



Q1 Report 2021

“Ready to help hospitals with the surgical backlog”

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GETINGE 

Key takeaways – a strong quarter from a financial perspective

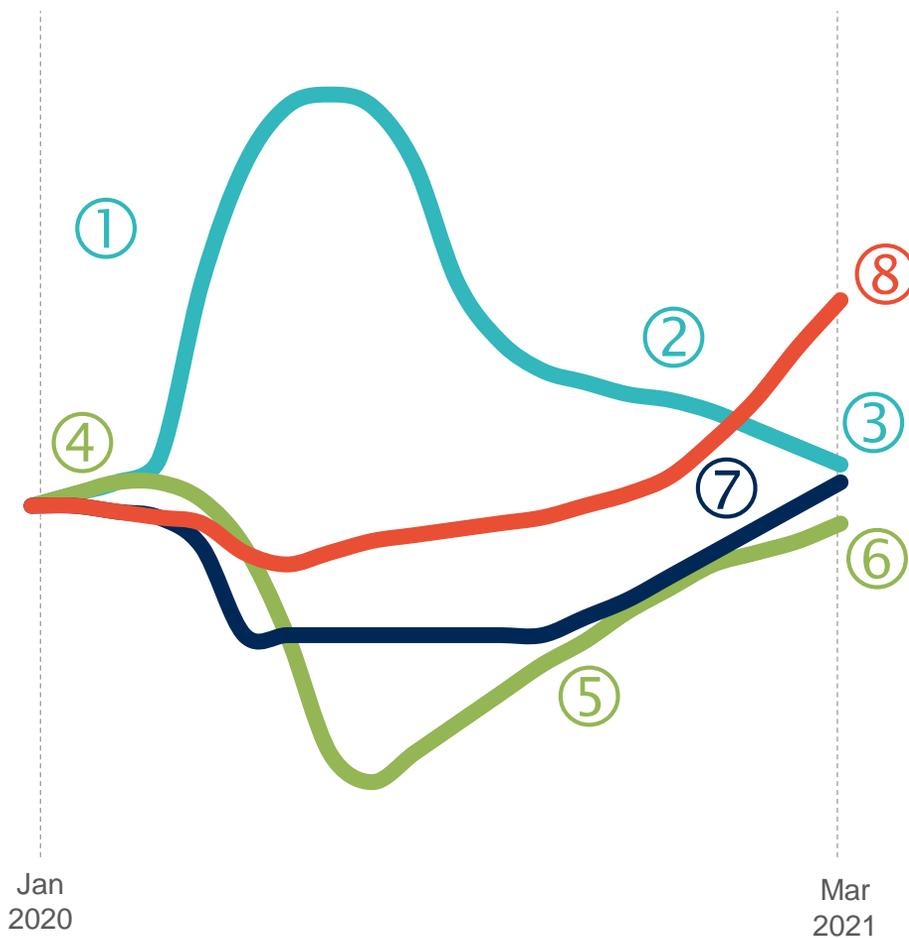
Q1 2021

- Strong organic sales
- Improved margins
- Strengthened Free Cash Flow
- Leverage improved to 0.7x (2.4x)



Order trends continue to converge (except in Life Science)

Q1 2020-Q1 2021



Critical Care and Cardiopulmonary

(~50% of sales in Acute Care Therapies before COVID-19)

- ① Decisions to ramp up capacity in advance ICU-ventilators and ECMO
- ② Reached the goal to deliver 26,000 advanced ICU ventilators in 2020
- ③ Orders in Q1 2021 substantially higher than Q1 2019 due to COVID-19 still driving demand – but expected to decline in coming quarters

Cardiac & Vascular

(~50% of sales in Acute Care Therapies before COVID -19)

- ④ Steep decline in elective surgeries due to lock down, creating a back-log in hospitals
- ⑤ Sequential growth as elective surgeries regained
- ⑥ Sequential growth continued in Q1 2021, moving closer to flat vs Q1 2020

