

# INTERIM REPORT

Press release July 21, 2022

## Record order intake and record high order backlog

### Second Quarter 2022

- Order intake increased 46% to 105.6 (72.3) MSEK (35% in constant currencies).
- Order backlog amounted to 498.6 (352.0) MSEK.
- Revenue increased 4% to 62.7 (60.5) MSEK (-2% in constant currencies).
- Operating income amounted to 0.8 (6.0) MSEK, corresponding to a margin of 1.2 (10.0) %.
- Net results after tax amounted -2.9 (5.6) MSEK.
- Result per share amounted to -0.09 (0.17) SEK.

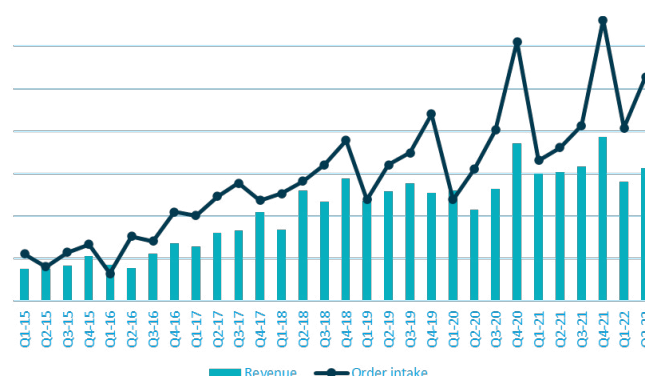
### Interim Period Jan – Jun 2022

- Order intake amounted to 187.1 (138.6) MSEK, corresponding to a growth of 35% (27% in constant currencies).
- Revenue amounted to 119.0 (120.5) MSEK, corresponding to a 1 % decrease (-6% in constant currencies).
- Operating income amounted to 0.9 (12.3) MSEK, corresponding to a margin of 0.8 (10.2) %.
- Net results after tax amounted -4.1(8.8) MSEK.
- Result per share amounted to -0.12 (0.26) SEK.

### Significant Events During The Quarter

- Cecilia de Leeuw appointed new CEO of C-RAD from 21 December 2022
- ESTRO-ACROP released guidelines on surface guided radiation therapy

### Order Intake And Revenue (MSEK)



### Summary Financial Result Second Quarter

MSEK	Q2, APR-JUN			INTERIM PERIOD, JAN-JUN			FULL YEAR
	2022	2021	Change	2022	2021	Change	2021
Order intake	105,6	72,3	46%	187,1	138,6	35%	353,5
Revenues	62,7	60,5	4%	119,0	120,5	-1%	261,2
Gross profit	40,7	37,9	7%	76,9	74,5	3%	165,7
Gross profit margin (%)	65%	63%		65%	62%		63%
Operating income	0,8	6,0		0,9	12,3		36,0
Operating margin	1,2%	10,0%		0,8%	10,2%		13,8%
Net results after tax	-2,9	5,6		-4,1	8,8		25,1
Earnings per share (SEK)	-0,09	0,17		-0,12	0,26		0,74
Cash	108,3	114,1	-5%				122,4
Order backlog	498,6	352,0	42%				425,3
out of which Products	266,5	171,2	56%				212,1
out of which Service contracts	232,1	180,8	28%				213,2



# CEO Comments



“Order intake for the second quarter and for the first six months are far exceeding historical levels for corresponding periods.”

Tim Thurn, CEO



**In the second quarter** we again saw a strong order intake with a growth of 46 percent compared to last year. Order intake for the second quarter and for the first six months are far exceeding historical levels for corresponding periods. Sales of our main product line – positioning products – grew with 77 percent. More and more cancer treatments centers are considering surface tracking to be standard in their treatment procedures, the ultimate confirmation of that is continuously more orders being placed with C-RAD for our state-of-the-art solutions.

The year opened with a challenging situation with the return of the pandemic and subsequent lockdowns in China, that entailed negative effects on our revenue. Hence, it is encouraging returning to revenue growth again. Americas is showing a solid growth of 24 percent. The growth in APAC is due to some recovery in China but mainly attributed to other markets in the region performing well. Previous year EMEA had a very strong quarter that was not matched this year. I do want to emphasize that our revenue is completely connected with us delivering the orders to the customer. Typically, our orders are destined for newly built cancer centers, requesting delivery of the products when the construction plan is ready to receive it. We naturally push for quick deliveries, but it is important to highlight that our deliveries are subject to external factors beyond our control, which brings volatility in revenue as a natural part of our business. We are ending the quarter with a record high order backlog of 499 MSEK, which in its entirety will convert into revenue in the future.

**I want to highlight the continuous success of our service business.**

I want to highlight the continuous success of our service business. For the first six months the growth in order intake amounts to 49 percent and corresponding for revenue is a growth of 41 percent. This confirms the trend of an increasing number of customers willing to outsource services to C-RAD

and therewith maintain an up-to-date, highly available system over the lifetime of the product. From a financial perspective the service business has a positive impact on our margins and contributes to a more solid foundation with recurring revenue, which in the quarter amounted to 18 percent of the total revenue.

Operating income amounted to 0.8 MSEK and a margin of 1.2 percent. The decrease compared to last year is a function of us investing in an organization to generate exponential growth, in combination with increased cost mainly due to a normalization of how we engage with customers and the return of physical marketing events. Our order intake growth is certainly confirming that we are already generating a return on our investments. That said, naturally revenue is what defines our operating income, volatility in this ratio is to be expected.

I cannot repeat enough times that the ultimate success of C-RAD resides in surface tracking becoming a true standard within radiation therapy. Our performance is without doubt confirming that we are well on our way on this path. Earlier this year we have decided to further strengthen our commercial team in strategically important markets to further capitalize on this opportunity. The well recognized organization ESTRO-ACROP recently released guidelines on surface guided radiation therapy, confirming the clear clinical benefits of this technology. Another sign that it is not a question if surface tracking will become standard of care, rather when.

I am immensely proud of what C-RAD has become during the last 10 years, a period when I have had the privilege to be CEO of a truly dedicated company in the fight against cancer. As CEO and shareholder, I am completely committed to continue this journey throughout 2022. My commitment includes assuring a successful hand over to my successor, Cecilia de Leeuw, who is a great addition to C-RAD for continuing building a successful growth company providing society with improved cancer care.

