

Improved cash flow and solid performance in Europe

Q1 report 2025/26

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Important information

This presentation includes forward-looking statements including, but not limited to, statements relating to operational and financial performance, market conditions, and other similar matters. These forward-looking statements are based on current expectations about future events. Although the expectations described in these statements are assumed to be reasonable, there is no guarantee that such forward-looking statements will materialize or are accurate. Since these statements involve assumptions and estimates that are subject to risks and uncertainties, results could differ materially from those set out in the statement. Certain of these risks and uncertainties are described further in the Annual Report in section “Risks and uncertainties”. Elekta undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or stock exchange regulations.

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

Jonas Bolander

President and CEO

Q1 – key takeaways

Improved cash flow and solid performance in Europe

1.05

Book-to-bill ratio



Above 1, reflecting a healthy business environment

3%¹

Net sales growth



Continued strong momentum in Europe supported by new product launches

37.0%

Adj gross margin



Lower GM YoY – FX and tariffs with an impact of 190 bps

6.5%

Adj EBIT margin



Increased expenses from net R&D partly offset by lower selling & admin costs

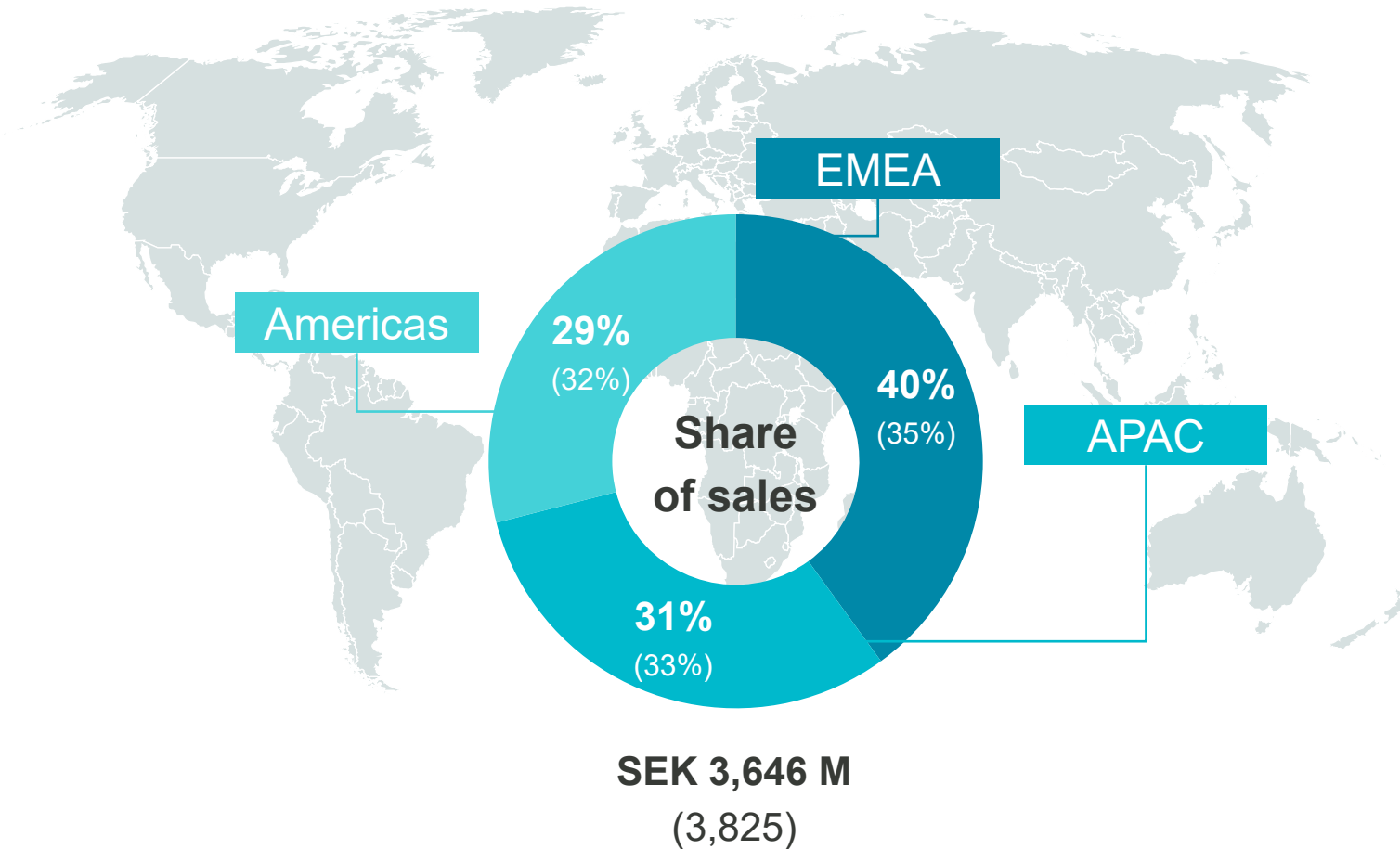
-361 M

SEK cash flow²



SEK 529 M higher cash flow YoY driven by improved working capital

Q1 – Sales development by region



Americas – decrease of -4%¹

- Lower sales in U.S. mainly driven by customers awaiting Elekta Evo FDA clearance
- Stable development in Latin America

APAC – decrease of -4%¹

- Lower volumes in China and India
- Chinese sales were negatively impacted by last year's weak order intake

EMEA – increase of 15%¹

- Continued strong momentum in Europe supported by new product launches

Commercial milestones during the first quarter

Unity

- Elekta Unity's capability to treat prostate cancer while preserving erectile function gained significant attention.



University of Texas Southwestern

- Concluded a comprehensive deal including some of our most advanced solutions to the University of Texas Southwestern.

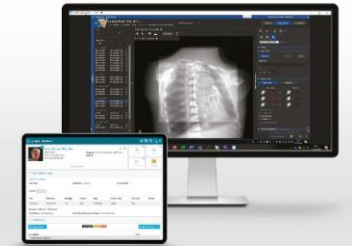


FDA clearance

- Leksell Gamma Knife received FDA clearance for treating a certain type of epilepsy. An important step towards expanding the scope of stereotactic radiosurgery.



The most comprehensive product portfolio in the industry – image guided and adaptive across the portfolio



Neuro & Brachytherapy

Linac solutions

ONE Software suite

Launches



Several important commercial wins with Elekta Evo and our software suite Elekta ONE

Tariff situation – we are actively managing tariff cost increases in various ways

