Interim report for Q2 2021/22 and the half-year (1 October 2021 to 31 March 2022)

For Q2, Ambu posted organic revenue growth of 8% with reported growth of 12%. The macroeconomic headwinds with inflation and continued congestion of the global supply chain are further increasing our costs of production and distribution. We also expect a return of elective procedures to above 2019 levels, but with lower benefit from pent-up demand due to hospital labour shortages. With 70% of our revenue coming from elective procedures, we adjust our financial outlook downward to organic growth of 13% or higher and EBIT margin of 5% or higher.

"*Ambu continues to lead the creation of the single-use endoscopy market in the midst of significant volatility. In Q2, we faced Omicron, supply chain disruptions and the Ukraine conflict. In spite of all of that, we grew double-digits posting a record 444,000 single-use endoscopes sold, a 25% volume growth adjusted. Now, we move into the second half of the year facing macroeconomic headwinds, and in spite of that, we expect to further accelerate. Our revised guidance reflects these new challenges without changing our view regarding the attractiveness of the single-use market and Ambu's potential. The rapid penetration of our ENT and cystoscope business will further benefit from the increased regulatory focus on reusable endoscopy reprocessing. Together with the impact from new endoscope products in Q4, Ambu will grow over 20% in the second half of the financial year, finishing 2021/22 with strong momentum,*" says Juan Jose Gonzalez, CEO of Ambu.

Highlights for the quarter

Last year's comparative figures are stated in brackets.

- **Revenue** for Q2 was DKK 1,122m (DKK 1,001m) based on **organic growth** of 8% (6%) with reported growth of 12% (1%). Organic growth for the half-year was 3% (20%) with reported growth of 7% (15%). Growth rates are influenced by the high comparables for Q2 2020/21 and the first half of 2020/21 caused by the safety-stock orders for the National Health Service (NHS) in the UK. Adjusted for these NHS orders, organic growth is 12% in Q2 2021/22 and in the half-year.

- Revenue in **North America** grew organically by 11% (6%), and in **Europe** by 7% (2%), while **Rest of World** declined by -1% (18%). Organic growth rates for the half-year were: North America 14% (9%), Europe -6% (34%) and Rest of World -1% (14%).

- Organic growth in **Visualization** in Q2 was 3% (17%) and nil (48%) for the half-year. Adjusted for the NHS orders, organic growth in Visualization is 10% in Q2 and 18% in the half-year.

- **Unit sales of single-use endoscopes** reached 444,000 in the quarter and 863,000 for the half-year taking sales volumes up 17% and 15%, respectively, relative to last year. Adjusted for the NHS orders, the volume growth in Visualization is 25% in Q2 and 34% in the half-year.

- **Anaesthesia** posted organic growth of 12% (-4%) and **Patient Monitoring & Diagnostics** (PMD) posted 14% (-7%). For the half-year, Anaesthesia grew by 3% (0%) and PMD by 10% (-5%). The order backlog carried over from Q1 decreased significantly in Q2. For the half-year, the combined organic growth of Anaesthesia and PMD was 6% (2%).

- **Gross margin** for the quarter was 57.7% (62.2%) including one-off impact of 2.0 percentage points from write-down of raw materials. The gross margin for the half-year was 59.5% (63.8%) and is negatively impacted by product mix, raw material inflation, write-down of raw materials and the overhead from ramping-up the factory in Mexico.

- **OPEX** for the quarter totalled DKK 600m (DKK 523m), corresponding to an increase of 15% of which 6 percentage points are caused by increasing freight costs. The increase in OPEX for the half-year was also 15%.

- **EBIT** for the quarter ended at DKK 47m (DKK 100m), with an **EBIT margin** of 4.2% (10.0%). The evolution of the EBIT margin is positively impacted by the value of the 8% organic growth and negatively impacted by higher freight costs, write-down of raw materials and costs of depreciation including the Mexico plant which totals approx. 8.5 percentage points of EBIT margin compared to Q2 last year. EBIT for the half-year ended at DKK 87m (DKK 248m) with an EBIT margin of 4.0% (12.3%).

- **Net financials** for the quarter were an income of DKK 135m (income of DKK 15m) due to fair value adjustment of the contingent consideration for the acquisition of Invendo Medical GmbH in 2017. As FDA clearance of the gastroscope was not received within the agreed timeframe, the milestone payment of EUR 20m has lapsed.

- **Net working capital**-to-revenue ratio was 25% (19%) at the end of the quarter, based on rolling 12-month revenue. The supply chain situation, with longer transit times and handling at the terminals, is increasing the level of inventories required to maintain service levels.

- **Free cash flow** before acquisitions totalled DKK -136m (DKK -27m) for the quarter and DKK -298m (DKK -25m) for the half-year driven by the lower EBITDA, increased net working capital and investments in innovation.

- Total **net interest-bearing debt** (NIBD) was DKK 1,417m (DKK 466m), corresponding to a leverage ratio of 3.3 (0.7). In line with our plan, NIBD is up by DKK 658m since 30 September 2021, driven by the lease contract for the Mexico plant, the negative free cash flow and the distribution of dividends.

- **The outlook for the 2021/22 financial year** is revised due to the macroeconomic headwinds, supply chain volatility, ongoing hospital labour shortages and write-down of raw materials. Up to now, we have been expecting a rapid return of elective procedure activity, but we now expect this to happen at a more steady pace. On this basis, the outlook for organic growth is revised from “15%+” to “13%+” (13 percent or higher), and the outlook for EBIT margin is consequentially revised from “7%+” to “5%+” (5 percent or higher). Outlook for the financial year is therefore:

    - Organic growth of 13%+ (13 percent or higher)
    - EBIT margin of 5%+ (5 percent or higher)

  As we go through the second half of the financial year, we expect the leverage ratio to be reduced driven by revenue growth and further financial scale.

Subsequent events

- On 19 April 2022, we obtained CE mark for **aScope™ Gastro** and **aBox™ 2** so that our single-use gastroscope solution is cleared for sale in Europe as well as in the USA. The commercial launch is ongoing.

- On 19 April 2022, we announced that **aScope™ 4 RhinoLaryngo Slim** has expanded our addressable ENT market by supporting FEES procedures (Fibreoptic Endoscopic Evaluation of Swallowing).

- On 3 May 2022, we announced CE mark for **aScope™ 5 Broncho** and **aBox™ 2**, enabling us to address the advanced procedures in the bronchoscopy suite and thereby expand our addressable market within pulmonology. FDA clearance is pending.

A **conference call** is held Friday 6 May 2022, at 09:00 (CEST). The conference is broadcast live via ambu.com/webcastQ22022. 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) or +1 631 913 1422 (US), and enter the following access code: 54837596#. The presentation can be downloaded immediately after the conference at ambu.com/presentations.

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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 5,000 people in Europe, North America and the Asia Pacific. For more information, please visit ambu.com or follow us on our corporate LinkedIn and USA LinkedIn pages.

FINANCIAL HIGHLIGHTS

DKKm	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21	FY 2020/21
Income statement					
Revenue	1,122	1,001	2,153	2,014	4,013
Gross margin, %	57.7	62.2	59.5	63.8	62.4
EBITDA	125	150	227	348	556
Depreciation, amortisation and impairment	-78	-50	-140	-100	-216
EBIT	47	100	87	248	340
Net financials	135	15	120	-15	-32
Profit before tax	182	115	207	233	308
Net profit for the period	175	95	195	186	247
Balance sheet					
Assets	6,557	5,318	6,557	5,318	5,740
Net working capital	1,038	728	1,038	728	789
Equity	4,162	3,861	4,162	3,861	3,952
Net interest-bearing debt	1,417	466	1,417	466	759
Invested capital	5,579	4,327	5,579	4,327	4,711
Cash flows					
Cash flows from operating activities	5	92	-23	198	328
Cash flows from investing activities before acquisitions	-141	-119	-275	-223	-573
Free cash flows before acquisitions of enterprises and technology	-136	-27	-298	-25	-245
Acquisitions of enterprises and technology	0	-1	0	-300	-301
Cash flows from operating activities, % of revenue	0	9	-1	10	8
Investments, % of revenue	-12	-12	-13	-11	-14
Free cash flows before acquisitions of enterprises, % of revenue	-12	-3	-14	-1	-6
Key figures and ratios					
Organic growth, %	8	6	3	20	16
OPEX ratio, %	53	52	55	51	54
EBITDA margin, %	11.1	15.0	10.5	17.3	13.9
EBIT margin, %	4.2	10.0	4.0	12.3	8.5
Tax rate, %	4	17	6	20	20
Return on equity, %	6	9	6	9	8
NIBD/EBITDA	3.3	0.7	3.3	0.7	1.4
Equity ratio, %	63	73	63	73	69
Net working capital, % of revenue	25	19	25	19	20
Return on invested capital (ROIC), %	3	8	3	8	6
Average number of employees	5,098	4,380	4,912	4,290	4,437
Share-related ratios					
Market price per share (DKK)	100	298	100	298	190
Earnings per share (EPS) (DKK)	0.69	0.38	0.77	0.75	0.98
Diluted earnings per share (EPS-D) (DKK)	0.69	0.38	0.77	0.74	0.98

MANAGEMENT'S REVIEW
Q2 2021/22

At the half-way point of the financial year 2021/22, the uncertainties regarding the impact of Omicron have been reduced and generally we see an improved healthcare environment with the exception of some territories in Rest of World.

