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# INTERIM REPORT JANUARY-JUNE 2022

SURGICAL SCIENCE SWEDEN AB (PUBL)



One of the biggest challenges within healthcare globally is how injuries during care can be reduced. Medical education and training are key, as a large part of the training today can be performed outside the operating room. Surgical Science is a world leader in the manufacture of virtual reality simulators for evidence-based training. The simulators enable surgeons and other medical specialists to train and improve their psycho-motor skills and instrument handling before entering the clinical environment. In parallel with its own products, Surgical Science works with simulation solutions for medical device companies that develop surgical instruments for clinical use, such as robotic surgery.

Surgical Science is headquartered in Gothenburg, Sweden and also has operations in Stockholm, Sweden, as well as in Tel Aviv, Israel and Seattle, US. Through sales offices in the US, France and China, as well as a global network of distributors, a presence is maintained in most markets. Surgical Science Sweden AB (publ) is traded on Nasdaq First North Growth Market.

**surgicalscience**

# ACCELERATING GROWTH AND PROFITABILITY

## SECOND QUARTER OF 2022 (APR–JUN)

- Net sales amounted to SEK 188.2 million (36.6), corresponding to an increase of 415 percent compared with the corresponding period in the preceding year.
- For comparable units, sales increased by 46 percent.
- Operating profit amounted to SEK 38.6 million (2.2).
- Net profit amounted to SEK 26.5 million (3.5), corresponding to earnings per share of SEK 0.52 (0.09).
- Cash flow from operating activities amounted to an inflow of SEK 30.4 million (9.4). As of June 30, 2022, cash and cash equivalents amounted to SEK 362.3 million (267.3).
- At the end of May, Surgical Science announced that its US operations had secured an order valued at USD 6.7 million (equivalent to about SEK 65.9 million) from a major US hospital chain. About USD 2.1 million of this order was recognized as revenue in the second quarter.

## FIRST HALF OF 2022 (JAN–JUN)

- Net sales amounted to SEK 347.4 million (73.8), corresponding to an increase of 371 percent compared with the corresponding period in the preceding year.
- For comparable units, sales increased by 40 percent.
- Operating profit amounted to SEK 58.6 million (4.5).
- Net profit amounted to SEK 43.0 million (5.0), corresponding to earnings per share of SEK 0.85 (0.13).
- Cash flow from operating activities amounted to an inflow of SEK 41.5 million (0.5).

### Key figures

	April - June		January - June		Full-year
	2022	2021	2022	2021	2021
Net sales, SEK million	188.2	36.6	347.4	73.8	366.8
Operating profit (EBIT), SEK million	38.6	2.2	58.6	4.5	56.5
Adjusted EBIT, SEK million	44.3	4.2	69.9	8.2	68.7
Adjusted EBIT margin, %	23.6	11.5	20.1	11.1	18.7
Profit after financial items, SEK million	29.6	4.5	47.5	2.5	65.8
Net profit, SEK million	26.5	3.5	43.0	5.0	86.2
No. employees at end of period	229	87	229	87	209
Equity/assets ratio, %	90.3	78.8	90.3	78.8	90.1
Earnings per share, SEK	0.52	0.09	0.85	0.13	2.03
Shareholders' equity per share, SEK	79.08	19.97	79.08	19.97	70.57
Share price on the balance sheet date, SEK	152.80	166.00	152.80	166.00	281.50
Market cap. on balance sheet date, SEK million	7,762.4	6,298.7	7,762.4	6,298.7	14,300.5

For definitions, see page 16.

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## A MESSAGE FROM THE CEO

**Surgical Science's profitable growth continued in the second quarter of 2022 – with sales of SEK 188 million entailing 46-percent growth for comparable units. Educational Products achieved a record quarter with sales of SEK 120 million while, with license revenues increasing, Industry/OEM achieved sales of SEK 69 million for the second quarter. Profitability increased to 24 percent in adjusted EBIT, while cash and bank balances were strengthened by SEK 32 million. Although there are causes for concern regarding the global economy, shutdowns in China and the war in Ukraine, Surgical Science is progressing at a good pace towards its stated financial targets for 2026. We are proud that our acquisitions are not only strategically well considered, but that they have also been implemented in a manner generating motivation and team spirit within the company.**

It is amazing to see how our proprietary simulators within the Educational Products business area are maintaining their positive sales trend. Combining the former Surgical Science and Sionix product offerings, with a rapid consolidation of distributor channels and a motivated product and marketing organization has proven to exceed our expectations in terms of generating results. Sales of SEK 120 million means that a number of Surgical Science simulators are being assembled, quality assured, shipped and installed for customers worldwide every workday. Some SEK 20 million in sales was attributable to the historic order, valued at approximately SEK 66 million, from a leading US hospital chain that we announced at the end of May. This success also builds an aftermarket in which our global service organization is continuously growing its sales of profitable support agreements.

The Industry/OEM business area experienced a favorable second quarter in which license revenues increased by 27 percent compared with the first quarter of 2022. This was despite several customers continuing to experience supply chain challenges impacting their production of robotic surgery consoles with built-in Surgical Science simulation technology. In July, all of the major companies in the field



We are proud that our acquisitions are not only strategically well considered, but that they have also been implemented in a manner generating motivation and team spirit within the company.

attended the Society of Robotic Surgery's (SRS) annual global conference. The investment bank Goldman Sachs presented, as usual, its view on the industry's future. They estimate the total soft tissue robotic surgery market at slightly less than USD 6 billion in 2021, forecasting that it will grow to USD 12 billion by 2027 and to USD 21 billion by 2032. They further assume domination of the market by the three major players (Intuitive, JNJ and Medtronic), with some companies probably being eliminated over the upcoming years, as smaller players encounter increasing financing difficulties in the current economic climate.

The fact that 10-15 robotic surgery customers globally have chosen Surgical Science as their supplier of simulation technology vouches for a favorable trend as long as the market grows approximately as anticipated. Despite simulation being a small niche and set to remain so, we anticipate that extended areas of application should enable the market for simulation to grow faster than the overall market.

The second quarter operating profit of SEK 39 million testifies to the company's strength. Although we are growing the organization, we have managed to maintain our cost efficiency.

