



Accelerated order growth

Year-end and Q4 report 2020/21

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May 28, 2021

Agenda

- Precision Radiation Medicine
- Q4 and full-year financials
- Outlook
- Q&A



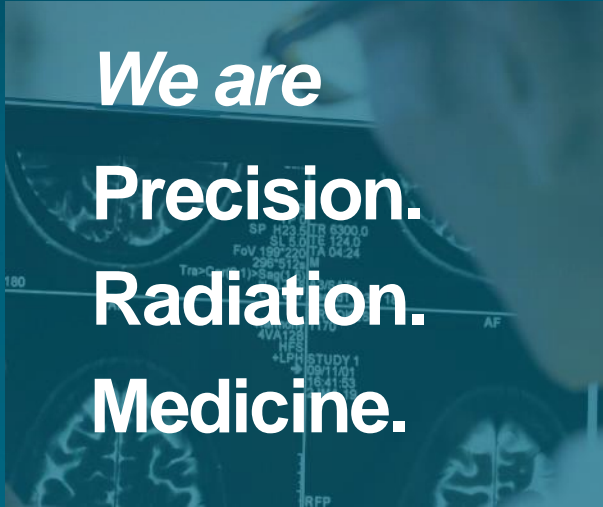
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This presentation includes forward-looking statements including, but not limited to, statements relating to operational and financial performance, market conditions, and other similar matters. These forward-looking statements are based on current expectations 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.

Precision Radiation Medicine

Helping clinicians improve patients' lives



Resilience & digitalization



Improve market access



Accelerate innovation



Drive service growth



Build strong partnerships

Highlights in FY 2020/21 – resilience and acceleration

Showing resilience and securing treatments

Successful product launches across portfolio

Driving Unity Phase II

Improved customer and employee satisfaction

Revenue growth from Q2

Positive cash flow in all quarters

Market share gain and strong order finish of year

Q4: Strong order growth in the quarter, revenue on similar levels as last year

Order development

18%

in Q4 20/21

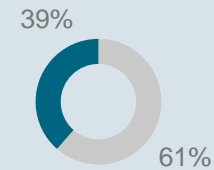
6%

in FY 20/21

Revenue development

1%

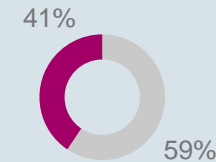
in Q4 20/21



■ Solutions
■ Service

1%

in FY 20/21



■ Solutions
■ Service

Installed base

5%



Q4 19/20

Q4 20/21

Q4: Improved market conditions and accelerated growth

North & South America

13%

- McKesson several solutions, software and service
- Unity to CHUM, Canada
- Linacs and afterloaders to Beaumont Health
- Several linacs to University hospital in Chile as well as to Auna Group in Colombia & Peru

Europe, Middle East & Africa

7%

- Several Versa HD to Belgian Mouscron
- Klinikum Chemnitz/Germany multiple VersaHD and a Harmony Pro
- Chris Hani Baragwanath Hospital in South Africa multiple Versa HD
- Multiple linacs and afterloaders to AME in Burkina Faso

Asia Pacific

46%

- India: Unity and Versa HD to Yashoda Hospital and several Versa HD and afterloaders to AIIMS
- Harmony to Surin Hospital, Thailand
- Hainan Medical University, China linacs and Unity

