

# Report on Operations 2023

XVIVO Perfusion AB (publ)

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**XVIVO**

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# Report on Operations 2023

## Fourth quarter 2023 (October 1 - December 31)

- Net sales amounted to SEK 155.7 million (131.5), corresponding to an increase of 18 percent in SEK and 16 percent in local currencies. Organic growth accounted for 12 percent and acquired growth for 4 percent.
- All business areas delivered underlying organic growth adjusted for currency effects: Thoracic disposables 14 percent, Abdominal disposables 22 percent and Services 18 percent.
- The gross margin for disposables increased to 81 percent (79). The total gross margin was 75 percent (72).
- Operating income (EBIT) amounted to SEK -16.1 million (2.3) and includes a write-down related to PrimECC totaling SEK -16.4 million. Adjusted EBIT amounted to SEK 0.8 million (8.5)
- Operating income before depreciation and amortization (EBITDA) amounted to SEK 20.7 million (13.6) corresponding to an EBITDA margin of 13 percent (10). Adjusted operating income before depreciation and amortization (EBITDA) amounted to SEK 21.2 million (19.8), corresponding to an adjusted EBITDA margin of 14 percent (15).
- Net profit amounted to SEK 68.5 million (0.7) and was impacted by financial income of SEK 73.7 million (8.9) attributable to fair value valuation of financial liabilities. Earnings per share amounted to SEK 2.17 (0.02).
- Cash flow from operating activities amounted to SEK 18.1 million (21.8), primarily due to positive operating income before depreciation and amortization. Total cash flow amounted to SEK -38.2 million (-58.1) impacted by investments in R&D projects of SEK -33.3 million (-26.2).

## Significant events during the quarter

- First transplant completed in the US heart preservation trial
- Results from Australian/New Zealand study using XVIVO's heart technology published
- Milestone reached in Italy with 1,200 lifesaving perfusions performed with Liver Assist
- Write-down related to PrimECC of SEK 17 million which does not affect cash flow or EBITDA
- Financial income of SEK 69.0 million recognized, attributable to write-down of financial liabilities after fair value valuation, not affecting cash flow, operating income (EBIT) or EBITDA.
- XVIVO Perfusion Lund AB was merged with the parent company XVIVO Perfusion AB

## The period 2023 (January 1 - December 31)

- Net sales amounted to SEK 597.5 million (415.3), corresponding to an increase of 44 percent in SEK and 36 percent in local currencies. Organic growth accounted for 30 percent and acquired growth for 6 percent.
- All business areas delivered underlying organic growth adjusted for currency effects: Thoracic disposables 28 percent, Abdominal disposables 53 percent and Services 57 percent.
- Gross margin for disposables increased to 81 percent (79). The total gross margin was 74 percent (72).
- Operating income (EBIT) amounted to SEK 4.2 million (6.4) and includes a write-down related to PrimECC totaling SEK -16.4 million and integration costs SEK -22.1 million. Adjusted EBIT amounted to SEK 42.7 million (14.3).
- Operating income before depreciation and amortization (EBITDA) amounted to SEK 80.5 million (48.6), corresponding to an EBITDA margin of 13 percent (12). Adjusted EBITDA amounted to SEK 102.6 million (56.5), corresponding to an adjusted EBITDA margin of 17 percent (14).
- Net profit amounted to SEK 91.8 million (18.4) and was impacted by financial income of SEK 72.0 million (-21.5) attributable to fair value valuation of financial liabilities. Earnings per share amounted to SEK 3.07 (0.62).
- Cash flow from operating activities increased to SEK 46.3 million (27.9). Total cash flow amounted to SEK 303.2 million (-176.6), primarily comprising net proceeds from a new issue totaling SEK 440 million, payment of contingent consideration from the acquisition of Avionord (XVIVO S.r.l.) of SEK -10.9 million, the final part payment of the initial purchase consideration regarding the acquisition of STAR Teams of SEK -6.8 million and investments in R&D projects of SEK -100.1 million (-111.6).

## Significant events in the reporting period

- Successful integration of Avionord M&P
- A pre-clinical study published in The Journal of Heart and Lung Transplantation demonstrated advantages associated with XVIVO's heart preservation technology, even in DCD donations
- Significant interest in XVIVO's heart technology in Australia and New Zealand. Approximately 30 percent of these countries' heart transplants were performed using XVIVO's technology in the period through special permits pending regulatory approval
- A large multicenter study published in The Journal of Hepatology demonstrated improved evidence for the advantages of oxygenated cold perfusion of liver in donation after brain death (DBD)
- Patient inclusion completed in European clinical trial using heart preservation technology
- US FDA grants XVIVO approval to start its IDE clinical study in heart preservation and to include DCD hearts in IDE Clinical Trial The U.S.
- XVIVO's heart preservation technology has enabled a second xenotransplant (heart from pig to human)
- The US service offering strengthened by commercial integration of STAR Teams and by a strategic collaboration with MTJ Aviation.
- A directed share issue raised SEK 440 million before transaction costs and was completed with no discount
- The number of shares and votes in XVIVO Perfusion AB (publ) increased by 1,667,551, to a total of 31,499,470 shares and votes.
- Further patient inclusion in the PrimECC study halted.

## Events after the end of the period

- UMCG in Groningen, the Netherlands, has demonstrated that prolonged liver perfusion can streamline planning and logistics and enable more liver transplants to be performed during daytime
- The Board of Directors proposes that no dividend be paid for the 2023 financial year and that retained earnings be carried forward.

## Key ratios

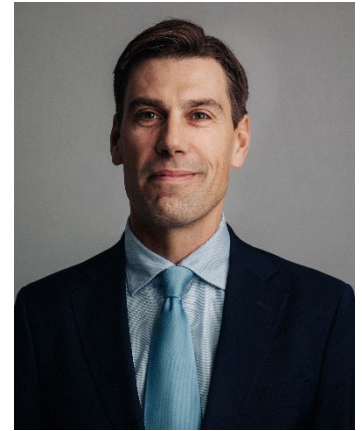
TSEK	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Net sales	597 542	415 292	155 740	131 514
Gross margin, %	74	72	75	72
Gross margin disposables %	81	79	81	79
EBIT	4 187	6 409	-16 124	2 304
EBIT (adjusted) <sup>1)</sup>	42 729	14 285	793	8 541
EBITDA	80 537	48 576	20 746	13 580
EBITDA (adjusted) <sup>2)</sup>	102 640	56 452	21 224	19 817
Cash flow from operating activities	46 288	27 856	18 128	21 789
Earnings per share, SEK	3.07	0.62	2.17	0.02
Changes in net sales				
Organic growth in local currency, %	30	30	12	27
Acquired growth, %	6	15	4	7
Currency effect, %	8	16	2	19
Total growth, %	44	61	18	53

1) Adjusted for the effect of non-recurring costs of SEK -16.9 (-6.2) million for the quarter, and SEK -38.5 (-7.9) million for the period. For specification, see Reconciliation of alternative performance measures

2) Adjusted for the effect of non-recurring costs of SEK -0.5 (-6.2) million for the quarter, and SEK -22.1 (-7.9) million for the period. For specification, see Reconciliation of alternative performance measures.

# 2023 – Our strongest year to date

In 2023 sales amounted to SEK 598 million (415) with organic growth of 30 percent in local currencies. Adjusted EBITDA totaled 17 percent (14), driven by sales growth and a stronger gross margin for disposables. We reached another sales record in the fourth quarter, with total sales of SEK 156 million (132). Growth in the year was global, with the strongest momentum for lung in the US and liver in Europe. With positive growth and key milestones achieved in both studies and development projects, 2023 ensured a solid start to 2024.



Christoffer Rosenblad, CEO

Total sales in the fourth quarter amounted to SEK 156 million (132), equivalent to growth of 18 percent. Organic growth accounted for 12 percent and acquired growth amounted to 4 percent.

Sales in the **Thoracic** business area amounted to SEK 98 million (88), of which sales of disposables grew by 14 percent adjusted for exchange rate effects. Growth was slowed down because fourth-quarter transplant activities for lung in the US did not increase compared to the previous quarter. When summarizing the full year, however, we saw strong recovery on our largest market, the US; the number of lung transplants in the US returned to pre-pandemic record levels of approximately 3,000, and the number of DCD donors increased by a record 55 percent year-on-year. None of these milestones would have been achievable without XVIVO's products and technologies. In the US, we continue to gradually develop our customer offering and strengthen our commercial organization. The work has begun, but may mean that we see a slightly slower growth in new sales for the first two quarters of the year, as the customer offering and our investments in the commercial organization will need time to settle in.

**Abdominal** delivered yet another strong quarter and we continued to consolidate our leading position in liver transplantation in Europe. Sales amounted to SEK 38 million (27) in the quarter, and organic growth for disposables amounted to 22 percent adjusted for currency effects. It is pleasing to see the margin improvement we achieved in 2023. Gross margin for disposables was 66 percent (54) for the full year and 69 percent (54) in the fourth quarter.

The **Services** business area, our organ recovery service in the US, returned organic growth of 19 percent and achieved sales of SEK 19 million (16). During the year, we integrated this operation in our commercial organization, and are building a scalable platform for growth alongside our logistics partners.

EBITDA for the quarter, adjusted for non-recurring costs such as integration costs, was 14 (15) percent.

The fourth quarter was mainly characterized by three significant events for our heart technology. In October, the first transplant was completed in our US heart preservation study, including DCD hearts, at Duke University Hospital. In November, the results from an Australian/New Zealand clinical trial were published in the prestigious *Journal of Heart and Lung Transplantation*. The study showed that hearts that had previously been considered unsuitable for transplantation due to long distances between hospitals, could now be transplanted with a 100 percent survival rate at 30 days when transported with XVIVO Heart Assist Transport. During the year, approximately 30 percent of the country's heart transplants took place using our technology.

In Italy, the largest market for our liver technology, we reached a significant milestone in the quarter with 1,200 perfusions completed since the launch of XVIVO's Liver Assist. A study carried out by UMCG was recently published in the Netherlands, showing that liver can be preserved for up to 20 hours using machine perfusion with retained patient safety. The results meant that, after completion of the study, UMCG could carry out a majority of its liver transplants during daytime hours instead of at night, generating time savings of approximately two hours per transplant. Our success with both existing and forward-looking technologies is very pleasing to see.

