



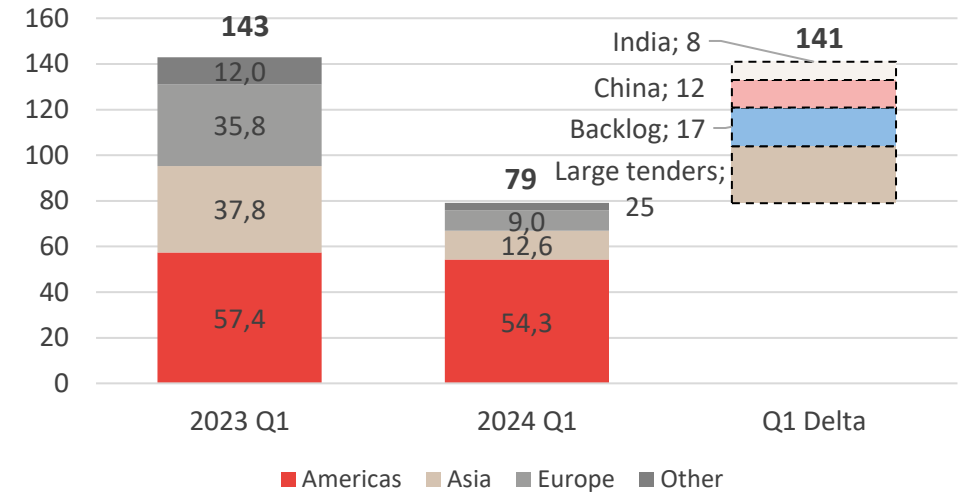
**Surgical Science
Presentation of Interim Report Q1
May 15, 2024**



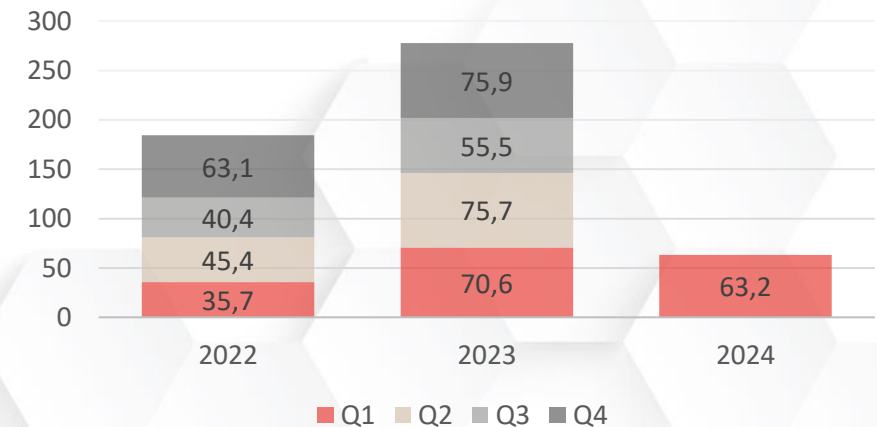
CEO comments – Q1

- Nosedive for Edu Products, -45% revenue
 - Customers starting the year with a tight grip on the wallet
 - Simulators in Edu Int was the large delta, SEKm -60 compared to Q1, 2023
 - Direct sales in North America solid start of 2024
 - Good demand and pipeline: confident about 2024 full year outlook
- Tough start for Edu but confidence in 2024 full year growth
- Ind/OEM simulators grew, +300% revenue
 - Sales strategy working and simulators at record SEKm 35
 - Combining products/technology to deliver customer value
 - Backlog and continued 2024 growth
- License revenue declined by SEKm 7
 - Some bumpiness from new entrants
 - Intuitive disclosing more of da Vinci 5 roll-out plan
 - Start of a consolidation within RAS?
- FES 10-year anniversary - strength in the combination of Edu and Industry

Revenues by Region
(MSEK)

