



# Interim report Q2 2023

Earnings call, July 13, 2023



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Today's presenters

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A portrait of Christoffer Rosenblad, CEO. He is a middle-aged man with short brown hair, smiling at the camera. He is wearing a dark blue blazer over a light blue button-down shirt. The background is a plain, light grey.

Christoffer Rosenblad, CEO

A portrait of Kristoffer Nordström, CFO. He is a young man with short brown hair, looking directly at the camera with a neutral expression. He is wearing a dark navy blazer over a white button-down shirt. The background is a plain, light grey.

Kristoffer Nordström, CFO

# Q2 Financials – at a glance

Net Sales

**SEK 155 Million**

Sales growth

**Total 64%**

- Organic growth 46 %
- Acquired growth 6 %
- Currency effect 12 %

EBITDA (adj)

**19 %**



## Thoracic

- Net Sales SEK 104 million
- Gross margin Disposables 84%

Organic Growth

Disposable sales

**+47%**



## Abdominal

- Net Sales SEK 30 million
- Gross margin Disposables 70%

Disposable sales

**+40%**



## Services

- Net Sales SEK 20 million
- Gross margin Recoveries 49%

Case revenue

**+79%**

# YTD Financials – at a glance

Net Sales

**SEK 295 Million**

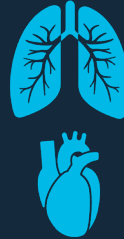
Sales growth

**Total 58%**

- Organic growth 39 %
- Acquired growth 6 %
- Currency effect 13 %

EBITDA (adj)

**18 %**



## Thoracic

- Net Sales SEK 195 million
- Gross margin Disposables 85%

Organic Growth

Disposable sales

**+40%**



## Abdominal

- Net Sales SEK 61 million
- Gross margin Disposables 67%

Disposable sales

**+56%**



## Services

- Net Sales SEK 39 million
- Gross margin Recoveries 48%

Case revenue

**+77%**



A woman with light brown hair tied back, wearing a dark dress with a small white pattern, is leaning her right arm on a dark metal railing. She is looking out of a large window to her left, smiling slightly. The background shows an office interior with glass partitions and doors.

# Q2 Highlights



# Positive momentum for XVIVO paradigm changing heart technology

## *Patient inclusion completed in European heart trial*

- ✓ 202 patients enrolled across 15 leading transplant centers in 8 European countries
- ✓ Strong feedback from leading transplant surgeons
- ✓ Targeting commercial launch first half 2024

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## *Great continued interest in Australia/New Zealand*

- About 25 % market penetration YTD
- 4 out of 5 trial sites active via compassionate use. The 5<sup>th</sup> to come.



# Positive momentum for XVIVO paradigm changing heart technology

## *IDE application approved by the US FDA*

- Trial to include 141 patients
- Recommendation from FDA to include DCD inclusion criteria in study design
- Patient enrolment expected to start 2<sup>nd</sup> half 2023 – Pending final protocol approval including DCD inclusion criteria from US FDA
- High impact transplant centers engaged and trial sites qualified



