

Year-end report 2023/2024

Cloud recurring revenue up more than 50%

All operating areas are growing, and the Group's sales for the fourth quarter surpassed earlier record-breaking levels. Cloud recurring revenue (CRR) is growing the fastest, which shows that the transition to delivering services is progressing at a rapid rate. It is proposed that the 2024 Annual General Meeting (AGM) resolve that SEK 1.10 per share be distributed to the shareholders through a share redemption program.

REPORT PRESENTATION

June 5, 2024, at 10:00 a.m. CEST

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FINANCIAL OUTCOME IN BRIEF

Figures in parentheses pertain to the corresponding quarter/period in the preceding fiscal year.

Fourth quarter: February–April 2024

- Contracted order bookings decreased 24.4% to SEK 896.9 million (1,186.9), of which SEK 762.3 million (811.6) pertained to guaranteed order bookings. Of the guaranteed order bookings, 26% were recognized during the quarter and a further 27–37% are deemed to pertain to revenue within 12 months after the end of the quarter.
- Net sales increased 23.9% to SEK 898.1 million (724.7). Based on unadjusted exchange rates, the increase was 21.0%. Recurring revenue accounted for SEK 463.5 million (376.6) of net sales, up 23.1%. Based on unadjusted exchange rates, the increase was 20.0%. CRR increased 56.1% to SEK 113.8 million (72.9).
- Operating profit rose 0.3% to SEK 197.4 million (196.8), corresponding to an operating margin of 22.0% (27.2). Based on unadjusted exchange rates, operating profit decreased 4.7%. The outcome includes impairment of goodwill and capitalized development expenditures. Excluding these items, operating profit amounted to SEK 203.5 million (196.8).
- Profit for the period amounted to SEK 158.5 million (154.6).
- Cash flow from operations amounted to SEK 133.7 million (382.2).

2023/2024 fiscal year

- Contracted order bookings rose 34.3% to SEK 6,223.5 million (4,635.7), of which SEK 3,219.4 million (2,606.5) pertained to guaranteed order bookings.
- Net sales increased 26.1% to SEK 2,963.6 million (2,350.8). Based on unadjusted exchange rates, the increase was 23.0%. Recurring revenue accounted for SEK 1,724.9 million (1,359.9) of net sales, up 26.8%. Based on unadjusted exchange rates, the increase was 23.7%. CRR increased 55.9% to SEK 396.9 million (254.6).
- Operating profit rose 13.6% to SEK 517.8 million (455.7), corresponding to an operating margin of 17.5% (19.4). Based on unadjusted exchange rates, operating profit increased 8.0%.
- Profit for the period amounted to SEK 428.4 million (375.0).
- Cash flow from operations amounted to SEK 326.3 million (440.5).
- The Board of Directors and President have proposed that the 2024 AGM resolve to transfer SEK 1.10 (1.10) per share to the shareholders through a share redemption program.

Key figures

SEK million

	Quarter			Fiscal year		
	Q4	Q4	Δ	Full-year	Full-year	Δ
	23/24	22/23	%	23/24	22/23	%
Contracted order bookings	896.9	1,186.9	-24.4	6,223.5	4,635.7	34.3
of which guaranteed order bookings	762.3	811.6	-6.1	3,219.4	2,606.5	23.5
Net sales	898.1	724.7	23.9	2,963.6	2,350.8	26.1
of which recurring revenue	463.5	376.6	23.1	1,724.9	1,359.9	26.8
of which cloud recurring revenue (CRR)	113.8	72.9	56.1	396.9	254.6	55.9
Operating profit	197.4	196.8	0.3	517.8	455.7	13.6
Operating margin, %	22.0	27.2	n/a	17.5	19.4	n/a
Profit for the period	158.5	154.6	2.5	428.4	375.0	14.2
Churn, %	n/a	n/a	n/a	0.4	1.3	n/a
Earnings per share, SEK ¹	0.82	0.80	2.5	2.22	1.95	13.8
Cash flow from operations	133.7	382.2	-65.0	326.3	440.5	-25.9
Average no. of employees	1,171	1,056	10.9	1,140	1,015	12.3

¹ Before and after dilution

CEO'S COMMENTS

Sectra is in the middle of a major transition of the business model in its largest operating area, Imaging IT Solutions. We are moving from license sales to service sales, which means that revenue will be spread out over a longer period of time. In the short term, this will affect growth in both sales and profit. Despite this, the outcome for the year was good, driven largely by our success in the US and the UK and by major improvements in Secure Communications. All business areas are growing, with positive earnings.

At Sectra, we prioritize long-term earnings performance over short-term margin increases. The long-term perspective and close customer relationships have resulted in a solid performance throughout the years, and 2023/2024 is no exception. Among other achievements, we won several long-term, major customer contracts in both secure communications and medical IT.



Torbjörn Kronander,
President and CEO

High levels of customer satisfaction and progress in all operating areas

Satisfied customers are profitable, and are a prerequisite for a sustainable earnings trend. With this in mind, I have the great pleasure of stating that, for the eleventh consecutive year, we have the most satisfied customers in the US among major hospitals, according to the US analysis company KLAS. We also have the most satisfied customers in several other regions and categories. As a result of this, we had the highest levels of order bookings in the company's history during the year, with contracted order bookings surpassing SEK 6 billion. Imaging IT Solutions is the main contributor here, but the other operating areas also have strong order bookings. Our growing customer base has allowed the Group's sales and operating profit to surpass earlier record-breaking levels. This is due in part to the strong performance of our cybersecurity division, Secure Communications, which reported good growth. In Imaging IT Solutions, the new business model based on service sales is being developed rapidly. Our recurring revenue is thus continuing to grow while we also have an extremely small share of customers who are leaving us, with a low churn rate of 0.4%. This bodes well for the future, when the majority of Sectra's sales will be recurring revenue.

Sales of cloud services are continuing to grow

The change of business model will inevitably have a temporary dampening effect on our growth. The transition will be favorable over the long term, especially because our customers are satisfied and stay with us for a long time. Advantageous exchange rates over the last year, in combination with strong underlying growth and the fact that not all transactions pertain to subscription services yet, contributed to mitigating the effects of the transition. We have now made good progress in the transition, but we expect to see its effects in another year or two. This also means that the large variations between quarters will remain for a while. We should remember, however, that the change to the business model will only lead to a delay in revenue. It is coming, but at a later point than under our licensing model.

The fastest progress is being made in the US, Canada and the UK. These are countries where largely all of our new customer sales now pertain to subscription-based services with cloud deliveries. In these markets, we won several major contracts for medical imaging during the fiscal year, resulting in a significant increase in our market share—particularly in North America. Once the hospitals included in the new contracts have their services fully operational, these alone will manage the review of more than 25 million examinations annually with the help of Sectra. In the EU, the market for cloud-based healthcare services has not developed at the same pace to date due to strict regulations around cloud services, even though this varies among different member states and some healthcare providers are making progress and leading the way.



as-a-service ☒

Cloud services

+56%

recurring revenue over the
comparative year

Churn

0.4%

of recurring revenue,
R12

We therefore expect that it will take a couple of years before the positive effects of the transition outweigh this. How fast this happens will depend primarily on how quickly new and existing customers outside North America transition to purchasing services. Our future has been planned out, however: in a few years, Sectra will sell our imaging systems exclusively as a service, and primarily in the cloud. This means that some of our new products will be built solely for this environment. One example is the products in the entirely new area of genomics for cancer diagnostics, which can only be purchased as a service in the cloud and are paid on a per-examination basis.

Outlook

With satisfied—and therefore loyal—customers, combined with a very strong brand in growing markets where customer confidence is crucial, we have every reason to remain optimistic about the future. The changes taking place around the world mean that cybersecurity and efficient medical care are areas that will continue to grow for a long time to come. Our contribution is to provide the people who work in these key areas with the IT systems they need to work efficiently. Not the least for those working with genomics, where we have developed services in close collaboration with Pennsylvania Health System in the US. Cancer diagnostics using genomic data analysis is developing very rapidly, and efficient IT support for high levels of production has been non-existent to date. Our system went into clinical operation in May, and our customer is very satisfied, which opens the door to an exciting future where we will further strengthen our position in integrated diagnostics for cancer care.

The important thing in the long term is that we continue to have satisfied customers. And to get satisfied customers, you also need satisfied and motivated employees, which both our internal and external surveys show we have. With continued efforts to create customer value in an environment where our employees have the possibility to do their job well, work with smart colleagues, enjoy themselves and continually learn new things, our future looks bright.

I'm proud of what we've accomplished so far and would like to express my appreciation to all of our customers, employees, partners and shareholders for the confidence and support you are giving Sectra. Together, we are creating value both for individual patients and for government officials as well as for society as a whole.



Continued global success in customer satisfaction

During the quarter, Sectra was once again awarded distinctions for customer satisfaction with our enterprise imaging module for radiology. For the eleventh year in a row in the US, and the fifth year in a row in Canada, Sectra has been ranked the highest in customer satisfaction. In the new categories for Europe, Sectra won in both northern and southern Europe. The "Best in KLAS" awards are handed out by the US healthcare IT data and insights company KLAS, which conducts annual customer satisfaction surveys for healthcare IT systems.



Diagrams and amounts in the financial report

Bars show the outcome per quarter and lines show the outcome for the rolling 12-month period (R12). Amounts are restated in SEK million unless otherwise indicated.

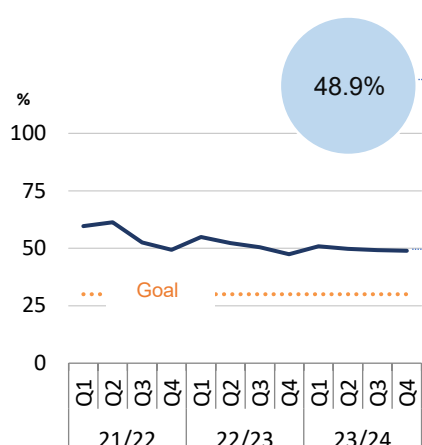
OPERATIONAL TARGETS AND FINANCIAL GOALS

Sectra's overall operational target is to create significant value for its customers. Customers should be so satisfied with their experience that they remain for a long time, expand their use of our solutions and recommend Sectra to others. Delivering customer value is also the Group's most important sustainability target since our customers' work to treat patients and increase cybersecurity is essential for functioning societies.

Customer satisfaction cannot be achieved without satisfied and dedicated employees. Employees who are motivated, understand their customers, feel good and are satisfied in their jobs will also increasingly develop new, creative solutions that can further increase the value we provide for Sectra's customers. Operating in markets that are growing, combined with satisfied customers and employees, provides a long-term sound financial performance.