**Tim Thurn, CEO**

# Financial Development, Group

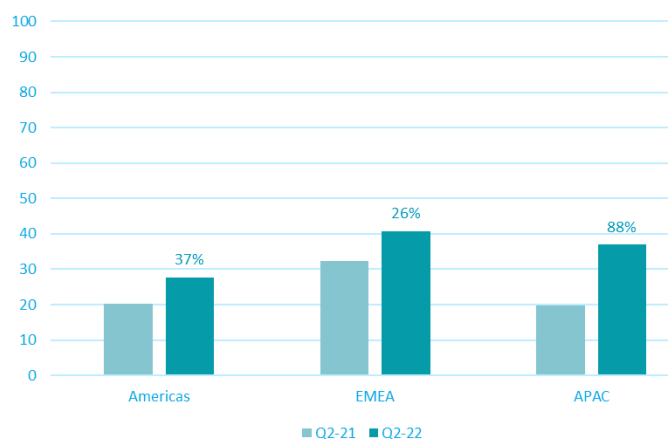
## Order Intake

Order intake for the second quarter amounted to 105.6 [72.3] MSEK, a growth of 46 percent. In constant currencies order intake increased 35 percent compared to corresponding quarter 2021. All regions are showing healthy growth, with 37 percent in Americas, 26 percent in EMEA and 88 percent in APAC. In APAC there is a recovery in China compared the first quarter whereas the main growth is generated in other parts of the region.

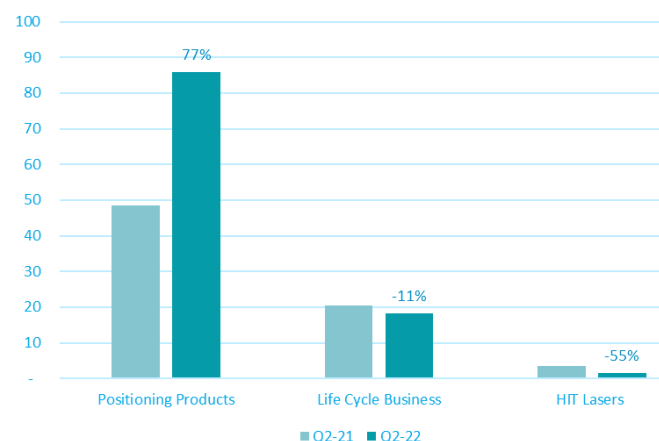
The core business, positioning products, is showing a measurable growth of 77 percent, again confirming the progress in the concept of making C-RAD solutions standard of care. Sales of service contracts (Life Cycle Business) for the six-months period increased with 49 percent compared to last year, confirmation customers willingness to commit to the complete C-RAD offering over a longer period of time.

For the full six-month period order intake amounted to 187.1 [138.6] MSEK, a growth of 35 percent and 27 percent in constant currencies.

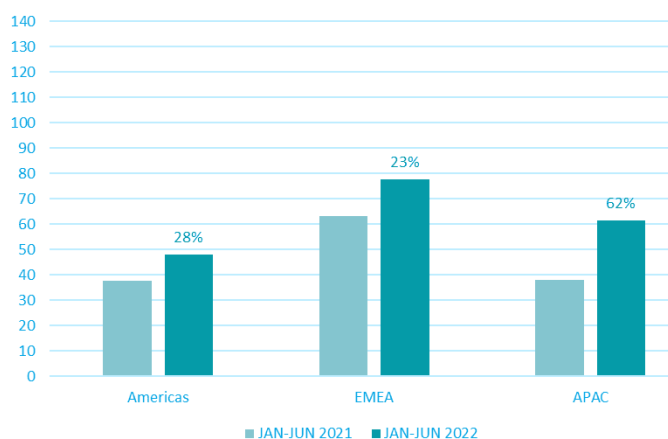
**Q2 Order Intake (MSEK) – By Market**



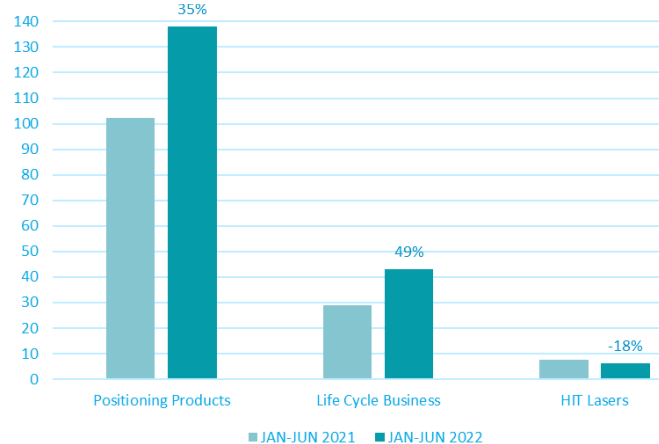
**Q2 Order Intake (MSEK) – By Product Category**



