

Protection at work, a better life at home

Investor Conference Call October 29, 2021
Interim Report January – September 2021

CEO Lars Højgård Hansen



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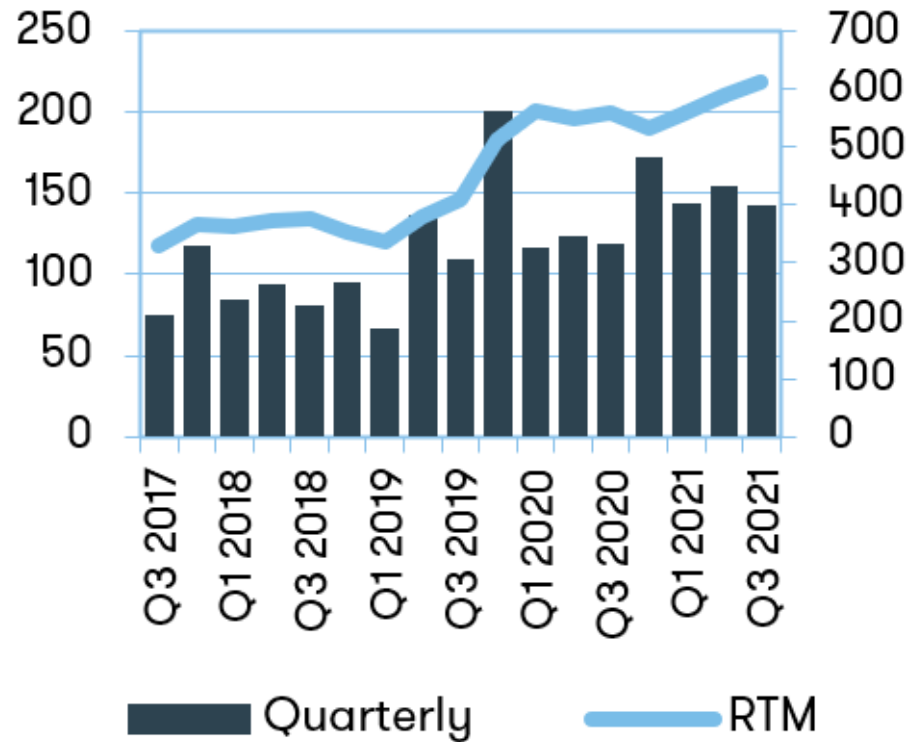
Good order intake of smaller orders
– but continued delay in larger ones

Financial result Q3, 2021

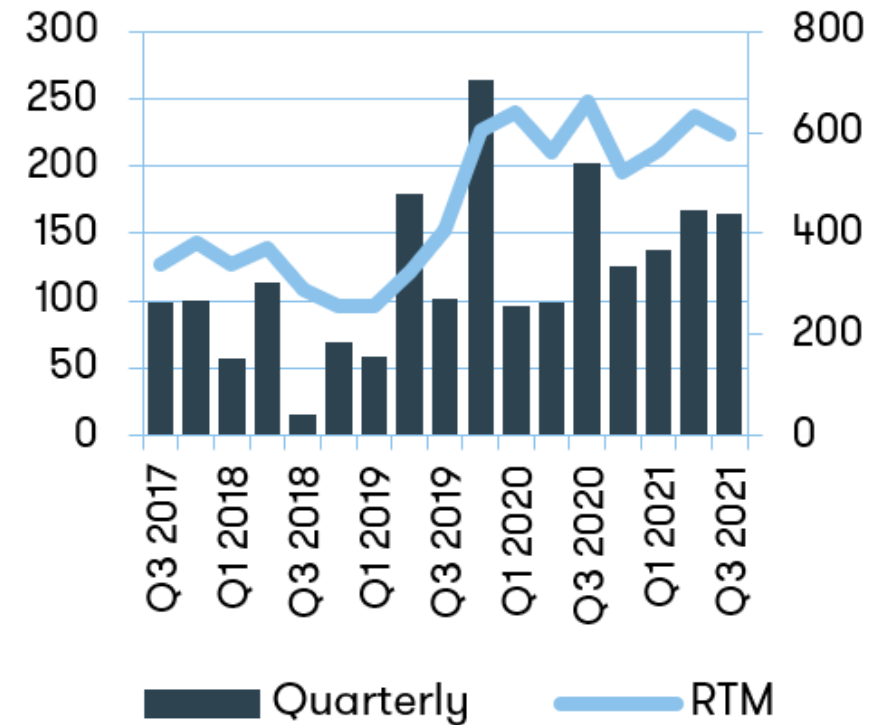
SEK in millions	2021 Q3	2020 Q3	Δ %	2021 Jan-Sep	2020 Jan-Sep	Δ %	2020 Full year
Revenue	142.7	118.7	20	440.8	359.2	23	532.0
Gross profit	82.4	59.8	38	254.6	206.9	23	309.0
Gross margin, %	57.7	50.3		57.8	57.6		58.1
EBITDA	8.3	19.1	-56	57.4	62.7	-8	108.1
EBITDA margin, %	5.8	16.1		13.0	17.4		20.3
Operating profit/loss	-3.4	16.4	-121	23.6	55.2	-57	95.4
Operating margin, %	-2.4	13.8		5.3	15.4		17.9
Profit/loss for the period	-2.8	6.2	-146	13.2	33.7	-61	61.2
Earnings per share, SEK	-0.06	0.14	-145	0.30	0.76	-61	1.39
Order intake	164.9	212.1	-22	466.1	409.7	14	525.7
Order book	210.4	183.1	15	210.4	183.1	15	123.2

