

# INTERIM REPORT QUARTER 2, 2024

*“In the second quarter of 2024, net sales rose by 33 percent. Revenue from support rose by 12,9 percent. Operating profit amounted to SEK 79.3 M (18.2) in the second quarter and to SEK 125.1 M (41.9) for the first half-year.”*

*Johan Löf, CEO of RaySearch*

#### SECOND QUARTER (APRIL– JUNE 2024)

- Order intake SEK 290.3 M (239.2)
- Net sales SEK 318.9 M (239.5)
- Operating profit SEK 79.3 M (18.2)
- Profit after tax SEK 61.4 M (10.9)
- Earnings per share before/after dilution SEK 1.79 (0.32)
- Cash flow from operating activities SEK 154.6 M (67.2)
- Order backlog SEK 1,790.5 M (1,954.9) at the end of the period

#### HALF-YEAR (JANUARY– JUNE 2024)

- Order intake SEK 528.8 M (445.8)
- Net sales SEK 576.1 M (469.6)
- Operating profit SEK 125.1 M (41.9)
- Profit after tax SEK 98.1 M (28.5)
- Earnings per share before/after dilution SEK 2.86 (0.83)
- Cash flow from operating activities SEK 321.9 M (220.9)

#### SIGNIFICANT EVENTS DURING THE SECOND QUARTER

- Raigmore Hospital in Scotland selects RayCare.
- RaySearch and C-RAD sign collaboration agreement.
- RayCare has been certified to be interoperable with Varian TrueBeam.
- RayStation Used for First-Ever Radiotherapy Treatment with Hitachi's OXRAY system.
- The New York Proton Center expands their RayStation installation.

#### SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- There have been no significant events after the end of the reporting period.

	2024	2023	2024	2023	R12	2023
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
FINANCIAL SUMMARY <sup>1</sup>						
Net sales	318,865	239,467	576,061	469,636	1,128,584	1,022,159
Operating profit/loss	79,321	18,226	125,089	41,902	198,067	114,880
Operating margin. %	24.9	7.6	21.7	8.9	17.6	11.2
Profit/loss for the period	61,431	10,918	98,129	28,481	151,220	81,572
Earnings/loss per share before/after dilution. SEK	1.79	0.32	2.86	0.83	4.41	2.38
Cash flow from operating activities	154,550	67,214	321,858	220,897	556,892	455,931
Cash flow from the period	-4,247	-3,285	83,608	81,187	192,672	190,251
Return on equity. %	8.0	1.6	13.1	4.2	20.8	11.7
Equity/assets ratio. % at the end of the period	37.3	36.3	37.3	36.3	37.3	37.7
Share price at the end of the period. SEK	141.4	63.3	141.4	63.3	141.4	90.3
Net sales	411	375	411	375	411	388

<sup>1</sup> For definitions of key ratios. see page 20.

# CEO COMMENTS

## HIGHEST QUARTERLY SALES TO DATE

We are delighted to report that our sales for the second quarter of the year were our highest to date: SEK 319 M (239), up 33 percent (32 percent at unchanged exchange rates) compared with the same period in 2023. Operating profit totaled SEK 79 M (18), corresponding to an operating margin of 24.9 percent (7.6). The improved margin was mainly due to increased license revenue totaling SEK 164 M (101), of which SEK 37 M comprised prepaid license sales to EBG MedAustron GmbH. We are maintaining our momentum and opportunities for continued growth are favorable. Order intake for the second quarter amounted to SEK 290 M (239). To summarize, RaySearch has a strong financial position with cash and cash equivalents of SEK 435 M, stable cash flow and no loans.

## NEW YORK PROTON CENTER EXPANDS ITS RAYSTATION INSTALLATION

RaySearch has partnered with the New York Proton Center (NYPC) in the US since the center purchased its first RayStation licenses in 2022 to evaluate the advantages of the system. It is gratifying to confirm that after careful evaluation, the center has now decided to expand its use so that going forward, RayStation will be used for the majority of the center's treatment planning for proton therapy.

## RAYSTATION USED WITH ENTIRELY NEW LINEAR ACCELERATOR IN JAPAN

In June, RayStation was used in the world's first clinical treatment with OXRAY, a new linear accelerator from Hitachi. This treatment machine, which offers new treatment possibilities with extremely high precision and flexibility, was developed by Hitachi in partnership with Kyoto University Hospital and integrated into RayStation through a close collaboration between RaySearch and Hitachi. I look forward to continuing this exciting collaboration with Hitachi, which has been our partner in Japan for many years.

