

Q3

INTERIM REPORT
JANUARY–SEPTEMBER 2023

A strong third quarter

July–September 2023 in brief

- Net sales increased to SEK 2,777 M (2,519). Net sales grew organically by 4.6%.
- Adjusted EBITDA increased 19.8% to SEK 504 M (420).
- Adjusted operating profit increased 41.2% to SEK 207 M (147).
- Profit after financial items rose to SEK 130 M (115).
- Earnings per share increased to SEK 0.36 (0.32).
- Cash flow from operations rose to SEK 598 M (280), corresponding to a cash conversion of 120.8% (67.7).
- Launch of Evenda – a new bed customized for people living with dementia, which is estimated to affect more than 60% of long-term care residents.

“We are leaving behind a quarter of growth and improved profitability in line with our ambitions, as well as a strong cash flow. Rental and service performed well globally and we are continuing to see signs of a gradual improvement in the US, despite a challenging market situation. With high activity levels, we continue our efforts to strengthen Arjo’s positions in both the short and the long term.”

JOACIM LINDOFF
PRESIDENT & CEO

Financial summary

SEK M	Quarter 3 2023	Quarter 3 2022	Jan–Sep 2023	Jan–Sep 2022	Rolling 12 months	Full-year 2022
Net sales	2,777	2,519	8,101	7,293	10,787	9,979
Gross profit ¹⁾	1,170	1,023	3,426	3,079	4,527	4,180
Gross margin, % ¹⁾	42.1	40.6	42.3	42.2	42.0	41.9
Adjusted EBITA ²⁾	280	217	823	756	1,112	1,044
Adjusted EBITA margin, % ²⁾	10.1	8.6	10.2	10.4	10.3	10.5
Adjusted EBITDA ²⁾	504	420	1,468	1,340	1,968	1,841
Adjusted EBITDA margin, % ²⁾	18.1	16.7	18.1	18.4	18.2	18.4
Operating profit (EBIT)	199	140	561	529	722	691
Adjusted operating profit (EBIT) ²⁾	207	147	609	549	826	765
Profit after financial items	130	115	392	472	517	597
Net profit for the period	98	86	294	354	388	447
Number of shares, thousands	272,370	272,370	272,370	272,370	272,370	272,370
Earnings per share, SEK	0.36	0.32	1.08	1.30	1.42	1.64
Cash flow from operations	598	280	1,397	464	1,849	915
Cash conversion, %	120.8	67.7	98.2	35.1	98.9	51.8

1. Comparative figures for 2022 have been adjusted for an incorrect classification from other operating expenses of SEK +31 M to cost of goods sold of SEK –31 M. Of this adjustment, SEK 13 M is attributable to the first quarter and SEK 18 M to the second quarter. This impacted the gross margin for 2022 by –0.4% for the January–September period, and –0.3% for the full-year.

2. Before exceptional items. See Alternative performance measures on page 18 and definitions on page 21.

Strong core business driving growth



We continue to see high demand for our products and solutions, and the Group grew 4.6% organically in the third quarter. The trend was generally positive in Global Sales, with mixed results in the markets. In North America, we delivered a strong quarter, with continued profitable growth in Canada. The US grew by 8% organically compared with a turbulent third quarter last year, which strengthens our assessment of a gradual improvement in this key market despite the challenging market situation.

Steps toward improved profitability

The gross margin continued to gradually improve. Rental and particularly service made positive contributions in the quarter, and with healthy growth prospects ahead, these will be important drivers for continuing to improve the gross margin over time. Supply chains are continuing to stabilize, and the Group's production efficiency is now at pre-pandemic levels. At the same time, we are seeing clear direct and indirect effects from the continuing high inflation. The price adjustments and efficiency improvements made within the operations are partly compensating for the higher cost levels, and we will continue our focused efforts in these areas moving forward.

The process of reducing inventory levels is proceeding according to plan and generated a strong operating cash flow for the quarter. Increased interest rates are resulting in significantly higher financial expenses, but we are working actively to reduce both the Group's tied-up capital and net debt in the long term.

Solutions for future care

The focus of the healthcare industry remains dominated by solving short-term challenges caused by staff shortages and limited resources. Although this means that the roll-out of the outcome-based programs is proceeding more slowly than we had hoped, we are now seeing interest gradually starting to pick up both in our programs and in strengthening preventive efforts in healthcare. During the quarter, we secured important contracts for our pressure injury prevention programs that will be implemented step by step in the fourth quarter.