During Q2 we have taken measures to reduce the backlog of orders for Anaesthesia and PMD products that were carried from last financial year, and which increased in Q1. The value of backorders has been reduced in Q2, and we go into the second half of the year with backorders below the level at the end of Q4 last year.

For the full year, we still expect double-digit growth for Anaesthesia and PMD combined driven by the return of elective procedures and gain of market share in PMD.

The global supply chain continues to be a challenge with long lead times and high freight rates. We have mitigated this by building significant in-transit inventories and through the use of air freight, leading to inventory levels and freight costs at a historically high level. As we move through the second half of the financial year, we expect inventories to reduce to levels in line with our historical performance.

Our new factory in Mexico has been built, and we are now setting up production lines and expect the first products to be shipped to US customers in Q4 2021/22.

The war in Ukraine has no direct impact on Ambu as the businesses in Ukraine and Russia are very small. Most of the impact is indirect through the worsening of the global economy and supply chain disruption.

Sales performance – Regions

Last year's comparative figures are stated in brackets.

For Q2, revenue ended at DKK 1,122m (DKK 1,001m) corresponding to organic growth of 8% (6%) and reported growth of 12% (1%).

For the half-year ending on 31 March 2022, revenue came to DKK 2,153m (DKK 2,014m) corresponding to organic growth of 3% (20%).

Adjusted for the NHS safety-stock orders, organic growth is 12% in Q2 and in the half-year.

North America accounted for 47% of revenue in Q2 based on organic growth of 11% (6%). Reported growth was 20% (-3%). The difference of 9 percentage points is due to the appreciating USD/DKK exchange rate over the same period last year.

In North America, we have seen a continued normalisation of activity as the US healthcare systems recover from the effects of COVID-19. Elective procedure activity is back to normal with full access to hospitals, however, benefit from pent-up demand is less than expected.

In North America, Visualization sales grew organically by 15% (9%) in Q2, driven by strong performance in ENT and urology.

The revenue in both Anaesthesia and PMD grew organically by 6% (4%) in Q2, reflecting the continued return of elective procedures as well as reduction of backorders.

For the half-year, North America accounted for 47% of revenue based on organic growth of 14% (9%) and reported growth of 21% (0%).

DKKm	Q2 2021/22	Q2 2020/21	Organic growth	Fx	Reported growth	YTD 21/22	YTD 20/21	Organic growth	Fx	Reported growth
North America	523	437	11%	9%	20%	1,004	828	14%	7%	21%
Europe	482	447	7%	1%	8%	943	984	-6%	2%	-4%
Rest of World	117	117	-1%	1%	0%	206	202	-1%	3%	2%
Revenue	**1,122**	**1,001**	**8%**	**4%**	**12%**	**2,153**	**2,014**	**3%**	**4%**	**7%**

Europe accounted for 43% of revenue in the quarter, with an organic revenue growth of 7% (2%). Reported growth was 8% (2%). Adjusted for NHS safety-stock orders, the organic growth is 16% in Q2.

In Europe, we have seen an overall continued recovery from COVID-19 even though some countries remained affected by restrictions and staff shortages at hospitals resulting in lower activity levels. Elective procedure activity in Europe increased in the quarter, and we believe the demand in the region has fully recovered as we exit Q2.

For Visualization, organic growth for the quarter came in at -6% (25%). This reflects a normalisation of the COVID-induced demand for bronchoscopes as well as an increase in demand for Visualization products in ENT, urology and GI. Adjusted for the NHS safety-stock orders, the organic Visualization growth in Europe is 8% in Q2.

Sales in Anaesthesia grew organically by 38% (-33%), as elective procedure activity is normalising, and backorder levels reduced. European sales in PMD grew organically by 24% (-15%) reflecting the rebound of sales after PMD revenue was depressed by COVID.

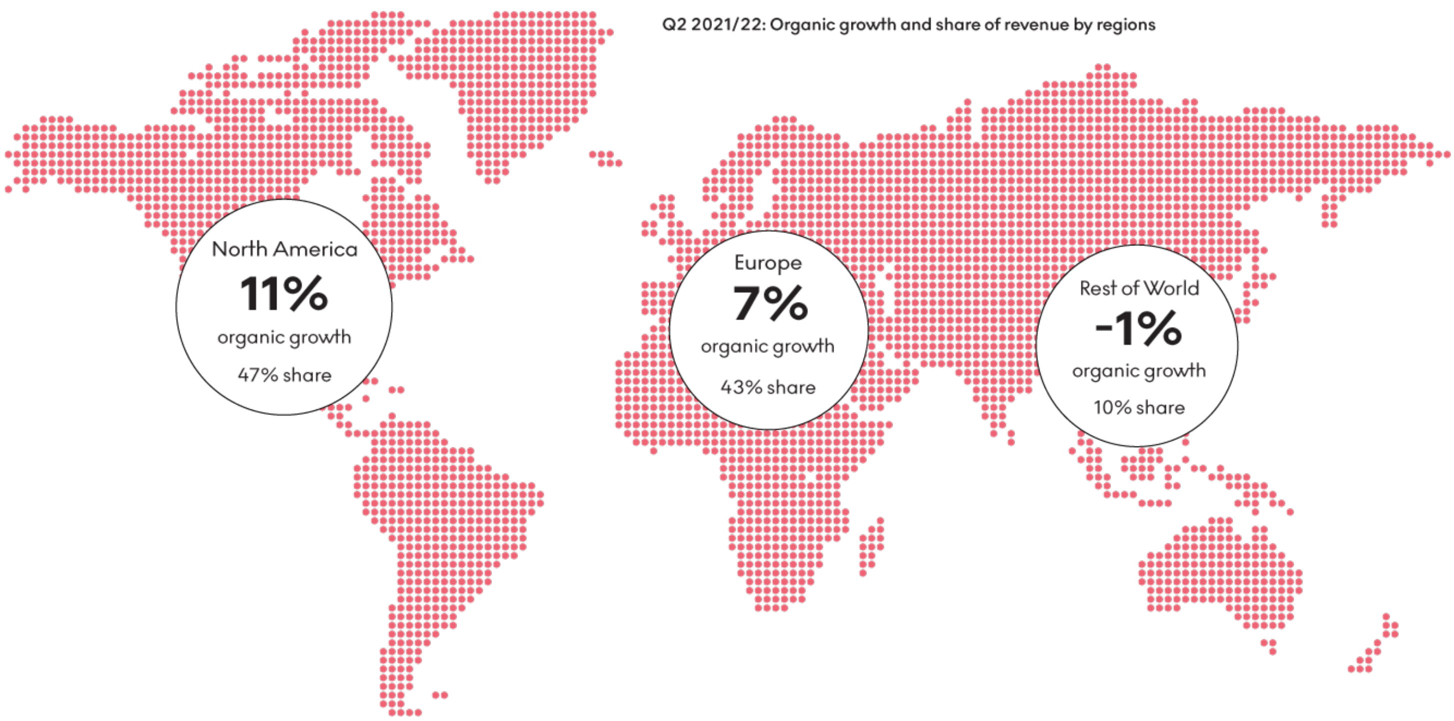
For the half-year, Europe accounted for 44% of revenue based on organic growth of -6% (34%) and reported growth of -4% (33%). Adjusted for NHS safety-stock orders, the organic growth is 13% in the half-year.

Rest of World accounted for 10% of revenue in Q2 with negative organic growth of -1% (18%) and reported growth of 0% (14%). The flat revenue growth in Q2 reflects a continued depression of sales due to COVID-related restrictions. In some territories in Rest of World, especially in China, we continue to see COVID-19 restrictions going into Q3.

In Rest of World, Visualization sales were flat with an organic growth of 0% (16%). We believe this is due to temporary disruptions as the underlying market dynamics continue to support the change to single-use endoscopes in our key markets including Japan and Australia.

Anaesthesia grew by 5% (27%) while PMD declined by -13% (9%) in Q2 as elective procedure activity was still low and the lockdowns in China reduced sales.

For the half-year, Rest of World accounted for 9% of revenue based on negative organic growth of -1% (14%) and reported growth of 2% (10%).