Surgical Workflows

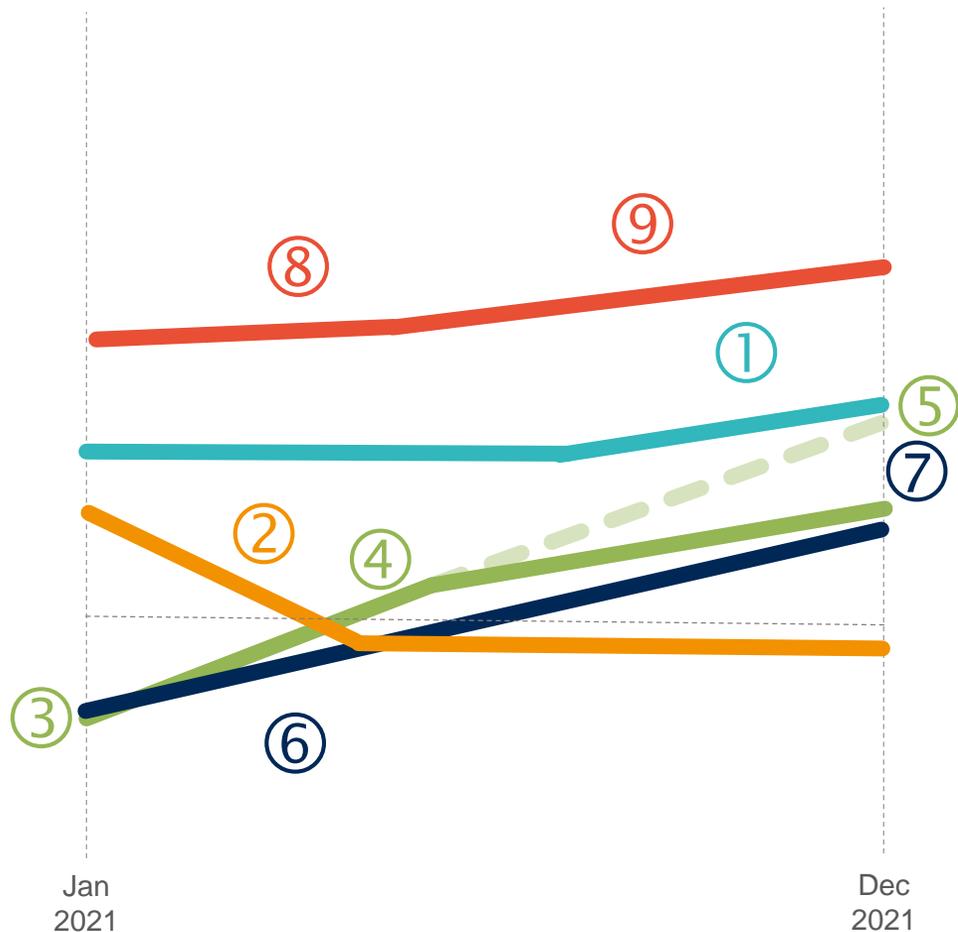
- ⑦ Sequential improvement since Q4 2020 – but still a gap vs 2019 level

Life Science

- ⑧ Exceptional order growth in Q4 in Sterile Transfer towards biopharma customers was followed up by a strong Q1 with order growth in all categories.

Expected net sales trends 2021 in relation to 2019

A muted H1 in net sales followed by a more intense H2



Cardiopulmonary

- ① High demand on products for ECMO therapies expected to continue and capacity expected to increase incrementally throughout the year

Critical Care

- ② Net sales in Critical Care is expected to be in line with 2019 for the full year despite initial growth linked to COVID-19

Cardiac & Vascular

- ③ Starting materially below 2019 level ...
- ④ ... but gradual improvement as more patients get vaccinated
- ⑤ The underlying patient need (dotted) is high, but uncertainty on how fast and to what extent hospitals can increase capacity

Surgical Workflows

- ⑥ Even if order growth has started to pick up in Q1, the order book is smaller than in Q1 2019 and Q1 2020 and there is a lead time from order to net sales to bear in mind ...
- ⑦ ... why deliveries are expected to pick up in the latter part of the year

Life Science

- ⑧ Exceptional demand for Sterile Transfer products points in the direction of a significant increase in net sales 2021 vs 2019 ...
- ⑨ ... supported by gradually increasing sales of capital goods throughout the year

Net sales

is expected to be at least 27 BSEK

Long term we expect 2-4% organic
annual growth in net sales

Key activities and events

Q1 2021

Launches and other activities

- New holistic system for preparation of multi-use bioreactors
- Introduction of a state of the art virtual hospital
- Global launch of a flexible workplace approach
- Strategic partnership with the School of Business, Economics and Law at University of Gothenburg, focusing on customer centric innovation and sustainability
- Virtual Capital Markets Day set to November 22

