

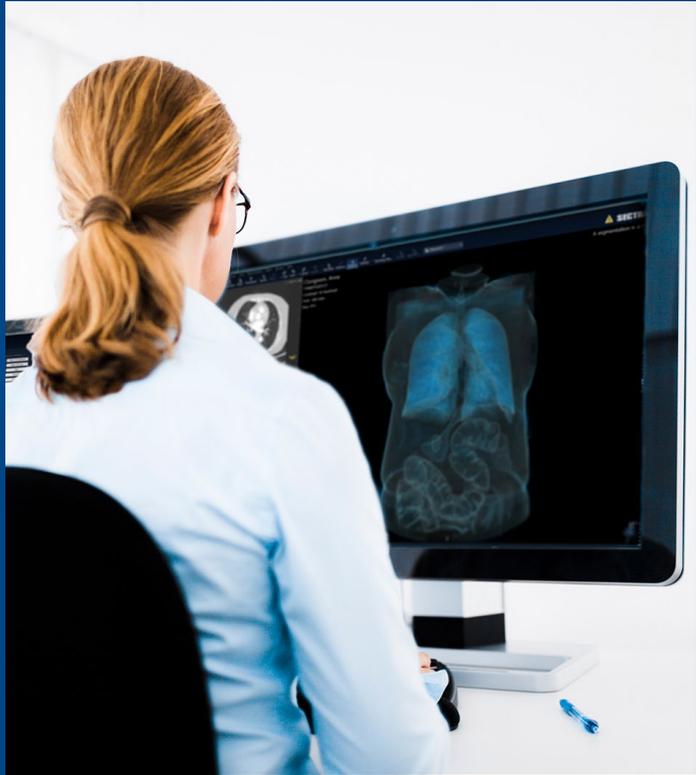
September 4, 2020

Three-month interim report

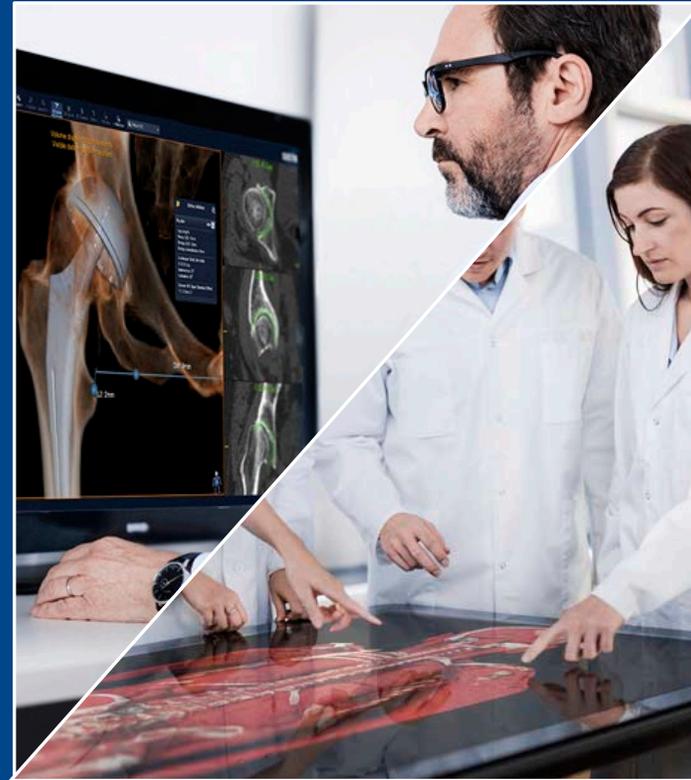


The value we create for customers

Imaging IT



Business Innovation



Secure Communications



The value we create for society



Increased productivity and quality in
medical imaging and patient care



Increased
cybersecurity



> 800 employees
in 14 countries



Research that contribute to a
healthier and safer society

Highlights Q1

Torbjörn Kronander

Q1 fiscal year 2020/2021:

Strong growth in order bookings and cash flow



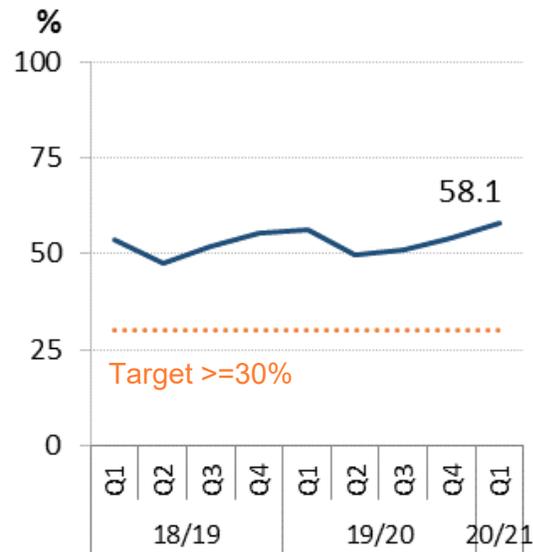
Order bookings
SEK 612.3 M
+156.5%

Cash flow/share
SEK 2.22
(-0.73)

Financial targets for the Group fulfilled

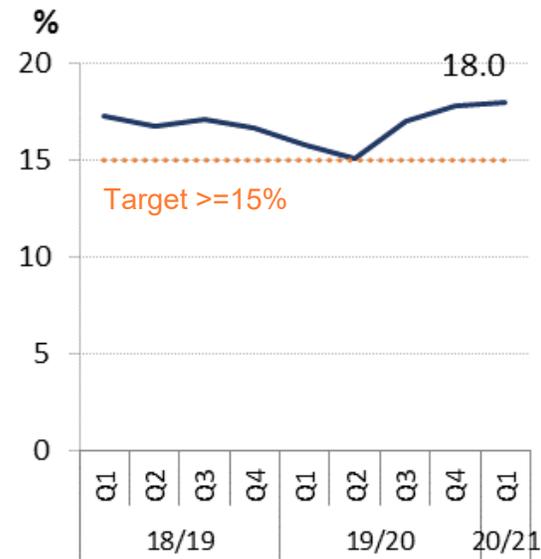
1. Stability

Equity/Assets ratio



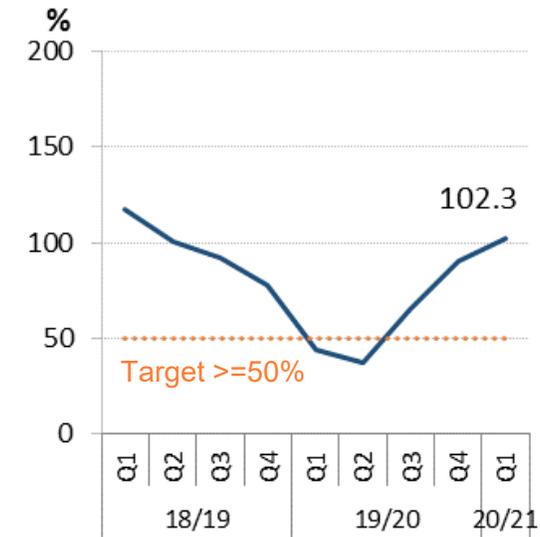
2. Profitability

Operating margin



3. Growth of profits

EBIT/share growth over a 5-year period



Priority

Seasonal effects



Variation between quarters increased



This variation will continue to be large and may, due to COVID-19, increase even further

COVID-19 impact

Healthcare IT market

- ▼ **Exhibitions and travels** cancelled – impacting future sales.
 - ▼ **Delays in deliveries** due to restrictions for visits and financial strain on hospitals
 - ▼ **Elective procedures** on hold – large impact on hospital's financials and imaging volumes.
 - ▲ **Telediagnosis** has taken a leap, motivating digitization of e.g. pathology.
- Post COVID-19 patient imaging volumes may overwhelm hospitals, thereby driving **demand for efficiency** and improved IT solutions

Cybersecurity market

- ▼ **Exhibitions and travels** cancelled – impacting future sales.
- ▲ Increased **demand for** our **cybersecurity** products and mobile crypto solutions.
- ▲ Long- and short-term increase in demand for **secure mobile workplaces**.

