

Comments from Mattias Perjos, President & CEO

Healthy order growth, improved EBITA margin and strong cash flow

"The organic order intake increased 6.4% in the fourth quarter following growth in all business areas and regions. Excluding currency effects, our order bookings are more than 20% larger compared with one year ago. As expected, net sales declined compared with Q4 2020, which saw large deliveries of ICU ventilators. Demand for our products for life supporting ECMO therapy and Sterile Transfer remains strong, while other parts of the operations are demonstrating a stable recovery. In particular, this applies to Surgical Workflows, which also displayed robust margin expansion. Sales of products for planned cardiovascular procedures also increased despite continuing challenges related to COVID-19. Global logistics challenges continued to impact the fourth quarter, although we succeeded in managing this well without any major disruptions for our customers.

We are continuing to implement our strategy – focusing on our most attractive growth areas. An example of this is the acquisition of Talis Clinical, a US-based leading innovator of High Acuity cloud-based software solutions. Talis' offering is the perfect complement to our strong offering in surgery, critical care support and ECMO therapy. During the fourth quarter, we entered into the previously communicated settlement agreement regarding surgical mesh implants, which means that we can now look ahead with full force. Improvements to the operations are continuing to generate effects in the form of a high EBITA margin and strong cash flows, meaning that we are consolidating our solid financial position and have plenty of scope for attractive acquisitions. Finally, I would like to thank our customers, suppliers and employees for a tremendous partnership in 2021!"

October – December 2021 in brief

- The order intake increased organically by 6.4% and net sales declined organically by 9.6%.
- Adjusted gross profit amounted to SEK 4,150 M (4,556) and the gross margin was 52.0% (51.5).
- Adjusted EBITA amounted to SEK 1,723 M (1,817) and the EBITA margin was 21.6% (20.6).
- Adjusted earnings per share amounted to SEK 4.54 (4.58).
- Cash flow after net investments amounted to SEK 1,313 M (2,283).
- After the end of the quarter: Elin Frostehav was appointed President Acute Care Therapies and Eric Honroth President Life Science, starting April 1, 2022.

January – December 2021 in brief

- The order intake declined organically by 3.0% and net sales declined organically by 4.8%.
- Adjusted gross profit amounted to SEK 14,392 M (15,874) and the gross margin was 53.2% (53.2).
- Adjusted EBITA amounted to SEK 5,212 M (5,724) and the EBITA margin amounted to 19.3% (19.2).
- Adjusted earnings per share amounted to SEK 13.22 (14.43).
- Cash flow after net investments amounted to SEK 5,946 M (6,207).
- A dividend of SEK 4.00 (3.00) per share is proposed.

Outlook 2022

Organic sales growth is expected to be in the upper part of the range of 4-6% for the full-year 2022.

Summary of financial performance¹⁾

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Order intake	7,629	7,137	28,258	30,568
<i>Organic change, %</i>	<i>6.4</i>	<i>6.1</i>	<i>-3.0</i>	<i>15.6</i>
Net sales	7,987	8,839	27,049	29,819
<i>Organic change, %</i>	<i>-9.6</i>	<i>11.1</i>	<i>-4.8</i>	<i>14.3</i>
Adjusted gross profit	4,150	4,556	14,392	15,874
<i>Margin, %</i>	<i>52.0</i>	<i>51.5</i>	<i>53.2</i>	<i>53.2</i>
Adjusted EBITDA	2,118	2,287	6,754	7,487
<i>Margin, %</i>	<i>26.5</i>	<i>25.9</i>	<i>25.0</i>	<i>25.1</i>
Adjusted EBITA	1,723	1,817	5,212	5,724
<i>Margin, %</i>	<i>21.6</i>	<i>20.6</i>	<i>19.3</i>	<i>19.2</i>
Adjusted EBIT	1,652	1,724	4,939	5,261
<i>Margin, %</i>	<i>20.7</i>	<i>19.5</i>	<i>18.3</i>	<i>17.6</i>
Operating profit (EBIT)	1,112	1,610	4,371	4,784
<i>Margin, %</i>	<i>13.9</i>	<i>18.2</i>	<i>16.2</i>	<i>16.0</i>
Profit before tax	1,075	1,541	4,188	4,485
Net profit for the period	775	1,104	3,000	3,273
Adjusted net profit for the period	1,241	1,258	3,632	3,965
<i>Margin, %</i>	<i>15.5</i>	<i>14.2</i>	<i>13.4</i>	<i>13.3</i>
Adjusted earnings per share, SEK	4.54	4.58	13.22	14.43
Earnings per share, SEK	2.83	4.02	10.90	11.89
Cash flow from operating activities	1,570	2,544	6,560	7,199

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

Group performance

Order intake

October – December 2021

Order intake business areas, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Acute Care Therapies	3,919	3,704	4.4	15,335	19,208	-15.7
Life Science	1,307	1,235	7.0	4,120	3,413	26.0
Surgical Workflows	2,403	2,198	9.5	8,803	7,948	15.4
Total	7,629	7,137	6.4	28,258	30,568	-3.0

Order intake regions, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Americas	2,768	2,627	3.3	10,527	11,601	-3.1
APAC	1,671	1,529	7.3	6,919	6,603	9.5
EMEA	3,190	2,981	8.8	10,812	12,364	-9.5
Total	7,629	7,137	6.4	28,258	30,568	-3.0

- All business areas and regions reported an organic increase in order intake.
- Acute Care Therapies increased its organic order intake in products for ECMO therapy and planned cardiovascular procedures.
- Life Science's organic order intake rose mainly due to very strong growth in sterilizers.
- The organic order intake for Surgical Workflows increased in all categories and regions.

Net sales

October – December 2021

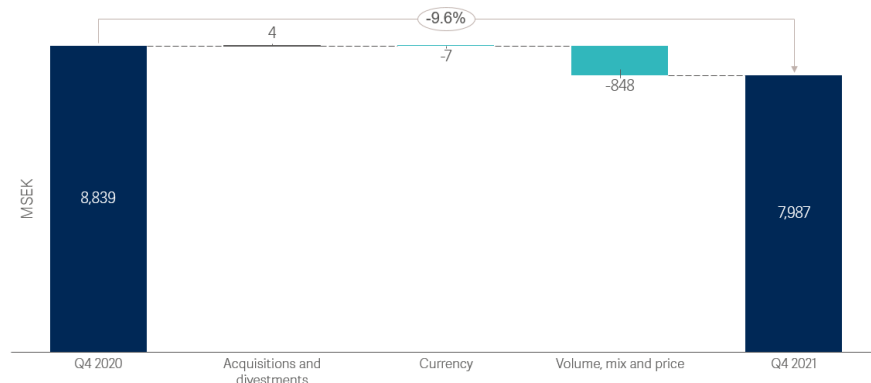
Net sales business areas, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Acute Care Therapies	4,230	5,392	-22.1	15,527	18,719	-12.5
Life Science	1,043	806	29.1	3,558	2,854	29.8
Surgical Workflows	2,715	2,641	4.0	7,965	8,246	0.5
Total	7,987	8,839	-9.6	27,049	29,819	-4.8

