



Surgical perfection. For life.

**STILLE**

Interim Report Q3

**2024**

## Continued growth with improved gross margin and increased operating profit

- **Net sales** totaled MSEK 127.9 (70.1), an increase of 82.4 percent, of which 7.4 percent was organic growth.
- **The gross profit margin** was 51.8 percent (46.7).
- **EBITDA before non-recurring items** amounted to MSEK 30.2 (15.5), corresponding to an EBITDA margin of 23.6 percent (22.1).
- **Operating profit before non-recurring items** amounted to MSEK 23.4 (11.9), corresponding to an operating margin of 18.3 percent (17.0).
- **Cash flow from operating activities** totaled MSEK 15.2 (7.3).
- **Earnings per share** amounted to SEK 1.41 (1.93).
- **Net sales in the Surgical Instruments** business unit totaled MSEK 96.1 (38.2), an increase of 151.2 percent, of which 13.7 percent was organic growth.
- **Net sales in the Surgical Tables** business unit totaled MSEK 31.8 (31.9), a decrease of 0.2 percent.
- **Revised financial targets:** (1) Organic growth >10%, (2) EBITDA\* >25%, (3) Net debt/LTM EBITDA <3.

### NET SALES

**127.9**  
MSEK  
(70.1)

### ORGANIC GROWTH

**7.4**  
PERCENT  
(17.7)

### EBITDA\*

**30.2**      **23.6**  
MSEK      PERCENT  
(15.5)      (22.1)

### NET DEBT/EBITDA\*

**0.2**  
X  
(0.5)

\*Before non-recurring items

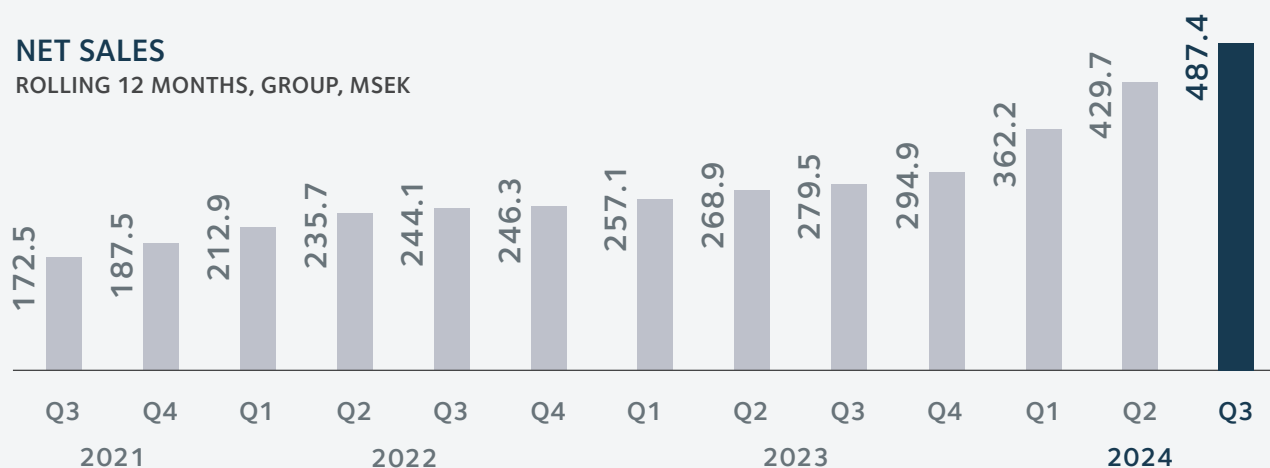
## FINANCIAL OVERVIEW

MSEK	JUL-SEP 2024	JUL-SEP 2023	JAN-SEP 2024	JAN-SEP 2023	OCT-SEP 2023/24	JAN-DEC 2023
Net sales	127.9	70.1	410.2	217.6	487.4	294.9
Gross profit, %	51.8	46.7	49.8	44.6	50.1	44.8
EBITDA before non-recur- ring items	30.2	15.5	99.9	45.0	117.5	62.6
EBITDA before non-recur- ring items, %	23.6	22.1	24.3	20.7	24.1	21.2
EBITDA	30.2	15.5	79.8	41.7	97.5	59.3
EBITDA, %	23.6	22.1	19.5	19.1	20.4	20.1
Operating profit before non-recurring items	23.4	11.9	79.4	34.3	93.4	48.3
Operating profit before non-recurring items, %	18.3	17.0	19.4	15.8	20.0	16.4
Operating profit	23.4	11.9	59.4	31.0	73.3	45.0
Operating profit, %	18.3	17.0	14.5	14.2	15.5	15.2
Profit after tax	12.7	9.7	43.3	19.0	50.9	26.6
Earnings per share, SEK	1.41	1.93	4.81	3.80	6.33	5.31
Net debt/LTM EBITDA*	0.2	0.5	0.2	0.5	0.2	0.4