Elekta has been resilient through Covid – returned to RTM growth in Q4

Order and revenue growth, RTM

Order growth, FY 20/21



North & South America

23%

Asia Pacific

5%

Europe, Middle East & Africa

-4%

Continued strong development for Elekta China

Order development

25%

in FY 20/21

Revenue development

30%

in FY 20/21

Continued strong position



People's Liberation Army deal in Q4



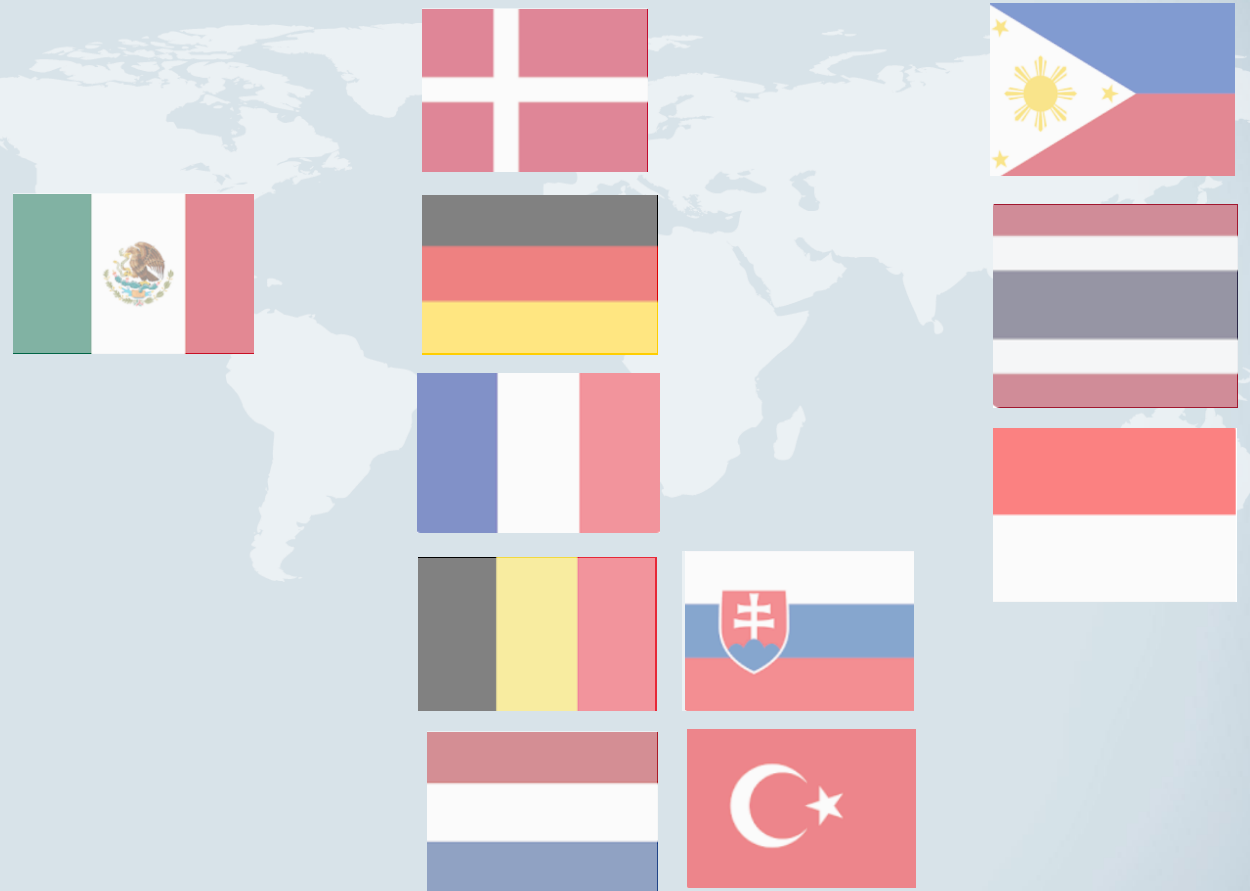
19 Linacs
TPS and OIS
Afterloaders

High interest for Harmony

Acibadem Bursa, Turkey



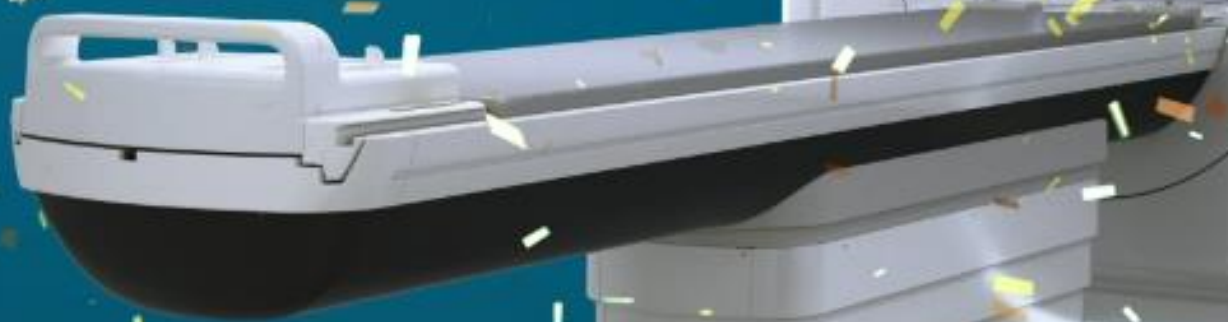
Order booked



CE approved, 510(k) pending

Unity celebrates

100 systems
ordered



Elekta

Unity

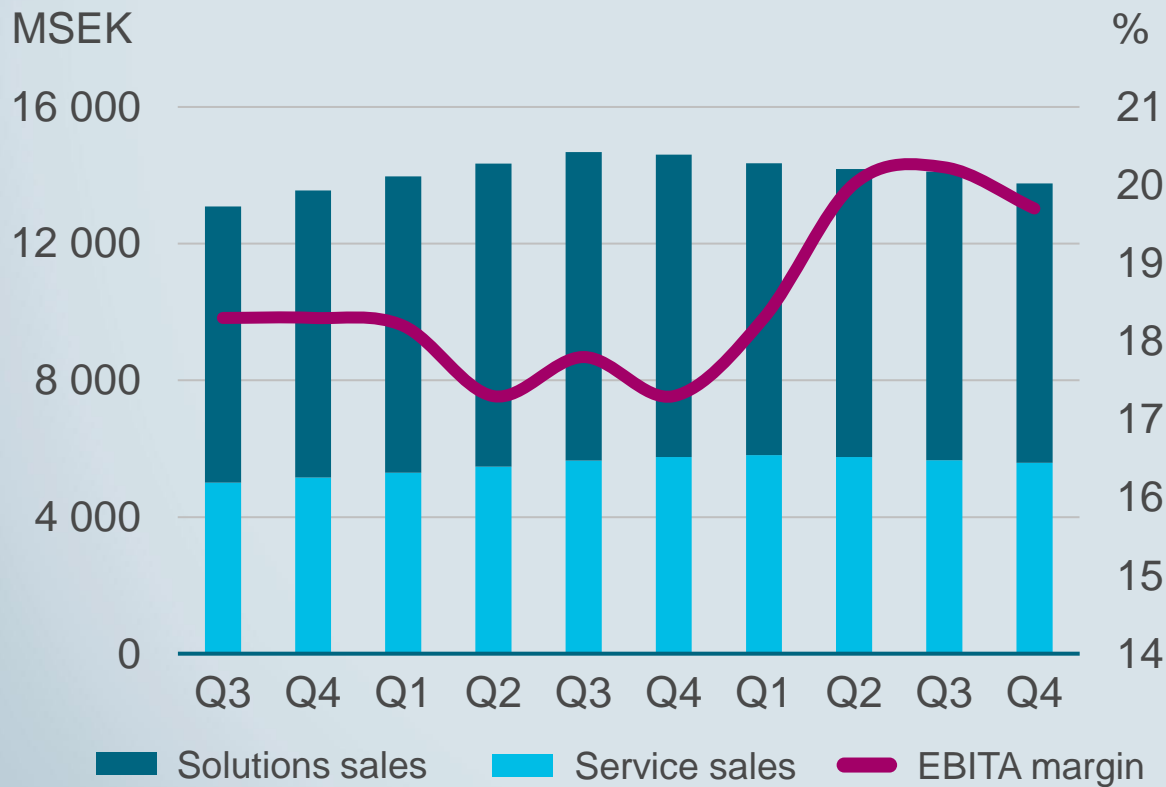
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Q4 and full-year financials

Improved EBITA-margin in FY 20/21

Net sales & EBITA margin

rolling 12 months



FY 20/21		Q4	
Total net sales 1%		Total net sales 1%	
Solutions -1%	Service 5%	Solutions -2%	Service 6%
EBITA margin 19.7%		EBITA margin 20.3%	

Q4: Profitability continue to be impacted by higher supply-chain cost and FX

(SEK M)	Q4 20/21	Q4 19/20	Δ
Net sales	3,667	4,008	1%
Solutions	2,254	2,524	-2%
Service	1,413	1,485	6%
COGS	-2,256	-2,301	-2%
Gross margin (%)	38.5	42.6	-4.1 ppts
Expenses ¹⁾	-753	-798	-6%
Exchange diff and other	85	-24	
EBITA	743	886	-16%
EBITA margin (%)	20.3	22.1	-1.8 ppts
Amortization	-197	-228	
EBIT	545	658	-17%
Net financial items	-108	-77	
