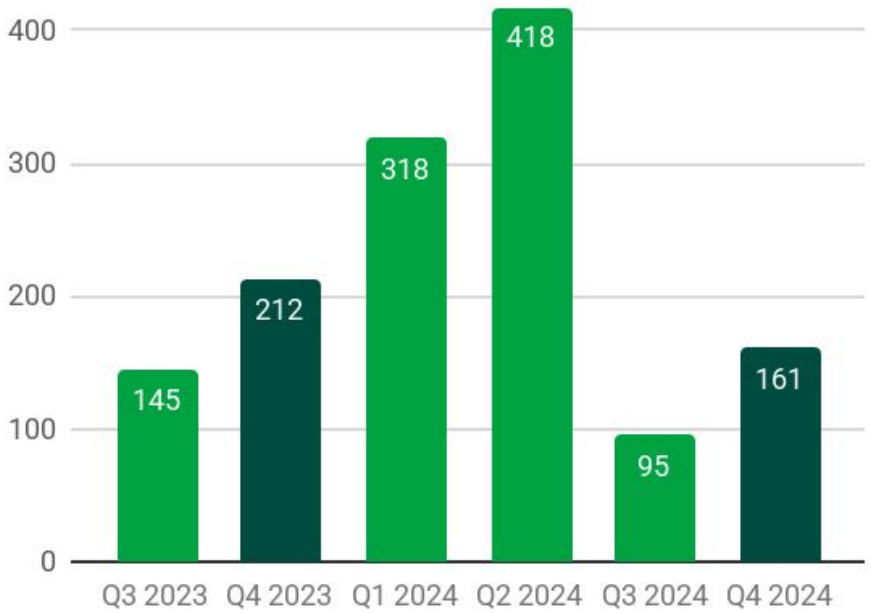
- » Order Intake
- » Progress on major contracts in Sweden and The Netherlands
- » TRaaS Revenue stable
- » Legislative changes in Iowa
- » Updates Saudi customer and Ghana project
- » Revenue distribution
- » Strategic Investments
- » Margin development



Strong Order Intake in Q4 2024 with Significant TRaaS Contributions



ORDER INTAKE AND PROCUREMENT AWARDS
(MSEK)

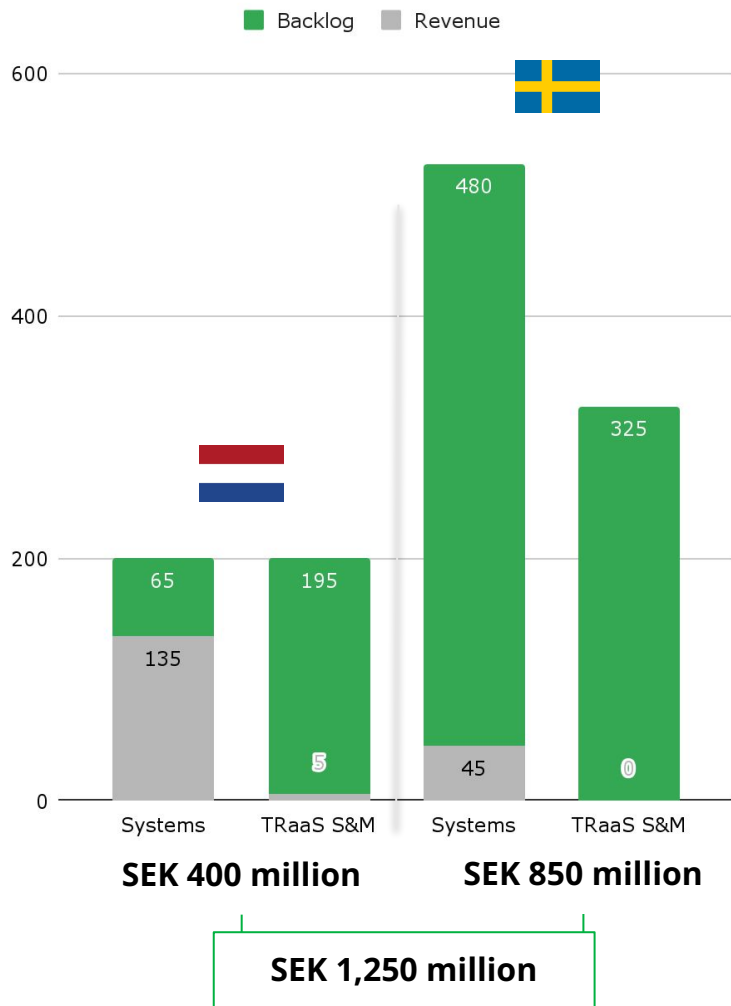


- Order Intake MSEK 161 (212) → -/- 24%
- Extended TRaaS Managed Services contract in Victoria, Australia, worth MSEK 79
- 2024 Order Intake MSEK 992 (754) → 32% growth
- 2024: 13 new contracts in USA → six new cities & seven renewals
- 2024 TRaaS order intake = MSEK 655 → or 71% of total order intake
- Solid foundation of recurring revenue

