

Interim report



July – September 2023

Comments from Mattias Perjos, CEO

Higher sales, gradually strengthened margins and stable cash flows

"Getinge's sales rose organically by 5.7% in the quarter. Most of the operations in Acute Care Therapies performed positively with particularly strong development in consumables related to Cardiac Assist. Sales in Life Science were unchanged and Surgical Workflows grew in all product categories and regions. The order intake declined organically by a total of 1.9% in the quarter, which was exclusively linked to Acute Care Therapies, where we still have a large order book, which affected customers' willingness to place additional orders in the quarter. The Group's margins and cash flow were positively impacted sequentially by higher deliveries of consumables, mainly in Cardiac Assist. However, continuing low demand in products for the development and production of biopharmaceuticals, direct and indirect wage inflation as well as costs for field corrections in Cardiac Assist and managing packaging problems in Cardiopulmonary negatively impacted earnings. We are working intensively to manage these challenges and also enhance the cost efficiency of the operations. During the quarter, we reached a settlement on the previously communicated insurance disputes regarding surgical mesh products, meaning that we will receive SEK 450 M, which is reported as an item affecting comparability. Efforts to create value for our customers are the highest priority. For example, the FDA granted clearance for a new ventilator in the US market that supplements our leading offering. At the end of September, our exemption for deliveries of our important ECMO therapy consumables in the EU was extended through September 2024, providing us with a margin to have an approved packaging solution in place. After the end of the quarter, Healthmark was acquired, a leading provider of innovative instrument care and infection control consumables in the US market. Healthmark's offering is an ideal complement to our existing portfolio in Infection Control, with minimal overlap. In addition to considerably strengthening Getinge's position in the US market, the acquisition will also enable us to offer Healthmark's products to our customers globally. Overall, the acquisition is expected to contribute to structurally increased growth and profitability for the business area over time. The acquisition of High Purity New England was also completed and will be included in Life Science from Q4 this year. At the start of October, the Science Based Target initiative validated our targets for net-zero greenhouse gas emissions across the value chain, which confirms that our high ambitions are feasible. I look forward to continuing our work in the quarters ahead to create value for our customers in their important work to deliver more and better care to more patients."

July – September 2023 in brief

- Net sales increased by 5.7% and the order intake declined by 1.9% organically.
- Adjusted gross profit amounted to SEK 3,890 M (3,592) and the margin was 51.1% (51.8).
- Adjusted EBITA amounted to SEK 1,101 M (1,170) and the margin was 14.5% (16.9).
- Adjusted earnings per share amounted to SEK 2.66 (3.10).
- Free cash flow amounted to SEK 1,072 M (1,005).
- Jeanette Hedén Carlsson, EVP Brand & Communication, decided to resign and the process of recruiting her replacement has been initiated.
- After the end of the reporting period:
 - The acquisition of High Purity New England was completed and will be included in Life Science from Q4 2023.
 - The acquisition of Healthmark was completed and will be included in Surgical Workflows from Q4 2023.

January – September 2023 in brief

- Net sales increased by 4.8% and the order intake declined by 1.3% organically.
- Adjusted gross profit amounted to SEK 10,937 M (10,209) and the gross margin was 49.9% (51.6).
- Adjusted EBITA amounted to SEK 2,569 M (2,964) and the margin was 11.7% (15.0).
- Adjusted earnings per share amounted to SEK 6.09 (7.55).
- Free cash flow amounted to SEK 648 M (1,554).

Outlook 2023: Net sales for 2023 are expected to increase by 2-5% organically. (Unchanged outlook)

Summary of financial performance¹⁾

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Order intake	7,712	7,584	22,543	21,602	29,621
<i>Organic change, %</i>	<i>-1.9</i>	<i>-5.0</i>	<i>-1.3</i>	<i>-4.8</i>	<i>-5.3</i>
Net sales	7,607	6,941	21,924	19,793	28,292
<i>Organic change, %</i>	<i>5.7</i>	<i>-2.6</i>	<i>4.8</i>	<i>-5.5</i>	<i>-5.4</i>
Adjusted gross profit	3,890	3,592	10,937	10,209	14,361
<i>Margin, %</i>	<i>51.1</i>	<i>51.8</i>	<i>49.9</i>	<i>51.6</i>	<i>50.8</i>
Adjusted EBITDA	1,525	1,579	3,808	4,164	5,891
<i>Margin, %</i>	<i>20.0</i>	<i>22.7</i>	<i>17.4</i>	<i>21.0</i>	<i>20.8</i>
Adjusted EBITA	1,101	1,170	2,569	2,964	4,281
<i>Margin, %</i>	<i>14.5</i>	<i>16.9</i>	<i>11.7</i>	<i>15.0</i>	<i>15.1</i>
Adjusted EBIT	1,047	1,121	2,410	2,831	4,096
<i>Margin, %</i>	<i>13.8</i>	<i>16.2</i>	<i>11.0</i>	<i>14.3</i>	<i>14.5</i>
Operating profit (EBIT)	1,315	1,107	2,599	2,798	3,626
<i>Margin, %</i>	<i>17.3</i>	<i>15.9</i>	<i>11.9</i>	<i>14.1</i>	<i>12.8</i>
Profit before tax	1,227	1,075	2,357	2,691	3,472
Net profit for the period	901	805	1,710	1,955	2,516
Adjusted net profit for the period	730	852	1,673	2,076	2,994
<i>Margin, %</i>	<i>9.6</i>	<i>12.3</i>	<i>7.6</i>	<i>10.5</i>	<i>10.6</i>
Adjusted earnings per share, SEK	2.66	3.10	6.09	7.55	10.90
Earnings per share, SEK	3.28	2.93	6.22	7.10	9.15
Cash flow from operating activities	1,411	1,276	1,633	2,346	3,367
Free cash flow	1,072	1,005	648	1,554	2,261

1) See page 3 for calculations of adjusted performance measures

Every care has been taken in the translation of this Financial Report. In the event of discrepancies, the Swedish original will supersede the English translation.

Group performance

Order intake

Order intake business areas, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Acute Care Therapies	3,931	4,145	-7.6	12,189	11,828	-2.3	16,108
Life Science	1,090	948	8.5	2,942	2,942	-6.4	3,932
Surgical Workflows	2,691	2,491	3.6	7,413	6,832	2.7	9,581
Total	7,712	7,584	-1.9	22,543	21,602	-1.3	29,621

Order intake regions, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Americas	3,079	3,033	-1.0	9,351	8,665	1.1	11,826
APAC	1,796	1,844	-1.8	4,991	5,315	-7.6	7,248
EMEA	2,837	2,708	-3.0	8,201	7,622	0.4	10,548
Total	7,712	7,584	-1.9	22,543	21,602	-1.3	29,621

Net sales

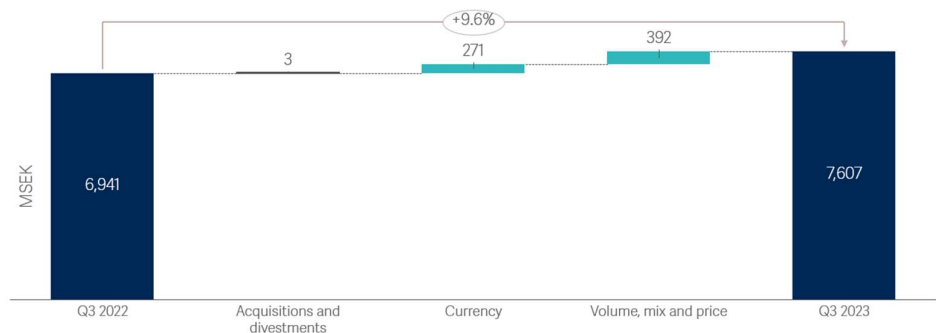
Net sales business areas, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Acute Care Therapies	4,197	3,842	6.0	11,794	10,924	2.4	15,285
Life Science	958	906	0.0	3,003	2,902	-3.2	4,026
Surgical Workflows	2,453	2,192	7.4	7,126	5,967	13.0	8,981
Total	7,607	6,941	5.7	21,924	19,793	4.8	28,292

Net sales regions, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Americas	3,245	3,039	3.6	9,210	8,226	4.9	11,467
APAC	1,692	1,563	9.1	4,827	4,693	1.0	6,695
EMEA	2,670	2,338	6.0	7,887	6,875	7.2	10,130
Total	7,607	6,941	5.7	21,924	19,793	4.8	28,292

Net sales specified by capital goods and recurring revenue, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Capital goods	2,742	2,557	3.5	8,066	7,189	6.4	11,101
Recurring revenue ¹⁾	4,866	4,383	6.9	13,858	12,604	3.8	17,191
Total	7,607	6,941	5.7	21,924	19,793	4.8	28,292

1) Consumables, service and spare parts

Net sales – bridge between Q3 2022 and Q3 2023



- The lower organic order intake for the quarter was exclusively attributable to Acute Care Therapies, with mainly Cardiac Assist contributing to the downturn. This was primarily the result of customers waiting for deliveries of previously booked balloon pumps before they place new orders.
- Life Science increased its order intake in all key categories except for Sterile Transfer. The trend in the US was strong while the order intake in China was weak.
- The order intake for Surgical Workflows increased organically in both Infection Control and Surgical Workplaces. The order intake in the US remained positive.
- Organic net sales for Acute Care Therapies increased thanks to large deliveries of consumables in Cardiac Assist. Growth was also healthy in Critical Care and Cardiac Surgery for the quarter.
- Life Science's organic net sales were unchanged with large deliveries in steam sterilizers. Sales of Sterile Transfer products for customers in the biopharma segment continued to decline. The performance in China during the quarter was especially weak, while sales to European customers increased.
- Surgical Workflows increased its net sales organically in all product categories and regions, with particularly strong growth in South-East Asia, including Japan and Australia.
- Net sales in services were strong in the quarter and combined with large deliveries of consumables in Acute Care Therapies contributed to healthy growth in recurring revenue.

