

Passion for Life

SHB Life Science Innovation Day

August 24, 2022

GETINGE 

Getinge today

Leading positions in well defined segments

200 BSEK

Addressable market

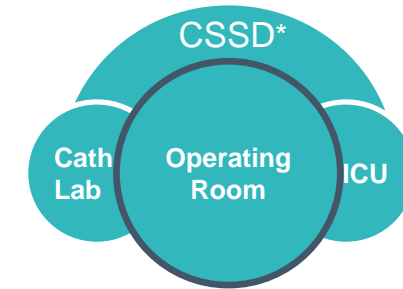
4-6%

Organic growth in addressable market



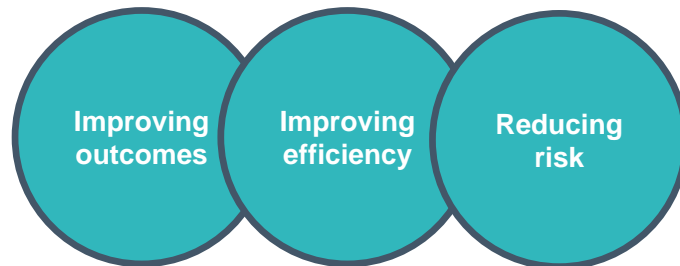
90%

Hospitals represent 90% of sales,
10% goes to Pharma, Lab & Medtech



Enabling advanced health care
where it matters the most

The value we contribute with



Sales in **130** countries
to **25,000** customers



27.1 BSEK

Net sales 2021

*Central Sterile Supply Department.

Performance in recent years – and what's to come

Since 2018, Getinge has delivered

- ▶ Growth of >4% CAGR
 - ▶ EBITA margin improvement of approx. 8 pp to 19.0%
 - ▶ Strong Cash Flows
 - ▶ Strong financial position, EBITDA/Net Debt: 0.6
-
- Customer and employee satisfaction have increased significantly during the period
 - Product offering has been strengthened within high growth areas
 - Getinge has launched an ambitious sustainability agenda for the coming years

New financial targets for 2022–2025

- ▶ Organic net sales: 4-6% annual growth on average for the period
- ▶ Adj EPS: >10% annual growth on average for the period

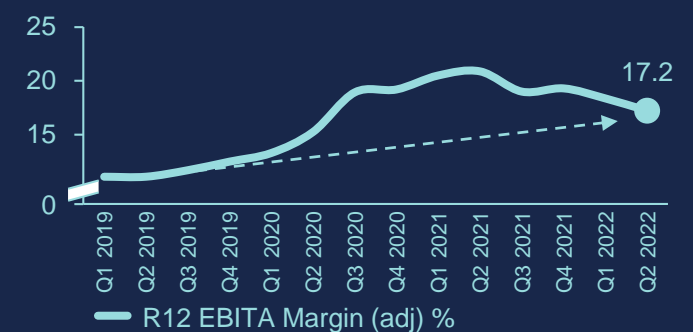
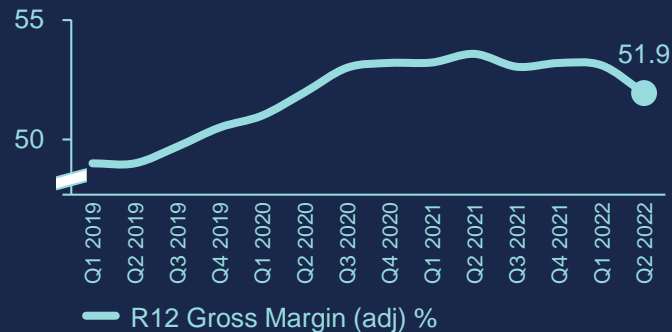
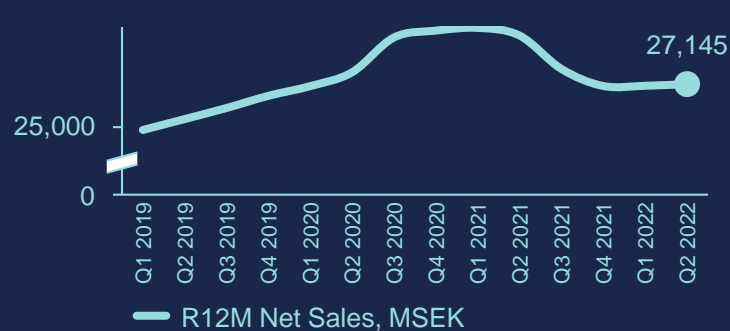
Adj EBITA margin 2025 as an outcome of the two targets: >21%