\*before non-recurring items

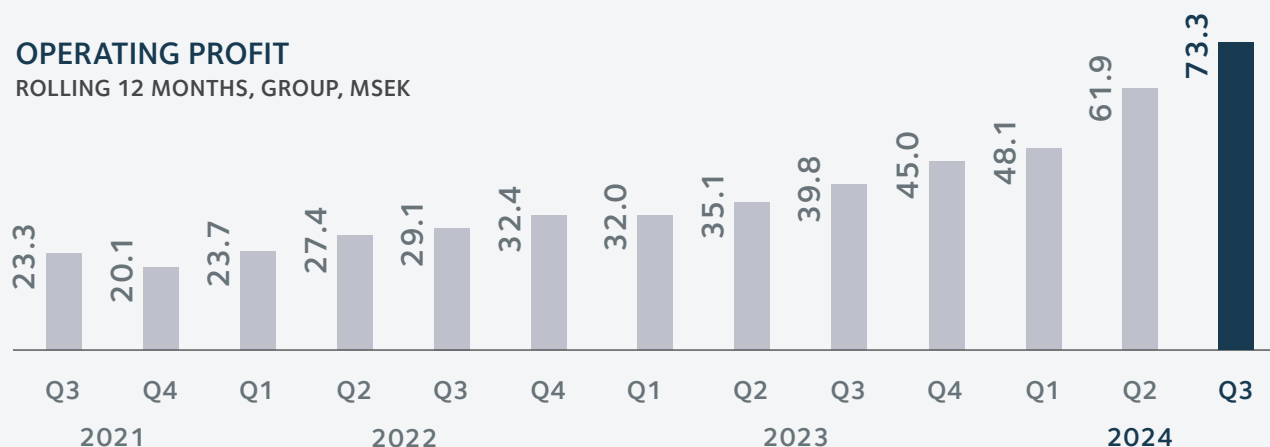
### NET SALES

ROLLING 12 MONTHS, GROUP, MSEK



### OPERATING PROFIT

ROLLING 12 MONTHS, GROUP, MSEK



# Comments from the CEO

Continued growth with improved gross margin and revised financial targets.

Stille's sales in the third quarter of 2024 amounted to MSEK 127.9 (70.1), driven by strong organic growth in surgical instruments and the successful acquisition of Fehling. Organic growth remained robust, despite high comparable figures and slightly lower demand in the surgical table business compared with the same quarter previous year. The integration of Fehling is proceeding according to plan, and we are at the end of the most intensive integration phase, having focused on aligning the product portfolios and sales channels.

The gross margin for the quarter improved to 51.8 percent (46.7), mainly from operational improvements, a favorable geographic mix, and the consolidation of Fehling. Operating profit before non-recurring items amounted to MSEK 23.4 (11.9), corresponding to an operating margin of 18.3 percent. This is reflected in our cash flow from operating activities, which improved to MSEK 15.2 (7.3).

Sales in the Surgical Instruments business unit increased to MSEK 96.1 (38.2) for the quarter. We continue to invest in, and deliver on, our growth strategy in the US, which is a strategic market for Stille. The Surgical Tables business unit's sales for the third quarter amounted to MSEK 31.8 (31.9), which is in line with the same quarter previous year. This lower growth was mainly noted outside the US.

We are pleased that our ongoing efforts to improve our pricing, purchasing, production and quality are continuing to have a positive impact on our business. Our focus on new product launches remains a central part of our strategy. During the quarter, we also further intensified our sustainability efforts, which will support us not only in contributing to the green transition and in our compliance with upcoming reporting requirements, but also in strengthening our customer offering by having the most sustainable products on the market.

## Revised financial targets

Following the acquisition of Fehling we have revised our financial targets to reflect our ambition to constantly improve, challenge ourselves and continue evolving. The updated targets are:

1. Organic growth of at least 10 percent,
2. EBITDA margin before non-recurring items of at least 25 percent,
3. Net debt/LTM EBITDA before non-recurring items shall be less than 3 over time.

The revised targets reflect Stille's ambition and are deeply rooted in our established strategy, the market we serve and the type of operations we conduct.

## Favorable conditions for value-creating acquisitions

Stille's strategy is to grow organically and through acquisitions. Through our acquisitions of S&T and Fehling, Stille has created both customer and shareholder value. During the quarter, we strengthened our list of acquisition candidates and increased the number of ongoing dialogues. With MSEK 100 in cash, and a net debt / LTM EBITDA of 0.2, we have created a platform for future value-adding acquisition.

Stille's strategic focus remains firm. With our high-quality surgical instruments and radiolucent surgical tables, we aim to operate in niche premium segments. Our ambition is to continue to grow our operations both organically and through acquisitions. 2024 has continued on a high note – our products are delivering value to our customers, which is driving demand, growth and cash flow. We look forward to the rest of the year with confidence!

Torshälla, October 24, 2024

**Torbjörn Sköld**  
President and CEO

# Surgical perfection. For life.

Founded in 1841, Stille AB (publ) is one of the world's oldest medtech companies. With a focus on the needs of surgeons and patients, the Group develops, manufactures and distributes medtech products that simplify and improve the healthcare process.

## Over 180 years of premium quality

The Stille of today is the result of over 180 years of innovation in the service of health and medical care. Since its founding by Albert Stille in 1841, the company has manufactured and marketed premium-quality surgical instruments that have made new types of surgery possible and facilitated the work of surgeons.

In 1887, Stille also began manufacturing and marketing surgical tables, and the company is now a market leader in the segment of surgical tables that are used together with C-arms during minimally invasive vascular procedures.

## Surgical perfection and product leadership

Stille's vision is to provide products and solutions that enable perfect surgical procedures: Surgical Perfection. For Life. Product leadership – achieved, for example, through solid product development in close partnership with leading surgeons – is therefore central to the company's operations.

## Brands associated with the highest quality

Surgeons the world over know Stille's brands thanks to the unique quality of their products. Backed up by a strong brand profile, the company has a unique position in the market and good opportunities to further develop its offering and increase its market presence in the segments that are profitable for both the company and its customers.

## Strong distribution channels and global market presence

Stille currently has offices in Sweden, Switzerland, Germany, the US and the United Arab Emirates. Through these offices, and together with the Group's robust sales channels, the company's market presence reaches across large parts of the globe. It is through these partners that the company achieves its market expansion.