Sales performance – Business areas

Visualization

DKKm	Q2 2021/22	Q2 2020/21	Organic growth	Fx	Reported growth	YTD 2021/22	YTD 2020/21	Organic growth	Fx	Reported growth
North America	272	218	15%	10%	25%	527	401	24%	7%	31%
Europe	267	281	-6%	1%	-5%	537	621	-15%	1%	-14%
Rest of World	49	48	0%	2%	2%	89	83	5%	2%	7%
Revenue	**588**	**547**	**3%**	**4%**	**7%**	**1,153**	**1,105**	**0%**	**4%**	**4%**

In Q2, Visualization revenue grew organically by 3% (17%) with reported growth at 7% (13%) and total revenue of DKK 588m for the business area. Visualization accounted for 53% (55%) of Ambu's revenue in Q2. In the half-year, the organic growth in Visualization was flat at 0% (48%) with reported growth of 4% (42%). Adjusted for the NHS safety-stock orders, the organic growth in Visualization is 10% in Q2 and 18% in the half-year.

Q2 organic Visualization growth in North America was 15% (9%), in Europe -6% (25%) and in Rest of World 0% (16%).

Our **pulmonology** business remains the largest source of revenue in Visualization, and following a peak in demand for single-use bronchoscopes caused by the outbreak of COVID-19, we have in Q2 seen the market contract to pre-COVID levels but with higher penetration of single-use. The Omicron variant of COVID-19 causes less severe patient cases and has not driven bronchoscope demand to the same extent as earlier variants.

Within **ENT** (ear, nose and throat) **and urology** we have in Q2 continued to see high growth trends and a rapid transition from reusable to single-use procedures. Our cystoscope sales, in particular, continue to show steep growth.

During Q2, we have focused on converting **duodenoscope** trials to sales. The progress has been slowed down by Omicron and the need for hospitals to prioritise daily operations, but as we exit Q2, hospital access has normalized.

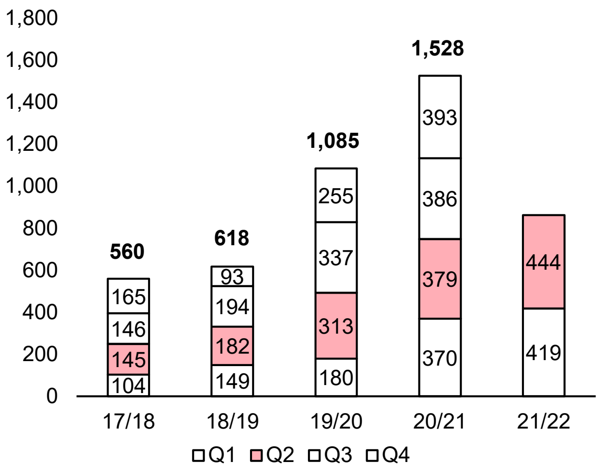
The three-year organic revenue CAGR for Visualization is 27% and reflects how our single-use offering in pulmonology has become a commonly used alternative to the reusable bronchoscopes and how our solutions for ENT and urology are rapidly taking market share.

In Q2 2021/22, sales of endoscopes totalled 444,000 compared to 379,000 units sold in Q2 2020/21 or a 17% volume growth. For the half-year, the number of endoscopes sold was 863,000 units, equal to volume growth of 15%. Adjusted for NHS safety-stock orders, the Q2 and half-year volume growth is 25% and 34%, respectively.

Our average selling prices are stable. The difference of 14 percentage points between organic revenue growth and volume growth is caused by product mix as endoscopes for ENT and urology showed high double-digit growth rates at price-points below the overall average for Visualization.

For the full year 2021/22, we now expect ENT and urology endoscopes to generate combined sales of around 800,000 units.

Number of endoscopes sold, '000 units



New innovations and market developments
Since the Q1 earnings release on 8 February 2022 there have been positive developments regarding our product portfolio and our markets.

Ambu's pulmonology portfolio is now expanded as the fifth generation of our bronchoscope – **aScope™ 5 Broncho and aBox™ 2** – announced CE mark (European regulatory clearance) on 3 May. This means that we are now able to address the advanced procedures in the bronchoscopy suite whereby our addressable market in pulmonology is expanded by 3m annual procedures globally. The aScope™ 5 Broncho will be priced at a premium to the aScope™ 4 Broncho.

On 19 April, we announced that we expand our addressable market in ENT by 1m procedures supporting **Fibreoptic Endoscopic Evaluation of Swallowing (FEES)**. Within the ENT segment, the FEES procedure typically has much higher reimbursement from health systems, which is a key driver for adoption of single-use rhinolaryngoscopes.

Ambu's single-use gastroscope solution – **aScope™ Gastro and aBox™ 2** – received CE mark and Japan market clearance on 19 April in addition to the US market clearance from early February. The global commercial launch is under way. We have completed our controlled market release of 75 cases across 10 sites, showing a 98.5% procedure success rate.

In early April, Karl Storz, a major reusable endoscope manufacturer issued a product recall of certain urological endoscopes and an urgent field safety notice due to inadequate reprocessing instructions. This was followed by a letter from the U.S. Food and Drug Administration (FDA) to healthcare providers mandating a move to more rigorous reprocessing methods (sterilisation rather than high-level disinfection). Storz is the market-leader in urology in the US with approx. 40% market share covering 1.6m procedures. The complexities and cost of transitioning to sterilisation are so high that we believe the transition to **single-use cystoscopes** will further accelerate in the second half of the financial year.

Anaesthesia

DKKm	Q2 2021/22	Q2 2020/21	Organic growth	Fx	Reported growth	YTD 2021/22	YTD 2020/21	Organic growth	Fx	Reported growth
North America	185	161	6%	9%	15%	345	319	2%	6%	8%
Europe	67	48	38%	2%	40%	123	112	8%	2%	10%
Rest of World	42	39	5%	3%	8%	71	70	-2%	3%	1%
Revenue	**294**	**248**	**12%**	**7%**	**19%**	**539**	**501**	**3%**	**5%**	**8%**

Anaesthesia revenue grew organically by 12% (-4%) in Q2 with reported growth of 19% (-9%). Total revenue was DKK 294m, or 26% (25%) of Ambu's revenue in the quarter. For the half-year, organic growth was 3% (0%) and reported growth was 8% (-5%).

In North America, Q2 Anaesthesia sales grew by 6% (4%), in Europe by 38% (-33%) and in Rest of World by 5% (27%).

European revenue was the main contributor to the Anaesthesia growth in Q2. Despite depressed elective procedures at the beginning of the quarter, we saw them recovering in March, and sales were strong as we exited Q2. Both North America and Rest of World showed a steady increase in revenue mainly due to reduction of backorders as we increased manufacturing output and invested in airfreight.

The three-year organic revenue CAGR in Anaesthesia was 4% and shows that Anaesthesia products overall were less impacted by COVID-19 cancellation of elective procedures, as certain Anaesthesia products like the Ambu® SPUR® II resuscitator have been in high demand during the pandemic.

Patient Monitoring & Diagnostics (PMD)

DKKm	Q2 2021/22	Q2 2020/21	Organic growth	Fx	Reported growth	YTD 2021/22	YTD 2020/21	Organic growth	Fx	Reported growth
North America	66	58	6%	8%	14%	132	108	15%	7%	22%
Europe	148	118	24%	1%	25%	283	251	12%	1%	13%
Rest of World	26	30	-13%	0%	-13%	46	49	-9%	3%	-6%
Revenue	**240**	**206**	**14%**	**3%**	**17%**	**461**	**408**	**10%**	**3%**	**13%**

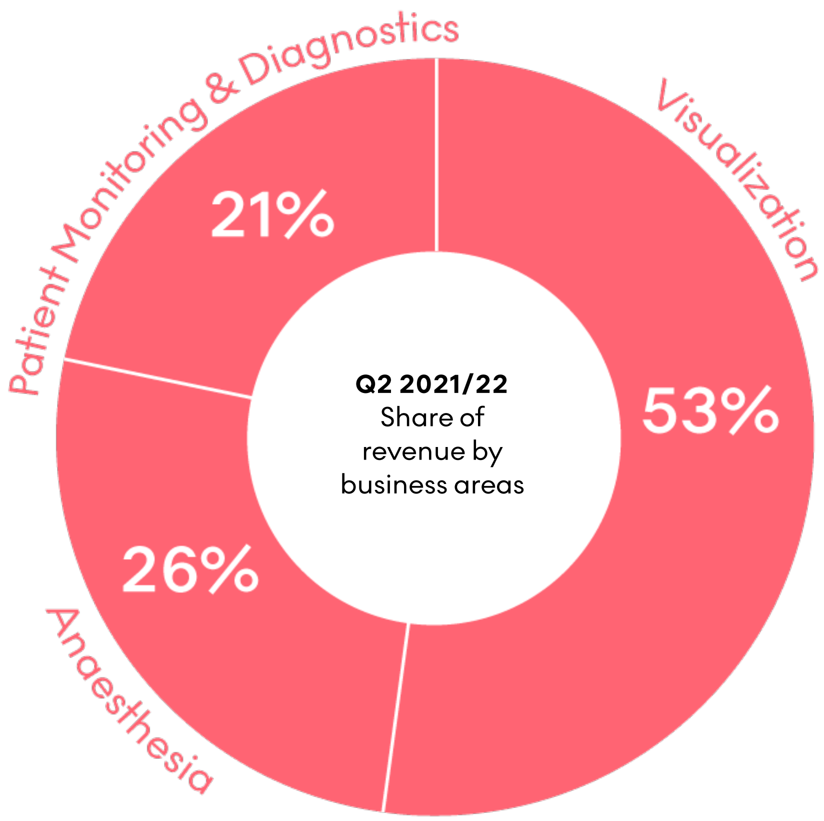
Organic growth in PMD was 14% (-7%) in Q2 with reported growth of 17% (-10%). With revenue of DKK 240m, PMD accounted for 21% (20%) of Ambu's total revenue in the quarter. For the half-year, PMD organic growth stood at 10% (-5%) with reported growth at 13% (-8%).