Income taxes	-97	-173	
Net profit	341	407	-16%
EPS	0.89	1.08	-18%

Net sales up 1%

- North and South America: -2%
- Europe, Middle East and Africa: 3%
- Asia Pacific: 0%

Lower gross margin

- Higher supply-chain and service costs
- FX impact (weakening of USD)

EBITA margin above 20%

Net financial items

- Debt reduction prior to maturity

FY 20/21: Resilience measures drove improved EBITA margin

(SEK M)	FY 20/21	FY 19/20	Δ
Net sales	13,763	14,601	1%
Solutions	8,175	8,846	-1%
Service	5,588	5,755	5%
COGS	-8,153	-8,464	-4%
Gross margin (%)	40.8	42.0%	-1.3 pts
Expenses ¹⁾	-2,913	-3,329	18%
Exchange diff and other	12	-287	
EBITA	2,709	2,521	7%
EBITA margin (%)	19.7	17.3%	2.4 pts
Amortization	-803	-865	
EBIT	1,906	1,657	15%
Net financial items	-277	-203	
Income taxes	-377	-370	
Net profit	1,253	1,084	16%
EPS	3.28	2.84	15%

- **Net sales up 1% in year**
 - North and South America: -4%
 - Europe Middle East and Africa: -2%
 - Asia Pacific: 11%
 - Solutions -1% and Service 5%
- **EBITA margin improvement**
- **Net profit affected by increased financial costs**
 - Increased debt/liquidity levels due to Covid mitigation
 - Tax rate 23%, down from 25%
 - Net profit increased 16%

Cost control and investment in innovation, some one-off costs in Q4

Expenses Q4

Expenses (SEK M)	Q4 2020/21	Q4 2019/20	Growth ¹⁾ Y/Y
Selling	-314	-380	↘ -9%
Administrative	-292	-250	↗ 25%
R&D (Net)	-344	-395	↘ -5%
Total	-950	-1 025	↖ 1%