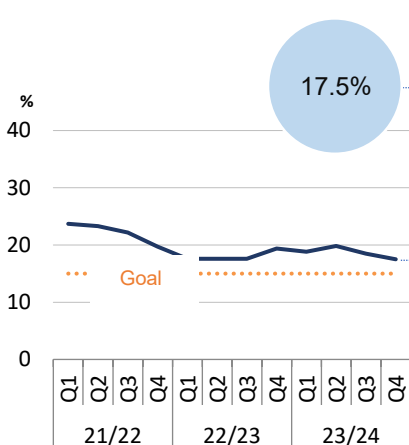
Sectra has three Group-wide financial goals. Stability and profitability are considered fundamental goals. Once these goals have been met, the focus shifts to earnings growth per share, which in practice is our primary financial goal. All result indicators currently exceed the target levels by a comfortable margin despite the effects of changes in the business model. The financial goals are (in order of priority):

1. Stability:
Equity/assets ratio $\geq 30\%$



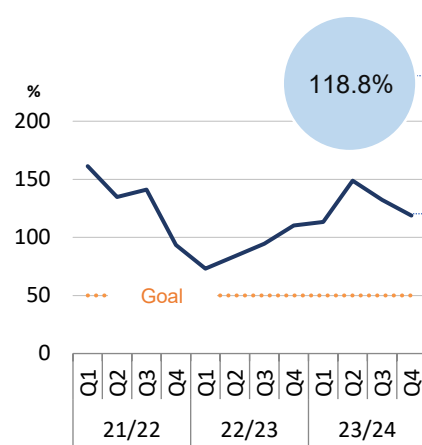
The equity/assets ratio exceeds the strategic goal by a comfortable margin. Despite an increase in total assets as a result of increased current receivables and liabilities, the equity/assets ratio remained stable in 2023/2024.

2. Profitability:
Operating margin $\geq 15\%$



Profitability exceeds the strategic goal. The margin decreased as a result of the ongoing transition of the business model. The effect of the transition was partially mitigated by positive exchange-rate effects in 2023/2024.

3. Earnings growth:
Growth for operating profit/share over a five-year period $\geq 50\%$



Profit growth exceeds the strategic goal by a comfortable margin. This is a result of the fact that sales growth is rising faster than costs, which is in line with Sectra's long-term efforts to boost cost-efficiency.

Outcome of operational targets



High level of customer satisfaction



Dedicated employees who are satisfied, improving as individuals and doing their best to meet or exceed customer expectations
Healthier employees and minimal absence due to illness



High level of quality and product safety

EVENTS

Fourth quarter

Imaging IT Solutions

- Sectra was awarded five “Best in KLAS” distinctions for customer satisfaction with the enterprise imaging module for radiology, Sectra PACS.
- Two healthcare providers in the US ordered Sectra One Cloud, Sectra’s cloud services for medical imaging IT, with delivery in a public cloud environment. The contracted order bookings for these orders total USD 13.6 million, corresponding to approximately SEK 144 million, of which USD 11.8 million is guaranteed.
- In Canada, Sectra signed an agreement with the healthcare provider Halton Healthcare, which ordered Sectra One Cloud with delivery in a public cloud environment. The agreement covers three hospitals in southern Ontario, and the customer will initially use the modules for radiology and breast imaging as well as a multimedia archive (vendor-neutral archive, VNA).
- The Belgian hospitals AZ Sint Lucas and AZ Sint Jan have put Sectra One Cloud into operation. The hospitals are the first in the Benelux region to use Sectra’s cloud services in a public cloud environment.
- Sectra, in partnership with Leica Biosystems, became the first in the world to obtain clearance from the US Food and Drug Administration (FDA) within digital pathology for the use of DICOM images for pathology diagnostics.
- Sectra is entering Latin America. The university hospital Hospital Universidad del Norte in Colombia became the first in the region to use Sectra’s enterprise imaging solution. The solution was sold through Sectra’s distribution partner in Colombia.

Business Innovation

- Sectra secured contracts with four university colleges in Denmark. The universities chose to use Sectra’s portal for medical education in order to elevate the educational experience for their radiographer students.

Secure Communications

- Existing customers, including the NATO Communications and Information Agency (NCIA), ordered additional units of the Sectra Tiger mobile encryption system and extended their support contracts.

After the end of the reporting period

- Sectra’s newly developed module for genomics in molecular pathology was made commercially available in the US market. Pennsylvania Health System—Sectra’s partner in developing the product—has become the first to use the product, which is sold only as a service.



For further information about these events,
visit <https://sectra.com/news>

SECTRA'S MARKETS

Sectra plays a key role in meeting the need for medical imaging IT and cybersecurity. We help solve major social problems in changing markets, where scope for expansion remains. The global trends of an aging population and increased digitization mean that these markets are expected to continue to grow even in a weaker economic climate.

Our customers operate in some of society's most critical functions, which means that it is important that Sectra's brand is associated with reliability, trustworthiness and stability. Our job is to help customers become more efficient and give them the tools needed to make people's lives healthier, safer and more secure. In line with Sectra's vision, this is how the company creates value for its customers, shareholders and society as a whole.

IT support for more efficient care and medical education

Aging populations, combined with a decline in the proportion of people of working age, are leading to a shortage of resources and a growing workload in healthcare. In order to maintain high quality of care with fewer people taking care of more patients, healthcare must become more efficient. The growing population of senior citizens is also shining a spotlight on diseases affecting the elderly. Health problems affecting the elderly primarily include cancer diseases and problems with the cardiovascular, nervous, and skeletal systems as well as vision and hearing. All of these areas, which are among the most costly and resource-intensive areas in healthcare, are dependent on medical diagnostic imaging.

Healthcare providers across the globe use Sectra's expertise and solutions in medical imaging IT not only to increase productivity and coordinate their resources but also to improve efficiency in orthopaedic surgery through better planning and follow-up. Sectra also helps to raise the quality of medical education by providing solutions where the user can interact with medical images and share educational materials. IT support for genomics is yet another area that Sectra is entering through partnerships with customers in the US and Sweden. The market for genomics is growing as a result of the rapid increase in the number of clinical DNA sequencings carried out during diagnostics, and needs to be managed efficiently. We also have synergies among our operating areas. Healthcare is increasingly becoming a target for cybercrime, resulting in, for example, the authorities in the US issuing a particular warning to healthcare providers. Sectra's experience and brand when it comes to security gives us advantages in the field of medicine as well.

We enable our customers to take care of more patients and save more lives at a long-term sustainable cost. This work is carried out in our Imaging IT Solutions and Business Innovation operating areas.

Cybersecurity for a more stable and safer society

The ability to safely and efficiently handle and transmit sensitive information is central to the stability and security of society, particularly when it comes to critical social functions and critical infrastructure. As digitization increases, the players in these areas have a major need for products and services that increase cybersecurity. Sectra has extensive experience of protecting society's most critical communications and control systems and we are a strong brand in the niche markets of encryption and secure mobile communications. IT developments in society, political instability in the world, and the growth of cybercrime are creating a greater need for Sectra's expertise and product offerings.

We help customers to provide increased security, thereby contributing to a more stable and safer society. This work is carried out in the Secure Communications operating area.

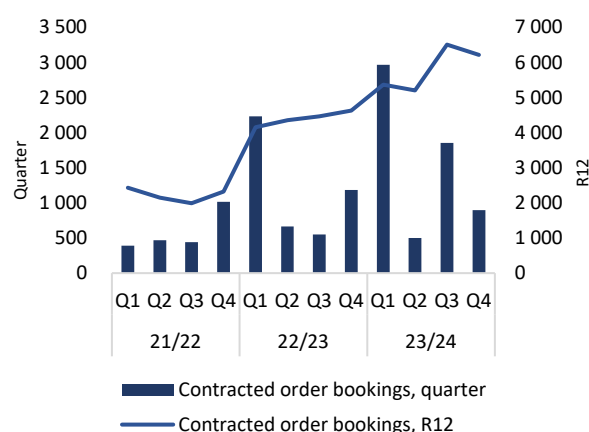
COMMENTS ON THE GROUP'S FINANCIAL OUTCOME

Order bookings

Demand for the company's customer offerings in both medical IT and secure communications is increasing at the same time as Sectra is capturing market share. These two factors are contributing to increased order bookings. Contracted order bookings rose 34.3% to SEK 6,223.5 million (4,635.7), of which SEK 896.9 million (1,186.9) pertained to the fourth quarter. A total of SEK 3,219.4 million (2,606.5) was guaranteed order bookings, of which SEK 762.3 million (811.6) pertained to the fourth quarter. The ratio of contracted order bookings to net sales for the latest rolling 12-month period totaled 2.1, up from 2.0 at the end of the previous fiscal year.

Order bookings include comprehensive, long-term customer contracts, for example for managing large volumes of medical images. The most comprehensive customer contract in the current fiscal year is a contract for Sectra One Cloud, signed during the first quarter with a major healthcare provider in the US. If the full term of the contract (which extends until 2033) is realized, the order value will amount to approximately SEK 2.4 billion (USD 227 million), of which no part is guaranteed. Orders of this size are not secured every quarter and therefore lead to significant variations in order bookings between individual quarters and periods.

Contracted order bookings, SEK million



Net sales and recurring revenue

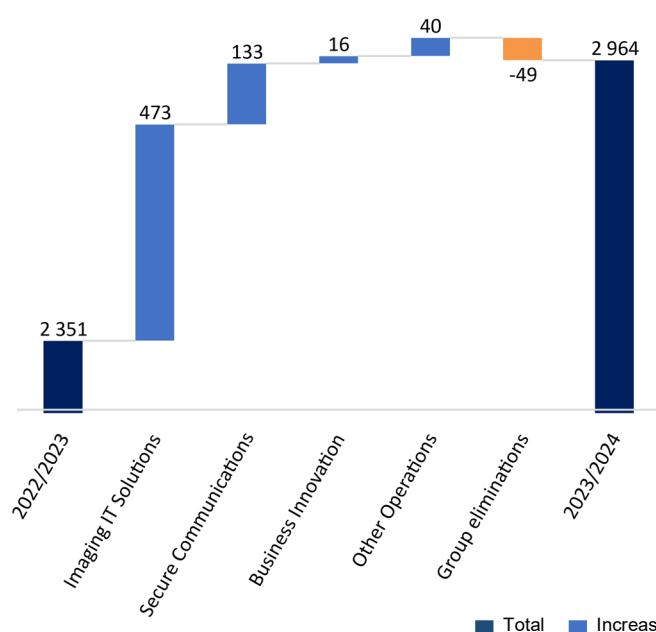
All operating areas continued to grow and the Group's net sales rose 26.1% to SEK 2,963.6 million (2,350.8), of which SEK 898.1 million (724.7) pertained to the fourth quarter. Based on unadjusted exchange rates, consolidated sales increased 23.0% compared with the previous fiscal year.

