

INVISIO

INVISIO®
25th anniversary

A strong start to 2024

Investor Conference Call
May 7, 2024
CEO Lars Højgård Hansen

Protection at
work,
a better life at
home

A strong start to the year

- INVISIO received a record order for our Intercom system worth SEK 230 million, along with an order of SEK 235 million for third-party radio systems for armored vehicles ...
- ... resulting in a record high order intake of SEK 670 million and an order book exceeding SEK 1 billion.
- The newly launched AI-enhanced X7 headset offers groundbreaking performance – and by far the best hearing protection on the market, according to an independent test.
- Revenue in line with Q1 last year and profitability remains good.
- We expect market activity to remain high for many years to come and we are well placed to continue to deliver profitable growth

SEK **673**_m
Order intake,
Q1 2024

30%
Sales growth R12

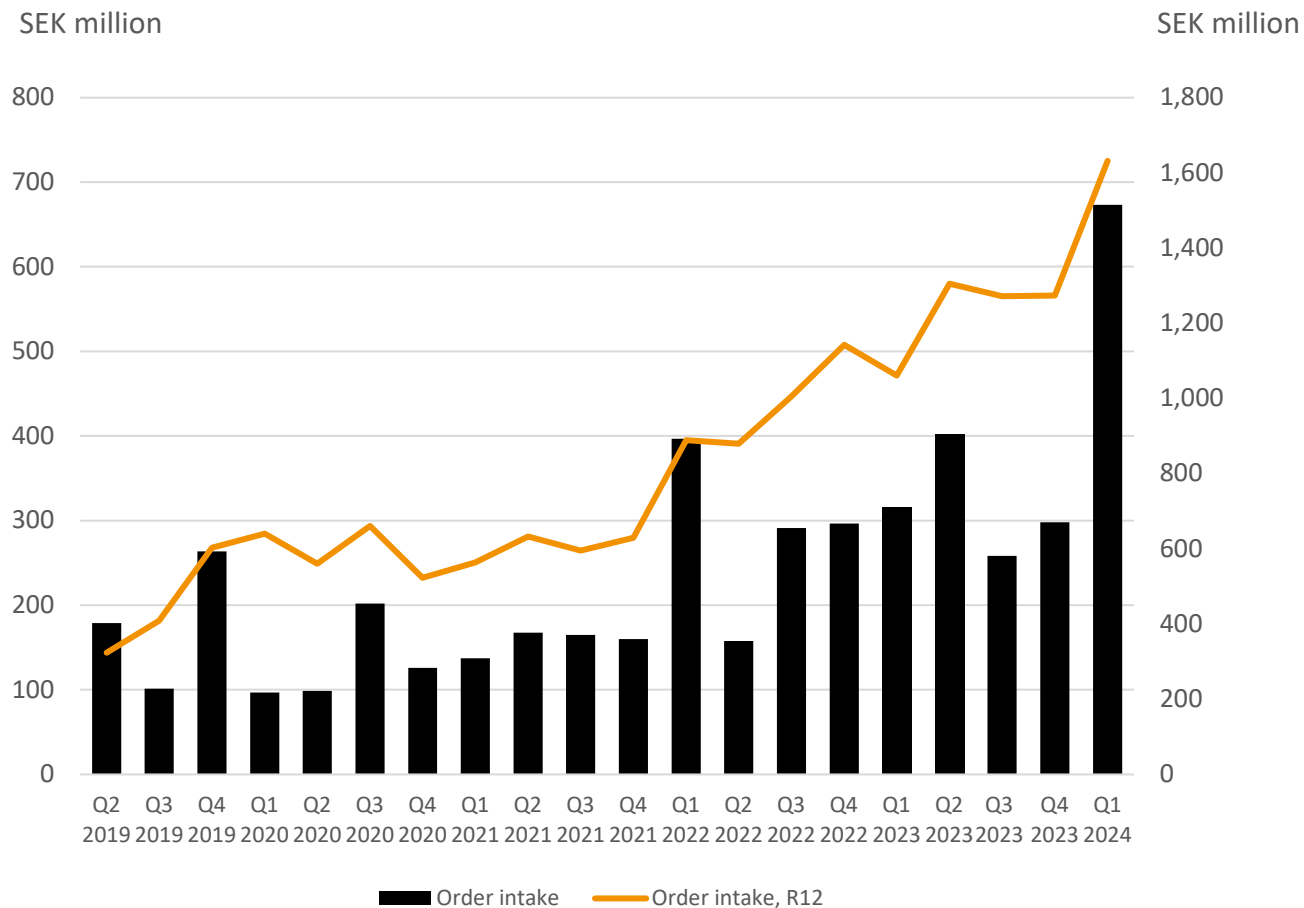
SEK **1,025**_m
Order book,
Q1 2024

16%
Operating margin,
Q1 2024

SEK **308**_m
Revenue,
Q1 2024

17%
Operating margin R12

Record high order intake

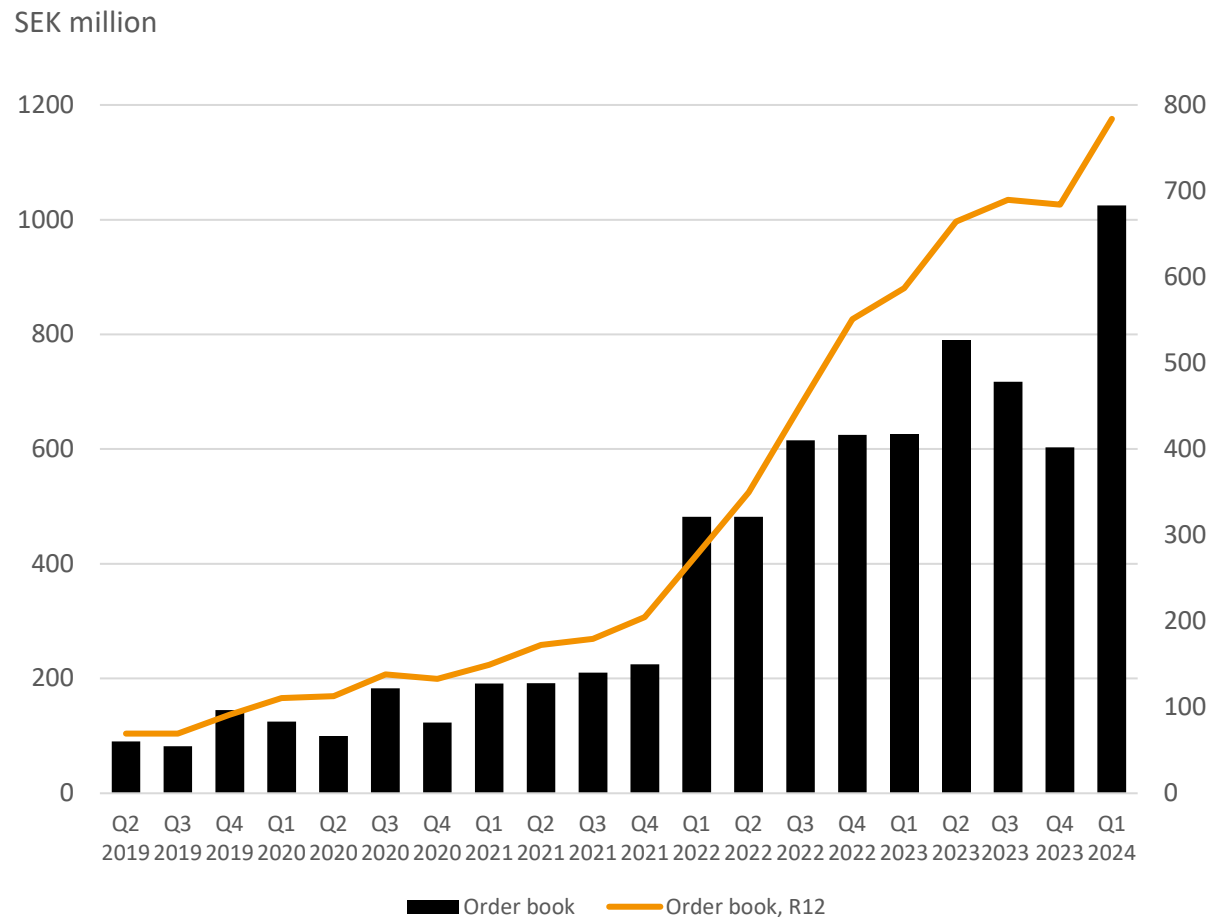


- Order intake of SEK 673 million, or SEK 438 million excluding the radio order.
- Intercom system order of SEK 230 million and third-party radio order worth SEK 235 million.
- Customers increasingly favor tried and tested solutions.