We also launched Evenda, a new bed for long-term care, during the quarter. The bed is customized for people living with dementia which is estimated to affect more than 60% of long-term care residents. Evenda is expected to serve as a door opener in many markets, and enable increased sales of, for example, pressure injury solutions. The bed is another part of our efforts to strengthen Arjo's position in long-term care where we continue to see many growth opportunities moving forward. Evenda will be followed by a series of future product launches and we look forward to presenting them in 2024 and beyond.

High activity level ahead

Finally, I can conclude that we are leaving a stable quarter behind us. The strategy is being rolled out according to plan, and we continue to balance short and long-term priorities and working closely with our customers. Our recovery from a turbulent 2022 continues and we enter the year's final quarter with a high activity level.

A handwritten signature in dark ink, appearing to read 'J. Lindoff'.

JOACIM LINDOFF
PRESIDENT & CEO

Continued healthy growth

4.6%

organic sales growth in third quarter of 2023

Group performance

Net sales per segment

SEK M	Quarter 3 2023	Quarter 3 2022	Organic change	Jan-Sep 2023	Jan-Sep 2022	Organic change	Rolling 12 months	Full-year 2022
Global Sales	1,597	1,445	2.5%	4,657	4,182	4.4%	6,228	5,753
North America	1,085	986	8.2%	3,124	2,841	4.2%	4,146	3,864
Other	98	90	-0.6%	333	278	12.7%	427	372
Eliminations	-3	-2	—	-12	-8	—	-11	-10
Total	2,777	2,519	4.6%	8,101	7,293	4.6%	10,787	9,979

Net sales and results

Third quarter 2023

Net sales for the quarter amounted to SEK 2,777 M (2,519), corresponding to an organic increase of 4.6%.

In North America, growth increased 8.2% organically with yet another strong quarter in Canada. Growth was also healthy in the US despite challenging market conditions holding back sales of mainly patient handling equipment. Areas such as rental and service continued to perform well in the quarter.

Global Sales grew 2.5% organically with continuing healthy demand in rental and service. Western European markets such as France, Spain, Austria and Ireland performed well during the quarter, while markets such as Germany and the Netherlands fell back slightly. The trend in Rest of the World was mixed, with a strong performance in markets such as Singapore, Africa and New Zealand, but weaker in Australia.

The gross margin increased to 42.1% (40.6) in the quarter despite higher material costs and continuing inflationary effects, mainly regarding salaries. Transportation costs continued to stabilize during the quarter according to plan. Price adjustments and efficiency improvements are generating the expected effects and compensating to some extent for higher costs.

Operating expenses developed according to plan and cost control throughout the value chain remained good. Most of the year-on-year increase was attributable to higher salary costs caused by inflationary pressure, high IT expenses related to licenses and IT security measures as well as a high level of activity in both product development and in the sales organization.

Exceptional items amounted to SEK -9 M for the quarter and mainly referred to restructuring activities related to, for example, the sales organization in the US.

Adjusted EBITDA rose to SEK 504 M (420). The adjusted EBITDA margin increased to 18.1% (16.7).

Net financial items for the quarter amounted to SEK -68 M (-25). Positive currency effects amounted to SEK 2 M (1) for the quarter.

January–September 2023

Net sales for the period increased organically by 4.6% to SEK 8,101 M (7,293). Sales were particularly high in service and the rental operations, and volumes also increased in Hygiene and DVT.

In North America, growth increased 4.2% organically, with a solid performance in Canada. The US delivered a stronger performance in the second and third quarters of the period, despite continuing challenging market conditions. Growth in the US in the first quarter was held back by factors such as lower critical care rental volumes.

Global Sales grew 4.4% organically in the period with healthy demand, mainly in rental and service. Growth was healthy in several Western European markets, such as Austria, France, Belgium, Spain and Ireland. Several markets in Rest of the World also performed well, with particularly healthy growth in India, New Zealand and Singapore.

The gross margin amounted to 42.3% (42.2) in the period, with good effects from implemented price adjustments and efficiency improvements. An unfavorable product mix with lower volumes in patient handling in the US and higher costs for materials and salaries held back the gross margin for the period.

Operating expenses for the period amounted to SEK 2,834 M (2,528).

Adjusted EBITDA for the period increased to SEK 1,468 M (1,340). The adjusted EBITDA margin was 18.1% (18.4).

Net financial items amounted to SEK -169 M (-57) for the period. Positive currency effects in net financial items amounted to SEK 13 M (19) for the period.