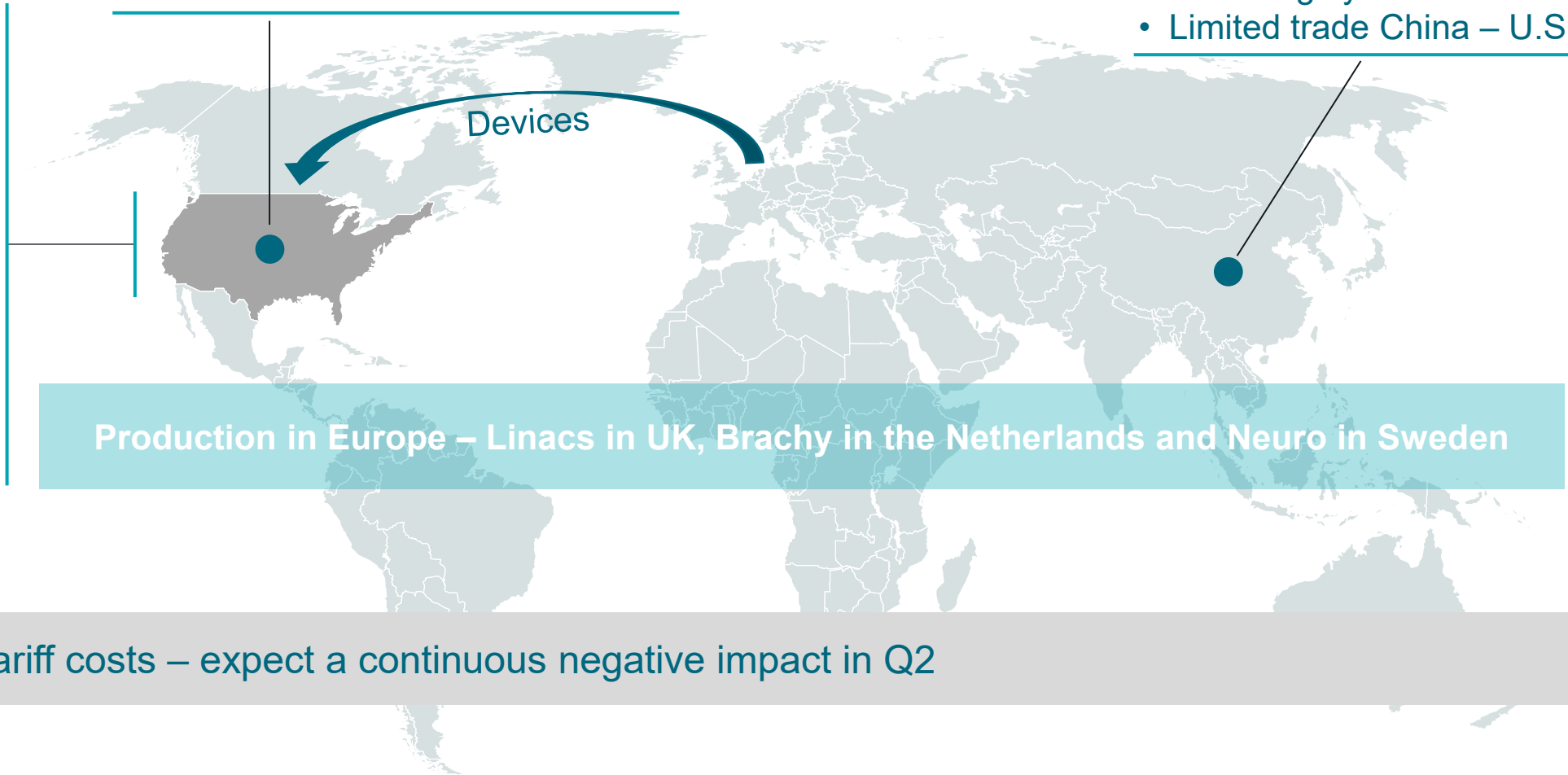


U.S. market



- U.S. localized software & service

- China highly localized
- Limited trade China – U.S.



Production in Europe – Linacs in UK, Brachy in the Netherlands and Neuro in Sweden

90 bps in Q1
Tariff impact on GM

Tariff costs – expect a continuous negative impact in Q2



¹ Based on the annual report 2024/25

Financial overview

Tobias Häggglöv
CFO

Financial update Q1 25/26

(SEK M)	Q1 25/26	Q1 24/25	Q4 24/25
Net sales	3,646	3,825	5,156
Solutions	1,805	1,915	3,186
Service	1,842	1,909	1,970
COGS ²	-2,296	-2,380	-3,081
Adj. gross margin	37.0%	37.8%	40.3%
Expenses ²	-1,128	-1,159	-1,131
Other	13	-3	-101
Adj. EBIT	235	283	843
Adj. EBIT margin	6.5%	7.4%	16.3%
Financial items, net	-83	-83	-109
Income tax	-30	-20	-74
EPS³, SEK	0.28	0.18	-1.01
Adj. EPS³, SEK	0.31	0.41	1.11
Cash flow after continuous investments	-361	-891	1,248

Net sales increased by 3%¹

- Continued strong momentum in Europe supported by product launches
- Solutions increased by 1% and Service grew by 4% – supported by software growth

Adj. gross margin of 37.0% (37.8)