At the same time, we are applying price adjustments to avoid our gross margin in Educational Products to deteriorate due to inflation, which is, for example, leading to wage increases and increased costs for direct materials. Our favorable earnings generation builds on a gross margin that increased to 68 percent for the second quarter. With license revenue representing an increasing share of our total sales, the gross margin is set to increase over the upcoming years.

Cash flow and accounts receivable are aspects in which shareholders are increasingly interested given the current economic climate. Surgical Science has a strong cash flow that can be measured at various levels, ultimately resulting in an increased cash position. Our cash and cash equivalents increased by SEK 32 million in the second quarter. With regard to accounts receivable, we have provided additional comments under Cash flow on page 5. Our sales are increasing and we have a history of very low credit losses. We see no signs of this changing.

The recent one-year anniversary of the signing of the purchase agreement bringing Symbionix and Surgical Science

together was a day of celebration for us. A year ago, there were those who said that it would be difficult to combine Swedish and Israeli company cultures and that a smaller company could not successfully acquire a larger company. A year later, the results can be seen in black and white in our figures – and, more importantly, they can be felt in our internal team spirit. Business is not conducted between excel sheets but between people. Surgical Science's acquisition agenda is strategic and builds on full integration focusing on customer value. The people within the companies form a complex system of differing experiences, aspirations and personalities. As in any system, the result is not the sum of the parts but a product of the parts' interaction with one another. I am very proud of how Surgical Science as a whole has been able to scale up the operations while also carefully merge them into a single organization.

Gothenburg, August 2022



Gisle Hennermark, CEO

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## SECOND QUARTER 2022 (APRIL – JUNE)

### Net sales

Net sales for the second quarter of the year amounted to SEK 188.2 million (36.6), an increase of 415 percent compared with the same period in the preceding year. Calculated in local currencies, sales increased by 318 percent.

Pro forma, the Group's sales for the second quarter of 2021 amounted to SEK 128.5 million, corresponding to an increase of 46 percent for comparable units. Taking exchange rate fluctuations into account, sales increased by 30 percent.

Of the sales for the quarter, SEK 119.6 million (14.6) consisted of sales within the Educational Products business area and SEK 68.6 million (22.0) of sales within the Industry/OEM business area.

For the Educational Products business area, sales in the US were particularly favorable. At the end of May, Surgical Science announced that its US operations had secured an order valued at USD 6.7 million (equivalent to about SEK 65.9 million) from a major US hospital chain. The order is for a larger number of products including simulators for training in endoscopy, laparoscopy and ultrasound. The plan was for the products to be delivered over the ensuing six months from the time of the order, with most of the revenue also being recognized during that time. About USD 2.1 million of this order

was recognized as revenue in the second quarter.

Within Industry/OEM, the largest source of income consisted of license revenues deriving from a number of customers. However, with the acquisition of Symbionix, the area now includes a greater hardware element, as Symbionix sells more of its own simulators to medical technology companies than Surgical Science did previously.

License revenue for the second quarter amounted to SEK 45.4 million, a 27-percent increase compared with the first quarter. For revenues per segment, see Note 2 on page 15.

### Costs and results

The cost of goods sold amounted to SEK 61.1 million (5.0), corresponding to a gross margin of 68 percent (86). The gross margin is affected by the distribution of revenues, as the different revenue streams, "proprietary simulators containing hardware", "development revenues" and "license revenues", have different gross margins. A higher share of license revenues means a higher gross margin. Following the acquisition of Symbionix, the gross margin has decreased, see the account provided in previous reports.

Sales costs amounted to SEK 34.0 million (12.4), corresponding to 18 percent (34) of sales. Sales costs include amortizations of surplus values classified as customer contracts in connection with acquisitions, see also below under amortization.

Administration costs amounted to SEK 15.3 million (7.2), corresponding to 8 percent (20) of sales.

Research and development costs for the quarter amounted to SEK 42.1 million (9.5), corresponding to 22 percent (26) of sales. Of the development costs, SEK 7.0 million (2.8) have been capitalized as an intangible asset. Research and development costs include amortizations of surplus values classified as technology in connection with acquisitions, see also below under amortization.

Operating profit for the second quarter amounted to SEK 38.6 million (2.2), corresponding to an operating margin of 21 percent (6).

Depreciation and amortization burdened profit by SEK 12.4 million (5.8) in total. Depreciation and amortization burdened the cost of goods sold by SEK 0.4 million (0.1), sales costs by SEK 4.2 million (2.2), administration costs by SEK 3.9 million (1.7) and research and development costs by SEK 3.9 million (1.8). Sales costs include amortization of SEK 3.8 million (2.0) on those parts of the company's acquisitions that are classified as customer contracts, while research and development costs include amortization of SEK 2.0 million (-) on those parts of the company's acquisitions that are classified as technology. Depreciation attributable to the application of IFRS 16 amounts to SEK 3.6 million (1.4), this being included in its entirety under administration costs.

Adjusted EBIT amounted to SEK 44.3 million (4.2), corresponding to a margin of 24 percent (12).

EBITDA amounted to SEK 51.1 million (8.0), corresponding to a margin of 27 percent (22).

Net profit for the quarter amounted to SEK 26.5 million (3.5). For the corresponding period in 2021, Symbionix's net profit was USD 1.4 million (SEK 12.2 million pro forma, not IFRS). The tax expense for the quarter of SEK 3.1 million (1.0) consists of estimated tax on profit for the period and a change in deferred tax assets. In Sweden, Israel and in the US alike, tax-loss carry-forwards from previous year/s may be utilized.

### **Cash flow**

During the period April – June 2022, cash flow from operating activities amounted to a net inflow of SEK 30.4 million, compared with a net inflow of SEK 9.4 million for the corresponding period in 2021. Cash flow from changes in working capital amounted to a net outflow of SEK 6.4 million (inflow 0.4). Inventories and accounts receivable have increased, while other current receivables have decreased. Among liabilities, accounts payable have increased, while other current liabilities have decreased. Regarding accounts receivable,

a large part of the quarter's sales was invoiced at the end of the quarter (including the US order discussed above). A large part of the Group's accounts receivable are in the US, the company's largest direct market. As sales for the quarter were highly favorable, accounts receivable increased in this market. The structure of the company's accounts receivable is favorable with no increased risk being detected in terms of customers' payment capacity. As the Group has a strong financial position with favorable cash flow, longer credit terms can be used as a means of competition in certain procurement procedures.