- Net sales increased by SEK 666 M, corresponding to 9.6%.
- Net sales from acquisitions accounted for SEK 3 M or just under 0.1%.
- Exchange rates had an impact of SEK 271 M on sales, corresponding to 3.9%.
- Volume, mix and price affected sales by a net SEK 392 M, corresponding to 5.7%.

- Currency effects impacted adjusted gross profit by SEK 114 M and adjusted EBITA by SEK 17 M in the quarter.
- The gross margin fell as a result of such factors as temporary costs related to previously communicated challenges in Cardiac Assist and Cardiopulmonary, and lower volumes in products for customers in the biopharma segment in Life Science. The margin was also negatively impacted by a general cost increase and currency effects. This was partly offset by price increases and activities to enhance productivity.
- Adjusted operating expenses increased by 17.4%. Organically these expenses increased by 13.6%. (Read more on page 4).
- Adjusted EBITA declined by SEK 69 M compared with the year-earlier period and the margin fell by 2.4 percentage points.
- Compensation from insurance related to surgical mesh of SEK 450 M is included in other items affecting comparability.
- Net financial items amounted to SEK -88 M mainly as a result of higher net debt and higher average interest rate levels.

Earnings trend

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	7,607	6,941	21,924	19,793	28,292
Adjusted gross profit	3,890	3,592	10,937	10,209	14,361
Margin, %	51.1	51.8	49.9	51.6	50.8
Adjusted operating expenses	-2,364	-2,014	-7,129	-6,045	-8,470
Adjusted EBITDA	1,525	1,579	3,808	4,164	5,891
Margin, %	20.0	22.7	17.4	21.0	20.8
Depreciation, amortization and write-downs of intangible assets and tangible assets ¹⁾	-424	-409	-1,239	-1,199	-1,610
Adjusted EBITA	1,101	1,170	2,569	2,964	4,281
Margin, %	14.5	16.9	11.7	15.0	15.1
A Amortization and write-down of acquired intangible assets ¹⁾	-54	-49	-158	-133	-185
Adjusted EBIT	1,047	1,121	2,410	2,831	4,096
Margin, %	13.8	16.2	11.0	14.3	14.5
B Acquisition and restructuring costs	-108	-14	-187	-33	-228
C Other items affecting comparability ²⁾	376	-	376	-	-242
Operating profit (EBIT)	1,315	1,107	2,599	2,798	3,626
Net financial items	-88	-31	-241	-107	-154
Profit before tax	1,227	1,075	2,357	2,691	3,472
Adjusted profit before tax (adjusted for A, B and C)	1,014	1,139	2,327	2,857	4,127
Margin, %	13.3	16.4	10.6	14.4	14.6
Taxes	-326	-270	-648	-736	-956
D Adjustment of tax ²⁾	43	-17	-7	-45	-177
Adjusted net profit for the period (adjusted for A, B, C and D)	730	852	1,673	2,076	2,994
Margin, %	9.6	12.3	7.6	10.5	10.6
Of which, attributable to Parent Company shareholders	724	845	1,657	2,056	2,969
Average number of shares, thousands	272,370	272,370	272,370	272,370	272,370
Adjusted earnings per share, SEK (adjusted for A, B, C and D)	2.66	3.10	6.09	7.55	10.90

¹⁾ Excluding items affecting comparability (see Note 3 for depreciation, amortization and write-downs)

²⁾ See Note 5

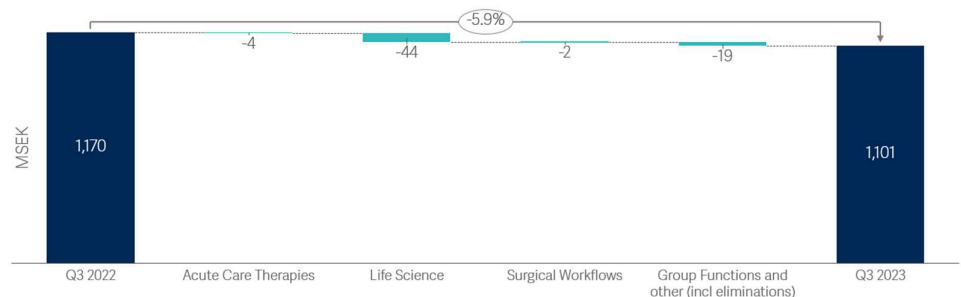
- Acute Care Therapies' adjusted EBITA declined by SEK 4 M mainly due previously communicated quality challenges in Cardiac Assist and Cardiopulmonary, in addition to direct and indirect wage inflation.
- Life Science's adjusted EBITA declined by SEK 44 M mainly due to lower sales in products for the biopharma segment and negative currency effects.
- Surgical Workflows' adjusted EBITA fell by SEK 2 M due to direct and indirect wage inflation and negative currency effects.

Adjusted EBITA per business area¹⁾

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Acute Care Therapies	942	946	2,239	2,489	3,402
Margin, %	22.5	24.6	19.0	22.8	22.3
Life Science	108	152	355	532	650
Margin, %	11.3	16.8	11.8	18.3	16.1
Surgical Workflows	144	146	253	178	549
Margin, %	5.9	6.6	3.5	3.0	6.1
Group functions and other (incl. eliminations)	-93	-74	-278	-234	-320
Total	1,101	1,170	2,569	2,964	4,281
Margin, %	14.5	16.9	11.7	15.0	15.1

¹⁾ See Note 3 for depreciation and write-downs and Note 5 for other items affecting comparability

Adjusted EBITA – bridge between Q3 2022 and Q3 2023



- Adjusted operating expenses increased by 17.4%, mainly due to negative currency effects and higher costs for purchases of services, salaries and higher costs for managing challenges in Cardiac Assist and Cardiopulmonary in Acute Care Therapies. Operating expenses increased organically by 13.6%.
- The year-on-year difference for other operating income and expenses was mainly attributable to currency effects related to operating receivables and liabilities in foreign currency.

- Exchange-rate fluctuations (translation and transaction effects) impacted adjusted gross profit by SEK 114 M compared with last year, of which SEK 172 M in translation effects and SEK -58 M in transaction effects and hedging outcome.
- The change in adjusted EBITA attributable to currency effects was related to translation effects of SEK 66 M and the net of transaction effects, hedging outcome and revaluation of operating receivables and liabilities in foreign currency of SEK -50 M.

- Free cash flow was impacted by higher operating profit for the quarter.
- The change in working capital was mainly due to changes in inventories and other current receivables.
- The financial position remains solid, with a low share of net interest-bearing debt in relation to EBITDA.

- Costs for R&D were almost 20% higher than in the year-earlier period as a result of higher activity, general cost increases and currency effects.
- Capitalized development costs increased by just over 41% compared with the year-earlier period.

Adjusted operating expenses

(excluding depreciation, amortization and write-downs and other items affecting comparability)¹⁾

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Selling expenses	-1,175	-1,096	-3,544	-3,225	-4,424
Administrative expenses	-940	-769	-2,772	-2,246	-3,060
Research and development costs	-266	-243	-803	-738	-1,001
Other operating income and expenses	16	93	-10	165	15
Total	-2,364	-2,014	-7,129	-6,045	-8,470

1) See Note 3 for depreciation and write-downs and Note 5 for other items affecting comparability

Currency impact

SEK M	Jul-Sep 2023	Jan-Sep 2023
Net sales	271	1,163
Adjusted gross profit	114	582
Adjusted EBITDA	45	241
Adjusted EBITA	17	165
Adjusted EBIT	14	155

Cash flow and financial position¹⁾

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Cash flow before changes in working capital	1,600	1,375	3,140	3,259	4,610
Changes in working capital	-189	-100	-1,507	-913	-1,243
Net investments in non-current assets	-339	-271	-986	-793	-1,106
Free cash flow	1,072	1,005	648	1,554	2,261
Net interest-bearing cash/debt			3,796	3,159	2,602
<i>In relation to adjusted EBITDA¹⁾ R12M, multiple</i>			<i>0.7</i>	<i>0.5</i>	<i>0.4</i>
Net interest-bearing cash/debt, excl. pension provisions			1,476	660	148
<i>In relation to adjusted EBITDA¹⁾ R12M, multiple</i>			<i>0.3</i>	<i>0.1</i>	<i>0.0</i>

1) See Note 5 for items affecting comparability and Note 7 for alternative performance measures

Research and development

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Research and development costs	-423	-353	-1,268	-1,080	-1,486
Amortization, depreciation and write-downs	-15	-13	-44	-36	-172
Research and development costs, gross	-438	-366	-1,312	-1,115	-1,658
<i>In relation to net sales, %</i>	<i>5.8</i>	<i>5.3</i>	<i>6.0</i>	<i>5.6</i>	<i>5.9</i>
Capitalized development costs	157	111	464	341	473
<i>In relation to net sales, %</i>	<i>2.1</i>	<i>1.6</i>	<i>2.1</i>	<i>1.7</i>	<i>1.7</i>
Research and development costs, net	-281	-255	-847	-774	-1,185
Amortization and write-down of capitalized development costs¹⁾	-146	-92	-320	-273	-593

1) Capitalized development projects

Sustainability developments

Getinge's sustainability framework covers the focus areas of Quality Culture, Passionate Employees, Environmental & Social Engagement and Business Ethics & Responsible Leadership. The aim is to generate sustainable value for customers, employees and other stakeholders. At the Capital Markets Day in November 2021, targets were set for the four focus areas and Getinge reports on its quarterly performance in the relevant indicators presented below.