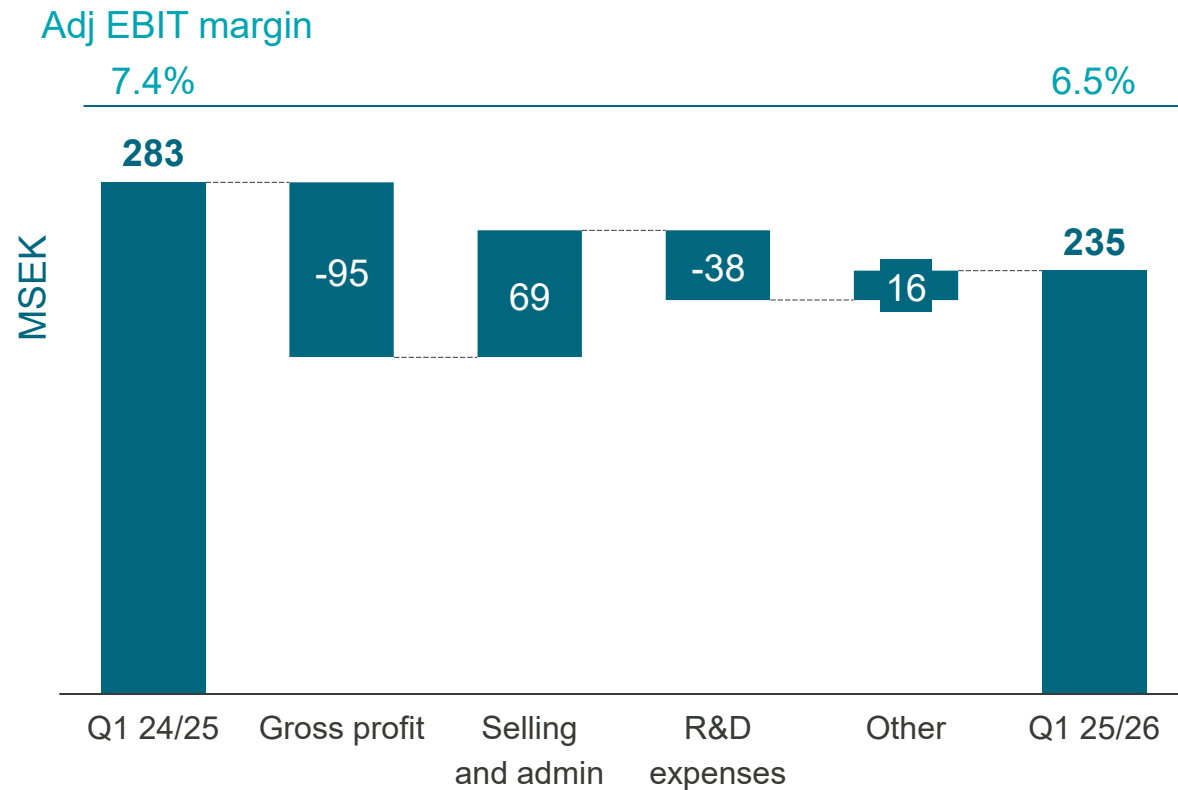
- Negative FX impact and tariff costs
- Price improvements

Adj. EBIT margin of 6.5% (7.4)

- Lower gross margin
- Increased net R&D expenses
- Reduced selling and administrative expenses

EBIT margin – negative impact from net R&D partially offset by lower selling and admin expenses

Adjusted EBIT bridge Q1 24/25 – Q1 25/26, reported



Gross profit

- Gross margin decline to 37% (37.8) with pressure from FX (-100 bps) and tariff costs (-90 bps).
- Price increases and contribution from product launches continued in the quarter

R&D expenses

- Selling and admin expenses declined YoY by 4%¹ and 3%¹ respectively following previous implemented cost-savings activities

Selling and admin

- Net R&D expenses – increase by 17%¹ YoY. Higher amortizations and lower capitalization