Improvement journey continues

- Restructuring plan in Rastatt, Germany
 - Focus operating tables and cardiopulmonary hardware
 - Reduce costs and improve productivity
 - Gradual effect from late 2021 onwards
 - Fully implemented by end of 2022
 - Restructuring cost amounts to 90 MSEK
- Consolidation of operations in New Jersey, US
 - According to plan, expected to be finalized by end of 2021
 - SEK 37 M capital gain from sale of real estate in the Q1 result (reported as an Item Affecting Comparability)

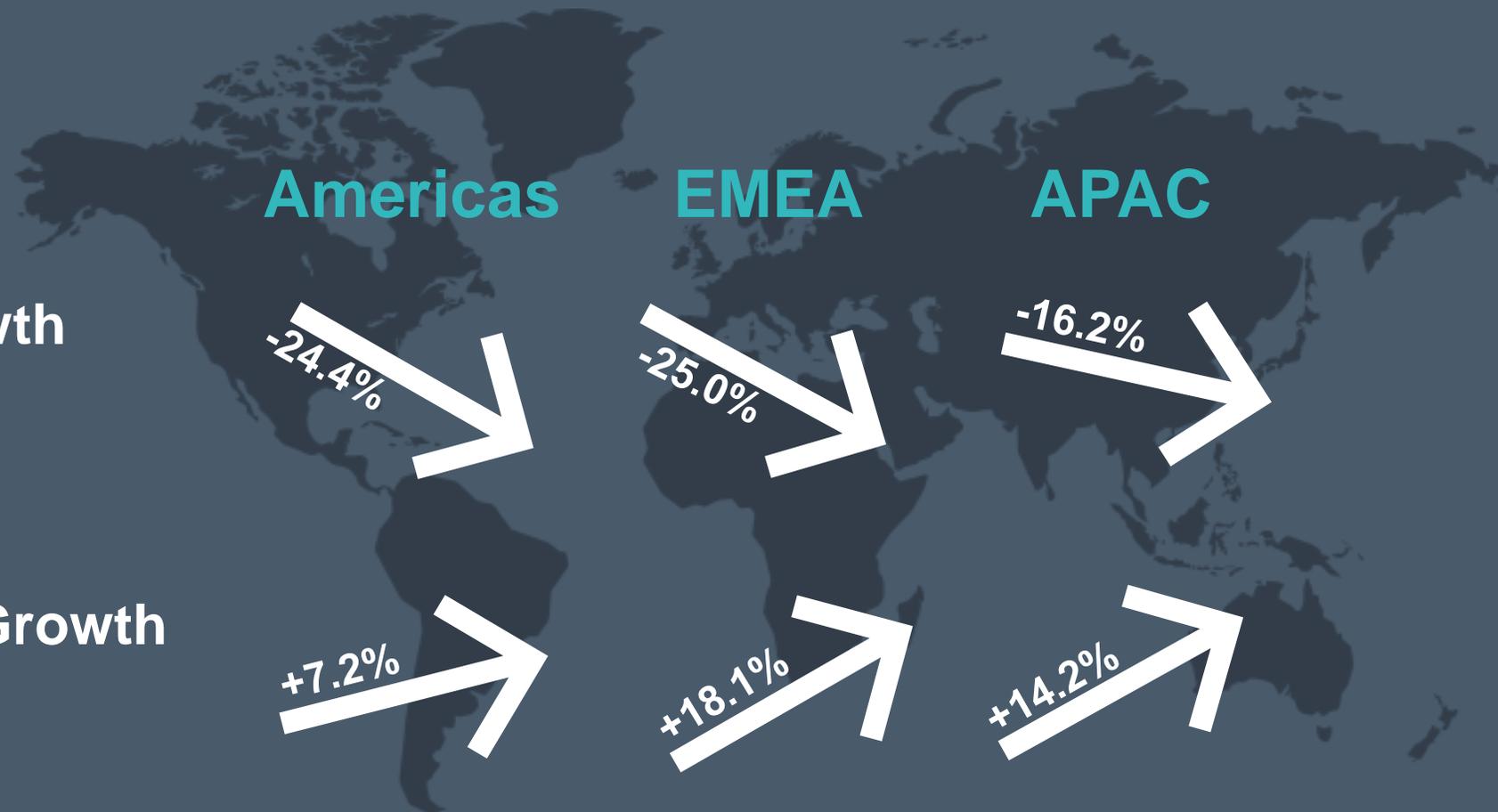
Organic net sales growth in all business areas in Q1

