

Press release

Gothenburg, Sweden on October 11, 2023

Getinge acquires Healthmark Industries Co. Inc.

Getinge announced today that it has acquired 100 percent of the shares in US-based Healthmark Industries Co. Inc., a leading provider of innovative instrument care and infection control consumables, for approximately USD 320 M. This strategic step enhances Getinge's presence within sterile reprocessing in the US and facilitates a global expansion for Healthmark.

"We are excited and honored to team up with Healthmark", says Stéphane Le Roy, President Surgical Workflows at Getinge. "Together we will offer a broad range of solutions to sterile processing departments in hospitals. Healthmark's position in the field of consumables for cleaning verification and packaging will be an ideal complement to our consumables, reprocessing capital equipment, and software solutions. The acquisition strengthens Getinge's position in the infection prevention sector in the US, and our global customer reach in Europe and Asia will also accelerate Healthmark's international development."

Founded in 1969, Healthmark's headquarters and main production facilities are located in Fraser, Michigan in the United States. Healthmark also has a facility in Bobigny, France. Globally, Healthmark employs approximately 400 employees. In its fiscal year ending October 31, 2023, Healthmark expects nearly USD 126 million in net sales, an approximate 15% increase over fiscal year 2022, which will translate into a material contribution to the net revenue and EBITDA of Getinge's Surgical Workflows business area. Approximately 90% of Healthmark's sales originate from the United States.

Mark Basile, President and CEO of Healthmark, states: "We are pleased with Healthmark being integrated into the Getinge family. This combination makes sense due to the minimal overlap in our product portfolios. By bringing together our strengths, we are well positioned to better serve our customers, gain greater control over our supply chain and finished products, and expand our reach outside the United States."

Getinge paid approximately USD 320 M, on a cash and debt free basis with a normalized working capital for 100 percent of the shares in Healthmark. Getinge expects approximately USD 30 M in gradual net synergies (revenues and costs) for the coming five years. Based on expected calendar year 2023 EBITDA, the purchase price implies an EBITDA multiple of 17.1x or 15.5x net of the present value of tax benefits. According to expectations for calendar year 2024 including net synergies, the purchase price implies an EBITDA multiple of 14.6x or 13.2x net of the present value of tax benefits. The company also anticipates a positive contribution on reported earnings per share, starting in 2026.

The acquisition has been financed through cash on hand and existing credit facilities. Getinge expects to have fully integrated Healthmark by the end of 2024 and anticipates no material integration costs in 2023 and 2024.

The acquisition is not expected to have a material impact on Getinge's operating profit and earnings per share in 2023.

The statutorily required waiting period under the Hart-Scott-Rodino Antitrust Improvements Act (HSR) has passed. The transaction is closed and is not subject to further regulatory approvals or waiting periods.

More information about Healthmark Industries Co., Inc. can be found here: <https://hmark.com/>.

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This information is such that Getinge AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on October 11, 2023, at 4.10 PM CEST.

About Healthmark Industries Co. Inc.

Since 1969, Healthmark Industries Company, Inc. has developed and marketed innovative solutions to aid healthcare facilities

in their delivery of surgical instruments and other lifesaving medical devices to patients. Healthmark Industries' mission is to continue to innovate, continue to support, and continue to serve the healthcare provider industry and support services that make it possible to deliver quality healthcare.

About Getinge

Getinge is a global provider of innovative solutions for operating rooms, intensive-care units, sterilization departments and for life science companies and institutions. Based on our first-hand experience and close partnerships with clinical experts, healthcare professionals and medtech specialists, we are improving the everyday life for people, today and tomorrow.