



First quarter

- Gross order intake amounted to SEK 3,980 M (4,451), corresponding to a 4 percent decrease in constant currency. When excluding last year's effect of Elekta's largest order ever, order intake had a growth of 17 percent
- Net sales were SEK 3,009 M (2,981), corresponding to an 8 percent growth in constant currency
- Gross margin amounted to 37.1 percent (45.9), mainly due to higher supply-chain and logistics costs
- EBIT amounted to SEK 201 M (335), corresponding to an EBIT margin of 6.7 percent (11.2)
- Earnings per share was SEK 0.33 (0.57) before/after dilution
- Cash flow after continuous investments decreased by SEK 371 M to SEK -343 M (26), mainly related to lower earnings, increased R&D investments and increased working capital
- At today's AGM the Board of Directors proposes a dividend of SEK 2.20 (1.80) per share (paid in two instalments) for the fiscal year 2020/21. This corresponds to 67 percent (63) of the net profit for the fiscal year 2020/21

Group summary

SEK M	Q1			12 months		
	2021/22	2020/21	Δ	RTM	FY 2020/21	Δ
Gross order intake	3,980	4,451	-4%	16,940	17,411	4%
Net sales	3,009	2,981	8%	13,792	13,763	4%
Gross margin	37.1%	45.9%	-8.8 ppts	38.9%	40.8%	-1.9 ppts
EBIT	201	335	-40%	1,773	1,906	-7%
EBIT margin	6.7%	11.2%	-4.5 ppts	12.9%	13.9%	-0.9 ppts
Cash flow ¹	-343	26	-1402%	1,335	1,706	-22%
Earnings per share, SEK ²	0.33	0.57	-41%	3.05	3.28	-7%

¹ After continuous investments.

² Before/after dilution.

³ Based on constant currency.

⁴ Compared to last rolling twelve months period Aug 2019 – Jul 2020 based on constant currency.

This information is such that Elekta AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by the below mentioned contact persons at 07:30 CET on Aug 25, 2021. (REGMAR)

Forward-looking information. This report included forward-looking statements including, but not limited to, statements relation to operational and financial performance, market conditions, and other similar matters. These forward-looking statements are based on current expectations about future events. Although the expectations described in these statements are assumed to be reasonable, there is no guarantee that such forward-looking statements will materialize or are accurate. Since these statements involve assumptions and estimates that are subject to risks and uncertainties, results could differ materially from those set out in the statement. Some of these risks and uncertainties are described further in the section "Risk and uncertainties". Elekta undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, whether as a result of new information, future events or otherwise, except as required by law or stock exchange regulations.

First quarter

Market recovery with short-term cost challenges

The market continued to recover with stronger demand and better access to customers particularly in more mature markets. Orders grew by double digits, when excluding Elekta's largest order ever in the first quarter last year. Installation volumes increased and revenue grew in line with pre-pandemic levels. We are experiencing temporary headwinds to our gross margin due to increased supply-chain, logistics and service costs.

Better access and margins impacted by short-term cost increases

In the quarter we experienced an overall improved market situation, where orders grew with 17%, when excluding the impact of the largest order ever in the comparing quarter. The reported order development was -4%. The order situation was very mixed between markets. China, India and Europe stood out as key growth drivers.

Our installation volumes increased significantly compared to the first quarter last year with our solution revenue growing faster than service. Elekta's revenues have been resilient throughout the pandemic, and this is the fourth consecutive quarter with revenue growth. Our gross margin was impacted by higher supply-chain and logistics costs as well as costs to serve our installed base. We expect the current supply-chain challenges and the impact on margins to gradually improve.

From a product perspective we experienced good progress in the U.S. as we received FDA clearance for our newest linac, Harmony and a large order for brachytherapy solutions. Our growth journey with Elekta Unity is progressing well and this quarter we have been able to accelerate installations. Our Unity customers are generating robust data that is driving evidence-based decision making and reimbursement discussions.

Launched our ACCESS 2025 strategy and formed partnership

During our Capital Markets Day in June, we presented our new strategy, ACCESS 2025, which is built on four pillars: innovation, partner integration, customer focus and driving adoption of radiation therapy across the globe. It reflects Elekta's vision to create a world where everyone has access to the best cancer care. We continue to invest in underserved markets to improve access to cancer care. During the quarter, we established our own operations in Indonesia to improve our outreach to this underserved market. And we are very proud that the quarterly increase in the installed base in underserved markets enabled around 20 million additional patients access to radiotherapy. ACCESS 2025 is linked to and supported by our reinforced sustainability agenda as we are adding ESG initiatives and targets across the company. We also announced a strengthened partnership with Philips to develop solutions that streamline the path from cancer diagnosis to survivorship, resulting in better patient outcomes.

Continued market recovery expected next quarter

During the next quarter we anticipate the overall market situation to continue to recover and our ability to install systems at customer sites to further improve. However, we expect the situation of higher supply-chain and logistics costs to continue during the second quarter and the risk for new waves of the pandemic, especially in emerging markets, increases the uncertainty in order volumes and installation plans. Nevertheless, we are convinced that long-term trends in the market will support growth and investment in high-end radiation therapy equipment as well as margin expansion.



Gustaf Salford
President and CEO



ACCESS 2025

- our new strategy -
was launched
in June

12%
revenue growth in
solutions

Order intake and order backlog

The pandemic and the ensuing delays in orders for radiation therapy equipment has created a pent-up demand for our products. In the fourth quarter last fiscal year the improvements in customers willingness to discuss and close orders accelerated and continued on a high level in the first quarter of 2021/22.

Gross order intake for the first quarter decreased by 4 percent compared to the first quarter last year. The comparing quarter include the largest deal ever in Elekta's history with a quarterly order intake of USD 100 million. Order growth excluding this deal was 17 percent in constant currency. Neuro had a strong quarter together with Brachy, which was enabled by a large order of 27 afterloaders and service to GenesisCare. Order intake was strongest in mature markets, and China grew with double-digits. The situation in emerging markets was more challenging.

