

Elekta ONE | smart view PATIENTS APPOINTMENTS WORKLISTS SMARTBOARDS Topple, Robert

2. Day of Consult (Physician)

Due	Status	Patient	MR#	Attending	Appointment Time	Check In Time	Check In Location	Diagnosis	MD Assessment	Consent	Tx Intent	Smart Flow
21/04/23	🔄	Thibault, Scarlett	325345	Topple, Robert	8:30 AM	2:43 AM	Exam Room 3	☑️	☐	☐	☐	☐
22/04/23	🔄	AndersonTRN, Ron	90001	Crumble, Bev...	11:00 AM	7:14 AM	Exam Room 4	☐	☐	☐	☐	☐
23/04/23	🔄	AtterTRN, Sam	90002	Crumble, Bev...	9:00 AM			☑️	☐	☐	☐	☐
6/06/2023	***	AUBAINE, CHENIN BLANC	IDA_3	Adams, Eileen	3/28/2023			☐	☐	☐	☐	☐
	***	BreastPHNTRN, Test	BreastPhn	Bunkier, Ryan	4:30 PM			☐	☐	☐	☐	☐
	***	LensfordTRN, Larry	90008	Crumble, Bev...	5:00 PM			☐	☐	☐	☐	☐
	***	ImatierTRN, Sarah	90017	Crumble, Bev...	5:30 PM			☐	☐	☐	☐	☐
	***	CHILD, TEST	CLD123	Crumble, Bev...	3:30 PM			☐	☐	☐	☐	☐
	***	KirklandTRN, Stephen	90007	Crumble, Bev...	1:45 AM			☐	☐	☐	☐	☐
	***	BERGERMEISTER, HANG H.	IDA_3	Adams, Eileen	2:00 AM			☐	☐	☐	☐	☐
	🔄	LungTRN, ERIC	20794403	Crumble, Bev...	12:30 AM			☐	☐	☐	☐	🔄
	🔄	Cordell, Jeremy	HAD0173	Bunkier, Ryan	1:15 AM			☐	☐	☐	☐	🔄
	🔄	BookerTRN, Beth	90003	Crumble, Bev...				☑️	☐	☐	☐	🔄
	🔄	Wascher, One	WAT123	Crumble, Bev...				☑️	☐	☐	☐	🔄
	🔄	Wascher, Two	WAT56473	Bunkier, Ryan				☑️	☐	☐	☐	🔄
	🔄	Wascher, Three	WAT70301	Bunkier, Ryan				☑️	☐	☐	☐	🔄
	🔄	Wascher, Four	WAT19876	Topple, Robert				☑️	☐	☐	☐	🔄



Interim report
May–October 2023/24

Q2

Continued profitable growth

Second quarter

- Gross order intake increased by 9 percent to SEK 4,989 M (4,598), corresponding to a 4 percent increase in constant exchange rates
- Net sales increased by 16 percent to SEK 4,732 M (4,081), corresponding to a 10 percent increase in constant exchange rates
- Adjusted gross margin amounted to 36.0 percent (37.3)
- Adjusted operating income (Adjusted EBIT) amounted to SEK 542 M (316), corresponding to an adjusted EBIT margin of 11.5 percent (7.7)
- Earnings per share was SEK 0.90 (0.32) before/after dilution
- Adjusted earnings per share was SEK 0.94 (0.55) before/after dilution
- Cash flow after continuous investments amounted to SEK 211 M (-417)

First six months

- Gross order intake increased by 4 percent to SEK 8,828 M (8,468), corresponding to a 1 percent decrease in constant exchange rates
- Net sales increased by 16 percent to SEK 8,560 M (7,408), corresponding to a 9 percent increase in constant exchange rates
- Adjusted gross margin amounted to 38.5 percent (38.1)
- Adjusted operating income (Adjusted EBIT) amounted to SEK 969 M (447), corresponding to an adjusted EBIT margin of 11.3 percent (6.0)
- Earnings per share was SEK 1.52 (0.47) before/after dilution
- Adjusted earnings per share was SEK 1.59 (0.74) before/after dilution
- Cash flow after continuous investments amounted to SEK -688 M (-1,010)

Group Summary

SEK M	Q2			First six months		
	2023/24	2022/23	Δ	2023/24	2022/23	Δ
Gross order intake	4,989	4,598	4%	8,828	8,468	-1%
Net sales	4,732	4,081	10%	8,560	7,408	9%
Adjusted gross margin ²	36.0%	37.3%	-1.4 ppts	38.5%	38.1%	0.4 ppts
Adjusted EBITDA ³	817	582	40%	1,524	975	56%
Adjusted EBITDA-margin ³	17.3%	14.3%	3 ppts	17.8%	13.2%	4.6 p.e.
Adjusted EBIT ⁴	542	316	72%	969	447	117%
Adjusted EBIT margin ⁴	11.5%	7.7%	3.7 ppts	11.3%	6.0%	5.3 ppts
Gross margin	35.8%	36.2%	-0.4 ppts	38.4%	37.4%	1 ppts
EBITDA	800	465	72%	1,493	844	77%
EBITDA-margin	16.9%	11.4%	5.5 ppts	17.4%	11.4%	6 p.e.
EBIT	525	199	163%	937	316	196%
EBIT margin	11.1%	4.9%	6.2 ppts	10.9%	4.3%	6.7 ppts
Cash flow after continuous investments	211	-417	628	-688	-1,010	322
Adjusted earnings per share before/after dilution, SEK ⁵	0.94 / 0.94	0.55 / 0.55	68%	1.59 / 1.59	0.74 / 0.74	114%
Earnings per share before/after dilution, SEK	0.90 / 0.90	0.32 / 0.32	183%	1.52 / 1.52	0.47 / 0.47	221%

¹ Compared to last fiscal year based on constant exchange rates.

² Adjusted gross margin = Gross margin excluding items affecting comparability attributable to the Cost-reduction Initiative within the Resilience and Excellence Program, see page 29.

³ Adjusted EBITDA = EBITDA excluding items affecting comparability attributable to the Cost-reduction Initiative within the Resilience and Excellence Program, see page 30.

⁴ Adjusted EBIT = Operating income (EBIT) excluding items affecting comparability, see page 30.

⁵ Adjusted earnings per share = Net income excluding items affecting comparability, attributable to Parent Company shareholders, in relation to the weighted average number of shares (excluding treasury shares), see page 31.

This information is such that Elektro AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by the below mentioned contact persons at 07:30 CET on November 30, 2023.

Forward-looking information. This report includes forward-looking statements including, but not limited to, statements relation 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. Some of these risks and uncertainties are described further in the section "Risk and uncertainties". Elektro 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.

Second quarter

We continued to deliver on our strategy, ACCESS 2025, and drive significant improvements in the second quarter, the fourth consecutive quarter with revenue growth and expanded EBIT margin. Order growth came back, supported by large deals in both India and Ukraine, and cash flow improved.

Strong order and revenue growth

The positive order trend is a sign of our attractive product portfolio and the strength of our sales organization as well as a large unmet need for cancer treatments in many markets. Orders grew with 4 percent – all regions contributed except China. Orders excluding China grew with 17 percent. The weaker order development in China is linked to the ongoing anti-corruption campaign in the healthcare sector. We expect the Chinese order volumes still to be impacted in the third quarter, but to recover in the following quarters.

During the quarter, we signed a significant USD 40 M order in India with the leading healthcare group KIMS Hyderabad, comprising our full suite of hardware and software solutions. We won a public tender in Ukraine to deliver several linacs in enabling access to modern radiation therapy devices.

Revenue grew with 10 percent supported by strong Solution revenue of 15 percent. Whereas the Solution Service mix and inflation on materials and salaries impacted our gross margin negatively, we delivered strong EBIT margin expansion resulting in an adjusted EBIT margin of 11.5 percent. We see that our strategy, ACCESS 2025, and the Cost-reduction Initiative we started one and a half year ago are clearly paying off. We address the ongoing impact from inflation with further price increases and new product launches across our portfolio.

Continued strengthening of our market-leading product portfolio

We continue to invest in our extensive accelerated innovation program and have already introduced new products to the market. And more innovations within personalized precision, elevated productivity and integrated informatics are in the product pipeline for the coming years.

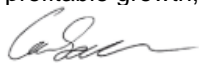
During ASTRO, our focus was on software, both Comprehensive Motion Management (CMM) for Unity as well as our new Elekta One software suite. CMM enables continuous calculating of the movement of the tumor anywhere in the body and adjust for it automatically. It is also a key trigger for new orders for Unity. Our Elekta One software suite also attracted a lot of interest at ASTRO; the suite is designed to increase productivity while managing clinicians' need for more complex workflows and personalized care.

In Brachytherapy we further strengthened our market-leading position with the acquisition of the Xofig business. Its system is using a miniaturized X-ray source to deliver a concentrated dose of radiation directly to a tumor site. The Xofig system has an installed base of more than 100 systems, and through Elekta's network, this technology will be able to reach more patients.