Ventilators, ECMO and Sterile Transfer key drivers behind net sales growth Y-o-Y

Global

Organic Order Growth
-22.8%

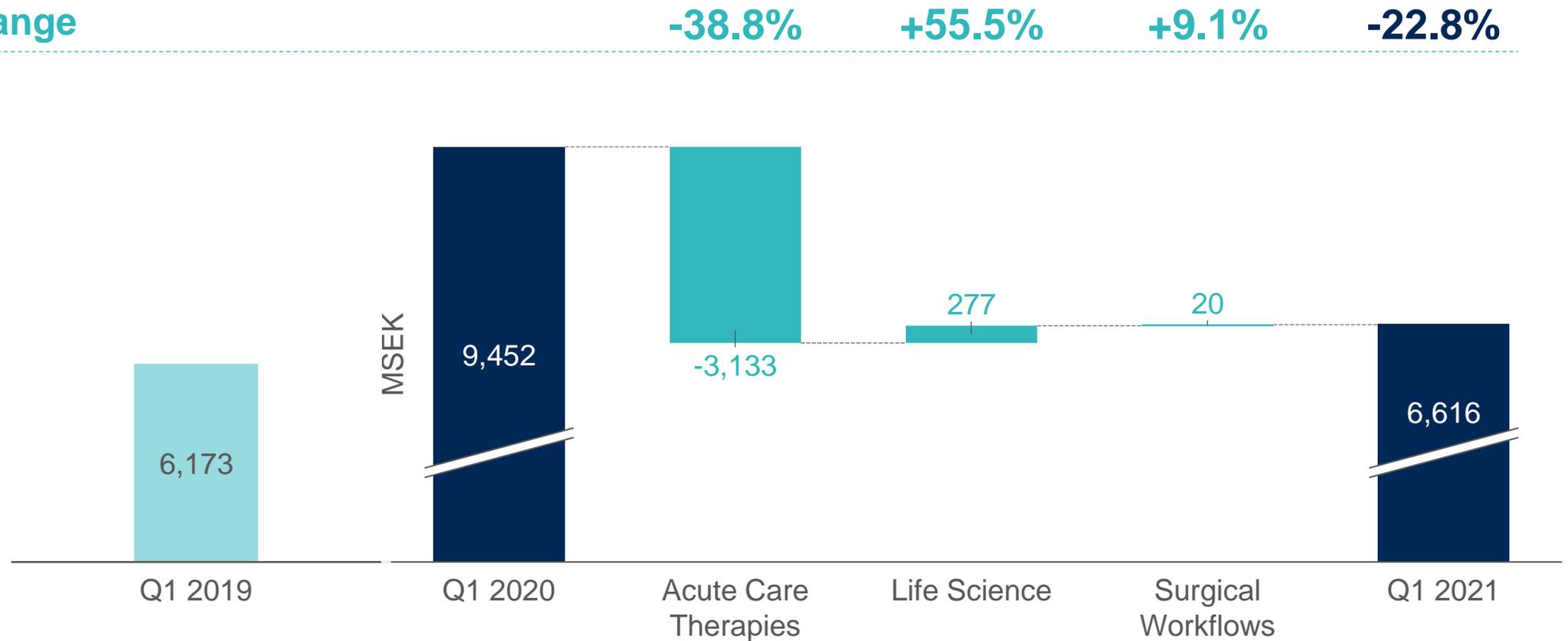
Organic Net Sales Growth
+12.6%



Strong organic order growth in Life Science

Order Intake – Bridge Q1 2020 - Q1 2021

Organic change



Life Science and Acute Care Therapies drive organic net sales growth