Order backlog increased both in constant currency and SEK, and amounted to SEK 34,458 M, compared to SEK 33,293 M on April 30, 2021. The positive translation effect due to the conversion to closing exchange rates amounted to SEK 487 M.

Gross order intake

SEK M	Q1		Δ ¹	Δ	12 months	
	2021/22	2020/21			RTM	FY 2020/21
Americas	1,466	1,728	-7%	-15%	5,317	5,579
EMEA	1,263	1,331	0%	-5%	6,286	6,353
APAC	1,251	1,392	-4%	-10%	5,338	5,479
Group	3,980	4,451	-4%	-11%	16,940	17,411

¹ Based on constant currency.

North and South America (Americas)

The general market improvement continued in Americas with all major markets growing when excluding Elekta's largest order ever, which was booked in the US during the first quarter last year. Reported order intake decreased by 7 percent. Without the record transaction last year, Americas had a growth of 80 percent, with the U.S. showing very strong order growth. Canada, Mexico, the Caribbean as well as Central and South America also showed growth in the quarter. The recovery in Americas was strongest in the first part of the quarter with signs of cautiousness during the last month as the Delta variant of the virus became more widespread.

Europe, Middle East and Africa (EMEA)

The order intake in EMEA was flat based on constant currency. Europe showed strong double-digit growth, whereas orders declined in the Middle East and Africa. European growth was broad-based with most markets developing well. Strong performance was seen in Italy and Ireland and the good growth in Belgium in the fourth quarter continued this quarter. Egypt, where Elekta recently established a permanent office, and Saudi Arabia contributed with good growth to the Middle East development. The market conditions in Africa continued to be challenging.

Asia Pacific (APAC)

The order intake in APAC decreased by 4 percent in constant currency. The broader recovery in orders from mature APAC markets reported in the fourth quarter continued, but order intake in other East Asian markets continued on lower levels. The positive development was mainly due to strong growth in China and India. The growth in China came both from the public and private sector. Order intake in Japan declined due to restrained public healthcare budget as a result of the pandemic, and a strong comparison quarter.

Gross order intake Group



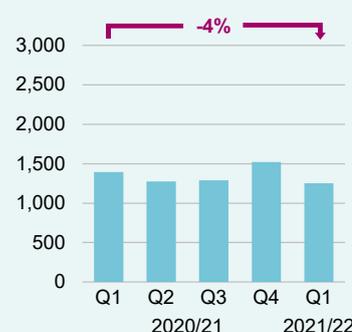
Gross order intake Americas



Gross order intake EMEA



Gross order intake APAC



First quarter

Net sales

Installations started to accelerate in the quarter, after more countries opened up and shipments returned to more normalized levels. However, differences in the ease of access to hospitals around the globe still persists. Based on constant currency net sales increased by 8 percent in the first quarter. In SEK, net sales increased by 1 percent to SEK 3,009 M (2 981).

Net sales per region

SEK M	Q1				12 months	
	2021/22	2020/21	Δ^1	Δ	RTM	FY 2020/21
Americas	827	945	-4%	-12%	3,771	3,888
EMEA	1,143	1,108	7%	3%	5,175	5,140
APAC	1,039	927	20%	12%	4,846	4,735
Group	3,009	2,981	8%	1%	13,792	13,763

¹ Based on constant currency.

Geographically, EMEA and APAC reported net sales growth. Europe was driving the growth in EMEA, with strong development in the German-speaking countries. Middle East and Africa had a negative development. The growth in APAC was mainly driven by China and Japan. Growth in Japan was strengthened by installations of both Leksell Gamma Knife systems and Unity. Net sales in Americas declined with lower net sales in most countries due to still challenging circumstances in the process of installing systems. The largest challenges continue to be in the southern part of Americas, but towards the end of the quarter restrictions on social distancing were ramped up in the U.S.

Solutions sales increased by 12 percent in constant currency, with growth in all business lines except Brachy. At the end of the period Elekta had an installed base of approximately 6,750 devices, of which approximately 4,850 units are linacs, MR-Linacs or Leksell Gamma Knife systems. 44 percent of the installed base of linacs were in emerging (underserved) markets with a growth of around 50 systems in the quarter.

Service grew by 3 percent based on constant currency, compared with a relatively strong performance in last year's first quarter.

Net sales per product

SEK M	Q1				12 months	
	2021/22	2020/21	Δ^1	Δ	RTM	FY 2020/21
Solutions	1,631	1,551	12%	5%	8,256	8,175
Service	1,378	1,430	3%	-4%	5,536	5,588
Total	3,009	2,981	8%	1%	13,792	13,763

¹ Based on constant currency.

12%
revenue growth
in solutions

Net sales by quarter



Net sales by RTM



**Strong
growth**
in China and Japan

First quarter

Earnings

Gross margin was 37.1 percent (45.9) for the first quarter. The decrease compared to last year was mainly explained by higher supply-chain, logistics and service costs of ~500 bps. The main part of this effect is pandemic-driven and expected to be temporary. During the first quarter the impact from currency was negative, ~140 bps, and the solutions service mix had a negative impact of ~80 bps on gross margin compared to a year ago.

On a quarterly basis operating expenses increased by 8 percent in constant currencies. The increase was driven by higher selling expenses due to more travelling and marketing activities including physical exhibitions such as Arab Health. Net R&D expenditure increased in the quarter, reflecting the increased investments in innovation. On a rolling twelve-month basis, gross R&D expenditure to net sales were 12 percent (10). Amortization of intangible assets and depreciation of tangible fixed assets amounted to a total of SEK 278 M (316). Administration costs increased 1 percent in constant currencies compared to last year. Operating result, EBIT, was SEK 201 M (335) representing a margin of 6.7 percent (11.2).

Net financial items amounted to SEK -36 M (-52). The key driver was less interest expense as a result of lower level of gross debt. Profit before tax amounted to SEK 165 M (282) and tax amounted to SEK -40 M (-66), representing a tax rate of 24.0 percent (23.5).

