



# Surgical Innovations Group Plc

FY2025 Final  
Results Presentation

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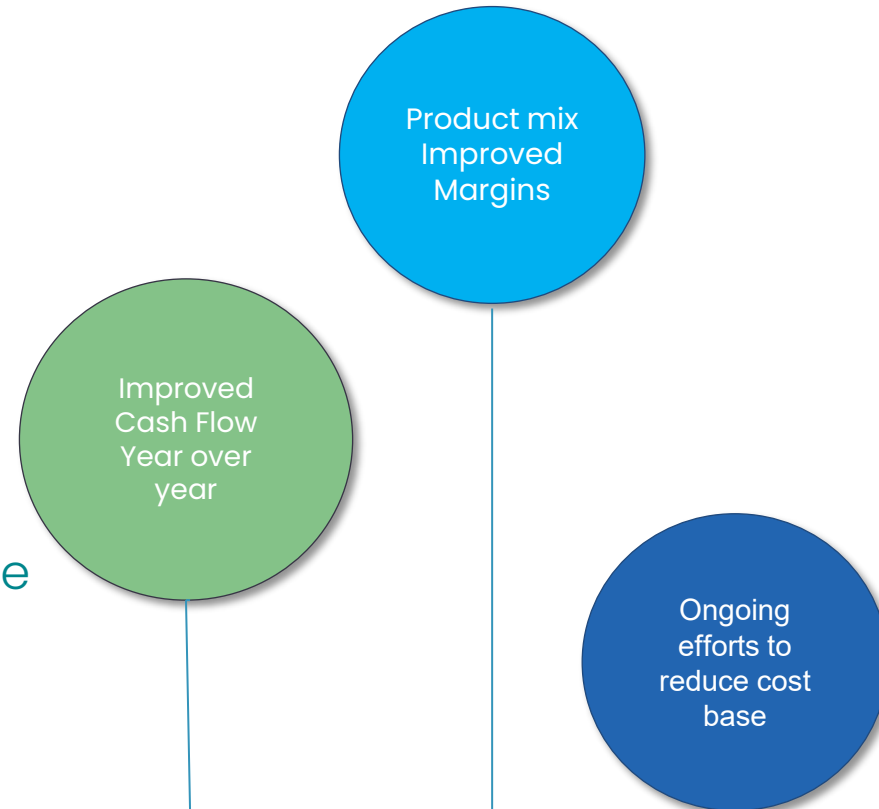
- 1. *FY2025 Highlights***
2. Business Update
3. Financial Review & Outlook
4. Summary and Q&A
5. Appendices

# Overview: Focusing On The Fundamentals

- Overall FY2025 revenues of £11.6m – broadly flat on prior year
  - Positively Europe demonstrated strong growth of 23% with sales reaching £2.1m in 2025 (2024: £1.7m) driven by the continued resonance of the Group’s sustainability messaging
  - UK 3<sup>rd</sup> party sales up 14%
    - Strong growth on prior year with sales of £4.1m (FY2024: £3.6m)
  - SI Branded sales declined by 8%
    - Impact of tariffs in the USA
    - Structural sales challenges with our partner in India
    - Ongoing NHS Industrial action impacted elective surgery
  - OEM sales of £1.7m – down 10% on prior year (FY2024: £1.9m) as previously guided
    - As a result of a strong 2024 which included the clearance of prior-year backorders which was further impacted by supply constraints relating to a component provided by a key OEM partner which has now been resolved.
- Gross margin improved to 34% (FY2024: 31%) – shift in product mix
- Achieved MDR certification underscoring our commitment to patient safety, quality and compliance
- Focused on delivering fundamentals of sales, profits and cash – it is all about sales!

