

Three-month report 2024/2025

Increased recurring revenue led to a strong first quarter

Sectra is continuing to grow with satisfied customers. Sales and operating profit were the highest the Group has ever reported for a first quarter. This trend was due in part to a more even distribution across quarters as a result of increased recurring revenue and growing volumes. At the same time, these figures are no longer being boosted by currency effects.

REPORT PRESENTATION

September 6, 2024 at 10:00 a.m.

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FINANCIAL OUTCOME IN BRIEF

First quarter: May–July 2024

- Contracted order bookings decreased 79.3% to SEK 615.0 million (2,970.0), of which SEK 543.1 million (344.4) pertained to guaranteed order bookings. Of the guaranteed order bookings, 22% were recognized during the quarter and a further 25–35% are deemed to pertain to revenue within 12 months after the end of the quarter.
- Net sales increased 24.0% to SEK 723.8 million (583.7). Based on unadjusted exchange rates, the increase was 24.7%. Recurring revenue accounted for SEK 482.3 million (397.2) of net sales, up 21.4%. Based on unadjusted exchange rates, the increase was 22.0%. Cloud recurring revenue (CRR) increased 42.1% to SEK 122.8 million (86.4).
- Operating profit rose 44.0% to SEK 99.8 million (69.3), corresponding to an operating margin of 13.8% (11.9). Based on unadjusted exchange rates, operating profit increased 45.8%.
- Profit for the period amounted to SEK 80.4 million (61.6).
- Cash flow from operations amounted to SEK -56.7 million (-98.3).

Key figures

SEK million

	Quarter			12 months		
	Q1 24/25	Q1 23/24	Δ %	R12 24/25	Full-year 23/24	Δ %
Contracted order bookings	615.0	2,970.0	-79.3	3,868.5	6,223.5	-37.8
of which guaranteed order bookings	543.1	344.4	57.7	3,418.1	3,219.4	6.2
Net sales	723.8	583.7	24.0	3,103.7	2,963.6	4.7
of which recurring revenue	482.3	397.2	21.4	1,810.0	1,724.9	4.9
of which cloud recurring revenue (CRR)	122.8	86.4	42.1	433.3	396.9	9.2
Operating profit	99.8	69.3	44.0	548.3	517.8	5.9
Operating margin, %	13.8	11.9	n/a	17.7	17.5	n/a
Profit for the period	80.4	61.6	30.5	447.2	428.4	4.4
Churn, %	n/a	n/a	n/a	0.4	0.4	n/a
Earnings per share, SEK ¹	0.42	0.32	31.3	2.32	2.22	4.5
Cash flow from operations	-56.7	-98.3	42.3	367.9	326.3	12.7
Average no. of employees	1,222	1,112	9.9	1,168	1,140	2.5

¹ Before and after dilution



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.

CEO'S COMMENTS

The first quarter was dominated by deliveries of previously ordered customer projects. Additional hospitals have gone live with our cloud-based services for medical imaging and we have delivered several products for secure communication to defense forces and authorities.

There is a great need for increased cybersecurity in society and our operations in Secure Communications are continuing to perform well. The same applies to Imaging IT Solutions, where we are in the middle of a transformation to cloud-based services for medical diagnostics. We are making progress, which is confirmed by the growth we have seen in cloud recurring revenue. We also have deliveries to major healthcare providers in several countries planned over the next few years. In Business Innovation, the launch of the new genomics IT module marked a major milestone during the quarter. Cancer diagnostics based on genetic information (genomics) is developing quickly and has, until this point, lacked effective IT support for high production. Our new offering strengthens Sectra's position in integrated diagnostics for cancer care, an area that we have seen grow in importance when healthcare providers evaluate potential suppliers.

Financially speaking, we had a stable beginning to the fiscal year. Positive performances in all operating areas contributed to our highest-ever sales and operating profit figures for a first quarter. To some extent, this is because increased recurring revenue has helped to even out the results between quarters. For the quarter, recurring revenue accounted for a full 70% of sales in Imaging IT Solutions and 67% for the Group as a whole. Our ongoing transition to a new business model will gradually reduce the level of variation and typical seasonal effects, but we are not quite there yet. On the other hand, individual orders are sometimes very large, leading instead to a larger variation in order bookings between quarters 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.

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. While our strategic investment in service sales is having a short-term dampening effect on our financial outcome and growth, it will be beneficial in the long term. Not least because Sectra's customers are satisfied and stay with us for a long time. With loyal customers combined with a strong brand in growing areas, we have every reason to remain optimistic about the future.



Torbjörn Kronander,
President and CEO



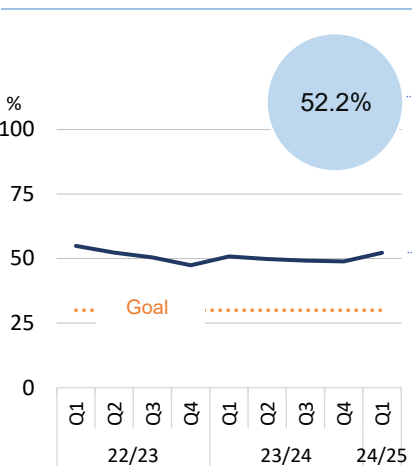
OPERATIONAL TARGETS AND FINANCIAL GOALS

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):

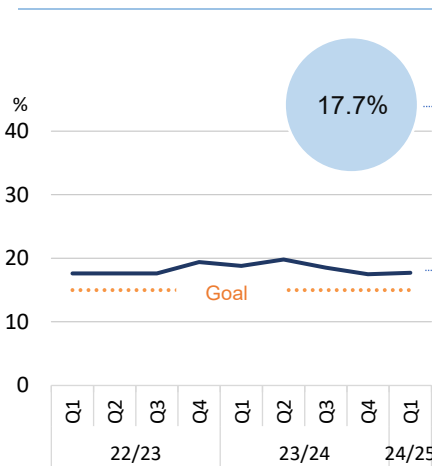
1. Stability¹:
Equity/assets ratio $\geq 30\%$



The equity/assets ratio exceeded the target due to a continued strong financial position.