The ongoing transition to selling products and software as services, of which cloud deliveries account for a quickly growing share, contributed to an increase in recurring revenue. SEK 1,724.9 million (1,359.9) of sales pertained to recurring revenue, of which SEK 463.5 million (376.6) pertained to the fourth quarter. This represents an increase of 26.8% compared with the previous fiscal year and an increase of 23.7% based on unchanged exchange rates. Lost recurring revenue (recurring revenue churn) for the last 12-month period was 0.4%. CRR rose 55.9% to SEK 396.9 million (254.6), of which SEK 113.8 million (72.9) pertained to the fourth quarter. Non-recurring revenue also performed well during the period and rose 25.0% to SEK 1,238.7 million (990.9), of which SEK 434.6 million (348.1) pertained to the fourth quarter.

Sectra grew in all geographic markets. The operations in the UK reported the largest individual sales increase from the comparative year, of which more than half pertained to recurring revenue. More than 70% of the Group's sales are carried out in foreign currency, primarily EUR, GBP and USD, which entails a relatively large sensitivity to currency fluctuations.

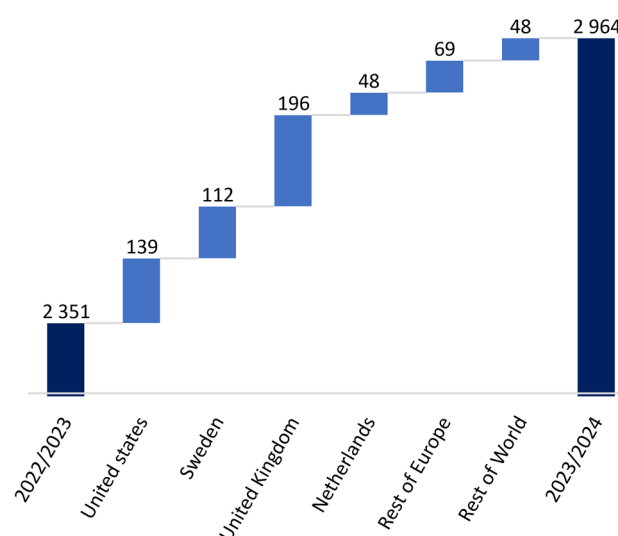
Sales trend per operating area, SEK million

Compared with the corresponding period of the preceding fiscal year



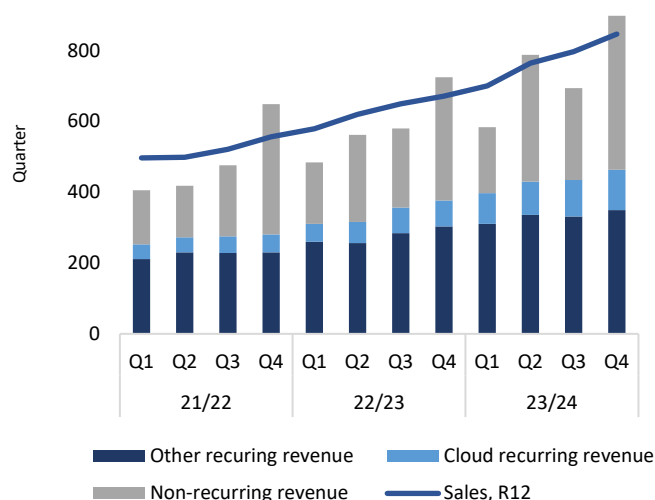
Sales trend per geographic market, SEK million

Compared with the corresponding period of the preceding fiscal year

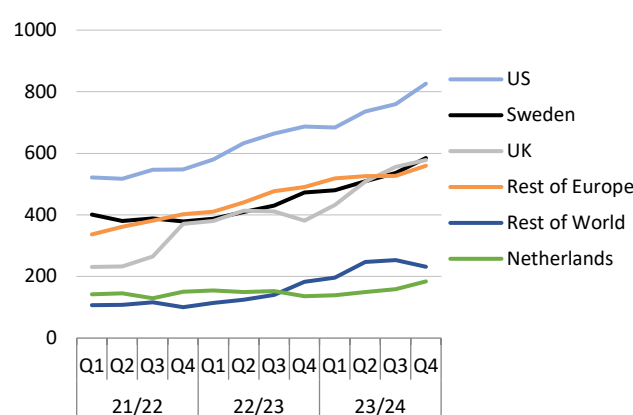


■ Total ■ Increase ■ Decrease

Sales and recurring revenue, SEK million



Sales by geographic market, SEK million



Result

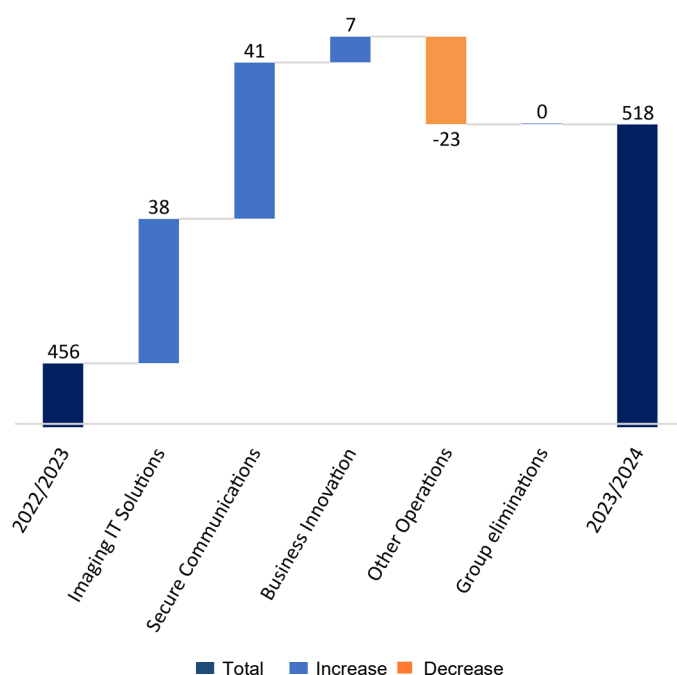
The Group's operating profit increased 13.6% to SEK 517.8 million (455.7), of which SEK 197.4 million (196.8) pertained to the fourth quarter. Based on unadjusted exchange rates, operating profit increased 8.0% compared with the comparative year. The figures for the fiscal year include impairment of goodwill (refer to page 12) and capitalized development expenditures during the fourth quarter. The total effect of these items was SEK -6.1 million.

The positive operating profit trend is a result of sales growth in all operating areas in combination with favorable currency movements as well as Secure Communications' improved profitability and increased contribution to the Group's profit. The operating margin for the Group was 17.5% (19.4) for the fiscal year. The change is primarily attributable to Imaging IT Solutions' focus on service sales and cloud deliveries. The effects of the ongoing transition were mitigated during the fiscal year by favorable currency movements and strong growth.

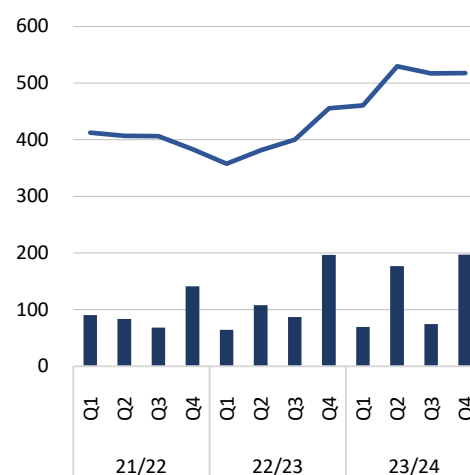
The Group's financial items amounted to SEK 35.0 million (23.7), of which SEK 14.7 million (5.1) pertained to the fourth quarter. Financial items improved due to increased interest income. Currency fluctuations had an impact of SEK 12.3 million (14.0) on financial items for the fiscal year. Sectra does not hedge its operations, and currency fluctuations therefore have an immediate impact on profit or loss or on comprehensive income. Profit after financial items amounted to SEK 552.8 million (479.4), of which SEK 212.1 million (201.9) pertained to the fourth quarter. This outcome corresponds to a profit margin of 18.7% (20.4) for the fiscal year and 23.6% (27.9) for the fourth quarter. Earnings per share before and after dilution totaled SEK 2.22 (1.95), of which SEK 0.82 (0.80) pertained to the fourth quarter.

Operating profit trend per operating area, SEK million

Compared with the corresponding period of the preceding fiscal year



Operating profit, Group, SEK million



Financial position and cash flow

The Group's cash and cash equivalents at the end of the reporting period amounted to SEK 804.6 million (825.2). The short-term investment of SEK 120 million made during the comparative year was repaid in the second quarter of the current year.

The Group's debt/equity ratio was 0.02 (0.06) as of the balance-sheet date. Interest-bearing lease liabilities amounted to SEK 31.8 million (82.3). The change is primarily due to the termination of the lease for Sectra's head office in conjunction with the acquisition of the property. Refer to the additional information under the heading "Investments and depreciation/amortization" on the next page.

Cash flow from operations amounted to SEK 326.3 million (440.5), of which SEK 133.7 million (382.2) pertained to the fourth quarter. The year-on-year change was primarily the result of an increase in capital tied up in current receivables. Cash flow per share amounted to SEK 1.69 (2.29), of which SEK 0.69 (1.98) pertained to the fourth quarter.

Cash flow from investing activities amounted to SEK -130.7 million (-212.8), of which SEK -23.5 million (-24.7) pertained to the fourth quarter. Refer to the additional information about investing activities below.

The Group's total cash flow for the period amounted to SEK -26.6 million (8.4). This includes a transfer of SEK 211.9 million to the shareholders through Sectra's 2023 share redemption program, refer to page 14. The equivalent disbursement in the comparative period was SEK 192.7 million.

Investments and depreciation/amortization

Investments amounted to SEK 250.7 million (212.8), of which SEK 23.5 million (24.7) pertained to the fourth quarter. The outcome for the fiscal year includes SEK 144.6 million (0) for the acquisition of two properties.

The short-term investment of SEK 120 million made during the comparative year was repaid in the second quarter.

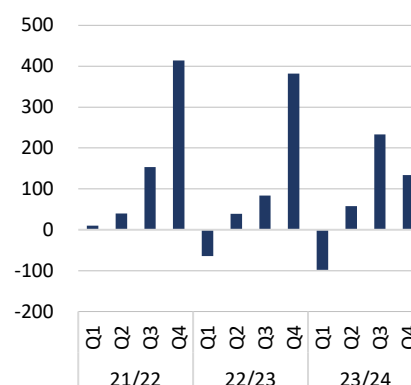
Capitalized work for own use amounted to SEK 71.6 million (55.7), of which SEK 16.3 million (20.6) pertained to the fourth quarter. Capitalization, which includes the development of cloud-based services for medical diagnostics, increased over the comparative year in all operating areas.