Highlights – Secure Communications



Increased
order
bookings



Framework agreement
signed with
EU authorities



Inadequate margins
due to growth
initiatives

Growth initiatives

Secure Communications

- » Mobile secure workplaces
- » Critical infrastructure
- » High speed network encryption systems



Highlights – Business Innovation

Strong negative impact from COVID-19



Remote medical training



Implant Movement Analysis

Trend Business Innovation

New areas within orthopaedics

- » Sectra Implant Movement Analysis (Post OP)
- » Computer Tomography Micro motion Analysis (for clinical research & studies)

Medical Education transition

- » From device delivery to a service including cloud-based content subscriptions

Research

- » Large focus on AI for medical applications



Highlights – Imaging IT Solutions



Increased order bookings
– primarily in our largest
markets



Expanding customer
base in the US and
other markets



First NSW Health sites in
Australia operational with
Sectra's solution

Growth initiatives

Imaging IT Solutions

- » New markets, direct and indirect
- » Enterprise Imaging, including:
 - ✓ Digital pathology and integrated diagnostics
 - ✓ Cardiology
- » Focus US:
 - ✓ The world's largest market
 - ✓ Sectra tops customer satisfaction
 - ✓ Small, but growing, market share



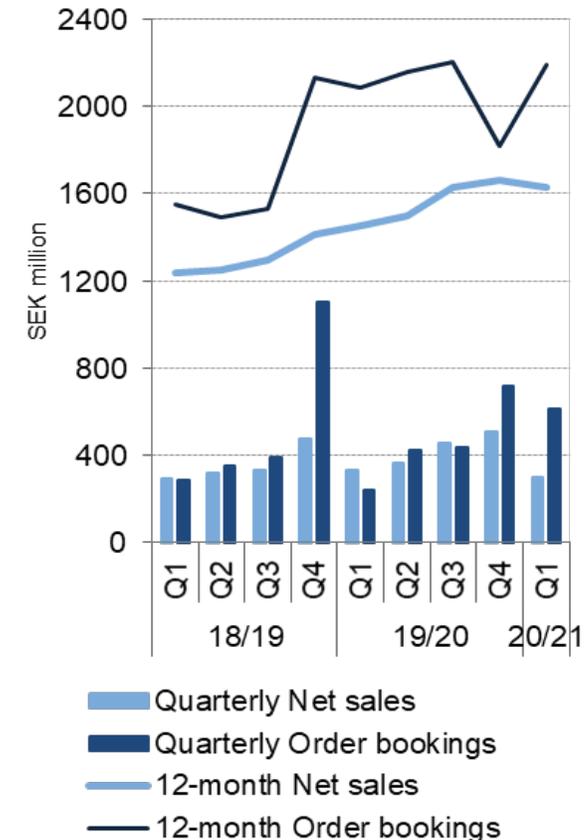
Financial development

Mats Franzén

Order bookings and net sales

- » Order intake increased 156.5% to SEK 612.3 M (238.7)
- » Net sales SEK 298.9 M, -10.2%
Adjusted for currency fluctuations -7.8%
- » Stronger SEK gives negative impact
 - » USD -3.3%
 - » EUR -1.8%
 - » GBP -2.6%