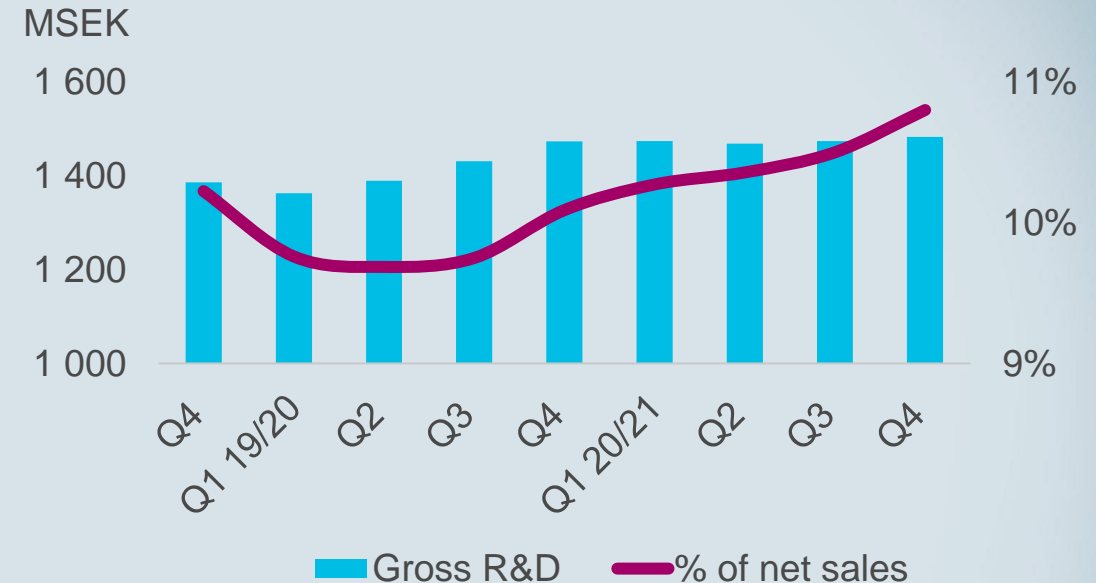
Selling expenses

- Lower selling expenses due to lower travel and marketing spend

Administrative expense

- One-off legal fees SEK 35 M for multi-year process (humediQ)
- Higher personnel costs from incentives and unused vacations

Gross R&D expenses, RTM

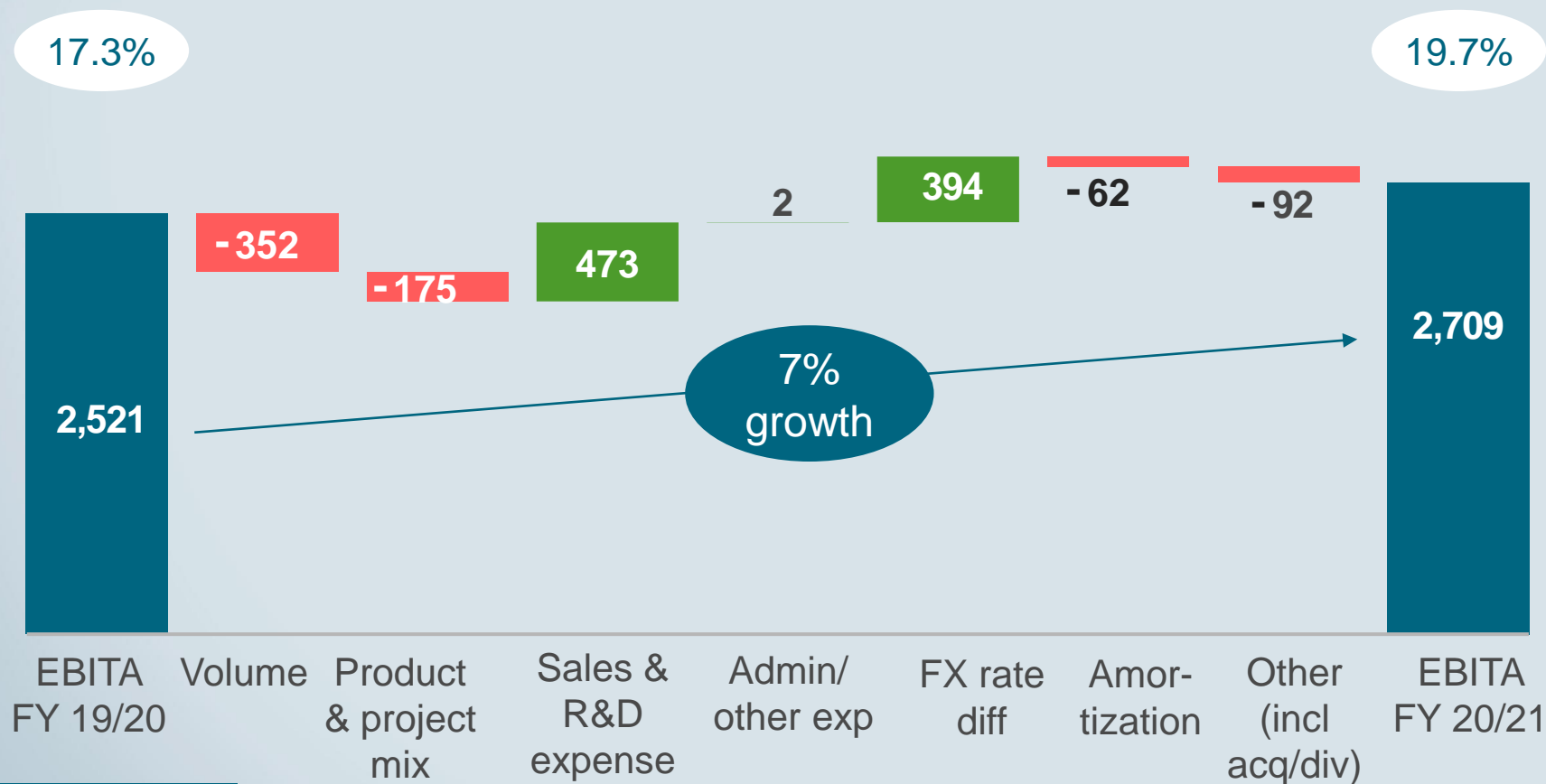


R&D expenses

- Net R&D expenses decreased, due to higher capitalization
- RTM gross R&D expenses increased and corresponded to 10.8% of net sales