## NEW VERSION OF RAYCARE LAUNCHED

The latest version (2024A) of RayCare, our oncology information system, was launched in late May. As we announced on May 16, this version is certified

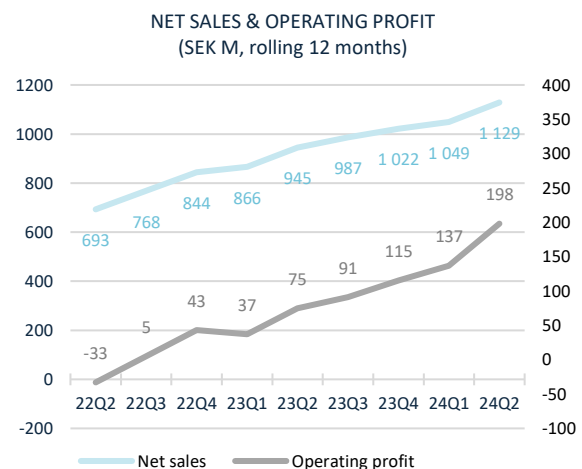
for interoperability with all linear accelerators in the Varian TrueBeam family. Having received positive reviews in technical evaluations of various oncology information systems and with improved advanced functionality in the new version, RayCare is now a highly attractive alternative to competing systems. This has been confirmed by both new and existing customers, which we saw when we recently presented RayCare at the PTCOG and AAPM trade fairs.

## IMPROVED OPERATING MARGIN

It is gratifying to once again be able to sum up a positive quarter. We can see clearly that an increase in sales has a direct positive impact on operating profit, which shows the strength of our business model. Our long-term target of an operating margin of at least 20 percent by 2026 stands firm, and our operating margin of 25 percent for the quarter shows that this target is a reasonable one. With a strong order backlog (SEK 1,791 M at the end of the quarter) and continuously growing support revenue, I look forward to the future with confidence. In conclusion, I would like to thank our employees for their firm commitment and their contribution to the company's positive performance.

Stockholm, August 16, 2024

Johan Löf  
CEO and founder





# 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.

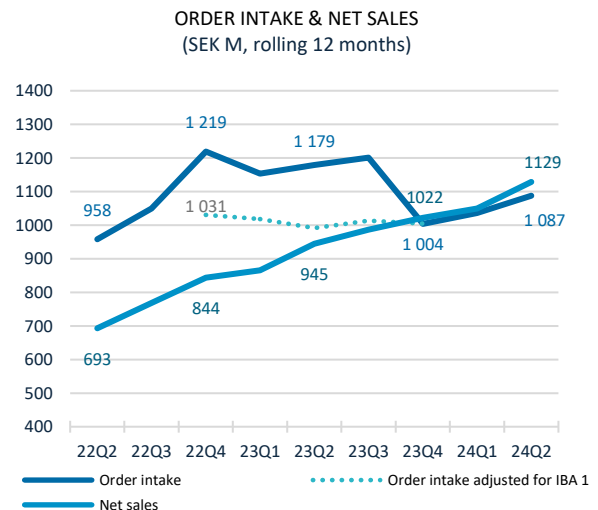
## ORDER INTAKE

In the second quarter of 2024, order intake amounted to SEK 290.3 M (239.2), an increase by 21.4 percent year-on-year. License order intake amounted to SEK 134.2 M (94.4), an increase of 42.2 percent, while order intake for support was SEK 118.2 M (119.7), a decrease of 1.2 percent.

In the first half of 2024, order intake amounted to SEK 528.8 M (445.8), an increase of 18.6 percent compared to the same period last year. Order intake of licenses amounted to SEK 246.5 M (189.1), an increase of 30.4 percent, while order intake for support amounted to SEK 198.5 M (178.9), an increase of 10.9 percent.

## ORDER BACKLOG

At June 30, 2024, the total order backlog was SEK 1,790.5 M (1,954.9), of which SEK 507.1 M is expected to generate revenue over the next 12 months. The remaining amount in the order backlog mainly pertains to support commitments that are primarily expected to generate revenue during a subsequent four-year period.



<sup>1</sup> The customer Ion Beam Applications S.A. laid a larger order of EUR 17.3 M in Q4 2022.

Order intake (amounts in SEK M)	Q2-24	Q1-24	Q4-23	Q3-23	Q2-23	R12 Jul-Jun	2023 Jan-Dec
Licenses	134.2	112.3	160.1	112.5	94.4	519.1	461.7
Support (incl. warranty support)	118.2	80.3	110.2	101.7	119.7	410.4	390.8
Hardware	26.3	31.3	36.0	16.1	17.5	109.7	111.4
Training and other	11.6	14.6	11.4	10.4	7.6	47.9	40.3
Total order intake	290.3	238.5	317.7	240.7	239.2	1,087.2	1,004.2

Order backlog (amounts in SEK M)	Q2-24	Q1-24	Q4-23	Q3-23	Q2-23
Licenses	352.1	387.6	382.5	429.7	425.0
Support (incl. warranty support)	1,289.0	1,303.2	1,346.7	1,379.5	1,350.7
Hardware	43.8	54.5	38.4	50.8	74.4
Training and other	105.7	102.7	96.9	106.3	104.8
Total order backlog at the end of the period	1,790.5	1,848.0	1,864.4	1,966.3	1,954.9

## PROFIT

In the second quarter of 2024, net sales amounted to SEK 318.9 M (239.5), an increase of 33.2 percent compared to the same period last year. The change in sales at unchanged currencies was 31.8 percent.

License revenue amounted to SEK 163.9 M (100.7), of which SEK 37 million consists of previously prepaid license revenue to EBG MedAustron GmbH, which was delivered during the second quarter.