Net sales regions, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Americas	2,698	3,238	-18.4	10,249	11,394	-4.0
APAC	2,153	1,951	10.6	6,632	6,329	9.3
EMEA	3,136	3,651	-12.5	10,167	12,096	-13.0
Total	7,987	8,839	-9.6	27,049	29,819	-4.8

Net sales specified by capital goods & consumables, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Capital goods	3,973	5,138	-22.1	12,261	15,473	-17.0
Consumables	4,014	3,702	7.7	14,787	14,346	8.3
Total	7,987	8,839	-9.6	27,049	29,819	-4.8

- Life Science increased its net sales organically in all product categories and regions. Growth was particularly high in APAC.
- The decline in net sales for Acute Care Therapies was attributable to challenging comparative figures, due to large deliveries of ICU ventilators in Q4 2020. Sales of ECMO therapy products continued to increase at a high pace. Sales in products for planned cardiovascular surgery also increased, despite continuing challenges related to COVID-19.
- Net sales in Surgical Workflows increased organically due to the strong trend in mainly operating tables and other OR products. Growth was particularly high in APAC.

Net sales – bridge between Q4 2020 and Q4 2021



- Net sales declined by SEK 852 M, corresponding to -9.6%.
- Net sales from acquisitions had a positive impact of SEK 4 M, corresponding to 0.1% for the quarter.
- Exchange rates had an impact of SEK -7 M on sales, corresponding to -0.1%.
- Mix, price and mostly volume had an impact of SEK -848 M on sales, corresponding to -9.6%.

- Currency effects impacted adjusted gross profit positively by SEK 35 M and adjusted EBITA positively by SEK 163 M.
- Despite declining volumes, the gross margin increased by 0.5 of a percentage point as a result of higher productivity and positive currency effects. The business area mix reduced the gross margin.
- Adjusted operating expenses fell by 10.4% compared with Q4 2020. Expenses fell organically by 5.0%.
- Adjusted EBITA fell by SEK 94 M year-on-year but the margin increased by 1.0 percentage point to 21.6%.
- Other items affecting comparability were negatively impacted by a provision of SEK 600 M to cover costs related to the settlement regarding surgical mesh products.
- Net financial items improved by SEK 33 M as a result of lower net debt and interest expenses.

Underlying earnings trend

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	7,987	8,839	27,049	29,819
Adjusted gross profit	4,150	4,556	14,392	15,874
Margin, %	52.0	51.5	53.2	53.2
Adjusted operating expenses	-2,032	-2,269	-7,639	-8,387
Adjusted EBITDA	2,118	2,287	6,754	7,487
Margin, %	26.5	25.9	25.0	25.1
Depreciation, amortization and write-downs of intangible assets and tangible assets ¹⁾	-395	-470	-1,542	-1,763
Adjusted EBITA	1,723	1,817	5,212	5,724
Margin, %	21.6	20.6	19.3	19.2
A Amortization and write-down of acquired intangible assets ¹⁾	-71	-93	-273	-463
Adjusted EBIT	1,652	1,724	4,939	5,261
Margin, %	20.7	19.5	18.3	17.6
B Acquisition and restructuring costs	5	-5	-95	-177
C Other items affecting comparability ²⁾	-545	-110	-473	-300
Operating profit (EBIT)	1,112	1,610	4,371	4,784
Net financial items	-36	-69	-183	-299
Profit before tax	1,075	1,541	4,188	4,485
Adjusted profit before tax (adjusted for A, B and C)	1,686	1,748	5,029	5,425
Margin, %	21.1	19.8	18.6	18.2
Taxes	-300	-437	-1,187	-1,213
D Adjustment of tax ²⁾	-145	-53	-209	-248
Adjusted net profit for the period (adjusted for A, B, C and D)	1,241	1,258	3,632	3,965
Margin, %	15.5	14.2	13.4	13.3
Of which, attributable to Parent Company shareholders	1,237	1,248	3,601	3,931
Average number of shares, thousands	272,370	272,370	272,370	272,370
Adjusted earnings per share, SEK (adjusted for A, B, C and D)	4.54	4.58	13.22	14.43

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

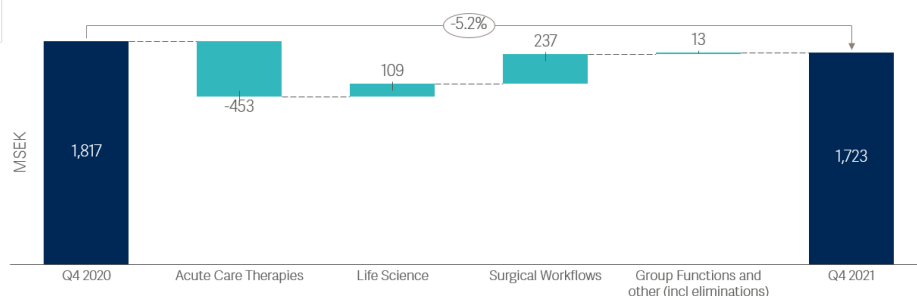
- Acute Care Therapies reduced its adjusted EBITA by SEK 453 M, mainly due to lower volumes related to ventilators. This also contributed to a slightly lower margin compared with Q4 2020.
- Life Science's adjusted EBITA rose by SEK 109 M and the margin increased by 7.3 percentage points, mainly due to higher sales volumes and lower operating expenses.
- Surgical Workflows' adjusted EBITA improved by SEK 237 M and the margin improved by 8.6 percentage points, due to higher volumes and increased productivity.

Adjusted EBITA per business area¹⁾

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Acute Care Therapies	1,201	1,653	4,444	5,831
Margin, %	28.4	30.7	28.6	31.1
Life Science	221	112	729	393
Margin, %	21.2	13.9	20.5	13.8
Surgical Workflows	393	156	390	-127
Margin, %	14.5	5.9	4.9	-1.5
Group functions and other (incl. eliminations)	-92	-105	-351	-374
Total	1,723	1,817	5,212	5,724
Margin, %	21.6	20.6	19.3	19.2

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

Adjusted EBITA – bridge between Q4 2020 and Q4 2021



Adjusted operating expenses

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

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Selling expenses	-1,131	-1,222	-4,077	-4,497
Administrative expenses	-723	-729	-2,895	-3,048
Research and development costs	-222	-182	-804	-770
Other operating income and expenses	44	-136	137	-72
Total	-2,032	-2,269	-7,639	-8,387

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

- Adjusted operating expenses fell by 10.4% compared with Q4 2020. The difference compared with last year was mainly due to productivity improvements and revaluation of operating receivables and liabilities in foreign currency. Organically the decline was 5.0%.

