

INVISIO



Interim Report January – September 2023

Strong sales and a healthy order book

Investor Conference Call October 25, 2023
CEO Lars Højgård Hansen



Protection
at work,
a better life
at home

Highlights Q3, 2023

Strong sales and a healthy order book

- The positive operating trend continued in Q3.
- Order intake surpassed SEK 250 million.
- Order book exceeds SEK 700 million.
- Revenue exceeded SEK 300 million – the highest ever for a single quarter. Sales growth of 85 percent R12.
- Operating margin above financial target both in the quarter and R12.
- High activity level in our markets.
- Strong interest in our new products at DSEI and AUSA.

SEK 258_m

Order intake, Q3 2023

SEK 717_m

Order book, Q3 2023

SEK 312_m

Revenue, Q3 2023

16%

Operating margin, Q3 2023

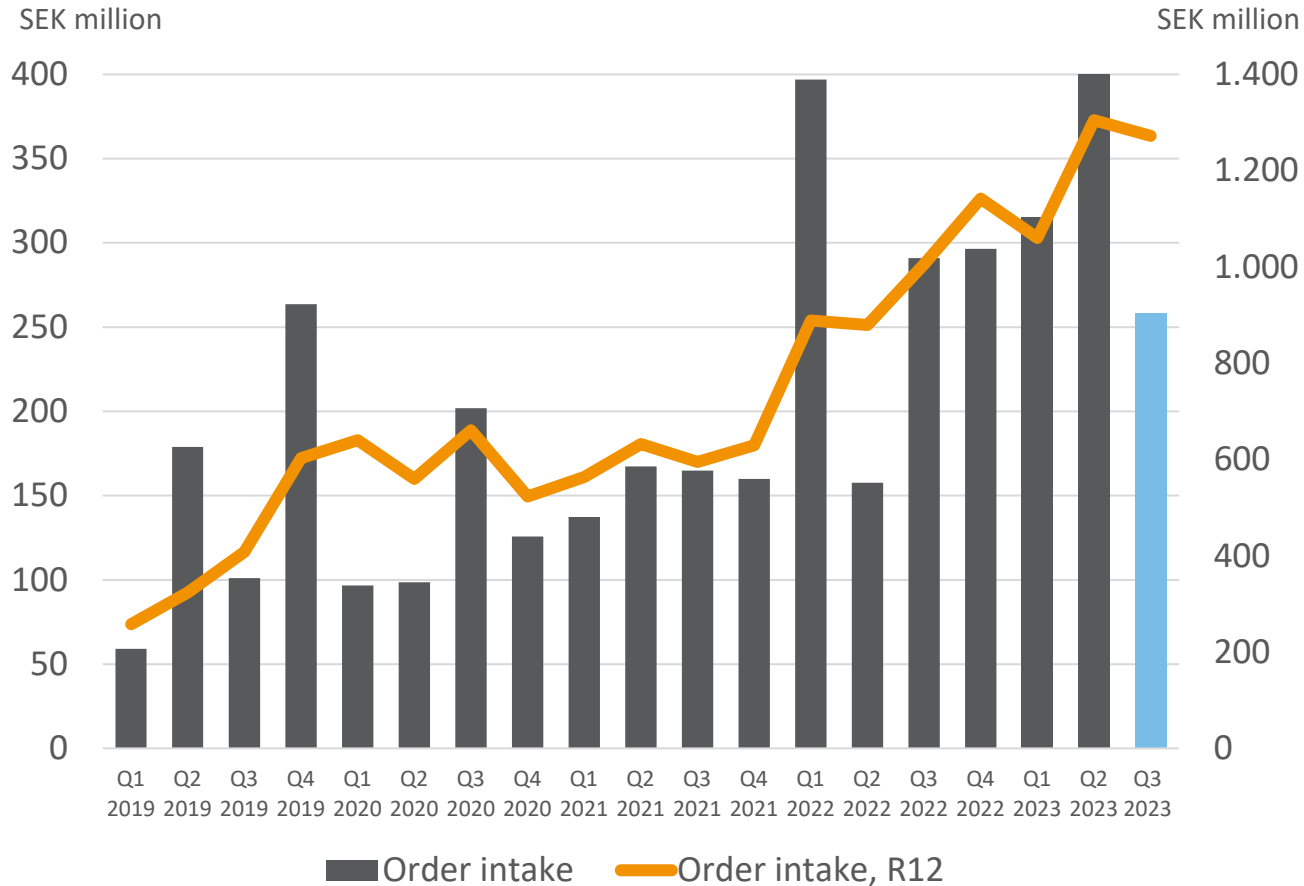
85%

Revenue growth, R12

20%

Operating margin, R12

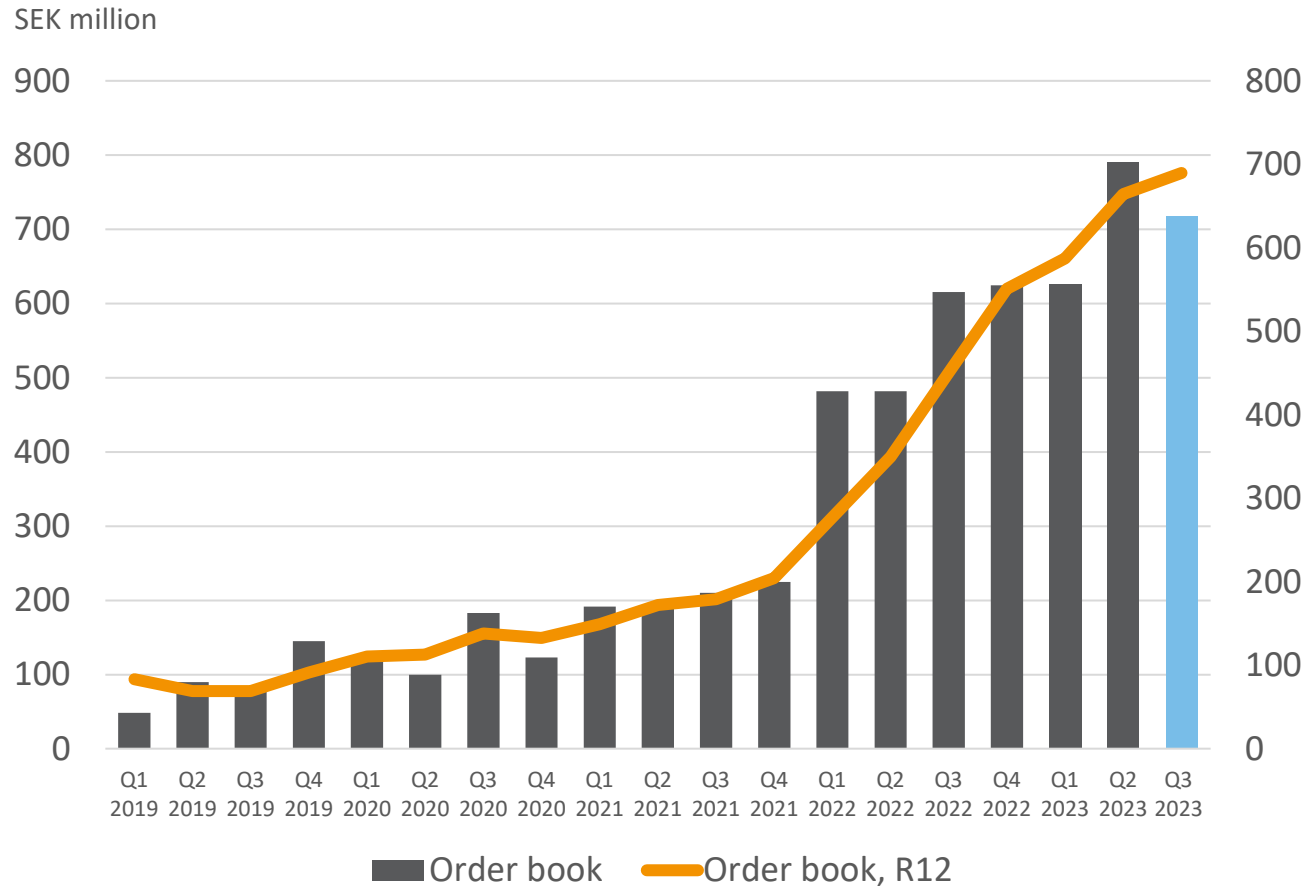
Order intake of SEK 1.2 million R12



- Order intake SEK 250+ million in the quarter.
- Order intake YTD close to SEK 1 billion.
- Continued strong inflow of small and medium sized orders.