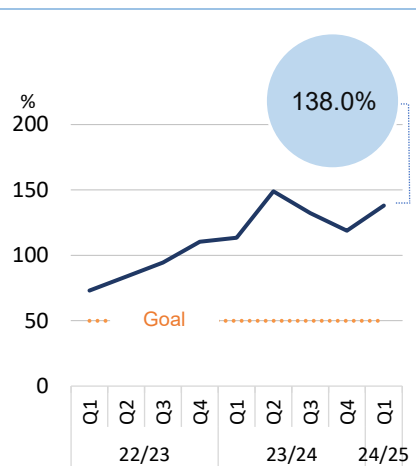
¹The line in the diagram shows the outcome at the end of the period

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



The operating margin was impacted by the ongoing transformation of the business model.

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



Sales grew at a higher rate than costs. This is in line with Sectra's long-term work to increase 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

First quarter

Imaging IT Solutions

- The final hospitals in Region Hovedstaden in Denmark went live with Sectra One Cloud, see below.
- Sectra One Cloud was taken into operation at Zuyderland Medical Center in the Netherlands. The customer has used Sectra's IT solution to manage medical images and will now move to using cloud services with Sectra One Cloud.
- NHS trusts in the East of England started to use Sectra One Cloud for digital pathology.

Business Innovation

- 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—became the first to use the module, which is sold only as a service.

Secure Communications

- Two energy companies extended their agreements with Sectra for monitoring critical OT systems.

After the end of the reporting period

- No events of significant importance for the assessment of Sectra's earnings and financial position took place between the balance-sheet date and the publication date of this interim report.



Sectra One Cloud to improve diagnostic imaging in Denmark's largest healthcare region

Region Hovedstaden in Denmark ordered Sectra One Cloud two years ago. The region provides care to more than 1.8 million residents and the customer contract is the largest to date for Sectra in Scandinavia when it comes to cloud services for medical imaging. During the quarter, the services went live at three more of the customer's hospitals. All of the region's hospitals now use Sectra's services to review and store radiology images, including mammography, nuclear medicine and clinical physiology.

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 control systems. 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.

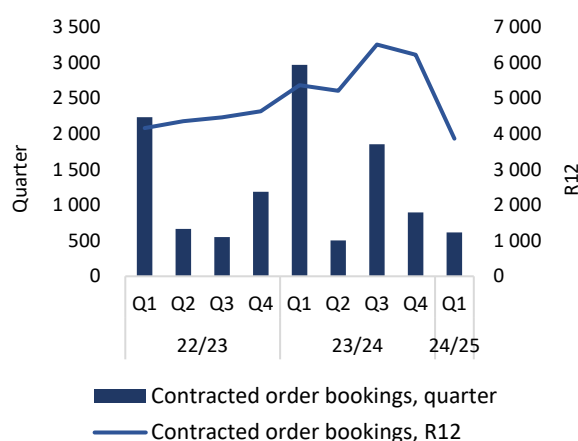
COMMENTS ON THE GROUP'S FINANCIAL OUTCOME

Order bookings

Contracted order bookings decreased 79.3% to SEK 615.0 million (2,970.0). Guaranteed order bookings totaled SEK 543.1 million (344.4), up 57.7%. The ratio of contracted order bookings to net sales for the latest rolling 12-month period totaled 1.2, compared to 2.1 at the end of the previous fiscal year.

The order bookings for the comparative quarter include comprehensive, long-term customer contracts, including a contract with a healthcare provider in the US with a contracted order value of SEK 2.4 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

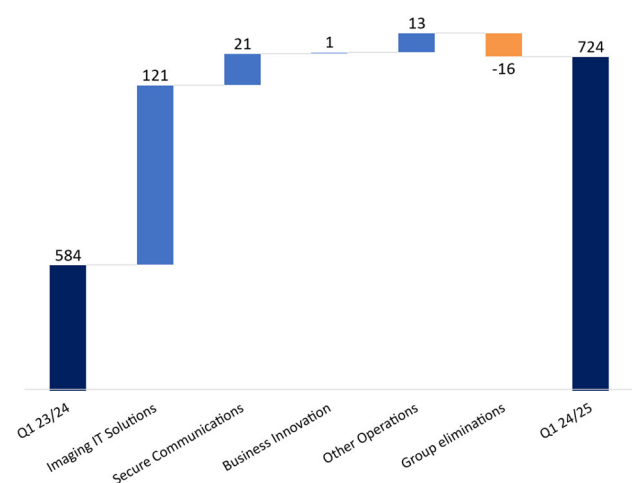
All operating areas continued to grow and the Group's net sales rose 24.0% to SEK 723.8 million (583.7). Based on unadjusted exchange rates, consolidated sales increased 24.7%.

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. Recurring revenue accounted for SEK 482.3 million (397.2) of sales. This represents an increase of 21.4% and based on unchanged exchange rates an increase of 22.0%. Lost recurring revenue (recurring revenue churn) for the last 12-month period was 0.4%. CRR increased 42.1% to SEK 122.8 million (86.4). Non-recurring revenue also performed well and rose 29.5% to SEK 241.5 million (186.5).

Sectra grew in all geographic markets. The operations in the UK reported the largest individual sales increase from the comparative quarter. 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.

