



Getinge to acquire Applikon Biotechnology B.V.

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GETINGE 

Getinge to acquire Applikon Biotechnology B.V.

– strengthening the offer to biopharma customers



World leader in solutions to
prevent contamination
in pharmaceutical production and to
**ensure integrity of
research results**

Leading company
in advanced bioreactor
systems for

**bioprocessing
and cell and
gene therapy**

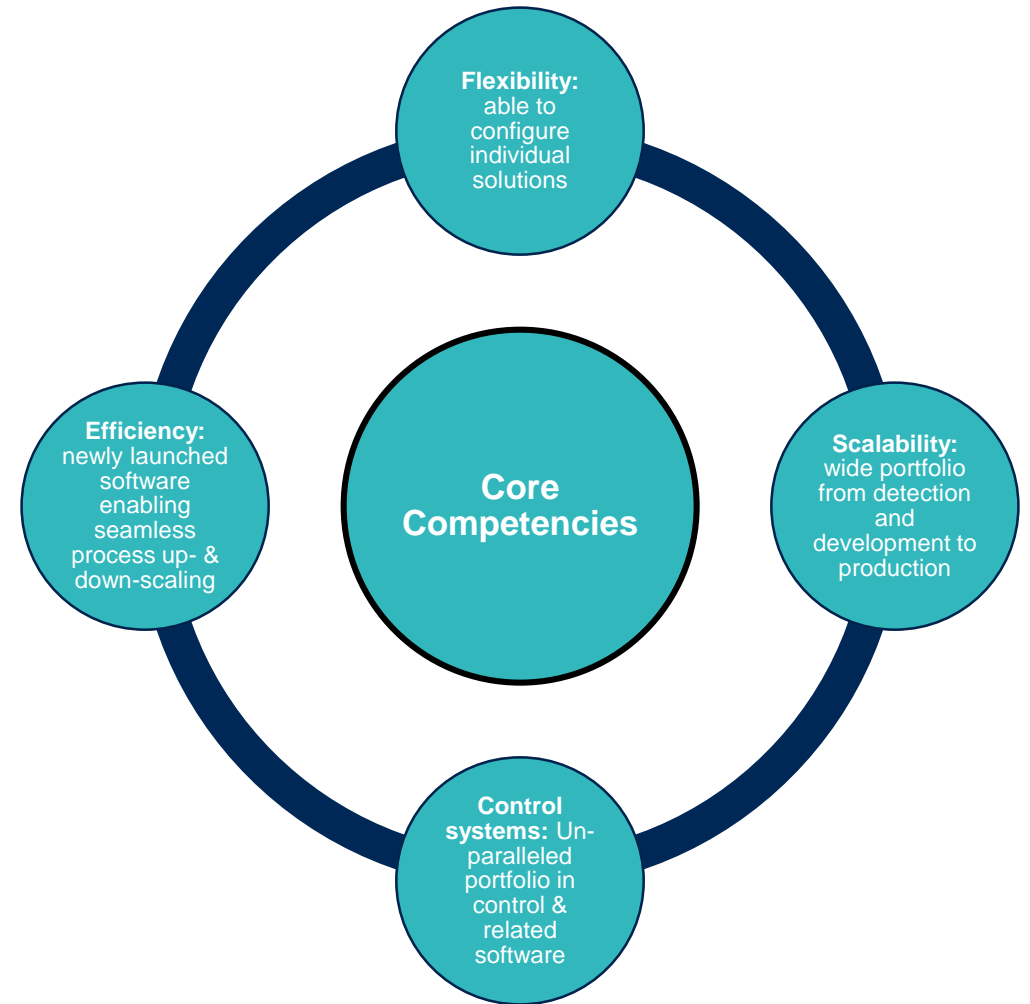
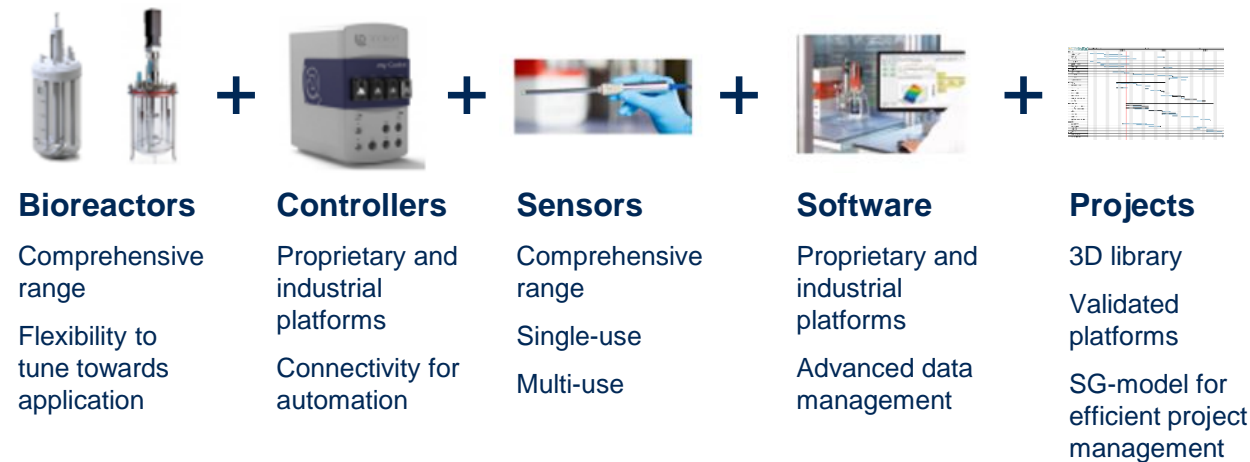