“In summary, 2023 was an eventful year where we laid a solid foundation for 2024”

Within lung we continue to lead market developments. Experienced transplant teams and efficient infrastructure are key factors for being able to accelerate the number of lung transplants. A new development emerged during the year, involving the establishment of hubs in selected clinics which carry out transplants for other hospitals in specific geographic locations. During the year, XVIVO participated in the design of two new hubs in Europe, one in Paris where transplants have already been carried out, and one in Copenhagen where operations are about to start. The XVIVO Masterclass Lung Transplantation was another highlight in the quarter. Over two full days, around 80 delegates from 20 countries exchanged experiences and discussed the latest trends. This event was greatly appreciated, and we will be offering the XVIVO Masterclass for all organs going forward.

2023 was an eventful year where we laid a solid foundation. In 2024, the company will continue to make focused investments in three main areas – scaling up production by a factor of 10 in order to meet product demand; bringing our heart technology to the European market and optimally complete the US study; and developing the company's organization in the US to enable future expansion in machine perfusion.

In 2024, we expect the first conclusions from our European heart preservation clinical trial to be presented at ISHLT in April, following the completion of patient inclusion in May 2023. The study will form the basis for regulatory approval in Europe. The next step is a commercial launch in Europe, dependent on the CE mark, which according to the schedule is estimated for the fourth quarter 2024.

The project aimed at increasing production will mainly provide Kidney Assist Transport with volume deliveries in the US. The product has attracted significant interest from transplant centers in Europe and the US, where we installed the technology with our first OPO (Organ Procurement Organization) during 2023. With inspiration from the Netherlands, where the Kidney Assist Transport is used for all DCD kidneys with favorable results (confirming the findings presented in clinical studies including the one published in *The Lancet* (2020)), together with gradually increased production capacity, we will be able to accelerate our market launches over the coming years.

In 2024, we are set to capitalize on what we have built, strengthen our existing position, and continue to develop new, innovative solutions that are in demand by our customers. This will ultimately allow us to realize our vision that *nobody should die waiting for a new organ*.

Christoffer Rosenblad, CEO

# This is XVIVO

Founded in 1998, XVIVO is the only medical technology company dedicated to extending the life of all major organs - so transplant teams around the world can save more lives. Our solutions allow leading clinicians and researchers to push the boundaries of organ transplantation. XVIVO is a global company headquartered in Gothenburg, Sweden. The company is listed on Nasdaq Stockholm.

## Business concept and goals

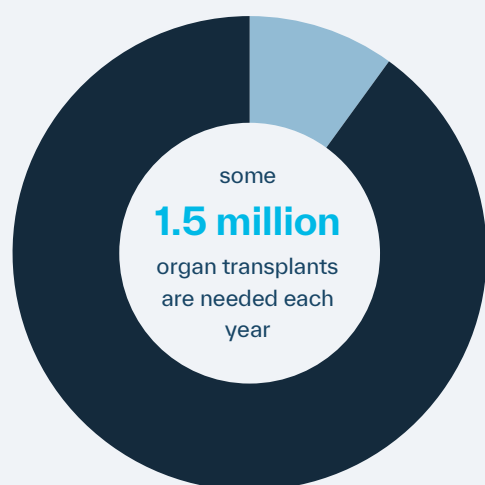
XVIVO's business concept is to develop and market effective, innovative technology for preserving, transporting and assessing organs outside the body while awaiting transplant, and to facilitate the transplant process by offering services in the form of organ recovery and organ perfusion.

## Our goals

To become the world leader in the preservation of organs outside the body for all major organs (lung, heart, liver and kidney) and establish machine perfusion as the standard method for preserving, transporting and assessing donated organs ahead of transplantation.

## Purpose and vision

We believe in an extended life of organs.  
Nobody should die waiting for a new organ.



With only

**150,000**

organ transplants each  
year, only

**10%**

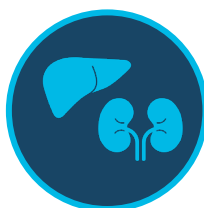
of total global demand  
is met

XVIVO's offering increases  
availability of transplantable  
organs

## Our business areas



Thoracic



Abdominal



Services

# Compilation of net sales and EBITDA

SEK Thousands	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Net Sales Thoracic	384 363	296 353	98 455	88 165
Net Sales Abdominal	134 039	70 861	38 173	27 351
Net Sales Services	79 140	48 078	19 112	15 998
<b>Net Sales Total</b>	<b>597 542</b>	<b>415 292</b>	<b>155 740</b>	<b>131 514</b>
Gross income Thoracic	321 877	235 676	83 394	72 563
Gross margin Thoracic, %	84%	80%	85%	82%
Gross income Abdominal	88 088	37 733	25 976	14 730
Gross margin Abdominal, %	66%	53%	68%	54%
Gross income Services	35 146	23 547	7 864	7 564
Gross margin Services, %	44%	49%	41%	47%
<b>Gross income Total</b>	<b>445 111</b>	<b>296 956</b>	<b>117 234</b>	<b>94 857</b>
<b>Gross margin Total, %</b>	<b>74%</b>	<b>72%</b>	<b>75%</b>	<b>72%</b>
Selling expenses	-232 261	-152 398	-64 804	-45 718
Administrative expenses	-76 944	-70 979	-17 309	-23 066
Research and development expenses	-135 942	-69 343	-51 014	-23 959
Other operating revenues and expenses	4 223	2 173	-231	190
<b>Operating Income</b>	<b>4 187</b>	<b>6 409</b>	<b>-16 124</b>	<b>2 304</b>
Amortization and depreciation cost of goods sold	726	744	415	201
Depreciation administrative expenses	4 447	3 402	1 220	878
Amortization and write-down of research and development expenses	52 177	31 024	25 489	8 088
Depreciation selling expenses	19 000	6 997	9 746	2 109
<b>EBITDA (Operating income before depreciation and amortization)</b>	<b>80 537</b>	<b>48 576</b>	<b>20 746</b>	<b>13 580</b>
EBITDA, %	13%	12%	13%	10%
<b>EBITDA (adjusted) 1)</b>	<b>102 640</b>	<b>56 452</b>	<b>21 224</b>	<b>19 817</b>
EBITDA (adjusted), %	17%	14%	14%	15%

1) Adjusted for the effect of non-recurring costs of SEK -0.5 (-6.2) million for the quarter, and SEK -22.1 (-7.9) million for the period. For specification, see Reconciliation of alternative performance measures.

# Summary

## The quarter October - December 2023

### Net sales and income

XVIVO concluded the year with continued growth in the fourth quarter. Net sales amounted to SEK 155.7 million (131.5), equivalent to growth of 18 percent year-on-year. The organic growth was 12 percent, acquired growth was 4 percent and the remaining 2 percent constituted currency effects. All business areas demonstrated solid growth. For a description of developments in each business area, see pages 13-14.

The total gross margin increased to 75 percent (72) in the quarter. The gross margin for disposables in Thoracic was on a par with the previous year at 85 percent (85). In the quarter, Abdominal's gross margin for disposables strengthened to 69 percent (54) in year-on-year terms. For comments regarding the margins in each business area, see pages 13-14.

Operating income before depreciation and amortization (EBITDA) amounted to SEK 20.7 million (15.6), corresponding to an EBITDA margin of 13 percent (10). EBITDA was affected by integration costs of SEK -0.5 million (-6.2). Adjusting for these items, EBITDA amounted to SEK 21.2 million (19.8), corresponding to an adjusted EBITDA margin of 14 percent (15).

Operating income (EBIT) amounted to SEK -16.1 million (2.3). EBIT adjusted for the aforementioned costs as well as write-down of the PrimECC project of SEK -16.4 million amounted to SEK 0.8 million (8.5). The quarter was also affected by a retrospective full-year amortization of identified intangible assets in connection with the completion of the acquisition analysis for XVIVO Srl. This amortization amounts to SEK -5.9 million. Adjusted for this expense, EBIT in the quarter was SEK 6.7 million (8.5). Amortization will continue on a yearly basis with SEK 5.9 million thru 2027 (5 year amortization plan).

Selling expenses as a proportion of sales increased to 42 percent (35) in the quarter, mainly due to increased activity within sales and marketing. R&D expenses amounted to 33 percent (18) of sales, with the increase primarily due to the non-recurring cost of SEK -16.4 million for the write-down of the PrimECC project. Administrative expenses amounted to 11 percent (18).

Net profit amounted to SEK 68.5 million (0.7) and was impacted by financial income of SEK 73.7 million (8.9) attributable to fair value valuation of financial liabilities. The item did not affect operating income (EBIT), EBITDA or cash flow.

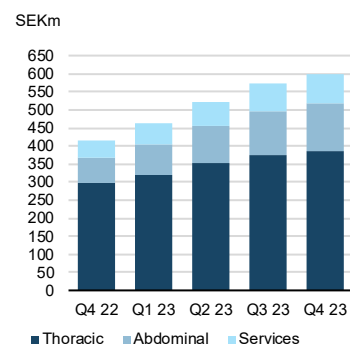
### Capitalization and amortization

During the quarter, SEK 33.3 million (26.2) of development expenses were capitalized as intangible assets. Development expenses essentially relate to expenses for R&D projects with the aim of obtaining regulatory approvals in heart and liver transplantation in the US and Europe. Amortization of capitalized development expenditure amounted to SEK 7.2 million (6.8) in the quarter.

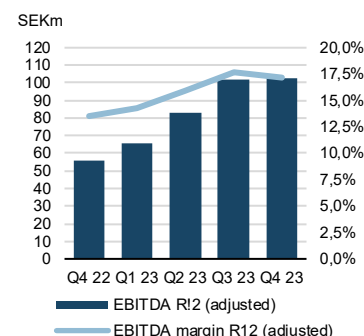
### Cash flow

Cash flow from operating activities in the quarter amounted to SEK 18.1 million (21.8), primarily due to strong operating income before depreciation and amortization. Cash flow from investing activities amounted to SEK -52.6 million (-77.1), of which SEK -33.3 million (-26.4) was invested in intangible assets and SEK -19.3 million (-4.1) was invested in fixed assets. Cash flow from financing activities amounted to net SEK -3.7 million (-2.8). Exchange rate differences impacted the cash flow for the quarter by SEK -10.0 million (-10.0). Cash and cash equivalents at the end of the quarter amounted to SEK 546.1 million (246.5).