SEK 1,000 million backlog from home markets



Revenue and Backlog in Home Markets



- Sweden;
 - Customer Acceptance in January 2025
 - 5 year roll-out starts H1 2025

- Netherlands
 - 2 year systems roll-out started in Q4 2023
 - Expected completion in 2026
 - Service & Maintenance starts in 2024 for 6 years

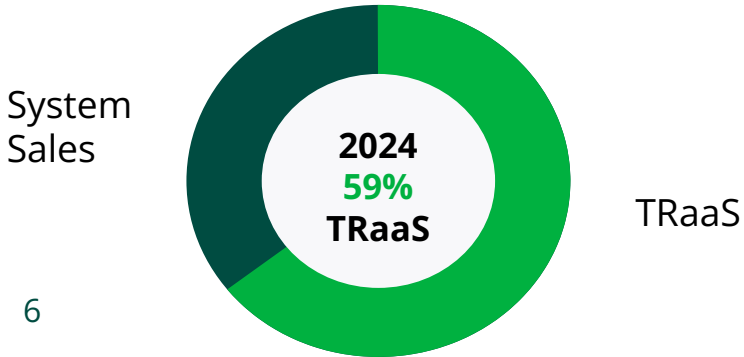
- Combined contracts in home markets:
 - 15 % or MSEK 185 delivered
 - 85% or SEK 1 billion still in backlog

Stable TraaS revenue, notwithstanding lowa



MSEK	Q4 2024	Q4 2023	FY 2024	FY 2023
System Sales	98	117	260	260
TRaaS: Service & Maintenance & Licences	34	33	133	137
TRaaS: Managed Services	66	71	238	226
Total Revenue	198	221	631	624
Of which TRaaS:	100	104	371	363
TRaaS % of total Sales:	51%	47%	59%	58%

- Total Revenue MSEK 198 (221) → -10%
- System Sales MSEK 98 (117) → - 16%
- TRaaS Revenue MSEK 100 (104) → - 4%
- TRaaS recurring revenue is 51% of total Revenue
- 2024 TRaaS Managed Services MSEK 371 (363) → +2%
- Notwithstanding lowa legislative changes
- 2024 TRaaS recurring revenue is 59% of total Revenue