# Our business units

No matter the product portfolio, product leadership and innovation have been part of Stille's business concept since 1841. Today, the operations are divided into two business units: Surgical Tables and Surgical Instruments.

## Surgical Instruments

### **Precision, durability and feel**

Precision, durability and feel are characteristic qualities of all Stille's instruments. The portfolio includes everything from ordinary surgical scissors to unique SuperCut scissors, forceps, vascular clamps and a broad range of micro instruments. This combination has made Stille's product portfolio of premium instruments both well known and appreciated among leading surgeons the world over.

### **Product development and world-class innovation**

Stille was founded as a solution to the shortage of product development and innovation in surgical instruments. Since 1841, Stille has pursued technological development that has made new types of surgical procedures possible. Stille revolutionized the market in 1923 as the first company in the world to manufacture its instruments in stainless steel. In 1982, Stille also invented the SuperCut scissors. In contrast to their predecessors, these new scissors had specially designed cutting surfaces – a combination of scissor and knife edges – which allow them to cut with very high precision. To this very day, SuperCut is considered by leading surgeons to be the best scissors in the world.

## Surgical Tables

### **Time-saving multidisciplinary surgical tables**

Stille's portfolio of surgical tables is used in a number of different surgical disciplines. The tables are characterized by their high level of functionality that reduces surgery time, reduces radiation doses and increases the likelihood of a good outcome. This makes them an attractive choice for surgeons and the OR team.

### **Taking minimally invasive development forward**

Product development is the cornerstone of the Surgical Tables business unit, which is Stille's vehicle for taking minimally invasive surgery forward. Development of new surgical tables always takes place in close collaboration with leading surgeons and together with our partners.



## SEGMENT OVERVIEW

KSEK	JUL-SEP 2024	JUL-SEP 2023	JAN-SEP 2024	JAN-SEP 2023	JAN-DEC 2023
<b>SURGICAL INSTRUMENTS</b>					
Revenue	96,056	38,236	309,639	121,118	162,755
Operating profit before non-recurring items	19,761	9,974	68,082	27,463	37,732
Operating profit before non-recurring items, %	20.6	26.1	22.0	22.7	23.2
<b>SURGICAL TABLES</b>					
Revenue	31,802	31,871	100,511	96,494	132,138
Operating profit before non-recurring items	3,610	1,949	11,341	6,851	10,532
Operating profit before non-recurring items, %	11.4	6.1	11.3	7.1	8.0
<b>TOTAL</b>					
Revenue	127,857	70,107	410,150	217,612	294,893
Operating profit before non-recurring items	23,370	11,923	79,423	34,314	48,264
Operating profit before non-recurring items, %	18.3	17.0	19.4	15.8	16.4
Non-recurring costs	0	0	20,042	3,312	3,312
Operating profit	23,373	11,923	59,384	31,002	44,952
Operating profit, %	18.3	17.0	14.5	14.2	15.2
Net financial items	-6,395	405	-4,481	-5,690	-13,366
Profit before tax	16,978	12,328	54,904	25,312	31,586

## BRANDS

### Surgical Instruments

**STILLE** instruments have been manufactured since 1841. Today, they are the only instruments forged from round steel by the company itself. This is a manufacturing method that yields exceptional durability and feel.

**S&T** is the leading brand in the global micro instrument market. Since the beginning, these products have enabled the development of microsurgery and are today considered to be the world's best micro instruments.

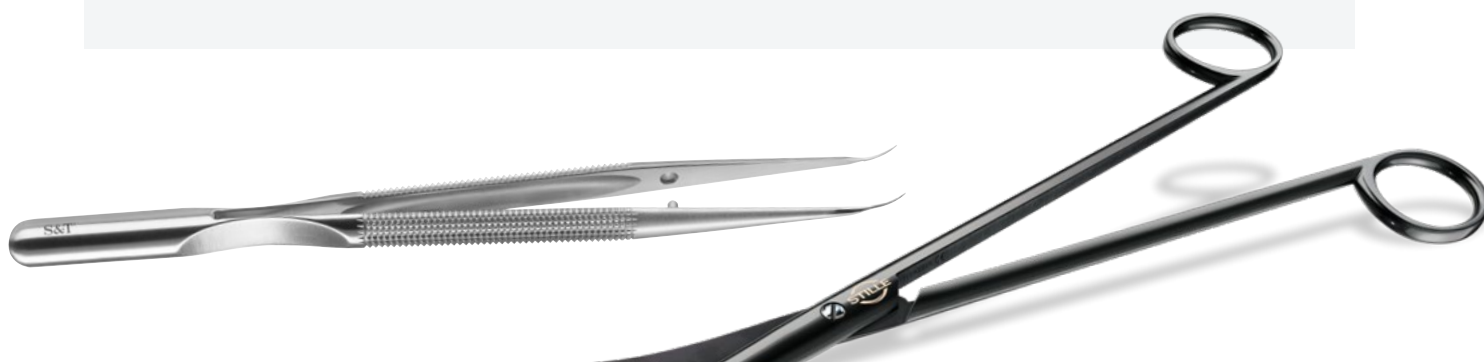
**FEHLING** offers a broad range of premium products to surgeons, with a focus on demanding specialties such as open and minimally invasive cardiac, thoracic and neurosurgery.

### Surgical Tables

**imagiQ** is the leading brand in the fluoroscopic surgery market. The surgical table is characterized by its unique radiolucency and functionality that reduce both surgery time and radiation exposure.