- The trend in the improved customer quality index was mainly due to the number of open complaints and corrective measures being at a higher level in relation to the comparative period.
- Carbon emissions, energy consumption and share of renewable energy are continuing to move in a positive direction due to ongoing improvements in the operations. Also in the quarter, another of the larger production units reported the purchase of an international renewable energy certificate (iREC) for all of 2023. Under the Greenhouse Gas Protocol (GHG) Protocol and Science Based Targets initiative (SBTi), iRECs can be used to reduce the amount of carbon emissions, which means that these can also be included in reporting. As a result, the reported Scope 1 and 2 GHG emissions and the share of renewable energy have changed significantly in the first three quarters of 2023 compared with the same period last year.
- After the end of the reporting period: At the start of October, SBTi's Target Validation Team announced that Getinge's near and long-term targets of reaching net-zero greenhouse gas emissions across the value chain were aligned with the SBTi's 1.5°C mitigation pathways for reaching net-zero by 2050 or sooner, with a 2021 base year.

Key areas	R12 Sep 2023	Jan-Dec 2022
Quality Culture		
Improved customer quality index (%) ¹⁾	60	64
Online customer training (training courses)	50,828	52,328
Passionate Employees		
Sick leave (%) ³⁾	3.3	3.2
Percentage of female employees (%) ³⁾	37	37
Percentage of female managers (%) ³⁾	34	33
Environmental & Social Engagement		
Scope 1 & 2 GHG emissions (ton CO ₂ equivalents) ²⁾	5,048	7,667
Total energy consumption in production (MWh)	74,987	78,540
Percentage of renewable energy of total energy (%)	75	60
Percentage of recycled waste (%)	46	48
Business Ethics & Responsible Leadership		
Percentage of employees who completed online training in business ethics (%) ³⁾	88	88

1) Based on regular internal surveys for which respondents rate their level of awareness about the quality strategy and commitment in relevant initiatives and changes to quality-related KPIs

2) Carbon emissions from production. Scope 1, including emissions from oil and gas consumption, and Scope 2, including emissions from electricity, heating and cooling (in ton CO₂ equivalents)

3) Average for the period

Acute Care Therapies

Acute Care Therapies offers world-leading solutions for life support in acute health conditions. The offering includes solutions for cardiovascular procedures and a broad selection of products and therapies for intensive care.

- The lower organic order intake for the quarter was mainly related to Cardiac Assist. This was largely the result of customers waiting for deliveries of previously booked balloon pumps before they place new orders. This pattern was seen in the order intake for all regions.
- Order bookings for the business area as a whole were just over 10% higher than last year.

- Organic net sales for Acute Care Therapies increased thanks to large deliveries of consumables in Cardiac Assist. Growth was also healthy in ventilators and cardiac surgery products in the quarter.
- Higher volumes of consumables in Cardiac Assist and a strong trend in service and spare parts contributed to an increase in recurring revenue, while low delivery volumes of hardware in Cardiac Assist and Cardiopulmonary contributed to a decrease in capital goods.

Order intake and net sales

Order intake regions, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Americas	1,965	1,999	-3.7	6,199	5,640	3.1	7,722
APAC	955	1,017	-5.2	2,830	2,972	-6.2	3,995
EMEA	1,010	1,129	-16.7	3,159	3,217	-8.1	4,391
Total	3,931	4,145	-7.6	12,189	11,828	-2.3	16,108

Net sales regions, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Americas	2,178	2,031	4.2	5,916	5,506	0.8	7,624
APAC	971	865	13.2	2,708	2,544	4.8	3,510
EMEA	1,048	947	3.3	3,170	2,875	3.3	4,151
Total	4,197	3,842	6.0	11,794	10,924	2.4	15,285

Net sales specified by capital goods and recurring revenue, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Capital goods	920	949	-4.9	2,612	2,729	-8.1	4,099
Recurring revenue ¹⁾	3,277	2,893	9.6	9,183	8,196	5.9	11,186
Total	4,197	3,842	6.0	11,794	10,924	2.4	15,285

¹⁾ Consumables, service and spare parts

Earnings trend¹⁾

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	4,197	3,842	11,794	10,924	15,285
Adjusted gross profit	2,537	2,344	6,985	6,629	9,174
<i>Margin, %</i>	<i>60.4</i>	<i>61.0</i>	<i>59.2</i>	<i>60.7</i>	<i>60.0</i>
Adjusted EBITDA	1,173	1,165	2,907	3,137	4,274
<i>Margin, %</i>	<i>28.0</i>	<i>30.3</i>	<i>24.6</i>	<i>28.7</i>	<i>28.0</i>
Depreciation, amortization and write-downs of intangible assets and tangible assets	-231	-219	-667	-648	-872
Adjusted EBITA	942	946	2,239	2,489	3,402
<i>Margin, %</i>	<i>22.5</i>	<i>24.6</i>	<i>19.0</i>	<i>22.8</i>	<i>22.3</i>

¹⁾ See Note 3 for depreciation and write-downs and Note 5 for other items affecting comparability

Events in the business area in the quarter

- The adjusted gross margin declined by 0.6 of a percentage point mainly due to negative mix effects and to higher costs related ongoing improvements in Cardiac Assist and Cardiopulmonary. The margin was also impacted by negative currency effects, higher costs for input goods and personnel. This was offset by price increases, strong sales mainly in consumables in Cardiac Assist and continuing productivity enhancements.
- Adjusted operating expenses increased by 15.7% as a result of negative currency effects and higher operating expenses to manage the challenges in Cardiopulmonary and Cardiac Assist as well as higher costs for purchases of services and for personnel. Adjusted operating expenses increased organically by 13.5%.
- Increased operating expenses contributed to a decline of SEK 4 M in adjusted EBITA compared with last year and the margin fell by 2.1 percentage points.
- Currency effects impacted sales by SEK 124 M, adjusted gross profit by SEK 64 M and adjusted EBITA by SEK 22 M.

- In July, Getinge received clearance from the US FDA for Servo-air® Lite, a wall gas independent non-invasive mechanical ventilator.
- In its regulatory affairs, the business area received several items of positive news during the quarter, for example, approval from TÜV SÜD (a notified body for certification services) to reinstate deliveries of Cardiosave IABP (intra-aortic balloon pumps) in Europe and an MDR certificate (Medical Device Regulation) for MEGA IAB catheters (intra-aortic balloon pumps).
- On September 29, the European Commission extended the exception that permits deliveries of HLS and PLS sets for ECMO therapy to EU countries until September 30, 2024, meaning the continuation of deliveries of these life support products to European customers until the new packaging is launched.

Life Science

Life Science offers a comprehensive range of equipment, technical expertise and consultation to prevent contamination in pharmaceutical and medical device production and with the aim to strengthen integrity of results in biomedical research.

Order intake and net sales

- Life Science increased its order intake in all key categories except for Sterile Transfer whose customers still have sufficient numbers of DPTE®-BetaBags in stock.
- The performance was strong in Americas, particularly in the US, while order intake in China was weak.
- Life Science's organic net sales were unchanged with large deliveries in steam sterilizers. Sales of Sterile Transfer products for customers in the biopharma segment continued to decline.
- The performance in China during the quarter was especially weak, while sales to European customers increased.
- The positive trend in the service business continued. However, total recurring revenue declined as a result of lower volumes of consumables targeted to the biopharma segment.

Order intake regions, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Americas	393	304	26.0	1,131	1,056	0.8	1,367
APAC	174	165	4.3	369	643	-44.2	860
EMEA	522	479	-1.3	1,441	1,243	7.0	1,706
Total	1,090	948	8.5	2,942	2,942	-6.4	3,932

Net sales regions, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Americas	360	345	1.2	1,086	1,016	0.0	1,447
APAC	163	200	-18.6	537	652	-20.3	858
EMEA	435	361	9.2	1,381	1,234	3.3	1,721
Total	958	906	0.0	3,003	2,902	-3.2	4,026

Net sales specified by capital goods and recurring revenue, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Capital goods	494	393	19.5	1,531	1,285	11.6	1,940
Recurring revenue ¹⁾	464	513	-14.9	1,472	1,617	-14.9	2,086
Total	958	906	0.0	3,003	2,902	-3.2	4,026

1) Consumables, service and spare parts

Earnings trend¹⁾

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	958	906	3,003	2,902	4,026
Adjusted gross profit	341	363	1,128	1,165	1,548
<i>Margin, %</i>	<i>35.6</i>	<i>40.1</i>	<i>37.6</i>	<i>40.2</i>	<i>38.5</i>
Adjusted EBITDA	153	192	494	650	801
<i>Margin, %</i>	<i>15.9</i>	<i>21.2</i>	<i>16.4</i>	<i>22.4</i>	<i>19.9</i>
Depreciation, amortization and write-downs of intangible assets and tangible assets	-45	-40	-139	-118	-151
Adjusted EBITA	108	152	355	532	650
<i>Margin, %</i>	<i>11.3</i>	<i>16.8</i>	<i>11.8</i>	<i>18.3</i>	<i>16.1</i>

1) See Note 3 for depreciation and write-downs and Note 5 for other items affecting comparability

Events in the business area in the quarter

- Getinge introduced AppliFlex ST GMP, a cutting-edge single-use bioreactor system, which is designed to seamlessly bridge the gap between research and clinical production in cell and gene therapy as well as mRNA production, contributing to a more efficient and secure process.
- After the end of the quarter, Getinge completed the acquisition of 100% of the shares in High Purity New England, Inc. a leading US-based company in the areas of custom single-use solutions for bioprocessing applications.

- The adjusted gross margin fell by 4.5 percentage points as a result of a negative product mix and higher costs for input goods, personnel and currency effects. Price increases helped to mitigate these negative effects.
- Adjusted operating expenses increased by 10.1% as a result of negative currency effects and wage inflation, while rationalization measures had a positive effect. Expenses increased organically by 2.5%.
- Adjusted EBITA fell by SEK 44 M and the margin declined 5.5 percentage points because of a lower adjusted gross profit, higher adjusted operating expenses and negative currency effects.
- Currency effects impacted sales by SEK 51 M, adjusted gross profit by SEK 11 M and adjusted EBITA by SEK -5 M.

