

Comments from Mattias Perjos, CEO

Increased sales, strengthened earnings and PMA approval for iCast in the US

"The order intake and net sales increased organically by 2.9% and 7.5%, respectively, during the quarter. This was mainly as a result of high demand for ventilators for the expansion of intensive care in China, a recovery in cardiovascular procedures and major deliveries in Surgical Workflows to meet demand for productivity-enhancing infrastructure in healthcare.

Surgical Workflows increased its sales by almost 20% organically due to better access to components, which meant that deliveries could be brought forward. Supply chain constraints eased in the quarter and are now mainly concentrated to intra-aortic balloon pumps and ECMO therapy products in Acute Care Therapies, for which we have orders valued at just over SEK 400 M that are pending delivery. This is expected to take place in the second half of the year. Life Science is mainly affected by significantly reduced demand for products related to COVID-19 vaccines and we do not expect to return to a phase of growth until the second half of the year. All in all, this means that our forecast of 2-5% organic growth for 2023 remains intact.

The higher sales volumes, price increases and positive currency effects contributed to both gross and operating profit strengthening, despite higher costs for purchases of both input goods and services as well as salaries. We are working actively to continue to raise prices and lower our costs, which will have a slightly delayed effect. Free cash flow was better than in the year-earlier period excluding large payments related to the final settlement regarding surgical mesh products. Getinge's financial position remains solid with low net debt.

During the quarter, we reported the suspension of the CE certificate and quality-related field safety corrective actions for our intra-aortic balloon pump. The CE certificate was also suspended for ECMO therapy consumables due to packaging deficiencies. However, deliveries to existing customers have been approved in accordance with EU regulations, due to the benefits provided by the products. We take these incidents very seriously and have taken the appropriate action, which could result in some delivery disruptions in the second quarter. Ultra Clean Systems, a leading US manufacturer of ultrasonic cleaning technologies used to decontaminate surgical instruments, was acquired in March. This is part of ensuring an attractive product portfolio in the important US market. During the quarter, we received premarket approval (PMA) in the US from the FDA for the iCast™ stent system for the treatment of patients with iliac arterial occlusive disease. We expect that this will start to contribute to higher sales and stronger margins for Acute Care Therapies from the fourth quarter this year."

January – March 2023 in brief

- Net sales increased organically by 7.5% and the order intake increased organically by 2.9%
- Adjusted gross profit amounted to SEK 3,734 M (3,261) and the gross margin was 52.3% (52.7)
- Adjusted EBITA amounted to SEK 972 M (839) and the EBITA margin was 13.6% (13.6)
- Adjusted earnings per share amounted to SEK 2.34 (2.11)
- Free cash flow amounted to SEK -700 M (420)

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

Summary of financial performance¹⁾

SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Order intake	7,476	6,772	29,621
<i>Organic change, %</i>	<i>2.9</i>	<i>-4.4</i>	<i>-5.3</i>
Net sales	7,141	6,182	28,292
<i>Organic change, %</i>	<i>7.5</i>	<i>-6.4</i>	<i>-5.4</i>
Adjusted gross profit	3,734	3,261	14,361
<i>Margin, %</i>	<i>52.3</i>	<i>52.7</i>	<i>50.8</i>
Adjusted EBITDA	1,380	1,235	5,891
<i>Margin, %</i>	<i>19.3</i>	<i>20.0</i>	<i>20.8</i>
Adjusted EBITA	972	839	4,281
<i>Margin, %</i>	<i>13.6</i>	<i>13.6</i>	<i>15.1</i>
Adjusted EBIT	921	797	4,096
<i>Margin, %</i>	<i>12.9</i>	<i>12.9</i>	<i>14.5</i>
Operating profit (EBIT)	901	780	3,626
<i>Margin, %</i>	<i>12.6</i>	<i>12.6</i>	<i>12.8</i>
Profit before tax	826	749	3,472
Net profit for the period	593	538	2,516
Adjusted net profit for the period	644	581	2,994
<i>Margin, %</i>	<i>9.0</i>	<i>9.4</i>	<i>10.6</i>
Adjusted earnings per share, SEK	2.34	2.11	10.90
Earnings per share, SEK	2.15	1.96	9.15
Cash flow from operating activities	-427	647	3,367
Free cash flow	-700	420	2,261

¹⁾ See page 3 for calculations of adjusted performance measures.

- The higher organic order intake in Acute Care Therapies was primarily attributable to ventilators for the Chinese market and cardiac surgery products.
- The lower organic order intake in Life Science was mainly a result of lower demand for products related to COVID-19 vaccines in Americas and APAC. However, the order intake increased in EMEA during the quarter, mainly linked to customers in Northern Europe.
- The order intake for Surgical Workflows increased organically in all product categories. APAC and EMEA accounted for tangible growth, while the order intake for Americas was slightly lower than last year, which featured sharp growth.

