

## Q1 RESULTS

### Interim report for Q1 2021/22

Ambu posted revenue for Q1 equal to the first quarter of last year, with organic growth of -1% and reported growth of 2%. Adjusted for last year's NHS safety-stock orders, the Visualization business grew 26% in sales and 46% in volume reaching a new high with 419,000 units sold. Full-year outlook revised due to uncertainties created by Omicron.

*"I am pleased to report that we have matched last year's Q1 record sales driven by the rapid growth of our ENT and urology businesses. Ambu is also expanding its presence in GI with the launch of our single-use gastroscope into one of the largest endoscopy segments with more than 20 million procedures globally. We continue to lead the creation of the single-use endoscopy market in the midst of significant disruptions due to the Omicron variant and remain committed to fulfil our aspiration of becoming the most innovative single-use endoscopy player,"* says Juan Jose Gonzalez, CEO of Ambu.

#### Highlights for the quarter

Last year's comparative figures are stated in brackets.

- **Revenue** for Q1 was DKK 1,031m (DKK 1,013m) based on negative **organic growth** of -1% (39%) with reported growth of 2% (33%). Growth rates are significantly influenced by the high comparable for Q1 2020/21 driven by the safety-stock orders for the National Health Services (NHS) in the UK. Adjusted for these NHS orders, organic growth in Q1 2021/22 is 13%.
- Revenue in **North America** grew organically by 18% (13%), while we saw a decline in **Europe** of -16% (79%). **Rest of World** posted organic growth of 0% (9%). Adjusted for the NHS orders, the growth in Europe is 10% for Q1 2021/22.
- **Visualization** revenue posted negative organic growth of -2% (101%), but adjusted for the NHS orders, organic growth in Visualization in Q1 2021/22 is 26%.
- **Units of single-use endoscopes** reached 419,000 in the quarter, so that volumes are up 13% relative to last year. Adjusted for the NHS orders, the volume growth in Visualization for Q1 2021/22 is 46%.
- **Anaesthesia** sales declined by -6% (5%), while **Patient Monitoring & Diagnostics (PMD)** posted organic growth of 7% (-3%) caused by fluctuations in demand driven by COVID-19. The backlog of orders carried from last year continue to increase and is now carried into Q2.
- On 3 February 2022, we achieved FDA clearance of **aScope™ Gastro** and **aBox™ 2** and the U.S. launch will begin soon. The expected average sales price for aScope™ Gastro will be USD 350 and for aBox™ 2 USD 7,500.
- **Gross margin** for the quarter was 61.5% (65.4%). The declining gross margin is driven by the product mix, labour and raw material inflation as well as overhead from ramping-up of the factory in Mexico.

- **OPEX** for the quarter totalled DKK 594m (DKK 514m), corresponding to an increase of 16% of which 7 percentage points are caused by increasing freight costs.
- **EBIT** for the quarter was DKK 40m (DKK 148m), with an **EBIT margin** of 3.9% (14.6%). The reduction of the EBIT margin is mainly caused by increasing costs including higher distribution costs which are absorbing 3.4 percentage points of EBIT margin when compared to Q1 last year.
- **Net financials** for the quarter were an expense of DKK 15m (DKK 30m).
- **Net working capital**-to-revenue ratio was 23% (17%) at the end of the quarter, based on rolling 12-month revenue. The supply chain situation, with significant delays in transit time, is increasing the level of inventories required to maintain service levels.
- **Free cash flow** before acquisitions totalled DKK -162m (DKK 2m) for the quarter including investments in innovation of DKK 106m and an increase in inventories of DKK 141m.
- Total **net interest-bearing debt** (NIBD) was DKK 1,259m (DKK 1,701m), corresponding to a leverage ratio of 2.7 (2.5). In line with our budget, NIBD is up DKK 500m since 30 September 2021, driven by commencement of lease agreement for the Mexico plant, the negative free cash flow and distribution of dividends.
- **The outlook for the 2021/22 financial year** is revised due to uncertainties regarding the continued impact of Omicron. The outlook for organic growth is revised from “15-19%” to “15%+” (15 percent or higher) and the outlook for EBIT margin is revised from “7-9%” to “7%+” (7 percent or higher). Outlook for the financial year is therefore:
  - Organic growth of 15%+
  - EBIT margin of 7%+

A **conference call** is held today, Tuesday 8 February 2022, at 09:00 (CET). The conference is broadcast live via [ambu.com/webcastQ12022](http://ambu.com/webcastQ12022). 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: 40283361#. The presentation can be downloaded immediately after the conference at [ambu.com/presentations](http://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 4,500 people in Europe, North America and the Asia Pacific. For more information, please visit [ambu.com](http://ambu.com) or follow us on our [corporate LinkedIn](#) and [USA LinkedIn](#) pages.

## FINANCIAL HIGHLIGHTS

DKKm	Q1 2021/22	Q1 2020/21	FY 2020/21
<b>Income statement</b>			
Revenue	1,031	1,013	4,013
Gross margin, %	61.5	65.4	62.4
EBITDA	102	198	556
Depreciation, amortisation and impairment	-62	-50	-216
EBIT	40	148	340
Net financials	-15	-30	-32
Profit before tax	25	118	308
Net profit for the period	20	91	247
<b>Balance sheet</b>			
Assets	6,327	5,043	5,740
Net working capital	911	636	789
Equity	3,946	2,394	3,952
Net interest-bearing debt	1,259	1,701	759
Invested capital	5,205	4,095	4,711
<b>Cash flows</b>			
Cash flows from operating activities	-28	106	328
Cash flows from investing activities before acquisitions	-134	-104	-573
Free cash flows before acquisitions of enterprises and technology	-162	2	-245
Acquisitions of enterprises and technology	0	-299	-301
Cash flows from operating activities, % of revenue	-3	10	8
Investments, % of revenue	-13	-10	-14
Free cash flows before acquisitions of enterprises, % of revenue	-16	0	-6
<b>Key figures and ratios</b>			
Organic growth, %	-1	39	16
Rate of cost, %	58	51	54
EBITDA margin, %	9.9	19.5	13.9
EBIT margin, %	3.9	14.6	8.5
Tax rate, %	20	23	20
Return on equity, %	6	13	8
NIBD/EBITDA	2.7	2.5	1.4
Equity ratio, %	62	47	69
Net working capital, % of revenue	23	17	20
Return on invested capital (ROIC), %	4	10	6
Average number of employees	4,727	4,200	4,437
<b>Share-related ratios</b>			
Market price per share (DKK)	173	263	190
Earnings per share (EPS) (DKK)	0.08	0.37	0.98
Diluted earnings per share (EPS-D) (DKK)	0.08	0.36	0.98

## MANAGEMENT'S REVIEW

Q1 2021/22

Organic revenue growth in Q1 was in line with expectations following the high growth performance in the first quarter of 2020/21, which benefited significantly from COVID-19 driven demand. Adjusted for the safety-stock orders of bronchoscopes delivered to the NHS in Q1 last year, the organic growth in Q1 2021/22 is 13% with Visualization at 26%.

