



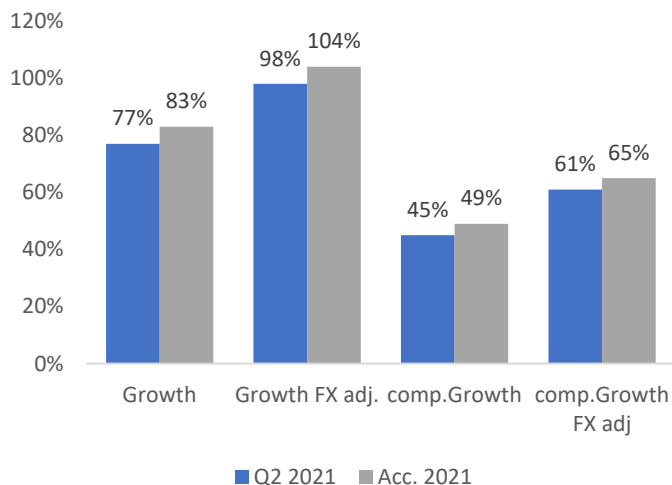
surgicalscience

Presentation of Q2 report

August 20, 2021

CEO message

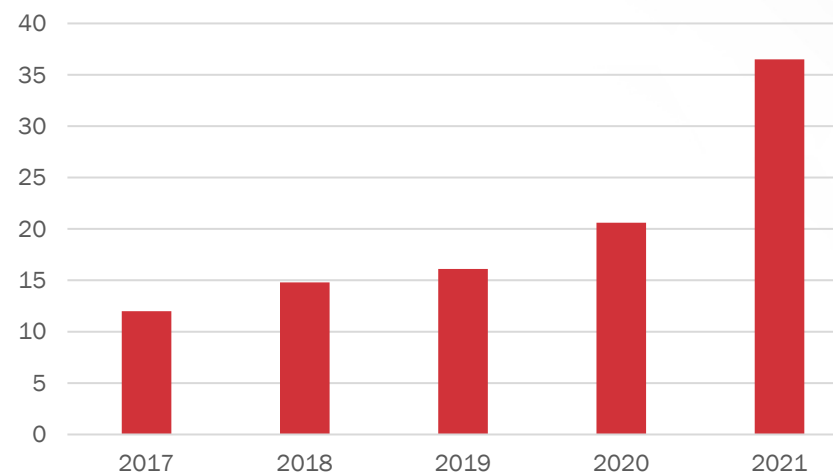
- Continued strong revenue growth



- Large surgical robotics customer base starting to generate revenue and focus now is on expanding content/value
- Acquisition of main competitor, Symbionix, is transformative

It is a great feeling to dare think big, and, by doing our homework and working hard, succeeding in what we set out to do.