Group performance

Order intake

Order intake business areas, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Acute Care Therapies	4,260	3,765	5.1	16,108
Life Science	922	985	-12.7	3,932
Surgical Workflows	2,294	2,022	6.6	9,581
Total	7,476	6,772	2.9	29,621

Order intake regions, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Americas	2,931	2,653	-0.3	11,826
APAC	1,756	1,758	-3.9	7,248
EMEA	2,789	2,360	11.7	10,548
Total	7,476	6,772	2.9	29,621

- Organic net sales for Acute Care Therapies increased in APAC due to large deliveries of ventilators to the Chinese market. Net sales also increased in products for cardiovascular procedures.
- Supply chain challenges negatively impacted net sales by at least SEK 400 M, mostly related to intra-aortic balloon pumps and ECMO therapy products in Acute Care Therapies.
- Net sales for Life Science fell organically, mainly as a result of a tangible decline in demand for products related to COVID-19 vaccines. The positive trend in the service business continued.
- Surgical Workflows increased its net sales organically in all product categories and grew substantially in both Americas and EMEA. Improvements in the supply chain contributed positively to sales.
- Net sales increased organically in both capital goods and recurring revenue compared with last year.

Net sales

Net sales business areas, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Acute Care Therapies	3,996	3,485	6.5	15,285
Life Science	935	970	-10.3	4,026
Surgical Workflows	2,210	1,728	19.6	8,981
Total	7,141	6,182	7.5	28,292

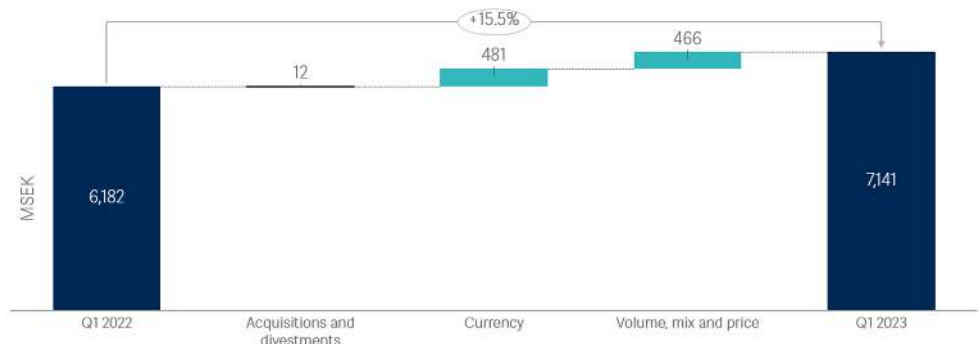
Net sales regions, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Americas	2,942	2,537	4.5	11,467
APAC	1,621	1,453	7.2	6,695
EMEA	2,579	2,193	11.2	10,130
Total	7,141	6,182	7.5	28,292

Net sales specified by capital goods and recurring revenue, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Capital goods	2,550	2,182	9.4	11,101
Recurring revenue ¹⁾	4,591	4,000	6.5	17,191
Total	7,141	6,182	7.5	28,292

1) Consumables, service and spare parts

- Net sales increased by SEK 958 M, corresponding to 15.5%.
- Net sales from acquisitions accounted for SEK 12 M or 0.2%.
- Exchange rates had an impact of SEK 481 M on sales, corresponding to 7.8%.
- Volume, mix and price affected sales by a net SEK 466 M, corresponding to 7.5%.

Net sales – bridge between Q1 2022 and Q1 2023



Earnings trend

- Currency effects impacted adjusted gross profit by SEK 287 M and adjusted EBITA by SEK 146 M during the quarter.
- The gross margin declined as an effect of increased costs related to inflation, negative mix effects and supply chain challenges. These effects were offset by higher sales volumes, price increases, activities to enhance productivity and favorable currency effects.
- Adjusted operating expenses increased by 16.1%, mainly due to negative currency effects and higher costs for purchases of services, salaries and increased R&D activities. Operating expenses increased organically by 10%.
- Adjusted EBITA rose by SEK 133 M year-on-year and the margin was unchanged.
- Net financial items amounted to SEK -75 M mainly as a result of higher average interest expenses and negative currency effects.

SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net sales	7,141	6,182	28,292
Adjusted gross profit	3,734	3,261	14,361
Margin, %	52.3	52.7	50.8
Adjusted operating expenses	-2,353	-2,026	-8,470
Adjusted EBITDA	1,380	1,235	5,891
Margin, %	19.3	20.0	20.8
Depreciation, amortization and write-downs of intangible assets and tangible assets ¹⁾	-408	-396	-1,610
Adjusted EBITA	972	839	4,281
Margin, %	13.6	13.6	15.1
A Amortization and write-down of acquired intangible assets ¹⁾	-52	-41	-185
Adjusted EBIT	921	797	4,096
Margin, %	12.9	12.9	14.5
B Acquisition and restructuring costs	-19	-17	-228
C Other items affecting comparability ²⁾	-	-	-242
Operating profit (EBIT)	901	780	3,626
Net financial items	-75	-32	-154
Profit before tax	826	749	3,472
Adjusted profit before tax (adjusted for A, B and C)	897	807	4,127
Margin, %	12.6	13.1	14.6
Taxes	-233	-210	-956
D Adjustment of tax ²⁾	-20	-16	-177
Adjusted net profit for the period (adjusted for A, B, C and D)	644	581	2,994
Margin, %	9.0	9.4	10.6
Of which, attributable to Parent Company shareholders	637	576	2,969
Average number of shares, thousands	272,370	272,370	272,370
Adjusted earnings per share, SEK (adjusted for A, B, C and D)	2.34	2.11	10.90

1) Excluding items affecting comparability (see Note 3 for depreciation, amortization and write-downs).
2) See Note 5.