In North America, PMD sales in Q2 increased by 6% (4%) and by 24% (-15%) in Europe, while sales in Rest of World declined by -13% (9%).

The positive trend of recovering sales that we saw in Q1 continued in Q2 with North America and especially Europe driving growth. The PMD revenue was slightly impacted by the resurgence of COVID-19 in China.

As was the case for Anaesthesia, the value of backorders in PMD was reduced during Q2

The three-year organic revenue CAGR in PMD was 0% which is a result of the depressed sales due to lower elective procedure activity during the pandemic.



FINANCIAL RESULTS

INCOME STATEMENT

DKKm	Q2 2021/22	Q2 2020/21	Change in value	Change %	YTD 2021/22	YTD 2020/21	Change in value	Change %
Revenue	1,122	1,001	121	12%	2,153	2,014	139	7%
Production costs	-475	-378	-97	26%	-872	-729	-143	20%
Gross profit	**647**	**623**	**24**	**4%**	**1,281**	**1,285**	**-4**	**0%**
Gross margin, %	*57.7*	*62.2*	-	-	*59.5*	*63.8*	-	-
Selling and distribution costs	-407	-361	-46	13%	-813	-709	-104	15%
Development costs	-65	-52	-13	25%	-129	-99	-30	30%
Mgmt. and administrative costs	-128	-110	-18	16%	-252	-229	-23	10%
Total OPEX	-600	-523	-77	15%	-1,194	-1,037	-157	15%
EBIT	**47**	**100**	**-53**	**-53%**	**87**	**248**	**-161**	**-65%**
EBIT margin, %	*4.2*	*10.0*	-	-	*4.0*	*12.3*	-	-

Revenue for Q2 was DKK 1,122m, up DKK 121m from prior-year period, corresponding to reported growth of 12% (1%). Adjusted for currency effects, the underlying organic growth was 8% (6%).

Revenue for the first six months was DKK 2,153m (DKK 2,014m), equal to reported growth of 7% (15%) and organic growth of 3% (20%).

Gross profit in Q2 was DKK 647m (DKK 623m), and the gross margin declined by 4.5 percentage points to 57.7% (62.2%). The decline in gross margin is driven by sales mix and increased production costs including write down of raw materials and incoming freight.

The sales mix has a negative effect on gross profit due to the strong growth in Anaesthesia and PMD relative to Visualization, and we estimate this impact to equal a decline of the gross margin of approx. 1 percentage point.

Production costs in Q2 increased by DKK 97m or 26% compared to last year. The cost of operating our production, including scaling up the factory in Mexico paired with increased prices on raw materials and labour shortages, had a negative effect in the quarter of approx. 1.5 percentage points. Write-down of raw materials had a negative effect of 2 additional percentage points. The combined exchange rate effect on the gross margin was negligible.

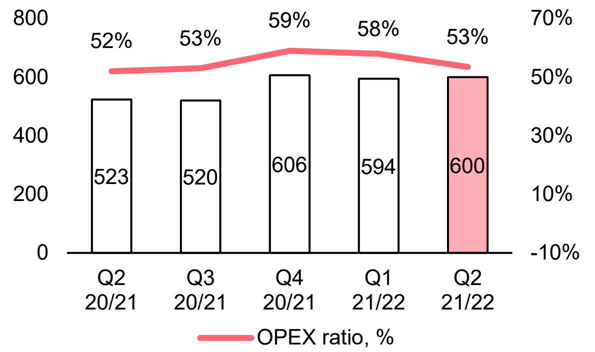
For the year to date, gross profit was DKK 1,281m (DKK 1,285m), and the gross margin declined by 4.3 percentage points to 59.5% (63.8%). The combined exchange rate effect for the year to date on the gross margin was negligible.

Exposure to changes in foreign exchange rates
Approx. 55% of Ambu's total revenue is invoiced in USD. In addition, approx. 32% of revenue is invoiced in EUR or DKK, approx. 7% in GBP, and the remaining 6% in other currencies. Production costs and OPEX are predominantly settled in USD, DKK, EUR, MYR and CNY. In Q2 2021/22, the average USD/DKK exchange rate was 663 (617), up by 7%. The average exchange rates in Q2 changed relative to last year was as follows: MYR/DKK by 4%, CNY/DKK by 10% and GBP/DKK by 5%.

OPEX totalled DKK 600m (DKK 523m) in Q2, corresponding to a 15% or DKK 77m increase. The absolute increase is significantly impacted by exchange rate effects. The OPEX ratio was 53% (52%).

Year to date, OPEX were DKK 1,194m (DKK 1,037m), corresponding to an increase of DKK 157m or 15%.

Total OPEX in DKKm and relative to revenue on a 12-month basis (%)



Selling and distribution costs were up by DKK 46m or 13%, at DKK 407m (DKK 361m) compared to Q2 last year. Selling and distribution costs corresponded to 36% (36%) of revenue in Q2, down from 39% in Q1.

Year to date, selling and distribution costs are up DKK 104m or 15% at DKK 813m (DKK 709m), corresponding to 38% (35%) of revenue.

The increase in selling and distribution costs is driven by higher distribution costs. Compared to last year, distribution costs have increased in the first six months by DKK 80m or 3.7 percentage points of revenue. The increase is caused by higher freight rates as well as an increased need for use of air freight. The air freight bridges the impact from higher transit time for containers from Asia to Europe and the USA.

Development costs in Q2 increased by DKK 13m, or 25%, to DKK 65m (DKK 52m), corresponding to 6% (5%) of revenue.

Year to date, development costs are up DKK 30m or 30% at DKK 129m (DKK 99m), corresponding to 6% (5%) of revenue in the same period.

The increase is driven by a higher level of activities in our innovation organisation, as well as a DKK 17m increase in depreciation, amortisation and impairment.

Investments into innovation activities, including ramp-up of production of new products in the first six months, was up by DKK 33m or 14%, at DKK 276m (DKK 243m).

DKKm	YTD 2021/22	YTD 2020/21	Change in value
Development costs	129	99	30
÷ Depreciation and amortisation	-65	-49	-16
÷ Impairment	-1	0	-1
= Development costs affecting EBITDA	63	50	13
+ Investments	213	193	20
= Cash flow – Innovation	**276**	**243**	**33**

Management and administrative costs for Q2 were DKK 128m (DKK 110m), corresponding to 11% (11%) of revenue.

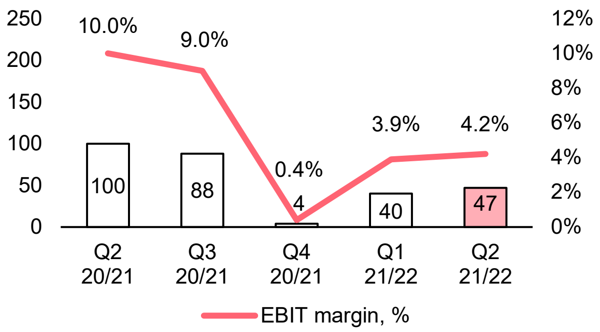
Year to date, costs are up DKK 23m or 10% at DKK 252m (DKK 229m), corresponding to 12% (11%) of revenue in the same period.

Operating profit (EBIT) was DKK 47m (DKK 100m) in Q2, with an EBIT margin of 4.2% (10.0%). Excluding the write-down of raw materials, EBIT margin is 6.2%.

Year to date, EBIT was DKK 87m (DKK 248m) and the EBIT margin was 4.0% (12.3%).

In Q2 and for the year to date, the impact from foreign exchange rates on the EBIT margin is negligible.

EBIT (DKKm)



Depreciation, amortisation and impairment (DA) for Q2 represented an expense of DKK 78m (DKK 50m), corresponding to 7% (5%) of revenue.

Year to date, DA represented an expense of DKK 140m (DKK 100m), corresponding to 7% (5%) of revenue.