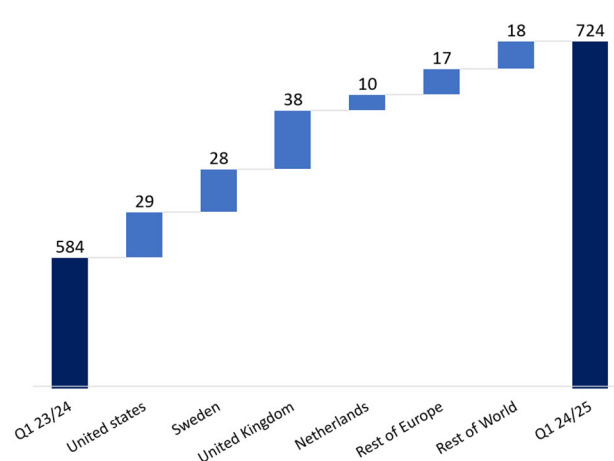
Sales trend per operating area, SEK million

Compared with the corresponding period of the preceding fiscal year



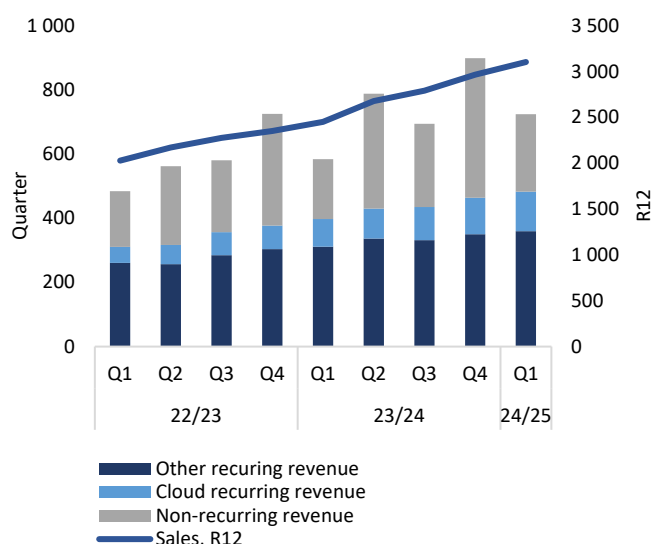
Sales trend per geographic market, SEK million

Compared with the corresponding period of the preceding fiscal year

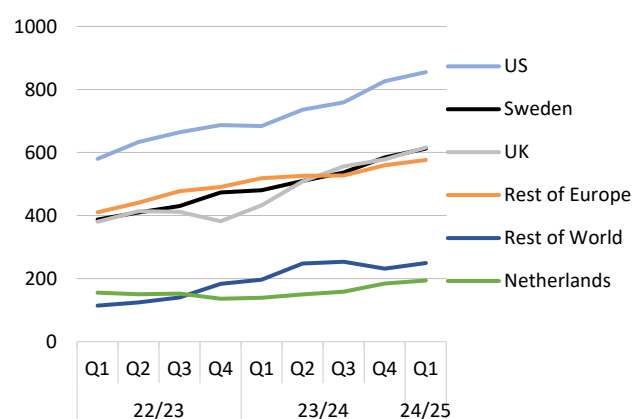


■ Total ■ Increase ■ Decrease

Sales and recurring revenue, SEK million



Sales by geographic market, SEK million



Result

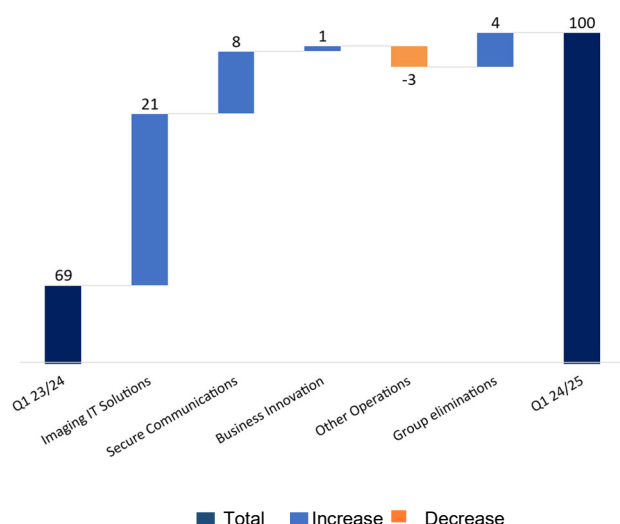
The Group's operating profit increased 44.0% to SEK 99.8 million (69.3). Based on unadjusted exchange rates, operating profit increased 45.8% compared with the comparative quarter. This positive trend is a result of sales growth in all operating areas.

The Group's operating margin amounted to 13.8% (11.9). Sales during the quarter grew more than operating costs, with Imaging IT Solutions and Secure Communications both contributing to the increased operating margin.

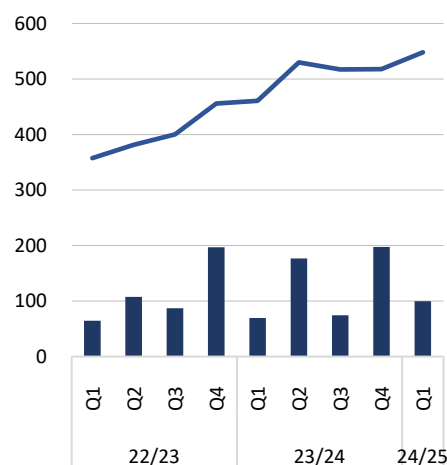
The Group's financial items amounted to SEK 1.4 million (8.2). Currency fluctuations had a negative impact of SEK -1.7 million (pos: 3.1) on financial items. Sectra does not hedge its operations, and currency fluctuations therefore have an immediate impact on profit or loss or on comprehensive income. Profit after financial items amounted to SEK 101.3 million (77.5). This outcome corresponds to a profit margin of 14.0% (13.3). Earnings per share totaled SEK 0.42 (0.32).

Operating profit trend per operating area, SEK million

Compared with the corresponding period of the preceding fiscal year



Operating profit, Group, SEK



Financial position and cash flow

The Group's cash and cash equivalents at the end of the reporting period amounted to SEK 699.4 million (688.2).