Support revenue amounted to SEK 114.8 M (101.8), an increase of 12.9 percent primarily generated from new customer contracts.

Hardware sales, which have a weaker profit margin, amounted to SEK 32.8 M (27.0). Excluding hardware sales, net sales increased 34.6 percent compared to the same period last year.

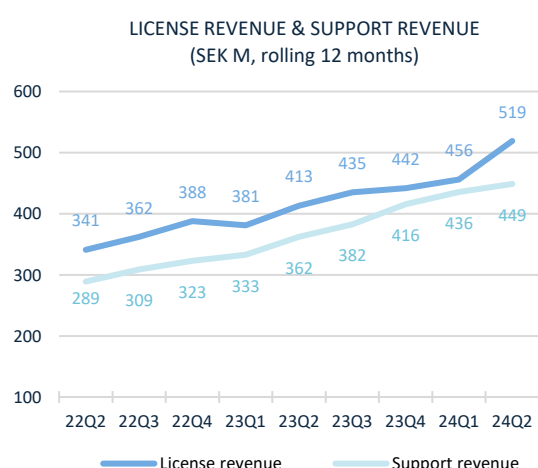
In the first half of 2024, net sales amounted to 576.1 M (469.6), an increase of 22.7 percent.

License revenue amounted to SEK 282.4 M (205.0) and support revenue increased to SEK 221.4 M (188.5) and constituted 38 (44) percent of total net sales. The percentage reduction is a result of the high license income during the first half of the year.

Hardware revenue decreased to SEK 52.2 M (56.3) and training and other revenue increased to SEK 20.1 M (19.8).

In the first half of 2024, net sales had the following geographic distribution: America, 42 percent (41); Asia, the Pacific and the Middle East, 18 percent (20); Europe and Africa, 40 percent (39).

Revenue (amounts in SEK M)	Q2-24	Q1-24	Q4-23	Q3-23	Q2-23	R12 Jul-Jun	2023 Jan-Dec
License revenue	163.9	118.5	138.9	97.9	100.7	519.1	441.8
Support revenue (incl. warranty support)	114.8	106.6	120.1	107.2	101.8	448.8	415.9
Hardware revenue	32.8	19.3	31.4	40.7	27.0	124.3	128.4
Training and other revenue	7.3	12.7	9.2	7.1	10.0	36.4	36.1
Net sales	318.9	257.2	299.6	252.9	239.5	1,128.6	1,022.2
Change in sales, corresp. period. %	33.2	11.7	13.3	11.7	13.3	19.5	21.2
Change in sales at unchanged exchange rates. corresp. period. %	31.8	10.6	6.1	11.2	39.9	14.9	15.6



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. The changes is represented in the table below.

During the second quarter of 2024, operating expenses increased to SEK 215.1 M (200.6), the increase is mainly due to increased personnel costs as the number of employees has increased, increased depreciation of capitalized development expenses and slightly higher costs related to sales activities.

The quarter's operating expenses have been reduced by a one-time income of SEK 10.8 M, which refers to the repayment of an older fully reserved customer line from a bankruptcy.

Operating expenses (amounts in SEK M)	2024 Apr-Jun	2024 Apr-Jun 2023 categ.	2023 Apr-Jun	2024 Jan-Jun	2024 Jan-Jun 2023 categ.	2023 Jan-jun	R12 Jul-Jun	2023 Jan-Jun
Selling expenses	-84.9	-99.3	-91.3	-154.5	-181.2	-170.6	-346.7	-362.8
Administration expenses	-61.8	-48.0	-51.7	-123.7	-99.5	-101.0	-217.9	-195.2
Research and development costs	-68.4	-67.8	-57.7	-129.6	--127.0	-107.8	-259.6	-237.7
Operating expenses	-215.1	-215.1	-200.6	-407.8	-407.8	-379.3	-824.2	-795.7

### Capitalization of development costs

In 2024, RaySearch continued to invest in both existing products and future products.

During the first six months of 2024, the total research and development costs amounted to SEK 142.8 M (121.3) an increase by 17.7 percent which is explained by a higher number of employees. Capitalized development costs amounted to SEK 104.7 M (94.1) for the first six months, which is an increase of 11 percent compared to the same period last year. Accordingly, capitalized development costs amounted to 73 percent (78) of the total research and development costs for the first half of 2024.

Amortization of capitalized development costs amounted to SEK 91.5 M (80.5) for the first six

months of the year, which is an increase of 14 percent compared to the same period last year. This increase is attributable to the fact that some development projects were fully amortized at the end of 2023, which meant increased depreciation in the first half of 2024 compared to the same period last year.

Total research and development costs (after adjustments for capitalization and amortization of development costs) amounted to SEK 129.6 M (107.8) during the first six months of the year, an increase of 20 percent compared to the same period last year.

As of June 30, 205 (180) employees worked on research and development, which corresponds to 50 (48) percent of the total number of employees.