Surgical Workflows

Surgical Workflows offers products and solutions to serve as an end-to-end partner for optimizing the quality, safety and capacity usage of the sterile supply departments and operating rooms.

Order intake and net sales

- The order intake for Surgical Workflows increased organically in both Infection Control and Surgical Workplaces.
- The order intake remained positive in the strategically important US market. Growth was also healthy in Germany and Japan, while the order intake in Latin America declined.

- Surgical Workflows increased its net sales organically in all product categories and regions.
- The performance in South-East Asia, including Japan, was particularly strong, while sales in China fell.
- The continued strong performance in service, spare parts, consumables and the offering in Digital Health led to sales linked to recurring revenue increasing more relative to capital goods.

- The adjusted gross margin increased by 0.9 of a percentage point, primarily as a result of price increases and higher sales volumes. This was offset by higher costs for input goods and personnel and negative currency effects.
- Adjusted operating expenses increased by 21.8%, mainly due to currency effects as well as a higher level of activity in sales and higher costs for purchases of services and for personnel. Organically these expenses increased by 14.8%.
- Adjusted EBITA declined by SEK 2 M and the margin declined by 0.7 of a percentage point.
- Currency effects impacted sales by SEK 95 M, adjusted gross profit by SEK 38 M and adjusted EBITA by SEK -2 M.

Order intake regions, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Americas	720	729	-5.1	2,021	1,969	-4.3	2,737
APAC	666	662	1.8	1,792	1,700	4.0	2,392
EMEA	1,305	1,100	10.4	3,600	3,163	6.4	4,451
Total	2,691	2,491	3.6	7,413	6,832	2.7	9,581

Net sales regions, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Americas	707	664	3.1	2,208	1,704	20.9	2,395
APAC	558	498	13.3	1,582	1,497	3.9	2,327
EMEA	1,188	1,031	7.4	3,337	2,766	13.0	4,259
Total	2,453	2,192	7.4	7,126	5,967	13.0	8,981

Net sales specified by capital goods and recurring revenue, SEK M	Jul-Sep 2023	Jul-Sep 2022	Org Δ, %	Jan-Sep 2023	Jan-Sep 2022	Org Δ, %	Jan-Dec 2022
Capital goods	1,328	1,215	5.0	3,923	3,175	16.8	5,062
Recurring revenue ¹⁾	1,125	977	10.4	3,203	2,792	8.7	3,919
Total	2,453	2,192	7.4	7,126	5,967	13.0	8,981

1) Consumables, service and spare parts

Earnings trend¹⁾

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	2,453	2,192	7,126	5,967	8,981
Adjusted gross profit	1,012	885	2,824	2,414	3,639
<i>Margin, %</i>	<i>41.3</i>	<i>40.4</i>	<i>39.6</i>	<i>40.5</i>	<i>40.5</i>
Adjusted EBITDA	290	293	679	603	1,127
<i>Margin, %</i>	<i>11.8</i>	<i>13.4</i>	<i>9.5</i>	<i>10.1</i>	<i>12.5</i>
Depreciation, amortization and write-downs of intangible assets and tangible assets	-146	-147	-426	-426	-577
Adjusted EBITA	144	146	253	178	549
<i>Margin, %</i>	<i>5.9</i>	<i>6.6</i>	<i>3.5</i>	<i>3.0</i>	<i>6.1</i>

1) See Note 3 for depreciation and write-downs and Note 5 for other items affecting comparability

Events in the business area in the quarter

- After the end of the quarter, Getinge acquired 100% of the shares in the US-based Healthmark Industries Co. Inc., a leading provider of innovative instrument care and infection control consumables in the US market. This strategic step enhances Getinge's presence within sterile reprocessing in the US and facilitates a global expansion for Healthmark. Getinge's and Healthmark's product portfolios have minimal overlap – Healthmark's consumables for cleaning verification and packaging are an ideal complement to Getinge's consumables, reprocessing capital equipment, and software solutions. Globally, Healthmark employs approximately 400 employees and approximately 90% of Healthmark's sales originate from the US. In its fiscal year ending October 31, 2023, Healthmark expects nearly USD 126 M in net sales, an approximate 15% increase over fiscal year 2021/2022. The purchase price is approximately USD 320 M. The acquisition is not expected to have a material impact on Getinge's operating profit and earnings per share in 2023.

Other information

Russian invasion of Ukraine

Getinge conducts operations in Russia in accordance with international sanctions and regulations via a small sales company. The activities in the country are currently limited to fulfilling existing customer commitments. However, the circumstances for conducting operations in the country have gradually deteriorated. Getinge does not conduct any manufacturing operations in either Russia or Ukraine and has no major suppliers in these countries. The Group's sales in Russia and Ukraine in 2022 represented less than 1% of the Group's total net sales and equity. Despite the limited direct impact that the invasion has had on Getinge's operations in Russia and Ukraine, the Russian invasion of Ukraine may nevertheless have a negative impact on the development of the Group's earnings and position. However, it is difficult at the current time to assess the future consequences of the conflict and its impact on the Group.

German prosecutor's office closes investigation

In the Q2 report 2022, Getinge reported about an investigation related to potential violations of German medical device regulations. Five current and former Getinge employees were investigated for these potential violations by the prosecution authority in Germany. The suspicions of crime have now been dropped by the prosecution authority.

Getinge receives SEK 450 M after settlement with insurance company

On September 27, Getinge signed settlements with Trygg-Hansa Försäkring filial, Swedish branch of Tryg Forsikring A/S, and If Skadeförsäkringar AB (publ), related to insurance compensation for product liability claims regarding surgical mesh products. The settlement compensation amounts in total to SEK 450 M, of which SEK 250 M was paid to Getinge at the end of September and the remainder was paid at the start of October.

Changes in the executive management team

In September, Jeanette Hedén Carlsson announced that she had decided to resign after 6 years as Executive Vice President, Brand & Communication, and member of Group Management. The process of recruiting a successor began immediately.

Events after the end of the reporting period

Completed acquisitions

Two acquisitions were completed after the end of the quarter, which are presented on pages 7 and 8.

Validation of sustainability targets

At the start of October, SBTi's Target Validation Team announced that Getinge's near and long-term targets of reaching net-zero greenhouse gas emissions across the value chain were aligned with the SBTi's 1.5°C mitigation pathways for reaching net-zero by 2050 or sooner, with a 2021 base year.

Seasonal variations

Getinge's sales and earnings are affected by seasonal variations. The highest net sales are usually generated in the fourth quarter, followed by the second, third and first quarters. The shares of sales derived from capital goods and recurring revenue also normally changes during the year, with a higher share of sales of capital goods toward the end of the year.

Transactions with related parties

Getinge carried out normal commercial transactions with Arjo (which was distributed to shareholders in December 2017) for the sale and purchase of goods and services. In addition, no other significant transactions with related parties occurred during the period other than transactions with subsidiaries.

Forward-looking information

This report contains forward-looking information based on the current expectations of company management. Although management deems that the expectations presented by such forward-looking information are reasonable, no guarantee can be given that these expectations will prove correct. Accordingly, the actual future outcome could vary considerably compared with what is stated in the forward-looking information, due to such factors as changed conditions regarding finances, market and competition, changes in legal and regulatory requirements and other political measures, and fluctuations in exchange rates.

Getinge's financial targets 2022–2025 and dividend policy

- Average annual organic growth in net sales: 4–6%
- Average adjusted earnings per share growth: >10%
- Getinge's dividend policy is to pay dividends of 30-50% of net profit to shareholders.

Getinge's sustainability targets 2022–2025

- Improved customer quality index >70%
- Employee commitment >70%
- CO₂ neutral in own operations by 2025
- All employees trained in business ethics and responsible leadership.

Nomination Committee ahead of 2024 Annual General Meeting

Ahead of the Annual General Meeting, the Nomination Committee shall, in accordance with the principles adopted at the 2020 Annual General Meeting, be composed of members appointed by the four largest shareholders in terms of voting rights, based on a list of owner-registered shareholders from Euroclear Sweden AB or other reliable ownership information, as of August 31 of each year, and the Chairman of the Board of Directors. In addition, if the Chairman of the Board in consultation with the member appointed by the largest shareholder in terms of voting rights deems it appropriate, it shall include an, in relation to the company and its major shareholders, independent representative of the minority shareholders as a member of the Nomination Committee.

Getinge's Nomination Committee ahead of the 2024 Annual General Meeting has been appointed and comprises the company's Chairman Johan Malmquist, and representatives from the following owners, listed by size.

- **Carl Bennet AB:** Carl Bennet, Chairman of the Nomination Committee
- **Fourth Swedish National Pension Fund:** Jannis Kitsakis
- **AMF Pension & Fonder** Dick Bergquist
- **Swedbank Robur:** Marianne Nilsson

Shareholders who would like to submit proposals to Getinge's 2024 Nomination Committee can contact the Nomination Committee by e-mail at valberedningen@getinge.com or by mail: Getinge AB, Att: Nomination Committee, Box 8861, SE-402 72 Gothenburg, Sweden. Proposals must have been received by the Nomination Committee no later than January 12, 2024 in order to ensure that they are addressed by the Committee.

2024 Annual General Meeting

Getinge AB's Annual General Meeting will be held on April 22, 2024 in Kongresshallen at Hotel Tylösand in Halmstad, Sweden. Shareholders wishing to have a matter addressed at the Annual General Meeting can submit their proposal to Getinge's Board Chairman by e-mail: arenden.bolagsstamma@getinge.com, or by mail: Getinge AB, Att: Bolagsstämmoärenden, Box 8861, SE-402 72 Gothenburg, Sweden. To ensure inclusion in the notice and the agenda, proposals must be received by the company not later than March 4, 2024.