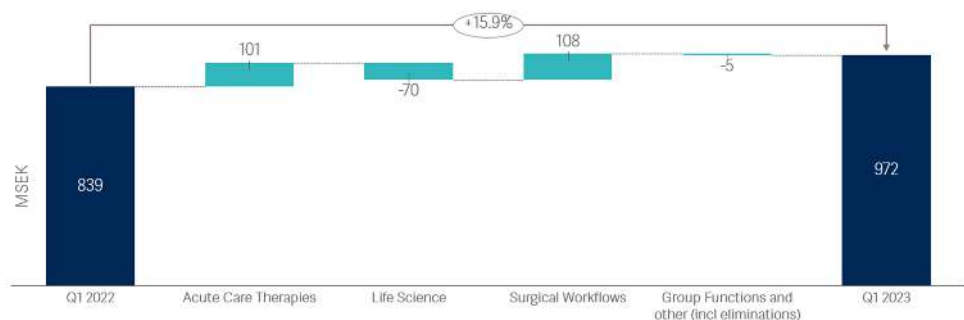
- Acute Care Therapies' adjusted EBITA increased SEK 101 M due to higher sales volumes and currency effects. An unfavorable product mix and inflation had a negative effect, which contributed to the margin falling slightly.
- Life Science's adjusted EBITA declined by SEK 70 M mainly due to lower volumes, and the margin fell 6.7 percentage points.
- Surgical Workflows' adjusted EBITA improved by SEK 108 M and the margin improved by 5.9 percentage points due to higher sales volumes and positive currency effects.

Adjusted EBITA per business area¹⁾

SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Acute Care Therapies	897	796	3,402
Margin, %	22.4	22.9	22.3
Life Science	133	203	650
Margin, %	14.2	20.9	16.1
Surgical Workflows	31	-77	549
Margin, %	1.4	-4.4	6.1
Group functions and other (incl. eliminations)	-89	-84	-320
Total	972	839	4,281
Margin, %	13.6	13.6	15.1

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

Adjusted EBITA – bridge between Q1 2022 and Q1 2023



- Adjusted operating expenses increased by 16.1%, mainly due to negative currency effects and higher costs for purchases of services, salaries and increased R&D activities.
- Operating expenses increased organically by 10%.
- The negative trend in 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 287 M compared with last year, of which SEK 228 M in translation effects and SEK 59 M in transaction effects and hedging outcome.
- Adjusted EBITA was impacted by translation effects of SEK 52 M and the net of transaction effects, hedging outcome and revaluation of operating receivables and liabilities in foreign currency of SEK 94 M.

- Free cash flow was negatively impacted by a large payment related to the final settlement regarding surgical mesh that was previously reported. Excluding this item, free cash flow was higher than last year.
- The change in working capital was mainly due to the payment related to surgical mesh.
- The financial status remains strong, with low net interest-bearing debt in relation to EBITDA.

- Costs for R&D were 19.3% higher than in the year-earlier period as a result of higher activity, inflation and currency effects.
- Capitalized development costs increased by 24.3% compared with the year-earlier period.

Adjusted operating expenses

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

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
SEK M			
Selling expenses	-1,182	-1,052	-4,424
Administrative expenses	-879	-736	-3,060
Research and development costs	-282	-242	-1,001
Other operating income and expenses	-10	4	15
Total	-2,353	-2,026	-8,470

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

Currency impact

	Jan-Mar 2023
SEK M	
Net sales	481
Adjusted gross profit	287
Adjusted EBITDA	170
Adjusted EBITA	146
Adjusted EBIT	142

Cash flow and financial position¹⁾

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
SEK M			
Cash flow before changes in working capital	1,066	892	4,610
Changes in working capital	-1,493	-246	-1,243
Net investments in non-current assets	-273	-227	-1,106
Free cash flow	-700	420	2,261
Net interest-bearing cash/debt	3,653	2,986	2,602
<i>In relation to adjusted EBITDA¹⁾ R12M, multiple</i>	<i>0.6</i>	<i>0.5</i>	<i>0.4</i>
Net interest-bearing cash/debt, excl. pension provisions	1,192	-29	148
<i>In relation to adjusted EBITDA¹⁾ R12M, multiple</i>	<i>0.2</i>	<i>0.0</i>	<i>0.0</i>

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

Research and development

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
SEK M			
Research and development costs	-421	-353	-1,486
Amortization, depreciation and write-downs	-14	-11	-172
Research and development costs, gross	-435	-364	-1,658
<i>In relation to net sales, %</i>	<i>6.1</i>	<i>5.9</i>	<i>5.9</i>
Capitalized development costs	138	111	473
<i>In relation to net sales, %</i>	<i>1.9</i>	<i>1.8</i>	<i>1.7</i>
Research and development costs, net	-296	-253	-1,185
Amortization and write-down of capitalized development costs¹⁾	-87	-92	-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 higher number of open complaints, and an increase in corrective measures compared with prior quarters. These effects are considered to be of a temporary nature.
- Carbon emissions, energy consumption and share of renewable energy are continuing to perform in a positive direction due to ongoing improvements in the operations.