As part of Elekta's firm commitment to sustainability Elekta has signed the #FossilToClean letter to urge governments attending COP28 to phase out fossil fuels.

Looking forward

We have seen significant improvement during the last four quarters, both in revenue growth and margin expansion. We expect this to continue into the third quarter, although at a slower pace and with continued inflationary pressure. Our focus continues to be driving access to the best cancer care, profitable growth, and shareholder value.



Gustaf Salford
President and CEO



**Strong
EBIT
margin
expansion**

**10%
revenue
growth**

Order intake and order backlog

In total, order intake in the second quarter amounted to SEK 4,989 M (4,598), an increase of 9 percent in SEK and 4 percent based on constant exchange rates. Order intake was impacted by the ongoing government initiated anti-corruption campaign in China. Excluding China, order growth was 17 percent based on constant exchange rates.

APAC excluding China had very strong double-digit growth rates driven by great demand in several markets, among others in India. The growth in EMEA was driven by double-digit growth in Europe, which was partly offset by low orders in the Middle East & Africa impacted by macroeconomics and the armed conflict in the region. The European development was partly driven by continued strong momentum in Italy and a large deal to modernize and expand the installed base of radiotherapy in Ukraine. The Americas had good growth.

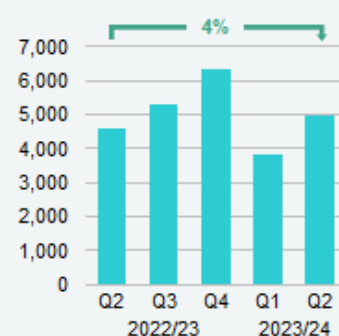
The book-to-bill ratio was 1.05 and the order backlog amounted to SEK 45,882 M, compared to SEK 43,332 M on April 30, 2023. The positive translation effect due to the conversion to closing exchange rates amounted to SEK 2,633 M.

Gross order intake

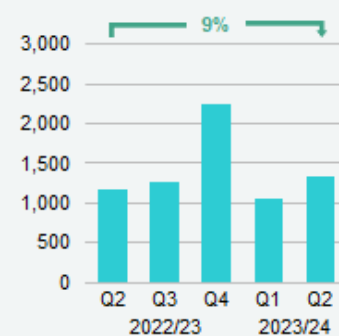
SEK M	Q2			Δ	Δ	First six months			Δ
	2023/24	2022/23	Δ ¹			2023/24	2022/23	Δ ¹	
Americas	1,323	1,167	9%	13%	2,382	2,147	5%	11%	
EMEA	1,772	1,532	7%	16%	2,744	2,974	-15%	-8%	
APAC	1,894	1,899	-1%	0%	3,702	3,347	7%	11%	
Group	4,989	4,598	4%	9%	8,828	8,468	-1%	4%	

¹ Based on constant exchange rates.

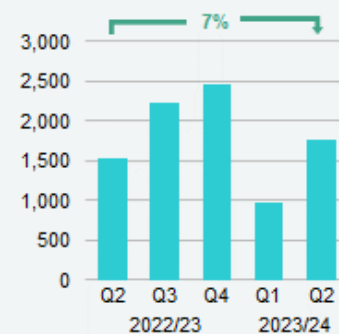
Gross order intake Group



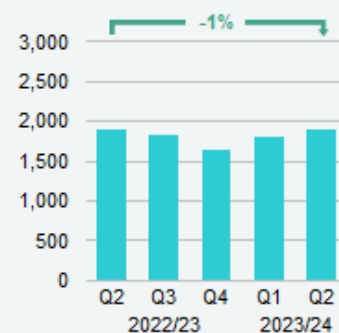
Gross order intake Americas



Gross order intake EMEA



Gross order intake APAC



Second quarter

Net sales

Based on constant exchange rates, Elekta's revenues showed good growth of 10 percent in the second quarter, with growth in both mature and emerging markets. In SEK, net sales increased by 16 percent to SEK 4,732 M (4,081). All regions contributed to the strong growth, with double-digit growth rates based on constant currencies in EMEA and APAC.

Net sales per region

SEK M	Q2				First six months			
	2023/24	2022/23	Δ ¹	Δ	2023/24	2022/23	Δ ¹	Δ
Americas	1,405	1,327	3%	6%	2,476	2,365	1%	5%
EMEA	1,733	1,332	16%	30%	3,230	2,522	15%	28%
APAC	1,595	1,421	12%	12%	2,854	2,520	12%	13%
Group	4,732	4,081	10%	16%	8,560	7,408	9%	16%

¹ Based on constant exchange rates.

EMEA showed strong growth both in Europe and the Middle East & Africa. The installations in Europe were driven by the recent large tenders in southern Europe, as well as in the UK. Most markets in APAC showed good growth in installations, including Southeast Asia, China and India. In the Americas, revenue was stable.

Service grew 4 percent based on constant exchange rates with growth in most business lines. Net sales from Solutions increased by 15 percent in constant exchange rates. At the end of the quarter, Elekta had an installed base of approximately 7,250 devices.

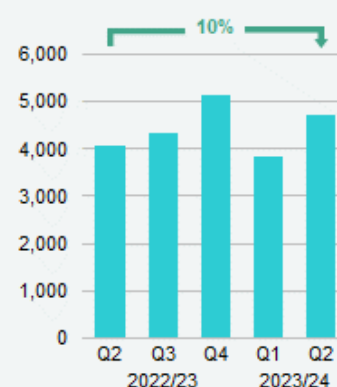
Net sales per product

SEK M	Q2				First six months			
	2023/24	2022/23	Δ ¹	Δ	2023/24	2022/23	Δ ¹	Δ
Solutions	2,836	2,322	15%	22%	4,831	4,028	13%	20%
Service	1,896	1,759	4%	8%	3,729	3,380	6%	10%
Total	4,732	4,081	10%	16%	8,560	7,408	9%	16%

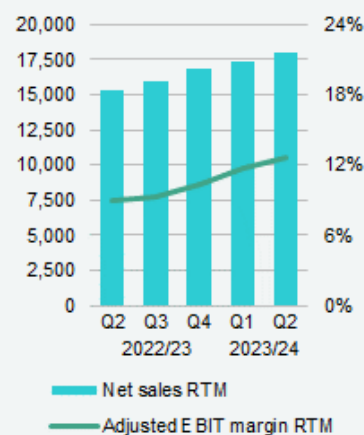
¹ Based on constant exchange rates.

15%
revenue growth
in Solutions

Net sales by quarter



Net sales by RTM²



² Rolling twelve months.

**Strong
revenue
growth
in EMEA and APAC**

Second quarter

Earnings

Adjusted gross margin was 36.0 percent (37.3) in the second quarter. The strong growth in Solutions and inflation on materials and salaries impacted the gross margin in the quarter. Foreign exchange rates contributed negatively. These impacts were partly offset by productivity measures following the Cost-reduction Initiative.

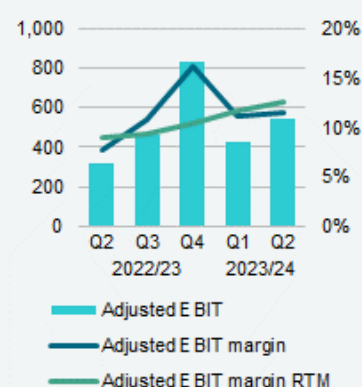
Expenses, excluding items affecting comparability, decreased by 1 percent during the second quarter based on constant exchange rates. The Cost-reduction Initiative contributed to the lower administrative expenses as well as to the R&D expenses, even if higher amortization from new commercialization impacted net R&D negatively. Selling expenses increased due to more customer events and visits. Amortization of intangible assets and depreciation of tangible fixed and right-of-use assets, amounted to a total of SEK 275 M (266).

Adjusted EBIT came in strong at SEK 542 M (316), representing a margin of 11.5 percent (7.7), an improvement of 370 basis points compared to last year. EBIT amounted to SEK 525 M (199), which represented a margin of 11.1 percent (4.9). Items affecting comparability in the second quarter consisted mainly of personnel-related costs and amounted to SEK 17 M (117), whereof SEK 8 M (45) impacted gross margin. Changes in foreign exchange rates had a positive impact on EBIT margin.

Net financial items increased to SEK -83 M (-40). Higher debt and increased interest rates were the main drivers. Taxes amounted to SEK -97 M (-38), representing a tax rate of 22 percent (24). Net income amounted to SEK 344 M (122) and earnings per share amounted to SEK 0.90 (0.32) before and after dilution. Adjusted earnings per share amounted to SEK 0.94 (0.55) before and after dilution.

11.5%
adjusted
EBIT margin

Adjusted EBIT



Cash flow

With SEK 211 M (-417), the second quarter cash flow improved compared to last year with more than SEK 600 M. The increase was mainly a result of improved earnings and reduction of working capital. Investments in intangible assets amounted to SEK 367 M (327) and were mainly related to R&D investments in oncology solutions and software. Investments in tangible assets increased to SEK 45 M (35). Cash conversion in the second quarter was 78 percent (-12).