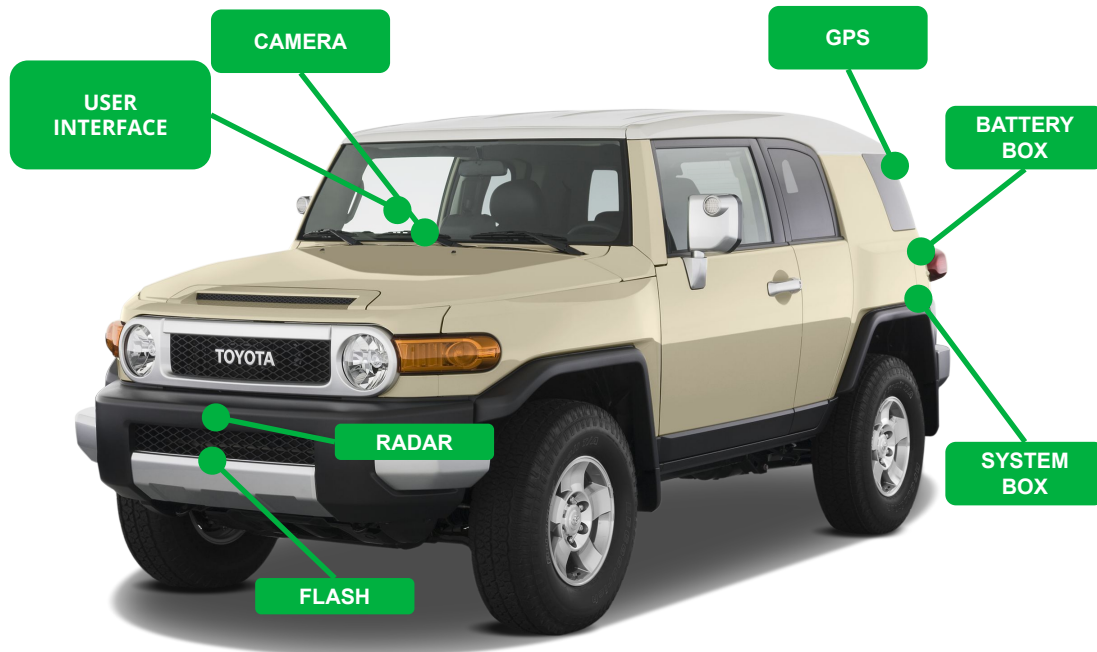


Legislative changes in Iowa



- Unexpected new guidelines for Iowa ATE programs
- Permitted locations, maximum fine amounts, speed thresholds
- SGG systems/locations permitted for ATE to continue:
 - 7 out of 75 fixed speed
 - 95 out of 148 mobile speed locations
 - 100% of 52 Red Light locations
- SGG works with cities to appeal and develop mitigation plan
- 2024 impact on Revenue is MSEK 20
- Corrected for Iowa, Managed Services growth would be 14%

New order from Saudi Customer



- Memorandum of Understanding signed in April
- In-vehicle, Fixed Red light and Speed solutions technically qualified
- Framework agreements signed for all solutions
- First order for the maintenance of the in-vehicle received, worth MSEK 27 for one year
- Contract execution expected to start Q2 2025

Ghana JV progressing



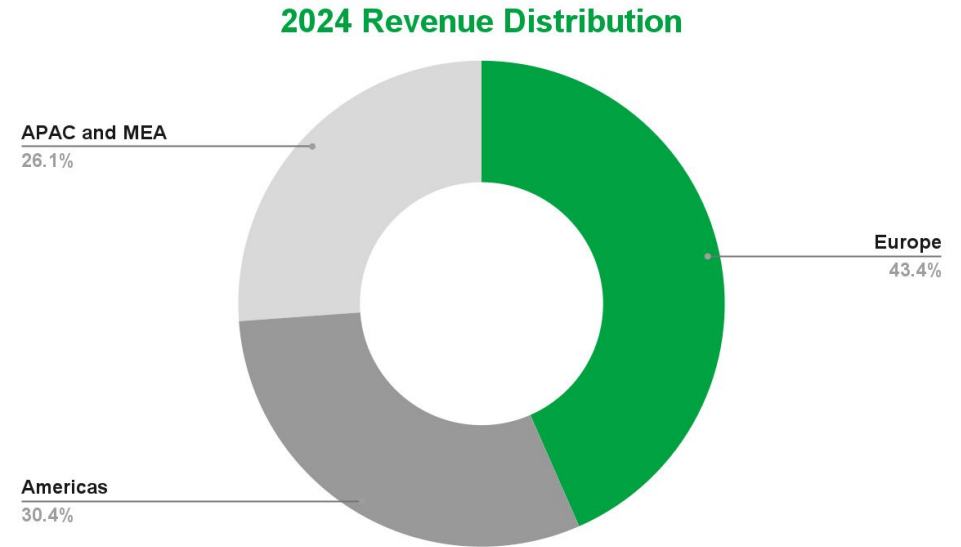
Electronic Notice of Violation
Ticket number: 779790167301
Vehicle Registration Number: GG171722
Name of vehicle owner or driver: IVAN TWUM MENSAH
Location: N05 39.21734, W000 10.83653
Date/Time: 03-09-2024 11:58
Offence: Speeding
Penalty units: 30
Total amount: 360.00
Payment deadline: 2024-09-17
To view the offence and pay click <https://trafgh.com/p/779790167301> or use your ticket number at a bank, online at ghana.gov.gh under Ghana Police Service or pay with USSD *222# option 5.

- 11 year contract between Ghana government and our 40% joint venture NTML
- Full TRaaS program: design, build, finance, operate and maintain a national road safety program
- Total est. revenue for the project is MSEK 800
- First test citations issued in 2024, creating awareness with general public on social media
- Start of project with issuance of citations in H1 2025
- 40% profit share for SGG reported as results from JV's

Balanced Global Revenue distribution



MSEK	Q4 2024	Q4 2023	FY 2024	FY 2023
Europe	109	34	274	155
Americas	53	65	192	209
APAC and MEA	36	122	165	260
Total Revenue	198	221	631	624



