

INTERIM REPORT

JANUARY - JUNE 2020

Press release July 31, 2020

POSITIVE OPERATING INCOME IN CHALLENGING TIMES

SECOND QUARTER 2020

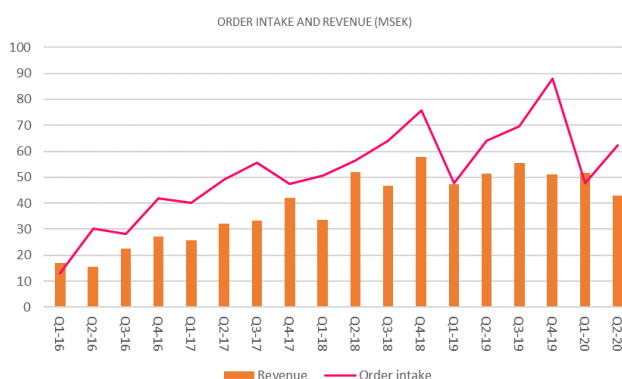
- Order intake decreased 3% to 62.3 (64.1) MSEK (-4% in constant currencies).
- Order backlog amounted to 282.1 (214.5) MSEK.
- Revenue decreased 17% to 42.9 (51.5) MSEK (-18% in constant currencies).
- Operating profit amounted to 0.9 (-0.6) MSEK, corresponding to a margin of 2.1 (-1.2) %.
- Net results after tax amounted -2.4 (-0.9) MSEK.
- Result per share amounted to -0.07 (-0.03) SEK.

INTERIM PERIOD JAN – JUN 2020

- Order intake decreased 2% to 110.0 (111.9) MSEK (-3% in constant currencies).
- Revenue decreased 4% to 94.7 (98.8) MSEK (-6% in constant currencies).
- Operating profit amounted to 1.9 (0.7) MSEK, corresponding to a margin of 2.0 (0.7) %.
- Net results after tax amounted -2.0 (0.0) MSEK.
- Result per share amounted to -0.06 (0.00) SEK.

SIGNIFICANT EVENTS DURING THE QUARTER

- Private health care provider DTZ Berlin selects C-RAD's cutting-edge SIGRT solution, order value of 11 MSEK.
- C-RAD has signed a letter of intent to supply surface tracking solutions to a proton therapy treatment center in China, a deal value of approximately 12 MSEK.
- A former employee has filed a lawsuit against C-RAD AB claiming compensation for an invention made during the employment. C-RAD strongly rejects the lawsuit and considers the compensation claim to be highly excessive, if at all legitimate.



SUMMARY FINANCIAL RESULT

MSEK	Q2, APR-JUN			INTERIM PERIOD, JAN-JUN			FULL YEAR
	2020	2019	Change	2020	2019	Change	2019
Order intake	62,3	64,1	-3%	110,0	111,9	-2%	269,8
Revenues	42,9	51,5	-17%	94,7	98,8	-4%	205,4
Gross profit	27,0	29,3	-8%	57,1	57,4	-1%	121,0
Gross profit margin (%)	63%	57%		60%	58%		59%
Operating income*	0,9	-0,6		1,9	0,7	169%	2,0
Operating margin	2,1%	-1,2%		2,0%	0,7%		1,0%
Net results after tax	-2,4	-0,9		-2,0	0,0		-13,8
Earnings per share (SEK)	-0,07	-0,03		-0,06	0,00		-0,45
Cash	83,2	27,5	203%				29,5
Order backlog	282,1	214,5	32%				267,1
out of which Products	147,0	119,0	24%				144,4
out of which Service contracts	135,1	95,5	41%				122,7

* Full year 2019 excludes write-down of capitalized development of 11,6 MSEK. Reported operating income amounted to -9,6 MSEK.

COMMENTS FROM THE CEO

"Our business in Asia was strong throughout the second quarter, where order intake grew with 67 percent year over year, driven by very good results from the Japanese market."

Tim Thurn, CEO

The ongoing Covid-19 pandemic has continued to play a role in the second quarter, but we managed well. Order intake in the second quarter is stable compared to previous year, revenue went somewhat down but we still succeeded to finish the quarter with a positive operating result.

Our business in Asia was strong throughout the second quarter, where order intake grew with 67 percent year over year, driven by very good results from the Japanese market. In Europe countries opened sequentially and business started to resume towards the end of the quarter, where customers got reengaged in purchasing projects and product installations. In all order intake for Europe was slightly down with 5 percent compared to previous year. Due to an extensive lockdown in the health care sector, North America showed very limited business activity throughout the quarter – both in terms of new sales projects and deliveries. As a direct consequence order intake for the region decreased by 72 percent compared to last year.

“I want to highlight that order intake for the positioning products – our largest product category – grew with 10 percent over last year, which again is a very positive signal.”

I want to highlight that order intake for the positioning products – our largest product category – grew with 10 percent over last year, which again is a very positive signal.

Revenue in the second quarter went down by 17 percent compared to the same period last year, whereas APAC grew by 19 percent, EIMEA and Americas showed a decline of -10 percent and -73 percent respectively. Due to Covid-19 infection control measures many customers asked for a delay in deliveries or even stopped ongoing installations, which affected us primarily in the beginning of the quarter. Towards the end of the quarter the situation eased up in various markets and C-RAD was able to ship products to customers and to recognize corresponding revenue.

Gross margin in the quarter increased due to a favourable product mix, from last year’s 57 to 63 percent. The release of a new version of C-RAD’s main product - Catalyst+ - in March, and subsequent deliveries in the second quarter has contributed to the improved gross margin, mainly due to increased efficiency in the production and supply chain. C-RAD has delivered Catalyst+ to European,

American, and Australian customers. For other markets, the mandatory approval process is ongoing, and customers will be supplied with Catalyst+ after regulatory clearance is issued.