Key areas	R12 Mar 2023	Jan-Dec 2022
Quality Culture		
Improved customer quality index (%) ^{1) 3)}	63	64
Online customer training (training courses)	52,305	52,328
Passionate Employees		
Sick leave (%) ³⁾	3,2	3,2
Percentage of female employees (%) ³⁾	37	37
Percentage of female managers (%) ³⁾	33	33
Environmental & Social Engagement		
Scope 1 & 2 GHG emissions (ton CO ₂ equivalents) ²⁾	7,127	7,667
Total energy consumption in production (MWh)	77,472	78,540
Percentage of renewable energy of total energy (%)	63	60
Percentage of recycled waste (%)	46	48
Business Ethics & Responsible Leadership		
Percentage of employees who completed online training in business ethics (%) ³⁾	90	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. Average for the period

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 higher organic order intake in Acute Care Therapies was primarily attributable to ventilators for the Chinese market and cardiac surgery products in North America.
- The organic order intake for ECMO therapy products increased marginally year-on-year.

- Organic net sales for Acute Care Therapies increased in APAC due to large deliveries of ventilators to the Chinese market. Net sales also increased in products for cardiovascular procedures.
- Net sales were negatively affected by the continuing shortage of components mainly in intra-aortic balloon pumps and ECMO therapy. This is expected to have adversely impacted sales for the quarter by at least SEK 400 M.

- The adjusted gross margin declined by 0.6 of a percentage point mainly due to an unfavorable product mix, a shortage of components and higher costs for input goods and personnel, which were offset by higher sales volumes, positive currency effects, price increases and continuing productivity activities.
- Adjusted operating expenses increased by 16.5%, mainly due to negative currency effects and higher R&D costs, purchases of services and increased salary costs. Organically these expenses increased by 10.1%.
- Higher adjusted gross profit contributed to an increase of SEK 101 M in adjusted EBITA compared with last year. The margin decreased by 0.5 of a percentage point.
- Currency effects impacted sales by SEK 284, adjusted gross profit by SEK 193 M and adjusted EBITA by SEK 105 M.

Order intake and net sales

Order intake regions, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Americas	2,048	1,729	6.8	7,722
APAC	1,078	999	3.8	3,995
EMEA	1,133	1,037	3.4	4,391
Total	4,260	3,765	5.1	16,108

Net sales regions, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Americas	1,907	1,720	-0.1	7,624
APAC	974	774	20.8	3,510
EMEA	1,116	991	6.8	4,151
Total	3,996	3,485	6.5	15,285

Net sales specified by capital goods and recurring revenue, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Capital goods	902	881	-3.4	4,099
Recurring revenue ¹⁾	3,094	2,603	9.9	11,186
Total	3,996	3,485	6.5	15,285

1) Consumables, service and spare parts

Earnings trend¹⁾

SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net sales	3,996	3,485	15,285
Adjusted gross profit	2,462	2,167	9,174
Margin, %	61.6	62.2	60.0
Adjusted EBITDA	1,116	1,012	4,274
Margin, %	27.9	29.0	28.0
Depreciation, amortization and write-downs of intangible assets and tangible assets	-219	-216	-872
Adjusted EBITA	897	796	3,402
Margin, %	22.4	22.9	22.3

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 launched a new Servo-c ventilator that offers lung protective functions for both pediatric and adult patients. Servo-c is a cost-effective offering that intends to make high-quality healthcare available to more hospitals and patients.
- The notifying body DEKRA decided to suspend the CE certificates for Getinge's HLS and PLS sets from March 1, 2023, because of packaging deficiencies. However, in accordance with EU regulations, deliveries to existing customers have been approved based on the benefits that the products bring to patients.
- The notifying body TÜV SÜD decided to suspend the CE certificate for Getinge's aortic balloon pump Cardiosave. The company has three months to implement the necessary corrective measures.
- Getinge's stent system iCast™ received premarket approval (PMA) from the US Food and Drug Administration (FDA) for the treatment of patients with iliac arterial occlusive disease.

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.

- The lower organic order intake in Life Science was mainly a result of lower demand for products related to COVID-19 vaccines in Americas and APAC.
- The order intake increased in EMEA during the quarter, mainly as a result of increased activity with customers in Northern Europe.
- Net sales for Life Science fell organically, mainly as a result of a tangible decline in demand for products related to COVID-19 vaccines. The positive trend in the service business continued.
- Recurring revenue declined as a result of lower volumes of consumables related to the production of COVID-19 vaccines.