Capitalization of development costs (amounts in SEK M)	Q2-24	Q1-24	Q4-23	Q3-23	Q2-23	R12 Jul-Jun	2023 Jan-Dec
Research and development costs	76.7	66.1	76.8	50.4	63.1	270.0	248.6
Capitalization of development costs	-54.6	-50.0	-55.5	-34.8	-45.9	-195.0	-184.4
Amortization of capitalized development costs	46.4	45.1	46.4	45.7	40.5	177.7	172.8
Research and development costs after adjustments for capitalization and amortization of development costs	68.4	61.2	67.7	61.4	57.7	258.6	237.0

## OPERATING PROFIT

During the second quarter of 2024, the operating profit increased to SEK 79.3 M (18.2), which is primarily a result of the relatively higher turnover and corresponds to an operating margin of 24.9 (7.6) percent.

The net of exchange rate gains and losses during the second quarter amounted to SEK -1.3 M (-0.1) and arises when large parts of the group's receivables are in US dollars and euros. The adjusted operating profit (i.e. the operating profit adjusted for the effects of the net currency) had amounted to SEK 80.6 M (18.3) during the second quarter.

During the first half of the year the operating profit increased to SEK 125.1 M (41.9), which corresponds to an operating margin of 21.7 (8.9) percent.

The tax cost for the second quarter amounted to SEK -20.1 M (-5.9), which corresponds to an effective tax rate of 25 (35) percent. For the half year, the tax cost amounted to SEK -29.0 M (-9.9), which corresponds to an effective tax rate of 23 (26) percent.

For the second quarter, the profit after tax amounted to SEK 61.4 M (10.9) and the profit per share to SEK 1.79 (0.32). For the first half of the year, profit after tax amounted to SEK 98.1 M (28.5) and earnings per share to SEK 2.86 (0.83).

## CASH FLOW AND LIQUIDITY

In the second quarter of 2024, cash flow from operating activities was SEK 154.6 M (67.2). The change is primarily attributable to improved profit and the change in working capital. In the first half-year, cash flow from operating activities was SEK 321.9 M (220.9).

In the second quarter, cash flow from investing activities was SEK -57.9 M (-56.5). Investments in intangible fixed assets amounted to SEK -54.6 M (-45.9) and mainly comprised capitalized development costs for the company's products – RayStation, RayCare, RayCommand and RayIntelligence. Investments in tangible fixed assets amounted to SEK -3.3 M (-10.5) and is attributable to investments in IT equipment. In the first half of the year, cash flow from investing activities amounted to SEK -118.7 M (-108.5).

In the second quarter of 2024, cash flow from financing activities amounted to SEK -100.9 M (-14.0), and to SEK -119.5 M (-31.2) in the half-year period and comprised primarily the repayment of lease liabilities and paid dividend to the company's shareholders of SEK 68.6 M (0).

Cash flow for the period was SEK -4.2 M (-3.3) in the second quarter, and SEK 83.6 M (81.2) in the first half of the year.

As of June 30, 2024, consolidated cash and cash equivalents amounted to SEK 435.2 M compared to SEK 343.7 M as of December 31, 2023.

## FINANCIAL POSITION

As of June 30, 2024, RaySearch's total assets amounted to SEK 2,061.6 M compared to SEK 1,952.6 M as of December 31, 2023. As of June 30, the equity/assets ratio was 37.3 percent compared to 37.7 percent at fiscal year-end 2023.

The company's interest-bearing liabilities, which only consist of lease liabilities reported in accordance with IFRS 16, amounted to SEK 499.0 million on June 30, 2024, compared to SEK 529.4 million as of December 31, 2023.

As of June 30, the Group's net debt amounted to SEK 63.8 M compared to SEK 185.7 M as of December 31, 2023, a reduction that is mainly due to an increase in cash and cash equivalents compared to year-end.

## EMPLOYEES

In the January-June period of 2024, the average number of employees in the Group was 403 (367). At the end of the second quarter, the Group had 411 employees (375), of whom 300 (272) were based in Sweden, and 111 (103) in foreign subsidiaries.

## THE COMPANY'S SHARE AND SHARE OWNERSHIP

As of June 30, 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. As of June 30, 2024, the total number of votes in RaySearch was 103,177,548.

As of June 30, 2024, the number of shareholders in RaySearch was 8,701, according to Euroclear, and the largest shareholders are shown in the table below.

## 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 relevant for 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.

Shareholder	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	-	2,169,718	2,169,718	6.3	2.1
BNP Paribas Sa Paris, W8lmy (Gc)	-	1,919,883	1,919,883	5.6	1.9
Swedbank Robur Fonder AB	-	1,800,000	1,800,000	5.3	1.7
Anders Brahme	1,150,161	140,000	1,290,161	3.8	11.3
Andra AP-Fonden	-	1,220,942	1,220,942	3.6	1.2
JP Morgan Chase Bank Na, W9	-	1,187,111	1,187,111	3.5	1.2
Bergendal Carl Filip	1,021,577	139,920	1,161,497	3.4	10.0
Caceis Bank, W8lmy	-	1,124,318	1,124,318	3.3	1.1
Total. 10 largest shareholders	7,614,822	12,704,181	20,319,003	59.3	86.1
Others	40,153	13,923,617	13,963,770	40.7	13.8
Total	7,654,975	26,627,798	34,282,773	100.0	100.0