To mitigate the anticipated decrease in revenue the company initiated a series of cost reduction activities during March, which has materialized during the second quarter with a significantly decreased cost base. With an improved gross margin and a positive impact from the cost reduction measures implemented, I am proud to present a positive operating income of 0.9 MSEK, versus a loss of -0.6 MSEK in the previous year. In addition, we are closing the quarter with a solid cash position of 83 MSEK allowing us to have a long-term focus on our business.

“I am proud to present a positive operating income of 0.9 MSEK, versus a loss of -0.6 MSEK in the previous year.”

C-RAD has a strong position, both in proton and photon treatments. Proton therapy is the spearhead of precision radiation therapy, therefore accurate patient positioning and motion management are crucial for the success of the treatment. I am delighted, that Shenzhen Tumor Hospital, China has signed a letter of intent with C-RAD as their partner to supply the surface tracking solution for their new treatment facility. With an expected net order volume of 12 MSEK, this is the largest project in proton therapy that C-RAD has ever realized. It shows again the confidence that customers have in C-RAD as a partner.

I am looking forward to the second half of the year. I am convinced that C-RAD is in a good position to capitalize on the market opportunity, provided we see no major pandemic setbacks from the positive trend of relaxing Covid-19 related restrictions. We have an excellent product, great interest from the market in our technology and partnerships that will help us to provide our technology to an increasing number of customers worldwide and make our technology a true standard of care in advanced radiation therapy.



Tim Thurn, CEO

FINANCIAL DEVELOPMENT, GROUP

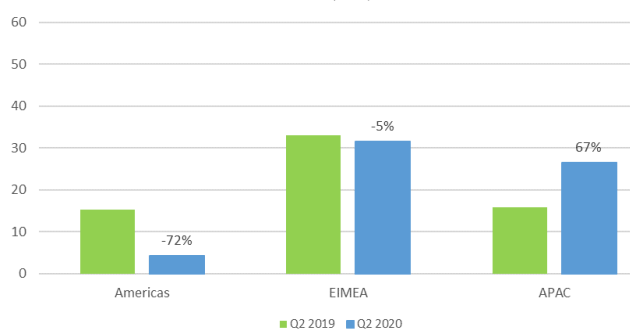
ORDER INTAKE

Order intake during the second quarter decreased by 3 percent to 62.3 (64.1) MSEK, in constant currencies the decrease was 4 percent. As anticipated and previously communicated the second quarter has been influenced by the challenges coming from the spread of Covid-19. The consequences of the pandemic have varied between the regions. Asia experienced their difficulties at the beginning of the year whereas the second quarter has been more normalized. Order intake in the APAC region grew with 67 percent, the strong growth is primarily related to sales in Japan. Adding further to the strong performance in Asia is the June announcement of a letter of intent to equip the proton cancer center in Shenzhen, China with C-RAD's surface tracking solution. The net order value is approximately 12 MSEK and expected to be recognized as order intake within six months. Europe has during the quarter gradually trended towards a more normal situation, but still a period clearly impacted by the pandemic, with hospitals placing focus on present challenges before investments in technology. As a consequence, order intake decreased in EIMEA with 5 percent, however with variations between countries. On the positive side is Germany where the announced order of 11 MSEK to the private health care provider DTZ Berlin contributed to a strong quarter for that specific region. On the negative side is France where the pandemic still severely impacted the ability to generate sales. North America and the health care sector in particular have been in a locked down mode throughout the entire quarter generating a weak order intake for the region Americas, with a decrease of 72 percent.

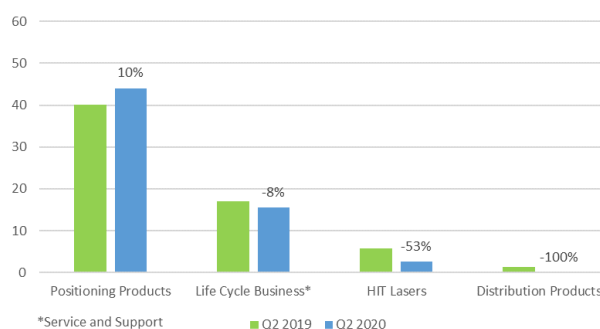
Despite the overall challenging conditions, sales of positioning products generated a growth compared to last year of 10 percent. The decrease in Service contracts (Life cycle business) of 8 percent is mainly attributable to the weaker performance in North America. In line with the cancelled distribution contract with IBA, that was in effect as of October 1st 2019, order intake and revenue for distribution products was zero during the quarter. As of 2020 India is included in EIMEA, previously part of APAC, with no significant effect on the reported order intake and revenue. The order backlog amounted to record high 282.1 (214.5) MSEK at the end of the quarter, indicating the future revenue. Revenue from service contracts, which guarantees a stable revenue over a longer period of time, amounted to 135.1 (95.5) MSEK.

Order intake during January – June decreased by 2 percent (3 percent in constant currencies) and amounted to 110.9 MSEK compared to 111.9 MSEK during 2019. Both APAC and EIMEA is generating a growth for the half year whereas Americas is significantly lower, as a consequence of the challenges caused by the ongoing pandemic.