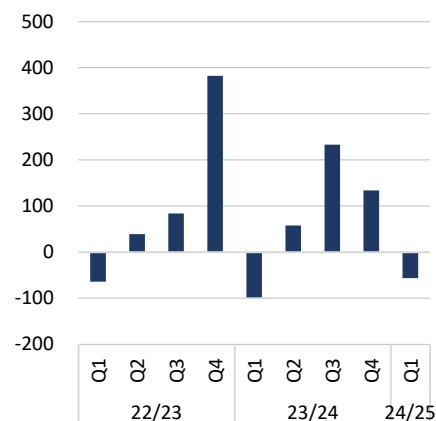
The Group's debt/equity ratio was 0.03 (0.06) as of the balance-sheet date. Interest-bearing lease liabilities decreased to SEK 45.9 million (78.0). The change was primarily due to the termination of the lease for Sectra's head office in conjunction with the acquisition of the property during the previous fiscal year.

Cash flow from operations amounted to SEK -56.7 million (-98.3) during the quarter. The change was primarily the result of a decrease in capital tied up in current receivables. Cash flow per share was SEK -0.29 (-0.51).

Cash flow from investing activities amounted to SEK -43.1 million (-38.9). Refer to the additional information about investments on the next page.

The Group's total cash flow for the period amounted to SEK -104.1 million (-144.0).

Cash flow from operations, Group, SEK million



Investments and depreciation/amortization

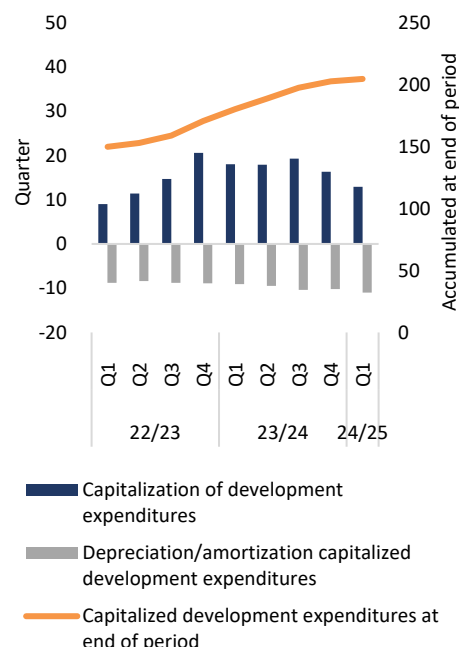
Investments amounted to SEK 43.1 million (38.9). Capitalized work for own use amounted to SEK 12.9 million (18.0). Capitalization includes the development of cloud-based services for medical diagnostics.

Depreciation/amortization totaled SEK 26.1 million (24.5). Of the outcome for the quarter, SEK 11.0 million (9.1) pertained to capitalized development expenditures. At the end of the period, capitalized development expenditures totaled SEK 204.7 million (180.2).

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. 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



Read Sectra's Annual Report and Sustainability Report

<https://investor.sectra.com/annual-reports>



OPERATING AREA IMAGING IT SOLUTIONS

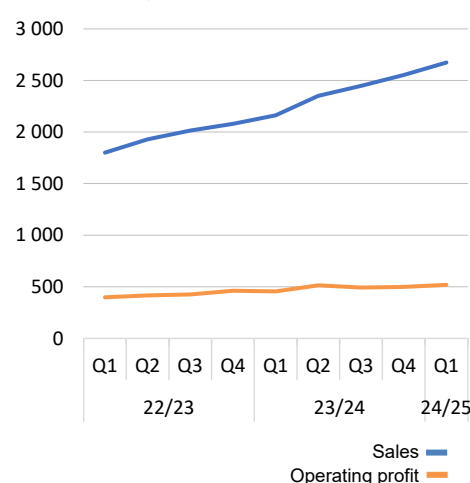
	Quarter			12 months		
	Q1 24/25	Q1 23/24	Δ %	R12 24/25	Full-year 23/24	Δ %
Sales, SEK million	639.9	518.6	23.4	2,672.9	2,551.6	4.8
of which external recurring revenue	448.9	370.7	21.1	1,687.5	1,609.3	4.9
of which external cloud recurring revenue (CRR)	117.6	83.0	41.7	412.9	378.3	9.1
Operating profit, SEK million	95.0	74.3	27.9	520.6	499.9	4.1
Operating margin, %	14.8	14.3	n/a	19.5	19.6	n/a

Imaging IT Solutions reported increased sales and earnings over the comparative quarter. All geographic regions contributed to the positive sales trend. Recurring revenue accounted for 70% of sales for the quarter, which was primarily a result of customers' growing use of medical imaging IT as a service. A large share of recurring revenue will promote 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. Non-recurring revenue also increased from the comparative quarter.

Profitability continued to be impacted by ongoing initiatives, the most extensive of which was the transition to becoming a service provider. 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 strong underlying growth in Sectra's operations, in combination with the fact that not all transactions pertain to subscription services yet, partially compensated for the dampening effects of the change in the business model. The transition will be favorable over the long term, especially because customers are satisfied and stay with us for a long time.

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 were for Sectra One Cloud. Now work is ongoing to prepare deliveries of customer orders so that they can go live with the services. 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.

Trend, SEK



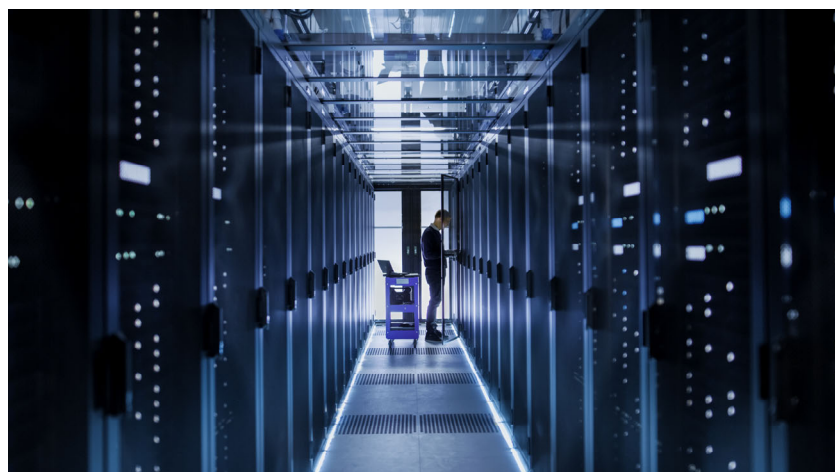
Cloud recurring revenue

+42%

over the
comparative quarter

Cloud services—Sectra helps customers make the transition

In the next five years, the majority of new customers are expected to purchase cloud-based services. Thanks to Sectra One Cloud, which includes services for all medical imaging IT, Sectra is well positioned to meet growing demand when customers are ready to replace traditional systems with cloud services.