Net sales by business area (R12)



EBITDA and EBITDA margin (adjusted, R12)





## Significant events during the quarter

### First transplant completed in the US heart preservation trial

On October 14, Duke University Hospital in Durham, N.C., performed the first heart transplant in the U.S. using XVIVO's Non-Ischemic Heart Preservation (NIHP) device and solution as part of the PRESERVE clinical trial.

### Results from an Australian/New Zealand study using XVIVO's heart technology published

In October, the results of the Australia/New Zealand study were published in the prestigious Journal of Heart and Lung Transplantation<sup>1</sup>. The study used XVIVO's heart technology. The study concluded that donor hearts previously considered unsuitable for transplantation due to long distances between hospitals, can be transplanted with a 100% survival rate at 30-days when transported with XVIVO Heart Assist Transport.

### Milestone reached in Italy with 1,200 lifesaving perfusions performed with Liver Assist

In 2014, XVIVO introduced an innovative liver technology to the Italian market, designed for oxygenated perfusion prior to transplantation. We have now reached a significant milestone in Italy, with 1,200 perfusions completed using XVIVO's Liver Assist device. Machine perfusion improves outcomes after transplantation, and more donated organs can be used, saving numerous lives. Currently, 16 of 22 liver transplant centers in Italy use XVIVO's technology, including the major high-volume hospitals.

### Write-down related to PrimECC of SEK 17 million

As communicated on July 12, 2023, XVIVO has decided to close the PrimECC study for further patient inclusion and to evaluate potential strategic opportunities. The decision was made to write down the PrimECC asset. XVIVO's product potential assessment resulted in the decision to write down the asset in accordance with IFRS accounting standards. The write-down totaled SEK 17 million in the fourth quarter, not affecting cashflow or EBITDA.

### Financial income of SEK 69 million from fair value of financial liabilities

Write-downs of financial liabilities relating to additional purchase consideration for acquired businesses had a positive impact of SEK 69.0 million (0.0) on the Income Statement in the quarter. The change was recognized under financial income and expenses, and did not affect operating income (EBIT), EBITDA or cashflow. Nor did the assessment result in any need for write-downs of intangible assets associated with acquisitions.

### Merger of XVIVO Perfusion Lund AB

On October 30, 2023, XVIVO Perfusion Lund AB was merged with the parent company XVIVO Perfusion AB. The merger had no impact on the Group, although parent company equity was affected by a merger difference of SEK -65 million.

<sup>1</sup>[https://www.jhltonline.org/article/S1053-2498\(23\)02110-1/fulltext](https://www.jhltonline.org/article/S1053-2498(23)02110-1/fulltext)

## The period January - December 2023

### Net sales and income

Sales in the period amounted to SEK 597.5 million (415.3), equivalent to growth of 44 percent year-on-year. Organic growth was 30 percent, acquired growth 6 percent, and the remaining 8 percent constituted currency effects. All business areas demonstrated solid growth. For a description of developments in each business area, see pages 13-14.

The total gross margin for the period was 74 percent (72). During the period, the gross margin for disposables increased year-on-year both for Thoracic and Abdominal, with a margin of 85 percent (84) for Thoracic and 66 percent (54) for Abdominal. For comments regarding the margins in each business area, see pages 13-14.

Operating income before depreciation and amortization (EBITDA) amounted to SEK 80.5 million (48.6), corresponding to an EBITDA margin of 13 percent (12). EBITDA was affected by integration costs of SEK -22.1 million (-7.9, including the reversal of a provision for cash-based incentive programs for employees outside Sweden of SEK 6.4 million, integration costs of SEK -6.1 million and acquisition costs of SEK -8.2 million). Adjusting for these items, EBITDA amounted to SEK 102.6 million (56.5), corresponding to an adjusted EBITDA margin of 17 percent (14).

Operating income (EBIT) amounted to SEK 4.2 million (6.4). EBIT adjusted for the aforementioned costs as well as write-down of the PrimECC project of SEK -16.4 million amounted to SEK 42.7 million (14.3). The period was also affected by amortization of identified intangible assets in connection with the completion of the acquisition analysis for XVIVO Srl. This amortization amounts to -5.9 MSEK. Adjusted for this expense, EBIT was SEK 48.6 million (14.3). Amortization will continue on a yearly basis with SEK 5.9 million thru 2027 (5 year amortization plan).

Selling expenses as a proportion of sales amounted to 39 percent (37) for the period. R&D expenses amounted to 23 percent (17) of sales. The increase was primarily due to changes in internal resource allocation and investments in the organization, and a non-recurring cost of SEK -16.4 million related to the write-down of the PrimECC project. Administrative expenses amounted to 13 percent (17) of sales.

Net profit amounted to SEK 91.8 million (18.4) and was impacted by financial income of SEK 72.0 million (-21.5) attributable to fair value valuation of financial liabilities. The item did not affect operating income (EBIT), EBITDA or cash flow.

### Capitalization and amortization

During the period, SEK 100.1 million (111.6) of development expenses were capitalized as intangible assets. Development expenses essentially relate to expenses for R&D projects with the aim of obtaining regulatory approvals in heart and liver transplantation in the US and Europe. Amortization of capitalized development expenditure amounted to SEK 29.0 million (26.4) in the period.

### Cash flow

Cash flow from operating activities strengthened in the period, amounting to SEK 46.3 million (27.9). Cash flow from investing activities amounted to SEK -161.6 million (-197.6), impacted by contingent consideration related to the acquisition of Avionord (XVIVO S.r.l.) of SEK -10.9 million, the final part payment of the initial purchase consideration regarding the acquisition of STAR Teams of SEK -6.8 million, investments in intangible assets of SEK -100.9 million (-112.8) and investments in fixed assets of SEK -43.0 million (-18.2). Cash flow from financing activities amounted to a net of SEK 418.5 million (-6.8) primarily attributable to proceeds from the new issue of SEK 429.3 million net of transaction costs. Cash and cash equivalents at the end of the period amounted to SEK 546.1 million (246.5).

### Financing

XVIVO's operations shall be conducted with a sustainable and efficient capital structure. The company's equity/assets ratio is strong and amounted to 89 percent (83) at the end of the period. The company's total credit facility consists of an overdraft facility, which amounted to SEK 30 million (30) at the end of the period, of which SEK 0.0 million (0.0) was utilized.

#### Net sales

**SEK  
598  
million**

#### Gross margin

**74%**

#### Adjusted EBITDA

**17%**

## Significant events in the reporting period

### Successful integration of Avionord M&P

The integration of our Italian distributor was completed as planned in the first quarter. Avionord M&P was acquired at the end of 2022 and the business now operates under the name XVIVO S.r.l. The company markets XVIVO's technologies in combination with a perfusion service and is the leading operator on the Italian market for organ perfusion.

### Significant interest in XVIVO's heart technology in Australia and New Zealand

The last patient in the investigator-initiated heart preservation study in Australia and New Zealand received a transplant towards the end of 2022. Pending regulatory approval for these geographies, which is dependent on CE mark under MDR, special permits have been granted that allow hearts to be treated with products that have not received regulatory approval. There is very strong interest in continuing to use XVIVO's technology. Four out of five trial centers purchased and used our products in the period, and the fifth center is expected to follow suit shortly. Approximately 30 percent of these countries' heart transplants were performed using our technology in the period.

### Benefits of XVIVO's heart preservation technology after DCD donation have also been demonstrated

In the first quarter, The Journal of Heart and Lung Transplantation published an article<sup>2</sup> by a research team led by professor H Eiskjaer, Aarhus, Denmark. In a large animal model, the team successfully showed the potential for using XVIVO's heart preservation technology for hearts from DCD<sup>3</sup> donors. The study shows that DCD hearts can successfully be transplanted both after direct procurement and after normothermic regional perfusion (NRP) of the donor organ if XVIVO's technology is used.

### Strengthened proof of the benefits of cold oxygenated perfusion of liver after DBD donation

XVIVO's liver perfusion technology, Liver Assist, offers hypothermic oxygenated perfusion (HOPE) for the liver. The advantages of the technology over traditional static cold storage for DCD livers were highlighted in The New England Journal of Medicine in 2021. During the first quarter, The Journal of Hepatology<sup>4</sup> published the results of a randomized multicenter trial showing positive effects if HOPE is also used for livers from DBD<sup>5</sup> donors. Today the majority of transplanted livers in the world are DBD donations.

### XVIVO's IDE application for its heart preservation technology gained FDA approval in the US

The US Food & Drug Administration (FDA) has approved XVIVO's Investigational Device Exemption (IDE) application for its heart preservation technology. The approval allows XVIVO to start the "PRESERVE Clinical Trial: A Prospective, Multi-center, Single-Arm, Open-Label Study of Hearts Transplanted after Non-Ischemic Heart PRESERVation from Extended Donors".

The PRESERVE multicenter clinical trial will evaluate safety and effectiveness to be used in support of Pre-Market Approval (PMA). The trial will enroll 141 patients across 20 leading transplant centers in the US. The inclusion criteria for the trial allow transplant centers to include donor hearts from older donors (defined as aged 50+), DCD-donors and hearts from long-distance donors. By including long-distance donors, XVIVO's goal is to further validate the findings from the investigator-initiated NIHP study in Australia and New Zealand which was presented at ISHLT in April, 2023 - that non-ischemic preservation of donor hearts using XVIVO's innovative technology can enable uncompromised organ preservation quality, despite significantly extended transport times.

### Patient inclusion completed in European clinical trial with XVIVO's heart preservation technology

XVIVO's innovative heart technology is currently being investigated in a randomized controlled clinical trial across 15 leading transplant centers in 8 European countries. 202 patients have gone through a transplantation in the trial which means inclusion of all planned participants has now been completed. The next step is a one-year follow-up phase where patient outcomes will be collected and monitored before the trial is closed and data presented.

### XVIVO strengthens its service offering in the US through the commercial integration of STAR Teams

XVIVO acquired STAR Teams, an organ recovery service in the US, in November 2021. To meet rapidly growing demand for recovery services in the US and to strengthen the organization's operations and commercial offering, XVIVO integrated STAR Teams into the XVIVO brand in the period. Non-recurring costs associated with the integration totaled approximately SEK 22 million. The integration strongly supports XVIVO's strategic objective of becoming the "preferred partner in the transplant process".

### Change in number of shares and votes in XVIVO Perfusion AB (publ)

The number of shares and votes in XVIVO Perfusion AB (publ) increased by 67,551 in the second quarter as a result of the new share issue in relation to the contingent consideration received for the acquisition of XVIVO S.r.l. The contingent consideration totaling SEK 27.2 million was paid in 40 percent cash and the remaining 60 percent in the form of shares in XVIVO. The right to subscribe for the shares was transferred to Avionord S.r.l. - the seller of the shares in XVIVO S.r.l.