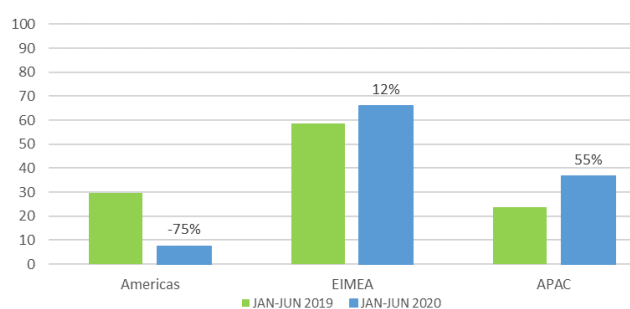
Q2 ORDER INTAKE (MSEK) - BY MARKET



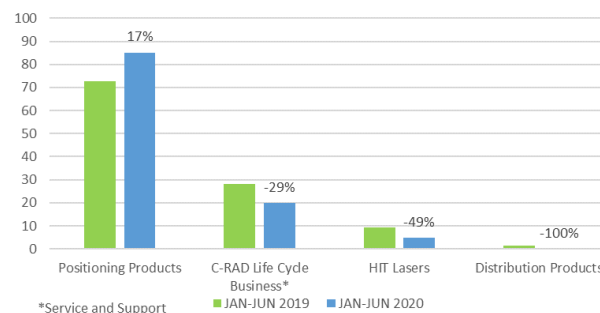
Q2 ORDER INTAKE (MSEK) - BY PRODUCT CATEGORY



JAN-JUN ORDER INTAKE (MSEK) - BY MARKET



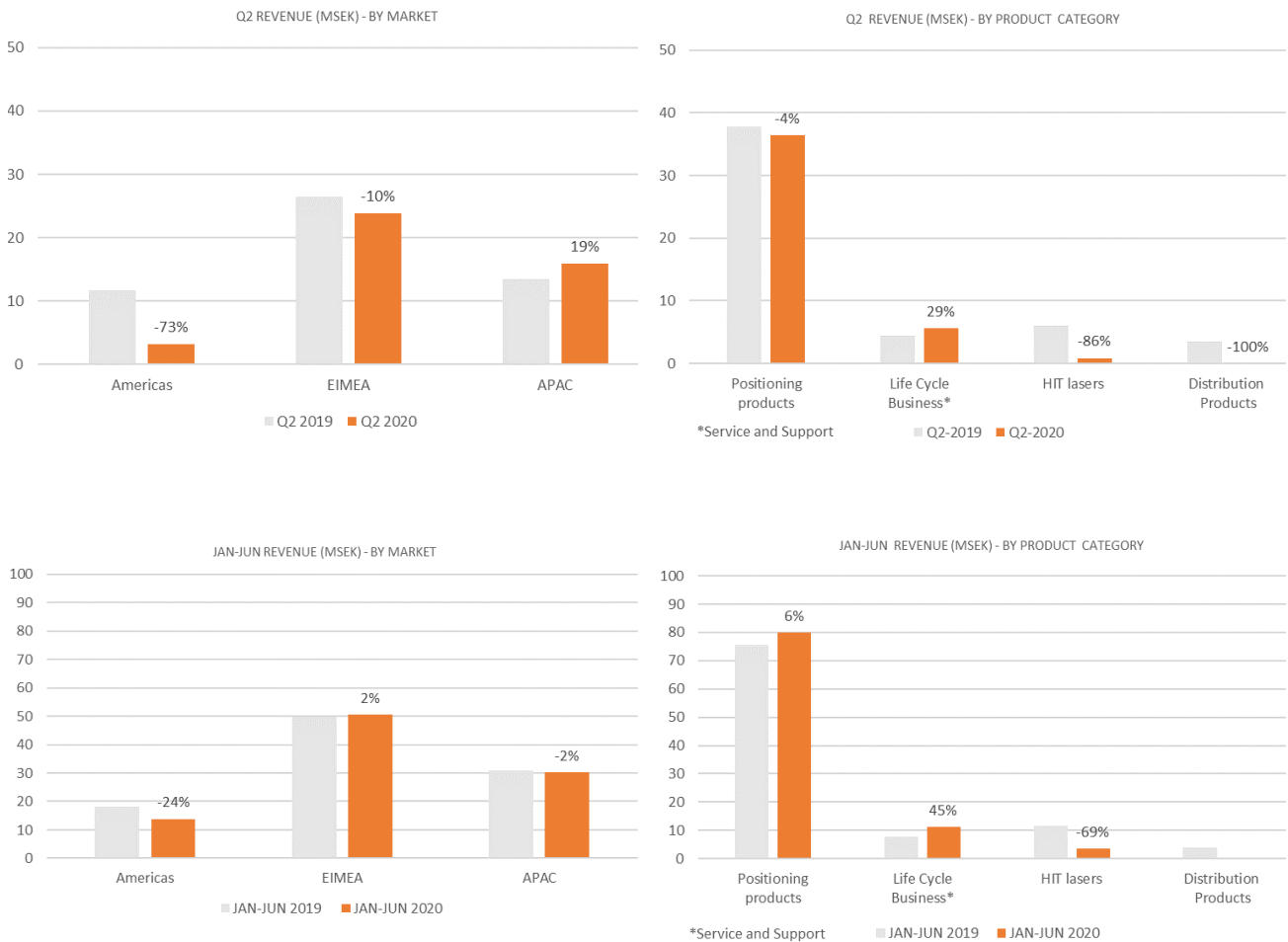
JAN-JUN ORDER INTAKE (MSEK) - BY PRODUCT CATEGORY