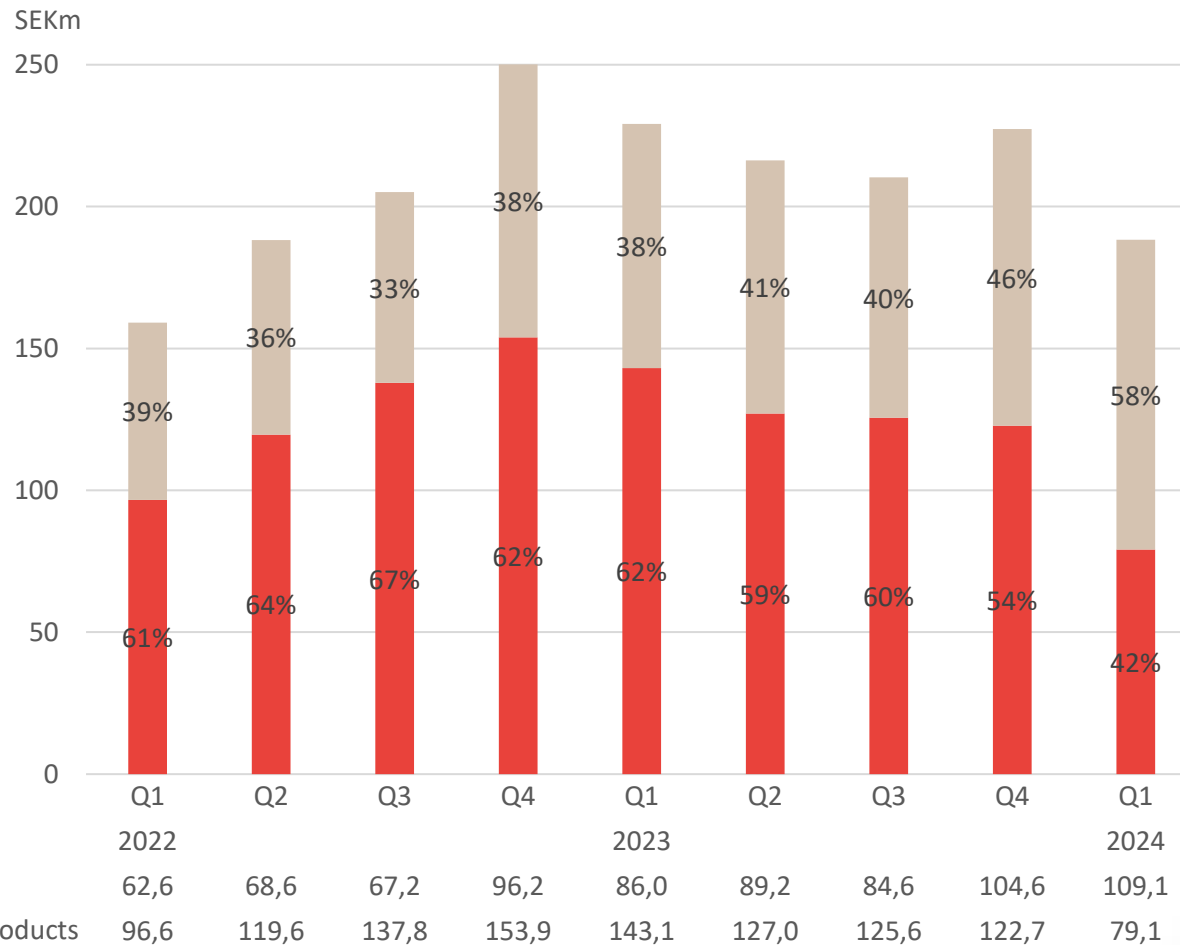


License Revenues
(MSEK)





