

Q3

arjo
EMPOWERING MOVEMENT

INTERIM REPORT
JANUARY-SEPTEMBER 2024

Continued growth but weaker in Europe

July-September 2024 in brief

- Net sales amounted to SEK 2,734 M (2,777). Net sales grew organically by 1.5%.
- The gross margin increased to 42.0% (41.4).
- Adjusted EBITDA amounted to SEK 434 M (457).
- Adjusted operating profit amounted to SEK 164 M (186). Total currency effects compared to the corresponding quarter last year amounts to SEK -34 M.
- Profit after financial items amounted to SEK 100 M (109).
- Earnings per share amounted to SEK 0.27 (0.30).
- Cash flow from operations amounted to SEK 437 M (565), corresponding to a cash conversion of 102.0% (126.2).
- Two European acquisitions strengthening Arjo's positions in diagnostics and rental.

"Growth continued in the quarter with a strengthened order book and improved gross margin. Our performance was, however, held back by weaker demand in Europe. We are now accelerating initiatives to improve both short- and long-term profitability. We enter the final quarter of the year with high activity level and expect to reach our ambition of 3–5% organic growth for the full-year."

JOACIM LINDOFF
PRESIDENT & CEO

Financial summary

| SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan-Sep 2024 | Jan-Sep 2023 | Rolling 12 months | Full-year 2023 |
|---|-------------------|-------------------|-----------------|-----------------|----------------------|-------------------|
| Net sales | 2,734 | 2,777 | 8,303 | 8,101 | 11,182 | 10,980 |
| Gross profit ¹⁾ | 1,147 | 1,149 | 3,571 | 3,431 | 4,875 | 4,735 |
| Gross margin, % ¹⁾ | 42.0 | 41.4 | 43.0 | 42.4 | 43.6 | 43.1 |
| Adjusted EBITA ^{1, 2)} | 226 | 259 | 828 | 829 | 1,242 | 1,244 |
| Adjusted EBITA margin, % ^{1, 2)} | 8.3 | 9.3 | 10.0 | 10.2 | 11.1 | 11.3 |
| Adjusted EBITDA ^{1, 2)} | 434 | 457 | 1,433 | 1,403 | 2,047 | 2,017 |
| Adjusted EBITDA margin, % ^{1, 2)} | 15.9 | 16.4 | 17.3 | 17.3 | 18.3 | 18.4 |
| Operating profit (EBIT) ¹⁾ | 158 | 177 | 607 | 567 | 923 | 884 |
| Adjusted operating profit (EBIT) ^{1, 2)} | 164 | 186 | 644 | 615 | 986 | 957 |
| Profit after financial items ¹⁾ | 100 | 109 | 439 | 398 | 682 | 640 |
| Net profit for the period ¹⁾ | 73 | 81 | 324 | 299 | 505 | 480 |
| Number of shares, thousands | 272,370 | 272,370 | 272,370 | 272,370 | 272,370 | 272,370 |
| Earnings per share, SEK ¹⁾ | 0.27 | 0.30 | 1.19 | 1.10 | 1.85 | 1.76 |
| Cash flow from operations ¹⁾ | 437 | 565 | 1,037 | 1,327 | 1,771 | 2,061 |
| Cash conversion, % ¹⁾ | 102.0 | 126.2 | 74.3 | 97.8 | 89.3 | 105.9 |

1. Comparative figures for Quarters 1–3 2023 have been restated, refer to Note 12 Restatement of calculations of intra-Group gains and Note 9 Financial data per quarter.
2. Before exceptional items. See Alternative performance measures on page 18 and Definitions on page 22.

Continued growth but weaker in Europe



Outlook unchanged

3–5%

organic sales growth for the full-year 2024

The Group grew organically by 1.5% in the quarter. Demand remained healthy within service and rental, but growth was held back by lower sales of capital goods in Europe in parts of the quarter, while the trend at the end of the quarter was more in line with our expectations. In North America, we delivered another quarter of growth in the US, where market conditions are gradually improving and offering opportunities going forward, while our solid performance in Canada continued. Despite the uncertainty regarding demand in Europe, our assessment is that we will deliver according to our ambition of 3–5% organic sales growth for the full-year.

Focus on improved profitability

We continue to improve the gross margin despite an unfavorable product mix with reduced volumes in capital goods, somewhat lower resource utilization in the Group's production units, and negative currency effects.

We continue to have good cost control, but uncertainty surrounding the market situation in Europe means that we believe that the gross margin trend will be held back slightly over the next few quarters. In light of this, we are now advancing some of our planned actions to adapt the cost base and ensure continued improvements in profitability going forward.

The organization continues to make good progress in terms of working capital, and cash conversion was well above our target. Our efforts to reduce net debt are also yielding results, with the end of the quarter marking the lowest level to date since Arjo became a standalone company.

Future growth opportunities

The need for investments in healthcare remains and the shortage of staff continues to be one of the main challenges for healthcare providers. Arjo has an important role to play in offering solutions, and we are convinced that this will bring further growth opportunities for us going forward.

We can see growing interest from customers in our evidence-based analysis tool Arjo Insight, which enables us to map care facilities and identify risks. The findings then form the basis for a recommendation on the type of equipment needed to meet applicable standards and, for

instance, reduce the risk of caregiver injury. During the quarter, we also initiated the first phase of the launch of our new bathing system and new products will soon follow within patient handling and pressure injury prevention.

We recently completed two small acquisitions that complement our existing operations and strengthen our positions in rental and diagnostics in Europe. We can also see that our efforts for more sustainable care are yielding results. During the quarter, we opened a new ReNu reprocessing facility in the US, increasing our capacity by more than 50% and enabling us to meet growing demand for reprocessing of single-use medical devices and also help our customers achieve their sustainability targets.

We are pleased to welcome Maria Fagerberg as our new Executive Vice President Quality & Regulatory Compliance early next year. I am also very happy that Jonas Cederhage, Executive Vice President Product Development, Supply Chain & Operations, who had previously decided to leave the Group, will now stay with Arjo. I look forward to working with both of them as part of the Arjo Management Team.

We continue to balance short and long-term priorities and enter the fourth quarter with a high activity level, a strengthened order book and an unchanged full-year outlook.

JOACIM LINDOFF
PRESIDENT & CEO

Group performance

Net sales per segment

| SEK M | Quarter 3 2024 | Quarter 3 2023 | Organic change | Jan-Sep 2024 | Jan-Sep 2023 | Organic change | Rolling 12 months | Full-year 2023 |
|---------------|-------------------|-------------------|-------------------|-----------------|-----------------|-------------------|----------------------|-------------------|
| Global Sales | 1,558 | 1,597 | -0.2% | 4,756 | 4,657 | 2.4% | 6,451 | 6,352 |
| North America | 1,065 | 1,085 | 2.4% | 3,240 | 3,124 | 4.9% | 4,336 | 4,219 |
| Other | 113 | 98 | 17.5% | 315 | 333 | -5.2% | 406 | 424 |
| Eliminations | -2 | -3 | — | -7 | -12 | — | -10 | -15 |
| Total | 2,734 | 2,777 | 1.5% | 8,303 | 8,101 | 3.1% | 11,182 | 10,980 |

Net sales and results

Third quarter of 2024

Net sales for the quarter amounted to SEK 2,734 M (2,777), corresponding to an organic increase of 1.5%.

North America grew organically 2.4%, with growth in both the US and Canada and continued healthy demand in rental and service.

Sales for Global Sales fell 0.2% organically, mainly due to weaker demand for capital goods in countries including the UK, France, and the Netherlands. Sales were however healthy in Germany, Italy, Belgium, and Austria. In Rest of the World, markets such as Australia, Africa, and India performed well during the quarter, while China and Japan fell back.

The gross margin increased to 42.0% (41.4) in the quarter. However, the gross margin development was held back by an unfavorable product mix with a higher proportion of rental and lower sales of capital goods, as well as lower use of resources within the Group's production units. In addition, currency effects had a negative impact on the gross margin in the quarter. Implemented price adjustments and continued efficiency improvements in the operations generated the expected effect during the quarter.

Operating expenses developed according to plan.

Exceptional items amounted to SEK -5 M for the quarter.

