

March 9, 2022

Nine-month interim report



SECTRA

Agenda

1. Intro and Q3 highlights

CEO and President Torbjörn Kronander

2. Financial development

CFO Mats Franzén

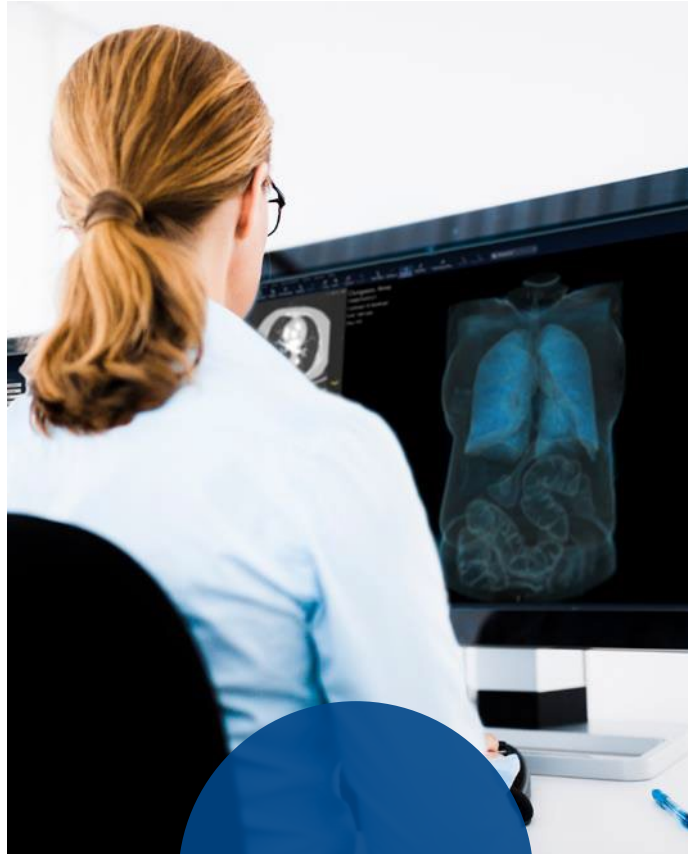
3. Sectra's way forward

CEO and President Torbjörn Kronander

4. Q&A session

Via chat function and email

The value we create for customers



Imaging IT



Business
Innovation



Secure
Communications

Q3 highlights

Torbjörn Kronander

The industry's most satisfied customers for the 9th consecutive year

Sectra Enterprise Imaging

— with Best in KLAS winning PACS



sectra.com/KLAS

SECTRA

Nine-month figures 21/22:

Satisfied customers – best way to grow

Net sales

+17.5%

SEK 1,300 million

Profit/share

+49.1%

SEK 1.05

Recurring revenue

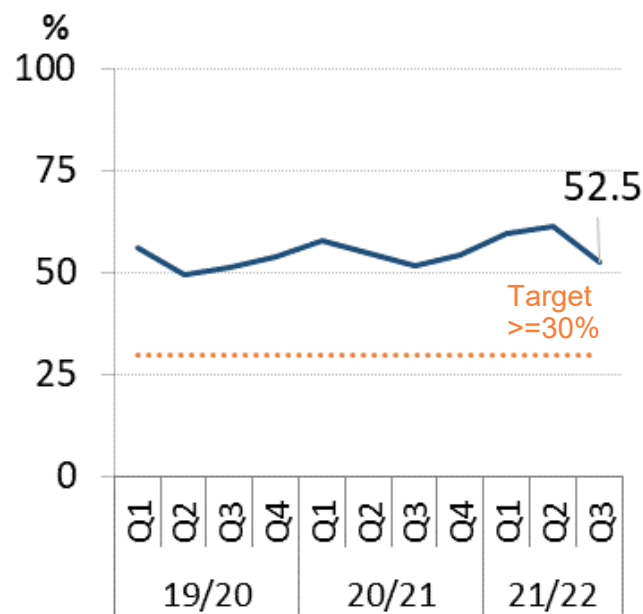
+11.9%

SEK 800 million

Financial targets for the Group fulfilled

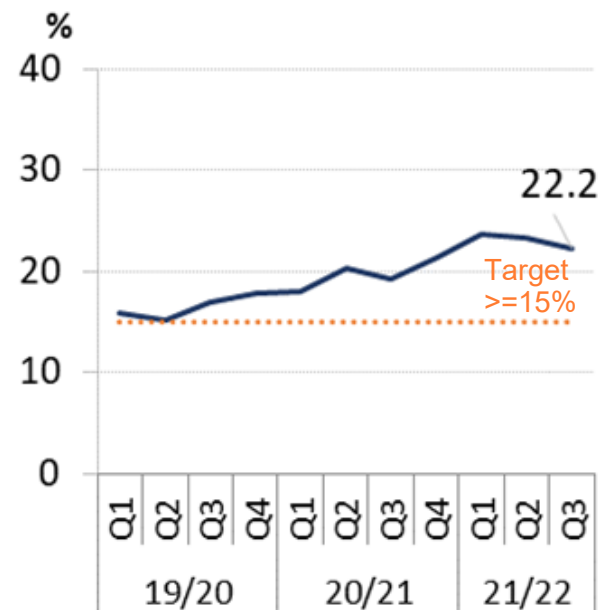
1. Stability

Equity/Assets ratio



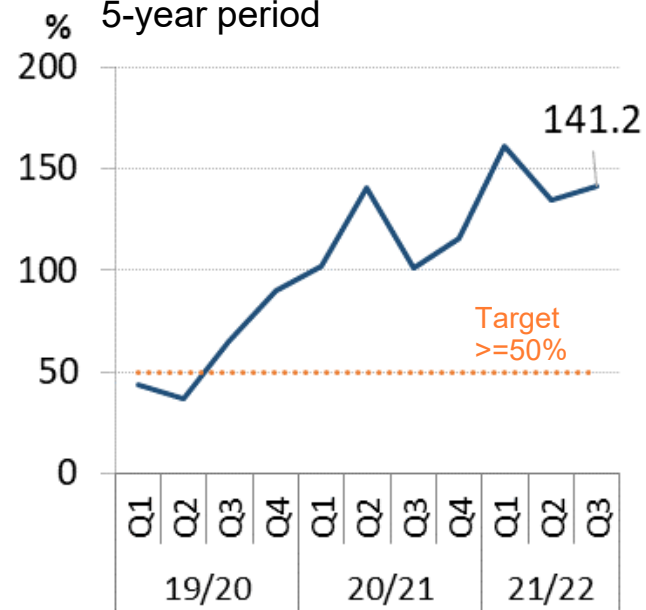
2. Profitability

Operating margin



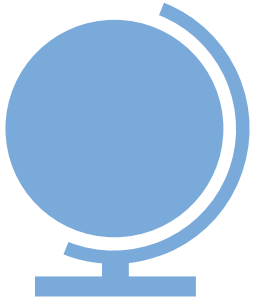
3. Growth of profits

EBIT/share growth over a 5-year period

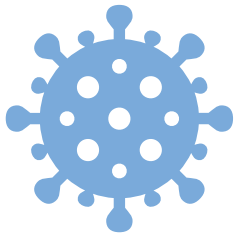


Priority

Specific uncertainties



Invasion of Ukraine

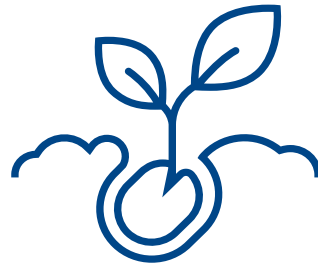


COVID-19-pandemic

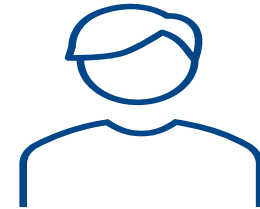
Secure Communications – Q3 highlights



Five-year framework
agreement with the Dutch
Ministry of Defense



Inadequate financial
development, strong
impact from pandemic



New acting
President from
Jan 1, 2022

Secure Communications impact of the Ukraine crisis

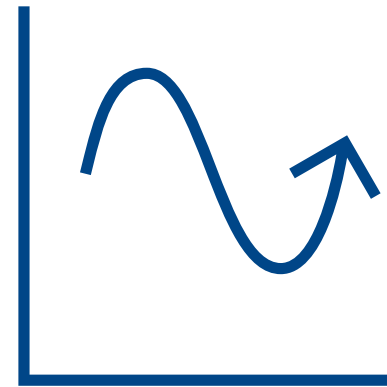
- » Increasing interest but slow market



Business Innovation – Q3 highlights



Region Vestfold 1st in
Norway with Sectra
Implant Movement
Analysis



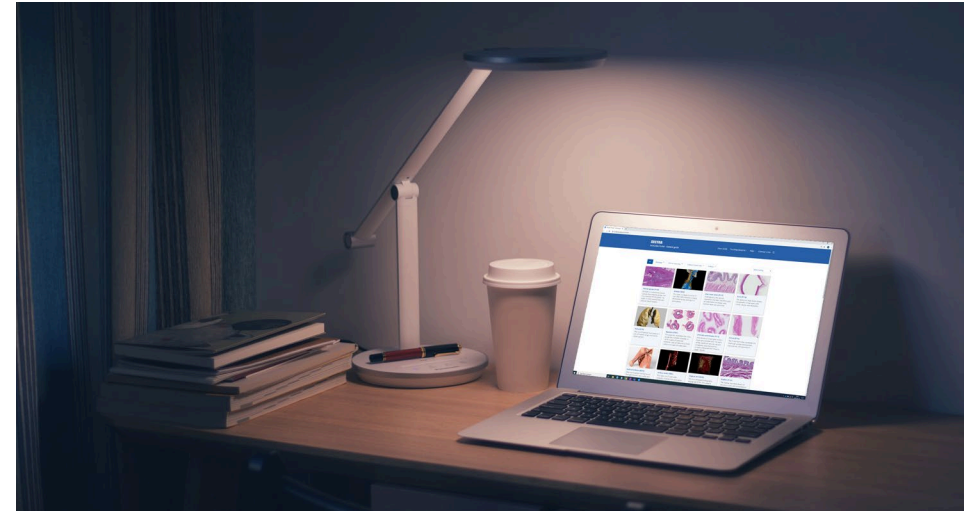
Results vary significantly
between quarters in
the relatively small
business units. Focus is
increasing recurring revenue.

Business Innovation growth initiatives



New orthopaedics areas