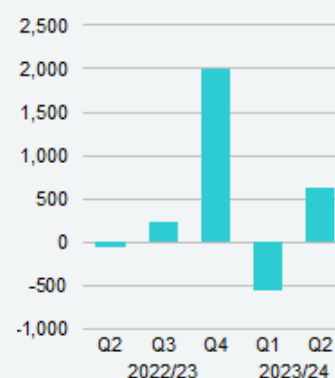
Cash flow (extract)

SEK M	Q2		First six months	
	2023/24	2022/23	2023/24	2022/23
Operating cash flow	550	147	1,047	498
Change in working capital	74	-202	-975	-751
Cash flow from operating activities	623	-55	72	-253
Continuous investments	-412	-362	-760	-758
Cash flow after continuous investments	211	-417	-688	-1,010
EBITDA	800	465	1,493	844
Operational cash conversion	78%	-12%	5%	-30%

¹ Excluding items affecting comparability

12%
R&D expenditure¹
of net sales, RTM

Cash flow from operating activities



Working capital

Net working capital as a percentage of net sales (rolling twelve months) improved to -3 percent (-2). The improvements compared to last year were mainly driven by advances from customers. The inventory continued on a high level to secure future installations. Accrued income remained high as a larger share of installations were in Southern Europe with longer billing terms. All individual working capital items were impacted by currency movements, while the net effect on the total working capital was limited. For more information, see page 28.

Financial position

Cash and cash equivalents and short-term investments amounted to SEK 1,869 M (1,535). Interest-bearing liabilities, excluding lease liabilities, amounted to SEK 5,805 M (4,669). Net debt increased to SEK 3,936 M (3,134) as a result of an acquisition and continuous investments in innovation. Net debt in relation to EBITDA was 1.21 (1.38). The average maturity of interest-bearing liabilities was 3.8 years.

Net debt

SEK M	Oct 31 2023	Oct 31 2022	Apr 30 2023
Long-term interest-bearing liabilities	5,796	4,138	5,706
Short-term interest-bearing liabilities	9	531	14
Cash and cash equivalents and short-term investments	-1,869	-1,535	-3,278
Net debt	3,936	3,134	2,442
Long-term lease liabilities	814	784	712
Short-term lease liabilities	228	256	236
Net debt including lease liabilities	4,978	4,174	3,389

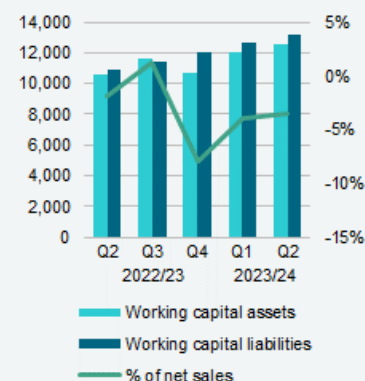
The exchange rate effect from the translation of cash and cash equivalents amounted to SEK 88 M (34). The translation difference in interest-bearing liabilities amounted to SEK 88 M (38).

Update on sustainability

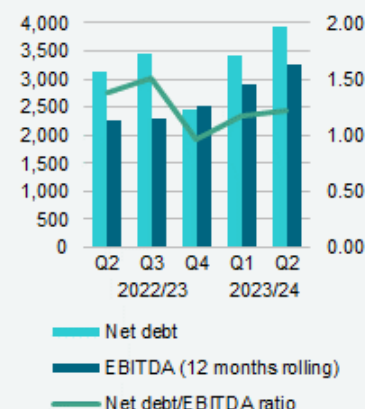
More sustainable linacs in cancer treatment

The largest share of Elekta's emission arise from the supplier chain followed by the use of our Solutions. Elekta's current focus is on three main topics when driving towards more sustainable Solutions and Services. First, product energy consumption, as one of Elekta's targets for Scope 3 is to reduce the emission from our Solutions per radiotherapy treatment delivered. Already today, a recent UK study showed that an Elekta linac on average uses 50 percent less electrical power across all measured states compared to competitive products. But Elekta maintains its efforts on further increasing energy efficiency of a linac. Second, careful selection and use of raw materials and scarce natural resources. This includes conscientious use of high emission materials and minimizing the amount of material used. In the production of linacs, Elekta has established design targets for projects and products, including minimizing the weight of new designs; identifying redundant or over-specified parts; optimizing the amount of shielding materials; designing new products to facilitate remote diagnostics; and reducing spare parts consumption. Third, promoting more digitalization and cloud-based systems, enabling improved remote system diagnostics and service and requiring less hardware.

Working capital



Net debt/EBITDA



Electronic brachytherapy

Elekta has acquired the Xoft business (see Significant events below), which includes in its product portfolio a brachytherapy device with a miniaturized low energy X-ray source, eBx. Due to the limited shielding requirements and no need for a radioactive source this solution can expand access to radiotherapy for cancer patients as it can be transported easily to patients in areas where there are no radiotherapy bunkers or where radioactive isotopes are difficult to import. This expansion of the brachy portfolio supports Elekta's strategic pillar of driving adoption across the globe.

Signing #FossilToClean letter

Elekta has joined 125+ companies in signing the #FossilToClean letter to global policymakers attending #COP28 to urge governments to phase out #fossilfuels and phase in clean solutions.

Risk and uncertainties

Elekta's presence in many geographical markets exposes the Group to political and economic risks on a global scale and/or in individual countries. For more details, please see the Annual Report 2022/23 page 25, or visit risk management on www.elekta.com.

In June, one of Elekta's larger customers, GenesisCare, filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code. During the restructuring, GenesisCare intends to operate in the ordinary course without disruption to patient care. In November a court confirmed GenesisCare's plan of reorganization, which includes a significant deleveraging. GenesisCare continues to execute the plan to separate its U.S. business from its business in Australia, Spain and the UK, creating two platforms. Elekta is closely following the process in order to understand the implications on Elekta's business. In the U.S., a bidding process of GenesisCare's cancer centers is ongoing and without any significant cancellation so far. Therefore, Elekta has not made any adjustments in the order backlog regarding these centers. In the first half of 2023/24 Elekta has continued to receive payments from the customer. No specific additional provision has been recorded as the estimated exposure, as per the closing date is within the existing provisions.

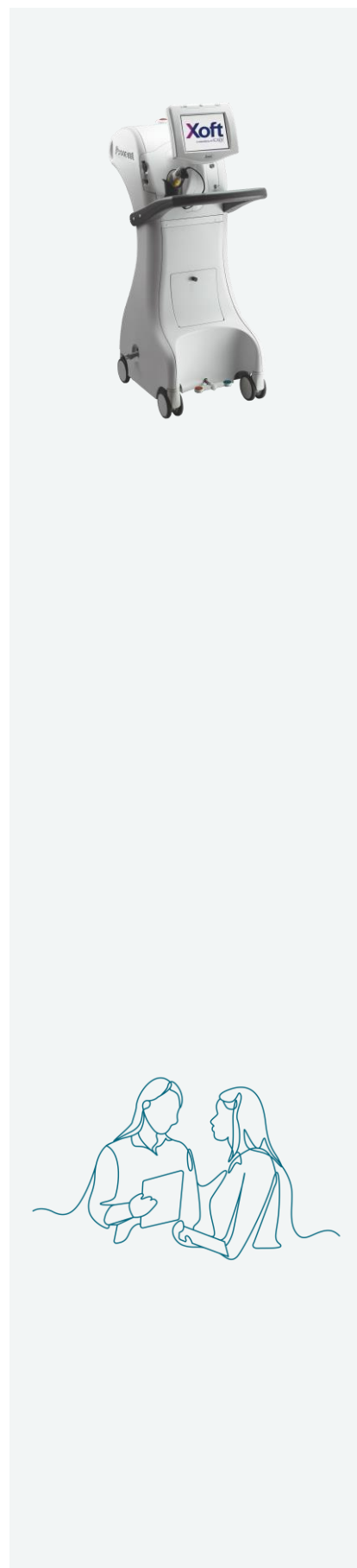
Significant events

India's KIMS orders radiotherapy systems for USD 40 M

In October, Elekta received an order for approximately USD 40 million from one of India's largest corporate healthcare groups, Krishna Institute of Medical Sciences (KIMS) Hyderabad. The combination of solutions includes Elekta's full suite of hardware and software, such as Elekta Unity MR-Linacs; Esprit (Elekta's latest Leksell Gamma Knife) systems; Versa HD linear accelerators; Flexitron brachytherapy afterloaders; and Elekta One suite of oncology software solutions.

Elekta's Nomination Committee for AGM 2024

In October, the Chairman of the Board convened the Nomination Committee for the 2024 Annual General Meeting (AGM) consisting of representatives from the Fourth Swedish National Pension Fund, Nordea Funds, SEB Funds and Handelsbanken Funds in addition to the Chairman himself.