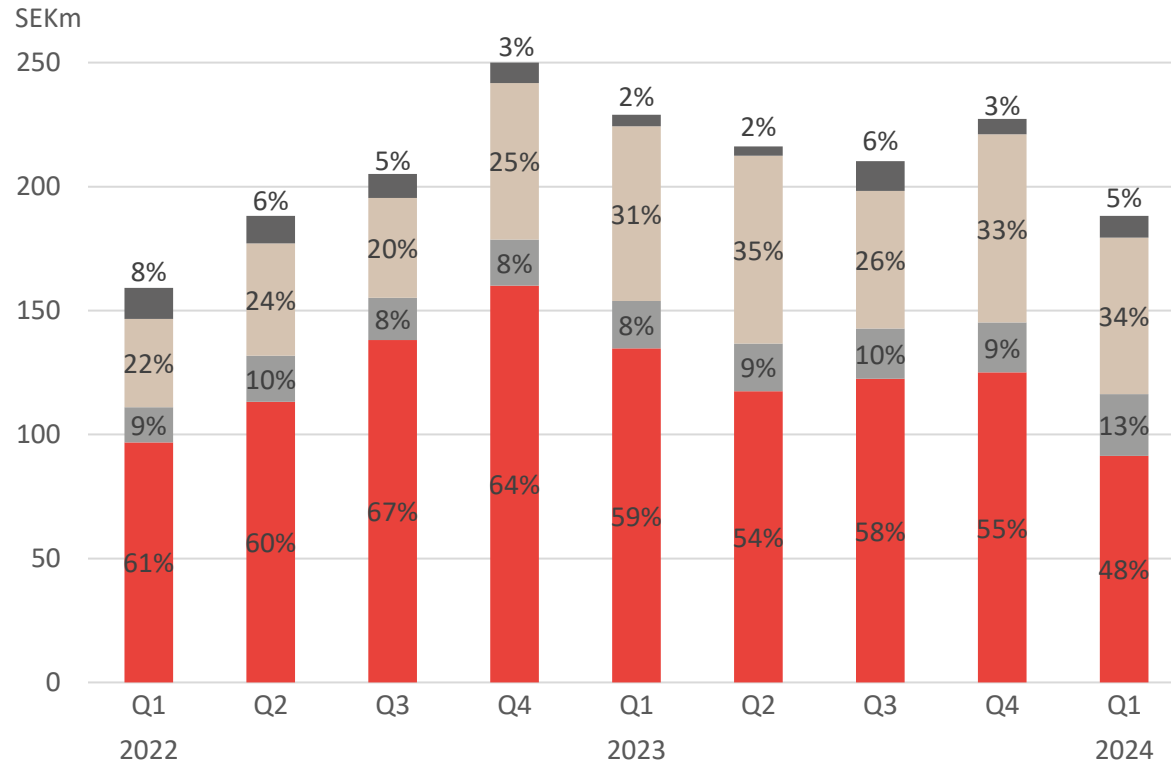
Q1: Edu weak, Indu/OEM strong development



Q1:

- Net sales was down 18% to SEKm 188.2 (229.1). In local currencies -18%.
- Educational Products' sales was down 45%. Excl. orderbook effect Q1 2023 -37%. Several coinciding factors - China still anti-corruption campaign, India election, no larger tenders closing etc.
- Industry/OEM was up 27%. License rev's down 11% but good level, SEKm 63.2 (70.6). Sim sales ATH SEKm 34.7 (8.4). Dev rev's SEKm 8.8 (4.6).

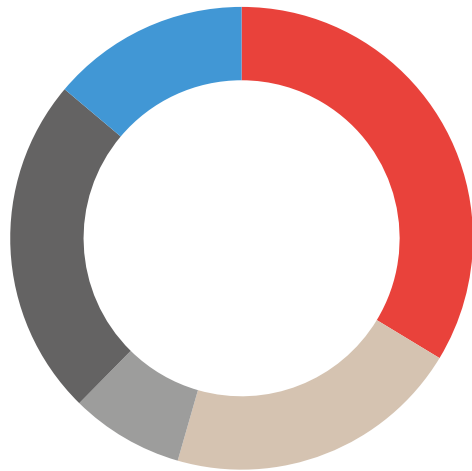
REVENUE STREAMS – very strong Indu sim rev's



| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 |
|---------------------|------|-------|-------|-------|-------|-------|-------|-------|------|
| Development revenue | 12,5 | 11,1 | 9,6 | 8,3 | 4,6 | 3,8 | 12,0 | 6,2 | 8,8 |
| License revenue | 35,7 | 45,4 | 40,4 | 63,1 | 70,6 | 75,7 | 55,5 | 75,9 | 63,2 |
| Service revenue | 14,1 | 18,5 | 17,0 | 18,6 | 19,1 | 19,2 | 20,3 | 20,2 | 24,9 |
| Simulators | 96,9 | 113,2 | 138,2 | 160,1 | 134,7 | 117,5 | 122,4 | 125,0 | 91,3 |

