

Q3 RESULTS



Interim report for Q3 2020/21

Ambu's revenue increased organically by 7% in Q3 and 16% for the year to date mainly driven by new product launches in Visualization and uptake in elective procedures in Europe and North America. Full-year outlook as of 1 July 2021 is maintained.

"We continue our strong growth trajectory on the back of our innovation and commercial execution. I'm proud of how the organization is responding effectively to the continued COVID-19 market volatility and supply chain disruption. As we continue to roll out our pipeline, we will emerge as the leading single-use endoscopy player," says Juan Jose Gonzalez, CEO of Ambu.

Highlights for the quarter

Comparative figures for Q3 2019/20 are stated in brackets.

- **Revenue** for Q3 was DKK 973m (DKK 947m) based on **organic growth** of 7% (21%). Reported growth for the quarter was 3% (23%). Year to date, organic growth was 16% (20%), with reported growth of 11% (22%). Growth rates are significantly influenced by the high comparables for Q3 2019/20. **Compared to Q3 2018/19**, before the pandemic, the annual average organic growth rate was 14%.
- Sales in **North America** grew organically by 32% (-10%), while we saw a decline in **Europe** of -10% (59%). **Rest of World** posted organic growth of 7% (31%). Year to date, organic growth rates were: North America 16% (7%), Europe 16% (38%) and Rest of World 11% (15%).
- **Visualization** sales were on par with the sales in Q3 last year, which means 0% growth (81%) as Q3 last year was a quarter with extraordinarily high Visualization sales. The annual average organic growth rate for Visualization compared to Q3 2018/19 is 36%. Year to date, organic Visualization growth was 29% (60%).
- **Sales of single-use endoscopes** reached 386,000 units in the quarter and 1,135,000 units year to date. Sales volumes were thus up 15% and 37%, respectively, relative to last year.
- **Anaesthesia** sales declined by -1% (-1%), while **Patient Monitoring & Diagnostics (PMD)** posted organic growth of 44% (-32%). Year to date, Anaesthesia was flat at 0% (3%) and PMD grew by 7% (-10%).
- In early Q4, we submitted **aScope™ Gastro** and **aBox™ 2** for FDA clearance, and the 1.5 version of the **aScope™ Duodeno** is progressing as planned with commercialization expected to commence in September 2021. Launch of **aScope™ 5 Broncho** is postponed to 2021/22.
- **Gross margin** for the quarter was 62.5% (64.7%). The gross margin year to date was 63.4% (62.2%). The declining gross margin is mainly driven by product mix.

- **Capacity costs** for the quarter totaled DKK 520m (DKK 457m), corresponding to an increase of 14%. The increase is driven by the overall expansion of capabilities to execute on our strategy. Year to date, capacity costs were up 22%.
- **EBIT** for the quarter was DKK 88m (DKK 156m) with an **EBIT margin** of 9.0% (16.5%). Year to date, EBIT ended at DKK 336m (DKK 399m) with a margin of 11.2% (14.8%).
- **Net working capital**-to-revenue ratio was 21% (17%) at the end of the quarter based on rolling 12-month revenue. We have continued to invest in inventories to build a robust supply chain and manage risk from the current increase in delivery time.
- **Free cash flow** before acquisitions totaled DKK -113m (DKK 187m) for the quarter and DKK -138m (DKK -92m) for the year to date reflecting the higher levels of inventory.
- Total **net interest-bearing debt** (NIBD) was DKK 638m (DKK 1,253m), corresponding to a leverage ratio of 1.1 (2.2). The reduced net interest-bearing debt is the result of the 1.86% capital raise (DKK 1.2bn) carried out in January. To reflect the reduced need for external financing, we have in the quarter renegotiated our external financing and signed a new 3-year committed agreement with our primary banks. Total credit lines available are now DKK 1,500m (DKK 2,300m) and the cost of financing includes sustainability targets as part of our ESG strategy.
- **The outlook for the 2020/21 financial year** was updated on 1 July 2021 due to slower than expected recovery of elective procedures and shipment delays. On this date, the 2020/21 outlook for organic growth was lowered from “17-20%” to “approx. 17%”, and the outlook for EBIT margin was lowered from “11-12%” to “approx. 10%”. The guidance for total number of endoscopes sold was upgraded to exceed the previous upper end of the range from 1.3 to 1.4 million units. At the end of Q3 2020/21, we repeat this updated outlook for 2020/21 as follows:
 - Organic growth of approx. 17% with growth in Visualization above 30%
 - EBIT margin of approx. 10%
 - Sales of single-use endoscopes of more than 1.4 million units

A **conference call** is held today, Tuesday 17 August 2021, at 09.30 (CEST). The conference is broadcast live via ambu.com/webcastQ32021. The presentation can be downloaded immediately before the conference call via the same link. To ask questions in the Q&A session, please call one of the following numbers five minutes before the start of the conference: +45 3544 5577 (DK), +44 333 300 0804 (UK), +1 631 913 1422 (US), and enter the following access code: 70000017#.

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About Ambu

Ambu has been bringing the solutions of the future to life since 1937. Today, millions of patients and healthcare professionals worldwide depend on the efficiency, safety and performance of our single-use endoscopy, anaesthesia, and patient monitoring solutions. We continuously look to the future with a commitment to deliver innovative quality products that have a positive impact on patient care and the work of healthcare professionals. Headquartered near Copenhagen in Denmark, Ambu employs approximately 4,500 people in Europe, North America and the Asia Pacific. For more information, please visit ambu.com.

FINANCIAL HIGHLIGHTS

DKKm	Q3 2020/21	Q3 2019/20	YTD 2020/21	YTD 2019/20	FY 2019/20
Income statement					
Revenue	973	947	2,987	2,696	3,567
Gross margin, %	62.5	64.7	63.4	62.2	62.0
EBITDA	143	198	491	524	609
Depreciation, amortization and impairment	-55	-42	-155	-125	-181
EBIT	88	156	336	399	428
Net financials	-11	-33	-26	-82	-106
Profit before tax	77	123	310	317	322
Net profit for the period	62	92	248	238	241
Balance sheet					
Assets	5,567	4,876	5,567	4,876	4,926
Net working capital	794	569	794	569	581
Equity	3,904	2,410	3,904	2,410	2,372
Net interest-bearing debt	638	1,253	638	1,253	1,346
Invested capital	4,542	3,663	4,542	3,663	3,718
Cash flows					
Cash flows from operating activities	68	314	266	214	295
Cash flows from investing activities before acquisitions	-181	-127	-404	-306	-428
Free cash flows before acquisitions of enterprises and technology	-113	187	-138	-92	-133
Acquisitions of enterprises and technology	0	-2	-300	-2	-2
Cash flows from operating activities, % of revenue	7	33	9	8	8
Investments, % of revenue	-19	-13	-14	-11	-12
Free cash flows before acquisitions of enterprises, % of revenue	-12	20	-5	-3	-4
Key figures and ratios					
Organic growth, %	7	21	16	20	26
Rate of cost, %	53	48	52	47	50
EBITDA margin, %	14.7	20.9	16.4	19.4	17.1
EBIT margin, %	9.0	16.5	11.2	14.8	12.0
Tax rate, %	19	25	20	25	25
Return on equity, %	11	16	11	16	11
NIBD/EBITDA before special items	1.1	2.2	1.1	2.2	2.2
Equity ratio, %	70	49	70	49	48
Net working capital, % of revenue	21	17	21	17	16
Return on invested capital (ROIC), %	7	9	7	9	9
Average number of employees	4,583	3,731	4,388	3,429	3,617
Share-related ratios					
Market price per share (DKK)	241	208	241	208	180
Earnings per share (EPS) (DKK)	0.24	0.37	0.99	0.97	0.98
Diluted earnings per share (EPS-D) (DKK)	0.24	0.37	0.98	0.96	0.97

MANAGEMENT'S REVIEW

Q3 2020/21

During Q3 of 2020/21, we saw an increased impact of the COVID-19 pandemic on our 2020/21 financial forecast. This included a slower than expected recovery of elective procedures and shipment delays caused by the congestions of the global container freight market, impacting our Core portfolio. For our Visualization portfolio, we have been able to mitigate the congestion impact by relying on airfreight. Against this background, we adjusted the outlook for the full year on 1 July 2021 and disclosed preliminary key figures for Q3. The actual financial performance for Q3 is in line with this preliminary disclosure.

At end of Q3 and going into Q4 2020/21, we are seeing that elective procedure activity continues to increase with volatility across geographies.

Q3 showed overall 7% growth based on strong performance by the US business against a challenging Q3 last year, whereas Europe declined slightly compared to the very high Q3 results a year ago.

Compared to Q3 2018/19 reported revenue of DKK 773m, before the pandemic, the annual average organic CAGR (Compound Average Growth Rate) was 14%, illustrating a more stable development without the fluctuations seen during COVID-19.

Throughout the COVID pandemic, awareness of single-use endoscopy has increased, and on 25 June 2021, the US Food and Drug Administration (FDA) updated a safety communication recommending that healthcare providers consider using single-use bronchoscopes in situations where there is increased risk of spreading infection, or where no support for immediate reprocessing is available. In addition, the FDA now recommends that healthcare facilities consider using sterilization for reprocessing instead of high-level disinfection as

currently used. We believe the recommendation by FDA to move to sterilization of reusables will further increase the economic attractiveness of single-use bronchoscopy and therefore accelerate the transition to make single-use bronchoscopy the standard of care.

