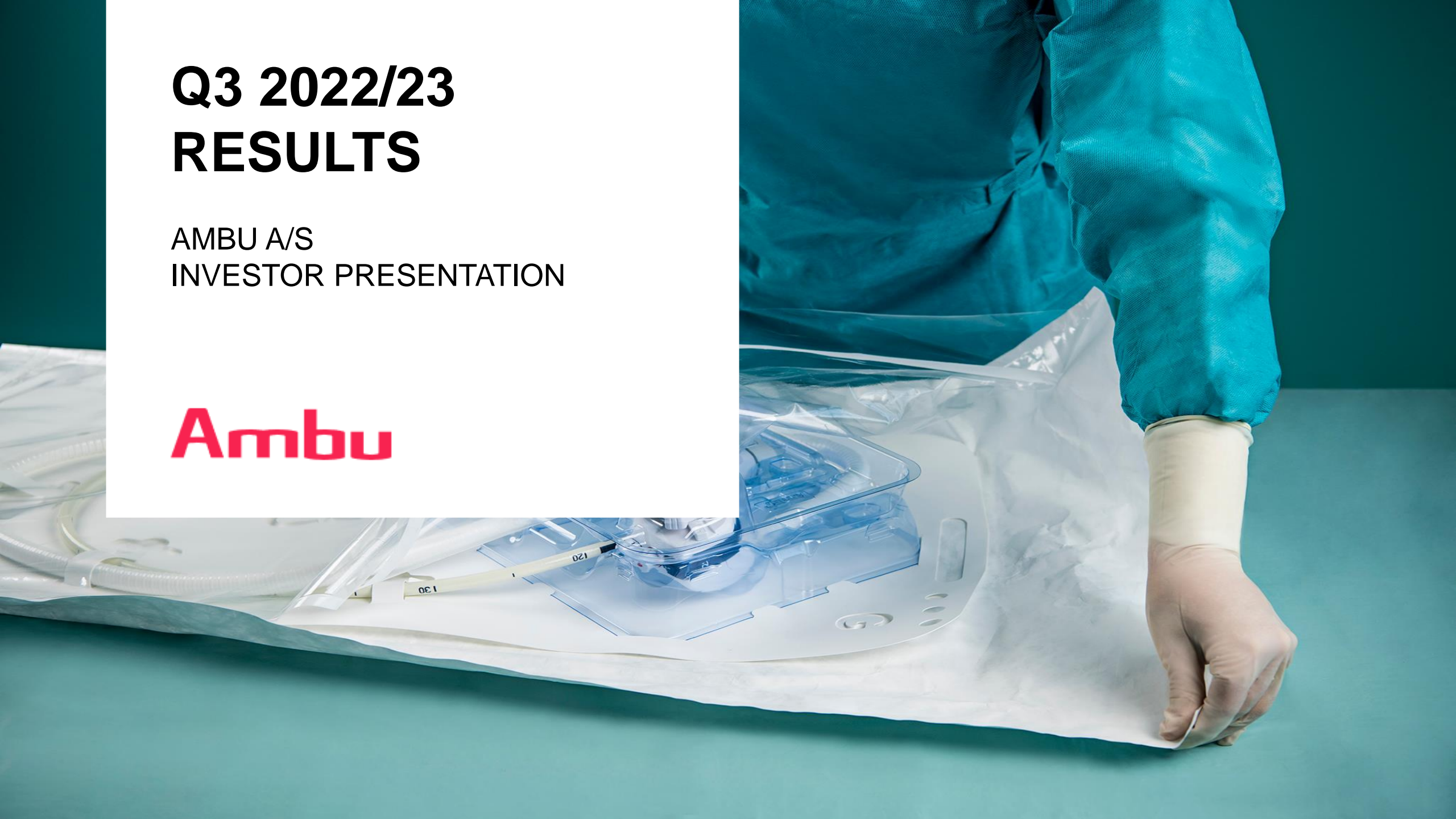


# Q3 2022/23 RESULTS

AMBU A/S  
INVESTOR PRESENTATION

**Ambu**



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## Investor Presentation

### 1 Q3 2022/23 RESULTS

- Business update
- Financial update

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## Today's speakers



**BRITT MEELBY JENSEN**  
CEO



**THOMAS FREDERIK SCHMIDT**  
CFO



# KEY HIGHLIGHTS IN Q3 2022/23

## Revenue

*8% organic growth, driven by 23% growth in Endoscopy Solutions with Pulmonology returning to positive YoY growth*

## EBIT

*7.6% EBIT margin before special items – full-year outlook increased to 5-6% (from previously 3-5%) on July 10, 2023*

## Cash flow

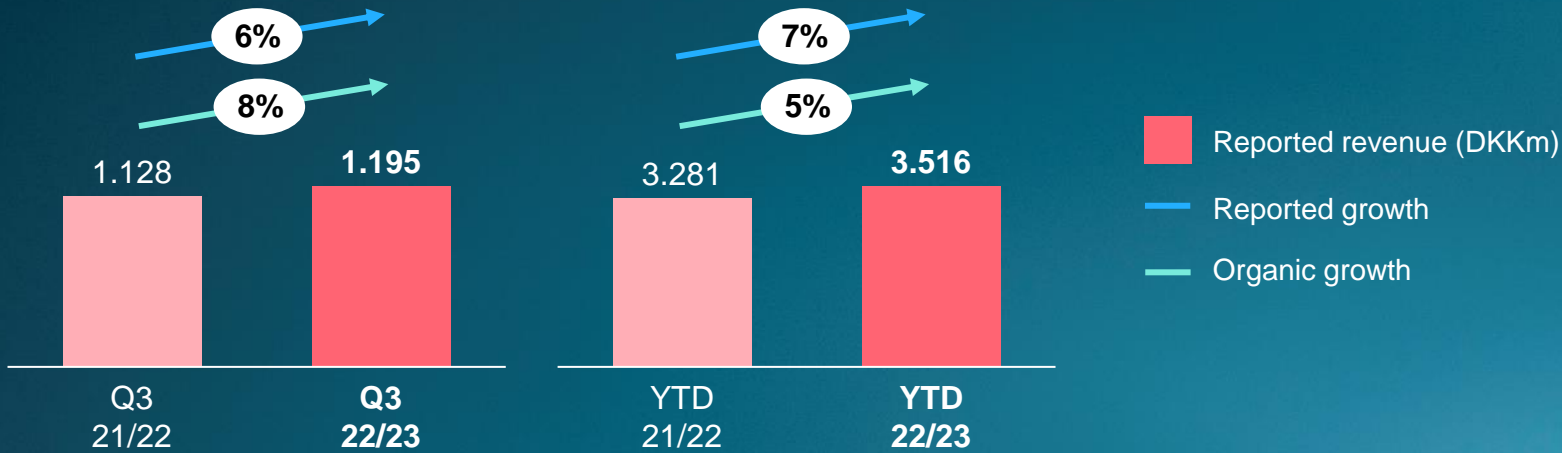
*DKK 157m in free cash flow – expect FY 22/23 improvement of DKK +500m (previously DKK 350-450m) vs. FY 21/22*

## Product portfolio

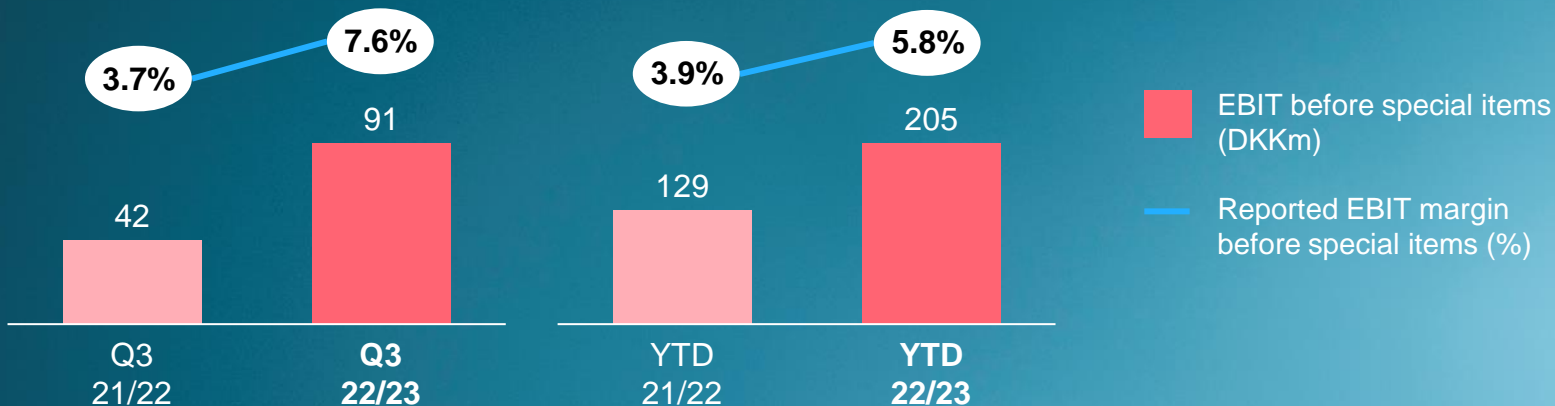
*FDA clearance of aScope™ 5 bronchoscope smaller sizes completes the fifth-generation bronchoscope portfolio*

