

Nine-month report 2024/2025

The industry's most satisfied customers for the twelfth consecutive year

Sectra's enterprise imaging module for radiology is ranked number one by users around the world. We also have the most satisfied customers in digital pathology. Our commitment to customer satisfaction is the foundation of our success in all operating areas. The operating profit trend for the Group is positive despite the ongoing transition to service sales. A settlement was also reached in the third quarter regarding Sectra's patented technology for secure communication, which had a positive non-recurring effect on the Group's financial outcomes.

REPORT PRESENTATION

March 14, 2025 at 10:00 a.m. (CET)

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FINANCIAL OUTCOME IN BRIEF

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

Third quarter: November 2024–January 2025

- Contracted order bookings decreased 47.8% to SEK 967.6 million (1,853.6), of which SEK 710.8 million (1,652.5) pertained to guaranteed order bookings. Of the guaranteed order bookings, 19% were recognized as revenue during the quarter and a further 34–44% are deemed to pertain to revenue within 12 months after the end of the quarter.
- Net sales increased 22.2% to SEK 848.4 million (694.0). Based on unadjusted exchange rates, the increase was 18.8%. Recurring revenue accounted for SEK 525.8 million (434.7) of net sales, up 21.0%. Based on unadjusted exchange rates, the increase was 17.3%. Cloud recurring revenue (CRR) increased 57.8% to SEK 162.8 million (103.2).
- Operating profit amounted to SEK 314.7 million, of which SEK 110.0 million pertained to positive effects from a patent settlement. In terms of comparable outcomes for underlying operations, operating profit increased 175.1% to SEK 204.7 million (74.4), corresponding to an operating margin of 24.1% (10.7). Based on unadjusted exchange rates, operating profit increased 164.9%.
- Profit for the period amounted to SEK 264.0 million (57.8).
- Cash flow from operations amounted to SEK 580.7 million (233.2).

Nine-month period: May 2024–January 2025

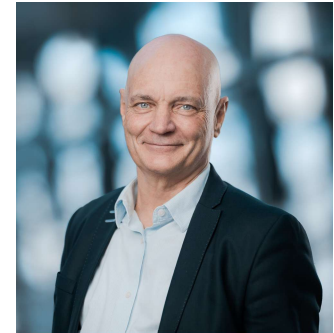
- Contracted order bookings rose 9.0% to SEK 5,805.7 million (5,326.5), of which SEK 5,270.9 million (2,457.0) pertained to guaranteed order bookings.
- Net sales increased 12.6% to SEK 2,325.7 million (2,065.5). Based on unadjusted exchange rates, the increase was 12.5%. Recurring revenue accounted for SEK 1,492.8 million (1,261.5) of net sales, up 18.3%. Based on unadjusted exchange rates, the increase was 18.1%. Cloud recurring revenue (CRR) increased 43.8% to SEK 407.0 million (283.1).
- Operating profit amounted to SEK 524.1 million, including the positive effects of a patent settlement during the third quarter. In terms of comparable outcomes for underlying operations, operating profit increased 29.2% to SEK 414.1 million (320.4), corresponding to an operating margin of 17.8% (15.5). Based on unadjusted exchange rates, operating profit increased 28.7%.
- Profit for the period amounted to SEK 432.2 million (269.9).
- Cash flow from operations amounted to SEK 700.0 million (192.6).

Key figures SEK million	Quarter			Period			12 months		
	Q3 24/25	Q3 23/24	Δ %	Q1–3 24/25	Q1–3 23/24	Δ %	R12 24/25	Full-year 23/24	Δ %
Contracted order bookings	967.6	1,853.6	-47.8	5,805.7	5,326.5	9.0	6,702.7	6,223.5	7.7
of which guaranteed order bookings	710.8	1,652.5	-57.0	5,270.9	2,457.0	114.5	6,033.3	3,219.4	87.4
Net sales	848.4	694.0	22.2	2,325.7	2,065.5	12.6	3,223.8	2,963.6	8.8
of which recurring revenue	525.8	434.7	21.0	1,492.8	1,261.5	18.3	1,956.2	1,724.9	13.4
of which cloud recurring revenue (CRR)	162.8	103.2	57.8	407.0	283.1	43.8	520.8	396.9	31.2
Operating profit	314.7	74.4	323.0	524.1	320.4	63.6	721.5	517.8	39.3
excluding patent settlement	204.7	74.4	175.1	414.1	320.4	29.2	611.5	517.8	18.1
Operating margin, %	37.1	10.7	n/a	22.5	15.5	n/a	22.4	17.5	n/a
excluding patent settlement, %	24.1	10.7	n/a	17.8	15.5	n/a	19.0	17.5	n/a
Profit for the period	264.0	57.8	356.7	432.2	269.9	60.1	590.7	428.4	37.9
Churn, %	n/a	n/a	n/a	n/a	n/a	n/a	0.6	0.4	n/a
Earnings per share, SEK ¹	1.37	0.30	356.7	2.24	1.40	60.0	3.07	2.22	38.3
Cash flow from operations	580.7	233.2	149.0	700.0	192.6	263.4	833.8	326.3	155.5
Average no. of employees	1,255	1,150	9.1	1,234	1,130	9.2	1,218	1,140	6.8

¹ Before and after dilution

CEO'S COMMENTS

Sectra's radiology system once again received a top ranking in customer satisfaction in most of the countries where we operate. In the US Large PACS category, we had the most satisfied customers for the twelfth consecutive year. In 2024, we also topped the digital pathology category, which is currently only measured in Europe. Customer satisfaction is about much more than the products and services we offer—not least, it is about our corporate culture. We all realize how essential effective IT support is for the important work our customers do for patients and society. This insight inspires us to care a little more. Our consistent top ranking in customer satisfaction, even during our comprehensive transition to delivering medical diagnostic imaging as a service via the cloud, is proof of the strength of Sectra's culture. Satisfied customers and good cost control lead to a positive long-term performance.



Torbjörn Kronander,
President and CEO

Our major business areas, Imaging IT Solutions and Secure Communications, both reported positive financial developments. Especially Secure Communications continued to deliver a strong performance, and the business area is now the fastest-growing part of Sectra. Earnings for the most recent quarter also include a large positive non-recurring effect from a patent settlement for secure communications, which reinforces the importance of protecting our technology.

Our success in medicine continues in North America. According to studies from the analysis company KLAS Research, Sectra was the most chosen enterprise imaging (PACS) vendor by US healthcare providers in the past two years. Sectra was considered as a choice in half of the approximately 80 PACS procurements that KLAS has reviewed. Out of these, we were chosen as a supplier in approximately half—in other words, we are currently winning more than 25% of all procurements.¹ This is significantly more than any other supplier. The US and Canada are also the countries where we have made the most progress when it comes to the ongoing transition to cloud-based services—nearly all our new sales in the US and Canada are currently cloud-based SaaS deliveries. The transition to service sales has dampened our growth for several years now, but we expect to see the positive effects outweigh the negative ones within one to two years. We are also seeing this change in other markets, although not as strongly as in North America.

The transition that we and our customers are now going through is a difficult but positive one. We have many deployments of cloud-based services ongoing. As we transition from selling licenses to services, it is important to remember that the change to the business model will lead to a delay in revenue and earnings, while costs continue to be incurred at the beginning of projects. Revenue comes later than in the license model, but continues for much longer. With the very large projects we are carrying out, these negative effects will continue into the next fiscal year, putting pressure on our operating margin and sales before our new major customers start using our services in the volumes planned. While the change is having a short-term dampening effect on our financial performance, it will be highly beneficial in the long term—for us and for our customers.

The extensive investments we are making in innovations and business development are creating value for our customers and building a stronger Sectra for the future. Healthcare and data security are both areas that are expected to grow for a long time to come, and that are relatively unaffected by the economic climate. With satisfied, and therefore loyal, customers combined with a strong brand in growing markets, we have every reason to remain optimistic about the future.



¹ Data comes from the KLAS Research database and refer to the period February 2023 to February 2025. <https://klasresearch.com/compare/pacs/7>



Continued global success in customer satisfaction—winner of eight awards in radiology and digital pathology

Sectra is ranked #1 in customer satisfaction by users around the world. This is confirmed by the eight Best in KLAS awards that the radiology (Sectra PACS) and pathology modules in our enterprise imaging solution won for customer satisfaction. This marks the twelfth consecutive year that Sectra PACS has ranked highest in customer satisfaction in the US, the sixth consecutive year in Canada and the second in the categories introduced in 2024: Northern Europe and Southern Europe. Sectra also won for the first time in Middle East/Africa and in DACH (Germany, Austria and Switzerland) as well as in the Pathology Solution Global category, which, to start, is only being awarded in Europe. The American digital pathology markets are still too small to provide reasonable statistical significance. These prestigious distinctions are handed out by the US analysis company KLAS Research, which conducts annual customer satisfaction surveys for healthcare IT systems.