Adjusted EBITDA amounted to SEK 434 M (457) and the adjusted EBITDA margin was 15.9% (16.4).

Net financial items for the quarter amounted to SEK -59 M (-68).

Negative currency effects in net financial items amounted to SEK -1 M (2) for the quarter.

January-September 2024

Net sales increased organically by 3.1% to SEK 8,303 M (8,101) during the period. Service and rental continued to perform well, while the Group noted a slowdown in demand for capital goods in Europe and Rest of the World towards the end of the period.

Growth in North America increased 4.9% organically, with a positive trend in both the US and Canada. Challenging market conditions in the US continued to hold back the sales of outcome-based programs during the period. Global Sales grew 2.4% organically with a healthy sales trend in markets such as Italy and Ireland. Several markets in Rest of the World also performed well, with particularly healthy growth in Australia and India.

The gross margin increased to 43.0% (42.4), mainly driven by margin improvements in patient handling. Implemented price adjustments and continued efficiency improvements in the operations partly offset higher cost levels.

Operating expenses for the period amounted to SEK 2,915 M (2,834).

Adjusted EBITDA for the period increased to SEK 1,433 M (1,403) with an unchanged adjusted EBITDA margin of 17.3%.

Net financial items amounted to SEK -168 M (-169) for the period. Positive currency effects in net financial items amounted to SEK 12 M (13) for the period.

Currency effect

| SEK M | Quarter 3 2024 | Jan-Sep 2024 |
|---|-------------------|-----------------|
| Translation effect (vs 2023) | | |
| Sales | -86 | -52 |
| Cost of goods sold | +56 | +35 |
| Gross profit | -30 | -16 |
| Operating expenses | +24 | +10 |
| Restructuring and other operating income/expenses | 0 | 0 |
| Total translation effect, EBIT | -6 | -6 |
| Transaction effect (vs 2023) | | |
| Cost of goods sold | -13 | -14 |
| Recognized remeasurement effects | | |
| Other operating income/expenses | -13 | -10 |

Translation effects for the quarter amounted to SEK -6 M and transaction effects to SEK -13 M. In addition, the recognized revaluation effects of operating receivables and liabilities amounted to SEK -13 M for the quarter.

Cash flow and financial position

Cash flow from operations amounted to SEK 437 M (565) for the quarter and cash flow from working capital continued to perform positively, growing by SEK 101 M. The cash conversion was 102.0% (126.2).

Net investments for the quarter amounted to SEK 147 M (110), divided between tangible assets of SEK 72 M (47) and intangible assets of SEK 75 M (63). The investments in tangible assets include investments in the rental fleet of SEK 43 M (29).

The Group's cash and cash equivalents amounted to SEK 718 M (567) and interest-bearing net debt was SEK 4,357 M (4,735). Arjo has contracted unutilized credit facilities of SEK 4,917 M (4,651) available for refinancing outstanding commercial paper. The equity/assets ratio amounted to 50.2% (49.6). Net debt/adjusted EBITDA declined to 2.2 (2.6).

Research and development

Arjo's gross research and development costs for the quarter amounted to SEK 79 M (73), of which SEK 37 M (36) was charged to operating profit. The gross costs correspond to 2.9% (2.6) of consolidated net sales.

Outlook 2024

Organic sales growth for 2024 is expected to be within the Group's target interval of 3-5%.

Nomination Committee ahead of 2025 Annual General Meeting

In accordance with the resolution of Arjo's 2020 Annual General Meeting, the Nomination Committee in respect of the Annual General Meeting shall be composed of members appointed by the three largest shareholders in terms of voting rights, based on a list of owner-registered shareholders from Euroclear Sweden AB or other reliable ownership information, as of August 31 of each year, and the Chairman of the Board of Directors. In addition, if the Chairman of the Board, in consultation with the member appointed by the largest shareholder in terms of voting rights, deems it appropriate, it shall include an, in relation to the company and its major shareholders, independent representative of the minor shareholders as a member of the Nomination Committee. Ahead of the 2025 Annual General Meeting, Arjo's Nomination Committee comprised Chairman Carl Bennet (Carl Bennet AB), Jannis Kitsakis (Fourth Swedish National Pension Fund), Tomas Risbecker (Svolder), as well as Board Chairman Johan Malmquist. Shareholders who would like to submit proposals to Arjo's Nomination Committee ahead of the 2025 Annual General Meeting can contact the Nomination Committee by e-mail at nominating.committee@arjo.com or by mail: Arjo AB, Att: Nomination Committee, Hans Michelsensgatan 10, SE-211 20 Malmö, Sweden.

2025 Annual General Meeting

Arjo's Annual General Meeting will be held on April 29, 2025 in Malmö, Sweden. Shareholders wishing to have a matter addressed at the AGM can submit their proposal to Arjo's Board Chairman by e-mail: agm@arjo.com, or by mail: Arjo AB, Att: Bolagsstämмоärenden, Hans Michelsensgatan 10, SE-211 20 Malmö, Sweden. To ensure inclusion in the notice and thus in the Annual General Meeting's agenda, proposals must be received by the company by March 11, 2025.



Arjo ReNu's new reprocessing facility in Everett, WA, US.

Other events during the quarter

Strengthened positions through two European acquisitions

During the quarter, Arjo signed agreements to acquire French company Tech Med, one of the Group's existing distributors within diagnostics, and German company GerroMed, a provider of rental solutions focused on pressure injury prevention. Tech Med generated sales of approximately SEK 25 M in 2023, and sales for GerroMed in the same period were approximately SEK 30 M.

The acquisitions are expected to make a positive contribution to earnings from 2025 onwards but are not expected to have any significant impact on Arjo's financial development and earnings per share in 2024.

New member of Arjo Management Team

Maria Fagerberg has been appointed as the company's new Executive Vice President Quality & Regulatory Compliance and member of the Arjo Management Team. Maria has extensive experience from senior positions in quality and regulatory, and most recently served as Senior Director RA/QA at Hemocue.

Enhanced capacity for Arjo ReNu in the US

To meet a growing demand for sustainable solutions and also achieve higher production efficiency, Arjo ReNu opened a new and larger reprocessing facility in Everett, WA in the US in September.

Arjo ReNu enables the reuse of medical devices based on an environmentally friendly water-based, high-temperature decontamination process that does not use any chemicals or carcinogens. In this way, Arjo can contribute to more sustainable healthcare while helping its customers in the healthcare industry to achieve their sustainability targets.

Arjo receives awards for transparency and gender equality

For the seventh consecutive year, Arjo has been included on Allbright's green list of Sweden's most gender equal listed companies. Green companies are companies that have an even gender balance in their management teams (40/60). Allbright is a non-partisan and non-profit foundation that works toward equality and diversity in management teams.

Arjo was also recertified as a Nasdaq ESG Transparency Partner for the 2023 fiscal year. This certification is used by Nasdaq to highlight engagement in market transparency and in raising environmental standards.

Capital Market update in January 2025

Arjo will invite analysts, investors, and financial media to a capital market update in Stockholm in connection with the publication of the year-end report on January 30, 2025, with the option of attending in-person or virtually. An invitation and more information will be announced well in advance.

Other information

Risk management

Customers and healthcare reimbursement systems

A considerable share of Arjo's revenue is derived from sales of products to public sector entities. A political discussion taking place in certain countries concerns whether private healthcare providers should be able to offer publicly funded healthcare services. There is a risk that authorities in countries where Arjo operates will decide to limit or completely discontinue public funding of private healthcare, which could affect the establishment of new hospitals and other healthcare facilities and their purchasing of healthcare products, such as Arjo's emergency and long-term care products. Sales of the Group's products are also dependent on various reimbursement systems in each of Arjo's markets. In many of Arjo's markets (such as the US), it is often the patient's insurance company that – within the framework of the existing political reimbursement system – funds or subsidizes products for the patient's emergency or long-term care. Some of the success for sales of Arjo's products in these markets is dependent on whether Arjo's products have been approved for reimbursement under the various reimbursement systems. Since Arjo conducts operations in many different countries and markets, the above-named risks are limited for the Group as a whole. As part of Arjo's strategy, the Group is increasingly focusing on highlighting the clinical and financial benefits of the Group's products and solutions, something that further reduces the risks described above.