In Q1 2021/22, we saw strong performance in all three business areas, although the congestion of the global supply chain has disturbed our ability to fully meet the demand. This means that the backlog of orders for Anaesthesia and PMD products carried from last financial year continues to increase and is now carried into Q2.

In Q1, COVID-19 has continued to disturb our commercial execution, as access to hospitals have gradually deteriorated in late November and December with the surge of the Delta variant in Europe and the emergence of the Omicron variant globally. The ability to get access to hospitals varied significantly, depending on geographies. This is primarily impacting recent product launches including aScope Duodeno, as a product launch requires access to physicians and decision-makers and this access has become more restricted.

Impact from Omicron variant started in mid-December 2021 and is expected to continue creating volatility in Q2 and Q3. In the short-term, Omicron has the following negative impact:

- It does not drive single-use bronchoscopy extra demand as the variant is less severe compared to the previous variants
- Contraction of elective procedures due to hospital staff shortages driven by infections and self-isolations
- Limited access to hospitals to demonstrate new products, e.g. aScope™ Duodeno 1.5

We have therefore revised our full-year outlook to reflect the uncertainties regarding the impact of Omicron.

### Sales performance – Regions

*Last year's comparative figures are stated in brackets.*

For Q1, revenue ended at DKK 1,031m (DKK 1,013m) corresponding to negative organic growth of -1% (39%) and reported growth of 2% (33%).

The three-year Compound Average Growth Rate (CAGR) was 16% for Ambu as a whole.

**North America** accounted for 47% of revenue in Q1 based on organic growth of 18% (13%). Reported growth was 23% (4%). The difference of 5 percentage points is due to the appreciating USD/DKK exchange rate over the same period last year.

Overall, we have seen elective procedure activity returning in North America in the beginning of the quarter, but with the spread of Omicron in the very late end of the quarter slowing down the recovery and limiting access to hospitals. In addition, we continue to see some negative impact from lack of supply in Anaesthesia. As a consequence, backorders that were carried from end of last financial year have increased during Q1 and are carried into Q2.

In North America, Visualization sales grew organically by 34% (35%) in Q1, driven by strong performance across pulmonology, ENT and urology.

Anaesthesia revenue declined by -2% (2%) including the impact of a lack of supply, while PMD revenue grew organically by 25% (-13%), showing a return to pre-COVID revenue levels in this business area.

**Europe** accounted for 45% of revenue in Q1, with sales declining relative to Q1 of the previous year, since the

DKKm	Q1 2021/22	Q1 2020/21	Organic growth	Fx	Reported growth
<b>North America</b>	481	391	18%	5%	23%
<b>Europe</b>	461	537	-16%	2%	-14%
<b>Rest of World</b>	89	85	0%	5%	5%
<b>Revenue</b>	<b>1,031</b>	<b>1,013</b>	<b>-1%</b>	<b>3%</b>	<b>2%</b>

safety-stock orders for the NHS were non-recurring, as expected. Organic growth stood at -16% (79%) and reported growth at -14% (77%). Adjusted for the NHS orders, organic growth is 10%.

In Europe, the surge of COVID-19 has since the second half of the quarter again slowed down the recovery of elective procedure activity and made access to hospitals more complicated. In addition, the congestions of the markets for global container transportation have continued to have a negative impact on our ability to maintain service levels. This means that backorders in Anaesthesia and PMD from Q4 have increased and are carried into Q2.

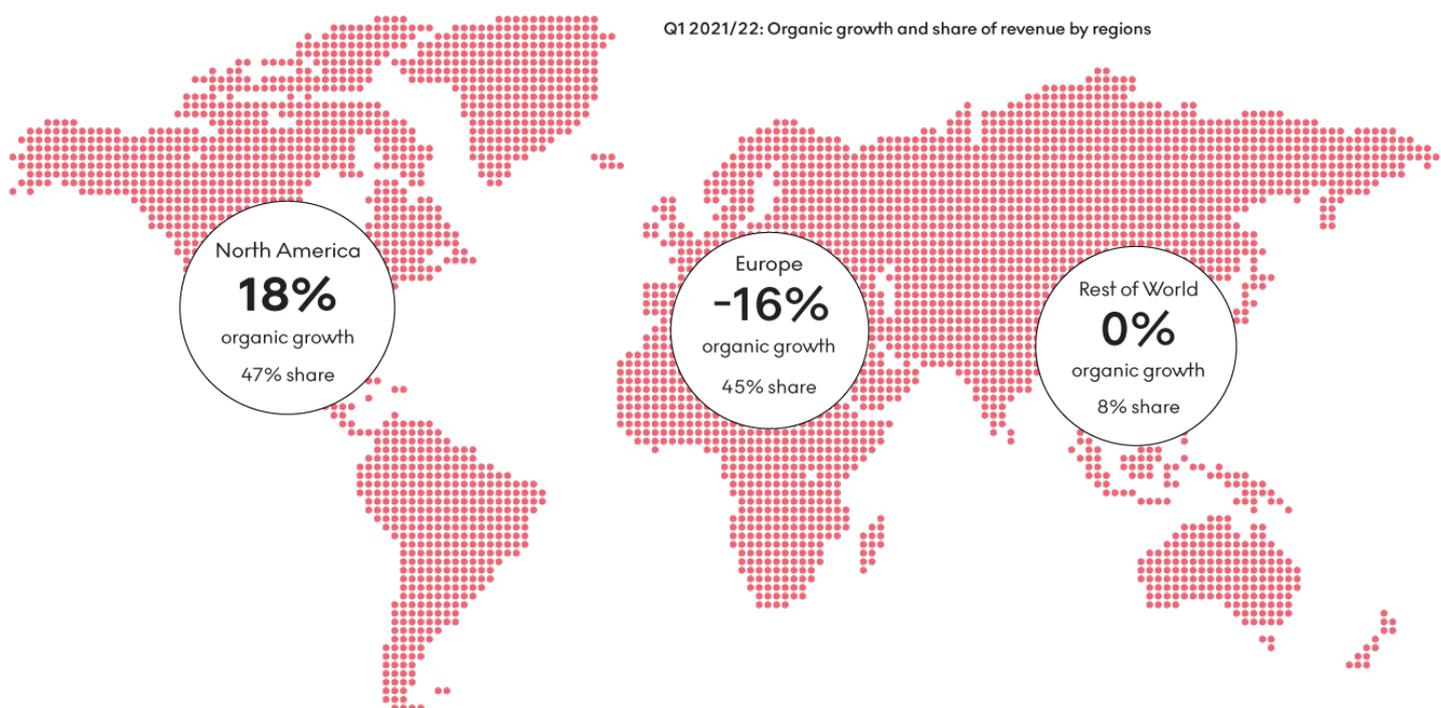
For Visualization, organic growth for the quarter came in at -23% (194%). Adjusted for NHS orders, organic growth is 22%.