Strategic Investments in US

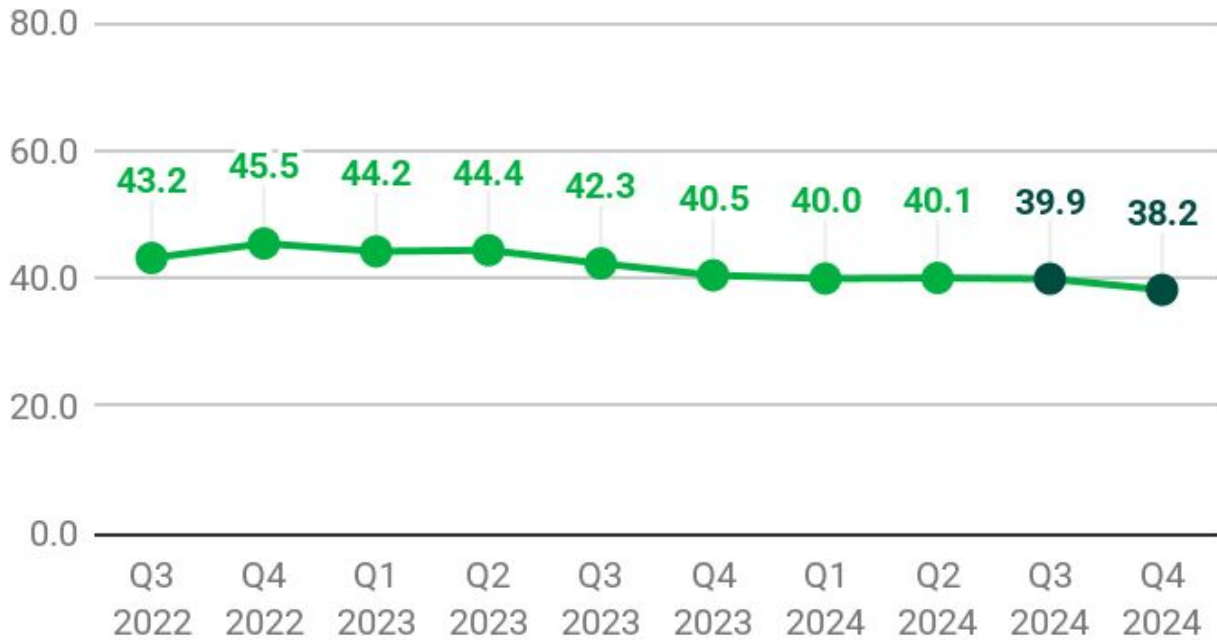
Investments and Acquisitions (MSEK)	Q4 2024	Region
Software platforms FLUX, Xilium and Puls	6	Global
Other intangible and tangible fixed assets	1	Global
Investments in Joint Ventures	0	Ghana
Investments Global	7	10%
Fixed assets in operations	24	USA
Acquisition Minority Shareholding SGUS	44	USA
Investments in US Market	68	90%
Total investments	75	100%

- MSEK 75 total strategic investments in Q4
- MSEK 68, or 90%, invested in USA
 - MSEK 24 in Fixed Assets in Operations
 - MSEK 44 to repurchase minority shareholding in Sensys Gatso USA
- 100% ownership of key growth driver Sensys Gatso USA

12-M rolling Gross Margin 38%



GROSS MARGIN 12M ROLLING (%)



- Gross Margin 36% (42%)
- Driven by higher contribution of system sales from Dutch project
- System sales deliveries in initial phase of projects in Netherlands and Sweden at lower margins
- Margin recoup during Service & Maintenance part of contract
- EBITDA MSEK 28 (45) → - 38%
- 2024 EBITDA MSEK 69 (85)

AGENDA

FINANCIAL UPDATE

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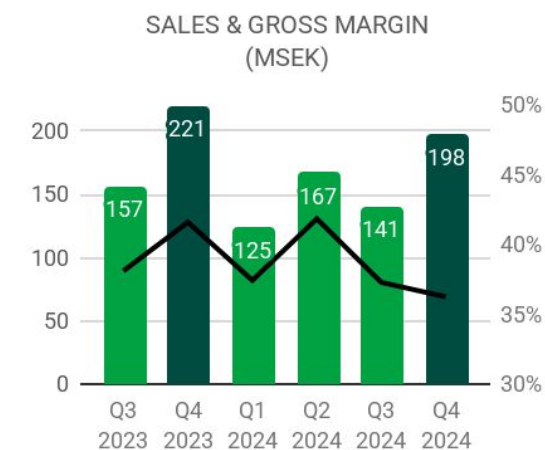
- » Consolidated income statement
- » Analysis of the segments performance
- » Financial position