EBITA growing with 188 MSEK and 7%

2020/21 EBITA bridge (MSEK)






- Negative volume effect due to Covid
- Positive effect from lower sales and R&D expenses
- FX rate differences had a positive EBITA impact of around 135 MSEK

Significant P&L effect from FX

Main currency movements in FY 20/21

Exchange rate	Change ¹⁾ YoY	Share of revenue	Share of costs
EUR/SEK	-4%	~30%	~25%
USD/SEK	-9%	~45%	~25%
GBP/SEK	-5%	~5%	~25%

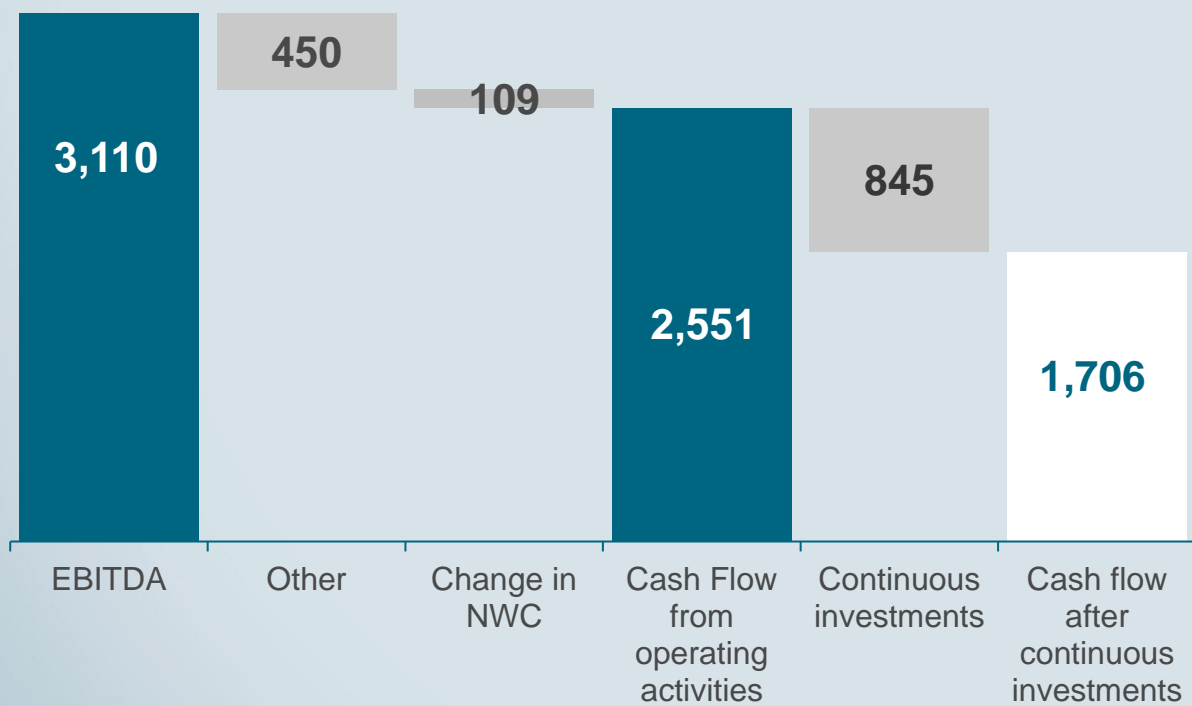
EBITA impact

FX impact	Change
Net Sales	
COGS	
OPEX	
FX difference in P&L	
Reverse of LY FX difference in P&L	