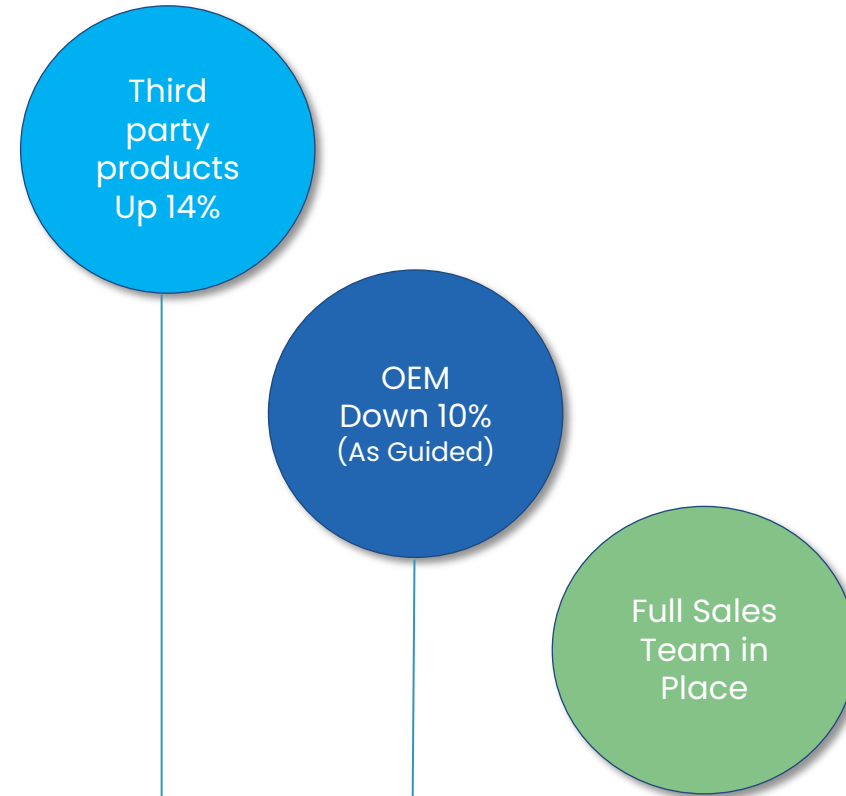
# Financials

- Revenues down slightly on prior year at £11.6 million (FY24: £11.9 million)
- Gross margin: Improved to 33.7% (FY24: 30.7%)
- Adjusted EBITDA loss of £0.4m (FY24: profit of £0.1m)
- Net cash inflow of £0.6m (FY24: -£0.1m)
- The Group concluded the year with net debt balances of £0.3m (2024: £0.3m). Net cash balances consists of cash at bank, less bank borrowings and invoice financing facilities in use
- Improved working capital position



# Operational Highlights

- Build on positive progress
  - MDR certification achieved
  - Leverage NHS business in UK
  - Strong European momentum
  - Maximising distribution network
  - Sustainability message resonating
- Investment in sales structure
  - Restructured UK sales team
  - Increased International resource
  - Drive International distributor sales efforts
- North America strategy
  - Exploring major U.S. partnership opportunity
- Re-structuring during period
  - Strategic change in Chairman and key board positions –
  - Recruitment for new CFO underway



# Today's Agenda

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# Focusing on The Fundamentals

## 4. EXECUTE FUTURE STRATEGY

- Develop vision & strategy
- Develop & execute US product & commercial plan
- Develop & Implement R&D
- Roadmap to deliver on future potential



## 1. DRIVE SALES

- Invest in sales organisation
- Leverage NHS relationships
- Focus on significant US market
- Focus on high margin products
- Diversify product offering