Customers on Sectra

“With Sectra PACS, there was an immediate improvement in our return on investment and efficiency. We even improved things like the amount of time it takes to process the studies from the hardware vendors. There are so many little things. Sectra has a great dashboard to show how things have improved. Sectra PACS is a quantum leap above other PACS products, and everyone else needs to catch up.”

Comment to KLAS Research in March 2024 about Sectra’s radiology module.

“For fixes, the way Sectra set us up is they have customer success management. It is like a pod, so we have an account executive and a customer success manager. They have no more than a handful of different accounts per pod, and they have engineers in each pod, so when we call and have a problem, we get that engineer who knows us. They are one of our team members, so we don’t have to reexplain why our PACS is set up this way or why we have this.”

Comment to KLAS Research in December 2024 about the new way of working in Sectra’s support organization.

“Sectra PACS is part of our long-term plans. It has been working very well so far. We have not only deunified radiology but also decommissioned another product for mammography and brought that on to Sectra PACS. And everyone has been happy with that standardization process. Sectra has been a very good partner with us in terms of working with the technology and mapping everything else. So there is no reason for us to move away from Sectra. I love Sectra PACS. The radiologists and everyone love it a lot. They wanted me to get a research instance. Now, they want me to get another instance. The ease of use is perfect.”

Comment to KLAS Research in December 2024 about long-term plans and standardized processes.



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

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 requires 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.

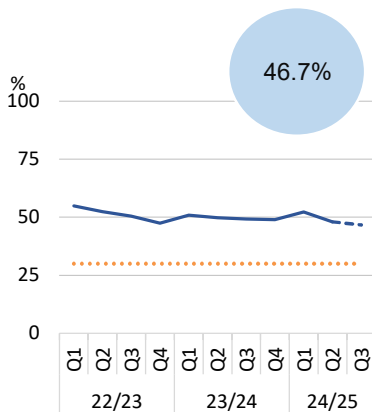
Sectra has three Group-wide financial goals. Stability and profitability are considered fundamental goals. Once these goals have been met, the focus shifts to earnings growth per share, which in practice is our primary financial goal. All result indicators currently exceed the target levels by a comfortable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

1. Stability¹:

Equity/assets ratio $\geq 30\%$

The equity/assets ratio exceeded the target due to a strong financial position. The patent settlement did not have any material effect on the outcome.

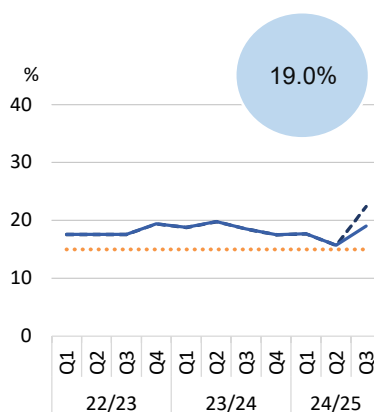
¹ The line in the diagram shows the outcome at the end of the periods, including the patent settlement.



2. Profitability:

Operating margin $\geq 15\%$

The operating margin was impacted by the ongoing transformation of the business model, with a large share of growth attributable to entirely new customers. This entails an initial increase in costs before these customers reach the expected volumes. Including the patent settlement, the operating margin was 22.4%.

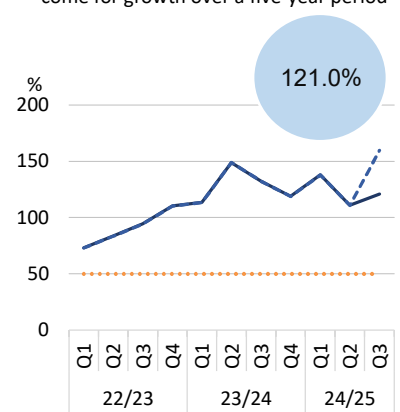


3. Earnings growth ²:

Growth for operating profit/share over a five-year period $\geq 50\%$

The historical trend shows that sales have grown faster than costs and that profit growth remains well above the established goal. Including the patent settlement, growth was 159.7% over the last five years.

² The line in the diagram shows the outcome for growth over a five-year period



Outcome of operational targets



High level of customer satisfaction



Dedicated employees who are satisfied, feel good, improve as individuals and do their best to meet or exceed customer expectations



High level of quality and product safety

EVENTS

Third quarter

Imaging IT Solutions

- Helse Nord RHF in Norway expanded its use of Sectra's enterprise imaging solution through an additional license for digital pathology. Three of four regions in Norway have thus now chosen digital pathology from Sectra, all of whom had already been utilizing our module for radiology.
- Region Västra Götaland in Sweden is expanding its collaboration with Sectra through an order for digital pathology. The customer has been using Sectra's medical imaging solution in radiology, mammography and clinical physiology for more than 20 years.
- A top-ranked US healthcare system that has already been using Sectra's enterprise imaging solution for several years is expanding its use to include digital pathology to strengthen collaboration and improve cancer care.

Business Innovation

- The University of Hartford in the US chose to use Sectra's service for medical education in order to elevate the educational experience for their radiographer students.

Secure Communications

- Secure Communications has been involved in a patent dispute in the US and the parties have now reached a settlement. See page 12. The settlement is a non-recurring business transaction and had a positive non-recurring effect on Sectra's financial outcome. The impact on operating profit amounts to SEK 110 million and has been recognized in its entirety in the third quarter.²
- A defense customer in Europe signed a contract with Sectra covering the Sectra Tiger/S mobile encryption system, including associated infrastructure, service and support.
- Swedish authorities placed orders for the further development of existing systems for secure communication as well as new deliveries. The total order is valued at approximately SEK 50 million.
- Sectra delivered a solution to the Swedish Prison and Probation Service for secure access to information. The solution will streamline the day-to-day work of the Prison and Probation Service's employees and provide inmates with controlled, secure access to digital services and information.

Group

- Issue of 1,000,000 Class C shares, all of which were repurchased and subsequently converted to Class B shares to secure the company's obligations under its new long-term incentive program.

After the end of the reporting period

- Sectra won eight Best in KLAS awards for having the highest customer satisfaction for its radiology and pathology modules for enterprise imaging. Read more on page 3.
- Sectra won several new customer contracts in the US, including contracts with one of the world's premier cancer centers, and a large healthcare system network, both of which have chosen to purchase Sectra One Cloud. These successes contributed to the contracted order bookings in the US reaching SEK 868 million in February, of which SEK 780 million pertained to guaranteed order bookings.
- Sectra and Siemens Healthineers AG began a partnership to improve radiology work and thereby patient care. The goal is for radiologists to access and post-process images generated by photon-counting computed tomography (PCCT images) from Siemens Healthineers in Sectra's radiology module. Such integration will allow Sectra's users to perform diagnostic assessments of this type of image without needing to move to a separate workstation, making the workflow much more efficient.

² Refer to Note 1 Accounting policies on page 20.

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 regardless of the 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 securing society's critical infrastructure against cyberattacks. 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. The activities conducted in the operating area are part of Sweden's collective national capability within crypto—a strategic materiel area identified by government authorities as an essential security interest for which national availability, skills and capacity need to be secured over time.

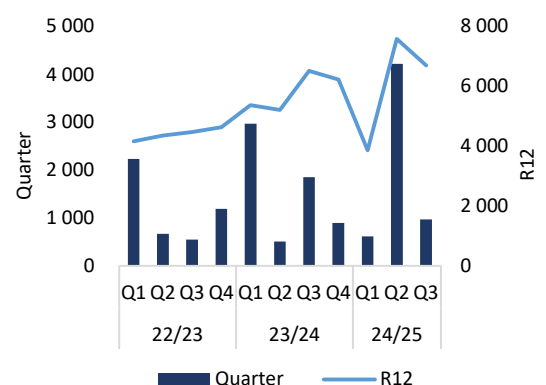
COMMENTS ON THE GROUP'S FINANCIAL OUTCOME

Order bookings

Contracted order bookings for the period rose 9.0% to SEK 5,805.7 million (5,326.5), of which SEK 967.6 million (1,853.6) pertained to the third quarter. A total of SEK 5,270.9 million (2,457.0) was guaranteed order bookings, of which SEK 710.8 million (1,652.5) pertained to the third quarter. The ratio of contracted order bookings to net sales for the latest rolling 12-month period totaled 2.1, compared with 2.1 at the end of the previous fiscal year.

Order bookings include comprehensive, long-term customer contracts. During the comparative quarter, a comprehensive ten-year agreement was signed with NHS National Services Scotland (NSS). During the second quarter of the current fiscal year, a contract was signed with the healthcare provider MSSS Québec in Canada with a contracted order value of SEK 3.1 billion. Orders of this size are not secured every quarter and lead to significant variations in order bookings between individual quarters and periods.