Net Sales – Bridge Q1 2020 - Q1 2021

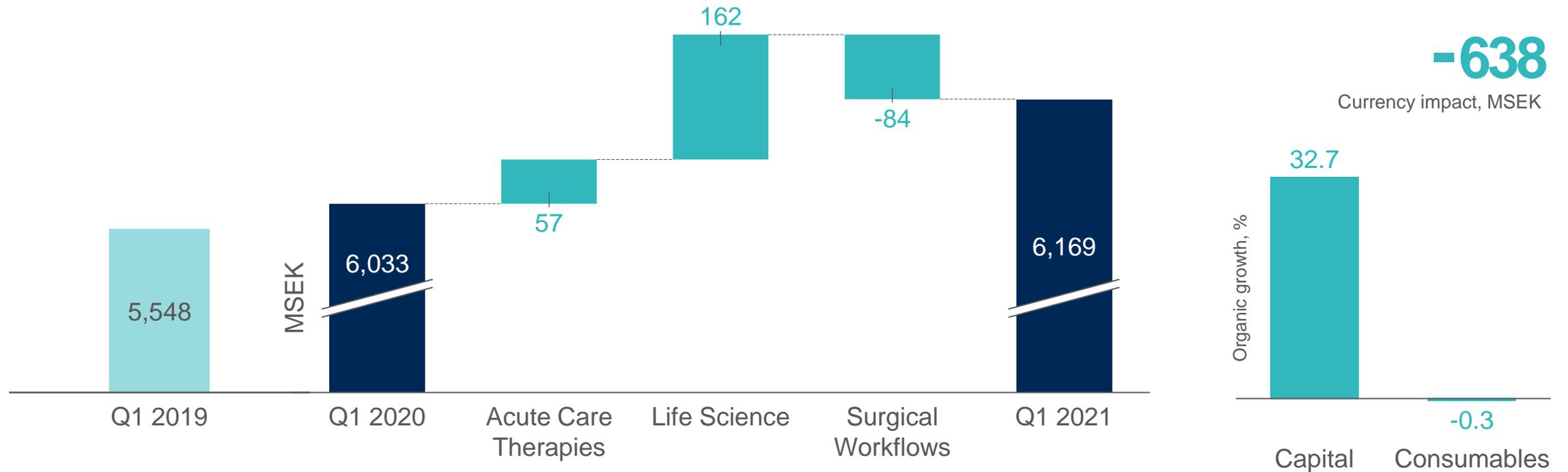
Organic change

+12.9%

+38.0%

+3.1%

+12.6%



Volume and mix had a positive impact on adjusted gross profit and margin

Adjusted Gross Profit – Bridge Q1 2019 - Q1 2021

Adj GM, %

Q1 2021

(Q1 2020)

(Q1 2019)

61.2

(61.5)

(58.6)

42.9

(41.9)

(40.0)

39.7

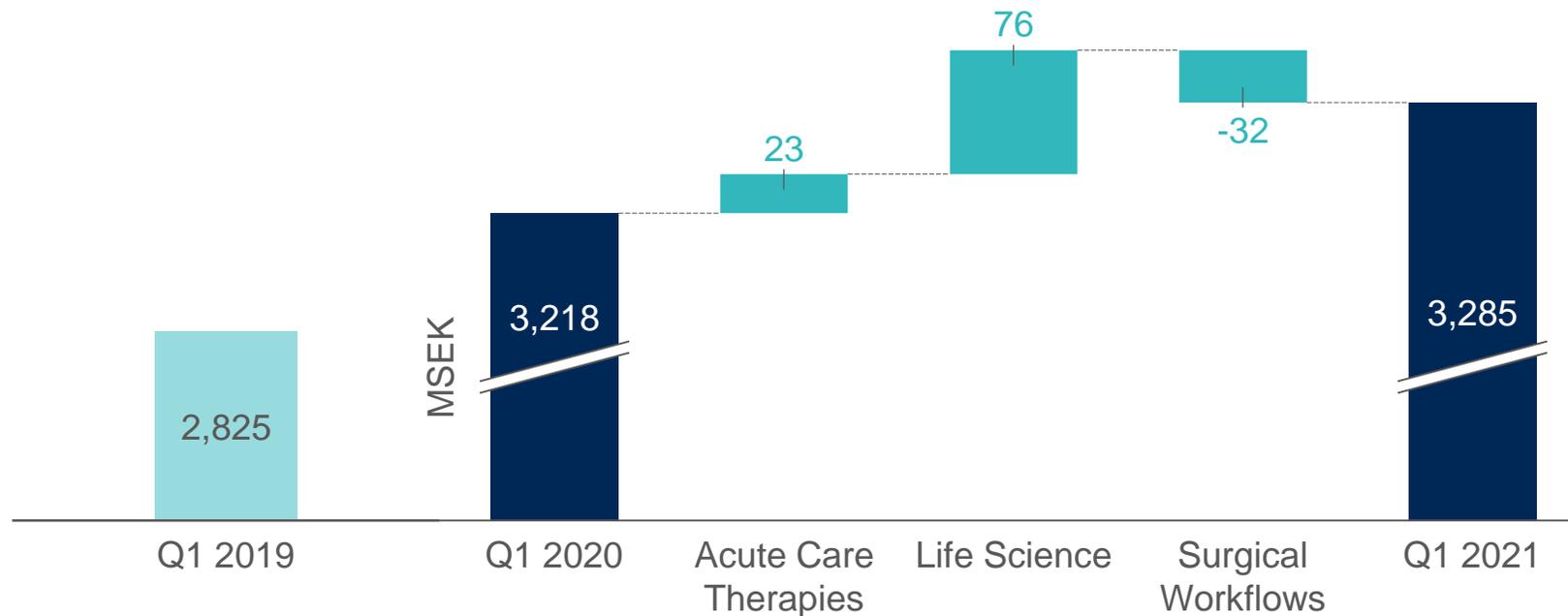
(39.6)