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Difference, %	R12	FY 2022
Order intake	258.4	291.0	975.5	845.2	-11 / 15	1,272	1,141.6

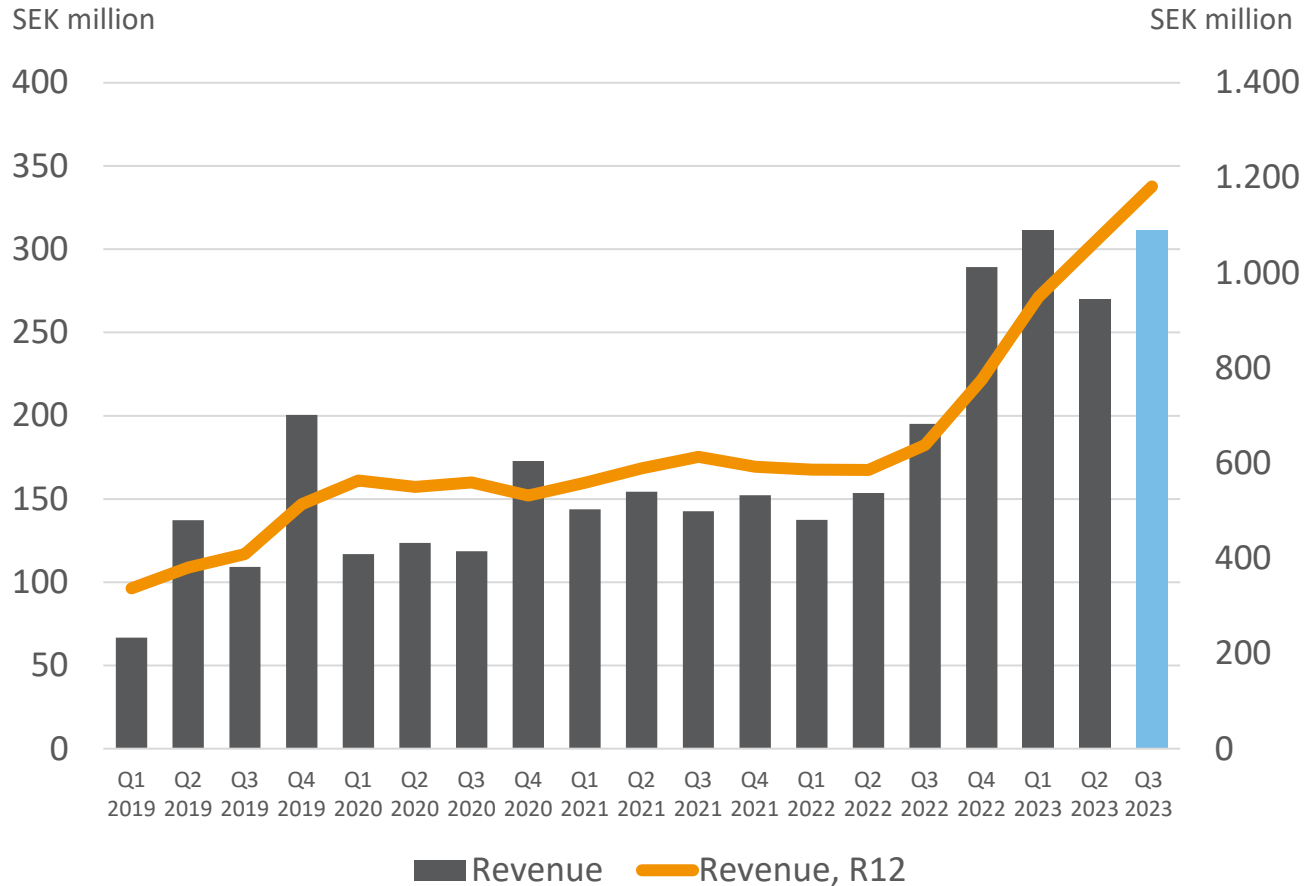
Most of order book to be delivered in next couple of quarters



- Order book stands at SEK 718 million.
- The higher inventory reflects upcoming deliveries.
- Standard products – almost zero scrapping.