Contracted order bookings, SEK million



Net sales and recurring revenue

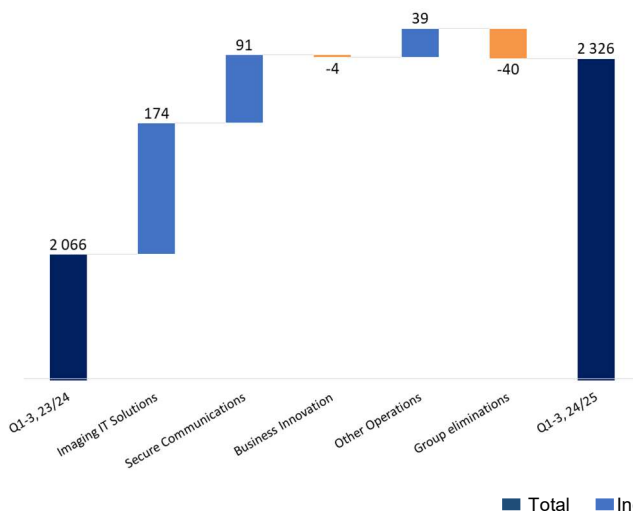
The Group's net sales rose 12.6% to SEK 2,325.7 million (2,065.5), of which SEK 848.4 million (694.0) pertained to the third quarter. Based on unadjusted exchange rates, consolidated sales increased 12.5% compared with the nine-month period in the previous fiscal year.

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 1,492.8 million (1,261.5) of sales pertained to recurring revenue, of which SEK 525.8 million (434.7) pertained to the third quarter. This represents an increase of 18.3% compared with the nine-month period in the previous fiscal year and an increase of 18.1% based on unchanged exchange rates. Lost recurring revenue (recurring revenue churn) for the last 12-month period was 0.6%. CRR for the nine-month period rose 43.8% to SEK 407.0 million (283.1), of which SEK 162.8 million (103.2) pertained to the third quarter. Non-recurring revenue rose 3.6% to SEK 832.9 million (804.0), of which SEK 322.6 million (259.3) pertained to the third quarter.

All geographic markets contributed to the Group's sales growth. The operations in Sweden reported the single largest sale increase over the comparative period, primarily due to the positive trend for the Secure Communications operating area. 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.

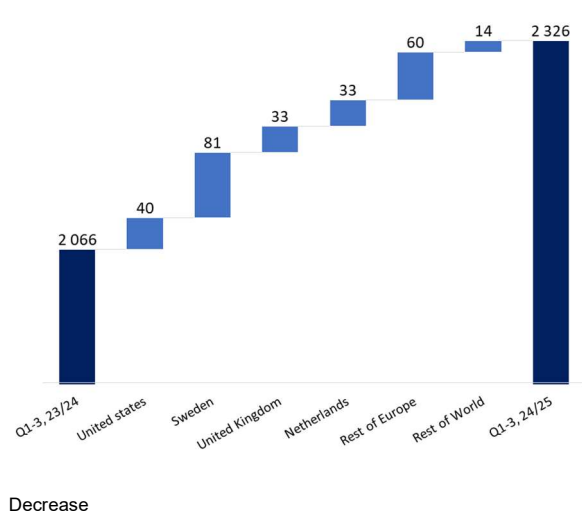
Sales trend per operating area, SEK million

Compared with the corresponding period of the preceding fiscal year

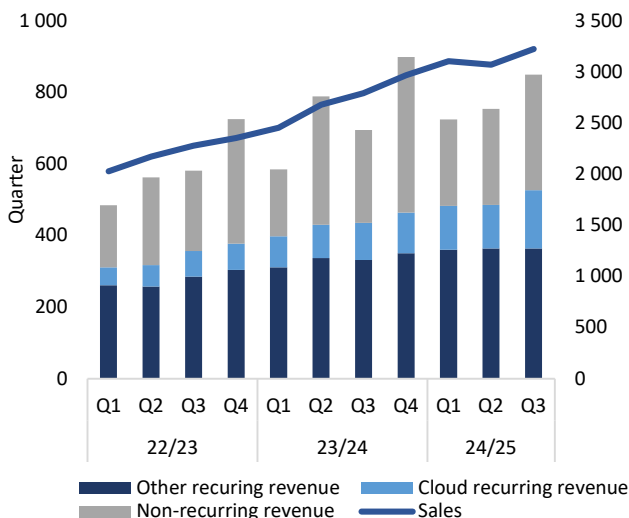


Sales trend per geographic market, SEK million

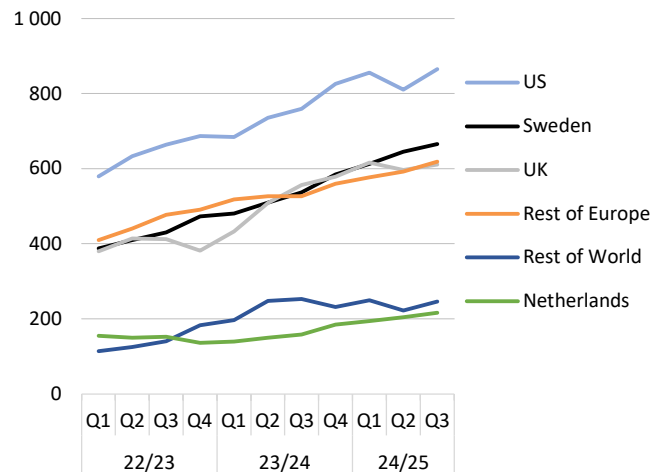
Compared with the corresponding period of the preceding fiscal year



Revenue (per quarter) and sales (R12), SEK million



Sales (R12) by geographic market, SEK million



Result

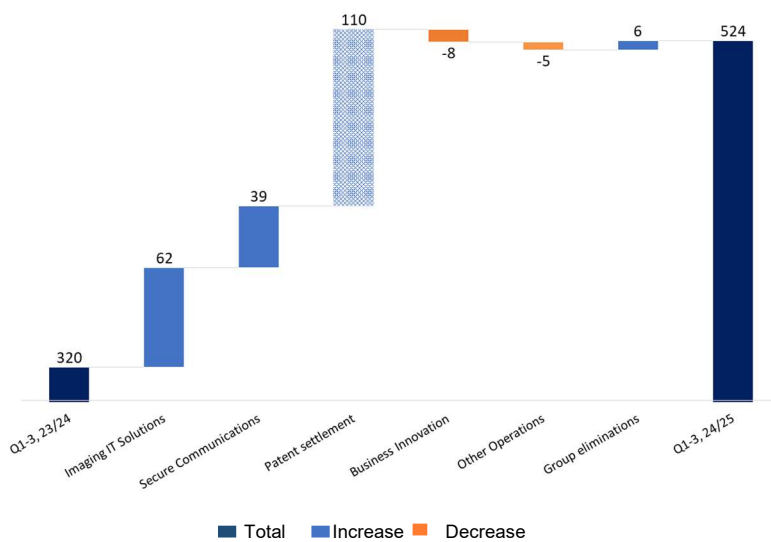
The Group's operating profit amounted to SEK 524.1 million, of which SEK 314.7 million pertained to the third quarter. The outcome includes SEK 110.0 million for the effects of a patent settlement. In terms of comparable outcomes—that is, excluding the patent settlement—operating profit for the period increased by 29.2 percent to SEK 414.1 million (320.4), of which SEK 204.7 million (74.4) relates to the third quarter. Based on unadjusted exchange rates, the increase from the nine-month period in the previous fiscal year was 28.7%. In terms of comparable outcomes, the Group's operating margin was 17.8% (15.5) for the nine-month period. Secure Communications and Imaging IT Solutions reported increased operating profit, while the outcome for Business Innovation was impacted by the ongoing transformation to a new business model.

The Group's financial items amounted to SEK 20.2 million (20.3), of which SEK 17.8 million (-1.5) pertained to the third quarter. Currency fluctuations had an impact of SEK 0.1 million (-2.0) on financial items. Sectra does not hedge its operations, and currency fluctuations therefore have an immediate impact on profit or loss or on comprehensive income.

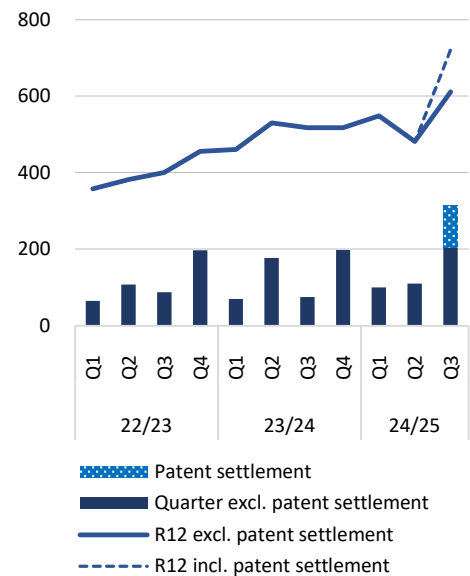
Profit after financial items amounted to SEK 544.3 million (340.7), of which SEK 332.5 million (72.9) pertained to the third quarter. This outcome corresponds to a profit margin of 23.4% (16.5) for the nine-month period and 39.2% (10.5) for the third quarter. Earnings per share before and after dilution totaled SEK 2.24 (1.40) for the period, of which SEK 1.37 (0.30) pertained to the third quarter.