- Adjusted gross profit was impacted by translation effects of SEK -6 M and transaction effects and hedging outcome of SEK 41 M.
- Adjusted EBITA was impacted by translation effects of SEK -3 M and the net of transaction effects, hedging outcome and revaluation of operating receivables and liabilities in foreign currency of SEK 166 M, which mainly affected other operating income and expenses.

Currency impact

SEK M	Oct-Dec 2021	Jan-Dec 2021
Net sales	-7	-1,365
Adjusted gross profit	35	-800
Adjusted EBITDA	162	-289
Adjusted EBITA	163	-231
Adjusted EBIT	162	-215

Cash flow and financial position¹⁾

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Cash flow before changes in working capital	1,778	1,999	5,618	6,352
Changes in working capital	-208	545	942	847
Net investments in non-current assets	-257	-261	-614	-993
Cash flow after net investments	1,313	2,283	5,946	6,207
Net interest-bearing debt			3,609	7,509
<i>In relation to adjusted EBITDA¹⁾ R12M, multiple</i>			<i>0.5</i>	<i>1.0</i>
Net interest-bearing debt, excl. pension provisions			231	4,150
<i>In relation to adjusted EBITDA¹⁾ R12M, multiple</i>			<i>0.0</i>	<i>0.6</i>

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

- Cash flow after net investments remained strong, but did not quite reach last year's level that was affected by higher operating profit and a higher share of advance payments related to orders of advanced ICU ventilators.
- Net debt was positively affected by the strong cash flow, and net debt in relation to adjusted EBITDA R12M continued to improve compared with last year.

Research and development

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
R&D costs, gross	-322	-385	-1,197	-1,462
<i>In relation to net sales, %</i>	<i>4.0</i>	<i>4.4</i>	<i>4.4</i>	<i>4.9</i>
Capitalized development costs	89	111	346	429
<i>In relation to net sales, %</i>	<i>1.1</i>	<i>1.3</i>	<i>1.3</i>	<i>1.4</i>
Research and development costs, net	-233	-274	-851	-1,033
Amortization and write-downs of capitalized R&D	-96	-240	-383	-783
<i>Of which write-downs</i>	<i>-1</i>	<i>-83</i>	<i>-6</i>	<i>-206</i>

- Capitalized development costs declined SEK 22 M or 19.8%.
- Amortization and write-downs related to R&D fell by SEK 144 M compared with the preceding year.

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 order intake remained strong for ECMO therapy products.
- Growth in the order intake for ventilators was negative but recovered toward the end of the quarter as a result of a new wave of the pandemic.
- The order intake for products for planned cardiovascular procedures increased during the quarter despite the ongoing pandemic.

- The decline in sales was mainly due to highly challenging comparative figures for ventilators.
- Continued strong growth in ECMO therapy products. Products for cardiovascular procedures continued to grow organically compared with 2020, but remained negatively impacted by the ongoing pandemic.

- The adjusted gross margin increased by 1.4 percentage points despite lower volumes. The effective transition of production combined with a favorable mix contributed to the improvement.
- Adjusted operating expenses fell by 9.3%. Organically expenses fell by 1.1% compared with Q4 2020, which was characterized by increased costs related to the higher sales of ventilators.
- Lower sales volumes contributed to the adjusted EBITA margin falling 2.3 percentage points. Positive currency effects helped to reduce the negative effect slightly.
- Currency effects impacted sales by SEK 27 M, adjusted gross profit by SEK 36 M and adjusted EBITA by SEK 142 M.

Order intake and net sales

Order intake regions, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Americas	1,721	1,666	-0.1	7,129	8,483	-10.1
APAC	885	731	17.8	3,732	3,912	-0.1
EMEA	1,314	1,307	2.6	4,474	6,814	-31.5
Total	3,919	3,704	4.4	15,335	19,208	-15.7

Net sales regions, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Americas	1,859	2,491	-27.1	7,105	8,431	-9.9
APAC	1,063	1,110	-5.5	3,760	3,722	5.6
EMEA	1,308	1,791	-25.4	4,661	6,566	-26.0
Total	4,230	5,392	-22.1	15,527	18,719	-12.5

Net sales specified by capital goods & consumables, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Capital goods	1,419	2,835	-50.2	5,090	8,593	-37.8
Consumables	2,811	2,557	9.2	10,437	10,126	9.0
Total	4,230	5,392	-22.1	15,527	18,719	-12.5

Underlying earnings trend¹⁾

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	4,230	5,392	15,527	18,719
Adjusted gross profit	2,587	3,222	9,596	11,536
Margin, %	61.2	59.8	61.8	61.6
Adjusted EBITDA	1,413	1,927	5,272	6,833
Margin, %	33.4	35.7	34.0	36.5
Depreciation, amortization and write-downs of intangible assets and tangible assets	-212	-274	-828	-1,002
Adjusted EBITA	1,201	1,653	4,444	5,831
Margin, %	28.4	30.7	28.6	31.1

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

Events in the business area

- During the fourth quarter, Getinge announced the acquisition of Talis Clinical LLC, a US-based leading innovator of cloud-based software solutions for high acuity medical care. Talis Clinical's offering is designed to support and document care throughout the perioperative care process, but also in obstetric care, intensive care and ECMO therapy.
- After the end of the quarter, Getinge completed a minor acquisition of Irasun GmbH, which is based in Munich. The company develops products for venous drainage and temperature control, which can be used in combination with heart lung machines and equipment for extracorporeal life support (ECLS). Through the acquisition, Getinge broadens its portfolio with innovative solutions in surgical perfusion.

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.

- Very strong organic growth in sterilizer orders for the quarter.
- Sterile Transfer and bioreactors did not fully reach last year's record-breaking order intake in Q4 but the order books are strong ahead of 2022.
- Significant growth in the US and large parts of Europe, but challenging comparative figures in China negatively affected order growth in APAC.

- Continued very healthy organic growth in net sales in the product portfolio as a whole. Bioreactors posted the strongest performance with growth of more than 70%.
- Net sales also increased in service and spare parts, albeit at a lower rate than in other categories.
- Growth in all regions, with a particularly favorable performance in APAC.

- The adjusted gross margin fell by 0.2 of a percentage point as a result of mix effects.
- Adjusted operating expenses fell by 14.1%. These expenses fell organically by 11.3%
- Higher sales volumes contributed to adjusted EBITA increasing by SEK 109 M year-on-year and the margin improved by 7.3 percentage points to 21.2%.
- Currency effects impacted sales by SEK 2 M, adjusted gross profit by SEK 2 M and adjusted EBITA by SEK 7 M.