SEK million	Q3 2023	Q3 2022	Difference, %	FY 2022
Order book	717.5	615.5	17	624.7

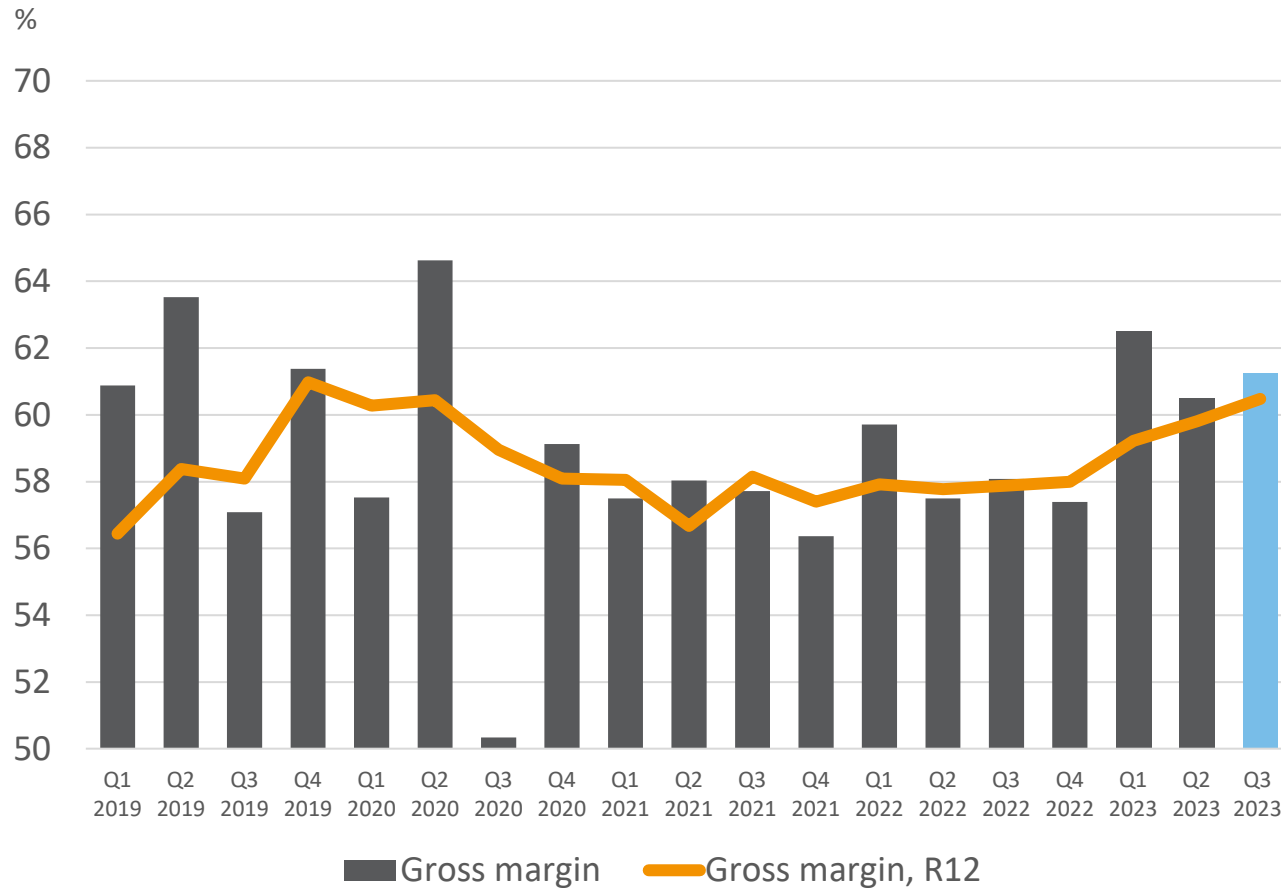
Record high revenue



- Q3 revenue of SEK 312 million, up 60 percent from Q3 2022 or 48 percent in comparable currencies.
- Revenue YTD close to SEK 900 million and approx. SEK 1.2 billion R12.