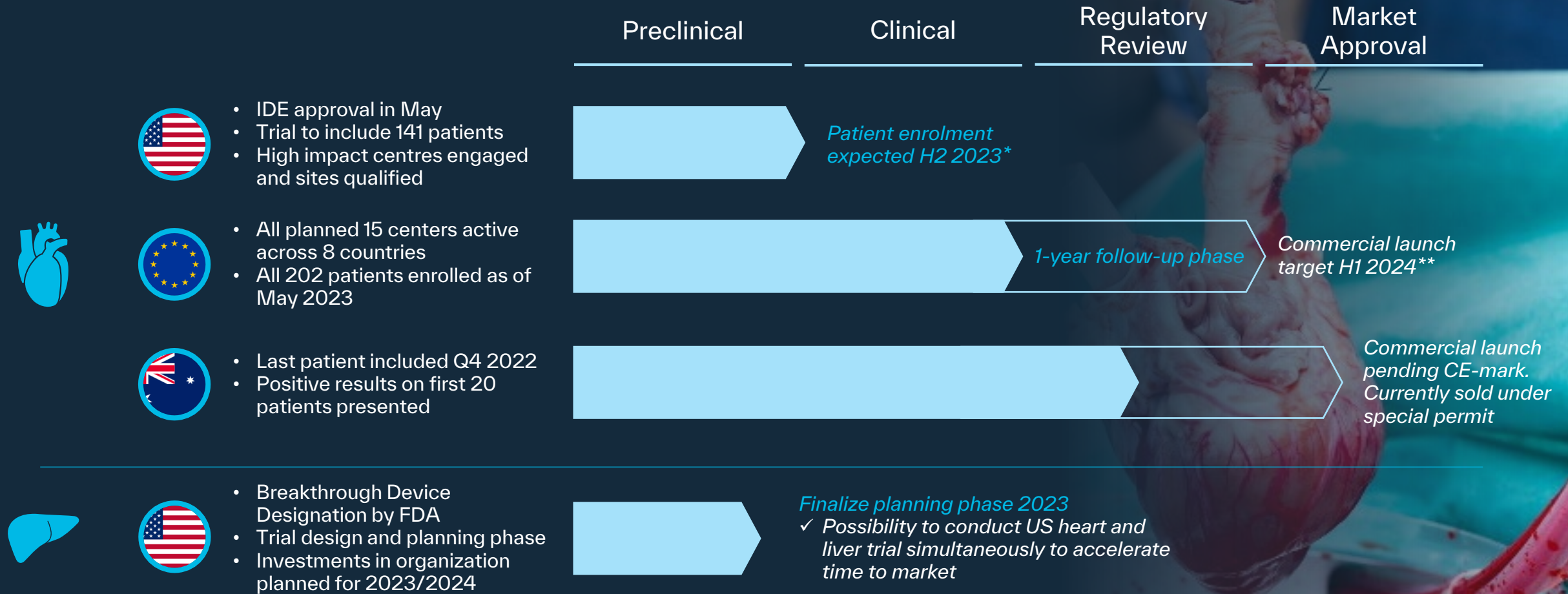
# STAR Teams integration and commercial development

- Becoming the preferred partner in the transplant process
- Strengthened value proposition under one brand and one organisation
  - *Associated one-time costs: 11m SEK in Q2, 11m SEK H2 2023*
- Strategic collaboration with MTJ Aviation to guarantee predictable and reliable transportation
  - Reducing logistical complexity and lowering transportation costs by co-locating surgical teams and aircrafts
  - Aircrafts dedicated to XVIVO organ procurement service at 3 primary hubs: NC, MI, FL



# Clinical pipeline

# Clinical Trial Status & Tentative Timeline



\*Pending final protocol approval including DCD inclusion criteria from US FDA

\*\*Pending regulatory approval



# Further patient inclusion in PrimECC study closed – strategic options to be evaluated

- PrimECC is a solution used to prime the heart-lung machine before heart-surgery
- Study initiated in 2020. Further patient inclusion closed due to pace of patient recruitment below expectations
- Study data will be analyzed and strategic opportunities evaluated. Future pathway to be decided within 6-months\*
- Decision has no impact on 2027 financial targets



\*If XVIVO at a later stage decides to shut down the product, the decision would result in a SEK 15 million impairment in immaterial assets.

A man and a woman in business attire are reviewing documents in an office setting. The man, wearing a white shirt, is seated and looking at the documents. The woman, wearing a black top, is standing and pointing at a document. The background is a blurred office environment.