SEK million	Q1 2024	Q1 2023	Delta %	R12	FY 2023
Order intake	673.1	315.2	114	1,631.5	1,273.5
Order intake excluding radio order*	438.1	315.2	39	1,396.5	1,273.5

* Further information is available in the press release published on March 12, 2024

Robust order book and strong delivery capability

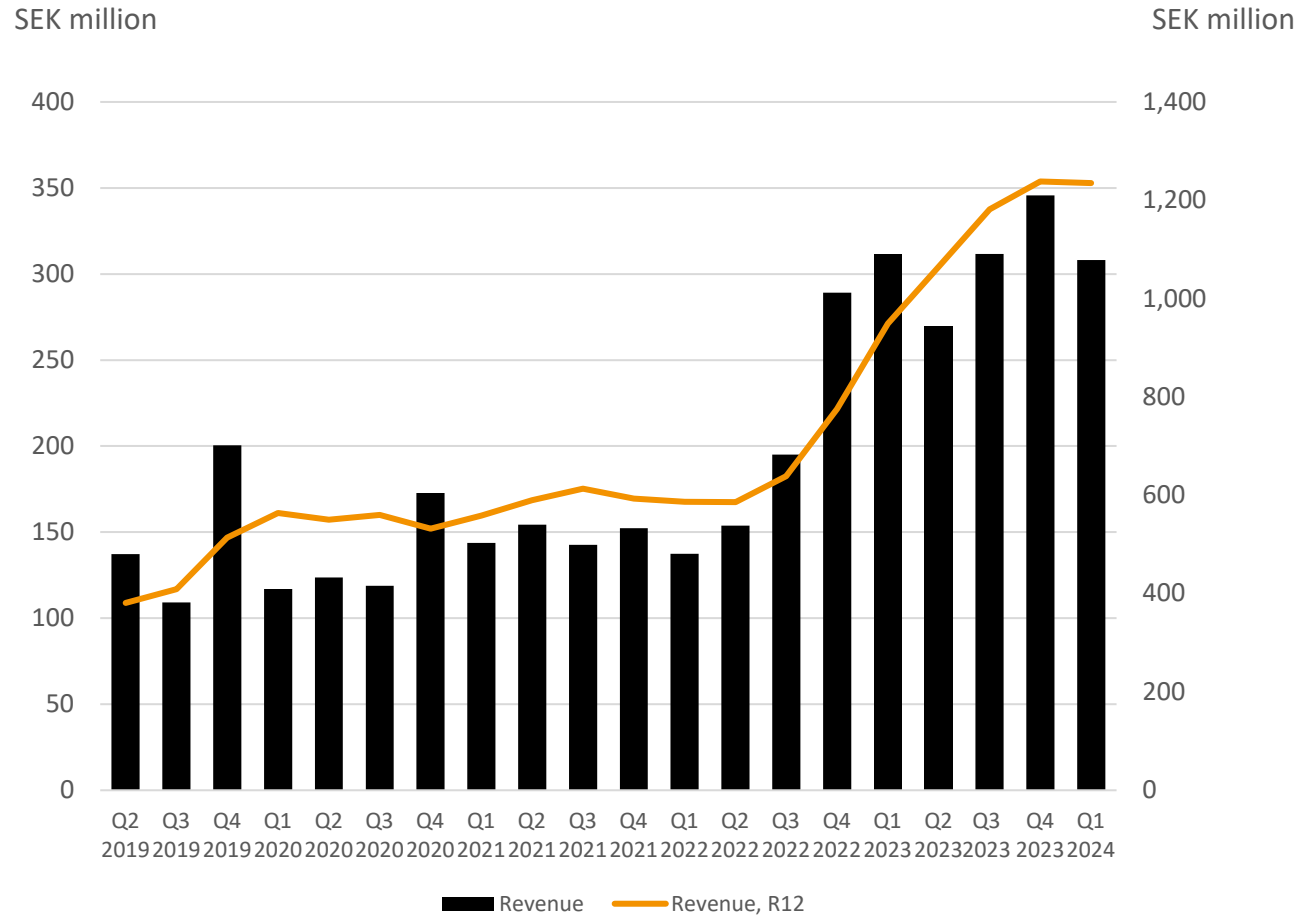


- Order book of SEK 1,025 million or SEK 790 million excluding the radio order.
- Approximately 80 percent of the order book will be delivered within 12 months.
