

Q2 2022/23 AIDE-MÉMOIRE

INTRODUCTION

This aide-mémoire sets forth public information previously provided by Ambu. The information provided below may prove helpful in estimating the financial performance for Q2 2022/23 (January 2023 - March 2023).

Please note that the items listed below are not exhaustive.

2022/23 GUIDANCE

On November 15, 2022, in connection with our annual results for the financial year 2021/22, we issued the financial guidance for the financial year 2022/23. This guidance was maintained in our Q1 2022/23 (February 7, 2023).

	Organic revenue growth	EBIT margin (before special items)
Financial guidance, 2022/23	5-8%	3-5%

We have communicated the following regarding our guidance for the financial year 2022/23:

ORGANIC REVENUE GROWTH

“2022/23 will be a transition year for Ambu, and combined with high external volatility, the outlook for 2022/23 is associated with uncertainty”

(Q4 2021/22 investor presentation, November 15, 2022)

“The organic revenue growth for 2022/23 is projected at 5-8%, where we will see highest growth coming from Endoscopy Solutions (previously Visualization). The ENT (aScope™ 4 RhinoLaryngo) and cystoscopy (aScope™ 4 Cysto) businesses will continue to deliver double-digit growth, and the pulmonology business is expected to deliver year-over-year growth from the second half of 2022/23. The newly launched aScope™ 5 Broncho is expected to contribute positively to the growth in pulmonology”

(Q4 2021/22 investor presentation, November 15, 2022)

“In 2022/23 the GI portfolio (...) is expected to contribute to the growth, however, the uptake for both products (aScope™ Duodeno 1.5 and aScope™ Gastro) will be gradual compared to the other segments we are present in”

(Q4 2021/22 investor presentation, November 15, 2022)

“In 2022/23 the combined organic revenue growth within Anaesthesia and Patient Monitoring is expected to be low single digit”

(Q4 2021/22 investor presentation, November 15, 2022)

“It's also clear from this graph, as you see that the flu, is declining. And that means that basically, what we had anticipated to get benefits from the flu in Q2 came in Q1, so slightly earlier than we anticipated”

(Q1 2022/23 investor presentation transcript, February 7, 2023)

MARGINS

“Gross margin is expected to decline for the year by approximately 2 percentage points. And this is due to higher production costs, continued Mexico ramp-up and also product mix for the entire year”

(Q1 2022/23 investor presentation transcript, February 7, 2023)

“Around indirect production cost, it is clear that when we will reduce our inventory over the coming quarters, some of the indirect production costs will rather come in and hit over the P&L. That's also what impacts our gross margin in the coming quarters. And that also relates back into the 2% lower margin that we expect that we have calculated and planned with a reduction in inventories and therefore, also higher indirect production cost over our P&L side of things”

(Q1 2022/23 investor presentation transcript, February 7, 2023)

“...as we do have higher inventories, it takes us a little bit longer to actually benefit from the lower freight costs that we are seeing. It will come in, but it will come in only once we really also lower the inventories and therefore, channel that through in the whole system. So that takes a little bit longer time and will rather be expected in the second half of this year”

(Q1 2022/23 investor presentation transcript, February 7, 2023)

OTHER ASSUMPTIONS

“The free cash flow before acquisitions will improve in the range of DKK 350-450m in 2022/23 vs. 2021/22, approaching full-year neutral level, mainly driven by a normalisation of the inventory level and savings from the cost reduction program. The savings are expected to come from lower investment levels into future technologies and new product developments within Anaesthesia and Patient Monitoring”

(Annual Report 2021/22, November 15, 2022)

“CAPEX relative to revenue is expected to be approximately 9% in 2022/23”

(Annual Report 2021/22, November 15, 2022)

ENDOSCOPY SOLUTIONS

“Endoscopy Solutions grew 3% in Q1 2022/23 and continues to be driven by cystoscopy and ENT and offset by declining pulmonology sales”

(Q1 2022/23 investor presentation, February 7, 2023)

“In line with expectations, Ambu's pulmonology business declined by 17% in Q1 2022/23, mainly due to high comparables in Europe related to the Covid-19 variant, Omicron. Additionally, higher levels of competition in the U.S and the voluntary recall of Ambu® VivaSight™ 2 DLT impacted performance. However, Ambu saw a positive driver in the flu season driving sales, in particular in North America”

(Q1 2022/23 Earnings release, February 7, 2023)

“Endoscopy Solutions excluding pulmonology posted strong results for the first quarter of 2022/23, with 47% growth. Urology and ENT were the biggest growth drivers, due to an increased pace in uptake of orders and new customers, especially within Urology. The continued double-digit growth rates reflect a strong resonance with customers concerning the benefits of single-use endoscopy, specifically patient safety, workflow and efficiency”

(Q1 2022/23 Earnings release, February 7, 2023)