Cash flow from investing activities amounted to an outflow of SEK 8.8 million (3.8), mainly comprising investments in development costs related to the company's software.

Cash flow from financing activities amounted to an inflow of SEK 5.9 million (outflow 1.6), of which an outflow of SEK 3.2 million (1.4) was attributable to amortizations of lease liabilities in accordance with IFRS 16.

## **FIRST HALF OF 2022 (JANUARY – JUNE)**

### **Net sales**

Net sales for the first half of the year amounted to SEK 347.4 million (73.8), an increase of 371 percent compared with the same period in the preceding year. Calculated in local currencies, sales increased by 318 percent.

Pro forma, the Group's sales for the first half of 2021 amounted to SEK 248.9 million, corresponding to an increase of 40 percent for comparable units. Taking exchange rate fluctuations into account, sales increased by 24 percent.

Of the sales for the period, SEK 216.2 million (27.5) consisted of sales within the Educational Products business area and SEK 131.1 million (46.2) of sales within the Industry/OEM business area.

For revenues per segment, see Note 2 on page 15.

### **Costs and results**

The cost of goods sold amounted to SEK 117.4 million (11.1), corresponding to a gross margin of 66 percent (85).

Sales costs amounted to SEK 63.1 million (23.0), corresponding to 18 percent (31) of sales. Sales costs include amortizations of surplus values classified as customer contracts in connection with acquisitions, see also below under amortization.

Administration costs amounted to SEK 30.5 million (18.1), corresponding to 9 percent (25) of sales. Costs attributable to the integration of IT systems following the acquisition of Symbionix amounted to SEK 0.5 million (-), with SEK 2.9 million (-) in investment. Costs for the first quarter of 2021 included non-recurring costs of SEK 6.0 million attributable to the acquisition of Mimic Technologies.

Research and development costs for the period amounted to SEK 82.1 million (18.3), corresponding to 24 percent (25) of sales. For the first half of the year, SEK 8.1 million (5.2) of the development costs were capitalized as an intangible asset. Research and development costs include amortizations of surplus values classified as technology in connection with acquisitions, see also below under amortization.

To the extent that the development department works on projects invoiced as consulting revenues, the appurtenant costs are included under Cost of goods sold.

During the period and with the harmonization of the Group's way of reporting different cost types, certain payroll expenses, for 2022 compared with 2021, were reclassified from sales costs to research and development costs. The amount totaled SEK 9.1 million.

Other operating income and costs consist largely of exchange rate changes on external receivables and liabilities in foreign currency. Because its revenue in foreign currencies is higher than its costs in foreign currencies, Surgical Science is affected favorably by a weaker SEK.

Operating profit for the first half of the year amounted to SEK 58.6 million (4.5), corresponding to an operating margin of 17 percent (6).

Depreciation and amortization burdened profit by SEK 24.8 million (11.1) in total. Depreciation and amortization burdened the cost of goods sold by SEK 0.7 million (0.1), sales costs by SEK 8.3 million (4.1), administration costs by SEK 7.8 million (3.3) and research and development costs by SEK 7.9 million (3.6). Sales costs include amortization of SEK 7.5 million (3.7) on those parts of the company's acquisitions that are classified as customer contracts, while research and development costs include amortization of SEK 3.8 million (-) on those parts of the company's acquisitions that are classified as technology. Depreciation attributable to the application of IFRS 16 amounts to SEK 7.1 million (2.8), this being included in its entirety under administration costs.

Adjusted EBIT amounted to SEK 69.9 million (8.2), corresponding to a margin of 20 percent (11).

EBITDA amounted to SEK 83.4 million (15.6), corresponding to a margin of 24 percent (21).

As Surgical Science has no loan financing, net financial items consist mainly of revaluations of internal loan receivables from the subsidiaries, the effects of IFRS 16 and the revaluation of the deferred contingent consideration (recognized in liabilities) attributable to the acquisition of Mimic Technologies.

Net profit for the period amounted to SEK 43.0 million (5.0). For the corresponding period in 2021, Symbionix's net profit was USD 2.7 million (SEK 22.5 million pro forma, not IFRS). The tax expense for the period of SEK 4.6 million (positive tax receivable 2.5) consists of estimated tax on profit for the period and a change in deferred tax assets. In both Sweden, Israel and in the US, tax-loss carry-forwards from previous year/s may be utilized.

## Cash flow

During the first half of 2022, cash flow from operating activities amounted to a net inflow of SEK 41.5 million, compared with SEK 0.5 million for the corresponding period in 2021. Cash flow from changes in working capital amounted to an outflow of SEK 19.6 million (13.2). On the asset side, accounts receivable and inventories have increased, with this being offset to some extent by an increase in accounts payable among liabilities.

Cash flow from investing activities amounted to an outflow of SEK 11.0 million (119.7), mainly comprising investments in development costs related to the company's software. For 2021, an outflow of SEK 113.7 million was attributable to the acquisition of Mimic Technologies.

Cash flow from financing activities amounted to an inflow of SEK 7.4 million (298.9), of which an outflow of SEK 6.6 million (2.8) was attributable to amortizations of lease liabilities in accordance with IFRS 16. The figure for the preceding year included the two private placements in the amount of SEK 339.1 million, conducted in connection with the acquisition of Mimic Technologies.

## Financial standing

As of June 30, 2022, the Group's cash and cash equivalents amounted to SEK 362.3 million, shareholders' equity was SEK 4,017.3 million and the equity/assets ratio was 90 percent. As of June 30, 2021, the Group's cash and cash equivalents amounted to SEK 267.3 million, shareholders' equity was SEK 757.7 million and the equity/assets ratio was 79 percent. As of June 30, 2022, shareholders' equity per share amounted to SEK 79.08 (19.97).

## Parent Company

The Parent Company, Surgical Science Sweden AB, holds shares in the subsidiaries, and Surgical Sciences' Gothenburg-based Swedish operations are conducted directly within the Parent Company. Several Group-wide functions are also organized within the Parent Company. Due to internal transactions between the various Group companies, it is not possible to draw general conclusions from the Parent Company's figures regarding sales and operating costs.

As Surgical Science has no loan financing, net financial items consist mainly of revaluations of internal loan receivables from the subsidiaries and the revaluation of the deferred contingent consideration (recognized in liabilities) attributable to the acquisition of Mimic Technologies.

The Parent Company has tax-loss carry-forwards outstanding, which is why there is no tax expense.