Consolidated Income Statement

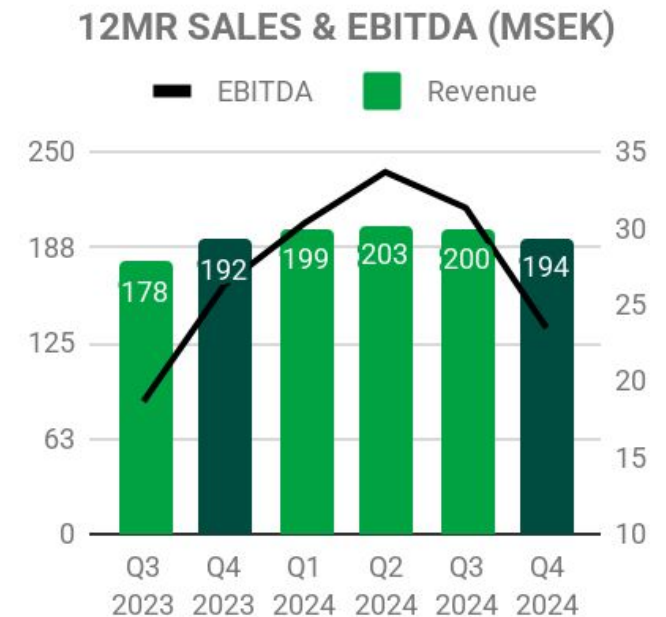
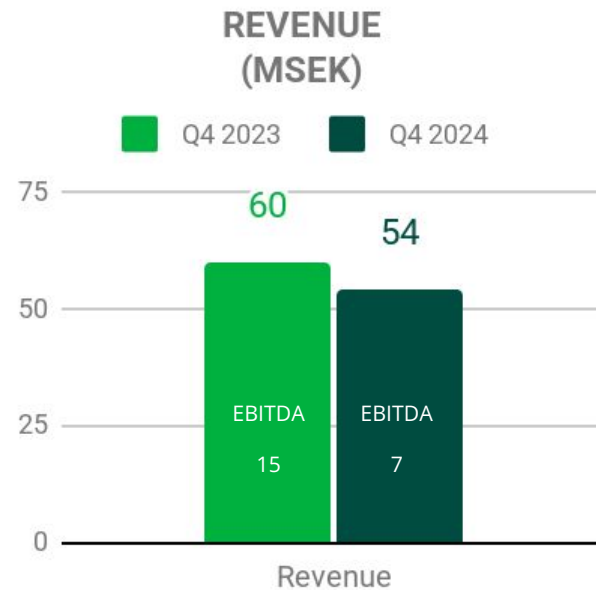
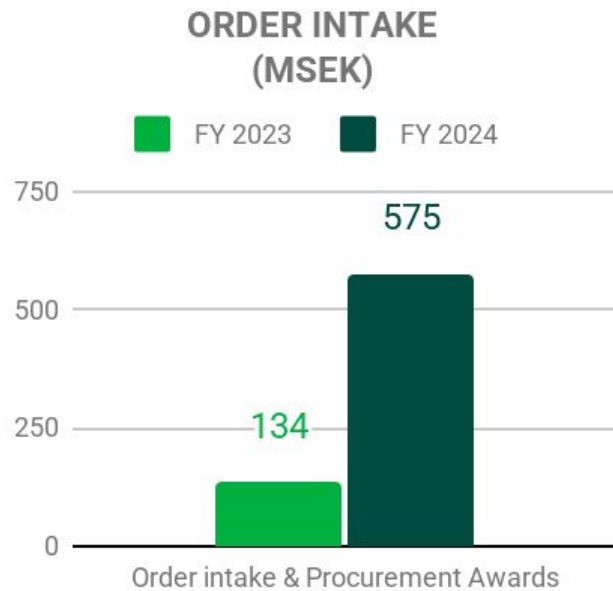
MSEK	Q4 2024	Q4 2023	FY 2024	FY 2023
System Sales Revenue	98	117	260	260
TRaaS Revenue	100	104	371	363
Total Revenue	198	221	631	624
Cost of goods sold	-126	-129	-390	-371
Gross profit	72	92	241	253
	36%	42%	38%	40%
Expenses	-61	-58	-222	-214
Other operational costs	5	1	4	1
Operating profit	15	34	23	39
	8%	15%	4%	6%

Q4	FY 2024
Revenue	Revenue
-10%	+1%
TRaaS	TRaaS
-4%	+3%
Gross Margin	Gross Margin
36%	38%
EBIT	EBIT
15	23