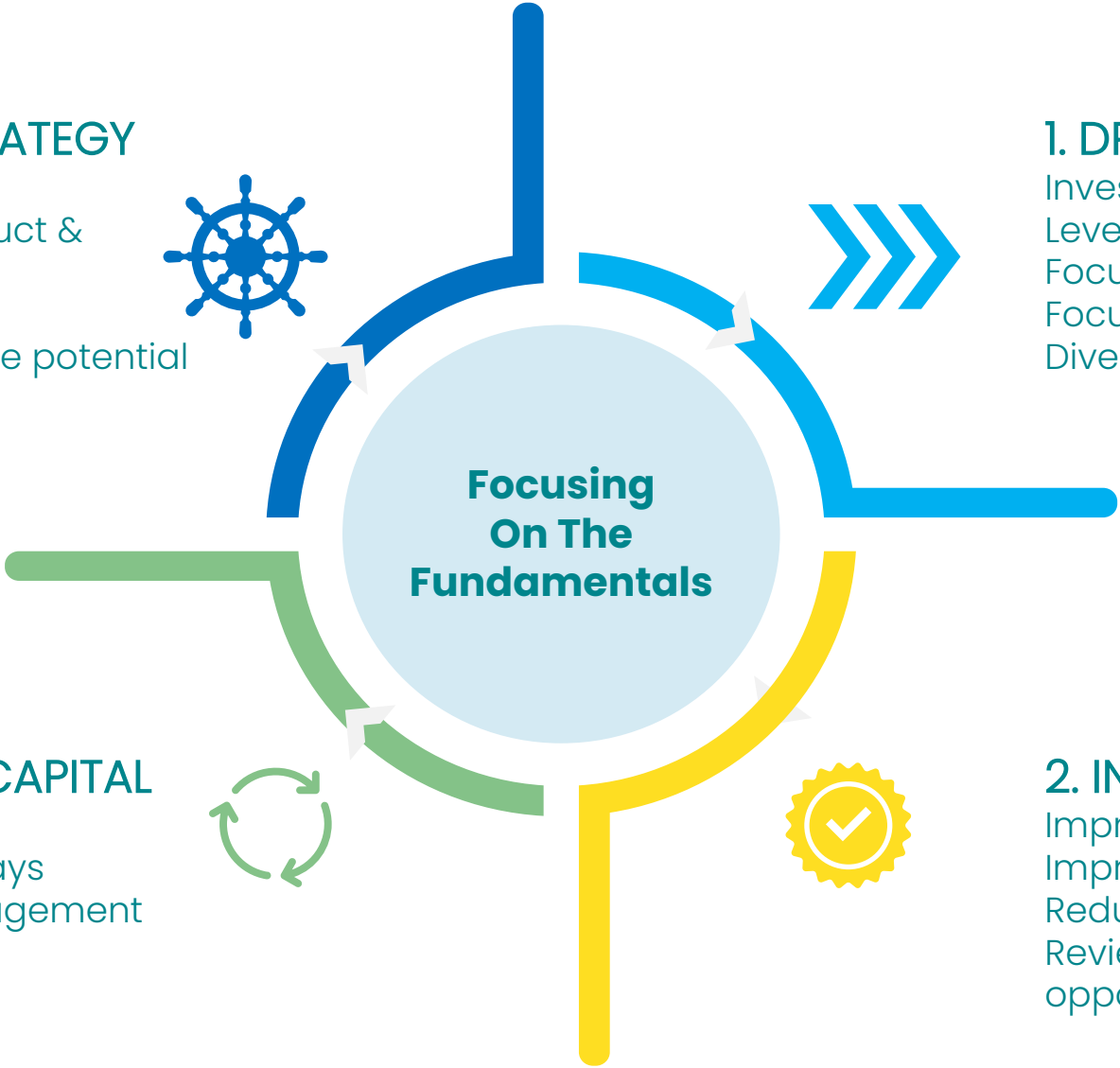
## 3. IMPROVE WORKING CAPITAL

- Reduce inventory
- Manage Creditor/ Debtor days
- Improve Supply Chain Management

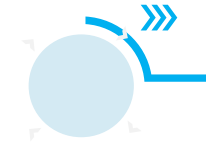


## 2. INCREASE PROFITS

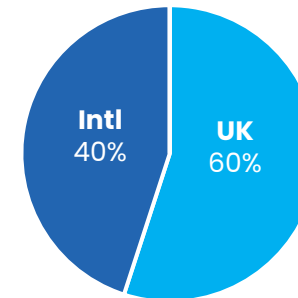
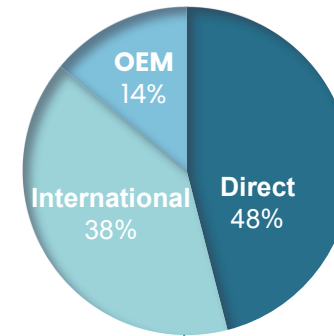
- Improve operational efficiency
- Improve product margins
- Reduce costs
- Review structure for efficiency opportunities