REVENUES

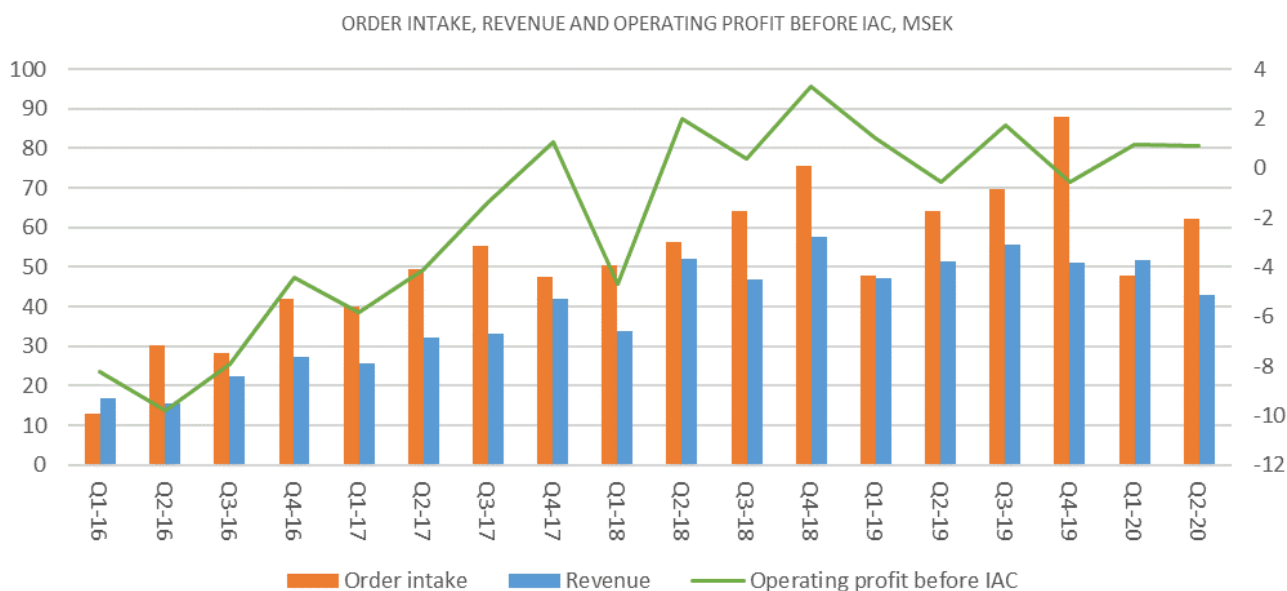
Revenue recognition is dependent on hospitals and cancer treatment centers being able to receive and install equipment. The ongoing Covid-19 pandemic lead to delayed deliveries, as reflected in the order conversion period, and has therefore temporarily a negative effect on revenues, with variations between the regions. In total for the quarter revenue decreased by 17 percent to 42.9 (51.5 MSEK). In constant currencies revenue decreased by 18 percent. The situation in Asia was normalizing already towards the end of the first quarter and throughout the second quarter, supporting a growth for the APAC region of 19 percent. Europe has gradually been opening during the quarter but still clearly impacted by the pandemic, resulting in a 10 percent revenue decrease for EIMEA. North America has been in a locked down mode essentially the entire quarter, generating a decrease in revenue for Americas with 73 percent.

Revenues during the period January – June decreased by 4 percent (6 percent in constant currencies) and amounted to 94.7 (98.8) MSEK.



SEASONALITY

There is a seasonal pattern in C-RAD's operations. The second half of the year and the fourth quarter in particular are usually the strongest periods, both in terms of order intake and revenues. This is due to the fact that a large number of customers are hospitals and clinics, which have annual budgets per calendar year. 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.

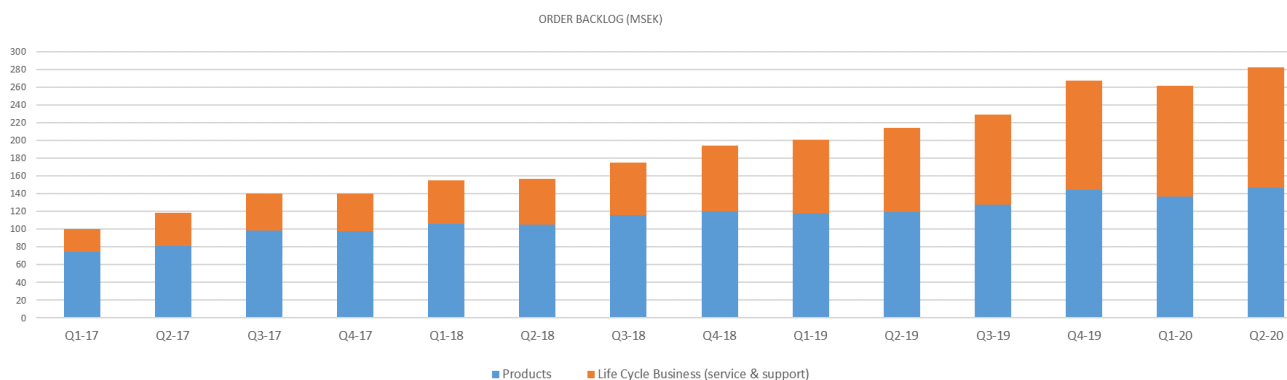


ORDER BACKLOG AND ORDER CONVERSION RATE

The order backlog represents orders that have been received but not delivered and invoiced. The backlog amounted to 282.1 (214.5) MSEK at the end of the quarter, an increase of 32 percent compared to same period last year. From the total order backlog, 147.0 (119.0) MSEK relates to products and 135.1 (95.5) MSEK refer to Life Cycle Business (service contracts).

The weighted average delivery time for products recognized as revenue in the second quarter was eight months, and for the full period January to June just above five months. This is the time from the reception of an order until delivery has been made, and thus recognition of revenue. For the full year 2019, the average delivery time was seven months. The average delivery time depends on several factors and varies between periods. The increased delivery time in the quarter relates to the negative effects with Covid-19 as described above in the section on revenues.