Total depreciation/amortization and impairment amounted to SEK 104.1 million (91.9), of which SEK 31.3 million (24.3) pertained to the fourth quarter. SEK 39.1 million (34.9) of the outcome for the fiscal year pertained to capitalized development expenditures, of which SEK 10.2 million (8.9) was attributable to the fourth quarter. Impairment of SEK 6.1 million (0) was reported for the fourth quarter. At the end of the period, capitalized development expenditures totaled SEK 202.7 million (170.7).

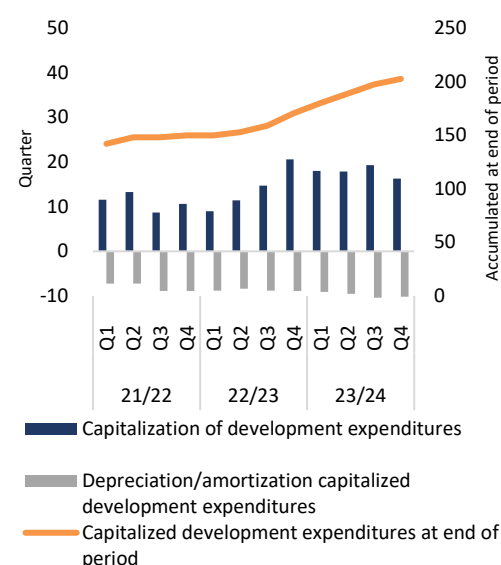
Seasonal variations

Sectra has historically experienced major seasonal variations, since individual projects can be very large relative to Sectra's sales. This applies for both medical systems and encryption systems. The beginning of the fiscal year is usually weaker since few customers want to deploy new systems during the summer. The variations in order volumes between individual quarters are significant since certain contracts are very large and have long terms. As Sectra transitions to selling products as a service, this variation is expected to gradually decrease over the next several years since revenue will be spread more evenly over time.

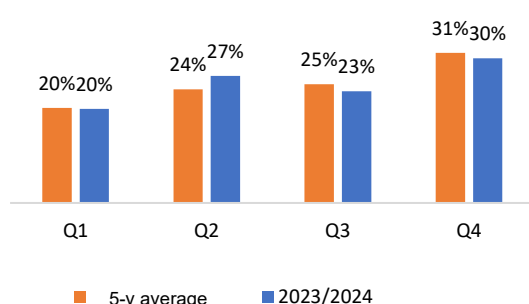
Cash flow from operations, Group, SEK million



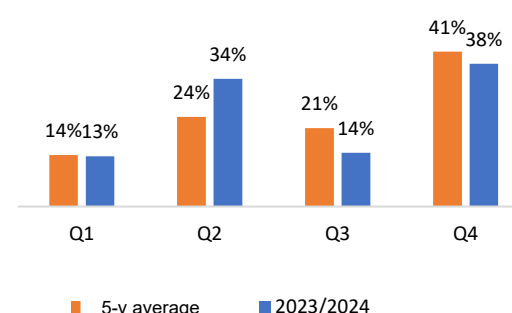
Capitalized development expenditures, SEK million



Share of net sales per quarter
Seasonal pattern



Share of operating profit per quarter
Seasonal pattern



OPERATING AREA IMAGING IT SOLUTIONS

	Quarter			Full-year		
	Q4 23/24	Q4 22/23	Δ %	Full-year 23/24	Full-year 22/23	Δ %
Sales, SEK million	740.7	635.5	16.6	2,551.6	2,079.0	22.7
of which recurring external revenue	432.8	348.4	24.2	1,609.3	1,258.1	27.9
of which cloud recurring revenue (CRR)	108.2	68.9	57.0	378.3	241.2	56.8
Operating profit, SEK million	190.5	182.8	4.2	499.9	462.4	8.1
Operating margin, %	25.7	28.8	n/a	19.6	22.2	n/a

Imaging IT Solutions has more and larger customers than ever before. In the last year, the operation won some of Sectra's largest contracts, including contracts with one of the largest healthcare providers in the US and the public healthcare provider in Scotland. The orders pertain to Sectra One Cloud and contributed to contracted order bookings surpassing previous record-breaking levels for a fiscal year. The business area's financial performance as a whole was positive, with sales growth in all regions. Profitability was impacted by ongoing initiatives, the most extensive of which was the transition to becoming a service provider. The implementation of services and infrastructure at new major customers initially entails increased costs. Revenue then grows gradually as customers put systems into operation, but it can take several years for major customers to become fully operational and reach planned volumes. To date, the growth in sales, in combination with favorable currency movements, has partially offset the effects of the transition to service sales and cloud deliveries.

The trend is clear—more healthcare providers want to leverage the benefits of cloud services

The operation is making continuous progress in its shift from traditional system deliveries to services and cloud deliveries. This is shown by the key figures for recurring revenue and revenue from cloud services, which are growing rapidly. The most rapid progress is being made in North America and the UK, markets where largely all of our new customer sales pertain to subscription-based services. The market in EU countries has not developed at the same pace due to stricter regulations governing data security, privacy and cloud services. It is therefore expected that it will take a couple of years before the positive effects of the transition outweigh this. How fast this happens will depend primarily on how quickly new and existing customers outside North America transition to purchasing services.

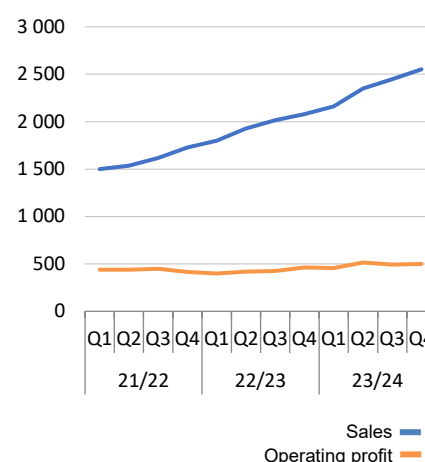
Sectra was early in starting to convert its operations to offering medical imaging IT as a service with deliveries in public or private clouds, Sectra One Cloud. We have been carrying out this transition for several years, and we are now starting to see the results of our efforts. Several customers deployed Sectra One Cloud during the fiscal year, including customers in Denmark, Belgium, Canada, the UK and the US. Most of these customers are pioneers in their respective countries in the use of Sectra One Cloud in public cloud environments. One of the cloud installations was also the first through Sectra's partner organization, where Sectra One Cloud offers improved prospects to expand operations.

Major investments have been made regarding product and organizational development in order to meet the demand for cloud services. As a result of these efforts, we are ready to put customers into operation at an increasing rate going forward.

Increased efficiency with enterprise imaging for all medical diagnostics

Imaging IT Solutions' growing customer base is the result of long-term efforts. The strategy that Sectra has chosen is to offer enterprise imaging for medical diagnostics. Our customers can benefit from the advantages of gathering all medical images in a shared system, with Sectra assuming responsibility for infrastructure and functionality. In this regard, we distinguish ourselves from other players by offering a shared platform for radiology, cardiology, pathology and ophthalmology and other medical images as well as IT support for genomics, which is under development. The market potential for our offering is growing as a result of increased volumes of medical images and a shortage of resources in medical care. These factors are placing greater demands on efficiency, driving the replacement of older IT systems as well as the consolidation both of healthcare providers and of different IT systems.

Trend, SEK million



Cloud recurring revenue

+57%

over
the comparative year

More than two hospitals a month begin using Sectra's services in the cloud

Homerton Healthcare NHS Foundation in the UK went live with Sectra One Cloud in summer 2023. At that time, this customer was the first to use Sectra's services in a public cloud environment. Since then, additional customers have begun using Sectra One Cloud, the majority of them in a public cloud environment.

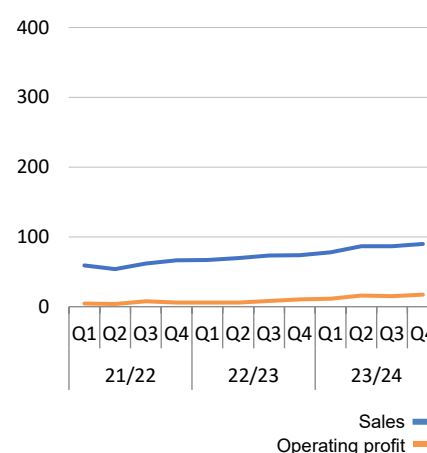
OPERATING AREA BUSINESS INNOVATION

	Quarter			Full-year		
	Q4 23/24	Q4 22/23	Δ %	Full-year 23/24	Full-year 22/23	Δ %
Sales, SEK million	25.7	22.6	13.7	89.9	73.8	21.8
of which recurring external revenue	5.9	4.8	22.9	19.9	14.7	35.4
of which cloud recurring revenue	5.6	4.0	40.0	18.6	13.4	38.8
Operating profit, SEK million	8.7	6.5	33.8	17.3	10.5	64.8
Operating margin, %	33.9	28.8	n/a	19.2	14.2	n/a

Business Innovation comprises the Genomics IT, Medical Education and Orthopaedics business units. Genomics IT does not yet have any sales, since it is in a development phase. An initial delivery for use of the newly developed module for genomics data in clinical environments was completed after the balance-sheet date. We also report the expenses for medical research activities in Business Innovation, which includes initiatives in the field of AI for medical applications.

Recurring revenue is growing quickly, and the financial outcome in terms of sales and operating profit showed a positive trend compared with the comparative period. However, the results may vary significantly between quarters and periods. Subscription-based business models and growing volumes are expected to reduce the variations over the longer term.

Trend, SEK million



Cloud recurring revenue

+39%

over
the comparative year

Sectra's services assist in improving education for healthcare personnel of the future

Sectra Education Portal is used to train medical and healthcare students and healthcare personnel around the world. During the fiscal year, the education portal was used by close to 10,000 unique users.

OPERATING AREA SECURE COMMUNICATIONS

	Quarter			Full-year		
	Q4 23/24	Q4 22/23	Δ %	Full-year 23/24	Full-year 22/23	Δ %
Sales, SEK million	144.4	78.2	84.7	367.4	234.5	56.7
of which recurring external revenue	24.6	23.4	5.1	94.9	86.5	9.7
Operating profit, SEK million	38.3	17.2	122.7	59.8	19.2	211.5
Operating margin, %	26.5	22.0	n/a	16.3	8.2	n/a

The uncertain geopolitical situation, with ongoing wars in Europe and further tensions worldwide, continues to highlight the importance of defense capabilities and public security. This, in turn, is placing greater demands on communication and fueling the need for investments in high assurance products, encryption development and cybersecurity. Sectra's ability to help customers both in Sweden and around Europe led to strong order bookings and sales growth for Secure Communications during the fiscal year. Additionally, operating profit took a significant step in the right direction and contributed more than ever to the Group's overall financial goals. The long-term trend is positive, although outcomes can naturally vary greatly between quarters due to the nature of the operations. The fourth quarter includes impairment of goodwill of SEK 5.0 million related to the acquisition of EXP Analytics Oy in 2015. Impairment was based on assessments of the operation's growth in sales and earnings.

