

INTERIM REPORT

JANUARY - SEPTEMBER 2020

Press release October 22, 2020

15 percent growth in order intake and record high operating profit

THIRD QUARTER 2020

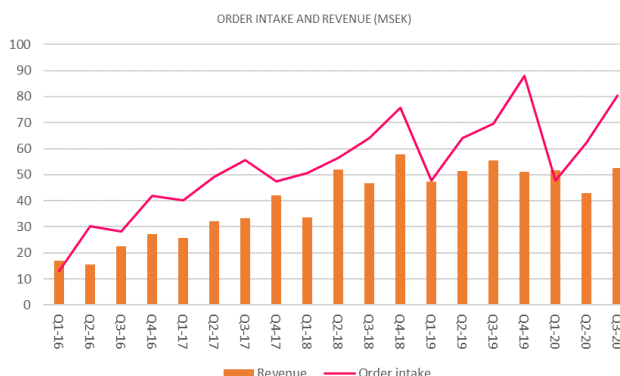
- Order intake increased 15% to 80.5 (69.7) MSEK (17% in constant currencies).
- Order backlog amounted to 305.8 (229.6) MSEK.
- Revenue decreased 5% to 52.6 (55.6) MSEK (-3% in constant currencies).
- Operating profit amounted to 5.4 (1.7) MSEK, corresponding to a margin of 10.3 (3.1)%.
- Net results after tax amounted 3.8 (-1.4) MSEK.
- Result per share amounted to 0.11 (-0.05) SEK.

INTERIM PERIOD JAN – SEP 2020

- Order intake increased 5% to 190.5 (181.7) MSEK (5% in constant currencies).
- Revenue decreased 5% to 147.3 (154.4) MSEK (-5% in constant currencies).
- Operating profit amounted to 7.3 (2.4) MSEK, corresponding to a margin of 4.9 (1.6) %.
- Net results after tax amounted 1.8 (-1.4) MSEK.
- Result per share amounted to 0.06 (-0.05) SEK.

SIGNIFICANT EVENTS DURING THE QUARTER

- Multiple sites in the state of New South Wales, Australia has decided to implement C-RAD's solutions, order value of 11 MSEK.
- A leading cancer center in China, Shanghai Proton and Heavy Ion Hospital (SPHIC), has chosen C-RAD to implement the surface guidance program.
- The previously announced sales and distribution agreement with Elekta in the US has been expanded to include also China.



SUMMARY FINANCIAL RESULT

MSEK	Q3, JUL-SEP			INTERIM PERIOD, JAN-SEP			FULL YEAR 2019
	2020	2019	Change	2020	2019	Change	
Order intake	80,5	69,7	15%	190,5	181,7	5%	269,8
Revenues	52,6	55,6	-5%	147,3	154,4	-5%	205,4
Gross profit	31,7	32,9	-4%	88,7	90,3	-2%	121,0
Gross profit margin (%)	60%	59%		60%	59%		59%
Operating income*	5,4	1,7	218%	7,3	2,4	204%	2,0
Operating margin	10,3%	3,1%		4,9%	1,6%		1,0%
Net results after tax	3,8	-1,4		1,8	-1,4		-13,8
Earnings per share (SEK)	0,11	-0,05		0,06	-0,05		-0,45
Cash	94,0	30,2	211%				29,5
Order backlog	305,8	229,6	33%				267,1
out of which Products	160,6	127,4	26%				144,4
out of which Service contracts	145,2	102,2	42%				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

"Order intake for the positioning products across all regions grew again compared to last year."

Tim Thurn, CEO

The Covid-19 pandemic continuous to have an impact on the world economy and so on our business especially in North America and in parts of Europe. Despite implications caused by the pandemic order intake went up noticeable in the quarter. We closed the quarter with total revenue at the same level as in the same period 2019, still partly impacted negatively by the pandemic since installations and deliveries have been delayed. Operational expenses were measurable lower than last year, generating a record high quarterly operating profit.

Asia inclusive of Australia continuous to deliver very good results. Order intake grew with more than 60 percent, both in the third quarter and the period from January to September. Whereas this trend includes a few large wins, such as the projects in Australia, it shows the growing adoption of surface tracking in these dynamic markets. The positive development in orders over the past quarters has translated into a strong growth in revenue in the region.

“The positive development in orders over the past quarters has translated into a strong growth in revenue in the region.”

Order intake in Europe decreased by 12 percent during the quarter. We saw variations between the countries, largely depending on the local situation with the pandemic, where north- and central Europe contributed positively but with less activity in south of Europe.