In addition, further growth and margin improvement will come from selective M&As for which Getinge has significant capacity

Key takeaways

Q2 2022

- Organic growth in elective surgery overshadowed by external challenges – leading to 5.0% and 7.5% organic decline in orders and net sales
- Margins impacted by volume decline, mix and cost increases due to supply chain challenges and overall inflation pressure



Outlook 2022

**Organic net sales for 2022
expected to be in line with
reported net sales in 2021**

Q&A

APPENDIX

Key activities and events

Q2 2022

Offering and customers

- Acquisition of FLUOPTICS – supporting higher efficiency, safety and quality in advanced surgery
- DPTE®-EXO – supporting higher efficiency for Life Science customers
- Updated system for the anesthesia machine family Flow – enabling Automatic Gas Control also for Flow-c and Flow-e
- IF Design Award for GUIDE – a common interface for multiple advanced machines

Sustainability improvements

- Investments for climate neutral gas, solar panels and geothermal heating system

Quality

- Investigation related to sterile packaging

Changes in management

- Lena Hagman, EVP Quality Compliance, Regulatory & Medical Affairs, decided to leave Getinge
- Agneta Palmér appointed to EVP Operational Services and a member of Getinge Executive Team

Tough comps in ventilators, ECMO and DPTE®-BetaBag in all regions

Impacting the Y-o-Y comparisons negatively

Global

Organic Order Growth
-5.0%

Organic Net Sales Growth
-7.5%

Americas

+1.5%

-11.6%

EMEA

-5.2%

-7.6%

APAC

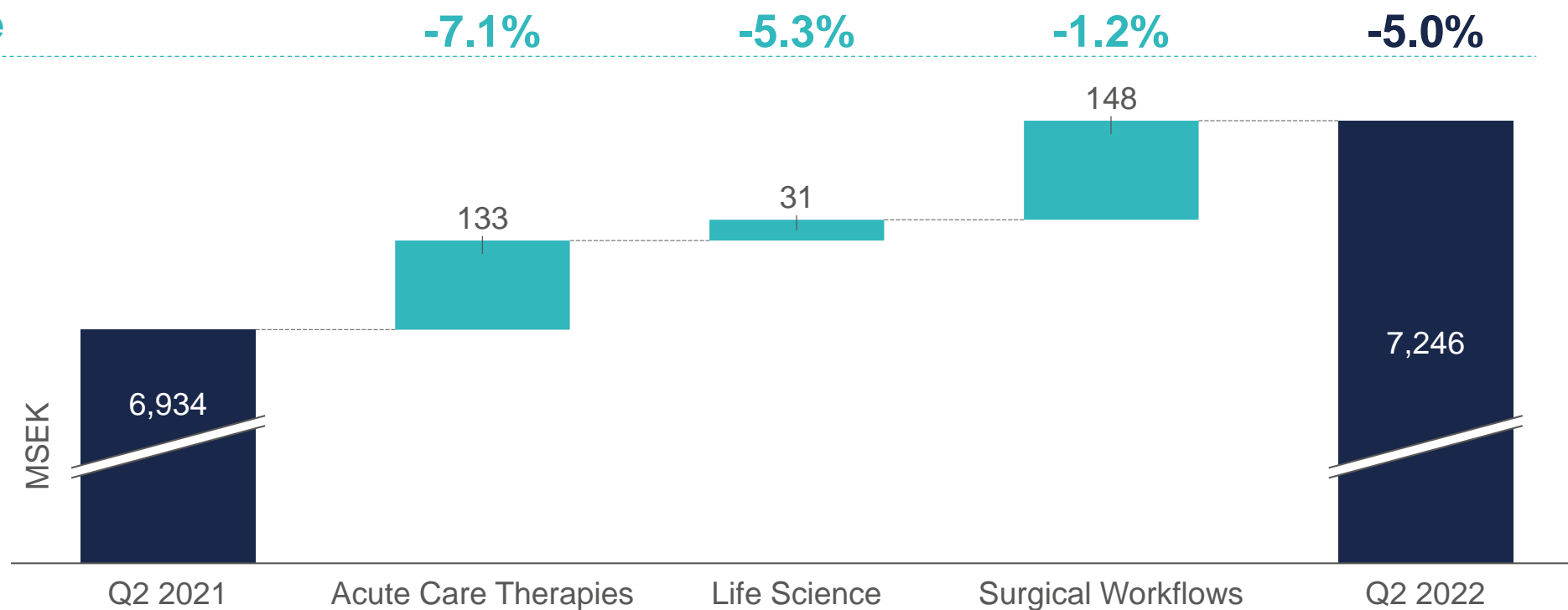
-13.9%

-0.3%

Tough comps in all business areas and regions

Order Intake Bridge Q2 2021 – Q2 2022

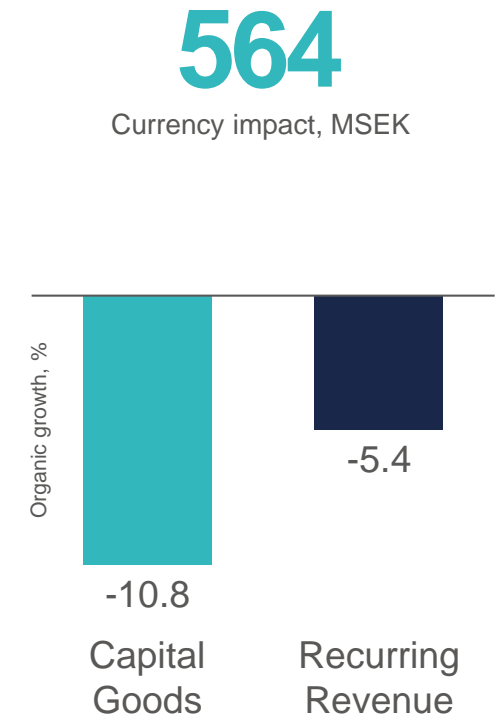
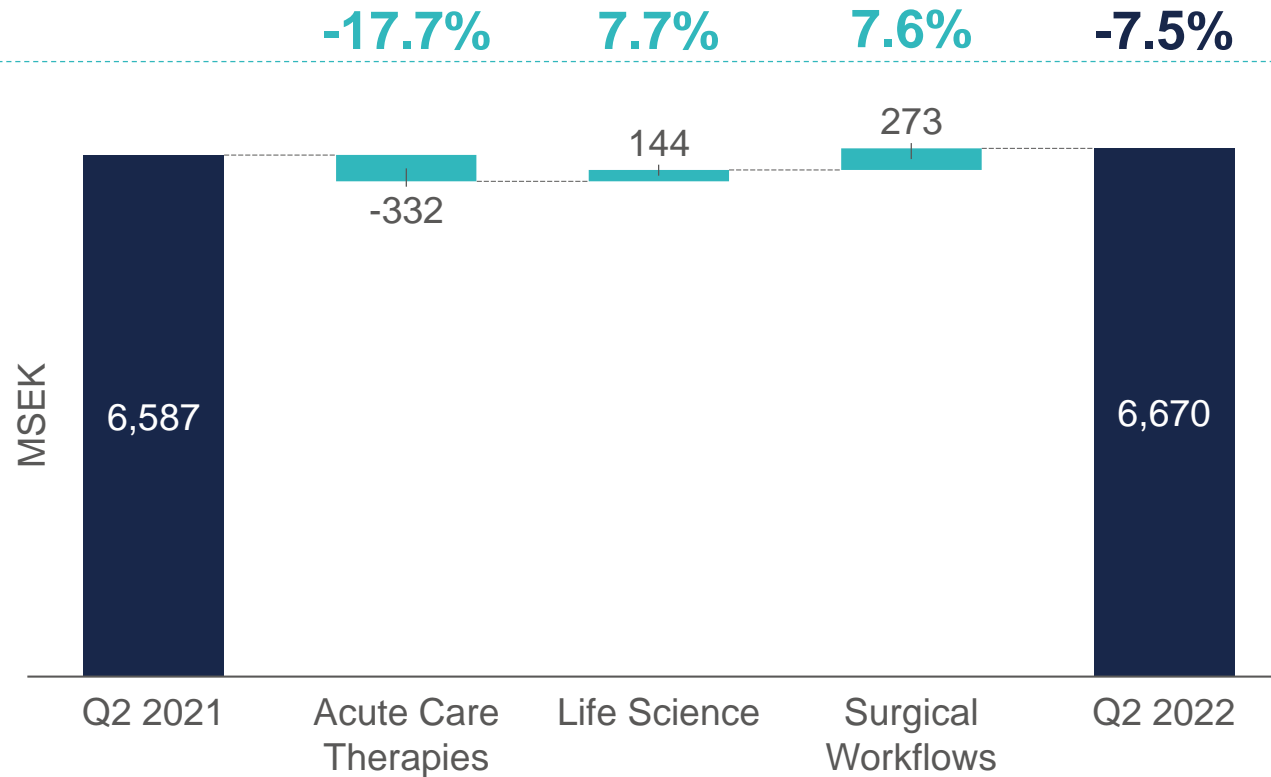
Organic change