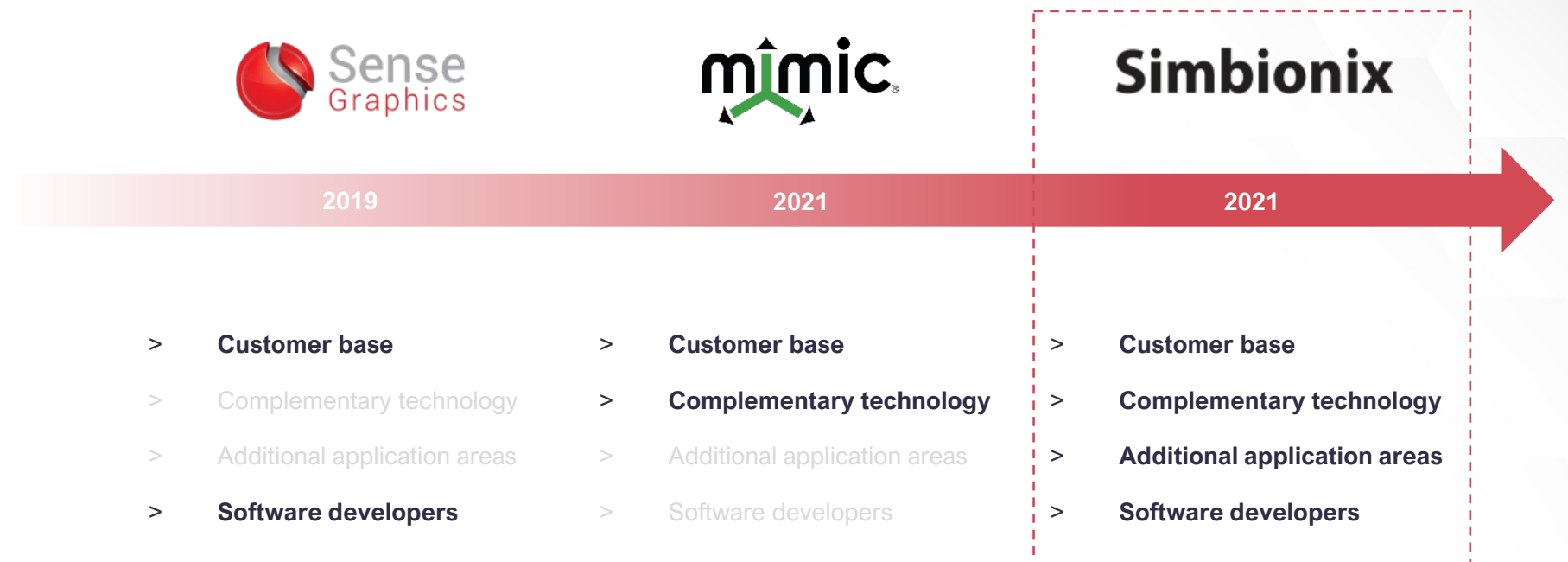
2nd Quarter Sales 2017-2021 Comparison (m SEK)



Executing on a focused & long-term growth strategy

Making acquisitions when the time is right

With a clear acquisition strategy



Fully consolidated robotic simulation offering

							
Simulation revenues (mUSD, 2020)	40.8	12.4	-	-	98.0	16.0	Not disclosed
Employees	120	90+	-	-	250+	100	99+
Ownership	3D Systems*	-	Surgical Science	Surgical Science	Public	Public	Private
Robotic Surgery	●	●	●	●			
Laparoscopy	●	●			●		●