In North America a few key wins contributed to an improved order intake for this quarter compared to last year. The first half-year of 2020 was very much hampered by the pandemic whereas it is very positive to see that customers are re-engaging in sales projects. The cooperation with Elekta in North America is contributing to the total and shows first results.

Order intake for the positioning products across all regions grew again compared to last year. A solid growth in service revenue underlines that customers are interested to engage with C-RAD in a long-term relationship. A larger installed base with service contracts also generates a higher degree of future recurring revenue.

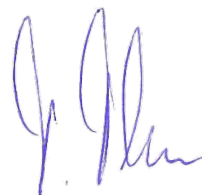
The pandemic has had an influence on how we work and how we interact with our customers. Travelling is still restricted, and exhibitions are going mostly virtual. We expect that this created a momentum in the market that will change the working style going forward. The significant reduction in travel cost and fees for trade shows is contributing to the decrease in operational expenses, being a contributor to the positive operating profit of 5 MSEK.

In the United States an update to the reimbursement system for healthcare providers has been released. Whereas not yet all details are entirely set, it is obvious that the system incentivizes cancer centers to adapt high precision treatment techniques. C-RAD views this development as very positive, both for the patients but also for the future of the company as our products are our predominately used for so called stereotactic treatments, where positioning accuracy is crucial for the treatment outcome.

Brian Loar, President C-RAD Inc., left C-RAD in the beginning of the fourth quarter to pursue an opportunity outside the radiation oncology market. The process for a new recruitment in the US has started.

“C-RAD ends the quarter with a stable financial platform combined with a record high order backlog.”

C-RAD ends the quarter with a stable financial platform combined with a record high order backlog. On top of that we have a great product and a fantastic team, with that I am looking forward to the fourth quarter. The results are the evidence of our products being on the way to become standard of care. Even though it is difficult to predict the exact development of Covid -19 and its implications for C-RAD, I am convinced that we are well prepared for continued success.



Tim Thurn, CEO

FINANCIAL DEVELOPMENT, GROUP

ORDER INTAKE

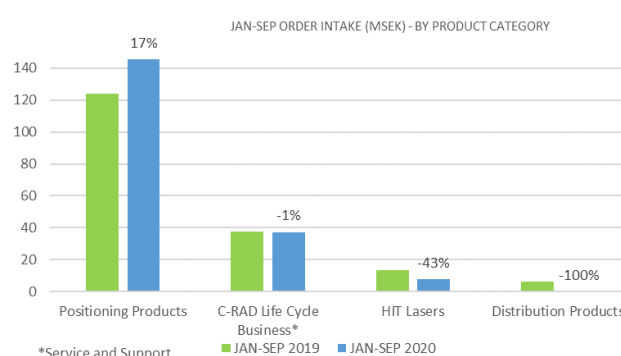
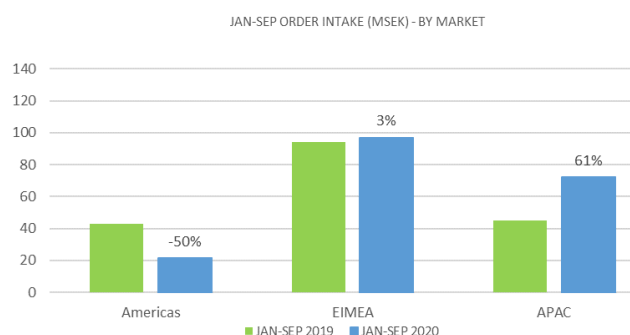
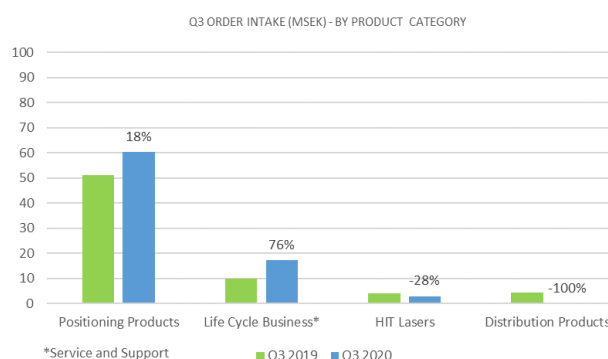
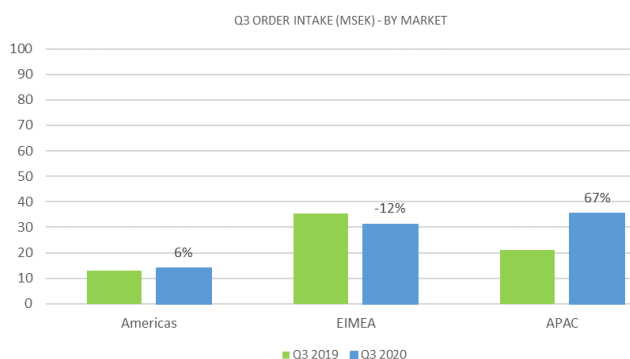
Order intake during the third quarter increased by 15 percent to 80.5 (69.7) MSEK, in constant currencies the increase was 17 percent.