# Financial Performance Q2



# Net sales and results in Q2

Total Sales  
growth Q2

**64%**

SEK Million	Apr-Jun 2023	Apr-Jun 2022	YTD 2023	YTD 2022
<b>Net sales</b>	<b>155</b>	<b>94</b>	<b>295</b>	<b>187</b>
Sales growth, %	64 %	28 %	58 %	59 %
Whereof organic growth, %	46 %	16 %	40 %	30 %
Gross profit	<b>115</b>	<b>67</b>	<b>220</b>	<b>133</b>
<b>Gross margin, %</b>	<b>75 %</b>	<b>72 %</b>	<b>75 %</b>	<b>71 %</b>
EBIT (adj)	<b>15</b>	<b>4</b>	<b>28</b>	<b>6</b>
<b>EBIT, % (adj)</b>	<b>10 %</b>	<b>1 %</b>	<b>9 %</b>	<b>3 %</b>
EBITDA (adj)	<b>29</b>	<b>11</b>	<b>53</b>	<b>27</b>
<b>EBITDA (adj), %</b>	<b>19 %</b>	<b>12 %</b>	<b>18 %</b>	<b>14 %</b>

Adj: Adjusted for effect from integration costs. Net adjustment totals SEK 11 (-3) million for the quarter.

# Thoracic - Q2 Highlights

Net Sales

**SEK 105 million (69)**

Organic growth disposables

**47 % (24 %)**

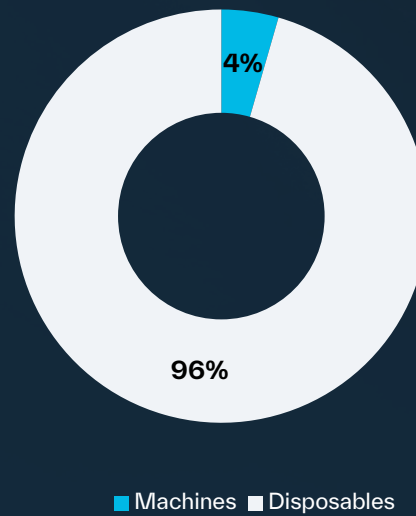
Gross margin disposables

**84 % (82)**

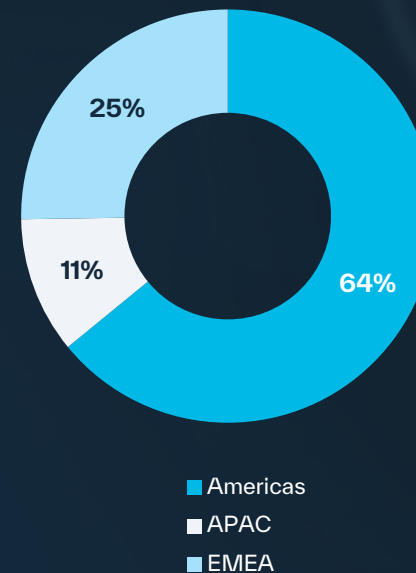
XPS machines  
delivered

**1**

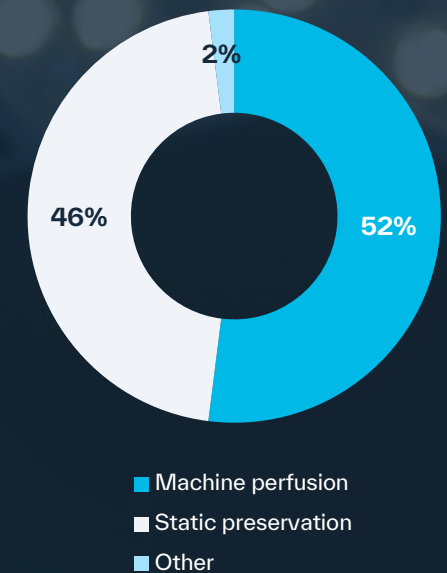
Net sales



Net sales by  
region



Net sales by product  
category





# Abdominal - Q2 Highlights

Net Sales

SEK 30 million (15)

Organic growth disposables

40 % (93)

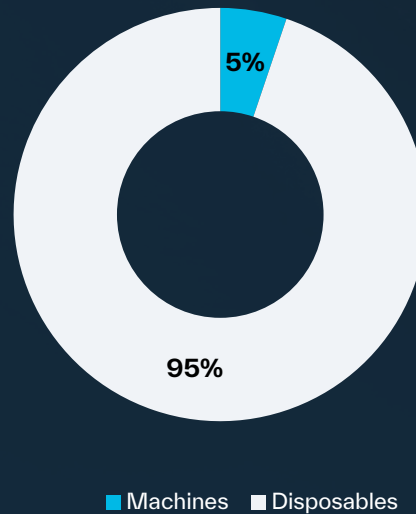
Gross margin disposables

70 % (56)