The increase in value year to date is related to a general increase in activity levels, including product launches and the new factory in Mexico. Moreover, an impairment of DKK 7m was posted in Q2 due to production lines no longer in use.

EBITDA in Q2 was DKK 125m (DKK 150m), with an EBITDA margin of 11.1% (15.0%).

Year to date, EBITDA was DKK 227m (DKK 348m) with a margin of 10.5% (17.3%).

Net financials amounted to an income of DKK 120m (expense of DKK 15m) for the year to date.

Net financials include management's fair value assessment of the contingent milestone payment of EUR 20m due in Q2 conditional upon achieving FDA clearance of the gastroscope. At the acquisition of Invendo Medical GmbH in 2017 the milestone was agreed conditional upon obtaining FDA clearance of the gastroscope no later than 31 December 2021. Since the FDA clearance was obtained in February 2022, the milestone payment has lapsed and the provision of DKK 141m has been reversed to the income statement within financial items.

Net financials comprise the following:

- Interest expenses on bank and lease debt totalled DKK 13m (DKK 14m).
- Foreign exchange constituted a net expense of DKK 2m (income of DKK 4m).
- Fair value adjustment of contingent consideration relating to the acquisition of Invendo Medical GmbH represented an income of DKK 137m (expense of DKK 4m).
- The interest expense element from liabilities stated at present amortised value was DKK 2m (DKK 1m).

Tax on profit for Q2 was a net expense of DKK 7m (DKK 20m), corresponding to an average effective tax rate on profit of 4% (17%).

Year to date, tax on profit was a net expense of DKK 12m (DKK 47m), corresponding to 6% (20%) of profit before tax.

The average effective tax rate is affected by the fair value reassessment of the contingent consideration, which is a non-taxable income. The average effective tax rate for the remaining quarters of the financial year is expected to be at the level of 18-19% of profit before tax.

Net profit for Q2 was DKK 175m (DKK 95m), corresponding to 16% (9%) of revenue.

For the year to date, net profit was DKK 195m (DKK 186m), corresponding to 9% (9%) of revenue.

Diluted earnings per share (EPS-D) for Q2 were DKK 0.69 (DKK 0.38) and year to date DKK 0.77 (DKK 0.74).

Balance sheet

Balance sheet condensed by main items

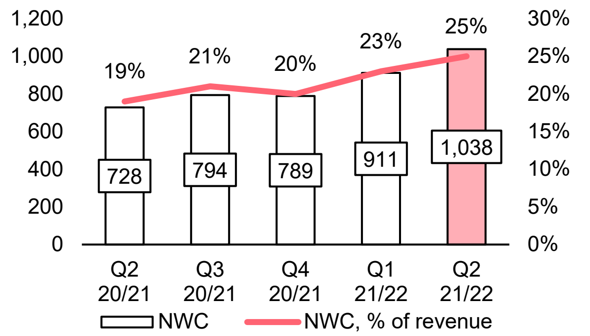
DKKm	31.03.22	31.03.21	Change in value	Change %
Non-current assets	4,642	3,846	796	21%
Inventories	991	632	359	57%
Trade receivables	700	608	92	15%
Other current assets	112	87	25	29%
Cash	112	145	-33	-23%
Total assets	**6,557**	**5,318**	**1,239**	**23%**
Equity	4,162	3,861	301	8%
Contingent consideration	0	132	-132	-100%
Interest-bearing debt	1,529	611	918	150%
Trade and other payables	756	594	162	27%
Other liabilities	110	120	-10	-8%
Total equity and liabilities	**6,557**	**5,318**	**1,239**	**23%**

At the end of Q2, **total assets** were DKK 6,557m (DKK 5,318m), and **invested capital** was DKK 5,579m (DKK 4,327m), with a 3% (8%) return on invested capital.

Non-current assets at the end of Q2 were DKK 4,642m, up DKK 796m from Q2 last year, driven by investments in innovation and the new factory in Mexico since Q2 last year. Investments into non-current assets totals DKK 275m (DKK 223m) in the first six months of the year.

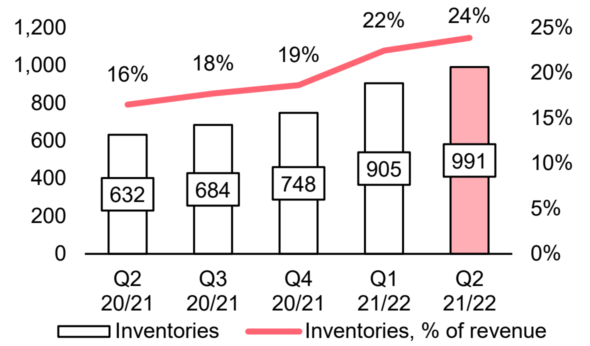
Net working capital at the end of Q2 was DKK 1,038m (DKK 728m), corresponding to 25% (19%) of 12 months of revenue.

Net working capital (DKKm) and net working capital relative to revenue (%)



Inventories were DKK 991m (DKK 632m) at the end of Q2, equivalent to 24% (16%) of revenue over 12 months. Inventories are up DKK 243m since Q4 last year and are significantly impacted by the disruption of the global supply chain. The inventory level that we see by the end of Q2 are historically high, but we expect inventories to reduce to levels in line with our historical performance by the end of Q4.

Inventories in DKKm and relative to revenue on a 12-month basis (%)



Trade receivables totalled DKK 700m at the end of Q2 against DKK 608m last year. Calculated at fixed exchange rates on a 12-month basis, the average number of days of outstanding sales was 61 (57). Financial risk on trade receivables is unchanged since Q4.

Trade payables and other payables totalled DKK 756m (DKK 594m), up DKK 162m or 27% from last year, equivalent to 18% (16%) of revenue over 12 months. The increase reflects the underlying increase in inventories, capital expenditures and OPEX.

Contingent consideration was DKK 0m at the end of Q2, against DKK 132m in Q2 last year and a liability of DKK 137m by 30 September 2021. The reduction reflects that the milestone relating to the gastroscope has lapsed.

Net interest-bearing debt (NIBD) and leverage

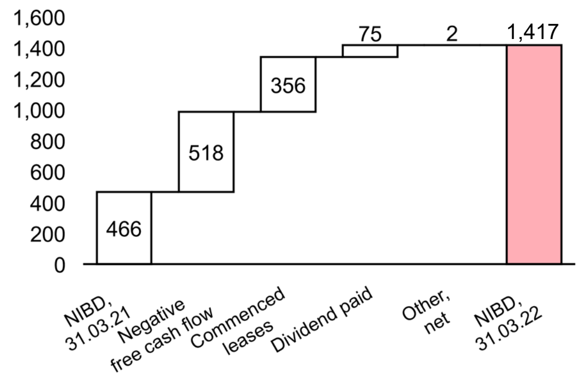
Cash and cash equivalents amounted to DKK 112m (DKK 145m). Interest-bearing debt comprises credit institutions at DKK 985m (DKK 400m), and leases at DKK 544m (DKK 211m).

NIBD totalled DKK 1,417m, representing an increase of DKK 951m from last year's DKK 466m, corresponding to 3.3 (0.7) of EBITDA.

As we go through the second half of the financial year, we expect the leverage ratio to be reduced driven by revenue growth and further financial scale.

NIBD is up by DKK 658m since 30 September 2021, driven by the negative free cash flow, commencement of lease agreements in Mexico and distribution of dividends. The increase is as planned.
The increase in NIBD since last year can be attributed to accumulated free cash flow of DKK -518m in the last 12 months, commenced leases of DKK 356m, including lease of the perimeter of the manufacturing site in Mexico, and distributed dividend to shareholders of DKK 75m.

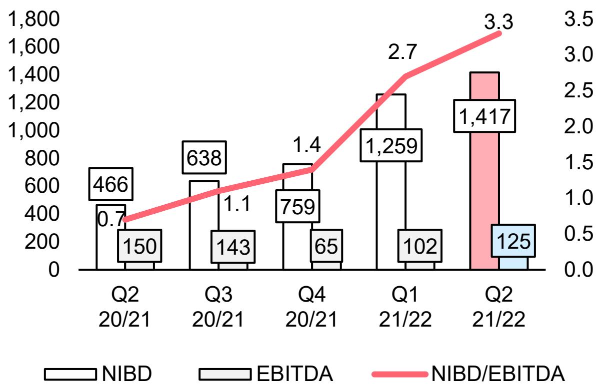
Development in NIBD (DKKm)



Capital resources in place

By end of Q2, Ambu keeps total committed credit lines with a duration of 3 years of DKK 1,500m (DKK 2,300m), of which DKK 985m (DKK 400m) have been utilised.
On this basis, Ambu has by end of Q2 unutilised capital resources from overdraft facilities, credit lines, cash and cash equivalents of approx. DKK 650m (DKK 2.1bn).