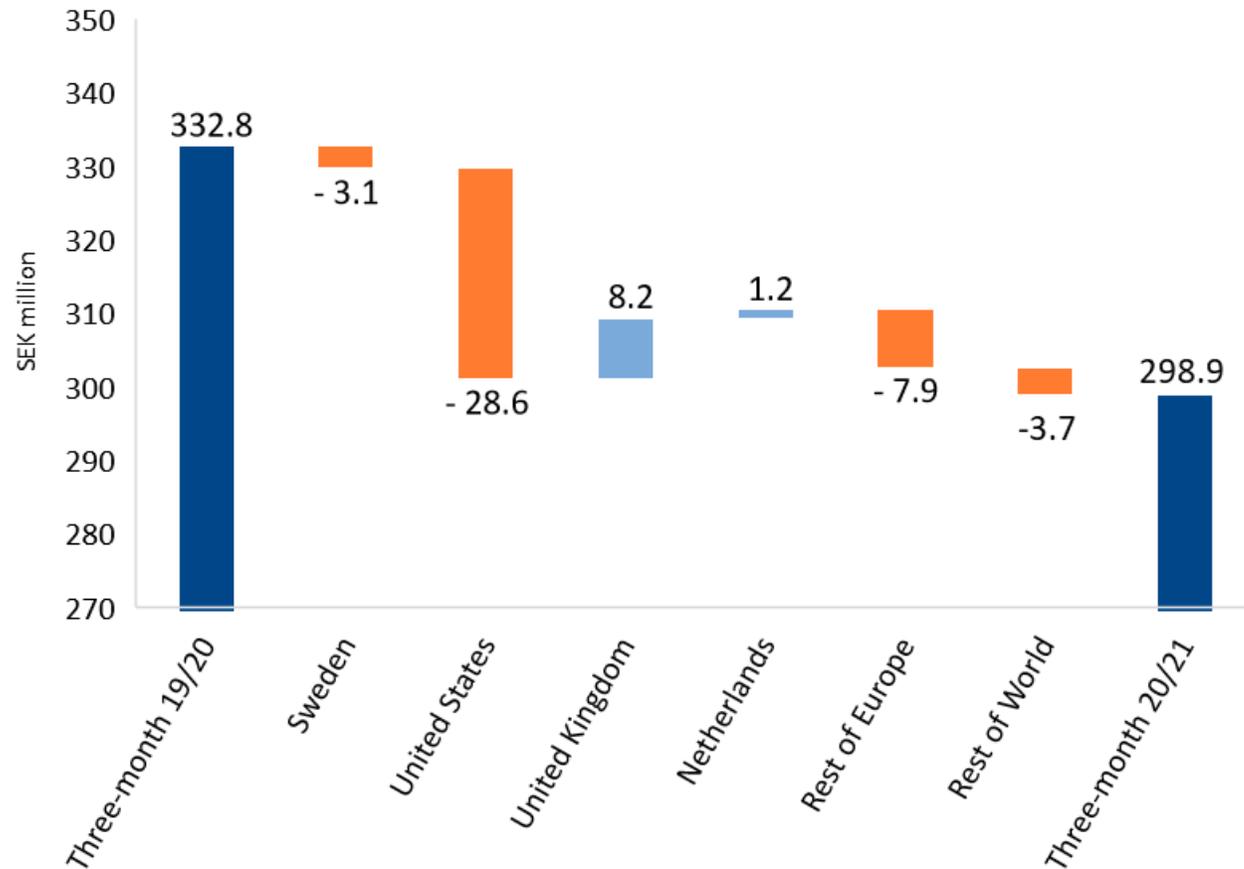
The Group



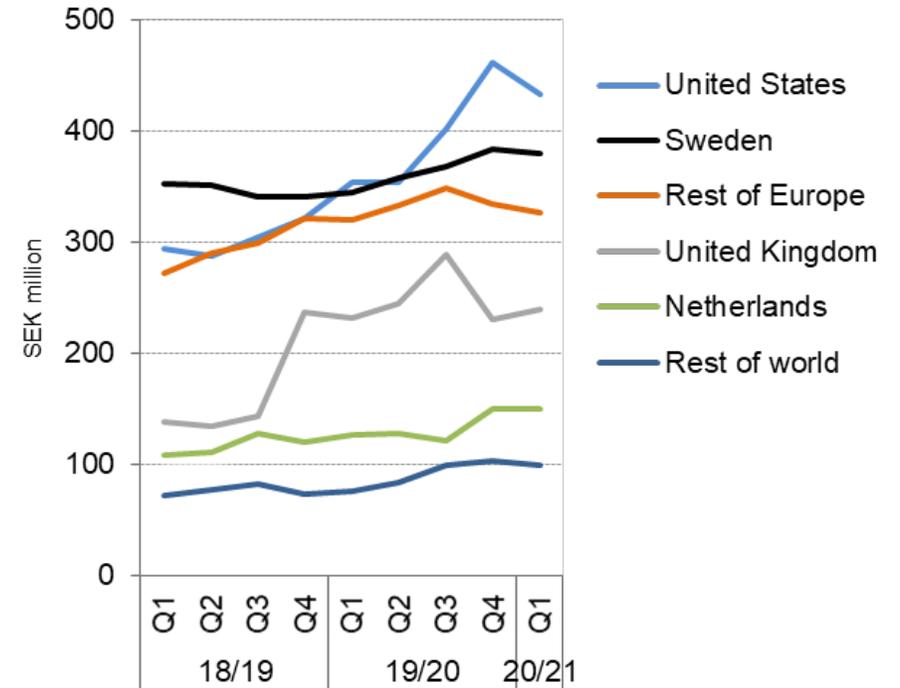
Changes compared with the average rates the corresponding period/quarter in the preceding year