Sales in Anaesthesia declined organically by -14% (17%), as a consequence of a normalising demand for resuscitators after last year's COVID-related spike in demand and backorders. PMD's European sales grew organically by 2% (2%).

**Rest of World** accounted for 8% of revenue in Q1 with 0% organic growth (9%) and reported growth of 5% (5%). In Q1, the markets in Rest of World have continued to be affected by various degrees of COVID-related restrictions especially in Australia and Japan.

In Rest of World, Visualization achieved organic growth of 11% (35%). We continue to see very positive results from aScope Broncho, aScope Cysto and ENT in our key markets including Japan and Australia.

Anaesthesia declined by -10% (-2%) and PMD by -3% (-7%), due to backorders and downturn in elective procedures on key markets.



## Sales performance – Business areas

### Visualization

DKKm	Q1 2021/22	Q1 2020/21	Organic growth	Fx	Reported growth
North America	255	183	34%	5%	39%
Europe	270	340	-23%	2%	-21%
Rest of World	40	35	11%	3%	14%
<b>Revenue</b>	<b>565</b>	<b>558</b>	<b>-2%</b>	<b>3%</b>	<b>1%</b>

Visualization sales declined slightly in the quarter with organic growth at -2% (101%), while reported growth was 1% (93%), with revenue of DKK 565m for the business area. Visualization accounted for 55% (55%) of Ambu's revenue in Q1.

Q1 organic Visualization growth in North America was 34% (35%), in Europe -23% (194%) and in Rest of World 11% (35%).

The Visualization growth rate for the quarter was significantly influenced by the high comparable for Q1 2020/21 driven by the safety-stock orders from NHS. Adjusted for the NHS orders, the organic growth in Visualization for Q1 2021/22 is 26%.

For Q1, aScope™ Broncho (pulmonology) continues to be the largest source of revenue in Visualization, and we continue to see a high growth performance from aScope™ RhinoLaryngo (ENT) and aScope™ Cysto (urology). In Q1 alone, aScope™ Cysto has generated more than half of the full-year sales in 2020/21, reflecting a rapid transition from reusable to single-use within urology.

The three-year organic revenue CAGR for Visualization was 34% and reflects the rapid penetration of aScope™ Broncho that we have seen since the beginning of the pandemic combined with the fast uptake in demand for endoscopes for ENT and urology. On a regional basis the three-year revenue CAGR is: North America 29%, Europe 42% and Rest of World 27% which reflects a healthy geographical split of the demand for single-use endoscopy.

The launch of aScope™ Duodeno is progressing well but still at the early stages. Most of our GI sales activity at the end of Q1 is focused on customer accounts trialling our duodenoscope solution but the spread of Omicron since the second half of the quarter has slowed down the process, as hospitals tend to focus on daily operation

and postpone considerations regarding introduction of new technology. We remain optimistic on the commercial success of aScope™ Duodeno, and we expect a steady uptake in conversions and revenue after the Omicron disruption.

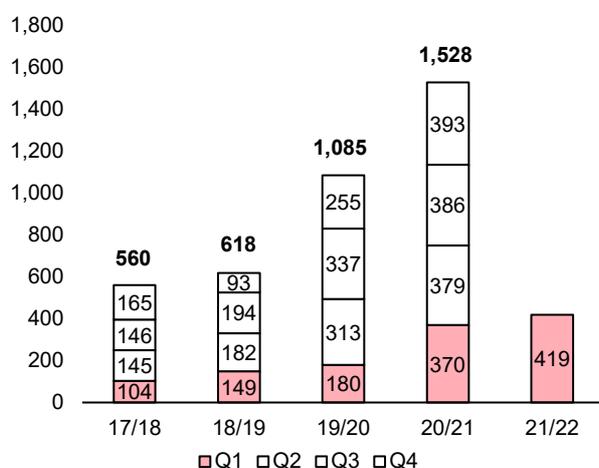
The clinical trial of aScope™ Duodeno 1.5 has been concluded with 150 patients across eight sites with a procedure success rate above 97%. The detailed results are expected to be made public at the DDW conference in San Diego (21-24 May 2022).

In Q1 2021/22, sales of endoscopes totalled 419,000 compared to 370,000 units sold in Q1 2020/21 or a 13% volume growth. Adjusted for the NHS orders, volume growth is 46%.

The gap of 15 percentage points between organic revenue growth and volume growth is driven by product mix as endoscopes for ENT and urology show high double-digit growth rates at price-points below the overall average. For the full year 2021/22, we expect urology and ENT endoscopes to generate combined sales of more than 700,000 units.

In Q1 2021/22, aScope™ Broncho showed a very satisfactory performance and stable prices compared to previous quarters.

## Number of endoscopes sold, '000 units



On 3 February 2022, Ambu achieved US market clearance for aScope™ Gastro and aBox™ 2 and the U.S. launch will begin soon. Our single-use gastroscopes will expand our presence in GI as we enter one of the largest endoscopy segments. The launch in Europe and other markets will start as soon as regulatory clearance is obtained. The expected average sales price of aScope™ Gastro will be USD 350 and for aBox™ 2 USD 7,500.

