



surgicalscience

Presentation of Interim Report Q1

May 14th 2025

CEO comments – Q1

- Solid topline growth of 30% excl. currency effects
- Intelligent Ultrasound welcomed into Surgical Science
- Revenue bounce back in Educational Products of 55% (32% excl. Intelligent Ultrasound), despite more challenging market climate
- All-time-high license revenues (SEKm 84, +33%) and Industry/OEM growth of 17%
- Very high market activity and strong procedural growth in Robotic surgery
- Operating profit excl. acquisition & restructuring costs SEKm 50 or 20% (14)
- Initiation of strategic review and revised financial targets





Updated financial goals

The sales target:

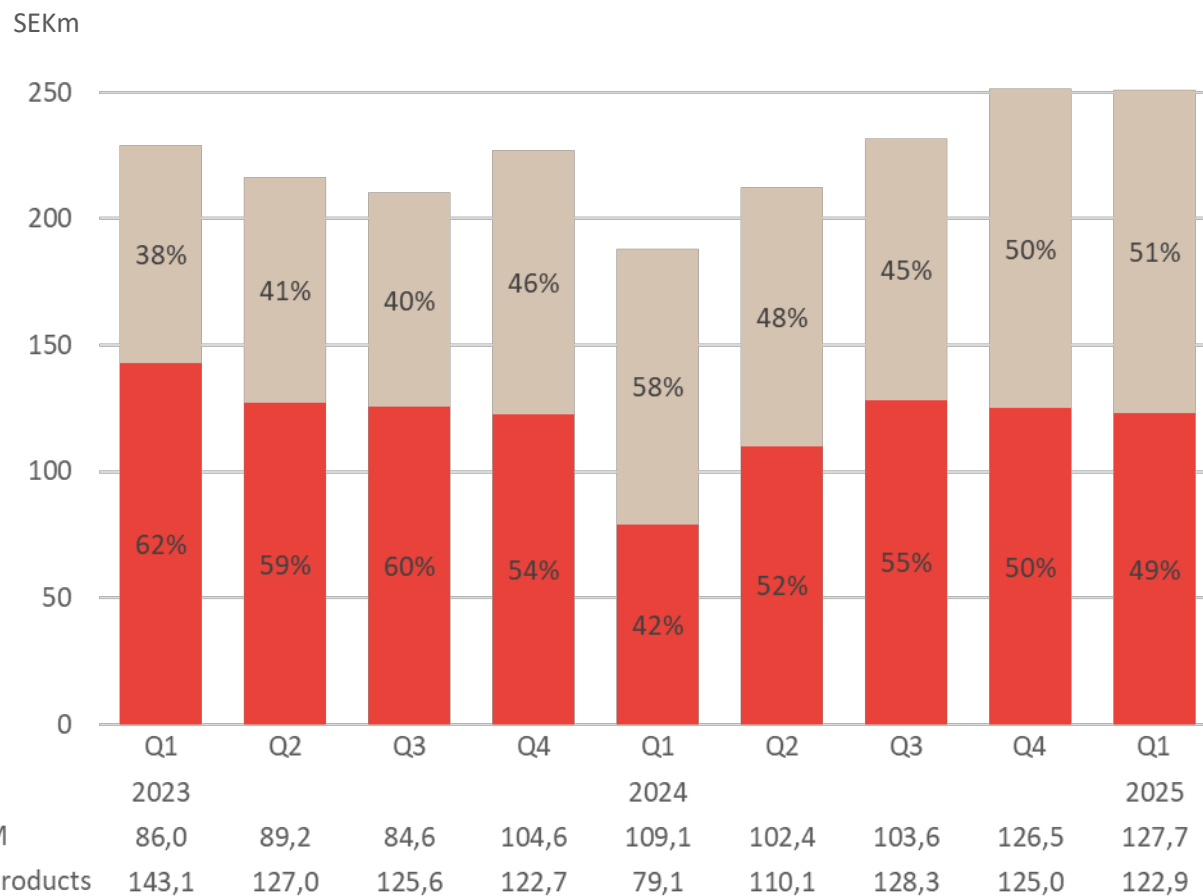
- As a result of primarily slower development in the Robotics segment, and the current global trade uncertainties, where direct and indirect effects are very difficult to forecast, the company's Board of Directors and management have revised the sales target to SEKm 1,400 for 2026 (from SEKm 1,500).