Currency adjusted growth YTD of 27 per cent, based on small orders

Sales per quarter and rolling 12 months
(SEK million)

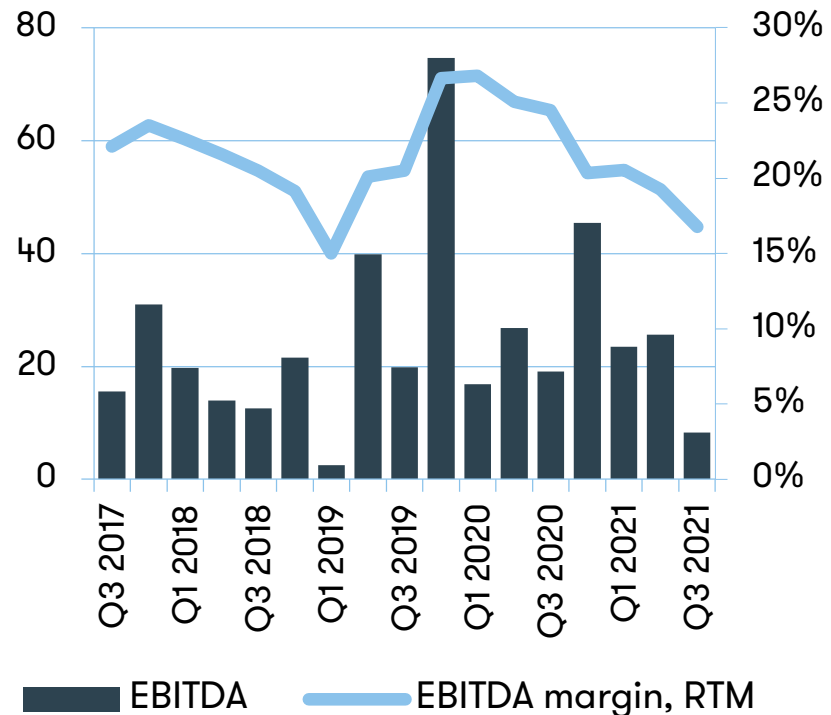


Order intake per quarter and rolling 12 months
(SEK million)