**JAN-JUN Order Intake (MSEK) – By Market**



**JAN-JUN Order Intake (MSEK) – By Product Category**

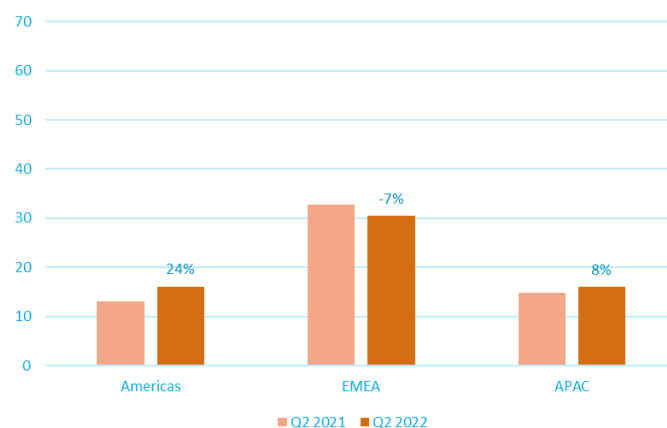


# Revenues

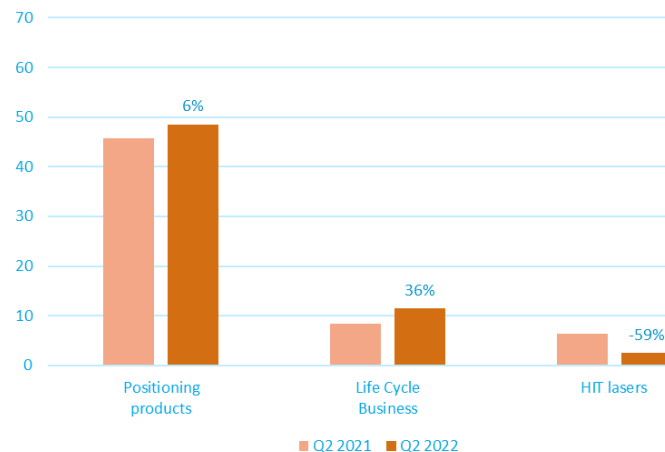
Revenues grew 4 percent to 62.7 (60.5) MSEK in the quarter. In constant currencies revenue decreased with 2 percent. APAC revenue increased 8 percent, with some recovery in China but mainly solid performance in other parts of the region. Revenue in Americas grew 24 percent. Revenue in EIMEA decreased 8 percent, compared to a very strong quarter previous year.

For the six-month period revenue decreased 1 percent to 119.0 (120.5) MSEK, - 6 percent in constant currencies.

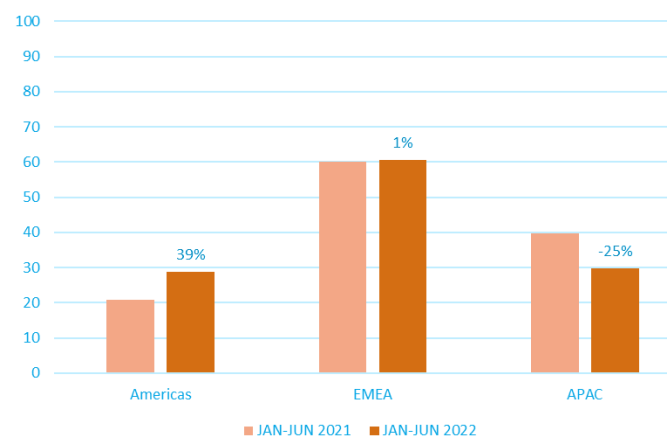
**Q2 Revenue (MSEK) – By Market**



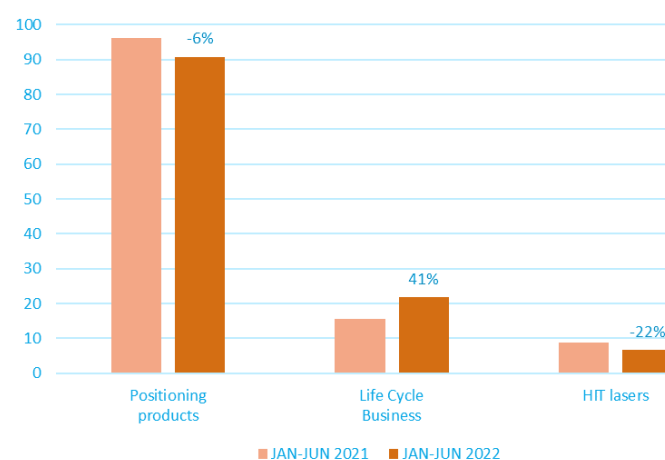
**Q2 Revenue (MSEK) – By Product Category**



**Jan-Jun Revenue (MSEK) – By Market**



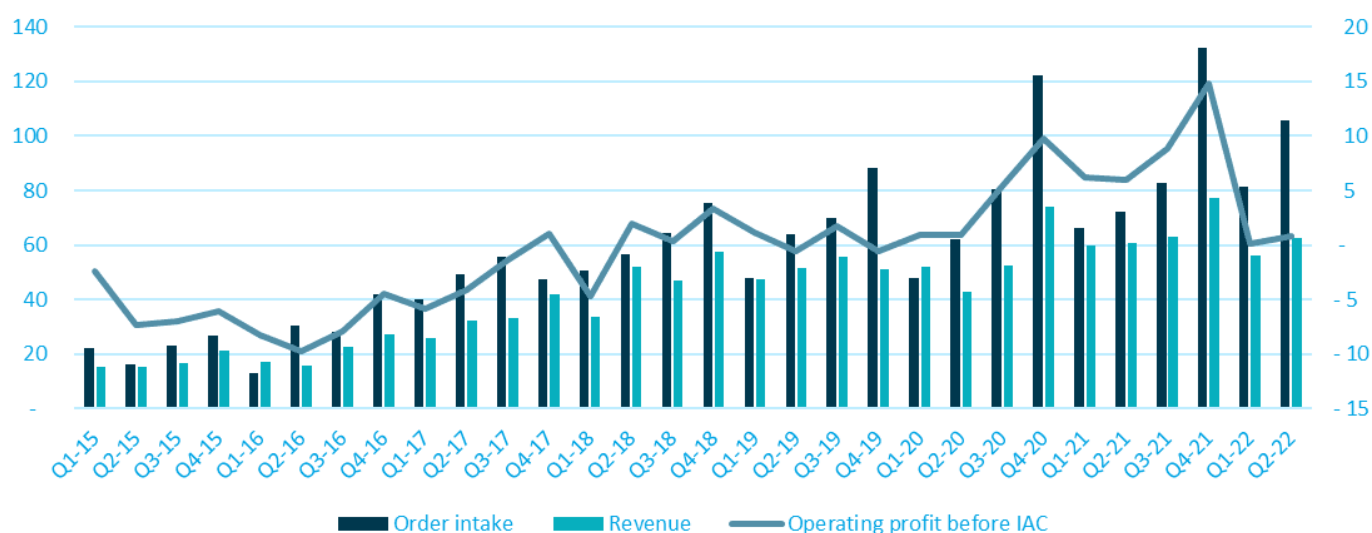
**Jan-Jun Revenue (MSEK) – By Product Category**



## Seasonality

There is a seasonal pattern in C-RAD's operations. The second half of the year is usually the strongest periods, both in terms of order intake and revenue. This is due to the fact that a large number of customers are hospitals and clinics, which have annual budgets aligned to the calendar year. Delivery capacity and periods of restricted access to hospitals may also bring additional volatility. As the larger part of C-RAD's cost base is fixed, fluctuations in revenue have a direct impact on the quarterly operating profit. Volatility in order intake between quarters and markets is to be expected in our business.