Order intake and net sales

Order intake regions, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Americas	479	418	16.4	1,406	1,336	11.6
APAC	181	239	-26.5	877	558	63.1
EMEA	647	578	14.1	1,837	1,518	24.9
Total	1,307	1,235	7.0	4,120	3,413	26.0

Net sales regions, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Americas	345	272	24.7	1,319	1,103	26.5
APAC	251	132	89.6	692	473	51.0
EMEA	447	402	12.2	1,547	1,278	24.7
Total	1,043	806	29.1	3,558	2,854	29.8

Net sales specified by capital goods & consumables, SEK M	Oct-Dec 2021	Oct-Dec 2020	Org Δ, %	Jan-Dec 2021	Jan-Dec 2020	Org Δ, %
Capital goods	815	595	37.0	2,696	2,029	38.1
Consumables	228	211	6.7	861	825	9.2
Total	1,043	806	29.1	3,558	2,854	29.8

Underlying earnings trend¹⁾

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	1,043	806	3,558	2,854
Adjusted gross profit	412	320	1,492	1,176
<i>Margin, %</i>	<i>39.5</i>	<i>39.7</i>	<i>41.9</i>	<i>41.2</i>
Adjusted EBITDA	260	142	870	522
<i>Margin, %</i>	<i>24.9</i>	<i>17.6</i>	<i>24.5</i>	<i>18.3</i>
Depreciation, amortization and write-downs of intangible assets and tangible assets	-39	-30	-141	-128
Adjusted EBITA	221	112	729	393
<i>Margin, %</i>	<i>21.2</i>	<i>13.9</i>	<i>20.5</i>	<i>13.8</i>

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

Events in the business area

- In 2021, a project was carried out to expand the production capacity of DPTE BetaBag® in Merrimack, US, to meet the increasing demand in Sterile Transfer. In December, the new production line in Merrimack was in operation. Deliveries will begin in the first quarter of 2022 and volumes are expected to increase gradually 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.

- Organic order growth in all categories and regions and order bookings at the end of the quarter were more than 30% higher than at the end of Q4 2020.
- The order intake was particularly strong in digital solutions and products for ORs.

- Net sales increased despite challenges related to the pandemic and hospitals' ability to receive deliveries.
- Products for ORs reported the strongest performance with organic growth of more than 6%.
- The organization's focus on the customer offering for service and consumables is continuing to make a positive contribution.

- The adjusted gross margin increased by 4.0 percentage points, primarily as a result of higher volumes, increased productivity and a favorable mix.
- Adjusted operating expenses fell by 11.2%. These expenses fell organically by 9.8% compared with Q4 2020, mainly due to lower selling expenses.
- Adjusted EBITA increased by SEK 237 M and the margin strengthened by 8.6 percentage points as a result of operational leverage effects.
- Currency effects impacted sales by SEK -37 M, adjusted gross profit by SEK -2 M and adjusted EBITA by SEK 13 M.

Order intake and net sales

Order intake regions, SEK M	Oct-Dec	Oct-Dec	Org Δ, %	Jan-Dec	Jan-Dec	Org Δ, %
	2021	2020		2021	2020	
Americas	569	543	3.6	1,992	1,782	19.3
APAC	604	559	8.0	2,311	2,134	13.2
EMEA	1,229	1,096	13.2	4,500	4,032	14.8
Total	2,403	2,198	9.5	8,803	7,948	15.4

Net sales regions, SEK M	Oct-Dec	Oct-Dec	Org Δ, %	Jan-Dec	Jan-Dec	Org Δ, %
	2021	2020		2021	2020	
Americas	493	474	2.2	1,825	1,860	4.6
APAC	840	709	20.9	2,180	2,133	6.6
EMEA	1,382	1,458	-3.6	3,959	4,253	-4.3
Total	2,715	2,641	4.0	7,965	8,246	0.5

Net sales specified by capital goods & consumables, SEK M	Oct-Dec	Oct-Dec	Org Δ, %	Jan-Dec	Jan-Dec	Org Δ, %
	2021	2020		2021	2020	
Capital goods	1,739	1,707	4.1	4,475	4,851	-3.4
Consumables	975	934	3.9	3,489	3,394	6.1
Total	2,715	2,641	4.0	7,965	8,246	0.5

Underlying earnings trend¹⁾

SEK M	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2021	2020	2021	2020
Net sales	2,715	2,641	7,965	8,246
Adjusted gross profit	1,151	1,014	3,304	3,163
<i>Margin, %</i>	<i>42.4</i>	<i>38.4</i>	<i>41.5</i>	<i>38.4</i>
Adjusted EBITDA	534	320	949	495
<i>Margin, %</i>	<i>19.7</i>	<i>12.1</i>	<i>11.9</i>	<i>6.0</i>
Depreciation, amortization and write-downs of intangible assets and tangible assets	-140	-163	-559	-622
Adjusted EBITA	393	156	390	-127
<i>Margin, %</i>	<i>14.5</i>	<i>5.9</i>	<i>4.9</i>	<i>-1.5</i>

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

Events in the business area

- During the quarter, Getinge signed an agreement with HealthTrust (HCA), a leading group purchasing organization (GPO) in the US, for the business area's product portfolio. The agreement is the result of focused efforts by the GPO team in the US and is expected to provide a solid platform for long-term growth in the region.
- Solar panels were installed at the plant in Suzhou, China, during the quarter. The installation is expected to cover 25% of the plant's energy requirements.
- During the quarter, Getinge expanded its virtual hospital to include a hybrid operating room (OR) where visitors can interact with products and solutions online. In addition, the virtual hospital is now available in more languages and gives visitors quick access to training information.

Other information

Settlement related to liability claims for surgical mesh products.

At the start of December, Getinge's subsidiary Atrium Medical Corporation entered into a settlement agreement with the plaintiff's lead counsel related to the multidistrict litigation (MDL) linked to surgical mesh product liability in the US. An additional provision of SEK 600 M has been made to account for the settlement in addition to litigation expenses incurred to date.

The settlement agreement was executed to resolve matters pending in the District Court of New Hampshire, US. The settlement is subject to certain contingencies, including participation by a certain high level of plaintiffs in the MDL. Getinge expects the settlement to become final and payment to be made during the first half of 2022.

The settlement is not an admission of liability or wrongdoing by the company. Getinge will continue to defend against any litigation that the final agreement does not resolve. Costs for such litigations are not expected to be material. The litigation against the insurers will also continue to obtain rightful compensation.

The surgical mesh implants are manufactured by Getinge's subsidiary Atrium Medical, which was acquired by Getinge in 2011. Getinge made a provision of SEK 1.8 billion in 2018 for expected costs associated with surgical mesh claims, based on information available at the time. The settlement amount will be funded through available funds. The provision will be reported as an item affecting comparability and it will impact the operating result for Q4 2021.

Financial impact of COVID-19

The outbreak of COVID-19 was characterized by the WHO as a pandemic on March 11, 2020 and is continuing to impact people and society on a global scale. In this situation, Getinge is prioritizing the health and safety of its employees and is taking measures to limit the spread of the virus by following the instructions of the relevant authorities. Getinge is also closely following developments regarding the pandemic and is continuously evaluating the operational and financial effects. Some minor measures to adjust costs were carried out and action plans have been made to further adjust costs and the business if necessary.

