

“ In the first quarter of 2024, net sales rose by 12 percent. Revenue from support rose by 23 percent. Operating profit amounted to SEK 45.8 M (23.7) in the first quarter.”

Johan Löf, CEO of RaySearch

FIRST QUARTER (JANUARY – MARCH 2024)

- Oder intake SEK 238.5 M (206.6)
- Net sales SEK 257.2 M (230.2)
- Operating profit SEK 45.8 M (23.7)
- Profit after tax SEK 36.7 M (17.6)
- Earnings per share before/after dilution SEK 1.07 (0.51)
- Cash flow SEK 87.9 M (84.5)
- Order backlog SEK 1,848.0 M (1,903.3) MSEK at the end of the period

SIGNIFICANT EVENTS DURING THE FIRTS QUARTER

- RayStation in more than 1,000 radiotherapy centers worldwide.
- The Royal Marsden set to be the first center in the world to implement online adaptive radiation therapy utilizing ARTemis from RaySearch.
- RaySearch acquires the product DrugLog from Pharmacolog.
- World leading carbon ion center QST in Chiba, Japan, selects RayStation.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- Raigmore Hospital in Scotland selects RayCare.
- RaySearch and C-RAD signed collaboration agreement.
- RayCare has been certified to be interoperable with Varian TrueBeam.

FINANCIAL SUMMARY ¹

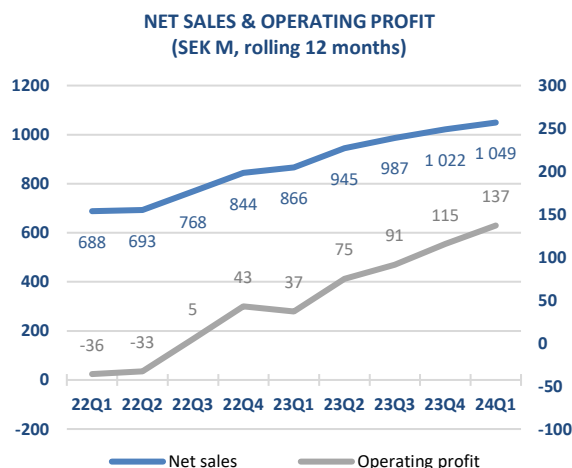
AMOUNTS IN SEK 000s	JAN-MAR		APR 2023-	JAN-DEC
	2024	2023	MAR 2024	2023
Net sales	257,196	230,169	1,049,186	1,022,159
Operating profit	45,768	23,676	136,972	.114,880
Operating margin, %	17.8	10.3	18.7	11.2
Profit for the period	36,698	17,563	100,707	81,572
Earnings per share before/after dilution, SEK	1.07	0.51	2.94	2.38
Cash flow from operating activities	167,308	153,683	469,556	455,931
Cash flow for the period	87,855	84,472	193,634	190,251
Return on equity, %	4.9	2.6	13.9	11.7
Equity/assets ratio, %, at the end of the period	37.6	35.8	37.6	37.7
Share price at the end of the period, SEK	115.0	77.1	115.0	90.3
Number of employees at the end of the period	398	374	398	376

¹ For definitions of key ratios, see page 19.

CEO COMMENTS

A STRONG FIRST QUARTER

The steady growth we have seen for several quarters now also continued in the first quarter of 2024, resulting in record-breaking sales for the seventh consecutive quarter, the highest ever for a corresponding quarter. Sales for the first quarter amounted to SEK 257 M, up 12 percent (11 percent at unchanged exchange rates) compared with the corresponding period in 2023. Cash flow for the quarter was SEK 88 M and EBIT SEK 46 M. This corresponds to an operating margin of 18 percent, a significant improvement on the year-earlier period when the operating margin was 10 percent. The improved margin was mainly due to increased sales. We are maintaining our momentum and opportunities for continued growth are favorable. Order intake for the first quarter amounted to SEK 239 M. The corresponding figure for 2023 was SEK 207 M. To summarize, RaySearch has a strong financial position with cash and cash equivalents of SEK 440 M, stable cash flow and no loans.



LATEST VERSION OF RAYCARE INTEROPERABLE WITH TRUEBEAM

As we announced May 16 the next version of RayCare, 2024A, has been certified as interoperable with Varian’s TrueBeam linear accelerator. This means that the new certificate is in place prior to the launch of RayCare 2024A, which will take place later in May.

In technical evaluations of different types of oncology information systems, RayCare has received positive reviews. With its advanced functionality combined with the fact that the system can now connect to all linacs in the TrueBeam family (TrueBeam, TrueBeam STx, Edge and VitalBeam), RayCare is a highly attractive alternative to competing systems. We are seeing clearly growing interest in RayCare among both new and existing customers. One example is Raigmore Hospital in Scotland. They have been using RayStation with their TrueBeam linacs for many years and are now replacing their existing oncology information system, an older version of ARIA from Varian Medical Systems, with RayCare.

MORE NEW AND EXPANDED COLLABORATION AGREEMENTS FOR RAYSTATION AND RAYCARE

In January, RaySearch signed an agreement with the Royal Marsden NHS Foundation Trust, a prominent cancer center in the UK, regarding RayStation and RayCare. Through this agreement, the center will become first in the world to implement online adaptive radiation therapy (OART) with RayStation and RayCare in combination with the Radixact® Treatment Delivery System from Accuray. I have great faith in the clinical benefits of adaptive radiation therapy and in this new solution.

In April, the world-leading National Institutes for Quantum Science and Technology (QST) in Japan placed an order for RayStation. RaySearch and QSR (formerly NIRS) entered into a partnership back in 2018, which led to a promising research collaboration with a focus on advancing ion beam therapy via the pencil beam scanning technique. QST’s purchase of RayStation is a logical step and naturally positive for our continued collaboration.

PRODUCT RANGE EXTENDED WITH DRUGLOG

Since its inception, RaySearch has focused on software for optimizing and planning radiation therapy. However, the long-term vision is to provide software support for all types of cancer treatments, including cytostatic drugs (chemotherapy) and surgery. As a first step, we intend to add support for treatment planning in RayStation and workflows in RayCare for chemotherapy management. In light of this, we acquired the product DrugLog™ in February from the Uppsala-based company, Pharmacolog AB. DrugLog verifies the identity and concentration of compounded injectable medications that are used for cancer treatment with chemotherapy. We anticipate that these extensions in RayStation and RayCare will be launched by 2026, and DrugLog will be an excellent complement and significantly improve quality assurance in cancer treatment with chemotherapy.