Through the Directed Issue, the number of shares and votes in XVIVO Perfusion AB (Publ) increased by 1,600,000 in the third quarter, as announced on September 29, 2023. As of December 31, the total number of shares and votes was 31,499,470.

<sup>2</sup> [https://www.jhltonline.org/article/S1053-2498\(23\)00055-5/fulltext](https://www.jhltonline.org/article/S1053-2498(23)00055-5/fulltext)

<sup>3</sup> DCD: Donation after circulatory death Donation after circulatory death

<sup>4</sup> [https://www.journal-of-hepatology.eu/article/S0168-8278\(23\)00012-0/fulltext#%20](https://www.journal-of-hepatology.eu/article/S0168-8278(23)00012-0/fulltext#%20)

<sup>5</sup> DBD: Donation after brain death Donation after brain death

## Directed new share issue raised SEK 440 million

XVIVO carried out a directed share issue of 1,600,000 shares at a subscription price of SEK 275 per share, raising gross proceeds of SEK 440 million before transaction costs of approximately SEK 10 million for the company. The subscription price was determined in an accelerated book-building procedure. Investors in the directed issue include existing and new shareholders such as Bure Equity AB, the Fourth AP Fund, Swedbank Robur Fonder, Eccenovo, Handelsbanken Fonder AB through the investment fund Hälsovård Tema, the Third AP Fund and a tier-one global international investor.

The net proceeds from the Directed Issue are intended to be used for: 1) Increased investments in US clinical trial infrastructure and support to create an efficient FDA PMA regulatory approval process for the heart preservation technology; 2) Fast-track the preparation and start of the clinical trial and FDA PMA regulatory approval process for Liver Assist; and 3) Scale-up of disposable production to ensure delivery capacity and decrease in cost of goods sold.

## XVIVO's heart preservation technology enabled a second xenotransplant (heart from pig to human)

On September 20, 2023, the world's second heart xenotransplant from pig to human was completed. Like for the first transplantation, a team of researchers at University of Maryland School of Medicine in the US were behind the achievement. After removing the heart from the pig, XVIVO's preservation technology and patented solution was used to preserve the heart in optimal condition before transplant. The patient was a 58-year old critically ill man with terminal heart failure who did not qualify for conventional treatment methods.

One of the biggest challenges in transplantation is the shortage of organs. Xenotransplantation, i.e. transplantation between species, presents a potential solution to the critical organ shortage. Groundbreaking research using XVIVO's heart preservation technology has achieved long-term survival after xenotransplants of hearts from genetically modified pigs to primates in recent years.

## XVIVO initiates strategic collaboration with MTJ Aviation to strengthen organ retrieval services in the US

XVIVO has signed a strategic collaboration agreement with MTJ Aviation, a US company specializing in healthcare transport. The agreement is a positive consequence of the decision to integrate STAR Teams with the XVIVO brand. Reliable organ transports have become increasingly important for transplantation clinics in the US following recent changes to US organ allocation policy. Escalating logistics complexity and ensuing increased costs to clinics have led to the emergence of a more customized and efficient transportation process. Alongside MTJ Aviation, XVIVO will address this need by establishing shared flight hubs on the US East Coast and in the Mid West. Each hub will have a dedicated surgical team and a light jet plane dedicated to XVIVO's operations.

## XVIVO has decided to halt further patient inclusion in the PrimECC® study

PrimECC is a solution used to prepare heart-lung machines ahead of heart surgery. The product is both CE marked and patent protected, and has been developed with the aim of reducing complications after surgery. A clinical trial in PrimECC was initiated in 2020, with the aim of expanding and strengthening existing clinical data. Unfortunately, the rate of patient inclusion did not live up to expectations, and the study is not expected to be completed within a reasonable time frame. XVIVO has therefore decided to halt further patient inclusion in the study.

## Significant events after the end of the period

### Prolonged liver perfusion can streamline planning and logistics and enable more liver transplants to be performed during daytime

In a clinical study conducted by the UMCG in Groningen, the Netherlands, it has been proven that donated livers can be preserved with DHOPE (Dual Hypothermic Oxygenated Perfusion) through XVIVO's Liver Assist for up to 20 hours. Through prolonged perfusion times, UMCG has been able to streamline and better plan its transplant process in 2023 with the result that the majority of all liver transplants in 2023 have been able to take place during the day and not at night, which is the normal procedure.

# Business area development

XVIVO's operations are conducted in three business areas: Thoracic (products for lung and heart transplantation), Abdominal (products and perfusion services for liver and kidney transplantation) and Services (organ recovery). Commercial and R&D activities take place within each business area.

## Thoracic

The Thoracic business area comprises XVIVO's products for lung and heart transplantation. In lung transplantation, the company's product Perfadex® Plus has a market share of approximately 90 percent in traditional static preservation of lungs. The company's products for warm perfusion, XPS™ and STEEN Solution™, have regulatory approval in all major markets and in 2019 they were the first products to receive FDA clearance for warm perfusion of marginal lungs. In heart transplantation, XVIVO's products are in a clinical study phase. In 2023, XVIVO initiated sales activities in clinical heart transplantation in Australia and New Zealand, while pre-clinical sales have been underway for a number of years aimed at supporting research studies, including xenotransplantation.

### Summary

SEK Thousands	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Net sales	384 363	296 353	98 455	88 165
Disposables	372 518	276 589	97 630	84 753
Machines	11 845	19 764	825	3 412
Gross margin, %	84	80	85	82
Disposables	85	84	85	85
Machines	39	15	60	8

### The quarter October - December 2023

Thoracic delivered a strong fourth quarter, with continued positive growth in year-on-year terms. Sales amounted to SEK 98.5 million (88.2), equivalent to growth of 12 percent year-on-year or 11 percent adjusted for currency effects. Sales of disposables delivered growth of 14 percent.

Machine perfusion accounted for 53 percent (50) of net sales. Static preservation and other sales accounted for the remainder of net sales.

The gross margin for disposables totaled 85 percent (85).

### The period January - December 2023

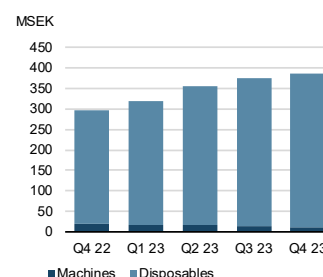
Sales increased by 30 percent in the period compared to the corresponding period in the previous year and amounted to SEK 384.4 million (296.4). The increase is equivalent to an increase of 23 percent adjusted for currency effects.

Sales of disposables increased by 35 percent and amounted to SEK 372.5 million (276.6). Organic growth amounted to 28 percent in local currencies.

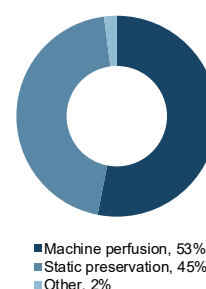
Machine perfusion accounted for 50 percent (50) of net sales. Static preservation and other sales accounted for the remainder of net sales.

Gross margin for disposables increased to 85 percent (84).

Net sales Thoracic (R12)



Net sales by product category Thoracic (Q4)



## Abdominal

The Abdominal business area comprises XVIVO's product and service operations in liver and kidney transplantation. XVIVO offers oxygenated machine perfusion products for both these organs. Products for liver and kidney transplants are primarily sold in selected markets in Europe, but also in other smaller markets. In 2023 and 2024 we will accelerate the introduction of the company's kidney preservation product, Kidney Assist Transport, on our main markets in the US and Europe.

### Summary

SEK Thousands	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Net sales	134 039	70 861	38 173	27 351
Disposables	118 342	59 877	32 852	21 923
Machines	15 697	10 984	5 321	5 428
Gross margin, %	66	53	68	54
Disposables	66	54	69	54
Machines	67	51	65	52

### The quarter October - December 2023

Sales amounted to SEK 38.2 million (27.4) in the quarter, which is equivalent to an increase of 40 percent year-on-year. Adjusted for currency effects, growth totaled 33 percent. The increase for disposables was strong at 50 percent, or 43 percent adjusted for currency effects, of which organic growth accounted for 22 percent and acquired growth for 21 percent. The revenue was primarily generated in Europe, and approximately 75 percent related to liver perfusion.

The gross margin for disposables increased to 69 percent (54), driven by price increases and an integrated product and service offering on the company's largest abdominal market, Italy.

### The period January - December 2023

Sales in the period amounted to SEK 134.0 million (70.9), equivalent to growth of 89 percent year-on-year. Growth was 76 percent adjusted for exchange rate effects. The increase for disposables was strong at 98 percent, or 84 percent adjusted for currency effects, of which organic growth accounted for 53 percent and acquired growth for 30 percent.

The gross margin for disposables increased to 66 percent (54), driven by price increases and an integrated product and service offering on the company's largest abdominal market, Italy.

## Services

The Services business area comprises STAR Teams' organ recovery operations in the US in the area of thoracic. Organ recovery means the removal of organs from the donor body, the preservation of organs in cold fluid during transport, and logistics and coordination ahead of and during organ recovery. STAR Teams currently offers services to transplantation clinics in the Midwest and on the East Coast.

### Summary

SEK Thousands	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Net sales	79 140	48 078	19 112	15 998
Gross margin, %	44	49	41	47

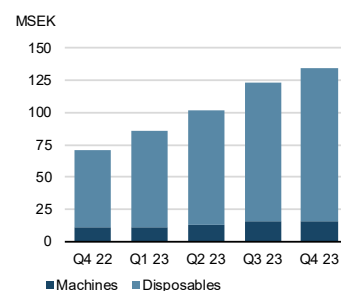
### The quarter October - December 2023

STAR Teams' sales experienced organic growth of 19 percent year-on-year, primarily driven by an increased customer base. The gross margin was 41 percent (47), primarily due to investments in headcount during the year. The margin is expected to increase as the customer base expands and economies of scale are generated.

### The period January - December 2023

STAR Teams' sales experienced organic growth of 65 percent in year-on-year terms, primarily driven by an increased customer base. The number of organ recoveries increased by 14 percent. Demand for organ recovery services from US clinics is positive, and operations were reorganized in the period to meet the growing demand. The gross margin was 44 percent (49) and is expected to increase as the customer base expands and economies of scale are generated.