As part of our efforts to mitigate supply chain disruptions, we have accelerated the construction of our Visualization plant in Mexico. We now expect the plant to be operational in 2021/22 – a year sooner than originally planned.

To support the ESG strategy, Ambu has in August 2021, signed up to the Science Based Targets initiative and committed to setting carbon emission targets which meet the goals of the Paris Agreement. We have chosen to sign up to the most ambitious target of 1.5°C science-based reduction.

Sales performance – Regions

Last year's comparative figures are stated in brackets.

For Q3, revenue ended at DKK 973m (DKK 947m) corresponding to organic growth of 7% (21%) and reported growth of 3% (23%).

For the year to date ending on 30 June 2021, revenue came to DKK 2,987m (DKK 2,696m), corresponding to organic growth of 16% (20%).

North America accounted for 43% of revenue in Q3 based on organic growth of 32% (-10%). Reported growth was 20% (-9%). The difference of 12 percentage points between organic and reported growth is due to the depreciating USD/DKK exchange rate over the same period last year.

The elective procedure activity on the North American market continues to improve but with significant variability by state.

DKKm	Q3 20/21	Q3 19/20	Organic growth	Fx	Reported growth	YTD 20/21	YTD 19/20	Organic growth	Fx	Reported growth
North America	418	349	32%	-12%	20%	1,246	1,174	16%	-10%	6%
Europe	429	478	-10%	0%	-10%	1,413	1,218	16%	0%	16%
Rest of World	126	120	7%	-2%	5%	328	304	11%	-3%	8%
Revenue	973	947	7%	-4%	3%	2,987	2,696	16%	-5%	11%

In North America, Visualization sales grew organically by 47% (-2%) in Q3, with very strong performance by the urology business where the aScope Cysto was launched during Q3 last year.

Anaesthesia posted organic growth of 8% (-6%), reflecting solid improvements in underlying market conditions. PMD sales increased organically by 68% (-43%), also a sign that elective procedures are returning after the sharp contraction in Q3 last year.

For the year to date, North America accounted for 42% of revenue, based on organic growth of 16% (7%) and 6% (9%) reported growth.

Europe accounted for 44% of revenue in Q3, with sales declining relative to the prior-year period with organic as well as reported growth at -10% (59%).

In Europe, elective procedures continue to recover and access to hospitals is improving.

For Visualization, organic growth for the quarter came in at -26% (195%). As the comparable shows, Q3 last year saw a surge in demand for single-use bronchoscopes as these devices came to play an important role in the treatment of COVID-19 patients in Europe.

Organic growth for Anaesthesia came to -13% (7%) in the quarter as demand for resuscitators is normalizing after last year's COVID-related spike in demand. Also

supply chain constraints played a part in the lower growth for Anaesthesia as shipments from Asia to Europe were delayed. Just like in North America, PMD sales for the quarter were up and organic growth was 48% (-32%).

For the year to date, Europe accounted for 47% of revenue, based on organic growth as well as reported growth of 16% (38%).

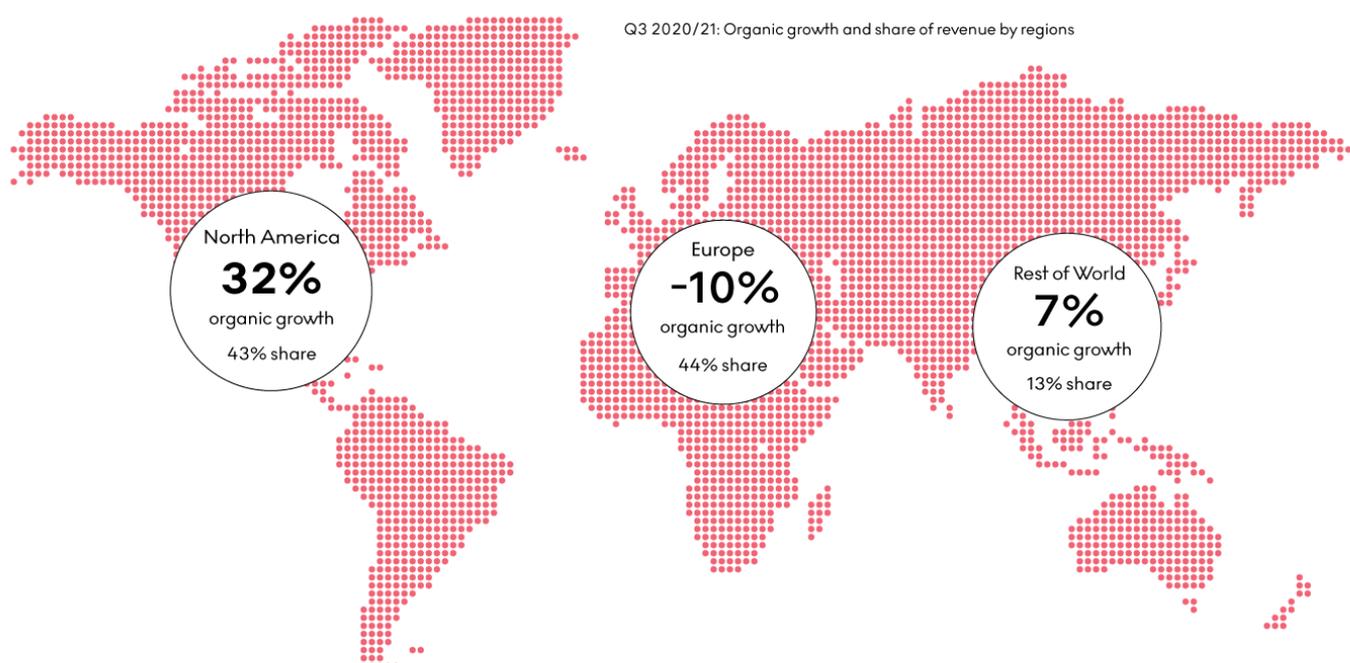
Rest of World, which is comprised of our direct markets in Asia-Pacific and our indirect distribution network in Latin America, the Middle East and Africa, accounted for 13% of the quarter's revenue and posted organic growth of 7% (31%) with reported growth of 5% (35%).

Overall, the Rest of World area remains significantly impacted by national lockdowns across all main markets in Asia and Latin America.

In Rest of World, Visualization achieved organic growth of 31% (105%), reflecting growth trends in continuation of the COVID-related spikes in demand from last year paired with continued penetration of certain key markets in Asia.

Anaesthesia declined by -16% (10%) and PMD by -3% (-9%) as elective procedure activity continues to be low.

Year to date, Rest of World accounted for 11% of revenue, based on organic growth of 11% (15%) and reported growth of 8% (19%).



Sales performance – Business areas

Visualization

DKKm	Q3 20/21	Q3 19/20	Organic growth	Fx	Reported growth	YTD 20/21	YTD 19/20	Organic growth	Fx	Reported growth
North America	212	158	47%	-13%	34%	613	523	28%	-11%	17%
Europe	245	328	-26%	1%	-25%	866	670	29%	0%	29%
Rest of World	66	53	31%	-6%	25%	149	122	27%	-5%	22%
Revenue	523	539	0%	-3%	-3%	1,628	1,315	29%	-5%	24%

Visualization sales for the quarter were flat with organic growth of 0% (81%), while reported growth was -3% (83%) with revenue of DKK 523m. Visualization accounted for 54% (57%) of Ambu's revenue in Q3. Year to date, Visualization saw organic growth of 29% (60%) with reported growth of 24% (63%).

Q3 organic Visualization growth in North America was 47% (-2%), in Europe -26% (195%) and in Rest of World 31% (105%).

The two-year organic revenue CAGR for Visualization was 36%, reflecting the increased use and penetration of single-use bronchoscopy seen from before the pandemic until now when the COVID-19 driven demand is levelling out. On a regional basis the two-year revenue CAGR is as follows: North America 20%, Europe 48% and Rest of World 64%.

The bulk of sales in Visualization is driven by aScope™ Broncho (pulmonology), but we continue to see strong and increasing contribution from aScope™ RhinoLaryngo (ENT) and aScope™ Cysto (urology).

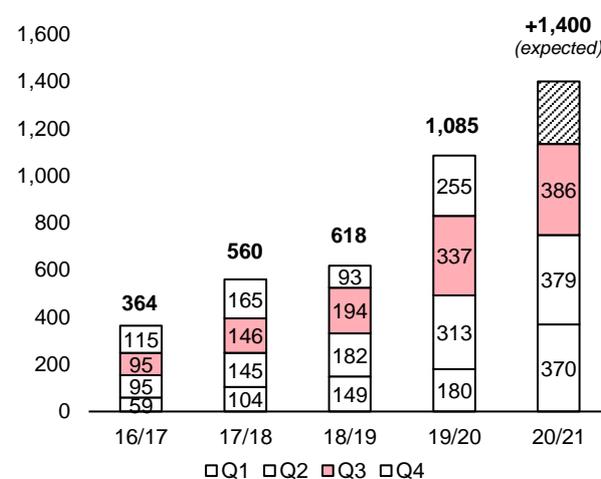
The demand for single-use endoscopes, paired with the disturbance of the global container markets, has led to a continued need for airfreighting of endoscopes to secure our supply chain. The increased cost of airfreighting is significant but necessary to fulfill the demand.