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Difference, %	R12	FY 2022
Revenue	311.6	195.1	892.8	486.2	60 / 84	1,182	775.5

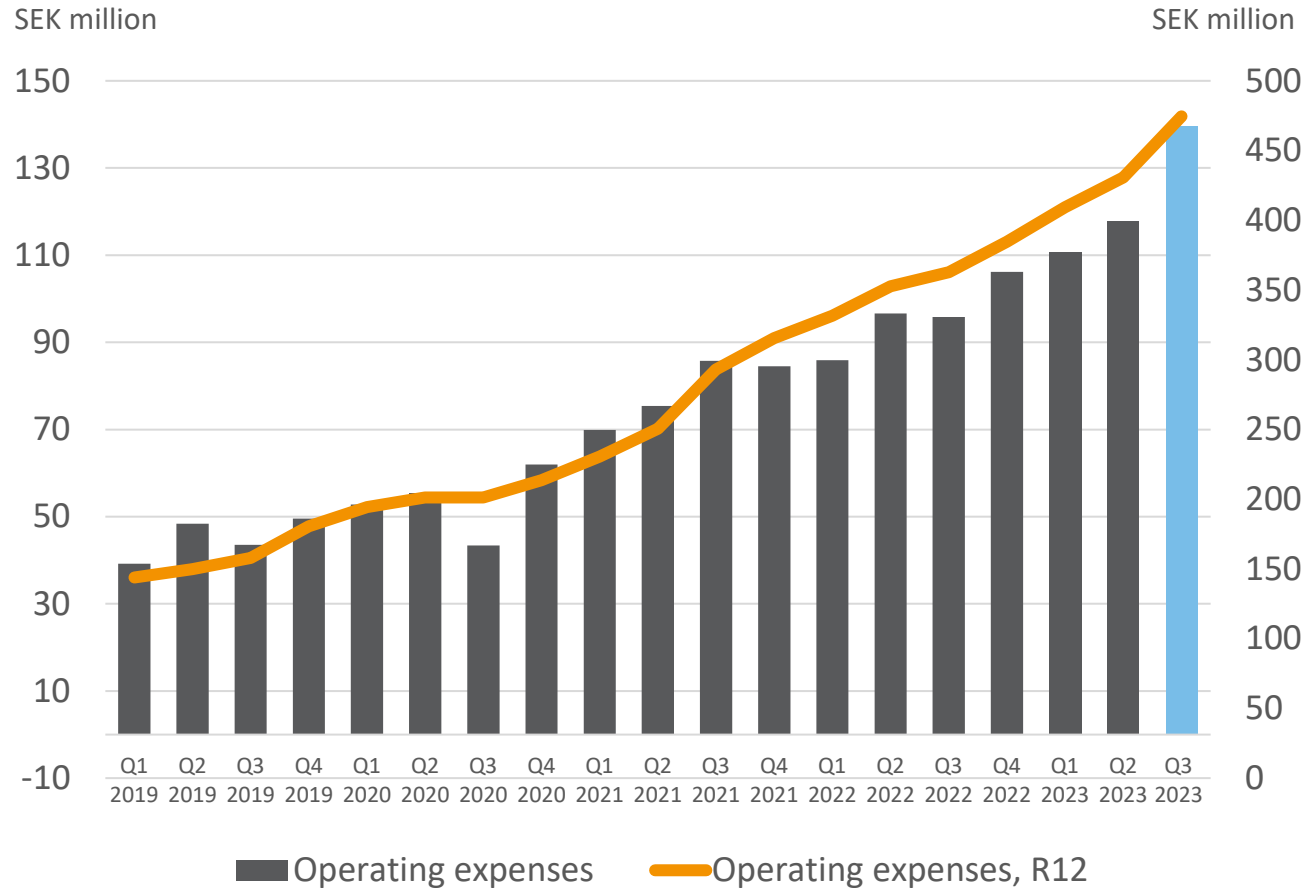
Gross margin >60 percent in Q3 & YTD



- Gross margin exceeded 60 percent both in Q3 and nine months ended September 30.
- Main drivers of the gross margin are the ratio of direct sales versus via distribution partners ...
- ... and the product mix during the reporting period.