Operating profit trend per operating area, SEK million

Compared with the corresponding period of the preceding fiscal year.



Operating profit for the Group, SEK million



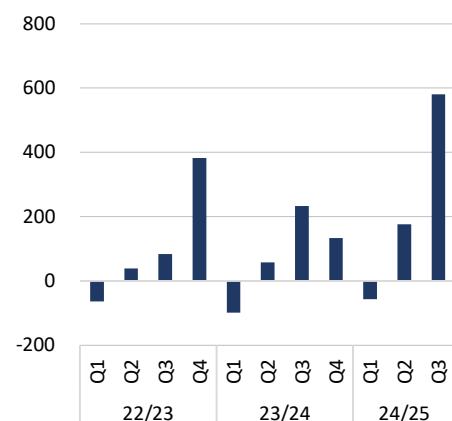
Financial position and cash flow

The Group's cash and cash equivalents at the end of the reporting period amounted to SEK 1,160.7 million (688.8).

The Group's debt/equity ratio was 0.05 (0.02) as of the balance-sheet date. Interest-bearing lease liabilities amounted to SEK 88.5 million (24.3). The change was due to the fact that several new leases were signed during the period as a result of Sectra's growth.

Cash flow from operations amounted to SEK 700.0 million (192.6) for the period, of which SEK 580.7 million (233.2) was attributable to the third quarter. The changes were mainly due to an increase in advances from customers and the patent settlement. Cash flow per share amounted to SEK 3.63 (1.00), of which SEK 3.01 (1.21) pertained to the third quarter.

Quarterly cash flow from operations for the Group, SEK million



Cash flow from investing activities amounted to SEK -112.3 million (-107.3), of which SEK -42.0 million (-30.8) was attributable to the third quarter. Refer to the additional information about investments below.

The Group's total cash flow for the period amounted to SEK 359.6 million (-136.9). This result includes a transfer of SEK 211.9 million (211.9) to the shareholders through Sectra's 2024 share redemption program.

Investments and depreciation/amortization

Investments amounted to SEK 112.3 million (227.3), of which SEK 42.0 million (30.8) pertained to the third quarter. The outcome for the comparative period includes SEK 144.6 million for the acquisition of two properties. Capitalized work for own use amounted to SEK 55.2 million (55.2), of which SEK 22.9 million (19.3) pertained to the third quarter. Capitalization includes the development of cloud-based services for medical diagnostics.

Total depreciation and amortization for the period was SEK 82.7 million (72.9), of which the third quarter accounted for SEK 29.3 million (24.7). Of the total depreciation/amortization for the period, SEK 34.7 million (28.9) was attributable to capitalized development expenditures, of which SEK 12.3 million (10.4) pertained to the third quarter. At the end of the period, capitalized development expenditures totaled SEK 224.2 million (197.6).

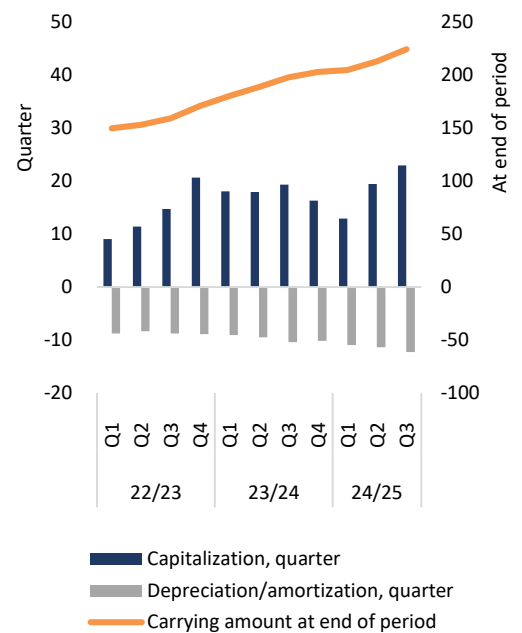
Seasonal variations

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. On the other hand, individual orders are sometimes very large, leading instead to a larger variation in order bookings than before. Bearing this in mind, it remains important to look more at long-term trends rather than at the outcome for an individual quarter when assessing Sectra's performance.

For further information about Sectra's seasonal patterns, refer to page 70 in Sectra's Annual and Sustainability Report for the 2023/2024 fiscal year.

Capitalized development expenditures, SEK million



OPERATING AREA IMAGING IT SOLUTIONS

	Quarter			Period			12 months		
	Q3	Q3	Δ	Q1-3	Q1-3	Δ	R12	Full-year	Δ
	24/25	23/24	%	24/25	23/24	%	24/25	23/24	%
Sales, SEK million	719.3	601.3	19.6	1,984.9	1,810.9	9.6	2,725.6	2,551.6	6.8
of which external recurring revenue	490.3	405.1	21.0	1,386.8	1,176.5	17.9	1,819.6	1,609.3	13.1
of which cloud recurring revenue	158.1	97.9	61.5	392.3	270.1	45.2	500.5	378.3	32.3
Operating profit, SEK million	181.2	66.8	171.3	371.6	309.5	20.1	562.0	499.9	12.4
Operating margin, %	25.2	11.1	n/a	18.7	17.1	n/a	20.6	19.6	n/a

Order bookings for Imaging IT Solutions in the nine-month period surpassed previous record levels thanks to Sectra's largest and most extensive customer contract to date—MSSS Québec in Canada, signed during the second quarter. This is just one of several major orders from customers who have chosen to use Sectra One Cloud in the last few years, including contracts with one of the largest healthcare providers in the US and with the public healthcare provider in Scotland. Additional customers chose Sectra One Cloud after the balance-sheet date, including a prestigious cancer center, and a healthcare system network in the US.

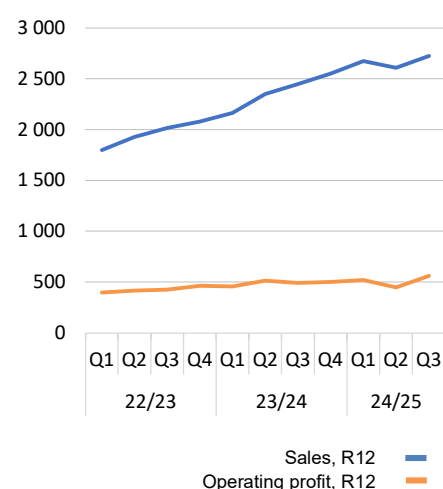
The implementation of services and infrastructure at new major customers initially entails increased costs. Work to prepare for deliveries to customers is ongoing and none of the major customers mentioned above are yet in full production. Revenue is growing gradually as customers put the systems into operation, but it could take several years for major customers to become fully operational and reach planned volumes.

The share of recurring revenue amounts to nearly 70% of sales, primarily due to customers' increased use of Sectra's services for medical imaging. The large share of recurring revenue has promoted stability during the ongoing transformation to service sales and cloud solutions. The accelerating transition to cloud services is clear from Sectra's growth in cloud recurring revenue. The markets in the US and Canada are where Sectra has made the most progress in the transition to the new business model, with all new customer sales now taking place as cloud-based services. Additionally, all existing customers in Canada have now chosen to use Sectra One.

Growth in recurring revenue, combined with higher non-recurring revenue from license sales in the third quarter, led to a stronger financial outcome than in the comparative quarter. However, non-recurring revenue for the nine-month period was lower than in the comparative period, primarily due to new customers purchasing services instead of traditional software licenses.

Profitability continued to be impacted by ongoing initiatives, the most extensive of which was the transition to becoming a service provider. While the change in the business model had dampening effects on financial outcomes, this was partially offset by the strong underlying growth in Sectra's operations, in combination with the fact that not all transactions pertain to services yet. The transition to selling cloud services means that a growing share of revenue and earnings are reported over time and therefore arise later than with traditional license sales. The transition will be favorable over the long term, especially because customers are satisfied and stay with us for a long time.