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



Medical Education transition

- » From device delivery to a service including cloud-based content subscriptions
- » Remote and modern teaching demand.

Business Innovation growth initiatives

Research

Focus on AI for medical applications
and future applications and areas

Imaging IT Solutions – Q3 highlights



Emory Healthcare (US)
expanded enterprise
imaging contract to
incl. **digital pathology**



Sectra One
subscription service
ordered by
MUSC Health (US)



Ophthalmology
module deployed
at major
US customer

Imaging IT Solutions growth initiatives

- » New markets, direct and indirect
 - ✓ Expanding indirect sales region to South America
- » Enterprise Imaging, including:
 - ✓ Digital pathology and integrated diagnostics
 - ✓ Cardiology
 - ✓ Ophthalmology (new)
- » Focus US
 - ✓ The world's largest market
 - ✓ Sectra tops customer satisfaction
 - ✓ Small, but growing, market share



Financial development

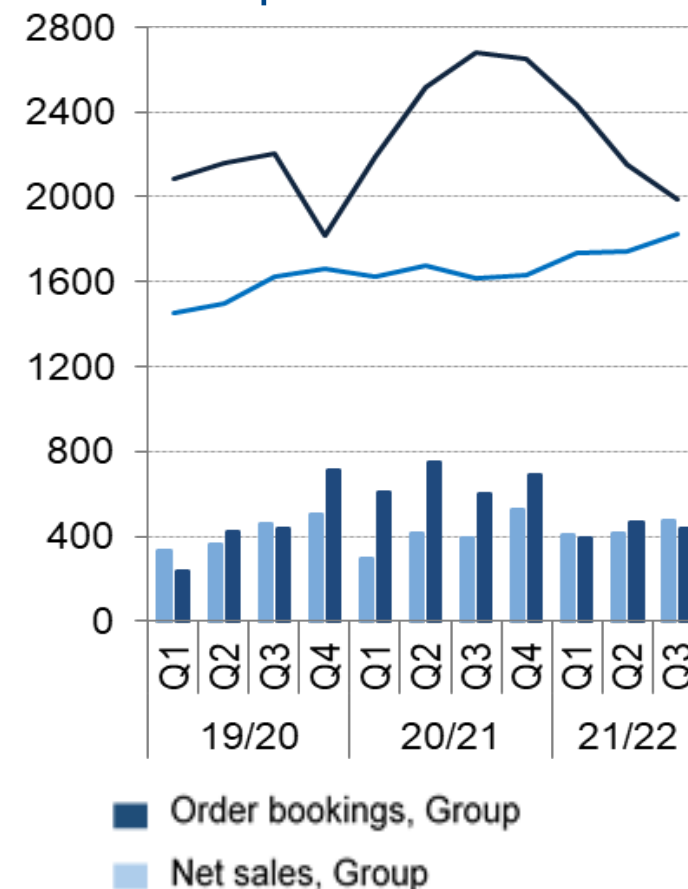
Mats Franzén, CFO

Order bookings and net sales

SEK million

- » 9-month order intake was SEK 1,302.8 M, down 33.6%
 - » Net sales SEK 1,300.1 M, up 17.5%
 - » Weaker SEK has strong positive Q3 impact
- | | 3 rd quarter | 9 months |
|-------|-------------------------|----------|
| ■ USD | +9.7 % | -0.3 % |
| ■ EUR | +2.1% | -1.3 % |
| ■ GBP | +8.9 % | +4.8 % |