Percent	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Difference, units	R12	FY 2022
Gross margin	61.3	58.1	61.5	58.4	3.2 / 3.1	60.5	58.0

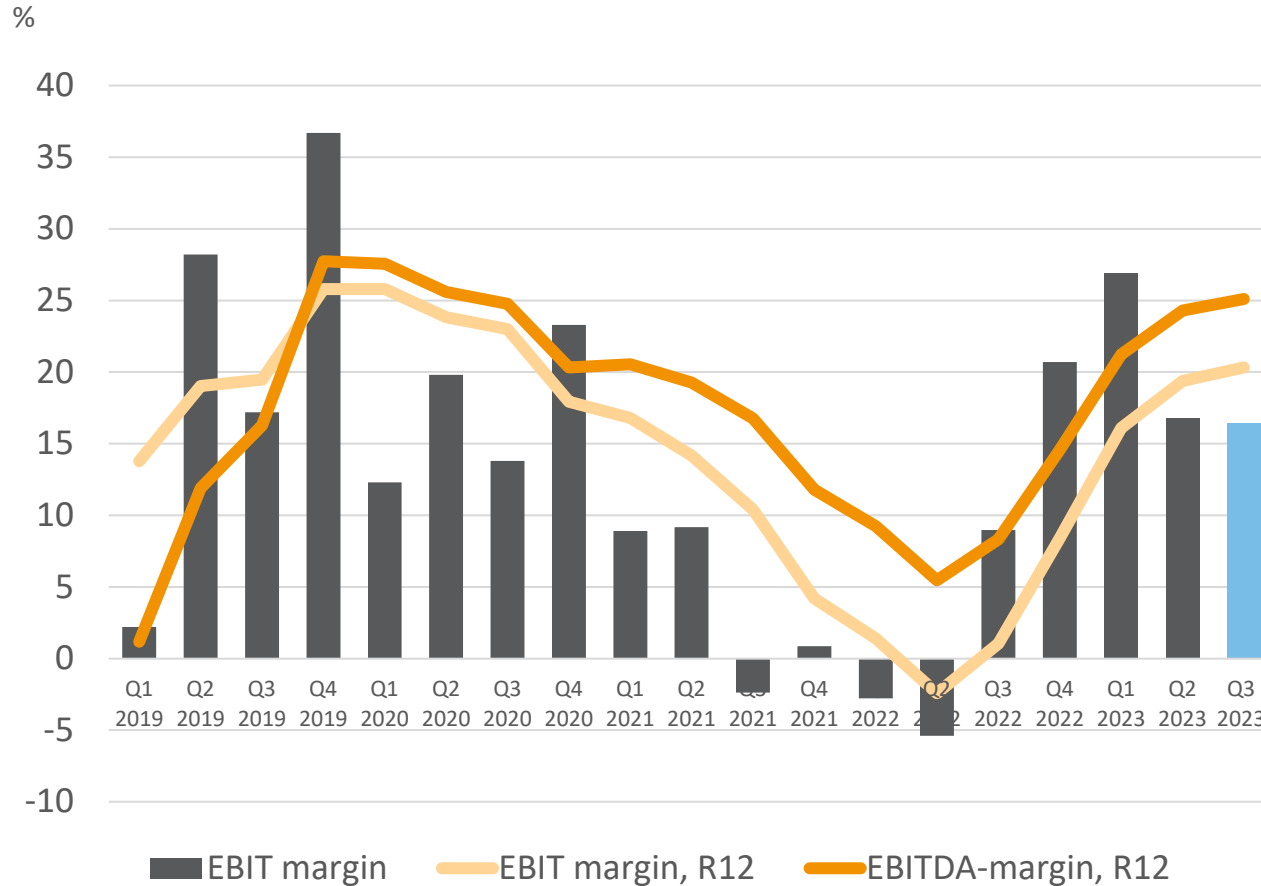
Operating expenses



- Investments in product development and organization drive OPEX.
- OPEX excl. depreciation and amortization was up 33 percent YTD. In comparable currencies, the increase was 25 percent, which is approximately SEK 21 million.
- Strong order inflow and profitability in 2023 led to an extra provision to the incentive program over and above plan.