Currency effect

SEK M	Quarter 3 2023	Jan-Sep 2023
Translation effect (vs 2022)		
Sales	+143	+471
Cost of goods sold	-96	-328
Gross profit	+47	+143
Operating expenses	-45	-142
Restructuring and other operating income/expenses	0	-1
Total translation effect, EBIT	+2	0
Transaction effect (vs 2022)		
Cost of goods sold	+16	+54
Recognized remeasurement effects		
Other operating income/expenses	+2	+4

Translation effects for the quarter amounted to SEK +2 M and transaction effects to SEK +16 M. In addition, the recognized revaluation effects of operating receivables and liabilities amounted to SEK +2 M for the quarter.

Cash flow and financial position

Cash flow from operations amounted to SEK 598 M (280) for the quarter. The improved cash flow was essentially due to a decline in working capital of SEK -201 M (+103). Inventory build-up declined for the fourth consecutive quarter, generating a positive effect of SEK 34 M (-104), although receivables and liabilities also contributed to the improvement. The improved cash flow meant that the Group's cash conversion increased significantly year-on-year and amounted to 120.8% (67.7) for the quarter. Cash conversion for the nine-month period was 98.2% (35.1), which is above the Group's target of 80%.

Net investments for the quarter amounted to SEK 143 M (204), divided between tangible assets of SEK 79 M (154) and intangible assets of SEK 63 M (50). The investments in tangible assets include investments in the rental fleet of SEK 62 M (122). Arjo paid a capital contribution of SEK 24 M to the associated company BBI during the quarter.

The Group's cash and cash equivalents amounted to SEK 567 M (736) and interest-bearing net debt was SEK 4,735 M (5,138). Arjo has contracted unutilized credit facilities of SEK 4,651 M (4,104) available for refinancing outstanding commercial paper. The equity/assets ratio amounted to 50.2% (47.4). Net debt/adjusted EBITDA declined to 2.5 (2.7).

Research and development

Arjo's gross research and development costs for the quarter amounted to SEK 73 M (57), of which SEK 36 M (30) was charged to operating profit. The gross costs correspond to 2.6% (2.3) of consolidated net sales.

Outlook 2023

Organic sales growth for 2023 is expected to be within the Group's target interval of 3-5%.

Nomination Committee ahead of 2024 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 2024 Annual General Meeting, Arjo's Nomination Committee comprised Chairman Carl Bennet (Carl Bennet AB), Jannis Kitsakis (Fourth Swedish National Pension Fund), Anna Magnusson (First Swedish National Pension Fund), as well as Board Chairman Johan Malmquist.

Shareholders who would like to submit proposals to Arjo's Nomination Committee ahead of the 2024 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.

2024 Annual General Meeting

Arjo's Annual General Meeting will be held on April 18, 2024 in Malmö, Sweden. Shareholders wishing to have a matter addressed at the Annual General Meeting on April 18, 2024 can submit their proposal to Arjo's Board Chairman by e-mail: agm@arjo.com, or by mail: Arjo AB, Att: Bolagsstämмоörenden, 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 not later than February 29, 2024.



Arjo's new bed range for long-term care, Evenda, is customized for patients with dementia.

Other events during the quarter

Launch of new bed customized for long-term care

During the quarter, Arjo launched the Evenda bed in selected markets. Evenda can be ordered in three various executions, which provide customizable solutions depending on individual resident challenges and facility preferences. The bed is designed for people living with dementia, a condition estimated to affect more than 60% of long-term care residents. Due to its innovative design, Evenda has been awarded the best possible accreditation rating (class 1a) by the DSDC (Dementia Services Development Centre) at the University of Stirling in Scotland.

With this launch, Arjo is strengthening its offering in the important long-term care segment.

Contributions to research into pressure injury prevention and improved treatment results

During the quarter, Arjo together with Bruin Biometrcis (BBI) presented a number of abstracts and contributions to the research of pressure injury prevention and improved treatment results at the European Pressure Ulcer Advisory Panel (EPUAP) conference. This year's conference was held in Leeds in the UK in September, and Arjo and BBI arranged a well-attended symposium as well as a number of appreciated presentations.

EPUAP is a prominent, independent organization that works to increase know-how in the treatment of pressure injuries and whose guidelines on preventing pressure injuries are currently used throughout Europe.

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.