Sales trend by geographic market

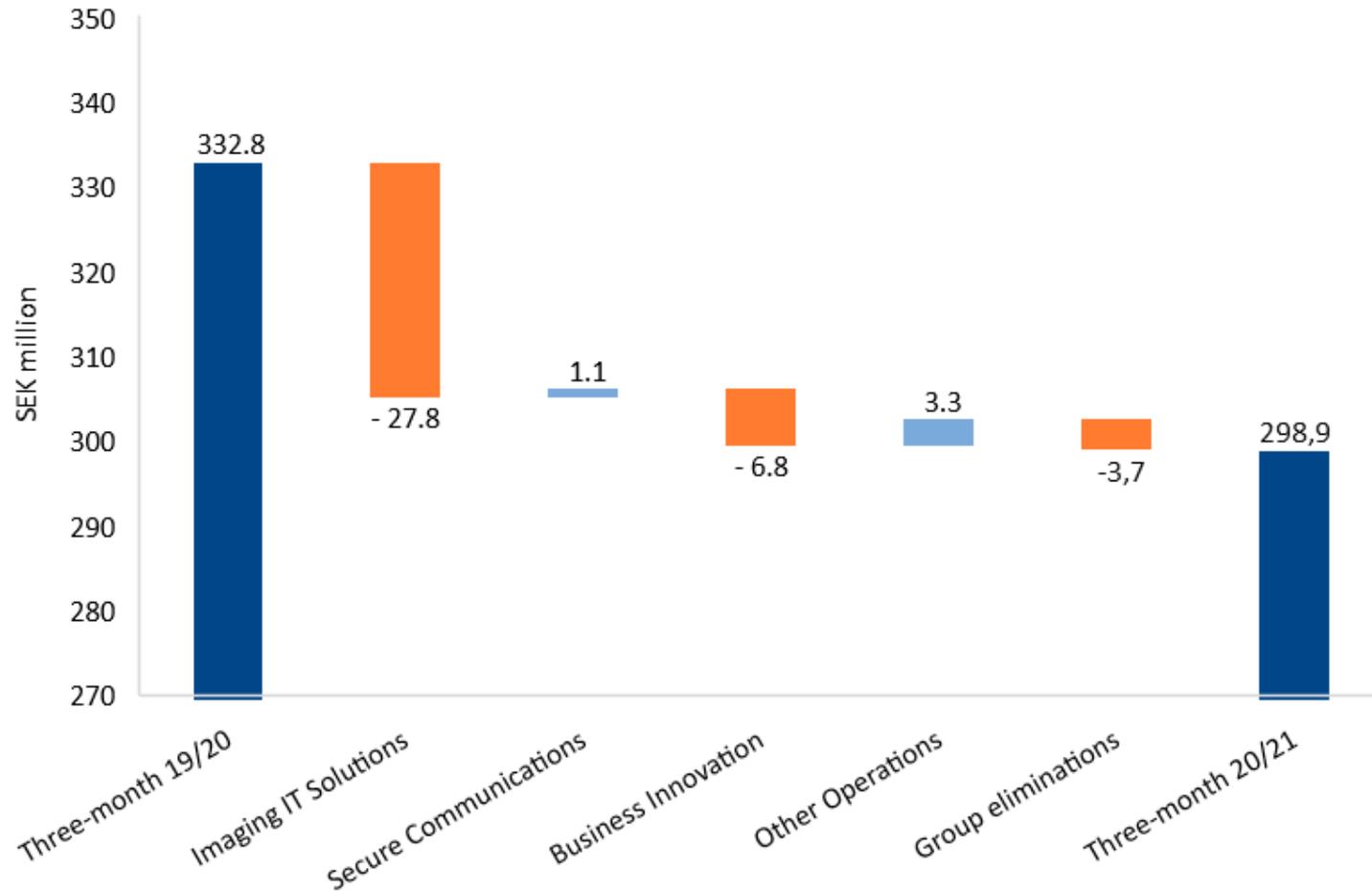
By geographic market



Trend 12 month rolling

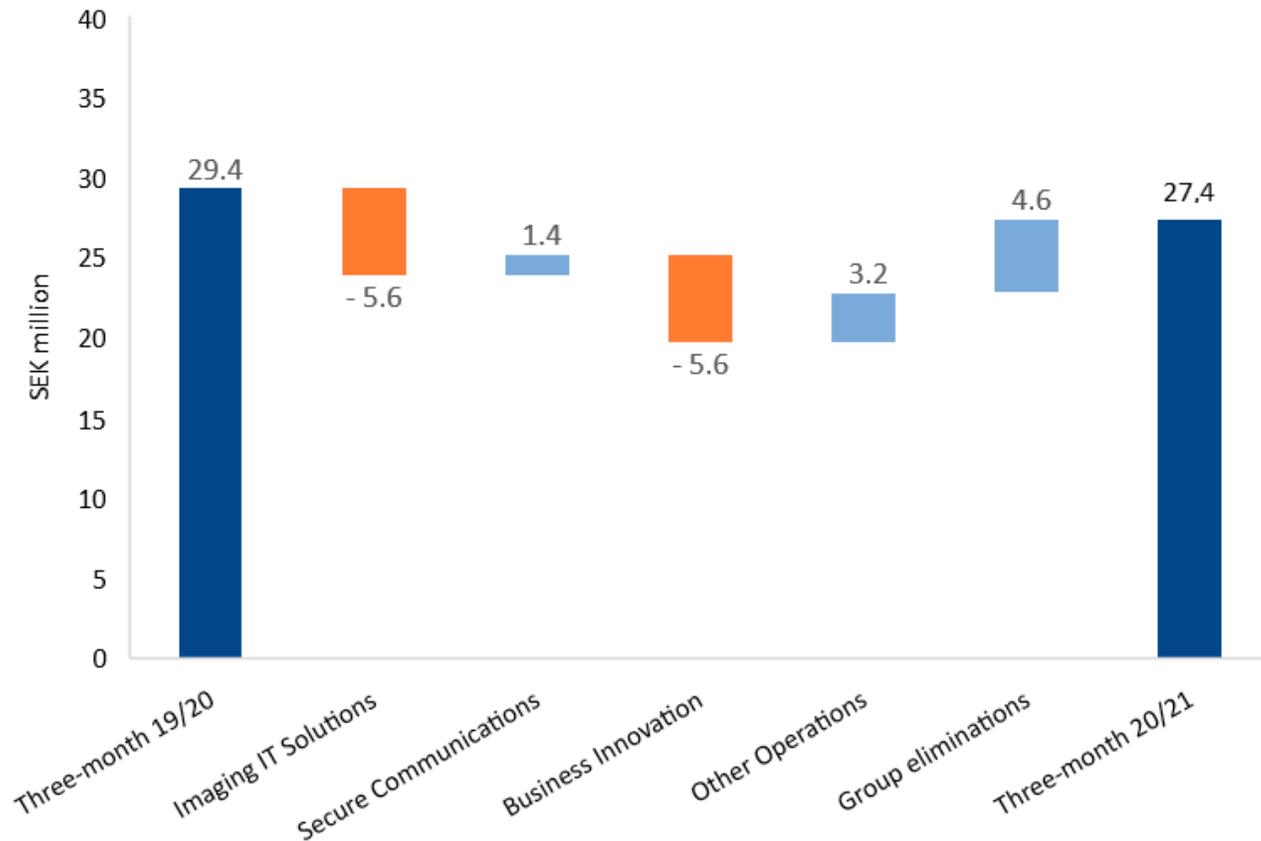


Sales trend by business segment

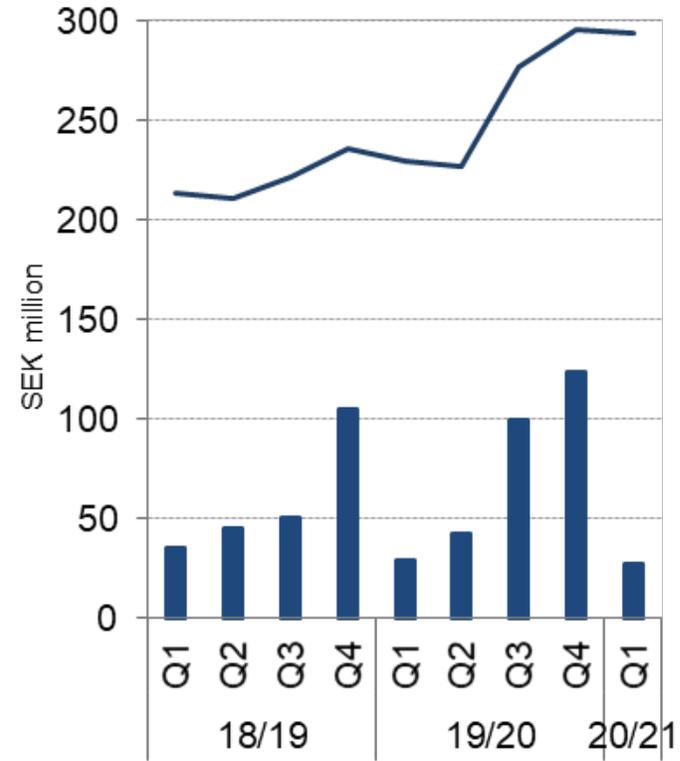


Operating earnings trend

By segment



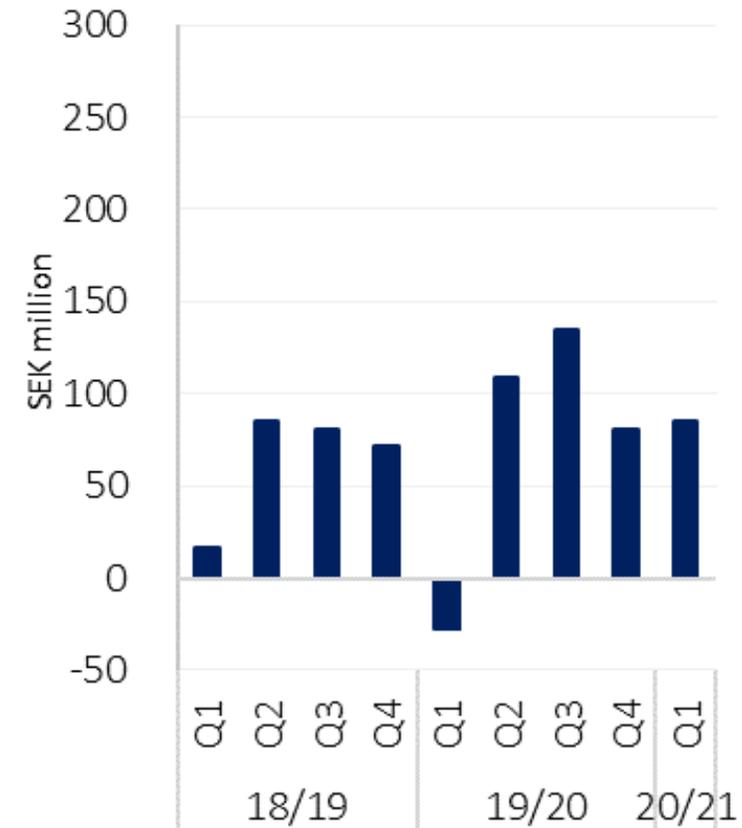
Trend for the Group



Cash flow

- » Strong inflow of accounts receivables
- » Lower investments compared with Q1 last year
- » Increased internal focus on cash flow given pandemic uncertainties

Cash flow after changes in working capital



Sectra's way forward

Torbjörn Kronander