Net income amounted to SEK 126 M (216) and earnings per share amounted to SEK 0.33 (0.57) before and after dilution. Return on share-holders' equity amounted to 16 percent (14) and return on capital employed was 12 percent (12).

Cash flow

Cash flow from operating activities was SEK -81 M (211). Cash flow after continuous investments was SEK -343 M (26). Investments in intangible assets amounted to SEK 225 M (150). The increase was mainly related to R&D investments in the linac family and oncology informatics solutions. Investments in tangible assets were SEK 37 M (35).

The weaker cash flow was related to lower earnings, increased R&D investments and increased working capital compared to last year, see working capital section below.

Cash flow (extract)

SEK M	Q1		12 months	
	2021/22	2020/21	RTM	FY 2020/21
Operating cash flow	318	530	2,448	2,660
Change in working capital	-398	-319	-188	-109
Cash flow from operating activities	-81	211	2,259	2,551
Continuous investments	-262	-185	-925	-845
Cash flow after continuous investments	-343	26	1,335	1,706
Operational cash conversion	-17%	32%	77%	82%

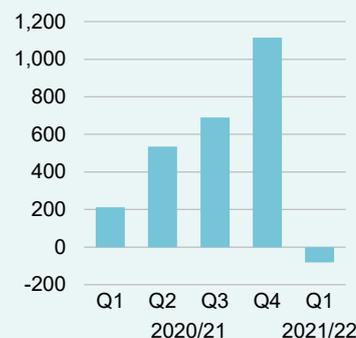
37.1%
gross margin

EBIT



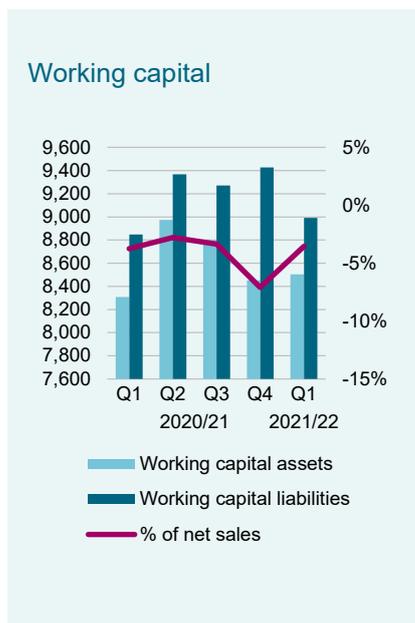
12%
R&D expenditure
of net sales, RTM

Cash flow from operating activities



Working capital

Net working capital increased by SEK 54 M to SEK -489 M (-543) corresponding to -4 percent (-4) of net sales for the year. On the asset side strong collections resulted in lower accounts receivables. However, accrued income increased, which was mainly related to MR-Linac projects in China, Japan and Europe. The increased inventory was due to action taken to mitigate extended supply-chain lead times and reflects more systems in transit. On the liability side, accounts payables increased as a result of the inventory build up. All individual working capital items were impacted by currency movements while the net effect on working capital from currencies was limited. For more information, see page 23.



Financial position

Cash and cash equivalents and short-term investments amounted to SEK 3,652 M (5,846). Interest-bearing liabilities excluding lease liabilities amounted to SEK 4,836 M (7,848). Net debt amounted to SEK 1,183 M (2,002). Net debt in relation to EBITDA was 0.40 (0.66). The average maturity of interest-bearing liabilities was 2.9 years.

Net debt

SEK M	Jul 31 2021	Jul 31 2020	Apr 30 2021
Long-term interest-bearing liabilities	3,067	6,953	3,043
Short-term interest-bearing liabilities	1,769	895	2,141
Cash and cash equivalents and short-term investments	-3,652	-5,846	-4,411
Net debt	1,183	2,002	774
Long-term lease liabilities	833	906	854
Short-term lease liabilities	197	187	200
Net debt including lease liabilities	2,213	3,094	1,828



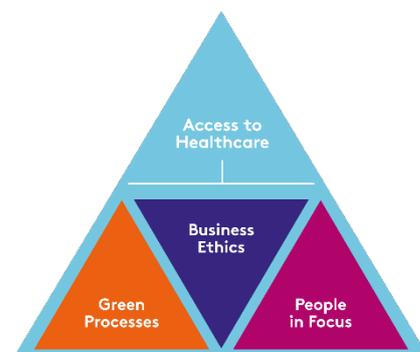
The exchange rate effect from the translation of cash and cash equivalents amounted to SEK 39 M (-368). The translation difference in interest-bearing liabilities amounted to SEK 33 M (-248).

Sustainability agenda

Elekta's sustainability agenda is set on improving access to healthcare globally while operating a responsible and sustainable business. Agenda 2030 and its Global Goals for Sustainable Development (SDG) guides Elekta's approach to sustainability. The focus areas are: Access to Healthcare, Green processes, Business Ethics and People in Focus.

Access to Healthcare

Elekta is particularly making significant contributions to the SDG target 3.4 that sets to reduce mortality from cancer by 2030 through its focused strategy to increase access to radiotherapy in underserved markets. Elekta has set a goal to enable 300 million additional people in low-and middle-income countries to get access to radiotherapy via Elekta's installed base by 2024/25. This is estimated to be equivalent to an additional 400,000 patient treatments by 2024/25.



In the last fiscal year Elekta installed more than 160 linacs in underserved (emerging) markets.

First quarter

Green processes

Elekta stands behind the Paris Agreement of 2015 and has committed to the Science Based Targets initiative. Sustainable and green production processes are necessary for improving patient access to the best cancer care in the long-term. By having ambitious targets for reducing greenhouse gas emissions and waste, and increasing circularity, Elekta is devoted to being part of the solution.

In summarizing last fiscal year's development within the climate initiatives, two of three climate goals were achieved ahead of the targeted time: reduction of carbon emissions intensity from business travel, and from transport and logistics (both scope 3).

For more details on Elekta's sustainability agenda, please see Annual Report 2020/21, page 41.