The margin target:

- The result of primarily lower license revenues relative to total revenues and increased investment in areas that also include hardware means that the target for adjusted EBIT for 2026 has been revised to 25-30 percent (from 40 percent).

The company is closely monitoring the macroeconomic environment and its direct and indirect effects on the business.

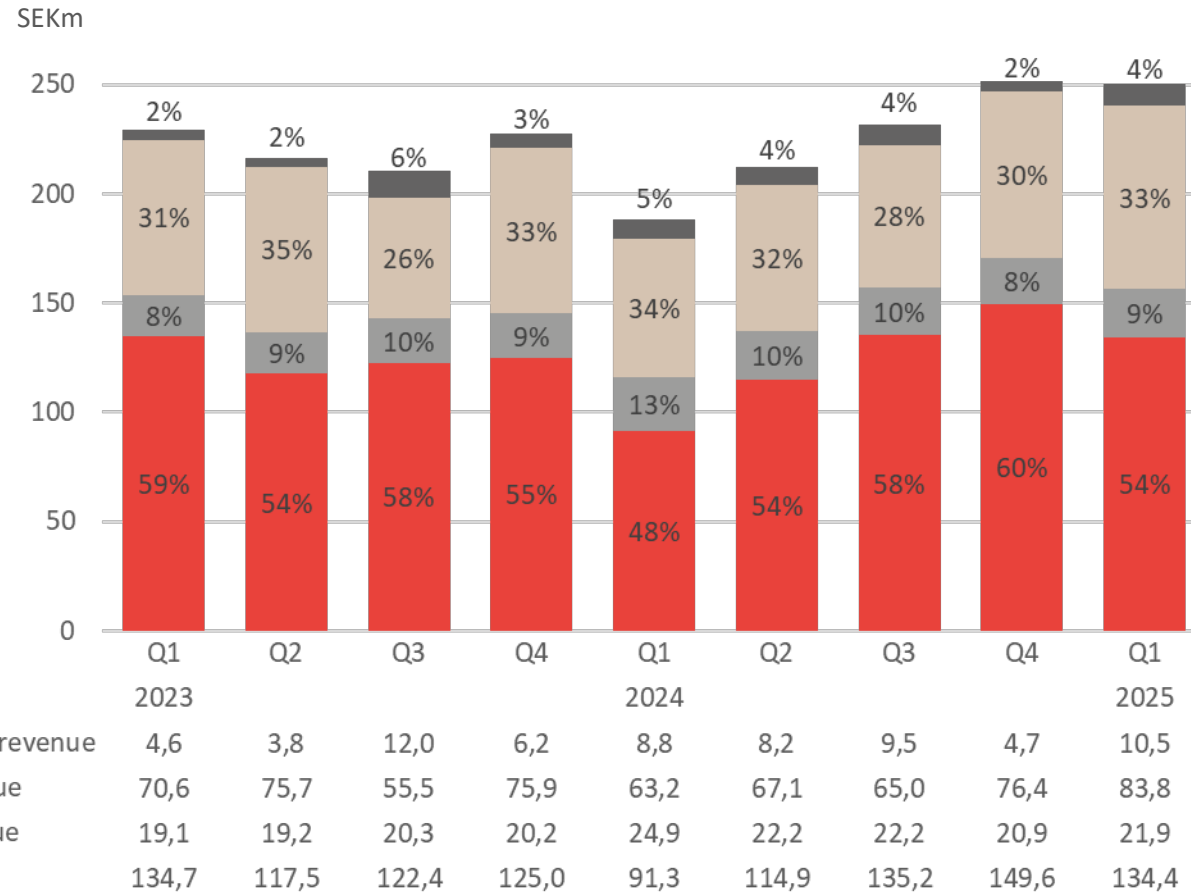
Q1: Strong growth despite macroeconomic uncertainties



Q1:

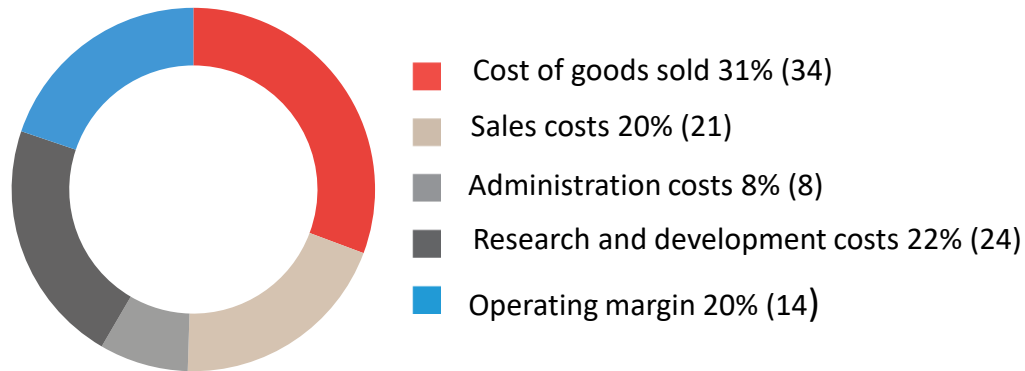
- Net sales was up 33% to SEKm 250.7 (188.2). In local currencies 30%. SEKm 18.3 from IU.
- Educational Products' sales up 55%. (32% excl IU). Sales increase: EMEA (+267%), Asia (+58%), Americas (+14%).
- Industry/OEM was up 17%. License revenues ATH up 33%, SEKm 83.8 (63.1). Sim sales SEKm 30.6 (34.7). Dev rev's SEKm 10.5 (8.8).

REVENUE STREAMS – ATH license revenues



- License rev's: 33 (34) percent of total revenues. Lumpy for new entrants, revenues from several customers.
- Simulator sales up 47% vs Q1 2024.
- Development rev's higher. Consist of both robotics projects and sales of simulators w/in Indu.
- Service revenues stable, growing with installed base.

COSTS AND EBIT MARGIN Q1 2025 – one-time costs



Q1 2025 (Q1 2024)
Other operating income/costs -1% (-1)

The chart is excluding acquisition as well as restructuring costs attributable to IU.

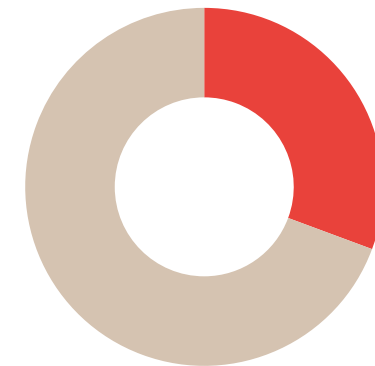
- Gross margin 69% (66). Decreased share of license revenues (33 vs 34%) had a negative effect. Weak sales Q1 2024 meant higher fixed costs per simulator. Consolidation of IU affected gross margin negatively by ~2 percentage points.
- Sales: Largest congress of the year, IMSH was in January. Annual distributor meeting in Warsaw. 21% (21) of sales, 20% excl. restructuring costs IU.
- Admin: 17% (8) of sales. 8% excl. acquisition costs IU.
- R&D: 22% (24) of sales. Activated costs SEKm 10.0 (9.8).
- Other: Option programs, FX-effects, IU exchange program older products.
- EBIT excl. acquisition & restructuring costs SEKm 50.4 (26.0), 20% (14).

ORGANIZATION

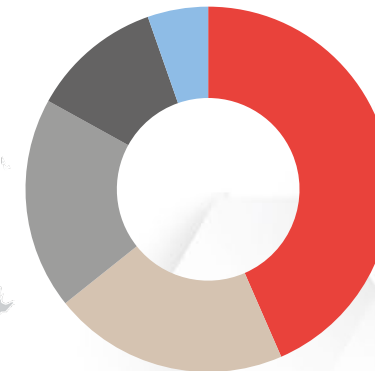
No of employees at end of period: 336 (265)