**GS2®** is a premium table for multidisciplinary surgery. This surgical table is targeted at outpatient surgery units in the US, and is developed in an exclusive partnership with GE Healthcare.

**Medstone** supplements the product portfolio by being a cost-efficient table for simpler procedures, for example, in pain management and ERCP, where good radiolucency is necessary.





# Financial summary

## July–September

### Net sales

Net sales for the third quarter totaled MSEK 127.9 (70.1), impacted positively by acquisition effects of MSEK 52.6 but also negatively by exchange-rate effects of MSEK –3.2. Comparable figures excluding acquisition effects amounted to sales of MSEK 75.3 (70.1) for the quarter, negatively impacted by exchange-rate effects of MSEK –1.7.

Instrument sales for the quarter totaled MSEK 96.1 (38.2). Excluding acquisition effects, sales totaled MSEK 43.5 (38.2). The Surgical Tables business unit's sales for the quarter totaled MSEK 31.8 (31.9).

Instrument sales were strong in all markets and grew 13.7 percent compared with Q3 2023. The Surgical Tables business unit had a weaker quarter in line with Q3 2023, particularly in the markets outside the US.

### Earnings

Gross profit for the quarter amounted to MSEK 66.3 (32.7), corresponding to a gross profit margin of 51.8 percent (46.7).

Gross profit excluding acquisition effects was strong in both business units and was positively impacted by a favorable geographic market mix since sales in the North American market were higher than in previous years. At the same time, our work on Operational Excellence is yielding results.

Operating profit before non-recurring items for the quarter amounted to MSEK 23.4 (11.9), negatively impacted by exchange-rate effects of MSEK –0.2.

Consolidated net financial items for the quarter amounted to MSEK –6.4 (0.4) and were mainly impacted by revaluation effects attributable to exchange-rate fluctuations.

Profit before tax for the quarter amounted to MSEK 17.0 (12.3). Profit after tax for the quarter amounted to MSEK 12.7 (9.7). Earnings per share amounted to SEK 1.41 (1.93).

### Tax

Tax expense for the quarter totaled MSEK –4.3 (–2.6). As of September 30, 2024, the Group had an accumulated loss carryforward of MSEK 8.3, of which MSEK 0 was directly attributable to the Parent Company.

### Cash flow

Consolidated cash flow from operating activities for the quarter amounted to MSEK 15.2 (7.3) and was impacted by fluctuations in working capital of MSEK –8.6 (–6.1). Consolidated cash and cash equivalents at the end of the period totaled MSEK 97.9 (41.2).

### Financial position

The consolidated equity/assets ratio for the quarter was 65.4 percent (56.4). Consolidated equity at the end of the period totaled MSEK 672.6 (208.9). The Group has a bank overdraft facility of MSEK 15.0 (15.0), of which MSEK 0.0 (0.0) had been utilized as of September 30.

### Investments

Net investments in tangible and intangible assets for the quarter totaled MSEK 2.5 (3.3). MSEK 0.7 (3.1) in development costs for new products has been capitalized. Of capitalized development costs, MSEK 0.4 (0.1) pertained to capitalized personnel expenses and MSEK 0.3 (3.0) to capitalized external development costs.

### Employees

The average number of full-time employees (FTEs) in the Group for the quarter was 144 (102). 151 (107) FTEs were employed in the Group on September 30.

### Parent Company

Net sales in the Parent Company for the quarter totaled MSEK 40.6 (39.4). Profit after tax for the quarter amounted to MSEK 1.6 (6.1). The balance sheet total was MSEK 754.9 (301.3), of which MSEK 573.6 (142.2) comprised equity.

## January–September

### Net sales

Net sales for the first nine months totaled MSEK 410.2 (217.6), impacted positively by acquisition effects of MSEK 174.6 and negatively by exchange-rate effects of MSEK –0.3. Comparable figures excluding acquisition effects amounted to sales of MSEK 235.6 (217.6) for the period, positively impacted by exchange-rate effects of MSEK 0.3.

Instrument sales for the period totaled MSEK 309.6 (121.1). Excluding acquisition effects, sales totaled MSEK 135.1 (121.1). The Surgical Tables business unit's sales for the period totaled MSEK 100.5 (96.5).

Total sales of tables and instruments were strong in most markets, with the exception of the table business outside the US and Europe. Sales of instruments and imagiQ in Europe were especially strong. At the same time, the acquisition of Fehling is progressing very well, with sales up 14.5 percent compared with the first nine months of 2023.

### Earnings

Gross profit for the period amounted to MSEK 204.4 (97.0), corresponding to a gross profit margin of 49.8 percent (44.6).

Gross profit excluding acquisition effects was strong in both business units, but particularly in instruments, positively impacted by a favorable geographic market mix since sales in the North American market were higher than in previous years.

Operating profit before non-recurring items for the period amounted to MSEK 79.4 (34.3), positively impacted by exchange-rate effects of MSEK 0.3. The Group had acquisition-related costs of MSEK –20.0 during the period, which are reported under "Non-recurring items".

Consolidated net financial items for the period amounted to MSEK –4.5 (–5.7), impacted primarily by revaluation effects of attributable to exchange-rate fluctuations.

Profit before tax for the period amounted to MSEK 54.9 (25.3). Profit after tax for the period totaled MSEK 43.3 (19.0). Earnings per share amounted to SEK 4.81 (3.80).

### Tax

Tax expense for the period totaled MSEK –11.7 (–6.3). As of September 30, 2024, the Group had an accumulated loss carryforward of MSEK 8.3, of which MSEK 0.0 was directly attributable to the Parent Company.