Segment Managed Services

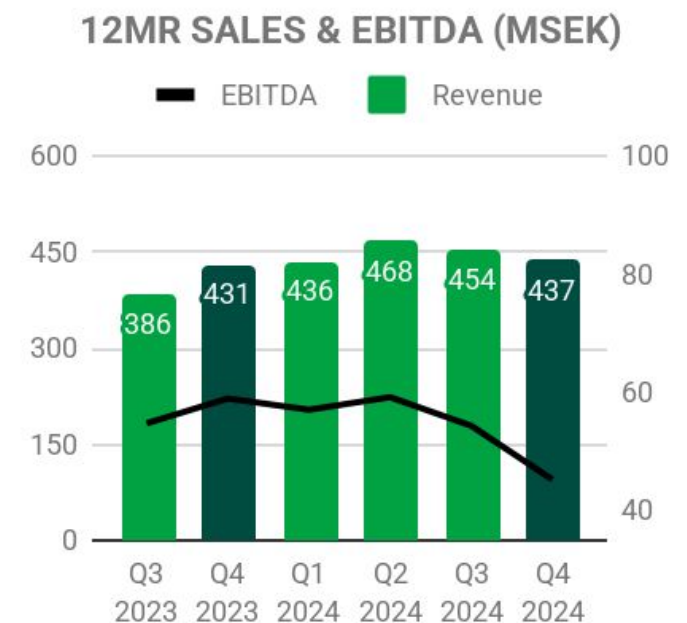
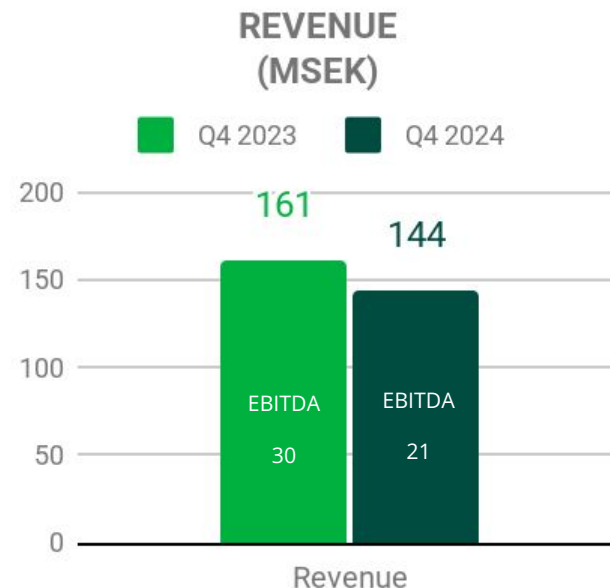
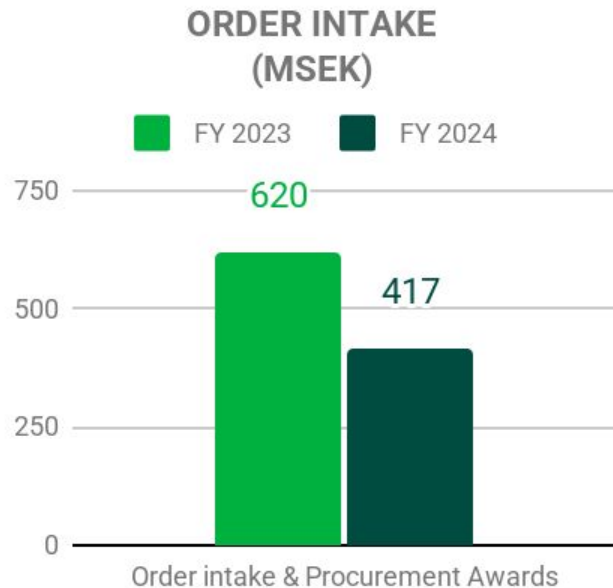
- The order intake for the full year amounted to MSEK 575 (MSEK 134)
- Revenue 10% lower mainly due to lowa impact, Full year revenue was 1% higher
- EBITDA for the quarter MSEK 7 (15), Full year EBITDA MSEK 23 (26) 11% lower



Segment System Sales

Delivering on the Dutch Tender

- Full year order intake in the segment MSEK 417 (620)
- Revenue at MSEK 144, 10% lower compared to Q4 2023, Full Year revenue 1% higher
- EBITDA at MSEK 21 compared to MSEK 30 in Q4 2023, Full year EBITDA MSEK 45 (59) 24% lower