The Group has clear instructions on how to prevent, investigate and manage potential cases of infringement. 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 ongoing Russian invasion of Ukraine until future notice. This is in line with the robust sanctions imposed on Russia by other countries. In 2021, Russia accounted for 0.2% of Arjo's total revenue. According to the company's forecast, equipment worth approx. SEK 50 M was planned to be delivered to Russia in 2022, mainly during the first half of the year. Arjo is carefully monitoring market developments given the turbulent economic situation following the start of the invasion of Ukraine.

Due to the escalating violence in Israel and Gaza in October 2023, the Group is also monitoring developments in the Middle East.

Arjo is closely following developments in global inflation.

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.

Due to the Covid-19 pandemic, Arjo, like many other companies, has been affected by lower availability of critical components, such as electronic components. A number of measures have been implemented to mitigate this risk and to ensure availability and delivery reliability to Arjo's customers, and this matter is being managed as a high priority.

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 and EU MDR.

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

Financial risk management

Through its operations, Arjo is exposed to a number of financial risks. Arjo's risk management is regulated by a finance 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 19, 2023

Johan Malmquist
Chairman of the Board

Carl Bennet
Vice Chairman

Eva Elmstedt

Dan Frohm

Ulf Grunander

Kajsa Haraldsson

Carola Lemne

Eva Sandling Gralén

Joacim Lindoff
President & CEO

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 2023 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, 19 October 2023

Öhrlings PricewaterhouseCoopers AB

Cecilia Andrén Dorselius
Authorized Public Accountant
Partner in charge

Vicky Johansson
Authorized Public Accountant

Consolidated financial statements

CONSOLIDATED INCOME STATEMENT

SEK M	Note	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Net sales	2	2,777	2,519	8,101	7,293	9,979
Cost of goods sold ¹⁾		-1,607	-1,496	-4,675	-4,214	-5,799
Gross profit¹⁾		1,170	1,023	3,426	3,079	4,180
Selling expenses		-557	-507	-1,629	-1,455	-1,969
Administrative expenses		-378	-336	-1,097	-982	-1,329
Research and development costs	4	-36	-30	-108	-91	-115
Exceptional items	5	-9	-7	-48	-20	-74
Other operating income and expenses ¹⁾		11	0	26	5	8
Income from participations in associated companies		-3	-3	-9	-7	-10
Operating profit (EBIT)	3	199	140	561	529	691
Net financial items		-68	-25	-169	-57	-94
Profit after financial items		130	115	392	472	597
Taxes		-33	-29	-98	-118	-149
Net profit for the period		98	86	294	354	447
Attributable to:						
Parent Company shareholders		98	86	294	354	447
Number of shares, thousands		272,370	272,370	272,370	272,370	272,370
Earnings per share, SEK ²⁾		0.36	0.32	1.08	1.30	1.64

1. Comparative figures for 2022 have been adjusted for an incorrect classification from other operating expenses of SEK +31 M to cost of goods sold of SEK -31 M. Of this adjustment, SEK 13 M is attributable to the first quarter and SEK 18 M to the second quarter.

2. Before and after dilution. For definition, see page 21.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Net profit for the period	98	86	294	354	447
Other comprehensive income					
Items that cannot be restated in profit					
Actuarial gains/losses pertaining to defined-benefit pension plans	108	-38	-34	-19	-34
Tax attributable to items that cannot be restated in profit	-27	10	9	5	10
Items that can later be restated in profit					
Translation differences	-192	326	348	933	756
Hedges of net investments	46	-24	-52	-83	-112
Tax attributable to items that can be restated in profit	8	-18	-15	-35	-15
Other comprehensive income for the period, net after tax	-57	256	255	802	605
Total comprehensive income for the period	41	343	549	1,156	1,053
Comprehensive income attributable to:					
Parent Company shareholders	41	343	549	1,156	1,053

CONSOLIDATED BALANCE SHEET

SEK M	Note	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
Assets				
Intangible assets		7,527	7,478	7,391
Tangible assets		1,832	1,782	1,802
Tangible lease assets		1,127	1,143	1,107
Financial assets	7	767	756	705
Participations in associated companies		153	143	132
Inventories		1,594	1,900	1,674
Accounts receivables		1,668	1,655	1,708
Current financial receivables	7	20	23	21
Other current receivables		558	703	678
Cash and cash equivalents	7	567	736	949
Total assets		15,813	16,318	16,167
Shareholders' equity and liabilities				
Shareholders' equity		7,941	7,727	7,624
Non-current financial liabilities	7	2,295	2,704	2,823
Non-current lease liabilities	7	814	843	809
Provisions for pensions, interest-bearing	7	31	34	29
Other provisions		256	312	328
Current financial liabilities	7	2,085	2,300	2,322
Current lease liabilities	7	368	362	359
Accounts payables		537	733	587
Other non-interest-bearing liabilities		1,485	1,303	1,286
Total shareholders' equity and liabilities		15,813	16,318	16,167