SEK million	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Difference, %	R12	FY 2022
OPEX	139.7	95.8	368.3	278.4	46 / 32	474.5	384.5

Margins at satisfactory levels



- EBIT and EBITDA margins in Q3 and YTD remained at satisfactory levels...
- ...despite the extra provision to the incentive program above plan.
- Average EBIT margin for last 12 months (R12) of 20 percent.

Percent	Q3 2023	Q3 2022	Jan-Sep 2023	Jan-Sep 2022	Difference, units	R12	FY 2022
EBIT margin	16.4	9.0	20.2	1.1	7.4 / 19.1	20.3	8.4
EBITDA margin	21.4	15.0	25.0	8.3	6.4 / 16.7	25.1	14.6



**High level of activity in our markets.
And the impact of increased defense
spending is still to come.**

Tougher EU regulations give us a competitive advantage and further strengthen our offer

- Sustainability is becoming a procurement parameter.
- INVISIO to start reporting in line with new EU regulations by 2026.
- Sustainability - a natural part from the beginning.
- Our climate and environmental impacts are limited.
- First phase of major ESG project finished in Q3.
- Extensive regulations favor established suppliers.

“We work only with established partners sharing our values of sustainability, business ethics and quality”

Positive expectations for coming quarters

Market activity is high, and we believe it will remain so for a long time to come.

We therefore expect strong order intake going forward and we reiterate our view that revenue and profitability will remain strong over the course of coming quarters.



Q&A



Appendix

Condensed consolidated income statement and consolidated statement of comprehensive income

SEK million	Note	Q3		Jan-Sep		Full year
		2023	2022	2023	2022	2022
Revenue	2	311.6	195.1	892.8	486.2	775.5
Cost of goods sold		-120.7	-81.8	-344.0	-202.5	-325.7
Gross profit		190.9	113.3	548.8	283.7	449.7
Operating expenses*	3	-139.7	-95.8	-368.3	-278.4	-384.5
Operating profit		51.2	17.5	180.5	5.4	65.2
Net financial items		3.3	1.5	-4.8	1.6	-2.7
Profit/loss before tax		54.6	19.0	175.8	7.0	62.5
Income tax	4	-14.4	-5.6	-48.3	-5.2	-18.0
Profit/loss for the period		40.2	13.5	127.5	1.8	44.5
OTHER COMPREHENSIVE INCOME						
<i>Items that may subsequently be reclassified to profit or loss.</i>						
Translation differences from foreign operations for the period		-18.9	12.2	24.6	34.0	38.7
Comprehensive income for the period		21.3	25.7	152.1	35.8	83.2
<i>(Attributable to parent company shareholders)</i>						
* Operating expenses include depreciation of	3	-15.3	-11.9	-43.1	-35.1	-47.8

Share data

	Q3		Jan-Sep		Full year
	2023	2022	2023	2022	2022
Earnings per share for the period, SEK	0.88	0.30	2.80	0.04	0.99
Earnings per share after dilution for the period, SEK	0.88	0.30	2.79	0.04	0.99
Equity per share, SEK	15.27	10.24	15.27	10.24	11.32
Equity per share after dilution, SEK	14.81	10.24	14.81	10.24	11.32
Equity/assets ratio, %	66	61	66	61	64
Number of shares, thousands	45,590	45,049	45,590	45,049	45,049
Average number of shares outstanding, thousands	45,590	45,049	45,291	44,768	44,838
Average number of outstanding shares after dilution, thousands	46,269	45,049	46,269	45,049	45,049
Share price at close of period, SEK	197.80	135.60	197.80	135.60	164.60