The Group

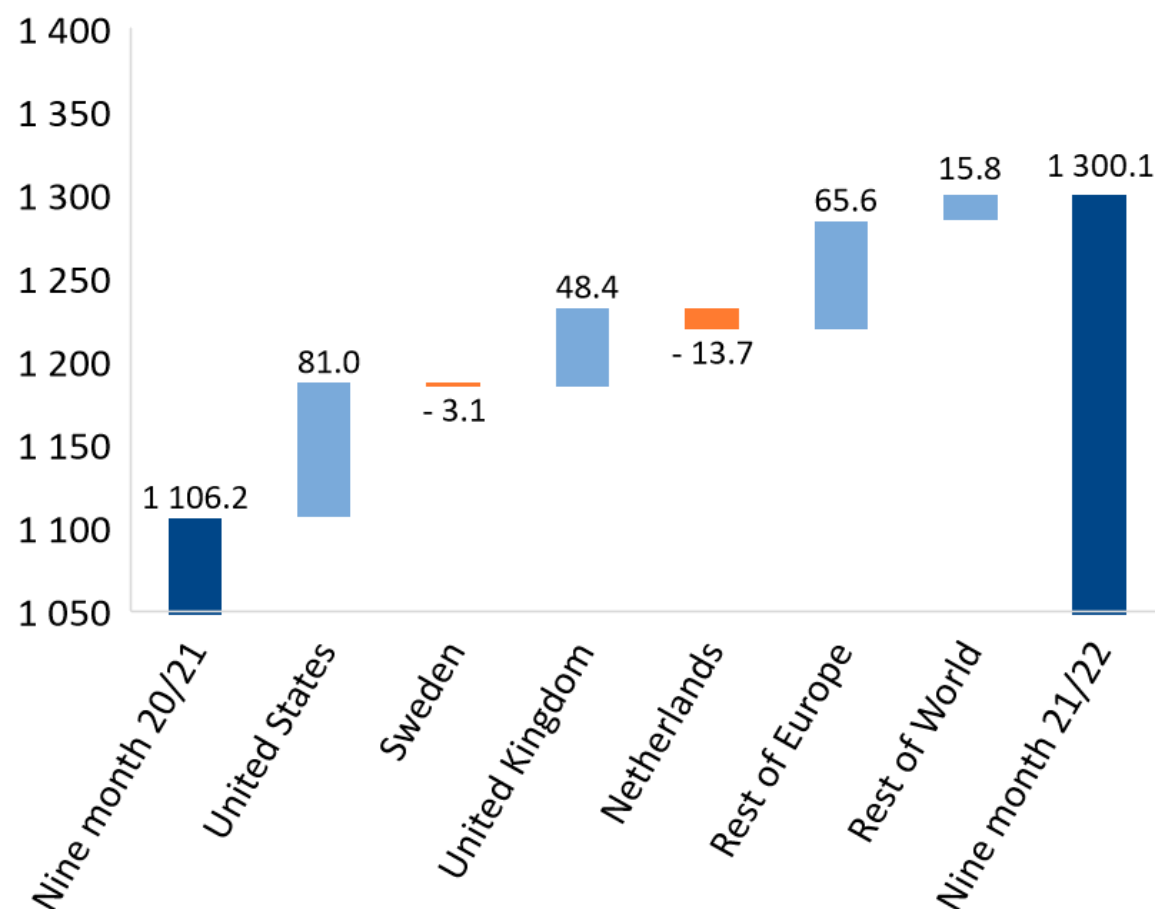


Average exchange rates compared with the average rates in the preceding year

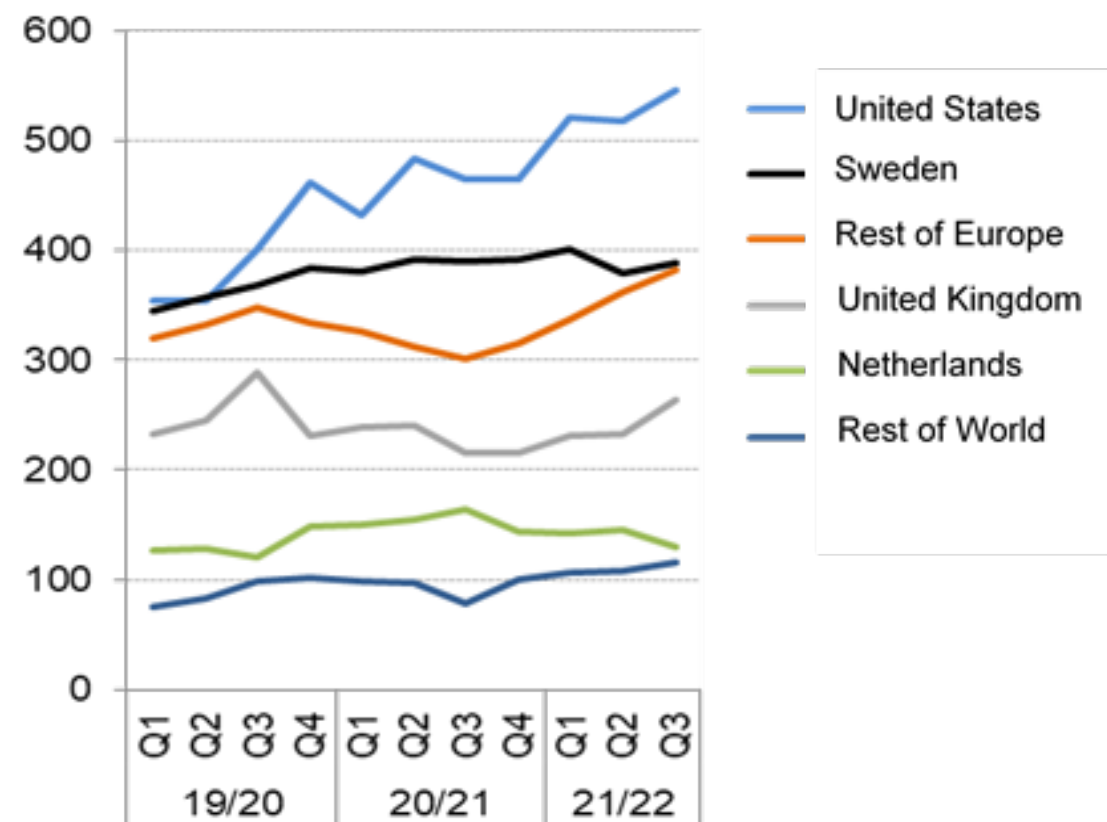
Sales by geographic market