### Cash flow

Consolidated cash flow from operating activities for the period amounted to MSEK 23.9 (30.0), impacted heavily by fluctuations in working capital of MSEK –37.4 (–0.7). Consolidated cash and cash equivalents at the end of the period totaled MSEK 97.9 (41.2).

### Financial position

The consolidated equity/assets ratio at the end of the period was 65.4 percent (56.4).

Consolidated equity at the end of the period totaled MSEK 672.6 (208.9). The Group has a bank overdraft facility of MSEK 15.0 (15.0), of which MSEK 0.0 (0.0) had been utilized as of September 30.

### Investments

Net investments in tangible and intangible assets for the period totaled MSEK 9.2 (9.5). MSEK 5.0 (7.8) in development costs for new products has been capitalized. Of capitalized development costs, MSEK 1.0 (0.7) pertained to capitalized personnel expenses and MSEK 4.0 (7.1) to capitalized external development costs.

### Employees

The average number of FTEs in the Group for the period was 147 (102). 151 (107) FTEs were employed in the Group on September 30.

### Parent Company

Net sales in the Parent Company for the period totaled MSEK 140.9 (128.9). Profit after tax totaled MSEK 18.9 (11.5). The balance sheet total was MSEK 754.9 (301.3), of which MSEK 573.6 (142.2) comprised equity.

### Related-party transactions

Stille's related parties and transactions with related parties are described in Note 10 of the Annual Report. No transactions between Stille and related parties that had a material impact on the company's position and earnings were conducted during the quarter.

### Risks and uncertainties

The Group's and the Parent Company's material estimates and assessments, risks and risk management are described in Note 4 of the 2023 Annual Report. Uncertainties concerning the performance of the global economy, and thereby the economic conditions for Stille's end customers, could impact future sales volumes.

### Accounting policies

This Interim Report has been prepared in accordance with the International Financial Reporting Standards (IFRS), with the application of IAS 34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU as well as recommendation RFR 1 Supplementary Accounting Rules for Corporate Groups. The Parent Company has prepared its accounts in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities. Amendments to and interpretations of existing standards that have entered force have not had any impact on the Group's financial position or financial statements. The accounting policies and calculation methods remain unchanged compared to the description in the 2023 Annual Report.

### Auditor's review

This report has not been reviewed by Stille's auditors.

## SHARE AND OWNERSHIP DATA

SEPTEMBER 30

<p>MSEK <b>1,950</b></p> <p>MARKET CAP</p>	<p>STIL      OMXSPI</p> <p><b>1%</b>   <b>2%</b></p> <p>SHARE DEVELOPMENT (JUL 1–SEP 30)</p>	<p><b>8,985,447</b></p> <p>SHARES</p>
<p>SEK <b>217</b></p> <p>SHARE PRICE</p>	<p><b>2,592</b></p> <p>SHAREHOLDERS</p>	<p>SEK <b>210–250</b></p> <p>LOW/HIGH (JUL 1–SEP 30)</p>

### LARGEST SHAREHOLDERS

	NUMBER	OWNERSHIP SHARE
Impilo AB	2,056,075	22.88%
Linc AB	2,056,075	22.88%
SEB Investment Management	579,068	6.44%
Lannebo Kapitalförvaltning	558,031	6.21%
ShapeQ GmbH	418,884	4.66%
Aktia Asset Management	380,353	4.23%
Berenberg Funds	357,426	3.98%
Ramhill AB	328,145	3.65%
Avanza Pension	207,399	2.31%
Fondita Fund Management	180,000	2.00%
<b>Total</b>	<b>7,121,456</b>	<b>79.26%</b>

Share data provided by Modular Finance AB.

Stille's share is listed on the Nasdaq OMX First North Growth Market under the ticker "STIL", ISIN code SE0000998650.

Eminova Fondkommission AB is the Certified Adviser, +46 (0)8 684 211 10, adviser@eminova.se.

## Condensed income statement and statement of comprehensive income

### GROUP

KSEK	JUL-SEP 2024	JUL-SEP 2023	JAN-SEP 2024	JAN-SEP 2023	JAN-DEC 2023
Net sales	127,857	70,107	410,151	217,616	294,893
Cost of goods sold	-61,579	-37,372	309,639	-120,657	-162,722
<b>Gross profit</b>	<b>66,278</b>	<b>32,734</b>	<b>204,447</b>	<b>96,959</b>	<b>132,171</b>
Other operating income	524	269	3,281	1,015	1,883
Selling expenses	-30,988	-16,001	-91,143	-49,823	-67,006
Administrative expenses	-11,729	-4,530	-35,799	-13,150	-17,476
Non-recurring items	0	0	-20,042	-3,312	-3,312
Other operating expenses	-712	-551	-1,359	-687	-1,309
<b>Operating profit</b>	<b>23,373</b>	<b>11,922</b>	<b>59,385</b>	<b>31,002</b>	<b>44,952</b>
Financial income	-4,444	75	11,992	-1,233	971
Financial expenses	-1,951	331	-16,473	-4,457	-14,337
<b>Profit before tax</b>	<b>16,978</b>	<b>12,328</b>	<b>54,904</b>	<b>25,312</b>	<b>31,586</b>
Income tax	-4,305	-2,633	-11,652	-6,274	-4,939
<b>Net profit for the period</b>	<b>12,673</b>	<b>9,695</b>	<b>43,252</b>	<b>19,038</b>	<b>26,646</b>
<i>Other comprehensive income</i>					
Items that may be reclassified to profit or loss:					
- translation differences in foreign operations	311	-2,614	-2,949	9,109	10,599
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>12,984</b>	<b>7,081</b>	<b>40,303</b>	<b>28,147</b>	<b>37,245</b>
<b>Earnings per share</b> before and after dilution, SEK	1.41	1.93	4.81	3.80	5.31