# Focusing on The Fundamentals: Drive Sales



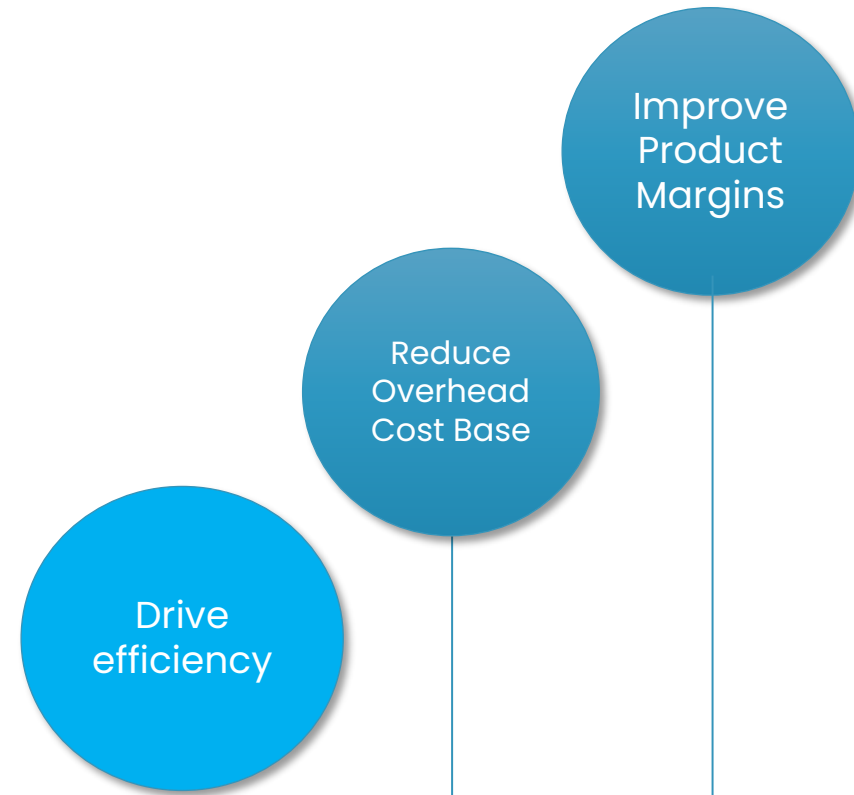
- Improve sales organization to drive growth
  - Expand field sales coverage
  - Improve geographical spread.
  - Accelerate sustainability programs
  - Drive incremental 3<sup>rd</sup> party sales through dealer network
- Leverage NHS and Private Healthcare Provider relationships
  - Strengthen Clinical relationships
  - Attract new technologies to meet clinical need
- Pursue US market opportunity
  - Approx. 43% of global MIS market
  - Strategic US partnership.
- Focus on higher margin opportunities
- Diversify product offering
  - Identify synergistic portfolio products
  - Expanding the SI product portfolio



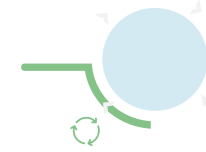
# Focusing on The Fundamentals: Increase Profitability



- Improve operational efficiency
  - Focus on key metrics to drive process
  - Implement 'lean' operations
  - Standardise workflows
- Increase product margins
  - Focus on higher margin products & markets
  - Implement price increases where possible
  - Cost down projects on key products
- Reduce overhead costs
  - Improve productivity through greater integration



# Focusing on The Fundamentals: Improve Working Capital



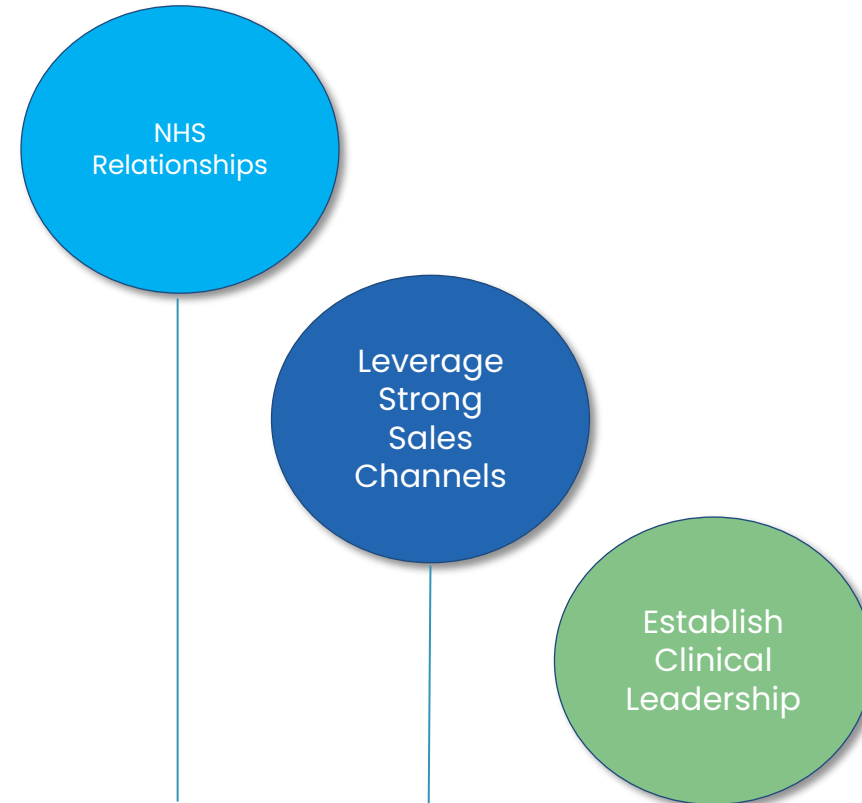
- Reduce inventory
  - Inventory target £1.5m (Y/E 2025 £2.2m)
  - Actively managing suppliers
  - Majority of inventory is SI related
  - Sales is key driver of reduction
- Manage Cash tightly
  - Build on success of strong cash management
  - Continue tight controls
- Improve supply chain management
  - Active management of suppliers
  - Move to 'Lean' supply chain