Source: Euroclear



# OTHER INFORMATION

## 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 risks 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 clinics 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 20-31 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, August 16, 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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## FINANCIAL CALENDAR

Interim report third quarter, 2024 – November 8, 2024  
Year-end report, 2024 – February 21, 2025  
Interim report first quarter, 2025 – May 9, 2025  
Annual Report, 2024 – April 25, 2025  
Annual General Meeting, 2025 – May 22, 2025

*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 August 16, 2024, at 7:45 a.m. CEST.*

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

AMOUNTS IN SEK 000s	Note	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	R12 Jul-Jun	2023 Jan-Dec
Net sales	2,3	318,865	239,467	576,061	469,636	1,128,584	1,022,159
Cost of goods sold <sup>1</sup>		-23,742	-22,025	-46,844	-45,943	-107,479	-106,578
Gross profit		295,123	217,442	529,217	423,693	1,021,105	915,581
Other operating income		8,404	4,429	21,054	9,868	33,086	21,900
Selling expenses <sup>3</sup>		-84,908	-91,301	-154,521	-170,621	-346,746	-362,846
Administrative expenses <sup>3</sup>		-61,822	-51,667	-123,698	-100,970	-217,891	-195,163
Research and development costs		-68,391	-57,677	-129,572	-107,755	-259,553	-237,736
Other operating expenses		-9,085	-3,000	-17,391	-12,313	-31,934	-26,856
Operating profit/loss		79,321	18,226	125,089	41,902	198,067	114,880
Profit/loss from financial items		2,168	-1,447	2,013	-3,490	711	-4,792
Profit/loss before tax		81,489	16,779	127,102	38,412	198,778	110,088
Tax		-20,058	-5,861	-28,973	-9,931	-47,631	-28,516
Profit/loss for the period <sup>2</sup>		61,431	10,918	98,129	28,481	151,220	81,572
Other comprehensive income							
Items to be reclassified to profit or loss							
Translation difference of foreign operations for the period		-1,066	2,827	3,550	2,492	-2,438	-3,496
Comprehensive income for the period <sup>2</sup>		60,365	13,745	101,679	30,973	148,782	78,076
Earnings per share before and after dilution (SEK)		1.79	0.32	2.86	0.83	4.41	2.38

<sup>1</sup> Comprises costs for hardware and license costs paid, but not amortization of capitalized development costs which is included in research and development costs.

<sup>2</sup> Fully (100 percent) attributable to Parent Company shareholders.

<sup>3</sup> 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 sales costs but are now reported as research and development costs and administration costs. See table on page 6.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

AMOUNTS IN SEK 000s	Note	2024-06-30	2023-06-30	2023-12-31
<b>ASSETS</b>				
Intangible fixed assets		551,030	532,123	530,455
Tangible fixed assets		483,312	510,270	500,776
Deferred tax assets		80,803	97,899	89,640
Deferred tax assets		2,823	21,461	5,729
Other long-term receivables		28,825	50,460	23,620
Total fixed assets		1,146,793	1,212,213	1,150,220
Inventories		21,100	26,641	9,320
Billed customer receivables		228,788	192,221	240,101
Unbilled customer receivables		164,687	140,174	143,626
Other current receivables		65,055	80,291	65,718
Cash and cash equivalents		435,198	246,228	343,681
Total current assets		914,828	684,499	802,446
<b>TOTAL ASSETS</b>		<b>2,061,621</b>	<b>1,897,769</b>	<b>1,952,666</b>
<b>EQUITY AND LIABILITIES</b>				
Equity		768,343	688,129	735,232
Deferred tax liabilities		112,452	109,571	109,530
Long-term lease liabilities		415,642	465,634	431,977
Other long-term liabilities		879	2,298	878
Total long-term liabilities		528,973	577,503	542,385
Accounts payable		43,027	27,978	42,085
Current lease liabilities		83,321	58,581	97,381
Contractual liabilities		528,518	471,745	461,140
Other current liabilities		109,439	73,833	74,443
Total current liabilities		764,305	632,137	675,049
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,061,621</b>	<b>1,897,769</b>	<b>1,952,666</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

AMOUNTS IN SEK 000s	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Jan-Dec
Opening balance	776,546	674,384	735,232	657,156	657,156
Profit/loss for the period	61,431	10,918	98,129	28,481	81,572
Dividend to the company's shareholders	-68,566	-	-68,566	-	-
Translation difference for the period	-1,062	2,827	3,550	2,492	-3,496
Comprehensive income for the year	-8,201	13,745	33,113	30,973	78,076
Closing balance	768,343	688,129	768,343	688,129	735,232