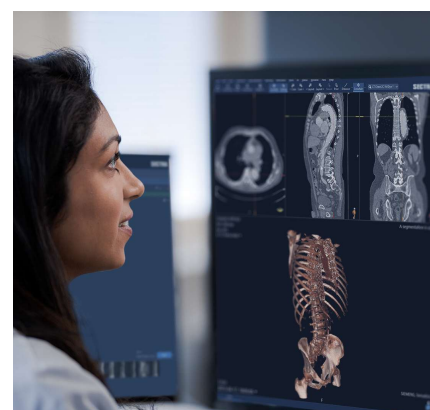
Trend, SEK million



Cloud recurring revenue

+45%

over the comparative period



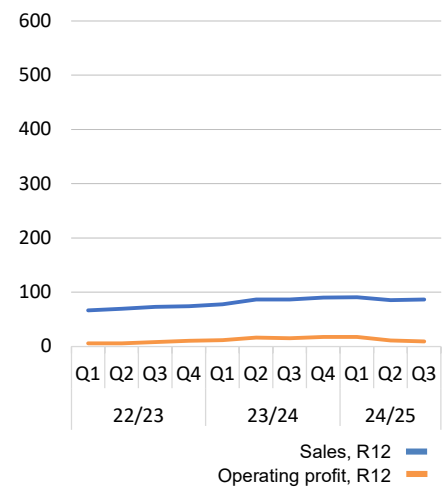
OPERATING AREA BUSINESS INNOVATION

	Quarter			Period			12 months		
	Q3	Q3	Δ	Q1-3	Q1-3	Δ	R12	Full-year	Δ
	24/25	23/24	%	24/25	23/24	%	24/25	23/24	%
Sales, SEK million	24.0	22.9	4.8	60.4	64.1	-5.8	86.2	89.9	-4.1
of which external recurring revenue	5.5	5.8	-5.2	16.8	14.1	19.1	22.6	19.9	13.6
of which cloud recurring revenue	4.7	5.4	-13.0	14.7	13.0	13.1	20.3	18.6	9.1
Operating profit/loss, SEK million	2.3	4.0	-42.5	0.5	8.5	-94.1	9.3	17.3	-46.2
Operating margin, %	9.6	17.5	n/a	0.8	13.3	n/a	10.8	19.2	n/a

Business Innovation comprises the Genomics IT, Medical Education and Orthopaedics business units. We also report the expenses for medical research activities in Business Innovation, which includes initiatives in the field of AI for medical applications. Sectra's research activities linked to secure communications are organized and reported in the Secure Communications operating area.

Recurring revenue grew compared with the nine-month period in the previous fiscal year, but did not fully compensate for lower non-recurring revenue than in the comparative period. Recurring revenue primarily increased in the medical education business unit. Meanwhile, sales of hardware related to medical education decreased. However, the results may vary significantly between quarters and periods. Subscription-based business models and growing volumes are expected to reduce quarterly variations over the longer term.

Trend, SEK million



Cloud recurring revenue

+13%

over the comparative period



Better, more cost-efficient care to patients

Sectra offers orthopaedic and radiology services for image-based planning and follow-up in orthopaedics. These services are provided as part of Sectra's enterprise imaging solution, Sectra One. As more customers choose Sectra One, the services are becoming more readily available, and several new customers have chosen to use the orthopaedic services to save time and increase patient value.

OPERATING AREA SECURE COMMUNICATIONS

	Quarter			Period			12 months		
	Q3 24/25	Q3 23/24	Δ %	Q1-3 24/25	Q1-3 23/24	Δ %	R12 24/25	Full-year 23/24	Δ %
Sales, SEK million	116.4	83.6	39.2	314.2	222.9	41.0	458.7	367.4	24.9
of which external recurring revenue	29.9	23.5	27.2	88.5	70.4	25.7	113.0	94.9	19.1
Operating profit, SEK million	134.8	9.4	1,334.0	170.1	21.5	691.2	208.4	59.8	248.5
excl. patent settlement, SEK million	24.8	9.4	163.8	60.1	21.5	179.5	98.4	59.8	64.5
Operating margin, %	115.8	11.2	n/a	54.1	9.6	n/a	45.4	16.3	n/a
excl. patent settlement, %	21.3	11.2	n/a	19.1	9.6	n/a	21.5	16.3	n/a

Secure Communications is growing quickly and reporting a good performance with increased volumes of product deliveries and development assignments over the comparative period. Operating profit from operations continued to trend in the right direction and made a larger contribution to the Group's overall financial goals than previously. The long-term trend is positive, although outcomes can naturally vary greatly between quarters due to the nature of the operations.

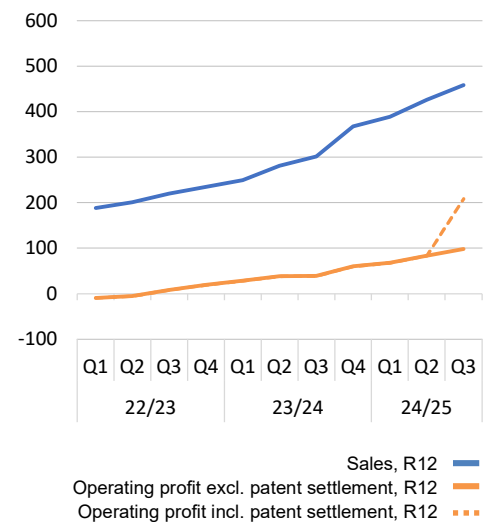
The financial outcomes include a settlement between Sectra and a US company that was reached during the third quarter concerning Sectra's patented technology for secure communication. The settlement had a positive impact of SEK 110 million on operating profit and the transaction has been recognized in its entirety in the quarter. As a part of the settlement, Sectra has granted the counterparty authorization to use a license for a US patent for mobile VPN technology.

There continues to be considerable demand for cybersecurity for the defense forces, authorities and critical infrastructure, and Sectra is well positioned with offerings that meet customers' stringent demands. 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 stable order bookings during the nine-month period. Order bookings include research assignments, customer-financed development and product sales as well as support and service commitments. Customers extended and expanded agreements during the third quarter, both for support of secure communications and for security monitoring of critical infrastructure. Orders received also include the further development and serial deliveries of Tiger/S and network encryptors to existing customers. These include large orders placed by Swedish authorities. During the last quarter, agreements were also signed with three new customers in critical infrastructure for consulting and security monitoring.

The ongoing initiatives being carried out by the operations include technologies and solutions that can further strengthen our customers' operations and the civil and military defense in different countries. These include initiatives to supplement our offering within the highest levels of assurance with products and services for a wider customer base, primarily within government authorities.

Trend, SEK million



Secure communication requires more than advanced encryption

Research and a strong technological foundation are central to meeting customer needs. One of the areas we are focusing on is network patterns and anonymizing communication. Based on the knowledge gained from research, communication can be made virtually invisible in networks. This prevents traffic analysis of communication metadata, which could otherwise reveal a great deal even if the communication itself is encrypted, such as which communication nodes were used and when as well as the intensity and type.

OTHER OPERATIONS

	Quarter			Period			12 months		
	Q3 24/25	Q3 23/24	Δ %	Q1-3 24/25	Q1-3 23/24	Δ %	R12 24/25	Full- year 23/24	Δ %
Sales, SEK million	59.2	44.1	34.2	160.2	121.5	31.9	203.6	164.9	23.5
Operating loss, SEK million	-6.8	-5.9	-15.3	-23.9	-19.0	-25.8	-64.0	-59.1	-8.3
Operating margin, %	neg	neg	n/a	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 period mainly pertained to increased central management of costs distributed across the organization.

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).

2025 AGM AND NOMINATION COMMITTEE

The Board has decided to hold the AGM on September 9, 2025 in Linköping. 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.

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 waived their right to appoint a member of the Nomination Committee, the next shareholder in order of size was 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

The Nomination Committee's 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 39,024,179, distributed between 195,120,895 shares and 313,052,035 voting rights. The number of shares is distributed between 13,103,460 Class A shares and 182,017,435 Class B shares. Sectra's holding of treasury shares at the end of the period amounted to 2,453,406 Class B shares, corresponding to 1.3% of the share capital and 0.8% of the voting rights in the company. For more information, refer to Note 3.

LTIP 2024—new share issue and repurchase of own shares

During the third quarter, the Board exercised the authority granted by the 2024 AGM and carried out a directed share issue of 1,000,000 Class C shares at a price corresponding to the quotient value, meaning SEK 0.20 per share and a total of SEK 200,000. The purpose was to secure the obligations for a new performance-based incentive program (LTIP 2024). All Class C shares have been repurchased at a price corresponding to the quotient value. These were then converted to Class B shares.

In accordance with the terms of LTIP 2024, a maximum of 780,000 Class B treasury shares may be allotted to participants in the incentive program. The qualification period expires on April 30, 2029 and performance shares will be allotted by no later than August 31, 2029. In order to finance the costs of social security contributions related to the incentive program, a maximum of 220,000 Class B shares may be transferred on Nasdaq Stockholm, including by way of a financial intermediary, at a price within the price range registered at any given time.

2024 share redemption program and help with Swedish tax return

During the second quarter, SEK 1.10 per share was distributed to the shareholders through a share redemption program. For more information and help with Swedish tax returns, visit <https://investor.sectra.com/redemption2024>.