21.5 MSEK 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 five years.



GROSS PROFIT

Gross profit margin was 63 percent during the second quarter 2020, compared to 57 percent during the same period 2019. Fluctuations in gross profit can be expected in shorter periods as it is dependent on the product mix and sales channels. The relatively high gross margin in the second quarter is mainly a function of a favorable product mix. Sales of the Catalyst/Catalyst+ was dominant in the quarter, whereas sales for the lower margin HIT laser and distribution products were significantly less than prior year.

Gross profit margin for the period January – June amounted to 60 percent compared to 58 percent during 2019.

OTHER EXTERNAL EXPENSES

Operational expenses for the second quarter amounted to 8.3 (14.7) MSEK. Cost is significantly lower than last year and below the first quarter of 2020. This is a consequence of actions taken to lower running cost to mitigate the decrease in revenues due to the pandemic. Less spending on marketing and travel are the main drivers behind the cost decrease. The company will continue to carefully monitor its cost depending on how market conditions develops in the light of the pandemic.

Second quarter previous year included a cost of 1.7 MSEK for legal fees in conjunction with a dispute with a former employee on trade secrets. That court ruling was appealed and ruled in favor of C-RAD and the 1.7 MSEK was reimbursed to the company in the first quarter 2020.

For the full period January – June, operational expenses amounted to 19.7 (25.0) MSEK.

PERSONNEL EXPENSES

Personnel expenses for the second quarter 2020 amounted to 15.4 (15.6) MSEK. C-RAD has taken various measures to lower personnel expenses in order to mitigate lower revenue coming from volatile market conditions due to the pandemic. Consequently, personnel expenses are significantly lower than the 18.9 MSEK in the first quarter of 2020. Among other measures, the company has taken benefit from different short time allowance programs available in countries where the company operates. The cost reductions measures implemented also explains why personnel expenses are lower compared to last year, despite an increase in number of employees.

Personnel expenses for January to June amounted to 34.3 (30.4).

The average number of employees during the second quarter of 2020 amounted to 62 compared to 53 the corresponding period in 2019. At the end of June 2020, the number of employees in the Group amounted to 61 (54).

OTHER OPERATING INCOME/EXPENSES

Exchange rates on the balance sheet day decreased for both EUR and USD during the quarter. The revaluation of balance sheet items resulted in negative, not yet realized, exchange rate differences of -1.2 MSEK, included in other operating income.

CAPITALIZED DEVELOPMENT COSTS

Capitalizations during the second quarter of 2020 amounted to 0.6 (1.6) MSEK and are related to continued development of the Positioning products. Amortization of capitalized development expenditures amounted to 1.0 (1.3) MSEK during the quarter.

For the full first half of the year, 2.4 (2.2) MSEK have been capitalized and 1.6 (1.0) MSEK has been amortized.

Total capitalized development costs amounted to 14.2 (22.5) MSEK at the end of June.

OPERATING INCOME AND NET RESULT

Operating income for the quarter amounted to 0.9 (-0.6) MSEK, corresponding to a margin of 2.1 percent. The increased operating income, despite the decrease in revenue, is generated by an improved gross margin and cost reductions measures implemented to mitigate weakened market conditions due to the Covid-19 pandemic.

Net results after tax in the quarter amounted to -2.4 (-0.9) MSEK, corresponding to -0.07 (-0.03) SEK per share. Tax expenses of 3 MSEK refers only to the reversal of deferred tax asset for the Swedish entities and does not affect cash flow. The reversal of the tax assets is due to a positive result in the Swedish entities. Total deferred tax asset amounts to 22.5 MSEK at the end of the period.

CASH FLOW AND NET FINANCIAL INCOME

Total liquid funds at the end of the quarter amounted to 83.2 (27.5) MSEK. In addition, the company has an unused credit facility of 20 MSEK. Operating cash flow for the quarter amounted to -0.2 (-3.7) MSEK and for the six months period to -12.2 (7.4) MSEK. The negative operating cash flow is due to that a vast part of quarterly sales were generated towards the very end of the quarter, a direct consequence of several customers not being able to receive shipments earlier due to pandemic related restrictions.

In February a directed rights issue was undertaken with the issue of 2.500.000 B-shares, amounting to 108 MSEK in additional capital, fueling the company with 102 MSEK net of issue related cost. Following the rights issue a bank loan of 20 MSEK was fully amortized and the company seized to use factoring. Furthermore, warrants have been converted into shares during the period of 2.9 MSEK. In summary, the above generated a cash flow from financing activities of 69.2 MSEK during the first six months of 2020.

Net financial income for the quarter amounted to -0.2 (-0.5) MSEK and -0.6 (-0.7) MSEK for the period January – June.

LEGAL DISPUTES

The Stockholm Patent and Market court confirmed C-RAD's entitlement to the patent application "Ionizing radiation detecting device" in its verdict published on July 26th 2019. C-RAD filed a patent entitlement lawsuit in May 2017 against the company Beamocular AB. Beamocular has appealed the verdict, which is pending.

C-RAD Imaging AB, a subsidiary of the C-RAD group, had a dispute since December 2017 with a former employee, who has also been CEO of the same subsidiary. The dispute was about the question if C-RAD trade secrets had been revealed in connection with the employment of the employee being ended. In April 2020 the court announced a ruling in favor of C-RAD, refunding the 1.7 MSEK to C-RAD and a compensation fee of 0.2 MSEK, recognized in the first quarter in operating expenses.

In May a former employee filed a lawsuit against C-RAD AB claiming compensation for an invention made during the employment. The former employee is claiming a compensation of 21.9 MSEK and a royalty of five percent of sales generated by the products based on the invention. C-RAD strongly rejects the lawsuit and considers the compensation claim to be highly excessive, if at all legitimate. Date for the first hearing is not yet announced but expected during the fall.