(39.3)

53.3

(53.3)

(50.9)



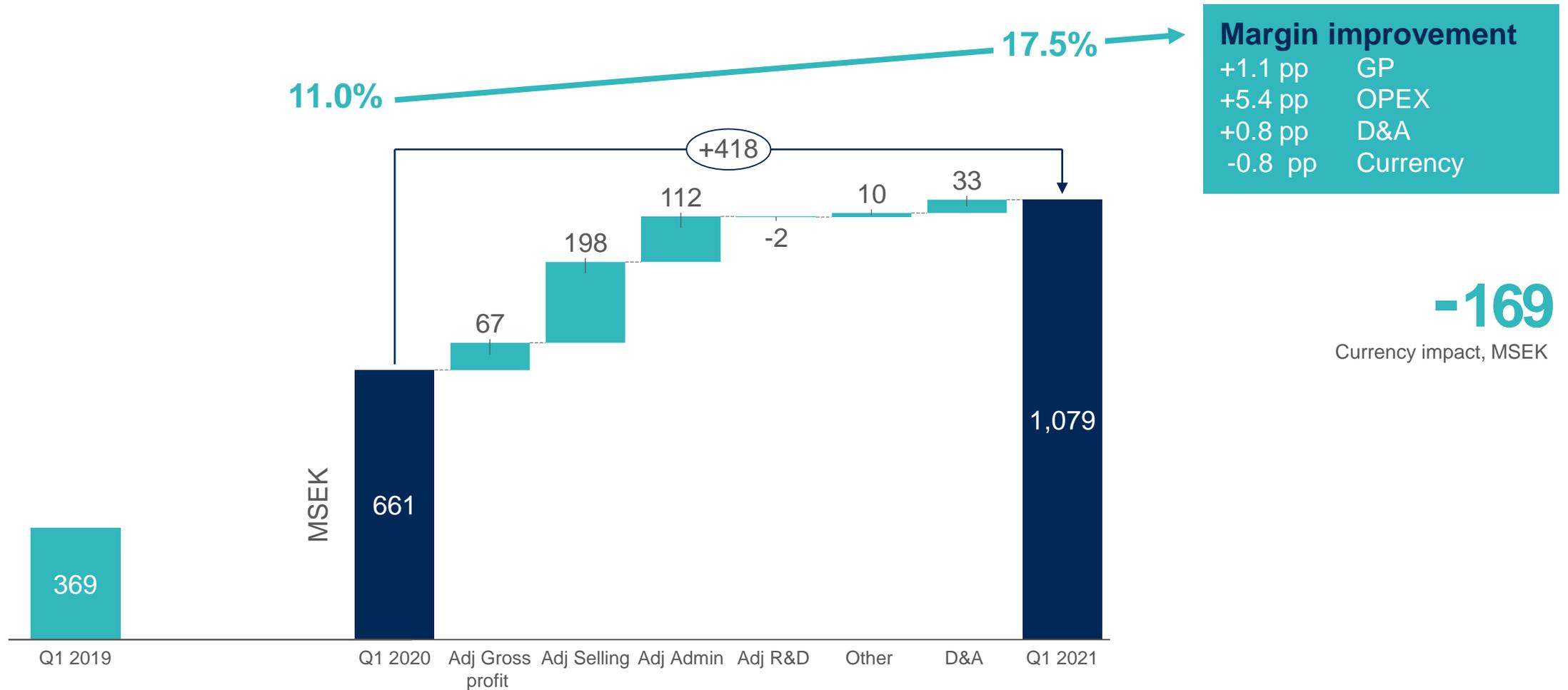
Gross Margin impact

- Volume
- Product mix
- Under absorption (capital equipment)
- Currency

Financial development

Volume, gross profit and OPEX taking adj EBITA margin to 17.5 %

Adjusted EBITA – Bridge Q1 2020 – Q1 2021



The strong SEK Y-o-Y is having material impact in Q1

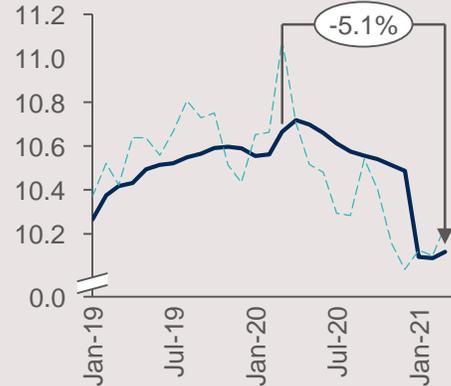