A ~450 MSEK revenue business
addressing a global biopharma
bioreactor systems market, valued at
SEK 10 B in 2019
expected to grow by
10% CAGR ('19-'24)

Comprehensive offer and relevant core competencies

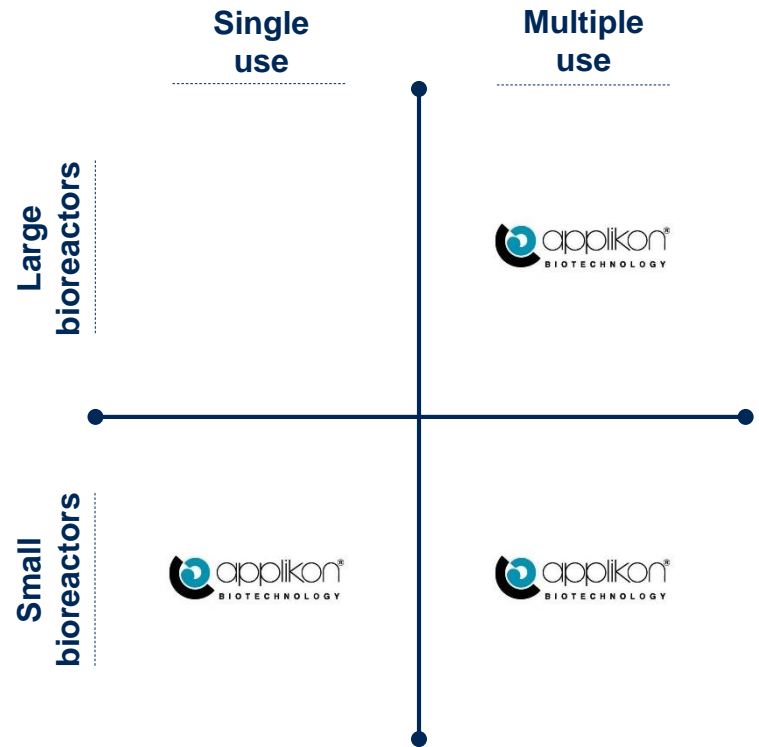
– a long-term partner to biopharma companies