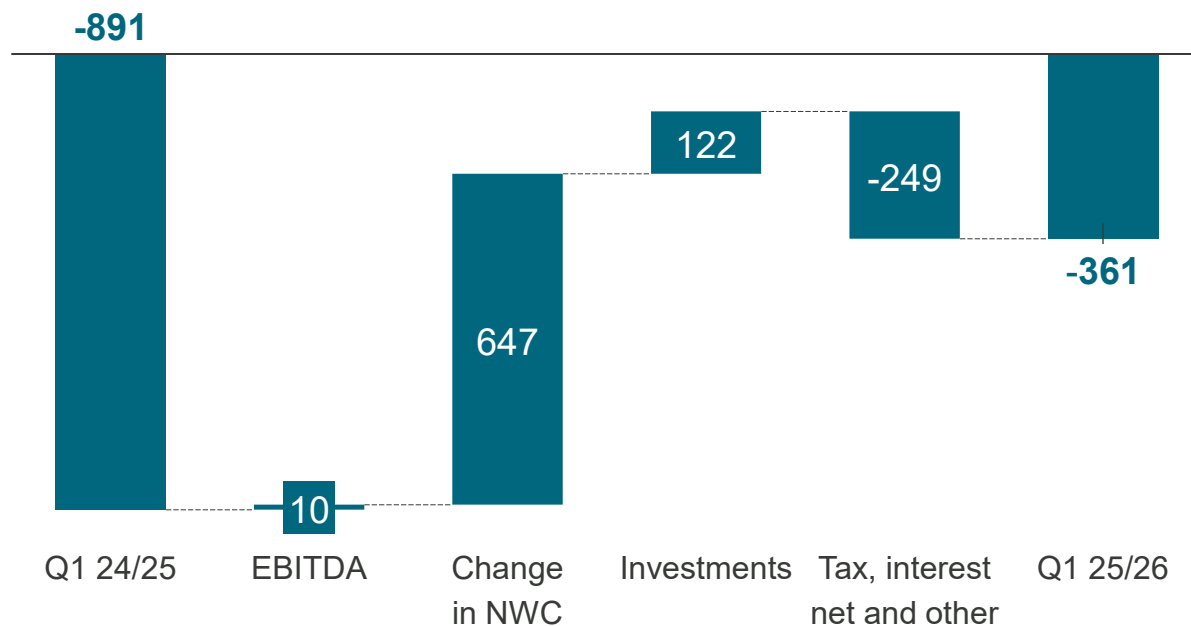
Negative FX impact on the P&L

	Q1 25/26	Operations	FX	Q1 24/25
Net sales	3,646	101	-279	3,825
<i>Growth, %</i>	-4.7%	2.6%	-7.3%	-
Adj. gross income	1,350	48	-143	1,445
<i>Adj. gross margin</i>	37.0%			37.8%
<i>Margin impact, ppts</i>	-0.8%	0.2%	-1.0%	
Adj. EBIT	235	17	-65	283
<i>Adj. EBIT margin</i>	6.5%			7.4%
<i>Margin impact, ppts</i>	-1.0%	+0.2%	-1.2%	-

- **Negative FX impact on net sales** driven by stronger SEK vs main revenue currencies USD and EUR
- Further margin pressure from **USD depreciation** vs main cost currencies EUR and GBP

Improved cash flow year-over-year driven by working capital

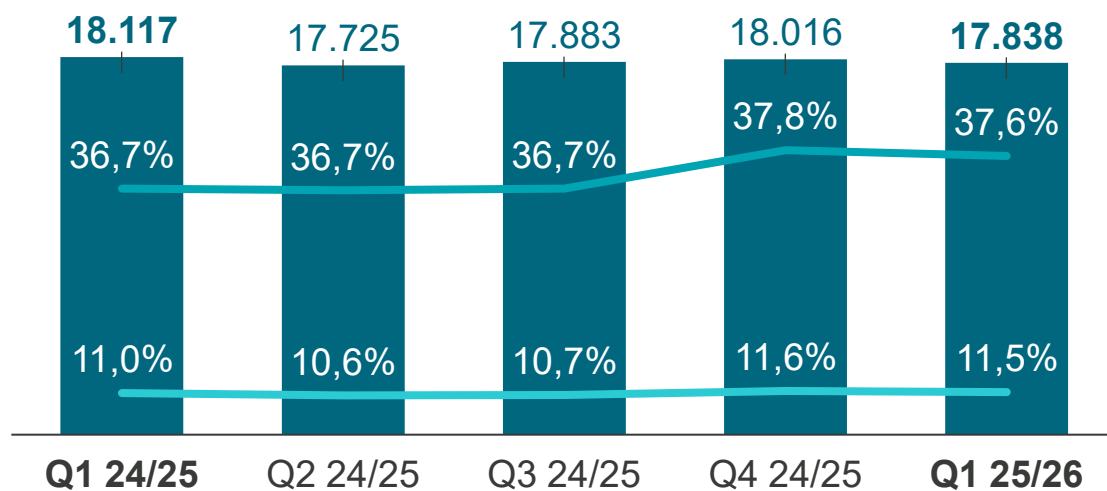
Cash flow after continuous investments Q1 24/25 – Q1 25/26, SEK M