CHANGES IN SHAREHOLDERS' EQUITY FOR THE GROUP

SEK M	Share Capital	Reserves	Retained earnings	Total shareholders' equity ¹⁾
Opening balance at January 1, 2022	91	766	6,028	6,885
Total comprehensive income for the period	-	629	423	1,053
Dividend	-	-	-313	-313
Closing balance at December 31, 2022	91	1,395	6,138	7,624
Opening balance at January 1, 2023	91	1,395	6,138	7,624
Total comprehensive income for the period	-	280	269	549
Dividend	-	-	-232	-232
Closing balance at September 30, 2023	91	1,675	6,175	7,941

1. Fully attributable to Parent Company shareholders.

CONSOLIDATED CASH-FLOW STATEMENT

SEK M	Note	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Operating activities						
Operating profit (EBIT)		199	140	561	529	691
Add-back of amortization, depreciation and write-down	3	296	274	861	792	1,077
Other non-cash items		-2	1	-16	17	-7
Expensed exceptional items ¹⁾		8	7	45	18	72
Paid exceptional items		-9	-9	-40	-24	-78
Financial items		-63	0	-174	-33	-94
Taxes paid		-32	-30	-154	-204	-233
Cash flow before changes to working capital		397	383	1,082	1,095	1,426
Changes in working capital						
Inventories		34	-104	114	-357	-165
Current receivables		72	-78	124	-115	-76
Current liabilities		95	79	77	-160	-270
Cash flow from operations		598	280	1,397	464	915
Investing activities						
Acquisitions of participations in associated companies ²⁾		-24	-	-24	-	-
Acquired financial assets		-	-	-10	-21	-21
Net investments		-143	-204	-496	-622	-880
Cash flow from investing activities		-167	-204	-530	-643	-902
Financing activities						
Raising of loans		4,221	6,141	15,800	17,742	24,328
Repayment of financial liabilities		-5,080	-6,947	-16,703	-17,234	-23,747
Repayment of lease liabilities		-108	-97	-307	-280	-377
Change in pension assets/liabilities		-1	-7	-7	-6	1
Change in interest-bearing receivables		8	-8	14	-7	4
Dividend		-	-	-232	-313	-313
Realized derivatives attributable to financing activities		54	66	192	171	241
Cash flow from financing activities		-907	-851	-1,242	74	136
Cash flow for the period		-475	-775	-375	-105	150
Cash and cash equivalents at the beginning of the period		1,068	1,475	949	757	757
Translation differences		-26	35	-8	84	42
Cash and cash equivalents at the end of the period		567	736	567	736	949

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

2. Capital contribution to the associated company BBI.

1 Accounting policies

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable rules of the 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 Note 1 Accounting policies in the 2022 Annual Report, published on www.arjo.com. 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, 2023 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 2023						Quarter 3 2022					
	Global sales	North America	Other	Group functions	Eliminations	Arjo Group	Global sales	North America	Other	Group functions	Eliminations	Arjo Group
Product sales	831	668	91	-	-2	1,588	782	603	87	-	-2	1,470
Service incl. spare parts	345	168	7	-	0	519	286	157	3	-	0	445
Rental	421	249	-	-	-	671	378	226	0	-	-	604
Total net sales	1,597	1,085	98	-	-3	2,777	1,445	986	90	-	-2	2,519
Operating profit/loss	234	241	15	-291	-	199	189	208	15	-272	-	140
Net financial items						-68						-25
Profit after financial items						130						115
Taxes						-33						-29
Net profit for the period						98						86

SEK M	Jan - Sep 2023						Jan - Sep 2022					
	Global sales	North America	Other	Group functions	Eliminations	Arjo Group	Global sales	North America	Other	Group functions	Eliminations	Arjo Group
Product sales	2,419	1,898	314	-	-12	4,619	2,237	1,746	266	-	-7	4,242
Service incl. spare parts	996	488	19	-	0	1,503	833	423	12	-	0	1,267
Rental	1,241	737	-	-	-	1,979	1,111	672	0	-	-	1,783
Total net sales	4,657	3,124	333	-	-12	8,101	4,182	2,841	278	-	-8	7,293
Operating profit/loss	725	663	42	-869	-	561	615	682	67	-835	-	529
Net financial items						-169						-57
Profit after financial items						392						472
Taxes						-98						-118
Net profit for the period						294						354