Endo./GI/Bronch.	●	●			●		
Endovascular	●					●	
Orthopaedics	●				●		●
Urology	●						●
Ultrasound	●				●		
Open Surgery	●						
Pre-op Planning	●						
Spine	●						

Patient Simulation





Ultrasound Visualisation





Companies with small and niche application areas

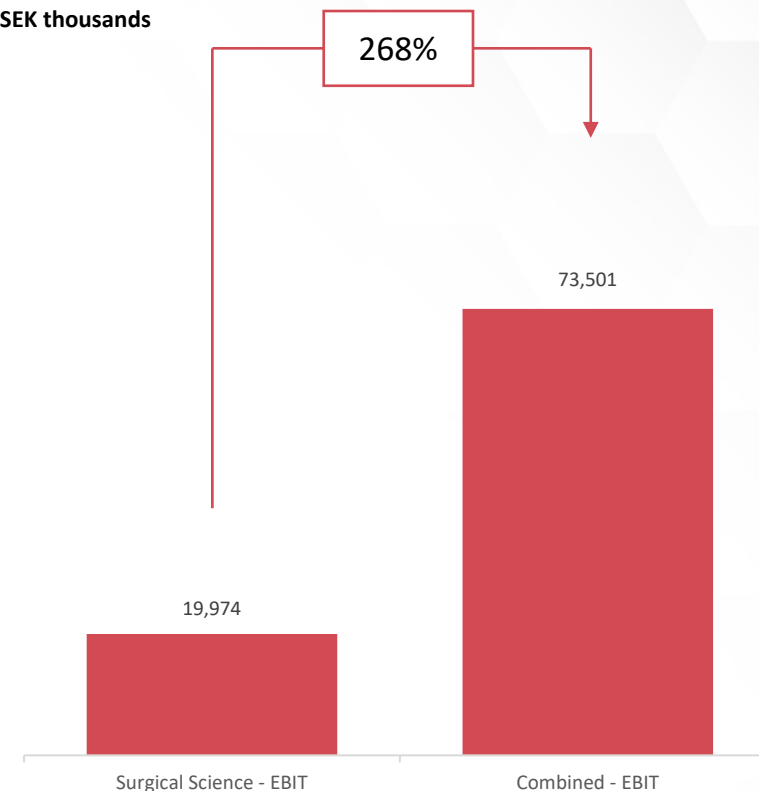
Note: Illustrative market positioning of Surgical Science in comparison to its competitors. This information is based on publicly available information and the Company's own assessment.