Portfolio overview

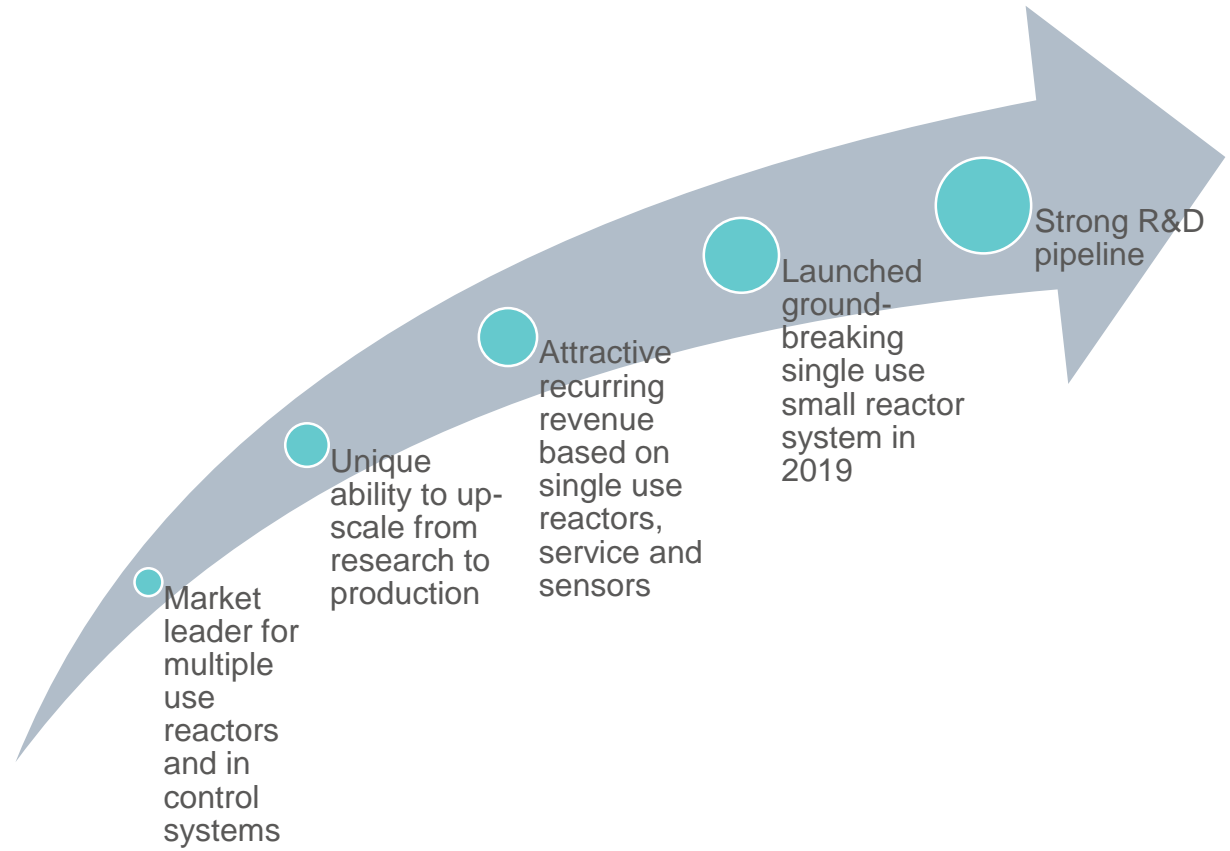


Applikon Biotechnology is present in 3 out of 4 segments

– and have a strong R&D pipeline to drive future growth

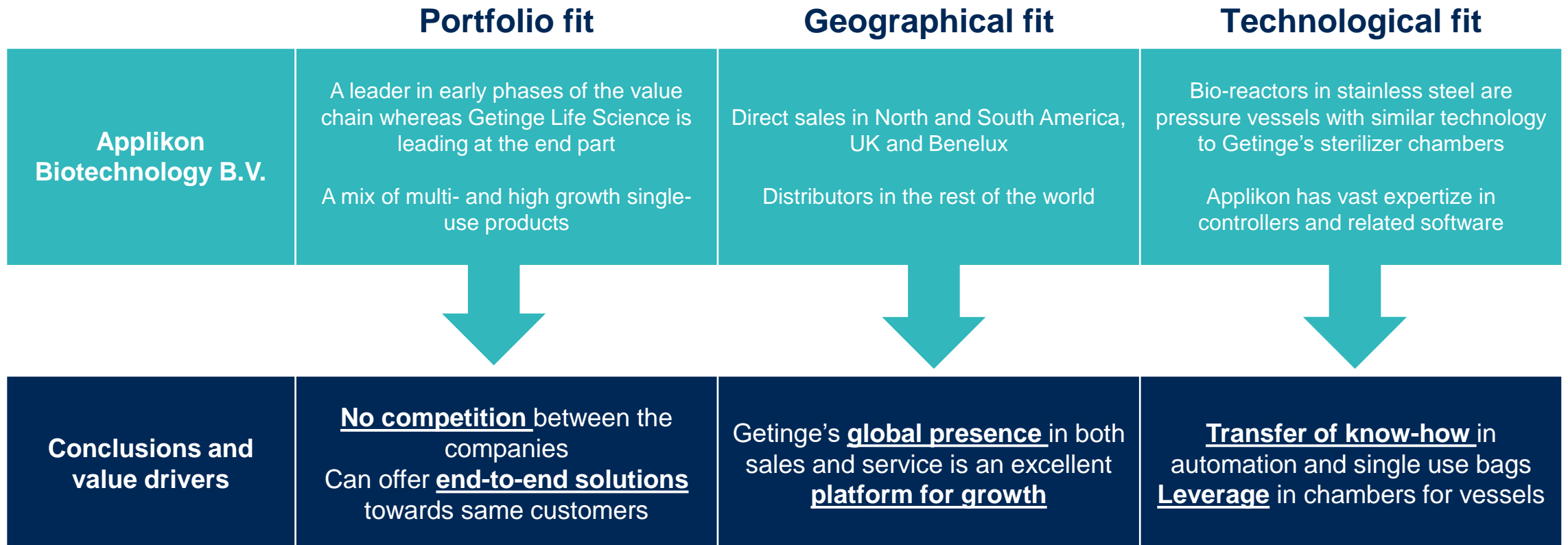


Competitors: GE Healthcare, Thermo Fisher, Sartorius, Eppendorf, Infors



A perfect fit with Getinge Life Science

– a true win-win for both organizations



Value creation from a shareholder perspective

– expecting long-term margin expansion

Net sales growth increase

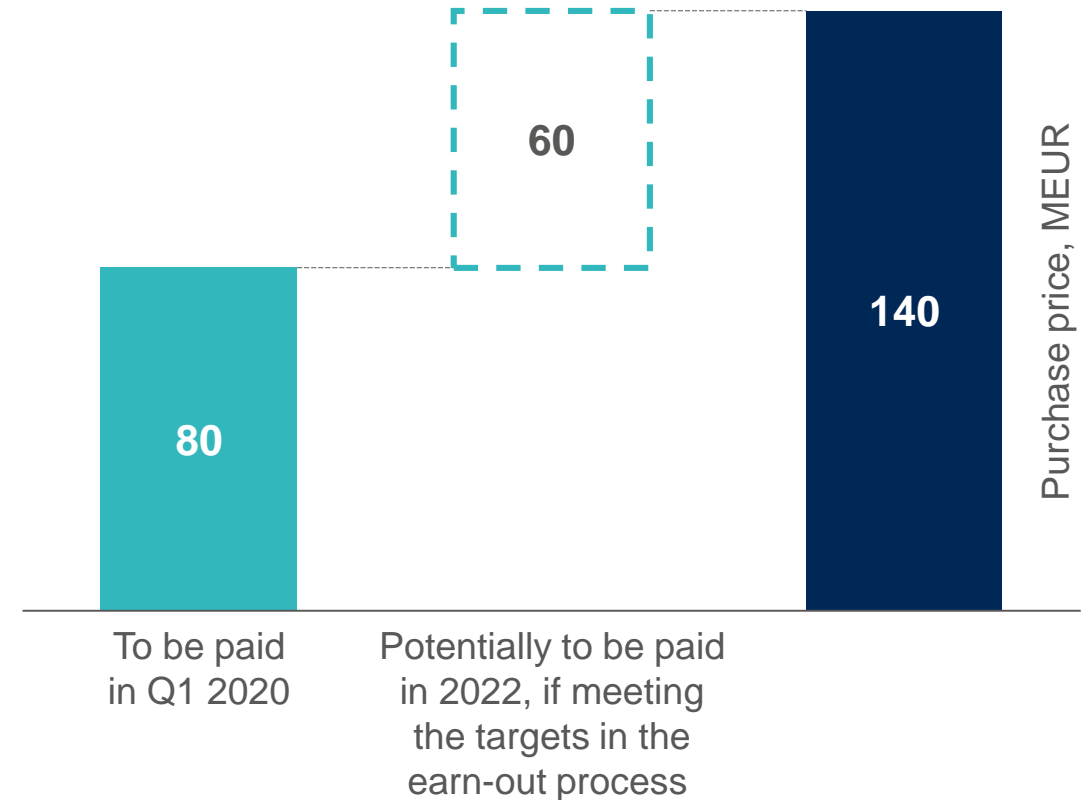
- Adding approx. SEK 450 M in net sales and positive growth outlook
- Strengthened portfolio for diversified growth in Biopharma segment
- Significant potential from cross-selling

Long-term margin expansion

- No material impact on Getinge's EBITA-margin and EPS in 2020
- Expecting EBITA margin expansion in the coming years

Balance sheet impact

- Net debt increases by approx. SEK 840 M at closing in Q1 2020, impacting leverage by approximately +0.2x
- Potentially SEK 630 M to be paid in 2021-2022 if meeting the targets in the earn-out process (2020-2021)



Key take-aways

Offer, fit and growth potential for Life Science

- Strengthening the offer towards biopharma customers
- Perfect fit from a portfolio, geographical, customer and technological perspective
- Applikon Biotechnology B.V. organizational setup will remain during earn-out
- End market valued to SEK 10 B
- Market growth estimated to approximately 10% CAGR 2019-2024

Financial consequences

- ~450 MSEK in added net sales
- Margin expansion expected in coming years for Life Science, but no material impact on Getinge's EBITA-margin and EPS in 2020
- Purchase price to be paid at closing in Q1 2020: SEK 840 M (EUR 80 M)
- Getinge's Leverage expected to get impacted by approximately +0.2x in Q1 2020
- Maximum earn-out to potentially be paid in 2021-2022: SEK 630 M (EUR 60 M)

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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