A GOOD START TO THE YEAR

As previously communicated, our focus is on improving our operating margin, with the goal that it should be at least 20 percent by 2026. I remain confident that we will achieve this goal.

It is gratifying to summarize a positive first quarter of 2024. With yet another sales record, a strong order backlog (SEK 1,848 M at quarter-end) and continuously growing support revenue, I am looking forward to a year with continued favorable growth.

Stockholm, May 17, 2024

Johan Löf
Founder and CEO

FINANCIAL INFORMATION

RaySearch operates in a market with uneven order flows where large individual orders can have a substantial impact on revenue recognition between the quarters and, because the company has limited (less than 10 percent) variable costs for license revenue, operating profit is affected by an amount that is nearly as high. For this reason, a longer perspective than a few quarters should be taken.

ORDER INTAKE AND ORDER BACKLOG

In the first quarter of 2024, order intake amounted to SEK 238.5 M (206.6), an increase of 15.4 percent quarter-on-quarter. License order intake amounted to SEK 112.3 M (94.8), an increase of 18.5 percent while order intake for support was SEK 80.3 M (59.2), an increase of 35.7 percent.

Order intake (amounts in SEK M)	Q4-24	Q4-23	Q3-23	Q2-23	Q1-23	Rolling 12 mon	Full-year 2023
Licenses	112.3	160.1	112.5	94.4	94.8	479.3	461.7
Support (incl. warranty support)	80.3	110.2	101.7	119.7	59.2	411.9	390.8
Hardware	31.3	36.0	16.1	17.5	41.8	101.0	111.4
Training and other	14.6	11.4	10.4	7.6	10.8	44.0	40.3
Total order intake	238.5	317.7	240.7	239.2	206.6	1,036.1	1,004.2

Order backlog (amounts in SEK M)	Q4-24	Q4-23	Q3-23	Q2-23	Q1-23
Licenses	387.6	382.5	429.7	425.0	397.1
Support (incl. warranty support)	1,303.2	1,346.7	1,379.5	1,350.7	1,324.2
Hardware	54.5	38.4	50.8	74.4	80.0
Training and other	102.7	96.9	106.3	104.8	102.0
Total order backlog at the end of the period	1,848.0	1,864.4	1,966.3	1,954.9	1,903.3

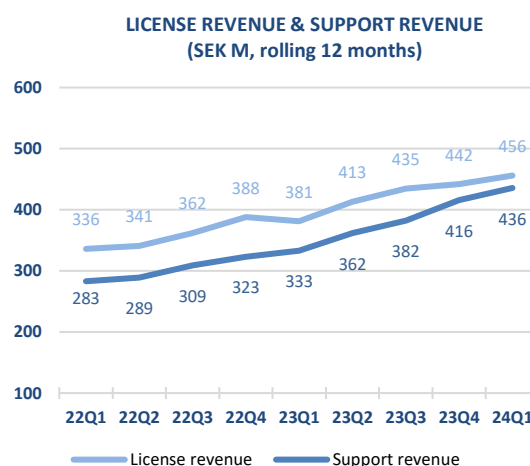
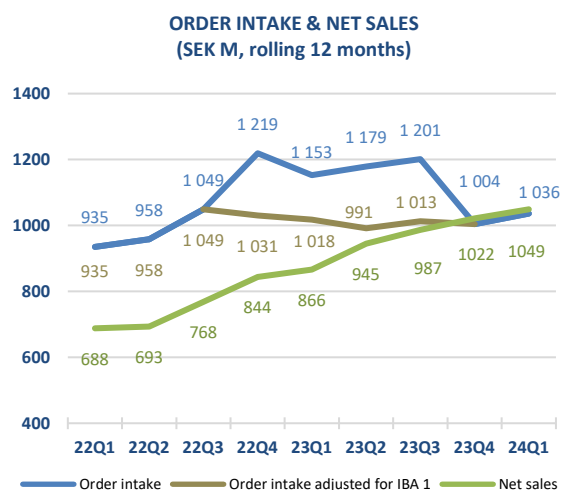
At March 31, 2024, the total order backlog was SEK 1 848.0 M (1 903.3), of which SEK 495,8 M is expected to generate revenue over the next 12 months. The remaining amount in the order backlog mainly pertains to support commitments that will primarily generate revenue during a subsequent four-year period.

REVENUE

In the first quarter of 2024, net sales amounted to SEK 257.2 M (230.2), an increase of 11.7 percent compared to the same period last year. The change in sales at unchanged exchange rates was 10.6 (2.6) percent. License revenue amounted to SEK 118.5 M (104.3), an increase of 13.7 percent compared to last year. Support revenue amounted to SEK 106.6 M (86.8), an increase of 22.8 percent accounting for 41 (38) percent of total net sales in the first quarter, the increase is a result of an increased number of installations.

Hardware sales, which have a weaker operating margin, amounted to SEK 19.3 M (29.3). Excluding hardware sales, sales increased 18.4 percent compared to the same period last year.

Revenue (amounts in SEK M)	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Rolling 12 mon	Full-year 2023
License revenue	118.5	138.9	97.9	100.7	104.3	456.0	441.8
Support revenue (incl. warranty support)	106.6	120.1	107.2	101.8	86.8	435.7	415.9
Hardware revenue	19.3	31.4	40.7	27.0	29.3	118.4	128.4
Training and other revenue	12.7	9.2	7.1	10.0	9.8	39.0	36.1
Net sales	257.2	299.6	252.9	239.5	230.2	1,049.2	1,022.2
Change in sales, corresp. period, %	11.7	13.3	19.9	49.4	10.6	23.7	21.2
Change in sales at unchanged exchange rates, corresp. period, %	10.6	6.1	11.2	39.9	2.6	17.0	15.6



¹ Ion Beam Applications S.A.

In the first quarter of 2024, net sales had the following geographic distribution: Americas 49 percent (40); Asia, Pacific region and Middle East, 18 percent (21); Europe and the rest of the world, 33 percent (39).

OPERATING PROFIT

In the first quarter of 2024, operating profit increased to SEK 45.8 M (23.7), representing an operating margin of 17.8 percent (10.3). Net sales increased in the first quarter to SEK 257.2 M (230.2) and was mainly due to higher support revenue, which amounted to SEK 106.6 M (86.8) for the first quarter. The bulk of this amount is derived from Europe and Americas.