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

SIGNIFICANT RISKS AND UNCERTAINTIES

Reference is made to the Annual Report 2019 for significant risks and uncertainties, where the risk of Pandemics has been added.

OTHER SIGNIFICANT EVENTS DURING THE QUARTER

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

OTHER SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no other significant events after the reporting period.

PARENT COMPANY

No operations are carried in the Parent Company except for Group Management and administration. For the period January to June, revenues for the Parent Company amounted to 10.3(8.2) MSEK and the operating loss was -1.7 (-0,7) MSEK.

UPCOMING EVENTS

October 22, 2020 Interim report for July-September/Webcast.
January 28, 2021 Consolidated Year-End Report 2020/Webcast.

PRESENTATION OF THE INTERIM REPORT

CEO Tim Thurn and CFO Henrik Bergentoft will present the interim report by Webcast on Friday July 31 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://attendee.gotowebinar.com/register/4334916260136804368>

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 31, 2020

Lars Nyberg
Chairman of the Board

Kicki Wallje-Lund
Director

Åsa Hedin
Director

Per-Arne Blomquist
Director

Peter Hamberg
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

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 31, 2020 at 8:30 am.

Consolidated Income Statement in brief	Q2	Q2	Jan-Jun	Jan-Jun	Full Year
MSEK	2020	2019	2020	2019	2019
Revenues	42,9	51,5	94,7	98,8	205,4
Raw material and consumables	-15,9	-22,2	-37,6	-41,4	-84,4
Gross profit	27,0	29,3	57,1	57,4	121,0
Gross profit margin	63%	57%	60%	58%	59%
Other external expenses	-8,3	-14,7	-19,7	-25,0	-52,6
Personnel expenses	-15,4	-15,6	-34,3	-30,4	-63,9
Capitalized development costs	0,6	1,6	2,4	2,2	6,7
Depreciation	-2,2	-2,4	-4,2	-4,7	-21,0
Other operating income/expenses	-0,7	1,2	0,7	1,2	0,1
Total operating expenses	-26,1	-29,8	-55,2	-56,6	-130,7
Operating income	0,9	-0,6	1,9	0,7	-9,6
Financial income	0,0	0,0	0,0	0,0	0,0
Financial costs	-0,2	-0,5	-0,6	-0,7	-1,7
Income before tax	0,6	-1,1	1,2	0,0	-11,4
Tax	-3,0	0,2	-3,2	0,0	-2,4
Net income	-2,4	-0,9	-2,0	0,0	-13,8
(Attributable to Parent company's shareholders)					
Results per share before dilution	-0,07	-0,03	-0,06	0,00	-0,45
Results per share after dilution	-0,07	-0,03	-0,06	0,00	-0,45

Consolidated Statement of Comprehensive Income	Q2	Q2	Jan-Jun	Jan-Jun	Full Year
MSEK	2020	2019	2020	2019	2019
Net income	-2,4	-0,9	-2,0	0,0	-13,8
Other comprehensive income					
Income/expenses recognized in equity					
Exchange differences on translating foreign operations	-2,3	-0,6	-0,5	0,0	0,2
Other comprehensive income of the period (after tax)	-4,7	-1,4	-2,5	0,0	-13,6
Total comprehensive income for the period	-4,7	-1,4	-2,5	0,0	-13,6
(Attributable to Parent company's shareholders)					

Segment Reporting	Q2	Q2	Jan-Jun	Jan-Jun	Full Year
MSEK	2020	2019	2020	2019	2019
Revenues by segment					
Positioning	42,9	51,5	94,7	98,8	205,4
Imaging	0,0	0,0	0,0	0,0	0,0
Total revenues	42,9	51,5	94,7	98,8	205,4
Income by segment					
Positioning	1,2	3,2	1,2	5,7	8,8
Imaging	-0,3	-3,8	0,7	-5,0	-18,5
Operating income	0,9	-0,6	1,9	0,7	-9,6

Segment reporting is based on the same accounting principles as applied in the consolidated financial statement for 2019.

	Q2	Q2	Jan-Jun	Jan-Jun	Full Year
Revenue per geographical market	2020	2019	2020	2019	2019
Americas	3,2	11,7	13,9	18,3	45,7
EIMEA	23,8	26,4	50,6	49,6	99,2
APAC	15,9	13,4	30,2	30,9	60,5
Total	42,9	51,5	94,7	98,8	205,4

	Q2	Q2	Jan-Jun	Jan-Jun	Full Year
Revenue per product category	2020	2019	2020	2019	2019
Positioning products	36,4	37,7	79,9	75,5	156,9
HIT Laser	0,9	6,0	3,6	11,7	21,5
Life Cycle Business	5,6	4,4	11,2	7,7	17,3
Distribution	0,0	3,4	0,0	3,9	9,2
GEMini	0,0	0,0	0,0	0,0	0,5
Total	42,9	51,5	94,7	98,8	205,4

Consolidated Balance Sheet in brief MSEK	30-06-2020	30-06-2019	31-12-2019
Intangible assets	17,9	26,5	17,8
Tangible assets	2,7	2,6	2,7
Right-of-use assets	1,6	12,5	2,2
Long-term receivables	0,1	0,1	0,1
Deferred tax receivables	22,5	28,1	25,6
Total non-current assets	44,7	69,8	48,5
Current assets			
Inventory	17,8	9,2	15,0
Current receivables	83,6	71,6	64,9
Cash and liquid assets	83,2	27,5	29,5
Total current assets	184,6	108,4	109,3
Total assets	229,3	178,2	157,8
Equity	185,8	96,7	83,3
Non-current liabilities			
Long-term lease liabilities	0,8	12,7	0,3
Other non-current liabilities	0,0	20,0	20,0
Total non-current liabilities	0,8	32,7	20,3
Current liabilities	42,7	48,8	54,2
Total equity and liabilities	229,3	178,2	157,8