## CONSOLIDATED STATEMENT OF CASH FLOW IN SUMMARY

AMOUNTS IN SEK 000s	Note	2024 Apr-Jun	2023 <sup>1</sup> Apr-Jun	2024 Jan-Jun	2023 <sup>1</sup> Jan-Jun	R12 Jul-Jun	2023 Jan-Dec
Profit/loss before tax		81,489	16,779	127,102	38,412	198,778	110,088
Adjusted for non-cash items <sup>2</sup>		69,002	64,973	121,289	130,821	291,293	300,825
Taxes paid		-3,272	-10,432	-7,735	-6,367	-17,736	-16,368
Cash flow from operating activities before changes in working capital		147,219	71,320	240,656	162,866	472,335	394,545
Cash flow from changes in operating receivables		-17,336	-20,646	-5,749	32,083	-6,051	31,781
Cash flow from changes in operating liabilities		24,667	16,540	86,951	25,948	90,608	29,605
Cash flow from operating activities		154,550	67,214	321,858	220,897	556,892	455,931
Investments in capitalized development costs		-54,634	-45,915	-104,670	-94,079	-195,626	-185,035
Acquisition of intangible fixed assets		-	-	-7,000	-	-7,000	-
Acquisition of tangible fixed assets		-3,305	-10,543	-7,078	-14,460	-16,913	-24,295
Cash flow from investing activities		-57,939	-56,458	-118,748	-108,539	-219,539	-209,330
Paid dividend to the company's shareholder		-68,566	-	-68,566	-	-68,566	-
Repayment of lease liabilities		-32,292	-14,041	-50,936	-31,171	-76,115	-56,350
Cash flow from financing activities		-100,858	-14,041	-119,502	-31,171	-144,681	-56,350
Cash flow for the period		-4,247	-3,285	83,608	81,187	192,672	190,251
Cash and cash equivalents at the beginning of the period		440,131	243,719	343,681	160,268	246,228	160,268
Exchange-rate difference in cash and cash equivalents		-686	5,794	7,909	4,773	-3,702	-6,838
Cash and cash equivalents at the end of the period		435,198	246,228	435,198	246,228	435,198	343,681

<sup>1</sup> The comparative figures for 2023 have been corrected, which is presented in note 1.

<sup>2</sup> These amounts mainly include depreciation on capitalized development expenses and right-of-use assets, provision for doubtful accounts receivable and unrealized exchange rate effects.



## PARENT COMPANY INCOME STATEMENT IN SUMMARY

AMOUNTS IN SEK 000s	Note	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	R12 Jul-Jun	2023 Jan-Dec
Net sales	2,3	278,338	185,459	475,999	358,545	897,802	780,348
Cost of goods sold <sup>1</sup>		-6,247	-8,781	-14,748	-13,139	-42,478	-40,869
Gross profit		272,091	176,678	461,251	345,406	855,324	739,479
Other operating income		8,476	4,367	20,221	9,770	30,412	19,961
Selling expenses		-67,410	-53,061	-115,616	-96,866	-227,447	-209,472
Administrative expenses		-57,674	-64,347	-124,494	-126,338	-244,044	-245,898
Research and development costs		-68,619	-54,487	-122,784	-104,136	-222,011	-203,363
Other operating expenses		-8,839	-3,283	-16,278	-11,444	-29,877	-24,258
Operating profit/loss		78,025	5,867	102,300	16,392	162,357	76,449
Profit/loss from financial items		3,817	826	5,821	1,115	8,841	4,135
Profit/loss after financial items		81,842	6,693	108,121	17,507	171,198	80,584
Appropriations		-	-	-	-	-	-
Profit/loss before tax		81,842	6,693	108,121	17,507	171,198	80,584
Tax on profit/loss for the period		-17,194	-2,919	-23,323	-5,230	-40,133	-22,040
Profit/loss for the period		64,648	3,774	84,798	12,277	131,065	58,544

<sup>1</sup> Comprises costs for hardware and royalties.

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS IN SEK 000s	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	R12 Jul-Jun	2023 Jan-Dec
Profit/loss for the period	64,648	3,774	84,798	12,277	131,065	58,544
Other comprehensive income	-	-	-	-	-	-
Comprehensive income for the period	64,648	3,774	84,798	12,277	131,065	58,544

## PARENT COMPANY BALANCE SHEET IN SUMMARY

AMOUNTS IN SEK 000s	Note	2024-06-30	2023-06-30	2023-12-31
<b>ASSETS</b>				
Intangible fixed assets		7,047	227	116
Tangible fixed assets		47,229	51,307	44,603
Shares and participations		3,958	3,958	3,958
Deferred tax assets		-	17,942	3,183
Long-term receivables Group companies		5,651	-	12,077
Other long-term receivables		1,248	7,089	6,190
Total fixed assets		65,133	80,523	70,127
Inventories		4,737	9,768	1,387
Billed customer receivables		121,480	117,127	134,882
Unbilled customer receivables		62,209	64,172	75,320
Receivables Group companies		97,606	140,115	89,140
Other current receivables		59,637	57,285	67,799
Cash and bank balances		275,617	134,824	214,201
Total current assets		621,286	523,291	582,729
<b>TOTAL ASSETS</b>		<b>686,419</b>	<b>603,814</b>	<b>652,856</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<u>Restricted equity</u>				
Share capital		17,141	17,141	17,141
Statutory reserve		43,630	46,630	43,630
Total restricted equity		60,771	60,771	60,771
<u>Unrestricted equity</u>				
Retained earnings		116,837	126,859	126,859
Profit/loss for the year		84,798	12,277	58,544
Total non-restricted equity		201,635	139,136	185,403
Total equity		626,406	199,907	246,174
Long-term liabilities		18,755	21,594	20,174
Total long-term liabilities		18,755	21,594	20,174
Accounts payable		25,735	17,496	49,437
Liabilities Group companies		18,281	10,137	20,505
Contractual liabilities		285,903	294,463	268,294
Other current liabilities		75,339	60,217	48,272
Total current liabilities		405,258	382,313	386,508
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>686,419</b>	<b>603,814</b>	<b>652,856</b>