## OUTLOOK

Surgical Science's strategy is to have two separate business areas. Educational Products focuses on customers in education and training, who use the company's in-house-developed simulators to increase patient safety through effective training, the results of which can be measured objectively. Customers have validated the simulators over many years through clinical studies. The other business area, Industry/OEM, mainly makes use of Surgical Sciences' software resources, which allow medical technology companies to integrate simulation into their clinical products. This makes it possible to generate a return on Surgical Science's development work over more than 20 years, and this is the area in which the company perceives the strongest future growth. In robotic surgery, the principal business model involves a development fee for customization/integration with the customer's products and then a software license per unit alternatively based on the installed base or on usage. Surgical Science retains full copyright on its product.

Underlying growth in the market for medical simulation is favorable. The largest market for medical simulation is the US, followed by Europe and Asia. Over the next few years, growth is expected to be strongest in countries where driving forces include economic development, an increased focus on patient safety and a large population, such as China and India. The market for robot-assisted surgery is expected to grow faster than other parts of the market.

In 2022, Surgical Science's overarching objectives are to:

- Continue expanding the value content for existing customers in Industry/OEM who license the company's technology.

- Expand the sales organization within Industry/OEM and take advantage of opportunities in additional application areas.
- Achieve the growth target for Educational Products and improve the gross margin. Continue to expand the product portfolio with additional product launches.
- Being prepared to make further acquisitions when the time is right.

Surgical Science has an organization where a large portion of its employees are the world's leading software developers in medical simulation. This gives the company the capacity to work with the development of the core technology for future simulation, with on-time delivery of adaptations of simulation software to customers in Industry/OEM and with continuing to launch new applications for its own products in Educational Products. To remain a world leader in realistic real-time simulations of medical procedures, improving the core technology is critical. In 2022, Surgical Science will invest more than ever in this area.

Additional acquisitions are part of the plan when the right pieces of the puzzle can be obtained at the right price. In 2022, Surgical Science will continue to integrate the companies acquired in 2021, building a strong company with common global functions.

## THE COMPANY IN BRIEF

### Operations

Surgical Science was founded in 1999 and works with simulation technologies. The company's core is its proprietary software and hardware for simulating interactions between instruments and anatomy. Based on its proprietary technologies, Surgical Science develops and sells turnkey simulation systems used to train surgeons and other medical specialists. The operations are conducted within the framework of the Educational Products business area. Since 2017, Surgical Science has also been working with simulation solutions for medical technology companies that develop surgical instruments for clinical applications (such as robot-assisted surgery) – this work is conducted in the Industry/OEM business area. In 2019, Surgical Science acquired the company SenseGraphics (founded in 2004), which has worked with medical simulation sales to medical device companies for many years. In early 2021, Mimic Technologies was acquired, a US-based company with operations in both Educational Products and Industry/OEM and that has worked in the area of robotic surgery for almost 20 years. The acquisition of Symbionix, with principal operations in Tel Aviv, Israel was completed in August 2021. Symbionix is active in simulation for training of surgeons and other medical specialists in a wide range of areas and was founded in 1998. The business partly

generates revenue through its own simulators in areas including general surgery, endovascular procedures, endoscopy, urology, orthopedics, ultrasound and robotic surgery, and partly through partnerships with medical technology companies in robotic surgery, for example.

## Vision

Surgical Science's vision is that all patients on their way to the operating room should feel reassured that their physician has been trained and objectively certified in a secure, simulated environment before commencing the procedure.

## Financial targets

In January 2022, Surgical Science presented new financial targets.

The target is for Surgical Science to generate sales of SEK 1,500 million in 2026. Achieving this target may entail supplementary acquisitions. The Educational Products business area is expected to grow by an average 10-15 percent annually over the period. With an extended and broadened product portfolio, the products will have different growth rates. Surgical Science offers certain niche products to be able to submit complete tenders, although these are sold individually to a lesser extent. The Industry/OEM business area is expected to experience increasing growth during the period as robotic surgery products containing technology from Surgical Science are launched onto the market. During the period, other application areas are also expected to be digitalized, leading, alongside expanded areas of use for simulation, to increasing revenues.

At the end of the period, adjusted EBIT shall amount to 40 percent. Adjusted EBIT is calculated as EBIT excluding amortization and write-downs on surplus values related to acquisitions.

## Strategy

Surgical Science will continue to develop its proprietary educational products as the obvious choices for customers in a world where training and certification are mandatory. From the outset, Surgical Science has worked closely with leading university hospitals in developing the company's products. Surgical Science's simulators have also been validated in a number of published studies demonstrating that the knowledge acquired by the surgeon through training with the company's products also transfers to the actual operating room. Surgical Science advocates mandatory simulations in surgeon training and for future surgeons to be certified before performing their first operation on a human patient.

Besides developing proprietary products, a strategic priority is to work with simulation solutions for medical device companies that develop surgical instruments for clinical use. As a

result of the more than 20 years of research and development behind the world's most advanced, computer-based simulations for the training of surgeons and other medical specialists in a wide range of areas, Surgical Science's software resources can be applied beyond the proprietary products.

One of the macro trends in healthcare driving this development is digitalization, which allows simulation software to be applied directly in medical device products without separate hardware. Another macro trend is increasing patient safety awareness, especially for new technologies, which is reflected in, among other things, regulatory authorities' demands for verified surgeon training solutions when approving clinical uses for new surgical robots, for example.

## OTHER INFORMATION

### Organization and personnel

At the end of the period, there were 229 (87) employees, of whom 58 (18) were women and 171 (69) were men. Of these, 53 (50) were employed in Sweden, 113 (-) in Israel, 52 (27) in the US and the remaining 11 (10) people in China, Germany, France, Poland, the UK and Costa Rica.

Niclas Olsson has been appointed as responsible for Surgical Sciences' Industry/OEM business area and will henceforth be a member of the company's global management team.

### Information on transactions with related parties

In addition to his Board fees, Board Member Thomas Eklund has received consulting fees of SEK 248 thousand for his work on strategies during 2022.

No other transactions materially impacting the company's earnings or financial position were conducted with related parties during the quarter or the period.

### Risk management

Surgical Science works continuously to identify, assess and manage risks in various systems and processes. Risk analyses of the regular operations are performed continuously and in connection with major events.