### Net sales Abdominal (R12)



### Net sales by product category, Abdominal (Q4)






### Organ recoveries in 2023


# 562

# R&D portfolio

## Development projects

Project	Description	Status
<p>Heart transplantation</p> 	<p>The primary restriction on the number of heart transplants possible today comes from the number of available, usable donated organs based on current technology, coupled with the time a donated heart can survive outside the body.</p> <p>In collaboration with Professor Stig Steen, XVIVO has developed a comprehensive solution comprising fluids and machinery that prevents damage to the heart and preserve its function during transport. The technology contributes to improved results after heart transplantation and enables longer transports. In the ongoing clinical trials, the results from the transplant of donated hearts transported and preserved using XVIVO's method are evaluated and compared to the results after conventional ice-box method</p>	<p>XVIVO has a program of clinical multicenter studies. These will form the basis for the application for regulatory approval for the products in all major markets worldwide. During 2023, several important milestones were reached in clinical trials using XVIVO's heart technology.</p> <p>Data from the Australia/New Zealand clinical trial has now been published, showing that patients receiving heart transplants using XVIVO's technology had a 100 percent survival rate after 30 days, with only one patient treated with mechanical circulation support. This was despite extreme transport periods for these hearts of up to 9 hours.</p> <p>In the second quarter, the final patient was included in XVIVO's European multicenter study with 15 participants. The data gathered is used in the application process for regulatory approval and will be presented in its entirety in 2024.</p> <p>In the second quarter, the FDA approved XVIVO's IDE application for the planned clinical trial with up to 20 clinics, as well as approving the inclusion of DCD hearts in the study. The first participating centers were trained in the fall, and the first patients were included in the trial at the end of the year.</p>
<p>Kidney transplantation</p> 	<p>As with other organs, there is a shortage of transplantable kidneys. Studies have demonstrated that transporting kidneys with ongoing oxygenated perfusion improves post-transplant outcomes. New areas that are being explored include the role of warm perfusion for purposes of evaluation.</p>	<p>An international study published in <i>The Lancet</i> in 2020 illustrates the advantages for the recipient when the kidney is transported perfused with an oxygenated solution. This is the technology that is unique to XVIVO and is currently being launched in the US. This step has taken kidney technology into a more mature phase. The combination of new perfusion technology with warm perfusion and new solutions is the focus of research in the field of organ transplantation and several investigator-initiated studies have started or are in the start-up phase.</p>
<p>Liver transplantation</p> 	<p>As with other organs, there is a shortage of transplantable livers. By optimizing the process for preserving and evaluating the function of the donated liver, more organs with good function potentially become available for transplant. Studies show that cold oxygenated perfusion of liver before transplantation clearly reduces the risk of serious complications in many cases. The use of warm perfusion with XVIVO's technologies with the aim of evaluating liver function outside the body ahead of transplant has attracted significant interest over the past year.</p>	<p>The results of a study after using XVIVO's technology were published in <i>The New England Journal of Medicine</i> in 2021 and demonstrate significant benefits of cold oxygenated machine perfusion of livers prior to transplantation with donation after circulatory death (DCD). Numerous clinical trials and an extensive Cochrane review demonstrate proven clinical benefits associated with using XVIVO's cold perfusion technology (HOPE); these have not been replicated in studies using warm perfusion.</p> <p>As XVIVO's Liver Assist allows for both warm and cold perfusion through one or two vessels, the technology is used in several ongoing studies in different clinical scenarios.</p> <p>In order to gain approval for the liver technology in the US, XVIVO is preparing clinical trials in the US and has initiated discussions with the FDA.</p>

## Research projects

Project	Description	Status
<p>Xenotransplantation</p> 	<p>Xenotransplantation involves the use of non-human organs in transplantation. The method is currently at the research stage for several organs.</p>	<p>The first successful transplantation to a human was performed in January 2022, with a further transplant performed in September 2023. In both cases, XVIVO's heart technology was used to preserve the heart before transplantation. XVIVO will continue to support groundbreaking research in the area and our technology for preserving heart function is currently used by three world-leading research teams in xenotransplantation.</p>

# Other information

## Sustainability

Everyone who works at XVIVO is dedicated to our vision that “nobody should die waiting for a new organ”, and we are proud that our innovations help give patients the opportunity to live longer and better lives. For more than two decades we have focused on developing, manufacturing and marketing technology that contributes to making more donated organs available for transplant.

XVIVO’s Code of Conduct is our primary sustainability policy. It includes guidelines for business principles, human rights and working principles. For more detailed information regarding our sustainability work, see the company’s Annual Report for 2022. The Annual Report and our key policies are available at [www.xvivogroup.com](http://www.xvivogroup.com).

## Organization and employees

The XVIVO Group has 150 employees, of whom 72 are women and 78 men. Of these, 56 are employed in Sweden and 94 outside Sweden. The head office is located in Gothenburg, Sweden and our subsidiaries are located in the US, Italy, France, Brazil, China, Australia and the Netherlands. XVIVO also has employees based in several other countries in Europe.

## Related-party transactions

There were no related-party transactions during the period.

## Risk management

XVIVO works continuously to identify, evaluate, and manage risks in different systems and processes. Risk analyses are carried out continuously regarding normal operations and in connection with activities that are outside XVIVO’s regular quality system.

The market risks that are deemed to have a particular impact on XVIVO’s future progress are linked to the availability of financial and medical resources in clinics around the world. Operational risks are risks that limit or prevent XVIVO from developing, manufacturing and selling high-quality, efficient and safe products. The number of organ transplants is marginally affected by seasonal effects. Mainly in new treatment methods, such as warm perfusion of lungs, slightly less activity occurs during the summer months because there is less training and learning during the summer vacation period. Legal and regulatory risks may arise from changes in legislation or policy decisions that may affect the Group’s ability to conduct or develop the business. Financial risks include exchange rate risks.

The crucial strategic risks and operational risks for the Group can be found in the administration report which is part of the Annual Report for 2022, available at [www.xvivogroup.com](http://www.xvivogroup.com).

## Nomination Committee for the 2024 AGM

The following have been appointed to be part of XVIVO Perfusion AB’s (publ) Nomination Committee for the 2024 Annual General Meeting:

Henrik Blomquist, appointed by Bure Equity AB

Thomas Ehlin, appointed by Fourth AP Fund

Fredrik Stenkil, appointed by Swedbank Robur Fonder AB

Gösta Johannesson, Chairman of the Board

They were appointed in accordance with the instructions regarding the principles for appointing a Nomination Committee adopted at the Annual General Meeting of XVIVO Perfusion AB (publ) on April 27, 2018. The shareholders who appointed the members of the Nomination Committee jointly represented 52.4 percent of all shares in the company on August 31, 2023.

## Annual General Meeting and Annual Report

The Annual General Meeting of XVIVO Perfusion AB (publ) will be held on April 25, 2024 in Gothenburg. Shareholders who wish to have a matter dealt with at the meeting may request this in writing from the Board of Directors. Any such request for consideration of a matter shall be sent to XVIVO Perfusion AB (publ), FAO: The Nomination Committee, Gemenskapens gata 9, SE-451 53 Mölndal and must be received by the Board of Directors no later than seven weeks before the meeting, or at least in time that the matter, if necessary, can be included in the notice convening the meeting. The Annual Report for 2023 is expected to be available to download from the XVIVO website in the week beginning April 1, 2024.

## Dividend

The Board of Directors proposes that no dividend be paid for the 2023 financial year and that retained earnings be carried forward.



## Outlook

There is a constantly growing need for new organs globally and XVIVO assesses that demand is currently ten times greater than the supply of transplantable organs. One solution for increasing the number of transplantable organs is using machine perfusion, which is increasingly becoming the standard procedure. We also see growing demand for service models, in terms of both scope and significance, in line with transplantation clinics sharpening their focus on increasing the number of transplants. This trend is reflected in the progress made in 2023 with positive sales growth across all business areas to date. Due to growing interest in our product and service offering across all organ areas, we anticipate continued long-term sustainable growth.

The priorities ahead of 2024 are clear and follow our strategic plan: continued investment in machine perfusion and service models for existing products on the market, launch our heart technology in Europe, successfully carrying out our clinical multicenter studies in the US (heart and liver), and investment in new production facilities to secure future delivery capacity of disposables at a level ten times higher than today.

Although XVIVO and the transplantation industry in general are showing significant growth, there is unfortunately uncertainty in the wider world. The geopolitical uncertainty has shifted away from regional to global concerns, and an overall impact on global trade cannot be ruled out. XVIVO currently has very limited sales exposure to countries affected by conflict and the procurement chain is not exposed to these markets. Our manufacturing takes place either in Western Europe or the US. Accordingly, we currently do not assess that geopolitical conflicts and war in our surrounding world are having a direct negative impact on XVIVO's operations.

We estimate that the number of transplantations globally will continue to grow, which is driven by increased machine perfusion and service models that facilitate the operations of transplantation clinics. XVIVO will continue to invest in the significant market potential that exists.

## Significant events after the end of the period

No significant events occurred after the end of the reporting period that affect the assessment of the financial information in this report.

The Board of Directors and CEO hereby give their assurance that the Year-End Report presents an accurate summary of the Group's and Parent Company's operations, position and results of operations and describes the material risks and uncertainty factors the Parent Company and the companies included in the Group face.

Mölnadal, January 25, 2024

Gösta Johannesson  
Chairman of the Board

Camilla Öberg  
Board member

Göran Dellgren  
Board member

Erik Strömqvist  
Board member

Lars Henriksson  
Board member

Lena Höglund  
Board member

Christoffer Rosenblad  
CEO

This report has not been reviewed by the company's auditors.

This information is information that XVIVO Perfusion AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact person set out below on Thursday, January 25, 2024 at 7.30 am CET.



### Financial calendar

- Interim Report January-March 2024: Wednesday, April 24, 2024
- Interim Report January-June 2024: Friday, July 12, 2024
- Interim Report January-September 2024: Thursday, October 24, 2024
- Year-end Report 2024: Thursday, January 28, 2025



### Conference call

CEO Christoffer Rosenblad and CFO Kristoffer Nordström will present the Interim Report in a conference call at 2.00 p.m. CET on Thursday, January 25.