Order intake and net sales

Order intake regions, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Americas	287	373	-30.5	1,367
APAC	102	248	-60.9	860
EMEA	534	365	38.1	1,706
Total	922	985	-12.7	3,932

Net sales regions, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Americas	340	317	-3.2	1,447
APAC	167	223	-28.5	858
EMEA	428	429	-6.1	1,721
Total	935	970	-10.3	4,026

Net sales specified by capital goods and recurring revenue, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Capital goods	448	423	-1.5	1,940
Recurring revenue ¹⁾	487	547	-17.1	2,086
Total	935	970	-10.3	4,026

1) Consumables, service and spare parts

- The adjusted gross margin fell by 0.6 of a percentage point as a result of lower volumes, higher costs for input goods and personnel. Favorable currency effects and cost savings contributed positively to the margin.
- Adjusted operating expenses increased by 23.2% as a result of negative currency effects and higher costs for purchases of services and salaries. Expenses increased organically by 18.5%.
- Adjusted EBITA declined by SEK 70 M and the margin fell by 6.7 percentage points because of a lower adjusted gross profit and higher adjusted operating expenses.
- Currency effects impacted sales by SEK 65, adjusted gross profit by SEK 30 M and adjusted EBITA by SEK 19 M.

Earnings trend¹⁾

SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net sales	935	970	4,026
Adjusted gross profit	398	419	1,548
Margin, %	42.6	43.2	38.5
Adjusted EBITDA	180	242	801
Margin, %	19.3	24.9	19.9
Depreciation, amortization and write-downs of intangible assets and tangible assets	-47	-39	-151
Adjusted EBITA	133	203	650
Margin, %	14.2	20.9	16.1

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

- As a consequence of increased demand for DPTE-AlphaPort® in recent quarters Getinge has initiated a project to increase production capacity by 50% at the production unit in Vendôme, France. This is of strategic importance since a larger installed base contributes to higher demand for DPTE-BetaBag®.
- In order to increase productivity, the business area initiated rationalizations in the production of DPTE® BetaBag, bioreactors and isolators during the quarter. This improvement work will continue during the year.

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.

- The order intake for Surgical Workflows increased organically in all product categories.
- APAC and EMEA accounted for tangible growth, while the order intake for Americas was slightly lower than last year, which featured sharp growth.
- Surgical Workflows increased its net sales organically in all product categories and grew substantially in both Americas and EMEA.
- Improvements in the supply chain contributed positively to capital goods for the quarter. Recurring revenue also increased organically in all areas (consumables, service and spare parts).

Order intake and net sales

Order intake regions, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Americas	597	551	-2.2	2,737
APAC	576	512	8.4	2,392
EMEA	1,121	959	10.7	4,451
Total	2,294	2,022	6.6	9,581

Net sales regions, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Americas	695	500	25.4	2,395
APAC	480	455	1.5	2,327
EMEA	1,035	773	26.5	4,259
Total	2,210	1,728	19.6	8,981

Net sales specified by capital goods and recurring revenue, SEK M	Jan-Mar 2023	Jan-Mar 2022	Org Δ, %	Jan-Dec 2022
Capital goods	1,200	878	27.4	5,062
Recurring revenue ¹⁾	1,010	850	11.5	3,919
Total	2,210	1,728	19.6	8,981

1) Consumables, service and spare parts

- The adjusted gross margin increased by 0.4 of a percentage point, primarily as a result of higher sales volumes, positive currency effects, price increases and productivity improvements. This was offset to a certain extent by higher costs for input goods and personnel.
- Adjusted operating expenses increased by 14.6%, mainly due to acquisitions and currency effects as well as a higher level of activity in sales and higher costs for purchases of services and salaries. Organically these expenses increased by 7.8%.
- Adjusted EBITA increased by SEK 108 M and the margin increased by 5.9 percentage points because of higher adjusted gross profit.
- Currency effects impacted sales by SEK 132 M, adjusted gross profit by SEK 63 M and adjusted EBITA by SEK 22 M.

Earnings trend¹⁾

SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net sales	2,210	1,728	8,981
Adjusted gross profit	873	675	3,639
<i>Margin, %</i>	<i>39.5</i>	<i>39.1</i>	<i>40.5</i>
Adjusted EBITDA	171	62	1,127
<i>Margin, %</i>	<i>7.8</i>	<i>3.6</i>	<i>12.5</i>
Depreciation, amortization and write-downs of intangible assets and tangible assets	-140	-139	-577
Adjusted EBITA	31	-77	549
<i>Margin, %</i>	<i>1.4</i>	<i>-4.4</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

- Getinge announced the acquisition of 100% of the shares of Ultra Clean Systems Inc., a leading US manufacturer of ultrasonic cleaning technologies, used in hospitals and surgery centers to decontaminate surgical instruments.

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 and selectively participating in tender processes. Since Getinge's mission is to save lives irrespective of nationality and background, Getinge has decided not to fully withdraw from the Russian market. 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. It is difficult at the current time to assess the future consequences of the conflict and its impact on the Group. However, Getinge does not conduct any manufacturing operations in either Russia or Ukraine and has no major suppliers in these countries. A potential negative effect is that the supply of natural gas at the Group's plants in Poland and Germany may be restricted, and mitigating measures have been taken to alleviate the effects of such a situation.

Events after the end of the reporting period

No significant events occurred after the end of the reporting period.

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.