## 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 policies applied are consistent with those described in the 2022 Annual Report for RaySearch Laboratories AB (publ), which is available at [raysearchlabs.com](https://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*

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.

	2023	2023	2023	2023	2023	2023
	Recognized	Restatement	Restated	Recognized	Restatement	Restated
Correction of error (AMOUNTS IN SEK 000s)	Apr-Jun		Apr-Jun	Jan-Jun		Jan-Jun
Cash flow from changes in operating receivables	-19,531	-	-19,531	32,083	-	32,083
Cash flow from changes in operating liabilities	10,309	5,116	15,425	20,832	5,116	25,947
Cash flow from operating activities	62,098	5,116	67,214	215,781	5,116	220,897
Acquisition of tangible fixed assets	-3,080	-7,463	-10,543	-6,997	-7,463	-14,460
Cash flow from investing activities	-48,995	-7,463	-56,458	-101,076	-7,463	-108,539
Repayment of lease liabilities	-16,388	2,347	-14,041	-33,518	2,347	-31,171
Cash flow from financing activities	-16,388	2,347	-14,041	-33,518	2,347	-31,171

### 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 REVENUES FROM CONTRACTS WITH CUSTOMERS

RaySearch conducts sales of goods and services in various regions. Revenue from sales of licenses and hardware is recognized in profit or loss at a point in

time, while revenue from sales of training and support is recognized over time.

AMOUNTS IN SEK 000s	2024 Apr-Jun	2023 Apr-Jun	Change %	R12 Jul-Jun	2023 Jan-Dec
Revenue by type					
Licenses	163,858	100,749	62.6%	519,136	441,791
Support (incl. warranty support)	114,830	101,748	12.9%	448,780	415,873
Hardware	32,830	27,011	21.5%	124,254	128,379
Training and other	7,347	9,959	-26.2%	36,414	36,116
Total revenue by type	318,865	239,467	33.2%	1,128,584	1,002,159

AMOUNTS IN SEK 000s	2024 Apr-Jun	2023 Apr-Jun	Change %	R12 Jul-Jun	2023 Jan-Dec
Revenue by geographic market					
Americas	114,979	99,789	15.1%	462,420	412,913
APAC. Pacific Ocean and Middle East	59,735	47,862	24.8%	228,299	217,559
Europe and Africa	144,151	91,726	57.2%	437,865	391,687
Total revenue by geographic market	318,865	239,726	33.2%	1,128,584	1,022,159
Revenue recognized at various points in time					
Goods/services transferred at a point in time	196,688	127,760	54.0%	643,390	570,170
Services transferred over time	122,177	111,707	9.4%	485,194	451,989
Total revenue recognized at various points in time	318,865	239,467	33.2%	1,128,584	1,022,159

AMOUNTS IN SEK 000s	2024 Jan-Jun	2023 Jan-Jun	Change %
Revenue by type			
Licenses	282,379	205,034	37.7%
Support (incl. warranty support)	221,431	188,524	17.5%
Hardware	52,166	56,291	-7.3%
Training and other	20,085	19,787	1.5%
Total revenue by type	576,061	469,636	22.7%
Revenue by geographic market			
Americas	241,026	191,519	25.8%
APAC. Pacific Ocean and Middle East	106,411	95,671	11.2%
Europe and Africa	228,624	182,446	25.3%
Total revenue by geographic market	576,061	469,636	22.7%
Revenue recognized at various points in time			
Goods/services transferred at a point in time	334,545	261,325	28.0%
Services transferred over time	241,516	208,311	15.9%
Total revenue recognized at various points in time	576,061	469,636	22.7%

#### NOTE 4 FINANCIAL INSTRUMENTS

RaySearch's financial assets and liabilities comprise billed and unbilled receivables, cash and cash equivalents, accrued expenses, accounts payable, bank loans and lease liabilities. Long-term receivables and lease liabilities are discounted, while other financial assets and liabilities have short maturities. Accordingly, the fair values 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 the end of June 2024, the credit loss provision amounted to SEK 24.8 M (47.4), corresponding to 6 percent (11) 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 structure for revenue, cost and currency (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 15.6 M in the second quarter of 2024, while a corresponding change in the SEK to EUR exchange rate would have impacted the consolidated operating profit by approximately +/- SEK 24.0 M.