Risk management

Getinge's primary risks

	Description	Potential consequences	Management
External shocks, such as geopolitical risks, natural disasters, terrorism, pandemics, etc.	These are often quickly escalating situations that affect large parts of the world, a country, a region or a specific site.	The primary consequence of this type of risk is that employees could be injured. There is also the risk of business interruptions that could have a negative impact on sales and earnings.	Active business intelligence can detect some of these risks at an early stage and the Group will then have the opportunity to adapt to the new situation. The process of further enhancing the Group's work on continuity risks continue in 2022. As part of this process, scenarios based on external shocks will also be included in the risks that Getinge proactively works on. On February 24, 2022, Russia invaded Ukraine. The circumstances for conducting operations in the country have gradually deteriorated and, in financial terms, the continuing war may have a negative impact on the development of the Group's earnings and position. However, it is not possible at the current time to assess the direct long-term consequences.
Quality risks from a regulatory perspective	Significant parts of Getinge's product range are covered by legislation stipulating extensive assessments, quality control and documentation.	It cannot be ruled out that Getinge's operations, financial position and earnings may be negatively impacted in the future by difficulties in complying with current regulations and requirements of authorities and control bodies or changes to such regulations and requirements.	To limit these risks to the greatest possible extent, Getinge conducts extensive work focused on quality and regulatory issues. The Group-wide Quality Compliance, Regulatory & Medical Affairs function has a representative in the Getinge Executive Team and also a representative on the management teams of each business area, and the function is represented in all R&D and production units. In addition, Getinge's sales force and service technicians receive relevant quality and regulatory training every other year to renew their certification. This is a requirement for representing Getinge. The majority of the Group's production facilities are certified according to the medical device quality standard ISO 13485 and/or the general quality standard ISO 9001. In total, the Group allocates significant resources to quality and regulatory matters in order to best manage this risk exposure, and quality is the overall priority in the Group's strategy. In the Q2 report 2022, Getinge reported about an investigation related to potential violations of German medical device regulations. Five current and former Getinge employees were investigated for these potential violations by the prosecution authority in Germany. All suspicions of crime have now been dropped, both for the individual employees as well as the company, by the prosecution authority. As previously reported in the first quarter of 2023, the notifying body decided to suspend the CE certificate for Getinge's HLS and PLS set for ECMO therapy and for Getinge's intra-aortic balloon pumps. As a result, the company initiated corrective actions to regain the CE certificate for these products. On June 19, 2023, Getinge announced additional quality challenges related to both of these products, which had a negative impact on sales and earnings for the quarter. These challenges are expected to be handled by the end of 2023-H1 2024, followed by an application for regulatory approval where necessary. However, unforeseen events may impact the above-mentioned timelines.
Product quality from a customer perspective	In certain cases, Getinge's products do not meet customer expectations.	Customers experiencing shortcomings in Getinge's product quality could choose other suppliers. This could entail a risk of lower sales and lower profitability over time.	Getinge applies a far-reaching quality process that aims to ensure a high and even level of quality to meet customers' legitimately high requirements. This is an ongoing process that results in continuous improvements. When quality fails, it is important to rapidly bring the right equipment on site to rectify the fault during the first service visit. Getinge closely monitors the "first time fix" factor of its services operations and works extensively to make improvements related to such faults or shortcomings.
Interruptions in supply chains / dependence on external suppliers	External suppliers that deliver critical components to the Group are a highly important part of Getinge's manufacturing process. Production disruptions may arise if these components are not supplied on schedule.	One of the potential consequences of this is that life saving equipment may not be delivered to customers as required for maintaining critical healthcare.	Getinge works actively to monitor critical deliveries. This process is initiated when the partnership is established and is then continuously monitored. The purchasing organization has tools for evaluating risk and for training in this area. The Group also works on ensuring that it has adequate levels of critical components in stock, in its own operations or with the relevant supplier. Interruptions of critical deliveries are also an important part of activities related to business continuity risks. See "Business interruptions".
Digitization and innovation	Getinge's future growth depends on the company's ability to develop new and successful products, particularly in the area of digitization. Getinge's ability to innovate is a very important factor in retaining and establishing leading positions for the Group's product segments.	Innovation efforts are costly and it is not possible to guarantee that developed products will be commercially successful, which could result in impairment. In the long term, the Group's position in the market could be negatively affected if Getinge is unsuccessful in this area.	As means of maximizing the return on investments in research and development, the Group applies a structured selection and planning process that includes careful analyses of the market, technological progress, choice of production method and selection of subcontractors. The actual development work is also conducted in a structured manner and each project undergoes a number of fixed controls. The Group is particularly concerned with ensuring access to the right skills, retaining key individuals, being an attractive employer to recruit talent externally, and identifying and developing talent within the organization.
Fragmented product portfolio	Getinge's product portfolio consists, to a certain extent, of a large number of acquisitions that were made throughout the years within a variety of product categories.	An offering to our customers that, in certain parts, is too diverse could lead to Getinge lacking the critical mass needed to conduct fully efficiency operations in all product categories.	Efforts are being made to enhance the efficiency of the customer offering under the framework of the ongoing strategic activities in each business area. The introduction of the new EU Medical Device Regulation means priorities need to be made regarding the certification of products under the new regulatory framework. Products have been selected that, over the long term, will be a part of the customer offering, which will lead to increased concentration as well as streamlining.

Other risks of major importance

	Description	Potential consequences	Management
Risks related to healthcare reimbursement systems	Political decisions can change the conditions for healthcare through changed reimbursement models for healthcare providers.	Changes to the healthcare reimbursement system can have a major impact on individual markets by reducing or deferring grants.	It is difficult to influence this risk since these decisions are outside the Group's control but the risk is limited by Getinge being active in a large number of markets.
Product liability risks	Healthcare suppliers run a risk, like other players in the healthcare industry, of being subject to product liability and other legal claims.	Such claims can involve large amounts and significant legal expenses. Getinge carries the customary indemnity and product liability insurances, but there is a risk that this insurance coverage may not fully cover product liability and other claims.	The best way of managing these risks is the extensive quality-related and regulatory activities performed by the Group. Sources of potential future claims for damages are monitored through active incident reporting. Corrective and protective action (CAPA) is initiated when necessary to investigate the underlying cause, after which the product design may be corrected to remedy the fault. The settlement for surgical mesh implants, which Getinge announced previously, has been completed and the majority of the settlement amount was paid in the first quarter of 2023.
Risks related to intellectual property rights	Getinge's leading positions in many of the Group's product segments are based on patent and trademark rights. These rights could lead to disputes with competitors.	Getinge invests significant resources in product development that results in patent rights. There is a risk that the Group will be involved in costly disputes concerning such rights and thus a risk that invested resources will not generate the expected return if such a dispute is lost.	To secure returns on these investments, Getinge actively upholds its rights and monitors competitors' activities closely. If required, Getinge will protect its intellectual property rights through legal processes.
Financial risks	Getinge is exposed to a number of financial risks in its operations. Financial risks principally pertain to currency risks, interest-rate risks, and credit and counterparty risks.	Fluctuations in exchange rates and interest rates and changes in counterparties' credit profiles could adversely affect the Group's income statement and balance sheet.	Risk management is regulated by the finance policy adopted by the Board and a Treasury directive decided by the Getinge Executive Team based on the finance policy. The ultimate responsibility for managing the Group's financial risks and developing methods and principles of financial risk management lies with the Getinge Executive Team and the treasury function. For more detailed information concerning these risks, refer to Note 28 of the Annual Report.
Information and data security	Leaks of confidential information or hacking into the Group's IT system resulting in restricted availability or interruptions of business-critical systems.	Leaks of personal data could lead to high fines. Hacking into IT systems could lead to business interruptions. A loss of sensitive information may adversely affect confidence in the company.	The Group's IT structure is to be considered to be decentralized, which reduces the consequence of any unauthorized access. The Group has improved user authentication during the year to prevent hacking. This work will continue in the year ahead. The Group also closely monitors critical systems to prevent hacking.
Deficiencies in cyber security	Security deficiencies in the Group's digital offering, such as connected machines at customer sites and stricter legal requirements for processing personal data.	Restricted availability of equipment delivered by Getinge to its customers, which could result in interruptions to the hospital operations and it not being possible to offer patients sufficient care in critical situations.	Getinge works diligently to ensure the integrity of its equipment that is connected to the Internet. Comprehensive access testing and other measures are carried out before these solutions are offered to the Group's customers.
Business interruptions	Unforeseen and sudden events, such as natural disasters, fires, etc. that result in disruptions to production or the supply chain.	Potential interruptions and higher costs in the supply chain and production could lead to more costly or delayed deliveries or, in a worst case scenario, non-delivery to Getinge's customers. Such a situation risks negative consequences for the Group's earnings.	There is a risk of temporary business interruptions linked to a further deterioration in access to key components such as semiconductors as a result of the pandemic and uncertain global security situation. The Group continuously works on claims prevention to ensure a high level of availability and delivery reliability. External experts inspect the Group's production units on a regular basis to identify and take action on potential interruption risks, following a Group-wide standard. The process of further improving the Group's business continuity will continue in 2023.
Profitability dependent on certain products and markets	In certain cases, a relatively large share of the total profitability of a product is linked to shares in a certain market.	The consequence of such a situation is that profitability can be adversely affected if sales volumes were to decline due to a changed competitive situation in the market.	Getinge works actively to monitor profitability per product and market in order to ensure profitability over time. To reduce the sensitivity of profitability, the Group actively works on ensuring that it has the right cost level in relation to the current price levels in the market. Getinge also works actively to establish itself in new markets.
New competitors and new technology	Certain markets and product segments have niche players who offer solutions outside customary market behavior.	These competitors could capture market shares from more established companies such as Getinge, resulting in a negative effect on Getinge's sales and earnings.	Getinge's long-term strategy includes active business intelligence of the competitive landscape to react to this type of competitors. The industry is also considered to have high barriers to entry since medical devices are subject to extensive regulatory requirements.
Laws and regulations mainly on business ethics	Breaches of competition law, anti-corruption, data privacy (such as GDPR) or trade restrictions.	Could lead to fines or penalties in one or more markets and have a negative impact on the Getinge brand.	Getinge has previously provided information about ongoing investigations and agreements with the authorities regarding anti-competitive procedures in the sale of medical devices in Brazil. This process continued in 2023 and is ongoing. It cannot be ruled out that any further agreements with authorities may have a material impact on the company's financial earnings and position, but it is not currently possible to estimate the amount or date. Getinge has a zero tolerance policy when it comes to contraventions of these regulations. The Group's Code of Conduct is very clear in this respect. The Ethics & Compliance corporate function was expanded in recent years and the head of the department has been a member of the Getinge Executive Team since 2020 to further demonstrate how highly the organization prioritizes these issues. A comprehensive training program in business ethics is provided on an ongoing basis and the aim is for all employees to undergo such training at least once a year. Getinge's business ethics regulations also apply to external distributors who sell Getinge's products in a large number of countries in which the Group does not have its own presence.