Surgical Science sales increase 3.6x & EBIT 2.7x

Group (SEK thousand)	Surgical Science		Symbionix ^{1,2}		Combined	
	<i>Audited</i>	<i>Audited</i>			SEK thousands	
	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020
Revenue						
Education	65,978	47,668	335,052	270,786	410,030	318,454
Industry	35,537	57,131	97,767	106,513	133,304	163,644
Total revenue	101,515	104,799	432,819	377,299	534,334	482,098
Gross profit	83,580	88,364	259,961	213,977	343,541	302,341
<i>Margin</i>	82%	84%	60%	57%	64%	63%
OPEX	(53,203)	(51,490)	(174,301)	(152,405)	(227,504)	(203,895)
EBITDA	30,377	36,874	85,660	61,572	116,037	98,446
<i>Margin</i>	30%	35%	20%	16%	22%	20%
EBIT	15,177	19,974	77,104	53,527	92,281	73,501
<i>Margin</i>	15%	19%	18%	14%	17%	15%

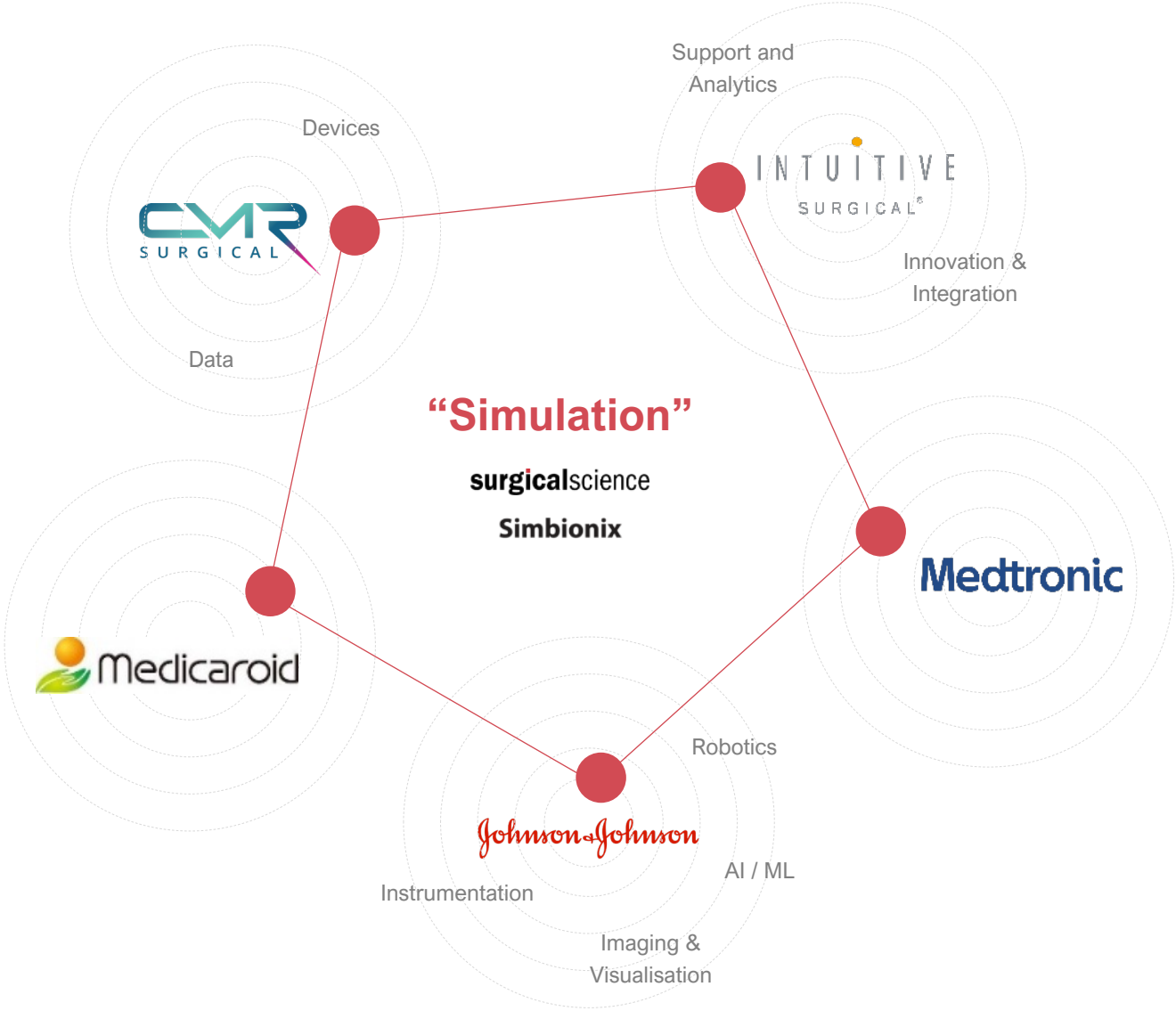
FY2020

SEK thousands



Note: 1) Symbionix simplified P&L statement is when it is included in 3DSYSTEMS, meaning extra costs to be added on standalone basis. Management estimates these costs to be USD 0.2m on an annual basis. In addition, Quality of Earnings adjustments have been estimated to USD -0.3m to +0.4m on an annual basis; 2) USD/SEK of 9.50 and 9.26 for 2019 and 2020, respectively

Consolidating the surgical simulation market



Surgical Science is establishing itself as the **operating system** for robotic simulation.

Source: Intuitive, CMR Surgical, Medtronic, J&J, etc.

Q2: CONTINUED STRONG GROWTH, KEY ACQUISITION FOLLOWING CLOSE OF PERIOD

■ Overall:

- Total sales up 77% - SEK 36.6 million (20.6). In local currencies +98%.
- Comparable units increase 45%. In local currencies increase 61%.
- EBIT margin 6% (4) and EBITDA margin 22% (24).
- Cash position SEK 267.3 million (68.4).

Q2: STRONG GROWTH, cont.