Risk and uncertainties

Elekta's presence in a large number of geographical markets exposes the Group to political and economic risks on a global scale and/or in individual countries. For more details, please see Annual Report 2020/21, page 34.

Impact from Covid-19

Covid-19 continued to have a negative impact on Elekta's business. Overall, Elekta has managed well through the crisis, balancing the safety of employees with the commitments to customers and their patients. The treatment utilization rate in Elekta's installed base has been maintained at normal levels. The production sites of linacs in Crawley, UK and Beijing, China has been fully operational as has the production facilities of Brachy in the Netherlands and Neuro in Sweden. The continuity of Elekta's supply chain has benefitted from a dual source strategy and the fact that Elekta and its suppliers being labelled essential business by relevant government authorities. There are no major short-term supply issues, except higher cost within the supply-chain due to the pandemic.

Elekta has not received any government grants in Sweden. On a global basis Elekta has received government grants amounting to approximately SEK 2 M for the first quarter 2021/22.

Significant events

Elekta Harmony receives clearance by FDA

In June, Elekta announced that its newest linear accelerator, Harmony, has received 510(k) clearance from the U.S. Food and Drug Administration (FDA). Harmony is a radiotherapy system designed for changing the cancer landscape by perfectly balancing productivity and precision without compromise, making the system well-suited to address changing U.S. demographics and practice patterns.

Elekta and Philips to deepen their strategic partnership

In June, Elekta and Royal Philips signed a non-exclusive agreement to deepen their existing strategic partnership to advance comprehensive and personalized cancer care through precision oncology solutions. Through deeper cross-portfolio collaboration, Elekta and Philips will utilize their

Mid-term outlook

- Net sales CAGR >7% until 2024/25
- EBIT margin % expansion until 2024/25

Dividend policy

- ≥50% of net profit for the year



First quarter

complementary capabilities to further improve patient care. The strengthened strategic partnership intends to further deliver a superior experience in diagnosis and adaptive, personalized treatments for clinicians, shorter treatment times and more precise therapy for patients, and lowered care costs for healthcare providers.

Changes in Executive Management

During the first quarter Renato Leite, EVP Region Europe, left Elekta and the Executive Management team. Lionel Hadjadjeba, President MR-linac Solutions, got extended responsibility and was in addition to his previous title appointed acting EVP Region Europe.

Legal disputes¹

ZAP Surgical Systems, Inc

In the ongoing patent infringement dispute in the US and Germany against ZAP Surgical Systems, Inc, the U.S. patent was reverted back to the U.S. Patent Office's Patent Trial and Appeal Board (PTAB), resulting in a finding of partial invalidity of the parts of the patent that were challenged. Elekta has appealed the PTAB's decision during the first quarter.



Employees

The average number of employees during the period was 4,427 (4,037). The average number of employees in the Parent Company was 54 (42).

Shares

Total number of registered shares on July 31, 2021 was 383,568,409 of which 14,980,769 were A-shares and 368,587,640 B-shares. On July 31, 2021 1,485,289 shares were treasury shares held by Elekta.

Stockholm, August 25, 2021

Gustaf Salford
President and CEO

This report has not been reviewed by the Company's auditors

¹ The material legal disputes reported here are either new cases or previous cases with changes in the interim period. For previous reported cases please see Elekta's Annual reports.

First quarter

Consolidated income statement – condensed

SEK M	Q1		12 months	
	2021/22	2020/21	RTM	FY 2020/21
Net sales	3,009	2,981	13,792	13,763
Cost of products sold	-1,894	-1,614	-8,433	-8,153
Gross income	1,115	1,367	5,359	5,610
Selling expenses	-316	-271	-1,188	-1,143
Administrative expenses	-274	-280	-1,081	-1,086
R&D expenses	-391	-386	-1,491	-1,486
Other operating income and expenses	-7	-40	-52	-85
Exchange rate differences	73	-55	225	97
Operating result	201	335	1,773	1,906
Financial items, net	-36	-52	-260	-277
Profit before tax	165	282	1,512	1,630
Income taxes	-40	-66	-350	-377
Net income	126	216	1,162	1,253
<i>Net income attributable to</i>				
Parent Company shareholders	127	216	1,164	1,254
Non-controlling interests	-1	0	-2	-1
<i>Average number of shares</i>				
Before dilution, millions	382	382	382	382
After dilution, millions	382	382	382	382
<i>Earnings per share</i>				
Before dilution, SEK	0.33	0.57	3.05	3.28
After dilution, SEK	0.33	0.57	3.05	3.28

First quarter

Consolidated statement of comprehensive income

SEK M	Q1		12 months	
	2021/22	2020/21	RTM	FY 2020/21
Net income	126	216	1,162	1,253
Other comprehensive income:				
<i>Items that will not be reclassified to the income statement:</i>				
Remeasurements of defined benefit pension plans	10	-	7	-3
Change in fair value of equity instruments	1	44	163	206
Tax	-3	-9	-37	-43
Total items that will not be reclassified to the income statement	8	34	133	160
<i>Items that subsequently may be reclassified to the income statement:</i>				
Revaluation of cash flow hedges	-83	204	-56	231
Translation differences from foreign operations	106	-699	-33	-838
Tax relating to revaluation of cash flow hedges	17	-43	12	-48
Total items that subsequently may be reclassified to the income statement	40	-537	-77	-654
Other comprehensive income for the period	48	-503	57	-494
Total comprehensive income for the period	174	-287	1,219	759
<i>Comprehensive income attributable to:</i>				
Parent Company shareholders	174	-287	1,220	760
Non-controlling interests	0	0	-1	-1