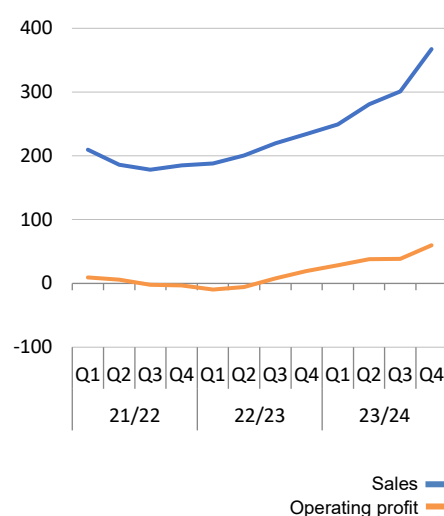
Order bookings during the fiscal year include development assignments and product sales as well as support and service commitments. Customers also extended and expanded agreements, both for support of secure communications and for security monitoring of critical infrastructure. During the fourth quarter, Sectra received various orders, including orders pertaining to the further development and serial deliveries of Tiger/S and network encryptors to existing customers.

Growing need for protection against cyberthreats

Budget appropriations for cybersecurity for the defense forces, authorities and critical infrastructure have increased, and we are well positioned with offerings that meet customers' stringent demands. In addition, the operations in Secure Communications are part of Sweden's collective national capability within crypto—a strategic materiel area¹ identified by government authorities as an essential security interest for which national availability, skills and capacity need to be secured over time.

To meet increased needs and new regulations, during the last few years we have made extensive investments in our classified development environment, which is now approved and operational. Ongoing initiatives also include new offerings with the potential to contribute to substantial customer value and growth in all product segments. These include several initiatives to supplement our established position within the highest levels of assurance with products and offerings for a wider customer base, primarily within government authorities. We are thus helping to strengthen our customers' operations as well as civil and military defense in various countries.

Trend, SEK million



NATO Communications and Information Agency uses Sectra Tiger for secure communications

In the spring, Sweden became a member of NATO. The defense alliance has been using Sectra Tiger for secure communications since 2018, but our collaboration started before that. Sectra Tiger is a solution for secure communications that can withstand decryption by future quantum computers. The product is used by government agencies and organizations in many NATO and EU countries.



¹ The concept of strategic materiel areas is described (in Swedish) in the Materiel Supply Strategy "För vår gemensamma säkerhet" (SOU 2022:24) and the report "Stärkt försvarsförmåga – Sverige som allierad" (Ds 2024:6) from Sweden's Defense Commission.

OTHER OPERATIONS

	Quarter			Full-year		
	Q4 23/24	Q4 22/23	Δ %	Full-year 23/24	Full-year 22/23	Δ %
Sales, SEK million	43.4	34.3	26.5	164.9	124.7	32.2
Operating loss, SEK million	-40.1	-9.6	-317.7	-59.1	-36.2	-63.3
Operating margin, %	neg	neg	n/a	neg	neg	n/a

Other Operations pertain to Sectra's joint functions for administration, recruitment, Group finance, IT, regulatory affairs, people and brand, and activities related to investors. This segment also includes property management. The change from the comparative year mainly pertained to increased central management of costs distributed across the organization. The outcome for the fourth quarter includes costs for profit-sharing to employees.

PARENT COMPANY

The Parent Company's income statement and balance sheet are reported on page 19. The Parent Company Sectra AB includes the research department for medical imaging IT, the Genomics IT business unit and the head office's joint functions (see Other Operations above).

Net profit for the year in the Parent Company amounted to SEK 405.6 million (326.9). Financial items contributed SEK 128.8 million (15.2) to this positive outcome, including SEK 88.6 million (0) in dividends from subsidiaries.

PROPOSED SHARE REDEMPTION PROGRAM AND 2024 AGM

Proposed share redemption program/dividend

The Board of Directors and President have proposed that the 2024 AGM resolve to transfer SEK 1.10 per share to the shareholders through a 2:1 share split in combination with a mandatory redemption process. The corresponding amount for the preceding year was SEK 1.10 per share. No ordinary dividend is proposed. This proposal corresponds to a dividend yield of 0.5% based on the year-end share price. Combined with the price trend, this represents total value growth of 36.2% for the Sectra share during the fiscal year.

The Board deems that the company's current balance sheet and cash flows are of adequate strength to secure the development of the business, while providing the shareholders with a high return. In its assessment, the Board took Sectra's levels of incoming orders, earnings and expected cash flow over the coming year into account. With a strong financial position, positive cash flow and significant recurring revenue, Sectra is well equipped to manage uncertainty.

The proposal is in line with Sectra's dividend policy. At the end of the fiscal year, the Group's equity/assets ratio was 48.9%. The dividend policy and Sectra's financial goals state that the equity/assets ratio is to exceed 30%, and it will continue to do so, by a healthy margin, following a resolution in favor of the proposal. Additional information regarding the proposed share split and timetable for a mandatory redemption process will be published in the notice of the AGM and the full proposal to the AGM.

AGM and Nomination Committee

The AGM is scheduled for September 10, 2024 in Linköping, Sweden. The notice of the AGM is issued not earlier than six weeks and not later than four weeks prior to the AGM. Shareholders are entitled to have a matter addressed by the AGM. To ensure that the company has time to include matters in the notice, requests for matters to be addressed by the AGM must be received by the company not later than seven weeks prior to the AGM. Requests of this type must be submitted to the Board in writing via email: info.investor@sectra.com, or by mail: Sectra AB, Attn. Board of Directors, Teknikringen 20, SE-583 30 Linköping, Sweden.

A Nomination Committee was appointed in accordance with the instructions adopted at the 2020 AGM. If any of the largest shareholders in terms of voting rights has waived their right to appoint a member of the Nomination Committee, the next shareholder in order of size has been given the opportunity to appoint a member. The Nomination Committee comprises the following members:

- Torbjörn Kronander representing his own and related parties' shareholdings
- Patrik Jönsson representing SEB Investment Management
- Mats Andersson representing Nordea Investment Funds
- Jan-Olof Brüer in his role as Chairman of the Board and representing his own and related parties' shareholdings

Patrik Jönsson, who represents the sixth-largest shareholder in terms of votes, was appointed Chairman of the Nomination Committee. The Nomination Committee will prepare and submit proposals regarding:

- election of the Chairman of the Board and other members of the Board of Directors
- allocation of Board fee payments to the Chairman and other members of the Board and potential remuneration for committee work
- election of and fees to the auditors and deputy auditors (where applicable)
- resolution on amendments to the Nomination Committee instructions, if the Nomination Committee deems such amendments to be necessary
- Chairman of the AGM.

Proposals will be presented in the notice of the AGM. Shareholders who wish to submit proposals to the Nomination Committee may do so in writing by email: info.investor@sectra.com or by mail: Sectra AB, Attn. Nomination Committee, Teknikringen 20, SE-583 30 Linköping, Sweden. In order for the Nomination Committee to address a proposal, the proposal must arrive in ample time prior to the notice of the AGM.

THE SHARE

Share capital and number of shares

Sectra's share capital on the balance-sheet date totaled SEK 38,824,179, distributed between 194,120,895 shares and 312,052,035 voting rights. The number of shares is distributed between 13,103,460 Class A shares and 181,017,435 Class B shares. Sectra's holding of treasury shares at the end of the period amounted to 1,453,406 Class B shares, corresponding to 0.7% of the share capital and 0.5% of the voting rights in the company. For more information, refer to Note 3.

Authorization

The Board of Directors was authorized by the 2023 AGM, during the period until the 2024 AGM, to decide on new share issues of a maximum of 18,500,000 Class B shares and to decide on the acquisition and divestment of the company's treasury shares, with the condition that the Company's holding of treasury shares at no point exceeds 10% of all the shares in the Company. The complete authorization is presented in the minutes from the AGM: <https://investor.com/agm2023>. At the time of publication of this financial report, the Board had not utilized these authorizations.

2023 share redemption program and help with Swedish tax return

During the second quarter, SEK 1.10 per share was transferred to the shareholders through a 2:1 share split, combined with a mandatory redemption process and a bonus issue to restore the share capital. In the Swedish tax return, a redemption or sale of redemption shares (designated SECT IL A and SECT IL B) is to be declared as a sale of shares on Form K4 (does not apply to shares owned through investment savings accounts). Visit <https://investor.sectra.com/redemption2023> for information about the Swedish Tax Agency's general recommendations and tax return help.

RISKS AND UNCERTAINTIES

Through its operations, Sectra is exposed to such business risks as dependence on major customers and partners, the effect of currency fluctuations on pricing in the markets in which the Group is active, and property and liability risks. Sectra is also exposed to various types of financial risks such as currency, interest-rate, credit and liquidity risks. A detailed description of the risks and specific external factors as well as Sectra's strategies and tactics for minimizing risk exposure and limiting adverse effects are provided in the Administration Report in Sectra's Annual and Sustainability Report for the 2022/2023 fiscal year in the administration report on pages 83–85 and in Note 29 on pages 115–116. No significant events have occurred that would alter the conditions reported.

FOR FURTHER INFORMATION

Contact Sectra's CEO Torbjörn Kronander, telephone +46 13 23 52 27 or email info.investor@sectra.se.

Presentation of the interim report

Time: June 5, 2024, at 10:00 a.m. CEST

Torbjörn Kronander, President and CEO of Sectra AB, and Jessica Holmquist, CFO of Sectra AB, will present the financial report and answer questions. The presentation will be held in English. For information about participating online or to listen to the recording afterwards, visit: <https://investor.sectra.com/q4report2324>.

Annual Report and Sustainability Report

Sectra's Annual Report and Sustainability Report will be announced through a press release in the week of July 1, 2024 and will be published on the company's website: <https://investor.sectra.com>

Financial calendar and AGM

Three-month interim report	September 6, 2024 at 8:15 a.m. (CEST)
2024 AGM	September 10, 2024 at 4:00 p.m. (CEST)
Six-month interim report	December 12, 2024 at 8:15 a.m. (CET)
Nine-month report	March 14, 2025 at 8:15 a.m. (CET)
Year-end report	June 5, 2025 at 8:15 a.m. (CEST)

For other IR events, visit: <https://investor.sectra.com/events-and-presentations/>

ASSURANCE

The Board of Directors and the President of Sectra AB (publ) hereby assure that the interim report for the period from May 1, 2023 to April 30, 2024 provides a true and fair view of the Parent Company's and Group's operations, financial position and earnings and describes the significant risks and uncertainties facing the Parent Company and other companies in the Group.