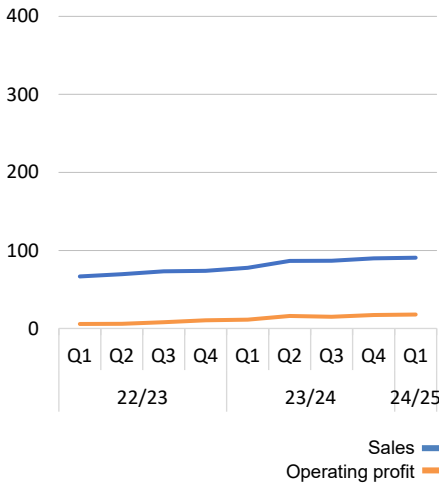
OPERATING AREA BUSINESS INNOVATION

	Quarter			12 months		
	Q1 24/25	Q1 23/24	Δ %	R12 24/25	Full-year 23/24	Δ %
Sales, SEK million	17.6	16.7	5.4	90.8	89.9	1.0
of which external recurring revenue	5.8	3.7	56.8	22.0	19.9	10.6
of which external cloud recurring revenue (CRR)	5.2	3.4	52.9	20.4	18.6	9.7
Operating profit/loss, SEK million	-0.3	-1.0	70.0	18.0	17.3	4.0
Operating margin, %	neg	neg	n/a	19.8	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.

Recurring revenue is growing quickly, and the financial outcome in terms of sales and operating profit is on par with the comparative quarter. 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



Better and more effective cancer care—hospitals in the US first to use Sectra's new service for genomics

Analyses of genetic information (genomics) are an important part of choosing the best possible treatment for each patient. Care based on genetic information is often called precision medicine, one of the fastest-growing areas within diagnostics.

Growing volumes of analyses represent a challenge for healthcare. Sectra has developed a diagnostics IT module for genomics to help customers improve and streamline the management of analyses within molecular pathology. The module was developed together with the University of Pennsylvania Health System in the US, which initiated clinical use of the solution during the first quarter. The module is sold as a service and is integrated with Sectra's modules for radiology and pathology imaging.

Cloud recurring revenue

+53%
over the
comparative quarter



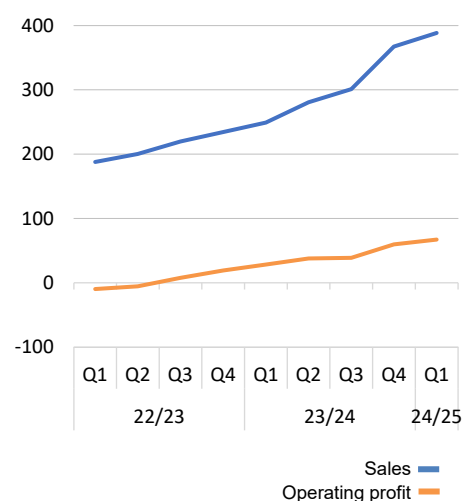
OPERATING AREA SECURE COMMUNICATIONS

	Quarter			12 months		
	Q1 24/25	Q1 23/24	Δ %	R12 24/25	Full-year 23/24	Δ %
Sales, SEK million	77.5	56.3	37.7	388.6	367.4	5.8
of which external recurring revenue	27.3	22.8	19.7	99.4	94.9	4.7
Operating profit, SEK million	10.1	2.6	288.5	67.3	59.8	12.5
Operating margin, %	13.0	4.6	n/a	17.3	16.3	n/a

Secure Communications reported the best first quarter for the operating area to date, in terms of sales as well as earnings. There is great demand for cybersecurity for the defense forces, authorities and critical infrastructure, and we are well positioned with offerings that meet customers' stringent demands. Order bookings during the first quarter included development assignments and product sales as well as support and service commitments. Sectra received various orders, including orders pertaining to the further development and serial deliveries of Tiger/S and network encryptors to existing customers. Existing customers also extended and expanded agreements, both for support of secure communications and for security monitoring of critical infrastructure.

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. Operating profit took a significant step in the right direction and, since the previous fiscal year, has made growing contributions 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.

Trend, SEK



Network encryptors for the highest security classification and large amounts of data

Sectra offers advanced and powerful network encryptors for protecting classified information that flows in the networks between civilian and military authorities. The products handle large amounts of data at a high level of performance. They are approved for the highest security classification, Top Secret.

OTHER OPERATIONS

	Quarter			12 months		
	Q1 24/25	Q1 23/24	Δ %	R12 24/25	Full-year 23/24	Δ %
Sales, SEK million	47.3	34.6	36.7	177.6	164.9	7.8
Operating loss, SEK million	-9.1	-6.5	-40.0	-61.7	-59.1	-4.4
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 quarter 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 17. 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).

2024 AGM AND PROPOSED SHARE REDEMPTION PROGRAM

The AGM will be held on September 10, 2024 in Linköping, Sweden. Visit <https://investor.sectra.com/agm2024> for further information and documents.

Proposed share redemption program/dividend

For the 2023/2024 fiscal year, the Board and the President propose that the AGM resolve to distribute SEK 1.10 per share to the shareholders through a 2:1 share split in combination with a mandatory redemption process. The corresponding distribution to the shareholders in the preceding year was SEK 1.10 per share. The proposal was announced in Sectra's year-end report published on June 5, 2024.

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.sectra.com/agm2023>. 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: September 6, 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/q1report2425>.