## Condensed balance sheet

### GROUP

KSEK	SEP 30, 2024	SEP 30, 2023	DEC 31, 2023
<b>ASSETS</b>			
<i>Non-current assets</i>			
Intangible assets	547,084	154,246	155,685
Tangible assets	71,215	60,678	59,501
Deferred tax assets	33,251	496	377
<b>Total non-current assets</b>	<b>651,550</b>	<b>215,420</b>	<b>215,562</b>
<i>Current assets</i>			
Inventory	172,413	64,029	66,553
Accounts receivable	67,955	46,803	31,251
Current receivables <sup>1</sup>	36,460	3,266	250,082
Cash and cash equivalents <sup>1</sup>	97,877	41,188	241,446
<b>Total current assets</b>	<b>374,705</b>	<b>155,286</b>	<b>589,331</b>
<b>ASSETS</b>	<b>1,026,255</b>	<b>370,706</b>	<b>804,894</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to Parent Company shareholders	672,556	208,936	632,254
Non-current liabilities	172,674	115,023	92,689
Current liabilities	181,025	46,747	79,951
<b>EQUITY AND LIABILITIES</b>	<b>1,026,255</b>	<b>370,706</b>	<b>804,894</b>

<sup>1</sup> A subscribed but not paid share issue of MSEK 220, which was paid in early January 2024, is included as of December 31, 2023. Cash and cash equivalents include a paid subscribed share issue of MSEK 205 that was registered on January 10, 2024.

## Condensed statement of changes in equity

### GROUP

KSEK	SEP 30, 2024	SEP 30, 2023	DEC 31, 2023
<b>Opening balance</b>	<b>632,254</b>	<b>189,813</b>	<b>189,813</b>
Ongoing new share issue, after tax	–	–	414,219
Dividend to shareholders	–	-9,024	-9,024
Registered share capital	–	–	–
Provision for share premium reserve	–	–	–
Change in carrying amount of assets	–	–	–
Comprehensive income for the period	40,304	28,147	37,245
<b>CLOSING BALANCE</b>	<b>672,556</b>	<b>208,936</b>	<b>632,254</b>

## Condensed cash flow statement

### GROUP

KSEK	JUL-SEP 2024	JUL-SEP 2023	JAN-SEP 2024	JAN-SEP 2023	JAN-DEC 2023
<b>OPERATING ACTIVITIES</b>					
<i>Before change in working capital</i>					
Operating profit	23,373	11,922	59,385	31,002	44,952
Adjustment for non-cash items, etc.	3,857	4,363	14,688	8,180	13,185
Tax paid	-3,452	-2,868	-12,777	-8,562	-10,377
<b>Cash flow from operating activities before change in working capital</b>	<b>23,778</b>	<b>13,417</b>	<b>61,296</b>	<b>30,620</b>	<b>47,759</b>
Change in inventory	-9,718	-1,079	-19,224	-4,378	-7,889
Change in operating receivables	-3,931	-6,255	-11,393	-6,833	-17,181
Change in operating liabilities	5,096	1,205	-6,734	10,546	14,588
<b>Total change in working capital</b>	<b>-8,553</b>	<b>-6,129</b>	<b>-37,351</b>	<b>-664</b>	<b>-10,482</b>
<b>Cash flow from operating activities</b>	<b>15,225</b>	<b>7,288</b>	<b>23,945</b>	<b>29,955</b>	<b>37,277</b>
<b>INVESTING ACTIVITIES</b>					
Acquisition of intangible assets	-2,066	-3,103	-7,681	-8,573	-11,495
Acquisition of tangible assets	-452	-191	-1,541	-972	-1,408
Other external assets	-	-	-32,415	-	-
Acquisition of operations	-	-	-301,533	-	-
<b>Cash flow from investing activities</b>	<b>-2,518</b>	<b>-3,294</b>	<b>-343,170</b>	<b>-9,545</b>	<b>-12,903</b>
<b>FINANCING ACTIVITIES</b>					
Dividend to shareholders	-	-	-	-9,024	-9,024
Repayment of debts, including right-of-use assets	-5,789	-1,163	-33,117	-8,459	-16,983
New share issue, net of transaction costs	-	-	208,854	-	205,000
Loans raised	-	-	-	-	-
<b>Cash flow from financing activities</b>	<b>-5,789</b>	<b>-1,163</b>	<b>175,737</b>	<b>-17,484</b>	<b>178,993</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>6,918</b>	<b>2,831</b>	<b>-143,489</b>	<b>2,927</b>	<b>203,367</b>
<b>Cash and cash equivalents at start of period</b>	<b>90,903</b>	<b>38,761</b>	<b>241,446</b>	<b>36,677</b>	<b>36,677</b>
Translation difference	56	-405	-79	1,584	1,402
<b>Cash and cash equivalents at end of period</b>	<b>97,877</b>	<b>41,188</b>	<b>97,877</b>	<b>41,188</b>	<b>241,446</b>