Assurance

The Board of Directors and CEO assure that the interim report provides a true and fair review of the Parent Company and the Group's operations, position and earnings and describes the material risks and uncertainties faced by the Parent Company and the Group.

Gothenburg, October 23, 2023

Johan Malmquist
Chairman,
AGM-elected Board member

Carl Bennet
Vice Chairman,
AGM-elected Board member

Johan Bygge
AGM-elected Board member

Cecilia Daun Wennborg
AGM-elected Board member

Barbro Fridén
AGM-elected Board member

Dan Frohm
AGM-elected Board member

Mattias Perjos
President & CEO,
AGM-elected Board member

Malin Persson
AGM-elected Board member

Kristian Samuelsson
AGM-elected Board member

Fredrik Brattborn
Board member
Representative of the Swedish
Metalworkers' Union

Åke Larsson
Board member
Representative of the Swedish
Association of Graduate
Engineers

AUDITOR'S REPORT

INTERIM REPORT PREPARED IN ACCORDANCE WITH IAS 34 AND CHAPTER 9 OF THE SWEDISH ANNUAL ACCOUNTS ACT

Introduction

We have reviewed the condensed interim financial information (interim report) of Getinge AB (publ) as of 30 September 2023 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report 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 is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Gothenburg, October 23, 2023

Öhrlings PricewaterhouseCoopers AB

Peter Nyllinge
Authorized Public Accountant
Auditor in Charge

Karin Olsson
Authorized Public Accountant

Consolidated financial statements

Consolidated income statement

SEK M	Note	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	2	7,607	6,941	21,924	19,793	28,292
Cost of goods sold		-4,016	-3,561	-11,715	-10,211	-14,882
Gross profit	2, 3	3,591	3,380	10,209	9,582	13,410
Selling expenses		-1,299	-1,212	-3,907	-3,555	-4,870
Administrative expenses		-1,054	-885	-3,109	-2,587	-3,516
Research and development costs		-281	-255	-847	-774	-1,185
Acquisition costs		-81	-3	-125	-9	-22
Restructuring costs		-27	-11	-62	-24	-206
Other operating income and expenses		466	93	440	165	15
Operating profit (EBIT)	2, 3	1,315	1,107	2,599	2,798	3,626
Net financial items	2	-88	-31	-241	-107	-154
Profit after financial items	2	1,227	1,075	2,357	2,691	3,472
Taxes		-326	-270	-648	-736	-956
Net profit for the period		901	805	1,710	1,955	2,516
Attributable to:						
Parent Company shareholders		894	798	1,695	1,935	2,491
Non-controlling interests		7	7	15	20	25
Net profit for the period		901	805	1,710	1,955	2,516
Earnings per share, SEK ¹⁾		3.28	2.93	6.22	7.10	9.15
Weighted average number of shares for calculation of earnings per share (000s)		272,370	272,370	272,370	272,370	272,370

1) Before and after dilution

Consolidated statement of comprehensive income

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net profit for the period	901	805	1,710	1,955	2,516
Other comprehensive income					
Items that cannot be restated in profit for the period					
Actuarial gains/losses pertaining to defined-benefit pension plans	166	168	166	1,055	1,126
Tax attributable to items that cannot be restated in profit	-44	-49	-44	-289	-310
Items that can later be restated in profit for the period					
Translation differences and hedging of net investments	-319	1,752	1,029	4,180	3,143
Cash flow hedges	4	-30	28	-57	-15
Tax attributable to items that can be restated in profit	11	2	-17	-3	-19
Other comprehensive income for the period, net after tax	-181	1,843	1,162	4,886	3,924
Total comprehensive income for the period	720	2,648	2,872	6,841	6,440
Comprehensive income attributable to:					
Parent Company shareholders	721	2,631	2,848	6,791	6,378
Non-controlling interests	-1	16	23	50	62
Total comprehensive income for the period	720	2,648	2,872	6,841	6,440

Consolidated balance sheet

SEK M	Note	September 30 2023	September 30 2022	December 31 2022
Assets				
Intangible assets		27,962	28,327	27,010
Tangible assets		3,682	3,478	3,532
Right-of-use assets		1,394	1,312	1,336
Financial assets		79	54	50
Deferred tax assets		1,028	1,065	998
Inventories		7,237	6,466	6,232
Accounts receivable		4,510	4,435	5,275
Other current receivables		2,310	1,931	1,923
Cash and cash equivalents	6	5,337	4,839	5,676
Total assets		53,540	51,907	52,032
Equity and liabilities				
Equity		32,016	30,907	30,453
Provisions for pensions, interest-bearing	6	2,319	2,499	2,454
Lease liabilities	6	1,389	1,290	1,314
Other interest-bearing liabilities	6	5,425	4,209	4,510
Deferred tax liabilities		1,438	1,206	1,150
Other provisions, long-term		749	1,266	818
Other non-interest-bearing liabilities, long-term		137	130	132
Other provisions, current		1,579	2,710	3,142
Accounts payable		2,142	1,902	2,252
Other non-interest-bearing liabilities, current		6,345	5,789	5,806
Total equity and liabilities		53,540	51,907	52,032

Changes in equity for the Group

SEK M	Share capital	Other capital provided	Reserves ¹⁾	Retained earnings	Total	Non-controlling interests	Total equity
Opening balance at January 1, 2022	136	6,789	1,245	16,579	24,750	427	25,176
Total comprehensive income for the period	-	-	3,072	3,307	6,378	62	6,440
Dividend	-	-	-	-1,089	-1,089	-21	-1,111
Transactions with non-controlling interests	-	-	-	-	-	-53	-53
Closing balance at December 31, 2022	136	6,789	4,317	18,796	30,038	415	30,453
Opening balance at January 1, 2023	136	6,789	4,317	18,796	30,038	415	30,453
Total comprehensive income for the period	-	-	1,032	1,817	2,848	23	2,872
Dividend	-	-	-	-1,158	-1,158	-23	-1,181
Transactions with non-controlling interests	-	-	-	-	-	-128	-128
Closing balance at September 30, 2023	136	6,789	5,349	19,455	31,729	287	32,016

1) Reserves pertain to cash flow hedges, hedges of net investments and translation differences

Consolidated cash flow statement

SEK M	Note	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Operating activities						
Operating profit (EBIT)		1,315	1,107	2,599	2,798	3,626
Add-back of depreciation, amortization and write-downs	3	566	458	1,491	1,332	2,027
Other non-cash items		-1	-6	-5	-6	11
Add-back of restructuring costs ¹⁾		5	11	34	24	205
Paid restructuring costs		-37	-19	-128	-55	-91
Financial items		-76	-42	-208	-124	-156
Taxes paid		-172	-133	-644	-711	-1,012
Cash flow before changes in working capital		1,600	1,375	3,140	3,259	4,610
Changes in working capital						
Inventories		-205	-248	-859	-957	-998
Operating receivables		-177	215	563	576	-351
Operating liabilities ²⁾		194	-67	-1,210	-531	107
Cash flow from operating activities		1,411	1,276	1,633	2,346	3,367
Investing activities						
Acquisition of operations	8	-36	-267	-332	-296	-365
Investments in intangible assets and tangible assets		-343	-276	-1,013	-815	-1,136
Divestment of non-current assets		3	5	27	22	31
Cash flow from investing activities		-375	-538	-1,318	-1,088	-1,470
Financing activities						
Change in interest-bearing liabilities		-35	-20	830	666	1,021
Depreciation of lease liabilities		-114	-106	-333	-306	-415
Change in long-term receivables		-5	-4	-28	1	5
Dividend paid		-7	-15	-1,181	-1,110	-1,111
Cash flow from financing activities		-161	-145	-711	-749	-500
Cash flow for the period		875	593	-396	509	1,397
Cash and cash equivalents at the beginning of the period		4,434	4,147	5,676	4,076	4,076
Translation differences		29	99	57	255	203
Cash and cash equivalents at the end of the period		5,337	4,839	5,337	4,839	5,676

1) Excluding write-downs on non-current assets

2) 2023 full-year figures have been affected by payments related to the settlement regarding surgical mesh products

Note 1 Accounting policies

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. For the Parent Company, the report has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2. The accounting policies adopted are consistent with those applied for the 2022 Annual Report and should be read in conjunction with that Annual Report.

For practical reasons, the figures in this interim report have not been rounded off, which is why notes and tables may not total correct amounts. Unless otherwise specified, all figures pertain to SEK M and figures in parentheses pertain to the year-earlier period. The interim report provides alternative performance measures for monitoring the Group's operations.