The most significant strategic and operational risks affecting Surgical Science's operations and sector are described on page 42 of the company's 2021 Annual Report. The principal risks and uncertainties include IP, market risks, competitors and technological development, industrial partnerships, employees, acquisitions and access to capital. To all intents and purposes, the risks reported by the company and outlined in the Annual Report, are judged to have remained unchanged.



## Seasonal effects

Surgical Science's sales within the Educational Products business area can fluctuate considerably between quarters, with a large portion of the sales for a particular year usually occurring the fourth quarter. This is due to most major hospitals using the calendar year as their budget year and holding off on purchases until they can see what funds remain in the budget towards the end of the year. This effect has diminished with the acquisition of Symbionix, however, as historically sales in Educational Products in that company have not been subject to an equally strong seasonal effect regarding the fourth quarter.

In the Industry/OEM business area too, the fourth quarter usually generates more sales than other quarters, with license revenues from customers increasing for the same reason as for Educational Products. This effect is less pronounced for Industry/OEM, however, as clinical products in the area of robotic surgery, for example, are less dependent on budget funds remaining towards the end of the year.

## Events after the balance sheet date

There have been no significant events to report following the end of the period.

## Assurance

The Board of Directors and the CEO provide their assurance that this interim report provides a fair overview of the company's operations, position and earnings and describes any significant risks and uncertainties that the company might face.

Gothenburg, August 25, 2022

Board of Directors

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**This report has not been subject to review by the company's auditors.**

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### Financial reports

Interim reports and other financial reports are available at [www.surgicalscience.com](http://www.surgicalscience.com).

### The following reports are planned for release:

Interim Report, January – September 2022: Thursday, November 10, 2022

Year-end Report 2022: Wednesday, February 22, 2023

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### Marketplace and Certified Adviser

Shares in Surgical Science Sweden AB (publ) have been traded on Nasdaq First North Growth Market since June 19, 2017. The company's Certified Adviser is Erik Penser Bank (phone: +46 8-463 83 00, e-mail: [certifiedadviser@penser.se](mailto:certifiedadviser@penser.se)).

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### Please address any questions to

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*This is information that Surgical Science Sweden 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 persons above, on August 25, 2022 at 7:30 a.m. (CET).*

This is a translation of the Swedish version of the interim report. When in doubt, the Swedish wording prevails.

## CONDENSED CONSOLIDATED INCOME STATEMENTS

SEK thousands	January - June		April - June		Full-year
	2022	2021	2022	2021	2021
Net sales	347,353	73,765	188,216	36,562	366,778
Cost of goods sold	-117,421	-11,072	-61,055	-5,032	-100,836
<b>Gross profit</b>	<b>229,932</b>	<b>62,693</b>	<b>127,161</b>	<b>31,530</b>	<b>265,942</b>
Sales costs	-63,102	-22,957	-33,954	-12,362	-79,917
Administration costs	-30,466	-18,124	-15,268	-7,230	-66,043
Research and development costs	-82,092	-18,284	-42,090	-9,470	-65,707
Other operating income and costs	4,338	1,145	2,743	-238	2,248
<b>Operating profit</b>	<b>58,610</b>	<b>4,473</b>	<b>38,592</b>	<b>2,230</b>	<b>56,523</b>
Financial income and costs	-11,103	-1,969	-8,990	2,268	9,281
<b>Profit after financial items</b>	<b>47,507</b>	<b>2,504</b>	<b>29,602</b>	<b>4,498</b>	<b>65,804</b>
Taxes	-4,556	2,483	-3,130	-1,035	20,444
<b>Net profit</b>	<b>42,951</b>	<b>4,987</b>	<b>26,472</b>	<b>3,463</b>	<b>86,248</b>
<b>Attributable to</b>					
Parent Company shareholders	42,951	4,987	26,472	3,463	86,248
Earnings per share, SEK	0.85	0.13	0.52	0.09	2.03
Earnings per share, SEK*	0.84	0.13	0.52	0.09	2.02
Amortization of intangible assets	-15,641	-7,738	-7,811	-4,042	-21,198
Depreciation of tangible assets	-9,179	-3,384	-4,655	-1,734	-12,319

\* After dilution. See Note 4 for information regarding warrant programs.

## CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME

SEK thousands	January - June		April - June		Full-year
	2022	2021	2022	2021	2021
<b>Net profit</b>	<b>42,951</b>	<b>4,987</b>	<b>26,472</b>	<b>3,463</b>	<b>86,248</b>
<b>Other comprehensive income</b>					
<i>Items that have been or can be reclassified to net profit</i>					
Translation differences on translation of foreign operations	389,300	-425	316,816	500	117,592
<b>Total other comprehensive income</b>	<b>389,300</b>	<b>-425</b>	<b>316,816</b>	<b>500</b>	<b>117,592</b>
<b>Comprehensive income</b>	<b>432,251</b>	<b>4,562</b>	<b>343,288</b>	<b>3,963</b>	<b>203,840</b>
<b>Comprehensive income attributable to</b>					
Parent Company shareholders	432,251	4,562	343,288	3,963	203,840

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK thousands	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
Capitalized expenditure for product development	32,214	26,765	28,070
Patents, trademarks, concessions	58,782	1,542	51,880
Customer contracts	73,147	68,749	125,753
Technology	126,198	–	68,327
Goodwill	3,383,178	497,280	3,019,238
Tangible fixed assets	39,254	19,759	38,393
Deferred tax assets	26,009	20,141	24,597
Other financial fixed assets	4,329	354	4,966
<b>Total fixed assets</b>	<b>3,743,111</b>	<b>634,590</b>	<b>3,361,224</b>
<b>Current assets</b>			
Inventories	132,207	18,477	113,107
Accounts receivable	132,642	19,092	110,645
Other current receivables	20,838	7,597	22,990
Prepaid costs and accrued income	56,191	14,708	53,487
Cash and cash equivalents	362,253	267,341	316,680
<b>Total current assets</b>	<b>704,131</b>	<b>327,215</b>	<b>616,909</b>
<b>TOTAL ASSETS</b>	<b>4,447,242</b>	<b>961,805</b>	<b>3,978,133</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity, attributable to Parent Company shareholders	4,017,325	757,725	3,585,074
Non-current liabilities	177,472	142,595	160,682
Current liabilities	252,445	61,485	232,377
<b>Total liabilities</b>	<b>429,917</b>	<b>204,080</b>	<b>393,059</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>4,447,242</b>	<b>961,805</b>	<b>3,978,133</b>

# CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY

SEK thousands	Attributable to Parent Company shareholders				Total shareholders' equity
	Share capital	Other capital contributions	Provisions	Profit and loss carried forward, incl. profit for the period	
<b>Opening balance, January 1, 2021</b>	<b>1,725</b>	<b>425,615</b>	<b>140</b>	<b>-431</b>	<b>427,049</b>
Profit for the period, Jan – Jun				4,987	4,987
Other comprehensive income for the period			-425		-425
Cash issue	164	322,228			322,392
Private placement	8	16,683			16,691
Issue costs		-12,969			-12,969
<b>Closing balance, June 30, 2021</b>	<b>1,897</b>	<b>751,557</b>	<b>-285</b>	<b>4,556</b>	<b>757,725</b>
Profit for the period, Jul – Dec				81,261	81,261
Other comprehensive income for the period			118,017		118,017
Cash issue	643	2,699,327			2,699,970
Issue costs		-71,899			-71,899
<b>Closing balance, December 31, 2021</b>	<b>2,540</b>	<b>3,378,985</b>	<b>117,732</b>	<b>85,817</b>	<b>3,585,074</b>
<b>Opening balance, January 1, 2022</b>	<b>2,540</b>	<b>3,378,985</b>	<b>117,732</b>	<b>85,817</b>	<b>3,585,074</b>
Profit for the period, Jan – Jun				42,951	42,951
Other comprehensive income for the period			389,300		389,300
<b>Closing balance, June 30, 2022</b>	<b>2,540</b>	<b>3,378,985</b>	<b>507,032</b>	<b>128,768</b>	<b>4,017,325</b>

# CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

SEK thousands	January - June		April - June		Full-year
	2022	2021	2022	2021	2021
<b>Operating activities</b>					
Profit before financial items	58,610	4,473	38,592	2,230	56,523
Adjustment for non-cash items, etc.	6,026	10,544	-1,543	5,716	32,926
Interest paid/received	-	-3	-	-3	-254
Tax paid	-3,538	-1,290	-210	996	-3,425
<b>Cash flow from operating activities before changes in working capital</b>	<b>61,098</b>	<b>13,724</b>	<b>36,839</b>	<b>8,939</b>	<b>85,770</b>
<b>Changes in working capital</b>					
Increase (-)/Decrease (+) in inventories	-19,392	184	-15,189	640	6,459
Increase (-)/Decrease (+) in operating receivables	-22,336	-446	3,854	3,370	-84,573
Increase (+)/Decrease (-) in operating liabilities	22,109	-12,955	4,911	-3,566	31,427
<b>Cash flow from changes in working capital</b>	<b>-19,619</b>	<b>-13,217</b>	<b>-6,424</b>	<b>444</b>	<b>-46,687</b>
<b>Cash flow from operating activities</b>	<b>41,479</b>	<b>507</b>	<b>30,415</b>	<b>9,383</b>	<b>39,083</b>
<b>Investing activities</b>					
Investments in tangible fixed assets	-2,940	-422	-1,790	-332	-3,871
Investments in intangible fixed assets	-8,101	-5,532	-7,046	-3,458	-10,506
Investment in business	-	-113,717	-	-	-2,718,237
<b>Cash flow from investing activities</b>	<b>-11,041</b>	<b>-119,671</b>	<b>-8,836</b>	<b>-3,790</b>	<b>-2,732,614</b>
<b>Financing activities</b>					
Changes in long-term debts	14,016	-24,497	9,099	-157	-24,169
Amortization of lease liabilities	-6,573	-2,765	-3,210	-1,407	-7,553
New share issues	-	339,083	-	-	3,039,053
Cost of new share issues	-	-12,969	-	-	-84,868
<b>Cash flow from financing activities</b>	<b>7,443</b>	<b>298,852</b>	<b>5,889</b>	<b>-1,564</b>	<b>2,922,463</b>
<b>Cash flow for the period</b>	<b>37,881</b>	<b>179,688</b>	<b>27,468</b>	<b>4,029</b>	<b>228,932</b>
Opening cash and cash equivalents	316,680	87,157	329,915	263,722	87,157
Exchange-rate difference in cash and cash equivalents	7,692	496	4,870	-410	591
<b>Closing cash and cash equivalents</b>	<b>362,253</b>	<b>267,341</b>	<b>362,253</b>	<b>267,341</b>	<b>316,680</b>

## KEY FIGURES, GROUP

	January - June		April - June		Full-year
	2022	2021	2022	2021	2021
Net sales growth, %	370.9	83.2	414.8	77.3	250.0
Gross margin, %	66.2	85.0	67.6	86.2	72.5
EBITDA margin, %	24.0	21.1	27.1	21.9	24.5
Operating margin, %	16.9	6.1	20.5	6.1	15.4
Profit margin, %	12.4	6.8	14.1	9.5	23.5
Equity/assets ratio, %	90.3	78.8	90.3	78.8	90.1
Shares outstanding at end of period	50,801,236	37,944,236	50,801,236	37,944,236	50,801,236
Shares outstanding at end of period*	50,901,538	38,090,143	50,901,538	38,090,143	51,010,413
Average shares outstanding	50,801,236	37,532,364	50,801,236	37,944,236	42,488,247
Average shares outstanding*	50,939,367	37,598,527	50,912,107	38,058,730	42,669,282
Shareholders' equity per share, SEK	79.08	19.97	79.08	19.97	70.57
Shareholders' equity per share, SEK*	78.92	19.89	78.92	19.89	70.28
Dividend per share, SEK	0.00	0.00	0.00	0.00	0.00
Share price on the balance sheet date, SEK*	152.80	166.00	152.80	166.00	281.50
Average number of employees	222	77	223	82	121

\* After dilution. See Note 4 for information regarding warrant programs. | See page 16 for definitions of key figures.