## Key performance indicators

### GROUP

KSEK	JAN-SEP 2024	JAN-SEP 2023	JAN-DEC 2023
<i>Key performance indicators for profit or loss</i>			
Net sales	410,151	217,616	294,893
Net sales growth, %	88.5	17.9	19.7
Gross profit	204,447	96,959	132,171
Gross profit, %	49.8	44.6	44.8
Depreciation and amortization	-20,445	-10,650	-14,357
EBITDA before non-recurring items	99,871	44,964	62,621
EBITDA before non-recurring items, %	24.3	20.7	21.2
<b>EBITDA</b>	<b>79,830</b>	<b>41,652</b>	<b>59,309</b>
EBITDA, %	19.5	19.1	20.1
Operating profit before non-recurring items	79,423	34,314	48,264
Operating profit before non-recurring items, %	19.4	15.8	16.4
<b>Operating profit (EBIT)</b>	<b>59,385</b>	<b>31,002</b>	<b>44,952</b>
Operating profit (EBIT), %	14.5	14.2	15.2
Net profit for the period	43,252	19,038	26,646
Earnings per share <sup>1</sup> , SEK	4.81	3.80	5.31
Comprehensive income after tax	40,303	28,147	37,245
<i>Key performance indicators for balance sheet</i>			
Net debt	27,763	27,170	26,835
Net debt/EBITDA <sup>2</sup>	0.2	0.5	0.4
Equity/assets ratio <sup>3</sup> , %	65.4	56.4	78.6
Equity	672,556	208,936	632,254
Equity per share <sup>4</sup> , SEK	74.85	41.67	126.11
Return on equity <sup>5</sup> , SEK	11.5	13.7	6.5
<i>Key performance indicators for cash flow statement</i>			
Cash flow from operating activities	23,945	29,955	37,277
<i>Other key performance indicators</i>			
Average number of shares	8,985,447	5,013,484	5,013,484
Average number of employees	147	102	106

#### Definitions

<sup>1</sup> Profit after tax in relation to the average number of shares outstanding.

<sup>2</sup> EBITDA pertains to before non-recurring items, rolling 12 months.

<sup>3</sup> The equity/assets ratio has been calculated as equity as a percentage of the total assets in the balance sheet.

<sup>4</sup> Equity in relation to the average number of shares outstanding before and after dilution at the end of the period.

<sup>5</sup> Return on equity comprises profit/loss after tax, rolling 12 months, as a percentage of weighted equity.



## Condensed income statement

### PARENT COMPANY

KSEK	JUL-SEP 2024	JUL-SEP 2023	JAN-SEP 2024	JAN-SEP 2023	JAN-DEC 2023
Net sales	40,559	39,431	140,935	128,855	163,534
Cost of goods sold	-23,264	-24,252	309,639	-81,993	-110,890
<b>Gross profit</b>	<b>17,296</b>	<b>15,180</b>	<b>51,843</b>	<b>46,862</b>	<b>52,643</b>
Other operating income	3,080	2,769	9,765	8,498	11,399
Selling expenses	-6,591	-5,819	-20,095	-18,792	-24,958
Administrative expenses	-5,619	-4,552	-14,824	-12,830	-17,066
Transaction costs	-	-	-	-	-
Other operating expenses	-323	-472	-819	-3,980	-4,392
<b>Operating profit</b>	<b>7,843</b>	<b>7,107</b>	<b>25,869</b>	<b>19,758</b>	<b>17,627</b>
Financial income	-3,756	298	15,155	-552	1,868
Financial expenses	-2,076	276	-17,185	-4,663	-15,418
<b>Profit after financial items</b>	<b>2,012</b>	<b>7,681</b>	<b>23,840</b>	<b>14,543</b>	<b>4,077</b>
Appropriations	-	-	-	-	8,456
<b>Profit before tax</b>	<b>2,012</b>	<b>7,681</b>	<b>23,840</b>	<b>14,543</b>	<b>12,534</b>
Tax on profit for the period	-414	-1,582	-4,911	-2,996	-2,781
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,597</b>	<b>6,099</b>	<b>18,929</b>	<b>11,547</b>	<b>9,752</b>

## Condensed balance sheet

### PARENT COMPANY

KSEK	SEP 30, 2024	SEP 30, 2023	DEC 31, 2023
<b>ASSETS</b>			
<i>Non-current assets</i>			
Intangible assets	58,879	55,830	57,460
Tangible assets	3,383	3,470	3,463
Financial assets	564,260	132,276	132,276
<b>Total non-current assets</b>	<b>626,522</b>	<b>191,576</b>	<b>193,199</b>
<i>Current assets</i>			
Inventory	51,085	39,572	44,892
Accounts receivable	17,771	15,657	7,068
Current receivables <sup>1</sup>	50,453	51,237	280,173
Cash and cash equivalents	9,025	3,233	217,302
<b>Total current assets</b>	<b>128,333</b>	<b>109,699</b>	<b>549,434</b>
<b>ASSETS</b>	<b>754,855</b>	<b>301,276</b>	<b>742,633</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	573,584	142,230	554,655
Untaxed reserves	13,077	21,533	13,077
Non-current liabilities	124,109	106,769	122,706
Current liabilities	44,086	30,743	52,196
<b>EQUITY AND LIABILITIES</b>	<b>754,855</b>	<b>301,276</b>	<b>742,633</b>

<sup>1</sup> A subscribed but not paid share issue of MSEK 220, which was paid in early January 2024, is included as of December 31, 2023. Cash and cash equivalents include a paid subscribed share issue of MSEK 205 that was registered on January 10, 2024.

## Note 1 | Accounting policies

### Business combinations

The Group applies the acquisition method for the recognition of business combinations in accordance with IFRS 3. The remuneration that is transferred by the Group in order to obtain control of a subsidiary is calculated as the total of the fair values of the assets transferred, the liabilities assumed and the equity instruments issued by the Group as of the date of acquisition, which include the fair value of an asset or liability that arose on the basis of a contracted contingent consideration. Acquisition costs are expensed as they arise.