The 1.5 version of the aScope™ Duodeno is progressing as planned with commercialization expected to commence in September 2021.

In Q3 2020/21, two additional Visualization devices obtained US market clearance: Our second generation single-use double-lumen tube (VivaSight 2 DLT) and our combined single-use bronchoscope and sampling system (aScope™ 4 Broncho Sampler Set).

In Q3 2020/21, sales of endoscopes totaled 386,000 units compared to 337,000 units in Q3 2019/20. This represents 15% volume growth. For the year to date, the number of endoscopes sold was 1,135,000 units, equal to volume growth of 37% – and 50k more than total units sold in the full-year 2019/20.

Number of endoscopes sold, '000 units



In early Q4, we submitted our single-use gastroscopy system (aScope™ Gastro and aBox™ 2) for FDA clearance.

We remain on track to launch 20 Visualization products by end of the financial year 2022/23. Half of the launches will be introduced in 2021/22, including our fifth generation single-use bronchoscope (aScope™ 5 Broncho). This launch has been postponed in order to ensure monitor connectivity across our pipeline.

Anaesthesia

DKKm	Q3 20/21	Q3 19/20	Organic growth	Fx	Reported growth	YTD 20/21	YTD 19/20	Organic growth	Fx	Reported growth
North America	153	156	8%	-10%	-2%	472	493	4%	-8%	-4%
Europe	51	60	-13%	-2%	-15%	163	187	-12%	-1%	-13%
Rest of World	36	42	-16%	2%	-14%	106	107	1%	-2%	-1%
Revenue	240	258	-1%	-6%	-7%	741	787	0%	-6%	-6%

Anaesthesia revenue declined organically by -1% (-1%) in Q3 with reported growth of -7% (0%). Total revenue was DKK 240m, or 25% (27%) of Ambu's revenue in the quarter.

In North America, Anaesthesia sales increased by 8% (-6%). Sales in Europe declined by -13% (7%) and in Rest of World by -16% (10%).

The two-year organic revenue CAGR was -1% for Anaesthesia. On a regional basis the two-year revenue CAGR is as follows: North America 1%, Europe -4%, and Rest of World -4%.

The factors leading to the overall -1% growth in Anaesthesia for Q3 can be summarized as follows: Reduced demand for resuscitators, gradual return of elective procedures and supply chain constraints. Since

the start of the COVID-19 pandemic, resuscitators have been used intensively to secure the airways of COVID-19 patients, and therefore demand surged in the quarters when COVID-19 peaked, while demand for most other Anaesthesia products is driven by the overall level of elective procedures being performed. As we are moving out of the pandemic and elective procedures are picking up, we see lower revenue from resuscitators and higher revenue from most other Anaesthesia products. On top of this, the shipment delays we are experiencing, with containers being unable to get offloaded and lack of availability of containers at the manufacturing end, have led to loss of revenue as we could not deliver.

For the year to date, organic growth was flat at 0% (3%) and reported growth stood at -6% (5%).

Patient Monitoring & Diagnostics (PMD)

DKKm	Q3 20/21	Q3 19/20	Organic growth	Fx	Reported growth	YTD 20/21	YTD 19/20	Organic growth	Fx	Reported growth
North America	53	35	68%	-17%	51%	161	158	11%	-9%	2%
Europe	133	90	48%	0%	48%	384	361	7%	-1%	6%
Rest of World	24	25	-3%	-1%	-4%	73	75	0%	-3%	-3%
Revenue	210	150	44%	-4%	40%	618	594	7%	-3%	4%

PMD accounted for 21% (16%) of Ambu's revenue in Q3. Organic growth was 44% (-32%) and reported growth was 40% (-32%).

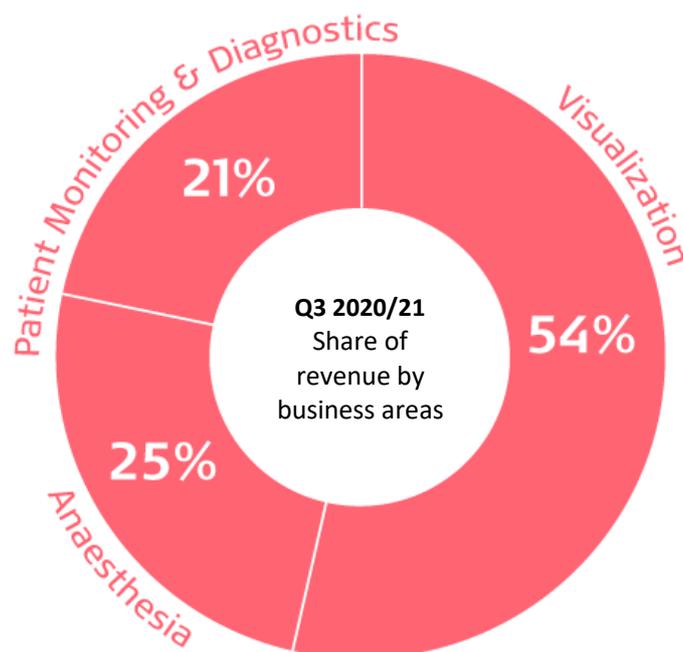
With quarterly revenue of DKK 210m, PMD is close to pre-COVID levels, and the prior-year quarter – Q3 2019/20 – was the low-point in recent years, resulting in high organic growth for Q3 this year.

The two-year revenue CAGR for PMD was -1%, reflecting the significant fluctuations we have been experiencing. On a regional basis, the two-year revenue CAGR is as follows: North America -2%, Europe 0% and Rest of World -6%.

Since our electrodes, which constitute the bulk of our PMD business, are almost exclusively used in elective procedures, the PMD revenue is an indicator of the degree to which hospital activity is dominated by COVID-19. Q3 growth indicates a positive trend of recovering sales, but the pace is slower than we expected at the beginning of the financial year.

As with Anaesthesia, we experienced shipment delays in Q3, lowering PMD revenue, especially in Europe.

For the year to date, PMD stood at organic growth of 7% (-10%) and reported growth of 4% (-10%).



FINANCIAL RESULTS

INCOME STATEMENT

DKKm	Q3 20/21	Q3 19/20	Change in value	Change %	YTD 20/21	YTD 19/20	Change in value	Change %
Revenue	973	947	26	3%	2,987	2,696	291	11%
Production costs	-365	-334	-31	9%	-1,094	-1,019	-75	7%
Gross profit	608	613	-5	-1%	1,893	1,677	216	13%
<i>Gross margin, %</i>	<i>62.5</i>	<i>64.7</i>	-	-	<i>63.4</i>	<i>62.2</i>	-	-
Selling and distribution costs	-337	-320	-17	5%	-1,031	-891	-140	16%
Development costs	-53	-41	-12	29%	-152	-107	-45	42%
Management and administration	-130	-96	-34	35%	-374	-280	-94	34%
Total capacity costs	-520	-457	-63	14%	-1,557	-1,278	-279	22%
EBIT	88	156	-68	-44%	336	399	-63	-16%
<i>EBIT margin, %</i>	<i>9.0</i>	<i>16.5</i>	-	-	<i>11.2</i>	<i>14.8</i>	-	-

Revenue for Q3 was DKK 973m, up DKK 26m from the prior-year period, corresponding to reported growth of 3% (23%). Adjusted for currency effects, the underlying organic growth was 7% (21%). As in previous quarters, negative effects from reduced average selling prices were minimal.

Revenue for the first nine months was DKK 2,987m (DKK 2,696m), corresponding to reported growth of 11% (22%) and organic growth of 16% (20%).

The currency effects for Q3 and YTD are driven by the depreciated USD/DKK exchange rate compared to the prior-year period.

Gross profit in Q3 was DKK 608m (DKK 613m), and the gross margin declined by 2.2 percentage points to 62.5% (64.7%). The decline in gross margin relative to the prior-year period is mainly driven by Q3's higher growth of Anaesthesia and PMD products relative to Visualization products, our most profitable products.

The current trend in international markets of increasing prices of raw materials and supply chain services shows a significant impact. In recent quarters, we have seen a negative impact from increased freight rates, a trend which continued in Q3 and into Q4.

Exposure to changes in foreign exchange rates

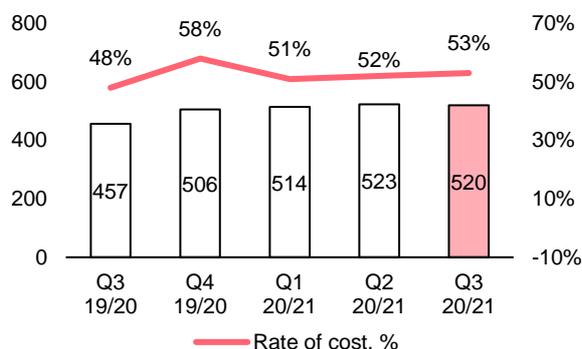
Approx. 55% of Ambu's total revenue is invoiced in USD. In addition, approx. 33% of revenue is invoiced in EUR or DKK, approx. 7% in GBP, and the remaining 5% in minor currencies. Production and capacity costs are predominantly settled in USD, DKK, EUR, MYR and CNY.

In Q3 2020/21, the average USD/DKK exchange rate was 617 (678), down 9%. The average exchange rates in Q3 changed relative to the prior-year period as follows: CNY/DKK by 0%, MYR/DKK by -5% and GBP/DKK by 3%. The combined exchange rate impact on this quarter's revenue is a negative 4%, or DKK 40m, while the net impact on earnings and EBIT margin is limited due to the USD cost base, including factories in China and Malaysia, which settle approx. 50% of their direct manufacturing costs in USD.