# Q3 2022/23 REVENUE GROWTH OF 8% DRIVEN BY ENDOSCOPY SOLUTIONS

## REVENUE GROWTH



## EBIT BEFORE SPECIAL ITEMS



**8%**

organic growth in Q3 is driven by continued good momentum in Endoscopy Solutions

**7.6%**

EBIT margin in Q3 vs. 3.7% last year mainly driven by increased scale in OPEX

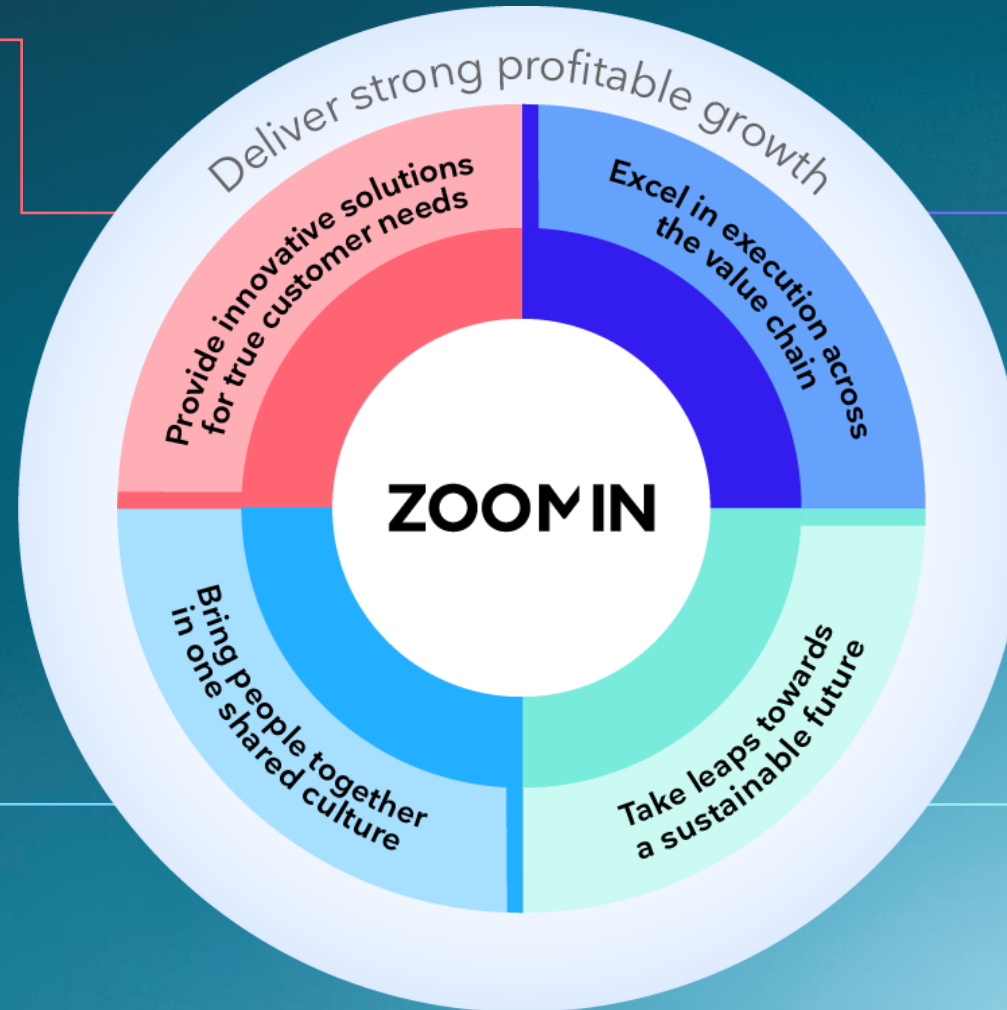
# PROGRESS IN Q3 2022/23 ON STRATEGIC PRIORITIES IN LINE WITH PLAN

## Pulmonology portfolio strengthened:

- European CE mark of Ambu® VivaSight™ 2 SLT
- FDA clearance of two smaller sizes of Ambu® aScope™ 5 Broncho, completing Ambu's fifth-generation bronchoscope portfolio
- FDA clearance of next-generation Ambu® aView™ 2 Advance, supporting current and future endoscopes

## Leadership capabilities aligned to strategic priorities:

- On 1 Aug 2023, new Chief Technology Officer, Finn Möhring, joined Ambu as part of the Executive Leadership Team



## Excel in execution across the value chain:

- Strong results in Q3 with 23% Endoscopy Solutions growth, and free cash flow of DKK 157m
- Ambu has identified and started to execute on strategic initiatives to address low-margin products and strengthen its geographical commercial presence

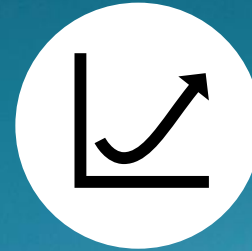
## Take leaps towards a sustainable future

- +9% year-to-date reduction of total waste per tonne goods compared to last year
- Science Based Targets submission for 2030 scope 1, 2 and 3 carbon emission reductions
- Partnership with Plastic Bank renewed

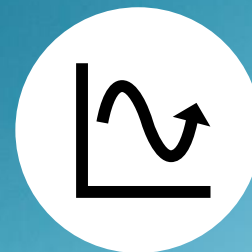
# 23% GROWTH IN ENDOSCOPY SOLUTIONS, Q3 2022/23 (12% YTD), DRIVEN BY UROLOGY AND ENT – PULMONOLOGY RETURNED TO Y-O-Y GROWTH

## REPORTED REVENUE (DKKm)

Endoscopy Solutions



**Urology & ENT maintained high growth** across all regions, driven by an increased penetration of existing and new customers