SEK M	Full-year 2022					Arjo Group
	Global sales	North America	Other	Group functions	Eliminations	
Product sales	3,095	2,364	357	-	-10	5,806
Service incl. spare parts	1,149	587	15	-	-	1,751
Rental	1,510	913	-	-	-	2,423
Total net sales	5,753	3,864	372	-	-10	9,979
Operating profit/loss	811	926	85	-1,131	-	691
Net financial items						-94
Profit after financial items						597
Taxes						-149
Net profit for the period						447

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 2022 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 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Intangible assets	-73	-70	-214	-207	-280
<i>Of which, attributable to acquisitions</i>	<i>-22</i>	<i>-22</i>	<i>-66</i>	<i>-64</i>	<i>-86</i>
Tangible assets	-118	-109	-350	-310	-425
Tangible lease assets	-106	-94	-297	-274	-371
Total	-296	-274	-861	-792	-1,077
<i>Of which, write-down</i>	<i>0</i>	<i>-</i>	<i>-2</i>	<i>-</i>	<i>-1</i>

Depreciation/amortization and write-downs by function, SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Cost of goods sold	-192	-177	-554	-507	-690
Selling expenses	-44	-38	-127	-111	-150
Administrative expenses	-58	-57	-171	-167	-228
Research and development costs	-2	-2	-7	-5	-7
Other operating expenses	0	-	0	-	-
Exceptional items	0	-	-2	-	-1
Total	-296	-274	-861	-792	-1,077
<i>Of which, write-down</i>	<i>0</i>	<i>-</i>	<i>-2</i>	<i>-</i>	<i>-1</i>

4 Capitalized development costs

SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Research and development costs, gross	-73	-57	-214	-179	-244
Capitalized development costs	36	28	106	89	129
Research and development costs, net	-36	-30	-108	-91	-115

5 Exceptional items

SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Acquisition expenses	-1	0	-1	-1	-1
Damage claims and disputes	-	-5	-	-10	-28
Restructuring costs	-8	-2	-47	-3	-16
Other ¹⁾	-	0	-	-5	-30
Total	-9	-7	-48	-20	-74

1. The amount for 2022 refers to SEK 25 M of the write-down of assets in the rental operations in France, while the remaining amount refers to support for Ukraine.

Exceptional items by function, SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Cost of goods sold	0	-2	-15	-2	-30
Selling expenses	-7	-1	-23	-1	-3
Administrative expenses	-2	-4	-11	-12	-35
Other operating costs	-	0	-	-5	-6
Total	-9	-7	-48	-20	-74

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, 2023	Sep 30, 2022	Dec 31, 2022
Other current receivables	1	32	45
Other financial assets	129	124	119
Total assets	130	156	163
Other non-interest-bearing liabilities	62	17	26
Additional purchase consideration	-	46	57
Total liabilities	62	63	83

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 and the Group has no derivatives that are used for hedging purposes. 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's previous liability for additional purchase considerations related to acquisitions was at level 3 of the fair value hierarchy.

7 Consolidated interest-bearing net debt

SEK M	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
Non-current financial liabilities	2,295	2,704	2,823
Non-current lease liabilities	814	843	809
Current financial liabilities	2,085	2,254	2,265
Current lease liabilities	368	362	359
Provisions for pensions	31	34	29
Interest-bearing liabilities	5,593	6,198	6,285
Less financial receivables	-102	-95	-87
Less pension assets	-189	-229	-205
Less cash and cash equivalents	-567	-736	-949
Interest-bearing net debt	4,735	5,138	5,044