Research and development

Arjo's future growth is also dependent on the continued expansion of new product segments and new product types in existing product segments, which is dependent on the Group's ability to influence, predict, identify and respond to changing customer preferences and needs. Arjo invests in research and development in order to produce and launch new products, but there is no guarantee that any new products will achieve the same degree of success as in the past. Nor is there any certainty that Arjo will succeed in predicting or identifying trends in customer preferences and needs, or that Arjo will identify them earlier than its competitors. To maximize the return on research and development efforts, the Group has a highly structured selection and planning process to ensure that the Group prioritizes correctly when making decisions about potential projects. This process includes careful analyses of the market, technological progress, circularity, product life cycle, choice of production method and selection of subsuppliers. Development activities are conducted in a structured manner and the deliveries of every project undergo a number of fixed control points. Arjo is focused on products and solutions that will lead to more efficient care, in which more patients can be treated, which is expected to drive demand from end customers and therefore market growth. Product development that leads to a broader product range is a means for increasing organic growth in the market in which Arjo operates.

Product liability and damage claims

As a medical device supplier, Arjo, like other healthcare industry players, may sometimes be subject to claims related to product liability and other damage claims. Such claims could involve large financial amounts, result in significant legal expenses and negatively affect the company's reputation and customer relationships. Arjo limits the risk of product liability and other damage claims related to its products and their use through the company's extensive quality and safety activities. A comprehensive insurance program is in place to cover any liability risks (including product liability) to which the Group is exposed.



Protecting and managing the infringement of intellectual property rights

Arjo invests significant financial amounts in research and development, and is continuously developing new products and technological solutions. To secure revenue from these investments, new products and technologies must be protected from unlawful use by competitors. If possible and appropriate, Arjo protects its intellectual property rights by registering patents, design and trademarks. The Group is also dependent upon know-how and trade secrets that cannot be protected under intellectual property law.

Clear instructions are in place within the Group for how to prevent, investigate and manage potential infringements. In addition, procedures are in place to ensure efficient maintenance of the existing portfolio of rights.

Changes related to general economic and political conditions

Arjo operates in several parts of the world and, like other companies, is affected by general global economic, financial and political conditions. Demand for Arjo's medical devices and solutions is influenced by various factors, including general macroeconomic trends. Uncertainty about future economic prospects, including political concerns, could adversely affect customers' decisions to buy Arjo's products and solutions, which would adversely affect Arjo's operations, financial position and results. Furthermore, changes in the political situation in a region or country, or political decisions affecting an industry or country, could also have a material adverse impact on sales of Arjo's products. Since Arjo operates in a large number of geographical markets, this risk is limited for the Group as a whole.

Since March 2, 2022, Arjo has stopped all deliveries and production of equipment destined to Russia due to the Russian invasion of Ukraine until future notice. This is in line with the sanctions imposed on Russia by other countries. Given the geopolitical, and in some respects economic, instability that has arisen since the war of aggression began, Arjo is closely monitoring developments.

The Group is also closely monitoring developments in the Middle East.

Risks in the value chain

Unforeseen and sudden events could cause disruptions to production or the supply chain, which could result in higher costs, delivery delays and non-delivery to Arjo's customers. This in turn could have a negative impact on the Group's earnings.

Sustainability-related risks

Arjo works actively to monitor and continuously evaluate sustainability-related risks and their impact on the Group's operations and earnings. This takes place in the form of, for example, a regular materiality analysis, monitoring targets and commitments and by auditing various units within the company, such as the security aspects of the Group's production facilities or random testing of regulatory compliance. The Group has established a governance structure that involves both the company management and the Board, and works continuously on improving the company's sustainability activities and minimizing associated risks.

Authorities and supervisory bodies

The healthcare market is highly regulated in all of the countries where Arjo operates. Arjo's product range is subject to legislation, including EU Directives and implementing acts regarding medical devices, and the US Food and Drug Administration's (FDA) regulations and related quality systems requirements, which also encompass comprehensive evaluation, quality assurance and product documentation.

Arjo devotes significant efforts and resources to implementing and applying guidelines to ensure regulatory compliance. Annual audits are performed by designated accreditation bodies to ensure compliance for continued CE marking of Arjo's products and international legal requirements, including the FDA, MDSAP, EU MDR and UK MDR.

All of the Group's production facilities are also certified according to ISO 13485 (Medical devices – quality management systems) and ISO 9001 (Quality management systems) from BSI.

Financial risk management

Through its operations, Arjo is exposed to a number of financial risks. Arjo's risk management is regulated by a policy established by the Board. Ultimate responsibility for managing the Group's financial risks and developing methods and policies for mitigating these risks lies with Group management and Group Finance. The Group's financial risks comprise currency risk, interest-rate risk, credit and counterparty risk, and tax risk, of which currency is the most important risk.

Risk of cyber attacks

Arjo is dependent on IT and its surrounding infrastructure and thus is exposed to the risk of cyber attacks and other forms of intrusion and data security. A defined, governing process is in place to counteract potential risks in this area, and the company works actively on risk assessments of its IT infrastructure and sensitive data as well as testing of these areas. This includes defined mitigating processes and controls,

known as IT General Control (ITGC) to protect the company. The internal control environment is evaluated every year both by the company's CISO and by the external auditors. Sensitivity analyses and penetration and restoration tests are performed regularly during the year to ensure sufficient security levels for systems, processes and data. All employees undergo training in IT security and such training is part of the onboarding process for new employees.

Transactions with related parties

Transactions between Arjo and companies in Getinge Group are specified in Note 10.

Forward-looking information

This report contains forward-looking information based on the current expectations of Arjo's Management Team. Although management considers the expectations presented by such forward-looking information to be reasonable, there is no guarantee that these expectations will prove correct. Consequently, actual outcomes may vary considerably compared with what is stated in the forward-looking information, due to such factors as changed conditions regarding the economy, market and competition, changes in legal and regulatory requirements, as well as other policy measures and fluctuations in exchange rates.



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.

Malmö, October 17, 2024

Johan Malmquist
Chairman of
the Board

Carl Bennet
Vice Chairman
of the Board

Ulrika Dellby
Board member

Eva Elmstedt
Board member

Dan Frohm
Board member

Ulf Grunander
Board member

Carola Lemne
Board member

Joacim Lindoff
Board member
President & CEO

Sten Börjesson
Board member
Employee representative

Kajsa Haraldsson
Board member
Employee representative

Auditor's report

Arjo AB (publ) Corp.reg.no 559092-8064

Introduction

We have reviewed the condensed interim financial information (interim report) of Arjo AB (publ) as of 30 September 2024 and the nine-month period that ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Malmö, 17 October 2024

Öhrlings PricewaterhouseCoopers AB

Vicky Johansson
Authorized Public Accountant
Partner in charge

Alexander Ståhl
Authorized Public Accountant

Consolidated financial statements

CONSOLIDATED INCOME STATEMENT

| SEK M | Note | Quarter 3 2024 | Quarter 3 2023 ¹⁾ | Jan - Sep 2024 | Jan - Sep 2023 ¹⁾ | Full-year 2023 |
|--|--------------|-------------------|---------------------------------|-------------------|---------------------------------|-------------------|
| Net sales | 2 | 2,734 | 2,777 | 8,303 | 8,101 | 10,980 |
| Cost of goods sold ¹⁾ | 12 | -1,587 | -1,629 | -4,733 | -4,669 | -6,244 |
| Gross profit¹⁾ | 12 | 1,147 | 1,149 | 3,571 | 3,431 | 4,735 |
| Selling expenses | | -557 | -557 | -1,674 | -1,629 | -2,163 |
| Administrative expenses | | -376 | -378 | -1,125 | -1,097 | -1,462 |
| Research and development costs | 4 | -37 | -36 | -116 | -108 | -149 |
| Exceptional items | 5 | -5 | -9 | -38 | -48 | -73 |
| Other operating income and expenses | | -10 | 11 | -2 | 26 | 7 |
| Income from participations in associated companies | | -3 | -3 | -9 | -9 | -11 |
| Operating profit (EBIT)¹⁾ | 3, 12 | 158 | 177 | 607 | 567 | 884 |
| Net financial items | | -59 | -68 | -168 | -169 | -243 |
| Profit after financial items¹⁾ | 12 | 100 | 109 | 439 | 398 | 640 |
| Taxes ¹⁾ | 12 | -27 | -28 | -115 | -99 | -160 |
| Net Profit for the period¹⁾ | 12 | 73 | 81 | 324 | 299 | 480 |
| Attributable to: | | | | | | |
| Parent Company shareholders ¹⁾ | 12 | 73 | 81 | 324 | 299 | 480 |
| Number of shares, thousands | | 272,370 | 272,370 | 272,370 | 272,370 | 272,370 |
| Earnings per share, SEK ^{1, 2)} | 12 | 0.27 | 0.30 | 1.19 | 1.10 | 1.76 |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