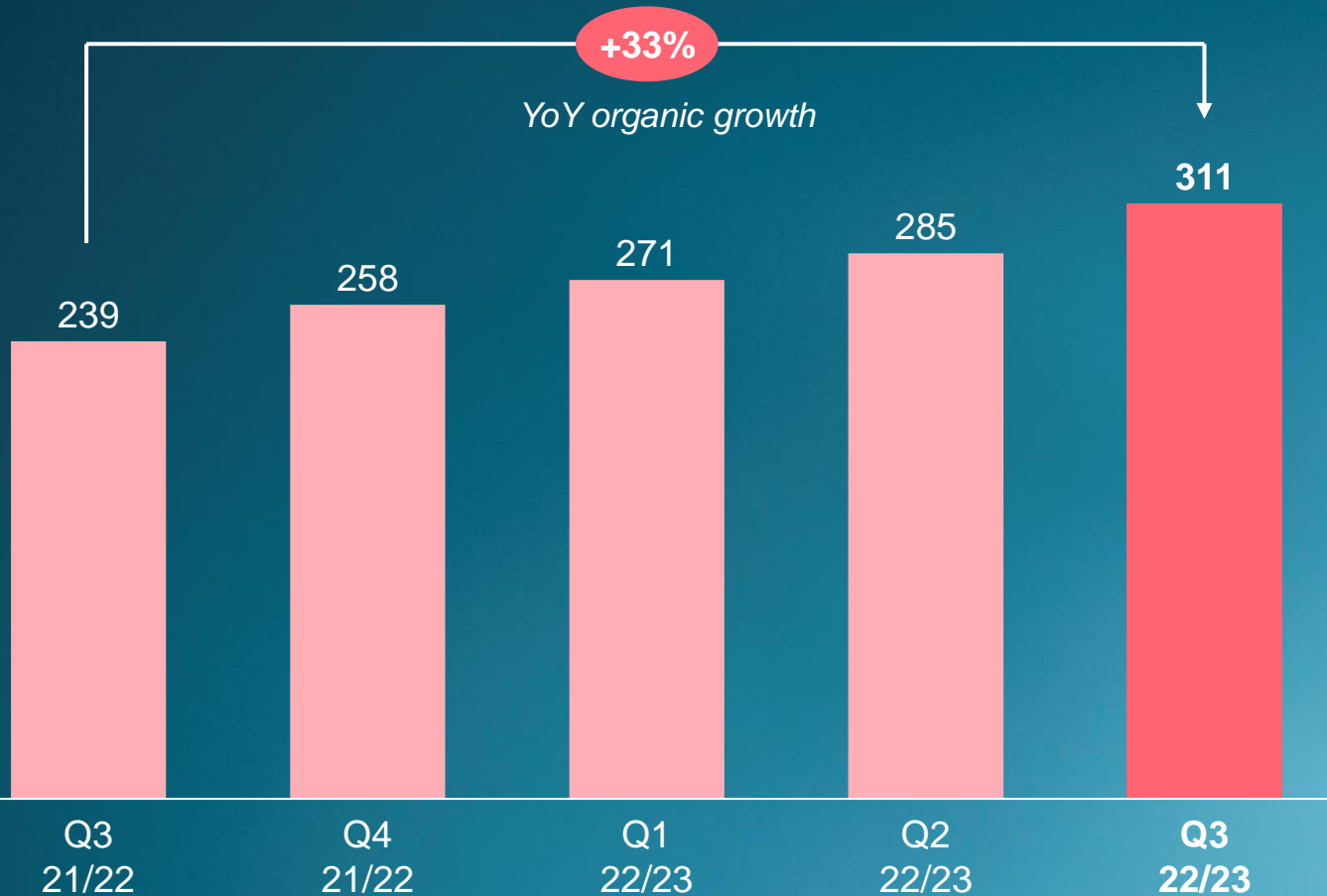


**Pulmonology returned to growth year-over-year**, driven by increased procedure volumes and the healthcare market recovering from Covid-19

# 33% GROWTH IN ENDOSCOPY SOLUTIONS EXCL. PULM., Q3 2022/23 (38% YTD), DRIVEN BY CONTINUED STRONG MOMENTUM WITHIN UROLOGY AND ENT

## REPORTED REVENUE (DKKm)

■ Endoscopy solutions excluding pulmonology

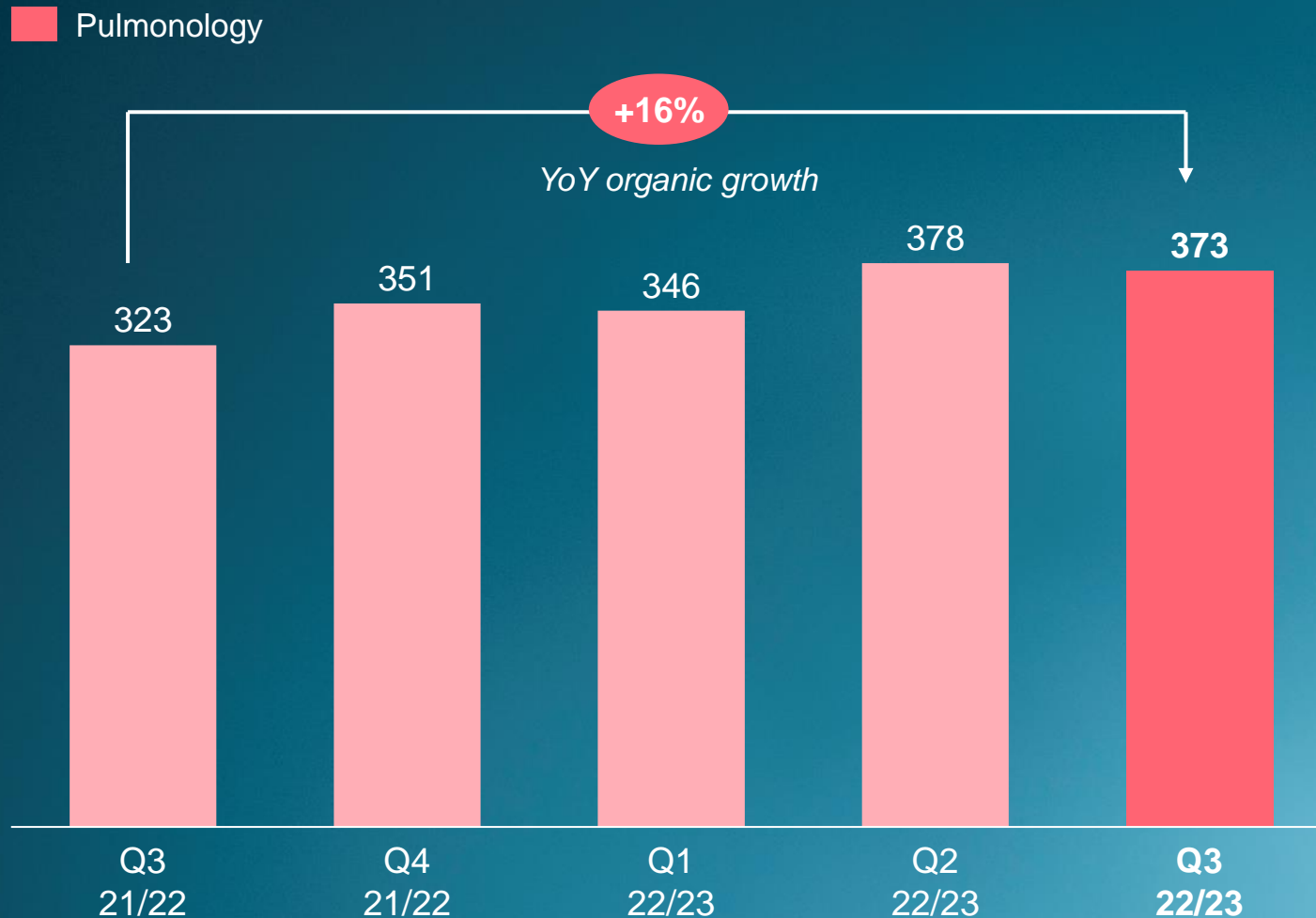


### Q3 2022/23 HIGHLIGHTS

- **Urology:** High growth maintained across all regions, driven by both new customer acquisition and increased penetration of existing customers, especially in the US. Overall, urologists are responding positively to the workflow efficiencies gained by using the Ambu® aScope™ 4 Cysto
- **ENT:** Continued high growth across all regions. North America and Europe were positively driven by FEES procedures, supported by technology advancements of the Ambu® aView™ 2 Advance endoscopy system
- **GI:** Launch execution of Ambu® aScope™ Gastro continues, steadily gaining new and re-buying customers, and continued strong positive product performance feedback from customers

# 16% GROWTH IN PULMONOLOGY, Q3 2022/23 (-3% YTD), DRIVEN BY HIGHER PROCEDURE VOLUME AND STRENGTHENED PULMONOLOGY PORTFOLIO

## REPORTED REVENUE (DKKm)



### Q3 2022/23 HIGHLIGHTS

- 16% organic growth YoY, driven by increased procedure volumes and the healthcare market recovering from Covid-19, combined with a strengthened single-use pulmonology portfolio
- Ambu® aScope™ 5 Broncho continues to demonstrate excellent performance when compared to reusable bronchoscopes<sup>1,2</sup>, with an increasing number of new and re-buying customers. Uptake continues to progress gradually in the bronchoscopy suite as it represents a new customer group for Ambu
- With the upcoming new video laryngoscope and other development activities, Ambu is well-positioned to build momentum and expand its leadership position