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. In financial terms, the continuing war may have a negative impact on the development of the Group's earnings and position. It is not possible at the current time to assess the direct long-term consequences. A potential indirect negative effect is that the supply of natural gas to the Group's plants in Poland and Germany may be affected. As a result, Getinge has taken mitigating measures.
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. During the second quarter of 2022, an internal investigation was completed related to potential violations of German medical device laws associated with sterile packaging of HLS Sets, for which a total of five current and former Getinge employees are being investigated by the prosecution authority in Baden-Baden, Germany. As a consequence, structural changes are being made to strengthen the culture of quality in the organization. Comprehensive remediation measures regarding packaging have already been initiated and Getinge is fully cooperating with the prosecution authority. At this stage, it is not possible to estimate whether the final outcome of the public investigation will have any impact on Getinge. 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.
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, either 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" below.
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 payment was made 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 in 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 2022 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, April 26, 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

This interim report is unaudited.

Consolidated financial statements

Consolidated income statement

SEK M	Note	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net sales	2	7,141	6,182	28,292
Cost of goods sold		-3,622	-3,129	-14,882
Gross profit	2, 3	3,519	3,053	13,410
Selling expenses		-1,301	-1,159	-4,870
Administrative expenses		-991	-847	-3,516
Research and development costs		-296	-253	-1,185
Acquisition costs		-16	-4	-22
Restructuring costs		-4	-13	-206
Other operating income and expenses		-10	4	15
Operating profit (EBIT)	2, 3	901	780	3,626
Net financial items	2	-75	-32	-154
Profit after financial items	2	826	749	3,472
Taxes		-233	-210	-956
Net profit for the period		593	538	2,516
Attributable to:				
Parent Company shareholders		586	534	2,491
Non-controlling interests		7	5	25
Net profit for the period		593	538	2,516
Earnings per share, SEK ¹⁾		2.15	1.96	9.15
Weighted average number of shares for calculation of earnings per share (000s)		272,370	272,370	272,370

1) Before and after dilution

Consolidated statement of comprehensive income

SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net profit for the period	593	538	2,516
Other comprehensive income			
Items that cannot be restated in profit for the period			
Actuarial gains/losses pertaining to defined-benefit pension plans	-	400	1,126
Tax attributable to items that cannot be restated in profit	-	-107	-310
Items that can later be restated in profit for the period			
Translation differences and hedging of net investments	5	502	3,143
Cash flow hedges	15	21	-15
Tax attributable to items that can be restated in profit	-8	-7	-19
Other comprehensive income for the period, net after tax	13	809	3,924
Total comprehensive income for the period	605	1,347	6,440
Comprehensive income attributable to:			
Parent Company shareholders	594	1,337	6,378
Non-controlling interests	11	10	62
Total comprehensive income for the period	605	1,347	6,440

Consolidated balance sheet

SEK M	Note	March 31 2023	March 31 2022	December 31 2022
Assets				
Intangible assets		27,069	24,613	27,010
Tangible assets		3,542	3,101	3,532
Right-of-use assets		1,412	1,109	1,336
Financial assets		59	55	50
Deferred tax assets		992	1,091	998
Inventories		6,787	5,296	6,232
Accounts receivable		4,599	4,085	5,275
Other current receivables		1,898	1,782	1,923
Cash and cash equivalents	6	4,625	4,319	5,676
Total assets		50,985	45,451	52,032
Equity and liabilities				
Equity		31,059	26,524	30,453
Provisions for pensions, interest-bearing	6	2,461	3,015	2,454
Lease liabilities	6	1,395	1,093	1,314
Other interest-bearing liabilities	6	4,421	3,197	4,510
Deferred tax liabilities		1,221	949	1,150
Other provisions, long-term		769	1,056	818
Other non-interest-bearing liabilities, long-term		138	124	132
Other provisions, current		1,550	2,279	3,142
Accounts payable		2,098	1,946	2,252
Other non-interest-bearing liabilities, current		5,872	5,268	5,806
Total equity and liabilities		50,985	45,451	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	-	-	8	586	594	11	605
Closing balance at March 31, 2023	136	6,789	4,325	19,382	30,632	426	31,059

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

Consolidated cash flow statement

SEK M	Note	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Operating activities				
Operating profit (EBIT)		901	780	3,626
Add-back of depreciation, amortization and write-downs	3	460	438	2,027
Other non-cash items		-2	-2	11
Add-back of restructuring costs ¹⁾		4	13	205
Paid restructuring costs		-52	-29	-91
Financial items		-66	-40	-156
Taxes paid		-179	-268	-1,012
Cash flow before changes in working capital		1,066	892	4,610
Changes in working capital				
Inventories		-529	-475	-998
Operating receivables		686	500	-351
Operating liabilities ²⁾		-1,651	-270	107
Cash flow from operating activities		-427	647	3,367
Investing activities				
Acquisition of operations	8	-168	-35	-365
Investments in intangible assets and tangible assets		-291	-239	-1,136
Divestment of non-current assets		18	12	31
Cash flow from investing activities		-441	-262	-1,470
Financing activities				
Change in interest-bearing liabilities		-108	-122	1,021
Depreciation of lease liabilities		-109	-96	-415
Change in long-term receivables		-8	-2	5
Dividend paid		-	-	-1,111
Cash flow from financing activities		-226	-219	-500
Cash flow for the period		-1,094	166	1,397
Cash and cash equivalents at the beginning of the period		5,676	4,076	4,076
Translation differences		43	78	203
Cash and cash equivalents at the end of the period		4,625	4,319	5,676