# Focusing on The Fundamentals: Execute Future Strategy



- Develop & execute future vision & strategy
  - Focus on the Customer!
  - Identify core competences / differentiation and deliver
  - Identify key product solutions and source / develop
  - E<sup>3</sup> – Excellence in Everything We Do Everyday!
  - Drive sales globally
- Key drivers of future growth
  - NHS relationships
  - Strong sales channels
  - Balanced geographic sales
  - New product roadmap
  - Clinical leadership
  - US commercial strategy
  - Repeatable consumable revenues
  - Operationally 'lean'



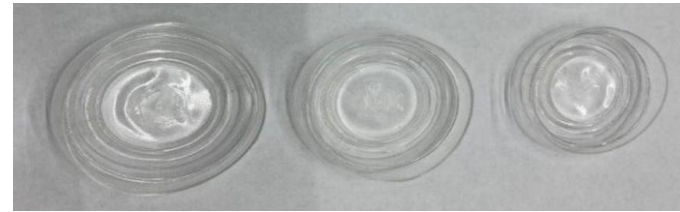
# Focusing on The Fundamentals: Key Drivers of Future Growth



Surgical  
Innovations  
Group Plc

## *New Product Roadmap*

- Targeted R&D investment focused on high-impact projects to drive innovation and value creation
- Introduction of new materials and design improvements to reduce costs and enhance margins
- Imminent launch of an innovative illuminated calibration tube across European and US markets
- Expansion of Logi range into key market to provide opportunity to increase revenue



### **Materials**

Move from Silicone to TPE for core component in YelloPort Elite



### **New Product 2026**

Illuminated version of calibration tube provides greater visualisation and safety



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# FY25 Financials Summary

Revenue

**£11.6m**  
(FY24: £11.9m)

Gross  
Margin

**34%**  
(FY24: 31%)

Adjusted  
EBITDA<sup>1</sup>

**(£0.4m)**  
(FY24: £0.1m)

Operating  
Loss

**(£0.7m)**  
(FY24: (£0.8m))

Operating  
Cash Flow

**£0.6m**  
(FY24 (£0.1m))

Net  
Debt<sup>2</sup>

**(£0.3m)**  
(FY24: (£0.3m))

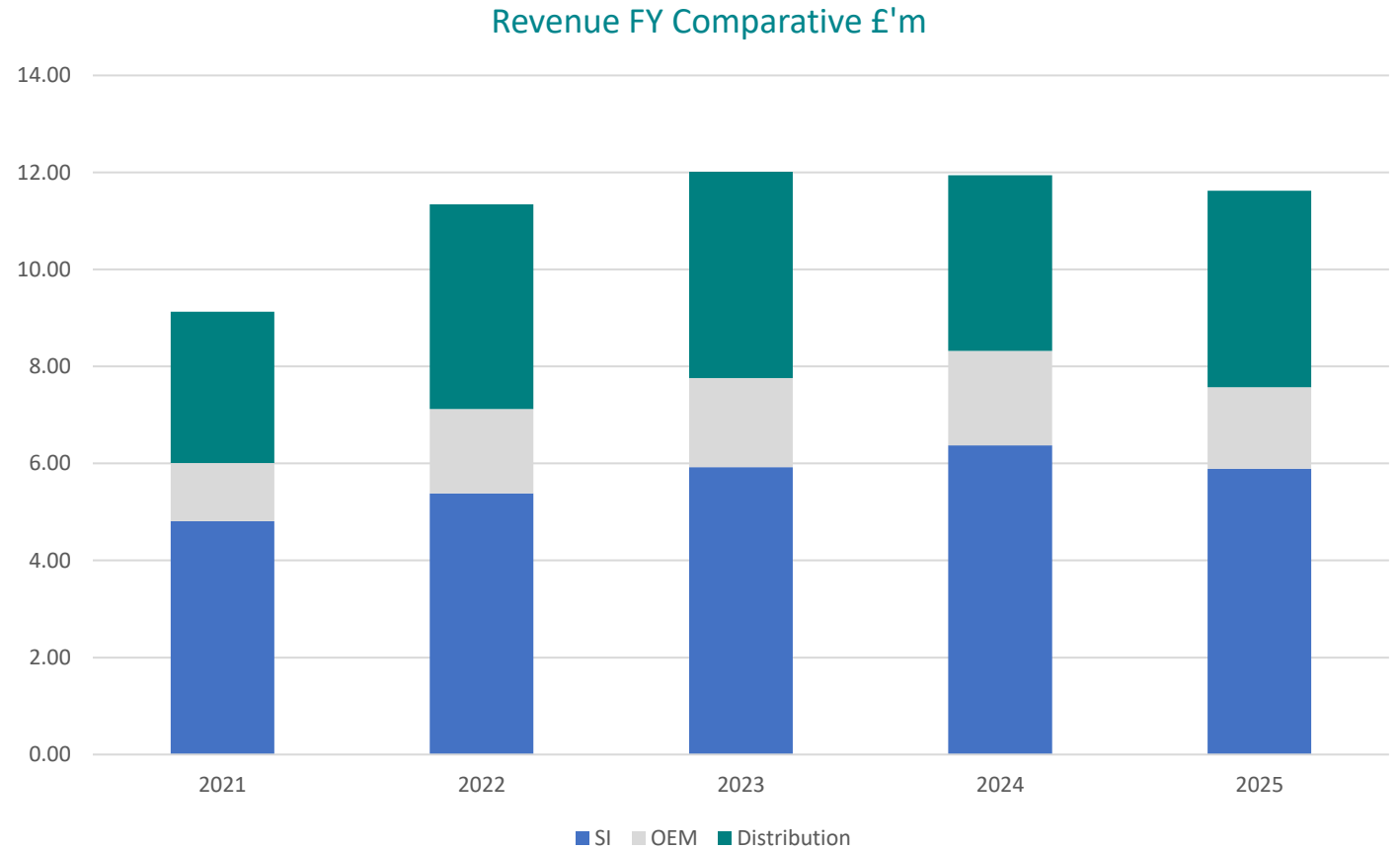
<sup>1</sup> Earnings before interest, tax, depreciation, amortisation, impairment, share based payments and non-recurring items