- License rev's: 34 (31) percent of total revenues. Lumpy for new entrants, revenues from several customers.
- Simulator sales down, Q1 2023. Edu weak, Indu ATH.
- 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 2024 – good cost control



- Costs of goods sold 34% (31)
- Sales costs 21% (20)
- Administration costs 8% (7)
- Research and development costs 24% (20)
- Operating margin 14% (23)

- Gross margin 66% (69). Increased share of license revenues (34 vs 31%) had a positive effect. Product mix unfavorable. Fewer simulators means higher fixed costs per simulator.
- Sales: Largest congress of the year, IMSH was in January. Annual distributor meeting in Budapest. 21% (20) of sales.
- Admin: 8% (7) of sales.
- R&D: costs on par, 24% (20) of sales. Activated costs SEKm 9.8 (6.4).
- Other: Option programs, FX-effects.
- EBIT SEKm 26.0 (53.3), 14% (23).

Q1 2024 (Q1 2023)

* Other operating income/costs -1% (-1)

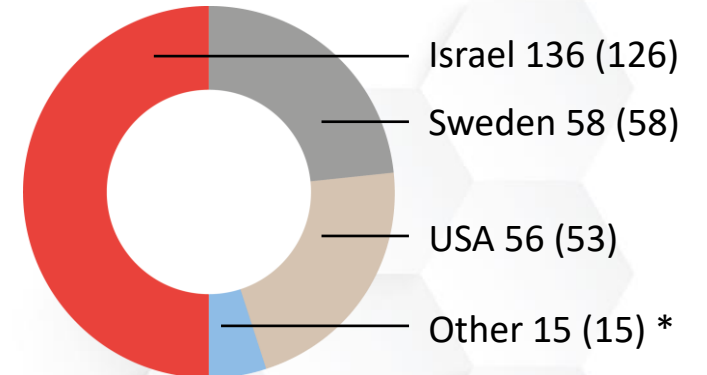
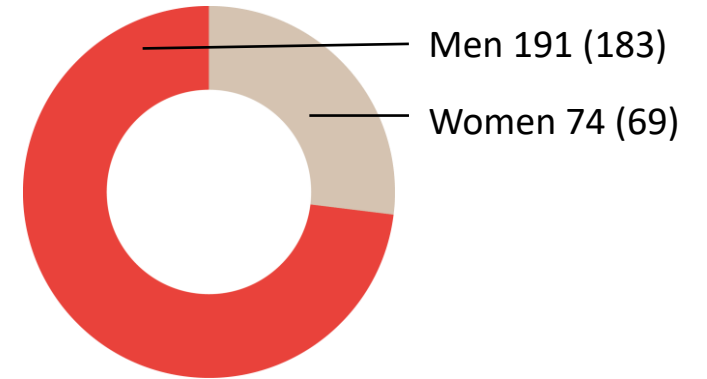


ORGANIZATION

No of employees at end of period: 265 (252)