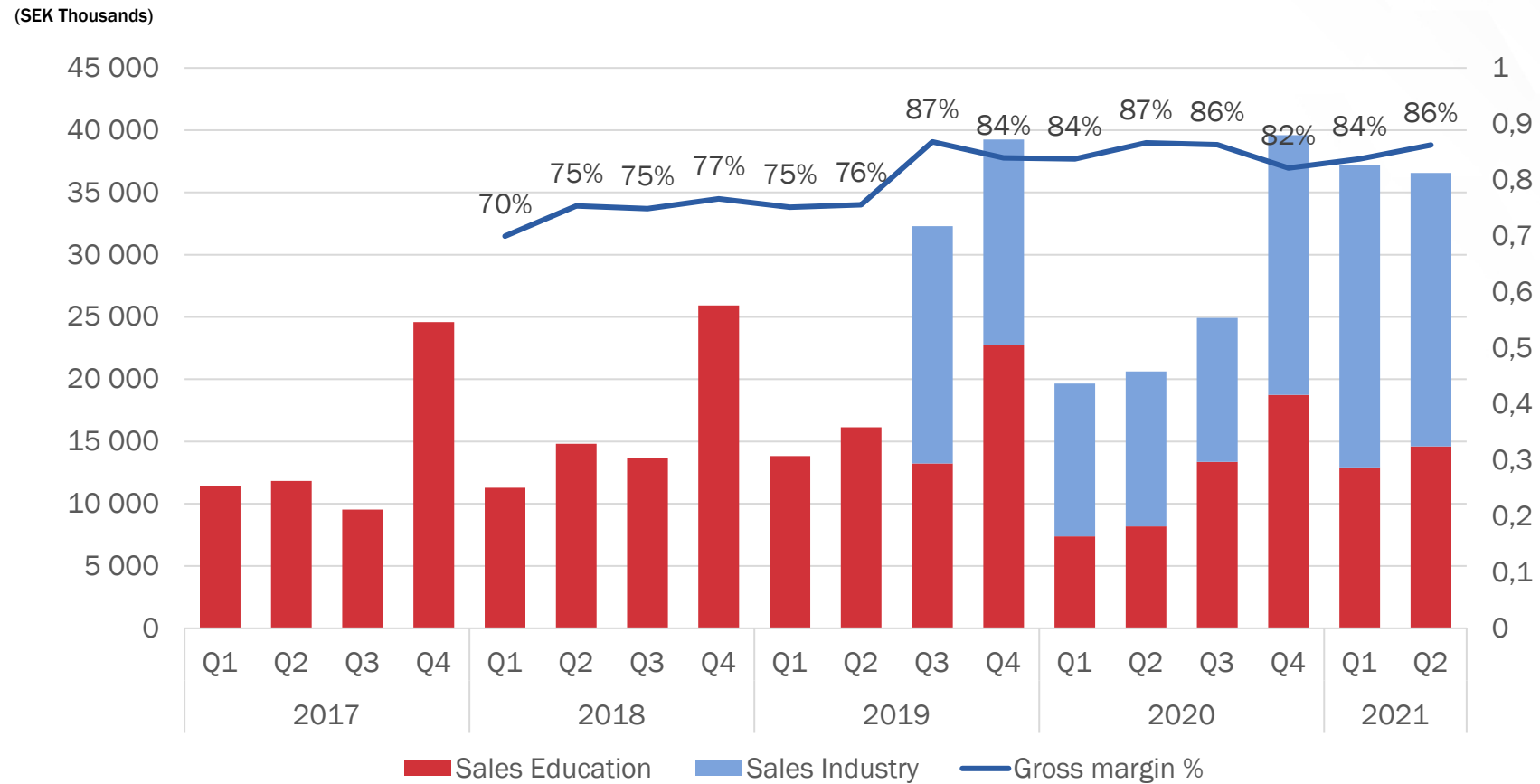
- Industry/OEM:
 - Growth 76% to SEK 22.0 million (12.4)
 - Approx. 60% of this quarter's revenues
 - Good contribution from several customers in terms of license revenues
 - Good consulting revenues as well as some hardware sales

Q2: STRONG GROWTH, cont.

■ Educational Products:

- Sales increased 78% q/q – SEK 14.6 million (8.2)
- US market strong, China stable
- Still uncertainty going forward