NIBD (DKKm), EBITDA (DKKm) and NIBD/EBITDA on a 12-month basis



Other liabilities were DKK 110m (DKK 120m), down by DKK 10m from last year, due to a decrease in deferred tax liabilities and derivative financial instruments.

Cash flow statement

DKKm	Q2 2021/22	Q2 2020/21	Change in value	YTD 2021/22	YTD 2020/21	Change in value
Cash flow from operating activities (CFFO)	5	92	-87	-23	198	-221
Cash flow from investing activities before acquisitions (CFFI)	-141	-119	-22	-275	-223	-52
Free cash flow before acquisitions (FCF)	**-136**	**-27**	**-109**	**-298**	**-25**	**-273**
Acquisitions of enterprises and technology	0	-1	1	0	-300	300
Cash flow from financing activities (CFFF)	107	0	107	346	372	-26
Changes in cash	-29	-28	-1	48	47	1
Cash flows in % of revenue:						
Cash flow from operating activities (CFFO)	0	9	-	-1	10	-
Investments (CFFI)	-12	-12	-	-13	-11	-
Free cash flow before acquisitions (FCF)	-12	-3	-	-14	-1	-

Cash flow from operating activities (CFFO) for Q2 was DKK 5m (DKK 92m), driven by EBITDA and working capital investments. CFFO for Q2 corresponds to 0% (9%) of revenue.

CFFO year to date totalled DKK -23m (DKK 198m), representing a decrease of DKK 221m compared to the same period last year, and corresponding to -1% (10%) of revenue.

The decrease since last year is driven by EBITDA and working capital investments.

Cash flow from investing activities (CFFI) for Q2 was DKK -141m (DKK -119m), primarily driven by innovation activities and corresponding to -12% (-12%) of revenue.

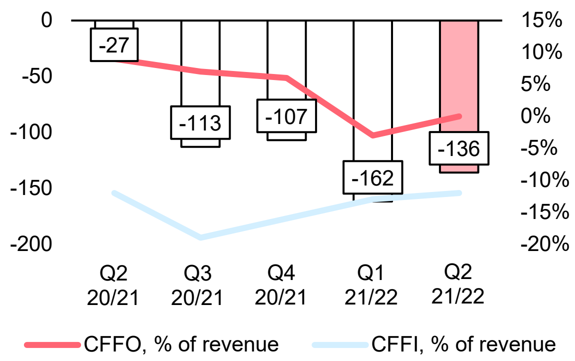
CFFI year to date totalled DKK -275m (DKK -223m), an increase of DKK 52m on the same period last year. Investments in innovation account for DKK 213m (DKK 193m), of which DKK 9m (DKK 18m) concerns tangible investments to ramp up production lines for product launches.

CFFI equated to -13% (-11%) of revenue year to date.

Free cash flow (FCF) before acquisitions of enterprises and technology for Q2 then totalled DKK -136m (DKK -27m), corresponding to -12% (-3%) of revenue.

For the first six months FCF was DKK -298m (DKK -25m), corresponding to -14% (-1%) of revenue.

Free cash flow before acquisitions (DKKm)



Cash flow from financing activities (CFFF) amounted to DKK 107m (DKK 0m) for the quarter and DKK 346m (DKK 372m) for the first six months.

During the first six months, Ambu raised debt of DKK 435m (DKK 425m). In addition, dividend of DKK 75m (DKK 73m) was distributed to shareholders.

Changes in cash came to DKK -29m (DKK -28m) for the quarter and DKK 48m (DKK 47m) for the year to date.

Equity

At the end of March 2022, equity totalled DKK 4,162m (DKK 3,861m), corresponding to an equity ratio of 63% (73%) of total assets. The share capital was DKK 129m (DKK 129m), distributed on 257.7m (257.6m) shares.

Other comprehensive income
Other comprehensive income includes a translation adjustment arising from the translation of subsidiaries in foreign currency for the quarter of DKK 36m (DKK 35m) and for the year to date of DKK 84m (DKK 8m).

The translation adjustment is primarily driven by the appreciating USD/DKK exchange rate in the period.

Other equity
At the annual general meeting held on 14 December 2021, it was decided to pay dividend of DKK 75m to Ambu's shareholders. Since the general meeting, dividend of DKK 75m has been distributed, including DKK 1m on Ambu's portfolio of treasury shares.

At the end of Q2 2021/22, Ambu employees had exercised a total of 269,165 purchase options in Ambu A/S, for net proceeds of DKK 11m.

The general employee share programme granted in 2019 was vested in Q1, and Ambu's obligations in this respect have thus been fulfilled. Consequently, the holding of treasury shares was reduced by 64,993 Class B shares in Ambu A/S.

At the end of Q2 2021/22, Ambu's holding of Class B treasury shares had been reduced by 334,158 to 3,642,313 (4,050,823), corresponding to 1.413% (1.572%) of the total share capital.

In addition, at the end of Q2 2021/22, Ambu employees had exercised a total of 12,500 warrants to subscribe for shares in Ambu A/S, for net proceeds of DKK 0.8m.

In certain jurisdictions, Ambu obtains a deduction for employee gains from the exercise of options and warrants. During the first six months, equity decreased by DKK 15m (increased by DKK 40m), corresponding to the value adjustment of any deductible value of employee gains.

Sustainability update

At the end of Q2, Ambu donated 25,000 resuscitators and 2,500 laryngeal masks to help provide emergency care for the victims of the war in Ukraine.

The environmental impact of Ambu's activities in the first half of the financial year is lower, i.e. better, on most parameters compared to the first half of the prior year even though production output has increased. This applies to energy consumption, CO2 emissions and water usage per ton of product. Only waste intensity has increased.

Production output has increased by 17% compared to H1 2020/21	↑
Energy consumption per ton product has decreased by 10% compared to H1 2020/21	↓
Renewable energy consumption on par with H1 2020/21	→
Carbon emissions per ton product has decreased by 10% compared to H1 2020/21	↓
Waste per ton product has increased by 8% compared to H1 2020/21	↑
Water per ton product has decreased by 15% compared to H1 2020/21	↓
Turnover rate has increased from 10% to 12% compared to H1 2020/21	↑
Sickness absence rate has increased from 1.89 to 2.41 compared to H1 2020/21 but stays at a satisfactory level	↑
The lost-time **injury frequency** rate (LTIF) has increased from 0.57 to 0.88 compared to H1 2020/21, but stays well below target threshold	↑

OUTLOOK 2021/22

The outlook for the 2021/22 financial year is revised due to the macroeconomic headwinds, supply chain volatility, ongoing hospital labour shortages and write-down of raw materials. The outlook for organic growth is revised from "15%+" to "13%+" (13 percent or higher), and the outlook for EBIT margin is revised from "7%+" to "5%+" (5 percent or higher).

Local currencies

	5 May 2022	**8 February 2022**	**9 November 2021**
Organic growth	13%+	15%+	15-19%

Danish kroner

	5 May 2022	**8 February 2022**	**9 November 2021**
EBIT margin	5%+	7%+	7-9%

Exchange rate assumptions for 2021/22

	5 May 2022	**8 February 2022**	**9 November 2021**
USD/DKK	680	650	642
MYR/DKK	160	155	155
CNY/DKK	105	102	100
GBP/DKK	881	880	877

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 healthcare, in the world economy, in interest rate levels and in exchange rates.

Financial calendar 2021/22

2022	
28 July	Pre-Q3 quiet period starts
25 August	Interim report for Q3 2021/22
30 September	End of financial year 2021/22

Financial calendar 2022/23

2022	
18 October	Pre-Q4 quiet period starts
15 November	Annual report 2021/22
14 December	Annual general meeting