Second quarter

Elekta expands brachytherapy with acquisition of Xoft

In October, Elekta acquired the Xoft business from iCAD, Inc. By acquiring the Xoft Axxent Electronic Brachytherapy (eBx) System, together with the transfer of employees, Elekta, the world leader in brachytherapy solutions, will now be able to offer electronic brachytherapy technology and provide an expanded range of cancer treatment options.

Elekta continues to support Ukrainian cancer patients

In October, Elekta won a public tender to deliver several Harmony linear accelerators to help meet demand for cancer treatments with modern radiation therapy devices in Ukraine. The first linear accelerators are expected to begin treating cancer patients in 2024. The Harmony systems will be placed in half of Ukraine's provinces as well as at the National Cancer Institute in the capital, Kyiv.

AGM 2023 approves dividend and new Board members

In August, Elekta's AGM resolved on a dividend corresponding to SEK 2.40 per share, to be paid in two installments. The Meeting also elected Tomas Eliasson and Volker Wetekam as new members of the Board and Laurent Leksell was reelected as Chairman of the Board.

First quarter¹

- Acquisition of Thai distributor through a business combination
- GenesisCare filed voluntary petitions under Chapter 11
- New management structure
- Launch of the first phase of Elekta ONE
- Elekta signed first sustainability-linked revolving credit facility
- The Nomination Committee proposed Board of Directors to the 2023 Annual General Meeting

Cost-reduction Initiative

During 2022/23, Elekta implemented a Cost-reduction Initiative to reduce structural costs and enhance productivity across the organization. During 2022/23 annual savings of approximately SEK 450 M was achieved, at one-off implementation costs of SEK 312 M. During 2023/24, activities of the Cost-reduction Initiative will continue, although at a significantly lower level. In the first half of 2023/24 an annual spending of SEK 28 M was reduced, at an implementation cost of SEK 32 M. The implementation costs are reported as items affecting comparability, see page 29.

Employees

The average number of employees during the period was 4,541 (4,664). The average number of employees in the Parent Company was 55 (58).

Shares

Total number of registered shares on October 31, 2023, was 383,568,409, of which 14,980,769 were A-shares and 368,587,640 B-shares. On October 31, 2023, 1,485,289 shares were treasury shares held by Elekta.

¹ For more details about the previous significant events please see respective quarterly report.

Outlook

from 2022/23 to 2024/25

- Net sales CAGR of >7%
- EBIT margin expansion

Dividend policy

- ≥50% of net income for the year

Second quarter and first six months

The Board of Directors and the President and CEO declare that the undersigned interim report provides a fair overview of the company's and Group's operations, their financial position and performance, and describes material risks and uncertainties facing the company and other companies in the Group.

Stockholm, November 30, 2023

Laurent Leksell
Chairman of
the Board

Tomas Eliasson
Member of the Board

Caroline Leksell Cooke
Member of the Board

Kelly Londy
Member of the Board

Wolfgang Reim
Member of the Board

Jan Secher
Member of the Board

Birgitta Stymne Göransson
Member of the Board

Volker Wetekam
Member of the Board

Cecilia Wikström
Member of the Board

Gustaf Salford
President and CEO



Review report

Elekta AB (publ), 556170-4015

Introduction

We have reviewed the condensed interim report for Elekta AB (publ) as at October 31, 2023 and for the six months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, November 30, 2023

Ernst & Young AB

Rickard Andersson
Authorized Public Accountant

Consolidated income statement – condensed

SEK M	Q2		First six months		12 months	
	2023/24	2022/23	2023/24	2022/23	RTM	2022/23
Net sales	4,732	4,081	8,560	7,408	18,022	16,869
Cost of products sold	-3,037	-2,602	-5,276	-4,641	-11,155	-10,520
Gross income	1,695	1,479	3,284	2,767	6,866	6,349
Selling expenses	-427	-421	-861	-812	-1,652	-1,603
Administrative expenses	-343	-339	-657	-657	-1,398	-1,398
R&D expenses	-323	-362	-709	-748	-1,378	-1,418
Other operating income and expenses	-20	-15	-32	-23	-74	-65
Exchange rate differences	-57	-142	-89	-210	-313	-434
Operating income (EBIT)	525	199	937	316	2,051	1,431
Financial items, net	-83	-40	-190	-79	-344	-233
Income after financial items	442	160	747	237	1,708	1,198
Income tax	-97	-38	-164	-56	-363	-254
Net income for the period	344	122	583	182	1,345	944
<i>Net income for the period attributable to:</i>						
Parent Company shareholders	344	122	582	181	1,344	943
Non-controlling interests	0	0	0	0	1	1
<i>Average number of shares</i>						
Before dilution, millions	382	382	382	382	382	382
After dilution, millions	383	382	383	382	383	382
<i>Earnings per share</i>						
Before dilution, SEK	0.90	0.32	1.52	0.47	3.52	2.47
After dilution, SEK	0.90	0.32	1.52	0.47	3.51	2.47

Consolidated statement of comprehensive income

SEK M	Q2		First six months		12 months	
	2023/24	2022/23	2023/24	2022/23	RTM	2022/23
Net income for the period	344	122	583	182	1,345	944
Other comprehensive income:						
<i>Items that will not be reclassified to the income statement:</i>						
Remeasurements of defined benefit pension plans	-	-	-	-	7	7
Change in fair value of equity instruments	-	-	-	-15	1	-14
Tax	-	-	-	-9	0	-9
Total items that will not be reclassified to the income statement	-	-	-	-24	7	-16
<i>Items that subsequently may be reclassified to the income statement:</i>						
Revaluation of cash flow hedges	-158	-144	-102	-210	308	200
Translation differences from foreign operations	386	496	586	673	541	628
Tax	32	30	21	43	-63	-41
Total items that subsequently may be reclassified to the income statement	260	382	505	506	786	787
Other comprehensive income for the period	260	382	506	483	794	770
Total comprehensive income for the period	605	504	1,088	664	2,139	1,715
<i>Comprehensive income attributable to:</i>						
Parent Company shareholders	604	503	1,088	665	2,137	1,714
Non-controlling interests	1	1	1	1	1	1

Consolidated balance sheet statement – condensed

SEK M	Oct 31		Apr 30
	2023	2022	2023
Non-current assets			
Intangible assets	13,090	11,390	11,722
Right-of-use assets	873	923	773
Tangible assets	1,010	969	980
Financial assets	1,038	720	1,055
Deferred tax assets	786	696	703
Total non-current assets	16,797	14,699	15,233
Current assets			
Inventories	3,806	3,216	3,070
Accounts receivable	4,376	3,666	3,990
Accrued income	2,524	2,047	2,119
Other current receivables	2,243	2,062	1,917
Cash and cash equivalents	1,869	1,535	3,278
Total current assets	14,817	12,526	14,375
Total assets	31,614	27,225	29,608
Equity attributable to Parent Company shareholders	10,364	9,128	9,729
Non-controlling interests	5	4	4
Total equity	10,369	9,131	9,733
Non-current liabilities			
Interest-bearing liabilities	5,796	4,138	5,706
Lease liabilities	814	784	712
Other liabilities	836	854	751
Total non-current liabilities	7,446	5,776	7,169
Current liabilities			
Interest-bearing liabilities	9	531	14
Lease liabilities	228	256	236
Accounts payable	1,721	1,464	1,809
Advances from customers	5,922	4,686	5,011
Prepaid income	2,670	2,335	2,565
Accrued expenses	2,075	1,835	1,994
Other current liabilities	1,175	1,211	1,077
Total current liabilities	13,799	12,318	12,706
Total equity and liabilities	31,614	27,225	29,608

Changes in consolidated equity – condensed

SEK M	Oct 31		Apr 30
	2023/24	2022/23	2022/23
Attributable to Parent Company shareholders			
Opening balance	9,729	8,913	8,913
Comprehensive income for the period	1,088	664	1,714
Incentive programs	7	8	19
Dividend	-459	-459	-917
Total	10,365	9,128	9,729
Attributable to non-controlling interests			
Opening balance	4	3	3
Comprehensive income for the period	1	1	1
Total	5	4	4
Closing balance	10,369	9,131	9,733