As of January 1, 2024, the company has implemented a refined cost center classification, which has affected certain operating costs which were previously categorized as selling expenses but are now reported as administrative expenses or research and development costs.

AMOUNTS IN SEK 000s	JAN-MAR		
	2024	2024 old cost center structure	2023
Operating expenses			
Selling expenses	-69,613	-81,915	-79,711
Administration expenses	-61,876	-51,497	-49,313
Research and development costs	-61,181	-59,258	-50,078
Operating expenses	-192,670	-192,670	-179,102

Operating expenses amounted to SEK 192.7 M (179.1), the increase is mainly due to increased personnel costs as the number of employees has increased compared to the corresponding quarter of the previous year. Furthermore, a number of development projects were activated during the period June-December 2023, which led to increased depreciation compared to the first quarter of 2023.

In the first quarter, the net of exchange-rate gains and losses amounted to SEK 3.8 M (-3.5) since a large proportion of the Group's receivables are denominated in USD and EUR. Adjusted for the effects of these currency translations, operating profit for the first quarter would have amounted to SEK 42.0 M (27.2).

Capitalization of development costs

RaySearch is a research and development-oriented company that makes significant investments in the development of software solutions for improved cancer treatment. At March 31, 2024, 203 employees (196) were engaged in research and development, corresponding to 51 percent (52) of the total number of employees.

Capitalization of development costs	Q1 -24	Q4 -23	Q3 -23	Q2 -23	Q1 -23	Rolling 12 mon	Full-year 2023
Research and development costs	66.1	76.8	50.4	63.1	58.2	256.4	248.6
Capitalization of development costs	-50.0	-55.5	-34.8	-45.9	-48.2	-186.2	-184.4
Amortization of capitalized development costs	45.1	46.4	45.7	40.5	40.0	177.7	172.8
Research and development costs after adjustments for capitalization and amortization	61.2	67.7	61.4	57.7	50.1	247.9	237.0

In 2024 RaySearch continued to invest in both existing products and future products. During the first quarter, research and development costs amounted to SEK 66.1 M (58.2).

Capitalized development costs amounted to SEK 50.0 M (48.2) MSEK for the first quarter, an increase of 3.9 percent, compared to the same period last year. Accordingly, capitalized development costs amounted to 76 percent (83 of the total research and development costs for the first quarter 2024).

Amortization of capitalized development costs amounted to SEK 45.1 M (40.0) for the first quarter, which is an increase of 12.7 percent compared to the same period last year. This increase is attributable to the fact that a number of development projects were activated during the period June-December 2023, which led to increased depreciation compared to the first quarter of 2023.

Total research and development costs (after adjustments for capitalization and amortization of development costs) amounted to SEK 61.2 M (50.1) for the first quarter 2024, an increase of 22.2 percent compared to the same period last year.

Amortization and depreciation

In the first quarter of 2024, total amortization and depreciation increased to SEK 73.1 M (67.7), an increase of 7.9 percent compared to the same period last year. Amortization of intangible fixed assets amounted to SEK 45.1 M (40.1). Depreciation of tangible fixed assets amounted to SEK 27.9 M (27.6).

PROFIT AND EARNINGS PER SHARE

In the first quarter of 2024, profit after tax amounted to SEK 36.7 M (17.6), corresponding to earnings per share of SEK 1.07 (0.51). In the first quarter of 2024, the tax cost amounted to SEK 8.9 M (4.1), corresponding to an effective tax rate of 19.5 percent (18.8).

CASH FLOW AND LIQUIDITY

In the first quarter of 2024, cash flow from operating activities totaled SEK 167.3 M (153.7). The increase is mainly a result of an improved profit before tax of SEK 24.0 M and improved working capital of SEK 11.7 M, which is mainly generated by increased customer liabilities as a result of higher customer invoicing in the period.

In the first quarter, cash flow from investing activities totaled SEK -60.8 M (-52.1). Investments in intangible fixed assets amounted to SEK -57.0 M (-48.2) and mainly comprised capitalized development costs for the company’s products – RayStation, RayCare, RayCommand and RayIntelligence. The item also includes the acquisition of DrugLog with SEK -7.0 million. Investments in tangible fixed assets amounted to SEK -3.8 M (-3.9) and are attributable to investments in IT equipment.

In the first quarter, cash flow from financing activities amounted to SEK -18.6 M (-17.1) and comprised the repayment of lease liabilities.

Cash flow for the period equaled SEK 87.9 M (84.3) in the first quarter.

At March 31, consolidated cash and cash equivalents amounted to SEK 440.1 M compared to SEK 343.7 M at December 31, 2023.

FINANCIAL POSITION

At March 31, 2024, RaySearch's total assets amounted to SEK 2,064.2 M compared to SEK 1,952.6 M at December 31, 2023. At March 31, the equity/assets ratio was 37.6 percent compared to 37.7 percent at December 31, 2023.

At March 31, 2024, the company's interest-bearing liabilities, comprising only lease liabilities recognized in accordance with IFRS 16, amounted to SEK 525.5 M compared with SEK 529.4 M at December 31, 2023.

At March 31, 2024, the Group's net debt amounted to SEK 85.4 M compared to SEK 185.7 M at December 31, 2023, a reduction that is due to an increase in cash and cash equivalents and lower lease liabilities compared to the balance at December 31, 2023.

EMPLOYEES

During the January-March period of 2024, the average number of employees in the Group was 399 (374). At the end of first quarter 2024, the Group had 398 employees (376), of whom 289 (269) were based in Sweden, and 109 (107) in foreign subsidiaries.

PARENT COMPANY

RaySearch Laboratories AB (publ) is the Parent Company of the RaySearch Group. Since the Parent Company's operations are consistent with the Group's operations in all material respects, the comments for the Group are also largely applicable to the Parent Company.

Differences in profitability between the Parent Company and the Group are attributable to the Parent Company accounting for a relatively high proportion of operating expenses, and to the capitalization of development costs being recognized in the Group but not in the Parent Company. The Parent Company was also not affected by the changes pertaining to lease recognition under IFRS 16, and instead continues to recognize lease payments as operating lease payments. This reduces operating profit compared with if IFRS 16 had been applied.