- Standard-product inventory of SEK 252 million, reflecting upcoming deliveries.
- Rapid delivery has become a significant competitive advantage.

SEK million	Q1 2024	Q1 2023	Delta %	FY 2023
Order book	1,025.1	626.7	64	602.8
Order book excluding radio order*	790.1	626.7	26	602.8

* Further information is available in the press release published on March 12, 2024.

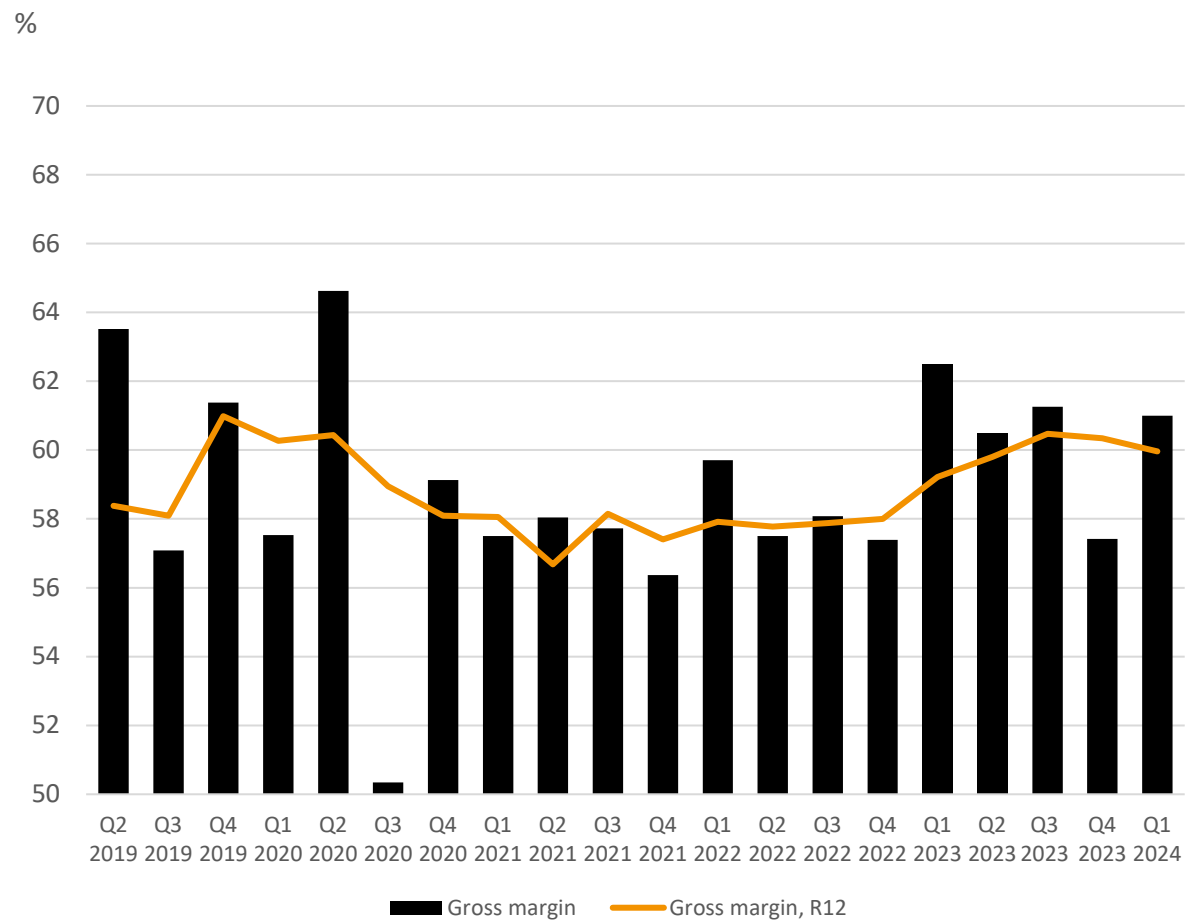
Six consecutive quarters of strong revenue