First quarter

Consolidated balance sheet statement – condensed

SEK M	Jul 31 2021	Jul 31 2020	Apr 30 2021
Non-current assets			
Intangible assets	8,931	8,990	8,779
Right-of-use assets	927	998	953
Other tangible fixed assets	901	887	897
Financial assets	499	785	533
Deferred tax assets	485	492	436
Total non-current assets	11,743	12,152	11,597
Current assets			
Inventories	2,487	2,516	2,283
Accounts receivable	2,903	3,220	3,281
Accrued income	1,923	1,483	1,772
Other current receivables	1,494	1,581	1,502
Cash and cash equivalents	3,652	5,846	4,411
Total current assets	12,458	14,646	13,247
Total assets	24,201	26,798	24,844
Equity attributable to Parent Company shareholders	8,373	7,828	8,197
Non-controlling interests	0	1	0
Total equity	8,373	7,828	8,197
Non-current liabilities			
Long-term interest-bearing liabilities	3,067	6,953	3,043
Long-term lease liabilities	833	906	854
Other long-term liabilities	770	865	810
Total non-current liabilities	4,670	8,724	4,707
Current liabilities			
Short-term interest-bearing liabilities	1,769	895	2,141
Short-term lease liabilities	197	187	200
Accounts payable	1,145	784	1,016
Advances from customers	3,712	3,875	3,759
Prepaid income	2,021	2,020	2,082
Accrued expenses	1,550	1,432	1,837
Other current liabilities	766	1,053	905
Total current liabilities	11,158	10,245	11,941
Total equity and liabilities	24,201	26,798	24,844

First quarter

Changes in consolidated equity – condensed

SEK M	May - Jul		May - Apr
	2021/22	2020/21	2020/21
Attributable to Parent Company shareholders			
Opening balance	8,197	8,113	8,113
Comprehensive income for the period	174	-287	760
Incentive programs	3	2	12
Dividend	-	-	-688
Total	8,373	7,828	8,197
Attributable to non-controlling interests			
Opening balance	0	1	1
Comprehensive income for the period	0	0	-1
Total	0	1	0
Closing balance	8,373	7,828	8,197

First quarter

Consolidated cash flow statement – condensed

SEK M	Q1		12 months	
	2021/22	2020/21	RTM	FY 2020/21
Profit before tax	165	282	1,512	1,630
Amortization and depreciation	278	316	1,165	1,204
Interest net	28	40	192	204
Other non-cash items	-43	19	246	307
Interest received and paid	-32	-40	-212	-220
Income taxes paid	-79	-88	-456	-465
Operating cash flow	318	530	2,448	2,660
Changes in inventories	-162	7	101	270
Changes in operating receivables	291	-224	-257	-772
Changes in operating liabilities	-527	-102	-33	393
Change in working capital	-398	-319	-188	-109
Cash flow from operating activities	-81	211	2,259	2,551
Investments intangible assets	-225	-150	-754	-678
Investments other assets	-37	-35	-171	-167
Continuous investments	-262	-185	-925	-845
Cash flow after continuous investments	-343	26	1,335	1,706
Short-term investments	-	60	-	60
Business combinations, divestments and investments in other shares	-21	-225	376	172
Cash flow after investments	-364	-139	1,710	1,938
Dividends	-	-	-688	-688
Cash flow from other financing activities	-433	-54	-3,297	-2,917
Cash flow for the period	-798	-193	-2,274	-1,667
Change in cash and cash equivalents during the period				
Cash and cash equivalents at the beginning of the period	4,411	6,407	5,848	6,407
Cash flow for the period	-798	-193	-2,274	-1,667
Exchange rate differences	39	-368	78	-329
Cash and cash equivalents at the end of the period	3,652	5,846	3,652	4,411

Parent company

Income statement and statement of comprehensive income - condensed

SEK M	Q1	
	2021/22	2020/21
Operating expenses	-58	-79
Financial net	5	3
Income after financial items	-53	-76
Tax	9	11
Net income	-44	-65
Statement of comprehensive income		
Net income	-44	-65
Other comprehensive income	-	-
Total comprehensive income	-44	-65

Balance sheet - condensed

SEK M	Jul 31	Apr 30
	2021	2021
Non-current assets		
Intangible assets	44	46
Shares in subsidiaries	2,632	2,590
Receivables from subsidiaries	2,194	2,194
Other financial assets	94	94
Deferred tax assets	36	27
Total non-current assets	5,000	4,951
Current assets		
Receivables from subsidiaries	2,862	2,895
Other current receivables	65	39
Cash and cash equivalents	2,503	3,421
Total current assets	5,430	6,355
Total assets	10,430	11,306
Shareholders' equity	2,042	2,087
Non-current liabilities		
Long-term interest-bearing liabilities	3,067	3,043
Long-term provisions	36	40
Total non-current liabilities	3,103	3,083
Current liabilities		
Short-term interest-bearing liabilities	1,732	2,141
Short-term liabilities to Group companies	3,475	3,858
Other current liabilities	78	137
Total current liabilities	5,285	6,136
Total shareholders' equity and liabilities	10,430	11,306

Accounting principles

This interim report is prepared, with regards to the Group, according to IAS 34 and the Swedish Annual Accounts Act and, with regards to the Parent Company, according to the Swedish Annual Accounts Act and RFR 2. The accounting principles applied are consistent with those presented in Note 1 of the Annual Report 2020/21.

New or revised standards and interpretations, not yet applied, are not considered to have a material impact on the Elekta Group's financial statements.

All figures are stated in SEK M and, accordingly, rounding differences can occur. Comparisons refer to the corresponding period for the prior year, unless otherwise stated.

Related party transactions

Related party transactions are described in note 36 in the Annual Report for 2020/21. No material changes have taken place in relations or transactions with related parties companies compared with the description in the Annual report 2020/21.

Exchange rates

Country	Currency	Average rate			Closing rate					
		May - Jul		Δ^1	Jul 31		Apr 30		Δ^1	Δ^2
		2021/22	2020/21		2021	2020	2021			
Euroland	1 EUR	10.152	10.482	-3%	10.173	10.305	10.151	-1%	0%	
Great Britain	1 GBP	11.816	11.691	1%	11.946	11.374	11.682	5%	2%	
Japan	1 JPY	0.077	0.087	-12%	0.078	0.083	0.077	-6%	2%	
United States	1 USD	8.460	9.356	-10%	8.564	8.661	8.377	-1%	2%	

¹ July 31, 2021 vs July 31, 2020.

