



Press release 2019-02-08

C-RAD AB – Consolidated Year-End report January-December 2018

STRONG FOURTH QUARTER RESULTS IN FULL YEAR PROFIT

Key events in the period January - December 2018

FOURTH QUARTER 2018

- Order intake: 75.6 (47.5) MSEK, +59%.
- Revenues: 57.7 (42.0) MSEK, +37%.
- Operating profit: 3.3 (1.1) MSEK, +200%.
- Net results after tax: 24.3 (0.8) MSEK
- Result per share: 0,79 (0.03) SEK.

Comments from Tim Thurn, CEO:

The First Profitable Year in Our History.

Significant growth in order intake across all segments during the fourth quarter led to record order intake in C-RAD's history. At the same time revenue and profit both grew healthy in its fourth quarter and helped to close 2018 with a profit, a first for the company.

The total order intake during the fourth quarter was 75.6 MSEK, an increase of 59 percent compared to the same period in 2017. It should be noted that the EMEA region grew with 170 percent. North America is still behind expectations; however, we see that order inflow is improving again. The strong backlog in the beginning of the 2018 and the strong growth of order intake during 2018 led to an impressive growth in revenue from 42.0 MSEK to 57.7 MSEK, an increase of 37 percent over fourth quarter 2017 and 43 percent over the full year. The revenue growth with a stable gross profit margin led to an operating profit of 3.3 MSEK for the quarter and 0.8 MSEK for the full year 2018. The order back log amounts to 194 MSEK compared to 140 MSEK at the end of December 2017.

Looking Back; A Solid Track-Record.

The end of the year is always a good time for reflection. As we look back at the last three years, I feel really proud on what we have achieved. We nearly tripled the revenues and reach profitability for 2018. Every year the order back log has been around 100 percent of the revenue in the same year, which has led to significant growth in the following year. Order back log end of 2018 was also 100 percent of 2018 revenue.

Our significant growth was driven by a market realizing the importance of surface tracking technology for optimal treatment. The fact that we during this period of time, made substantial investments in sales and service personnel, allowed us to benefit from this trend.

Innovations That Matter. C-RAD's Technology Becoming a Standard.

During these years, we have built trust and our customers developed confidence in our cutting-edge products. Powerful customer testimonials underline the clinical benefit of our technology. That has resulted in a broader market acceptance and an increasing demand for our products and solutions. Our earlier assessment that C-RAD's technology is rapidly on its way to become the standard of care in radiation therapy, has been proven to be right. In our sales project funnel we see a substantially increased number of smaller orders from primarily new customers, and also existing customers that are upgrading their department with our solution. We strongly believe that this development continues, and we see huge opportunities for further growth.

Sustainable Cancer Care. Good for Society.





In 2018 we saw considerable advances in the way cancer is diagnosed and treated. The Nobel prize for medicine went to a team of researchers in the field of cancer therapy. Going forward it will be of vital importance for innovative technologies, like C-RAD's, to offer the potential to save, improve and extend the lives of millions of people diagnosed with cancer each year all over the world. Achieving long-term efficiency in cancer care is a complex task and C-RAD has a key-role to play here. C-RAD is truly dedicated and committed to help to cure even more cancer patients in a sustainable way and improve their quality of life.

Cancer never rests — and neither do we in our battle to find new ways to make treatments more efficient and safer for the patients. C-RAD is the expert in the niche of patient positioning and that will continue to be our main driver for the future. But we also have the ambition to expand into the new segment of workflow management for radiation therapy. That means we will expand our value proposition to new customers, but also utilize the opportunities in our installed base and thereby be able to sell upgrades. The focus will be to provide cancer centers with the technology to actively monitor their performance, benchmark their workflow and help to identify opportunities to improve efficiency and at the same time make the treatment more personalized and safer for the patients. This will be achieved by automation in areas where manual steps are not essential and by streamlining processes to allow clinical personnel to spend more time with their patients.

Looking ahead. We Continue to Grow the Company

Learning from the past, gives us a perspective to look ahead...

- **We are now** having a long track record of steadily increasing order intake year over year, with order intake exceeding revenue. That means we are growing the company. It also provides the means to measure potential growth rates and it indicates sales will continue to grow significantly going forward.
- **We are now** having evidence that we achieved market acceptance and I am convinced that every linear accelerator to be delivered on a worldwide basis in the future, will be equipped with positioning products. This is opening doors onto a huge market.
- **We are now** witnessing more governments around the globe, for example China and Japan, investing significant amounts to empower cancer care systems. Globally, about 42 million people across the world suffers from any form of cancer and the number continues to increase dramatically. That means a huge global potential for us to contribute to a better treatment for more cancer patients by installing our products in an increasing number of cancer clinics around the world.

We are excited to capitalize on the growth potential we see in front of us. We believe in the strengths of our products, the continued strong growth of the industry and the actions that we are taking to uniquely position C-RAD for growth in 2019 and beyond. We remain committed to our growth strategy, and at the same time build a new pillar to our portfolio. I am looking forward to establishing C-RAD even further in proven and new markets and help to make cancer treatment more efficient for health care providers, better in quality and safer for patients and medical personal.

That, in a nutshell, is pretty much the game plan.

About C-RAD

C-RAD develops innovative solutions for use in advanced radiation therapy. The C-RAD group offers products and solutions for patient positioning, tumor localization and radiation treatment systems. All product development is conducted in three fully owned subsidiaries: C-RAD Positioning AB, C-RAD Imaging AB and C-RAD Innovation AB, all of which are located in Uppsala, Sweden. C-RAD has established three companies for direct sales: C-RAD Inc. in the US, C-RAD GmbH in Germany and C-RAD WOFE in China. Cyrpa International SPRL, a Franco-Belgian laser company, is a wholly owned subsidiary whose operations are integrated. C-RAD AB is listed on NASDAQ Stockholm.

For more information on C-RAD, please visit www.c-rad.com

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This information is information that C-RAD AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication at 08:30 CET on February 8, 2019.