Focus forward



High customer
satisfaction



Employees and culture



Profitable growth



Skate to where the
puck is going to be

Customers' top choice – 7 years in a row



2020 Best in KLAS awards won:

- US Large PACS
- US Small PACS
- Canada PACS

”Skate to where the puck is going to be”

Productivity of healthcare at core of society’s needs

- » Consolidate all medical imaging
- » Improve workflows and interaction
- » Use AI to gain efficiencies

Secure mobile workplaces

Secure communication channels

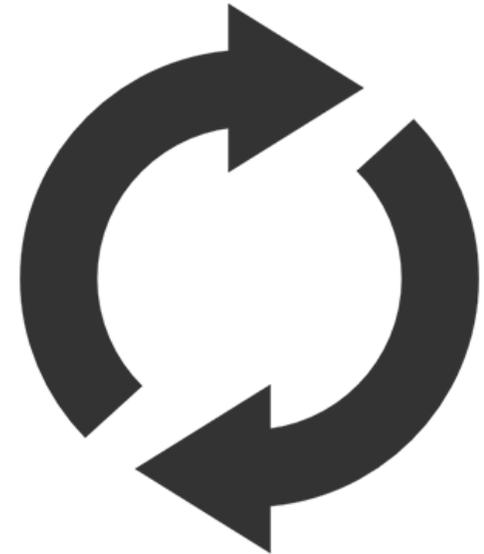
Completely new areas

- » Implant movement analysis for orthopedics
- » Digitize pathology imaging



Increasing recurring revenue

- » “Pay per usage” improves value for both customers and vendors
- » The new business model, Sectra One, presented at the last report, will play an important role in Sectra’s future
- » The transition will be over several years, but COVID-19 has accelerated it.



How we handle the pandemic



Make sure customers are okay so they can do good to society when society needs it the most



Health and wellbeing of our employees



Financial stability

Philosophy: Shareholders

If you have

- » Happy customers
- » Happy employees
- » A good position in growing markets
- » Perseverance and reasonable cost control
- » Then shareholders WILL be happy

Upcoming AGM and financial reports

- » September 8, 2020 AGM in Linköping
- » November 27, 2020 Six-month report and presentation
- » March 12, 2021 Nine-month report and presentation

Your feedback is important!

Please let us know what you think at:

www.sectra.com/irsurvey

or send an email to: info.investor@sectra.com

Questions?

If you follow online, please

- ✓ use the email button or
- ✓ send questions to info.investor@sectra.com

SECTRA

Knowledge and passion