We continue to advance our pipeline of new products and expect to continue to accelerate the number of new launches on the back of our modular innovation engine.

In the calendar year of 2022, the most important launches will be:

- aScope™ 5 Broncho portfolio
- Videolaryngoscope 2.0
- Single-use ureteroscope
- aScope™ 5 Cysto HD
- aScope™ Duodeno 2.0
- Single-use colonoscope

## Anaesthesia

DKKm	Q1 2021/22	Q1 2020/21	Organic growth	Fx	Reported growth
North America	160	158	-2%	3%	1%
Europe	56	64	-14%	1%	-13%
Rest of World	29	31	-10%	4%	-6%
<b>Revenue</b>	<b>245</b>	<b>253</b>	<b>-6%</b>	<b>3%</b>	<b>-3%</b>

Anaesthesia revenue declined organically by -6% (5%) in Q1 with reported growth of -3% (-1%). Total revenue was DKK 245m, or 24% (25%) of Ambu's revenue in the quarter.

In North America, Anaesthesia sales declined by -2% (2%). Sales in Europe fell by -14% (17%) and in Rest of World by -10% (-2%).

The 6% decline in Anaesthesia revenue was due to a normalisation of the demand for resuscitators paired with

an increasing level of backorders carried forward from Q4 last year. Overall, the supply chain situation has not improved, and we have been impacted by delays in shipping lead times and delayed trucking in and out of warehouses. In addition, our US manufacturing site has been hit by COVID-19 driven absence and a high demand for blue-collar labour.

We expect the supply chain situation and backorders to start normalising as the COVID-19 pandemic subsides.

## Patient Monitoring & Diagnostics (PMD)

DKKm	Q1 2021/22	Q1 2020/21	Organic growth	Fx	Reported growth
North America	66	50	25%	7%	32%
Europe	135	132	2%	0%	2%
Rest of World	20	20	-3%	3%	0%
<b>Revenue</b>	<b>221</b>	<b>202</b>	<b>7%</b>	<b>2%</b>	<b>9%</b>

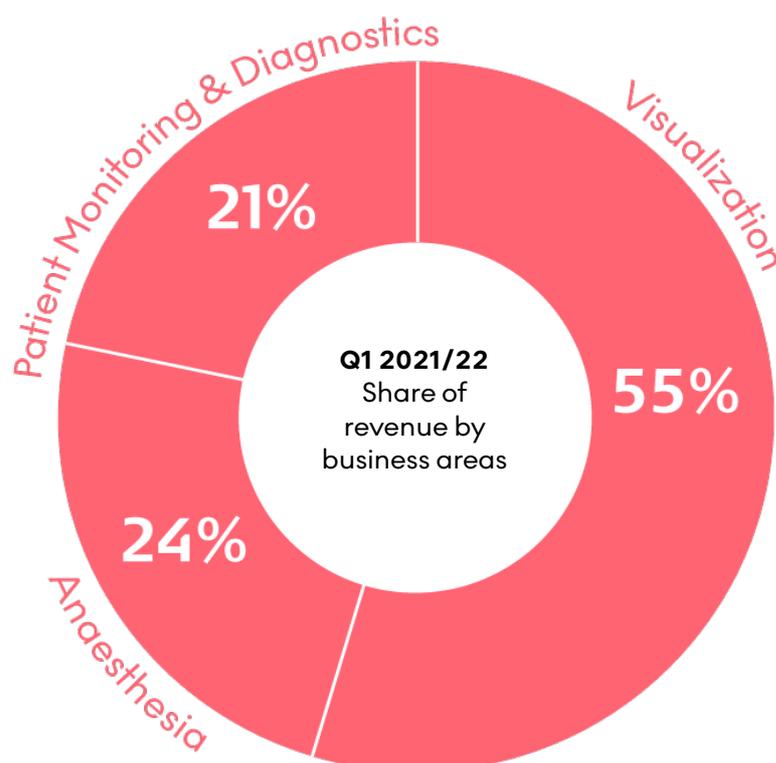
Organic growth in PMD was 7% (-3%) in Q1 with reported growth of 9% (-6%). With revenue of DKK 221m, PMD accounted for 21% (20%) of Ambu's total revenue in the quarter.

In North America, PMD sales increased by 25% (-13%) and by 2% (2%) in Europe, while sales in Rest of World declined by -3% (-7%).

The Q1 revenue shows a continued and positive trend of recovering sales, which puts pressure on the supply chain to ramp up fast and secure availability in the key

markets. This is challenging in the current environment, and we exit Q1 with an increasing value of backorders in PMD.

For the full year, we expect double-digit growth for Anaesthesia and PMD combined due to subsiding negative impact of COVID-19.



## FINANCIAL RESULTS

### INCOME STATEMENT

DKKm	Q1 2021/22	Q1 2020/21	Change in value	Change %
Revenue	1,031	1,013	18	2%
Production costs	-397	-351	-46	13%
<b>Gross profit</b>	<b>634</b>	<b>662</b>	<b>-28</b>	<b>-4%</b>
<i>Gross margin, %</i>	<i>61.5</i>	<i>65.4</i>	-	-
Selling and distribution costs	-406	-348	-58	17%
Development costs	-64	-47	-17	36%
Mgmt. and administrative costs	-124	-119	-5	4%
<b>Total OPEX</b>	<b>-594</b>	<b>-514</b>	<b>-80</b>	<b>16%</b>
<b>EBIT</b>	<b>40</b>	<b>148</b>	<b>-108</b>	<b>-73%</b>
<i>EBIT margin, %</i>	<i>3.9</i>	<i>14.6</i>	-	-

**Revenue** for Q1 was DKK 1,031m, up DKK 18m from the prior-year period, corresponding to reported growth of 2% (33%). Adjusted for currency effects, the underlying organic growth was -1% (39%).

**Gross profit** in Q1 was down 4% to DKK 634m (DKK 662m), and the gross margin declined by 3.9 percentage points to 61.5% (65.4%). The decline in gross margin is driven by both revenue and production costs.

The sales mix has a negative effect on revenue due to last year's high growth (101%) in Visualization relative to Anaesthesia and PMD, and we estimate this impact to equal a decline of the gross margin of approx. 2 percentage points.