SEK million

Trend by market



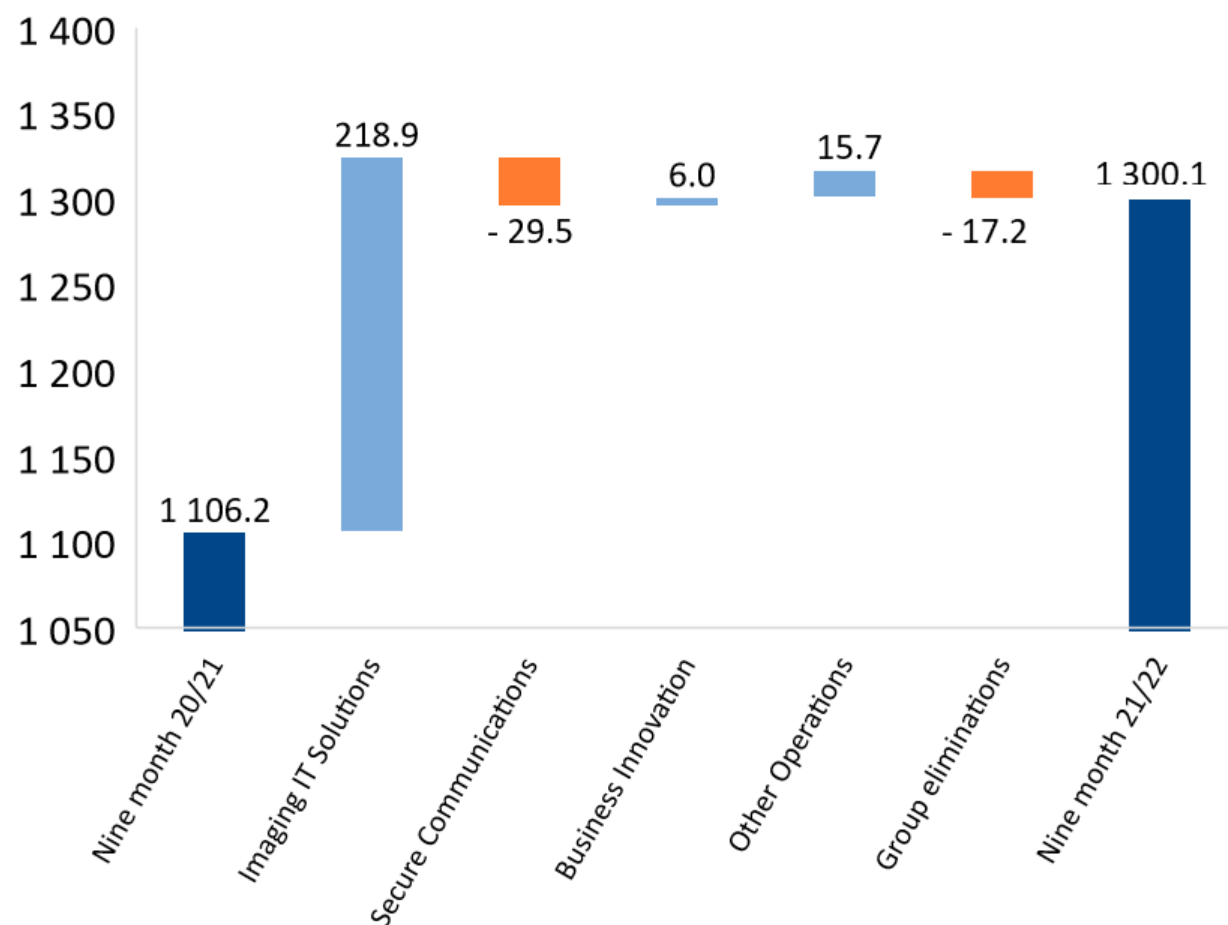
Trend 12-month rolling



Sales by business segment

SEK million

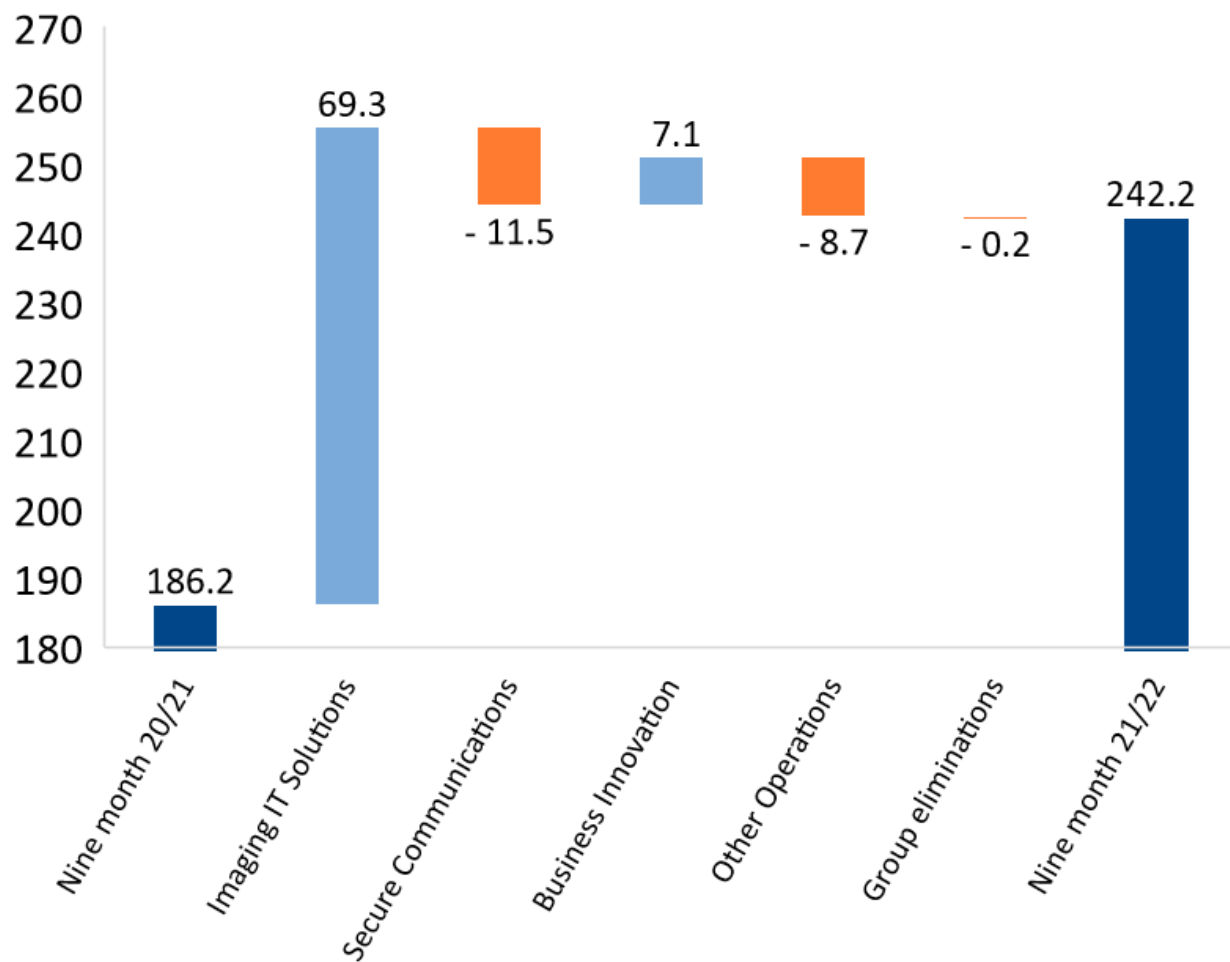