SALES AND GROSS MARGIN

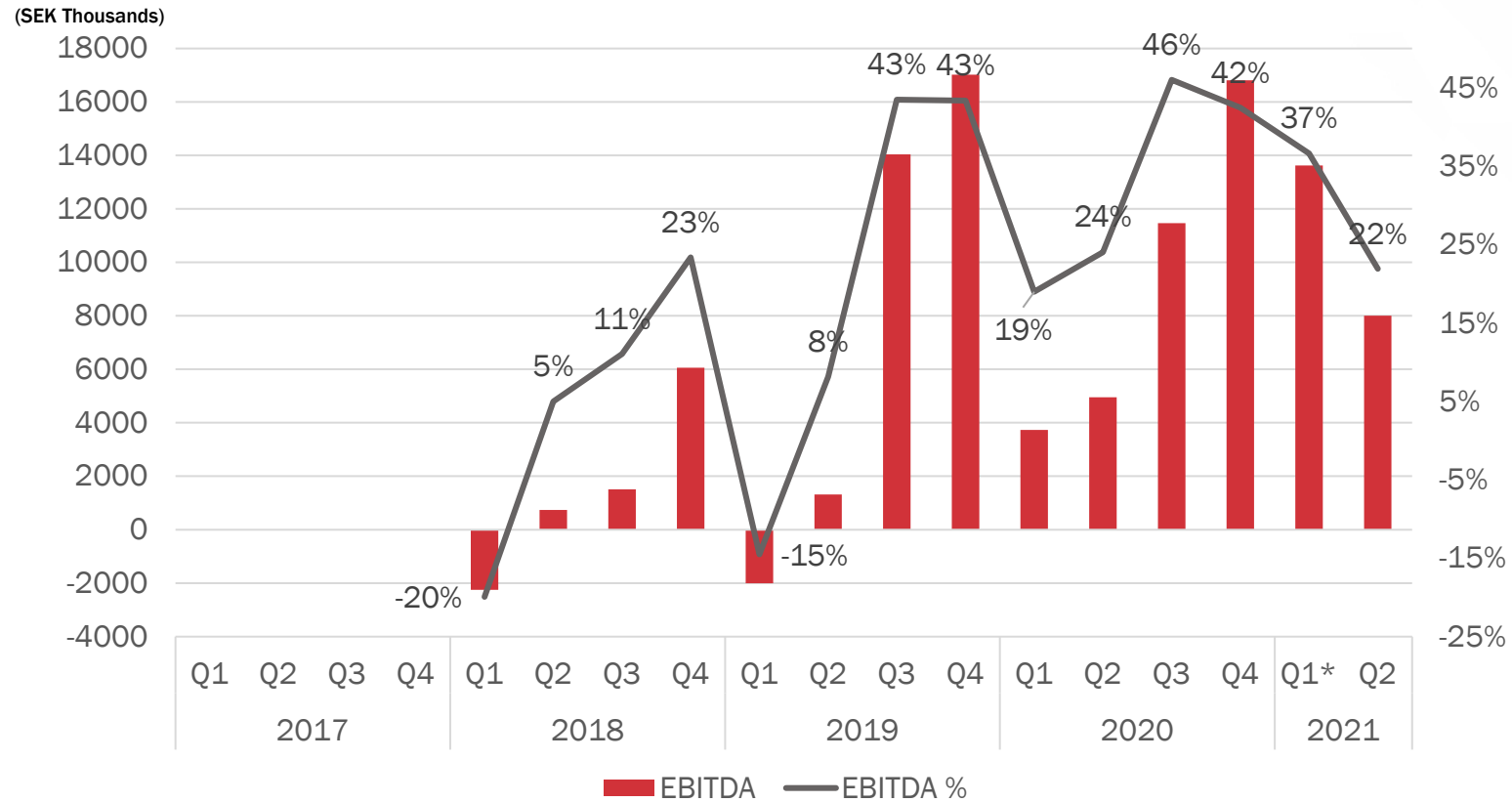


*Segmentation of business areas not disclosed prior to Q3 2019.

COSTS Q2

- Gross margin 86% (87). Affected by split between different revenue streams (simulators, consulting revenues, license fees).
- Sales costs 34% (42) of sales. Some activity has been able to resume.
- R&D 26% (19) of sales. Activated costs SEK 2.8 million (3.8).
- Other income and costs SEK -0.2 million (-0.7), primarily consists of exchange rate fluctuations on external receivables and liabilities in foreign currencies.
- Depreciations and amortizations SEK -5.8 million (-4.1).
- EBIT SEK 2.2 million (0.8), EBITDA SEK 8.0 million (5.0), margin 22% (24).