8 Key figures for the Group

SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Sales measures					
Net sales	2,777	2,519	8,101	7,293	9,979
Net sales growth, %	10.3	12.1	11.1	10.3	10.0
Organic growth in sales, %	4.6	0.3	4.6	0.6	-0.2
Expense measures					
Selling expenses as a % of net sales	20.1	20.1	20.1	20.0	19.7
Administrative expenses as a % of net sales	13.6	13.3	13.5	13.5	13.3
Research and development costs gross as a % of net sales	2.6	2.3	2.6	2.5	2.4
Earnings measures					
Operating profit (EBIT)	199	140	561	529	691
Adjusted operating profit (EBIT) ¹⁾	207	147	609	549	765
EBITA	272	211	775	736	971
Adjusted EBITA ¹⁾	280	217	823	756	1,044
EBITDA	495	414	1,422	1,321	1,767
EBITDA growth, %	19.6	-20.3	7.7	-12.7	-13.1
Adjusted EBITDA ¹⁾	504	420	1,468	1,340	1,841
Earnings per share, SEK	0.36	0.32	1.08	1.30	1.64
Margin measures					
Gross margin, % ²⁾	42.1	40.6	42.3	42.2	41.9
Operating margin, %	7.2	5.6	6.9	7.3	6.9
Adjusted Operating margin, % ¹⁾	7.5	5.8	7.5	7.5	7.7
EBITA margin, %	9.8	8.4	9.6	10.1	9.7
Adjusted EBITA margin, % ¹⁾	10.1	8.6	10.2	10.4	10.5
EBITDA margin, %	17.8	16.4	17.6	18.1	17.7
Adjusted EBITDA margin, % ¹⁾	18.1	16.7	18.1	18.4	18.4
Cash flow and return measures					
Return on shareholders' equity, % ³⁾			4.9	7.7	6.2
Cash Conversion, %	120.8	67.7	98.2	35.1	51.8
Operating Capital			13,101	12,397	12,314
Return on operating capital, % ³⁾			6.3	6.9	6.2
Capital Structure					
Interest-bearing net debt			4,735	5,138	5,044
Interest-coverage ratio, multiple ³⁾			3.6	9.0	6.8
Net debt/equity ratio, multiple			0.6	0.7	0.7
Net debt/adjusted EBITA, multiple ^{1, 3)}			2.5	2.7	2.5
Equity/asset ratio, %			50.2	47.4	47.2
Equity per share, SEK			29.2	28.4	28.0
Other					
Number of shares			272,369,573	272,369,573	272,369,573
Number of employees, average			6,735	6,687	6,751

1. Before exceptional items. See Alternative performance measures on page 18 and definitions on page 21.

2. Comparative figures for 2022 have been adjusted for an incorrect classification from other operating expenses of SEK +31 M to cost of goods sold SEK -31 M. Of this adjustment, SEK 13 M is attributable to the first quarter and SEK 18 M to the second quarter. This impacted the gross margin for 2022 by -0.4% for the January - September period, and -0.3% for the full-year.

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.

Adjusted EBIT/EBITA/EBITDA SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Operating profit (EBIT)	199	140	561	529	691
Add-back of amortization and write-down of intangible assets	73	70	214	207	280
EBITA	272	211	775	736	971
Add-back of depreciation and impairment of tangible assets	223	203	647	584	796
EBITDA	495	414	1,422	1,321	1,767
Exceptional items ¹⁾	9	7	48	20	74
Add-back of write-down of exceptional items	-0	-	-2	-	-1
Adjusted operating profit (EBIT)	207	147	609	549	765
Adjusted EBITA	280	217	823	756	1,044
Adjusted EBITDA	504	420	1,468	1,340	1,841

1. Refer to Note 5 Exceptional items on page 16.

Cash conversion	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Cash flow from operations, SEK M	598	280	1,397	464	915
Operating profit (EBIT), SEK M	199	140	561	529	691
Add-back of amortization and write-down of intangible assets and tangible assets, SEK M	296	274	861	792	1,077
EBITDA, SEK M	495	414	1,422	1,321	1,767
Cash conversion, %	120.8	67.7	98.2	35.1	51.8

Net deb/equity ratio	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
Interest-bearing net debt, SEK M	4,735	5,138	5,044
Shareholder's equity, SEK M	7,941	7,727	7,624
Net deb/equity ratio, multiple	0.6	0.7	0.7

Calculation of return on operating capital	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Total assets opening balance, SEK M	16,318	14,263	14,612
Total assets closing balance, SEK M	15,813	16,318	16,167
Average total assets, SEK M	16,065	15,290	15,390
Average total assets, SEK M	16,065	15,290	15,390
Excluding average cash and cash equivalents, SEK M	-651	-701	-853
Excluding average and other provisions, SEK M	-284	-267	-322
Excluding average other non-interest-bearing liabilities, SEK M	-2,029	-1,925	-1,901
Average operating capital, SEK M	13,101	12,397	12,314
Operating profit (EBIT), SEK M ¹⁾	722	809	691
Add-back of exceptional items, SEK M ¹⁾	103	41	74
EBIT after add-back of exceptional items, SEK M	826	850	765
Return on operation capital, %	6.3	6.9	6.2