Authorization

In addition to the authorization described above, the 2024 AGM resolved to authorize the Board of Directors, during the period until the 2025 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/agm2024>. At the time of publication of this financial report, the Board had not utilized these authorizations.

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 2023/2024 fiscal year on pages 88–90 and in Note 29 on pages 119–120. 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: March 14, 2025 at 10:00 a.m. (CET)

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/q3report2425>.

Financial calendar, Capital Markets Day and AGM

Capital Markets Day March 27, 2025 – focus on Sectra's operations within medical diagnostic IT

Year-end report June 5, 2025 at 08:15 a.m. (CEST)

Annual General Meeting September 9, 2025 at 3:30 p.m. (CEST)

For further information about 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 May 1, 2024–January 31, 2025 period 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 Häll
Board member and employee representative

AUDITOR'S REVIEW REPORT

Introduction

We have reviewed the condensed interim financial information for Sectra AB (publ) at January 31, 2025 and for the nine-month period ended on that date. The Board of Directors and the President are responsible for the preparation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on the interim financial information based on our review.

Focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different direction and is substantially more limited in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the opinion expressed on the basis of a review does not provide the same level of assurance as an opinion expressed on the basis of an audit.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not, in all material aspects, been compiled for the Group in accordance with IAS 34 Interim Reporting and the Swedish Annual Accounts Act and for the Parent Company, in accordance with the Swedish Annual Accounts Act.

Linköping, date as indicated by our electronic signature

Ernst & Young AB

Andreas Troberg

Authorized Public Accountant

This information constitutes information that Sectra AB (publ) is obligated to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8:15 a.m. (CET) on March 14, 2025.

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

GROUP

Condensed consolidated income statements

SEK thousand	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Net sales (Note 4)	848,400	694,041	2,325,736	2,065,505	3,223,838	2,963,607
Capitalized work for own use	22,916	19,282	55,215	55,226	71,563	71,574
Other operating income ¹	202,580	630	211,827	4,136	213,079	5,388
Total income	1,073,896	713,953	2,592,778	2,124,867	3,508,480	3,040,569
Goods for resale	-93,570	-101,662	-317,589	-300,729	-448,078	-431,218
Personnel costs	-409,143	-362,580	-1,174,817	-1,035,708	-1,576,017	-1,436,908
Other external costs	-227,238	-150,686	-493,558	-395,195	-648,862	-550,499
Depreciation/amortization and impairment	-29,257	-24,666	-82,745	-72,850	-114,029	-104,134
Total operating expenses	-759,208	-639,594	-2,068,709	-1,804,482	-2,786,986	-2,522,759
Operating profit	314,688	74,359	524,069	320,385	721,494	517,810
Total financial items	17,818	-1,479	20,224	20,310	34,879	34,964
Profit after financial items	332,506	72,880	544,293	340,695	756,373	552,774
Taxes	-68,496	-15,060	-112,124	-70,757	-165,753	-124,386
Profit for the period	264,010	57,820	432,169	269,937	590,620	428,388
Profit for the period attributable to:						
Parent Company owners	264,010	57,820	432,169	269,937	590,620	428,388
Earnings per share						
Before dilution, SEK	1.37	0.30	2.24	1.40	3.07	2.22
After dilution, SEK (Note 3)	1.37	0.30	2.24	1.40	3.07	2.22

¹ The outcomes for 2024/2025 include the patent settlement of SEK 195 million.

Consolidated statement of comprehensive income

SEK thousand	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Profit for the period	264,010	57,820	432,169	269,937	590,620	428,388
Items that may be reversed in profit or loss						
Translation differences	4,753	-17,945	-3,992	11,758	12,249	27,999
Total other comprehensive income for the period	4,753	-17,945	-3,992	11,758	12,249	27,999
Total comprehensive income for the period	268,763	39,875	428,177	281,695	602,869	456,387
Comprehensive income for the period attributable to:						
Parent Company owners	268,763	39,875	428,177	281,695	602,869	456,387

Condensed consolidated balance sheets

SEK thousand	Jan 31, 2025	Jan 31, 2024	Apr 30, 2024
Assets			
Intangible assets and goodwill	280,387	261,820	262,330
Tangible assets	224,481	228,658	227,040
Right-of-use assets	110,736	27,849	35,241
Financial assets	199,794	138,918	155,189
Deferred tax assets	9,270	6,849	8,990
Total fixed assets	824,668	664,094	688,790
Accounts receivable	573,858	493,648	571,661
Other current assets	131,126	73,678	60,218
Prepaid expenses and accrued income	1,192,492	899,383	1,085,629
Cash and bank balances	1,160,698	688,775	804,640
Total current assets	3,058,174	2,155,484	2,522,148
Total assets	3,882,842	2,819,578	3,210,938
Equity and liabilities			
Equity			
	1,812,014	1,387,972	1,569,591
Deferred tax liabilities	6,667	5,866	7,038
Provisions	46,819	20,174	26,342
Non-current lease liabilities	66,629	11,742	19,204
Other long-term liabilities	13,178	–	–
Total long-term liabilities	133,293	37,782	52,584
Provisions	4,578	2,228	2,637
Current lease liabilities	21,859	12,570	12,584
Other current liabilities	252,440	164,625	218,573
Accrued expenses and deferred income	1,658,658	1,214,401	1,354,969
Total current liabilities	1,937,535	1,393,824	1,588,763
Total equity and liabilities	3,882,842	2,819,578	3,210,938

Consolidated cash-flow statements

SEK thousand	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	Full-year May–Apr 2023/2024
Operating activities			
Operating profit	524,069	320,385	517,810
Adjustment for non-cash items	119,011	102,747	142,681
Interest received	23,247	23,369	25,991
Interest paid	-3,131	-1,083	-3,284
Income tax paid	-147,445	-76,706	-118,291
Cash flow from operations before changes in working capital	515,751	368,712	564,907
Changes in working capital			
Change in inventories	8,254	-23,285	-21,541
Change in receivables	-126,456	-198,759	-408,649
Change in current liabilities	302,497	45,941	191,609
Cash flow from operations	700,046	192,609	326,326
Investing activities			
Acquisitions of intangible assets	-56,151	-55,861	-72,210
Acquisitions of tangible assets	-52,253	-171,400	-178,532
Acquisition of financial assets	-3,872	–	–
Repayment of short-term investment	–	120,000	120,000
Cash flow from investing activities	-112,276	-107,261	-130,742
Financing activities			
Repayment of lease liabilities	-16,231	-10,268	-10,268
Redemption of shares	-211,935	-211,935	-211,935
Cash flow from financing activities	-228,166	-222,203	-222,203
Cash flow for the period	359,604	-136,855	-26,619
Cash and cash equivalents, opening balance	804,640	825,242	825,242
Exchange-rate difference in cash and cash equivalents	-3,546	388	6,017
Cash and cash equivalents, closing balance	1,160,698	688,775	804,640

Condensed consolidated statement of changes in equity

SEK thousand	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	Full-year May–Apr 2023/2024
Equity at start of period	1,569,591	1,296,669	1,296,669
Comprehensive income for the period	428,177	281,695	456,387
Dividend/redemption of shares	-211,935	-211,935	-211,935
Share-based payments	26,181	21,543	28,470
Equity at end of period	1,812,014	1,387,972	1,569,591

PARENT COMPANY

Condensed Parent Company income statements

SEK thousand	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Net sales	60,251	44,736	161,574	122,651	206,184	167,261
Capitalized work for own use	573	1,509	2,817	4,109	4,244	5,536
Other operating income	26	574	59	593	72	606
Total income	60,850	46,819	164,450	127,353	210,500	173,403
Goods for resale	-15,116	-4,635	-36,866	-12,937	-45,863	-21,934
Personnel costs	-21,829	-18,161	-59,134	-53,486	-80,776	-75,128
Other external costs	-36,115	-32,110	-102,224	-85,899	-159,800	-143,475
Depreciation/amortization	-456	-468	-1,357	-1,297	-1,771	-1,711
Total operating expenses	-73,516	-55,374	-199,581	-153,619	-288,210	-242,248
Operating loss	-12,666	-8,555	-35,131	-26,266	-77,710	-68,845
Total financial items	16,508	6,348	104,033	112,420	120,460	128,847
Profit after financial items	3,842	-2,207	68,902	86,154	42,750	60,002
Appropriations	–	–	–	–	427,350	427,350
Profit/loss before tax	3,842	-2,207	68,902	86,154	470,100	487,352
Tax on earnings for the period	0	-231	0	-190	-81,557	-81,747
Profit/loss for the period	3,842	-2,438	68,902	85,964	388,543	405,605

Parent Company statement of comprehensive income

SEK thousand	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Profit/loss for the period	3,842	-2,438	68,902	85,964	388,543	405,605
Total comprehensive income for the period	3,842	-2,438	68,902	85,964	388,543	405,605

Condensed Parent Company balance sheets

SEK thousand	Jan 31, 2025	Jan 31, 2024	Apr 30, 2024
Assets			
Intangible assets	12,000	7,756	9,183
Tangible assets	6,990	6,381	6,336
Financial assets	344,972	353,288	367,480
Total fixed assets	363,962	367,425	382,999
Accounts receivable	4,377	0	421
Receivables from Group companies	578,715	502,075	798,354
Other current assets	57,662	28,192	26,085
Cash and bank balances	946,868	544,470	683,564
Total current assets	1,587,622	1,074,737	1,508,424
Total assets	1,951,584	1,442,162	1,891,423
Equity and liabilities			
Restricted equity	277,280	273,036	274,463
Unrestricted equity	662,255	456,885	781,922
Total equity	939,535	729,921	1,056,385
Provisions	4,741	2,004	2,685
Current liabilities	1,007,308	710,237	832,353
Total equity and liabilities	1,951,584	1,442,162	1,891,423

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 2023/2024 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 2023/2024 Annual Report, no significant transactions with related parties took place in the reporting period.