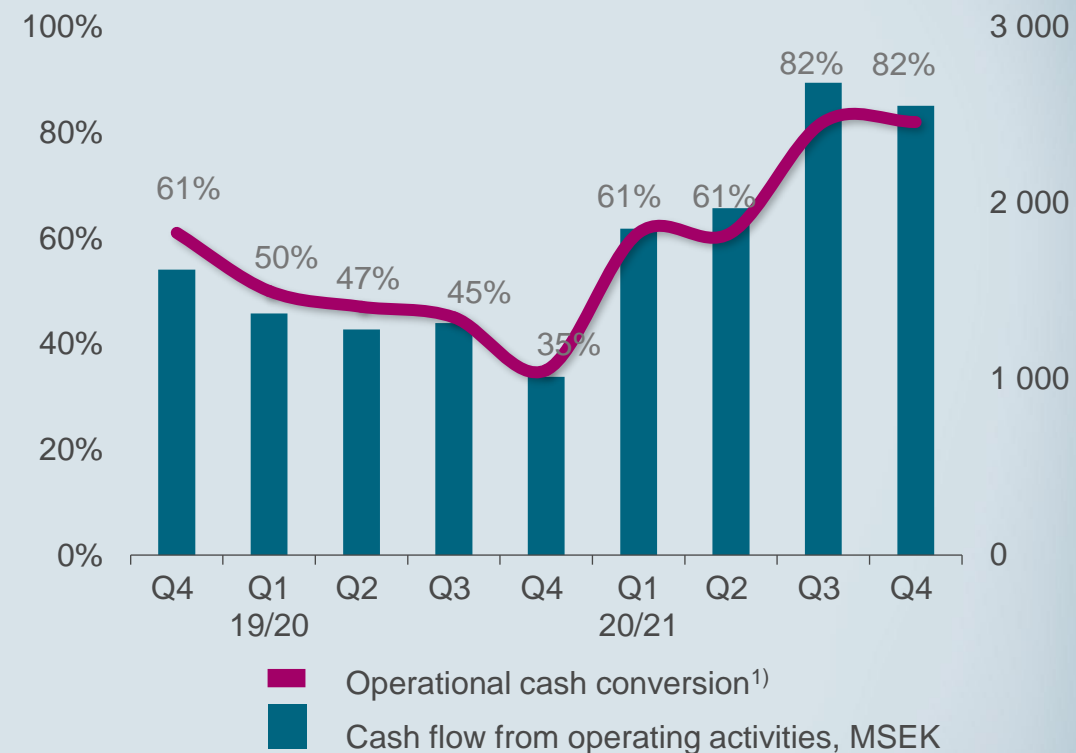
Approx.
SEK 135 M

Strong cash flow and cash conversion

2020/21 Cash flow, SEK M



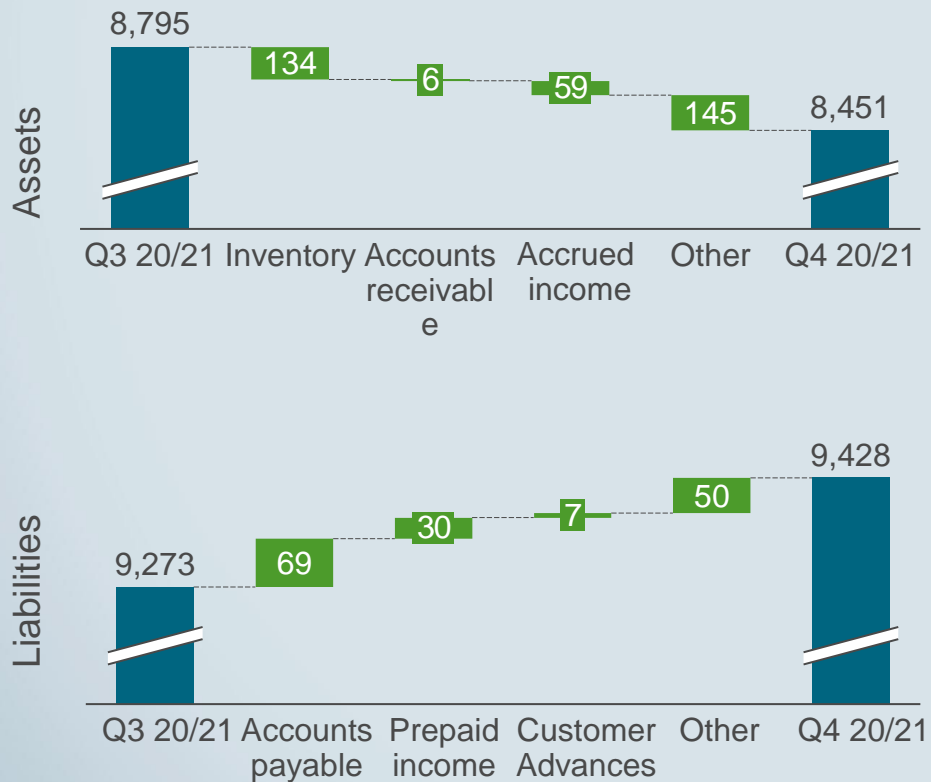
Cash conversion, RTM



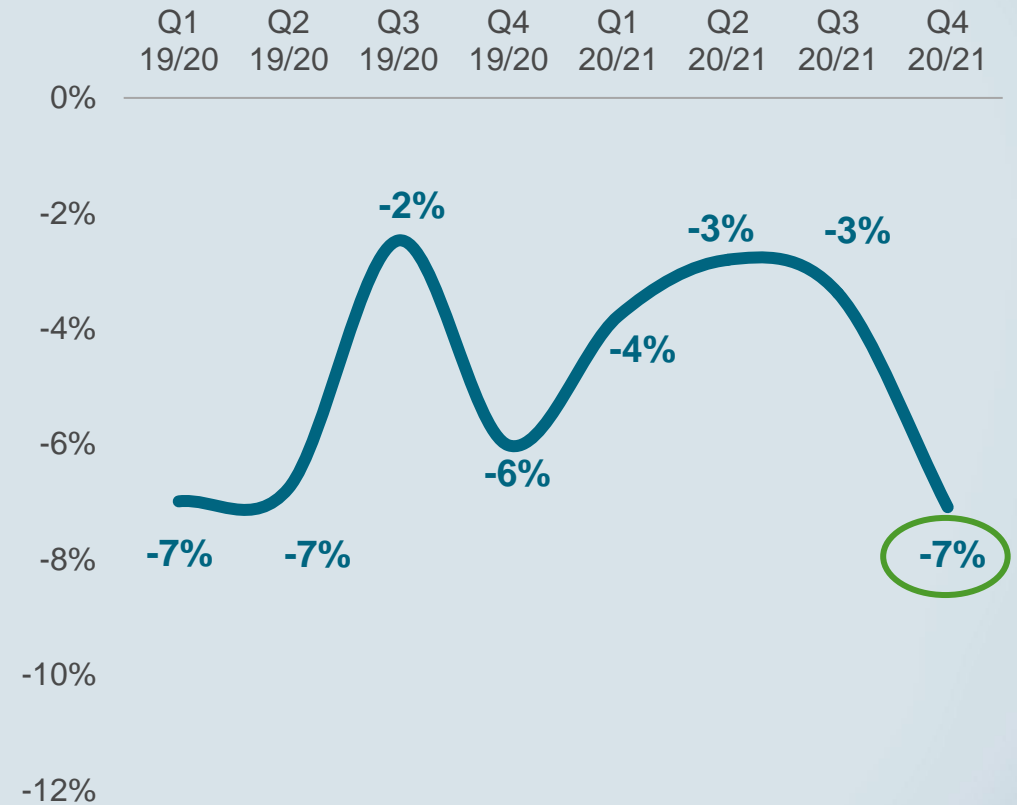
¹⁾ Cash conversion = Cash flow from operating activities/EBITDA

Good net working capital development – positively impacted by reduced inventory and good collections