Linköping, date as indicated by our electronic signature

Torbjörn Kronander President, CEO and Board member	Jan-Olof Brüer Chairman	Tomas Puusepp Board member	Birgitta Hagenfeldt Board member
Ulrika Unell Board member	Anders Persson Board member	Fredrik Robertsson Board member	
Pontus Svärd Board member and employee representative		Andreas Örnéus Board member and employee representative	

This report was not reviewed by the company's auditor.

This information constitutes information that Sectra AB (publ) is obligated to make public pursuant to the EU Market Abuse Regulation and/or the Swedish Securities Markets Act. The information was submitted for publication, through the agency of Sectra's contact person set out in the press release, at 8:15 a.m. CEST on June 5, 2024.

Sectra AB (publ), Corporate Registration Number 556064-8304, <https://sectra.com>, email info@sectra.com

GROUP

Condensed consolidated income statements

SEK thousand	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Net sales (Note 4)	898,103	724,703	2,963,607	2,350,752
Capitalized work for own use	16,348	20,554	71,574	55,661
Other operating income	1,252	458	5,388	1,580
Total income	915,703	745,715	3,040,569	2,407,993
Goods for resale	-130,489	-106,139	-431,218	-262,897
Personnel costs	-401,200	-303,906	-1,436,908	-1,169,329
Other external costs	-155,305	-114,607	-550,499	-428,175
Depreciation/amortization and impairment	-31,284	-24,279	-104,134	-91,939
Total operating expenses	-718,278	-548,931	-2,522,759	-1,952,340
Operating profit	197,425	196,784	517,810	455,653
Total financial items	14,655	5,114	34,964	23,737
Profit after financial items	212,080	201,898	552,774	479,390
Taxes	-53,629	-47,269	-124,386	-104,433
Profit for the period	158,451	154,629	428,388	374,957
Profit for the period attributable to:				
Parent Company owners	158,451	154,629	428,388	374,957
Earnings per share				
Before dilution, SEK	0.82	0.80	2.22	1.95
After dilution, SEK (Note 3)	0.82	0.80	2.22	1.95

Consolidated statement of comprehensive income

SEK thousand	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Profit for the period	158,451	154,629	428,388	374,957
Items that may be reversed in profit or loss				
Translation differences	16,241	-7,801	27,999	17,623
Total other comprehensive income for the period	16,241	-7,801	27,999	17,623
Total comprehensive income for the period	174,692	146,828	456,387	392,580
Comprehensive income for the period attributable to:				
Parent Company owners	174,692	146,828	456,387	392,580

Condensed consolidated balance sheets

SEK thousand	Apr 30 2024	Apr 30 2023
Assets		
Intangible assets and goodwill	262,330	236,969
Tangible assets	227,040	74,556
Right-of-use assets	35,241	84,905
Financial assets	155,189	125,224
Deferred tax assets	8,990	6,632
Total fixed assets	688,790	528,286
Accounts receivable	571,661	386,153
Other current assets	60,218	57,545
Prepaid expenses and accrued income	1,085,629	819,441
Short-term investments	–	120,000
Cash and bank balances	804,640	825,242
Total current assets	2,522,148	2,208,381
Total assets	3,210,938	2,736,667
Equity and liabilities		
Equity	1,569,591	1,296,669
Deferred tax liabilities	7,038	5,928
Provisions	26,342	12,461
Non-current lease liabilities	19,204	56,968
Total long-term liabilities	52,584	75,357
Provisions	2,637	1,682
Current lease liabilities	12,584	25,294
Other current liabilities	218,573	204,983
Accrued expenses and deferred income	1,354,969	1,132,682
Total current liabilities	1,588,763	1,364,641
Total equity and liabilities	3,210,938	2,736,667

Consolidated cash-flow statements

SEK thousand	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Operating activities		
Operating profit	517,810	455,653
Adjustment for non-cash items	142,681	121,351
Interest received	25,991	11,849
Interest paid	-3,284	-2,062
Income tax paid	-118,291	-71,635
Cash flow from operations before changes in working capital	564,907	515,156
Changes in working capital		
Change in inventories	-21,541	-12,825
Change in receivables	-408,649	-299,595
Change in current liabilities	191,609	237,752
Cash flow from operations	326,326	440,488
Investing activities		
Acquisitions of intangible assets	-72,210	-55,752
Acquisitions of tangible assets	-178,532	-37,036
Acquisition of short-term investment	–	-120,000
Repayment of short-term investment	120,000	–
Cash flow from investing activities	-130,742	-212,788
Financing activities		
Repayment of lease liabilities	-10,268	-26,627
Redemption of shares	-211,935	-192,662
Cash flow from financing activities	-222,203	-219,289
Cash flow for the period	-26,619	8,411
Cash and cash equivalents, opening balance	825,242	808,775
Exchange-rate difference in cash and cash equivalents	6,017	8,056
Cash and cash equivalents, closing balance	804,640	825,242

Condensed consolidated statement of changes in equity

SEK thousand	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Equity at start of period	1,296,669	1,080,737
Comprehensive income for the period	456,387	392,580
Dividend/redemption of shares	-211,935	-192,662
Share-based payments	28,470	16,014
Equity at end of period	1,569,591	1,296,669

PARENT COMPANY

Condensed Parent Company income statements

SEK thousand	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Net sales	44,610	35,670	167,261	128,645
Capitalized work for own use	1,427	1,270	5,536	3,647
Other operating income	13	10	606	224
Total income	46,050	36,950	173,403	132,516
Goods for resale	-8,997	-2,688	-21,934	-2,830
Personnel costs	-21,642	-16,259	-75,128	-60,223
Other external costs	-57,576	-27,734	-143,475	-107,295
Depreciation/amortization	-414	-320	-1,711	-1,488
Total operating expenses	-88,629	-47,001	-242,248	-171,836
Operating loss	-42,579	-10,051	-68,845	-39,320
Total financial items	16,427	-654	128,847	15,184
Profit/loss after financial items	-26,152	-10,705	60,002	-24,136
Appropriations	427,350	436,014	427,350	436,014
Profit before tax	401,198	425,309	487,352	411,878
Tax on earnings for the period	-81,556	-87,794	-81,747	-85,027
Profit for the period	319,642	337,515	405,605	326,851

Parent Company statement of comprehensive income

SEK thousand	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Profit for the period	319,642	337,515	405,605	326,851
Total comprehensive income for the period	319,642	337,515	405,605	326,851

Condensed Parent Company balance sheets

SEK thousand	Apr 30 2024	Apr 30 2023
Assets		
Intangible assets	9,183	3,647
Tangible assets	6,336	3,699
Financial assets	367,480	226,245
Total fixed assets	382,999	233,591
Accounts receivable	421	240
Receivables from Group companies	798,354	664,145
Other current assets	26,085	25,871
Short-term investments	–	120,000
Cash and bank balances	683,564	662,611
Total current assets	1,508,424	1,472,867
Total assets	1,891,423	1,706,458
Equity and liabilities		
Restricted equity	274,463	268,927
Unrestricted equity	781,922	565,322
Total equity	1,056,385	834,249
Provisions	2,685	916
Current liabilities	832,353	871,293
Total equity and liabilities	1,891,423	1,706,458

NOTES

Note 1 Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Securities Markets Act. The accounting policies and calculation methods applied are consistent with those described in Sectra's 2022/2023 Annual and Sustainability Report.

Note 2 Related-party transactions

Other than the types of transactions presented in Note 3 Employees and personnel costs in the 2022/2023 Annual Report, no significant transactions with related parties took place in the reporting period.

Note 3 Number of shares

	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
No. of common shares ²				
Before dilution at the end of the period	192,667,489	192,667,489	192,667,489	192,667,489
After dilution at the end of the period	192,667,489	192,667,489	192,667,489	192,667,489
Average, before dilution	192,667,489	192,667,489	192,667,489	192,664,046
Average, after dilution ¹	192,667,489	192,667,489	192,667,489	192,667,466

¹ Dilution of the number of shares was based on the convertible programs issued in 2017/2018, and the last remaining convertibles were redeemed on January 31, 2023. There are therefore no convertible programs outstanding.

² Number of shares does not include the 1,453,406 (1,453,406) Class B treasury shares.

Note 4 Operating segments and sales

Sales by business segment

SEK million	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Imaging IT Solutions	740.7	635.5	2,551.6	2,079.0
Secure Communications	144.4	78.2	367.4	234.5
Business Innovation	25.7	22.6	89.9	73.8
Other Operations	43.4	34.3	164.9	124.7
Group eliminations	-56.1	-45.9	-210.2	-161.2
Total	898.1	724.7	2,963.6	2,350.8

Operating profit/loss by business segment

SEK million	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Imaging IT Solutions	190.5	182.8	499.9	462.4
Secure Communications	38.3	17.2	59.8	19.2
Business Innovation	8.7	6.5	17.3	10.5
Other Operations	-40.1	-9.6	-59.1	-36.2
Group eliminations	0.0	-0.1	-0.1	-0.2
Total	197.4	196.8	517.8	455.7

Sales by geographic market

SEK million	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
United States	264.7	197.8	826.2	687.0
Sweden	192.9	144.9	584.6	472.9
United Kingdom	164.3	142.3	578.1	381.7
Netherlands	63.6	37.9	184.0	135.8
Rest of Europe	162.1	129.3	559.5	490.5
Rest of World	50.5	72.5	231.2	182.9
Total	898.1	724.7	2,963.6	2,350.8

Recurring and non-recurring external revenue by business segment

Group

SEK million	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Recurring revenue	463.5	376.6	1,724.9	1,359.9
Of which cloud recurring revenue, CRR	113.8	72.9	396.9	254.6
Non-recurring revenue	434.6	348.1	1,238.7	990.9
Total	898.1	724.7	2,963.6	2,350.8
Share of recurring revenue, %	51.6	52.0	58.2	57.8

Imaging IT Solutions

SEK million	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Recurring revenue	432.7	348.4	1,609.3	1,258.1
Of which cloud recurring revenue, CRR	108.2	68.9	378.3	241.2
Non-recurring revenue	307.3	285.0	938.0	819.2
Total	740.0	633.4	2,547.3	2,077.3
Share of recurring revenue, %	58.5	55.0	63.2	60.6

Secure Communications

SEK million	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Recurring revenue	24.6	23.4	94.9	86.5
Of which cloud recurring revenue, CRR	–	0.0	–	0.0
Non-recurring revenue	119.6	54.8	271.9	147.7
Total	144.2	78.2	366.8	234.2
Share of recurring revenue, %	17.0	29.9	25.9	36.9

Business Innovation

SEK million	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Recurring revenue	5.9	4.8	19.9	14.7
Of which cloud recurring revenue, CRR	5.6	4.0	18.6	13.4
Non-recurring revenue	7.6	8.3	28.7	24.0
Total	13.5	13.1	48.6	38.7
Share of recurring revenue, %	43.7	36.6	40.9	38.0

Other Operations

SEK million	3 months Feb–April 2024	3 months Feb–April 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Recurring revenue	0.3	0.1	0.8	0.5
Of which cloud recurring revenue, CRR	–	–	–	–
Non-recurring revenue	–	–	–	–
Total	0.3	0.1	0.8	0.5
Share of recurring revenue, %	100.0	100.0	100.0	100.0

Note 5 Financial definitions and alternative performance measures

The Group applies the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Measures. Alternative performance measures are applied since the company believes they provide valuable supplementary information for management and investors given that they play a central role when it comes to understanding and evaluating the Group's operations.