- Revenue in line with Q1 2023.
- Deliveries are made according to customers' requirements.
- No currency effect.
- Higher market activity, broader product portfolio and increased sales resources enable continued revenue growth in line or above target.

SEK million	Q1 2024	Q1 2023	Delta %	FY 2023
Revenue	308.2	311.3	-1	1,238.5

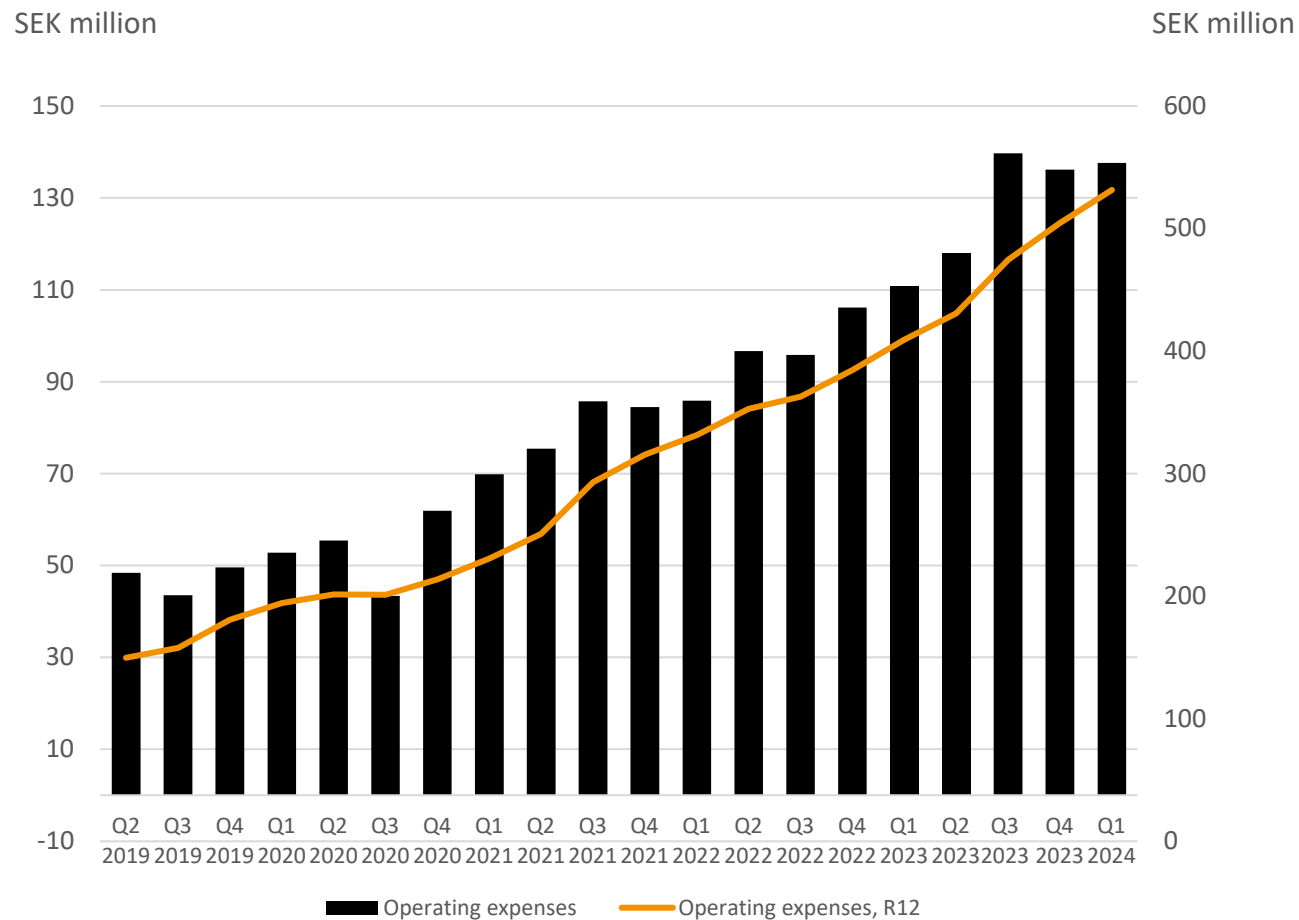
Gross margin exceeds 60 percent



- Gross margin (GM) at 61.0 percent (62.5).
- The GM for the radio order will be less than 10 percent. This effect is expected to be visible in the Q2 2024 report.