Asia delivered a strong quarter with an increase of 67 percent, where the separately announced order in Australia of 11 MSEK was an important contributor. China is experiencing a positive momentum, with an announced expansion of the cooperation with Elekta locally as well as a prestigious order from a leading cancer treatment center, Shanghai Proton and Heavy Ion Hospital. The US market showed some activity after an extensive lockdown related to the pandemic, where order intake was just above the third quarter in 2019. The EIMEA region is showing a slight growth in order intake during the period January – September, however the third quarter order intake decreased compared to last year. The region has large variations within, with respect to the pandemic, where southern Europe healthcare actors still struggle with the pandemic and are less focused on investing in new technology.

Order intake of positioning products generated a solid growth compared to last year of 18 percent. Sales of Service contracts (Life cycle business) picked up significantly in the quarter, mainly due to improved performance in North America, and sales are now on par with last year for the full period January to September.

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 and the period. As of 2020 India is included in EIMEA, previously part of APAC, with no significant effect on the reported order intake and revenue.

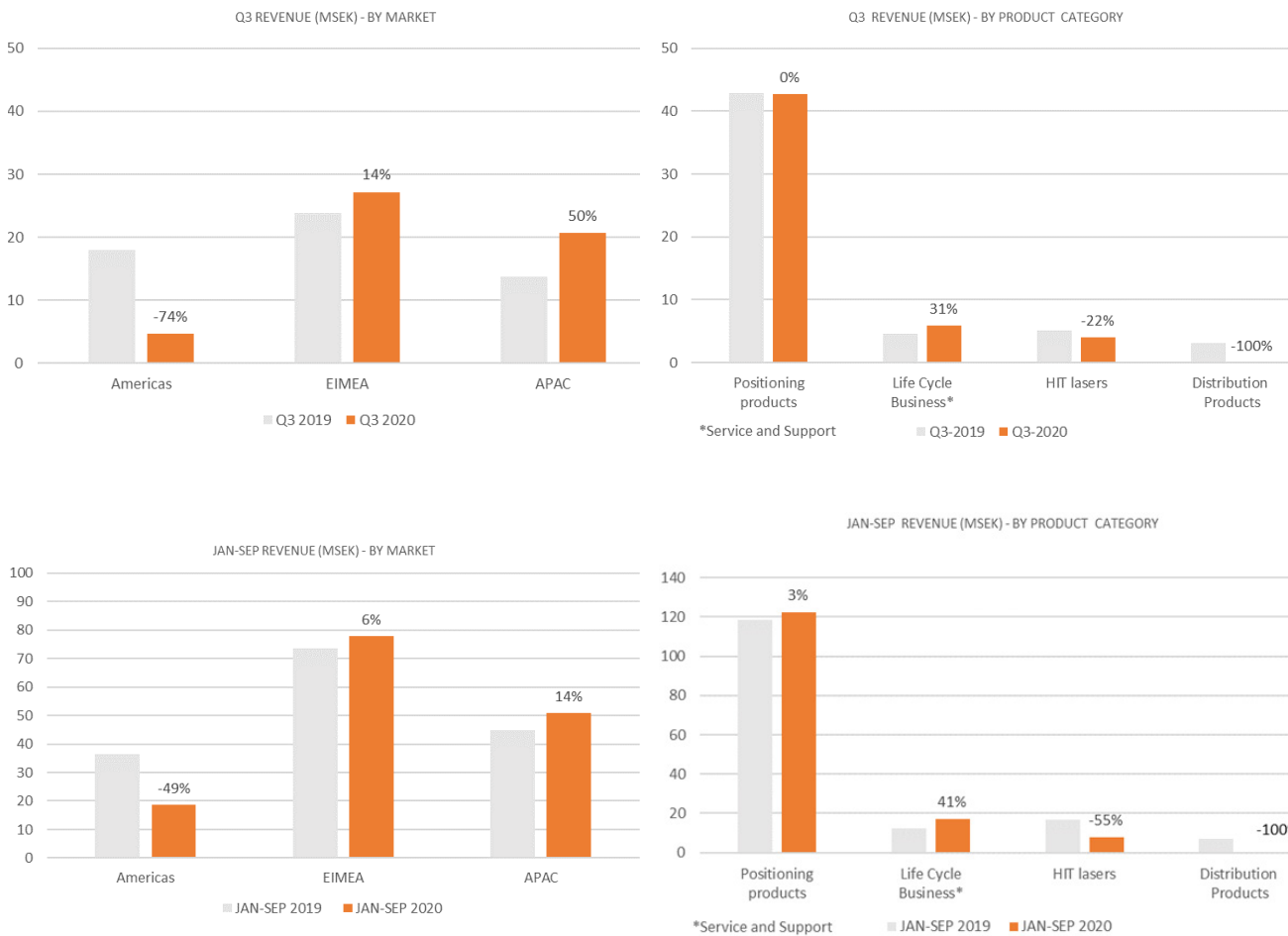
The order backlog amounted to record high 305.8 (229.6) MSEK at the end of the quarter, indicating the future revenue. Revenue from service contracts, which guarantees a stable revenue over a longer period of time, amounted to 145.2 (102.2) MSEK.