Consolidated Cash Flow Statement in brief MSEK	Q2 2020	Q2 2019	Jan-Jun 2020	Jan-Jun 2019	Full Year 2019
Operating income	0,9	-0,6	1,9	0,7	-9,6
Adjustment for non-cash items	2,2	2,5	4,3	5,0	21,6
Interests paid	-0,2	-0,4	-0,6	-0,7	-1,7
Cash flow from operating activities before working capital changes	2,9	1,5	5,6	5,0	10,2
Changes in working capital	-3,1	-5,3	-17,8	2,3	5,6
Cash flow from operating activities	-0,2	-3,7	-12,2	7,4	15,8
Investments	-0,8	-3,4	-2,9	-4,3	-10,6
Cash flow from investing activities	-0,8	-3,4	-2,9	-4,3	-10,6
New share issue	2,9	0,0	104,9	3,1	3,1
Premiums received for warrants	0,2	0,2	0,2	0,2	0,3
New borrowings	0,0	8,3	0,0	13,1	20,0
Amortization of loan	-6,1	0,0	-34,7	0,0	-5,3
Amortization of lease liabilities	-0,6	-0,6	-1,2	-1,1	-2,2
Cash flow from financing activities	-3,6	7,9	69,2	15,3	16,0
Net increase (decrease) in cash and cash equivalents	-4,5	0,7	54,1	18,3	21,1
Cash and liquid assets at beginning of period	87,9	26,8	29,5	9,3	9,3
Exchange rate differences	-0,2	0,0	-0,4	-0,1	-0,9
Cash and liquid assets at end of period	83,2	27,5	83,2	27,5	29,5
Change in Group Equity	Q2	Q2	Jan-Jun	Jan-Jun	Full Year
MSEK	2020	2019	2020	2019	2019
Opening balance	187,4	94,9	83,3	93,6	93,6
Warrants program	0,2	0,2	0,2	0,2	0,3
New share issue	2,9	3,1	110,4	3,1	0,0
Cost of Share Issue	0,0	0,0	-5,7	0,0	-0,1
Changes in the period	3,1	3,3	104,9	3,3	0,2
Total comprehensive income for the period	-4,7	-1,4	-2,5	0,0	-13,6
Closing balance at end of period	185,8	96,7	185,8	96,7	83,3

Parent Company Income Statement in brief	Jan-Jun	Jan-Jun	Full Year
MSEK	2020	2019	2019
Revenues	10,3	8,2	16,2
Operating expenses	-11,9	-8,9	-19,3
Operating income	-1,7	-0,6	-3,2
Financial items	0,0	-1,4	-24,1
Income before tax	-1,7	-2,0	-27,2
Tax	0,3	0,0	0,6
Net income	-1,3	-2,0	-26,5

Parent Company Balance Sheet in brief	30-06-2020	30-06-2019	31-12-2019
MSEK			
Intangible assets	2,3	3,1	2,7
Tangible assets	0,1	0,0	0,0
Right of use assets	0,0	12,0	0,0
Financial assets	178,0	164,1	143,8
Deferred tax asset	3,1	2,2	2,8
Total non-current assets	183,6	181,5	149,3
Current receivables	2,0	1,6	2,5
Cash and liquid assets	67,8	0,2	1,1
Total assets	253,3	183,3	152,9
Equity and liabilities			
Total equity	246,1	167,0	142,5
Lease liabilities	0,0	12,2	
Total current liabilities	7,2	4,1	10,4
Total equity and liabilities	253,3	183,3	152,9

