

# Q1 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 Q1 2021/22. Please note that the items listed below are not exhaustive.

## 2021/22 GUIDANCE

On November 9, 2021 in connection with our annual results for the financial year 2020/21, we issued the financial guidance for the financial year 2021/22.

	Organic revenue growth	EBIT margin
<b>Financial guidance, 2021/22</b>	15-19%	7-9%

At the Q4 2020/21 earnings (November 9, 2021) we communicated the following regarding our guidance for the fiscal year 2021/22:

### Organic revenue growth:

Organic growth is expected to be 15-19% and will be driven by Visualization, which will continue to deliver high double-digit growth rates. Our recent launches, i.e. aScope™ RhinoLaryngo, aScope™ 4 Cysto and aScope™ Duodeno, are expected to contribute a large share of the organic growth as we create the markets and move through the year. The contribution to growth from products that will be launched in 2021/22 is expected to be modest during this first year of launch but will be important growth drivers going forward.

Adjusting for the NHS England safety stock order made in Q1 last year, our 2021/22 guidance on organic revenue growth would increase by ~3.5%-pts.

The phasing of the quarterly growth in 2021/22 will be back-end loaded as the recently launched products are expected to gain traction and elective procedures reach full recovery. Furthermore, the organic growth in Q1 2021/22 is expected to be close to 0% due to COVID-19 driven orders to the NHS in England in Q1 2020/21.

We expect the average selling prices across our singleuse endoscopy portfolio to remain stable within product categories and geographies.

### EBIT margin:

EBIT margin is expected to be 7-9% and will be impacted by the high costs of running the supply chain as well as the raw material inflation with some expected improvements late in the year. As we move into 2021/22, we have built a comprehensive commercial infrastructure that will ensure our ability to effectively launch and create the markets. The OPEX ratio to revenue will be highest in the early part of the year and improve together with the EBIT margin as we move through the year, meaning that the EBIT-margin for H1 2021/22 is expected to be low single digit.

For Q1 2021/22, our EBIT margin is expected to be low single digit and gradually improve as we build financial scale.

## Free cash flow:

Free cash flow is expected to be negative and will be impacted by the profit levels and continued CAPEX investments into innovation, manufacturing including Mexico and IT infrastructure. The majority of CAPEX will be related to innovation and to enable manufacturing to start up production lines of new devices in line with the planned product launches.

The perimeter of the manufacturing site in Mexico is based on a financial lease with a value of approx. DKK 225m which Ambu will take ownership of in Q1 2021/22. CAPEX relating to the interiors of the manufacturing site is expected at approx. DKK 70m. We expect the site in Mexico to be operational in the second half of 2021/22.

## NIBD/EBITDA:

The NIBD/EBITDA ratio is expected to increase in the first half of 2021/22 and then decrease towards the end of the financial year. Our loan documentation is designed to support the expected evolution of the NIBD/EBITDA ratio.

## Gross margin:

We expect the gross margin for 2021/22 to be slightly below 2020/21. The gross margin will be impacted by two opposite factors: 1) the high double-digit growth rates in Visualization that will increase the gross margin while 2) inflation from raw materials and additional overhead costs related to the ramp-up of the manufacturing facility in Mexico.

## INVESTOR RELATIONS CONTACT

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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.