But the Y-o-Y gap is expected to be smaller in the second half of 2021

Examples on currency pairs having a negative impact

USD/SEK



EUR/SEK



USD/EUR



A combination of “small” and volatile currencies/SEK



**Indexed portfolio of RUR, INR, TRY, ZAR, BRL, COP, KRW, TWD, PLN, CZK representing 9 % of net sales.*

— Average
- - - Closing rate

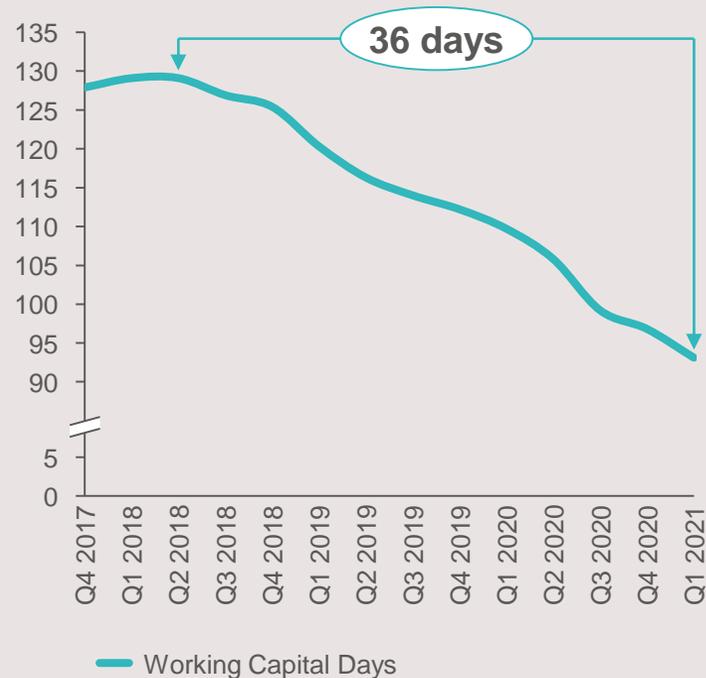
Improved free cash flow, working capital and increasing ROIC