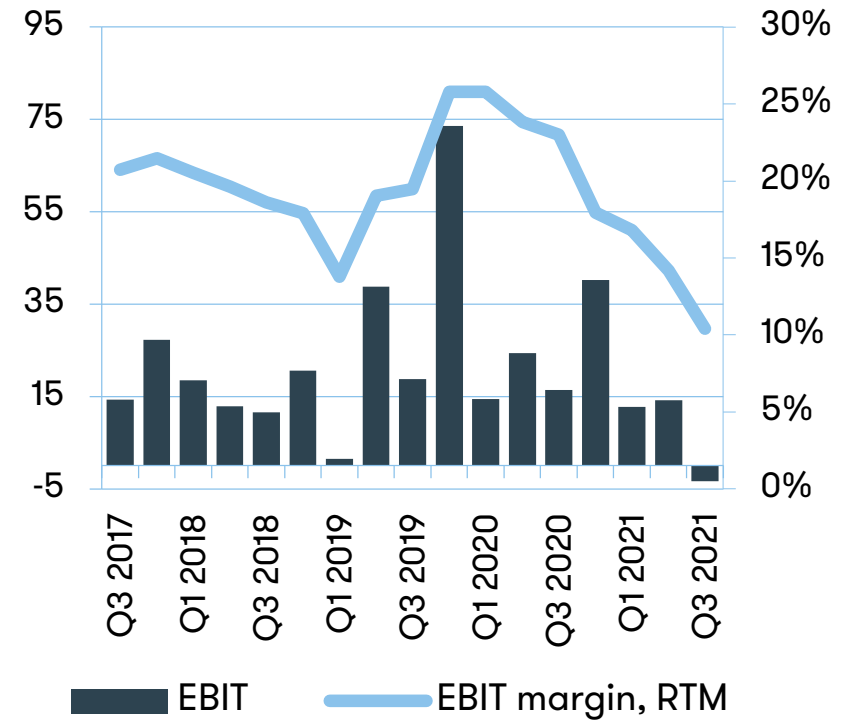


The long-term development in EBITDA and EBIT margin

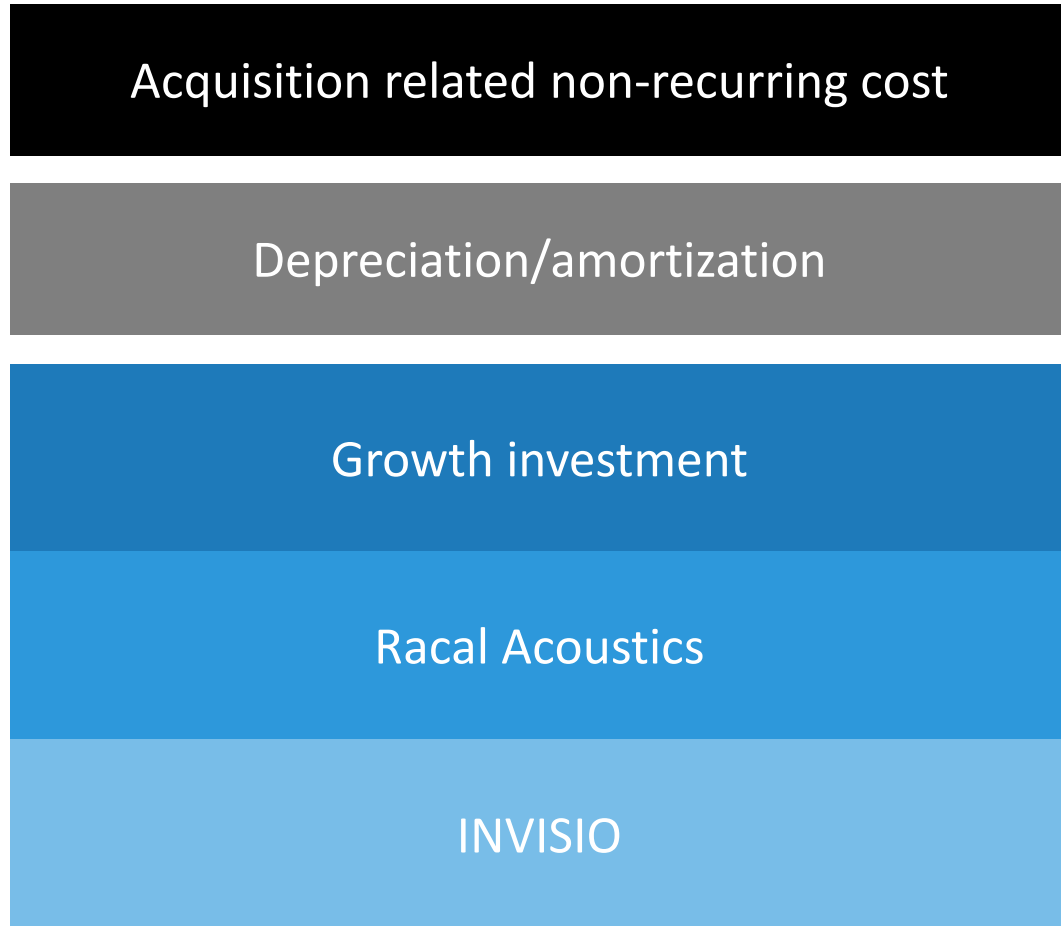
EBITDA per quarter (SEK million) and EBITDA margin rolling 12 months (per cent)



