

Further actions to improve profitability

Q1 report 2024/25

Gustaf Salford, President and CEO

Tobias Hägglov, CFO

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Important information

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This presentation is intended for investors and analysts only. Some products are still in research and/or not cleared/approved in all markets. Cancer statistics are given to show the potential market in the respective area and does not mean that Elekta currently has products to treat these indications.

Business Overview

Gustaf Salford

President and CEO

Q1 – key takeaways

Net sales

1% – increase in constant exchange rates, strong sales development in the U.S.

Adj. gross margin

37.8% (41.6%) – YoY decline. Sequential increase supported by an improved service margin

Adj. EBIT margin

7.4% (11.2%) – lower gross margin, cost-reduction initiatives in place

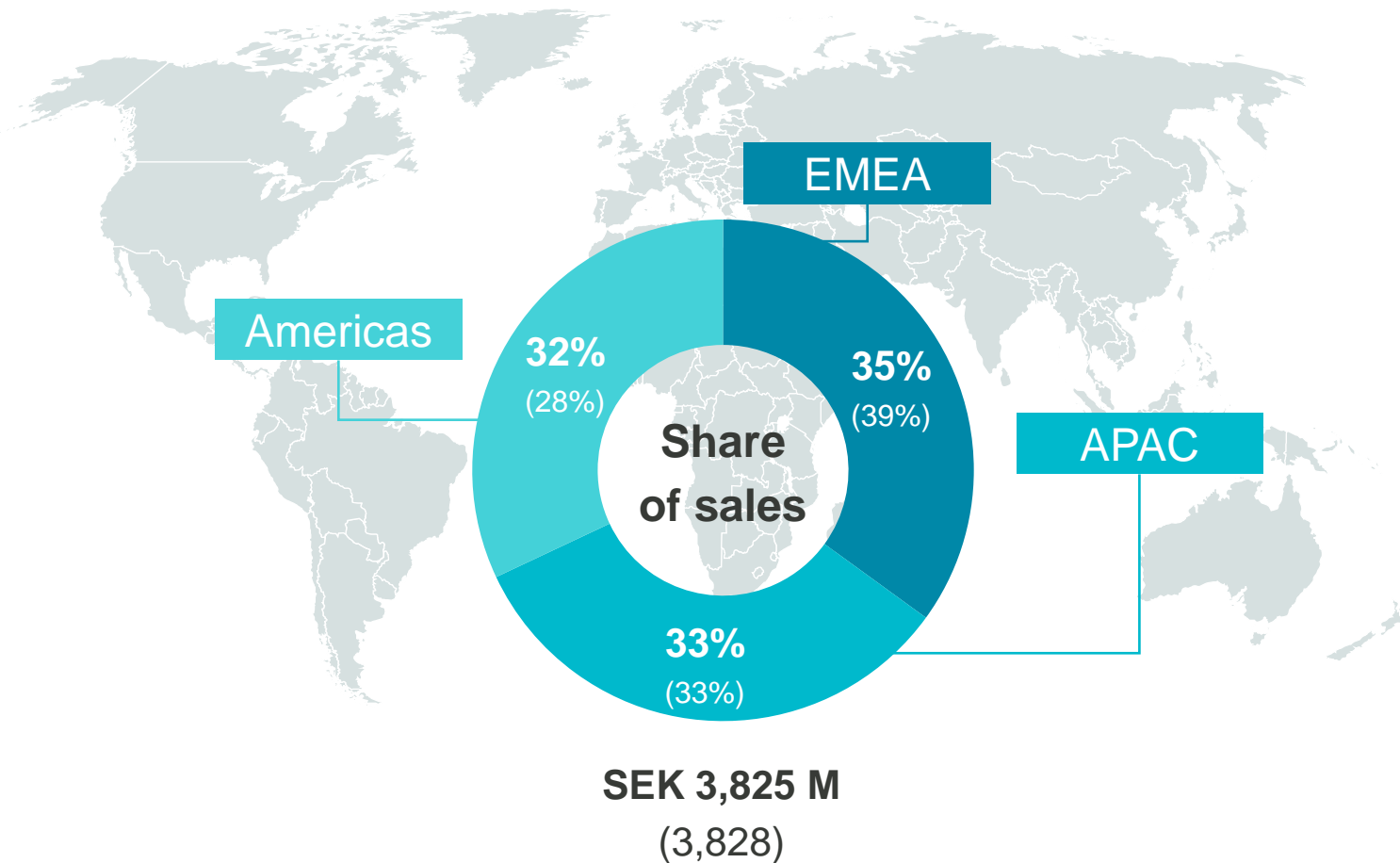
Book-to-bill ratio

1.10 (1.00) – supporting future growth

Customer win

Hospital Angeles Health System, Mexico – total order value of 64 MUSD

Sales development by region



Americas – increase of 16%¹

- Installations in the U.S. showing strong development
- Healthy growth in Canada and Mexico

APAC – increase of 3%¹

- Sales decline in China driven by the ongoing anti-corruption campaign
- Excluding China, the region grew by 29% with India and Korea as main drivers