### Order Intake, Revenue And Operating Profit Before IAC (MSEK)



(IAC = Items affecting Comparability)

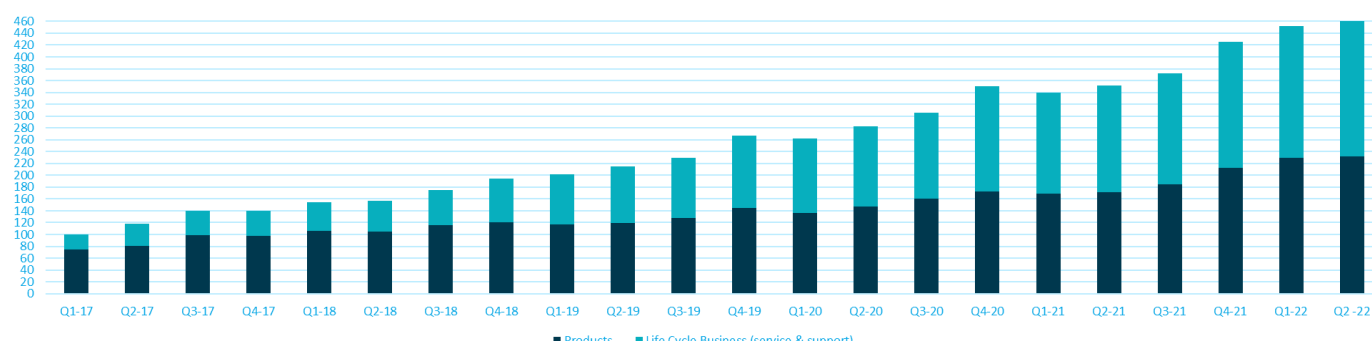
## Order Backlog And Order Conversion Rate

The order backlog represents orders that have been received but not delivered and invoiced. The backlog amounted to 498.6 (352.0) MSEK at the end of the quarter, an increase of 42 percent compared to same period last year. From the total order backlog, 266.5 (171.2) MSEK relates to products and 232.1 (180.8) MSEK refer to Life Cycle Business (service contracts).

The weighted average delivery time for products recognized as revenue in the second quarter was six months. The average delivery time for the six-month period was six months. This is the time from the reception of an order until delivery has been made, and thus recognition of revenue. The average delivery time depends on several factors and varies between periods.

41.8 MSEK, representing 18 percent of the order backlog for Life Cycle Business, will be recognized as revenue within 12 months, as service contracts are recognized as revenue over the contract period. The service contract can be up to eight years while the most common contract period is three to five years.

### Order Backlog (MSEK)



## Gross Profit

Gross profit margin was 65 (63) percent during the second quarter 2022. For the full six-month period the gross profit margin was 65 (62) percent. Fluctuations in gross profit can be expected between periods as it is dependent on the product mix and a variation of sales channels in our different markets.

## Operational Expenses

Operational expenses for the quarter amounted to 18.6 (12.7) MSEK and 33.5 (25.5) for the six-month period. The increase is driven by several factors. Last year's operating expenses were significantly impacted by the pandemic, with neglectable travelling and no physical marketing events taking place. During the second quarter the ESTRO exhibition was again a physical event where C-RAD enjoyed great attention with its presence, which by default generated cost in terms of fees, travel and marketing material, not in play at all previous year. Included in operational expenses is 1.0 MSEK one-off cost related to the change of CEO. External consultants have been used to a greater extent in our R&D projects as compared to last year, also reflected in the capitalized development cost described below. These consultants will gradually be replaced by employed resources. C-RAD has measurable cost in foreign currencies, primarily USD and EURO, and the weakening of the SEK has increased cost by approximately 0.8 MSEK for the six months period, with the main effect in the second quarter.

## Personnel Expenses

Personnel expenses for the quarter amounted to 23.6 (17.6) MSEK and for the six-month period 44.8 (33.6). C-RAD has measurable personnel cost in foreign currencies, primarily USD and EURO, and the weakening of the SEK has increased personnel cost by approximately 1.1 MSEK for the six months period, with the main effect in the second quarter.

The average number of employees amounted to 70 during the second quarter 2022, compared to 62 during the corresponding period in 2021. At the end of June 2022, the number of employees in the Group amounted to 70 (64).

## Other Operating Income/Expenses

The main composition of other operating income and expenses relates to fluctuations in exchange rates, and thus the revaluation of balance sheet items, further described in Note 2 section.

## Capitalized Development Costs

Capitalizations during the quarter amounted to 2.4 (1.2) MSEK and are related to continued development of the Positioning products. The increased capitalization compared to last year is due to more efforts being put into development as compared to maintenance and that external consultants also have been engaged to a greater extent as compared to last year. Amortization of capitalized development expenditures amounted to 1.1 (1.0) MSEK during the quarter. For six-month period 4.1 (2.3) MSEK have been capitalized and 2.3 (1.9) MSEK has been amortized.

Total capitalized development costs amounted to 17.7 (15.5) MSEK at the end of June.

## Operating Income And Net Result

Operating income for the quarter amounted to 0.8 (6.0) MSEK, corresponding to a margin of 1.2 (10.0) percent. For the six-month period operating income amounted to 0.9 (12.3) MSEK, corresponding to a margin of 0.8 (10.2) percent.

Net results after tax in the quarter amounted to -2.9 (5.6) MSEK, corresponding to -0.09 (0.17) SEK per share. For the six-month period net results after tax in the quarter amounted to -4.1(8.8) MSEK, corresponding to -0.12 (0.26) SEK per share. The tax expense refers to the reversal of deferred tax assets for the Swedish entities and does not affect cash flow. The total deferred tax assets amount to 8.3 (20.4) MSEK.