REVENUES

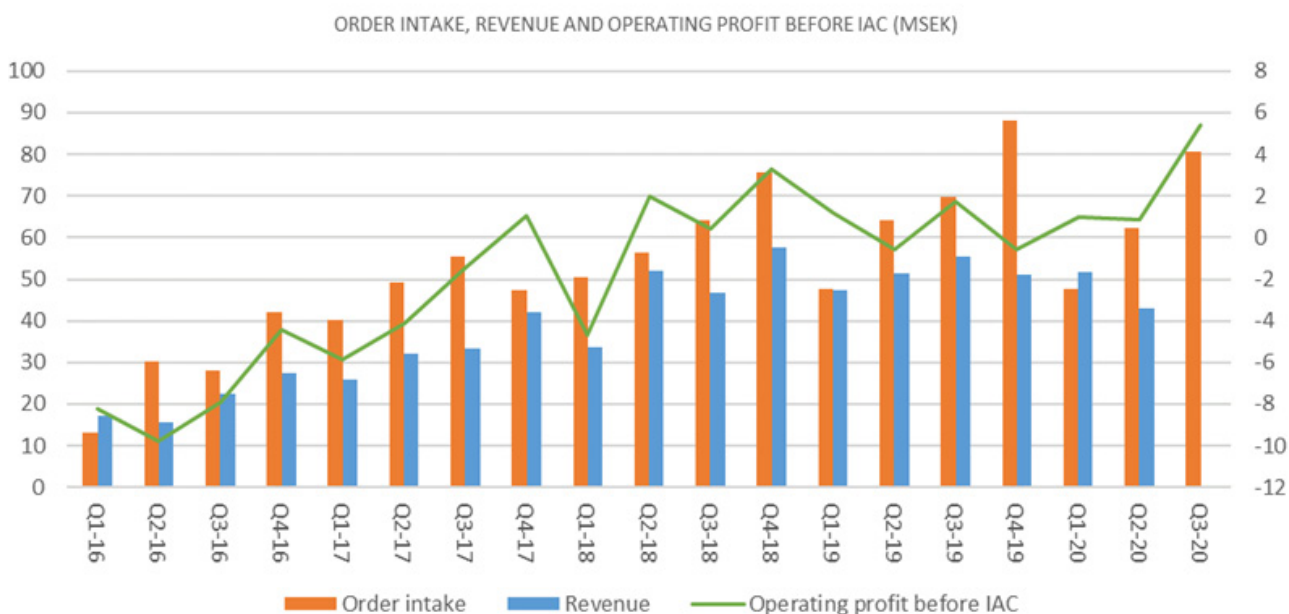
Total revenue for the quarter amounted to 52.6 MSEK, a decrease compared to last year of 5 percent. In constant currencies the decrease was 3 percent. The strong order intake in Asia during the year has led to a significant growth in revenue of 50 percent during the quarter. In North America order intake was very low during the first half year as a consequence of the pandemic, resulting in low revenue during the quarter and a decrease of 74 percent compared to last year. The recovery in order intake in the region will materialize in future revenue, as revenue recognition is dependent on hospitals and cancer treatment centers being able to receive and install equipment. Revenue in EIMEA grew with 14 percent in the quarter, confirming that treatment centers and hospitals to a greater extent now are able to install equipment, but still impacted by the pandemic.