² July 31, 2021 vs April 30, 2021.

For Group companies with a functional currency other than Swedish kronor, order intake and income statements are translated at average exchange rates for the reporting period, while order book and balance sheets are translated at closing exchange rates.

Segment reporting

Elekta applies geographical segmentation. Order intake, net sales and contribution margin for the respective regions are reported to Elekta's CFO and CEO (chief operating decision makers). The regions' expenses are directly attributable to the respective regions' reported figures including cost of products sold. Global costs for R&D, marketing, management of product supply centres and Parent Company are not allocated per region. Currency exposure is concentrated to product supply centres. The majority of exchange differences in operations are reported in global costs.

Elekta's operations are characterized by significant quarterly variations in volumes and product mix, which have a direct impact on net sales and profits. This is accentuated when the operation is split into segments, as is the impact of currency fluctuations between the years. Revenue from solutions are recognized at a point in time and revenue from services are recognized over time.

First quarter Q1 2021/22

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	827	1,143	1,039	-	3,009	
Regional expenses	-550	-760	-707	-	-2,016	67%
Contribution margin	278	384	332	-	994	33%
Contribution margin, %	34%	34%	32%			
Global costs	-	-	-	-793	-793	26%
Operating result	278	384	332	-793	201	7%
Net financial items	-	-	-	-36	-36	
Profit before tax	278	384	332	-828	165	

Q1 2020/21

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	945	1,108	927	-	2,981	
Regional expenses	-536	-678	-580	-	-1,794	60%
Contribution margin	409	430	347	-	1,186	40%
Contribution margin, %	43%	39%	37%			
Global costs	-	-	-	-852	-852	29%
Operating result	409	430	347	-852	335	11%
Net financial items	-	-	-	-52	-52	
Profit before tax	409	430	347	-904	282	

Full year 2020/21

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	3,888	5,140	4,735	-	13,763	
Regional expenses	-2,386	-3,260	-3,227	-	-8,874	64%
Contribution margin	1,502	1,880	1,507	-	4,889	36%
Contribution margin, %	39%	37%	32%			
Global costs	-	-	-	-2,983	-2,983	22%
Operating result	1,502	1,880	1,507	-2,983	1,906	14%
Net financial items	-	-	-	-277	-277	
Profit before tax	1,502	1,880	1,507	-3,259	1,630	

Rolling twelve months

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total	% of net sales
Net sales	3,771	5,175	4,846	-	13,792	
Regional expenses	-2,399	-3,342	-3,354	-	-9,095	66%
Contribution margin	1,371	1,833	1,492	-	4,697	34%
Contribution margin, %	36%	35%	31%			
Global costs	-	-	-	-2,924	-2,924	21%
Operating result	1,371	1,833	1,492	-2,924	1,773	13%
Net financial items	-	-	-	-260	-260	
Profit before tax	1,371	1,833	1,492	-3,184	1,513	

First quarter

Net sales by product type

Q1 2021/22

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Solutions	265	641	725	-	1,631
Service	562	502	314	-	1,378
Total	827	1,143	1,039	-	3,009

Q1 2020/21

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Solutions	318	615	619	-	1,551
Service	628	493	309	-	1,430
Total	945	1,108	927	-	2,981

Full-year 2020/21

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Solutions	1,563	3,126	3,485	-	8,175
Service	2,325	2,014	1,249	-	5,588
Total	3,888	5,140	4,735	-	13,763

Rolling twelve months

SEK M	Americas	EMEA	APAC	Other / Group-wide	Group total
Solutions	1,511	3,153	3,592	-	8,256
Service	2,260	2,023	1,254	-	5,536
Total	3,771	5,175	4,846	-	13,792

Financial instruments

The table below shows the fair value of the Group's financial instruments, for which fair value is different than carrying value. The fair value of all other financial instruments is assumed to correspond to the carrying value.

SEK M	Jul 31, 2021		Jul 31, 2020		Apr 30, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing liabilities	3,067	3,269	6,953	7,443	3,043	3,250
Long-term lease liabilities	833	833	906	906	854	854
Short-term interest-bearing liabilities	1,769	1,785	895	893	2,141	2,174
Short-term lease liabilities	197	197	187	187	200	200

The Group's financial assets and financial liabilities, which have been measured at fair value, have been categorized in the fair value hierarchy. The different levels are defined as follows:

Level 1: Quoted prices on an active market for identical assets or liabilities

Level 2: Other observable data than quoted prices included in Level 1, either directly (that is, price quotations) or indirectly (that is, obtained from price quotations)

Level 3: Data not based on observable market data

Financial instruments measured at fair value

SEK M	Level	Jul 31, 2021	Jul 31, 2020	Apr 30, 2021
FINANCIAL ASSETS				
Financial assets measured at fair value through profit or loss:				
Derivative financial instruments – non-hedge accounting	2	22	162	32
Short-term investments	1	-	-	-
Short-term investments classified as cash equivalents	1	3	1,203	792
Financial assets measured at fair value through other comprehensive income:				
Equity instruments	1	61	341	60
Derivatives used for hedging purposes:				
Derivative financial instruments – hedge accounting	2	148	222	212
Total financial assets		234	1,928	1,096
FINANCIAL LIABILITIES				
Financial liabilities at fair value through profit or loss:				
Derivative financial instruments – non-hedge accounting	2	22	78	29
Other liabilities (contingent considerations)	3	99	165	120
Derivatives used for hedging purposes:				
Derivative financial instruments – hedge accounting	2	32	51	13
Total financial liabilities		152	293	162

The fair value of accounts receivables, other current and non-current receivables, cash and cash equivalents, accounts payable and other current and non-current liabilities is estimated to be equal to their carrying amount.