The Parent Company's current receivables mainly comprise receivables from Group companies and external customers.

THE COMPANY'S SHARE AND SHARE OWNERSHIP

At March 31, the total number of registered shares in RaySearch was 34,282,773, of which 7,654,975 were Class A and 26,627,798 Class B shares. The quotient value is SEK 0,50 and the company's share capital amounts to SEK 17,141,386.50. Holders of Class A shares are entitled to 10 votes per share, and holders of Class B shares are entitled to one vote per share, at general meetings. At March 31, 2024, the total number of votes in RaySearch was 103,177,548.

At March 31, 2024, the total number of shareholders in RaySearch was 8,038, according to Euroclear, and the largest shareholders were as follows:

Name	Class A shares	Class B shares	Total shares	Share capital, %	Votes, %
Johan Löf	5,443,084	218,393	5,661,477	16.5	53.0
Northern Trust Company, London Branch	-	2,783,896	2,783,896	8.1	2.7
The Bank Of New York Mellon Sa/Nv, W8lmy	-	2,529,051	2,529,051	7.4	2.5
Bnp Paribas Sa Paris, W8lmy (Gc)	-	2,390,025	2,390,025	7.0	2.3
Swedbank Robur Ny Teknik	-	1,800,000	1,800,000	5.3	1.7
Anders Brahme	1,150,161	150,000	1,300,161	3.8	11.3
Andra AP-Fonden	-	1,220,942	1,220,942	3.6	1.2
J.P. Morgan Se, Luxembourg Branch, W8lmy/Nqi	-	1,169,623	1,169,623	3.4	1.1
Bergendal Carl Filip	1,021,577	139,920	1,161,497	3.4	10.0
Celina Fondförvaltning (Tidigare Catella fonder)	-	897,841	897,841	2.6	1.0
Total, 10 largest shareholders	7,614,822	13,299,691	20,914,513	61.1	86.8
Others	40,153	13,462,129	13,328,107	38.9	13.2
Total	7,654,975	26,627,798	34,282,773	100	100

Source: Euroclear

OTHER INFORMATION

2024 ANNUAL GENERAL MEETING

The Annual General Meeting of RaySearch Laboratories AB (publ) will be held on Thursday, May 22, 2024 at 6.00 p.m. at the company's premises, Eugeniavägen 18 C in Stockholm. For the right to participate and registration, refer to the published notice on April 16.

RISKS AND UNCERTAINTIES

As a global Group with operations in different parts of the world, RaySearch is exposed to various risks and uncertainties such as market risk, operational and legal risk, as well as financial risk pertaining to exchange-rate fluctuations, interest rates, liquidity and financing opportunities. RaySearch's risk management aims to identify, measure and reduce risks related to the Group's transactions and operations. For more information about RaySearch's risk exposure and risk management, refer to pages 40–42 of RaySearch's 2023 Annual Report. There have been no significant changes with any impact on the risks reported.

SEASONAL VARIATIONS

RaySearch's customers are healthcare providers and the company's operations are somewhat characterized by seasonal variations that are typical for the industry, whereby the fourth quarter is normally the strongest – mainly because many customers have budgets that follow the calendar year.

ENVIRONMENT AND SUSTAINABILITY

Sustainability is a key aspect of RaySearch's strategy and operations, and the company is working actively to become a sustainable enterprise. The primary aim of RaySearch's operations is to help cancer centers improve and save the lives of cancer patients. Through innovative software solutions, the company is continuously striving to improve and streamline workflows in clinical environments and to improve treatment outcomes for cancer patients. The customer value created presents business opportunities for RaySearch, but also major social benefit and economic gains.

The negative environmental impact of the company's products is limited. The company's environmental impact is mainly related to the purchase of goods and services, energy use and transportation. RaySearch aims to contribute to sustainable development and therefore works actively to improve the company's environmental performance wherever this is economically viable. More information about the company's environmental and sustainability initiatives is available in the company's Sustainability Report on pages 21–31 of RaySearch's 2023 Annual Report.

REVIEW

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

BOARD ASSURANCE

The Board of Directors and CEO give their assurance that this interim report gives a true and fair view of the Group's and the Parent Company's operations, position and earnings, and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, May 17, 2024

RaySearch Laboratories AB (publ)

Hans Wigzell
Chairman of the Board

Johan Löf
CEO and Board member

Carl Filip Bergendal
Board member

Britta Wallgren
Board member

Günther Mårder
Board member

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The information contained in this interim report is such that RaySearch Laboratories AB (publ) is obliged to disclose under the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication on May 17, 2024 at 7:45 a.m. CET.

WEBCAST

CEO Johan Löf and Interim CFO Annika Blondeau Henriksson will present RaySearch's interim report for January-March 2024 at a webcast to be held in English on Friday, May 17, 2024 at 10:00 a.m. CET.

Link to webcast: [RaySearch Q1, 2024](#)

You can also join the webcast by phone:

Sverige: +46 (0) 8 505 100 31

UK: +44 (0) 207 107 06 13

US: +1 (1) 631 570 56 13

FINANCIAL CALENDAR

Annual General Meeting, 2024

May 22, 2024

Interim report second quarter, 2024

August 16, 2024

Interim report third quarter, 2024

November 8, 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

AMOUNTS IN SEK 000s	Note	JAN-MAR		APR 2023-	FULL-YEAR
		2024	2023	MAR 2024	2023
Net sales	2,3	257,196	230,169	1,049,186	1,022,159
Cost of goods sold ¹		-23,102	-,23,918	-105,762	-106,578
Gross profit		234,094	206,251	943,424	915,581
Other operating income		12,650	5,439	29,111	21,900
Selling expenses ³		-69,613	-79,711	-352,748	-362,846
Administrative expenses ³		-61,876	-49,313	-207,726	-195,163
Research and development costs ³		-61,181	-50,078	-248,839	-237,736
Other operating expenses		-8,306	-8,912	-26,250	-26,856
Operating profit		45,768	23,676	136,972	114,880
Loss from financial items		-155	-2,043	-2,904	-4,792
Profit before tax		45,613	21,633	134,068	110,088
Tax		-8,915	-4,070	-33,361	-28,516
Profit for the period²		36,698	17,563	100,707	81,572
Other comprehensive income					
Items to be reclassified to profit or loss					
Translation difference of foreign operations for the period		4,616	-335	1,455	-3,496
Comprehensive income for the period²		41,314	17,228	102,162	78,076
Earnings per share before and after dilution (SEK)		1.07	0.51	2.94	2.38

¹ Comprises costs for hardware and license costs paid, but not amortization of capitalized development costs, which are included in research and development costs.