Revenue during the period January – September decreased by 5 percent (5 percent in constant currencies) and amounted to 147.3 (154.4) 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.

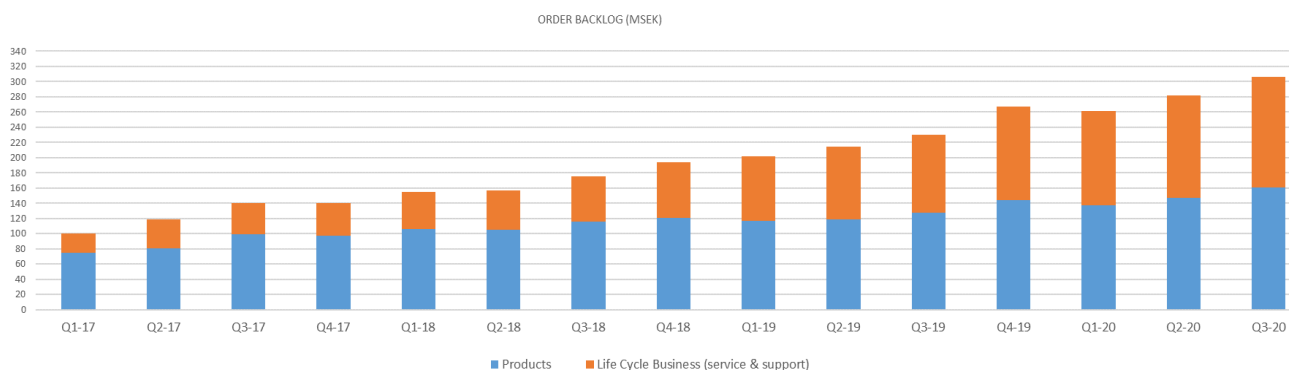


ORDER BACKLOG AND ORDER CONVERSION RATE

The order backlog represents orders that have been received but not delivered and invoiced. The backlog amounted to 305.8 (229.6) MSEK at the end of the quarter, an increase of 33 percent compared to same period last year. From the total order backlog, 160.6 (127.4) MSEK relates to products and 145.2 (102.2) MSEK refer to Life Cycle Business (service contracts).

The weighted average delivery time for products recognized as revenue in the third quarter was five months, and for the full period January to September just above four 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. Several orders received in the quarter was also shipped in the quarter, generating a relatively low average delivery time.

26.4 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 60 percent during the third quarter 2020, compared to 59 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. Gross profit margin for the period January – September amounted to 60 percent compared to 59 percent during 2019.

OTHER EXTERNAL EXPENSES

Operational expenses for the third quarter amounted to 10.5 (13.6) MSEK. The reduced cost is a consequence of active and natural cost reductions during 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.

For the full period January – September, operational expenses amounted to 30.2 (38.6) MSEK.

PERSONNEL EXPENSES

Personnel expenses for the third quarter 2020 amounted to 14.7 (16.6) 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. 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 a slightly higher average in number of employees.

Personnel expenses for January to September amounted to 49.0 (47.0). The average number of employees during the third quarter of 2020 amounted to 58 compared to 57 the corresponding period in 2019. At the end of September 2020, the number of employees in the Group amounted to 56 (59).

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 -0.3 MSEK, included in other operating income.

CAPITALIZED DEVELOPMENT COSTS

Capitalizations during the third quarter of 2020 amounted to 1.4 (1.5) MSEK and are related to continued development of the Positioning products. Amortization of capitalized development expenditures amounted to 0.9 (1.3) MSEK during the quarter.

For the full year, 3.8 (3.7) MSEK have been capitalized and 2.5 (3.9) MSEK has been amortized. Total capitalized development costs amounted to 14.6 (22.7) MSEK at the end of June.

OPERATING INCOME AND NET RESULT

Operating income for the quarter amounted to 5.4 (1.7) MSEK, corresponding to a margin of 10.3 (3.1) percent. The increased operating income, despite the decrease in revenue, is generated by lower operating expenses due to the Covid-19 pandemic. The decreased cost is a mixture of active decisions and also a natural decrease due to less travel and marketing activities.

Net results after tax in the quarter amounted to 3.8 (-1.4) MSEK, corresponding to 0.11 (-0.05) SEK per share. Tax expenses of 1.5 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 21.2 MSEK at the end of the period.

CASH FLOW AND NET FINANCIAL INCOME

Total liquid funds at the end of the quarter amounted to 94.0 (30.2) MSEK. In addition, the company has an unused credit facility of 20 MSEK. Operating cash flow for the quarter amounted to 13.0 (-0.1) MSEK and for the nine months period to 0.8 (7.3) MSEK.