Offices / Development sites



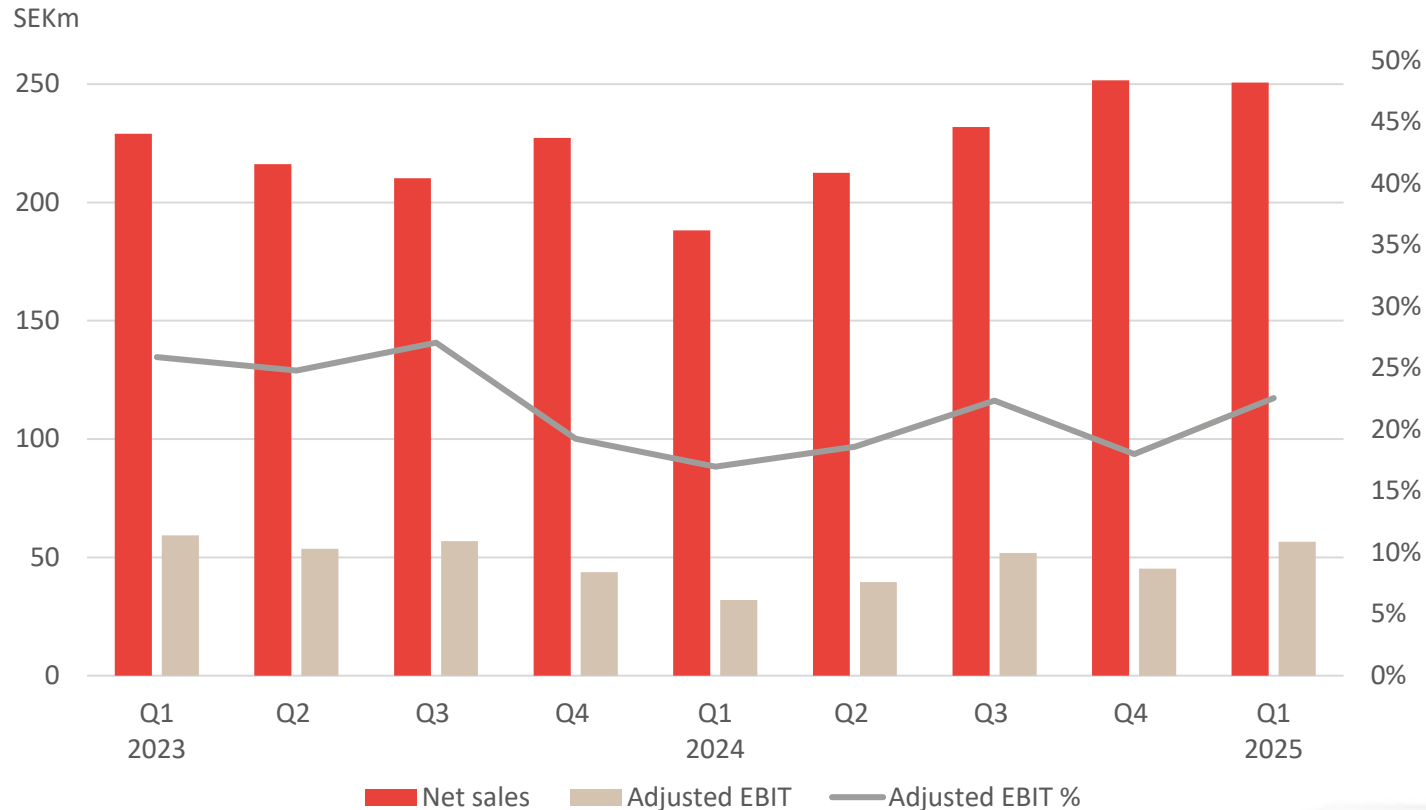
Men 233 (191)
Women 103 (74)



Israel 146 (136)
Sweden 70 (58)
USA 63 (56)
UK 39 (1)
Other 18 (14) *

* Other: Primarily Germany and China.

ADJUSTED EBIT



Q1:

- Adjusted EBIT excl. acquisition & restructuring costs SEKm 56.6 (26.0), 23% (17).
- Reported adjusted EBIT SEKm 30.1.

The chart is excluding acquisition as well as restructuring costs attributable to IU in Q1 2025.

