

Q4 2021/22 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 Q4 2021/22 (July 2022 – September 2022).

Please note that the items listed below are not exhaustive.

2021/22 GUIDANCE

On August 3, 2022, we revised the financial guidance for the financial year 2021/22. The outlook for organic growth was revised from “13%+” to “no less than 4%” and the outlook for EBIT margin was revised from “5%+” to “no less than 2%”.

| | Organic revenue growth | EBIT margin (before special items) |
|------------------------------------|------------------------|------------------------------------|
| Financial guidance, 2021/22 | 4% (no less than) | 2% (no less than) |

At the Company announcement no. 12 2021/22, we communicated the following regarding our guidance for the financial year 2021/22:

“To strengthen our financial position and flexibility, we have decided to launch a cost reduction program. As a consequence of the decision to implement these changes, and with a challenging current trading in July, we are unfortunately making a significant reduction to our 2021/22 full-year guidance”
(Company announcement no. 12 2021/22)

In Q3 2021/22 (August 25, 2022) we communicated the following.

VISUALIZATION

“We were excited to receive FDA clearance on aScope 5 Broncho in July. It's now approved in U.S., Europe and Australia. And the commercial launch is gradually ramping up with customer trials. It's still early in the launch, but we get the expected positive feedback that aScope 5 Broncho is suitable and accepted for advanced procedures, which are performed in the bronchoscopy suite. And thereby, we are expanding our total addressable market. aScope 4 will remain in the market as it continues to be an attractive product. And if we look at the total pulmonology market, I feel very confident that we are well positioned for growth which will, in the future, be accelerated by the launch of our new Video Laryngoscope 2.0 as well as additional sizes of aScope 5 Broncho”
(Q3 2021/22 conference call, August 25 2022)

“The ENT segment is a market we expanded into in 2018/19. The success over the last 3 years has been impressive in this segment where we did not have experience. In April 2022, we expanded the addressable market as we got approval to target fees procedures. These are procedures to evaluate swallowing, and they're typically at a higher reimbursement level, which is a key driver for adoption of single-use endoscopes”
(Q3 2021/22 conference call, August 25 2022)

“Urology was also an unknown territory for us. And when we launched aScope 4 Cysto back in 2019/20 the product has seen and continues to see rapid adoption and is a key growth driver. We plan to expand into ureteroscopy as it is an attractive market, which will further strengthen our footprint in urology”
(Q3 2021/22 conference call, August 25 2022)

“GI is the largest endoscopy segment. It's also a segment that is new for us when we entered with our duodenoscope, and where we are now excited to launch our second product, aScope Gastro, which has been approved in U.S., Europe and Australia. With the gastroscope we're in the early commercial launch phase where customers have trialed the gastroscope with overwhelmingly positive feedback. For aScope Duodeno, the uptake has been slower than we expected. This has especially been driven by the fact that the ERCP procedures, they are clinically complex relative to other procedures. And that leads to higher performance requirements and also lower willingness among physicians to change their practice. Over time, we still expect this market to convert to single use but we expect it will likely be a more gradual uptick compared to other segments. We are advancing our aScope Duodeno platform with aScope Duodeno 2.0 in development. Finally, we are aiming to expand into more GI procedures such as cholangioscopy where the single-use market already exists and colonoscopy, where we will be first mover”

(Q3 2021/22 conference call, August 25 2022)

ANAESTHESIA AND PMD

“Both business areas are positively impacted by pent-up demand and the continued reduction of our backlog orders. To get a sense of the growth on a normalized basis, these 2 areas combined have delivered a 3-year compounded annual growth rate of 5%”

(Q3 2021/22 conference call, August 25 2022)

FINANCIALS

“For the full-year 2021/22, we expect high single-digit organic revenue growth in the combined Anaesthesia and PMD businesses. For ENT and cystoscopy combined, we expect to sell above 700,000 endoscopes for the financial year 2021/22. And we expect to incur additional special items in Q4 2021/22 of up to DKK 150m”

(Q3 2021/22 investor presentation, August 25 2022)

“We have adjusted our pricing practices to reduce the level of discounts and rebates, which is being implemented and it will have a negative financial revenue impact of DKK 40 million in the last quarter (Q4) of this financial year”

(Q3 2021/22 conference call, August 25 2022)

“The main elements impacting our EBIT margin for the quarter (Q3) are seen in the gross margin and relate to three key elements. One is higher distribution cost; two is cost related to our Mexico production site ramp-up; and three is inventory write-down”

(Q3 2021/22 conference call, August 25 2022)

“We are taking active steps to improve our EBIT margin as the current level certainly is not where we would want it to be. The initiatives we have started and as mentioned, has the very clear ambition of increasing our profitability level and to improve our cash flow and thus providing more financial flexibility and enabling us to finance our innovation engine and our continued growth. I'm certainly not satisfied with the current EBIT, cash flow and gearing level that we have. We are, therefore, addressing this with the cost reduction program and actions already taken and combined with, again, more rigor in our project and cost management, we will improve our gearing ratio over the course of next financial year (2022/23) to be at a much healthier level for us as a high-growth company”

(Q3 2021/22 conference call, August 25 2022)

“In order to achieve the free cash flow, we are committed to improve EBITDA, net working capital and also our CapEx. The cost reduction program, our change in pricing practice and efficiency initiatives are set to improve our EBITDA. We have initiatives targeting the entire net working capital from inventory to vendor and supplier management and trade receivables. So that will certainly also be a key focus of ours. And we will continue to invest in R&D and continue to invest into our exciting pipeline to ensure that we bring innovative products to the market and to our customers. We will invest in line with our peers within the med-tech industry. And I'm convinced we will be able with this to improve across all areas and thus improve our free cash flow and thereby creating the necessary financial flexibility needed. The improvement will be seen during the full next financial year (2022/23)”
(Q3 2021/22 conference call, August 25 2022)

EXCHANGE RATE ASSUMPTIONS FOR 2021/22

| | 25 August 2022 | 3 August 2022 | 5 May 2022 | 8 February 2022 | 9 November 2021 |
|---------|----------------|---------------|------------|-----------------|-----------------|
| USD/DKK | 687 | 684 | 680 | 650 | 642 |
| MYR/DKK | 160 | 159 | 160 | 155 | 155 |
| CNY/DKK | 105 | 105 | 105 | 102 | 100 |
| GBP/DKK | 880 | 880 | 881 | 880 | 877 |

(Q3 2021/22 company announcement no. 13 2021/22)

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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.