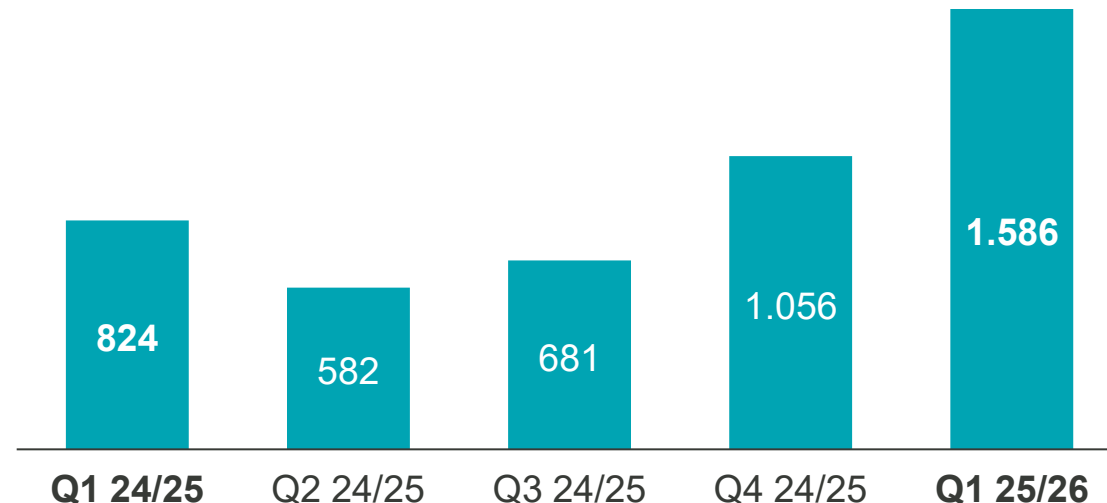
- Improved cash flow after continuous investments by SEK 529 M YoY
- Positive development driven by **improved working capital**, particular receivables
- **Lower investments**
- **Cash conversion¹ RTM at 92% (80²)**

Key financial trends

Rolling twelve months, SEK M



■ Net sales
— Adj GM
— Adj EBIT margin



■ Cash flow after continuous investments

Outlook

Jonas Bolander
President and CEO

Outlook

Q2 25/26

Net sales is expected to be negatively impacted by a continued weak US development as well as a negative effect from last year's low order intake in China. However, sales in China is expected to start to recover during the second half of 2025/26. Furthermore, a continuous negative impact on earnings from FX at current exchange rates and from tariffs are expected.

Full year 25/26

Full year outlook reiterated, where net sales in constant currency is expected to grow year-over-year.

Midterm targets

Gross and EBIT margins expected to expand driven by price increases, product launches and volumes, resulting in a stepwise improvement towards our midterm targets to move the gross margin to pre-pandemic levels and an EBIT margin of 14% and higher.

Summary

Jonas Bolander
President and CEO

Summary

- Solid performance in Europe supported by product launches
- Lower GM YoY – FX and tariffs
- Price improvements – price increases and product/market mix
- Cash flow after continuous investments improved YoY by SEK 529 M



Financial calendar

Annual General Meeting 2025	Sep 4, 2025
Interim report, Q2 Aug-Oct 2025/26	Nov 26, 2025
Interim report, Q3 Nov-Jan 2025/26	Mar 5, 2026
Interim report, Q4 Feb-Apr 2025/26	May 28, 2026

Further questions

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Q&A

We don't just build technology,
we build hope