Consolidated cash flow statement – condensed

SEK M	Q2		First six months		12 months	
	2023/24	2022/23	2023/24	2022/23	RTM	2022/23
Income after financial items	442	160	747	237	1,708	1,198
Amortization and depreciation	275	266	556	528	1,090	1,062
Impairment	0	-	0	-	103	103
Interest net	67	24	134	51	230	147
Other non-cash items	-10	-130	-15	-96	130	49
Interest received and paid	-72	-26	-85	-43	-198	-156
Income taxes paid	-152	-145	-289	-178	-401	-290
Operating cash flow	550	147	1,047	498	2,663	2,114
Change in inventories	0	-175	-622	-597	-486	-461
Change in operating receivables	-211	-459	-652	-259	-1,362	-969
Change in operating liabilities	285	432	299	105	1,474	1,280
Change in working capital	74	-202	-975	-751	-375	-150
Cash flow from operating activities	623	-55	72	-253	2,289	1,964
Investments in intangible assets	-367	-327	-670	-676	-1,351	-1,357
Investments in tangible assets	-45	-35	-89	-82	-215	-207
Continuous investments	-412	-362	-760	-758	-1,566	-1,564
Cash flow after continuous investments	211	-417	-688	-1,010	722	400
Business combinations, divestments and investments in other shares	-205	-3	-205	-2	-254	-51
Cash flow after investments	7	-420	-893	-1,013	469	349
Dividends	-459	-459	-459	-459	-919	-917
Cash flow from other financing activities	-82	-60	-146	-105	749	788
Cash flow for the period	-533	-938	-1,497	-1,576	298	220
Change in cash and cash equivalents during the period						
Cash and cash equivalents at the beginning of the period	2,367	2,423	3,278	3,077	1,535	3,077
Cash flow for the period	-533	-938	-1,497	-1,576	298	220
Exchange rate differences	35	50	88	34	36	-18
Cash and cash equivalents at the end of the period	1,869	1,535	1,869	1,535	1,869	3,278

Parent company

Income statement and statement of comprehensive income - condensed

SEK M	First six months	
	2023/24	2022/23
Operating expenses	-4	-3
Financial net	169	461
Income after financial items	165	458
Tax	-9	-55
Net income for the period	156	403
Statement of comprehensive income		
Net income for the period	156	403
Other comprehensive income	-	-
Total comprehensive income	156	403

Balance sheet - condensed

SEK M	Oct 31	Apr 30
	2023	2023
Non-current assets		
Intangible assets	30	33
Shares in subsidiaries	2,927	2,807
Receivables from subsidiaries	1,704	1,925
Other financial assets	29	29
Deferred tax assets	21	22
Total non-current assets	4,711	4,816
Current assets		
Receivables from subsidiaries	6,051	4,473
Other current receivables	124	43
Cash and cash equivalents	525	1,876
Total current assets	6,700	6,393
Total assets	11,411	11,209
Shareholders' equity	2,283	2,585
Non-current liabilities		
Interest-bearing liabilities	5,795	5,706
Provisions	14	16
Total non-current liabilities	5,809	5,722
Current liabilities		
Liabilities to Group companies	3,210	2,808
Other current liabilities	109	94
Total current liabilities	3,319	2,902
Total shareholders' equity and liabilities	11,411	11,209

Comment to the Parent company income statement

In the first six months 2023/24 financial net has decreased due to less group contributions and dividends from subsidiaries compared to previous year.

Accounting principles

This interim report is prepared, with regards to the Group, according to IAS 34 and the Swedish Annual Accounts Act and, with regards to the Parent Company, according to the Swedish Annual Accounts Act and RFR 2. The accounting principles applied are consistent with those presented in Note 1 of the Annual Report 2022/23.

New or revised standards and interpretations, not yet applied, are not considered to have a material impact on the Elekta Group's financial statements.

All figures are stated in SEK M and, accordingly, rounding differences can occur. Comparisons refer to the corresponding period for the prior year, unless otherwise stated.

Related party transactions

Related party transactions are described in note 35 in the Annual Report for 2022/23.

Elekta has entered into consultancy agreements with two of its board members, Caroline Leksell Cooke and Kelly Londy, and their respective companies. Elekta enters transactions with these entities in the ordinary course of business. The transactions are priced on an arm's length basis and are subject to terms and conditions that are standard in the industry.

Exchange rates

For Group companies with a functional currency other than Swedish kronor, order intake and income statements are translated at average exchange rates for the reporting period, while order book and balance sheets are translated at closing exchange rates.

Country	Currency	Average rate			Closing rate			
		Q2		Δ^1	Oct 31		Apr 30	
		2023	2022		2023	2022	2023	Δ^1
China	1 CNY	1.497	1.523	-2%	1.527	1.509	1.490	1%
Euroland	1 EUR	11.658	10.643	10%	11.840	10.915	11.347	8%
Great Britain	1 GBP	13.515	12.414	9%	13.570	12.720	12.861	7%
Japan	1 JPY	0.075	0.076	-1%	0.074	0.074	0.076	0%
United States	1 USD	10.775	10.437	3%	11.171	10.971	10.303	2%

¹ October 31, 2023, vs October 31, 2022.

Segment reporting

Elekta applies geographical segmentation. Order intake, net sales and contribution margin for the respective regions are reported to Elekta's CFO and CEO (chief operating decision makers). The regions' expenses are directly attributable to the respective regions' reported figures including cost of products sold. Global costs for R&D, marketing, management of product supply centers and Parent Company are not allocated per region. Currency exposure is concentrated to product supply centers. The majority of exchange differences in operations are reported in global costs.

Elekta's operations are characterized by significant quarterly variations in volumes and product mix, which have a direct impact on net sales and profits. This is accentuated when the operation is split into segments, as is the impact of currency fluctuations between the years. Revenue from Solutions is recognized at a point in time and revenue from Services are recognized over time.

Second quarter and first six months

Q2 2023/24

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	1,405	1,733	1,595	-	4,732	
Operating expenses	-914	-1,170	-1,152	-	-3,237	68%
Contribution margin	490	563	443	-	1,496	32%
Contribution margin, %	35%	32%	28%		32%	
Global costs	-	-	-	-954	-954	20%
Adjusted EBIT	490	563	443	-954	542	11%
Items affecting comparability ¹	0	-4	-2	-11	-17	
Operating income (EBIT)	490	559	440	-965	525	11%
Net financial items	-	-	-	-83	-83	
Income after financial items	490	559	440	-1,048	442	
Income tax	-	-	-	-97	-97	
Net income for the period	490	559	440	-1,145	344	

Q2 2022/23

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	1,327	1,332	1,421	-	4,081	
Operating expenses	-800	-914	-961	-	-2,675	66%
Contribution margin	527	418	460	-	1,406	34%
Contribution margin, %	40%	31%	32%		34%	
Global costs	-	-	-	-1,090	-1,090	27%
Adjusted EBIT	527	418	460	-1,090	316	8%
Items affecting comparability ¹	-31	-10	-9	-67	-117	
Operating income (EBIT)	496	409	452	-1,157	199	5%
Net financial items	-	-	-	-40	-40	
Income after financial items	496	409	452	-1,197	160	
Income tax	-	-	-	-38	-38	
Net income for the period	496	409	452	-1,235	122	

First six months 2023/24

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	2,476	3,230	2,854	-	8,560	
Operating expenses	-1,568	-2,183	-2,019	-	-5,769	67%
Contribution margin	908	1,047	835	-	2,790	33%
Contribution margin, %	37%	32%	29%			
Global costs	-	-	-	-1,822	-1,822	21%
Adjusted EBIT	908	1,047	835	-1,822	969	11%
Items affecting comparability ¹	0	-7	-4	-21	-32	
Operating income (EBIT)	908	1,041	831	-1,842	937	11%
Net financial items	-	-	-	-190	-190	
Income after financial items	908	1,041	831	-2,032	747	
Income tax	-	-	-	-164	-164	
Net income for the period	908	1,041	831	-2,197	583	

First six months 2022/23

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	2,365	2,522	2,520	-	7,408	
Operating expenses	-1,477	-1,710	-1,710	-	-4,898	66%
Contribution margin	888	812	810	-	2,510	34%
Contribution margin, %	38%	32%	32%			
Global costs	-	-	-	-2,063	-2,063	28%
Adjusted EBIT	888	812	810	-2,063	447	6%
Items affecting comparability ¹	-34	-12	-9	-76	-131	
Operating income (EBIT)	855	800	801	-2,139	316	4%
Net financial items	-	-	-	-79	-79	
Income after financial items	855	800	801	-2,218	237	
Income tax	-	-	-	-56	-56	
Net income for the period	855	800	801	-2,274	182	

¹ Items affecting comparability include mainly personnel costs and impairments of assets attributable to the Cost-reduction Initiative within the Resilience and Excellence Program.