Trend by operating area



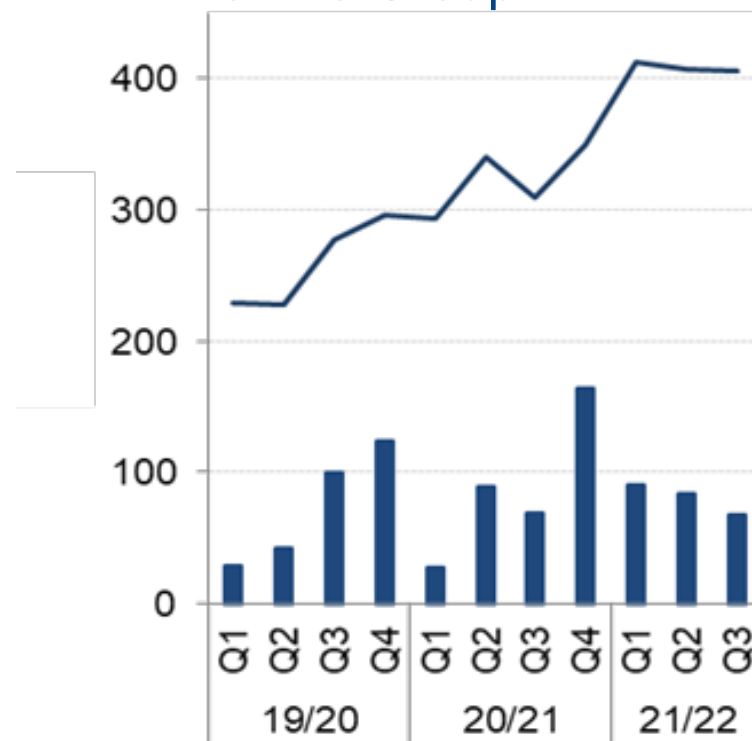
Operating profit

SEK million

By operating area



Trend 12-month rolling for the Group

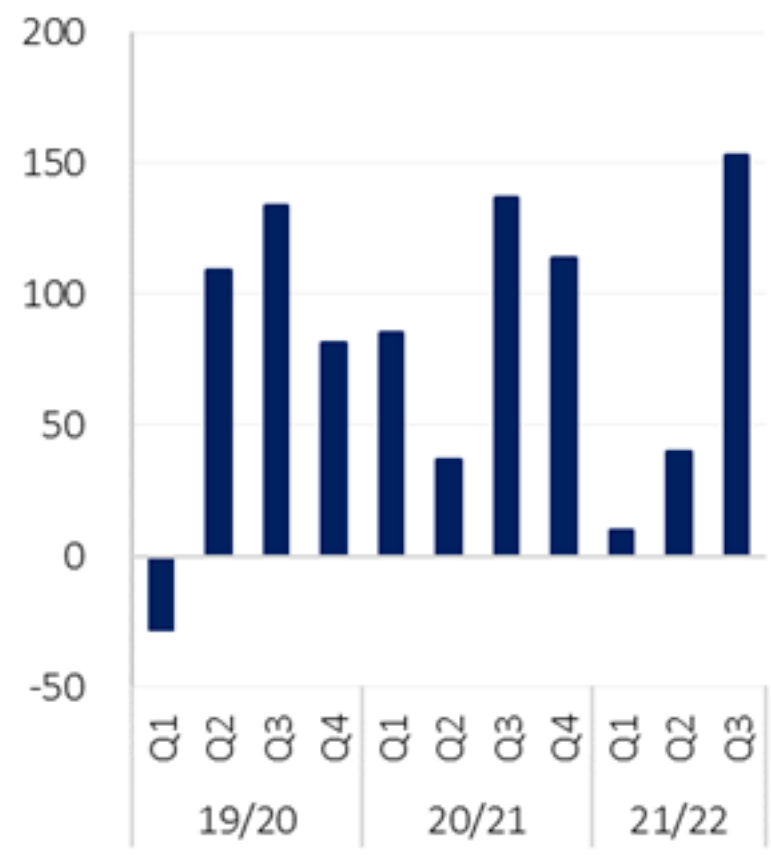


Cash flow

SEK million

- » Increased operating profit
- » Q3 strong cash flow as historically and expected, although...
- » ... current receivables tied more cash than the comparable 9 months period