Condensed consolidated statement of financial position

SEK million	Note	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
ASSETS				
Non-current assets				
Goodwill		60.3	55.5	56.2
Capitalized development costs	3	116.3	98.1	103.5
Other intangible assets	3	73.7	81.2	79.2
Property, plant and equipment	3	30.1	19.0	20.8
Rights of use, leases	3	34.1	24.9	22.8
Long-term deposits for rent		3.6	2.7	2.7
Deferred tax assets	4	10.2	5.7	3.6
Total non-current assets		328.3	287.2	288.9
Current assets				
Inventories		216.8	156.4	144.4
Trade receivables		238.2	153.5	194.5
Other current receivables		61.2	35.0	45.0
Cash and cash equivalents		211.2	118.5	127.1
Total current assets		727.5	463.4	511.0
TOTAL ASSETS		1,055.7	750.6	799.9

SEK million	Note	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity		696.3	461.5	510.0
Non-current liabilities				
Liabilities to credit institutions		-	50.0	45.0
Lease liabilities		26.6	18.1	16.1
Deferred tax liabilities	4	40.3	33.8	34.6
Total long-term liabilities		66.9	101.9	95.6
Current liabilities				
Liabilities to credit institutions		—	20.0	20.0
Trade payables		111.7	75.4	63.7
Lease liabilities		11.5	8.7	8.7
Other current liabilities		169.3	83.0	101.9
Total current liabilities		292.5	187.2	194.3

SEK million	Note	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY				
Opening balance		510.0	417.5	417.5
New issue through exercising employee stock options		58.6	36.0	36.0
Employee stock option program		7.2	3.4	4.5
Dividend		-31.5	-31.2	-31.2
Comprehensive income		152.1	35.8	83.2
Closing balance		696.3	461.5	510.0

Condensed consolidated statement of cash flow

SEK million	Q3		Jan-Sep		Full year
	2023	2022	2023	2022	2022
Operating activities					
Profit/loss before tax	54.6	19.0	175.8	7.0	62.5
Adjustments for non-cash items	17.1	12.1	54.0	40.1	57.4
Income tax paid	-0.4	-1.3	-11.1	-10.2	-19.0
Cash flow from operating activities before changes in working capital	71.3	29.8	218.7	36.9	100.9
Changes in inventories	-25.8	-9.0	-66.6	-25.0	-13.9
Changes in operating receivables	-105.9	-43.2	-52.7	-28.2	-81.9
Changes in operating liabilities	62.1	26.5	68.5	31.8	36.6
<i>Cash flow from changes in working capital</i>	<i>-69.6</i>	<i>-25.7</i>	<i>-50.8</i>	<i>-21.3</i>	<i>-59.2</i>
Cash flow from operating activities	1.8	4.1	167.9	15.6	41.7
Investing activities					
Capitalization of development costs	-10.1	-4.1	-28.1	-14.9	-23.9
Purchases of property, plant, and equipment	-4.1	-4.3	-33.8	-6.3	-9.6
Acquisition of financial assets	0.0	0.0	-0.8	-0.1	-0.1
Cash flow from investing activities	-14.3	-8.4	-62.8	-21.3	-33.5

SEK million	Q3		Jan-Sep		Full year
	2023	2022	2023	2022	2022
Financing activities					
New issue through exercising employee stock options	—	1.3	58.6	36.0	36.0
Raising / amortization of loans	—	-5.0	-65.0	-15.0	-20.0
Changes in lease liabilities	-3.1	-1.6	13.0	-7.7	-9.9
Dividend paid	—	—	-31.5	-31.2	-31.2
Cash flow from financing activities	-3.1	-5.4	-24.9	-17.9	-25.1
CASH FLOW FOR THE PERIOD	-15.6	-9.7	80.2	-23.6	-17.0
Cash and cash equivalents at start of period	232.3	125.5	127.1	134.8	134.8
Translation differences in cash and cash equivalents	-5.4	2.7	3.9	7.3	9.2
Cash and cash equivalents at end of period	211.2	118.5	211.2	118.5	127.1