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 68.9 MSEK during the first nine months of 2020.

Net financial income for the quarter amounted to -0.1 (-0.5) MSEK and -0.7 (-1.2) MSEK for the period January – September.

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, date in court confirmed to February 21st 2021.

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. A date for the court procedure is not yet set but expected during 2021. 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 2018/2021	100 000	2018-06-15	2021-02-01	2021-04-30	40,54	4,6	458 900	4 512 900
Incentive program 2019/2022	94 991	2019-05-23	2022-02-01	2022-04-30	47,64	3,1	295 542	4 820 913
Incentive program 2020/2023	100 000	2020-05-26	2023-02-01	2023-04-30	40,04	4,8	479 192	4 483 201

SIGNIFICANT RISKS AND UNCERTAINTIES

Reference is made to the Annual Report 2019 for significant risks and uncertainties.

OTHER SIGNIFICANT EVENTS DURING THE QUARTER

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

OTHER SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Brian Loar, President of C-RAD North America, has decided to pursue another opportunity outside of C-RAD. His duties will be managed by internal resources until a replacement is recruited.

PARENT COMPANY

No operations are carried in the Parent Company except for Group Management and administration. For the period January to September, revenues for the Parent Company amounted to 15.4 (12.3) MSEK and the operating loss was -3.5 (-0.9) MSEK.

NOMINATION COMMITTEE

C-RAD's Nomination Committee ahead of the 2021 Annual General Meeting comprises:

- Lennart Ågren (appointed by Svea Ekonomi)
- Lars Nyberg
- Gaétan Boyer (appointed by Hamberg Förvaltning)

The Nomination Committee has appointed Gaétan Boyer as Chairman of the Committee.

The Nomination Committee is tasked ahead of the 2021 Annual General Meeting with preparing proposals pertaining to the number of Board members, Board fees, the composition of the Board, election of the Chairman of the Board, election of the Chairman of the Annual General Meeting, auditors' fees and the election of auditors as well as guidelines for appointing the Nomination Committee.

Proposal to the nomination committee can be delivered via email: info@c-rad.com no later than February 14, 2021.

ANNUAL GENERAL MEETING 2021

The annual general meeting for C-RAD AB will be held on May 7, 2021. Time and place to be announced in conjunction with the call.

UPCOMING EVENTS

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 Thursday October 22 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:

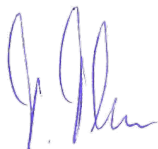
<https://attendee.gotowebinar.com/register/7890477381628997900>

CERTIFICATION BY THE CEO

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 prevails.

Uppsala, October 22, 2020



Tim Thurn
CEO

C-RAD AB (PUBL)

C-RAD AB (publ)

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For more information:

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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 October 22, 2020 at 8:30 am.

AUDITOR'S REPORT

C-RAD AB (PUBL) CORP. REG. NO. 556663-9174

INTRODUCTION

We have reviewed the condensed interim financial information of C-RAD (publ) as of 30 September 2020 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information 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 Report 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, ISA, 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 with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm October 22, 2020

Öhrlings PricewaterhouseCoopers AB

Michael Bengtsson

Authorized Public Accountant

Consolidated Income Statement in brief	Q3	Q3	Jan-Sep	Jan-Sep	Full Year
MSEK	2020	2019	2020	2019	2019
Revenues	52,6	55,6	147,3	154,4	205,4
Raw material and consumables	-21,0	-22,6	-58,6	-64,0	-84,4
Gross profit	31,7	32,9	88,7	90,3	121,0
Gross profit margin	60%	59%	60%	58%	59%
Other external expenses	-10,5	-13,6	-30,2	-38,6	-52,6
Personnel expenses	-14,7	-16,6	-49,0	-47,0	-63,9
Capitalized development costs	1,4	1,5	3,8	3,7	6,7
Depreciation	-2,2	-2,6	-6,4	-7,3	-21,0
Other operating income/expenses	-0,3	0,1	0,4	1,3	0,1
Total operating expenses	-26,3	-31,2	-81,4	-87,9	-130,7
Operating income	5,4	1,7	7,3	2,4	-9,6
Financial income	0,0	0,0	0,0	0,0	0,0
Financial costs	-0,1	-0,5	-0,7	-1,2	-1,7
Income before tax	5,4	1,2	6,6	1,2	-11,4
Tax	-1,5	-2,6	-4,8	-2,6	-2,4
Net income	3,8	-1,4	1,8	-1,4	-13,8
(Attributable to Parent company's shareholders)					
Results per share before dilution	0,11	-0,05	0,06	-0,05	-0,45
Results per share after dilution	0,11	-0,05	0,06	-0,05	-0,45