ANAESTHESIA AND PATIENT MONITORING

“Anaesthesia sales increased by 4% in Q1 2022/23 (-6%), while Patient Monitoring (formerly Patient Monitoring & Diagnostics) posted organic growth of 6% (7%). Both business areas were impacted positively by the post-Covid-19 recovery, as well as a continued reduction of backlog orders”

(Q1 investor presentation, February 7, 2023)

FINANCIALS

“Q1 2022/23 Gross margin for the quarter was 58.5% (61.5%). The declining gross margin is driven by production costs, product mix and higher input costs”

(Q1 2022/23 Earnings release, February 7, 2023)

“Production costs in Q1 2022/23 increased by DKK 73m or 18% compared to last year. The inflationary effect on our input prices, paired with the overheads from scaling-up the factory in Mexico had a negative effect of approximately 3 percentage points in the quarter”

(Q1 2022/23 Earnings release, February 7, 2023)

“The impact of foreign exchange rates on the Q1 2022/23 EBIT margin was approximately 1 percentage point.”

(Q1 2022/23 Earnings release, February 7, 2023)

LONG TERM FINANCIAL TARGETS

LT Financial Targets	5-year CAGR target
Total organic revenue growth	>10%
Endoscopy Solutions organic revenue growth	15-20%
Anaesthesia and Patient Monitoring organic revenue growth	2-4%

(Capital Market Day Presentation, March 21, 2023)

	5-year target
EBIT Margin	~20%
	>10% within next 2 years
	Potential trade-offs with growth investments

(Capital Market Day Presentation, March 21, 2023)

“Ambu expects a 5-year organic revenue CAGR (2022/23-2027/28) of >10%, with revenue growth in Endoscopy Solutions of 15-20% and Anaesthesia and Patient Monitoring combined of 2-4%, respectively”

(Capital Markets Day Press Release, March 21, 2023)

“The company expects an EBIT margin (before special items) >10% within the next two years, with a 5-year target of ~20% (2027/28). Given the market potential, Ambu strives for a balance between revenue growth and profitability that corresponds with Ambu’s long-term financial targets, with potential short-term trade-offs on EBIT margin, if growth investments are available to secure long-term sustainable profitable growth”

(Capital Markets Day Press Release, March 21, 2023)

“Ambu’s ambition is to create a strong balance sheet, and the company is focused on reducing financial leverage to its long-term target NIBD/EBITDA ratio of less than 2.5x and has a clear plan to reach this target within the short-term. Ambu aims to become a positive cash flow (FCF) generating company in 2023/24 and is committed to a disciplined capital allocation, which provides operational flexibility to deliver on its long-term sustainable profitable growth”

(Capital Markets Day Press Release, March 21, 2023)

CAPITAL RAISE

“To reduce its financial leverage and ensure an appropriate level of operational flexibility to deliver on its long-term financial targets, Ambu now intends to raise capital in an offering of existing treasury B shares and new B shares through an accelerated bookbuilding process. The proceeds will be used for general corporate purposes, including repayment of debt. The transaction will allow Ambu to reduce its financial leverage to be within its communicated long-term target NIBD/EBITDA ratio of less than 2.5x, providing ample buffer in an environment with increased geopolitical and economic uncertainty”

(Capital Raise Press Release, March 23, 2023)

“Ambu has successfully completed an accelerated bookbuild offering of 11,577,957 new B shares and 250,000 existing treasury B shares (in aggregate corresponding to approximately 5.3% of Ambu’s issued B shares), at a sales price of DKK 93 per share, raising gross proceeds to the Company of approximately DKK 1.1 billion”

(Capital Raise Press Release, March 24, 2023)

“Subject to settlement, the share capital increase will be registered with the Danish Business Authority and the share capital of Ambu will hereafter consist of 234,974,389 B shares of DKK 0.50 each, together with 34,320,000 A shares of DKK 0.50 each, equivalent to a registered share capital of DKK 134,647,194.5”

(Capital Raise Press Release, March 24, 2023)

EXCHANGE RATE ASSUMPTIONS FOR 2022/23

Currency	7 Feb 2023	15 Nov 2022
USD/DKK	696	722
MYR/DKK	160	156
CNY/DKK	101	103
GBP/DKK	845	850

(Q1 2022/23 Earnings release, February 7, 2023)

INVESTOR RELATIONS CONTACT

Nicolai Thomsen

Director, Investor Relations & Strategic Finance

Telephone: +45 2620 8047

E-mail: Nith@ambu.com

Asger Kanstrup Lund

Associate, Investor Relations

Telephone: +45 2139 6445

E-mail: Ask1@ambu.com

FORWARD-LOOKING STATEMENTS

Forward-looking statements, especially such as relate to future revenue and operating profit, are subject to risks and uncertainties. Various factors, many of which are outside Ambu's control, may cause the actual development to differ materially from the expectations contained in this memo. Factors that might affect such expectations include, among others, changes in health care, in the world economy, in interest rate levels and in exchange rates.