### Goodwill

Goodwill represents future economic benefits that arise in conjunction with a business combination but are not identified individually and recognized separately. Goodwill is recognized at cost less accumulated impairment.

### Other intangible assets

#### Brands and customer relationships

All intangible assets with a finite useful life, including capitalized internally developed software, are measured based on the cost, whereupon capitalized expenditures are amortized on a straight-line basis over their estimated useful life. Useful lives are reviewed on each balance sheet date. Additionally, an impairment test is conducted once a year, or if there are indications of a decrease in the value of the intangible asset. Brands that meet the conditions for separate disclosure in a business combination are recognized as intangible assets, initially at fair value. Acquired brands have an indefinite useful life and are measured at cost and tested for impairment annually.

Customer relationships that meet the conditions for separate disclosure in a business combination are recognized as intangible assets, initially at fair value. Customer relationships have a finite useful life and are therefore measured at cost and amortized on a straight-line basis over their estimated useful life.

Customer relationships that are attributable to the acquisition of S&T have an estimated life of 20 years. Customer relationships that are attributable to the acquisition of Fehling have an estimated life of 15 years.

The following useful lives are applied:

- Brands indefinite
- Customer relationships 15–20 years
- Software 3–5 years

### Tangible assets

#### Land

Land is measured at the Group's cost and is tested for impairment as soon as market factors indicate a substantial negative change.

Impairment is recognized directly against earnings to the extent that the fair value has decreased. Any potential reversal of previous impairment is recognized as an increase in value directly against earnings.

Since no finite useful life can be determined for land, the carrying amounts are not depreciated.

#### Buildings

Buildings are initially recognized at cost, and subsequently at cost less accumulated depreciation and impairment.

Buildings are depreciated on a straight-line basis less estimated residual value.

The following useful lives are applied:

- Buildings 20–100 years

## Note 2 | Acquisition of Fehling Instruments

In January 2024, Stille acquired all shares outstanding in Fehling Instruments GmbH & Co. KG and Fehling Verwaltungen GmbH with associated subsidiaries (jointly designated "Fehling"). Fehling is a German company, founded in 1996, that develops and sells premium-quality medical instruments. Fehling has a strong market position with direct operations in Germany, Switzerland, the US, Singapore, the United Arab Emirates and Malaysia.

With over 30 years of industry experience, Fehling strives to provide a broad range of premium products for surgeons, with a focus on demanding specialties such as open and minimally invasive cardiac, thoracic and neuro-surgery. Fehling has a global sales presence combined with direct sales and distributors. As a result of the acquisition, the combined Group is expected to increase its presence in these markets.

Fehling has been included in the consolidated financial statements as of January 1, 2024.

### Preliminary acquisition analysis

Information on purchase consideration, net assets acquired and goodwill is presented in the preliminary acquisition analysis below:

PURCHASE CONSIDERATION	KSEK
Cash consideration	335,988
Purchase consideration reserved	13,791
<b>PURCHASE CONSIDERATION</b>	<b>349,779</b>
FAIR VALUE OF ASSETS AND LIABILITIES ACQUIRED	KSEK
Assets	
Brands	103,669
Customer relationships	146,719
<b>Intangible assets</b>	<b>250,388</b>
Other non-current assets	13,569
Inventory	87,176
Accounts receivable and other receivables <sup>1</sup>	36,256
Cash and bank balances	34,455
Liabilities	
Non-current liabilities	-8,764
Provision for deferred tax, net	-75,117
Current liabilities	-136,123
<b>Acquired identifiable net assets</b>	<b>201,840</b>
Goodwill	147,940
<b>ACQUIRED NET ASSETS</b>	<b>349,779</b>

<sup>1</sup> Contracted gross amounts correspond in all material respects to the fair values of acquired receivables above.

Goodwill is attributable to the employees and the high levels of profitability in the operations acquired. No part of recognized goodwill is expected to be tax-deductible.

### Impact of the acquisition on the Group's cash and cash equivalents

	KSEK
Purchase consideration settled in cash	-335,988
Cash and cash equivalents in subsidiaries acquired	34,455
<b>Net outflow of cash and cash equivalents</b>	
Investing activities	<b>-301,533</b>

### Expenses related to acquisitions

Expenses of MSEK 20.7 related to acquisitions are included in "Other external expenses" in the income statement as well as in operating activities in the cash flow statement.

### Other

In conjunction with the acquisition, Stille repaid previous shareholder loans in Fehling totaling MSEK 81.4 (MEUR 4.8 + MUSD 2.5) through its own shareholder loan to Fehling.

### Sales and earnings in the acquisition

The acquired business contributed revenue of MSEK 52.6 and net profit of MSEK 4.0 to the Group for July 1 – September 30, 2024 period. Earnings include acquisition-related amortization of MSEK -2.4 related to customer relationships.

For the first nine months, the acquired business contributed revenue of MSEK 174.6 and net profit of MSEK 24.4. Earnings include acquisition-related amortization of MSEK -7.2 related to customer relationships.

These amounts were calculated using the subsidiary's earnings adjusted for differences in accounting policies between the Group and the subsidiary.



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## Financial calendar

Year-end Report 2024	February 13, 2025
Annual Report 2024	April 4, 2025
Interim Report Jan–Mar 2025	April 24, 2025
Interim Report Jan–Jun 2025	July 17, 2025
Interim Report Jan–Sep 2025	October 23, 2025
Year-end Report 2025	February 12, 2026

All of the company's financial reports can be found in their entirety on the company's website, [www.stille.se](http://www.stille.se).

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