Net working capital changes

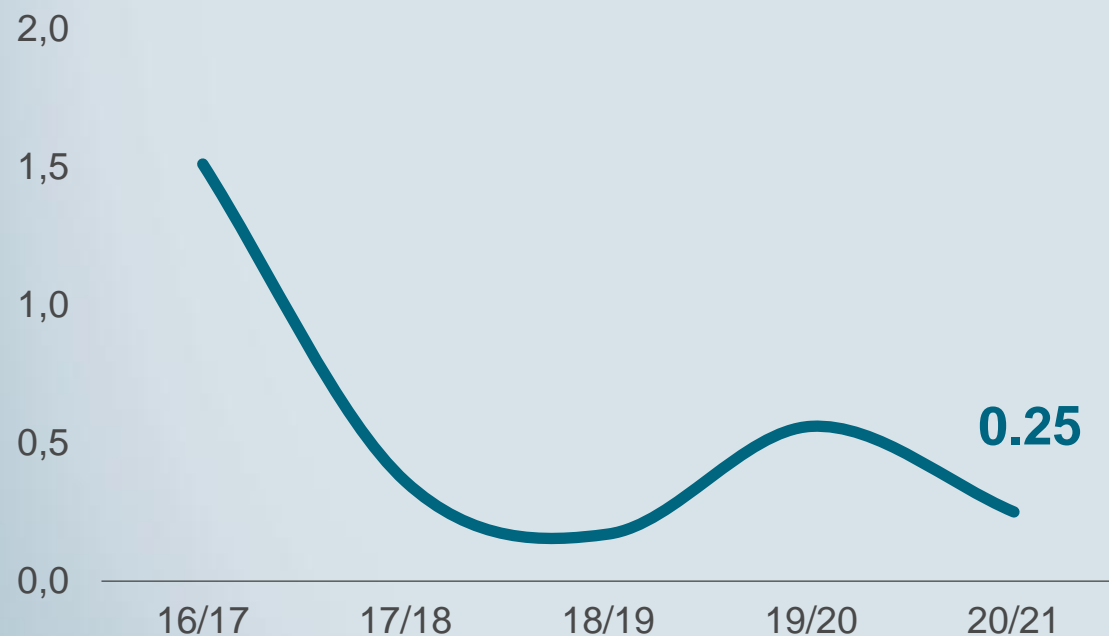


Net Working Capital as % of Sales

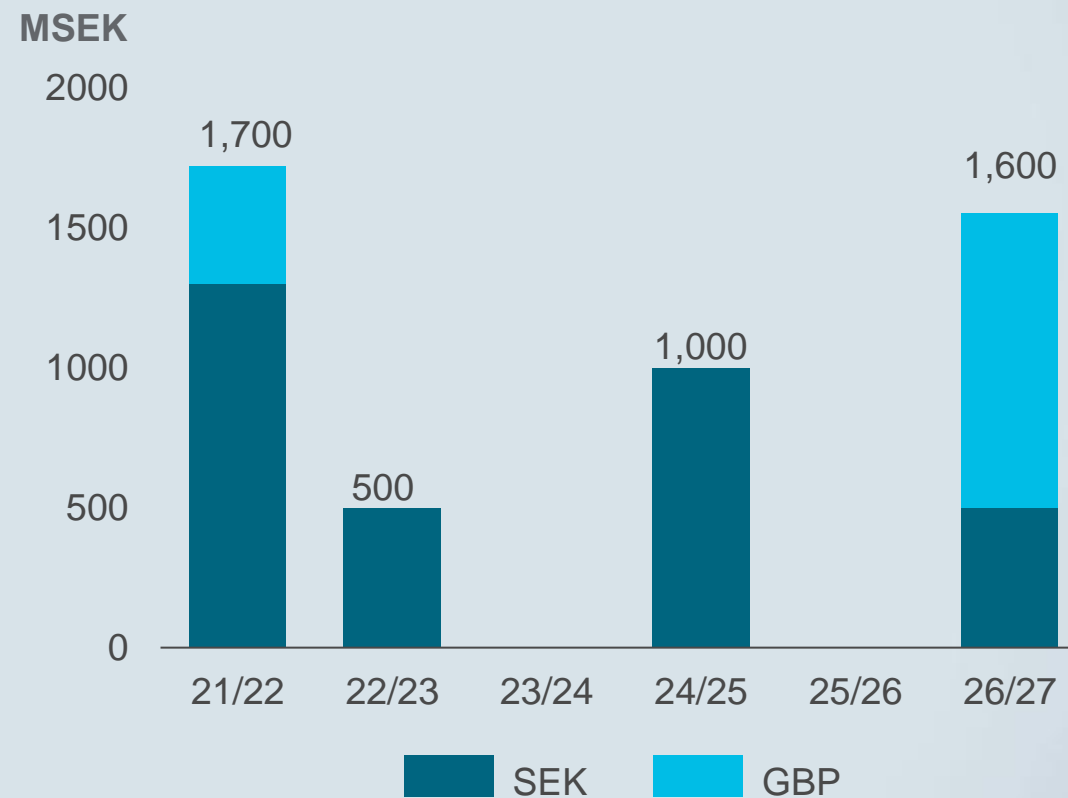


Strong balance sheet with low net debt

Net debt¹⁾/EBITDA

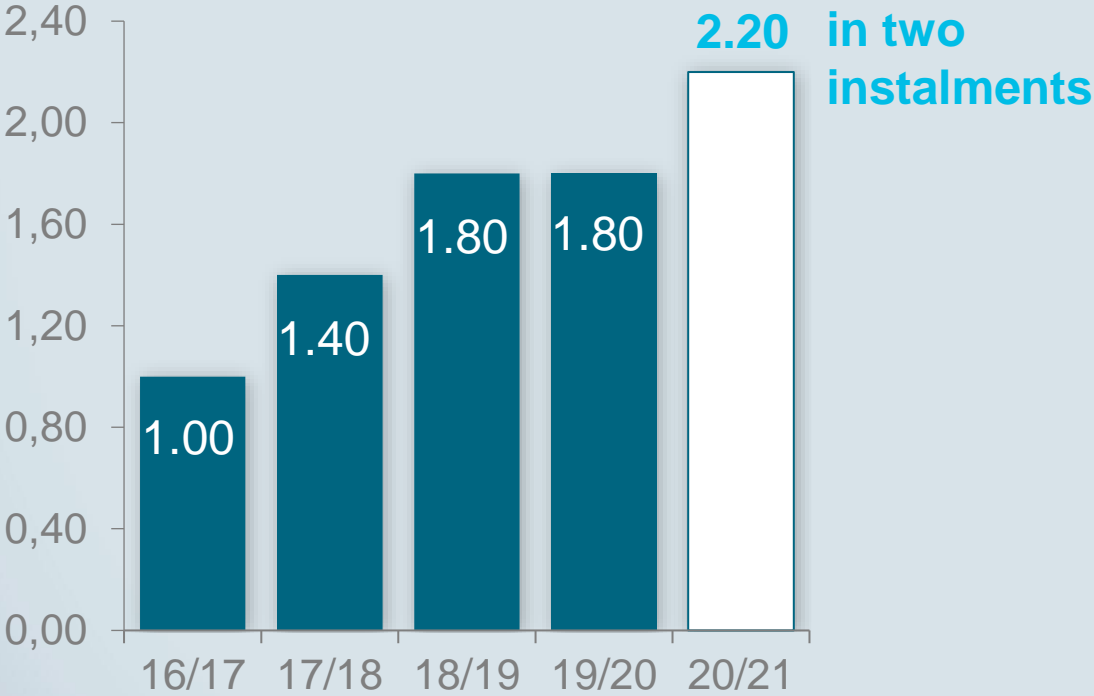


Maturity profile



Proposed dividend for FY 20/21

Dividend, SEK per share



Pay-out ratio



Outlook – Mid-term and Q1

Elekta's mid-term outlook – until 2024/25

Growth

>7%
net sales CAGR

Margin

EBIT %
expansion over period

Capital allocation

>50%
of annual net profit in dividend

The drivers of the mid-term outlook will be presented at the upcoming CMD June 7th

Outlook - FY 2021/22 Q1

Key drivers

- Continued improved overall market situation for orders¹⁾
- Improved access for installations driving revenue growth
- Continued acceleration of innovation investments



Summary Q4

- Accelerated order growth and gaining market share
- Revenue and gross margin still impacted by pandemic
- 100th Unity order
- Continued strong cash conversion
- New mid-term outlook

Welcome to

Elekta's Capital Markets Day

7 June, 2021



Q&A