1. Rolling 12 months.

9 Financial data per quarter

SEK M	Quarter 1 2022	Quarter 2 2022	Quarter 3 2022	Quarter 4 2022	Quarter 1 2023	Quarter 2 2023	Quarter 3 2023
Net sales	2,370	2,404	2,519	2,686	2,638	2,686	2,777
Cost of goods sold ¹⁾	-1,328	-1,390	-1,496	-1,585	-1,524	-1,544	-1,607
Gross profit	1,042	1,014	1,023	1,101	1,113	1,142	1,170
Operating expenses	-807	-849	-872	-884	-912	-951	-971
Exceptional items	-6	-7	-7	-55	-19	-21	-9
Other operating income, operating expenses and income from participations in associated companies ¹⁾	2	-1	-3	0	-6	15	8
Operating profit (EBIT)	231	158	140	161	176	186	199
Net financial items	-13	-20	-25	-37	-50	-50	-68
Profit after financial items	218	139	115	124	126	135	130
Taxes	-55	-35	-29	-31	-32	-34	-33
Net Profit for the period	164	104	86	93	95	102	98
Adjusted EBITDA ²⁾	490	430	420	500	474	490	504
Adjusted EBITDA margin, % ²⁾	20.7	17.9	16.7	18.6	18.0	18.3	18.1

1. Comparative figures for 2022 have been adjusted for an incorrect classification from other operating expenses of SEK +31 M to cost of goods sold of SEK -31 M. Of this adjustment, SEK 13 M is attributable to the first quarter and SEK 18 M to the second quarter.

2. EBITDA before exceptional items. Refer to Note 5 Exceptional items on page 16, Alternative performance measures on page 18 and definitions on page 21.

10 Transactions with related parties

SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Sales	9	9	24	19	30
Purchases of goods	-5	-2	-10	-4	-10
Accounts receivable	0	0	3	2	3
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.

Parent Company financial statements

PARENT COMPANY INCOME STATEMENT

SEK M	Quarter 3 2023	Quarter 3 2022	Jan - Sep 2023	Jan - Sep 2022	Full-year 2022
Administrative expenses	-50	-45	-156	-144	-195
Exceptional items ¹⁾	-5	0	-5	0	0
Other operating income and expenses	3	0	3	0	105
Operating loss (EBIT)	-52	-45	-159	-144	-90
Income from participations in Group companies	128	54	283	81	158
Net financial items ²⁾	-25	-8	-63	-34	-55
Profit/loss after financial items	50	1	60	-98	13
Taxes	15	10	43	34	0
Net Profit/loss for the period	65	11	103	-64	13

1. Exceptional items refers to restructuring costs SEK -4 M (-), whereof during the quarter SEK -4 M (-) and acquisition expenses SEK -1 M (0), whereof during the quarter SEK -1 M (0).
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, 2023	Sep 30, 2022	Dec 31, 2022
Assets			
Intangible assets	304	343	337
Tangible assets	1	1	1
Financial assets	5,946	5,960	5,896
Other current receivables, Group companies	89	20	86
Current receivables	12	24	28
Total assets	6,353	6,348	6,348
Shareholders' equity and liabilities			
Shareholders' equity	3,800	3,851	3,928
Provisions	6	2	2
Current financial liabilities	2,032	2,243	2,253
Current financial liabilities, Group companies	473	211	133
Other current liabilities, Group companies	9	10	5
Other non-interest-bearing liabilities	33	31	28
Total shareholders' equity and liabilities	6,353	6,348	6,348

At the end of the period, the carrying amount of shares and participations in subsidiaries amounted to SEK 5,807 M (5,832). No change occurred during the period. 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 2,047 M (2,253). 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:

Profit for the period attributable to Parent Company shareholders	SEK 98 M
Number of shares, thousands	272,370
Earnings per share	SEK 0.36

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.

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.

Prevention

Preventive activity/treatment.

Pressure injuries

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

SEM scanner (sub-epidermal moisture)

A hand-held and wireless device that measures sub-epidermal moisture, which allows early detection of pressure injury risk.

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 19 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-q3-2023>

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=5004761>

Alternatively, use the following link to download the presentation:

<https://www.arjo.com/int/about-us/investors/reports--presentations/2023/>

A recording of the teleconference will be available for three years via the following link:

<https://ir.financialhearings.com/arjo-q3-2023>

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:

January 30, 2024	Year-end report 2023
March 2024	2023 Annual Report
April 18, 2024	Interim report Jan-Mar 2024
April 18, 2024	2024 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 19, 2023 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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