The order intake for ventilators declined in the fourth quarter despite demand rising at the end of the period due to a higher rate of infection. However, demand for ECMO therapy products remained higher, which contributed to the order intake for the Acute Care Therapies business area increasing organically by 4.4%. The business area's other product segments, which were negatively impacted by the pandemic since non-essential surgeries were postponed, continued to recover and the order intake rose. The new wave of the pandemic caused by the omicron variant meant that demand did not slow in these product segments.

The order intake for the Life Science business area rose organically by 7.0%. This was largely due to higher demand for sterilizers, which was negatively affected by the COVID-19 pandemic. The order intake for Sterile Transfer products used to manufacture vaccines continued to display high growth. Surgical Workflows – the sole business area that was negatively affected by the pandemic – continued its recovery from the third quarter and all product categories reported positive growth. In total, the order intake for the business area increased organically by 9.5%.

It has been possible to continue work on the installation and servicing of products without any major disruptions, and this was not negatively affected by restrictions in key markets. The production operations experienced logistics challenges and problems with deliveries of components, which could be resolved without any significantly negative consequences arising. Challenging comparative figures as a result of large deliveries of ventilators in Q4 2020 contributed to a decline in sales and earnings for Acute Care Therapies. The areas of Acute Care Therapies that are not directly linked to

treating patients with COVID-19, and that were negatively impacted by the pandemic, continued to recover, despite the negative impact of rising rates of infection.

Life Science's sales and earnings were positively impacted by higher sales growth in all product categories and sales of Sterile Transfer products for manufacturing vaccines continued to report a high rate of growth. Sales for Surgical Workflows increased in the fourth quarter despite challenges related to purchasing and logistics, which were managed successfully. Earnings improved due to higher volumes, productivity improvements and cost savings.

As time passes, the situation regarding the pandemic could result in negative financial effects due to lower demand and disruptions to purchasing, logistics and production. It also cannot be ruled out that installation and service of products at hospitals and care facilities could be limited by restrictions to reduce the spread of the virus.

Events after the end of the reporting period

New Executive Vice Presidents appointed

Getinge appointed two new Executive Vice Presidents and members of the Getinge Executive Team: Elin Frostehav and Eric Honroth.

Elin Frostehav has been appointed President Acute Care Therapies and member of the Getinge Executive Team. Elin currently serves as Vice President Critical Care, a product area within Acute Care Therapies. Elin joined Getinge in 2019 and previously held leading global positions within Semcon, an international technology company, in the areas of product development and digitalization. Prior to Semcon, Elin held various positions at FlexLink, a global factory automation company. Elin succeeds Jens Viebke who will take on a new role in Getinge as Executive Vice President Research & Business Development, focusing on Getinge's Research Programs and M&A activities. In this role, Jens Viebke will continue to report to Mattias Perjos, President & CEO.

Eric Honroth has been appointed President Life Science and member of the Getinge Executive Team. Eric is currently President North America Region in Getinge and has been with the company since 2018. He has more than 20 years of extensive experience in global leadership roles in the medical devices industry, including roles at Becton Dickinson, CareFusion and Abbott Vascular. Eric succeeds Harald Castler who after a long and successful career at Getinge has decided to retire. All changes are effective as of April 1, 2022.

Acquisition of Irasun GmbH

After the end of the quarter, Getinge completed a minor acquisition of Irasun GmbH, which is based in Munich. The company develops products for venous drainage and temperature control, which can be used in combination with heart lung machines and equipment for extracorporeal life support (ECLS). Through the acquisition, Getinge broadens its portfolio with innovative solutions in surgical perfusion.

Getinge's primary risks, consequences and management¹⁾

	Description	Potential consequences	Management
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 competitor. The industry is also considered to have high barriers to entry since medical devices are subject to extensive regulatory requirements.
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 chance to adapt to the new situation. A process to further enhance the Group's work on continuity risks was started in 2021. As part of this process, scenarios based on external shocks will also be included in the risks that Getinge proactively works on.
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 & Regulatory Compliance 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.
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.
Laws and regulations mainly on business ethics	Contraventions of competition law, anti-corruption, data privacy (GDPR) or trade restrictions.	Could lead to fines or penalties in one or more markets and have a negative impact on the Getinge brand.	<p>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. It cannot be ruled out that any further agreements with authorities may have a material impact on the company's financial earnings and position.</p> <p>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 Group staff function was expanded during the year 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.</p> <p>Getinge has a comprehensive ongoing training program within business ethics and the objective is that all employees should receive 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.</p>
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 a 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 control points. 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.

¹⁾ For information regarding risks related to COVID-19 and the ongoing pandemic, refer to the section on "Financial impact of COVID-19" on page 8.

Other risks of major importance to Getinge

	Description	Potential consequences	Management
Risks related to health care reimbursement systems	Political decisions can change the conditions for health care through changed reimbursement models for health care providers.	Changes to the health care 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 geographical markets.
Product liability risks	Health care suppliers run a risk, like other players in the health care 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 insurance, 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.
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 can be considered to be decentralized, which reduces the consequence of any unauthorized access. The Group 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. In-depth 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.	In the first half of 2022, there is a continuing risk of temporary business interruptions linked to a further deterioration in the global availability of electronic components as a result of the ongoing pandemic. 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 2022.
Profitability dependent on certain products and markets	In certain cases, a relatively large share of the total profitability of a product is linked to sales 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.
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 hospitals as required for maintaining critical health care.	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 included in the general activities related to business continuity risks. Refer to "Business interruptions" above.

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 consumables 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.

Dividend

The Board of Directors and CEO propose a dividend for 2021 of SEK 4.00 (3.00) per share, which amounts to SEK 1,089 M (817). The final date for trading including the right to receive dividends is April 26, 2022 and the proposed record date is April 28, 2022. Euroclear expects to distribute the dividend to shareholders on May 3, 2022.

2022 Annual General Meeting

Getinge AB's Annual General Meeting will be held on April 26, 2022 and is planned to take place in Kongresshallen at Hotel Tylösand in Halmstad, Sweden. However, Getinge is monitoring the development of the ongoing pandemic and has made preparations for alternative arrangements, if necessary. 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 8, 2022.

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, January 28, 2022

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

Sofia Hasselberg
AGM-elected Board member

Rickard Karlsson
Board member
Representative of the Swedish
Metalworkers' Union

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

Mattias Perjos
President & CEO,
AGM-elected Board member

Malin Persson
AGM-elected Board member

Kristian Samuelsson
AGM-elected Board member

This interim report is unaudited.