Tough comps especially in Acute Care Therapies

Net Sales Bridge Q2 2021 – Q2 2022

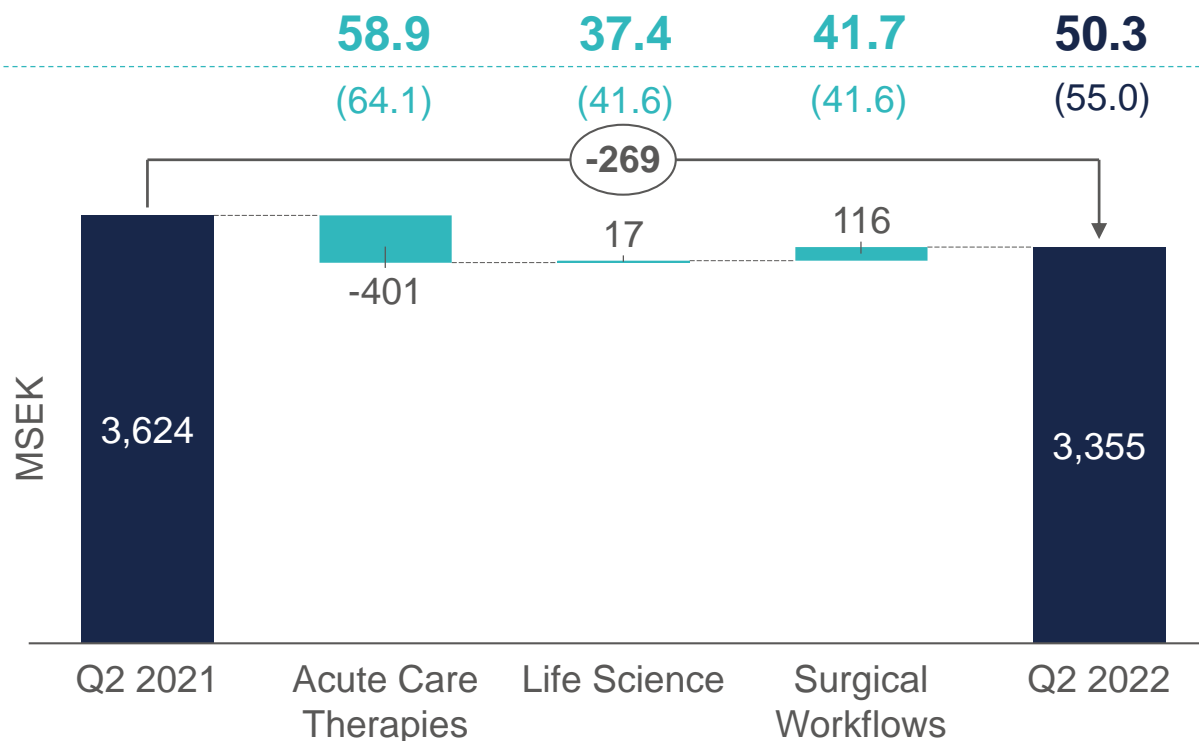
Organic change



Lower volumes, unfavorable mix effects and higher costs impacting GM

Adjusted Gross Profit Bridge Q2 2021 – Q2 2022

Adj GM, %
Q2 2022
(Q2 2021)