Note 3 Number of shares

No. of common shares ^{1, 2}	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
At the end of the period	192,667,489	192,667,489	192,667,489	192,667,489	192,667,489	192,667,489
Average	192,667,489	192,667,489	192,667,489	192,667,489	192,667,489	192,667,489

¹ Before and after dilution.

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

Note 4 Operating segments and sales

Sales by business segment

SEK million	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Imaging IT Solutions	719.3	601.3	1,984.9	1,810.9	2,725.6	2,551.6
Secure Communications	116.4	83.6	314.2	222.9	458.7	367.4
Business Innovation	24.0	22.9	60.4	64.1	86.2	89.9
Other Operations	59.2	44.1	160.2	121.5	203.6	164.9
Group eliminations	-70.5	-57.9	-194.0	-153.9	-250.3	-210.2
Total	848.4	694.0	2,325.7	2,065.5	3,223.8	2,963.6

Operating profit/loss by business segment

SEK million	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Imaging IT Solutions	181.2	66.8	371.6	309.5	562.0	499.9
Secure Communications	134.8	9.4	170.1	21.5	208.4	59.8
Business Innovation	2.3	4.0	0.5	8.5	9.3	17.3
Other Operations	-6.8	-5.9	-23.9	-19.0	-64.0	-59.1
Group eliminations	3.2	0.1	5.8	-0.1	5.8	-0.1
Total	314.7	74.4	524.1	320.4	721.5	517.8

Sales by geographic market

SEK million	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
United States	240.7	185.7	601.1	561.5	865.8	826.2
Sweden	169.8	148.5	473.1	391.7	666.0	584.6
United Kingdom	146.5	132.5	446.5	413.8	610.8	578.1
Netherlands	52.4	39.7	152.9	120.4	216.5	184.0
Rest of Europe	168.4	141.1	457.0	397.4	619.1	559.5
Rest of World	70.6	46.5	195.1	180.7	245.6	231.2
Total	848.4	694.0	2,325.7	2,065.5	3,223.8	2,963.6

Recurring and non-recurring external revenue by business segment

Group

SEK million	3 months ¹ Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Recurring revenue	525.8	434.7	1,492.8	1,261.5	1,956.2	1,724.9
Of which cloud recurring revenue, CRR	162.8	103.2	407.0	283.1	520.8	396.9
Non-recurring revenue	322.6	259.3	832.9	804.0	1,267.6	1,238.7
Total	848.4	694.0	2,325.7	2,065.5	3,223.8	2,963.6
Share of recurring revenue, %	62.0	62.6	64.2	61.1	60.7	58.2

¹ In the quarter, a retroactive reclassification of SEK 10 million was made from non-recurring revenue to cloud recurring revenue.

Imaging IT Solutions

SEK million	3 months ¹ Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Recurring revenue	490.3	405.1	1,386.8	1,176.5	1,819.6	1,609.3
Of which cloud recurring revenue, CRR	158.1	97.9	392.3	270.1	500.5	378.3
Non-recurring revenue	228.3	191.6	594.7	630.8	901.9	938.0
Total	718.6	596.7	1,981.5	1,807.3	2,721.5	2,547.3
Share of recurring revenue, %	68.2	67.9	70.0	65.1	66.9	63.2

¹ In the quarter, a retroactive reclassification of SEK 10 million was made from non-recurring revenue to cloud recurring revenue.

Secure Communications

SEK million	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Recurring revenue	29.9	23.5	88.5	70.4	113.0	94.9
Of which cloud recurring revenue, CRR	–	–	–	–	–	–
Non-recurring revenue	86.5	60.1	225.2	152.2	344.9	271.9
Total	116.4	83.6	313.7	222.6	457.9	366.8
Share of recurring revenue, %	25.7	28.1	28.2	31.6	24.7	25.9

Business Innovation

SEK million	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Recurring revenue	5.5	5.8	16.8	14.1	22.6	19.9
Of which cloud recurring revenue, CRR	4.7	5.4	14.7	13.0	20.3	18.6
Non-recurring revenue	5.5	7.8	9.5	21.0	17.2	28.7
Total	11.0	13.6	26.3	35.1	39.8	48.6
Share of recurring revenue, %	50.0	42.6	63.9	40.2	56.8	40.9

Other Operations

SEK million	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Recurring revenue	0.0	0.3	0.7	0.5	1.0	0.8
Of which cloud recurring revenue, CRR	–	–	–	–	–	–
Non-recurring revenue	2.4	–	3.6	–	3.6	–
Total	2.4	0.3	4.3	0.5	4.6	0.8
Share of recurring revenue, %	0.0	100.0	16.3	100.0	21.7	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.

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 Note 4.

Recurring revenue churn

SEK thousand	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Recurring revenue from customer contracts that have concluded or not been renewed	12,227	7,247
Recurring revenue	1,956,270	1,724,940
Share of recurring revenue, %	0.6	0.4

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

	Jan 31, 2025	Jan 31, 2024	Apr 30, 2024
Equity, SEK thousand	1,812,014	1,387,972	1,569,591
Number of shares before and after dilution at the end of the period	192,667,489	192,667,489	192,667,489
Equity per share before and after dilution, SEK	9.40	7.20	8.15

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	Jan 31, 2025	Jan 31, 2024	Apr 30, 2024
Non-interest-bearing liabilities	1,982,340	1,407,294	1,609,559
Interest-bearing liabilities	88,488	24,312	31,788
Total liabilities	2,070,828	1,431,606	1,641,347

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 Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Cash flow from operations, SEK thousand	580,695	233,175	700,046	192,609	833,763	326,326
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	192,667,489	192,667,489
Cash flow per share before and after dilution, SEK	3.01	1.21	3.63	1.00	4.33	1.69

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	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Contracted order bookings	6,702,652	6,223,476
Net sales	3,223,838	2,963,607
Ratio of contracted order bookings to net sales	2.08	2.10

Purpose

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

Calculation

Contracted order bookings divided by net sales.

Liquidity

SEK thousand	Jan 31, 2025	Jan 31, 2024	Apr 30, 2024
Current assets	3,058,174	2,155,484	2,522,148
Unutilized overdraft facilities	15,000	15,000	15,000
Current liabilities	1,937,535	1,393,824	1,588,763
Liquidity	1.6	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 Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	Full-year May–Apr 2023/2024
Nominal change, %	22.2	19.6	12.6	27.0	26.1
Exchange-rate effect, %	-3.4	0.3	-0.1	-3.1	-3.1
Change in unadjusted exchange rates, %	18.8	19.9	12.5	23.9	23.0

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 Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	Full-year May–Apr 2023/2024
Nominal change, %	323.0	-14.5	63.6	23.8	13.6
Exchange-rate effect, %	-10.2	0.8	-0.5	-6.0	-5.6
Change in unadjusted exchange rates, %	312.8	-13.7	63.1	17.8	8.0

Purpose

Provides an indication of changes in financial measures for unadjusted exchange rates. Disclosures and adjustments of the effects of non-recurring transactions in operating profit and operating margin are made separately. When applicable, information about such transactions is provided on page 1.

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 Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	Full-year May–Apr 2023/2024
Nominal change, %	21.0	22.0	18.3	28.3	26.8
Exchange-rate effect, %	-3.7	0.0	-0.2	-3.2	-3.1
Change in unadjusted exchange rates, %	17.3	22.0	18.1	25.1	23.7

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	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Share price at end of period	254.00	219.20
Earnings per share for the rolling 12-month period	3.07	2.22
P/E ratio, multiple	82.7	98.7

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 Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Profit for the period, SEK thousand	264,010	57,820	432,169	269,937	590,620	428,388
Average number of shares before and after dilution	192,667,489	192,667,489	192,667,489	192,667,489	192,667,489	192,667,489
Earnings per share before and after dilution, SEK	1.37	0.30	2.24	1.40	3.07	2.22

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 or after dilution. This performance measure is defined in accordance with IFRS.