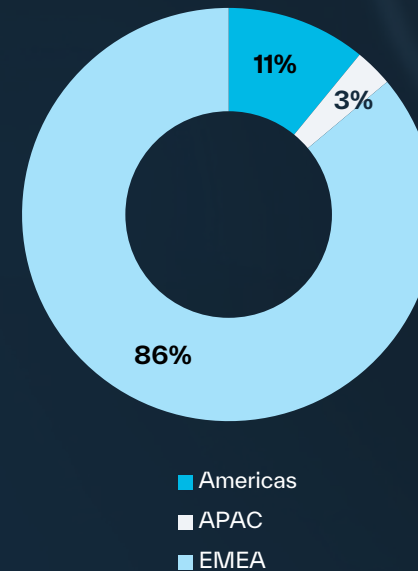
Total growth  
disposables, local  
currencies (%)

79

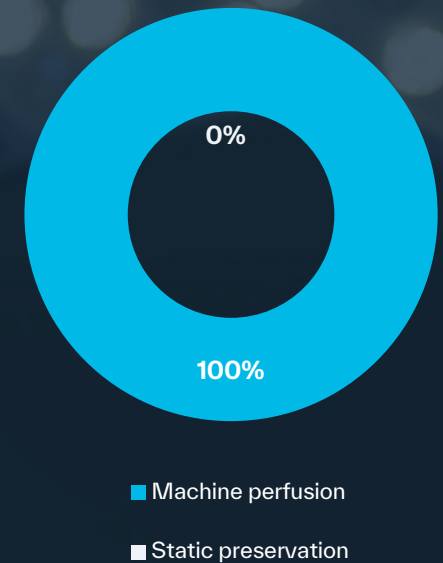
Net sales



Net sales by  
region

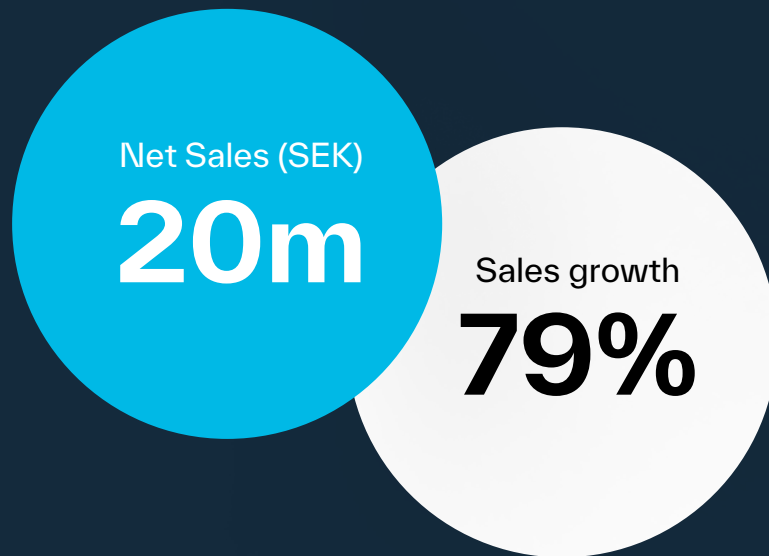


Net sales by  
product category

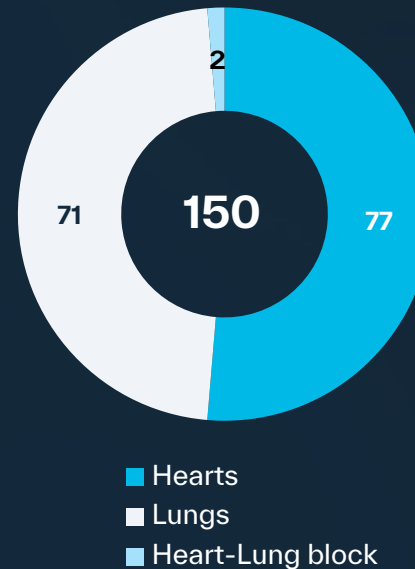


# Services -Q2 Highlights

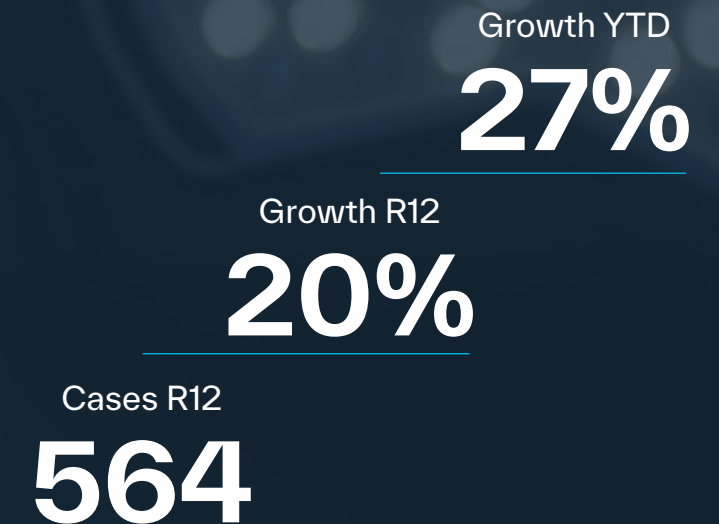
## Net Sales Q2



## Recovery cases Q2



## Case trend



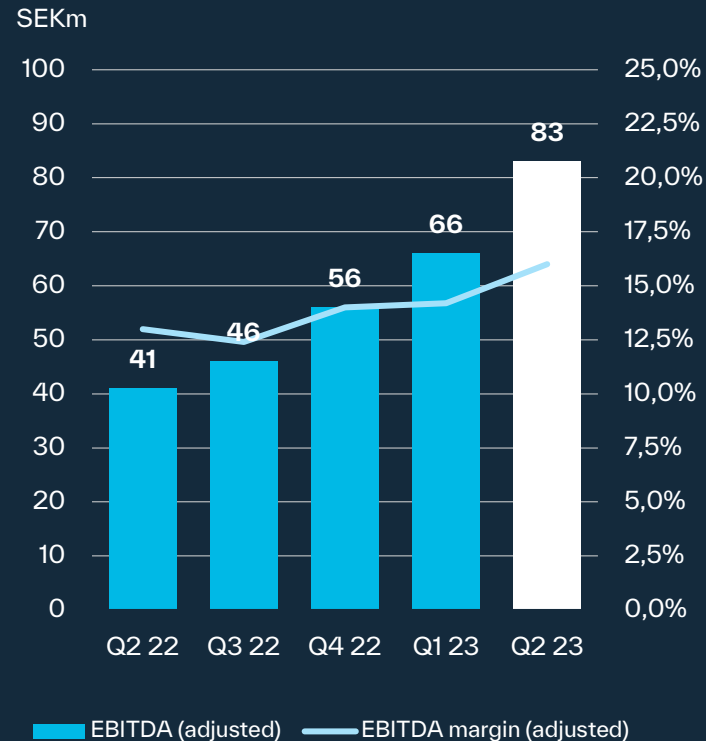


# EBITDA

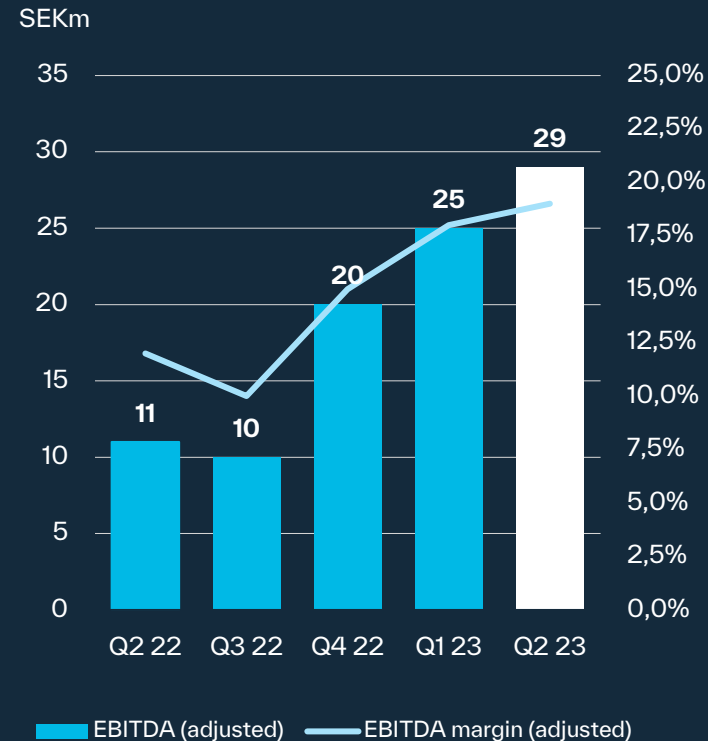
EBITDA (adj) Q2

19%

EBITDA (adj), R12 months



EBITDA (adj), by quarter



## Comments Q2

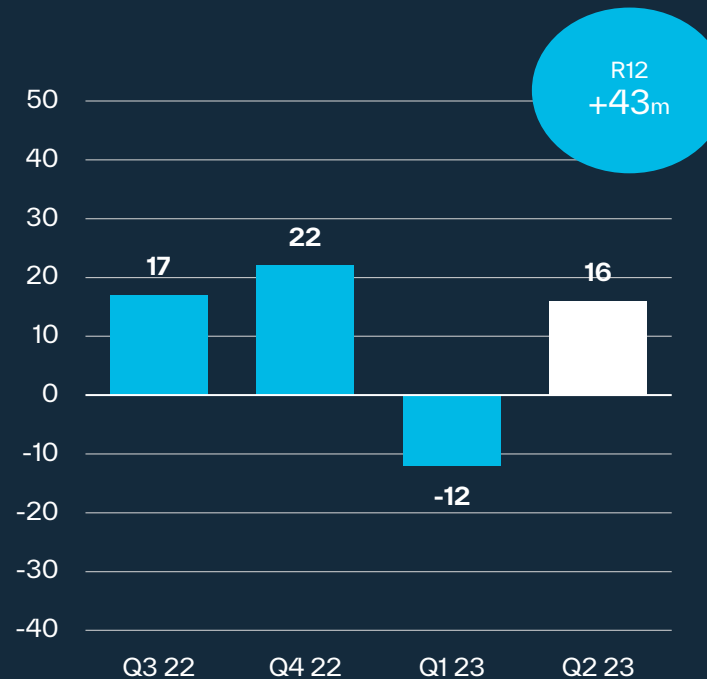
- **R12 Trend** continues with increased EBITDA
- Primarily driven by increased **gross profit**