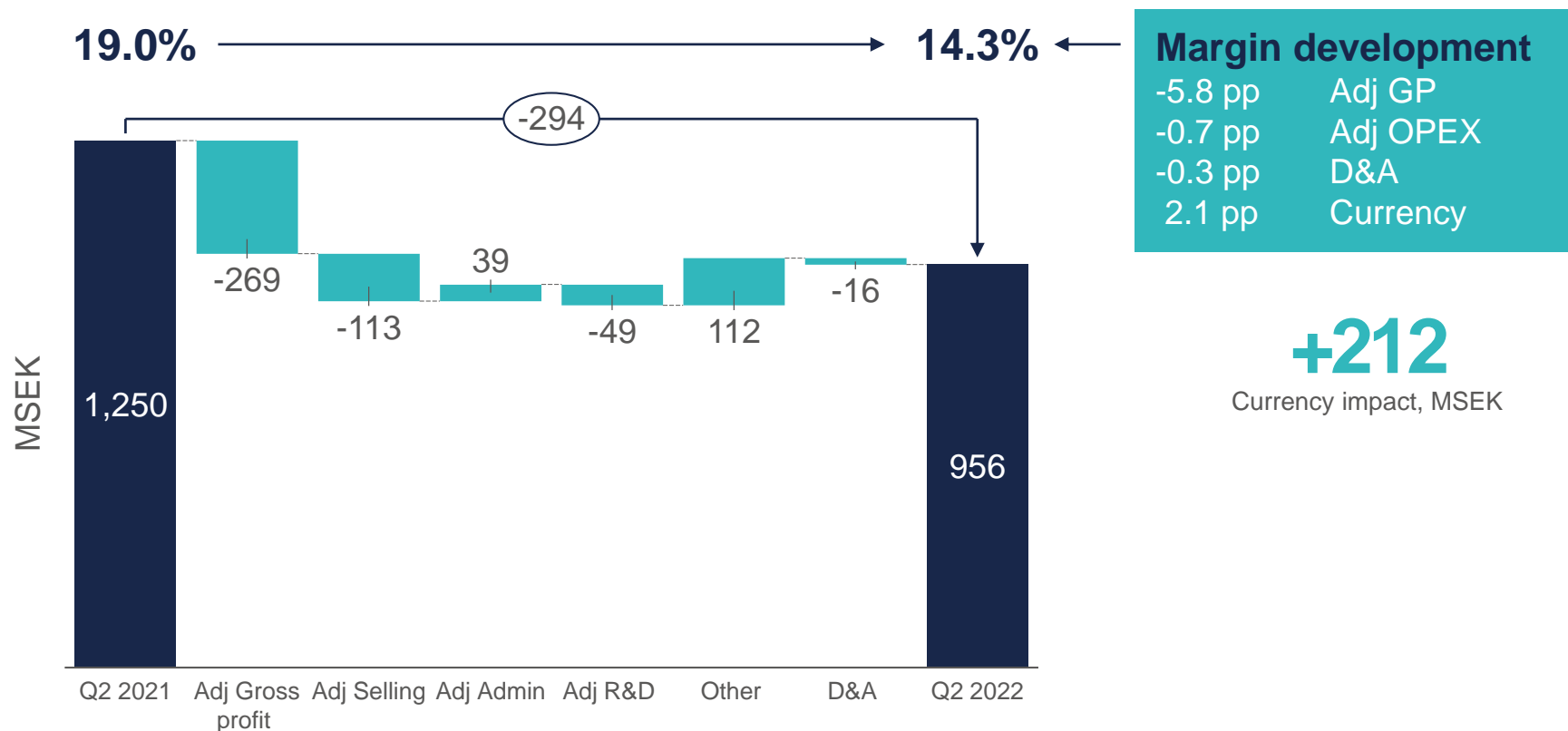
Gross Margin impact

- Volume →
- Business Area mix →
- Factory absorption →
- Supply chain issues →
- Currency →