<sup>2</sup> Cash and cash equivalents less revolving credit facility and invoice financing borrowings

# FY25 Revenue Analysis

## Year-on-year organic growth

- Surgical Innovations (SI) branded sales decreased by 8% to £5.9m
- Distribution sales increased 14% to £4.1m
- OEM sales decreased 11% to £1.7m



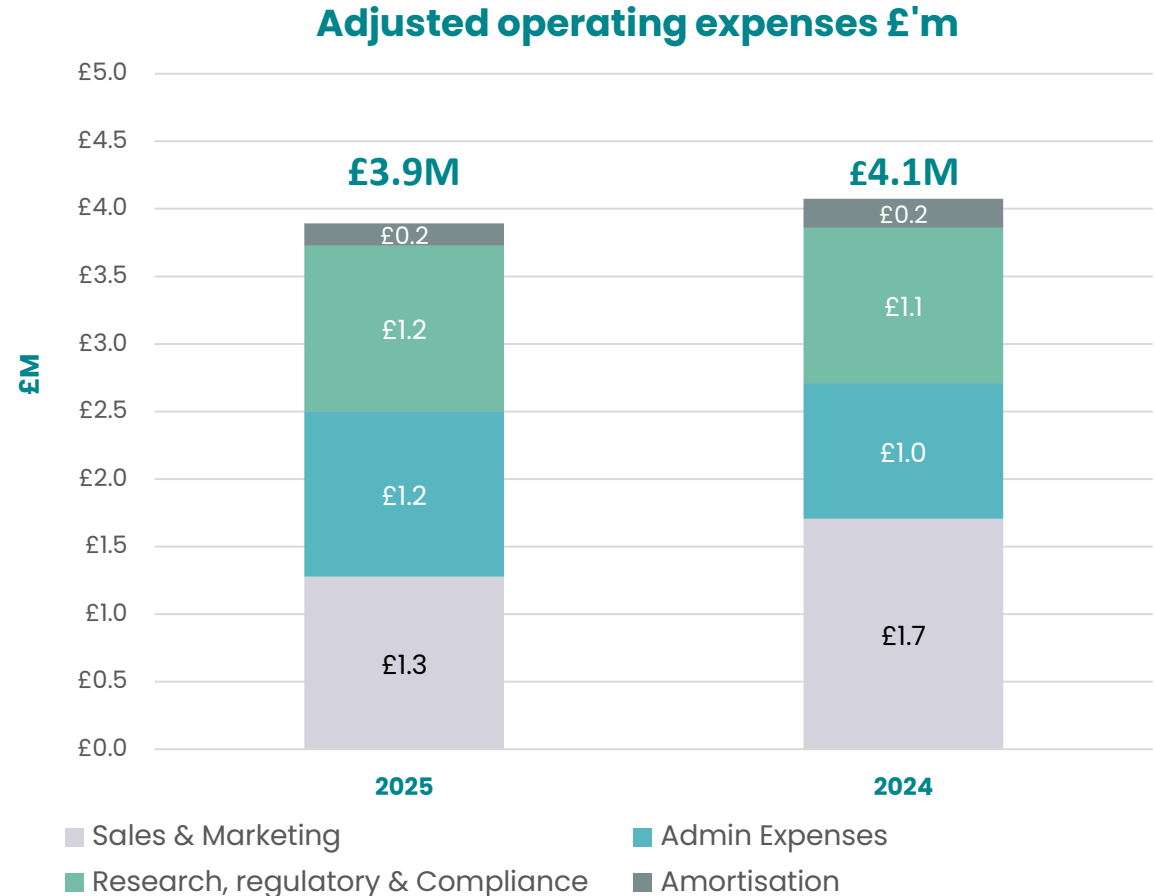
# FY25 Margin Analysis

- Commercial margins increased to 33.7% ( 2024 30.6%) impacted by a favourable sales mix.
- Overall contribution margin softened slightly versus prior year levels (26.3% vs 28.8%) due to lower levels of overhead recovery due to:
  - Proactively reducing overall inventory holding levels
  - Reduced SI branded sales year over year
- Manufacturing cost base managed closely throughout year, with several 'cost saving' initiatives implemented mid year, supporting results partly in 2025 and fully in 2026, including:
  - Reduced use of temporary staffing
  - Cost down exercises executed

Gross Margin Analysis	2025	2024
	£'m	£'m
Revenue	11.6	11.95
Cost of Sales	(7.69)	(8.28)
Underlying gross margin	3.91	3.66
<b>Underlying gross margin %</b>	<b>33.7%</b>	<b>30.6%</b>
Net Cost of Manufacturing	(0.9)	(0.23)
<b>Contribution Margin</b>	3.05	3.44
<b>Contribution Margin %</b>	<b>26.3%</b>	<b>28.8%</b>

# FY25 Operating Expenses

- Adjusted operating expenses<sup>1</sup> decreased to £3.9m (2024: £4.1m)
- Most spend areas in line with prior year levels
- Reduced levels of Sales & Marketing expenditure (-£0.4M), reflecting reduced average headcount position year over year (albeit with new hires joining Dec 25 & Jan 26)
- Process, control and review measures around operating expenditure, expanded throughout 2025, to ensure spend is responsibly managed