Financial calendar and AGM

2024 AGM September 10, 2024 at 3:30 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 08:15 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 from May 1 to July 31, 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 Örneus
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. The information was submitted for publication, through the agency of Sectra's contact person set out below, at 8:15 a.m. (CEST) on September 6, 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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Net sales (Note 4)	723,836	583,739	3,103,704	2,963,607
Capitalized work for own use	12,915	17,970	66,519	71,574
Other operating income	2,729	1,320	6,797	5,388
Total income	739,480	603,029	3,177,020	3,040,569
Goods for resale	-103,285	-71,079	-463,424	-431,218
Personnel costs	-380,144	-319,715	-1,497,337	-1,436,908
Other external costs	-130,088	-118,385	-562,202	-550,499
Depreciation/amortization and impairment	-26,148	-24,537	-105,745	-104,134
Total operating expenses	-639,665	-533,716	-2,628,708	-2,522,759
Operating profit	99,815	69,313	548,312	517,810
Total financial items	1,445	8,213	28,196	34,964
Profit after financial items	101,260	77,526	576,508	552,774
Taxes	-20,859	-15,970	-129,275	-124,386
Profit for the period	80,401	61,556	447,233	428,388
Profit for the period attributable to:				
Parent Company owners	80,401	61,556	447,233	428,388
Earnings per share				
Before dilution, SEK	0.42	0.32	2.32	2.22
After dilution, SEK (Note 3)	0.42	0.32	2.32	2.22

Consolidated statement of comprehensive income

SEK thousand	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Profit for the period	80,401	61,556	447,233	428,388
Items that may be reversed in profit or loss				
Translation differences	-3,450	20,894	3,655	27,999
Total other comprehensive income for the period	-3,450	20,894	3,655	27,999
Total comprehensive income for the period	76,951	82,450	450,888	456,387
Comprehensive income for the period attributable to:				
Parent Company owners	76,951	82,450	450,888	456,387

Condensed consolidated balance sheets

SEK thousand	Jul 31, 2024	Jul 31, 2023	Apr 30, 2024
Assets			
Intangible assets and goodwill	263,633	248,631	262,330
Tangible assets	228,015	74,306	227,040
Right-of-use assets	68,539	80,776	35,241
Financial assets	165,157	133,265	155,189
Deferred tax assets	8,630	6,779	8,990
Total fixed assets	733,974	543,757	688,790
Accounts receivable	566,537	431,692	571,661
Other current assets	43,769	67,772	60,218
Prepaid expenses and accrued income	1,128,297	876,756	1,085,629
Short-term investments	–	120,000	–
Cash and bank balances	699,355	688,210	804,640
Total current assets	2,437,958	2,184,430	2,522,148
Total assets	3,171,932	2,728,187	3,210,938
Equity and liabilities			
Equity	1,654,220	1,386,349	1,569,591
Deferred tax liabilities	6,721	6,095	7,038
Provisions	33,729	13,685	26,342
Non-current lease liabilities	32,812	52,135	19,204
Total long-term liabilities	73,262	71,915	52,584
Provisions	3,364	3,158	2,637
Current lease liabilities	13,072	25,865	12,584
Other current liabilities	164,303	136,938	218,573
Accrued expenses and deferred income	1,263,711	1,103,962	1,354,969
Total current liabilities	1,444,450	1,269,923	1,588,763
Total equity and liabilities	3,171,932	2,728,187	3,210,938

Consolidated cash-flow statements

SEK thousand	3 months May–Jul 2024	3 months May–Jul 2023	Full-year May–Apr 2023/2024
Operating activities			
Operating profit	99,815	69,313	517,810
Adjustment for non-cash items	47,491	38,888	142,681
Interest received	3,731	5,597	25,991
Interest paid	-561	-434	-3,284
Income tax paid	-70,199	-32,632	-118,291
Cash flow from operations before changes in working capital	80,277	80,732	564,907
Changes in working capital			
Change in inventories	-11,412	-1,080	-21,541
Change in receivables	-28,435	-64,075	-408,649
Change in current liabilities	-97,146	-113,875	191,609
Cash flow from operations	-56,716	-98,298	326,326
Investing activities			
Acquisitions of intangible assets	-12,914	-18,599	-72,210
Acquisitions of tangible assets	-30,169	-20,301	-178,532
Repayment of short-term investment	–	–	120,000
Cash flow from investing activities	-43,083	-38,900	-130,742
Financing activities			
Repayment of lease liabilities	-4,336	-6,786	-10,268
Redemption of shares	–	–	-211,935
Cash flow from financing activities	-4,336	-6,786	-222,203
Cash flow for the period	-104,135	-143,985	-26,619
Cash and cash equivalents, opening balance	804,640	825,242	825,242
Exchange-rate difference in cash and cash equivalents	-1,150	6,953	6,017
Cash and cash equivalents, closing balance	699,355	688,210	804,640

Condensed consolidated statement of changes in equity

SEK thousand	3 months May–Jul 2024	3 months May–Jul 2023	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	76,951	82,450	456,387
Dividend/redemption of shares	–	–	-211,935
Share-based payments	7,678	7,230	28,470
Equity at end of period	1,654,220	1,386,349	1,569,591

PARENT COMPANY

Condensed Parent Company income statements

SEK thousand	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Net sales	47,356	34,874	179,743	167,261
Capitalized work for own use	1,221	1,106	5,651	5,536
Other operating income	17	10	613	606
Total income	48,594	35,990	186,007	173,403
Goods for resale	-10,577	-3,539	-28,972	-21,934
Personnel costs	-17,595	-14,385	-78,338	-75,128
Other external costs	-31,986	-25,686	-149,775	-143,475
Depreciation/amortization	-446	-399	-1,758	-1,711
Total operating expenses	-60,604	-44,009	-258,843	-242,248
Operating loss	-12,010	-8,019	-72,836	-68,845
Total financial items	1,471	69,479	60,839	128,847
Profit/loss after financial items	-10,539	61,460	-11,997	60,002
Appropriations	–	–	427,350	427,350
Profit/loss before tax	-10,539	61,460	415,353	487,352
Tax on earnings for the period	–	5	-81,752	-81,747
Profit/loss for the period	-10,539	61,465	333,601	405,605