Production costs in Q1 increased by DKK 46m or 13% compared to last year. The cost of scaling-up the factory in Mexico paired with increased prices on raw materials and labour shortages at our factory in the USA had a negative effect in the quarter of approx. 2 additional percentage points.

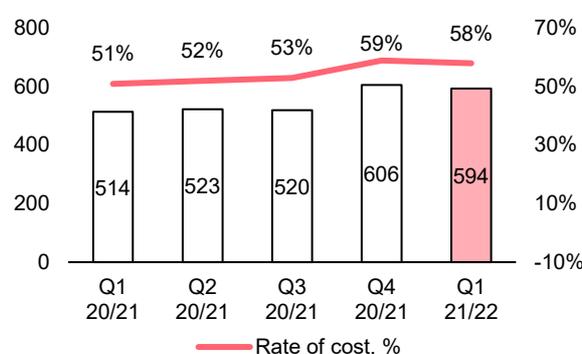
#### Exposure to changes in foreign exchange rates

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 Q1 2021/22, the average USD/DKK exchange rate was 650 (624), up by 4%. The average exchange rates in Q1 changed relative to last year as follows: MYR/DKK by 2%, CNY/DKK by 8% and GBP/DKK by 6%. The combined exchange rate impact on this quarter's revenue is a positive 3%, or DKK 30m.

**Operating expenditures (OPEX)** totalled DKK 594m (DKK 514m) in Q1, corresponding to a 16% or DKK 80m increase. The rate of cost was 58% (51%).

#### Total OPEX (DKKm) and rate of cost (%)



**Selling and distribution costs** were up by DKK 58m or 17%, at DKK 406m (DKK 348m) compared to Q1 last year. Selling and distribution costs corresponded to 39% (34%) of revenue in Q1.

The increase in selling and distribution costs is primarily driven by higher distribution costs. Compared to last year, freight cost for sea and air transport increased by DKK 35m or 3.4 percentage points of revenue.

**Development costs** increased by DKK 17m, or 36%, to DKK 64m (DKK 47m), corresponding to 6% (5%) of revenue. The increase can be attributed to more activities in our innovation organisation, as well as a DKK 6m increase in depreciation, amortisation and impairment. This was all in line with the strategy of rapid expansion of our Innovation capabilities.

Our Global Innovation organisation employed 411 FTEs in Q1, up 110 from the 301 FTEs in Q1 last year.

The negative cash flow relating to innovation activities, including the ramp-up of production of new products in Q1, was up by DKK 31m or 28%, at DKK 140m.

DKKm	Q1 2021/22	Q1 2020/21	Change in value
Development costs	64	47	17
+ Depreciation and amortisation	-29	-24	-5
+ Impairment	-1	0	-1
= Development costs affecting EBITDA	34	23	11
+ Investments	106	86	20
<b>= Cash flow – Innovation</b>	<b>140</b>	<b>109</b>	<b>31</b>

**Tax on profit** for Q1 was a net expense of DKK 5m (DKK 27m), corresponding to an average effective tax rate on profit of 20% (23%).

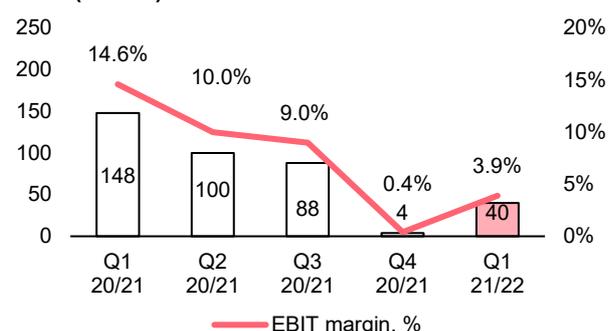
**Net profit** for Q1 was DKK 20m (DKK 91m), equivalent to 2% (9%) of revenue.

**Diluted earnings per share (EPS-D)** for Q1 were DKK 0.08 (DKK 0.36).

**Management and administrative costs** for Q1 were DKK 124m (DKK 119m), corresponding to 12% (12%) of revenue.

**Operating profit (EBIT)** was DKK 40m (DKK 148m) in Q1, with an EBIT margin of 3.9% (14.6%). The impact from foreign exchange rates on the EBIT margin is negligible.

#### EBIT (DKKm)



**Depreciation, amortisation and impairment** for Q1 represented an expense of DKK 62m (DKK 50m), corresponding to 6% (5%) of revenue. The increase in value is related to a general increase in activity levels, including DKK 3m in depreciation of the leased buildings in Mexico.

**EBITDA** in Q1 was DKK 102m (DKK 198m), with an EBITDA margin of 9.9% (19.5%).

**Net financials** amounted to an expense of DKK 15m (DKK 30m) for Q1.

Net financials comprise the following:

- Interest expenses on bank and lease debt totalled DKK 7m (DKK 8m).
- Foreign exchange constituted a net expense of DKK 3m (DKK 15m).
- Fair value adjustment of contingent consideration relating to the acquisition of Invendo Medical GmbH represented an expense of DKK 4m (DKK 6m).
- The interest expense element from liabilities stated at present amortised value was DKK 1m (DKK 1m).

## Balance sheet

### Balance sheet condensed by main items

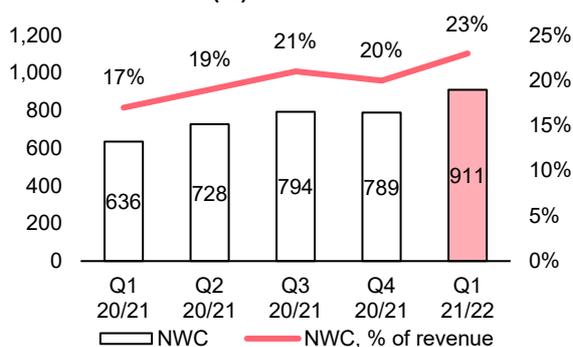
DKKm	31.12.21	31.12.20	Change in value	Change %
Non-current assets	4,517	3,719	798	21%
Inventories	905	551	354	64%
Trade receivables	663	491	172	35%
Other current assets	101	109	-8	-7%
Cash equivalents	141	173	-32	-18%
<b>Total assets</b>	<b>6,327</b>	<b>5,043</b>	<b>1,284</b>	<b>25%</b>
Equity	3,946	2,394	1,552	65%
Contingent consideration	141	134	7	5%
Interest-bearing debt	1,400	1,874	-474	-25%
Trade and other payables	749	500	249	50%
Other liabilities	91	141	-50	-35%
<b>Total equity and liabilities</b>	<b>6,327</b>	<b>5,043</b>	<b>1,284</b>	<b>25%</b>

At the end of Q1, **total assets** were DKK 6,327m (DKK 5,043m), and **invested capital** was DKK 5,205m (DKK 4,095m), with a 4% (10%) return on invested capital.