² Fully (100 percent) attributable to Parent Company shareholders.

³ As of January 1, 2024 the company has implemented a refined cost center classification, which has affected certain operating expenses which were previously categorized as selling expenses and now are reported as research and development costs or administrative expenses.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

AMOUNTS IN SEK 000s	Note	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
ASSETS				
Intangible fixed assets		542,839	526,772	530,455
Right-of-use assets		496,983	524,495	500,776
Tangible fixed assets		86,410	100,864	89,640
Deferred tax assets		4,743	25,141	5,729
Other long-term receivables		30,064	52,114	23,620
Total fixed assets		1,161,039	1,229,386	1,150,220
Inventories		14,518	22,926	9,320
Billed customer receivables		250,398	195,253	240,101
Unbilled customer receivables		140,802	120,825	143,626
Other current receivables		57,314	73,203	65,718
Cash and cash equivalents		440,131	243,719	343,681
Total current assets		903,163	655,927	802,446
TOTAL ASSETS		2,064,202	1,885,313	1,952,666
EQUITY AND LIABILITIES				
Equity		776,546	674,384	735,232
Deferred tax liabilities		110,688	108,428	109,530
Long-term lease liabilities		430,196	481,001	431,977
Other long-term liabilities		880	1,723	878
Total long-term liabilities		541,764,	591,152,	542,385,
Accounts payable		38,307	30,278	42,085
Current lease liabilities		95,344	57,255	97,381
Contractual debts		522,502	466,819	461,140
Other current liabilities		89,739	65,425	74,443
Total current liabilities		745,892	619,777	675,049
TOTAL EQUITY AND LIABILITIES		2,064,202	1,885,313	1,952,666

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

AMOUNTS IN SEK 000s	JAN-MAR		FULL-YEAR
	2024	2023	2023
Opening balance	735,232	657,156	657,156
Profit for the period	36,698	17,563	81,572
Translation difference for the period	4,616	-335	-,3,496
Comprehensive income for the period	41,314	17,228	78,076
Closing balance	776,546	674,384	735,232

CONSOLIDATED STATEMENT OF CASH FLOW IN SUMMARY

AMOUNTS IN SEK 000s	Note	JAN-MAR		APR 2023-	FULL-YEAR
		2024	2023	MAR 2024	2023
Profit before tax		45,613	21,633	134,068	110,088
Adjusted for non-cash items ¹⁾		52,287	65,848	287,264	300,825
Taxes paid		-4,463	4,065	-24,896	-16,368
Cash flow from operating activities before changes in working capital		93,437	91,546	396,436	394,545
Cash flow from changes in operating receivables		11,587	52,729	-9,361	31,781
Cash flow from changes in operating liabilities		62,284	9,408	82,481	29,605
Cash flow from operating activities		167,308	153,683	469,556	455,931
Investments in capitalized development costs		-50,036	-48,164	-186,907	-185,035
Acquisition of intangible fixed assets		-7,000	-	-7,000	-
Acquisition of tangible fixed assets		-3,773	-3,917	-24,151	-24,295
Cash flow from investing activities		-60,809	-52,081	-218,058	-209,330
Repayment of lease liabilities		-18,644	-17,130	-57,864	-56,350
Change in overdraft facility		-	-	-	-
Cash flow from financing activities		-18,644	-17,130	-57,864	-56,350
Cash flow for the period		87,855	84,472	193,634	190,251
Cash and cash equivalents at the beginning of the period		343,681	160,268	243,719	160,268
Exchange-rate difference in cash and cash equivalents		8,595	-1,021	2,778	-6,838
Cash and cash equivalents at the end of the period		440,131	243,719	440,131	343,681

¹⁾ These amounts mainly include amortization of capitalized development costs, right-of-use assets, provision for expected credit losses and unrealized currency effects

PARENT COMPANY INCOME STATEMENT IN SUMMARY

AMOUNTS IN SEK 000s	Note	JAN-MAR		FULL-YEAR
		2024	2023	2023
Net sales	2,3	197,661	173,086	780,348
Cost of goods sold ¹		-8,565	-4,358	-40,869
Gross profit		189,096	168,728	739,479
Other operating income		11,745	5,403	19,961
Selling expenses		-48,142	-43,805	-209,472
Administrative expenses		-66,820	-61,991	-245,898
Research and development costs		-54,165	-49,649	-203,363
Other operating expenses		-7,439	-8,161	-24,258
Operating profit		24,275	10,525	76,449
Profit/loss from financial items		2,004	289	4,135
Profit after financial items		26,279	10,814	80,584
Appropriations		-	-	-
Profit before tax		26,279	10,814	80,584
Tax on profit for the period		-6,129	-2,311	-22,040
Profit for the period²		20,150	8,503	58,544

¹ Comprises costs for hardware and royalties.

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS IN SEK 000s	JAN-MAR		FULL-YEAR
	2024	2023	2023
Profit for the period	20,150	8,503	58,544
Other comprehensive income	-	-	-
Comprehensive income for the period	20,150	8,503	58,544

PARENT COMPANY BALANCE SHEET IN SUMMARY

AMOUNTS IN SEK 000s	Note	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
ASSETS				
Intangible fixed assets		7 080	285	116
Tangible fixed assets		48,890	52,423	44,603
Shares and participations		3,958	3,958	3,958
Deferred tax assets		1,063	21,681	3,183
Long-term receivables from Group companies		12,547	-	12,077
Other long-term receivables		1,402	11,355	6,190
Total fixed assets		74,940	89,702	70,127
Inventories		4,657	8,420	1,387
Billed customer receivables		127,875	109,823	134,882
Unbilled customer receivables		51,691	47,053	75,320
Receivables Group companies		133,509	128,510	89,140
Other current receivables		55,447	63,920	67,799
Cash and bank balances		266,179	134,085	214,201
Total current assets		639,358	491,811	582,729
TOTAL ASSETS		714,298	581,513	652,856
EQUITY AND LIABILITIES				
Equity				
<u>Restricted equity</u>				
Share capital		17,141	17,141	17,141
Statutory reserve		43,630	43,630	43,630
Total restricted equity		60,771	60,771	60,771
<u>Unrestricted equity</u>				
Retained earnings		185,403	126,859	126,859
Profit for the year		20,150	8,503	58,544
Total unrestricted equity		205,553	135,362	185,403
Total equity		266,324	196,133	246,174
Long-term liabilities		19,466	22,304	20,174
Total long-term liabilities		19,466	22,304	20,174
Accounts payable		42,172	18,016	49,437
Liabilities Group companies		16,025	8,234	20,505
Contractual liabilities		311,622	286,619	268,294
Other current liabilities		58,689	50,207	48,272
Total current liabilities		428,508	363,076	386,508
TOTAL EQUITY AND LIABILITIES		714,298	581,513	652,856