Parent Company statement of comprehensive income

SEK thousand	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Profit/loss for the period	-10,539	61,465	333,601	405,605
Total comprehensive income for the period	-10,539	61,465	333,601	405,605

Condensed Parent Company balance sheets

SEK thousand	Jul 31, 2024	Jul 31, 2023	Apr 30, 2024
Assets			
Intangible assets	10,405	4,752	9,183
Tangible assets	7,240	5,266	6,336
Financial assets	375,074	256,321	367,480
Total fixed assets	392,719	266,340	382,999
Accounts receivable	945	0	421
Receivables from Group companies	856,651	533,885	798,354
Other current assets	23,647	34,703	26,085
Short-term investments	–	120,000	–
Cash and bank balances	569,805	517,342	683,564
Total current assets	1,451,048	1,205,930	1,508,424
Total assets	1,843,767	1,472,270	1,891,423
Equity and liabilities			
Restricted equity	275,684	270,032	274,463
Unrestricted equity	777,416	632,900	781,922
Total equity	1,053,100	902,932	1,056,385
Provisions	3,069	1,214	2,685
Current liabilities	787,598	568,124	832,353
Total equity and liabilities	1,843,767	1,472,270	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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
At the end of the period	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

¹ Before and after dilution.

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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Imaging IT Solutions	639.9	518.6	2,672.9	2,551.6
Secure Communications	77.5	56.3	388.6	367.4
Business Innovation	17.6	16.7	90.8	89.9
Other Operations	47.3	34.6	177.6	164.9
Group eliminations	-58.5	-42.5	-226.2	-210.2
Total	723.8	583.7	3,103.7	2,963.6

Operating profit/loss by business segment

SEK million	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Imaging IT Solutions	95.0	74.3	520.6	499.9
Secure Communications	10.1	2.6	67.3	59.8
Business Innovation	-0.3	-1.0	18.0	17.3
Other Operations	-9.1	-6.5	-61.7	-59.1
Group eliminations	4.1	-0.1	4.1	-0.1
Total	99.8	69.3	548.3	517.8

Sales by geographic market

SEK million	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
United States	179.0	149.6	855.6	826.2
Sweden	132.9	104.9	612.6	584.6
United Kingdom	156.7	118.6	616.2	578.1
Netherlands	48.8	38.7	194.1	184.0
Rest of Europe	138.4	121.5	576.4	559.5
Rest of World	68.0	50.4	248.8	231.2
Total	723.8	583.7	3,103.7	2,963.6

Recurring and non-recurring external revenue by business segment

Group

SEK million	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Recurring revenue	482.3	397.2	1,810.0	1,724.9
Of which cloud recurring revenue, CRR	122.8	86.4	433.3	396.9
Non-recurring revenue	241.5	186.5	1,293.7	1,238.7
Total	723.8	583.7	3,103.7	2,963.6
Share of recurring revenue, %	66.6	68.0	58.3	58.2

Imaging IT Solutions

SEK million	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Recurring revenue	448.9	370.7	1,687.5	1,609.3
Of which cloud recurring revenue, CRR	117.6	83.0	412.9	378.3
Non-recurring revenue	190.1	148.3	979.8	938.0
Total	639.0	519.0	2,667.3	2,547.3
Share of recurring revenue, %	70.3	71.4	63.3	63.2

Secure Communications

SEK million	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Recurring revenue	27.3	22.8	99.4	94.9
Of which cloud recurring revenue, CRR	–	–	–	–
Non-recurring revenue	50.1	33.5	288.5	271.9
Total	77.4	56.3	387.9	366.8
Share of recurring revenue, %	35.3	40.5	25.6	25.9

Business Innovation

SEK million	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Recurring revenue	5.8	3.7	22.0	19.9
Of which cloud recurring revenue, CRR	5.2	3.4	20.4	18.6
Non-recurring revenue	1.2	4.8	25.1	28.7
Total	7.0	8.5	47.1	48.6
Share of recurring revenue, %	82.9	43.5	46.7	40.9

Other Operations

SEK million	3 months May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Recurring revenue	0.3	0.0	1.1	0.8
Of which cloud recurring revenue, CRR	–	–	–	–
Non-recurring revenue	0.2	–	0.2	–
Total	0.5	0.0	1.3	0.8
Share of recurring revenue, %	60.0	100.0	84.6	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 Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Recurring revenue from customer contracts that have concluded or not been renewed	7,511	7,247
Recurring revenue	1,810,088	1,724,940
Share of recurring revenue, %	0.4	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

	Jul 31, 2024	Jul 31, 2023	Apr 30, 2024
Equity, SEK thousand	1,654,220	1,386,349	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	8.59	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	Jul 31, 2024	Jul 31, 2023	Apr 30, 2024
Non-interest-bearing liabilities	1,471,828	1,263,838	1,609,559
Interest-bearing liabilities	45,884	78,000	31,788
Total liabilities	1,517,712	1,341,838	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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Cash flow from operations, SEK thousand	-56,716	-98,298	367,907	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
Cash flow per share before and after dilution, SEK	-0.29	-0.51	1.91	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 Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Contracted order bookings	3,868,489	6,223,476
Net sales	3,103,704	2,963,607
Ratio of contracted order bookings to net sales	1.25	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	Jul 31, 2024	Jul 31, 2023	Apr 30, 2024
Current assets	2,437,958	2,184,430	2,522,148
Unutilized overdraft facilities	15,000	15,000	15,000
Current liabilities	1,444,450	1,269,923	1,588,763
Liquidity	1.7	1.7	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 May–Jul 2024	3 months May–Jul 2023	Full-year May–Apr 2023/2024
Nominal change, %	24.0	20.6	26.1
Exchange-rate effect, %	0.7	-6.4	-3.1
Change in unadjusted exchange rates, %	24.7	14.2	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 May–Jul 2024	3 months May–Jul 2023	Full-year May–Apr 2023/2024
Nominal change, %	44.0	7.7	13.6
Exchange-rate effect, %	1.8	-13.0	-5.6
Change in unadjusted exchange rates, %	45.8	-5.3	8.0