2. Before and after dilution. For definition, see page 22.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| SEK M | Note | Quarter 3 2024 | Quarter 3 2023 ¹⁾ | Jan - Sep 2024 | Jan - Sep 2023 ¹⁾ | Full-year 2023 |
|--|-----------|-------------------|---------------------------------|-------------------|---------------------------------|-------------------|
| Net profit for the period¹⁾ | 12 | 73 | 81 | 324 | 299 | 480 |
| Other comprehensive income | | | | | | |
| Items that cannot be restated in profit | | | | | | |
| Actuarial gains/losses pertaining to defined-benefit pension plans | | 17 | 108 | 20 | -34 | -32 |
| Tax attributable to items that cannot be restated in profit | | -6 | -27 | -7 | 9 | -10 |
| Items that can later be restated in profit | | | | | | |
| Translation differences ¹⁾ | 12 | -187 | -190 | 247 | 341 | -63 |
| Hedges of net investments | | 18 | 46 | -35 | -52 | 4 |
| Cash-flow hedges | | -6 | - | -6 | - | - |
| Tax attributable to items that can be restated in profit | | 4 | 8 | -15 | -15 | 2 |
| Other comprehensive income for the period, net after tax¹⁾ | 12 | -161 | -55 | 204 | 248 | -99 |
| Total comprehensive income for the period¹⁾ | 12 | -88 | 26 | 527 | 547 | 382 |
| Comprehensive income attributable to: | | | | | | |
| Parent Company shareholders ¹⁾ | 12 | -88 | 26 | 527 | 547 | 382 |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

CONSOLIDATED BALANCE SHEET

| SEK M | Note | Sep 30, 2024 | Sep 30, 2023 ¹⁾ | Dec 31, 2023 |
|---|-----------|---------------|----------------------------|---------------|
| Assets | | | | |
| Intangible assets | | 7,500 | 7,527 | 7,343 |
| Tangible assets | 12 | 1,672 | 1,738 | 1,669 |
| Tangible lease assets | | 1,190 | 1,127 | 1,111 |
| Financial assets | 7, 12 | 875 | 829 | 763 |
| Participations in associated companies | | 132 | 153 | 139 |
| Inventories | 12 | 1,354 | 1,421 | 1,301 |
| Accounts receivables | | 1,630 | 1,668 | 1,632 |
| Current financial receivables | 7 | 28 | 20 | 14 |
| Other current receivables | | 578 | 558 | 548 |
| Cash and cash equivalents | 7 | 718 | 567 | 923 |
| Total assets | 12 | 15,677 | 15,607 | 15,444 |
| Shareholders' equity and liabilities | | | | |
| Shareholders' equity | 12 | 7,864 | 7,747 | 7,582 |
| Non-current financial liabilities | 7 | 1,964 | 2,295 | 2,391 |
| Non-current lease liabilities | 7 | 846 | 814 | 796 |
| Provisions for pensions, interest-bearing | 7 | 33 | 31 | 31 |
| Other provisions | 12 | 252 | 245 | 305 |
| Current financial liabilities | 7 | 2,192 | 2,085 | 1,934 |
| Current lease liabilities | 7 | 403 | 368 | 365 |
| Accounts payables | | 589 | 537 | 612 |
| Other non-interest-bearing liabilities | | 1,535 | 1,485 | 1,427 |
| Total shareholders' equity and liabilities | 12 | 15,677 | 15,607 | 15,444 |

1. Comparative figures for September 30, 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

CHANGES IN SHAREHOLDERS' EQUITY FOR THE GROUP

| SEK M | Share Capital | Reserves | Retained earnings | Total shareholders' equity ¹⁾ |
|---|---------------|--------------|-------------------|--|
| Opening balance at January 1, 2023 (restated)²⁾ | 91 | 1,372 | 5,969 | 7,432 |
| Total comprehensive income for the period | - | -57 | 438 | 382 |
| Dividend | - | - | -232 | -232 |
| Closing balance at December 31, 2023 | 91 | 1,315 | 6,176 | 7,582 |
| Opening balance at January 1, 2024 | 91 | 1,315 | 6,176 | 7,582 |
| Total comprehensive income for the period | - | 191 | 337 | 527 |
| Dividend | - | - | -245 | -245 |
| Closing balance at September 30, 2024 | 91 | 1,505 | 6,268 | 7,864 |

1. Fully attributable to Parent Company shareholders.

2. Opening balance 2023 have been restated, refer to the 2023 Annual Report.

CONSOLIDATED CASH-FLOW STATEMENT

| SEK M | Note | Quarter 3 2024 | Quarter 3 2023 ¹⁾ | Jan - Sep 2024 | Jan - Sep 2023 ¹⁾ | Full-year 2023 |
|---|-----------|-------------------|---------------------------------|-------------------|---------------------------------|-------------------|
| Operating activities | | | | | | |
| Operating profit (EBIT) ¹⁾ | 12 | 158 | 177 | 607 | 567 | 884 |
| Add-back of amortization, depreciation and write-down ¹⁾ | 3, 12 | 270 | 271 | 788 | 790 | 1,062 |
| Other non-cash items ¹⁾ | 12 | 7 | 8 | -15 | -15 | -22 |
| Expensed exceptional items ²⁾ | | 5 | 8 | 37 | 45 | 70 |
| Paid exceptional items | | -7 | -9 | -41 | -40 | -60 |
| Financial items | | -57 | -63 | -172 | -174 | -230 |
| Taxes paid | | -41 | -32 | -149 | -154 | -166 |
| Cash flow before changes to working capital¹⁾ | 12 | 336 | 360 | 1,055 | 1,017 | 1,536 |
| Changes in working capital | | | | | | |
| Inventories ¹⁾ | 12 | -13 | 38 | -18 | 109 | 192 |
| Current receivables | | 37 | 72 | -15 | 124 | 130 |
| Current liabilities | | 77 | 95 | 16 | 77 | 203 |
| Cash flow from operations¹⁾ | 12 | 437 | 565 | 1,037 | 1,327 | 2,061 |
| Investing activities | | | | | | |
| Acquired operations | 11 | -43 | - | -43 | - | - |
| Capital contributions to associated companies | | - | -24 | - | -24 | -24 |
| Acquired financial assets | | - | - | - | -10 | -10 |
| Net investments ¹⁾ | 12 | -147 | -110 | -401 | -427 | -604 |
| Cash flow from investing activities¹⁾ | 12 | -190 | -134 | -444 | -460 | -637 |
| Financing activities | | | | | | |
| Raising of loans | | 5,364 | 4,221 | 21,799 | 15,800 | 23,730 |
| Repayment of financial liabilities | | -5,534 | -5,080 | -22,079 | -16,703 | -24,618 |
| Repayment of lease liabilities | | -106 | -108 | -310 | -307 | -412 |
| Change in pension assets/liabilities | | -1 | -1 | -4 | -7 | -3 |
| Change in interest-bearing receivables | | 6 | 8 | 9 | 14 | 22 |
| Dividend | | - | - | -245 | -232 | -232 |
| Realized derivatives attributable to financing activities | | 20 | 54 | 50 | 192 | 86 |
| Cash flow from financing activities | | -252 | -907 | -780 | -1,242 | -1,427 |
| Cash flow for the period | | -5 | -475 | -187 | -375 | -4 |
| Cash and cash equivalents at the beginning of the period | | 740 | 1,068 | 923 | 949 | 949 |
| Translation differences | | -17 | -26 | -18 | -8 | -22 |
| Cash and cash equivalents at the end of the period | | 718 | 567 | 718 | 567 | 923 |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

2. Excluding write-down of non-current assets.

1 Accounting policies

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable rules of Swedish Annual Accounts Act. The Parent Company has prepared the interim report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities.