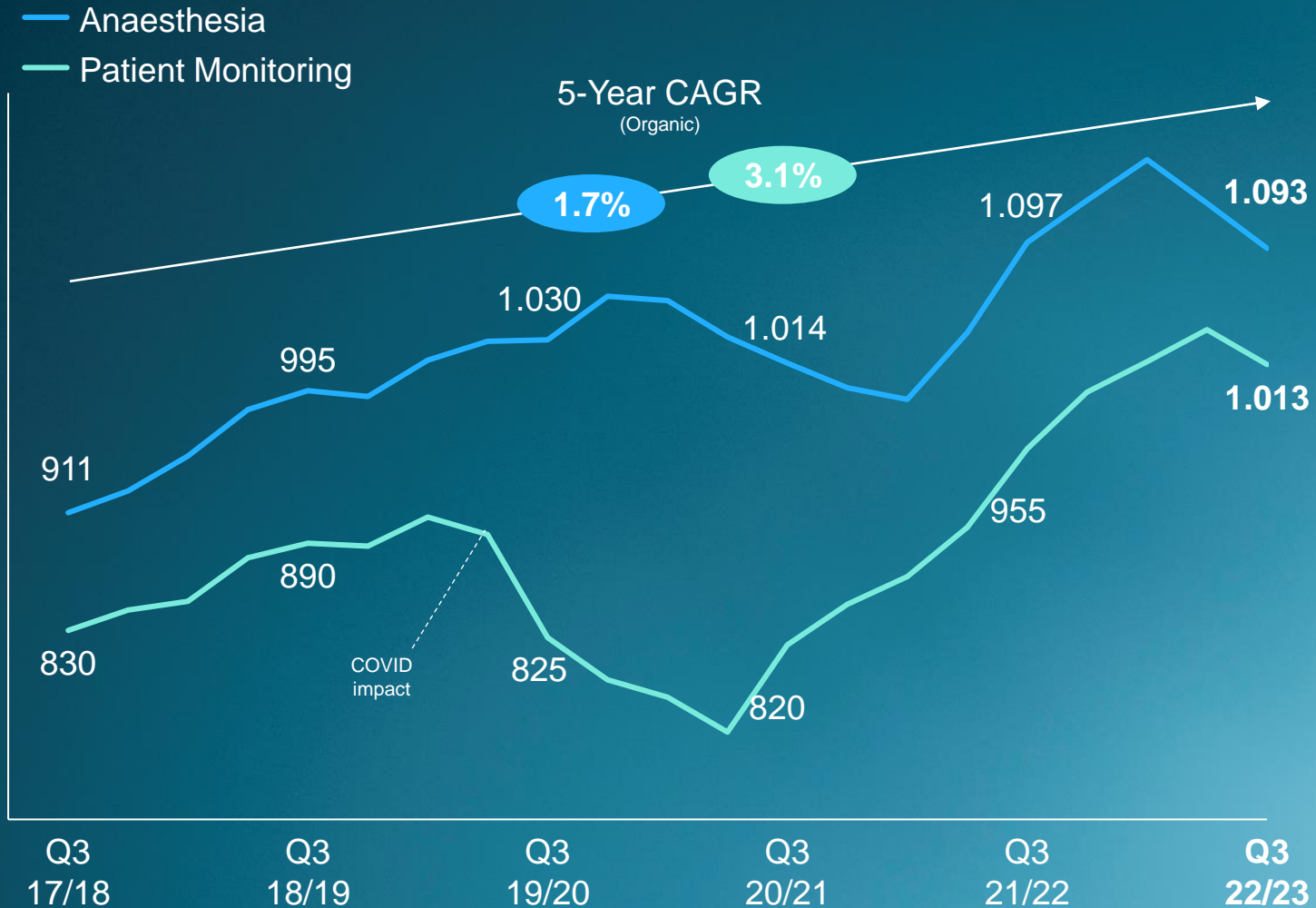
1) Kurman J., Wagh A., Benn B. & Islam S. (2022): "A Comparison of Single-Use Bronchoscopes and Reusable Bronchoscopes for Interventional Pulmonology Applications". (Presented at World Congress for Bronchoscopy and Interventional Pulmonology, 2022)

2) Patrucco F., D'Alessio A., Brambilla M. & Balbo Piero (2023): "Combining three-dimensional fluoroscopy guide system with single-use bronchoscopes for diagnosis of peripheral lesions: First two cases". (Official Case Reports Journal of the Asian Pacific Society of Respiriology, Volume 11, Issue 4)



# 7% DECLINE IN ANAESTHESIA & PATIENT MONITORING, Q3 2022/23, (-2% YTD), MAINLY RELATED TO LAST YEAR'S HIGH COMPARABLES

## REPORTED REVENUE LTM (DKKm)



**+2.3%**

5-year organic CAGR - showing a healthy growth within Anaesthesia and Patient Monitoring combined

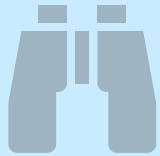
**Q3 22/23**

decline of 7% YoY impacted by high comparables (Q3 21/22, 17% growth within Anaesthesia and Patient Monitoring)

# CONTINUED STRONG MOMENTUM ON THE TRANSFORMATION PROGRAM DRIVING COST EFFICIENCIES – POTENTIAL SHORT TERM REVENUE IMPACT

## PHASE 1 H1 2023

### PROGRAM SCOPING *+ Select priority projects*



- Capabilities and setup established
- Program priorities set
- Select projects executed

## PHASE 2 H2 2023

### EXECUTE QUICK WINS



- Initiatives to improve profitability, e.g.,
- Reducing geographical complexity by withdrawing operations from ~40 countries
  - Implementing sizable price increases in selected low margin areas
- ... resulting in potential revenue decline in 2023/24 within Anaesthesia and Patient Monitoring

## PHASE 3 2024-2026

### BUILD FOUNDATION FOR THE FUTURE



- Accelerate growth through higher ROIC in innovation and commercial execution
- Driving cost efficiencies and scalability
- Optimizing operating model

# MOST ADVANCED PULMONOLOGY PORTFOLIO STRENGTHENED WITH GLOBAL COMMERCIALISATION OF ASCOPE 5 AND NEXT GENERATION DISPLAY PLATFORM

## PULMONOLOGY



**The most comprehensive and technologically advanced** Pulmonology product portfolio and ecosystem in single-use endoscopy build upon ~15 years of innovation experience



**Expansion of the pulmonology portfolio** with the FDA clearance of the new aScope™ 5 smaller sizes and the next-generation Ambu® aView™ 2 Advance endoscopy system



**Pulmonology is well positioned for future growth** with the aScope™ 5 being launched globally together with further aScope™ 4 Broncho penetration supported by the launch of the upcoming new video laryngoscope



# AMBU HAS SIGNIFICANT COMPETITIVE ADVANTAGES NEEDED TO WIN AND DELIVER SUSTAINABLE PROFITABLE GROWTH



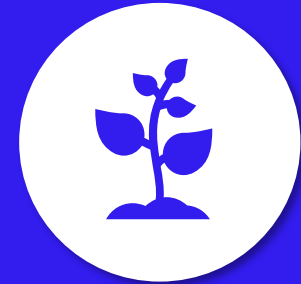
**Scalable business model** with strong potential to drive improvements through dedicated transformation program



Leading product portfolio with **unique innovative solutions** across all major endoscopy segments



Large and fast-growing market potential with **substantial unmet customer needs**