## Cash Flow And Net Financial Income

Cash flow from operating activities amounted to -6.4 (4.3) MSEK for the quarter and -11.3 (5.6) MSEK for the six-month period. The negative working capital is a result from a higher inventory level to secure delivery capacity and also negatively affected by delayed payments from China. Total liquid funds at the end of the period amounted to 108.3 (114.1) MSEK. In addition, the company has an unused credit facility of 20 MSEK.

Net financial income for the quarter amounted to 0.0 (0.0) MSEK and -0.1 [-0.1] for the six-month period. The company has no external debt nor uses factoring, hence the neglectable financial cost.

## Legal Disputes

On July 1st, 2021, the Patent and market court rejected a claim from a former employee for compensation for an invention made during the employment. Furthermore, the court verdict states that the former employee should bare C-RADs legal fees, amounting to 2.9 MSEK, which will be recognized in the profit and loss statement when refunded, a claim has been raised towards the counterpart but thus far no payment has been received. The verdict was appealed by the counterpart on July 22nd, which has been granted by the court and expected to take place in May 2023.

With regards to the governmental support received in Sweden during 2020 C-RAD, like many other companies, experienced errors with the reporting infrastructure of the authority, leading to an erroneous claim of reimbursement from the authorities with a potential negative effect on the result of 0.9 MSEK. C-RAD assessed the claim as not valid and disputed it, the administrative court has in February 2022 ruled in favor of C-RAD wherefore the claim has been revoked.

All expenses for the disputes are recognized as cost when they arise.

## Ongoing Incentive Programs

Below is a summary of active long-term incentive programs. The incentive program consists of warrants, valued in accordance with the Black & Scholes valuation model.

	Number of subscribed warrants	Start date	Earliest date for exercise	Latest date for exercise	Exercise price (kr/aktie)	Average warrant price (SEK/warrant)	Total capital increase as per balance sheet day (SEK)	Total capital increase upon exercise 100% (SEK)
Incentive program 2020/2023	100 000	2020-05-26	2023-02-01	2023-04-30	40,04	4,8	479 191	4 483 191
Incentive program 2021/2024	39 480	2021-05-24	2024-02-01	2024-04-30	63,21	11,5	454 020	2 949 551
Incentive program 2022/2025	54 500	2022-05-26	2025-02-01	2025-04-30	50,13	5,6	306 290	3 038 375



## Significant Risks And Uncertainties

Reference is made to the Annual Report 2021 for significant risks and uncertainties.

## Other Significant Events During The Quarter

There were no other significant events in reporting period other than what has been described in the report above.

## Other Significant Events After The Reporting Period

On July 15th it was announced that Henrik Bergentoft, CFO of C-RAD since March 2020, will leave his position for another opportunity with a larger public company. His last day of employment is November 15th, the search for a replacement is initiated immediately.

## Parent Company

No operations are carried in the Parent Company except for Group Management and administration. For the six-month period, revenues for the Parent Company amounted to 14.3 (14.2) MSEK and the operating income was 0.3 (0.5) MSEK.

## Upcoming Events

October 28, 2022	Interim report for July-September/webcast
January 26, 2023	Consolidated Year-End Report 2022/webcast

## Shareholders

Current list of shareholders is available on the following link: <https://c-rad.com/investors/shareholders/>

## Presentation of the Interim Report

CEO Tim Thurn and CFO Henrik Bergentoft will present the interim report by Webcast on Thursday July 21st at 11:00 CET. After the presentation, there will be room for questions and answers. The presentation will be held in English. To participate in the presentation live, please register through the link below:

[https://us06web.zoom.us/webinar/register/WN\\_Ra-yKwpBRXSlQEo7V4mpjQ](https://us06web.zoom.us/webinar/register/WN_Ra-yKwpBRXSlQEo7V4mpjQ)

## Future Outlook

We remain confident about our market opportunity and are convinced that C-RAD is in a good position to outgrow the market. C-RAD will continue to improve efficiency in cancer treatments for health care providers, better in quality and safer for patients and medical personnel.

# Certification By The Board

The Board of directors and the Chief Executive Officer of C-RAD AB confirms that this interim report provides a true and fair view of the Group's operations, financial position and earnings, and provides an overview of the significant risks and uncertainties that the company and the group companies are facing.

If there are any deviations between the reports in English and Swedish, the Swedish version is valid.

This interim report has not been reviewed by the company auditors.

**Uppsala, July 21, 2022**

**Lars Nyberg**

Chairman of the Board

**Per-Arne Blomquist**

Director

**Kicki Wallje-Lund**

Director

**Jenny Rosberg**

Director

**Åsa Hedin**

Director

**David Sjöström**

Director

**Tim Thurn**

CEO

## C-RAD AB (publ)

C-RAD AB (publ)

Sjukhusvägen 12 K, SE-753 09 Uppsala, Sweden

Telephone +46 (0)18 - 66 69 30

[www.c-rad.com](http://www.c-rad.com)

Corp. reg. no 556663-9174

For more information:

Tim Thurn, CEO, Phone: +46 (0)18 66 69 30

C-RAD AB is listed on Nasdaq Stockholm Small Cap since December 2014.

The information in this interim report is such that C-RAD is required to disclose pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act.

The information was submitted for publication, through the agency of the contact person set out above, on July 21, 2022 at 8:30 am.