EMEA – decline of 12%¹

- Tough comparable - Q1 last year was driven by installations from major customer wins in Italy and Spain

Delivering on our ACCESS 2025 strategy in Q1

Drive adoption | Elekta receives USD 64 million order for linacs and Gamma Knife system in Mexico



- **The Hospital Angeles Health System** hospital network comprises 27 hospitals nationwide, each offering state-of-the-art medical facilities and a wide range of specialized services
- **Installations will begin during the third quarter 2024/25**, with the last system expected to be installed during the first quarter 2027/28
- **Approximately USD 38 million** has been booked in the first quarter

Partner integration | Joint venture with AnSheng – Elekta's Chinese software partner



- **Strategic investment ensuring Elekta's market-leading position in China** and accelerating the adoption of radiation therapy
- **Strengthening Elekta's position in vendor-agnostic oncology information systems** tailored to the needs of the Chinese market.

Customer companion | Unity order with the University Hospital in Lund, Sweden



- **Expansion of the MR-Linac technology** is important to keep pushing the boundaries of cancer care

Accelerating innovation – adaptive across our portfolio



Elekta Evo

Driving adaptive CT-guided treatments

- Online adaptive and easily upgradeable
- Iris™ with high-definition AI enhanced imaging
- Well received among customers
 - Clinical needs and elevating personalized care
 - Increased productivity



Financial Overview

Tobias Hägglov

CFO

Financial update Q1 24/25

(SEK M)	Q1 24/25	Q1 23/24	Q4 23/24
Net sales	3,825	3,828	5,023
Solutions	1,915	1,995	3,060
Service	1,909	1,833	1,963
COGS ²	-2,380	-2,237	-3,186
Adj. gross margin	37.8%	41.6%	36.6%
Expenses ²	-1,159	-1,120	-1,104
Exchange rate diff and other	-3	-44	-80
Adj. EBIT	283	427	653
Adj. EBIT margin	7.4%	11.2%	13.0%
Financial items, net	-83	-107	-88
Income tax	-20	-67	-115
EPS³, SEK	0.18	0.62	1.08
Adj. EPS³, SEK	0.41	0.65	1.15

Net sales increased by 1%¹

- Solid Service growth of 5%
- Solutions declined driven by Europe and China

Adj. gross margin of 37.8% (41.6%)

- Continued inflationary pressure
- Negative FX impact
- Reduced impact from inventory revaluation
- Sequential increase supported by an improved service margin

Adj. EBIT of 7.4% (11.2%)

- Mainly driven by lower gross margin, administrative expenses and amortization

Cost-reduction initiative

- Reduced annual costs of SEK 250 M end FY24/25
- Annual run rate savings of SEK 70 M achieved with limited impact in Q1

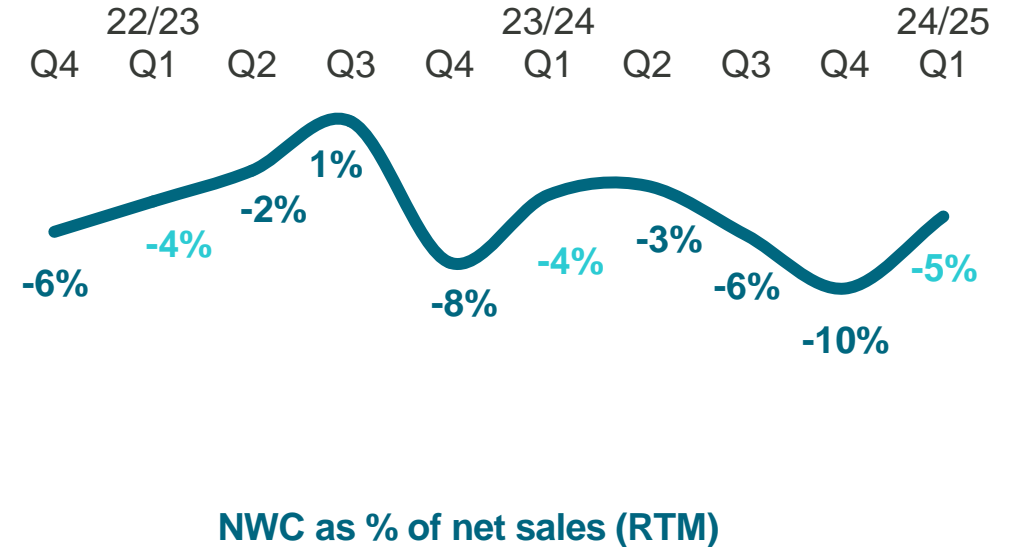
¹ Based on constant exchange rates.

² Excluding items affecting comparability (IAC) in Q1 2024/25 of SEK 109 M (14), of which SEK 28 M (1) is related to COGS, and in Q4 2023/24 of SEK 34 M (49), of which SEK 7 M (7) is related to COGS.