Consolidated financial statements

Consolidated income statement

SEK M	Note	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	2	7,987	8,839	27,049	29,819
Cost of goods sold		-4,048	-4,681	-13,469	-15,097
Gross profit	2, 3	3,939	4,158	13,580	14,722
Selling expenses		-1,264	-1,402	-4,590	-5,285
Administrative expenses		-834	-859	-3,337	-3,498
Research and development costs		-233	-274	-851	-1,033
Acquisition expenses		-19	-4	-35	-8
Restructuring costs		24	-1	-61	-169
Other operating income and expenses		-501	-8	-336	55
Operating profit (EBIT)	2, 3	1,112	1,610	4,371	4,784
Net financial items	2	-36	-69	-183	-299
Profit after financial items	2	1,075	1,541	4,188	4,485
Taxes		-300	-437	-1,187	-1,213
Net profit for the period		775	1,104	3,000	3,273
<i>Attributable to:</i>					
Parent Company shareholders		771	1,094	2,970	3,239
Non-controlling interests		4	10	31	34
Net profit for the period		775	1,104	3,000	3,273
Earnings per share, SEK ¹⁾		2.83	4.02	10.90	11.89
Weighted average number of shares for calculation of earnings per share (000s)		272,370	272,370	272,370	272,370

1) Before and after dilution

Consolidated statement of comprehensive income

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net profit for the period	775	1,104	3,000	3,273
Other comprehensive income				
Items that cannot be restated in profit for the period				
Actuarial gains/losses pertaining to defined-benefit pension plans	-145	95	-5	-13
Tax attributable to items that cannot be restated in profit	43	-25	10	-1
Items that can later be restated in profit for the period				
Translation differences and hedging of net investments	490	-1,704	1,614	-2,319
Cash flow hedges	4	19	-22	-16
Tax attributable to items that can be restated in profit	-6	-2	-17	21
Other comprehensive income for the period, net after tax	384	-1,616	1,580	-2,327
Total comprehensive income for the period	1,159	-513	4,580	946
<i>Comprehensive income attributable to:</i>				
Parent Company shareholders	1,151	-500	4,543	936
Non-controlling interests	8	-12	37	9
Total comprehensive income for the period	1,159	-513	4,580	946

Consolidated balance sheet

SEK M	Note	December 31 2021	December 31 2020
Assets			
Intangible assets		24,148	22,085
Tangible assets		3,060	2,956
Right-of-use assets		1,060	1,017
Financial assets		1,217	1,526
Inventories		4,767	4,513
Accounts receivable		4,695	5,338
Other current receivables		1,532	1,524
Cash and cash equivalents	6	4,076	6,056
Total assets		44,555	45,014
Equity and liabilities			
Equity		25,176	21,486
Provisions for pensions, interest-bearing	6	3,378	3,359
Lease liabilities	6	1,036	990
Other interest-bearing liabilities	6	3,270	9,216
Other provisions		4,186	3,115
Accounts payable		1,921	1,446
Other non-interest-bearing liabilities		5,587	5,402
Total equity and liabilities		44,555	45,014

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, 2020	136	6,789	1,965	11,606	20,496	477	20,973
Total comprehensive income for the period	-	-	-2,288	3,225	936	9	946
Dividend	-	-	-	-409	-409	-24	-433
Closing balance at December 31, 2020	136	6,789	-323	14,422	21,024	462	21,486
Opening balance at January 1, 2021	136	6,789	-323	14,422	21,024	462	21,486
Total comprehensive income for the period	-	-	1,568	2,974	4,543	37	4,580
Dividend	-	-	-	-817	-817	-41	-858
Transactions with non-controlling interests	-	-	-	-	-	-32	-32
Closing balance at December 31, 2021	136	6,789	1,245	16,579	24,750	427	25,176

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

Consolidated cash flow statement

SEK M	Note	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Operating activities					
Operating profit (EBIT)		1,112	1,610	4,371	4,784
Add-back of depreciation, amortization and write-downs	3	466	637	1,814	2,467
Other non-cash items		553	44	460	60
Add-back of restructuring costs ¹⁾		-24	1	61	169
Paid restructuring costs		-40	-63	-203	-262
Financial items		-41	-80	-192	-313
Taxes paid		-249	-150	-693	-553
Cash flow before changes in working capital		1,778	1,999	5,618	6,352
Changes in working capital					
Inventories		329	631	-71	-544
Operating receivables		-716	86	805	1,121
Operating liabilities		179	-172	208	270
Cash flow from operating activities		1,570	2,544	6,560	7,199
Investing activities					
Acquisition of operations	8	-596	-169	-715	-999
Investments in intangible assets and tangible assets		-265	-284	-930	-1,045
Divestment of non-current assets		8	24	316	53
Cash flow from investing activities		-853	-430	-1,329	-1,991
Financing activities					
Change in interest-bearing liabilities		-1,177	-1,627	-5,989	543
Depreciation of lease liabilities		-99	-115	-389	-390
Change in long-term receivables		-3	-9	-1	-17
Dividend paid		-17	-3	-858	-433
Cash flow from financing activities		-1,296	-1,753	-7,237	-297
Cash flow for the period		-579	360	-2,006	4,911
Cash and cash equivalents at the beginning of the period		4,654	5,716	6,056	1,254
Translation differences		1	-20	26	-110
Cash and cash equivalents at the end of the period		4,076	6,056	4,076	6,056

1) Excluding write-downs on non-current assets

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 2020 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

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales, SEK M				
Acute Care Therapies	4,230	5,392	15,527	18,719
Life Science	1,043	806	3,558	2,854
Surgical Workflows	2,715	2,641	7,965	8,246
Total	7,987	8,839	27,049	29,819
Gross profit, SEK M				
Acute Care Therapies	2,467	3,012	9,132	10,861
Life Science	391	303	1,419	1,102
Surgical Workflows	1,082	843	3,028	2,759
Total	3,939	4,158	13,580	14,722
Operating profit (EBIT), SEK M				
Acute Care Therapies	559	1,640	3,685	5,312
Life Science	215	76	702	337
Surgical Workflows	449	-3	369	-489
Group functions and other (incl. eliminations) ¹⁾	-111	-103	-386	-375
Operating profit (EBIT)	1,112	1,610	4,371	4,784
Net financial items	-36	-69	-183	-299
Profit after financial items	1,075	1,541	4,188	4,485

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	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Acquired intangible assets	-71	-93	-273	-494
Intangible assets	-166	-309	-661	-1,069
Right-of-use assets	-99	-118	-398	-405
Tangible assets	-130	-117	-483	-500
Total	-466	-637	-1,814	-2,467
<i>of which write-downs</i>	<i>-7</i>	<i>-83</i>	<i>-7</i>	<i>-257</i>

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Cost of goods sold	-210	-268	-813	-1,017
Selling expenses	-133	-164	-513	-754
Administrative expenses	-111	-113	-442	-433
Research and development costs	-11	-93	-47	-263
Restructuring costs	-	-	-	-
Total	-466	-637	-1,814	-2,467
<i>of which write-downs</i>	<i>-7</i>	<i>-83</i>	<i>-7</i>	<i>-257</i>