EBITDA

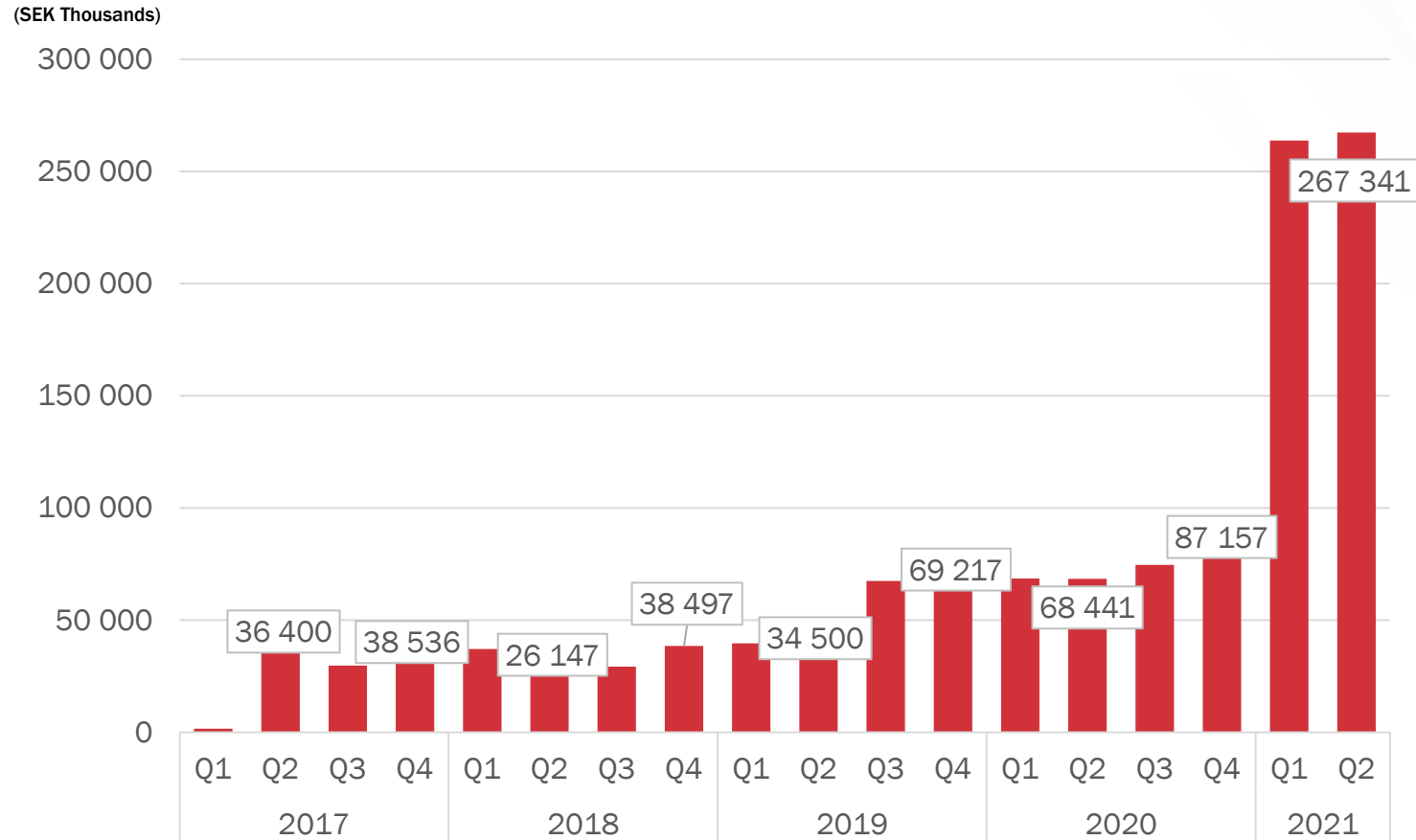


*Q1 2021 EBITDA adjusted with SEK 6.0 m due to acquisition related costs.
Reported EBITDA for the period equals SEK 7 589 thousands, 20%.

FINANCE NET AND CASH FLOW Q2

- Finance net SEK 2.3 million (-0.6). SEK 3.3 million due to exchange rate difference on earn-out on Mimic acquisition. The rest is exchange rate differences on internal receivables on US subsidiaries and IFRS16 effect.
- Cash flow from operating activities SEK 9.4 million (2.6). Change in working capital SEK 0.4 million (-3.6).
- Cash flow from investing activities SEK -3.8 million (-3.1), mainly attributable to s/w development.
- Cash flow from financing activities SEK -1.6 million (0.6)
- Cash position SEK 267.3 million (68.4).

CASH POSITION



Simbionix

Q2:

- Revenues: USD 10.7 million (9.1)
- EBIT: USD 1.6 (2.2)

First six months:

- Revenues: USD 20.4 million (19.7)
- EBIT: USD 3.0 (3.1)

Looking forward:

- Closing expected within short
- Financial goals will be revised
- Structural investments needed – to be quantified



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