Second quarter and first six months

Rolling twelve months

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	5,350	6,615	6,057	-	18,022	
Operating expenses	-3,237	-4,379	-4,122	-	-11,739	65%
Contribution margin	2,112	2,236	1,935	-	6,283	35%
Contribution margin, %	39%	34%	32%		35%	
Global costs	-	-	-	-4,018	-4,018	22%
Adjusted EBIT	2,112	2,236	1,935	-4,018	2,265	13%
Items affecting comparability ¹	-45	-14	-12	-142	-213	
Operating income (EBIT)	2,068	2,222	1,922	-4,161	2,051	11%
Net financial items	-	-	-	-344	-344	
Income after financial items	2,068	2,222	1,922	-4,504	1,708	
Income tax	-	-	-	-363	-363	
Net income for the period	2,068	2,222	1,922	-4,867	1,345	

Full year 2022/23

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	5,239	5,907	5,724	-	16,869	
Operating expenses	-3,146	-3,907	-3,814	-	-10,867	64%
Contribution margin	2,092	2,000	1,910	-	6,003	36%
Contribution margin, %	40%	34%	33%		36%	
Global costs	-	-	-	-4,259	-4,259	25%
Adjusted EBIT	2,092	2,000	1,910	-4,259	1,743	10%
Items affecting comparability ¹	-78	-20	-17	-198	-312	
Operating income (EBIT)	2,015	1,981	1,893	-4,457	1,431	8%
Net financial items	-	-	-	-233	-233	
Income after financial items	2,015	1,981	1,893	-4,690	1,198	
Income tax	-	-	-	-254	-254	
Net income for the period	2,015	1,981	1,893	-4,944	944	

¹ Items affecting comparability include mainly personnel costs and impairments of assets attributable to the Cost-reduction Initiative within the Resilience and Excellence Program.

Net sales by product type

Q2 2023/24

SEK M	Americas	EMEA	APAC	Group total
Solutions	622	1,051	1,162	2,836
Service	782	681	433	1,896
Total	1,405	1,733	1,595	4,732

Q2 2022/23

SEK M	Americas	EMEA	APAC	Group total
Solutions	572	732	1,019	2,322
Service	756	600	403	1,759
Total	1,327	1,332	1,421	4,081

First six months 2023/24

SEK M	Americas	EMEA	APAC	Group total
Solutions	928	1,907	1,996	4,831
Service	1,548	1,324	857	3,729
Total	2,476	3,230	2,854	8,560

First six months 2022/23

SEK M	Americas	EMEA	APAC	Group total
Solutions	912	1,363	1,753	4,028
Service	1,453	1,159	768	3,380
Total	2,365	2,522	2,520	7,408

Rolling twelve months

SEK M	Americas	EMEA	APAC	Group total
Solutions	2,339	4,046	4,399	10,783
Service	3,010	2,569	1,659	7,238
Total	5,350	6,615	6,057	18,022

Full year 2022/23

SEK M	Americas	EMEA	APAC	Group total
Solutions	2,323	3,502	4,155	9,981
Service	2,915	2,405	1,569	6,889
Total	5,239	5,907	5,724	16,869

Net sales from Solutions is taken at a point in time, net sales from Service is taken over time.

Financial instruments

The table below shows the fair value of the Group's financial instruments, for which fair value is different than carrying value. The fair value of all other financial instruments is assumed to correspond to the carrying value.

SEK M	Oct 31, 2023		Oct 31, 2022		Apr 30, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing liabilities	5,796	6,014	4,138	4,177	5,706	5,959
Short-term interest-bearing liabilities	9	9	531	535	14	15

The Group's financial assets and financial liabilities, which have been measured at fair value, have been categorized in the fair value hierarchy. The different levels are defined as follows:

Level 1: Quoted prices on an active market for identical assets or liabilities

Level 2: Other observable data than quoted prices included in Level 1, either directly (that is, price quotations) or indirectly (that is, obtained from price quotations)

Level 3: Data not based on observable market data

Financial instruments measured at fair value

SEK M	Level	Oct 31, 2023	Oct 31, 2022	Apr 30, 2023
FINANCIAL ASSETS				
Financial assets measured at fair value through income statement:				
Derivative financial instruments – non-hedge accounting	2	20	20	10
Short-term investments classified as cash equivalents	1	3	3	3
Derivatives used for hedging purposes:				
Derivative financial instruments – hedge accounting	2	141	125	141
Total financial assets measured at fair value		164	148	154
FINANCIAL LIABILITIES				
Financial liabilities at fair value through income statement:				
Derivative financial instruments – non-hedge accounting	2	12	42	9
Contingent considerations	3	104	33	21
Derivatives used for hedging purposes:				
Derivative financial instruments – hedge accounting	2	295	584	194
Total financial liabilities measured at fair value		410	658	224

Movements financial instruments level 3

SEK M	Oct 31, 2023	Oct 31, 2022	Apr 30, 2023
Opening balance	21	18	18
Business combinations	80	9	13
Payments	-	-10	-20
Reversals & Revaluations	-	15	15
Translation differences	3	1	-5
Closing balance	104	33	21

The fair value of accounts receivables, other current and non-current receivables, cash and cash equivalents, accounts payable and other current and non-current liabilities is estimated to be equal to their carrying amount.

Key figures and data per share

Key figures

	Full-year					May - Oct	
	2018/19	2019/20	2020/21	2021/22	2022/23	2022/23	2023/24
Gross order intake, SEK M	16,796	17,735	17,411	18,364	20,143	8,468	8,828
Net sales, SEK M	13,555	14,601	13,763	14,548	16,869	7,408	8,560
Order backlog, SEK M	32,003	34,689	33,293	39,656	43,332	42,817	45,882
Gross margin, %	41.9	42.0	40.8	37.4	37.6	37.4	38.4
Adjusted gross margin, %	41.9	42.0	40.8	37.4	38.1	38.1	38.5
Operating income (EBIT), SEK M	1,696	1,657	1,906	1,643	1,431	316	937
Operating margin, %	12.5	11.3	13.9	11.3	8.5	4.3	10.9
Adjusted EBIT	1,696	1,657	1,906	1,643	1,743	447	969
Adjusted EBIT margin, %	12.5	11.3	13.9	11.3	10.3	6.0	11.3
Shareholders' equity, SEK M ¹	7,779	8,113	8,197	8,913	9,729	9,128	10,364
Return on shareholders' equity, %	17	14	16	14	10	9	14
Net debt, SEK M	439	1,632	774	1,532	2,442	3,134	3,936
Operational cash conversion, %	61	35	82	69	76	-30	5
Average number of employees	3,798	4,117	4,194	4,631	4,587	4,664	4,541

¹ Attributable to Parent Company shareholders.

Data per share

	Full-year					May - Oct	
	2018/19	2019/20	2020/21	2021/22	2022/23	2022/23	2023/24
Earnings per share							
before dilution, SEK	3.14	2.84	3.28	3.02	2.47	0.47	1.52
after dilution, SEK	3.14	2.84	3.28	3.02	2.47	0.47	1.52
Adjusted earnings per share							
before dilution, SEK	3.14	2.84	3.28	3.02	3.11	0.74	1.59
after dilution, SEK	3.14	2.84	3.28	3.02	3.10	0.74	1.59
Cash flow per share							
before dilution, SEK	2.48	-0.74	5.07	0.55	0.91	-2.65	-2.34
after dilution, SEK	2.48	-0.74	5.07	0.55	0.91	-2.65	-2.33
Shareholders' equity per share							
before dilution, SEK	20.36	21.23	21.45	23.33	25.46	23.89	27.13
after dilution, SEK	20.36	21.23	21.45	23.33	25.44	23.89	27.09
Average number of shares							
before dilution, thousands	382,027	382,062	382,083	382,083	382,083	382,083	382,083
after dilution, thousands	382,027	382,062	382,083	382,083	382,367	382,083	382,611
Number of shares at closing¹							
before dilution, thousands	382,027	382,083	382,083	382,083	382,083	382,083	382,083
after dilution, thousands	382,027	382,083	382,083	382,083	382,575	382,083	382,603

¹ Number of registered shares at closing excluding treasury shares (1,485,289 per October 31, 2023).

Second quarter and first six months

Data per quarter

SEK M	2021/22			2022/23				2023/24	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Gross order intake	4,045	4,441	5,897	3,871	4,598	5,316	6,359	3,839	4,989
Net sales	3,697	3,602	4,239	3,327	4,081	4,337	5,125	3,828	4,732
Operating income (EBIT)	533	340	570	117	199	331	784	412	525
Cash flow from operating activities	325	573	1,040	-198	-55	225	1,991	-551	623

Order intake growth based on constant exchange rates

%	2021/22			2022/23				2023/24	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Americas	16	-3	-6	-43	-13	3	0	1	9
EMEA	3	23	16	11	-9	0	-4	-38	7
APAC	19	-3	-5	9	2	27	4	18	-1
Group	12	8	2	-11	-6	9	0	-7	4

R&D expenditure

SEK M	Q2		First six months		12 months	
	2023/24	2022/23	2023/24	2022/23	RTM	2022/23
R&D expenditure, gross	554	578	1,093	1,203	2,180	2,290
Capitalization	-350	-326	-636	-674	-1,300	-1,338
Amortization	118	110	251	219	498	466
R&D expenditure, net	323	362	709	748	1,378	1,418

Remeasurement for hyperinflation

Elekta's operations in Turkey is accounted for according to IAS 29 Financial reporting in hyperinflationary economies. The index used by Elekta for the remeasurement of the financial statements is the consumer price index with base period January 2003. The impact on the consolidated statement of income from IAS 29 is illustrated below.