NOTES, GROUP

NOTE 1 ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting principles applied are consistent with those described in the 2023 Annual Report for RaySearch Laboratories AB (publ), which is available at raysearchlabs.com. RaySearch Laboratories AB (publ) is the Parent Company of the RaySearch Group.

The Parent Company applies the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The Parent Company's operations are consistent with the Group's operations in all material respects. Differences in profitability between the Parent Company and the Group are attributable to the Parent Company accounting for a relatively high proportion of operating expenses, and to the capitalization of development costs being recognized in the Group but not in the Parent Company. The Parent Company's current receivables mainly comprise receivables from Group companies and external customers.

CORRECTION OF ERROR

In this report, it has been noted that the cash flow in comparative figures is incorrect. The error consists of incorrect classification and calculation regarding cash flow attributable to the Group's leases and has been adjusted in this report. The correction only affects the classification of cash flows between the different categories and does not affect the total cash flow for the period. The Group's quarterly overview has also been restated. The income statement and consolidated statement of financial position have not been adjusted. Corrections in cash flow are presented in the tables below.

AMOUNTS IN SEK 000s	Recognized JAN-MAR	Restatement	Restated JAN-MAR
	2023	2023	2023
Cash flow from changes in operating receivables	50,088	2,641	52,729
Cash flow from changes in operating liabilities	9,543	-135	9,408
Cash flow from operating activities	151,177	2,506	153,683
Acquisition of tangible fixed assets	-2,391	-1,526	-3,917
Cash flow from investing activities	-50,555	-1,526	-52,081
Repayment of lease liabilities	-16,150	-980	-17,130
Cash flow from financing activities	-16,150	-980	-17,130

NOTE 2 ESTIMATES

Preparation of the interim report requires the company management to make estimates that affect the carrying amounts. The actual outcome could deviate from these estimates. The critical sources of uncertainty in the estimates are the same as those in the most recent Annual Report.

NOTE 3 REVENUE FROM CONTRACTS WITH CUSTOMERS

RaySearch conducts sales of goods and services in various regions. Revenue from sales of licenses and hardware is recognized in the statement of comprehensive income at a point in time, while revenue from sales of training and support is recognized over time.

AMOUNTS IN SEK 000s	JAN-MAR			APR 2023-	FULL-YEAR
	2024	2023	Change	MAR 2024	2023
Revenue by type					
Licenses	118,521	104,285	13.7%	456,027	441,791
Support (incl. warranty support)	106,601	86,776	22.8%	435,698	415,873
Hardware	19,336	29,280	-34.0%	118,435	128,379
Training and other	12,738	9,828	29.6%	39,026	36,116
Total revenue by type	257,196	230,169	11.7%	1,049,186	1,022,159

AMOUNTS IN SEK 000s	JAN-MAR			APR 2023-	FULL- YEAR
	2024	2023	Change	MAR 2024	2023
Revenue by geographic market					
North America	126,047	91,640	37.5%	447,320	412,913
Asia, Pacific region and Middle East	46,676	47,809	-2.4%	216,426	217,559
Europe and rest of the world	84,473	90,720	-6.9%	385,440	391,687
Total revenue by geographic market	257,196	230,169	11.7%	1,049,186	1,022,159
Revenue recognized at various points in time					
Goods/services transferred at a point in time	137,857	133,565	3.2%	574,462	570,170
Services transferred over time	119,339	96,604	23.5%	474,724	451,989
Total revenue recognized at various points in time	257,196	230,169	11.7%	1,049,186	1,022,159

NOTE 4 FINANCIAL INSTRUMENTS

RaySearch’s financial assets and liabilities comprise billed and unbilled receivables, cash and cash equivalents, accrued expenses, accounts payable and lease liabilities. Long-term receivables and lease liabilities are discounted, while other financial assets and liabilities have short maturities. Accordingly, the fair value of all financial instruments are deemed to correspond approximately to their carrying amounts.

The provision for expected credit losses is a weighted assessment of payment history, reports from external credit rating agencies and other customer-specific information. At March 31, 2024, the credit loss provision amounted to SEK 35.5 M (37.4), corresponding to 8 percent (8) of total customer receivables.

NOTE 5 CURRENCY EFFECTS

The company’s net sales and earnings are impacted by USD/EUR to SEK exchange rates, since most sales are invoiced in USD and EUR, while most costs are denominated in SEK.

Based on the year’s revenue, cost and currency structure (transaction exposure), a general change of ten percentage points in the SEK to USD exchange rate would have impacted the consolidated operating profit by approximately +/- SEK 17.6 M in the first quarter of 2024, while a corresponding change in the SEK to EUR exchange rate would have impacted the consolidated operating profit by approximately +/- SEK 13.6 M.

The Group follows the financial policy established by the Board of Directors, whereby exchange-rate fluctuations are not hedged.

NOTE 6 RELATED-PARTY TRANSACTIONS

There were no transactions between RaySearch and related parties with any material impact on the company’s position and earnings during the period.