Return on equity

SEK thousand	3 months Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Profit for the period	264,010	57,820	432,169	269,937	590,620	428,388
Equity at start of period	1,532,235	1,341,354	1,569,591	1,296,669	1,387,972	1,296,669
Equity at end of period	1,812,014	1,387,972	1,812,014	1,387,972	1,812,014	1,569,591
Average equity	1,672,125	1,364,663	1,690,803	1,342,321	1,599,993	1,433,130
Return on equity, %	15.8	4.2	25.6	20.1	36.9	29.9

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 Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Profit after financial items	332,506	72,880	544,293	340,695	756,373	552,774
Financial expenses	-1,342	-191	-3,131	-1,083	-5,332	-3,284
Average capital employed	1,762,323	1,391,162	1,750,940	1,395,608	1,656,393	1,490,155
Return on capital employed, %	18.9	5.3	31.3	24.5	46.0	37.3

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 Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Operating profit	314,688	74,359	524,069	320,385	721,494	517,810
Net sales	848,400	694,041	2,325,736	2,065,505	3,223,838	2,963,607
Operating margin, %	37.1	10.7	22.5	15.5	22.4	17.5

Purpose

Measures operational profitability. This measure is used for the purpose of management by objectives in the operations. Disclosures and adjustments of the effects of non-recurring transactions in operating profit and operating margin are made separately. When applicable, information about such transactions is provided on page 1.

Calculation

Operating profit divided by net sales.

Operating profit per share

	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Operating profit, SEK thousand	721,494	517,810
Number of shares before dilution	192,667,489	192,667,489
Operating profit per share, SEK	3.74	2.69

Purpose

Shows earnings per share before interest and taxes. Disclosures and adjustments of the effects of non-recurring transactions in operating profit are made separately. When applicable, information about such transactions is provided on page 1.

Calculation

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

Debt/equity ratio

SEK thousand	Jan 31, 2025	Jan 31, 2024	Apr 30, 2024
Interest-bearing liabilities	88,488	24,312	31,788
Equity	1,812,014	1,387,972	1,569,591
Debt/equity ratio	0.05	0.02	0.02

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

SEK thousand	Jan 31, 2025	Jan 31, 2024	Apr 30, 2024
Equity	1,812,014	1,387,972	1,569,591
Total assets	3,882,842	2,819,578	3,210,938
Equity/assets ratio, %	46.7	49.2	48.9

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

SEK thousand	Jan 31, 2025	Jan 31, 2024	Apr 30, 2024
Total assets	3,882,842	2,819,578	3,210,938
Non-interest-bearing liabilities	1,982,340	1,407,294	1,609,559
Capital employed	1,900,502	1,412,284	1,601,379

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	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Operating profit per share before dilution	3.74	2.69
Operating profit per share before dilution five years earlier	1.44	1.23
Growth in operating profit per share before dilution over a five-year period, %	159.7	118.8

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. Disclosures and adjustments of the effects of non-recurring transactions in operating profit and operating margin are made separately. When applicable, information about such transactions is provided on page 1.

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 Nov 2024 –Jan 2025	3 months Nov 2023 –Jan 2024	9 months May 2024 –Jan 2025	9 months May 2023 –Jan 2024	12 months Feb 2024 –Jan 2025	Full-year May–Apr 2023/2024
Profit after financial items	332,506	72,880	544,293	340,695	756,373	552,774
Net sales	848,400	694,041	2,325,736	2,065,505	3,223,838	2,963,607
Operating margin, %	39.2	10.5	23.4	16.5	23.5	18.7

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

	9 months Jan 31, 2025 ³	9 months Jan 31, 2024	12 months Jan 31, 2025	Full-year Apr 30, 2024
Contracted order bookings, SEK million	5,805.7	5,326.5	6,702.7	6,223.5
of which guaranteed order bookings, SEK million	5,270.9	2,457.0	6,033.3	3,219.4
Operating margin, %	22.5	15.5	22.4	17.5
Profit margin, %	23.4	16.5	23.5	18.7
Average no. of employees	1,234	1,130	1,218	1,140
Cash flow per share, SEK ^{1,2}	3.63	1.00	4.33	1.69
P/E ratio, multiple	n/a	n/a	82.7	98.7
Share price at end of period, SEK	254.00	195.14	254.00	219.20
Return on equity, %	25.6	20.1	36.9	29.9
Return on capital employed, %	31.3	24.5	46.0	37.3
Equity/assets ratio, %	46.7	49.2	46.7	48.9
Liquidity ratio, multiple	1.6	1.6	1.6	1.6
Equity per share, SEK ²	9.40	7.20	9.40	8.15

¹ Cash flow from operations. ² Before and after dilution. ³ The outcomes include a positive effect from a patent settlement, a non-recurring transaction. See page 1.

Condensed consolidated income statements by quarter

SEK million	2024/2025			2023/2024				2022/2023			
	Q3 ¹	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	848.4	753.5	723.8	898.1	694.0	787.7	583.7	724.7	580.3	561.7	484.1
Capitalized work for own use	22.9	19.4	12.9	16.3	19.3	17.9	18.0	20.6	14.7	11.5	9.0
Other operating income	202.6	6.5	2.7	1.3	0.6	2.2	1.3	0.5	0.5	0.4	0.1
Operating expenses	-729.9	-642.5	-613.5	-687.0	-614.9	-607.5	-509.2	-524.7	-485.2	-443.9	-406.6
Depreciation/amortization and impairment	-29.3	-27.3	-26.1	-31.3	-24.7	-23.6	-24.5	-24.3	-23.3	-22.1	-22.2
Operating profit	314.7	109.6	99.8	197.4	74.4	176.7	69.3	196.8	87.0	107.6	64.4
Total financial items	17.8	0.9	1.5	14.7	-1.5	13.6	8.2	5.1	4.1	10.7	3.8
Profit after financial items	332.5	110.5	101.3	212.1	72.9	190.3	77.5	201.9	91.1	118.3	68.2
Tax on earnings for the period	-68.5	-22.7	-20.9	-53.6	-15.1	-39.7	-16.0	-47.3	-18.8	-24.4	-14.0
Profit for the period	264.0	87.8	80.4	158.5	57.8	150.6	61.6	154.6	72.3	93.9	54.1

¹ The outcomes include positive effects from a patent settlement, a non-recurring transaction. See page 1.

Key figures by quarter

	2024/2025			2023/2024				2022/2023			
	Q3 ²	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Contracted order bookings, SEK million	967.6	4,223.1	615.0	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	710.8	4,017.0	543.1	762.3	1,652.5	460.1	344.4	811.6	484.0	605.6	705.3
Recurring revenue, SEK million	525.8	484.7	482.3	463.5	434.7	429.6	397.2	376.6	356.4	316.4	310.4
of which cloud services (CRR)	162.8	121.3	122.8	113.8	103.2	93.4	86.4	72.9	72.1	59.6	50.0
Operating margin, %	37.1	14.5	13.8	22.0	10.7	22.4	11.9	27.2	15.0	19.2	13.3
Earnings per share, SEK ¹	1.37	0.46	0.42	0.82	0.30	0.78	0.32	0.80	0.38	0.49	0.28
Cash flow per share, SEK ¹	3.01	0.91	-0.29	0.69	1.21	0.30	-0.51	1.98	0.43	0.20	-0.33
Return on equity, %	15.8	5.5	5.0	10.7	4.2	11.0	4.6	12.7	6.5	8.5	4.9
Return on capital employed, %	18.9	6.7	6.2	14.2	5.3	13.5	5.5	15.6	7.8	10.2	5.8
Equity/assets ratio, %	46.7	48.0	52.2	48.9	49.2	49.8	50.8	47.4	50.4	52.3	54.9
Equity per share, SEK ¹	9.40	7.95	8.59	8.15	7.20	6.96	7.20	6.73	5.94	5.54	5.95
Share price at end of period, SEK	254.0	283.0	243.4	219.2	195.1	120.6	168.6	161.7	147.4	146.4	185.9

¹ Before and after dilution. ² The outcomes include positive effects from a patent settlement, a non-recurring transaction. See page 1.

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	3 months	Δ	9 months	9 months	Δ	Jan 31,	Jan 31,	Δ
	Nov 2024 –Jan 2025	Nov 2023 –Jan 2024	%	May 2024 –Jan 2025	May 2023 –Jan 2024	%	2025	2024	%
US dollar, 1 USD	10.92	10.20	7.1	10.60	10.58	0.2	10.98	10.34	6.2
Euro, 1 EUR	11.42	11.16	2.3	11.39	11.48	-0.8	11.41	11.19	2.0
British pound, 1 GBP	13.73	12.98	5.8	13.61	13.32	2.2	13.66	13.13	4.0

GLOSSARY

DICOM

A standard communication protocol used to capture, store and transfer medical images and related data.

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.