Sectra previously announced changes to the recognition of order bookings, refer to page 71 in Sectra's 2022/2023 Annual and Sustainability Report. However, the Board decided to revise this decision and Sectra will continue its reporting of order bookings.

Share of recurring revenue

Purpose

Shows the portion of external sales that is recurring. Recurring revenue refers to revenue from customers for the provision of a good or service during the term of a contract, wherein the customer cannot continue to benefit from the full functionality of the good or service without ongoing payments and the revenue stream is expected to recur for more than 12 months.

Recurring revenue mainly refers to revenue from subscription, support and maintenance agreements. The share delivered via the cloud is reported as cloud recurring revenue (CRR). Revenue from system implementations, migration and one-time purchases of licenses are not recognized as recurring revenue.

Calculation

Recurring revenue divided by total external sales. Refer to the table on page 21.

Recurring revenue churn

SEK thousand	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Recurring revenue from customer contracts that have concluded or not been renewed	7,247	18,225
Recurring revenue	1,724,940	1,359,895
Share of recurring revenue, %	0.4	1.3

Purpose

Indicates the share of recurring revenue from customer contracts that have concluded or not been renewed during the latest rolling 12-month period.

Calculation

Recurring revenue from customer contracts that have concluded or not been renewed divided by total recurring revenue.

Equity per share before and after dilution

	Apr 30 2024	Apr 30 2023
Equity, SEK thousand	1,569,591	1,296,669
Number of shares before and after dilution at the end of the period	192,667,489	192,667,489
Equity per share before and after dilution, SEK	8.15	6.73

Purpose

Measures the company's net value per share and shows the change in shareholder capital per share over time.

Calculation

Equity divided by the number of shares before and after dilution at the end of the period.

Non-interest-bearing liabilities and interest-bearing liabilities

SEK thousand	Apr 30 2024	Apr 30 2023
Non-interest-bearing liabilities	1,609,559	1,357,736
Interest-bearing liabilities	31,788	82,262
Total liabilities	1,641,347	1,439,998

Purpose

Indicates the proportion of the Company's liabilities with and without interest. Included in the calculation of the debt/equity ratio and capital employed.

Calculation

Non-interest-bearing liabilities refers to liabilities without interest, such as accounts payable, advances from customers and tax liabilities. Interest-bearing liabilities refers to liabilities with interest, such as lease liabilities.

Cash flow per share before and after dilution

	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Cash flow from operations, SEK thousand	133,717	382,177	326,326	440,488
Number of shares before and after dilution at the end of the period	192,667,489	192,667,489	192,667,489	192,667,489
Cash flow per share before and after dilution, SEK	0.69	1.98	1.69	2.29

Purpose

Shows the cash flow the company generated per share before capital investments and financing.

Calculation

Cash flow from operations divided by the number of shares before and after dilution at the end of the period.

Ratio of contracted order bookings to net sales

SEK thousand	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Contracted order bookings	6,223,476	4,635,715
Net sales	2,963,607	2,350,752
Ratio of contracted order bookings to net sales	2.10	1.97

Purpose

Provides an indication of demand for the company's products and services.

Calculation

Contracted order bookings divided by net sales.

Liquidity

SEK thousand	Apr 30 2024	Apr 30 2023
Current assets	2,522,148	2,208,381
Unutilized overdraft facilities	15,000	15,000
Current liabilities	1,588,763	1,364,641
Liquidity	1.6	1.6

Purpose

Shows the company's current ability to pay.

Calculation

Current assets plus unutilized overdraft facility divided by current liabilities.

Average no. of employees

Purpose

Shows full-time positions in a certain period.

Calculation

Average number of full-time employees during the period.

Unadjusted exchange rates – sales

	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Nominal change, %	23.9	11.7	26.1	20.6
Exchange-rate effect, %	-2.9	-5.0	-3.1	-8.0
Change in unadjusted exchange rates, %	21.0	6.7	23.0	12.6

Purpose

Provides an indication of changes in financial measures for unadjusted exchange rates.

Calculation

Amounts for the current year restated at last year's average exchange rates less last year's amounts at last year's average exchange rates, divided by last year's amounts at last year's rates.

Unadjusted exchange rates – operating profit

	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Nominal change, %	0.3	39.4	13.6	18.9
Exchange-rate effect, %	-5.0	-11.4	-5.6	-16.3
Change in unadjusted exchange rates, %	-4.7	28.0	8.0	2.6

Purpose

Provides an indication of changes in financial measures for unadjusted exchange rates.

Calculation

Amounts for the current year restated at last year's average exchange rates less last year's amounts at last year's average exchange rates, divided by last year's amounts at last year's rates.

Unadjusted exchange rates – recurring revenue

	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Nominal change, %	23.1	34.2	26.8	25.8
Exchange-rate effect, %	-3.1	-4.7	-3.1	-7.5
Change in unadjusted exchange rates, %	20.0	29.5	23.7	18.3

Purpose

Provides an indication of changes in financial measures for unadjusted exchange rates.

Calculation

Amounts for the current year restated at last year's average exchange rates less last year's amounts at last year's average exchange rates, divided by last year's amounts at last year's rates.

Order bookings – guaranteed

Purpose

Indicates future revenue in the company.

Calculation

The share of contracted order bookings that corresponds to what the customer has undertaken to purchase when the contract is entered into.

Order bookings – contracted

Purpose

Indicates future revenue in the company.

Calculation

The value of orders received that corresponds to what the customer has procured and intends to purchase during the term of the contract.

P/E ratio

SEK	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Share price at end of period	219.20	161.70
Earnings per share for the rolling 12-month period	2.22	1.95
P/E ratio, multiple	98.7	82.9

Purpose

Shows how the market values the company's profits and how long it may take for the shareholders to get a return on an investment in the share.

Calculation

Share price at the end of the period divided by earnings per share for the most recent rolling 12-month period before dilution.

Earnings per share before and after dilution

	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Profit for the period, SEK thousand	158,451	154,629	428,388	374,957
Average no. of shares before dilution	192,667,489	192,667,489	192,667,489	192,664,046
Average no. of shares after dilution	192,667,489	192,667,489	192,667,489	192,667,466
Earnings per share before and after dilution, SEK	0.82	0.80	2.22	1.95

Purpose

Shows each share's participation in the company's earnings during the reporting period.

Calculation

Profit/loss after tax divided by the average number of shares before dilution. This performance measure is defined in accordance with IFRS.

Return on equity

SEK thousand	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Profit for the period	158,451	154,629	428,388	374,957
Equity at start of period	1,387,972	1,144,012	1,296,669	1,080,737
Equity at end of period	1,569,591	1,296,669	1,569,591	1,296,669
Average equity	1,478,782	1,220,341	1,433,130	1,188,703
Return on equity, %	10.7	12.7	29.9	31.5

Purpose

Shows the return on capital attributable to the Parent Company owners.

Calculation

Profit for the period divided by average equity.

Return on capital employed (ROCE)

SEK thousand	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Profit after financial items	212,080	201,898	552,774	479,390
Financial expenses	-2,201	-725	-3,284	-2,062
Average capital employed	1,506,832	1,301,685	1,490,155	1,261,146
Return on capital employed, %	14.2	15.6	37.3	38.2

Purpose

Shows profitability based on how much capital is used in the operations.

Calculation

Profit after financial items plus financial expenses divided by average capital employed.

Operating margin

SEK thousand	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Operating profit	197,425	196,784	517,810	455,653
Net sales	898,103	724,703	2,963,607	2,350,752
Operating margin, %	22.0	27.2	17.5	19.4

Purpose

Measures operational profitability. This measure is used for the purpose of management by objectives in the operations.

Calculation

Operating profit divided by net sales.

Operating profit per share

	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Operating profit, SEK thousand	517,810	455,653
Number of shares before dilution	192,667,489	192,667,489
Operating profit per share, SEK	2.69	2.36

Purpose

Shows earnings per share before interest and taxes.

Calculation

Operating profit divided by the number of shares before dilution on the balance-sheet date.

Debt/equity ratio

	Apr 30 2024	Apr 30 2023
SEK thousand		
Interest-bearing liabilities	31,788	82,262
Equity	1,569,591	1,296,669
Debt/equity ratio	0.02	0.06

Purpose

Shows to what extent the operations are financed by loans and describes the company's financial risk.

Calculation

Interest-bearing liabilities divided by equity.

Equity/assets ratio

	Apr 30 2024	Apr 30 2023
SEK thousand		
Equity	1,569,591	1,296,669
Total assets	3,210,938	2,736,667
Equity/assets ratio, %	48.9	47.4

Purpose

Shows the portion of assets financed with equity. This measure is used for the purpose of management by objectives in the operations.

Calculation

Equity divided by total assets on the balance-sheet date.

Capital employed

	Apr 30 2024	Apr 30 2023
SEK thousand		
Total assets	3,210,938	2,736,667
Non-interest-bearing liabilities	1,609,559	1,357,736
Capital employed	1,601,379	1,378,931

Purpose

Shows the portion of the company's assets that has been borrowed from, for example, the company's owners or external lenders, and shows the company's profitability in relation to externally financed capital and equity.

Calculation

Total assets reduced by non-interest-bearing liabilities.

Growth in operating profit per share over a five-year period

SEK	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Operating profit per share before dilution	2.690	2.360
Operating profit per share before dilution five years earlier	1.230	1.125
Growth in operating profit per share before dilution over a five-year period, %	118.8	110.0

Purpose

Shows the growth of the operations over a five-year period. This measure is used for the purpose of management by objectives in the operations.

Calculation

Operating profit per share on the balance-sheet date less operating profit per share on the balance-sheet date five years earlier divided by operating profit per share on the balance-sheet date five years earlier.

Profit margin

SEK thousand	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Full-year May–Apr 2023/2024	Full-year May–Apr 2022/2023
Profit after financial items	212,080	201,898	552,774	479,390
Net sales	898,103	724,703	2,963,607	2,350,752
Operating margin, %	23.6	27.9	18.7	20.4

Purpose

Shows a comparison of profitability regardless of corporate tax rate.

Calculation

Profit after financial items divided by net sales.