Note 4 Quarterly results

SEK M	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020
Net sales	7,987	6,306	6,587	6,169	8,839	7,976	6,971	6,033
Cost of goods sold	-4,048	-3,173	-3,160	-3,089	-4,681	-3,846	-3,513	-3,057
Gross profit	3,939	3,133	3,427	3,080	4,158	4,130	3,458	2,976
Operating expenses	-2,828	-2,038	-2,222	-2,120	-2,548	-2,217	-2,701	-2,470
Operating profit (EBIT)	1,112	1,094	1,205	960	1,610	1,913	757	505
Net financial items	-36	-43	-48	-56	-69	-72	-80	-78
Profit after financial items	1,075	1,052	1,157	903	1,541	1,841	677	427
Taxes	-300	-285	-351	-251	-437	-446	-179	-150
Net profit for the period	775	767	806	652	1,104	1,395	497	277

Note 5 Adjustment items

Adjusted EBITA, SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Acute Care Therapies	1,201	1,653	4,444	5,831
Life Science	221	112	729	393
Surgical Workflows	393	156	390	-127
Group functions and other (incl. eliminations)	-92	-105	-351	-374
Total	1,723	1,817	5,212	5,724

Adjustments of EBITA, SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Specification of items affecting comparability that impact EBITA				
Acquisition and restructuring costs, Acute Care Therapies	18	-8	-1	-62
Acquisition and restructuring costs, Life Science	0	0	-2	0
Acquisition and restructuring costs, Surgical Workflows	6	2	-58	-113
Write-down of R&D, Acute Care Therapies ²⁾	-	-	-	-73
Write-down of R&D, Life Science ²⁾	-	-29	-	-29
Write-down of R&D, Surgical Workflows ²⁾	-	-45	-	-108
Impairment of receivables, Acute Care Therapies ³⁾	-	-47	-	-47
Impairment of receivables, Acute Care Therapies ²⁾	-	-8	-	-8
Impairment of receivables, Surgical Workflows ²⁾	-	-7	-	-7
Write-down of inventories, Acute Care Therapies ¹⁾	-	-38	-	-38
Write-down of inventories, Life Science ¹⁾	-	-1	-	-1
Write-down of inventories, Surgical Workflows ¹⁾	-	-92	-	-92
Restored unutilized provision, Acute Care Therapies ³⁾	-	183	-	183
Capital gain on divestment of properties, Acute Care Therapies ³⁾	-	-	72	-
Provision related to Mesh, Acute Care Therapies ³⁾	-601	-	-601	-
Other, Acute Care Therapies ¹⁾	-	-	-	-2
Other, Surgical Workflows ¹⁾	-	-	-	-3
Other, Acute Care Therapies ²⁾	-	-11	-	-17
Other, Surgical Workflows ²⁾	-	-7	-	-18
Other, Surgical Workflows ³⁾	56	-8	56	-8
Group functions and other (incl. eliminations)	-19	2	-35	-2
Total	-540	-115	-568	-446
Items affecting comparability per segment				
Acute Care Therapies	-583	70	-530	-65
Life Science	0	-30	-2	-30
Surgical Workflows	62	-157	-2	-349
Group functions and other (incl. eliminations)	-19	2	-35	-2
Total	-540	-115	-568	-446

1) Reported in Cost of goods sold

2) Reported in Operating expenses

3) Reported in Other operating income and operating expenses

EBITA, SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Acute Care Therapies	618	1,724	3,914	5,766
Life Science	221	82	727	363
Surgical Workflows	455	-1	388	-476
Group functions and other (incl. eliminations)	-111	-103	-386	-375
Total	1,183	1,702	4,643	5,278

Adjustments of EBIT (in addition to the above adjustments of EBITA), SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Specification of items affecting comparability that impact EBIT but not EBITA				
Write-down of acquired intangible assets, Acute Care Therapies ¹⁾	-	-	-	-31
Total, Group	-	-	-	-31

1) Reported in Operating expenses

Adjustments of EBIT, SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Items affecting comparability that impact EBITA (according to above)	-540	-115	-568	-446
Items affecting comparability that impact EBIT but not EBITA (according to above)	-	-	-	-31
Total	-540	-115	-568	-477

Adjustment of tax, SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Amortization and write-down of acquired intangible assets ¹⁾	71	93	273	463
Items affecting comparability	540	115	568	477
Adjustment items, total	611	207	841	940
Tax effect on adjustment items ²⁾	-145	-53	-209	-248
Adjustment for tax items affecting comparability	-	-	-	-
Total	-145	-53	-209	-248

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	December 31 2021	December 31 2020
Other interest-bearing liabilities, current	475	2,196
Other interest-bearing liabilities, long-term	2,795	7,020
Provisions for pensions, interest-bearing	3,378	3,359
Lease liabilities	1,036	990
Interest-bearing liabilities	7,685	13,565
Less cash and cash equivalents	-4,076	-6,056
Net interest-bearing debt	3,609	7,509

Note 7 Key figures for the Group

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Financial and operative key figures				
Key figures based on Getinge's financial targets				
Organic growth in net sales, %	-9.6	11.1	-4.8	14.3
Earnings per share ¹⁾ , SEK	2.83	4.02	10.90	11.89
Other operative and financial key figures				
Organic growth in order intake, %	6.4	6.1	-3.0	15.6
Gross margin, %	49.3	47.0	50.2	49.4
Selling expenses, % of net sales	15.8	15.9	17.0	17.7
Administrative expenses, % of net sales	10.4	9.7	12.3	11.7
Research and development costs, % of net sales	4.0	4.4	4.4	4.9
Operating margin, %	13.9	18.2	16.2	16.0
EBITDA, SEK M	1,577	2,247	6,185	7,251
Average number of shares, thousands	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
Interest-coverage ratio, multiple			47.5	30.5
Net debt/equity ratio, multiple			0.14	0.35
Net debt/Rolling 12m adjusted EBITDA, multiple			0.5	1.0
Operating capital, SEK M			28,561	32,374
Return on operating capital, %			17.3	16.3
Return on equity, %			12.9	15.1
Equity/assets ratio, %			56.5	47.7
Equity per share, SEK			92.43	78.88
Number of employees			10,729	10,818

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.