The accounting policies applied in the preparation of this interim report apply to all periods and are consistent with the accounting policies presented in the 2023 Annual Report, published on www.arjo.com.

During quarter 4 2023, intra-Group gains in inventories and tangible assets in the rental operations were restated. This restatement took place retrospectively, which means that comparative figures for quarter 1 - 3

2023 in this report have been restated. For further information, refer to Note 12 and 2023 Annual Report.

The totals in the tables and calculations do not always add up due to rounding differences. Each subtotal corresponds with its original source, which can lead to rounding differences in the totals.

New accounting standards

No new or changed accounting standards that came into effect on January 1, 2024 had a material impact on Arjo. None of the IFRS or IFRIC interpretations that have yet to come into legal effect are expected to have any significant impact on Arjo.

2 Segment reporting

| SEK M | Quarter 3 2024 | | | | | | Quarter 3 2023 | | | | | |
|--|----------------|---------------|------------|-----------------|--------------|--------------|----------------|---------------|-----------|-----------------|--------------|--------------|
| | Global sales | North America | Other | Group functions | Eliminations | Arjo Group | Global sales | North America | Other | Group functions | Eliminations | Arjo Group |
| Product sales | 765 | 630 | 107 | - | -2 | 1,500 | 831 | 668 | 91 | - | -2 | 1,588 |
| Service incl. spare parts | 363 | 174 | 6 | - | 0 | 543 | 345 | 168 | 7 | - | 0 | 519 |
| Rental | 430 | 261 | - | - | - | 691 | 421 | 249 | - | - | - | 671 |
| Total net sales | 1,558 | 1,065 | 113 | - | -2 | 2,734 | 1,597 | 1,085 | 98 | - | -3 | 2,777 |
| Operating profit/loss¹⁾ | 206 | 234 | 16 | -298 | - | 158 | 221 | 232 | 15 | -291 | - | 177 |
| Net financial items | | | | | | -59 | | | | | | -68 |
| Profit after financial items¹⁾ | | | | | | 100 | | | | | | 109 |
| Taxes ¹⁾ | | | | | | -27 | | | | | | -28 |
| Net profit for the period¹⁾ | | | | | | 73 | | | | | | 81 |

1. Comparative figures for Quarter 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

| SEK M | Jan - Sep 2024 | | | | | | Jan - Sep 2023 | | | | | |
|--|----------------|---------------|------------|-----------------|--------------|--------------|----------------|---------------|------------|-----------------|--------------|--------------|
| | Global sales | North America | Other | Group functions | Eliminations | Arjo Group | Global sales | North America | Other | Group functions | Eliminations | Arjo Group |
| Product sales | 2,391 | 1,922 | 298 | - | -7 | 4,604 | 2,419 | 1,898 | 314 | - | -12 | 4,619 |
| Service incl. spare parts | 1,079 | 524 | 17 | - | 0 | 1,619 | 996 | 488 | 19 | - | 0 | 1,503 |
| Rental | 1,286 | 794 | - | - | - | 2,079 | 1,241 | 737 | - | - | - | 1,979 |
| Total net sales | 4,756 | 3,240 | 315 | - | -7 | 8,303 | 4,657 | 3,124 | 333 | - | -12 | 8,101 |
| Operating profit/loss¹⁾ | 722 | 731 | 33 | -879 | - | 607 | 729 | 665 | 42 | -869 | - | 567 |
| Net financial items | | | | | | -168 | | | | | | -169 |
| Profit after financial items¹⁾ | | | | | | 439 | | | | | | 398 |
| Taxes ¹⁾ | | | | | | -115 | | | | | | -99 |
| Net profit for the period¹⁾ | | | | | | 324 | | | | | | 299 |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

| SEK M | Full-year 2023 | | | | | Arjo Group |
|-------------------------------------|----------------|---------------|------------|-----------------|--------------|---------------|
| | Global sales | North America | Other | Group functions | Eliminations | |
| Product sales | 3,325 | 2,555 | 399 | - | -15 | 6,264 |
| Service incl. spare parts | 1,361 | 663 | 25 | - | 0 | 2,048 |
| Rental | 1,667 | 1,001 | - | - | - | 2,668 |
| Total net sales | 6,352 | 4,219 | 424 | - | -15 | 10,980 |
| Operating profit/loss | 1,143 | 896 | 50 | -1,206 | - | 884 |
| Net financial items | | | | | | -243 |
| Profit after financial items | | | | | | 640 |
| Taxes | | | | | | -160 |
| Net profit for the period | | | | | | 480 |

Arjo monitors the operations following the segments Global Sales, North America and Other, which is where Arjo's Diagnostics operations are recognized. Arjo has significant central Group functions in the areas of Supply Chain (product supply, inventories and distribution), IT, Quality, and Research and Development. Only a certain portion of Supply Chain's expenses are allocated to each segment. The remainder of the expenses

for Group functions are recognized as Group expenses. The division of segments and the method of measuring the segments' results is conducted in a similar way in this interim report as the 2023 Annual Report. Assets and liabilities are not divided by segment since no such amounts are regularly reported to the chief operating decision maker.

3 Depreciation/amortization and write-down

| SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|---|----------------|----------------|----------------|----------------|----------------|
| Intangible assets | -62 | -73 | -183 | -214 | -287 |
| <i>Of which, attributable to acquisitions</i> | -21 | -22 | -63 | -66 | -88 |
| Tangible assets ¹⁾ | -100 | -92 | -289 | -279 | -376 |
| Tangible lease assets | -108 | -106 | -316 | -297 | -399 |
| Total¹⁾ | -270 | -271 | -788 | -790 | -1,062 |
| <i>Of which, write-down</i> | - | 0 | - | -2 | -3 |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

| Depreciation/amortization and write-downs by function, SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|--|----------------|----------------|----------------|----------------|----------------|
| Cost of goods sold ¹⁾ | -178 | -166 | -516 | -483 | -652 |
| Selling expenses | -41 | -44 | -123 | -127 | -168 |
| Administrative expenses | -49 | -58 | -143 | -171 | -229 |
| Research and development costs | -2 | -2 | -7 | -7 | -9 |
| Other operating expenses | - | 0 | - | 0 | -1 |
| Exceptional items | - | 0 | - | -2 | -2 |
| Total¹⁾ | -270 | -271 | -788 | -790 | -1,062 |
| <i>Of which, write-down</i> | - | 0 | - | -2 | -3 |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

4 Capitalized development costs

| SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|--|----------------|----------------|----------------|----------------|----------------|
| Research and development costs, gross | -79 | -73 | -240 | -214 | -297 |
| Capitalized development costs | 42 | 36 | 124 | 106 | 148 |
| Research and development costs, net | -37 | -36 | -116 | -108 | -149 |

5 Exceptional items

| SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Acquisition expenses | 0 | -1 | 0 | -1 | -2 |
| Restructuring costs | -5 | -8 | -37 | -47 | -72 |
| Total | -5 | -9 | -38 | -48 | -73 |

| Exceptional items by function, SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Cost of goods sold | -2 | 0 | -13 | -15 | -18 |
| Selling expenses | -3 | -7 | -11 | -23 | -44 |
| Administrative expenses | 0 | -2 | -14 | -11 | -11 |
| Total | -5 | -9 | -38 | -48 | -73 |

The table above presents the function under which the items would have been recognized if they had not been classified as exceptional items.

6 Financial assets and liabilities measured at fair value through profit or loss

| SEK M | Sep 30, 2024 | Sep 30, 2023 | Dec 31, 2023 |
|--|--------------|--------------|--------------|
| Other current receivables | 12 | 1 | 6 |
| Other financial assets | 129 | 129 | 129 |
| Total assets | 140 | 130 | 135 |
| Other non-interest-bearing liabilities | 14 | 62 | 39 |
| Additional purchase consideration | 11 | - | - |
| Total liabilities | 24 | 62 | 39 |

The fair value of derivative instruments is established using valuation techniques, which includes observable market information. All derivatives are classified under level 2 of the fair value hierarchy. The Group has holdings in unlisted companies in level 3 of the fair value hierarchy. The carrying amount of the holdings is the same as the fair value. The Group has a liability for additional purchase consideration related to an acquisition, which is at level 3 of the fair value hierarchy.