1) Excluding write-downs on non-current assets

2) 2023 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

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net sales, SEK M			
Acute Care Therapies	3,996	3,485	15,285
Life Science	935	970	4,026
Surgical Workflows	2,210	1,728	8,981
Total	7,141	6,182	28,292

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Gross profit, SEK M			
Acute Care Therapies	2,347	2,050	8,600
Life Science	373	400	1,471
Surgical Workflows	799	603	3,339
Total	3,519	3,053	13,410

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Operating profit (EBIT), SEK M			
Acute Care Therapies	859	767	2,889
Life Science	124	190	600
Surgical Workflows	23	-89	480
Group functions and other (incl. eliminations) ¹⁾	-105	-87	-343
Operating profit (EBIT)	901	780	3,626
Net financial items	-75	-32	-154
Profit after financial items	826	749	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

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
SEK M			
Acquired intangible assets	-52	-41	-185
Intangible assets	-152	-161	-875
Right-of-use assets	-116	-106	-433
Tangible assets	-140	-129	-534
Total	-460	-438	-2,027
<i>of which write-downs</i>	<i>-3</i>	<i>-1</i>	<i>-234</i>

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
SEK M			
Cost of goods sold	-215	-208	-951
Selling expenses	-119	-107	-446
Administrative expenses	-112	-112	-456
Research and development costs	-14	-11	-172
Restructuring costs	-	-	-1
Total	-460	-438	-2,027
<i>of which write-downs</i>	<i>-3</i>	<i>-1</i>	<i>-234</i>

Note 4 Quarterly results

SEK M	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021
Net sales	7,141	8,498	6,941	6,670	6,182	7,987	6,306	6,587
Cost of goods sold	-3,622	-4,671	-3,561	-3,521	-3,129	-4,048	-3,173	-3,160
Gross profit	3,519	3,828	3,380	3,150	3,053	3,939	3,133	3,427
Operating expenses	-2,617	-2,999	-2,273	-2,239	-2,273	-2,828	-2,038	-2,222
Operating profit (EBIT)	901	828	1,107	911	780	1,112	1,094	1,205
Net financial items	-75	-47	-31	-44	-32	-36	-43	-48
Profit after financial items	826	781	1,075	867	749	1,075	1,052	1,157
Taxes	-233	-220	-270	-255	-210	-300	-285	-351
Net profit for the period	593	561	805	611	538	775	767	806

Note 5 Adjustment items

Adjusted EBITA, SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Acute Care Therapies	897	796	3,402
Life Science	133	203	650
Surgical Workflows	31	-77	549
Group functions and other (incl. eliminations)	-89	-84	-320
Total	972	839	4,281

Adjustments of EBITA, SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Specification of items affecting comparability that impact EBITA			
Restructuring costs, Acute Care Therapies	-2	-	-142
Restructuring costs, Life Science	-2	-7	-24
Restructuring costs, Surgical Workflows	1	-6	-39
Write-down of R&D, Acute Care Therapies	-	-	-231
Other, Acute Care Therapies ¹⁾	-	-	-11
Group functions and other (incl. eliminations)	-16	-4	-22
Total	-19	-17	-470

Items affecting comparability per segment	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Acute Care Therapies	-2	-	-384
Life Science	-2	-7	-24
Surgical Workflows	1	-6	-39
Group functions and other (incl. eliminations)	-16	-4	-22
Total	-19	-17	-470

1) Reported in Research and development costs

EBITA, SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Acute Care Therapies	895	796	3,018
Life Science	131	196	626
Surgical Workflows	32	-83	510
Group functions and other (incl. eliminations)	-105	-87	-343
Total	953	822	3,811

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Adjustment of tax, SEK M			
Amortization and write-down of acquired intangible assets ¹⁾	52	41	185
Items affecting comparability	19	17	470
Adjustment items, total	71	58	655
Tax effect on adjustment items ²⁾	-20	-16	-177
Adjustment for tax items affecting comparability	-	-	-
Total	-20	-16	-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	Mar 31 2023	Mar 31 2022	December 31 2022
Other interest-bearing liabilities, current	484	512	410
Other interest-bearing liabilities, long-term	3,937	2,685	4,100
Provisions for pensions, interest-bearing	2,461	3,015	2,454
Lease liabilities, current	384	331	383
Lease liabilities, long-term	1,011	763	931
Interest-bearing liabilities	8,278	7,305	8,278
Less cash and cash equivalents	-4,625	-4,319	-5,676
Net interest-bearing cash/debt	3,653	2,986	2,602