For access via conference call, click [here](#)

For access via webcast, click [here](#)



### Contact

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# Financial statements

## Condensed Consolidated Statement of Net Income

SEK Thousands	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Net sales	597 542	415 292	155 740	131 514
Cost of goods sold	-152 431	-118 336	-38 506	-36 657
<b>Gross income</b>	<b>445 111</b>	<b>296 956</b>	<b>117 234</b>	<b>94 857</b>
Selling expenses	-232 261	-152 398	-64 804	-45 718
Administrative expenses	-76 944	-70 979	-17 309	-23 066
Research and development expenses	-135 942	-69 343	-51 014	-23 959
Other operating revenues and expenses	4 223	2 173	-231	190
<b>Operating income</b>	<b>4 187</b>	<b>6 409</b>	<b>-16 124</b>	<b>2 304</b>
Financial income and expenses	90 334	15 905	81 686	447
<b>Income after financial items</b>	<b>94 521</b>	<b>22 314</b>	<b>65 562</b>	<b>2 751</b>
Taxes	-2 701	-3 887	2 912	-2 017
<b>Net income</b>	<b>91 820</b>	<b>18 427</b>	<b>68 474</b>	<b>734</b>
<b>Attributable to</b>				
Parent Company's shareholders	91 820	18 427	68 474	734
Earnings per share, SEK	3.07	0.62	2.17	0.02
Earnings per share, SEK <sup>1)</sup>	3.07	0.62	2.17	0.02
Average number of outstanding shares	29 935 147	29 525 946	31 499 470	29 602 717
Average number of outstanding shares <sup>1)</sup>	29 935 147	29 525 946	31 499 470	29 602 717
Number of shares at closing day	31 499 470	29 831 919	31 499 470	29 831 919
Number of shares at closing day <sup>1)</sup>	31 499 470	29 831 919	31 499 470	29 831 919
<b>EBITDA (Operating income before depreciation and amortization)</b>	<b>80 537</b>	<b>48 576</b>	<b>20 746</b>	<b>13 580</b>
Amortization and write-down on intangible assets	-53 098	-27 871	-30 025	-7 145
Depreciation on tangible assets	-23 252	-14 296	-6 845	-4 131
<b>Operating income</b>	<b>4 187</b>	<b>6 409</b>	<b>-16 124</b>	<b>2 304</b>

<sup>1)</sup> After dilution

## Consolidated Statement of Total Comprehensive Income

SEK Thousands	January-December 2023	January-December 2022	October-December 2023	October-December 2022
<b>Net income</b>	<b>91 820</b>	<b>18 427</b>	<b>68 474</b>	<b>734</b>
<b>Other comprehensive income</b>				
Items that may be reclassified to the income statement				
Exchange rate differences	-26 897	65 693	-51 948	-12 173
<b>Total other comprehensive income</b>	<b>-26 897</b>	<b>65 693</b>	<b>-51 948</b>	<b>-12 173</b>
<b>Total comprehensive income</b>	<b>64 923</b>	<b>84 120</b>	<b>16 526</b>	<b>-11 439</b>
<b>Attributable to</b>				
Parent Company's shareholders	64 923	84 120	16 526	-11 439

## Condensed Consolidated Statement of Financial Position

SEK Thousands	231231	221231
<b>ASSETS</b>		
Goodwill	591 392	625 319
Capitalized development expenditure	598 505	544 510
Other intangible fixed assets	30 461	8 484
Fixed assets	97 552	47 579
Financial assets	36 776	39 684
<b>Total non-current assets</b>	<b>1 354 686</b>	<b>1 265 576</b>
Inventories	141 604	106 566
Current receivables	138 713	114 397
Liquid funds	546 088	246 545
<b>Total current assets</b>	<b>826 405</b>	<b>467 508</b>
<b>Total assets</b>	<b>2 181 091</b>	<b>1 733 084</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Shareholders' equity, attributable to the Parent Company's shareholders	1 945 045	1 430 136
Long-term interest-bearing liabilities	21 169	4 455
Long-term non-interest-bearing liabilities	80 389	163 597
Short-term interest-bearing liabilities	10 268	5 550
Short-term non-interest-bearing liabilities	124 220	129 346
<b>Total shareholders' equity and liabilities</b>	<b>2 181 091</b>	<b>1 733 084</b>

## Condensed Consolidated Cash Flow Statement

	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Income after financial items	94 521	22 314	65 562	2 751
Adjustment for items not affecting cash flow	-1 992	27 510	-33 945	14 209
Paid taxes	-7 017	199	-3 652	1 791
Change in inventories	-33 481	-6 325	660	-10 534
Change in trade receivables	-25 034	-26 860	-11 987	-7 647
Change in trade payables	19 291	11 018	1 490	21 219
<b>Cash flow from operating activities</b>	<b>46 288</b>	<b>27 856</b>	<b>18 128</b>	<b>21 789</b>
Cash flow from investing activities	-161 619	-197 624	-52 585	-77 054
Cash flow from financing activities	418 547	-6 842	-3 726	-2 800
<b>Cash flow for the period</b>	<b>303 216</b>	<b>-176 610</b>	<b>-38 183</b>	<b>-58 065</b>
Liquid funds at beginning of period	246 545	398 696	594 261	314 561
Exchange rate difference in liquid funds	-3 673	24 459	-9 990	-9 951
<b>Liquid funds at end of period</b>	<b>546 088</b>	<b>246 545</b>	<b>546 088</b>	<b>246 545</b>

## Consolidated Changes in Shareholders' Equity

SEK Thousands	Attributable to Parent Company's shareholders				Sum shareholders' equity
	Share capital	Other paid in capital	Reserves	Retained earnings incl. profit for the year	
<b>Shareholders' equity as of January 1, 2022</b>	<b>754</b>	<b>1 253 330</b>	<b>22 088</b>	<b>9 278</b>	<b>1 285 450</b>
Total comprehensive income January - December 2022	-	-	65 693	18 427	84 120
Issuing of new shares after deduction of incremental costs directly related to issuing new shares net of tax	8	59 694	-	49	59 751
Share warrant program	-	815	-	-	815
<b>Shareholders' equity as of December 31, 2022</b>	<b>762</b>	<b>1 313 839</b>	<b>87 781</b>	<b>27 754</b>	<b>1 430 136</b>
Total comprehensive income January - December 2023	-	-	-26 897	91 820	64 923
Issuing of new shares after deduction of incremental costs directly related to issuing new shares net of tax	43	447 540	-	-	447 583
Accounting effect of incentive programs according to IFRS 2	-	2 403	-	-	2 403
<b>Shareholders' equity as of December 31, 2023</b>	<b>805</b>	<b>1 763 782</b>	<b>60 884</b>	<b>119 574</b>	<b>1 945 045</b>

## Condensed Consolidated Statement of Net Income by quarter

SEK Thousands	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022
Net sales	155 740	146 614	154 573	140 615	131 514	96 835	94 289	92 654
Cost of goods sold	-38 506	-39 016	-39 111	-35 798	-36 657	-27 464	-26 783	-27 432
<b>Gross income</b>	<b>117 234</b>	<b>107 598</b>	<b>115 462</b>	<b>104 817</b>	<b>94 857</b>	<b>69 371</b>	<b>67 506</b>	<b>65 222</b>
Selling expenses	-64 804	-66 554	-52 528	-48 375	-45 718	-39 387	-37 774	-29 519
Administrative expenses	-17 309	-13 392	-27 258	-18 985	-23 066	-18 734	-14 779	-14 400
Research and development costs	-51 014	-27 126	-31 629	-26 173	-23 959	-16 651	-12 075	-16 658
Other operating revenues and expenses	-231	4 776	-245	-77	190	744	1 260	-21
<b>Operating income</b>	<b>-16 124</b>	<b>5 302</b>	<b>3 802</b>	<b>11 207</b>	<b>2 304</b>	<b>-4 657</b>	<b>4 138</b>	<b>4 624</b>
Financial income and expenses	81 686	-4 348	7 638	5 358	447	7 649	6 244	1 565
<b>Income after financial items</b>	<b>65 562</b>	<b>954</b>	<b>11 440</b>	<b>16 565</b>	<b>2 751</b>	<b>2 992</b>	<b>10 382</b>	<b>6 189</b>
Taxes	2 912	1 330	-4 554	-2 389	-2 017	2 406	-2 852	-1 424
<b>Net income</b>	<b>68 474</b>	<b>2 284</b>	<b>6 886</b>	<b>14 176</b>	<b>734</b>	<b>5 398</b>	<b>7 530</b>	<b>4 765</b>
<b>Attributable to</b>								
Parent Company's shareholders	68 474	2 284	6 886	14 176	734	5 398	7 530	4 765
Earnings per share, SEK	2.17	0.08	0.23	0.48	0.02	0.18	0.26	0.16
Earnings per share, SEK <sup>1)</sup>	2.17	0.08	0.23	0.48	0.02	0.18	0.26	0.16
Average number of outstanding shares	31 499 470	30 139 116	29 872 450	29 831 919	29 602 717	29 512 733	29 512 733	29 498 666
Average number of outstanding shares <sup>1)</sup>	31 499 470	30 139 116	29 872 450	29 831 919	29 602 717	29 512 733	29 512 733	29 872 666
Number of shares at closing day	31 499 470	31 499 470	29 899 470	29 831 919	29 831 919	29 561 967	29 561 967	29 498 666
Number of shares at closing day <sup>1)</sup>	31 499 470	31 499 470	29 899 470	29 831 919	29 831 919	29 561 967	29 561 967	29 872 666
<b>EBITDA (Operating income before depreciation and amortization)</b>	<b>20 746</b>	<b>18 931</b>	<b>17 216</b>	<b>23 644</b>	<b>13 580</b>	<b>5 904</b>	<b>14 399</b>	<b>14 693</b>
Depreciation and amortization on intangible assets	-30 025	-7 725	-7 715	-7 633	-7 145	-6 891	-6 929	-6 906
Depreciation and amortization on tangible assets	-6 845	-5 904	-5 699	-4 804	-4 131	-3 670	-3 332	-3 163
<b>Operating income</b>	<b>-16 124</b>	<b>5 302</b>	<b>3 802</b>	<b>11 207</b>	<b>2 304</b>	<b>-4 657</b>	<b>4 138</b>	<b>4 624</b>