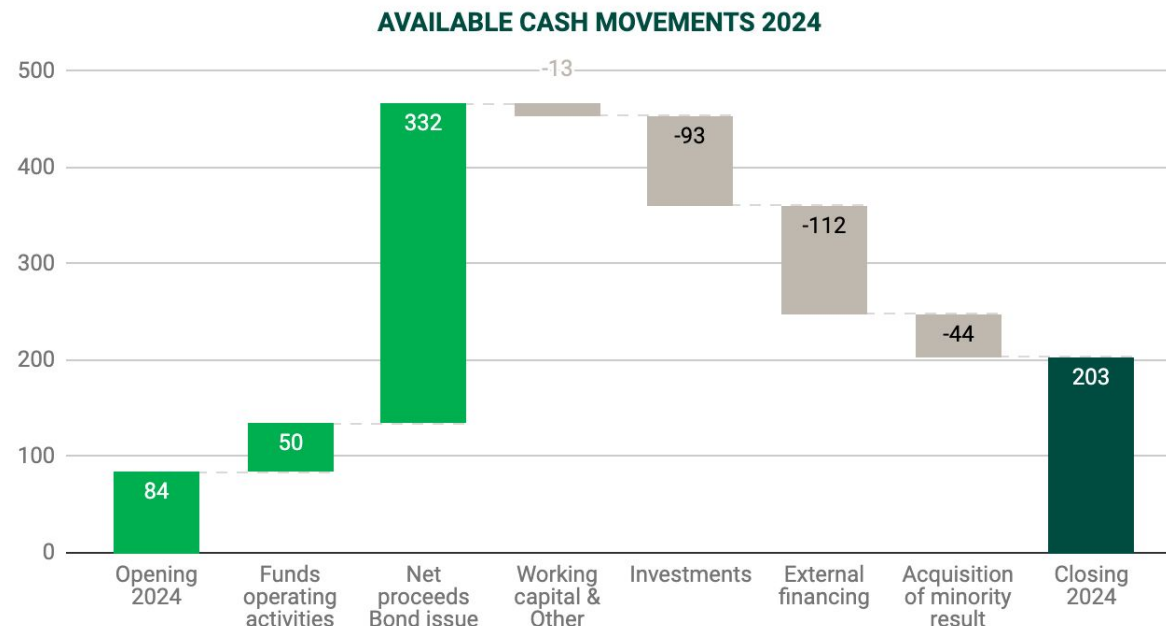


Available cash MSEK 203

- Investments in fixed assets MSEK 93 FY and acquisition minority shareholding USA MSEK 44

Interest bearing debt MSEK 217

- Euro Bond issue of EUR 30 million (MSEK 338)
- Repayment of Bank financing and shareholder loans MSEK 115

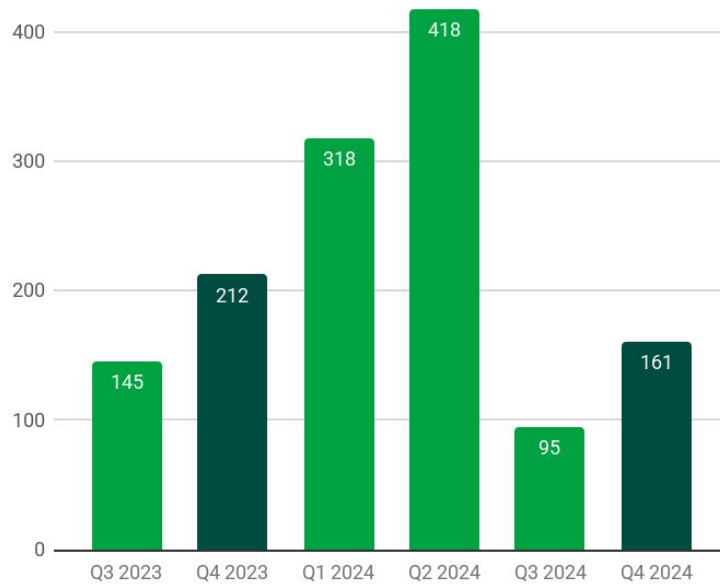


MSEK	31 Dec 2024	31 Dec 2023	31 Dec 2022
Lease liabilities	24	22	23
Bond	338	0	0
Bank Loans and Credit facilities	20	113	31
Shareholder loans	0	22	22
Cash and bank	-165	-49	-100
Net Interest-bearing debt	217	109	-24