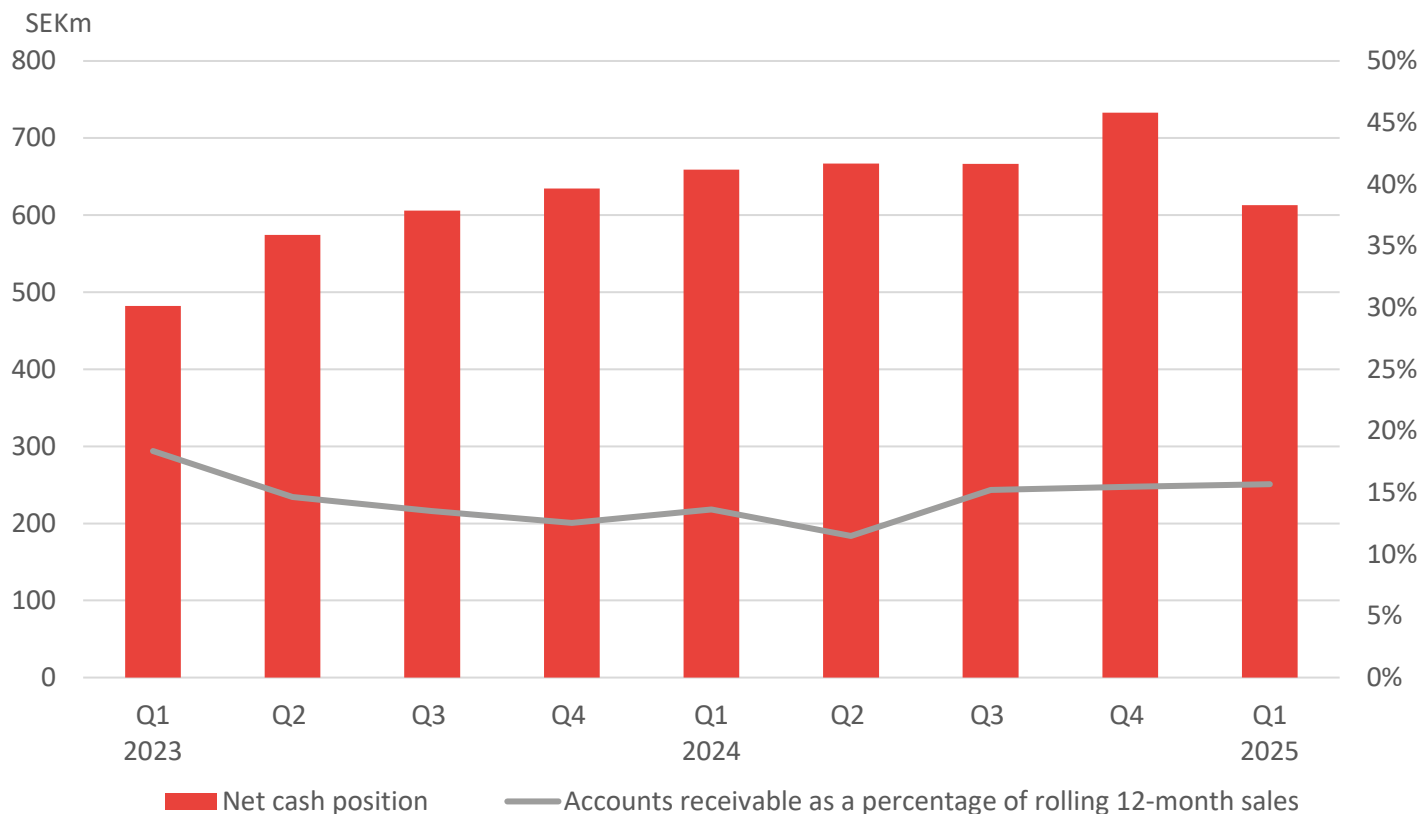


FINANCE NET AND TAXES

- Finance net for the quarter was SEKm 22.3 (1.9). Interest on bank balances, cost and hedge GBP loan, revaluation of internal loans towards subsidiaries and IFRS 16 effect.
- Tax expense for the quarter was SEKm 13.0 (4.1).
- Net result for the quarter was SEKm 33.2 (23.8).



CASH FLOW



- Cash flow from operating activities SEKm -5.0 (28.5). Large tax payments during the q and payment of acquisition costs. Change in working capital SEKm -34.1 (-14.1). Inventory and A/R increased somewhat, but marginally in constant currencies. Large FX effects, primarily due to intercompany items.
- Cash flow from investing activities SEKm -95.6 (-10.4). SEKm -84.9 attributable to acquisition of IU.
- Cash flow from financing activities SEKm -234.5 (-2.6). GBP loan re IU acquisition paid back (SEKm 235.4).
- Cash at end of period SEKm 612.9 (659.2).
- A/R as % of sales LTM at good level.



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Thank you

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