<sup>1)</sup> After dilution

## Consolidated Statement of Total Comprehensive Income by quarter

SEK Thousands	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022
<b>Net income</b>	<b>68 474</b>	<b>2 284</b>	<b>6 886</b>	<b>14 176</b>	<b>734</b>	<b>5 398</b>	<b>7 530</b>	<b>4 765</b>
<b>Other comprehensive income</b>								
Items that may be reclassified to the income statement:								
Exchange rate differences	-51 948	-10 520	32 690	2 881	-12 173	30 381	37 862	9 623
<b>Total other comprehensive income</b>	<b>-51 948</b>	<b>-10 520</b>	<b>32 690</b>	<b>2 881</b>	<b>-12 173</b>	<b>30 381</b>	<b>37 862</b>	<b>9 623</b>
<b>Total comprehensive income</b>	<b>16 526</b>	<b>-8 236</b>	<b>39 576</b>	<b>17 057</b>	<b>-11 439</b>	<b>35 779</b>	<b>45 392</b>	<b>14 388</b>
<b>Attributable to</b>								
Parent Company's shareholders	16 526	-8 236	39 576	17 057	-11 439	35 779	45 392	14 388

## Consolidated Key Ratios

SEK Thousands	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Gross margin, %	74	72	75	72
Gross margin disposables, %	81	79	81	79
EBIT, %	1	2	-10	2
EBIT (adjusted), %	7	3	1	6
EBITDA, %	13	12	13	10
EBITDA (adjusted), %	17	14	14	15
Net margin, %	15	4	44	1
Equity/assets ratio, %	89	83	89	83
Earnings per share, SEK	3.07	0.62	2.17	0.02
Shareholders' equity per share, SEK	61.75	47.94	61.75	47.94
Share price on closing day, SEK	330	183	330	183
Market cap on closing day, MSEK	10 379	5 459	10 379	5 459

## Condensed Income Statement for the Parent Company

SEK Thousands	January-December 2023	January-December 2022	October-December 2023	October-December 2022
Net sales	276 937	243 737	78 839	70 867
Cost of goods sold	-73 128	-54 599	-24 226	-17 397
<b>Gross income</b>	<b>203 809</b>	<b>189 138</b>	<b>54 613</b>	<b>53 470</b>
Selling expenses	-69 418	-59 489	-17 849	-14 079
Administrative expenses	-68 948	-55 691	-18 267	-15 885
Research and development expenses	-92 793	-52 355	-40 814	-15 021
Other operating revenues and expenses	-503	2 324	-552	424
<b>Operating income</b>	<b>-27 853</b>	<b>23 927</b>	<b>-22 869</b>	<b>8 909</b>
Financial income and expenses	25 149	19 982	12 264	2 019
<b>Income after financial items</b>	<b>-2 704</b>	<b>43 909</b>	<b>-10 605</b>	<b>10 928</b>
Taxes	-2 360	-9 177	-397	-2 173
<b>Net income</b>	<b>-5 064</b>	<b>34 732</b>	<b>-11 002</b>	<b>8 755</b>

The Parent Company has no items to be recognized in other comprehensive income and therefore no statement of comprehensive income has been presented. Depreciation and amortization during the period amounted to SEK 37,187,000 (19,153,000), of which SEK 22,460,000 (4,729,000) in the quarter.

## Condensed Balance Sheet for the Parent Company

SEK Thousands	231231	221231
<b>ASSETS</b>		
Intangible fixed assets	484 519	363 398
Property, plant and equipment	23 040	10 775
Financial assets	809 240	926 531
<b>Total non-current assets</b>	<b>1 316 799</b>	<b>1 300 704</b>
Inventories	56 965	27 548
Current receivables	47 409	36 890
Cash and bank	447 778	196 281
<b>Total current assets</b>	<b>552 152</b>	<b>260 719</b>
<b>Total assets</b>	<b>1 868 951</b>	<b>1 561 423</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Shareholders' equity	1 721 754	1 341 567
Provisions	2 258	1 374
Long-term non-interest-bearing liabilities	81 464	137 130
Short-term non-interest-bearing liabilities	63 475	81 352
<b>Total shareholders' equity and liabilities</b>	<b>1 868 951</b>	<b>1 561 423</b>

# Notes

Disclosures in accordance with IAS 34.16A are included in the financial statements and notes, as well as elsewhere in the Interim Report.

## Note 1. Accounting principles

For the Group, this report is presented pursuant to the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting, and for the Parent Company pursuant to the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Accounting principles applied to the Group and the Parent Company correspond, unless otherwise stated below, to the accounting principles used for the preparation of the latest Annual Report.

## Note 2. Financial instruments

The Group's financial assets and liabilities valued at amortized cost amounted to SEK 685 million (361) and SEK 134 million (102) respectively. The book value is considered to be a reasonable approximation of the fair value of these assets and liabilities in the Balance Sheet. Furthermore, the Group recognizes a liability of SEK 64.4 million (170.4) relating to contingent consideration linked to acquisitions. Contingent considerations are classified under level 3 in accordance with IFRS 13, and measured at fair value with changes recognized in the Income Statement. The calculation of fair value relating to financial liabilities under level 3 affected the Income Statement by SEK 72.0 million (-21.5) in the period and was recognized in financial items. The calculation has been made in accordance with the accounting principles indicated in Note 1.

### Financial liabilities measured at fair value

#### Fair value

TSEK	231231	221231
Opening balance	170 416	150 676
Additional purchase considerations	-	26 224
Discount of additional purchase considerations	751	-
Write-down of additional purchase considerations	-69 036	-
Payment of additional purchase considerations	-34 003	-27 999
Exchange-rate differences	-3 713	21 515
<b>Closing balance</b>	<b>64 415</b>	<b>170 416</b>

## Note 3. Net sales

### Distribution of net sales

SEK Thousands	January-December							
	Thoracic		Abdominal		Services		Total consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022
Disposables	372 518	276 589	118 342	59 877	-	-	490 860	336 466
Machines	11 845	19 764	15 697	10 984	-	-	27 542	30 748
Service	-	-	-	-	79 140	48 078	79 140	48 078
<b>Net sales</b>	<b>384 363</b>	<b>296 353</b>	<b>134 039</b>	<b>70 861</b>	<b>79 140</b>	<b>48 078</b>	<b>597 542</b>	<b>415 292</b>

SEK Thousands	October-December							
	Thoracic		Abdominal		Services		Total consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022
Disposables	97 630	84 753	32 852	21 923	-	-	130 482	106 676
Machines	825	3 412	5 321	5 428	-	-	6 146	8 840
Service	-	-	-	-	19 112	15 998	19 112	15 998
<b>Net sales</b>	<b>98 455</b>	<b>88 165</b>	<b>38 173</b>	<b>27 351</b>	<b>19 112</b>	<b>15 998</b>	<b>155 740</b>	<b>131 514</b>

## Note 4. Consolidated operating segments

The Group's segments are Thoracic, Abdominal and Services. The segments correspond to the Group's business areas and are measured and monitored by XVIVO's management at a revenue and gross margin level.

SEK Thousands	January-December							
	Thoracic		Abdominal		Services		Total consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022
Net sales	384 363	296 353	134 039	70 861	79 140	48 078	597 542	415 292
Cost of goods sold	-62 486	-60 677	-45 951	-33 128	-43 994	-24 531	-152 431	-118 336
<b>Gross income</b>	<b>321 877</b>	<b>235 676</b>	<b>88 088</b>	<b>37 733</b>	<b>35 146</b>	<b>23 547</b>	<b>445 111</b>	<b>296 956</b>
<b>Gross margin (%)</b>	<b>84</b>	<b>80</b>	<b>66</b>	<b>53</b>	<b>44</b>	<b>49</b>	<b>74</b>	<b>72</b>

SEK Thousands	October-December							
	Thoracic		Abdominal		Services		Total consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022
Net sales	98 455	88 165	38 173	27 351	19 112	15 998	155 740	131 514
Cost of goods sold	-15 061	-15 602	-12 197	-12 621	-11 248	-8 434	-38 506	-36 657
<b>Gross income</b>	<b>83 394</b>	<b>72 563</b>	<b>25 976</b>	<b>14 730</b>	<b>7 864</b>	<b>7 564</b>	<b>117 234</b>	<b>94 857</b>
<b>Gross margin (%)</b>	<b>85</b>	<b>82</b>	<b>68</b>	<b>54</b>	<b>41</b>	<b>47</b>	<b>75</b>	<b>72</b>

## Geographical areas

SEK Thousands	January-December							
	Thoracic		Abdominal		Services		Total consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022
North America	236 827	188 284	11 787	8 912	79 140	48 078	327 754	245 274
South and Latin America	5 729	5 086	239	-	-	-	5 968	5 086
EMEA	102 363	89 920	119 282	56 118	-	-	221 645	146 039
Asia and Pacific	39 444	13 062	2 731	5 831	-	-	42 175	18 893
<b>Net sales</b>	<b>384 363</b>	<b>296 353</b>	<b>134 039</b>	<b>70 861</b>	<b>79 140</b>	<b>48 078</b>	<b>597 542</b>	<b>415 292</b>

SEK Thousands	October-December							
	Thoracic		Abdominal		Services		Total consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022
North America	59 715	55 880	5 550	2 473	19 112	15 998	84 377	74 351
South and Latin America	1 338	816	239	-	-	-	1 577	816
EMEA	29 733	28 796	31 653	21 423	-	-	61 386	50 218
Asia and Pacific	7 669	2 674	731	3 456	-	-	8 400	6 129
<b>Net sales</b>	<b>98 455</b>	<b>88 165</b>	<b>38 173</b>	<b>27 351</b>	<b>19 112</b>	<b>15 998</b>	<b>155 740</b>	<b>131 514</b>

## Note 5. Goodwill

	January-December 2023	January-December 2022	October-December 2023	October-December 2022
TSEK				
Opening balance	625 319	460 228	645 409	525 648
Acquired goodwill	-	112 242	-	112 242
Reclassification to other intangible fixed assets	-28 174	-	-28 174	-
Reclassification to deferred tax liability	5 804	-	5 804	-
Exchange-rate differences	-11 557	52 849	-31 647	-12 571
<b>Closing balance</b>	<b>591 392</b>	<b>625 319</b>	<b>591 392</b>	<b>625 319</b>

## Note 6. Fusion

XVIVO Perfusion Lund AB was merged with the parent company XVIVO Perfusion AB as of October 30, 2023. The merger has not had any impact on the company's financial statements. Parent company equity decreased by SEK 65 million as a result of the merger difference arising from the merger.