Consolidated Income Statement in brief MSEK	Q2 2022	Q2 2021	Jan-Jun 2022	Jan-Jun 2021	Full Year 2021
Revenues	62,7	60,5	119,0	120,5	261,2
Raw material and consumables	-22,0	-22,6	-42,2	-46,0	-95,5
<b>Gross profit</b>	<b>40,7</b>	<b>37,9</b>	<b>76,9</b>	<b>74,5</b>	<b>165,7</b>
<i>Gross profit margin</i>	<i>65%</i>	<i>63%</i>	<i>65%</i>	<i>62%</i>	<i>63%</i>
Other external expenses	-18,6	-12,7	-33,5	-25,5	-52,5
Personnel expenses	-23,6	-17,6	-44,8	-33,6	-71,7
Capitalized development costs	2,4	1,2	4,1	2,3	4,6
Depreciation	-2,5	-2,4	-5,1	-4,7	-9,7
Other operating income/expenses	2,4	-0,5	3,4	-0,7	-0,3
Total operating expenses	-39,9	-31,9	-75,9	-62,2	-129,7
<b>Operating income</b>	<b>0,8</b>	<b>6,0</b>	<b>0,9</b>	<b>12,3</b>	<b>36,0</b>
Financial income	0,0	0,0	0,0	0,0	0,0
Financial costs	0,0	0,0	-0,1	-0,1	-0,3
<b>Income before tax</b>	<b>0,8</b>	<b>6,0</b>	<b>0,9</b>	<b>12,1</b>	<b>35,7</b>
Tax	-3,7	-0,4	-5,0	-3,3	-10,6
<b>Net income</b> (Attributable to Parent company's shareholders)	<b>-2,9</b>	<b>5,6</b>	<b>-4,1</b>	<b>8,8</b>	<b>25,1</b>
Results per share before dilution	-0,09	0,17	-0,12	0,26	0,74
Results per share after dilution	-0,09	0,17	-0,12	0,26	0,74

Consolidated Statement of Comprehensive Income MSEK	Q2 2022	Q2 2021	Jan-Jun 2022	Jan-Jun 2021	Full Year 2021
<b>Net income</b>	<b>-2,9</b>	<b>5,6</b>	<b>-4,1</b>	<b>8,8</b>	<b>25,1</b>
<b>Other comprehensive income</b>					
<b>Income/expenses recognized in equity</b>					
Exchange differences on translating foreign operations	2,5	-0,6	3,2	1,0	2,0
<b>Other comprehensive income of the period (after tax)</b>	<b>-0,4</b>	<b>5,1</b>	<b>-0,9</b>	<b>9,8</b>	<b>27,1</b>
<b>Total comprehensive income for the period</b> (Attributable to Parent company's shareholders)	<b>-0,4</b>	<b>5,1</b>	<b>-0,9</b>	<b>9,8</b>	<b>27,1</b>

## Segment Reporting

### MSEK

	Q2	Q2	Jan-Jun	Jan-Jun	Full Year
<u>Revenue per geographical market</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2021</u>
Americas	16,1	13,0	28,8	20,8	51,2
EIMEA	30,5	32,7	60,5	60,1	127,9
APAC	16,1	14,8	29,7	39,7	82,1
<b>Total</b>	<b>62,7</b>	<b>60,5</b>	<b>119,0</b>	<b>120,5</b>	<b>261,2</b>

	Q2	Q2	Jan-Jun	Jan-Jun	Full Year
<u>Revenue per product category</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2021</u>
Positioning products	49,0	45,8	90,8	96,3	211,8
HIT Laser	2,6	6,3	6,8	8,7	15,6
Life Cycle Business	11,1	8,5	21,5	15,5	33,7
<b>Total</b>	<b>62,7</b>	<b>60,5</b>	<b>119,0</b>	<b>120,5</b>	<b>261,2</b>

Segment reporting is based on the same accounting principles as applied in the consolidated financial statements for 2021.



Consolidated Balance Sheet in brief MSEK	30-06-2022	30-06-2021	31-12-2021
<b>Non-current assets</b>			
Intangible assets	18,3	17,5	17,0
Tangible assets	2,8	2,8	3,3
Right-of-use assets	8,3	9,5	9,3
Long-term receivables	0,0	0,1	0,0
Deferred tax receivables	8,3	20,4	13,1
<b>Total non-current assets</b>	<b>37,7</b>	<b>50,3</b>	<b>42,6</b>
<b>Current assets</b>			
Inventory	29,7	16,6	17,2
Current receivables	132,7	97,5	124,4
Cash and liquid assets	108,3	114,1	122,4
<b>Total current assets</b>	<b>270,7</b>	<b>228,2</b>	<b>264,1</b>
<b>Total assets</b>	<b>308,4</b>	<b>278,5</b>	<b>306,7</b>
<b>Equity</b>			
Equity	231,2	213,8	231,1
<b>Non-current liabilities</b>			
Long-term lease liabilities	5,3	7,3	6,4
<b>Total non-current liabilities</b>	<b>5,3</b>	<b>7,3</b>	<b>6,4</b>
<b>Current liabilities</b>			
Current liabilities	71,8	57,3	69,2
<b>Total current liabilities</b>	<b>71,8</b>	<b>57,3</b>	<b>69,2</b>
<b>Total equity and liabilities</b>	<b>308,4</b>	<b>278,5</b>	<b>306,7</b>

Consolidated Cash Flow Statement in brief MSEK	Q2 2022	Q2 2021	Jan-Jun 2022	Jan-Jun 2021	Full Year 2021
Operating income	0,8	6,0	0,9	12,3	36,0
Adjustment for non-cash items	2,5	2,6	4,9	5,0	10,1
Interest paid	0,0	0,0	-0,1	0,0	0,0
<b>Cash flow from operating activities before working capital changes</b>	<b>3,2</b>	<b>8,6</b>	<b>5,7</b>	<b>17,3</b>	<b>46,1</b>
Changes in working capital	-9,6	-4,3	-17,0	-11,7	-27,9
<b>Cash flow from operating activities</b>	<b>-6,4</b>	<b>4,3</b>	<b>-11,3</b>	<b>5,6</b>	<b>18,1</b>
Investments	-2,5	-1,2	-4,2	-2,4	-5,8
<b>Cash flow from investing activities</b>	<b>-2,5</b>	<b>-1,2</b>	<b>-4,2</b>	<b>-2,4</b>	<b>-5,8</b>
New share issue	0,0	0,0	0,0	0,0	0,0
Premiums received for warrants	1,0	0,5	1,0	4,2	4,2
Amortization of loan	0,0	0,0	0,0	0,0	0,0
Amortization of lease liabilities	-0,8	-0,8	-1,7	-1,5	-3,2
<b>Cash flow from financing activities</b>	<b>0,2</b>	<b>-0,3</b>	<b>-0,6</b>	<b>2,7</b>	<b>1,0</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-8,7</b>	<b>2,7</b>	<b>-16,1</b>	<b>5,8</b>	<b>13,4</b>
Cash and liquid assets at beginning of period	115,5	111,6	122,4	108,0	108,0
Exchange rate differences	1,5	-0,3	2,1	0,2	1,0
<b>Cash and liquid assets at end of period</b>	<b>108,3</b>	<b>114,1</b>	<b>108,3</b>	<b>114,1</b>	<b>122,4</b>