SEK million	Q1 2024	Q1 2023	Delta %	FY 2023
Gross margin	61.0	62.5	-1	60.3

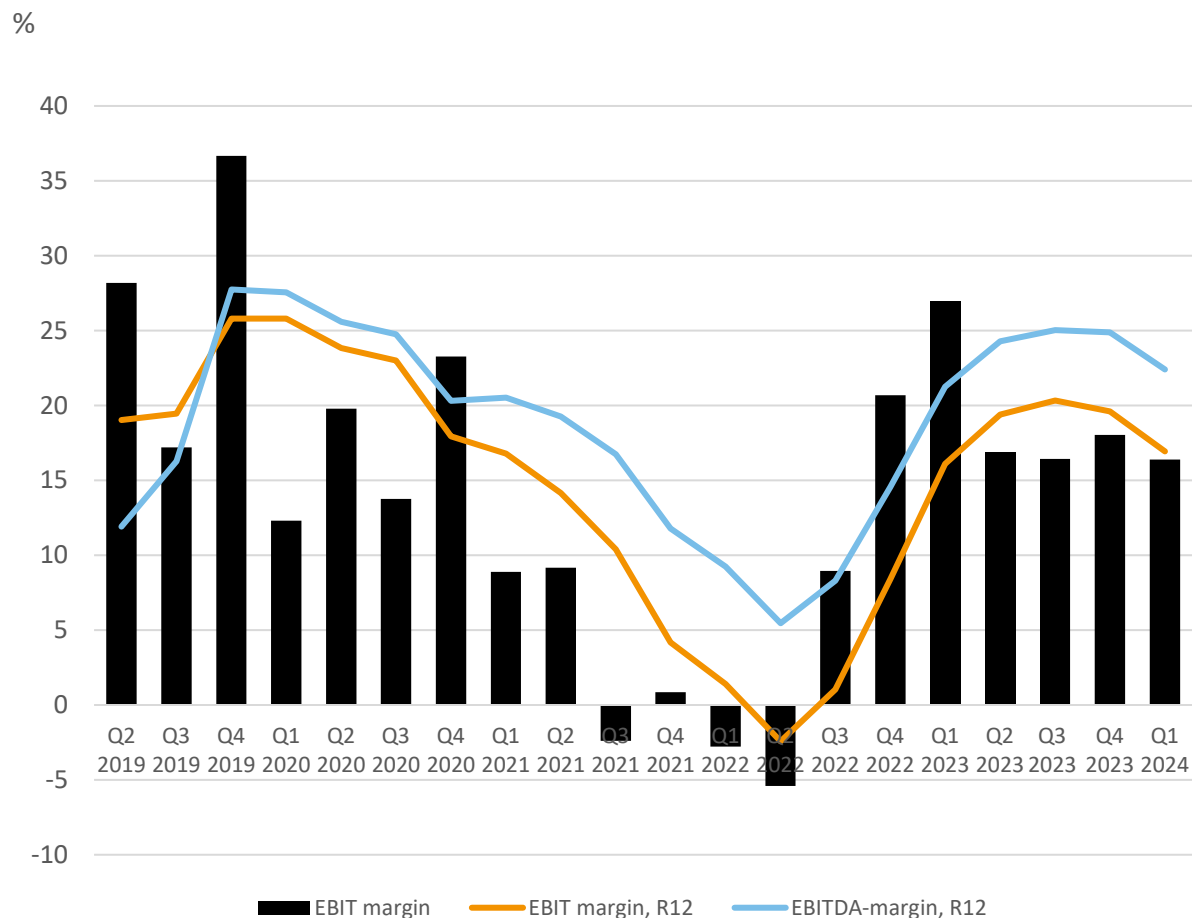
Stable trend for operating expenses



- Operating expenses were largely in line with the prior quarter but were 24 percent higher than in Q1 2023.
- The increase related primarily to future-focused investments in hiring more R&D and sales personnel, in accordance with the growth strategy.
- Headcount R12 rose by 18 percent while revenue increased by over 30 percent.

SEK million	Q1 2024	Q1 2023	FY 2023
OPEX	137.6	110.7	504.5
<i>OPEX (excl. depreciation and amortization)</i>	<i>122.7</i>	<i>98.0</i>	<i>439.2</i>

Margins at satisfactory levels



- The operating margin was in line with the fourth quarter of 2023 and R12, but lower than the corresponding quarter of the previous year. This is due to the fact that in the growing sales trend, we still see fluctuations between quarters while our investments in organization and R&D are growing more evenly.
- EBIT margin is expected to improve with growing sales.

SEK million	Q1 2024	Q1 2023	Difference (units)	FY 2023
EBIT margin	16.4	26.9	-10,5	19.6
EBITDA margin	21.2	31.0	-9,8	24.9



SEK 230 million order for Intercom system...

- The order from a European customer for INVISIO Intercom systems includes a full suite of INVISIO Dismounted Soldier systems.
- INVISIO will act as prime contractor and system integrator for the entire communications system, including vehicle radios.
- Total order value is SEK 465 million. Deliveries are planned to start in Q2 and are estimated to conclude in Q4 2024.



... Including third party radios

- The order also entails a maintenance and spare parts package, which will be delivered during 2025 and 2026.
- The third-party vehicle radios order will have an impact on the gross margin as INVISIO will receive a service margin of less than 10 percent.