Key figures and data

Key figures

	May - Apr ¹		May - Apr			May - Jul	
	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21	2021/22
Gross order intake, SEK M	14,064	14,493	16,796	17,735	17,411	4,451	3,980
Net sales, SEK M	10,704	11,573	13,555	14,601	13,763	2,981	3,009
Order backlog, SEK M	22,459	27,974	32,003	34,689	33,293	32,465	34,458
Operating result, SEK M	598	1,845	1,696	1,657	1,906	335	201
Operating margin, %	5.6	15.9	12.5	11.3	13.9	11.2	6.7
Shareholders' equity, SEK M	6,774	6,987	7,779	8,113	8,197	7,828	8,373
Return on shareholders' equity, %	2	22	17	14	16	14	14
Net debt, SEK M	1,889	803	439	1,632	774	2,002	1,183
Operational cash conversion, %	145	95	61	35	82	32	-17
Average number of employees	3,581	3,702	3,798	4,117	4,194	4,037	4,427

¹ Calculation based on IAS18.

Data per share

	May - Apr ¹		May - Apr			May - Jul	
	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21	2021/22
Earnings per share							
before dilution, SEK	0.33	3.53	3.14	2.84	3.28	0.57	0.33
after dilution, SEK	0.33	3.53	3.14	2.84	3.28	0.57	0.33
Cash flow per share							
before dilution, SEK	2.69	3.79	2.48	-0.74	5.05	-0.36	-0.95
after dilution, SEK	2.69	3.79	2.48	-0.74	5.05	-0.36	-0.95
Shareholders' equity per share							
before dilution, SEK	17.73	18.29	20.36	21.23	21.45	20.49	21.92
after dilution, SEK	17.73	18.29	20.36	21.23	21.45	20.49	21.92
Average number of shares							
before dilution, 000s	381,306	382,027	382,027	382,062	382,083	382,083	382,083
after dilution, 000s	381,306	382,027	382,027	382,062	382,083	382,083	382,083
Number of shares at closing							
before dilution, 000s ²	382,027	382,027	382,027	382,083	382,083	382,083	382,083
after dilution, 000s	382,027	382,027	382,027	382,083	382,083	382,083	382,083

¹ Calculation based on IAS18.

² Number of registered shares at closing excluding treasury shares (1,485,289 per July 31, 2021).

First quarter

Data per quarter

SEK M	2019/20				2020/21				2021/22
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Gross order intake	4,390	4,036	4,276	5,032	4,451	3,627	3,954	5,379	3,980
Net sales	3,228	3,709	3,656	4,008	2,981	3,534	3,581	3,667	3,009
Operating result	236	321	443	658	335	559	468	545	201
Cash flow from operating activities	-629	419	-21	1,244	211	535	690	1,114	-81

Order intake growth based on constant currency

%	2019/20				2020/21				2021/22
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Americas	0	29	-43	0	66	-12	41	13	-7
EMEA	64	-21	9	-17	-20	20	-17	7	0
APAC	31	23	-6	-13	-12	-12	8	46	-4
Group	32	5	-11	-10	4	-2	2	18	-4

Investments and amortization/depreciation

SEK M	Q1		12 months	
	2021/22	2020/21	RTM	FY 2020/21
R&D, net	77	-35	109	-2
Capitalization	224	149	751	676
Amortization	-148	-184	-641	-678
Other, net	0	-2	-5	-6
Total, net	76	-37	104	-9

No significant events after the quarter

Alternative performance measures

Alternative Performance Measures (APMs) are measures and key figures that Elekta's management and other stakeholders use when managing and analyzing Elekta's business performance. These measures are not substitutes, but rather supplements to financial reporting measures prepared in accordance with IFRS. Key figures and other APMs used by Elekta are defined on www.elekta.com/investors/financials/definitions. Definitions and additional information on APMs can also be found on pages 155-157 in the Annual Report 2020/21.

Order and sales growth based on constant currency

Elekta's order intake and sales are, to a large extent, reported in subsidiaries with other functional currencies than SEK, which is the group reporting currency. In order to present order and sales growth on a more comparable basis and to show the impact of currency fluctuations, order and sales growth based on constant currency are presented. The schedules below present growth based on constant currency reconciled to the total growth reported in accordance with IFRS.

Change gross order intake

	Americas		EMEA		APAC		Group total	
	%	SEK M	%	SEK M	%	SEK M	%	SEK M
Q1 2021/22 vs. Q1 2020/21								
Change based on constant currency	-7	262	0	2	-4	-61	-4	203
Currency effects	-8	-134	-5	-69	-6	-80	-6	-283
Reported change	-15	129	-5	-67	-10	-141	-11	-80
Q1 2020/21 vs. Q1 2019/20								
Change based on constant currency	66	701	-20	-345	-12	-198	4	158
Currency effects	-3	-36	-2	-34	-2	-26	-2	-97
Reported change	62	664	-22	-379	-14	-224	1	61

Change net sales

	Americas		EMEA		APAC		Group total	
	%	SEK M	%	SEK M	%	SEK M	%	SEK M
Q1 2021/22 vs. Q1 2020/21								
Change based on constant currency	-4	-41	7	73	20	190	8	225
Currency effects	-8	-77	-4	-41	-8	-79	-7	-196
Reported change	-12	-118	3	35	12	111	1	29
Q1 2020/21 vs. Q1 2019/20								
Change based on constant currency	-4	-37	-1	-17	-11	-112	-5	-165
Currency effects	-3	-28	-3	-33	-2	-21	-3	-82
Reported change	-6	-65	-4	-50	-13	-133	-8	-248

EBITDA

EBITDA is used for the calculation of operational cash conversion and the net debt/EBITDA ratio.

SEK M	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 2020/21	Q1 2021/22
Operating result/EBIT	335	559	468	545	201
<i>Amortization intangible assets:</i>					
Capitalized development costs	186	163	167	169	149
Assets relating business combinations	30	30	29	28	29
Depreciation fixed assets	100	95	96	111	100
EBITDA	651	846	759	853	479

First quarter

Return on capital employed

Return on capital employed is a measure of the profitability after taking into account the amount of total capital used unrelated to type of financing. A higher return on capital employed indicates a more efficient use of capital. Capital employed represents the value of the balance sheet net assets that is the key driver of cash flow and capital required to run the business. It is also used in the calculation of return on capital employed.