Cash flow after changes in working capital



Sectra's way forward

Torbjörn Kronander

SECTRA

Focus forward



High customer
satisfaction



Employees and
culture



Profitable
growth



Skate to where
the puck is
going to be

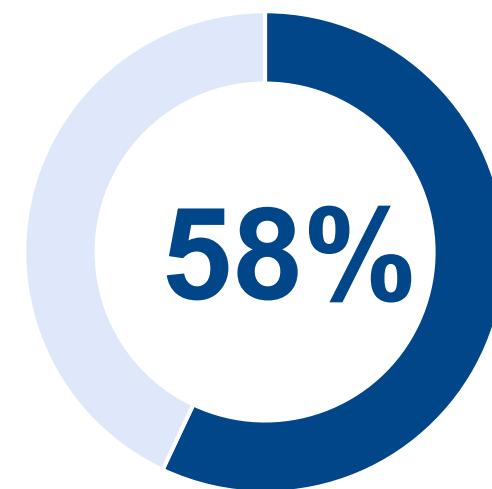
Choose your markets

- » Growth is easier in growing markets
- » Healthcare IT and cyber security –
Both are markets where society
dynamics enforces growth



Increasing recurring revenue

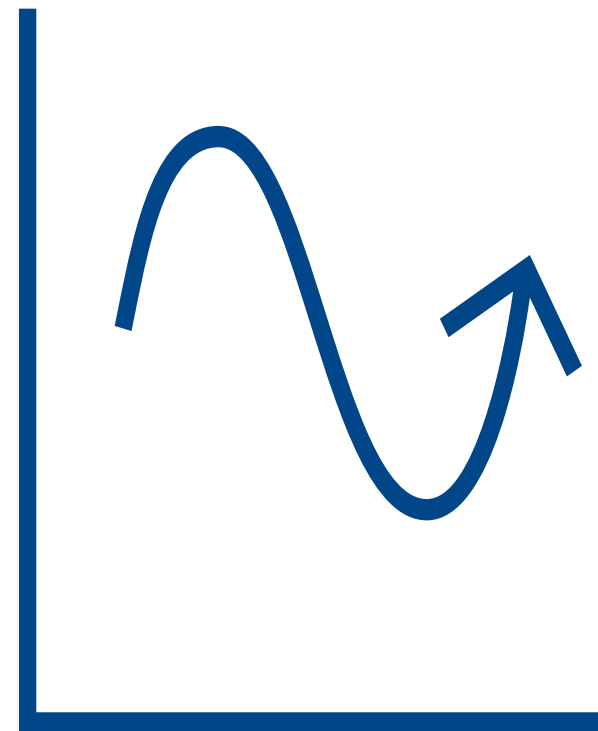
- » Large interest in “pay per usage”
- » The Sectra One subscription model will dominate future sales in medical IT
- » Transition will be over several years
- » During the transition apparent revenue growth will be smaller, despite large growth in real usage
- » Long term the financial effects will be strongly positive



Share of recurring revenue
12-month rolling

Seasonal patterns

- » Order intake variation will continue to be very large and is increasing due to healthcare consolidation (large deals)
- » Revenue and profit variation will gradually decrease.
- » Can be seen as quarterly variation for 9-month 21/22 more even than our historical pattern.



"Skate to where the puck is going to be"

Examples:

» Imaging IT systems

- Consolidated hospitals and IT systems
- Enterprise medical imaging, a "Pixel-EMR"
- New "ologies", Pathology, Ophthalmology...

» Cybersecurity

- Secure mobile workplaces
- High speed high security network infrastructure
- Expecting increasing demand due to crisis

» Business innovation

- The entire image-based orthopedics planning and follow up process
- Lifelong education of medical staff



Philosophy shareholders

If you have:

- » Happy customers
- » Happy employees
- » A good position in growing markets
- » Perseverance and reasonable cost control

Then shareholders WILL be happy

Upcoming financial reports and the AGM

- » June 3, 2022 Year-end report
- » September 8, 2022 Annual General Meeting

Your feedback is important!

Please let us know what you think.

Send an email to: info.investor@sectra.com

Questions?

If you follow online, please use the chat function.

SECTRA

Knowledge and passion