1. Adjusted operating expenses are stated before deducting non-recurring/ exceptional costs of £0.15m (2023:£0.01m), impairment of intangible costs of £1.16m (2023: £nil) and share based payment costs of £0.03m (2023: £0.03m).

# FY25 Financial Position

	31 Dec 2025	31 Dec 2024
	£'m	£'m
Tangible assets	1.13	1.50
Intangible assets	5.42	5.42
<b>Total non-current assets</b>	<b>6.55</b>	<b>6.92</b>
<b>Inventories</b>	<b>2.19</b>	<b>2.97</b>
Trade receivables	1.63	1.75
Other current assets	0.46	0.41
Trade & other payables	(1.63)	(1.57)
Accruals and deferred income	(0.38)	(0.69)
<b>Total working capital</b>	<b>2.27</b>	<b>2.87</b>
<b>Cash &amp; cash equivalents</b>	<b>0.81</b>	<b>0.20</b>
Borrowings	(0.15)	(0.50)
Right of Use Lease obligations	(0.52)	(0.74)
Total net cash	(0.14)	(1.05)
<b>Adjusted net cash<sup>1</sup></b>	<b>0.66</b>	<b>(0.54)</b>
Other	(0.27)	(0.17)
<b>Net assets/total equity</b>	<b>7.65</b>	<b>8.54</b>

1. Adjusted net cash is gross cash less bank borrowings excluding Right-of use lease obligations

- Working Capital:
  - Inventories - £0.8M YoY, reflecting focus upon business wide inventory levels and moving to lean methodology
  - Receivables -£0.1M, with all overdue balances brought up to date in the year
  - Trade payables flat YoY
- Borrowings reduced (£0.15M vs £0.5M) as CBILS loan continues to be repaid (will be fully repaid May 26)
- Cash and cash equivalents improved to £0.8M (2024 £0.2M)
- Bank remain a supportive stakeholder
- Capital investment (tangible assets) limited to essential investment activities in the year
- Strong cash management positions business for future