- Continuous investments in organisation to support **future growth**

# Financial position and cash flow (Jun 30, 2023)

## Q2 financials

- Cash flow from operating activities SEK +16 million (-2)
- Investments SEK -47 million (-34)
- Total Cash flow SEK -34 million (-36)
- Cash position Jun 30: SEK 171 million (318)
- Equity/assets ratio of 84 % (85)

Cash flow from operating activities (SEK million)



## Comments Q2

- Positive operating cashflow from strenghtened EBITDA, despite further spend on inventories
- M&A related payments of -18 million related to previous Avionord and STAR aquisitions



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# Outlook

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# Long term outlook

- **The demand** for transplants are **x 10** of today's supply
- **Sales value** of machine perfusion vs cold static storage is **~x 10**
- **Machine perfusion** has proven to increase the number of organs used for transplantation
- **XVIVO** has unique, innovative and world leading products on the market or in the R&D pipeline





# Outlook 2023

- Machine perfusion – **continued momentum** through hub and service models
- **Kidney Assist Transport** – Continued introduction in the US and Europe
- Project to scale up production **x 10**
- **Heart** – Prepare for commercial launch Europe and ANZ. Start PMA trial in the US
- **Liver** – Prepare for trial application submission in the US

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Nobody should  
die waiting for  
a new organ

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