Note 2 Segment overview

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales, SEK M					
Acute Care Therapies	4,197	3,842	11,794	10,924	15,285
Life Science	958	906	3,003	2,902	4,026
Surgical Workflows	2,453	2,192	7,126	5,967	8,981
Total	7,607	6,941	21,924	19,793	28,292
Gross profit, SEK M					
Acute Care Therapies	2,339	2,229	6,558	6,283	8,600
Life Science	319	342	1,057	1,106	1,471
Surgical Workflows	933	808	2,594	2,193	3,339
Total	3,591	3,380	10,209	9,582	13,410
Operating profit (EBIT), SEK M					
Acute Care Therapies	1,266	908	2,469	2,390	2,889
Life Science	101	140	332	500	600
Surgical Workflows	122	135	201	151	480
Group functions and other (incl. eliminations) ¹⁾	-174	-77	-403	-243	-343
Operating profit (EBIT)	1,315	1,107	2,599	2,798	3,626
Net financial items	-88	-31	-241	-107	-154
Profit after financial items	1,227	1,075	2,357	2,691	3,472

1) Group functions and other refer mainly to central functions such as finance, communication, HR and other items, such as eliminations

Note 3 Depreciation, amortization and write-downs

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Acquired intangible assets	-54	-49	-158	-133	-185
Intangible assets	-210	-164	-512	-484	-875
Right-of-use assets	-128	-108	-364	-321	-433
Tangible assets	-174	-136	-456	-394	-534
Total	-566	-458	-1,491	-1,332	-2,027
<i>of which write-downs</i>	<i>-89</i>	<i>0</i>	<i>-97</i>	<i>-1</i>	<i>-234</i>

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Cost of goods sold	-290	-213	-719	-626	-951
Selling expenses	-124	-116	-363	-330	-446
Administrative expenses	-114	-116	-337	-341	-456
Research and development costs	-15	-13	-44	-36	-172
Restructuring costs	-23	-	-28	-	-1
Total	-566	-458	-1,491	-1,332	-2,027
<i>of which write-downs</i>	<i>-89</i>	<i>0</i>	<i>-97</i>	<i>-1</i>	<i>-234</i>

Note 4 Quarterly results

SEK M	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021
Net sales	7,607	7,176	7,141	8,498	6,941	6,670	6,182	7,987
Cost of goods sold	-4,016	-4,077	-3,622	-4,671	-3,561	-3,521	-3,129	-4,048
Gross profit	3,591	3,099	3,519	3,828	3,380	3,150	3,053	3,939
Operating expenses	-2,276	-2,717	-2,617	-2,999	-2,273	-2,239	-2,273	-2,828
Operating profit (EBIT)	1,315	383	901	828	1,107	911	780	1,112
Net financial items	-88	-78	-75	-47	-31	-44	-32	-36
Profit after financial items	1,227	305	826	781	1,075	867	749	1,075
Taxes	-326	-88	-233	-220	-270	-255	-210	-300
Net profit for the period	901	216	593	561	805	611	538	775

Note 5 Adjustment items

Adjusted EBITA, SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Acute Care Therapies	942	946	2,239	2,489	3,402
Life Science	108	152	355	532	650
Surgical Workflows	144	146	253	178	549
Group functions and other (incl. eliminations)	-93	-74	-278	-234	-320
Total	1,101	1,170	2,569	2,964	4,281

Adjustments of EBITA, SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Specification of items affecting comparability that impact EBITA					
Restructuring costs, Acute Care Therapies	-15	-6	-37	-6	-142
Restructuring costs, Life Science	0	-6	-3	-13	-24
Restructuring costs, Surgical Workflows	-12	0	-22	-6	-39
Write-down of R&D, Acute Care Therapies	-66	-	-66	-	-231
Insurance compensation, Acute Care Therapies ¹⁾	450	-	450	-	-
Other, Acute Care Therapies ¹⁾	-9	-	-9	-	-11
Group functions and other (incl. eliminations)	-81	-3	-125	-9	-22
Total	268	-14	189	-33	-470

Items affecting comparability per segment	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Acute Care Therapies	361	-6	338	-6	-384
Life Science	0	-6	-3	-13	-24
Surgical Workflows	-12	0	-22	-6	-39
Group functions and other (incl. eliminations)	-81	-3	-125	-9	-22
Total	268	-14	189	-33	-470

1) Reported in Other operating income and operating expenses

EBITA, SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Acute Care Therapies	1,303	941	2,578	2,483	3,018
Life Science	107	146	352	519	626
Surgical Workflows	132	146	231	171	510
Group functions and other (incl. eliminations)	-174	-77	-403	-243	-343
Total	1,369	1,156	2,757	2,931	3,811

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Adjustment of tax, SEK M					
Amortization and write-down of acquired intangible assets ¹⁾	54	49	158	133	185
Items affecting comparability	-268	14	-189	33	470
Adjustment items, total	-213	63	-30	166	655
Tax effect on adjustment items ²⁾	43	-17	-7	-45	-177
Adjustment for tax items affecting comparability	-	-	-	-	-
Total	43	-17	-7	-45	-177

1) Excluding write-downs classified as items affecting comparability

2) Tax effect on tax deductible adjustment items

Note 6 Consolidated net interest-bearing debt

SEK M	September 30 2023	September 30 2022	December 31 2022
Other interest-bearing liabilities, current	1,877	419	410
Other interest-bearing liabilities, long-term	3,548	3,789	4,100
Provisions for pensions, interest-bearing	2,319	2,499	2,454
Lease liabilities, current	399	370	383
Lease liabilities, long-term	990	921	931
Interest-bearing liabilities	9,133	7,998	8,278
Less cash and cash equivalents	-5,337	-4,839	-5,676
Net interest-bearing cash/debt	3,796	3,159	2,602

Note 7 Key figures for the Group

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Financial and operative key figures					
Key figures based on Getinge's financial targets					
Organic growth in net sales, %	5.7	-2.6	4.8	-5.5	-5.4
Adjusted earnings per share ¹⁾ , SEK	2.66	3.10	6.09	7.55	10.90
Other operative and financial key figures					
Organic growth in order intake, %	-1.9	-5.0	-1.3	-4.8	-5.3
Gross margin, %	47.2	48.7	46.6	48.4	47.4
Selling expenses, % of net sales	17.1	17.5	17.8	18.0	17.2
Administrative expenses, % of net sales	13.9	12.7	14.2	13.1	12.4
Research and development costs, gross as a % of net sales	5.8	5.3	6.0	5.6	5.9
Operating margin, %	17.3	15.9	11.9	14.1	12.8
EBITDA, SEK M	1,881	1,564	4,090	4,131	5,653
Average number of shares, thousands	272,370	272,370	272,370	272,370	272,370
Number of shares at the end of the period, thousands	272,370	272,370	272,370	272,370	272,370
Interest-coverage ratio, multiple			22.2	43.6	39.0
Net debt/equity ratio, multiple			0.12	0.10	0.09
Net debt/Rolling 12m adjusted EBITDA, multiple			0.7	0.5	0.4
Capital employed, SEK M			34,791	30,533	31,510
Return on capital employed, %			10.6	14.7	13.0
Return on equity, %			7.3	10.1	8.9
Equity/assets ratio, %			59.8	59.5	58.5
Equity per share, SEK			117.55	113.47	111.81
Number of employees			11,119	11,112	11,082

1) Before and after dilution

Alternative performance measures

Alternative performance measures refer to financial measures used by the company's management and investors to evaluate the Group's earnings and financial position and that cannot be directly read or derived from the financial statements. These financial measures are intended to facilitate analysis of the Group's performance. Accordingly, the alternative performance measures should be considered a supplement to the financial statements prepared in accordance with IFRS. The financial measures recognized in this report may differ from similar measures used by other companies.

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Adjusted gross profit, SEK M					
Gross profit	3,591	3,380	10,209	9,582	13,410
<i>Add-back of:</i>					
Depreciation, amortization and write-downs of intangible assets and tangible assets	290	213	719	626	951
Other items affecting comparability	74	-	74	-	109
Adjustment for write-downs included in other items affecting comparability	-66	-	-66	-	-109
Adjusted gross profit	3,890	3,592	10,937	10,209	14,361

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Adjusted EBITDA, SEK M					
Operating profit (EBIT)	1,315	1,107	2,599	2,798	3,626
<i>Add-back of:</i>					
Depreciation, amortization and write-downs of intangible assets and tangible assets	512	409	1,333	1,199	1,842
Amortization and write-down of acquired intangible assets	54	49	158	133	185
Other items affecting comparability	-376	-	-376	-	242
Acquisition and restructuring costs	108	14	187	33	228
Adjustment for write-downs included in other items affecting comparability and restructuring costs	-89	-	-94	-	-232
Adjusted EBITDA	1,525	1,579	3,808	4,164	5,891

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Adjusted EBITA, SEK M					
Operating profit (EBIT)	1,315	1,107	2,599	2,798	3,626
<i>Add-back of:</i>					
Amortization and write-down of acquired intangible assets	54	49	158	133	185
Other items affecting comparability	-376	-	-376	-	242
Acquisition and restructuring costs	108	14	187	33	228
Adjusted EBITA	1,101	1,170	2,569	2,964	4,281

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Adjusted EBIT, SEK M					
Operating profit (EBIT)	1,315	1,107	2,599	2,798	3,626
<i>Add-back of:</i>					
Other items affecting comparability	-376	-	-376	-	242
Acquisition and restructuring costs	108	14	187	33	228
Adjusted EBIT	1,047	1,121	2,410	2,831	4,096

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Adjusted net profit for the period, SEK M					
Net profit for the period	901	805	1,710	1,955	2,516
<i>Add-back of:</i>					
Amortization and write-down of acquired intangible assets	54	49	158	133	185
Other items affecting comparability	-376	-	-376	-	242
Acquisition and restructuring costs	108	14	187	33	228
Tax items affecting comparability	-	-	-	-	-
Tax on add-back items	43	-17	-7	-45	-177
Adjusted net profit for the period	730	852	1,673	2,076	2,994

The calculation of adjusted earnings per share, before and after dilution, attributable to the Parent Company's shareholders, is based on the following information:					
Earnings (numerator), SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Adjusted net profit for the period	730	852	1,673	2,076	2,994
Adjusted net profit for the period attributable to non-controlling interest	-7	-7	-15	-20	-25
Adjusted net profit for the period attributable to the Parent Company shareholders, which form the basis for calculation of adjusted earnings per share	724	845	1,657	2,056	2,969
Number of shares (denominator)	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Weighted average number of ordinary shares for calculation of adjusted earnings per share (thousands)	272,370	272,370	272,370	272,370	272,370
Adjusted earnings per share, SEK	2.66	3.10	6.09	7.55	10.90

Note 8 Acquisitions

Acquisitions in 2023

In the quarter, earn-outs of SEK 36 million were paid for Fluoptics SAS and SEK 5 million for Irasun GmbH.