Corresponding to the half-year, a general change of ten percentage points in the SEK to USD exchange rate would have impacted the consolidated operating profit by approximately +/- 33.4 MSEK during the first half of 2024, while a corresponding change in the SEK to EUR exchange rate would have impacted the consolidated operating profit by +/- 37.6 MSEK.

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	2024-06-30	2023-06-30	2023-12-31
Chattel mortgages	100,000	100,000	100,000
Guarantees	36,530	32,887	32,887



## GROUP QUARTERLY OVERVIEW

AMOUNTS IN SEK 000S	2024			2023			2022	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Order intake								
Total order intake	290,251	238,526	317,749	240,693	239,163	206,631	514,424	219,091
Income statement								
Net sales	318,865	257,196	299,640	252,883	239,467	230,169	264,383	210,811
Change in sales. %	33.2	22.0	13.3	19.9	49.4	10.6	40.2	54.6
Operating profit/loss	79,321	45,768	44,362	28,616	18,226	23,676	20,700	12,007
Operating margin. %	24.9	17.8	14.8	11.3	7.6	10.3	7.8	5.7
Profit/loss for the period	61,341	36,698	31,540	21,551	10,918	17,563	14,138	10,073
Net margin. %	19.3	14.3	10.5	8.5	4.6	7.6	5.3	4.8
Cash flow								
Operating activities	154,550	167,308	115,772	124,378	62,097	153,683	116,127	11,292
Investing activities	-57,939	-60,809	-64,581	-43,673	-48,995	-52,081	-52,794	-44,407
Financing activities	-100,858	-18,644	-5,663	-17,169	-16,388	-17,130	-20,563	-14,875
Cash flow for the period	-4,247	87,885	45,528	63,536	-3,285	84,472	42,770	-47,990
Capital structure								
Equity/assets ratio. %	37.3	37.6	37.7	38.0	36.3	35.8	35.0	37.6
Net debt	63,765	85,410	185,676	199,642	279,406	295,381	394,982	413,394
Debt/equity ratio	0.1	0.1	0.3	0.3	0.4	0.4	0.6	0.6
Net debt/EBITDA	0.4	0.7	0.5	0.5	0.8	0.9	1.2	1.4
Per share data. SEK								
Earnings/loss per share before dilution	1.79	1.07	0.92	0.63	0.32	0.51	0.41	0.29
Earnings/loss per share after dilution	1.79	1.07	0.92	0.63	0.32	0.51	0.41	0.29
Equity per share	22.41	22.65	21.45	20.68	20.07	19.67	19.17	18.81
Share price at the end of the period	141.40	115.00	90.30	82.90	63.30	77.10	68.00	47.60
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	411	398	388	383	375	374	370	373

## 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. The calculation of the IFRS measures can be found on the company's website [raysearchlabs.com](https://raysearchlabs.com).

Non-IFRS measures	Definition	Reason for using the measure
Adjusted operating profit	Calculated as operating profit less other operating income/expenses.	Adjusted operating profit provides an overall picture of the total generation of earnings in core operating activities.
Capital employed	Balance sheet decreased by non interest bearing debt and deferred tax liabilities.	This measures shows how much capital that is used in the business and is thereby the only component that measures the return from the business.
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.
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.
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.
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.
Gross profit	Net sales minus cost of goods sold.	Gross profit is used to measure the margin before sales, research, development and administrative expenses
Interest bearing debt	Debt with an interest bearing component	Shows the actual interest bearing debt burden.
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
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.
Operating costs	Consists of sales costs, administration costs and research and development costs that are part of the operating business. In former reports cogs and other income and other costs were also included.	Operating costs gives an overall view of costs tied to the operating business and is an important internal measure which management can have a great impact on.
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.
Operating profit/loss	Calculated as profit for the period before financial items and tax.	Operating profit/loss provides an overall picture of the total generation of earnings in operating activities.
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.
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.
P/E ratio	Share price at the end of the period divided by profit per share.	Shows from an ownership perspective how the market values the share in relation to profit after tax.
Return on capital employed	Operating profit plus financial income in percentage of average balance sheet items excluding non-interest bearing debt.	A central metric for assessing the return on all capital invested in the business.
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 end of the year-earlier period, divided by two.	Shows the return generated on the owners' invested capital from a shareholder perspective.
Rolling 12 months' sales, operating profit or other results	Sales, operating profit or other results measured over the past 12-month period.	The measure is used to 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 is comprised by inventories, operating receivables and operating liabilities. It 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.

## ABOUT RAYSEARCH

RaySearch Laboratories AB (publ) is a medical technology company that develops innovative software solutions for improved cancer treatment. The company develops and markets the RayStation treatment planning system (TPS) and RayCare oncology information system (OIS) to cancer centers all over the world and distributes the products through licensing agreements with leading medical technology companies. The latest additions to the RaySearch product line are RayIntelligence and RayCommand. RayIntelligence is a cloud-based oncology analytics system that cancer clinics 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 1000 clinics in more than 43 countries. The company was founded in 2000 as a spin-off from the Karolinska Institute in Stockholm and the share has been listed on Nasdaq Stockholm since 2003. More information about RaySearch is available at [raysearchlabs.com](https://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.

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