Change in Group Equity MSEK	Q2 2022	Q2 2021	Jan-Jun 2022	Jan-Jun 2021	Full Year 2021
<b>Opening balance</b>	<b>230,6</b>	<b>208,4</b>	<b>231,1</b>	<b>199,8</b>	<b>199,8</b>
Warrants program	1,0	0,5	1,0	4,2	4,2
New share issue	0,0	0,0	0,0	0,0	0,0
Cost of share issue	0,0	0,0	0,0	0,0	0,0
<b>Changes in the period</b>	<b>1,0</b>	<b>0,5</b>	<b>1,0</b>	<b>4,2</b>	<b>4,2</b>
Total comprehensive income for the period	-0,4	5,1	-0,9	9,8	27,1
<b>Closing balance at end of period</b>	<b>231,2</b>	<b>213,8</b>	<b>231,2</b>	<b>213,8</b>	<b>231,1</b>

**Parent Company Income Statement in brief**

	Jan-jun 2022	Jan-jun 2021	Full Year 2021
<b>MSEK</b>			
<b>Revenues</b>	14,3	14,2	25,5
Operating expenses	-14,0	-13,8	-25,0
<b>Operating income</b>	<b>0,3</b>	<b>0,5</b>	<b>0,5</b>
Financial items	0,0	-2,0	-2,0
<b>Income before tax</b>	<b>0,3</b>	<b>-1,5</b>	<b>-1,5</b>
Tax	0,0	0,0	-0,1
<b>Net income</b>	<b>0,3</b>	<b>-1,5</b>	<b>-1,6</b>

**Parent Company Balance Sheet in brief**

	30-06-2022	30-06-2021	31-12-2021
<b>MSEK</b>			
Intangible assets	0,6	1,4	1,0
Tangible assets	0,3	0,4	0,3
Financial assets	177,9	180,0	183,4
Deferred tax asset	4,2	4,4	4,2
<b>Total non-current assets</b>	<b>183,1</b>	<b>186,1</b>	<b>189,0</b>
Current receivables	3,5	2,0	3,2
Cash and liquid assets	65,4	63,9	60,6
<b>Total assets</b>	<b>252,0</b>	<b>252,0</b>	<b>252,8</b>
<b>Equity and liabilities</b>			
Equity	243,4	242,2	242,1
Total current liabilities	8,6	9,9	10,7
<b>Total equity and liabilities</b>	<b>252,0</b>	<b>252,0</b>	<b>252,8</b>