## CONSOLIDATED INCOME STATEMENTS BY QUARTER

SEK thousands	Apr - Jun 2022	Jan - Mar 2022	Oct - Dec 2021	Jul - Sep 2021	Apr - Jun 2021	Jan - Mar 2021	Oct - Dec 2020	Jul - Sep 2020
Net sales	188,216	159,137	197,694	95,319	36,562	37,203	39,595	24,929
Cost of goods sold	-61,055	-56,366	-63,354	-26,410	-5,032	-6,040	-7,070	-3,418
<b>Gross profit</b>	<b>127,161</b>	<b>102,771</b>	<b>134,340</b>	<b>68,909</b>	<b>31,530</b>	<b>31,163</b>	<b>32,525</b>	<b>21,511</b>
Sales costs	-33,954	-29,148	-40,688	-16,272	-12,362	-10,595	-10,434	-7,765
Administration costs	-15,268	-15,198	-16,077	-31,842	-7,230	-10,894	-4,108	-2,864
Research and development costs	-42,090	-40,002	-33,045	-14,378	-9,470	-8,814	-4,457	-2,899
Other operating income and costs	2,743	1,595	-51	1,154	-238	1,383	-883	-682
<b>Operating profit</b>	<b>38,592</b>	<b>20,018</b>	<b>44,479</b>	<b>7,571</b>	<b>2,230</b>	<b>2,243</b>	<b>12,643</b>	<b>7,300</b>
Financial income and costs	-8,990	-2,113	15,949	-4,699	2,268	-4,237	-173	-62
<b>Profit after financial items</b>	<b>29,602</b>	<b>17,905</b>	<b>60,428</b>	<b>2,872</b>	<b>4,498</b>	<b>-1,994</b>	<b>12,470</b>	<b>7,238</b>
Taxes	-3,130	-1,426	6,465	11,496	-1,035	3,518	-1,910	-1,295
<b>Net profit</b>	<b>26,472</b>	<b>16,479</b>	<b>66,893</b>	<b>14,368</b>	<b>3,463</b>	<b>1,524</b>	<b>10,560</b>	<b>5,943</b>
<b>Attributable to</b>								
Parent Company shareholders	26,472	16,479	66,893	14,368	3,463	1,524	10,560	5,943
Earnings per share, SEK	0.52	0.32	1.32	0.33	0.09	0.04	0.31	0.17
Earnings per share, SEK*	0.52	0.32	1.32	0.32	0.09	0.04	0.31	0.17
Average shares outstanding	50,801,236	50,801,236	50,801,236	44,093,249	37,944,236	37,120,492	34,494,760	34,494,760
Average shares outstanding*	50,912,107	50,972,916	51,008,175	44,288,101	38,058,730	37,200,475	34,507,403	34,494,760
Shares outstanding at end of period	50,801,236	50,801,236	50,801,236	50,801,236	37,944,236	37,944,236	34,494,760	34,494,760
Shares outstanding at end of period*	50,901,538	50,977,120	51,010,413	50,994,903	38,090,143	38,022,523	34,521,049	34,494,760

\* After dilution. See Note 4 for information regarding warrant programs.

## PARENT COMPANY INCOME STATEMENTS

SEK thousands	January - June		April - June		Full-year
	2022	2021	2022	2021	2021
Net sales	40,964	26,531	19,205	12,506	89,626
Cost of goods sold	-12,422	-5,854	-5,487	-2,551	-18,315
<b>Gross profit</b>	<b>28,542</b>	<b>20,677</b>	<b>13,718</b>	<b>9,955</b>	<b>71,311</b>
Sales costs	-12,985	-8,740	-7,382	-4,784	-18,658
Administration costs	-12,683	-6,772	-6,572	-4,089	-17,371
Research and development costs	-9,746	-8,602	-5,578	-5,012	-15,508
Other operating income and costs	2,363	688	-285	-498	1,758
<b>Operating profit</b>	<b>-4,509</b>	<b>-2,749</b>	<b>-6,099</b>	<b>-4,428</b>	<b>21,532</b>
Impairment of shares in subsidiaries	-	-	-	-	-32,950
Financial income and costs	-12,218	-1,847	-9,810	2,452	-7,295
<b>Profit after financial items</b>	<b>-16,727</b>	<b>-4,596</b>	<b>-15,909</b>	<b>-1,976</b>	<b>-18,713</b>
Appropriations (Group contributions)	-	-	-	-	42,720
Taxes	-7	3,607	-4	384	5,572
<b>Net profit</b>	<b>-16,734</b>	<b>-989</b>	<b>-15,913</b>	<b>-1,592</b>	<b>29,579</b>
Amortization of intangible assets	-3,691	-3,683	-1,720	-1,841	-7,366
Depreciation of tangible assets	-371	-475	-206	-238	-959

Because the Parent Company has no items to report under Other comprehensive income, no statement of comprehensive income has been prepared.

## CONDENSED PARENT COMPANY BALANCE SHEETS

SEK thousands	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
Capitalized expenditure for product development	20,453	21,889	22,416
Patents, trademarks, concessions	25	472	73
Tangible fixed assets	2,284	1,897	2,155
Participations in Group companies	3,234,685	589,085	3,234,685
Deferred tax assets	12,225	10,267	12,232
<b>Total fixed assets</b>	<b>3,269,672</b>	<b>623,610</b>	<b>3,271,561</b>
<b>Current assets</b>			
Inventories	11,531	12,468	9,530
Accounts receivable	8,409	5,769	15,496
Current receivables from Group companies	34,269	53,823	86,549
Other current receivables	1,786	2,521	1,972
Prepaid costs and accrued income	3,380	1,909	15,799
Cash and bank balances	210,665	185,789	143,203
<b>Total current assets</b>	<b>270,040</b>	<b>262,279</b>	<b>272,549</b>
<b>TOTAL ASSETS</b>	<b>3,539,712</b>	<b>885,889</b>	<b>3,544,110</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>	<b>3,375,251</b>	<b>733,347</b>	<b>3,391,986</b>
Long-term provisions	79,875	113,076	120,163
Total non-current liabilities	450	1,965	450
Current provisions	55,910	19,957	3,075
Other current liabilities to Group companies	4,232	-	-
Other current liabilities	23,994	17,544	28,436
<b>Total liabilities and provisions</b>	<b>164,461</b>	<b>152,542</b>	<b>152,124</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,539,712</b>	<b>885,889</b>	<b>3,544,110</b>

## NOTE 1 ACCOUNTING PRINCIPLES

As regards the Group, this interim report has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and, as regards the Parent Company, in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Unless stated otherwise below, the accounting principles applied for the Group and the Parent Company are the same as those applied in preparing the most recent annual report.