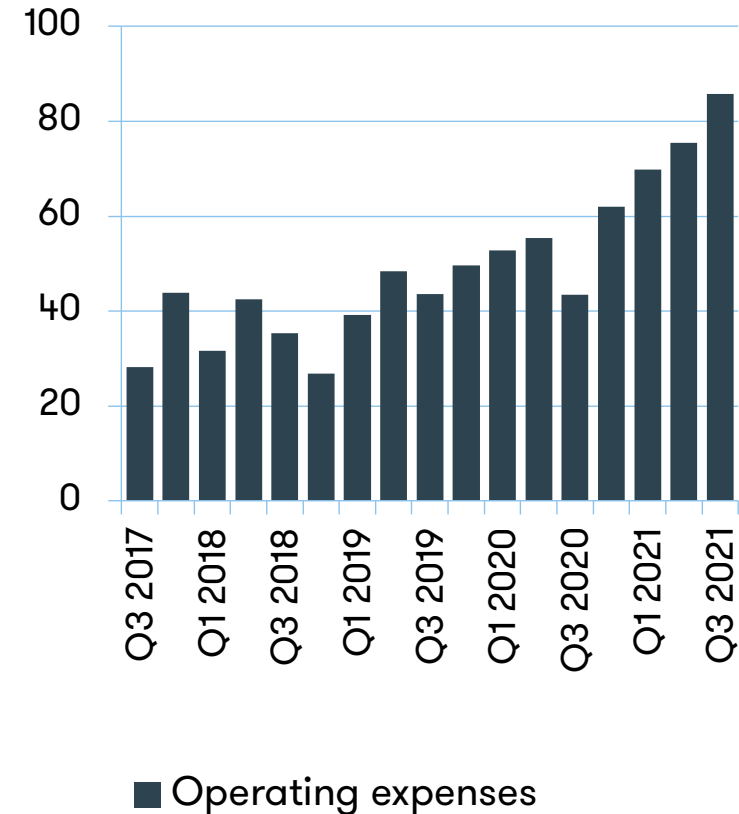
EBIT per quarter (SEK million) and EBIT margin rolling 12 months (per cent)



The structure of the operating expenses in Q3, 2021



Operating expenses per quarter (SEK million)



Depreciation/amortization in Q3 2021

<i>SEK in millions</i>	2021 Q3	2020 Q3	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Depreciation of capitalized development costs	4.9	1.2	14.0	2.9	6.4
Amortization of Other intangible assets*	3.0	-	8.1	-	-
Amortization of Right of use assets, leases	2.1	1.1	7.3	3.2	4.4
Depreciation of Equipment	1.7	0.4	4.3	1.3	1.9
Total	11.7	2.7	33.8	7.4	12.7

*Other intangible assets consist of values allocated to intangible assets, such as customer relations, technology and trademarks, in connection with the acquisition of Racal Acoustics.

Developing INVISIO according to our long-term growth strategy

Strengthen
the sales
organization

Team
of more than
60 salespeople

Software
Defined
Platform

Future-proof
development

Strengthen
the R&D
organization

Experts in AI,
Software &
System
integration

Racal
Acoustics

A global
market leader

Broader
product
portfolio

Intercom, T7,
RA4000 & Gen II
Control Units

CROATIA

INVISIO®

Tactical Communication and Hearing Protection Systems



INVISIO®

RACAL
ACOUSTICS
Part of the INVISIO Group





Cooperation with several partners regarding the Intercom System

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The new technology platform with artificial intelligence is a paradigm shift from hardware to software.

A higher degree of flexibility in developing and launching new functions and customized solutions.



Focus areas

Continued
integration of
Racal Acoustics



Intensify market
penetration further

Full focus on LE and
security, by our own
organization and
our global network
of distribution
partners

Continue to
address selected
countries in Asia,
the Middle East and
South America



The pandemic has impacted our sales in 2020 and 2021 negatively – but the underlying conditions for strong and sustainable growth continue to be very good.

We are convinced that our continued investments in the organization, market development and innovate, market leading solutions will secure our long-term success.