Capacity costs totaled DKK 520m (DKK 457m) in Q3, corresponding to a 14% or DKK 63m increase. The rate of cost was 53% (48%).

Year to date, capacity costs were DKK 1,557m (DKK 1,278m), corresponding to an increase of DKK 279m over the prior year-period 2019/20.

Total capacity costs (DKKm) and rate of cost (%)



Selling and distribution costs were up DKK 17m or 5% at DKK 337m (DKK 320m) compared to Q3 last year. Selling and distribution costs corresponded to 35% (34%) of revenue in Q3.

Year to date, costs are up DKK 140m or 16% at DKK 1,031m (DKK 891m), corresponding to 35% (33%) of revenue. The increase in selling and distribution costs includes a reversal of accrual for bad debt of DKK 15m in Q2 out of the DKK 38m accrual posted in Q2 last year. The underlying increase in selling and distribution costs equals DKK 163m, corresponding to an adjusted increase of 23%.

Our supply chain for single-use endoscopes manufactured in Malaysia and sold in the USA and Europe is impacted by the delays in the global container freight market. To compensate, we continued to airfreight mainly Visualization products to our key markets in Q3, and we expect to continue to do so in Q4 and into next year. In Q3, distribution costs relating to airfreighting and increased shipping costs in general accounted for approx. DKK 13m. Year to date, the additional shipping costs are approx. DKK 32m.

The effect of higher container rates and airfreighting for the full year is expected to be approx. DKK 55m or 1.4 percentage points of the expected EBIT margin for the FY 2020/21.

Development costs in Q3 increased by DKK 12m, or 29%, to DKK 53m (DKK 41m), corresponding to 5% (4%) of revenue. The increase can be ascribed to more activities in our innovation organization as well as a DKK 6m increase in depreciation and amortization. All in line with the strategy of a rapid expansion of our Innovation capabilities.

Our Global Innovation organization employed 378 FTE in Q3, 146 more than the 232 FTE in Q3 last year.

The negative cash flow relating to innovation activities, including the ramp-up of production of new products in

the first nine months, was up DKK 146m or 57% at DKK 401m.

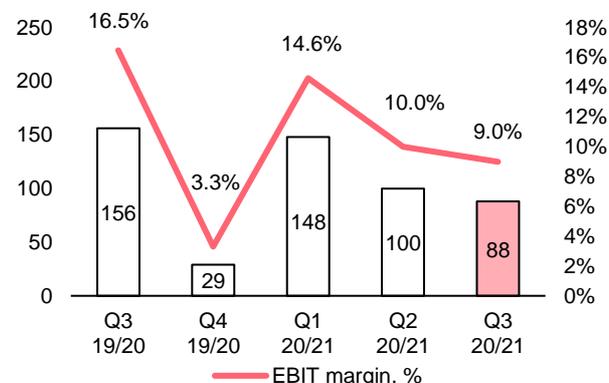
DKKm	YTD 20/21	YTD 19/20	Change in value
Development costs	152	107	45
÷ Depreciation and amortization	-76	-56	-20
÷ Impairment	0	-8	8
= Development costs affecting EBITDA	76	43	33
+ Investments	325	212	113
= Cash flow – Innovation	401	255	146

Management and administration costs for Q3 were DKK 130m (DKK 96m), corresponding to 13% (10%) of revenue. This reflects increased activity levels and an increase of our HQ headcount, including Regulatory, Quality, Finance and IT.

Operating profit (EBIT) was DKK 88m (DKK 156m) in Q3, with an EBIT margin of 9.0% (16.5%).

For the first nine months, EBIT was DKK 336m (DKK 399m) and the EBIT margin was 11.2% (14.8%).

EBIT (DKKm)



Depreciation, amortization and impairment for Q3 represented an expense of DKK 55m (DKK 42m), corresponding to 6% (4%) of revenue.

Depreciation, amortization and impairment for the first nine months was DKK 155m (DKK 125m), corresponding to 5% (5%) of revenue. The change in value is ascribed to a general increase in activity levels.

EBITDA in Q3 was DKK 143m (DKK 198m) with an EBITDA margin of 14.7% (20.9%).

EBITDA for the first nine months was DKK 491m (DKK 524m) with a margin of 16.4% (19.4%).

Net financials amounted to expenses of DKK 26m (DKK 82m) for the year to date.

Net financials are composed as follows:

- Foreign exchange constituted a net income of DKK 2m (net expense of DKK 13m).
- Other financial income of DKK 3m (DKK 0m)
- Interest expenses on bank and lease debt totalled DKK 20m (DKK 21m).
- Fair value adjustments of derivative instruments constituted an income of DKK 0m (DKK 3m).
- Fair value adjustments of contingent consideration relating to the acquisition of Invendo Medical GmbH represented an expense of DKK 8m (DKK 49m).
- The interest expense element from liabilities stated at present amortized value was DKK 3m (DKK 2m).

Tax on profit for Q3 was a net expense of DKK 15m (DKK 31m), corresponding to an average effective tax rate on profit of 19% (25%).

Tax on profit for the first nine months was a net expense of DKK 62m (DKK 79m), corresponding to 20% (25%) of profit before tax.

Due to the Danish Government's temporary increase in tax deductions for R&D costs we expect an average effective tax rate of 20% for the full year. As this deduction will expire by end of the financial year, we expect the average effective tax rate to resume at 23%.

Net profit of DKK 62m (DKK 92m) was posted for Q3, equivalent to 6% (10%) of revenue.

For the first nine months, net profit was DKK 248m (DKK 238m), corresponding to 8% (9%) of revenue.

Earnings per share (EPS) for Q3 were DKK 0.24 (DKK 0.37) and for the first nine months DKK 0.99 (DKK 0.97).

Balance sheet

Balance sheet condensed by main items

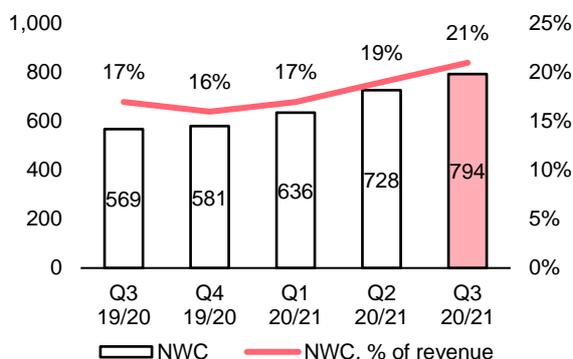
DKKm	30.06.21	30.06.20	Change in value	Change %
Non-current assets	4,015	3,648	367	10%
Inventories	684	471	213	45%
Trade receivables	627	575	52	9%
Other current assets	115	102	13	13%
Cash	126	80	46	58%
Total assets	5,567	4,876	691	14%
Equity	3,904	2,410	1,494	62%
Contingent consideration	136	427	-291	-68%
Interest-bearing debt	764	1,333	-569	-43%
Trade and other payables	621	565	56	10%
Other liabilities	142	141	1	1%
Total equity and liabilities	5,567	4,876	691	14%

At the end of Q3, **total assets** were DKK 5,567m (DKK 4,876m), and **invested capital** was DKK 4,542m (DKK 3,663m), with a 7% (9%) return on invested capital.

Non-current assets at the end of the quarter were DKK 4,015m, up DKK 367m from Q3 last year, driven by investments during the past 12 months including total investments of DKK 404m (DKK 306m) in the first nine months.

Net working capital at the end of the quarter was DKK 794m (DKK 569m), corresponding to 21% (17%) of 12 months of revenue.

Net working capital (DKK m) and net working capital relative to revenue (%)



Inventories were DKK 684m (DKK 471m) at the end of Q3, corresponding to 18% (14%) of 12 months of revenue. The increase is a consequence of the congested global container market where we are experiencing longer lead times in shipping containers from our plants in Asia to our main markets in USA and Europe.

Trade receivables totalled DKK 627m at the end of Q3 against DKK 575m for the prior-year period. Calculated at fixed exchange rates on a 12-month basis, the average days sales outstanding was 57 (64).

The management continues to monitor the credit risk related to trade receivables following the COVID-19 pandemic. Since the beginning of FY 2020/21, vaccine programmes in our largest markets have been at an advanced stage, and elective procedures are resuming, including in the USA. At the end of Q2, the credit risk of our US customers was adjusted by DKK 15m to reflect this lower risk.

The adjustment to the expected credit loss in Q3 was DKK 0m.

Trade payables and other payables totalled DKK 621m (DKK 565m), up DKK 56m or 10% from last year, corresponding to 16% (17%) of 12 months of revenue. The increase reflects the underlying increase in inventories, capital expenditures and capacity costs.

Contingent consideration was DKK 136m at the end of Q3 against DKK 427m last year. Contingent consideration was DKK 426m at the end of Q4 2019/20, and the decrease of DKK 290m since Q4 is due to a paid duodenoscopy milestone of DKK 298m, equivalent to EUR 40m.

