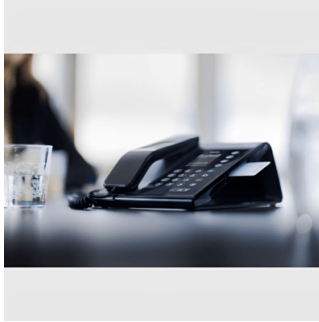

Sectra's 2023/24 Interim: Eleventh Year with Industry's Most Satisfied Clients



International medical imaging IT and cybersecurity company [Sectra's](#) enterprise imaging module for radiology once again received a top ranking in customer satisfaction surveys in the US, Canada and Europe. Satisfied and loyal customers are the basis for growth in all operating areas and contributed to order bookings surpassing SEK 5 billion during the nine-month period.

Quarter (November 2023–January 2024) in figures

- Contracted order bookings rose 237.5% to SEK 1,853.6 million (549.2), of which SEK 1,652.5 million (484.0) pertained to guaranteed order bookings. Of the guaranteed order bookings, 5% were recognized during the quarter and a further 14–24% are deemed to pertain to revenue within 12 months after the end of the quarter.
- Net sales increased 19.6% to SEK 694.0 million (580.3). Based on unadjusted exchange rates, the increase was 19.9%. Recurring revenue accounted for SEK 434.7 million (356.4) of net sales, up 22.0%. Based on unadjusted exchange rates, the increase was 22.0%. Cloud recurring revenue (CRR) increased 43.1% to SEK 103.2 million (72.1).
- Operating profit declined 14.5% to SEK 74.4 million (87.0), corresponding to an operating margin of 10.7% (15.0). Based on unadjusted exchange rates, operating profit decreased 13.7%.
- Profit for the period amounted to SEK 57.8 million (72.3).
- Cash flow from operations amounted to SEK 233.2 million (83.6).

Nine-month period (May 2023–January 2024) in figures

- Contracted order bookings rose 54.4% to SEK 5,326.5 million (3,448.8), of which SEK 2,457.0 million (1,795.0) pertained to guaranteed order bookings.
- Net sales increased 27.0% to SEK 2,065.5 million (1,626.0). Based on unadjusted exchange rates, the increase was 23.9%. Recurring revenue accounted for SEK 1,261.5 million (983.3) of net sales, up 28.3%. Based on unadjusted exchange rates, the increase was 25.1%. Cloud recurring revenue (CRR) increased 55.8% to SEK 283.1 million (181.7).
- Operating profit rose 23.8% to SEK 320.4 million (258.9), corresponding to an operating margin of 15.5% (15.9). Based on unadjusted exchange rates, operating profit increased 17.8%.
- Profit for the period amounted to SEK 269.9 million (220.3).
- Cash flow from operations amounted to SEK 192.6 million (58.3).

Comments from Torbjörn Kronander, President and CEO of Sectra AB

A sustainable future is about making our customers successful. I can't repeat this enough. To succeed we must have satisfied customers, which in turn requires that we have satisfied employees and a corporate culture that encourages engagement and motivation. At Sectra, we are proud that our customers time and time again say how satisfied they are with our employees and our efforts to make a positive difference in society



All of our operating areas are growing. Secure Communications is continuing to make a more significant contribution to the Group's profit than in the past and, for the first time, exceeded SEK 300 million in sales for the rolling 12-month period. We are also in an expansive phase in medical imaging IT, with major investments in delivery capacity in parallel with transitioning our business to service sales instead of product sales.

The Group's profitability for the nine-month period exceeded our target operating margin, even if variations between individual quarters still are significant. We will have to live with this for a while yet. The important things in the long term are that we continue to have satisfied customers and that we are continuing to grow.

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 negative impact 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 and long-term relationships combined with a strong brand in growing areas, we have every reason to remain optimistic about the future.

Source & Image Credit : [Sectra](#)

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