Exchange rate and index	Oct 31		Apr 30	
	2023/24	2022/23	2023/24	2022/23
Exchange rate, SEK/TRY			0.39	0.53
Index			1,749.11	1,300.04

Net monetary loss recognized in the consolidated statement of income, SEK M	Q2		First six months		12 months	
	2023/24	2022/23	2023/24	2022/23	RTM	2022/23
Net monetary gain/loss	7	-	-2	-	-25	-17

Remeasurement impact recognized in other comprehensive income, MSEK	Q2		First six months		12 months	
	2023/24	2022/23	2023/24	2022/23	RTM	2022/23
Remeasurement	4	-	-2	-	35	41

No significant events after the quarter

Alternative performance measures

Alternative Performance Measures (APMs) are measures and key figures that Elekta's management and other stakeholders use when managing and analyzing Elekta's business performance. These measures are not substitutes, but rather supplements to financial reporting measures prepared in accordance with IFRS. Key figures and other APMs used by Elekta are defined on ir.elekta.com/investors/financials. Definitions and additional information on APMs can also be found on pages 97-99 in the Annual Report 2022/23.

Order and sales growth based on constant exchange rates

Elekta's order intake and sales are, to a large extent, reported in subsidiaries with other functional currencies than SEK, which is the group reporting currency. In order to present order and sales growth on a more comparable basis and to show the impact of currency fluctuations, order and sales growth based on constant exchange rates are presented. The schedules below present growth based on constant exchange rates reconciled to the total growth reported in accordance with IFRS.

Change gross order intake

	Americas		EMEA		APAC		Group total	
	%	SEK M	%	SEK M	%	SEK M	%	SEK M
Q2 2023/24 vs. Q2 2022/23								
Change based on constant exchange rates	9	102	7	101	-1	-19	4	184
Currency effects	5	53	9	139	1	15	5	207
Reported change	13	155	16	241	0	-5	9	391
Q2 2022/23 vs. Q2 2021/22								
Change based on constant exchange rates	-13	-147	-9	-138	2	33	-6	-253
Currency effects	21	229	10	223	18	353	16	806
Reported change	8	82	1	85	20	386	10	553
May - Oct 2023/24 vs. May - Oct 2022/23								
Change based on constant exchange rates	5	112	-15	-447	7	242	-1	-93
Currency effects	6	123	7	217	3	114	5	453
Reported change	11	235	-8	-230	11	355	4	359
May - Oct 2022/23 vs. May - Oct 2021/22								
Change based on constant exchange rates	-31	-778	1	25	5	144	-8	-609
Currency effects	15	373	9	239	16	439	14	1,052
Reported change	-16	-405	10	264	21	583	6	443

Second quarter and first six months

Change net sales

	Americas		EMEA		APAC		Group total	
	%	SEK M	%	SEK M	%	SEK M	%	SEK M
Q2 2023/24 vs. Q2 2022/23								
Change based on constant exchange rates	3	37	16	208	12	175	10	420
Currency effects	3	40	14	192	0	-1	6	231
Reported change	6	77	30	401	12	174	16	652
Q2 2022/23 vs. Q2 2021/22								
Change based on constant exchange rates	-3	-38	-7	-94	-5	-72	-5	-204
Currency effects	22	254	4	142	11	191	12	587
Reported change	19	216	-3	48	6	119	7	383
May - Oct 2023/24 vs. May - Oct 2022/23								
Change based on constant exchange rates	1	16	15	382	12	297	9	695
Currency effects	4	95	13	326	1	36	6	457
Reported change	5	111	28	708	13	333	16	1,152
May - Oct 2022/23 vs. May - Oct 2021/22								
Change based on constant exchange rates	1	20	-1	-36	-3	-78	-1	-95
Currency effects	21	407	5	131	11	257	11	796
Reported change	22	427	4	95	8	179	10	701

Change of expenses

Management reviews the development of expenses excluding items affecting comparability in constant currencies. The schedule below illustrates the reported change in expenses related to items affecting comparability and the remaining change split between change based on constant exchange rates and change due to currency movements.

	Selling expenses		Administrative expenses		R&D expenses		Change expenses	
	%	SEK M	%	SEK M	%	SEK M	%	SEK M
Q2 2023/24 vs. Q2 2022/23								
Items affecting comparability	1	5	1	5	0	0	1	10
Change based on constant exchange rates	4	14	-2	-6	-6	-19	-1	-10
Currency effects	3	11	7	24	3	9	4	43
Reported change	8	30	7	23	-3	-10	4	43
Q2 2022/23 vs. Q2 2021/22								
Items affecting comparability	8	24	7	19	9	29	8	72
Change based on constant exchange rates	5	15	-8	-22	-15	-47	-6	-54
Currency effects	20	65	19	56	23	70	21	190
Reported change	33	104	18	52	17	52	23	209
May - Oct 2023/24 vs. May - Oct 2022/23								
Items affecting comparability	2	13	1	9	0	0	1	23
Change based on constant exchange rates	5	36	-5	-32	-4	-29	-1	-25
Currency effects	3	24	7	41	3	25	4	90
Reported change	9	74	3	19	-1	-4	4	89
May - Oct 2022/23 vs. May - Oct 2021/22								
Items affecting comparability	4	25	3	19	5	35	4	79
Change based on constant exchange rates	14	90	4	21	-8	-58	3	53
Currency effects	10	65	10	56	10	70	10	190
Reported change	28	179	17	96	7	47	17	323

Second quarter and first six months

EBITDA

EBITDA is used for the calculation of operational cash conversion and the net debt/EBITDA ratio.

SEK M	Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24
Operating income (EBIT)	199	331	784	412	525
Amortization intangible assets:					
Capitalized development costs	114	127	113	134	121
Assets relating business combinations	36	36	37	37	39
Depreciation tangible assets	117	112	110	110	115
Impairment	-	78	26	0	0
EBITDA	465	684	1,069	693	800

Return on capital employed

Return on capital employed is a measure of the profitability after taking into account the amount of total capital used unrelated to type of financing. A higher return on capital employed indicates a more efficient use of capital. Capital employed represents the value of the balance sheet net assets that is the key driver of cash flow and capital required to run the business. It is also used in the calculation of return on capital employed.

SEK M	Oct 31, 2022	Jan 31, 2023	Apr 30, 2023	Jul 31, 2023	Oct 31, 2023
Income after financial items (12 months rolling)	1,071	1,044	1,198	1,426	1,708
Financial expenses (12 months rolling)	230	257	310	392	442
Income after financial items plus financial expenses	1,301	1,301	1,508	1,818	2,150
Total assets	27,225	27,971	29,608	30,822	31,614
Deferred tax liabilities	-503	-487	-473	-456	-427
Long-term provisions	-199	-234	-237	-225	-228
Other long-term liabilities	-151	-62	-41	-123	-182
Accounts payable	-1,464	-1,390	-1,809	-1,690	-1,721
Advances from customers	-4,686	-4,924	-5,011	-5,557	-5,922
Prepaid income	-2,335	-2,416	-2,565	-2,692	-2,670
Accrued expenses	-1,835	-1,937	-1,994	-1,909	-2,075
Current tax liabilities	-100	-218	-202	-154	-175
Short-term provisions	-200	-180	-189	-134	-140
Derivative financial instruments	-516	-275	-196	-215	-242
Other current liabilities	-395	-581	-490	-704	-617
Capital employed	14,840	15,267	16,401	16,964	17,216
Average capital employed (last five quarters)	14,828	15,126	15,180	15,651	16,138
Return on capital employed	9%	9%	10%	12%	13%

Return on shareholders' equity

Return on shareholders' equity measures the return generated on shareholders' capital invested in the company.

SEK M	Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24
Net income (12 months rolling)	826	813	943	1,122	1,344
Average shareholders' equity excluding non-controlling interests (last five quarters)	8,842	9,139	9,295	9,555	9,812
Return on shareholders' equity	9%	9%	10%	12%	14%

Second quarter and first six months

Operational cash conversion

Cash flow is a focus area for management. The operational cash conversion shows the relation between cash flow from operating activities and EBITDA.

SEK M	Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24
Cash flow from operating activities	-55	225	1,991	-551	623
EBITDA	465	684	1,069	693	800
Operational cash conversion	-12%	33%	186%	-80%	78%

Working capital

In order to optimize cash generation, management focuses on working capital and reducing lead times between orders booked and cash received.

SEK M	Oct 31 2023	Oct 31 2022	Apr 30 2023
Working capital assets			
Inventories	3,806	3,216	3,070
Accounts receivable	4,376	3,666	3,990
Accrued income	2,524	2,047	2,119
Other operating receivables	1,810	1,696	1,542
Sum working capital assets	12,515	10,625	10,721
Working capital liabilities			
Accounts payable	1,721	1,464	1,809
Advances from customers	5,922	4,686	5,011
Prepaid income	2,670	2,335	2,565
Accrued expenses	2,075	1,835	1,994
Short-term provisions	140	200	189
Other current liabilities	617	395	490
Sum working capital liabilities	13,145	10,915	12,058
Net working capital	-631	-290	-1,338
% of rolling 12 months net sales	-3%	-2%	-8%

Days Sales Outstanding (DSO)

Days Sales Outstanding was negative 34 days on October 31, 2023 (negative 31 days per October 31, 2022).