Group Review per quarter

Income Statement (MSEK)	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2021	FY 2020
Revenues	62,7	56,3	77,4	63,2	60,5	60,0	74,3	52,6	42,9	51,8	261,2	221,6
Cost of Sale	-22,0	-20,2	-26,5	-22,9	-22,6	-23,5	-31,4	-21,0	-15,9	-21,7	-95,5	-90,0
Gross Profit	40,7	36,2	50,9	40,3	37,9	36,6	42,9	31,7	27,0	30,1	165,7	131,6
Gross profit margin	65%	64%	66%	64%	63%	61%	58%	60%	63%	58%	63%	59%
Other external expenses	-18,6	-14,9	-14,5	-12,4	-12,7	-12,8	-14,1	-10,5	-8,3	-11,4	-52,5	-44,3
Personnel expenses	-23,6	-21,2	-20,1	-18,0	-17,6	-16,0	-15,8	-14,7	-15,4	-18,9	-71,7	-64,8
Capitalized development costs	2,4	1,7	1,1	1,1	1,2	1,1	1,5	1,4	0,6	1,8	4,6	5,3
Depreciation	-2,5	-2,6	-2,5	-2,5	-2,4	-2,4	-2,6	-2,2	-2,2	-2,0	-9,7	-9,0
Other operating income/ expenses	2,4	1,0	0,1	0,3	-0,5	-0,2	-2,0	-0,3	-0,7	1,4	-0,3	-1,6
Operating expenses	-39,9	-36,0	-35,9	-31,5	-31,9	-30,3	-33,1	-26,3	-26,1	-29,1	-129,7	-114,5
Operating income	0,8	0,2	14,9	8,8	6,0	6,2	9,8	5,4	0,9	1,0	36,0	17,1
Financial items, net	0,0	-0,1	-0,1	-0,1	0,0	-0,1	-0,1	0,0	-0,2	-0,4	-0,3	-0,7
Income before tax	0,8	0,1	14,9	8,7	6,0	6,2	9,7	5,4	0,6	0,6	35,7	16,4
Tax	-3,7	-1,3	-3,5	-3,8	-0,4	-3,0	2,7	-1,5	-3,0	-0,2	-10,6	-2,0
Net income (Attributable to Parent company's shareholders)	-2,9	-1,2	11,4	4,9	5,6	3,2	12,5	3,8	-2,4	0,4	25,1	14,4
Balance Sheet (MSEK)	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2021	FY 2020
Non-current assets	37,7	41,0	42,6	47,5	50,3	50,9	54,7	51,1	44,7	49,1	42,6	54,7
Current assets	270,7	260,5	264,1	238,0	228,2	221,2	215,8	201,8	184,6	193,9	264,1	215,8
Total assets	308,4	301,5	306,7	285,4	278,5	272,1	270,5	252,9	229,3	243,0	306,7	270,5
Equity	231,2	230,6	231,1	219,6	213,8	208,4	199,8	190,3	185,8	187,4	231,1	199,8
Non-current liabilities	5,3	6,0	6,4	7,1	7,3	7,0	7,4	7,3	0,8	0,7	6,4	7,4
Current liabilities	71,8	64,9	69,2	58,8	57,3	56,7	63,3	55,3	42,7	54,9	69,2	63,3
Total equity and liabilities	308,4	301,5	306,7	285,4	278,5	272,1	270,5	252,9	229,3	243,0	306,7	270,5
Cash Flow Statement (MSEK)	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2021	FY 2020
Operating cashflow	-6,4	-4,9	13,1	-0,5	4,3	1,3	17,5	13,0	-0,2	-12,1	18,1	18,4
Cashflow from investing activities	-2,5	-1,7	-1,2	-2,2	-1,2	-1,2	-2,2	-1,7	-0,8	-2,1	-5,8	-6,8
Cashflow from financing activities	0,2	-0,8	-0,8	-0,8	-0,3	3,0	-0,7	-0,3	-3,6	72,8	1,0	68,0
Totals	-8,7	-7,4	11,1	-3,5	2,7	3,1	14,5	11,0	-4,5	58,6	13,4	79,7
Key Ratios	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2021	FY 2020
Total order intake (MSEK)	105,6	81,5	132,9	82,1	72,3	66,3	122,1	80,5	62,3	47,7	353,5	312,6
Quarterly change (%)	30%	-39%	62%	14%	9%	-46%	52%	29%	31%	-46%	n/a	n/a
Change compared to same period last year (%)	46%	23%	9%	2%	16%	39%	39%	15%	-4%	0%	13%	16%
Total Revenues (MSEK)	62,7	56,3	77,4	63,2	60,5	60,0	74,3	52,6	42,9	51,8	261,2	221,6
Quarterly change (%)	11%	-27%	23%	4%	1%	-19%	41%	23%	-17%	2%	n/a	n/a
Change compared to same period last year (%)	4%	-6%	4%	20%	41%	16%	46%	-5%	-18%	10%	18%	8%
Gross Margin (percent of Revenues)	65%	64%	66%	64%	63%	61%	58%	60%	63%	58%	63%	59%
Operating profit-margin (percent of Revenues)	1%	0%	19%	14%	10%	10%	13%	10%	2%	2%	14%	8%
Profit margin (percent of Revenues)	-5%	-2%	15%	8%	9%	5%	17%	7%	-6%	1%	10%	6%
Earnings per share before dilution (SEK)	-0,09	-0,04	0,34	0,15	0,17	0,09	0,37	0,11	-0,07	0,01	0,74	0,43
Equity per share before dilution (SEK)	6,85	6,83	6,85	6,51	6,34	6,17	5,94	5,65	5,99	6,04	6,85	5,94
Equity per share after dilution (SEK)	6,85	6,79	6,84	6,50	6,33	6,17	5,94	5,65	5,97	6,02	6,84	5,94
Equity/asset ratio (percent)	75%	76%	75%	77%	77%	77%	74%	75%	81%	77%	75%	74%
Cash Balance (MSEK)	108,3	115,5	122,4	111,0	114,1	111,6	108,0	94,0	83,2	87,9	122,4	108,0
Number of employees at end of period	70	70	66	65	64	57	55	56	62	63	66	55
Average number of outstanding shares (millions)	33,8	33,8	33,7	33,7	33,7	33,7	33,3	33,1	32,1	32,1	33,7	33,3
Average number of diluted shares (millions)	33,8	33,9	33,8	33,8	33,8	33,8	33,3	33,1	32,2	32,2	33,8	33,3
Number of outstanding shares at end of period (millions)	33,8	33,8	33,8	33,8	33,8	33,8	33,7	33,7	33,5	33,5	33,8	33,7
Number of outstanding warrants at end of period (millions)	0,2	0,2	0,2	0,2	0,2	0,2	0,3	0,3	0,4	0,4	0,2	0,3



# NOTES

## **Note 1. Accounting principles**

This interim report is prepared, for the Group, in accordance with IAS 34, RFR1 "Redovisning för koncerner" and the Annual Accounts Act and, for the Parent company, the Annual Accounts Act and RFR 2. The applied accounting principles are consistent with what is stated in note 1 in the Financial Statements for 2021.

## **Note 2. Exchange rates**

The financial statements are presented in SEK, the functional currency of C-RAD. Sales and orders are largely generated in foreign currency, mainly EUR and USD and, in addition, foreign subsidiaries and associates are included in the consolidation. Orders, order back-log and income statement are translated at the period-average exchange rate while balance sheet items are translated at the closing rate. The average EUR rate during January to June 2022 was 10.5 (10.1), while the average USD rate in the period was 9.6 (8.4). Closing rate for EUR was 10.7 (10.1) and USD 10.2 (8.5).

## **Note 3. Related party transactions**

There were no transactions with closely related parties during the second quarter of 2022.

## **Note 4. Capitalized development costs**

Development expenses that fulfil the recognition criteria in IAS38 are capitalized. Impairment test are performed quarterly. The progress of current development projects is reviewed on a regular basis.

## **Note 5. Deferred tax**

Deferred tax assets are reviewed at the end of each reporting period and adjusted in line with the probable future taxable result.

## **Note 6. Contingent liabilities**

Contingent liability of SEK 2 000 000 in the Parent company refer to guarantee commitment for subsidiary.

## **Note 7. Pledges**

The pledges refer to to a chattle mortgage for the Companys credit line with Nordea (security of SEK 20.000.000).

## **Note 8. Alternative performance measures (APM:s)**

C-RAD AB is applying certain financial measurements in the interim report that is not defined in IFRS. It is C-RAD's opinion that these measurements give valuable information to investors and company management as they give a view of the Company's performance. These measurement shall not be considered as a replacement for any financial measurement as defined by IFRS.

### ***Gross profit and gross margin***

Gross profit is the difference between net sales and cost of products sold and is presented on a separate line in the income statement. Gross profit as a percentage of net sales represents gross margin. The Gross margin is used by management to review effects on the income statement from factors such as product mix and price development.

### ***Operating income and operating margin***

The measure is presented in the income statement as C-RAD consider it to provide users of the financial statements with a better understanding of the Group's operating performance from a financial perspective. The operating margin shows the operating income as a percentage of net sales.