Return on capital employed

SEK M	Jul 31, 2020	Oct 31, 2020	Jan 31, 2021	Apr 30, 2021	Jul 31, 2021
Profit before tax (12 months rolling)	1,546	1,751	1,773	1,630	1,512
Financial expenses (12 months rolling)	256	268	270	295	276
Profit before tax plus financial expenses	1,802	2,019	2,043	1,924	1,788
Total assets	26,798	25,497	25,464	24,844	24,201
Deferred tax liabilities	-559	-560	-566	-515	-468
Long-term provisions	-222	-255	-264	-224	-215
Other long-term liabilities	-83	-92	-81	-71	-88
Accounts payable	-784	-987	-947	-1,016	-1,145
Advances from customers	-3,875	-3,881	-3,753	-3,759	-3,712
Prepaid income	-2,020	-1,985	-2,052	-2,082	-2,021
Accrued expenses	-1,432	-1,668	-1,723	-1,837	-1,550
Current tax liabilities	-191	-188	-210	-137	-166
Short-term provisions	-182	-182	-169	-174	-159
Derivative financial instruments	-125	-67	-41	-35	-34
Other current liabilities	-555	-665	-628	-559	-406
Capital employed	16,769	14,968	15,030	14,435	14,238
Average capital employed (last five quarters)	15,133	15,401	15,656	15,735	15,088
Return on capital employed	12%	13%	13%	12%	12%

Return on shareholders' equity

Return on shareholders' equity measures the return generated on shareholders' capital invested in the company.

SEK M	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 2020/21	Q1 2021/22
Net income (12 months rolling)	1,153	1,307	1,320	1,253	1,162
Average shareholders' equity excluding non-controlling interests (last five quarters)	7,977	8,007	8,070	8,069	8,121
Return on shareholders' equity	14%	16%	16%	16%	14%

Operational cash conversion

Cash flow is a focus area for management. The operational cash conversion shows the relation between cash flow from operating activities and EBITDA.

SEK M	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 2020/21	Q1 2021/22
Cash flow from operating activities	211	535	690	1,114	-81
EBITDA	651	846	759	853	479
Operational cash conversion	32%	63%	91%	130%	-17%

First quarter

Working capital

In order to optimize cash generation, management focuses on working capital and reducing lead times between orders booked and cash received.

SEK M	Jul 31 2021	Jul 31 2020	Apr 30 2021
Working capital assets			
Inventories	2,487	2,516	2,283
Accounts receivable	2,903	3,220	3,281
Accrued income	1,923	1,483	1,772
Other operating receivables	1,191	1,085	1,116
Sum working capital assets	8,504	8,304	8,451
Working capital liabilities			
Accounts payable	1,145	784	1,016
Advances from customers	3,712	3,875	3,759
Prepaid income	2,021	2,020	2,082
Accrued expenses	1,550	1,432	1,837
Short-term provisions	159	182	174
Other current liabilities	406	555	559
Sum working capital liabilities	8,993	8,847	9,428
Net working capital	-489	-543	-977
% of 12 months net sales	-4%	-4%	-7%

Days Sales Outstanding

Days Sales Outstanding was negative 24 days on July 31, 2021 (negative 21 days per April 30, 2021).

SEK M	Jul 31 2021	Jul 31 2020	Apr 30 2021
North and South America	-72	-64	-72
Europe, Middle East and Africa	45	36	57
Asia Pacific	-58	-77	-64
Group	-24	-30	-21

Net debt and net debt/EBITDA ratio

Net debt is important for understanding the financial stability of the company. Net debt and net debt/EBITDA ratio are used by management to track the debt evolution, the refinancing need and the leverage for the Group.

SEK M	Jul 31, 2020	Oct 31, 2020	Jan 31, 2021	Apr 30, 2021	Jul 31, 2021
Long-term interest-bearing liabilities	6,953	4,983	4,950	3,043	3,067
Short-term interest-bearing liabilities	895	879	831	2,141	1,769
Cash and cash equivalents and short-term investments	-5,846	-3,913	-4,640	-4,411	-3,652
Net debt	2,002	1,949	1,140	774	1,183
EBITDA (12 months rolling)	3,040	3,252	3,265	3,110	2,938
Net debt/EBITDA ratio	0.66	0.60	0.35	0.25	0.40

First quarter

Shareholder information

Conference call

Elekta will host a web conference at 10:00-11:00 CEST on August 25 with President and CEO Gustaf Salford, and CFO Johan Adebäck. To take part of the presentation please dial the numbers or watch via the web link below.

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<https://elekta-qreports.creo.se/210825>

Annual General Meeting	Aug 25, 2021
Interim report, Q2, May-Oct 2021/22	Nov 25, 2021
Interim report, Q3, May-Jan 2021/22	Feb 24, 2022
Year-end report, May-Apr 2021/22	May 28, 2022

About Elekta

Elekta is a global leader in radiotherapy solutions to fight cancer and neurological diseases. In fact, we are the only independent radiotherapy provider of scale. We have a broad offering of advanced solutions for delivering the most efficient radiotherapy treatments. Elekta's offering allows clinicians to treat more patients with increased quality, both with value-creating innovations in solutions and AI-supported service based on a global network.

Purpose

Elekta's purpose is to inspire hope for anyone dealing with cancer, be that patients, clinicians, or relatives.

Mission

Our mission is to improve patients' lives by working together with our customers. We use our precision radiation expertise to work hand in hand with clinicians and our partners to continuously develop innovative, outcome-driven and cost-efficient solutions that provide lasting clinical difference in a sustainable way.

Vision

Elekta's vision is a world where everyone has access to the best cancer care. Our strategy, called ACCESS 2025, is the first part of our journey towards the vision.

Strategy – ACCESS 2025

Through our strategy, ACCESS 2025, we improve patient access to the best cancer care by:

- Accelerating **innovation** with customer utilization in mind
- Driving **partner integration** across the cancer care ecosystem
- Being the **customer** lifetime companion
- Driving market **adoption** across the globe

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