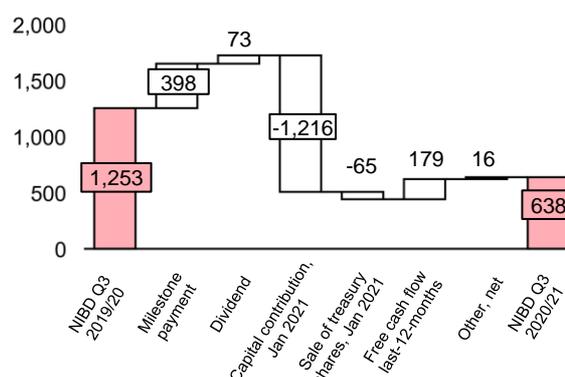
Net interest-bearing debt (NIBD) and leverage

Cash and cash equivalents amounted to DKK 126m (DKK 80m). Interest-bearing debt comprises credit institutions, DKK 500m (DKK 1,175m), and leases, DKK 264m (DKK 158m).

NIBD totalled DKK 638m, representing a decrease of DKK 615m from last year's DKK 1,253m, corresponding to 1.1 (2.2) of EBITDA before special items.

The decrease in NIBD since last year is ascribed to the 1.86% capital contribution and sale of treasury shares effected on 27 January 2021, which generated total proceeds of DKK 1,281m, accumulated free cash flow of DKK -179m in the last 12 months, contingent consideration payment of DKK 398m and distributed dividend to shareholders of DKK 73m.

Development in NIBD (DKK m)



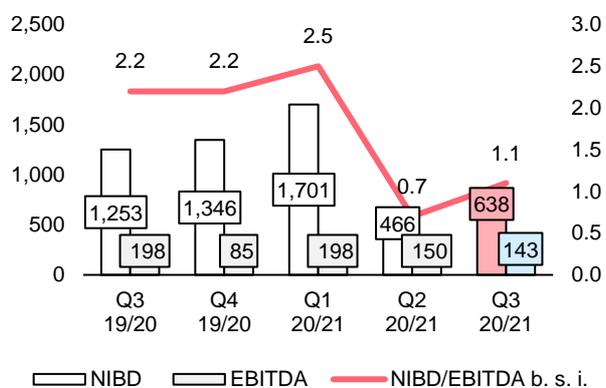
New financing agreement with primary banks

In Q3 and in accordance with the Group's Treasury Policy, Ambu signed a new credit facility agreement with the company's primary banks. As of Q3, Ambu had utilised credit facilities of DKK 500m, which consequently was repaid in July 2021 and funded by the new credit facilities.

Total credit lines available are now DKK 1,500m (DKK 2,300m) and the cost of financing includes sustainability targets as part of our ESG strategy.

The graph below illustrates how NIBD/EBITDA on 12 months' basis before special items was reduced from 2.5 in Q1 20/21 to 0.7 in Q2 20/21 following the capital contribution and sale of treasury shares in January 2021 of DKK 1.3bn.

NIBD (DKKm), EBITDA (DKKm) and NIBD/EBITDA on 12 months' basis before special items



Other liabilities were DKK 142m (DKK 141m), corresponding to a DKK 1m increase over last year.

Cash flow statement

DKKm	Q3 20/21	Q3 19/20	Change in value	YTD 20/21	YTD 19/20	Change in value
Cash flow from operating activities (CFFO)	68	314	-246	266	214	52
Cash flow from investing activities before acquisitions (CFFI)	-181	-127	-54	-404	-306	-98
Free cash flow before acquisitions (FCF)	-113	187	-300	-138	-92	-46
Acquisitions of enterprises and technology	0	-2	2	-300	-2	-298
Cash flow from financing activities (CFFF)	94	-143	237	466	54	412
Changes in cash	-19	42	-61	28	-40	68
Cash flows in % of revenue:						
Cash flow from operating activities	7	33	-	9	8	-
Investments	-19	-13	-	-14	-11	-
Free cash flow before acquisitions	-12	20	-	-5	-3	-

Cash flow from operating activities (CFFO) for Q3 was DKK 68m (DKK 314m), driven by EBITDA and working capital investments. CFFO for Q3 corresponds to 7% (33%) of revenue. The prior-year period was affected by collections of trade receivables stemming from sales at the end of Q2 and Q3 following the surge in demand due to COVID-19.

CFFO year to date totalled DKK 266m (DKK 214m), representing an increase of DKK 52m compared to the same period last year, corresponding to 9% (8%) of revenue.

Cash flow from investing activities (CFFI) for Q3 was DKK -181m (DKK 127m), driven by innovation activities corresponding to -19% (-13%) of revenue.

In Q2, intellectual property rights for a non-strategic product range were sold for DKK 6m, corresponding to the carrying amount.

CFFI year to date totalled DKK -404m (DKK -306m), an increase of DKK 98m on the same period last year. Investments in innovation account for 325m (DKK 212m), 31m (DKK 12m) of which are tangible investments to ramp up production lines for product launches.

CFFI equated to -14% (-11%) of revenue year to date.

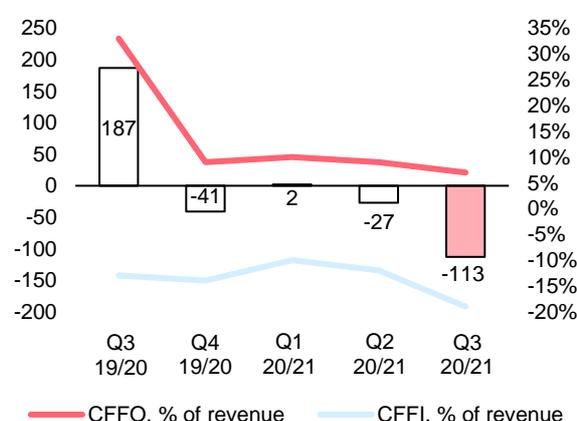
Free cash flow (FCF) before acquisitions of enterprises and technology for Q3 then totalled DKK -113m (DKK 187m), corresponding to -12% (20%) of revenue.

For the first nine months FCF was DKK -138m (DKK -92m), corresponding to -5% (-3%) of revenue.

The milestone payment of DKK 298m or EUR 40m relating to FDA clearance of the duodenoscope was paid in Q1 2020/21.

The remaining payment of DKK 149m or EUR 20m, which concludes the contingent consideration for the Invendo Medical GmbH acquisition, matures 60 banking days after FDA clearance of the gastroscop.

Free cash flow before acquisitions (DKKm)



Cash flow from financing activities (CFFF) amounted to DKK 94m (DKK -143m) for the quarter and DKK 466m (DKK 54m) for the first nine months.

During the first nine months, Ambu raised debt of DKK 525m (DKK 275m). Ambu has raised equity of DKK 1,224m most of which stems from Q2 when Ambu raised capital through an issue of new shares and the sale of treasury shares, generating proceeds of DKK 1,216m and DKK 65m, respectively. Subsequently, debt to credit institutions of DKK 1,250m was repaid.

In addition, dividend of DKK 73m (DKK 96m) has been distributed to the shareholders.

Changes in cash and cash equivalents came to DKK -19m (DKK 42m) for the quarter. For the first nine months, changes in cash and cash equivalents were DKK 28m (DKK -40m).

Equity

At the end of June 2021, equity totalled DKK 3,904m (DKK 2,410m), corresponding to an equity ratio of 70% (49%) of total assets. The share capital was DKK 129m (DKK 126m), distributed on 257.7m shares (252.2m).

Other comprehensive income

Other comprehensive income includes a translation adjustment arising from the translation of foreign subsidiaries for the first nine months of DKK -7m (DKK -44m).

Other equity

At the annual general meeting held on 9 December 2020, it was decided to pay dividend of DKK 73m to Ambu's shareholders. Since the general meeting, dividend of DKK 73m has been distributed, including DKK 1m on Ambu's portfolio of treasury shares.

On 27 January 2021, Ambu announced it was seeking to strengthen its capital base by issuing new shares and

through the sale of treasury shares. An accelerated book-building process was concluded in the following days, and a total of 4,711,832 new Class B shares and 250,000 treasury shares were sold at a price of DKK 262 per share.

Total capital of DKK 1,300m was raised. Less transaction costs of DKK 19m, this equates to net proceeds of DKK 1,281m in the form of a capital contribution of 1,216m and DKK 65m from the sale of treasury shares.

At the end of Q3 2020/21, Ambu employees had exercised a total of 620,493 purchase options in Ambu A/S.

In accordance with Ambu's remuneration policy, a general employee share programme for 2020/21 was established again in Q3 2020/21, totalling 50,258 shares. The employees acquired the shares in the open market via a broker. The general employee share programme for 2018/19 vested in Q1 2020/21, and Ambu's obligations in this respect have thus been fulfilled. Consequently, the holding of treasury shares was reduced by 45,874 Class B shares in Ambu A/S.

At the end of Q3 2020/21, Ambu's holding of Class B treasury shares had been reduced by 916,367 to 3,987,271 (4,914,682), corresponding to 1.547% (1.949%) of the total share capital.

In addition, at the end of Q3 2020/21, Ambu employees had exercised a total of 165,000 warrants to subscribe for shares in Ambu A/S for net proceeds of DKK 9m.

In certain jurisdictions, Ambu obtains a deduction for employee gains from the exercise of options and warrants. During the first nine months of the year, equity increased by DKK 30m (DKK 67m), corresponding to the value adjustment of any deductible value of employee gains.

OUTLOOK 2020/21

The outlook for the financial year 2020/21 was adjusted on 1 July 2021 (see company announcement no. 15 2020/21) and is maintained as of 17 August 2021.