7 Consolidated interest-bearing net debt

| SEK M | Sep 30, 2024 | Sep 30, 2023 | Dec 31, 2023 |
|-------------------------------------|--------------|--------------|--------------|
| Non-current financial liabilities | 1,964 | 2,295 | 2,391 |
| Non-current lease liabilities | 846 | 814 | 796 |
| Current financial liabilities | 2,192 | 2,085 | 1,934 |
| Current lease liabilities | 403 | 368 | 365 |
| Provisions for pensions | 33 | 31 | 31 |
| Interest-bearing liabilities | 5,437 | 5,593 | 5,517 |
| Less financial receivables | -142 | -102 | -91 |
| Less pension assets | -220 | -189 | -183 |
| Less cash and cash equivalents | -718 | -567 | -923 |
| Interest-bearing net debt | 4,357 | 4,735 | 4,320 |

8 Key figures for the Group

| SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Sales measures | | | | | |
| Net sales | 2,734 | 2,777 | 8,303 | 8,101 | 10,980 |
| Net sales growth, % | -1.6 | 10.3 | 2.5 | 11.1 | 10.0 |
| Organic growth in sales, % | 1.5 | 4.6 | 3.1 | 4.6 | 4.7 |
| Expense measures | | | | | |
| Selling expenses as a % of net sales | 20.4 | 20.1 | 20.2 | 20.1 | 19.7 |
| Administrative expenses as a % of net sales | 13.8 | 13.6 | 13.6 | 13.5 | 13.3 |
| Research and development costs gross as a % of net sales | 2.9 | 2.6 | 2.9 | 2.6 | 2.7 |
| Earnings measures | | | | | |
| Operating profit (EBIT) ¹⁾ | 158 | 177 | 607 | 567 | 884 |
| Adjusted operating profit (EBIT) ^{1, 2)} | 164 | 186 | 644 | 615 | 957 |
| EBITA ¹⁾ | 220 | 250 | 790 | 781 | 1,170 |
| Adjusted EBITA ^{1, 2)} | 226 | 259 | 828 | 829 | 1,244 |
| EBITDA ¹⁾ | 428 | 448 | 1,395 | 1,357 | 1,946 |
| EBITDA growth, % ¹⁾ | -4.3 | 13.1 | 2.8 | 8.4 | 15.9 |
| Adjusted EBITDA ^{1, 2)} | 434 | 457 | 1,433 | 1,403 | 2,017 |
| Earnings per share, SEK ¹⁾ | 0.27 | 0.30 | 1.19 | 1.10 | 1.76 |
| Margin measures | | | | | |
| Gross margin, % ^{1, 2)} | 42.0 | 41.4 | 43.0 | 42.4 | 43.1 |
| Operating margin, % ¹⁾ | 5.8 | 6.4 | 7.3 | 7.0 | 8.0 |
| Adjusted Operating margin, % ^{1, 2)} | 6.0 | 6.7 | 7.8 | 7.6 | 8.7 |
| EBITA margin, % ¹⁾ | 8.1 | 9.0 | 9.5 | 9.6 | 10.7 |
| Adjusted EBITA margin, % ^{1, 2)} | 8.3 | 9.3 | 10.0 | 10.2 | 11.3 |
| EBITDA margin, % ¹⁾ | 15.7 | 16.1 | 16.8 | 16.7 | 17.7 |
| Adjusted EBITDA margin, % ^{1, 2)} | 15.9 | 16.4 | 17.3 | 17.3 | 18.4 |
| Cash flow and return measures | | | | | |
| Return on shareholders' equity, % ^{1, 3)} | | | 6.5 | 5.2 | 6.4 |
| Cash Conversion, % ¹⁾ | 102.0 | 126.2 | 74.3 | 97.8 | 105.9 |
| Operating Capital ¹⁾ | | | 12,681 | 12,899 | 12,500 |
| Return on operating capital, % ^{1, 3)} | | | 7.8 | 6.5 | 7.7 |
| Capital Structure | | | | | |
| Interest-bearing net debt | | | 4,357 | 4,735 | 4,320 |
| Interest-coverage ratio, multiple ^{1, 3)} | | | 3.8 | 3.7 | 3.7 |
| Net debt/equity ratio, multiple ¹⁾ | | | 0.6 | 0.6 | 0.6 |
| Net debt/adjusted EBITDA, multiple ^{1, 2, 3)} | | | 2.2 | 2.6 | 2.3 |
| Equity/asset ratio, % ¹⁾ | | | 50.2 | 49.6 | 49.1 |
| Equity per share, SEK ¹⁾ | | | 28.9 | 28.4 | 27.8 |
| Other | | | | | |
| Number of shares | | | 272,369,573 | 272,369,573 | 272,369,573 |
| Number of employees, average | | | 6,854 | 6,735 | 6,679 |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

2. Before exceptional items. See Alternative performance measures on page 18 and definitions on page 22.

3. Rolling 12 months.

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. The alternative performance measures should not be considered substitutes, but rather 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. The alternative performance measures recognized below have not been calculated in accordance with IFRS but have been presented since Arjo believes that they are important in connection with investors' assessments of the Company and the Company's share.

| | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Adjusted EBIT/EBITA/EBITDA SEK M | | | | | |
| Operating profit (EBIT) ¹⁾ | 158 | 177 | 607 | 567 | 884 |
| Add-back of amortization and write-down of intangible assets | 62 | 73 | 183 | 214 | 287 |
| EBITA¹⁾ | 220 | 250 | 790 | 781 | 1,170 |
| Add-back of depreciation and impairment of tangible assets ¹⁾ | 208 | 198 | 605 | 576 | 775 |
| EBITDA¹⁾ | 428 | 448 | 1,395 | 1,357 | 1,946 |
| Exceptional items ²⁾ | 5 | 9 | 38 | 48 | 73 |
| Add-back of write-down of exceptional items | - | 0 | - | -2 | -2 |
| Adjusted operating profit (EBIT)¹⁾ | 164 | 186 | 644 | 615 | 957 |
| Adjusted EBITA¹⁾ | 226 | 259 | 828 | 829 | 1,244 |
| Adjusted EBITDA¹⁾ | 434 | 457 | 1,433 | 1,403 | 2,017 |

| | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Cash conversion | | | | | |
| Cash flow from operations, SEK M¹⁾ | 437 | 565 | 1,037 | 1,327 | 2,061 |
| Operating profit (EBIT), SEK M ¹⁾ | 158 | 177 | 607 | 567 | 884 |
| Add-back of amortization and write-down of intangible assets and tangible assets, SEK M ¹⁾ | 270 | 271 | 788 | 790 | 1,062 |
| EBITDA, SEK M¹⁾ | 428 | 448 | 1,395 | 1,357 | 1,946 |
| Cash conversion, %¹⁾ | 102.0 | 126.2 | 74.3 | 97.8 | 105.9 |

| Net debt/equity ratio | Sep 30, 2024 | Sep 30, 2023 | Dec 31, 2023 |
|---|--------------|--------------|--------------|
| Interest-bearing net debt, SEK M | 4,357 | 4,735 | 4,320 |
| Shareholder's equity, SEK M ¹⁾ | 7,864 | 7,747 | 7,582 |
| Net debt/equity ratio, multiple¹⁾ | 0.6 | 0.6 | 0.6 |

| Calculation of return on operating capital | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|---|-------------------|-------------------|-------------------|
| Total assets opening balance, SEK M ¹⁾ | 15,607 | 16,096 | 15,966 |
| Total assets closing balance, SEK M ¹⁾ | 15,677 | 15,607 | 15,444 |
| Average total assets, SEK M¹⁾ | 15,642 | 15,852 | 15,705 |
| Average total assets, SEK M ¹⁾ | 15,642 | 15,852 | 15,705 |
| Excluding average cash and cash equivalents, SEK M | -642 | -651 | -936 |
| Excluding average and other provisions, SEK M ¹⁾ | -248 | -273 | -312 |
| Excluding average other non-interest-bearing liabilities, SEK M | -2,070 | -2,029 | -1,956 |
| Average operating capital, SEK M¹⁾ | 12,681 | 12,899 | 12,500 |
| Operating profit (EBIT), SEK M ^{1, 3)} | 923 | 736 | 884 |
| Add-back of exceptional items, SEK M ³⁾ | 63 | 103 | 73 |
| EBIT after add-back of exceptional items, SEK M ¹⁾ | 986 | 839 | 957 |
| Return on operation capital, %¹⁾ | 7.8 | 6.5 | 7.7 |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