Disclosures in accordance with IAS 34.16A appear not only in the financial statements and the accompanying notes, but also in other parts of the interim report.

## NOTE 2 GROUP OPERATING SEGMENTS

### Revenue by business area

SEK thousands	January - June		April - June		Full-year
	2022	2021	2022	2021	2021
Educational Products	216,212	27,534	119,644	14,608	197,408
Industry/OEM	131,141	46,231	68,572	21,954	169,370
<b>Net sales</b>	<b>347,353</b>	<b>73,765</b>	<b>188,216</b>	<b>36,562</b>	<b>366,778</b>

### Revenue by geographic area

SEK thousands	January - June		April - June		Full-year
	2022	2021	2022	2021	2021
Europe	67,889	13,781	31,183	7,117	65,394
North and South America	211,377	49,998	124,053	24,579	221,274
Asia	61,767	9,377	28,760	4,866	44,000
Other	6,320	609	4,220	-	36,110
<b>Net sales</b>	<b>347,353</b>	<b>73,765</b>	<b>188,216</b>	<b>36,562</b>	<b>366,778</b>

### Revenue by revenue stream

SEK thousands	January - June		April - June		Full-year
	2022	2021	2022	2021	2021
Simulators, hardware and software*	242,781	N/A	131,779	N/A	N/A
Development revenue	23,516	N/A	11,064	N/A	N/A
License revenue	81,056	N/A	45,373	N/A	N/A
<b>Net Sales**</b>	<b>347,353</b>	<b>N/A</b>	<b>188,216</b>	<b>N/A</b>	<b>N/A</b>

\* incl. support agreement

\*\* Surgical Science began applying the operating segment sales by revenue stream as of January 1, 2022.

## NOTE 3 FINANCIAL INSTRUMENTS

SEK thousands	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
Financial assets	501,912	298,935	439,518
Financial liabilities	273,923	164,649	317,593

The Group's financial assets and liabilities are valued at amortized cost, with the exception of the deferred contingent consideration recognized as a liability and measured at fair value. The carrying amount is considered to be a reasonable approximation of the fair value of the Group's assets and liabilities in the balance sheet.

## NOTE 4 WARRANT PROGRAMS

### Warrants 2020\_23

Surgical Science's Annual General Meeting on May 6, 2020 resolved to establish an incentive program for company employees. The incentive program allowed company employees to acquire warrants for a premium of SEK 6.60 each. Each warrant entitles the holder to subscribe for one share in the company for SEK 85.10 during the period May 15 – July 15, 2023. Of the initial 300,000 warrants in the program, 225,000 were subscribed for. The remaining 75,000 warrants were canceled in May 2022.

During the period April-June 2022, both the average share price for the period and the closing price as of the balance sheet date exceeded the exercise price for the warrants program. The dilution effect for the rolling 12-month period has been calculated at 138,131 shares, for the quarter April-June 2022 at 110,871 shares and for the balance sheet date at 100,302 shares. Fully exercised, the incentive program will increase Surgical Science's share capital by SEK 11,250 and the number of shares by 225,000, corresponding to the dilution of the total number of shares and votes by about 0.4 percent.

### Warrants 2022\_25

Surgical Science's Annual General Meeting on May 12, 2022 resolved to establish an incentive program for company employees. Each warrant entitles the holder to subscribe for one share in the company for SEK 175.70 during the period June 10 – July 10, 2025. The company subsidizes the warrants program, with participants receiving warrants as a benefit. Participants are required to pay tax on this benefit, with the premium being calculated at SEK 28.74 per warrant.

The Board of Directors is authorized to adjust the program in response to organizational changes and to specific rules or market conditions in other countries. Most of the company's employees are employed outside Sweden, in the US and in Israel. For tax reasons, these employees are contractually entitled to subscribe for shares (Non-Qualified Stock Options) rather than warrants. In accordance with generally accepted practices in these markets, participants receive these options free of charge.

Fully exercised, the incentive program will increase Surgical Science's share capital by SEK 10,000 and the number of shares by 200,000, corresponding to the dilution of the total number of shares and votes by slightly less than 0.4 percent. As of the balance sheet date of June 30, 2022, the warrants program entailed no dilution.

### Incentive program costs

Preliminarily, the incentive program is estimated to entail social security contributions of SEK 0.9 million, as well as costs of SEK 5.8 million in accordance with the accounting rules under IFRS2. No such costs burdened the second quarter of 2022.

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## DEFINITIONS OF KEY FIGURES

Surgical Science believes that the key figures reported facilitate an understanding of the company's financial trends.

### **Net sales growth**

Percentage change in net sales between two periods. This key figure conveys a view of the sales trend between periods.

### **Adjusted EBIT margin**

Operating profit less depreciation, amortization, and impairment of surplus values related to acquisitions as a percentage of net sales. Over time, this key figure conveys a deeper understanding of the company's profitability.

### **EBITDA margin**

Operating profit less depreciation, amortization, and impairment of tangible and intangible assets as a percentage of net sales. Over time, this key figure conveys a deeper understanding of the company's profitability.

### **Operating profit**

Profit before financial items and tax. This key figure shows the operating profit regardless of the financing structure and tax rate.

### **Operating margin**

Operating profit as a percentage of net sales. Over time, this key figure conveys a deeper understanding of the company's profitability.

### **Profit margin**

Profit for the year as a percentage of net sales. Over time, this key figure conveys a deeper understanding of the company's profitability.

### **Equity/assets ratio**

Shareholders' equity as a percentage of total assets. This key figure conveys a view of the extent to which the total assets have been financed by shareholders.

### **Average number of shares**

The weighted average number of shares outstanding during the period.

### **Average number of shares after dilution**

The weighted average number of shares outstanding during the period, adjusted for any dilution effect from warrants.

### **Earnings per share**

Profit for the period in relation to the weighted average of the number of shares during the period.

### **Earnings per share after dilution**

Earnings after tax per share adjusted for any dilution effect from warrants.

### **Shareholders' equity per share**

Recognized shareholders' equity divided by the number of shares outstanding at the end of the period. The key figure gives an idea of how much capital per share is attributable to the shareholders.

### **Dividend per share**

Dividend for the year divided by the number of shares outstanding on the date of payment of the dividend. Provides a picture of the value per share transferred to shareholders.

### **Average number of employees**

The number of employees recalculated as full-time positions per month divided by the number of months in the period.



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