

## C-RAD AB – Interim report January-June 2019

### RECORD HIGH ORDER BACK LOG

#### JANUARY - JUNE 2019

- Order intake: 64.1 (56.4) MSEK
- Order backlog: 214,5 (156,5) MSEK
- Revenues: 51.5 (51.9) MSEK
- EBITDA: 1.9 (3.1) MSEK
- Operating profit: -0.6 (2.0) MSEK
- Net results after tax: -0.9 (1.6) MSEK
- Result per share: -0.03 (0.05) SEK
- C-RAD and OPASCA announce strategic partnership
- Peter Eidsensjö leaves C-RAD's board of directors.

#### Presentation of the interim report

CEO Tim Thurn and CFO Therése Björklund will present the interim report by Webcast on Friday August 30 at 11:00 CEST. 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 your cooperation at: <https://attendee.gotowebinar.com/register/5659643046196070669>

### Comments from Tim Thurn, CEO:

**The order backlog amounted to a record of 214,5 (156,5) MSEK as prove the demand for C-RAD's products is growing.**

Total order intake for the second quarter amounted to 64,1 MSEK, compared to 56,4 MSEK in the same period last year - an increase of 14%. The business in the Americas continues to grow with 50 percent and APAC with 35 percent. Going forward, we see that the radiotherapy market in the APAC region – especially China - is growing considerably. With a well-established organization and a cooperation with the majority of the National Cancer Center, C-RAD is in a leading position. In our largest region EMEA we had a decline in order intake of 4 percent in Q2 compared to Q2 last year, primarily caused by lower sales in central Europe.

We are having a well performing services business and the sales of service contracts came in very strong and increased with more than 200 percent to 17 MSEK. This is providing stable future income streams based on continuous payments and creates long-term customer relations over the lifetime of the product.

Order intake of our positioning products decreased by 10 percent from 44,6 MSEK to 40 MSEK. Following order intake and a somewhat longer order conversion period (7 months vs 5 during the same quarter last year) revenue during the second quarter stayed about on the same level (51,5 MSEK) as during the same period last year (51,9 MSEK).





Looking at the first half of the fiscal year 2019 order intake grew with 5 percent from 107 MSEK to 111,9 MSEK; revenue increased with about 15 percent from 85,7 MSEK to 98,8 MSEK in 2019.

The overall result is behind our expectations and partly related to the fluctuations between the quarters that we have seen in the past and will see in the future. The underlying market continues to grow significantly – our assessment remains unchanged that surface tracking is evidently on its way to become standard of care. This together with C-RAD's leading technology is forming the base for our growth expectation going forward. At the same time there are strategical changes occurring in the market. These changes are consequences both from acquisitions done and newly formed partnerships between different market players, and have created a wait-and-see-momentum for some customers. We clearly see this as a temporary effect, the underlying market has not changed, long-term the growth rate will remain the same and C-RAD continue to be well-positioned in this growing market.

In July C-RAD announced that we are extending our strategic partnership with Elekta, a sales and distribution agreement was signed. The agreement enables Elekta to offer C-RAD's high end surface tracking solution for stereotactic treatments and for motion management to start with in North America and Mexico and eventually in other markets. We are expecting to see the first results from this strategic cooperation in the beginning of next year. It is a very positive signal, that Elekta has selected C-RAD as their strategic partner for this cooperation to meet the growing demand for SIGRT.

EBITDA in the second quarter was 1,9 MSEK and therewith we are delivering a positive EBITDA for the fifth quarter in a row. For the first half year EBITDA improved from -0,5 MSEK in 2018 to 5,5 MSEK in 2019.

During the quarter we have strengthened our organization within the important sales regions and also a COO, in order to be even better suited for a growing organization and a growing demand for our products and solutions.

Also, in July C-RAD received a large order worth about 9 MSEK from our prestigious customer, MVZ Prof. Dr. Uhlenbrock and Partner, as is a. leading medical centers offering radiology, nuclear medicine, and radiation therapy in the Ruhr area in Germany. We get more frequent feedback from our customer that patients are actively asking their treatment center if they are equipped with surface tracking. This is a very positive signal and shows that the advantages of this technology are not only of clinical nature but translate also into competitive advantages for the health care provide and contribute to attract patients to our customer.

During this year C-RAD developed its surface tracking solution specifically for the proton market. Proton therapy are the spearhead of precision radiation therapy. Accurate patient setup and positioning throughout the entire treatment are crucial for the clinical success. Together with Mevion – a Boston based vendor of compact proton therapy systems – and the proton therapy center in Maastricht C-RAD developed a fully integrated solution of its Cataly PT to enhance user comfort and patient safety.

For the last 3 years, C-RAD has been growing faster than the market. Now we see that the growth is temporarily slowing down. Going forward, with our newly formed strategic



partnership, we expect to outgrow the market again. Overall, we are well positioned and stand firm to take advantage of the exciting and growing opportunities in the market. I am looking forward to the rest of the year.

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

#### **For further information:**

Tim Thurn, CEO C-RAD AB, Phone +46-18-666930, Email [investors@c-rad.com](mailto:investors@c-rad.com)

This information is information that C-RAD AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 08:30 CEST on August 30, 2019.