NOTE 7 PLEDGED ASSETS IN THE GROUP AND PARENT COMPANY

AMOUNTS IN SEK 000s	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
Chattel mortgages	100,000	100,000	100,000
Guarantees	35,770	32,624	32,191

GROUP QUARTERLY OVERVIEW

AMOUNTS IN SEK 000s	2024		2023		2022			
	Q1	Q4	Q3	Q2	Q 1	Q4	Q 3	Q2
Order intake								
Total order intake	238,526	317,749	240,693	239,163	206,631	514,424	219,091	212,511
Income statement								
Net sales	257,196	299,640	252,883	239,467	230,169	264,383	210,811	160,235
Change in sales, %	22.0	13.3	19.9	49.4	10.6	40.2	54.6	3.7
Operating profit/loss	45,768	44,362	28,616	18,226	23,676	20,700	12,007	-19,527
Operating margin, %	17.8	14.8	11.3	7.6	10.3	7.8	5.7	-12.2
Profit/loss for the period	36,698	31,540	21,551	10,918	17,563	14,138	10,073	-19,731
Net margin, %	14.3	10.5	8.5	4.6	7.6	5.3	4.8	-12.3
Cash flow								
Operating activities	167,308	115,772	124,378	62,097	153,683	116,127	11,292	68,324
Investing activities	-60,809	-64,581	-43,673	-48,995	-52,081	-52,794	-44,407	-43,629
Financing activities	-18,644	-5,663	-17,169	-16,388	-17,130	-20,563	-14,875	-8,010
Cash flow for the period	87,885	45,528	63,536	-3,285	84,472	42,770	-47,990	16,685
Capital structure								
Equity/assets ratio, %	37.6	37.7	38.0	36.3	35.8	35.0	37.6	35.2
Net debt	85,410	185,676	199,642	279,406	295,381	394,982	413,394	385,357
Debt/equity ratio	0.1	0.3	0.3	0.4	0.4	0.6	0.6	0.6
Net debt/EBITDA	0.7	0.5	0.5	0.8	0.9	1.2	1.4	1.6
Per share data, SEK								
Earnings/loss per share before dilution	1.07	0.92	0.63	0.32	0.51	0.41	0.29	-0.58
Earnings/loss per share after dilution	1.07	0.92	0.63	0.32	0.51	0.41	0.29	-0.58
Equity per share	22.65	21.45	20.68	20.07	19.67	19.17	18.81	18.42
Share price at the end of the period	115.0	90.3	82.9	63.30	77.10	68.00	47.60	54.40
Other								
No. of shares before/after dilution, 000s	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8
Average no. of employees	399	376	383	371	374	382	386	383

GROUP, ROLLING 12 MONTHS

AMOUNTS IN SEK 000s	Apr 2023-	Jan 2023-	Oct 2022-	Jul 2022-	Apr 2022-	Jan 2022-	Oct 2021-	Jul 2021-
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023	Dec 2022	Sep 2022	Jun 2022
Order intake								
Total order intake	1,036,131	1,004,236	1,200,911	1,179,309	1,152,657	1,218,468	1,049,070	957,845
Income statement								
Net sales	1,049,186	1,022,159	986,902	944,900	865,668	843,648	767,838	693,376
Operating profit/loss	136,972	114,880	91,218	74,609	36,856	42,744	5,466	-33,102
Operating margin, %	13.1	11.2	9.2	7.9	4.3	5.1	0.7	-4.8
Cash flow								
Cash flow for the period	193,634	190,251	187,492	75,966	95,936	46,784	-16,050	21,852
Cash flow for the period adjusted for repayment of bank loans	193,634	190,251	187,492	75,966	95,936	68,052	5,218	43,120

DEFINITIONS OF KEY RATIOS

The interim report refers to a number of non-IFRS financial measures that are used to provide investors and company management with additional information to assess the company's operations. The various non-IFRS measures used to complement the IFRS financial statements are described below.

Non-IFRS measures	Definition	Reason for using the measure
Order intake	The value (transaction price) of all orders received and changes to existing orders during the current period.	Order intake is an indicator of future revenue and thus a key figure for the management of RaySearch's operations.
Order backlog	The value of orders at the end of the period that the company has yet to deliver and recognize as revenue, meaning remaining performance obligations.	The order backlog shows the value of orders already booked by RaySearch that will be converted to revenue in the future.
Change in sales	The change in net sales compared with the year-earlier period expressed as a percentage.	The measure is used to track the performance of the company's operations between periods.
Change in sales at unchanged currencies (organic growth)	Change in sales at unchanged exchange rates, i.e. excluding currency effects.	This measure is used to monitor underlying change in sales driven by alterations in volume, pricing and mix for comparable units between different periods.
Gross profit/loss	Net sales minus cost of goods sold.	Gross profit is used to measure the margin before sales, research, development and administrative expenses.
Operating profit/loss	Calculated as profit for the period before financial items and tax.	Operating profit provides an overall picture of the total generation of earnings in operating activities.
Operating profit adjusted for currency translation effects	Calculated as operating profit less other operating income/expenses.	Operating profit provides an overall picture of the total generation of earnings in operating activities excluding currency translation effects for balance sheet items.
Operating margin	Operating profit expressed as a percentage of net sales.	Together with sales growth, the operating margin is a key element for monitoring value creation.
Net margin	Profit for the period as a percentage of net sales for the period.	The net margin shows the percentage of net sales remaining after the company's expenses have been deducted.
Operating expenses	Pertains to selling expenses, administrative expenses and research and development costs included in operating activities. Previous reports also included cost of goods sold, other operating income and other operating expenses.	Operating expenses provide an overall picture of the costs charged to operating activities and represent an important internal measure over which management has significant influence.
Equity per share	Equity divided by number of shares at the end of the period.	The measurement shows the return generated on the owners' invested capital per share.
Rolling 12 months' sales, operating profit/loss or other results	Sales, operating profit or other results measured over the past 12-month period.	This measure is used to more clearly illustrate the trends for sales, operating profit and other results, which is relevant because RaySearch's revenue is subject to monthly variations.
Working capital	Working capital comprises inventories, operating receivables and operating liabilities, and is obtained from the statement of financial position. Operating receivables comprise accounts receivable, other current/long-term receivables and non-interest bearing prepaid expenses and accrued income. Operating liabilities include other non-interest bearing long-term liabilities, advance payments from customers, accounts payable, other current liabilities and non-interest bearing accrued expenses and deferred income.	This measure shows how much working capital is tied up in operations and can be shown in relation to net sales to demonstrate the efficiency with which working capital has been used.
Return on equity	Calculated as profit/loss for the period as a percentage of average equity. Average equity is calculated as the sum of equity at the end of the period plus equity at the beginning of the period, divided by two.	Shows the return generated on the owners' invested capital from a shareholder perspective.
Equity/assets ratio	Equity expressed as a percentage of total assets at the end of the period.	This is a standard measure to show financial risk and is expressed as the percentage of the total restricted equity financed by the owners.
Net debt	Interest-bearing liabilities less cash and cash equivalents and interest-bearing current and long-term receivables.	This measure shows the Group's total indebtedness.
Debt/equity ratio	Net debt in relation to equity.	The measure shows financial risk and is used by management to monitor the Group's indebtedness.
EBITDA	Operating profit before financial items, tax, depreciation/amortization and impairment.	The measurement is a way to evaluate the result without taking into consideration financial decisions or taxes.
Net debt/EBITDA	Net debt at the end of the period in relation to operating profit before depreciation and amortization over the past 12-month period.	A relevant measure from a credit perspective that shows the company's ability to handle its debt.