Consolidated Statement of Comprehensive Income	Q3	Q3	Jan-Sep	Jan-Sep	Full Year
MSEK	2020	2019	2020	2019	2019
Net income	3,8	-1,4	1,8	-1,4	-13,8
Other comprehensive income					
Income/expenses recognized in equity					
Exchange differences on translating foreign operations	0,5	1,0	0,0	1,0	0,2
Other comprehensive income of the period (after tax)	4,3	-0,4	1,8	-0,5	-13,6
Total comprehensive income for the period	4,3	-0,4	1,8	-0,5	-13,6
(Attributable to Parent company's shareholders)					

Segment Reporting	Q3	Q3	Jan-Sep	Jan-Sep	Full Year
MSEK	2020	2019	2020	2019	2019
Revenues by segment					
Positioning	52,6	55,6	147,3	154,4	205,4
Imaging	0,0	0,0	0,0	0,0	0,0
Total revenues	52,6	55,6	147,3	154,4	205,4
Income by segment					
Positioning	5,6	2,9	6,8	8,6	8,8
Imaging	-0,2	-1,1	0,5	-6,1	-18,5
Operating income	5,4	1,7	7,3	2,4	-9,6

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

	Q3	Q3	Jan-Sep	Jan-Sep	Full Year
Revenue per geographical market	2020	2019	2020	2019	2019
Americas	4,7	18,0	18,6	36,3	45,7
EIMEA	27,2	23,8	77,9	73,4	99,2
APAC	20,7	13,8	50,8	44,7	60,5
Total	52,6	55,6	147,3	154,4	205,4

	Q3	Q3	Jan-Sep	Jan-Sep	Full Year
Revenue per product category	2020	2019	2020	2019	2019
Positioning products	42,7	42,9	122,5	118,4	156,9
HIT Laser	4,0	5,1	7,6	16,8	21,5
Life Cycle Business	5,9	4,5	17,2	12,2	17,3
Distribution	0,0	3,1	0,0	7,0	9,2
GEMini	0,0	0,0	0,0	0,0	0,5
Total	52,6	55,6	147,3	154,4	205,4

Consolidated Balance Sheet in brief MSEK	30-09-2020	30-09-2019	31-12-2019
Intangible assets	17,9	27,5	17,8
Tangible assets	2,7	3,0	2,7
Right-of-use assets	9,2	2,0	2,2
Long-term receivables	0,1	0,1	0,1
Deferred tax receivables	21,2	25,5	25,6
Total non-current assets	51,1	58,1	48,5
Current assets			
Inventory	20,7	9,2	15,0
Current receivables	87,1	79,1	64,9
Cash and liquid assets	94,0	30,2	29,5
Total current assets	201,8	118,5	109,3
Total assets	252,9	176,6	157,8
Equity	190,3	96,5	83,3
Non-current liabilities			
Long-term lease liabilities	7,3	0,1	0,3
Other non-current liabilities	0,0	20,0	20,0
Total non-current liabilities	7,3	20,1	20,3
Current liabilities	55,3	60,0	54,2
Total equity and liabilities	252,9	176,6	157,8

Consolidated Cash Flow Statement in brief MSEK	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019	Full Year 2019
Operating income	5,4	1,7	7,3	2,4	-9,6
Adjustment for non-cash items	2,2	2,7	6,5	7,7	21,6
Interests paid	0,0	-0,4	-0,6	-1,2	-1,7
Cash flow from operating activities before working capital changes	7,6	4,0	13,2	8,9	10,2
Changes in working capital	5,4	-4,1	-12,4	-1,7	5,6
Cash flow from operating activities	13,0	-0,1	0,8	7,3	15,8
Investments	-1,7	-3,3	-4,6	-7,6	-10,6
Cash flow from investing activities	-1,7	-3,3	-4,6	-7,6	-10,6
New share issue	0,0	0,0	104,9	3,1	3,1
Premiums received for warrants	0,2	0,1	0,4	0,3	0,3
New borrowings	0,0	6,8	0,0	19,9	20,0
Amortization of loan	0,0	0,0	-34,7	0,0	-5,3
Amortization of lease liabilities	-0,6	-0,5	-1,8	-1,5	-2,2
Cash flow from financing activities	-0,3	6,3	68,9	21,8	16,0
Net increase (decrease) in cash and cash equivalents	11,0	2,9	65,1	21,3	21,1
Cash and liquid assets at beginning of period	83,2	27,5	29,5	9,3	9,3
Exchange rate differences	-0,2	-0,2	-0,6	-0,3	-0,9
Cash and liquid assets at end of period	94,0	30,2	94,0	30,3	29,5