2. Refer to Note 5 Exceptional items.

3. Rolling 12 months.

9 Financial data per quarter

| SEK M | Quarter 1 2023 | Quarter 2 2023 | Quarter 3 2023 | Quarter 4 2023 | Quarter 1 2024 | Quarter 2 2024 | Quarter 3 2024 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Net sales | 2,638 | 2,686 | 2,777 | 2,879 | 2,759 | 2,810 | 2,734 |
| Cost of goods sold ¹⁾ | -1,501 | -1,540 | -1,629 | -1,575 | -1,560 | -1,586 | -1,587 |
| Gross profit¹⁾ | 1,137 | 1,146 | 1,149 | 1,304 | 1,199 | 1,224 | 1,147 |
| Operating expenses | -912 | -951 | -971 | -940 | -960 | -985 | -970 |
| Exceptional items | -19 | -21 | -9 | -25 | -29 | -3 | -5 |
| Other operating income, operating expenses and income from participations in associated companies | -6 | 15 | 8 | -22 | 9 | -7 | -13 |
| Operating profit (EBIT)¹⁾ | 200 | 189 | 177 | 317 | 219 | 229 | 158 |
| Net financial items | -50 | -50 | -68 | -74 | -44 | -65 | -59 |
| Profit after financial items | 150 | 139 | 109 | 242 | 175 | 164 | 100 |
| Taxes ¹⁾ | -37 | -35 | -28 | -61 | -44 | -44 | -27 |
| Net Profit for the period¹⁾ | 113 | 104 | 81 | 181 | 132 | 120 | 73 |
| EBIT after recalculation ¹⁾ | 200 | 189 | 177 | 317 | 219 | 229 | 158 |
| EBIT before recalculation ¹⁾ | 176 | 186 | 199 | 306 | | | |
| Adjusted EBITDA after recalculation ^{1, 2)} | 475 | 471 | 457 | 614 | 502 | 496 | 434 |
| Adjusted EBITDA before recalculation ^{1, 2)} | 474 | 490 | 504 | 630 | | | |
| Adjusted EBITDA margin after recalculation, % ^{1, 2)} | 18.0 | 17.5 | 16.4 | 21.3 | 18.2 | 17.7 | 15.9 |
| Adjusted EBITDA margin before recalculation, % ^{1, 2)} | 18.0 | 18.3 | 18.1 | 21.9 | | | |

1. Comparative figures for Quarter 1 - 3 2023 have been restated, refer to Note 12 Restatement of calculation of intra-Group gains.

2. EBITDA before exceptional items. Refer to Note 5 Exceptional items, Alternative performance measures on page 18 and definitions on page 22.

10 Transactions with related parties

| SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Sales | 3 | 9 | 17 | 24 | 32 |
| Purchases of goods | -3 | -5 | -7 | -10 | -14 |
| Accounts receivable | 0 | 0 | 1 | 3 | 2 |
| Accounts payable | 0 | 0 | 1 | 1 | 1 |

Transactions between Arjo and companies in Getinge Group are specified in the table above. In addition to the above, there were no other material transactions with related parties. Arjo uses Getinge as a distributor in certain markets. Business terms and conditions as well as market-regulated pricing apply for delivery of products and services between the Groups.

11 Acquisitions

Acquisitions of GerroMed Pflege- und Medizintechnik GmbH and SAS Tech Med

During the third quarter, Arjo acquired all shares in the German company GerroMed Pflege- und Medizintechnik GmbH, which operates a rental business focused on pressure injury prevention. The annual turnover amounts to approximately SEK 30 M.

After the end of the quarter, all shares in the French company SAS Tech Med, one of Arjo's distributors of diagnostic solutions, were acquired. The annual turnover amounts to approximately SEK 25 M. The completion of the acquisition is subject to customary approvals from authorities which are expected during the fourth quarter 2024.

The purchase price for both acquisitions amounts to approximately SEK 70 M, including additional purchase consideration.

12 Restatement of calculation of intra-Group gains

During quarter 4 2023, elimination of intra-Group gains in inventories and tangible assets in the rental operations were restated. This restatement took place retrospectively, which means that comparative figures including opening balances for 2022 and quarter 1 - 3 2023 have been

restated, refer to 2023 Annual Report. All affected items that have been restated retrospectively quarter 3 2023 are presented below. For quarter 1 and 2, refer to Note 9 Financial data per quarter.

| Balance sheet (excerpt), SEK M | Sep 30, 2023 | Increase/ decrease | Sep 30, 2023 after restatement |
|---|---------------|-----------------------|--------------------------------------|
| Tangible assets | 1,832 | -95 | 1,738 |
| Financial assets ¹⁾ | 767 | 62 | 829 |
| Inventories | 1,594 | -174 | 1,421 |
| Total assets | 15,813 | -206 | 15,607 |
| Shareholders' equity | 7,941 | -194 | 7,747 |
| Other provisions ¹⁾ | 256 | -12 | 245 |
| Total Shareholders' equity and liabilities | 15,813 | -206 | 15,607 |

1. The restatement refers to deferred tax.

| Income statement (excerpt), SEK M | Quarter 3 2023 | Increase/ decrease | Quarter 3 2023 after restatement |
|---|-------------------|-----------------------|--|
| Cost of goods sold ¹⁾ | -1,607 | -22 | -1,629 |
| Gross profit/loss | 1,170 | -22 | 1,149 |
| Operating profit (EBIT) | 199 | -22 | 177 |
| Profit/loss after financial items | 130 | -22 | 109 |
| Taxes | -33 | 5 | -28 |
| Net profit for the period | 98 | -17 | 81 |
| 1. Of which depreciation | | 25 | |
| Net profit for the period attributable to: | | | |
| Parent Company shareholders | 98 | -17 | 81 |
| Earnings per share, SEK (before and after dilution) | 0.36 | -0.06 | 0.30 |

| Statement of comprehensive income (excerpt), SEK M | Quarter 3 2023 | Increase/ decrease | Quarter 3 2023 after restatement |
|---|-------------------|-----------------------|--|
| Net profit for the period | 98 | -17 | 81 |
| Items that can later be restated in profit | | | |
| Translation differences | -192 | 2 | -190 |
| Other comprehensive income for the period, net after tax | -57 | 2 | -55 |
| Total comprehensive income for the period | 41 | -15 | 26 |
| Comprehensive income attributable to: | | | |
| Parent company shareholders | 41 | -15 | 26 |

| Cash flow statement (excerpt), SEK M | Quarter 3 2023 | Increase/ decrease | Quarter 3 2023 after restatement |
|---|-------------------|-----------------------|--|
| Operating profit (EBIT) | 199 | -22 | 177 |
| Add-back of amortization, depreciation and write-down | 296 | -25 | 271 |
| Other non-cash items | -2 | 11 | 8 |
| Cash flow before changes to working capital | 397 | -37 | 360 |
| Inventories | 34 | 4 | 38 |
| Cash flow from operations | 598 | -33 | 565 |
| Net investments | -143 | 33 | -110 |
| Cash flow from investing activities | -167 | 33 | -134 |
| Cash flow for the period | -475 | - | -475 |

Parent Company financial statements

PARENT COMPANY INCOME STATEMENT

| SEK M | Quarter 3 2024 | Quarter 3 2023 | Jan - Sep 2024 | Jan - Sep 2023 | Full-year 2023 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Administrative expenses | -43 | -50 | -137 | -156 | -205 |
| Exceptional items ¹⁾ | 0 | -5 | 0 | -5 | -5 |
| Other operating income and expenses | 0 | 3 | -1 | 3 | 120 |
| Operating loss (EBIT) | -43 | -52 | -138 | -159 | -91 |
| Income from participations in Group companies | 362 | 128 | 892 | 283 | 449 |
| Net financial items ²⁾ | -26 | -25 | -81 | -63 | -87 |
| Profit after financial items | 293 | 50 | 672 | 60 | 271 |
| Taxes | 14 | 15 | 42 | 43 | 6 |
| Net Profit for the period | 307 | 65 | 715 | 103 | 277 |

1. Exceptional items refers to acquisition expenses of SEK 0 M (-1), of which during the quarter SEK 0 M (-1), and restructuring expenses - (-4), of which during the quarter - (-4). For the full year 2023, this refers to acquisition expenses (-1) and restructuring expenses (-4).