- INVISIO sees the order as a part of a trend in which customers increasingly favor tested and proven solutions.

Launch of INVISIO X7 Headset

- The INVISIO X7 offers a whole new level of comfort, ease of use and hearing protection.
- A recent independent test credited the INVISIO X7 with delivering an industry-first level of hearing protection superior to all other tactical headsets for dismounted use.
- An INVISIO X7 user can tolerate three times higher noise levels and cope with eight times longer exposure to that noise.
- Strong sales are expected already in 2024.



Continued high market activity

- Overall activity levels continued to be high in our markets during the quarter.
- Strong interest from existing and potential new customers, especially in systems designed for heavy armored vehicles and environments exposed to consistently high noise levels.
- We expect market activity to remain high for many years to come. INVISIO is well placed to continue to deliver profitable growth.



Q&A

Appendix

Condensed consolidated income statement and consolidated statement of comprehensive income

SEK million	Note	Jan-Mar		Full year
		2024	2023	2023
Revenue	2	308.2	311.3	1,238.5
Cost of goods sold		-120.2	-116.8	-491.2
Gross profit		188.0	194.6	747.3
Operating expenses*	3	-137.6	-110.7	-504.5
Operating profit		50.4	83.9	242.9
Net financial items		0.8	-0.2	-1.0
Profit before tax		51.2	83.6	241.9
Income tax	4	-15.2	-23.6	-63.5
Profit for the period		35.9	60.0	178.4
OTHER COMPREHENSIVE INCOME				
<i>Items that may subsequently be reclassified to profit or loss</i>				
Translation differences from foreign operations for the period		34.3	7.6	-4.7
Comprehensive income for the period		70.3	67.6	173.7
(Attributable to parent company shareholders)				
* Operating expenses include depreciation of	3	-14.9	-12.7	-65.3