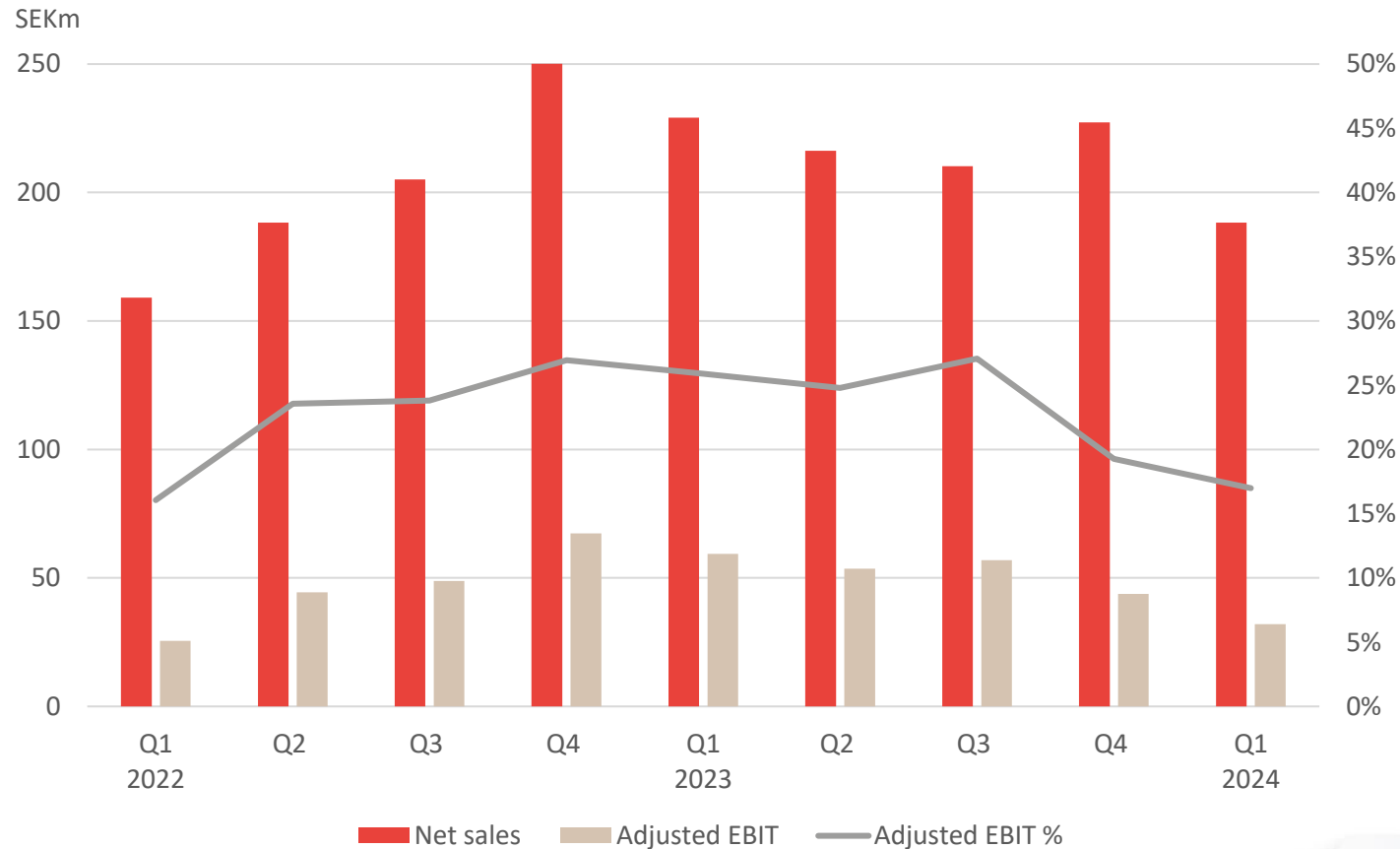
● Offices / Development sites



* Other: Primarily Germany and China.



ADJUSTED EBIT



Q1:

- Adjusted EBIT SEKm 32.0 (59.3), margin 17% (26).



FINANCE NET AND TAXES

- Finance net for the quarter SEKm 1.9 (1.8). Interest on bank balances, revaluation of internal loans towards subsidiaries and IFRS16 effect.
- Net result for the quarter SEKm 23.8 (49.8).



CASH FLOW



- Cash flow from operating activities SEKm 28.5 (60.5). Change in working capital SEKm -14.1 (-6.1). Inventory and A/R increased somewhat, other current liabilities also increased.
- Cash flow from investing activities mainly investments in development costs.
- Cash flow from financing activities primarily IFRS 16.
- Cash at end of period SEKm 659.2 (482.1).
- A/R as % of sales LTM at good level.

Thank you

Find out more at:
www.surgicalscience.com

Gisli Hennermark, CEO
gisli.hennermark@surgicalscience.com

Anna Ahlberg, CFO
anna.ahlberg@surgicalscience.com