Summary

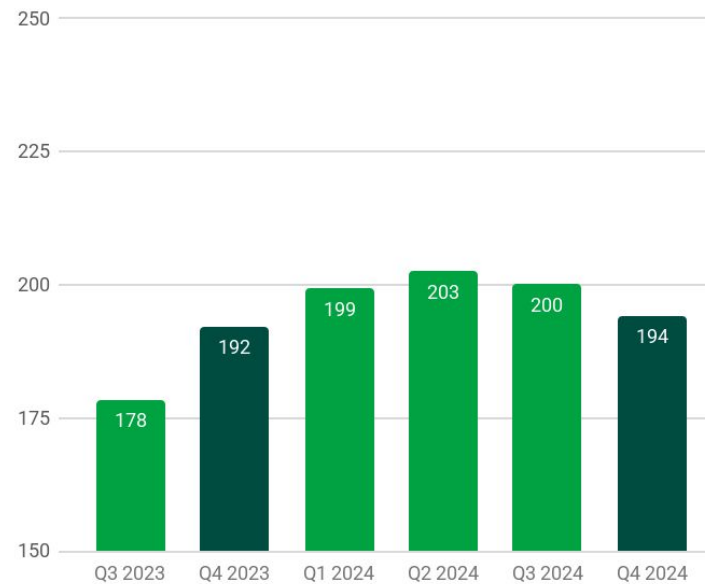


ORDER INTAKE AND PROCUREMENT AWARDS (MSEK)



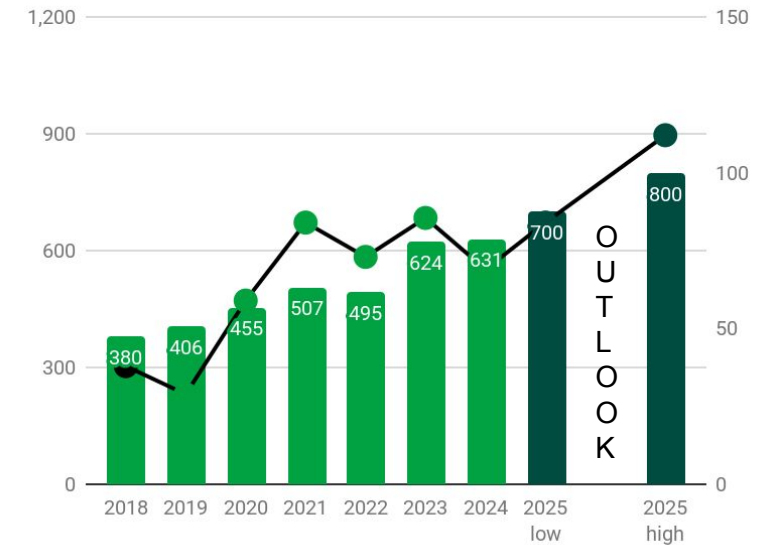
Executing on 1bn backlog in home markets

12MR TRaaS US SALES (MSEK)



US TRaaS momentum

ANNUAL SALES & EBITDA (MSEK)



Delivering sustainable, profitable growth

Financial Outlook 2025

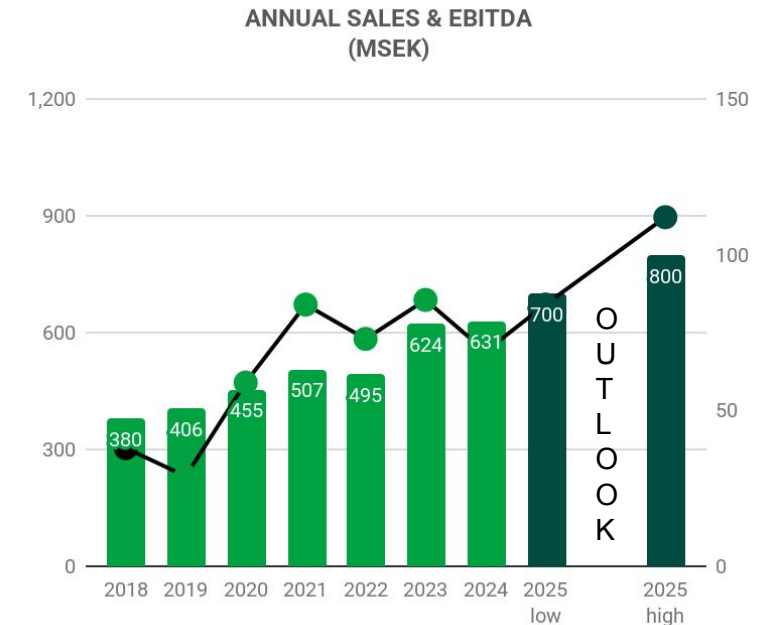
For 2025 we expect our

→ **revenue to arrive between SEK 700 to 800 million.**

Due to additional sales investments to accelerate growth within the US market, we anticipate to realise an

→ **EBITDA margin between 12% and 14% in 2025.**

Our long-term strategy remains unchanged, and we are taking proactive steps to address the challenges we've encountered. We are confident that these **actions will position us to deliver on our ambition in the near future.**



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.