**Non-current assets** at the end of Q1 were DKK 4,517m, up DKK 798m from Q1 last year, driven by investments in innovation and the new factory in Mexico in Q1 last year. In Q1 2021/22 investments into non-current assets totals DKK 134m (DKK 104m) in Q1.

**Net working capital** at the end of Q1 was DKK 911m (DKK 636m), corresponding to 23% (17%) of 12 months of revenue.

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



**Inventories** were DKK 905m (DKK 551m) at the end of Q1, equivalent to 22% (14%) of revenue over 12 months. Inventories are up DKK 157m since Q4 last year and are significantly impacted by the disruption of the global supply chain.

**Trade receivables** totalled DKK 663m at the end of Q1 against DKK 491m last year. Calculated at fixed exchange rates on a 12-month basis, the average number of days of outstanding sales was 59 (48). The financial risk on trade receivables is unchanged since Q4.

**Trade payables and other payables** totalled DKK 749m (DKK 500m), up DKK 249m or 50% from last year, equivalent to 19% (13%) of revenue over 12 months. The increase reflects the underlying increase in inventories, capital expenditures and OPEX.

**Contingent consideration** was DKK 141m at the end of Q1, against DKK 134m in Q1 last year and a liability of DKK 137m by 30 September 2021.

### Net interest-bearing debt (NIBD) and leverage

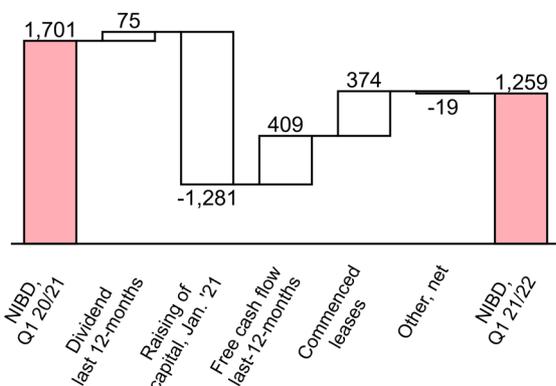
Cash and cash equivalents amounted to DKK 141m (DKK 173m). Interest-bearing debt comprises credit institutions at DKK 860m (DKK 1,650m), and leases at DKK 540m (DKK 200m).

NIBD totalled DKK 1,259m, representing a decrease of DKK 442m from last year's DKK 1,701m, corresponding to 2.7 (2.5) of EBITDA.

NIBD is up by DKK 500m 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 decrease in NIBD since last year can be attributed to the raise of capital in January 2021, which generated total proceeds of DKK 1,281m, while accumulated free cash flow of DKK -409m in the last 12 months, commenced leases of DKK 379m, including lease of the perimeter of the manufacturing site in Mexico, and distributed dividend to shareholders of DKK 75m caused NIBD to increase.

## Development in NIBD (DKKm)

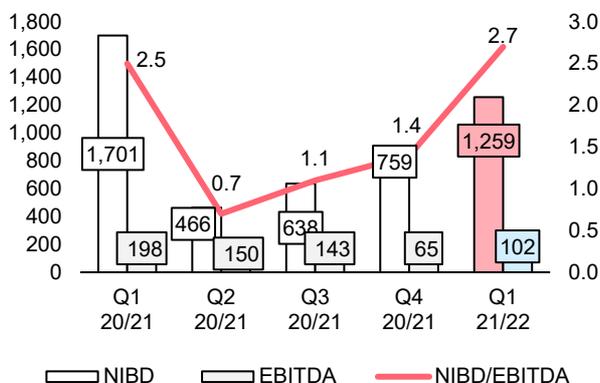


## Capital resources in place

Total credit lines in Q1 were DKK 1,500m (DKK 2,300m), of which credit lines for DKK 860m (DKK 1,650m) were utilised.

At the end of Q1, Ambu had unutilised capital resources from cash and cash equivalents, overdraft facilities and credit lines of approx. DKK 800m (DKK 700m).

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



**Other liabilities** were DKK 91m (DKK 141m), down by DKK 50m from last year, due to a decrease in deferred tax liabilities.

## Cash flow statement

DKKm	Q1 2021/22	Q1 2020/21	Change in value
Cash flow from operating activities (CFFO)	-28	106	-134
Cash flow from investing activities before acquisitions (CFFI)	-134	-104	-30
Free cash flow before acquisitions (FCF)	-162	2	-164
Acquisitions of enterprises and technology	0	-299	299
Cash flow from financing activities (CFFF)	239	372	-133
Changes in cash	77	75	2
<b>Cash flows in % of revenue:</b>			
Cash flow from operating activities	-3	10	-
Investments	-13	-10	-
Free cash flow before acquisitions	-16	0	-

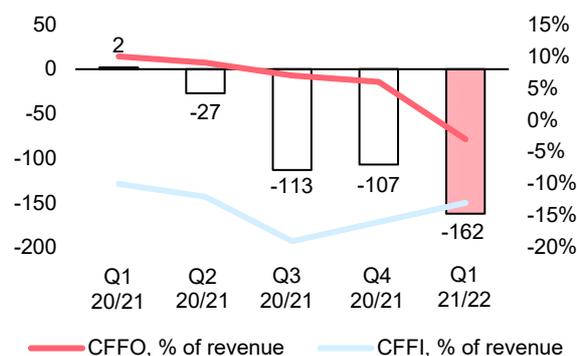
**Cash flow from operating activities (CFFO)** for Q1 was DKK -28m (DKK 106m), driven by EBITDA and working capital investments. CFFO for Q1 corresponds to -3% (10%) of revenue.

**Cash flow from investing activities (CFFI)** for Q1 was DKK -134m (DKK -104m), primarily driven by innovation activities. Investments in innovation account for DKK 106m (DKK 86m), of which DKK 8m (DKK 8m) concerns tangible investments to ramp up production lines for product launches.

CFFI for Q1 corresponds to -13% (-10%) of revenue.

