

Press release

Gothenburg, Sweden, on August 22, 2024

Getinge to acquire Paragonix Technologies, a growth leader in the organ transplantation market

Today, Getinge announces an agreement to acquire 100% of Paragonix Technologies, Inc., a leading organ transport products and services company in the United States for an aggregated purchase price, including upfront and earn out payments, estimated to approximately USD 477 million.

With the acquisition of Paragonix Technologies – a pioneer and innovator in organ transport and preservation – Getinge marks its entry into a rapidly advancing field driven by rising transplant volumes, technological innovations and evolving clinical practices. The acquisition aligns with Getinge's broader strategy to expand its portfolio into high growth markets that complement and enhance its acute heart and lung support offering already being used in connection with transplantation, positioning the company at the forefront of the fast-growing organ preservation and transportation market.

"We are excited to enter the organ preservation and transportation market which is rapidly evolving, driven by a global shortage of organs and the pressing need to increase transplantation volume. Teaming up with Paragonix Technologies' talented team and proven technology is not just a strategic fit for Getinge, it is a catalyst to redefine the market standard, especially considering our expertise in the acute heart and lung support segment and our existing global sales network", says Elin Frostehav, President Acute Care Therapies at Getinge.

The deal logic in brief

- The total market for transplants has been growing rapidly in recent years and is expected to continue to grow double digit and exceed USD 10 billion in 2033.
- Growth is driven by volume increase due to demand and the transition from traditional methods (ice) towards new technologies as the average cost of transplant cases increases. This trend is already established for the Heart and Lung segments, and similar development is expected for the Abdominal segment.
- Paragonix Technologies outgrows the market significantly (136% growth in 2023) – seizing a substantial market share.
- Paragonix Technologies has a strong offering targeting the Heart and Lung segments, for example enabling >50% reduction of severe complications and 43% reduction in 2-year mortality compared to traditional heart transport and preservation solutions.
- Paragonix Technologies has recently launched attractive offerings targeting the Abdominal segment and has a strong pipeline of additional products. The company also has a strong portfolio of digital solutions and services.
- Untapped global potential – close to 100% of Paragonix Technologies' sales is in the US. Getinge and Paragonix can capture global demand growth together, supported by Getinge's global commercial infrastructure.
- Combining Paragonix Technologies' leading offering and pipeline with Getinge's expertise and offering in the acute heart and lung support, digital technology and services creates a very attractive offering as of today. The deal also enables the development of attractive combined offerings for the future – strengthening the leading position further.

Founded in 2010, Paragonix Technologies is a privately held company headquartered in Waltham, Massachusetts, USA, and employs approximately 100 people. In 2023, Paragonix Technologies reported revenues of USD 43.1 million, representing an impressive 136% growth over prior year. Close to 100% of its sales are generated from the US market.

The global organ preservation and transportation market is expected to continue to sustain rapid growth. In the US, reforms initiated in 2019 are transforming the transplantation system, driving further improvements in organ transplantation. Additionally, the utilization of organs from previously underutilized donor pools is expanding overall transplant volumes. With over 100,000 patients on the organ waiting list in the US alone, and alongside ongoing technological advancements, the US and EU combined total organ transplant market is expected to exceed USD 10 billion by 2033, continuing its double-digit growth trajectory. The US remains the largest and most homogeneous market.

“We are thrilled to join forces with Getinge”, says Dr. Lisa Anderson, CEO and President of Paragonix Technologies. “Our product portfolio, transplant services, and robust clinical data position us as an industry leader. Together, we look forward to making a broad clinical impact, improving patient care, and launching new innovations in transplantation and end-stage organ failure. With Getinge’s global sales footprint, we can now extend our technologies and solutions to underserved patient populations worldwide.”

The acquisition enables Getinge to provide innovative solutions across the entire transplant workflow, complementing and synergizing with existing pre- and post-transplant patient support products in the acute heart & lung support segment while also venturing into the adjacent kidney, liver, and pancreas markets.

“This strategic move positions us to innovate within the transplant space, and ultimately, confirms our purpose to make life-saving solutions accessible for more people and our objective to double the lives saved. We look forward to an exciting future where we continue to make a difference together with our new colleagues at Paragonix Technologies,” Elin Frostehav concludes.

The aggregated upfront purchase price and currently expected additional earnout payments in 2024-2026 are approximately USD 477 million, on a cash and debt free basis, for all issued and outstanding shares, of which USD 253 million is payable in cash on closing. The earn-out payments are expected to be paid between 2024 and 2026 if agreed upon regulatory and financial performance milestones are achieved and may exceed USD 277 million in aggregate. Getinge anticipates a positive contribution on adjusted earnings per share starting in 2028. The initial payout related to the acquisition will be financed through a bridge loan provided by SEB. The acquisition is expected to have a slightly negative impact on Getinge’s adjusted earnings per share in 2024. The waiting period under the Hart-Scott-Rodino Antitrust Improvements Act has elapsed. The closing is expected to take place late Q3 or early Q4 2024, subject to customary closing conditions.

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This information is such that Getinge AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on August 22, 2024 at 22.23 CEST.

About Getinge

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 aiming to improve clinical results and optimize workflows. The offering includes products and solutions for intensive care, cardiovascular procedures, operating rooms, sterile processing and life science. Getinge employs approximately 12,000 people worldwide and the products are sold in more than 135 countries.

About Paragonix Technologies

Paragonix Technologies is a leading developer, manufacturer, and service provider in the organ transplant industry, establishing a novel approach to preservation that represents a significant improvement over the traditional standard of care.

Paragonix Advanced Organ Preservation devices combine clinically-proven, stable cooling techniques with digital tracking and monitoring technologies to provide clinicians complete control and oversight throughout the donor organ journey. The clinical impact of Paragonix preservation technology is reinforced by the GUARDIAN clinical registries, the largest database of organ preservation data in the world that analyzes post-transplant outcomes in transplant recipients.

[Find out more about Paragonix Technologies >>](#)