**Delivering sustainable profitable growth**



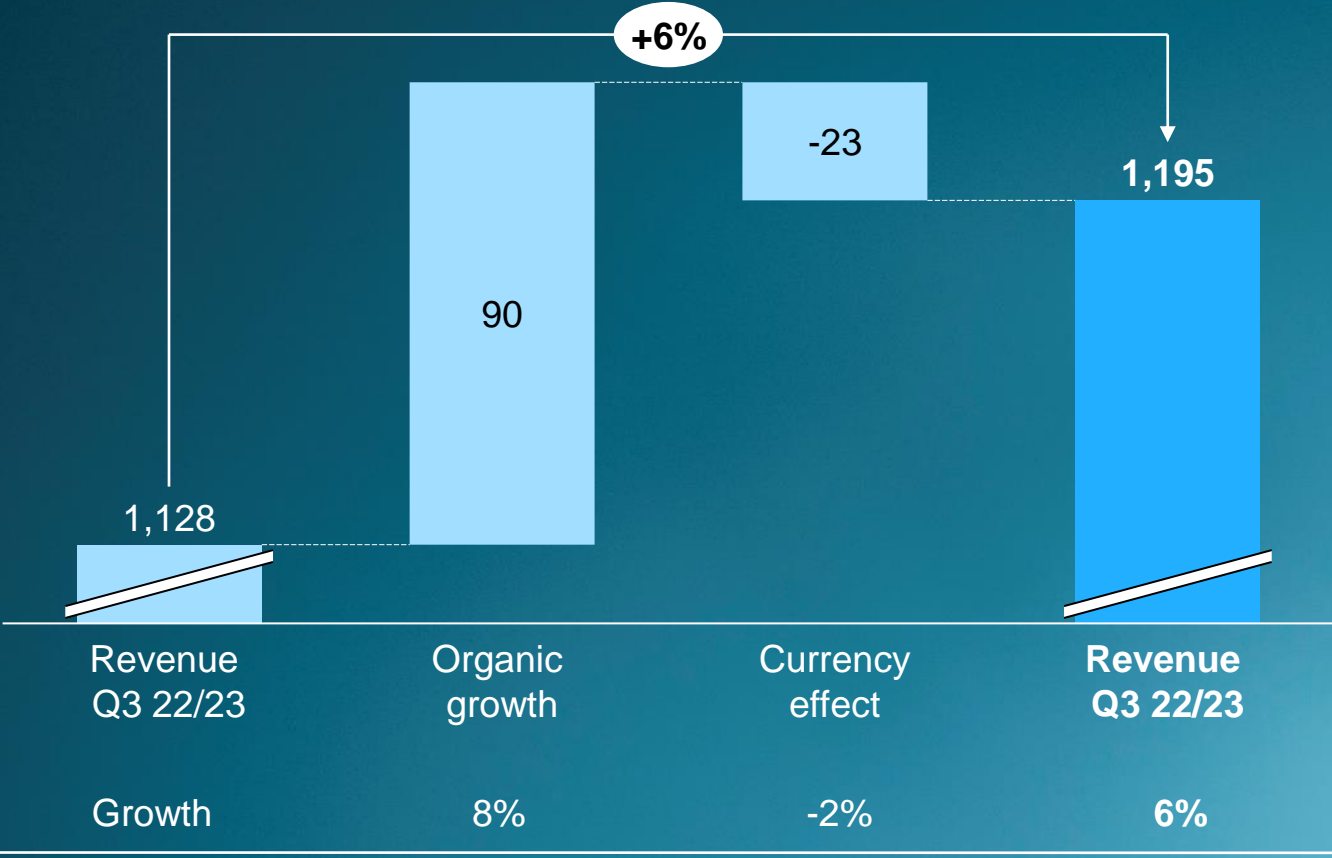
**THOMAS  
FREDERIK  
SCHMIDT**

CFO



# REPORTED REVENUE GROWTH OF 6%, DRIVEN BY ORGANIC GROWTH OF 8%-PTS, OFFSET BY CURRENCY EFFECT OF -2%-PTS

REPORTED GROUP REVENUE (DKK m)



Reported revenue increased by DKK 67m in Q3 22/23, or 6%, compared to Q3 last year

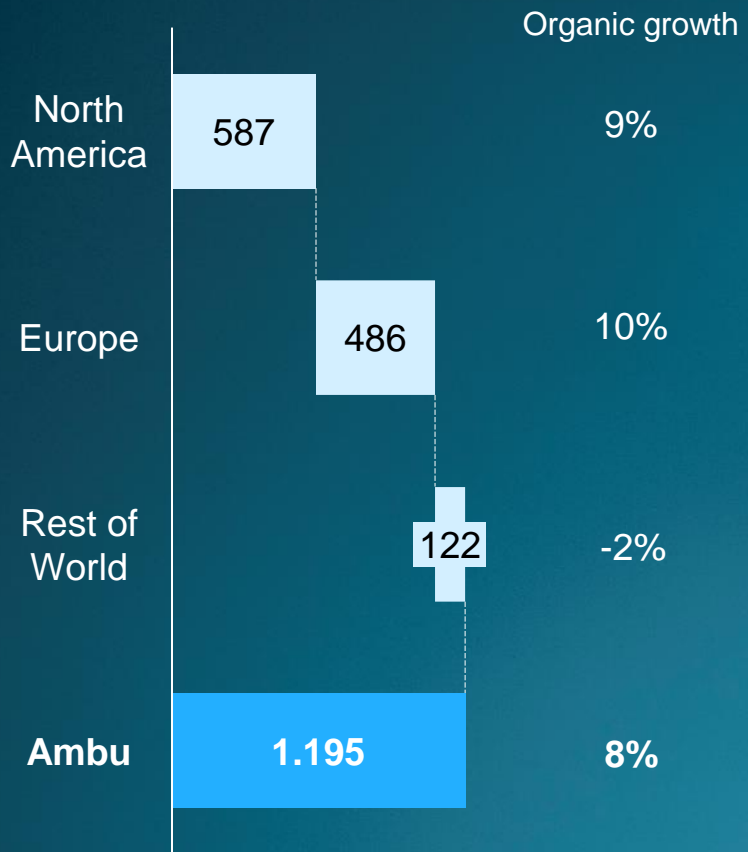


Foreign exchange rates had a negative impact of DKK -23m, or -2%-pts

# Q3 GROWTH DRIVEN BY NORTH AMERICA AND EUROPE WITH CONTINUED GOOD MOMENTUM IN ENDOSCOPY SOLUTIONS

## REVENUE BY GEOGRAPHY

Q3 2022/23 reported revenue (DKKm)



### North America



**Organic growth of 9%**, driven by Endoscopy Solutions growing 30% due to strong growth within Pulmonology and continued high demand for Urology and ENT. Patient Monitoring and Anaesthesia declined in Q3 by 16% and 12%, respectively due to high comparables Q3 21/22

### Europe



**Organic growth of 10%**, driven by Endoscopy Solutions growing 20% due to increased bronchoscopy revenue and continued good momentum for Urology and ENT. Patient Monitoring declined by 4%, while Anaesthesia grew 7% due to general recovery of the hospital market