KEY FIGURES AND OTHER INFORMATION

Key figures

	Full-year Apr 30 2024	Full-year Apr 30 2023
Contracted order bookings, SEK million	6,223.5	4,635.7
of which guaranteed order bookings, SEK million	3,219.4	2,606.5
Operating margin, %	17.5	19.4
Profit margin, %	18.7	20.4
Average no. of employees	1,140	1,015
Cash flow per share, SEK ^{1, 2}	1.69	2.29
P/E ratio, multiple	98.7	82.9
Share price at end of period, SEK	219.20	161.70
Return on equity, %	29.9	31.5
Return on capital employed, %	37.3	38.2
Equity/assets ratio, %	48.9	47.4
Liquidity ratio, multiple	1.6	1.6
Equity per share, SEK ²	8.15	6.73

¹ Cash flow from operations. ² Before and after dilution.

Condensed consolidated income statements by quarter

SEK million	2023/2024				2022/2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	898.1	694.0	787.7	583.7	724.7	580.3	561.7	484.1
Capitalized work for own use	16.3	19.3	17.9	18.0	20.6	14.7	11.5	9.0
Other operating income	1.3	0.6	2.2	1.3	0.5	0.5	0.4	0.1
Operating expenses	-687.0	-614.9	-607.5	-509.2	-524.7	-485.2	-443.9	-406.6
Depreciation/amortization and impairment	-31.3	-24.7	-23.6	-24.5	-24.3	-23.3	-22.1	-22.2
Operating profit	197.4	74.4	176.7	69.3	196.8	87.0	107.6	64.4
Total financial items	14.7	-1.5	13.6	8.2	5.1	4.1	10.7	3.8
Profit after financial items	212.1	72.9	190.3	77.5	201.9	91.1	118.3	68.2
Tax on earnings for the period	-53.6	-15.1	-39.7	-16.0	-47.3	-18.8	-24.4	-14.0
Profit for the period	158.5	57.8	150.6	61.6	154.6	72.3	93.9	54.1

Key figures by quarter

	2023/2024				2022/2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Contracted order bookings, SEK million	896.9	1,853.6	503.0	2,970.0	1,186.9	549.2	664.2	2,235.4
of which guaranteed order bookings	762.3	1,652.5	460.1	344.4	811.6	484.0	605.6	705.3
Recurring revenue	463.5	434.7	429.6	397.2	376.6	356.4	316.4	310.4
of which cloud services (CRR)	113.8	103.2	93.4	86.4	72.9	72.1	59.6	50.0
Operating margin, %	22.0	10.7	22.4	11.9	27.2	15.0	19.2	13.3
Earnings per share, SEK ¹	0.82	0.30	0.78	0.32	0.80	0.38	0.49	0.28
Cash flow per share, SEK ¹	0.69	1.21	0.30	-0.51	1.98	0.43	0.20	-0.33
Return on equity, %	10.7	4.2	11.0	4.6	12.7	6.5	8.5	4.9
Return on capital employed, %	14.2	5.3	13.5	5.5	15.6	7.8	10.2	5.8
Equity/assets ratio, %	48.9	49.2	49.8	50.8	47.4	50.4	52.3	54.9
Equity per share, SEK ¹	8.15	7.20	6.96	7.20	6.73	5.94	5.54	5.95
Share price at end of period, SEK	219.20	195.14	120.60	168.60	161.70	147.44	146.40	185.90

¹ Before and after dilution.

Five-year summary

	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020
Contracted order bookings, SEK million	6,223.5	4,635.7	2,320.2	2,651.6	1,816.0
Net sales, SEK million	2,963.6	2,350.8	1,949.1	1,632.4	1,661.1
Operating profit, SEK million	517.8	455.7	383.4	350.1	295.3
Profit after financial items, SEK million	552.8	479.4	394.5	348.2	303.0
Profit for the period, SEK million	428.4	375.0	314.8	275.5	237.4
Operating margin, %	17.5	19.4	19.7	21.4	17.8
Profit margin, %	18.7	20.4	20.2	21.3	18.2
Earnings per share before dilution, SEK ¹	2.22	1.95	1.63	1.43	1.24
Earnings per share after dilution, SEK ¹	2.22	1.95	1.63	1.43	1.23
Redemption program per share/dividend, SEK ¹	1.10	1.10	1.00	0.90	0.90
Share price at end of year, SEK ¹	219.20	161.70	124.80	121.00	84.00
P/E ratio, multiple	98.7	82.9	76.6	84.6	68.0
Return on equity, %	29.9	31.5	31.9	32.2	30.7
Return on capital employed, %	37.3	38.2	37.5	37.4	36.8
Equity per share before dilution, SEK ¹	8.15	6.73	5.61	4.65	4.24
Equity per share after dilution, SEK ¹	8.15	6.73	5.61	4.65	4.24
Equity/assets ratio, %	48.9	47.4	49.3	54.2	54.1

¹ Comparative figures per share have been restated due to the 5:1 share split that Sectra carried out in the second quarter of 21/22.

Exchange rates

Currency	Average rates in SEK						Closing rates in SEK		
	3 months Feb–Apr 2024	3 months Feb–Apr 2023	Δ %	12 months May–Apr 2023/2024	12 months May–Apr 2022/2023	Δ %	Apr 30 2024	Apr 30 2023	Δ %
US dollar, 1 USD	10.58	10.29	2.8	10.58	10.40	1.7	10.85	10.22	6.2
Euro, 1 EUR	11.41	11.14	2.4	11.46	10.86	5.5	11.63	11.25	3.4
British pound, 1 GBP	13.34	12.65	5.5	13.33	12.51	6.6	13.60	12.77	6.5

GLOSSARY

DNA sequencing

A process for determining genetic material, DNA, in a sample.

Genomics

The study of genetic material, meaning an organism's DNA. In medicine, a patient's genetic material is studied to increase understanding of the causes of disease. In cancer diseases, for example, a tumor's mutations are studied in DNA. The genetic information plays an important role in diagnosing cancer and customizing treatment, known as precision medicine.

Cardiology/cardiovascular diseases

The field of medicine dealing with the functions and diseases of the heart.

Critical infrastructure

Basic infrastructure that is essential for the functioning of society, such as roads, bridges and electricity and water supply.

Encryption

Equipment that uses mathematical manipulations (algorithms and keys) to encrypt information, so that it can be interpreted or read only by the intended recipient. To read encrypted information, the recipient must have the correct key and algorithm.

The cloud/cloud solutions

From the term cloud computing, meaning delivering services and sharing IT infrastructure over the internet.

Ophthalmology

A specialist medical area for the diagnosis and treatment of eye disorders.

Orthopaedics

A surgical specialty for disorders affecting the musculoskeletal system.

Pathology/histopathology/microscopy

A specialized medical area that uses tissues and body fluids for diagnostic purposes.

Precision medicine

Providing patient care that is highly adapted to individual conditions. Advanced diagnostic analyses are a cornerstone of precision medicine.

Radiology

A health science discipline and medical specialty that uses technologies for imaging the human body, such as X-ray, magnetic resonance imaging (MRI) and ultrasound.

Sectra One/Sectra One Cloud

A subscription for Sectra's enterprise imaging solution. Under the new model, customers pay a more evenly distributed subscription fee every year instead of paying a higher license fee for software at the start of the contract and a lower rolling service fee. The fee is determined based on the functionality used and the number of different services utilized. When Sectra One is sold as fully cloud-based services, it is referred to as Sectra One Cloud.

High assurance/High assurance products

Cryptographic methods and other measures designed to prevent unauthorized parties from accessing or influencing information in telecom and IT systems. The high assurance products that Sectra provides are approved by one or more nations and, for certain products, by the EU and NATO.

ABOUT SECTRA

Vision

To contribute to a healthier and safer society.

Mission statements

To increase the effectiveness of healthcare, while maintaining or increasing the quality of care.

To strengthen the stability and efficiency of society's most important functions through solutions for critical IT security.

Operating areas/business models

Imaging IT Solutions helps hospitals across the world to become more efficient, enabling them to care for more patients and save more lives. Increased use of medical images and aging populations that are living longer pose huge challenges to healthcare. Sectra's IT solutions and services for medical diagnostic imaging enable greater efficiency and contribute to healthcare advancements. Sectra has exceeded 2,500 installations of medical IT systems, and customers include some of the largest healthcare providers in the world.

Secure Communications helps society's critical functions, government officials and diplomats to use modern technology to exchange information securely, thereby contributing to a stable and secure society. Sectra's solutions and services increase cybersecurity by protecting some of society's most sensitive information and communications. Several of the business area's products are approved by the EU, NATO, and national security authorities.

Business Innovation gathers smaller activities that could eventually lead to major growth in Sectra's main areas or related niches.

Group-wide strategies for value creation and sustainable business development

Customer value is the top priority

Customers and customer satisfaction are always assigned top priority to enable long-term growth. Close relationships with demanding customers ensure that Sectra's solutions meet market demands for quality, functionality and usability.

A motivating corporate culture

A corporate culture that motivates and inspires the company's employees to solve customer problems and constantly drive improvement. All so we can meet—and in many cases exceed—customer expectations.

Constant innovation

Close cooperation with customers, universities and industrial partners in order to identify needs and ideas, combined with a corporate culture where management encourages the employees to test out new ideas and projects.

Geographic expansion

International expansion mainly in areas and regions where Sectra holds an established position. Expansion is primarily to be achieved through organic growth, in certain cases supplemented by acquisitions that strengthen the Group's organic growth.

For more information, visit <https://investor.sectra.com>



7 good reasons to invest in Sectra

International niche markets with strong growth

IT for healthcare and cybersecurity for critical social functions are rapidly changing markets that society needs to invest in. This creates major growth opportunities for companies such as Sectra.

Stability, profitability and long-term growth

Sectra has an over 45-year history of growth and profitability. Over 50% of the company's sales comprise recurring revenue from long-term customer contracts.

Customer-focused corporate culture

A strong corporate culture clearly focused on customer value and employees who are passionate about making a difference lead to satisfied customers. To safeguard our corporate culture, growth is primarily organic.

Strong brand with multinational reach

Sectra is an established brand in niche areas where trust and stable products are highly important success factors. We have a multinational reach, with thousands of customers worldwide.

Innovation

By continuously investing in new and enhanced products and services, as well as how they are packaged and delivered, we create value for our customers. We also have a self-financed portfolio of research and business projects with the potential to add significant value in the future.

Sustainable business model

Contributing to healthier and safer societies is the foundation of Sectra's operations and business model. Helping our customers improve the efficiency and quality of patient care and increase cybersecurity in critical social functions is our most significant contribution to a sustainable society.

Long-standing owners and dedicated management

The principal owners, who have been part of the company since the 1980s, have firm dedication to the long-term development of the company, and all members of Group Management are shareholders.