Ambu

QUARTERLY RESULTS

DKKm	Q2 2021/22	Q1 2021/22	Q4 2020/21	Q3 2020/21	Q2 2020/21	Q1 2020/21
Composition of revenue, products:						
Visualization	588	565	540	523	547	558
Anaesthesia	294	245	256	240	248	253
Patient Monitoring & Diagnostics	240	221	230	210	206	202
Revenue	**1,122**	**1,031**	**1,026**	**973**	**1,001**	**1,013**
Key figures, revenue:						
Endoscopes sold, ’000 units	444	419	393	386	379	370
Growth in number of endoscopes sold, %	17	13	54	15	21	106
Organic growth, products:						
Visualization, %	3	-2	37	0	17	101
Anaesthesia, %	12	-6	-6	-1	-4	5
Patient Monitoring & Diagnostics, %	14	7	13	44	-7	-3
Organic growth, %	**8**	**-1**	**18**	**7**	**6**	**39**
Exchange rate effects, %	4	3	0	-4	-5	-6
Reported revenue growth, %	**12**	**2**	**18**	**3**	**1**	**33**
Organic growth, markets:						
North America, %	11	18	18	32	6	13
Europe, %	7	-16	11	-10	2	79
Rest of World, %	-1	0	36	7	18	9
Organic growth, %	**8**	**-1**	**18**	**7**	**6**	**39**
Revenue	1,122	1,031	1,026	973	1,001	1,013
Production costs	-475	-397	-416	-365	-378	-351
Gross profit	**647**	**634**	**610**	**608**	**623**	**662**
Gross margin, %	*57.7*	*61.5*	*59.5*	*62.5*	*62.2*	*65.4*
Selling and distribution costs	-407	-406	-415	-344	-361	-348
Development costs	-65	-64	-73	-53	-52	-47
Management and administrative costs	-128	-124	-118	-123	-110	-119
Total Operating Expenditures (OPEX)	*-600*	*-594*	*-606*	*-520*	*-523*	*-514*
Operating profit (EBIT)	**47**	**40**	**4**	**88**	**100**	**148**
EBIT margin, %	*4.2*	*3.9*	*0.4*	*9.0*	*10.0*	*14.6*
Financial income	137	0	3	1	4	0
Financial expenses	-2	-15	-9	-12	11	-30
Profit before tax (PBT)	**182**	**25**	**-2**	**77**	**115**	**118**
Tax on profit for the period	-7	-5	1	-15	-20	-27
Net profit for the period	**175**	**20**	**-1**	**62**	**95**	**91**

QUARTERLY RESULTS (CONTINUED)

DKKm	Q2 2021/22	Q1 2021/22	Q4 2020/21	Q3 2020/21	Q2 2020/21	Q1 2020/21
Balance sheet:						
Assets	6,557	6,327	5,740	5,567	5,318	5,043
Net working capital	1,038	911	789	794	728	636
Equity	4,162	3,946	3,952	3,904	3,861	2,394
Net interest-bearing debt	1,417	1,259	759	638	466	1,701
Invested capital	5,579	5,205	4,711	4,542	4,327	4,095
Cash flows, in DKKm:						
Cash flows from operating activities	5	-28	62	68	92	106
Cash flows from investing activities before acquisitions of enterprises and technology	-141	-134	-169	-181	-119	-104
Free cash flows before acquisitions of enterprises and technology	-136	-162	-107	-113	-27	2
Acquisitions of enterprises and technology	0	0	-1	0	-1	-299
Cash flows, in % of revenue:						
Cash flows from operating activities	0	-3	6	7	9	10
Cash flows from investing activities before acquisitions of enterprises and technology	-13	-13	-16	-19	-12	-10
Free cash flows before acquisitions of enterprises and technology	-12	-16	-10	-12	-3	0
Key figures and ratios:						
Operating Expenditures (OPEX)	600	594	606	520	523	514
OPEX ratio, %	53	58	59	53	52	51
EBITDA	125	102	65	143	150	198
EBITDA margin, %	11.1	9.9	6.3	14.7	15.0	19.5
Depreciation	-38	-36	-31	-31	-29	-27
Amortisation	-33	-25	-26	-24	-22	-22
Impairment	-7	-1	-4	0	1	-1
EBIT	47	40	4	88	100	148
EBIT margin, %	4.2	3.9	0.4	9.0	10.0	14.6
NIBD/EBITDA	3.3	2.7	1.4	1.1	0.7	2.5
Net working capital, % of revenue	25	23	20	21	19	17
Share-related ratios:						
Market price per share (DKK)	100	173	190	241	298	263
Earnings per share (EPS) (DKK)	0.75	0.08	0.00	0.24	0.38	0.37
Diluted earnings per share (EPS-D) (DKK)	0.75	0.08	0.00	0.24	0.38	0.36

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 from 1 October 2021 to 31 March 2022. 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 at 31 March 2022 and of the results of the group's operations and cash flows for the period 1 October 2021 to 31 March 2022.

We furthermore 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, 5 May 2022

Executive Board

Juan Jose Gonzalez
CEO

Michael Højgaard
CFO

Board of Directors

Jørgen Jensen
Chairman

Christian Sagild
Vice-Chairman

Britt Meelby Jensen

Susanne Larsson

Michael del Prado

Henrik Ehlers Wulff

Charlotte Elgaard Bjørnhoff
Elected by the employees

Jesper Bartroff Frederiksen
Elected by the employees

Thomas Bachgaard Jensen
Elected by the employees

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aScope™ 4 Cysto
DANISH DESIGN AWARD
WINNER 2021
aScope BronchoSampler™
reddot winner 2021
aScope™ Duodeno
Ambu

Income statement and statement of comprehensive income

Interim report Q2 2021/22

DKKm

Income statement		Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21	FY 2020/21
Revenue	4	1,122	1,001	2,153	2,014	4,013
Production costs		-475	-378	-872	-729	-1,510
Gross profit		**647**	**623**	**1,281**	**1,285**	**2,503**
Selling and distribution costs		-407	-361	-813	-709	-1,468
Development costs		-65	-52	-129	-99	-225
Management and administrative costs		-128	-110	-252	-229	-470
Operating profit (EBIT)		**47**	**100**	**87**	**248**	**340**
Financial income	8, 11	137	4	137	4	8
Financial expenses	8	-2	11	-17	-19	-40
Profit before tax		**182**	**115**	**207**	**233**	**308**
Tax on profit for the period		-7	-20	-12	-47	-61
Net profit for the period		**175**	**95**	**195**	**186**	**247**
Earnings per share in DKK						
Earnings per share (EPS)		0.69	0.38	0.77	0.75	0.98
Diluted earnings per share (EPS-D)		0.69	0.38	0.77	0.74	0.98

Statement of comprehensive income	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21	FY 2020/21
Net profit for the period	175	95	195	186	247
Other comprehensive income:					
Items which are moved to the income statement under certain conditions:					
Translation adjustment in foreign subsidiaries	36	35	84	8	33
Other comprehensive income after tax	**36**	**35**	**84**	**8**	**33**
Comprehensive income for the period	**211**	**130**	**279**	**194**	**280**

Balance sheet

Interim report Q2 2021/22

DKKm

Assets	Note	31.03.22	31.03.21	30.09.21
Goodwill		1,531	1,496	1,504
Acquired technologies, trademarks and customer relations		500	426	407
Acquired technologies in progress		212	324	324
Completed development projects		681	347	395
Development projects in progress		457	429	572
Rights		37	36	42
Intangible assets		**3,418**	**3,058**	**3,244**
Land and buildings		673	345	403
Plant and machinery		161	153	164
Other fittings and equipment		176	147	169
Property, plant and equipment in progress		140	57	110
Property, plant and equipment		**1,150**	**702**	**846**
Deferred tax asset		74	86	42
Other non-current assets		**74**	**86**	**42**
Total non-current assets		**4,642**	**3,846**	**4,132**
Inventories		991	632	748
Trade receivables		700	608	699
Other receivables		30	22	20
Income tax receivable		9	5	13
Prepayments		73	60	64
Cash and cash equivalents		112	145	64
Total current assets		**1,915**	**1,472**	**1,608**
Total assets		**6,557**	**5,318**	**5,740**

Equity and liabilities	Note	31.03.22	31.03.21	30.09.21
Share capital		129	129	129
Other reserves		4,033	3,732	3,823
Equity	10	**4,162**	**3,861**	**3,952**
Deferred tax		39	46	18
Provisions		31	33	30
Interest-bearing debt	9	1,461	557	760
Non-current liabilities		**1,531**	**636**	**808**
Provisions		14	9	13
Contingent consideration	11	0	132	137
Interest-bearing debt	9	68	54	63
Trade payables		371	299	364
Income tax		26	26	23
Other payables		385	295	378
Derivative financial instruments		0	6	2
Current liabilities		**864**	**821**	**980**
Total liabilities		**2,395**	**1,457**	**1,788**
Total equity and liabilities		**6,557**	**5,318**	**5,740**

Cash flow statement

Interim report Q2 2021/22

DKKm

	Note	YTD 2021/22	YTD 2020/21	FY 2020/21
Operating profit (EBIT)		87	248	340
Adjustment of items with no cash flow effect	5	148	107	227
Changes in net working capital	6	-215	-133	-197
Interest income		0	0	3
Interest expenses and similar items		-13	-10	-18
Income tax paid		-30	-14	-27
Cash flows from operating activities		**-23**	**198**	**328**
Investments in intangible assets		-204	-175	-405
Investments in tangible assets		-71	-54	-176
Sale of non-current assets		0	6	8
Cash flows from investing activities before acquisitions of enterprises and technology		-275	-223	-573
Free cash flows before acquisitions of enterprises and technology		**-298**	**-25**	**-245**
Acquisition of technology		0	-2	-3
Acquisitions of enterprises		0	-298	-298
Cash flows from acquisitions of enterprises and technology		0	-300	-301
Cash flows from investing activities		**-275**	**-523**	**-874**
Free cash flows after acquisitions of enterprises and technology		**-298**	**-325**	**-546**
Raising of long-term debt		435	425	575
Repayment of debt to credit institutions		0	-1,250	-1,250
Repayment of debt to other creditors		0	-24	-24
Repayment in respect of leases		-27	-27	-44
Exercise of options		11	33	37
Sale of treasury shares		0	65	65
Dividend paid		-75	-73	-73
Dividend, treasury shares		1	1	1
Capital increase, Class B share capital		1	1,222	1,225
Cash flows from financing activities		**346**	**372**	**512**
Changes in cash and cash equivalents		**48**	**47**	**-34**
Cash and cash equivalents, beginning of period		64	98	98
Cash and cash equivalents, end of period		**112**	**145**	**64**
Cash and cash equivalents, end of period, are composed as follows:				
Cash and cash equivalents		112	145	64
Cash and cash equivalents, end of year		**112**	**145**	**64**