Financial development

Adj EBITA margin negatively impacted by lower adj Gross Profit

Adjusted EBITA Bridge Q2 2021 – Q2 2022



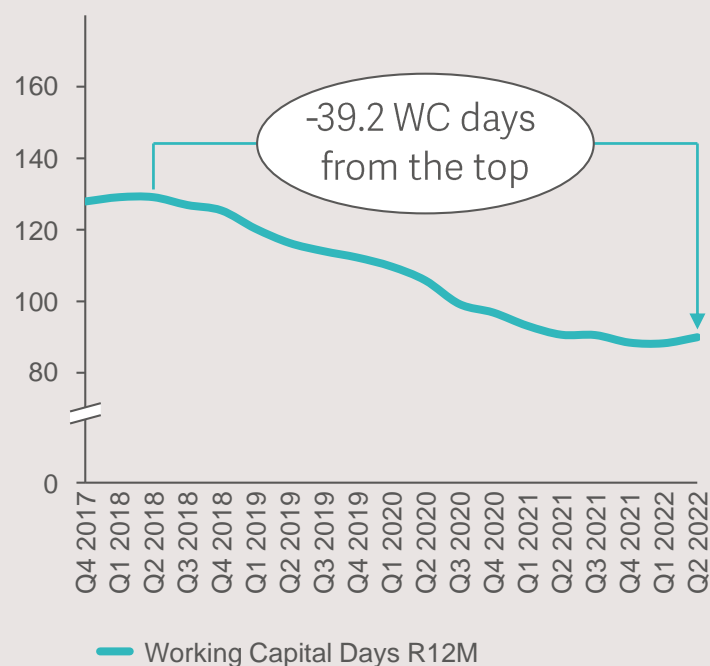
Positive free cash flow and still well below 100 WC days

Capital efficiency a priority

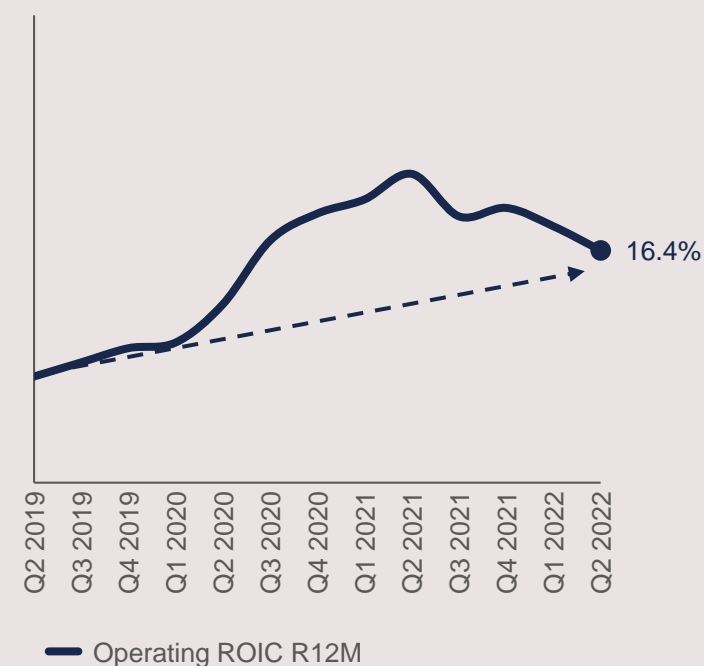
Free CF impacted by reduced earnings and some build up of WC



WC days well below 100



High Return on Invested Capital



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

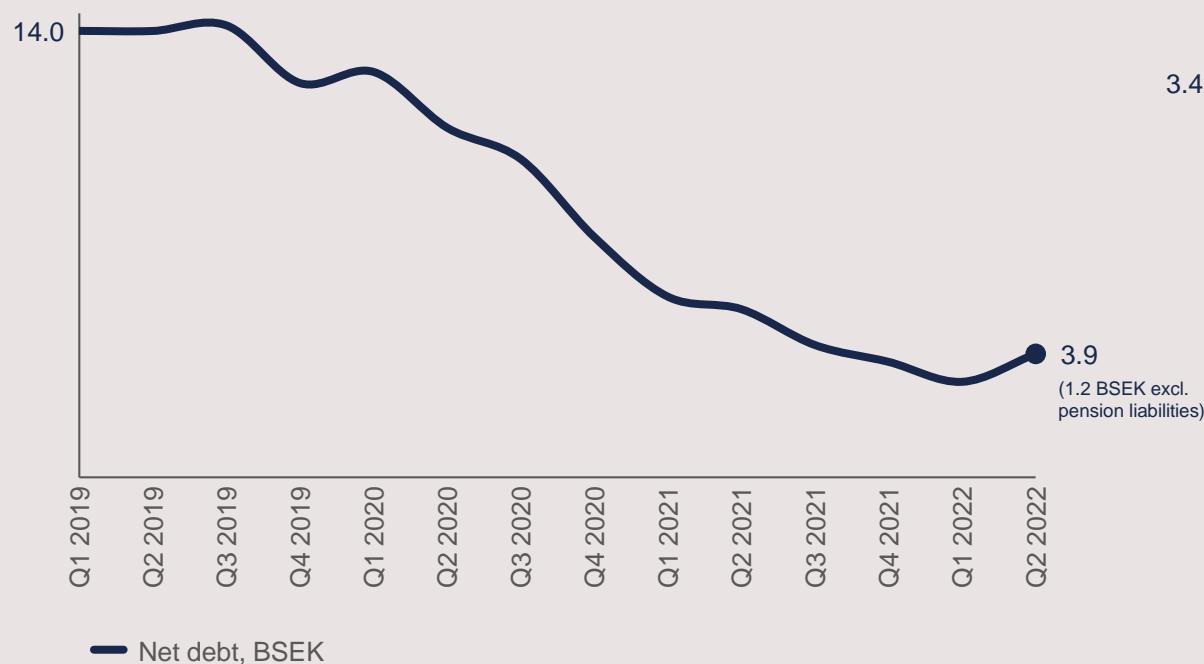
Working Capital, as defined on this page, is including accounts receivables, accounts payables and inventory - adjusted for currency