## Note 7. Business acquisitions

On November 30, 2022, XVIVO acquired 100 percent of the shares in Avionord S.r.l.'s machine and perfusion business, which was transferred to the new start-up XVIVO S.r.l. The acquisition analysis was still preliminary as of December 31, 2022, but has now been completed in connection with this Year-end Report. The difference between the preliminary and final acquisition analysis relates to the identification of intangible assets in the form of customer relations totaling SEK 28 million and deferred tax liabilities of SEK 6 million. Preliminary goodwill decreased by SEK -22 million. Customer relations are amortized over five years, starting January 1, 2023. The table below presents the final acquisition analysis.

SEK Thousands	Fair Value
<b>Purchase price</b>	
Paid purchase price	45 889
Issuing of new shares	60 071
Conditional additional purchase price	26 224
<b>Total</b>	<b>132 184</b>
<b>Acquired net assets</b>	
Intangible assets	28 320
Fixed assets	4 829
Inventory	5 532
Accounts receivable and other receivables	10 937
Liquid funds	6 442
Accounts payable and other payables	-13 748
<b>Fair value of acquired net assets</b>	<b>42 312</b>
Goodwill	89 872
<b>Total</b>	<b>132 184</b>



# Reconciliation of alternative performance measures

This report includes performance measures that are not defined in IFRS but have been included in the report as management takes the view that this data enables investors to analyze the Group's performance and financial position. Investors should view alternative performance measures as a complement to, rather than a substitute for, financial information under IFRS.

## EBITDA

	January-December 2023	January-December 2022	October-December 2023	October-December 2022
<b>SEK Thousands</b>				
<b>Operating income</b>	<b>4 187</b>	<b>6 409</b>	<b>-16 124</b>	<b>2 304</b>
Amortization and write-down on intangible assets	53 098	27 871	30 025	7 145
Depreciation and write-down on tangible assets	23 252	14 296	6 845	4 131
<b>EBITDA (Operating income before depreciation and amortization)</b>	<b>80 537</b>	<b>48 576</b>	<b>20 746</b>	<b>13 580</b>

## EBITDA (adjusted)

	January-December 2023	January-December 2022	October-December 2023	October-December 2022
<b>SEK Thousands</b>				
<b>EBITDA (Operating income before depreciation and amortization)</b>	<b>80 537</b>	<b>48 576</b>	<b>20 746</b>	<b>13 580</b>
Acquisition costs	-	8 146	-	4 183
Integration costs	22 103	6 102	478	2 147
Cash-based incentive programs for employees outside Europe	-	-6 372	-	-93
<b>EBITDA (adjusted)</b>	<b>102 640</b>	<b>56 452</b>	<b>21 224</b>	<b>19 817</b>

## EBIT (adjusted)

	January-December 2023	January-December 2022	October-December 2023	October-December 2022
<b>SEK Thousands</b>				
<b>EBIT (Operating income )</b>	<b>4 187</b>	<b>6 409</b>	<b>-16 124</b>	<b>2 304</b>
Acquisition costs	-	8 146	-	4 183
Integration costs	22 103	6 102	478	2 147
Write-down of intangible asset	16 439	-	16 439	-
Cash-based incentive programs for employees outside Europe	-	-6 372	-	-93
<b>EBIT (adjusted)</b>	<b>42 729</b>	<b>14 285</b>	<b>793</b>	<b>8 541</b>

## Gross margin

	January-December 2023	January-December 2022	October-December 2023	October-December 2022
<b>SEK Thousands</b>				
Operating income				
<i>Net sales</i>	597 542	415 292	155 740	131 514
Operating expenses				
<i>Cost of goods sold</i>	-152 431	-118 336	-38 506	-36 657
<b>Gross income</b>	<b>445 111</b>	<b>296 956</b>	<b>117 234</b>	<b>94 857</b>
<b>Gross margin %</b>	<b>74</b>	<b>72</b>	<b>75</b>	<b>72</b>

When calculating gross margin, gross profit is first calculated by subtracting the cost of goods sold from net sales. Gross profit is then set in relation to net sales to obtain the gross margin ratio. Gross margin thus indicates profit after cost of goods sold as a proportion of net sales, and is affected by factors such as pricing, raw materials and manufacturing costs, inventory write-downs and exchange rate effects.

## Equity/Asset ratio

	231231	221231
<b>SEK Thousands</b>		
Shareholders' equity	1 945 045	1 430 136
Total assets	2 181 091	1 733 084
<b>Equity/assets ratio %</b>	<b>89</b>	<b>83</b>

Equity consists of share capital, other contributed capital, reserves, retained earnings including profit for the year in the Group and non-controlling interests. The equity/assets ratio indicates equity as a proportion of total assets and is a measure of the proportion of assets financed by equity.

# KPI definitions

Key ratios	Definition	Purpose
<b>Gross margin disposables, %</b>	Gross profit for disposables during the period divided by net sales for disposables during the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability. Since the pricing strategy for machines differs from the pricing strategy from all other operations, the gross margin is presented separately for machines and disposables.
<b>Gross margin, %</b>	Gross profit for the period divided by net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability.
<b>EBITDA margin, %</b>	EBITDA (operating income before depreciation and amortization for the period) divided by net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability.
<b>Adjusted EBITDA margin,%</b>	EBITDA (operating income before depreciation and amortization for the period) adjusted for items affecting comparability and divided by net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability. The company also considers that adjusted EBITDA provides a more true and fair view of the company's EBITDA for the core operations.
<b>Adjusted EBIT margin,%</b>	EBIT (operating income for the period) adjusted for items affecting comparability, divided by net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability. The company also considers that adjusted EBIT provides a more true and fair view of the company's EBIT for the core operations.
<b>Operating margin, %</b>	Operating income for the period divided by net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability.
<b>Net margin, %</b>	Operating income for the period divided by net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability.
<b>Equity/assets ratio, %</b>	Shareholders' equity divided by total assets.	The ratio indicates what percentage of total assets consists of shareholders' equity and it has been included to help provide investors with an in depth understanding of the company's capital structure.
<b>Shareholders' equity per share, SEK</b>	Shareholders' equity in relation to the number of shares outstanding on the balance sheet date.	The key ratio has been included to give investors an overview of how the company's equity per share has evolved.
<b>Earnings per share, SEK</b>	Income for the period divided by the average number of shares before dilution for the period.	The key ratio has been included to give investors an overview of how the company's earnings per share have evolved.
<b>Earnings per share after dilution, SEK</b>	Income for the period divided by the average number of shares after dilution for the period.	The key ratio has been included to give investors an overview of how the company's earnings per share after dilution have evolved.
<b>Organic growth</b>	Organic growth refers to sales growth compared to the same period the previous year, adjusted for currency translation effects and acquisitions. Acquisitions are adjusted for by excluding net sales during the current year for acquisitions made during the current or previous year where the net sales relate to the period when the acquisition did not contribute to sales in both years. The effect of the acquisition of a distributor (like the acquisition of XVIVO S.r.l. in 2022) is adjusted for by deducting the distributor's margin that is added to Group sales as a result of the acquisition and recognizing it as acquired growth. Currency effects are calculated by recalculating the period's and previous period's sales in local currencies in SEK at the same exchange rate.	Organic growth enables comparison of net sales over time, excluding the impact of currency translation effects and acquisitions.

# Glossary

The following explanations are intended to help the reader understand certain specific terms and expressions in XVIVO's reports:

<b>DBD</b>	Donation after brain death.
<b>DCD</b>	Donation after circulatory death.
<b>Evaluation</b>	Evaluation of the function of an organ.
<b>Ex vivo (Latin for "outside a living organism")</b>	Biological processes in living cells and tissues when they are in an artificial environment outside the body. The opposite of in vivo.
<b>EVLP (Ex Vivo Lung Perfusion)</b>	Perfusion of a lung outside the body. The procedure is normally carried out to evaluate a lung before transplantation.
<b>FDA or US Food and Drug Administration</b>	The FDA is the US food and drug authority with responsibility for food, dietary supplements, drugs, cosmetics, medical equipment, radiology equipment, and blood products. FDA approval is required to market a medical device on the US market.
<b>HDE or Humanitarian Device Exemption</b>	A humanitarian device exemption (HDE) application can be submitted to the FDA for a medical device that is intended to benefit patients by treating or diagnosing a disease or condition that affects or is manifested in fewer than 8,000 individuals in the United States per year. A HDE is similar in both form and content to a Premarket Approval (PMA) application but is exempt from the efficacy requirements of a PMA.
<b>Hypothermic non-ischemic perfusion of heart</b>	Circulation of the cooled, dormant donated heart with a supply of oxygen and necessary nutrients during transport to the recipient.
<b>Machine sales</b>	Revenues from the sale or rental of machinery for mechanical perfusion and preservation of organs.
<b>Clinical study/trial</b>	A study in healthy or sick people to examine the effect of a drug or treatment method.
<b>Machine perfusion</b>	New technology that improves preservation and evaluation of organs, which means more organs can be used for transplants. In the Thoracic business area, this includes STEEN Solution™, XPS™, LS™, Lung Assist and Heart Assist as well as other products and services related to the use of those machines. In the Abdominal business area, this includes Kidney Assist Transport, Kidney Assist and Liver Assist as well as other products and services related to the use of those machines.
<b>OPO or Organ Procurement Organization</b>	In the United States, an organ procurement organization (OPO) is a non-profit organization responsible for the evaluation and procurement of deceased-donor organs for organ transplantation. There are approximately 58 such organizations in the United States.
<b>Perfusion</b>	Passage of a fluid through an organ's blood vessels.
<b>PMA or Premarket Approval</b>	Premarket Approval (PMA) is the FDA process of scientific and regulatory review to evaluate the safety and efficacy of a medical device.
<b>Pre-clinical study</b>	Research performed before a drug or method of treatment is sufficiently documented to be studied in humans.
<b>Preservation</b>	Storage and maintenance of an organ outside the body before transplantation.
<b>Reimbursement</b>	Reimbursement is used in the health insurance system to enable healthcare providers to be reimbursed faster and more easily for accrued expenses from a private or public insurance company (in the United States, e.g. Medicare).
<b>Static preservation</b>	Static preservation refers to preservation methods where the organ is cooled during transport and before transplantation. In the Thoracic business area, this includes Perfadex® Plus as well as other products and services related to the use of that product.
<b>Xenotransplantation</b>	Transplantation of cells, tissues or organs from one species to another.
<b>Other sales</b>	The Other sales product category refers to revenues relating to freight, service and training.



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