Continued efficiency enhancements

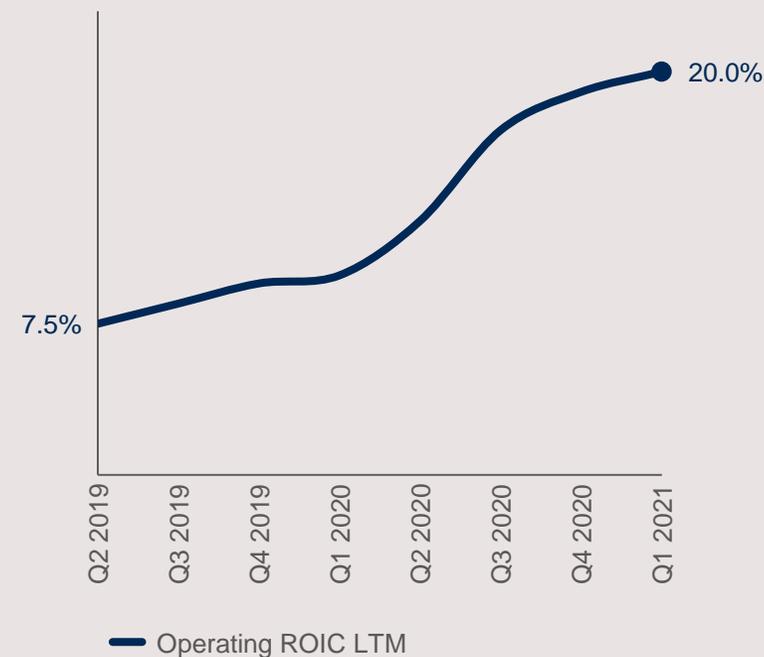
Improved Free Cash Flow



Improvement of WC days



Improved Return on Invested Capital

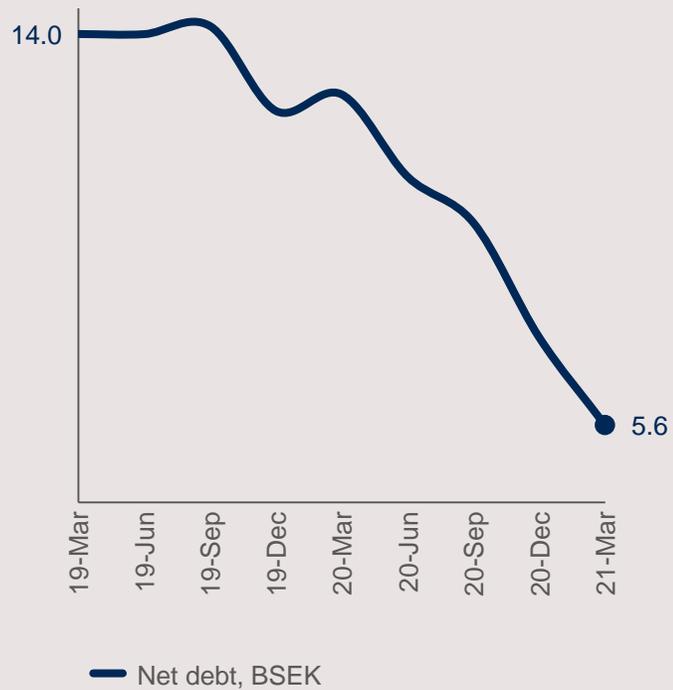


Working Capital, as defined on this page, is including accounts receivables, accounts payables and inventory - adjusted for currency

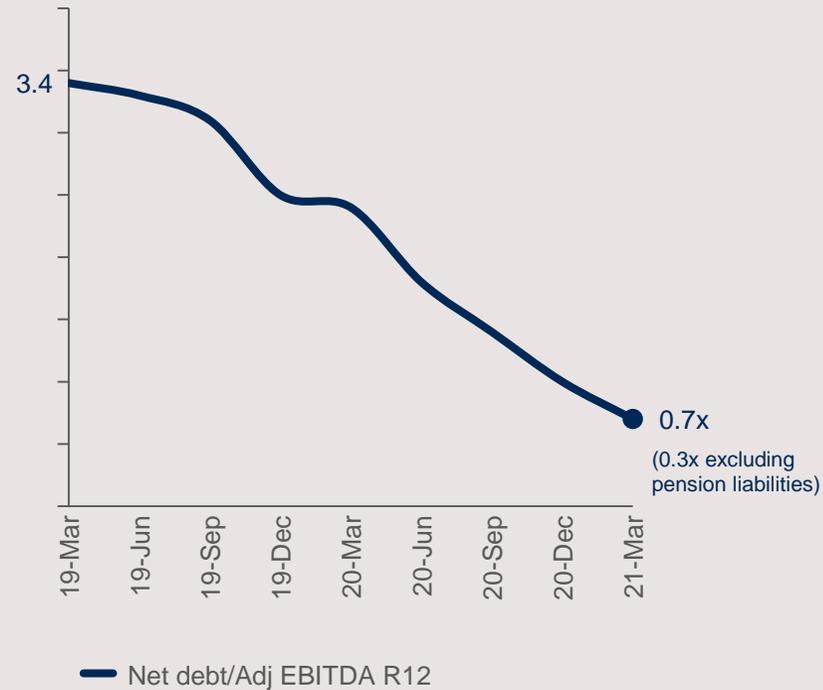
ROIC: Trailing 12 month adjusted EBIT/Invested Capital. Invested Capital is equal to (Invested capital is defined as Equity + Net debt (excl. pension liabilities) and calculated as (Opening balance + Closing balance of Invested Capital)/2.

Strong funding and cash position

Improved net debt ...



... and leverage



5.7 BSEK
in cash (March 31)

Summary

Key takeaways

Summary Q1 2021

- Market moving towards new normal, but a lot of uncertainty remains
- Good activity levels and progress on strategy implementation
- Growth in organic net sales
- Improved margins
- Strengthened Free Cash Flow
- Leverage improved to 0.7x (2.4x)
- Our outlook for 2021 is unchanged – at least 27 BSEK in Net Sales

Q&A

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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