Group Review per quarter

Income Statement (MSEK)	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2019	FY 2018
Revenues	42,9	51,8	51,0	55,6	51,5	47,3	57,7	46,7	51,9	33,8	205,4	190,1
Cost of Sale	-15,9	-21,7	-20,4	-22,6	-22,2	-19,2	-23,1	-18,2	-24,6	-14,1	-84,4	-80,0
Gross Profit	27,0	30,1	30,6	32,9	29,3	28,1	34,6	28,5	27,3	19,7	121,0	110,1
Gross profit margin	63%	58%	60%	59%	57%	59%	60%	61%	53%	58%	59%	58%
Other external expenses	-8,3	-11,4	-14,0	-13,6	-14,7	-10,3	-12,5	-12,4	-11,0	-9,7	-52,6	-45,6
Personnel expenses	-15,4	-18,9	-16,9	-16,6	-15,6	-14,8	-16,3	-14,2	-14,5	-14,3	-63,9	-59,3
Capitalized development costs	0,6	1,8	3,0	1,5	1,6	0,6	0,8	0,9	0,8	0,9	6,7	3,4
Depreciation	-2,2	-2,0	-13,7	-2,6	-2,4	-2,3	-2,6	-1,8	-1,1	-1,1	-21,0	-6,6
Other operating income/expenses	-0,7	1,4	-1,2	0,1	1,2	0,0	-0,8	-0,7	0,4	-0,2	0,1	-1,3
Operating expenses	-26,1	-29,1	-42,8	-31,2	-29,8	-26,8	-31,3	-28,2	-25,4	-24,4	-130,7	-109,4
Operating income	0,9	1,0	-12,1	1,7	-0,6	1,3	3,3	0,3	1,9	-4,7	-9,6	0,8
Financial items, net	-0,2	-0,4	-0,5	-0,5	-0,5	-0,2	0,0	0,0	-0,4	-0,2	-1,7	-0,6
Income before tax	0,6	0,6	-12,7	1,2	-1,1	1,1	3,3	0,3	1,5	-4,9	-11,4	0,2
Tax	-3,0	-0,2	0,2	-2,6	0,2	-0,2	21,0	0,0	0,0	0,0	-2,4	21,0
Net income	-2,4	0,4	-12,5	-1,4	-0,9	0,9	24,3	0,3	1,5	-4,9	-13,8	21,2
Balance Sheet (MSEK)	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2019	FY 2018
Non-current assets	44,7	49,1	48,5	58,1	69,8	58,7	56,3	36,6	37,5	37,8	48,5	56,3
Current assets	184,6	193,9	109,3	118,5	108,4	99,2	90,3	80,7	86,5	73,5	109,3	90,3
Total assets	229,3	243,0	157,8	176,6	178,2	157,9	146,6	117,3	124,0	111,3	157,8	146,6
Equity	185,8	187,4	83,3	96,5	96,7	94,9	93,6	69,2	68,4	66,3	83,3	93,6
Non-current liabilities	0,8	0,7	20,3	20,1	32,7	23,1	0,0	0,0	0,0	0,0	20,3	0,0
Current liabilities	42,7	54,9	54,2	60,0	48,8	39,8	53,0	48,1	55,6	45,0	54,2	53,0
Total equity and liabilities	229,3	243,0	157,8	176,6	178,2	157,9	146,6	117,3	124,0	111,3	157,8	146,6
Cash Flow Statement (MSEK)	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2019	FY 2018
Operating cashflow	-0,2	-12,1	8,6	-0,1	-3,7	11,0	-2,6	8,4	-3,7	-12,1	15,8	-9,7
Cashflow from investing activities	-0,8	-2,1	-3,0	-3,3	-3,4	-1,0	-1,4	-0,9	-0,8	-0,9	-10,7	-4,0
Cashflow from financing activities	-3,6	72,8	-5,7	6,3	7,9	7,4	5,4	-5,5	5,2	4,1	15,9	9,2
Totals	-4,5	58,6	-0,1	2,9	0,7	17,4	1,4	2,0	0,6	-8,9	21,0	-4,5
Key Ratios	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2019	FY 2018
Total order intake (MSEK)	62,3	47,7	88,1	69,7	64,1	47,8	75,6	64,2	56,4	50,6	269,7	246,8
Quarterly change (%)	31%	-46%	26%	9%	34%	-37%	18%	14%	11%	7%	n/a	n/a
Change compared to same period last year (%)	-4%	0%	16%	9%	14%	-6%	59%	16%	14%	26%	9%	28%
Total Revenues (MSEK)	42,9	51,8	51,0	55,6	51,5	47,3	57,7	46,7	51,9	33,8	205,4	190,1
Quarterly change (%)	-17%	2%	-8%	8%	9%	-18%	24%	-10%	54%	-20%	n/a	n/a
Change compared to same period last year (%)	-18%	10%	-12%	19%	-1%	40%	37%	41%	61%	31%	8%	43%
Gross Margin (percent of Revenues)	63%	58%	60%	59%	57%	59%	60%	61%	53%	58%	59%	58%
EBIT-margin (percent of Revenues)	2%	2%	-24%	3%	-1%	3%	6%	1%	4%	-14%	-5%	0%
Profit margin (percent of Revenues)	-6%	1%	-25%	-3%	-2%	2%	42%	1%	3%	-14%	-7%	11%
Earnings per share before dilution (SEK)	-0,07	0,01	-0,40	-0,05	-0,03	0,02	0,79	0,01	0,05	-0,16	-0,45	0,69
Equity per share before dilution (SEK)	5,99	6,04	2,69	3,11	3,12	3,08	3,04	2,25	2,30	2,23	2,69	3,04
Equity per share after dilution (SEK)	5,97	6,02	2,68	3,10	3,11	3,06	3,02	2,21	2,16	2,10	2,68	3,02
Equity/asset ratio (percent)	81%	77%	53%	55%	54%	60%	64%	59%	55%	60%	53%	64%
Cash Balance (MSEK)	83,2	87,9	29,5	30,2	27,5	26,8	9,3	8,0	6,3	5,5	29,5	9,3
Number of employees at end of period	62	63	59	59	54	54	52	56	54	50	59	52
Average number of outstanding shares (millions)	32,1	32,1	30,9	30,9	30,9	30,8	30,8	30,8	30,8	30,8	30,9	30,8
Average number of diluted shares (millions)	32,2	32,2	31,0	31,0	31,0	31,0	31,0	31,3	31,3	31,3	31,0	31,0
Number of outstanding shares at end of period (millions)	33,5	33,5	31,0	31,0	31,0	30,8	30,8	30,8	30,8	30,8	31,0	30,8
Number of outstanding warrants at end of period (millions)	0,4	0,4	0,4	0,4	0,4	0,5	0,5	0,5	0,5	0,5	0,4	0,5

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 2019.

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, 2020 was 10.7 (10.5), while the average USD rate in the period was 9.7 (9.3). Closing rate for EUR was 10.5 (10.6) och USD 9,3 (9.3).

Note 3. Related party transactions

There were no transactions with closely related parties during the second quarter of 2020.

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

Note 8. DEFINITIONS

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 a replacement for any financial measurement as defined by IFRS. As of the January 2019, the interim

Comparison against IFRS

Operating profit before items affecting comparability - during the fourt quarter of 2019, a one-time write-down of capitalized development and stock were made for the GEMini project. To provide a comparable view of the periods, we are presenting a key figure without this item affecting comparability.

MSEK	Q4 2019	Full Year 2019
operating profit	-12,1	-9,6
Depreciation and amortization, GEMini	11,6	11,6
Operating profit before items affecting comparability	-0,5	2,0