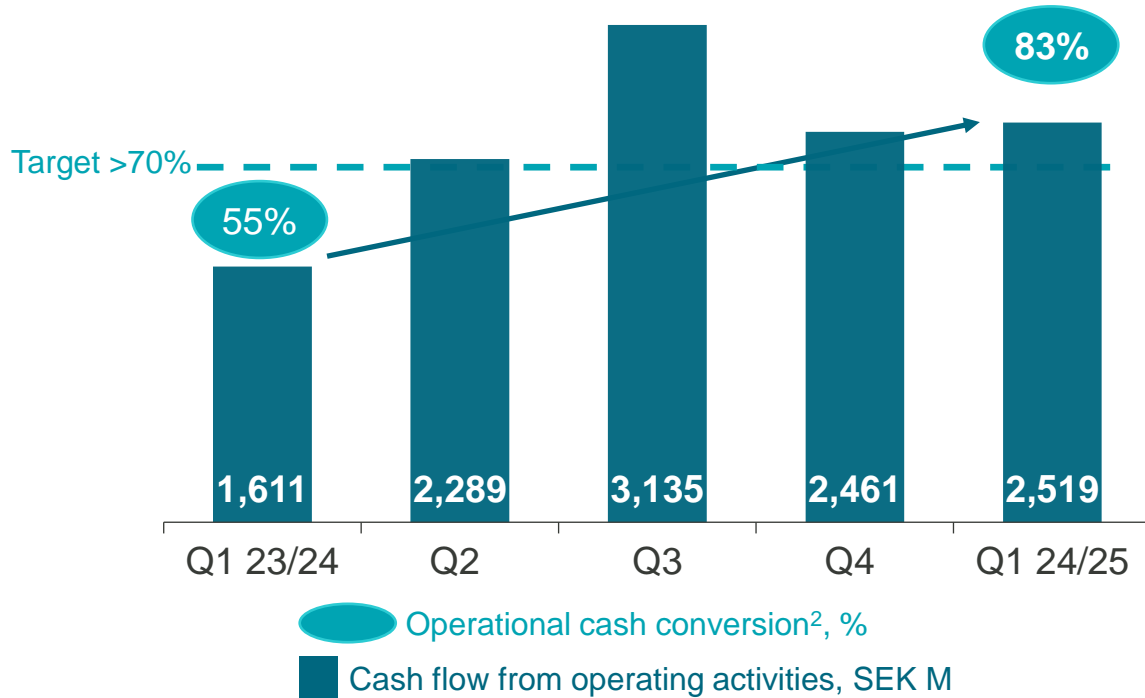
³ Before/after dilution

Q1 cash flow after continuous investments

(SEK M)	Q1 24/25	Q1 23/24	RTM	2023/24
EBITDA	522	693	3,018	3,189
Taxes, interest net and other	-82	-195	-396	-507
Change in NWC	-933	-1,049	-104	-220
Cash flow from operating activities	-493	-551	2,519	2,461
Continuous investments ¹	-397	-348	-1,694	-1,645
Cash flow after continuous investments	-891	-900	824	815



Rolling twelve months operational cash conversion



Operational cash flow

- SEK 2,519 M - SEK 908 M higher compared to last year

EBITDA

- SEK 3,018 M – SEK 107 M higher compared to last year

Operational cash conversion

- 83% - well above target

Book-to-bill ratio in Q1 and order reporting going forward

Book-to-bill ratio

1.10 (1.00)
Q1 24/25

1.11 (1.09)
Rolling twelve
months

The current regional order reporting is challenging to use in forecasting future sales

- Larger deals leading to volatility in quarterly order growth not tied to sales growth
- Timing – depends on factors such as customer, region and product mix

Book-to-bill ratio the most relevant indicator for sales growth

- A consistent strong book-to-bill ratio over an extended period serves as a solid foundation for future growth
- In line with industry practice

Order reporting going forward

- Increased focus on revenue and profitability
- Group total book-to-bill ratio including Solutions and Service
- Gross order intake

Outlook

Gustaf Salford

President and CEO

Outlook

First half 24/25

First half of 24/25 to be weaker compared to last year

Second half 24/25

Sales & profitability to pick up during the second half of the year as a result of new product launches and productivity measures

Full year 24/25

Net sales for Elekta are expected to grow by mid-single digit for the full year of 24/25 with an improved EBIT margin

Beyond 24/25

Drive for an EBIT margin expansion of 14% or higher

Summary

Gustaf Salford

President and CEO

Summary

- Net sales growth of 1% in constant exchange rates and sequential improvement in adjusted gross margin of 120 basis points
- Customer win – Hospital Angeles Health System, Mexico
- Further actions to improve profitability – price increases, product launches and efficiency measures



Drive for an EBIT margin expansion to 14% or higher

Financial calendar

Annual General Meeting 2024	Sep 5, 2024
Interim report, Q2 Aug-Oct 2024/25	Nov 27, 2024
Interim report, Q3 Nov-Jan 2024/25	Feb 21, 2025
Interim report, Q4 Feb-Apr 2024/25	May 28, 2025

Further questions

Tobias Hägglov
CFO
+46 76 107 4799
tobias.hagglov@elekta.com

Peter Nyquist
Head of Investor Relations
+46 70 575 2906
peter.nyquist@elekta.com

Q&A

We don't just build technology,
we build hope