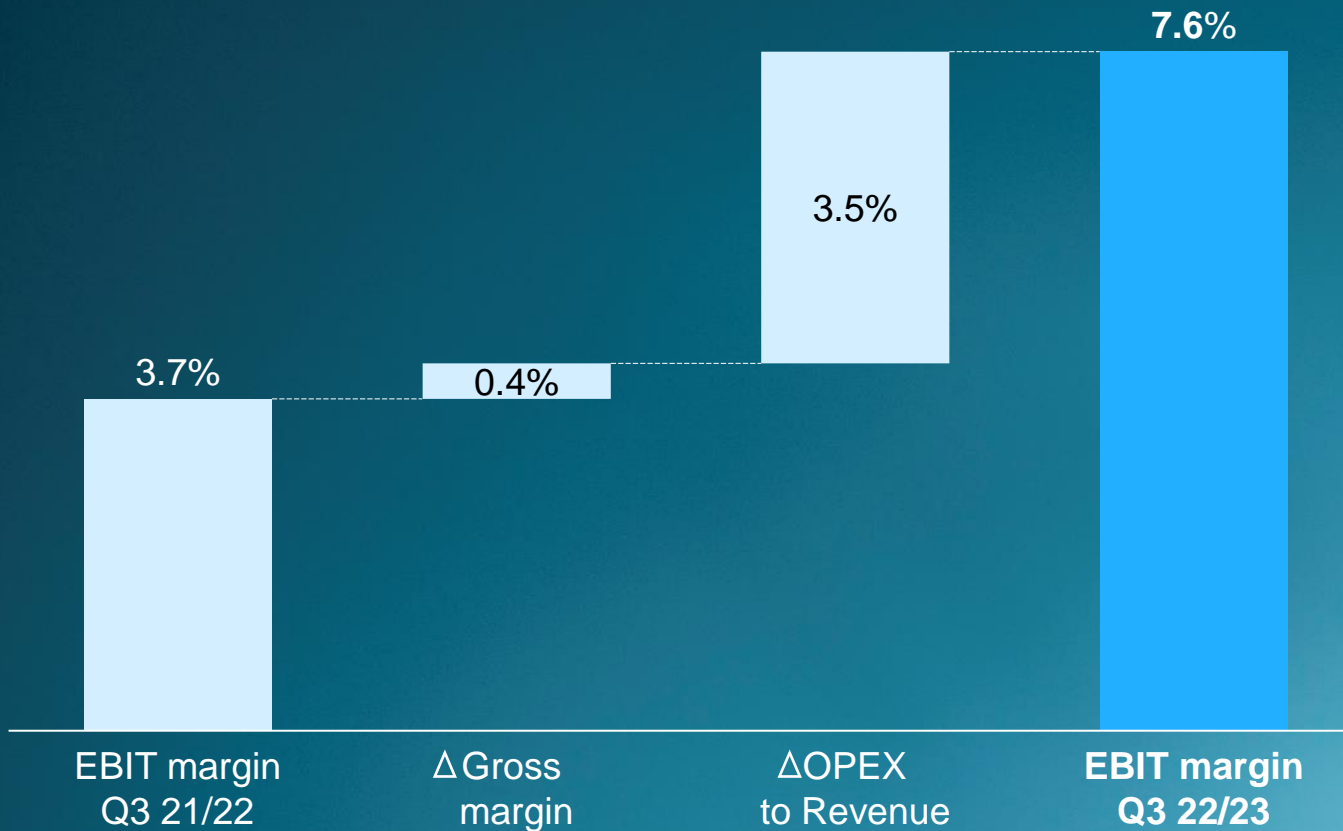
### Rest of World



**Organic decline of 2%**, positively impacted by Endoscopy Solutions growing 2%, while Anaesthesia and Patient Monitoring combined declined 4%

# REPORTED EBIT MARGIN OF 7.6% IN Q3 DRIVEN BY OPEX IMPROVEMENTS AND INCREASED GROSS MARGIN DUE TO POSITIVE SALES MIX

## EBIT MARGIN BEFORE SPECIAL ITEMS (%)



### Q3 2022/23 HIGHLIGHTS

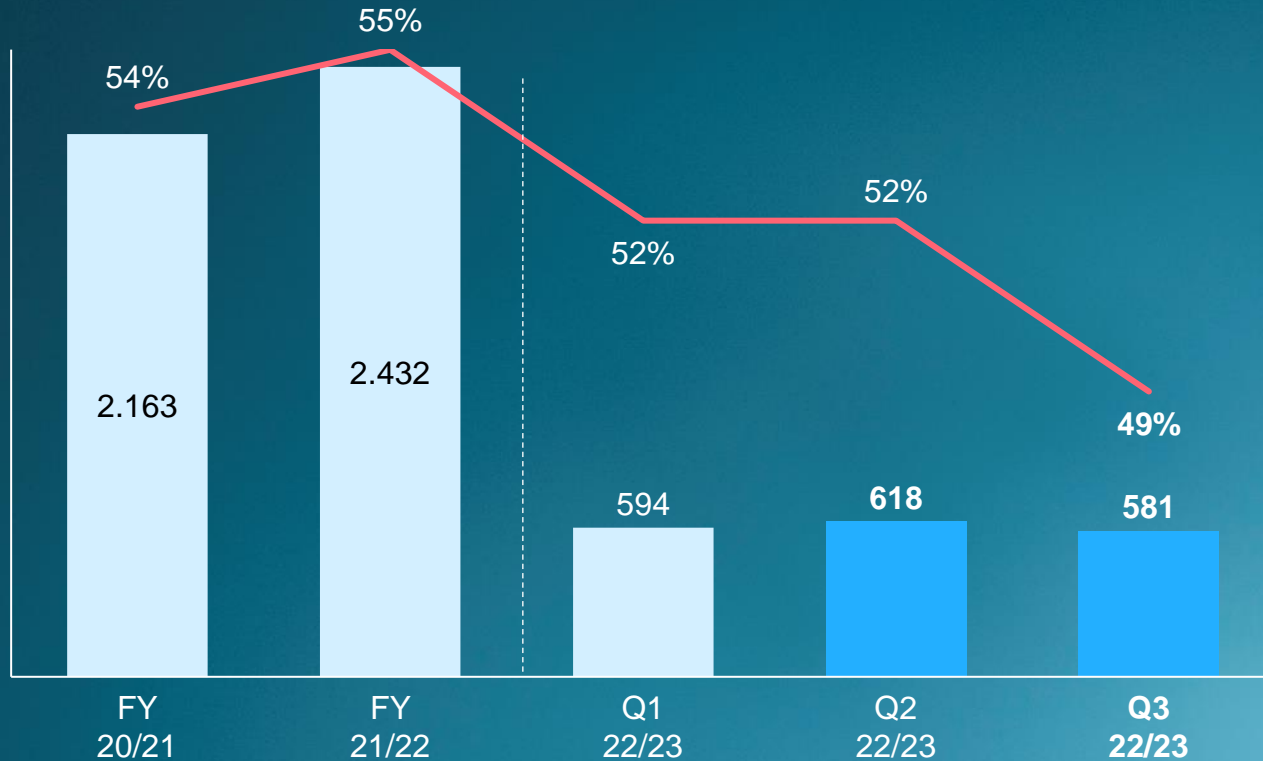
- Operating profit (EBIT) before special items was DKK 91m (DKK 42m) in Q3, with an EBIT margin before special items of 7.6% (3.7%)
- The improved EBIT margin before special items in Q3 of 3.9% percentage points was due to the achieved scale from reported OPEX, reflected by a reduced OPEX ratio of 3% percentage points and the effect from the increase in gross margin of 0.4%-pts.
- The impact of foreign exchange rates on the EBIT margin before special items in Q3 and for the year-to-date was negligible



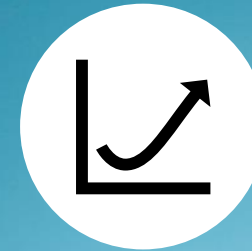
# IMPROVED OPEX SCALE DUE TO LOWER SELLING COSTS, IN ALIGNMENT WITH THE ZOOM IN STRATEGY'S OBJECTIVE OF MORE PROFITABLE GROWTH

## OPEX (DKKm & % of revenue)

— OPEX to revenue ■ OPEX



OPEX in Q3 totalled DKK 581m, representing a decrease of 1% compared to Q3 last year

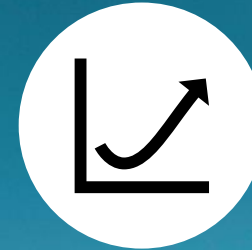
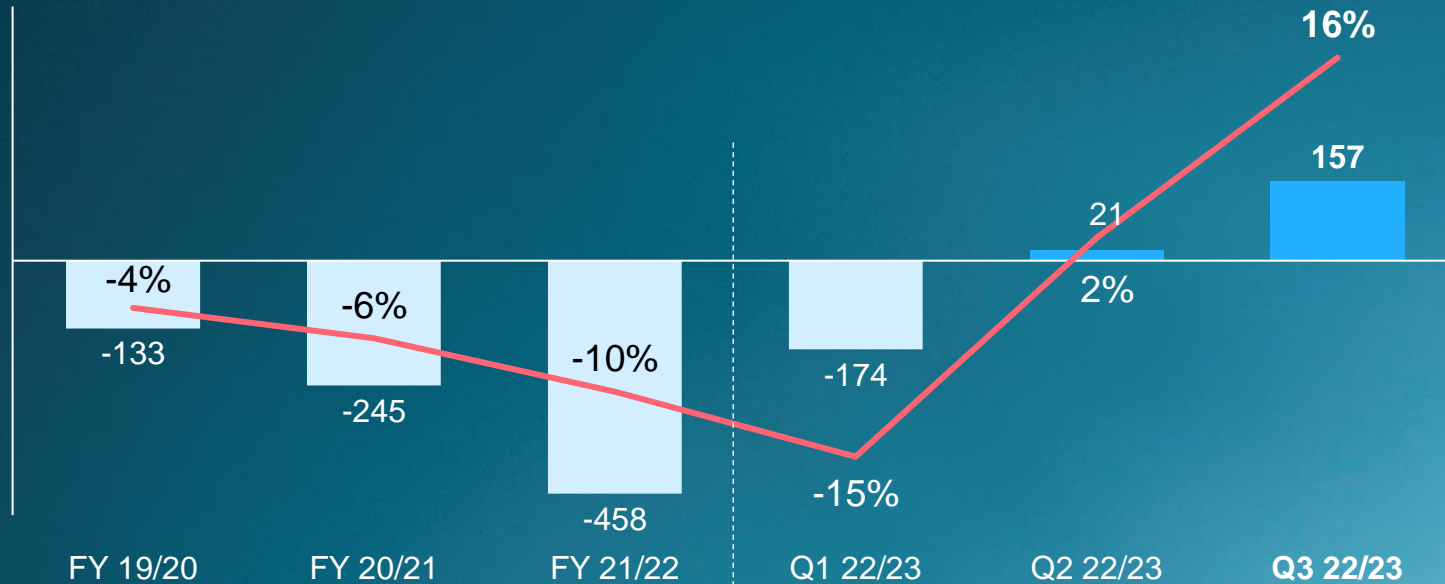