Questions and answers

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Appendix

Condensed consolidated income statement and consolidated statement of comprehensive income

SEK in millions	Note	2021 Q3	2020 Q3	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Revenue	2	142.7	118.7	440.8	359.2	532.0
Cost of goods sold		-60.3	-59.0	-186.2	-152.3	-222.9
Gross profit		82.4	59.8	254.6	206.9	309.0
Operating expenses*	3	-85.7	-43.4	-231.0	-151.6	-213.6
Operating profit/loss		-3.4	16.4	23.6	55.2	95.4
Net financial items		1.0	-8.2	-2.1	-9.1	-10.5
Profit/loss before tax		-2.3	8.2	21.4	46.1	84.9
Income tax	4	-0.5	-1.9	-8.2	-12.3	-23.7
Profit/loss for the period		-2.8	6.2	13.2	33.7	61.2
OTHER COMPREHENSIVE INCOME						
<i>Items that may subsequently be reclassified to profit and loss</i>						
Translation differences		4.0	1.9	15.3	3.4	-14.4
Comprehensive income for the period		1.1	8.1	28.6	37.1	46.8
<small>(Profit/loss attributable to equity holders of the parent company.)</small>						
*Depreciation/amortization incl. in operating expenses	3	-11.7	-2.7	-33.8	-7.4	-12.7

Condensed consolidated statement of financial position

SEK in millions

Assets	Note	30/09/2021	30/09/2020	31/12/2020
Goodwill	5	52.8	-	-
Capitalized development costs	3	93.2	99.0	94.8
Other intangible assets	3, 5	89.5	-	-
Equipment	3	17.7	3.4	4.1
Right-of-use assets, leases	3	35.4	23.1	24.0
Deposits for rent, long-term		2.4	2.3	2.3
Deferred tax assets	4	3.4	4.2	2.8
Inventories		117.6	143.8	115.7
Trade receivables		132.6	86.5	100.4
Other short-term receivables		29.6	16.1	14.0
Cash and cash equivalents		120.9	123.7	157.7
Total assets		695.1	501.9	515.8
Shareholders' equity and liabilities				
Shareholders' equity		406.6	368.2	378.9
Liabilities to credit institutions		90.0	-	-
Lease liabilities		35.8	24.0	23.8
Deferred tax liabilities	4	35.8	15.8	20.5
Trade payables		45.3	33.0	35.3
Other current liabilities		81.5	61.0	57.3
Total shareholders' equity and liabilities		695.1	501.9	515.8

Condensed consolidated statement of cash flow

SEK in millions	Note	2021 Q3	2020 Q3	2021 Jan-Sep	2020 Jan-Sep	2020 Full year
Operating activities						
Profit/loss before tax		-2.3	8.2	21.4	46.1	84.9
Adjustments for non-cash items		11.5	5.6	35.9	13.3	24.0
Income tax paid		-0.2	-4.2	-2.3	-5.3	-12.3
Cash flow from operating activities before changes in working capital		9.0	9.6	54.9	54.1	96.7
Changes in inventories		2.1	-8.5	19.8	-48.5	-27.1
Changes in operating receivables		-15.5	-60.4	-3.3	20.1	-1.6
Changes in operating liabilities		12.9	-7.2	-3.6	9.5	17.6
<i>Cash flow from changes in working capital</i>		-0.4	-76.1	13.0	-18.9	-11.1
Cash flow from operating activities		8.5	-66.5	67.9	35.2	85.6
Investing activities						
Capitalization of development costs		-1.5	-4.0	-10.9	-15.1	-19.1
Changes in other intangible assets		0.0	-	12.1	-	-
Investments in subsidiaries	5	-	-	-185.6	-	-
Acquisition of property, plant, and equipment		-0.8	-0.9	-3.4	-2.7	-6.2
Acquisition of financial assets		0.0	0.0	-0.1	0.0	-0.1
Cash flow from investing activities		-2.3	-4.9	-188.0	-17.8	-25.4
Financing activities						
New issues through exercising employee stock options		0.2	-	26.9	-	-
Borrowings		-5.0	-	90.0	-	-
Changes in lease liabilities		-1.9	-1.0	-6.0	-1.9	-2.1
Dividend paid		-	-	-30.9	-37.5	-37.5
Cash flow from financing activities		-6.6	-1.0	80.0	-39.4	-39.5
CASH FLOW FOR THE PERIOD		-0.4	-72.3	-40.1	-22.0	20.7
Cash and cash equivalents at start of period		120.4	194.0	157.7	145.1	145.1
Translation differences in cash and cash equivalents		0.8	2.0	3.2	0.5	-8.1
Cash and cash equivalents at end of period		120.9	123.7	120.9	123.7	157.7