**Free cash flow (FCF)** for Q1 before acquisitions of enterprises and technology then totalled DKK -162m (DKK 2m), corresponding to -16% (0%) of revenue.

## Free cash flow before acquisitions (DKKm)



**Cash flow from financing activities** (CFFF) amounted to DKK 239m (DKK 372m) for the quarter.

During the quarter, Ambu raised debt of DKK 310m (DKK 425m). In addition, dividend of DKK 60m (DKK 58m) was distributed to shareholders.

Changes in cash and cash equivalents came to DKK 77m (DKK 75m) for the quarter.

## Equity

At the end of December 2021, equity totalled DKK 3,946m (DKK 2,394m), corresponding to an equity ratio of 62% (47%) of total assets. The share capital was DKK 129m (DKK 126m), distributed on 257.7m shares (252.8m).

### Other comprehensive income

Other comprehensive income includes a translation adjustment arising from the translation of subsidiaries in foreign currency for the quarter of DKK 48m (DKK -39m).

### 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.

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 60,145 Class B shares in Ambu A/S.

At the end of Q1 2021/22, Ambu's holding of Class B treasury shares had been reduced by 60,145 to 3,916,326 (4,626,332), corresponding to 1.520% (1.830%) of the total share capital.

In addition, at the end of Q1 2021/22, Ambu employees had exercised a total of 5,000 warrants to subscribe for shares in Ambu A/S, for net proceeds of DKK 0.2m.

In certain jurisdictions, Ambu obtains a deduction for employee gains from the exercise of options and warrants. During Q1, equity decreased by DKK 3m (increased by DKK 21m), corresponding to the value adjustment of any deductible value of employee gains.

## OUTLOOK 2021/22

The outlook for the financial year 2021/22 as announced in the annual report on 9 November 2021 is revised due to uncertainties regarding impact of Omicron. The outlook for organic growth is revised from “15-19%” to “15%+” (15 percent or higher) and the outlook for EBIT margin is revised from “7-9%” to “7%+” (7 percent or higher).

### Local currencies

	8 February 2022	9 November 2021
Organic growth	15%+	15-19%

### Danish kroner

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

### Exchange rate assumptions for 2021/22

	8 February 2022	9 November 2021
USD/DKK	650	642
MYR/DKK	155	155
CNY/DKK	102	100
GBP/DKK	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 health care, in the world economy, in interest rate levels and in exchange rates.

## Financial calendar 2021/22

### 2022

12 April	Pre-Q2 quiet period starts
10 May	Interim report for Q2 2021/22
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

## QUARTERLY RESULTS

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

## QUARTERLY RESULTS (CONTINUED)

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

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, 8 February 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

# Consolidated financial statements

Interim report Q1 2021/22

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Page 22	Balance sheet
Page 23	Cash flow statement
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Page 25	Notes to the interim report



# Income statement and statement of comprehensive income

Interim report Q1 2021/22

DKKm

Income statement		Q1 2021/22	Q1 2020/21	FY 2020/21
Revenue	4	1,031	1,013	4,013
Production costs		-397	-351	-1,510
<b>Gross profit</b>		<b>634</b>	<b>662</b>	<b>2,503</b>
Selling and distribution costs		-406	-348	-1,468
Development costs		-64	-47	-225
Management and administrative costs		-124	-119	-470
<b>Operating profit (EBIT)</b>		<b>40</b>	<b>148</b>	<b>340</b>
Financial income	8, 11	0	0	8
Financial expenses	8	-15	-30	-40
<b>Profit before tax</b>		<b>25</b>	<b>118</b>	<b>308</b>
Tax on profit for the period		-5	-27	-61
<b>Net profit for the period</b>		<b>20</b>	<b>91</b>	<b>247</b>
<b>Earnings per share in DKK</b>				
Earnings per share (EPS)		0.08	0.37	0.98
Diluted earnings per share (EPS-D)		0.08	0.36	0.98

Statement of comprehensive income		Q1 2021/22	Q1 2020/21	FY 2020/21
Net profit for the period		20	91	247
Other comprehensive income:				
<i>Items which are moved to the income statement under certain conditions:</i>				
Translation adjustment in foreign subsidiaries		48	-39	33
<b>Other comprehensive income after tax</b>		<b>48</b>	<b>-39</b>	<b>33</b>
<b>Comprehensive income for the period</b>		<b>68</b>	<b>52</b>	<b>280</b>

# Balance sheet

Interim report Q1 2021/22

DKKm

Assets	Note	31.12.21	31.12.20	30.09.21
Goodwill		1,518	1,467	1,504
Acquired technologies, trademarks and customer relations		398	434	407
Acquired technologies in progress		324	324	324
Completed development projects		403	349	395
Development projects in progress		648	341	572
Rights		40	44	42
<b>Intangible assets</b>		<b>3,331</b>	<b>2,959</b>	<b>3,244</b>
Land and buildings		669	338	403
Plant and machinery		165	127	164
Other fittings and equipment		168	155	169
Property, plant and equipment in progress		133	48	110
<b>Property, plant and equipment</b>		<b>1,135</b>	<b>668</b>	<b>846</b>
Deferred tax asset		51	92	42
<b>Other non-current assets</b>		<b>51</b>	<b>92</b>	<b>42</b>
<b>Total non-current assets</b>		<b>4,517</b>	<b>3,719</b>	<b>4,132</b>
Inventories		905	551	748
Trade receivables		663	491	699
Other receivables		28	24	20
Income tax receivable		9	15	13
Prepayments		64	70	64
Cash and cash equivalents		141	173	64
<b>Total current assets</b>		<b>1,810</b>	<b>1,324</b>	<b>1,608</b>
<b>Total assets</b>		<b>6,327</b>	<b>5,043</b>	<b>5,740</b>
<b>Equity and liabilities</b>	<b>Note</b>	<b>31.12.21</b>	<b>31.12.20</b>	<b>30.09.21</b>
Share capital		129	126	129
Other reserves		3,817	2,268	3,823
<b>Equity</b>	10	<b>3,946</b>	<b>2,394</b>	<b>3,952</b>
Deferred tax		23	79	18
Provisions		29	30	30
Interest-bearing debt	9	1,316	1,804	760
<b>Non-current liabilities</b>		<b>1,368</b>	<b>1,913</b>	<b>808</b>
Provisions		15	7	13
Contingent consideration	11	141	134	137
Interest-bearing debt	9	84	70	63
Trade payables		405	216	364
Income tax		23	18	23
Other payables		344	284	378
Derivative financial instruments		1	7	2
<b>Current liabilities</b>		<b>1,013</b>	<b>736</b>	<b>980</b>
<b>Total liabilities</b>		<b>2,381</b>	<b>2,649</b>	<b>1,788</b>
<b>Total equity and liabilities</b>		<b>6,327</b>	<b>5,043</b>	<b>5,740</b>