Local currencies

	17 August 2021	1 July 2021	12 May 2021	27 January 2021	11 November 2020
Organic growth	Approx. 17%	Approx. 17%	17-20%	17-20%	17-20%

Danish kroner

	17 August 2021	1 July 2021	12 May 2021	27 January 2021	11 November 2020
EBIT margin	Approx. 10%	Approx. 10%	11-12%	11-12%	11-12%

Exchange rate assumptions for 2020/21

	17 August 2021	12 May 2021	27 January 2021	11 November 2020
USD/DKK	620	620	615	640
CNY/DKK	95	95	94	93
MYR/DKK	151	151	151	153
GBP/DKK	850	850	825	825

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 report. 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.

Financial diary 2020/21

2021

30 September	End of financial year 2020/21
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Financial diary 2021/22

2021

12 October	Q4 quiet period starts
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9 November	Annual report 2020/21
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14 December	Annual general meeting
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QUARTERLY RESULTS

DKKm	Q3 2020/21	Q2 2020/21	Q1 2020/21	Q4 2019/20	Q3 2019/20	Q2 2019/20	Q1 2019/20
Composition of revenue, products:							
Visualization	523	547	558	396	539	486	290
Anaesthesia	240	248	253	273	258	273	256
Patient Monitoring & Diagnostics	210	206	202	202	150	230	214
Revenue	973	1,001	1,013	871	947	989	760
Key figures, revenue:							
Endoscopes sold, '000 units	386	379	370	255	337	313	180
Growth in number of endoscopes sold, %	15	21	106	174	74	72	21
Organic growth, products:							
Visualization, %	0	17	101	204	81	69	24
Anaesthesia, %	-1	-4	5	18	-1	3	8
Patient Monitoring & Diagnostics, %	44	-7	-3	-10	-32	-6	10
Organic growth, %	7	6	39	48	21	24	14
Exchange rate effects, %	-4	-5	-6	-4	2	2	2
Reported revenue growth, %	3	1	33	44	23	26	16
Organic growth, markets:							
North America, %	32	6	13	130	-10	17	16
Europe, %	-10	2	79	15	59	40	11
Rest of World, %	7	18	9	-1	31	2	12
Organic growth, %	7	6	39	48	21	24	14
Revenue	973	1,001	1,013	871	947	989	760
Production costs	-365	-378	-351	-336	-334	-382	-303
Gross profit	608	623	662	535	613	607	457
<i>Gross margin, %</i>	<i>62.5</i>	<i>62.2</i>	<i>65.4</i>	<i>61.4</i>	<i>64.7</i>	<i>61.4</i>	<i>60.1</i>
Selling and distribution costs	-337	-346	-348	-337	-320	-324	-247
Development costs	-53	-52	-47	-50	-41	-36	-30
Management and administration	-130	-125	-119	-119	-96	-97	-87
<i>Total capacity costs</i>	<i>-520</i>	<i>-523</i>	<i>-514</i>	<i>-506</i>	<i>-457</i>	<i>-457</i>	<i>-364</i>
Operating profit (EBIT)	88	100	148	29	156	150	93
<i>EBIT margin, %</i>	<i>9.0</i>	<i>10.0</i>	<i>14.6</i>	<i>3.3</i>	<i>16.5</i>	<i>15.2</i>	<i>12.2</i>
Financial income	1	4	0	0	-3	2	4
Financial expenses	-12	11	-30	-24	-30	-14	-41
Profit before tax (PBT)	77	115	118	5	123	138	56
Tax on profit for the period	-15	-20	-27	-2	-31	-34	-14
Net profit for the period	62	95	91	3	92	104	42

QUARTERLY RESULTS (CONTINUED)

DKKm	Q3 2020/21	Q2 2020/21	Q1 2020/21	Q4 2019/20	Q3 2019/20	Q2 2019/20	Q1 2019/20
Balance sheet:							
Assets	5,567	5,318	5,043	4,926	4,876	4,788	4,680
Net working capital	794	728	636	581	569	713	593
Equity	3,904	3,861	2,394	2,372	2,410	2,300	2,127
Net interest-bearing debt	638	466	1,701	1,346	1,253	1,446	1,358
Invested capital	4,542	4,327	4,095	3,718	3,663	3,746	3,485
Cash flows, in DKKm:							
Cash flows from operating activities	68	92	106	81	314	10	-110
Cash flows from investing activities before acquisitions of enterprises and technology	-181	-119	-104	-122	-127	-99	-80
Free cash flows before acquisitions of enterprises and technology	-113	-27	2	-41	187	-89	-190
Acquisitions of enterprises and technology	0	-1	-299	0	-2	0	0
Cash flows, in % of revenue:							
Cash flows from operating activities	7	9	10	9	33	1	-14
Cash flows from investing activities before acquisitions of enterprises and technology	-19	-12	-10	-14	-13	-10	-11
Free cash flows before acquisitions of enterprises and technology	-12	-3	0	-5	20	-9	-25
Key figures and ratios:							
Capacity costs	520	523	514	506	457	457	364
Rate of cost, %	53	52	51	58	48	46	48
EBITDA	143	150	198	85	198	200	126
EBITDA margin, %	14.7	15.0	19.5	9.8	20.9	20.2	16.6
Depreciation	-31	-29	-27	-26	-22	-21	-19
Amortization	-24	-22	-22	-31	-20	-18	-14
Impairment	0	1	-1	1	0	-11	0
EBIT	88	100	148	29	156	150	93
EBIT margin, %	9.0	10.0	14.6	3.3	16.5	15.2	12.2
NIBD/EBITDA before special items	1.1	0.7	2.5	2.2	2.2	2.6	2.3
Net working capital, % of revenue	21	19	17	16	17	23	20
Share-related ratios:							
Market price per share (DKK)	241	298	263	180	208	165	112
Earnings per share (EPS) (DKK)	0.24	0.38	0.37	0.01	0.37	0.42	0.17
Diluted earnings per share (EPS-D) (DKK)	0.24	0.38	0.36	0.01	0.37	0.42	0.17

MANAGEMENT'S STATEMENT

The Board of Directors and the Executive Board have considered and approved the interim report of Ambu A/S for the period 1 October 2020 to 30 June 2021. The interim report has not been audited or reviewed by the company's independent auditors.

The interim report is presented in accordance with IAS 34 – Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for the interim reporting of listed companies.

We consider the accounting policies applied to be expedient, the group's internal controls relevant to preparing and presenting the interim report to be adequate and the interim report to give a true and fair view of the group's assets, liabilities, results and financial position as at 30 June 2021 and of the results of the group's operations and cash flows for the period 1 October 2020 to 30 June 2021.

We further consider that the management's review gives a true and fair view of the development in the group's activities and financial affairs, the profit for the period and the group's financial position as a whole as well as a description of the most significant risks and uncertainties to which the group is subject.

Ballerup, 17 August 2021

Executive Board

Juan Jose Gonzalez
CEO

Michael Højgaard
CFO

Board of Directors

Jørgen Jensen
Chairman

Christian Sagild
Vice-Chairman

Britt Meelby Jensen

Mikael Worning

Henrik Ehlers Wulff

Thomas Lykke Henriksen
Elected by the employees

Jakob Koch
Elected by the employees

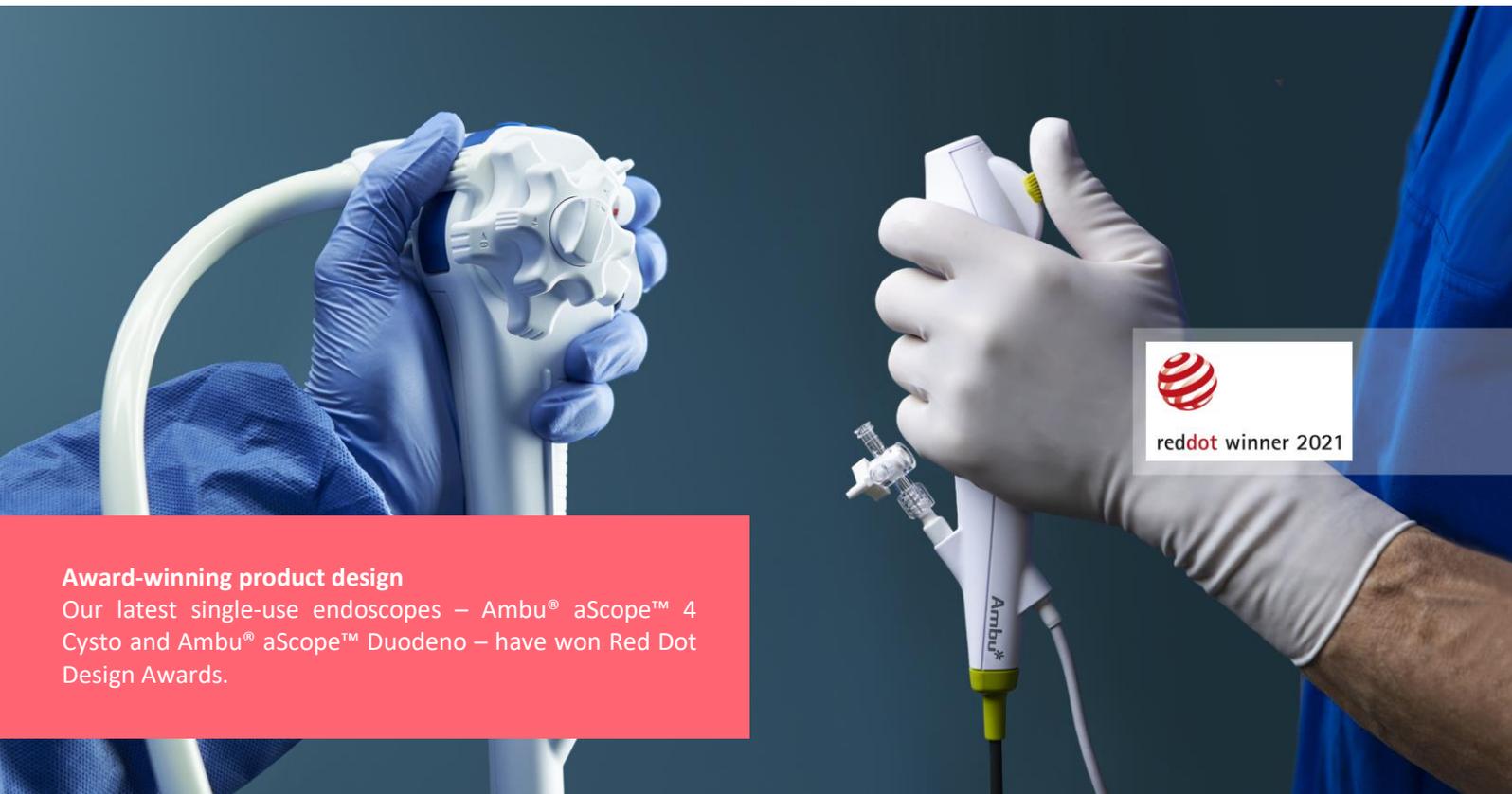
Jakob Bønnelykke Kristensen
Elected by the employees