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 – recurring revenue

	3 months May–Jul 2024	3 months May–Jul 2023	Full-year May–Apr 2023/2024
Nominal change, %	21.4	27.9	26.8
Exchange-rate effect, %	0.6	-6.5	-3.1
Change in unadjusted exchange rates, %	22.0	21.4	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 Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Share price at end of period	243.40	219.20
Earnings per share for the rolling 12-month period	2.32	2.22
P/E ratio, multiple	104.9	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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Profit for the period, SEK thousand	80,401	61,556	447,233	428,388
Average number of shares before and after dilution	192,667,489	192,667,489	192,667,489	192,667,489
Earnings per share before and after dilution, SEK	0.42	0.32	2.32	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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Profit for the period	80,401	61,556	447,233	428,388
Equity at start of period	1,569,591	1,296,669	1,386,349	1,296,669
Equity at end of period	1,654,220	1,386,349	1,654,220	1,569,591
Average equity	1,611,906	1,341,509	1,520,285	1,433,130
Return on equity, %	5.0	4.6	29.4	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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Profit after financial items	101,260	77,526	576,508	552,774
Financial expenses	-561	-424	-3,421	-3,284
Average capital employed	1,650,742	1,421,640	1,582,227	1,490,155
Return on capital employed, %	6.2	5.5	36.7	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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Operating profit	99,815	69,313	548,312	517,810
Net sales	723,836	583,739	3,103,704	2,963,607
Operating margin, %	13.8	11.9	17.7	17.5

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

	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Operating profit, SEK thousand	548,312	517,810
Number of shares before dilution	192,667,489	192,667,489
Operating profit per share, SEK	2.85	2.69

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

SEK thousand	Jul 31, 2024	Jul 31, 2023	Apr 30, 2024
Interest-bearing liabilities	45,884	78,000	31,788
Equity	1,654,220	1,386,349	1,569,591
Debt/equity ratio	0.03	0.06	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	Jul 31, 2024	Jul 31, 2023	Apr 30, 2024
Equity	1,654,220	1,386,349	1,569,591
Total assets	3,171,932	2,728,187	3,210,938
Equity/assets ratio, %	52.2	50.8	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	Jul 31, 2024	Jul 31, 2023	Apr 30, 2024
Total assets	3,171,932	2,728,187	3,210,938
Non-interest-bearing liabilities	1,471,828	1,263,838	1,609,559
Capital employed	1,700,104	1,464,349	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 Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Operating profit per share before dilution	2.85	2.69
Operating profit per share before dilution five years earlier	1.20	1.23
Growth in operating profit per share before dilution over a five-year period, %	138.0	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.

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 May–Jul 2024	3 months May–Jul 2023	12 months Aug 2023– Jul 2024	Full-year May–Apr 2023/2024
Profit after financial items	101,260	77,526	576,508	552,774
Net sales	723,836	583,739	3,103,704	2,963,607
Operating margin, %	14.0	13.3	18.6	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**

	3 months Jul 31, 2024	3 months Jul 31, 2023	12 months Jul 31, 2024	Full-year Apr 30, 2024
Contracted order bookings, SEK million	615.0	2,970.0	3,868.5	6,223.5
of which guaranteed order bookings, SEK million	543.1	344.4	3,418.1	3,219.4
Operating margin, %	13.8	11.9	17.7	17.5
Profit margin, %	14.0	13.3	18.6	18.7
Average no. of employees	1,222	1,112	1,168	1,140
Cash flow per share, SEK ^{1,2}	-0.29	-0.51	1.91	1.69
P/E ratio, multiple	n/a	n/a	104.9	98.7
Share price at end of period, SEK	243.40	168.60	243.40	219.20
Return on equity, %	5.0	4.6	29.4	29.9
Return on capital employed, %	6.2	5.5	36.7	37.3
Equity/assets ratio, %	52.2	50.8	52.2	48.9
Liquidity ratio, multiple	1.7	1.7	1.7	1.6
Equity per share, SEK ²	8.59	7.20	8.59	8.15

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

Condensed consolidated income statements by quarter

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

Key figures by quarter

	2024/2025	2023/2024				2022/2023			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Contracted order bookings, SEK million	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	543.1	762.3	1,652.5	460.1	344.4	811.6	484.0	605.6	705.3
Recurring revenue, SEK million	482.3	463.5	434.7	429.6	397.2	376.6	356.4	316.4	310.4
of which cloud services (CRR)	122.8	113.8	103.2	93.4	86.4	72.9	72.1	59.6	50.0
Operating margin, %	13.8	22.0	10.7	22.4	11.9	27.2	15.0	19.2	13.3
Earnings per share, SEK ¹	0.42	0.82	0.30	0.78	0.32	0.80	0.38	0.49	0.28
Cash flow per share, SEK ¹	-0.29	0.69	1.21	0.30	-0.51	1.98	0.43	0.20	-0.33
Return on equity, %	5.0	10.7	4.2	11.0	4.6	12.7	6.5	8.5	4.9
Return on capital employed, %	6.2	14.2	5.3	13.5	5.5	15.6	7.8	10.2	5.8
Equity/assets ratio, %	52.2	48.9	49.2	49.8	50.8	47.4	50.4	52.3	54.9
Equity per share, SEK ¹	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	243.40	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 May–Jul 2024	3 months May–Jul 2023	Δ %	Jul 31, 2024	Jul 31, 2023	Δ %
US dollar, 1 USD	10.63	10.67	-0.4	10.69	10.46	2.2
Euro, 1 EUR	11.45	11.62	-1.5	11.56	11.53	0.3
British pound, 1 GBP	13.54	13.52	0.1	13.73	13.47	1.9

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.