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Adjusted gross profit, SEK M				
Gross profit	3,939	4,158	13,580	14,722
<i>Add-back of:</i>				
Depreciation, amortization and write-downs of intangible assets and tangible assets	210	268	813	1,017
Other items affecting comparability	-	130	-	135
Adjustment for write-downs included in other items affecting comparability	-	-	-	-
Adjusted gross profit	4,150	4,556	14,392	15,874

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Adjusted EBITDA, SEK M				
Operating profit (EBIT)	1,112	1,610	4,371	4,784
<i>Add-back of:</i>				
Depreciation, amortization and write-downs of intangible assets and tangible assets	395	544	1,542	1,973
Amortization and write-down of acquired intangible assets	71	93	273	494
Other items affecting comparability	545	36	473	59
Acquisition and restructuring costs	-5	5	95	177
Adjustment for write-downs included in other items affecting comparability and restructuring costs	-	-	-	-
Adjusted EBITDA	2,118	2,287	6,754	7,487

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Adjusted EBITA, SEK M				
Operating profit (EBIT)	1,112	1,610	4,371	4,784
<i>Add-back of:</i>				
Amortization and write-down of acquired intangible assets	71	93	273	494
Other items affecting comparability	545	110	473	269
Acquisition and restructuring costs	-5	5	95	177
Adjustment for write-downs of acquired intangible assets included in other items affecting comparability and restructuring costs	-	-	-	-
Adjusted EBITA	1,723	1,817	5,212	5,724

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Adjusted EBIT, SEK M				
Operating profit (EBIT)	1,112	1,610	4,371	4,784
<i>Add-back of:</i>				
Other items affecting comparability	545	110	473	300
Acquisition and restructuring costs	-5	5	95	177
Adjusted EBIT	1,652	1,724	4,939	5,261

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Adjusted net profit for the period, SEK M				
Net profit for the period	775	1,104	3,000	3,273
<i>Add-back of:</i>				
Amortization and write-down of acquired intangible assets	71	93	273	494
Other items affecting comparability	545	110	473	300
Acquisition and restructuring costs	-5	5	95	177
Adjustment for write-downs of acquired intangible assets included in other items affecting comparability and restructuring costs	-	-	-	-31
Tax items affecting comparability	-	-	-	-
Tax on add-back items	-145	-53	-209	-248
Adjusted net profit for the period	1,241	1,258	3,632	3,965

Note 8 Acquisitions

Net assets acquired, SEK M	2021	2020
Intangible assets	125	418
Tangible assets	2	13
Inventories	34	84
Accounts receivable	7	99
Other current receivables	3	49
Cash and cash equivalents	1	30
Other provisions	-12	-5
Other interest-bearing liabilities	-	-11
Accounts payable	-5	-39
Other non-interest-bearing liabilities	-18	-187
Identifiable net assets	137	451
Goodwill	909	610
Total purchase prices	1,046	1,061
<i>Add/Less</i>		
Additional purchase prices and other adjustments	2	6
Acquisition of shares from non-controlling interests	32	-
Unpaid purchase prices	-364	-38
Cash and cash equivalents in the acquired businesses	-1	-30
Impact on the Group's cash and cash equivalents	715	999

Acquisitions in 2021

Talis Clinical and development activities from Verrix were acquired in 2021. In addition, shares in the subsidiary Pulsion Medical Systems SE were acquired for SEK 32 M and an amount of SEK 2 M was paid due to adjustments of working capital related to the acquisition of Quadralene. The table above presents the fair value of acquired identifiable net assets, recognized goodwill and the impact on the Group's cash and cash equivalents.

Talis Clinical

In December 2021, 100% of Talis Clinical LLC, a US-based leading innovator of High Acuity cloud-based software solutions, was acquired. The company's offering complements Getinge's existing products for the perioperative care process, critical care support and ECMO therapy. Talis Clinical has 56 employees and generated sales of SEK 57 M in 2021. The purchase price amounted to SEK 844 M, of which SEK 248 M comprised contingent purchase prices that may be paid in 2024 if specific regulatory approval and certificates are obtained. In addition, a maximum of USD 26.5 M may be paid in earn-outs if certain financial targets are met. The costs of the acquisition amounted to SEK 12 M and were charged to earnings for 2021. The goodwill that arose in connection with the acquisition amounted to SEK 782 M, and is primarily attributable to strategic advantages and sales-related synergies. The acquisition has not had any material impact on Getinge's sales and earnings in 2021. At the time of publication of this report, the acquisition analysis was preliminary.

Verrix

In September 2021, Getinge acquired development activities related to biological indicators from Verrix, an American start-up company. The products are in a development phase and not yet commercially available but in the long term are intended to strengthen the Group's offering in sterile reprocessing. The purchase price amounted to SEK 202 M, of which SEK 127 M pertained to goodwill that is primarily attributable to strategic advantages in the form of growth opportunities and a broader product range. The costs of the acquisition amounted to SEK 3 M and were charged to earnings. At the time of publication of this report, the acquisition analysis was still preliminary.

Parent Company financial statements

Parent Company's income statement

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Administrative expenses	-21	24	-31	-58
Other operating income and expenses	-	-	-	38
Operating profit	-21	24	-31	-20
Result from participations in Group companies	-3	255	1,820	308
Interest income and other similar income ¹⁾	0	1	1	1
Interest expenses and other similar expenses ¹⁾	-60	-43	-263	-394
Profit after financial items	-84	237	1,527	-105
Appropriations	102	243	102	243
Taxes	-24	-78	-29	-22
Net profit/loss for the period²⁾	-6	402	1,600	116

1) 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

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

Parent Company's balance sheet

SEK M	December 31 2021	December 31 2020
Assets		
Intangible assets	8	24
Tangible assets	4	6
Participations in Group companies	28,795	28,090
Deferred tax assets	94	106
Receivables from Group companies	233	295
Current receivables	36	28
Cash and cash equivalents	1,330	950
Total assets	30,500	29,499
Equity and liabilities		
Equity	21,802	21,019
Long-term liabilities	1,170	-
Other provisions	15	32
Current liabilities to Group companies	7,238	6,932
Current liabilities	275	1,516
Total equity and liabilities	30,500	29,499

Definitions

Financial terms

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

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

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

Gross margin: Gross profit in relation to net sales.

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

EBIT: Operating profit.

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

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

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

EBITA margin: EBITA in relation to net sales.

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

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

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.

Cash flow after net investments: Cash flow from operating activities and investing activities, excluding acquisitions and divestment of operations.

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

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

Items affecting comparability: Comprises 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.

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

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

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

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.

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

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

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

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

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.

Medical terms

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

DPTE BetaBag®: 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.

Cardiopulmonary: Pertaining or belonging to both heart and lung.

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

Artificial grafts: Artificial vascular implants.

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.

Stent: A tube for endovascular widening of blood vessels.

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.

EMEA: Europe, Middle East and Africa.

Teleconference

Teleconference with President & CEO Mattias Perjos and CFO Lars Sandström on January 28, 2022 at 10:00-11:00 a.m. CET. Please see dial in details below to join the conference:

SE: +46 850 558 357
 UK: +44 333 300 92 60
 US: +1 646 722 49 03

A presentation will be held during the telephone conference. To access the presentation, please use this link:

<https://tv.streamfabriken.com/getinge-q4-2021>

Alternatively, use the following link to download the presentation: <https://www.getinge.com/int/about-us/investors/reports-presentations/>

A recording will be available for three years via the following link: <https://tv.streamfabriken.com/getinge-q4-2021>

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:

March 30, 2022	2021 Annual Report
April 26, 2022	Annual General Meeting
April 26, 2022	Q1 Report 2022
July 19, 2022	Q2 Report 2022
October 19, 2022	Q3 Report 2022
February 1, 2023	Q4 Report 2022

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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 January 28, 2022 at 8:00 a.m. CET.

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 10,000 people worldwide and the products are sold in 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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