Statement of changes in equity

Interim report Q2 2021/22

DKKm

	Share capital	Reserve for foreign currency translation adjustment	Retained earnings	Proposed dividend	Total
Equity 1 October 2021	**129**	**106**	**3,642**	**75**	**3,952**
Net profit for the period			195		195
Other comprehensive income for the period		84			84
Total comprehensive income	**0**	**84**	**195**	**0**	**279**
Transactions with the owners:					
Share-based payment			8		8
Tax deduction relating to share options			-15		-15
Exercise of options			11		11
Distributed dividend				-74	-74
Dividend, treasury shares			1	-1	0
Share capital increase			1		1
Equity 31 March 2022	**129**	**190**	**3,843**	**0**	**4,162**

Equity 1 October 2020	**126**	**73**	**2,100**	**73**	**2,372**
Net profit for the period			186		186
Other comprehensive income for the period		8			8
Total comprehensive income	**0**	**8**	**186**	**0**	**194**
Transactions with the owners:					
Share-based payment			7		7
Tax deduction relating to share options			40		40
Exercise of options			33		33
Sale of treasury shares			65		65
Distributed dividend				-72	-72
Dividend, treasury shares			1	-1	0
Share capital increase	3		1,219		1,222
Equity 31 March 2021	**129**	**81**	**3,651**	**0**	**3,861**

Other reserves are made up of reserve for foreign currency translation adjustment, retained earnings and proposed dividend and total DKK 4,033m (31.03.2021: DKK 3,732m).

Notes to the interim report

Interim report Q2 2021/22

Section 1: Basis of preparation of the interim report

Section 2: Operating activities and cash flows

Section 3: Invested capital and net working capital

Section 4: Financial risk management, capital structure and net financials

Section 5: Provisions, other liabilities etc.

DKKm

Note 1 – Basis of preparation of the interim report

The interim report for the period 1 October 2021 to 31 March 2022 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 2020/21 with the exception of estimates applied to measure the fair value of contingent consideration described below. For definitions of ratios, reference is made to note 5.10 in the annual report for 2020/21.

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 2020/21 other than the change in estimates regarding contingent consideration as described below.

Contingent consideration

As reported in note 4.2 of the annual report for 2020/21, the management applies unobservable data to measure the fair value of the contingent consideration from the acquisition of Invendo Medical GmbH. By 30 September 2021, the contingent consideration had a fair value of DKK 137m as management expected the liability to be paid in 2021/22. The liability was conditional upon FDA clearance of the gastroscope by no later than 31 December 2021. As the FDA clearance for the gastroscope was not achieved by the end of 2021, the milestone payment for the gastroscope has lapsed.

Contingent consideration of DKK 137m has been taken to financials and the consideration for Invendo Medical GmbH is fully paid.

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

	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21	FY 2020/21
Visualization	588	547	1,153	1,105	2,168
Anaesthesia	294	248	539	501	997
Patient Monitoring & Diagnostics	240	206	461	408	848
Total revenue by activities	**1,122**	**1,001**	**2,153**	**2,014**	**4,013**
North America	523	437	1,004	828	1,739
Europe	482	447	943	984	1,787
Rest of World	117	117	206	202	487
Total revenue by markets	**1,122**	**1,001**	**2,153**	**2,014**	**4,013**

DKKm

Note 5 – Adjustment of items with no cash flow effect

	YTD 2021/22	YTD 2020/21	FY 2020/21
Depreciation, amortisation and impairment losses	140	100	216
Share-based payment	8	7	11
	148	**107**	**227**

Note 6 – Changes in net working capital

	YTD 2021/22	YTD 2020/21	FY 2020/21
Changes in inventories	-217	-110	-222
Changes in receivables	-3	-72	-163
Changes in trade payables etc.	5	49	188
	-215	**-133**	**-197**

Note 7 – Risks

For a description of Ambu's risks, see the 'Risk management' section in the annual report for 2020/21, pages 31-32.

Note 8 – Net financials

	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21	FY 2020/21
Interest income, others	0	0	0	0	3
Foreign exchange gains, net	0	4	0	4	4
Fair value adjustment, contingent consideration	137	0	137	0	0
Fair value adjustment, swap	0	0	0	0	1
Financial income	**137**	**4**	**137**	**4**	**8**

	Q2 2021/22	Q2 2020/21	YTD 2021/22	YTD 2020/21	FY 2020/21
Interest expenses, banks	2	4	5	10	16
Interest expenses, leases	4	2	8	4	8
Interest expenses, others	0	0	0	0	2
Foreign exchange loss, net	-1	-15	2	0	0
Fair value adjustment, contingent consideration	-4	-2	0	4	10
Effect of shorter discount period, acquisition of technology	1	0	2	1	4
Financial expenses	**2**	**-11**	**17**	**19**	**40**

DKKm

Note 9 – Net interest-bearing debt

	31.03.22	31.03.21	FY 2020/21
Credit institutions	985	400	550
Leases	476	157	210
Long-term interest-bearing debt	**1,461**	**557**	**760**
Leases	68	54	63
Short-term interest-bearing debt	**68**	**54**	**63**
Interest-bearing debt	**1,529**	**611**	**823**

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

	31.03.22	31.03.21	FY 2020/21
Interest-bearing debt	1,529	611	823
Cash and cash equivalents	-112	-145	-64
Net interest-bearing debt	**1,417**	**466**	**759**

Note 10 – Capital increases, treasury shares and dividend paid

Capital increases

A capital increase was completed in November 2021 in connection with the exercise by an employee of warrants allocated in 2015. In consequence hereof, Ambu's share capital was increased by 5,000 Class B shares with a nominal value of DKK 0.50 each at a price of 39.26.

In February 2022, another capital increase was carried out in connection with the exercise by employees of warrants allocated in 2016. In consequence hereof, Ambu's share capital was increased by 7,500 Class B shares with a nominal value of DKK 0.50 each at a price of 77.12.

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

	30.09.21	Change	31.03.22
No. of Class A shares	34,320,000	0	34,320,000
No. of Class B shares	223,383,932	12,500	223,396,432
	257,703,932	**12,500**	**257,716,432**
Share capital	128,851,966	6,250	128,858,216

Treasury shares

As at 30 September 2021, Ambu's holding of treasury shares totalled 3,976,471 Class B shares with a nominal value of DKK 0.50 each. As at 31 March 2022, this had been reduced by 334,158 shares to 3,642,313 Class B shares. The reduction is attributable to disposals in connection with the conclusion of the employee share programme for 2019 (matching shares) and the exercise of 269,165 share options. 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 14 December 2021. The dividend declared totals DKK 75m and has subsequently been paid out less withholding taxes payable to the Danish tax authorities in January 2022.

DKKm

Note 11 – Contingent consideration

	31.03.22	31.03.21	FY 2020/21
Contingent consideration at 1 October	137	426	426
Used during the year	0	-298	-298
Adjustments made through the income statement under financial expenses:			
Value adjustment	-137	4	10
Foreign currency translation adjustment	0	0	-1
Contingent consideration end of reporting period	**0**	**132**	**137**
Contingent consideration expected to fall due:			
Current contingent consideration	0	132	137
Contingent consideration end of reporting period	**0**	**132**	**137**

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.

As described in note 2, the milestone was conditional upon FDA clearance of the gastroscope by 31 December 2021 at the latest. Since the FDA clearance was not obtained at this date, the management has valued the contingent consideration at DKK 0m.

The net value adjustment of a DKK -137m income posted to financials can be attributed to the fair value remeasurement of the gastroscope milestone.

During Q1 last year, DKK 298m was paid, as the milestone payment for the duodenoscope matured.

Note 12 – Contingent liabilities

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 recognised in the balance sheet as at 31 March 2022. For a more detailed description of the group's risks, see the 'Risk management' section on pages 31-32 in the annual report 2020/21.

Note 13 – Subsequent events

In addition to the matters described in this interim report, the management is not aware of any events subsequent to 31 March 2022 which could be expected to have a significant impact on the group's financial position.