Share data

Note	Jan-Mar		Full year
	2024	2023	2023
Earnings per share for the period, SEK	0.79	1.33	3.91
Earnings per share after dilution, SEK	0.79	1.32	3.91
Equity per share, SEK	17.41	12.86	15.80
Equity per share after dilution, SEK	17.17	12.51	15.58
Equity/assets ratio, %	72	65	68
Number of shares, thousands	45,590	45,049	45,590
Average number of shares outstanding, thousands	45,590	45,049	45,366
Average number of shares outstanding after dilution, thousands	46,237	46,298	46,237
Share price at close of period, SEK	243.50	214.00	195.60

Condensed consolidated statement of financial position

SEK million	Note	March 31, 2024	March 31, 2023	Dec 31, 2023
ASSETS				
Non-current assets				
Goodwill		61.2	57.3	58.0
Capitalized development costs	3	121.2	107.4	110.7
Other intangible assets	3	68.1	77.5	67.7
Property, plant and equipment	3	35.1	21.9	32.9
Rights of use, leases	3	31.7	28.5	34.2
Long-term deposits for rent		4.4	3.5	4.3
Deferred tax assets	4	10.2	6.2	2.6
Total non-current assets		332.0	302.3	310.4
Current assets				
Inventories		252.0	147.5	238.2
Trade receivables		216.8	206.4	219.5
Other current receivables		73.1	48.6	59.9
Cash and cash equivalents		233.0	190.3	224.9
Total current assets		774.8	592.8	742.5
TOTAL ASSETS		1,106.8	895.1	1,053.0

SEK million	Note	March 31, 2024	March 31, 2023	Dec 31, 2023
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity		793.7	579.3	720.4
Non-current liabilities				
Liabilities to credit institutions		-	40.0	-
Lease liabilities		26.7	20.4	26.9
Deferred tax liabilities	4	38.5	39.5	37.6
Total non-current liabilities		65.1	99.9	64.4
Current liabilities				
Liabilities to credit institutions		-	20.0	-
Trade payables		98.2	89.3	97.1
Lease liabilities		10.6	10.4	10.9
Other current liabilities		139.2	96.3	160.1
Total current liabilities		248.0	216.0	268.1
TOTAL EQUITY AND LIABILITIES		1,106.8	895.1	1,053.0

SEK million	Note	March 31, 2024	March 31, 2023	Dec 31, 2023
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY				
Opening balance		720.4	510.0	510.0
New issue through exercise of employee stock options		-	-	58.6
Employee stock option program		3.0	1.6	9.6
Dividend		-	-	-31.5
Comprehensive income		70.3	67.6	173.7
Closing balance		793.7	579.3	720.4

Condensed consolidated statement of cash flow

SEK million	Note	Jan-Mar		Full year
		2024	2023	2023
Operating activities				
Profit before tax		51.2	83.6	241.9
Adjustments for non-cash items		18.0	16.6	75.0
Income tax paid		-12.2	-7.4	-33.3
Cash flow from operating activities before changes in working capital		57.0	92.7	283.6
Changes in inventories		-1.8	-1.6	-98.5
Changes in operating receivables		3.2	-17.4	-48.8
Changes in operating liabilities		-41.6	6.5	68.5
<i>Cash flow from changes in working capital</i>		<i>-40.2</i>	<i>-12.5</i>	<i>-78.9</i>
Cash flow from operating activities		16.7	80.2	204.7
Investing activities				
Capitalization of development costs		-11.6	-8.6	-32.4
Purchases of property, plant and equipment		-1.7	-9.8	-21.0
Acquisitions of financial assets		-	-0.8	-1.6
Cash flow from investing activities		-13.3	-19.1	-55.0

SEK million	Note	Jan-Mar		Full year
		2024	2023	2023
Financing activities				
New issue through exercising employee stock options		-	-	58.6
Raising/amortization of loans		-	-5.0	-65.0
Changes in lease liabilities		-2.7	5.9	-10.6
Dividend paid		-	-	-31.5
Cash flow from financing activities		-2.7	0.9	-48.5
CASH FLOW FOR THE PERIOD		0.8	61.9	101.3
Cash and cash equivalents at start of period		224.9	127.1	127.1
Translation differences in cash and cash equivalents		7.3	1.3	-3.4
Cash and cash equivalents at close of period		233.0	190.3	224.9