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# Summary & Outlook

- Investment in sales has delivered a strong and encouraging start to the year, driving early momentum across key markets
- Strong cash management in 2025 positions business well to take advantage of growth opportunities
- Successfully achieved MDR certification, strengthening regulatory credibility and improving the pathway for introducing new products and unlocking broader market access across Europe
- Significant opportunities to leverage the distributor network through third-party products with several initiatives being implemented in 2026
- Growing demand for Surgical Innovations branded products across Europe, supported by a sustainability proposition that continues to resonate in key markets
- New long-term agreements with key suppliers under discussion – strengthening and underpinning the UK distribution model
- Ongoing operational efficiency and cost reduction initiatives driving margin improvement
- A more streamlined structure delivering cost savings, enhanced profitability, and improved competitiveness

***It's All About Execution!***

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# Company Overview



Founded by Prof. Michael  
McMahon, leading laparoscopic  
surgeon



Design & manufacturing  
expertise in innovative  
surgical devices



Focus on minimally  
invasive surgery  
(MIS)



Leading the change to  
sustainable surgical  
devices



Direct sales in the UK & global  
distribution through our network  
of global partners

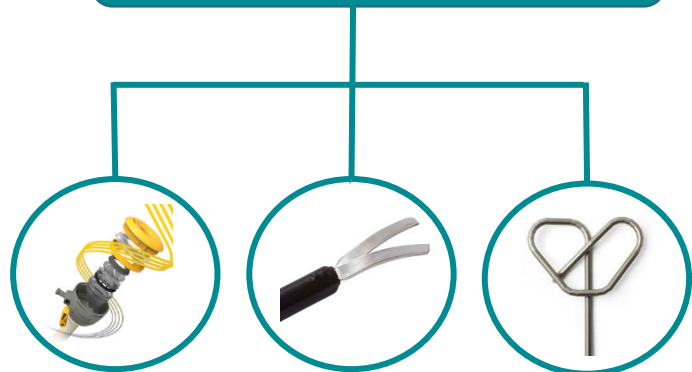


Strong industry partnerships,  
most recently in robotics,  
leveraging design expertise

# What We Do

Provide an innovative portfolio of products to meet surgical challenges globally

SI (International Sales)  
38% of sales



YelloPort™ Elite  
Access Device

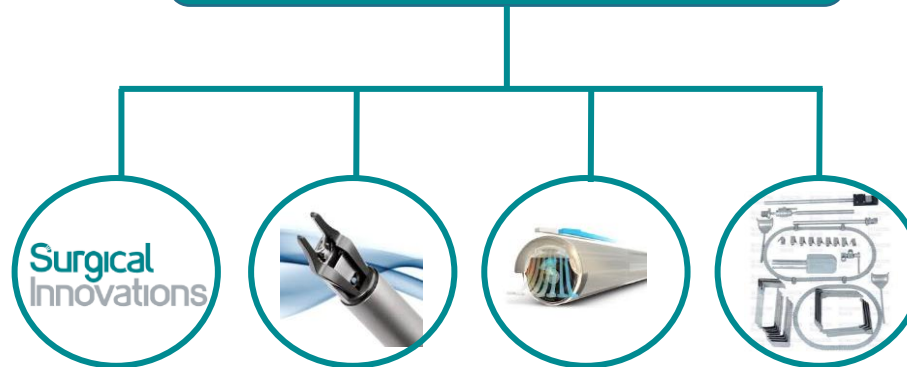
LogiCut™ & Logi™  
Laparoscopic  
Instruments

Pretzelflex™

## Surgical Innovations – International Sales

- 45 distribution partners globally
- Managed by 3 Regional Sales Managers

Elemental (UK Sales)  
48% of sales



SI Own Branded  
Products

Microline ML10

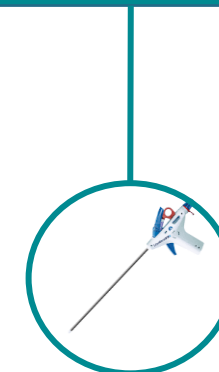
CIPHER Surgical  
OpClear™

Aspen Surgical  
Bookwalter

## Elemental Ltd – UK Sales Only

- Carefully curated range of products to complement SI Branded devices in UK market
- Exclusive distribution agreements for UK market
- Dedicated UK sales team of 10
- 30% of sales in UK from SI manufactured products

O.E.M  
14% of sales



AMS Fix8™

## 'Partner' Branded Devices

- Two key long-term customers
- Designed and manufactured device for laparoscopic fixation of Mesh for Hernia repair
- IP owned by SI