Consolidated financial statements

Interim report Q3 2020/21

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Page 25	Statement of changes in equity – Group
Page 26	Notes to the interim report



Award-winning product design

Our latest single-use endoscopes – Ambu® aScope™ 4 Cysto and Ambu® aScope™ Duodeno – have won Red Dot Design Awards.

Income statement and statement of comprehensive income – Group

Interim report Q3 2020/21

DKKm

Income statement	Q3 2020/21	Q3 2019/20	YTD 2020/21	YTD 2019/20	FY 2019/20
Revenue	4 973	947	2,987	2,696	3,567
Production costs	-365	-334	-1,094	-1,019	-1,355
Gross profit	608	613	1,893	1,677	2,212
Selling and distribution costs	-337	-320	-1,031	-891	-1,228
Development costs	-53	-41	-152	-107	-157
Management and administration	-130	-96	-374	-280	-399
Operating profit (EBIT)	88	156	336	399	428
Financial income	9 1	-3	5	3	3
Financial expenses	9 -12	-30	-31	-85	-109
Profit before tax	77	123	310	317	322
Tax on profit for the period	-15	-31	-62	-79	-81
Net profit for the period	62	92	248	238	241
Earnings per share in DKK					
Earnings per share (EPS)	0.24	0.37	0.99	0.97	0.98
Diluted earnings per share (EPS-D)	0.24	0.37	0.98	0.96	0.97

Statement of comprehensive income	Q3 2020/21	Q3 2019/20	YTD 2020/21	YTD 2019/20	FY 2019/20
Net profit for the period	62	92	248	238	241
Other comprehensive income:					
<i>Items which are moved to the income statement under certain conditions:</i>					
Translation adjustment in foreign subsidiaries	-15	-26	-7	-44	-81
Other comprehensive income after tax	-15	-26	-7	-44	-81
Comprehensive income for the period	47	66	241	194	160

Balance sheet – Group

Interim report Q3 2020/21

DKKm

Assets	Note	30.06.21	30.06.20	30.09.20
Goodwill		1,487	1,526	1,497
Acquired technologies, trademarks and customer relations		416	120	445
Acquired technologies in progress		324	661	324
Completed development projects		347	192	304
Development projects in progress		530	364	319
Rights		40	43	46
Intangible assets		3,144	2,906	2,935
Land and buildings		392	320	342
Plant and machinery		157	108	133
Other fittings and equipment		149	90	128
Property, plant and equipment in progress		95	101	61
Property, plant and equipment		793	619	664
Deferred tax asset		78	123	90
Other non-current assets		78	123	90
Total non-current assets		4,015	3,648	3,689
Inventories		684	471	515
Trade receivables		627	575	521
Other receivables		18	24	32
Income tax receivable		11	14	11
Prepayments		86	64	60
Cash	10	126	80	98
Total current assets		1,552	1,228	1,237
Total assets		5,567	4,876	4,926

Equity and liabilities	Note	30.06.21	30.06.20	30.09.20
Share capital		129	126	126
Other reserves		3,775	2,284	2,246
Equity		3,904	2,410	2,372
Deferred tax		79	81	81
Provisions		33	29	32
Interest-bearing debt	10	202	1,287	1,401
Non-current liabilities		314	1,397	1,514
Provisions		9	13	9
Contingent consideration	12	136	427	426
Interest-bearing debt	10	562	46	43
Trade payables		313	250	259
Income tax		18	11	8
Other payables		308	315	288
Derivative financial instruments		3	7	7
Current liabilities		1,349	1,069	1,040
Total liabilities		1,663	2,466	2,554
Total equity and liabilities		5,567	4,876	4,926

Cash flow statement – Group

Interim report Q3 2020/21

DKKm

	Note	YTD 2020/21	YTD 2019/20	FY 2019/20
Operating profit (EBIT)		336	399	428
Adjustment of items with no cash flow effect	6	162	139	200
Changes in net working capital	7	-204	-196	-203
Interest income and similar items		3	0	0
Interest expenses and similar items		-17	-24	-28
Income tax paid		-14	-104	-102
Cash flows from operating activities		266	214	295
Investments in intangible assets		-294	-200	-284
Investments in tangible assets		-116	-106	-144
Sale of non-current assets		6	0	0
Cash flows from investing activities before acquisitions of enterprises and technology		-404	-306	-428
Free cash flows before acquisitions of enterprises and technology		-138	-92	-133
Acquisition of technology		-2	-2	-2
Acquisitions of enterprises		-298	0	0
Cash flows from acquisitions of enterprises and technology		-300	-2	-2
Cash flows from investing activities		-704	-308	-430
Free cash flows after acquisitions of enterprises and technology		-438	-94	-135
Raising of long-term debt		525	275	325
Repayment of debt to credit institutions		-1,250	-150	-150
Repayment of debt to other creditors		-24	0	0
Repayment in respect of leases		-39	-24	-32
Exercise of options		37	18	19
Sale of treasury shares	11	65	9	9
Dividend paid	11	-73	-96	-96
Dividend, treasury shares	11	1	2	2
Capital increase, Class B share capital	11	1,224	20	37
Cash flows from financing activities		466	54	114
Changes in cash and cash equivalents		28	-40	-21
Cash and cash equivalents, beginning of period		98	120	120
Translation adjustment of cash and cash equivalents		0	0	-1
Cash and cash equivalents, end of period		126	80	98
Cash and cash equivalents, end of period, are composed as follows:				
Cash		126	80	98
Cash and cash equivalents, end of year		126	80	98

Statement of changes in equity – Group

Interim report Q3 2020/21

DKKm

	Share capital	Reserve for hedging transactions	Reserve for foreign currency translation adjustment	Retained earnings	Proposed dividend	Total
Equity 1 October 2020	126	0	73	2,100	73	2,372
Net profit for the period				248		248
Other comprehensive income for the period			-7			-7
Total comprehensive income	0	0	-7	248	0	241
<i>Transactions with the owners:</i>						
Share-based payment				7		7
Tax deduction relating to share options				30		30
Exercise of options				37		37
Sale of treasury shares				65		65
Distributed dividend					-72	-72
Dividend, treasury shares				1	-1	0
Share capital increase	3			1,221		1,224
Equity 30 June 2021	129	0	66	3,709	0	3,904
<hr/>						
Equity 1 October 2019	126	0	154	1,806	96	2,182
Net profit for the period				238		238
Other comprehensive income for the period			-44			-44
Total comprehensive income	0	0	-44	238	0	194
<i>Transactions with the owners:</i>						
Share-based payment				14		14
Tax deduction relating to share options				67		67
Exercise of options				18		18
Sale of treasury shares, employee share programme				9		9
Distributed dividend					-94	-94
Dividend, treasury shares				2	-2	0
Share capital increase, warrants				20		20
Equity 30 June 2020	126	0	110	2,174	0	2,410

Other reserves are made up of reserve for hedging transactions, reserve for foreign currency translation adjustment, retained earnings and proposed dividend and total DKK 3,775m (30.06.2020: DKK 2,284m).

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Note 1 – Basis of preparation of the interim report

The interim report for the period 1 October 2020 to 30 June 2021 is presented in accordance with IAS 34 – Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for the interim reporting of listed companies. The accounting principles applied are consistent with the principles applied in the annual report for 2019/20. For definitions of ratios, reference is made to note 5.10 in the annual report for 2019/20.

Note 2 – Changes in accounting estimates

In connection with the preparation of the interim report, the management makes accounting estimates, assessments and assumptions which form the basis of the presentation, recognition and measurement of the group's assets and liabilities for accounting purposes. There are no changes in the estimates or assessments reported in the annual report for 2019/20 except for the change in the estimate of the expected credit losses on trade receivables described below.