Note 7 Key figures for the Group

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Financial and operative key figures			
Key figures based on Getinge's financial targets			
Organic growth in net sales, %	7.5	-6.4	-5.4
Adjusted earnings per share ¹⁾ , SEK	2.34	2.11	10.90
Other operative and financial key figures			
Organic growth in order intake, %	2.9	-4.4	-5.3
Gross margin, %	49.3	49.4	47.4
Selling expenses, % of net sales	18.2	18.7	17.2
Administrative expenses, % of net sales	13.9	13.7	12.4
Research and development costs, gross as a % of net sales	6.1	5.9	5.9
Operating margin, %	12.6	12.6	12.8
EBITDA, SEK M	1,361	1,218	5,653
Average number of shares, thousands	272,370	272,370	272,370
Number of shares at the end of the period, thousands	272,370	272,370	272,370
Interest-coverage ratio, multiple	34.4	49.5	39.0
Net debt/equity ratio, multiple	0.12	0.11	0.09
Net debt/Rolling 12m adjusted EBITDA, multiple	0.6	0.5	0.4
Capital employed, SEK M	32,696	28,664	31,510
Return on capital employed, %	12.9	16.5	13.0
Return on equity, %	8.7	11.9	8.9
Equity/assets ratio, %	60.9	58.4	58.5
Equity per share, SEK	114.03	97.38	111.81
Number of employees	11,056	10,892	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.

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Adjusted gross profit, SEK M			
Gross profit	3,519	3,053	13,410
<i>Add-back of:</i>			
Depreciation, amortization and write-downs of intangible assets and tangible assets	215	208	951
Other items affecting comparability	-	-	109
Adjustment for write-downs included in other items affecting comparability	-	-	-109
Adjusted gross profit	3,734	3,261	14,361

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Adjusted EBITDA, SEK M			
Operating profit (EBIT)	901	780	3,626
<i>Add-back of:</i>			
Depreciation, amortization and write-downs of intangible assets and tangible assets	408	396	1,842
Amortization and write-down of acquired intangible assets	52	41	185
Other items affecting comparability	-	-	242
Acquisition and restructuring costs	19	17	228
Adjustment for write-downs included in other items affecting comparability and restructuring costs	-	-	-232
Adjusted EBITDA	1,380	1,235	5,891

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Adjusted EBITA, SEK M			
Operating profit (EBIT)	901	780	3,626
<i>Add-back of:</i>			
Amortization and write-down of acquired intangible assets	52	41	185
Other items affecting comparability	-	-	242
Acquisition and restructuring costs	19	17	228
Adjusted EBITA	972	839	4,281

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Adjusted EBIT, SEK M			
Operating profit (EBIT)	901	780	3,626
<i>Add-back of:</i>			
Other items affecting comparability	-	-	242
Acquisition and restructuring costs	19	17	228
Adjusted EBIT	921	797	4,096

	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Adjusted net profit for the period, SEK M			
Net profit for the period	593	538	2,516
<i>Add-back of:</i>			
Amortization and write-down of acquired intangible assets	52	41	185
Other items affecting comparability	-	-	242
Acquisition and restructuring costs	19	17	228
Tax items affecting comparability	-	-	-
Tax on add-back items	-20	-16	-177
Adjusted net profit for the period	644	581	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:	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Earnings (numerator), SEK M			
Adjusted net profit for the period	644	581	2,994
Adjusted net profit for the period attributable to non-controlling interest	-7	-5	-25
Adjusted net profit for the period attributable to the Parent Company shareholders, which form the basis for calculation of adjusted earnings per share	637	576	2,969
Number of shares (denominator)	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Weighted average number of ordinary shares for calculation of adjusted earnings per share (thousands)	272,370	272,370	272,370
Adjusted earnings per share, SEK	2.34	2.11	10.90

Note 8 Acquisitions

Acquisitions in 2023

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 169 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 7 M and were charged to earnings. The acquisition did not have any material impact on Getinge's sales or earnings in the quarter. At the time of publication of this report, the acquisition analysis was preliminary.

Parent Company financial statements

Parent Company's income statement

SEK M	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net sales	69	47	187
Administrative expenses	-71	-58	-336
Operating loss	-2	-11	-149
Result from participations in Group companies ¹⁾	-	-	3,512
Interest income and other similar income ²⁾	9	0	13
Interest expenses and other similar expenses ²⁾	-58	-41	-130
Profit after financial items	-51	-52	3,246
Appropriations	-	-	135
Taxes	0	1	-17
Net profit/loss for the period³⁾	-51	-51	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	Mar 31 2023	Mar 31 2022	December 31 2022
Assets			
Intangible assets	3	6	3
Tangible assets	3	4	3
Participations in Group companies	28,413	28,783	28,413
Deferred tax assets	96	95	97
Long-term receivables from Group companies	191	119	191
Current receivables from Group companies	154	93	357
Current receivables	39	37	28
Cash and cash equivalents	1,522	1,093	1,671
Total assets	30,421	30,230	30,763
Equity and liabilities			
Equity	24,026	21,751	24,077
Long-term liabilities	2,544	1,170	2,544
Other provisions	20	19	16
Current liabilities to Group companies	3,611	7,037	3,908
Current liabilities	220	253	218
Total equity and liabilities	30,421	30,230	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 margin: EBITA in relation to net sales.

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

EBITDA margin: EBITDA in relation to net sales.

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

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 and 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

Artificial grafts: Artificial vascular implants.

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.

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 April 26, 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:

July 18, 2023	Q2 Report 2023
October 23, 2023	Q3 Report 2023
February 6, 2024	Q4 Report 2023

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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 persons set out above, on April 26, 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 over 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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