2. Net financial items contain interest income, interest expenses, other financial expenses and exchange-rate gains and losses attributable to the translation of financial receivables and liabilities in foreign currencies measured at the closing day rate.

PARENT COMPANY BALANCE SHEET

| SEK M | Sep 30, 2024 | Sep 30, 2023 | Dec 31, 2023 |
|---|--------------|--------------|--------------|
| Assets | | | |
| Intangible assets | 330 | 304 | 335 |
| Tangible assets | 0 | 1 | 1 |
| Financial assets | 6,090 | 5,946 | 5,911 |
| Current financial receivables, Group companies | 22 | - | - |
| Other current receivables, Group companies | 174 | 89 | 170 |
| Current receivables | 36 | 12 | 29 |
| Cash and cash equivalents | 0 | - | - |
| Total assets | 6,652 | 6,353 | 6,446 |
| Shareholders' equity and liabilities | | | |
| Shareholders' equity | 4,443 | 3,800 | 3,973 |
| Provisions | 3 | 6 | 5 |
| Current financial liabilities | 2,157 | 2,032 | 1,902 |
| Current financial liabilities, Group companies | - | 473 | 484 |
| Other current liabilities, Group companies | 15 | 9 | 47 |
| Other non-interest-bearing liabilities | 35 | 33 | 34 |
| Total shareholders' equity and liabilities | 6,652 | 6,353 | 6,446 |

At the end of the period, the carrying amount of shares and participations in subsidiaries amounted to SEK 5,940 M (5,807). The change for the year amounts to SEK 133 M and comprises shareholder contribution. The Parent Company's commercial paper program has a framework amount of SEK 5,000 M (5,000). The total amount issued at the end of the period amounted to SEK 2,175 M (2,047). Intangible assets comprise software.

Definitions

FINANCIAL TERMS

Adjusted EBIT/Operating profit

Operating profit with add-back of exceptional items.

Adjusted EBITA

EBITA with add-back of exceptional items.

Adjusted EBITA margin

Adjusted EBITA in relation to net sales.

Adjusted EBITDA

EBITDA with add-back of exceptional items.

Adjusted EBITDA margin

Adjusted EBITDA in relation to net sales.

Cash conversion

Cash flow from operations in relation to EBITDA.

Earnings per share

Profit for the period attributable to Parent Company shareholders in relation to average number of shares. The following data was used to calculate earnings per share for the period:

| | |
|---|-----------|
| Profit for the period attributable to Parent Company shareholders | SEK 324 M |
| Number of shares, thousands | 272,370 |
| Earnings per share | SEK 1.19 |

EBIT

Operating profit.

EBITA

Operating profit before amortization and write-down of intangible assets.

EBITA margin

EBITA in relation to net sales.

EBITDA

Operating profit before amortization, depreciation and write-down.

EBITDA margin

EBITDA in relation to net sales.

Equity/assets ratio

Shareholders' equity in relation to total assets.

Exceptional items

Total of acquisition and restructuring costs as well as major non-recurring items.

Interest-coverage ratio

Profit after financial items plus interest expenses and add-back of exceptional items in relation to interest expenses. Calculated based on rolling twelve-month data.

Net debt/adjusted EBITDA, multiple

Average net debt in relation to rolling 12 months' adjusted EBITDA.

Net debt/equity ratio

Interest-bearing net debt in relation to shareholders' equity.

Operating capital

Average total assets less cash and cash equivalents, other provisions, accounts payable and other non-interest-bearing liabilities.

Operating expenses

Selling expenses, administrative expenses and research and development costs.

Operating margin

Operating profit in relation to net sales.

Organic change

A financial change adjusted for currency fluctuations, acquisitions and divestments.

Return on operating capital

Rolling 12 months' operating profit with add-back of exceptional items in relation to operating capital.

Return on shareholders' equity

Rolling 12 months' profit after tax in relation to average shareholders' equity.

MEDICAL AND OTHER TERMS

Compression therapy

Treatment technique which means that one uses outer pressure with a certain frequency and for a certain period of time to treat and prevent venous leg ulcers.

DVT (deep vein thrombosis)

Formation of a blood clot in a deep leg vein.

Edema

Swelling due to accumulation of fluid in tissues.

Ergonomics

A science concerned with designing the job to fit the worker to prevent illness and accidents.

ESG

An abbreviation that stands for environmental, social and governance, which are the non-financial factors in corporate reporting.

EU Medical Device Regulation (MDR)

Regulations created by the EU to ensure better protection for the public health and patient safety by establishing modernized and more robust EU legislation. All medical device manufacturers and distributors must comply with these new regulations.

IPC (intermittent pneumatic compression)

An established method for treating venous leg ulcers, for example. Actively compressing the calf muscles, for example, imitates the pumping mechanism that normally occurs when moving, which increases blood flow to the leg.

Pressure injuries

Sores that occur when blood flow to the skin is reduced by external pressure. Most common in patients with reduced mobility.

Prevention

Preventive activity/treatment.

Sequential VTE prevention

A treatment that aims to enhance the circulation of blood in the deep veins of the legs, which helps reduce deep vein thrombosis (blood clot in the deep veins of the legs).

US Food and Drug Administration (FDA)

The US authority responsible for protecting the public health by carrying out regular inspections of, among other things, medical devices.

VTE (venous thromboembolism)

The abbreviation VTE stands for venous thromboembolism – a blood clot in the veins, similar to DVT (above).

TELECONFERENCE

Fund managers, analysts and the media are invited to a teleconference on October 17 at 8:00 a.m. CEST.

A presentation will be held during the telephone conference.
Watch the teleconference via the following link:
<https://ir.financialhearings.com/arjo-q3-report-2024>

Participants who wish to ask verbal questions at the teleconference must register using the link below. Once registered, participants will receive a telephone number and ID number to use to log in to the conference.
Registration link:
<https://conference.financialhearings.com/teleconference/?id=50049842>

Alternatively, use the following link to download the presentation:
<https://www.arjo.com/int/about-us/investors/reports--presentations/2024/>

A recording of the teleconference will be available for three years via the following link:
<https://ir.financialhearings.com/arjo-q3-report-2024>

FINANCIAL INFORMATION

Updated information on, for example, the Arjo share and corporate governance is available on Arjo's website www.arjo.com. The Annual Report, year-end report and interim reports are published in Swedish and English and are available for download at www.arjo.com

The following financial statements will be published in 2024/2025:

| | |
|------------------|-----------------------------|
| January 30, 2025 | Year-end report 2024 |
| January 30, 2025 | Capital Markets update 2025 |
| April 2025 | 2024 Annual Report |
| April 29, 2025 | Interim Report Jan-Mar 2025 |
| April 29, 2025 | 2025 Annual General Meeting |



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This information is information that Arjo AB 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 17, 2024 at 7:00 a.m. CEST.

At Arjo, we believe that empowering movement within healthcare environments is essential to quality care. Our products and solutions for patient transfers, hygiene, disinfection, diagnostics, treating leg ulcers, prevention of pressure injuries and deep vein thrombosis, and our medical beds are all designed to promote mobility, safety and dignity in all care situations. With over 6,500 people worldwide and 65 years caring for patients and healthcare professionals, we are committed to driving healthier outcomes for people facing mobility challenges.

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www.arjo.com