Improved OPEX to Revenue ratio to 49% in Q3 due to the cost reduction program, lower freight rates, efficiencies and general cost containment

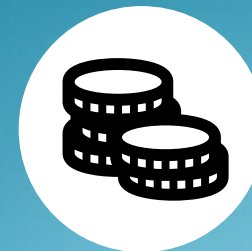
# POSITIVE CASH FLOW DEVELOPMENT HAS ACCELERATED, DUE TO THE SUCCESSFUL IMPLEMENTATION OF FINANCIAL INITIATIVES...

## FREE CASH FLOW (DKKm & % of revenue)

— FCF to Sales ■ Free cash flow before acquisitions



**Free cash flow before acq.** totalled DKK 157m in Q3 and positive DKK 4m YTD



**Free cash flow before acq.** is now expected to be improved with more than DKK 500m compared to full-year 2021/22

# ... WITH NET WORKING CAPITAL LOWERED TO 21% OF REVENUE AND INVENTORY LEVEL BELOW DKK 1BN



## Q3 cash flow before acq. of DKK 157m

was driven by lower CAPEX investments, improved EBITDA and decreasing NWC to 21% of revenue



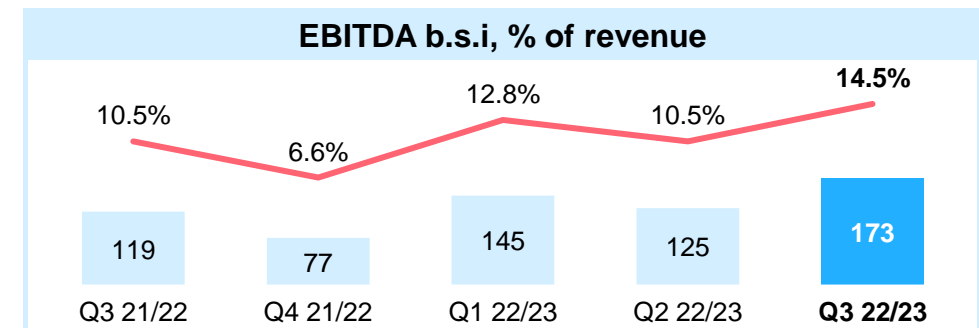
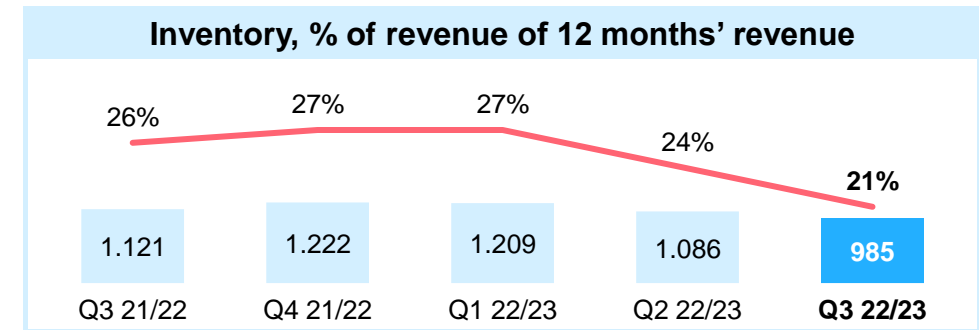
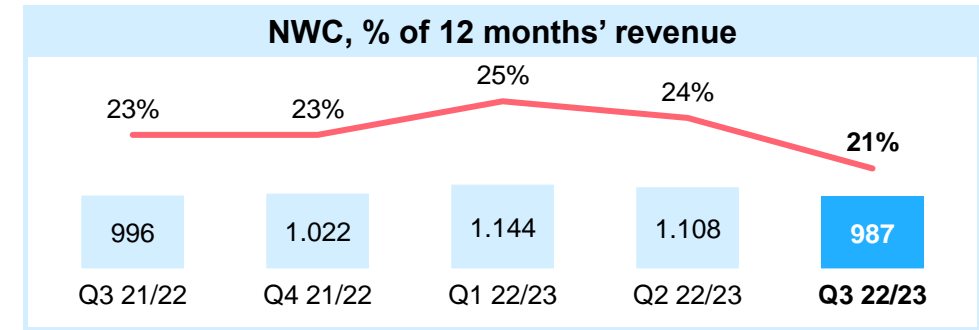
## Improving inventory performance

with ongoing initiatives to achieve a more optimal level relative to revenue. In Q3, the inventory level decreased to DKK 985m corresponding to 21% of revenue




## Continued execution of our ZOOM IN strategy

with increased EBITDA due to the commitment to delivering long-term sustainable and profitable revenue growth



# FY 2022/23 FINANCIAL GUIDANCE: ORGANIC REVENUE GUIDANCE NARROWED TO 6-8% FROM PREVIOUSLY 5-8%

	Expectations 31 August 2023	Expectations 10 July 2023
 <b>ORGANIC REVENUE GROWTH</b>	<b>6-8%</b>	<b>5-8%</b>
 <b>EBIT MARGIN</b> b.s.i	<b>5-6%</b>	<b>5-6%</b>

Other assumptions	Expectations 31 August 2023	Previously expectations
Anaesthesia & Patient Monitoring – organic revenue growth (FY 22/23)	~ 0%	Low single-digit growth
Gross margin (FY 22/23)	56.0% - 57.0%	~ 55.5%
Free cash flow (improvement vs. FY 21/22)	More than DKK 500m	DKK 350-450m
CAPEX (% of revenue, FY 22/23)	~ 7%	~ 9%



# THANK YOU FOR YOUR ATTENTION

## 31 AUGUST: Q3 2022/23 Earnings

- 6 SEPTEMBER: Goldman Sachs EU Healthcare Conference
- 13 SEPTEMBER: Edinburgh Roadshow
- 18 SEPTEMBER: J.P. Morgan CEO Call Series
- 20 SEPTEMBER: Nordea Healthcare Trip
- 27 SEPTEMBER: SEB's Autumn Seminar
- 28 SEPTEMBER: Berenberg Frankfurt Seminar

## 8 NOVEMBER: Q4 AND FY 2022/23 EARNINGS

- 14 NOVEMBER: Jefferies London Healthcare Conference
- 21 NOVEMBER: SEB Healthcare Seminar
- 29 NOVEMBER: Danske Bank Winter Seminar
- 13 DECEMBER: Annual General Meeting

## INVESTOR RELATIONS CONTACT


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# AMBU SINGLE-USE ENDOSCOPY PIPELINE



Ambu® aBox 2 & Ambu® aView 2 Advance

 Solutions in development



## Ear, nose and throat (ENT)

Ambu® aScope™ 4 RhinoLaryngo  
ENT High Resolution



## Pulmonology

Ambu® VivaSight™ 2  
Ambu® aScope™ 4 Broncho  
Ambu® aScope™ 5 Broncho HD  
Ambu® aScope™ 5 Broncho HD (smaller sizes)  
Video Laryngoscope 2.0