By the end of Q4 2019/20, a valuation allowance of DKK 31m had been provided for to counter the credit risk of private customers' default as hospitals have taken a significant loss of revenue cutting back lucrative elective procedures to free up resources to treat COVID-19 patients. Since Q4, we have not seen material changes to payment patterns from customers, and no significant bad debts have been realised to this date. Management's accounting estimate of the credit risk related to trade receivables was therefore favourably changed by the end of Q2, and the valuation allowance is reduced by DKK 15m. No significant changes have been made in Q3.

Note 3 – Segment information

Ambu is a supplier of medtech products for the global market. Except for the sales of the various products, no structural or organizational aspects allow for a division of earnings from individual products, as sales channels, customer types and sales organizations are identical for all important markets. Furthermore, production processes and internal controls and reporting are identical, which means that, with the exception of revenue, everything else is unsegmented. Ambu has thus identified one segment.

Note 4 – Revenue

	Q3 2020/21	Q3 2019/20	YTD 2020/21	YTD 2019/20	FY 2019/20
Visualization	523	539	1,628	1,315	1,711
Anaesthesia	240	258	741	787	1,060
Patient Monitoring & Diagnostics	210	150	618	594	796
Total revenue by activities	973	947	2,987	2,696	3,567
North America	418	349	1,246	1,174	1,594
Europe	429	478	1,413	1,218	1,551
Rest of World	126	120	328	304	422
Total revenue by markets	973	947	2,987	2,696	3,567

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Note 5 – Development in balance sheet since 30 September 2020

Since the beginning of the financial year, intangible assets and property, plant and equipment have increased by a net amount of DKK 338m to DKK 3,937m. The net increase is driven by intangible and tangible investments of DKK 410m and an increase in lease assets of DKK 66m, while depreciation, amortization and impairment of DKK 155m have reduced the total carrying amount since 30 September 2020.

Inventories have increased by DKK 169m, corresponding to 33%. Trade receivables increased by DKK 106m to DKK 627m.

Contingent consideration relating to the acquisition of Invendo Medical GmbH amounted to DKK 136m, a decrease of DKK 290m due to the payment of the duodenoscope milestone of DKK 298m. Interest-bearing debt has been reduced by DKK 680m to DKK 764m. The reduction of debt is driven by capital contributions, the sale of treasury shares net of distributed dividend, the negative free cash flow and paid milestone.

Trade payables increased by DKK 54m to DKK 313m due to timing in payments and activity levels. Other payables increased by DKK 20m to DKK 308m.

Note 6 – Adjustment of items with no cash flow effect

	YTD 2020/21	YTD 2019/20	FY 2019/20
Depreciation, amortization and impairment losses	155	125	181
Share-based payment	7	14	19
	162	139	200

Note 7 – Changes in net working capital

	YTD 2020/21	YTD 2019/20	FY 2019/20
Changes in inventories	-168	15	-51
Changes in receivables	-117	-139	-97
Changes in trade payables etc.	81	-72	-55
	-204	-196	-203

Note 8 – Risks

For a description of Ambu's risks, see the 'Risk management' section in the annual report for 2019/20, pages 33-34.

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Note 9 – Net financials

	Q3 2020/21	Q3 2019/20	YTD 2020/21	YTD 2019/20	FY 2019/20
<i>Other financial income:</i>					
Foreign exchange gains, net	-2	0	2	0	0
Other financial income	3	0	3	0	0
Fair value adjustment, swap	0	-3	0	3	3
Financial income	1	-3	5	3	3

	Q3 2020/21	Q3 2019/20	YTD 2020/21	YTD 2019/20	FY 2019/20
<i>Interest expenses:</i>					
Interest expenses, banks	4	6	14	17	22
Interest expenses, leases	2	1	6	4	6
<i>Other financial expenses:</i>					
Foreign exchange loss, net	0	6	0	13	30
Fair value adjustment, contingent consideration	4	16	8	49	48
Effect of shorter discount period, acquisition of technology	2	1	3	2	3
Financial expenses	12	30	31	85	109

Note 10 – Net interest-bearing debt

	30.06.21	30.06.20	FY 2019/20
Credit institutions	0	1,175	1,225
Leases	202	112	152
Other interest-bearing debt	0	0	24
Non-current interest-bearing debt	202	1,287	1,401
Credit institutions*	500	0	0
Leases	62	46	43
Current interest-bearing debt	562	46	43

The table below shows the composition of the group's net interest-bearing debt.

	30.06.21	30.06.20	FY 2019/20
Interest-bearing debt	764	1,333	1,444
Cash	-126	-80	-98
Net interest-bearing debt	638	1,253	1,346

*The group's financing from credit institutions of DKK 500m matured on July 2 2021. This repayment was funded by a new financing agreement which has been agreed with the group's primary banks.

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Note 11 – Capital increases, treasury shares and dividend paid

Capital increases

The company carried out four capital increases during the first nine months, raising a total of DKK 1,224m (DKK 20m) by issuing 4,876,832 Class B shares with a nominal value of DKK 0.50 each.

A capital increase was completed in November 2020 in connection with the exercise by employees of warrants allocated in 2015 and 2016. In consequence hereof, Ambu's share capital was increased by 15,000 Class B shares with a nominal value of DKK 0.50 each at a price of DKK 39.26 and 10,000 Class B shares with a nominal value of DKK 0.50 each at a price of DKK 77.12.

In January 2021, a capital contribution was carried out in connection with an accelerated bookbuilding offering of 4,711,832 Class B shares with a nominal value of DKK 0.50 each sold at a price of DKK 262. Less transaction costs of DKK 19m, the net proceeds were DKK 1,216m.

In February 2020, a capital contribution was carried out in connection with the exercise by employees of warrants. These warrants were allocated in 2015 and 2016. In consequence hereof, Ambu's share capital was increased by 55,000 Class B shares with a nominal value of DKK 0.50 each at a price of DKK 39.26 and 32,500 Class B shares with a nominal value of DKK 0.50 each at a price of DKK 77.12.

In May 2021, the fourth capital increase in the financial year was carried out in connection with the exercise by employees of warrants allocated in 2015 and 2016. In consequence hereof, Ambu's share capital was increased by 30,000 Class B shares with a nominal value of DKK 0.50 each at a price of 39.26 and 22,500 Class B shares with a nominal value of DKK 0.50 each at a price of 77.12.

Changes in number of shares and share capital for the period:

	30.09.20	Change	30.06.21
No. of Class A shares	34,320,000	0	34,320,000
No. of Class B shares	218,497,100	4,876,832	223,373,932
	252,817,100	4,876,832	257,693,932
Share capital	126,408,550	2,438,416	128,846,966

Treasury shares

As at 30 September 2020, Ambu's holding of treasury shares totalled 4,903,638 Class B shares with a nominal value of DKK 0.50 each. As at 30 June 2021, this had been reduced by 916,367 shares to 3,987,271 Class B shares. The reduction is attributable to disposals in connection with the conclusion of the employee share programme for 2018 (matching shares) by 45,874 shares and sale of 620,493 treasury shares relating to the exercise of share option programmes. Further, 250,000 treasury shares were sold at a price per share of DKK 262. There have been no transactions with Class A shares.

Dividend paid

The Board of Directors' proposal for the distribution of dividend of DKK 0.29 per share with a nominal value of DKK 0.50 was adopted at the company's annual general meeting on 9 December 2020. The dividend declared totals DKK 73m and has subsequently been paid, DKK 1m of which was distributed to treasury shares.

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Note 12 – Contingent consideration

	30.06.21	30.06.20	FY 2019/20
Contingent consideration at 1 October	426	378	378
Used during the year	-298	0	0
<i>Adjustments made through the income statement under financial expenses:</i>			
Value adjustment	8	49	48
Contingent consideration end of reporting period	136	427	426
Contingent consideration expected to fall due:			
Current contingent consideration	136	427	426
Contingent consideration end of reporting period	136	427	426

Contingent consideration concerns outstanding liabilities relating to the acquisition of Invendo Medical GmbH. The contingent consideration is valued on the basis of unobservable inputs, corresponding to level 3 in the fair value hierarchy.

DKK 298m was paid during Q1 as the milestone payment for the duodenoscope matured. The net value adjustment of DKK 8m posted to financials can be attributed to the effect of the shorter discounting period.

Note 13 – Contingent liabilities

Ambu has assumed contractual obligations in connection with the planned construction of new manufacturing facilities in Mexico. A long-term agreement on leasing of the facilities has been entered into at a lease value of approx. DKK 200m. Ambu will at the expected commencement date in Q1 2021/22, recognize this contract as a right-of-use asset and a lease liability.

Ambu's ongoing operations and the use of Ambu's products in hospitals and clinics etc. involve the general risk of claims for damages and sanctions against Ambu. The risk is deemed to be customary.

Ambu is involved from time to time in disputes with customers and patients about Ambu's products. Appropriate provisions are made on an ongoing basis, and product liability insurance has been taken out. The management believes that the likely outcomes of these disputes can be covered by the provisions made and recognized in the balance sheet as at 30 June 2021. For a more detailed description of the group's risks, see the 'Risk management' section on pages 33-34 in the annual report 2019/20.

Note 14 – Subsequent events

In addition to the matters described in this interim report, the management is not aware of any events subsequent to 30 June 2021 which could be expected to have a significant impact on the group's financial position.