CALCULATION OF FINANCIAL MEASURES NOT INCLUDED IN THE IFRS FRAMEWORK

AMOUNTS IN SEK 000s	JAN-MAR		FULL YEAR	
	2024 ¹	2024 old cost center structure	2023	2023
Operating expenses				
Selling expenses	-69,613	-81,915	-79,711	-362,846
Administrative expenses	-61,876	-51,497	-49,313	-195,163
Research and development costs	-61,181	-59,258	-50,078	-237,736
Operating expenses	-192,670	-192,670	-179,102	-795,745

¹The updated cost center structure applies from January 1, 2024 onwards.

AMOUNTS IN SEK 000s	JAN-MAR		FULL YEAR
	2024	2023	2023
EBITDA			
Operating profit	45,768	23,676	114,880
Amortization and depreciation	73,060	67,683	286,154
EBITDA	118,828	91,359	401,034

AMOUNTS IN SEK 000s	JAN-MAR		FULL YEAR
	2024	2023	2023
Operating profit adjusted for currency translation effects			
Operating profit	45,768	23,676	114,880
Exchange-rate gains	-12,070	-5,029	-19,257
Exchange-rate losses	8,306	8,528	26,856
Operating profit adjusted for currency translation effects	42,004	27,175	122,479

PERCENT	JAN-MAR		FULL YEAR
	2024	2023	2023
Change in sales at unchanged exchange rates (organic growth)			
Net sales	257,196	230,169	1,022,159
Currency adjustment	-2,605	-16,659	-63,476
Adjusted net sales	254,591	213,510	958,683
Net sales, preceding year	230,169	208,149	843,648
Change in sales at unchanged exchange rates (organic growth), percent	10.6%	2.6%	13.6%

AMOUNTS IN SEK 000s	2024-03-31	2023-03-31	2023-12-31
Working capital			
Accounts receivable (current billed customer receivables)	250,398	195,253	240,101
Current unbilled customer receivables	140,802	120,825	143,626
Long-term unbilled customer receivables	22,658	52,114	22,195
Inventories	14,518	22,926	9,320
Other current receivables (excl. tax)	48,619	70,856	53,716
Accounts payable	-38,307	-30,278	-42,085
Other current liabilities (excl. tax)	-607,769	-530,076	-530,097
Working capital	-169,081	-98,379	-103,224

PERCENT	2024-03-31	2023-03-31	2023-12-31
Return on equity			
Profit for the period	36,698	17,563	81,572
Average equity	755,889	665,770	696,194
Return on equity, percent	4.9%	2.6%	11.7%
PERCENT	2024-03-31	2023-03-31	2023-12-31
Equity/assets ratio			
Equity at the end of the period	776,546	674,384	735,232
Total assets	2,064,202	1,885,313	1,952,666
Equity/assets ratio, percent	37.6%	35.8%	37.7%
AMOUNTS IN SEK 000s	2024-03-31	2023-03-31	2023-12-31
Net debt			
Current lease liabilities	95,344	57,255	97,381
Long-term lease liabilities	430,196	481,001	431,977
Cash and cash equivalents	-440,131	-243,719	-343,681
Net debt	85,409	294,537	185,677
PERCENT	2024-03-31	2023-03-31	2023-12-31
Debt/equity ratio			
Net debt	85,409	294,537	185,677
Equity	776,546	674,384	735,232
Debt/equity ratio	0.11	0.44	0.25
AMOUNTS IN SEK 000s	2024-03-31	2023-03-31	2023-12-31
Capital employed			
Total assets	2,064,202	1,885,313	1,952,666
Current interest-bearing liabilities	-667,048	-562,522	-577,668
Deferred tax liabilities	-110,688	-108,428	-109,530
Capital employed	1 286 466	1 214 363	1 265 468
PERCENT	2024-03-31	2023-03-31	2023-12-31
Return on capital employed			
Operating profit	45,768	23,676	114,880
Financial income	2,086	674	4,904
Average capital employed	1,275,967	1,213,824	1,239,377
Return on capital employed, percent	3.8%	2.0%	9.7%

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ABOUT RAYSEARCH

RaySearch Laboratories AB (publ) is a medical technology company that develops innovative software solutions for improved cancer treatment. The company markets the RayStation treatment planning system (TPS) and RayCare oncology information system (OIS). The latest additions to the RaySearch product line are RayIntelligence and RayCommand. RayIntelligence is a cloud-based oncology analytics system that cancer centers can use to collect, structure and analyze data. The Treatment Control System (TCS) RayCommand is designed as a link between the treatment machine and the dose planning and oncology information systems.

RaySearch's software is currently used by over 1,000 clinics in 43 countries. The company was founded in 2000 as a spin-off from the Karolinska Institute in Stockholm and the share have been listed on Nasdaq Stockholm since 2003. More information about RaySearch is available at raysearchlabs.com.

VISION AND MISSION

The company's vision is a world where cancer is conquered and RaySearch's mission is to provide innovative software to continuously improve cancer treatment.

STRATEGY

A radiation therapy center essentially needs two software platforms for its operations: a treatment planning system, and an information system. With RayStation and RayCare, RaySearch will strengthen its position and continue to grow with high profitability. The company's strategy is based on a strong focus on innovative software development with leading functionality, support for efficient workflows – including via digitization and automation with machine learning – broad support for a wide range of treatment modes and radiation therapy devices, close collaboration with world-leading cancer centers and industrial partners, and extensive investment in research and development.

BUSINESS MODEL

RaySearch's main revenue is generated by customers paying an initial license fee for the right to use RaySearch's software and an annually recurring service fee for access to updates and support. All software systems are developed at RaySearch's head office in Stockholm and distributed and supported by the company's global marketing organization.