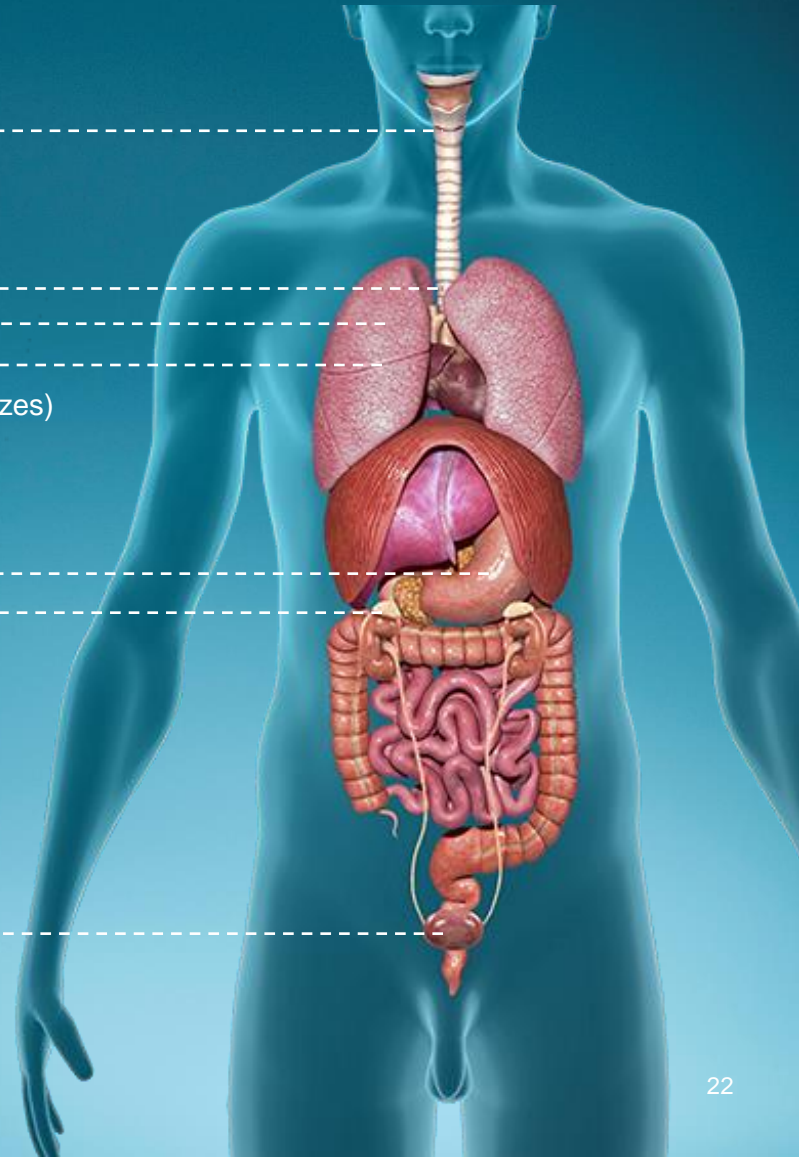
## Gastroenterology (GI)

Ambu® aScope™ Gastro  
Ambu® aScope™ Duodeno 1.5  
Ambu® aScope™ Duodeno 2  
Colonoscope  
Gastro Large  
Cholangioscope



## Urology

Ambu® aScope™ 4 Cysto  
Cystoscope HD  
Ureteroscope



# 5-YEAR FINANCIAL TARGETS

Aiming for > 10% organic growth and ~20% EBIT margin

	FY 21/22 actuals	5-year target <sup>1</sup>
<b>Organic revenue Growth</b>	4%	<b>&gt; 10% CAGR</b>
Endoscopy Solutions	1%	15-20% CAGR
Anaesthesia & Patient Monitoring	8%	2-4% CAGR <sup>2</sup>
<b>EBIT Margin</b>	<b>2.7%</b>	<b>~ 20%</b> <sup>3</sup>

	FY 21/22 actuals	Other long-term targets
NWC (% of revenue)	23%	~20%
CAPEX (% of revenue)	12%	~9%
Gearing (NIBD/EBITDA <sup>4</sup> )	3.9x	Below 2.5x
Free cash flow before acquisitions	-458 DKKm	Positive in FY23/24



Growth will mainly be driven by high growth within Endoscopy Solutions with high expected revenue contribution from all four major endoscopy areas



EBIT improvements will be driven by gross margin improvements and scalability in OPEX relative to sales

# P&L DETAILS

DKKm <i>reported figures</i>	FY 18/19	FY 19/20	FY 20/21	Q1 21/22	Q2 21/22	Q3 21/22	Q4 21/22	FY 21/22	Q1 22/23	Q2 22/23	Q3 22/23
<b>Revenue</b>	<b>2,820</b>	<b>3,567</b>	<b>4,013</b>	<b>1,031</b>	<b>1,122</b>	<b>1,128</b>	<b>1,163</b>	<b>4,444</b>	<b>1,132</b>	<b>1,189</b>	<b>1,195</b>
<b>Gross profit</b>	<b>1,637</b>	<b>2,212</b>	<b>2,503</b>	<b>634</b>	<b>647</b>	<b>629</b>	<b>644</b>	<b>2,554</b>	<b>662</b>	<b>664</b>	<b>672</b>
<i>Gross margin</i>	<i>58.0%</i>	<i>62.0%</i>	<i>62.4%</i>	<i>61.5%</i>	<i>57.7%</i>	<i>55.8%</i>	<i>55.4%</i>	<i>57.5%</i>	<i>58.5%</i>	<i>55.8%</i>	<i>56.2%</i>
Selling and distribution	762	1,228	1,468	406	407	389	432	1634	386	394	359
Development	103	157	225	64	65	72	80	281	69	69	75
Mgmt. and administrative	292	399	470	124	128	126	139	517	139	155	147
<b>OPEX total</b>	<b>1,157</b>	<b>1,784</b>	<b>2,163</b>	<b>594</b>	<b>600</b>	<b>587</b>	<b>651</b>	<b>2,432</b>	<b>594</b>	<b>618</b>	<b>581</b>
<b>EBIT before special items</b>	<b>480</b>	<b>428</b>	<b>340</b>	<b>40</b>	<b>47</b>	<b>42</b>	<b>-7</b>	<b>122</b>	<b>68</b>	<b>46</b>	<b>91</b>
<i>EBIT margin before special items</i>	<i>17.0%</i>	<i>12.0%</i>	<i>8.5%</i>	<i>3.9%</i>	<i>4.2%</i>	<i>3.7%</i>	<i>-0.6%</i>	<i>2.7%</i>	<i>6.0%</i>	<i>3.9%</i>	<i>7.6%</i>
Special items	174	0	0	0	0	13	135	-148	0	0	-2
<b>EBIT after special items</b>	<b>306</b>	<b>428</b>	<b>340</b>	<b>40</b>	<b>47</b>	<b>29</b>	<b>-142</b>	<b>-26</b>	<b>68</b>	<b>46</b>	<b>89</b>
<i>EBIT margin after special items</i>	<i>10.9%</i>	<i>12.0%</i>	<i>8.5%</i>	<i>3.9%</i>	<i>4.2%</i>	<i>2.6%</i>	<i>-12.2%</i>	<i>-0.6%</i>	<i>6.0%</i>	<i>3.9%</i>	<i>7.4%</i>
<b>Total OPEX % of revenue</b>	<b>41%</b>	<b>50%</b>	<b>54%</b>	<b>58%</b>	<b>53%</b>	<b>52%</b>	<b>56%</b>	<b>55%</b>	<b>52%</b>	<b>52%</b>	<b>49%</b>
Sales and distribution	27%	34%	37%	39%	36%	34%	37%	37%	34%	33%	30%
Development	4%	4%	6%	6%	6%	6%	7%	6%	6%	6%	6%
Mgmt. and administrative	10%	11%	12%	12%	11%	11%	12%	12%	12%	13%	12%



# DISCLAIMER

This presentation contains certain forward-looking statements, including but not limited to, the statements and expectations contained in the "Financial Update" section of this presentation. Statements herein, other than statements of historical fact, regarding our future results of operations, financial condition, cashflows, business strategy, plans and future objectives are forward-looking statements. Words such as "targets", "ambition", "believe", "expect", "aim", "intend", "plan", "seek", "will", "may", "should", "anticipate", "continue", "predict" or similar expressions, as well as other statements regarding matters that are not historical facts or regarding future operating or financial performance, constitute forward-looking statements.

These forward-looking statements reflect management's current views, plans and best assumptions with respect to certain future events and potential financial performance. By their very nature, forward-looking statements involve inherent risks and uncertainties. Ambu cautions that a number of important factors, including those described in this presentation, could cause actual results to differ materially from those set out in any forward-looking statements. Although Ambu believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

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FORWARD