In April and June 2023, Getinge acquired shares in the subsidiary Pulsion Medical Systems SE for SEK 128 M and in March 2023, 100% of the shares in Ultra Clean Systems Inc. were acquired, a US manufacturer of ultrasonic cleaning technologies used in hospitals and surgery centers to decontaminate surgical instruments. Ultra Clean Systems Inc. is located near Tampa, Florida in the US, has 39 employees and generated sales of SEK 90 M in 2022. The purchase price amounted to SEK 163 M, of which SEK 107 M pertained to goodwill that is attributable to strategic advantages in the form of growth opportunities and sales-related synergies. The costs of the acquisition amounted to SEK 9 M and were charged to earnings. During the period, the acquisition analysis has not yet been completed. The acquisition did not have any material impact on Getinge's sales or earnings in the quarter.

Parent Company financial statements

Parent Company's income statement

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	47	34	163	128	187
Administrative expenses	-158	-52	-330	-196	-336
Operating loss	-111	-18	-167	-68	-149
Result from participations in Group companies ¹⁾	495	7	2,527	3,508	3,512
Interest income and other similar income ²⁾	13	0	35	7	13
Interest expenses and other similar expenses ²⁾	-68	-25	-199	-86	-130
Profit/loss after financial items	329	-36	2,196	3,361	3,246
Appropriations	-	-	-	-	135
Taxes	23	3	26	1	-17
Net profit/loss for the period³⁾	352	-33	2,222	3,362	3,364

1) Primarily refers to dividends from Group companies that take place on an ongoing basis throughout the year

2) Interest income and other similar income and interest expenses and other similar expenses include exchange-rate gains and losses attributable to the translation of financial receivables and liabilities measured in foreign currencies

3) Comprehensive income for the period corresponds to net profit for the period

Parent Company's balance sheet

SEK M	September 30 2023	September 30 2022	December 31 2022
Assets			
Intangible assets	1	4	3
Tangible assets	3	4	3
Participations in Group companies	28,413	28,333	28,413
Deferred tax assets	133	106	97
Long-term receivables from Group companies	-	134	191
Current receivables from Group companies	352	106	357
Current receivables	293	81	28
Cash and cash equivalents	961	1,101	1,671
Total assets	30,156	29,869	30,763
Equity and liabilities			
Equity	25,141	24,075	24,077
Long-term liabilities	2,970	2,044	2,544
Other provisions	24	20	16
Current liabilities to Group companies	1,136	3,537	3,908
Current liabilities	885	193	218
Total equity and liabilities	30,156	29,869	30,763

Definitions

Financial terms

Adjusted earnings per share: Adjusted net profit for the period attributable to Parent Company shareholders in relation to average number of shares.

Adjusted EBIT: Operating profit (EBIT) with add-back of acquisition and restructuring costs and other items affecting comparability.

Adjusted EBITA: EBITA with add-back of acquisition and restructuring costs and other items affecting comparability.

Adjusted EBITDA: EBITDA with add-back of acquisition and restructuring costs and other items affecting comparability.

Adjusted gross profit: Gross profit with add-back of depreciation, amortization and write-downs and other items affecting comparability.

Adjusted net profit for the period: Net profit for the period with add-back of amortization and write-down of acquired intangible assets, acquisition and restructuring costs, other items affecting comparability and tax effect of add-back of income-statement items.

Adjusted profit before tax: Profit before tax for the period with add-back of amortization and write-down of acquired intangible assets, acquisition and restructuring costs and other items affecting comparability.

Capital employed: Average total assets with add-back of cash and cash equivalents, other provisions, accounts payable and other non-interest-bearing liabilities.

Capital goods: Durable products that are not consumed when used.

Currency transaction effect: Exchange of current year's volumes of foreign currency at this year's exchange rates, compared with the exchange rates in the preceding year.

Earnings per share: Net profit attributable to Parent Company shareholders in relation to average number of shares.

EBIT: Operating profit.

EBITA: Operating profit (EBIT) before add-back of amortization and write-down of acquired intangible assets.

EBITA margin: EBITA in relation to net sales.

EBITDA: Operating profit (EBIT) with add-back of amortization, depreciation and write-downs.

EBITDA margin: EBITDA in relation to net sales.

Equity per share: Equity in relation to the number of shares at the end of the period.

Equity/assets ratio: Equity in relation to total assets.

Free cash flow: Cash flow from operating activities and investing activities, excluding acquisitions and divestment of operations.

Gross margin: Gross profit in relation to net sales.

Interest-coverage ratio: Rolling 12 months' adjusted EBITDA in relation to rolling 12 months' net interest.

Items affecting comparability: Acquisition and restructuring costs and other items affecting comparability. Other items affecting comparability are significant revenue/expenses that impact comparability between accounting periods. These items include, but are not limited to, write-downs, disputes and major gains and losses attributable to divestments of assets or businesses.

Net debt/equity ratio: Net interest-bearing debt in relation to equity.

Operating liabilities: Accounts payable, other provisions and other non-interest-bearing liabilities (contract liabilities, non-interest-bearing provisions for pensions, accrued expenses and deferred income as well as other liabilities).

Operating margin: Operating profit (EBIT) in relation to net sales.

Operating receivables: Accounts receivable and other current receivables (contract assets, prepaid expenses, accrued income and other receivables).

Organic change: A financial change adjusted for currency, acquisitions and divestments of businesses.

Recurring revenue: Products that are continuously consumed as well as service, spare parts and similar items.

Return on capital employed: Rolling 12 months' adjusted EBIT in relation to capital employed.

Return on equity: Rolling 12 months' profit after tax in relation to average equity.

Medical terms

Cardiopulmonary: Pertaining or belonging to both heart and lung.

Cardiovascular: Pertaining or belonging to both heart and blood vessels.

DPTE®-BetaBags: Bag that ensures contamination-free transfer of components.

ECMO: Extracorporeal membrane oxygenation, meaning oxygenation outside the body through a membrane. Put simply, a modified cardiac and respiratory machine that exchanges oxygen and carbon dioxide, like an artificial lung.

Endoscope: Equipment for visual examination of the body's cavities, such as the stomach.

Endovascular: Vascular treatment using catheter technologies.

Extracorporeal life support: Oxygenation of the patient's blood outside the body (extracorporeal) using advanced medical technology.

Grafts: Artificial vascular implants.

Hemodynamic monitoring: Monitoring the balance between blood pressure and blood flow.

Low temperature sterilization: A device used to sterilize surgical instruments which cannot be sterilized with high temperature steam. It is mainly used for instruments used in the minimal invasive and robotic surgery.

NAVA: Neurally Adjusted Ventilatory Assist (NAVA) identifies the electric activity that activates the diaphragm and using these signals adapts the ventilation to the patient's respiratory rhythm.

Perfusionist: A healthcare professional who operates the heart-lung machine during surgery.

Stent: A tube for endovascular widening of blood vessels.

Sterilizer: A device to eliminate microorganisms on surgical instruments, usually by high temperature with steam.

Vascular intervention: A medical procedure conducted through vascular puncturing instead of using an open surgery method.

Ventilator: Medical device to help patients' breath.

Geographic areas

Americas: North, South and Central America.

APAC: Asia and Pacific (excluding Middle East).

EMEA: Europe, Middle East and Africa.

Teleconference

A teleconference with President & CEO Mattias Perjos and CFO Lars Sandström will be held on October 23, 2023 at 10:00-11:00 a.m. CEST.

Fund managers, analysts and the media are invited to the teleconference.

Register via [this link](#) to participate in the teleconference. After registering, you will receive a telephone number and a conference ID to log in to the teleconference. You can ask questions verbally at the teleconference.

A presentation will be held during the telephone conference. To access the presentation, click on [the following link](#). A recording will be available [here](#) for three years.

Financial information

Updated information on, for example, the Getinge share and corporate governance is available on Getinge's website www.getinge.com. The Annual Report, year-end report and interim reports are published in Swedish and English and are available for download at www.getinge.com. The preliminary dates for financial communication are provided below:

February 1, 2024	Q4 Report 2023
April 1, 2024	2023 Annual Report
April 22, 2024	Q1 Report 2024
April 22, 2024	Annual General Meeting
July 18, 2024	Q2 Report 2024
October 18, 2024	Q3 Report 2024
January 28, 2025	Q4 Report 2024

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This information is such that Getinge AB must disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on October 23, 2023 at 8:00 a.m. CEST.

With a firm belief that every person and community should have access to the best possible care, Getinge provides hospitals and life science institutions with products and solutions that aim to improve clinical results and optimize workflows. The offering includes products and solutions for intensive care, cardiovascular procedures, operating rooms, sterile reprocessing and life science. Getinge employs 11,000 people worldwide and the products are sold in more than 130 countries. Getinge has been listed on Nasdaq OMX Stockholm, Nordic Large Cap since 1993 and is included in the OMXS30 index of the 30 most actively traded shares.

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