ROIC: Trailing 12 month adjusted EBIT/Invested Capital. Invested Capital is equal to (Invested capital is defined as Equity + Net debt (excl. pension liabilities) and calculated as (Opening balance + Closing balance of Invested Capital)/2.

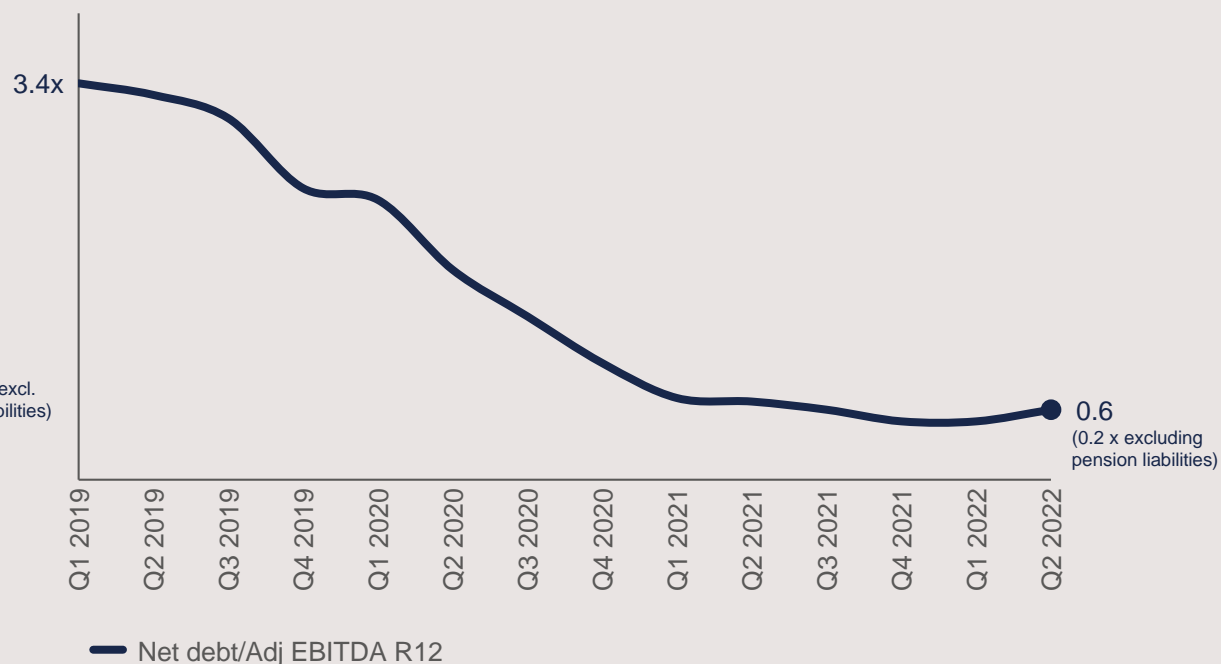
Solid financial position

Low net debt and high margin of safety when it comes to leverage

Net debt is down significantly in recent years ...



... and leverage is signaling financial strength



Summary

Key takeaways

Summary Q2 2022

- Recovery in elective surgery overshadowed by external challenges
- Strengthened the offering
- Margins impacted by volume decline, mix and cost increases due to supply chain challenges and overall inflation pressure

Thank you

Forward looking information

This document contains forward-looking information based on the current expectations of the Getinge's 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 business cycles, market and competition, changes in legal requirements and other political measures, and fluctuations in exchange rates.



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