Change in Group Equity MSEK	Q3 2020	Q3 2019	Jan-Sep 2020	Jan-Sep 2019	Full Year 2019
Opening balance	185,8	96,7	83,3	93,6	93,6
Warrants program	0,2	0,1	0,5	0,3	0,3
New share issue	0,0	0,0	110,4	3,1	3,1
Cost of Share Issue	0,0	0,0	-5,7	-0,1	-0,1
Changes in the period	0,2	0,1	105,2	3,4	3,3
Total comprehensive income for the period	4,3	-0,4	1,8	(0,5)	-13,6
Closing balance at end of period	190,3	96,5	190,3	96,5	83,3

Parent Company Income Statement in brief	Jan-Sep	Jan-Sep	Full Year
MSEK	2020	2019	2019
Revenues	15,4	12,3	16,2
Operating expenses	-18,8	-11,7	-19,3
Operating income	-3,5	0,6	-3,2
Financial items	0,0	-1,5	-24,1
Income before tax	-3,5	-0,9	-27,2
Tax	0,7	0,0	0,6
Net income	-2,8	-0,9	-26,5

Parent Company Balance Sheet in brief	30-09-2020	30-09-2019	31-12-2019
MSEK			
Intangible assets	2,0	2,9	2,7
Tangible assets	0,2	0,0	0,0
Right of use assets	0,0	0,0	0,0
Financial assets	174,7	164,6	143,8
Deferred tax asset	3,5	2,3	2,8
Total non-current assets	180,4	169,8	149,3
Current receivables	2,4	1,9	2,5
Cash and liquid assets	68,6	0,6	1,1
Total assets	251,4	172,3	152,9
Equity and liabilities			
Total equity	244,9	168,3	142,5
Total current liabilities	6,4	4,0	10,4
Total equity and liabilities	251,4	172,3	152,9

Group Review per quarter

Income Statement (MSEK)	Q3 2020	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	52,6	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	-21,0	-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	31,7	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	60%	63%	58%	60%	59%	57%	59%	60%	61%	53%	58%	59%	58%
Other external expenses	-10,5	-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	-14,7	-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	1,4	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	-2,2	-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	-0,3	-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	-26,3	-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	5,4	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	0,0	-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	5,4	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	-1,5	-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	3,8	-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)	Q3 2020	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	51,1	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	201,8	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	252,9	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	190,3	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	7,3	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	55,3	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	252,9	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)	Q3 2020	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	13,0	-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	-1,7	-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	-0,3	-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	11,0	-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	Q3 2020	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)	80,5	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 (%)	29%	31%	-46%	26%	9%	34%	-37%	18%	14%	11%	7%	n/a	n/a
Change compared to same period last year (%)	15%	-4%	0%	16%	9%	14%	-6%	59%	16%	14%	26%	9%	28%
Total Revenues (MSEK)	52,6	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 (%)	23%	-17%	2%	-8%	8%	9%	-18%	24%	-10%	54%	-20%	n/a	n/a
Change compared to same period last year (%)	-5%	-18%	10%	-12%	19%	-1%	40%	37%	41%	61%	31%	8%	43%
Gross Margin (percent of Revenues)	60%	63%	58%	60%	59%	57%	59%	60%	61%	53%	58%	59%	58%
EBIT-margin (percent of Revenues)	10%	2%	2%	-24%	3%	-1%	3%	6%	1%	4%	-14%	-5%	0%
Profit margin (percent of Revenues)	7%	-6%	1%	-25%	-3%	-2%	2%	42%	1%	3%	-14%	-7%	11%
Earnings per share before dilution (SEK)	0,11	-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)	5,65	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)	5,65	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)	75%	81%	77%	53%	55%	54%	60%	64%	59%	55%	60%	53%	64%
Cash Balance (MSEK)	94,0	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	56	62	63	59	59	54	54	52	56	54	50	59	52
Average number of outstanding shares (millions)	33,1	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)	33,1	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)	33,7	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)	0,3	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 September, 2020 was 10.6 (10.6), while the average USD rate in the period was 9.4 (9.4). Closing rate for EUR was 10.5 (10.7) och USD 9,0 (9.8).

Note 3. Related party transactions

There were no transactions with closely related parties during the third 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