SEK M	Oct 31 2023	Oct 31 2022	Apr 30 2023
Americas	-59	-69	-49
EMEA	49	38	52
APAC	-93	-62	-94
Group	-34	-31	-32

Net debt and net debt/EBITDA ratio

Net debt is important for understanding the financial stability of the company. Net debt and net debt/EBITDA ratio are used by management to track the debt evolution, the refinancing need and the leverage for the Group.

SEK M	Oct 31, 2022	Jan 31, 2023	Apr 30, 2023	Jul 31, 2023	Oct 31, 2023
Long-term interest-bearing liabilities	4,138	4,152	5,706	5,783	5,796
Short-term interest-bearing liabilities	531	512	14	15	9
Cash and cash equivalents and short-term investments	-1,535	-1,218	-3,278	-2,367	-1,869
Net debt	3,134	3,447	2,442	3,431	3,936
EBITDA (12 months rolling)	2,268	2,361	2,597	2,911	3,246
Net debt/EBITDA ratio	1.38	1.46	0.94	1.18	1.21

Second quarter and first six months

Items affecting comparability by segment and nature of expense

Items affecting comparability include cost attributable to the Cost-reduction Initiative within the Resilience and Excellence Program. The costs are adjusted in order to track the underlying profitability of the Group's products and services.

Q2 2023/24

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Items affecting comparability:					
Personnel related cost	0	3	2	11	16
Impairment	-	0	-	-	0
Other cost	-	1	-	1	1
Total	0	4	2	11	17

Q2 2022/23

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Items affecting comparability:					
Personnel related cost	31	9	9	67	115
Impairment	-	0	-	-	0
Other cost	-	1	-	1	2
Total	31	10	9	67	117

First six months 2023/24

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Items affecting comparability:					
Personnel related cost	0	6	4	17	27
Impairment	-	0	-	-	0
Other cost	-	1	-	4	4
Total	0	7	4	21	32

First six months 2022/23

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Items affecting comparability:					
Personnel related cost	34	11	9	76	129
Impairment	-	-	-	-	-
Other cost	-	1	-	1	2
Total	34	12	9	76	131

Gross margin & adjusted gross margin

Gross margin is used to track operational performance and efficiency and Adjusted gross margin is used to track the underlying operational performance, i.e. excluding items affecting comparability.

SEK M	Q2		First six months	
	2023/24	2022/23	2023/24	2022/23
Net sales	4,732	4,081	8,560	7,408
Cost of products sold	-3,037	-2,602	-5,276	-4,641
Gross income	1,695	1,479	3,284	2,767
Items affecting comparability	8	45	9	52
Adjusted gross income	1,703	1,524	3,293	2,819
Gross margin (Gross income/ Net sales)	35.8%	36.2%	38.4%	37.4%
Adjusted gross margin (Adjusted gross income/ Net sales)	36.0%	37.3%	38.5%	38.1%

Second quarter and first six months

EBITDA-margin & adjusted EBITDA-margin

SEK M	Q2		First six months	
	2023/24	2022/23	2023/24	2022/23
EBITDA	800	465	1,493	844
Items affecting comparability	17	117	32	131
Adjusted EBITDA	817	582	1,524	975
Net Sales	4,732	4,081	8,560	7,408
EBITDA-margin (EBITDA/Net sales)	16.9%	11.4%	17.4%	11.4%
Adjusted EBITDA-margin (Adjusted EBITDA/Net sales)	17.3%	14.3%	17.8%	13.2%

Adjusted EBIT by segment

Adjusted EBIT is used to track the underlying operational performance, i.e. excluding items affecting comparability.

Q2 2023/24

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Operating Income (EBIT)	490	559	440	-965	525
Items affecting comparability	0	4	2	11	17
Adjusted EBIT	490	563	443	-954	542

Q2 2022/23

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Operating Income (EBIT)	496	409	452	-1,157	199
Items affecting comparability	31	10	9	67	117
Adjusted EBIT	527	418	460	-1,090	316

First six months 2023/24

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Operating Income (EBIT)	908	1,041	831	-1,842	937
Items affecting comparability	0	7	4	21	32
Adjusted EBIT	908	1,047	835	-1,822	969

First six months 2022/23

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Operating Income (EBIT)	855	800	801	-2,139	316
Items affecting comparability	34	12	9	76	131
Adjusted EBIT	888	812	810	-2,063	447

Second quarter and first six months

Adjusted earnings per share

Adjusted earnings per share is used to track the underlying operational performance, i.e. excluding items affecting comparability.

SEK M	Q2		First six months	
	2023/24	2022/23	2023/24	2022/23
Net income for the period attributable to:				
Parent Company shareholders	344	122	582	181
Items affecting comparability	17	117	32	131
Tax on Items affecting comparability	-4	-27	-7	-30
Adjusted net income	358	211	607	282
Average number of shares, before dilution	382	382	382	382
Average number of shares, after dilution	383	382	383	382
Adjusted earnings per share before dilution ¹⁾	0.94	0.55	1.59	0.74
Adjusted earnings per share after dilution ²⁾	0.94	0.55	1.59	0.74

1) Adjusted net income/average number of shares before dilution

2) Adjusted net income/average number of shares after dilution

Adjusted R&D expenditure of net sales

Adjusted R&D expenditure of net sales is used to track the amount spent on R&D in relation to net sales during the period, excluding items affecting comparability.

SEK M	Q2		First six months		12 months	
	2023/24	2022/23	2023/24	2022/23	RTM	2022/23
R&D expenditure, net	323	362	709	748	1,378	1,418
R&D items affecting comparability	0	-29	0	-35	-14	-49
R&D capitalization	350	326	636	674	1,300	1,338
R&D amortization	-118	-110	-251	-219	-498	-466
Adjusted R&D Expenditure, gross	554	549	1,093	1,168	2,166	2,241
Net Sales	4,732	4,081	8,560	7,408	18,022	16,869
Adjusted R&D Expenditure of net sales	12%	13%	13%	16%	12%	13%

Book-to-bill

Book-to-bill is used to measure the Group's growth and is calculated as gross order intake in relation to net sales. A quota exceeding 1 shows that gross order intake is higher than the net sales.

SEK M	Q2		First six months	
	2023/24	2022/23	2023/24	2022/23
Gross order intake	4,989	4,598	8,828	8,468
Net sales	4,732	4,081	8,560	7,408
Book-to-bill	1.05	1.13	1.03	1.14

Shareholder information

Conference call

Elekta will host a web conference at 10:00-11:00 CET on November 30 with President and CEO Gustaf Salford, and CFO Tobias Hägglov. To take part of the presentation please dial the numbers or watch via the web link below.

Sweden: +46 (0) 8 5051 0031

UK: +44 (0) 207 107 06 13

USA: +1 (1) 631 570 56 13

<https://bit.ly/45YHUDr>

Financial calendar

Interim report, Q3, May-Jan 2023/24	Feb 29, 2024
Interim report, Q4, May-April 2023/24	Jun 5, 2024
Annual Report 2023/24	Jul 5, 2024
Annual General Meeting 2024	Sep 5, 2024
Interim report, Q1 May-Jul 2024/25	Sep 5, 2024

About Elekta

Elekta is a global leader in radiotherapy solutions to fight cancer and neurological diseases. In fact, we are the only independent radiotherapy provider of scale. We have a broad offering of advanced solutions for delivering the most efficient radiotherapy treatments. Elekta's offering allows clinicians to treat more patients with increased quality, both with value-creating innovations in solutions and AI-supported service based on a global network.

Purpose

Elekta's purpose is to inspire hope for anyone dealing with cancer, be that patients, clinicians, or relatives.

Mission

Our mission is to improve patients' lives by working together with our customers. We use our precision radiation expertise to work hand in hand with clinicians and our partners to continuously develop innovative, outcome-driven and cost-efficient solutions that provide lasting clinical difference in a sustainable way.

Vision

Elekta's vision is a world where everyone has access to the best cancer care. Our strategy, called ACCESS 2025, is the first part of our journey towards the vision.

Strategy – ACCESS 2025

Through our strategy, ACCESS 2025, we improve patient access to the best cancer care by:

- [Accelerating innovation](#) with customer utilization in mind
- [Driving partner integration](#) across the cancer care ecosystem
- [Being the customer lifetime companion](#)
- [Driving market adoption](#) across the globe

For further information, please contact:

Tobias Hägglov

CFO

+46 76 107 4799

tobias.hagglov@elekta.com

Cecilia Ketels

Head of Investor Relations

+46 76 611 7625

cecilia.ketels@elekta.com