# Cash flow statement

Interim report Q1 2021/22

DKKm

	Note	Q1 2021/22	Q1 2020/21	FY 2020/21
Operating profit (EBIT)		40	148	340
Adjustment of items with no cash flow effect	5	65	52	227
Changes in net working capital	6	-120	-83	-197
Interest income		0	0	3
Interest expenses and similar items		-3	-6	-18
Income tax paid		-10	-5	-27
<b>Cash flows from operating activities</b>		<b>-28</b>	<b>106</b>	<b>328</b>
Investments in intangible assets		-99	-78	-405
Investments in tangible assets		-35	-26	-176
Sale of non-current assets		0	0	8
Cash flows from investing activities before acquisitions of enterprises and technology		-134	-104	-573
<b>Free cash flows before acquisitions of enterprises and technology</b>		<b>-162</b>	<b>2</b>	<b>-245</b>
Acquisition of technology		0	-1	-3
Acquisitions of enterprises		0	-298	-298
Cash flows from acquisitions of enterprises and technology		0	-299	-301
<b>Cash flows from investing activities</b>		<b>-134</b>	<b>-403</b>	<b>-874</b>
<b>Free cash flows after acquisitions of enterprises and technology</b>		<b>-162</b>	<b>-297</b>	<b>-546</b>
Raising of long-term debt		310	425	575
Repayment of debt to credit institutions		0	0	-1,250
Repayment of debt to other creditors		0	0	-24
Repayment in respect of leases		-12	-15	-44
Exercise of options		0	18	37
Sale of treasury shares		0	0	65
Dividend paid		-60	-58	-73
Dividend, treasury shares		1	1	1
Capital increase, Class B share capital		0	1	1,225
<b>Cash flows from financing activities</b>		<b>239</b>	<b>372</b>	<b>512</b>
<b>Changes in cash and cash equivalents</b>		<b>77</b>	<b>75</b>	<b>-34</b>
Cash and cash equivalents, beginning of period		64	98	98
<b>Cash and cash equivalents, end of period</b>		<b>141</b>	<b>173</b>	<b>64</b>
<b>Cash and cash equivalents, end of period, are composed as follows:</b>				
Cash and cash equivalents		141	173	64
<b>Cash and cash equivalents, end of year</b>		<b>141</b>	<b>173</b>	<b>64</b>

# Statement of changes in equity

Interim report Q1 2021/22

DKKm

	Share capital	Reserve for foreign currency translation adjustment	Retained earnings	Proposed dividend	Total
<b>Equity 1 October 2021</b>	<b>129</b>	<b>106</b>	<b>3,642</b>	<b>75</b>	<b>3,952</b>
Net profit for the period			20		20
Other comprehensive income for the period		48			48
<b>Total comprehensive income</b>	<b>0</b>	<b>48</b>	<b>20</b>	<b>0</b>	<b>68</b>
<i>Transactions with the owners:</i>					
Share-based payment			3		3
Tax deduction relating to share options			-3		-3
Distributed dividend				-74	-74
Dividend, treasury shares			1	-1	0
<b>Equity 31 December 2021</b>	<b>129</b>	<b>154</b>	<b>3,663</b>	<b>0</b>	<b>3,946</b>
<b>Equity 1 October 2020</b>					
<b>Equity 1 October 2020</b>	<b>126</b>	<b>73</b>	<b>2,100</b>	<b>73</b>	<b>2,372</b>
Net profit for the period			91		91
Other comprehensive income for the period		-39			-39
<b>Total comprehensive income</b>	<b>0</b>	<b>-39</b>	<b>91</b>	<b>0</b>	<b>52</b>
<i>Transactions with the owners:</i>					
Share-based payment			2		2
Tax deduction relating to share options			21		21
Exercise of options			18		18
Distributed dividend				-72	-72
Dividend, treasury shares			1	-1	0
Share capital increase, warrants			1		1
<b>Equity 31 December 2020</b>	<b>126</b>	<b>34</b>	<b>2,234</b>	<b>0</b>	<b>2,394</b>

Other reserves are made up of reserve for foreign currency translation adjustment, retained earnings and proposed dividend and total DKK 3,817m (31.12.2020: DKK 2,268m).

# Notes to the interim report

Interim report Q1 2021/22

## Section 1: Basis of preparation of the interim report

Page 26            Note 1 – Basis of preparation of interim report  
Page 26            Note 2 – Changes in accounting estimates

## Section 2: Operating activities and cash flows

Page 26            Note 3 – Segment information  
Page 26            Note 4 – Revenue

## Section 3: Invested capital and net working capital

Page 27            Note 5 – Adjustment of items with no cash flow effect  
Page 27            Note 6 – Changes in net working capital

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

Page 27            Note 7 – Risks  
Page 27            Note 8 – Net financials  
Page 28            Note 9 – Net interest-bearing debt  
Page 28            Note 10 – Capital increases, treasury shares and dividend paid

## Section 5: Provisions, other liabilities etc.

Page 29            Note 11 – Contingent consideration  
Page 29            Note 12 – Contingent liabilities  
Page 29            Note 13 – Subsequent events

# Notes to the interim report

Interim report Q1 2021/22

DKK m

## Note 1 – Basis of preparation of the interim report

The interim report for the period 1 October 2021 to 31 December 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 2020/21. 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.

## 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

	Q1 2021/22	Q1 2020/21	FY 2020/21
Visualization	565	558	2,168
Anaesthesia	245	253	997
Patient Monitoring & Diagnostics	221	202	848
<b>Total revenue by activities</b>	<b>1,031</b>	<b>1,013</b>	<b>4,013</b>
North America	481	391	1,739
Europe	461	537	1,787
Rest of World	89	85	487
<b>Total revenue by markets</b>	<b>1,031</b>	<b>1,013</b>	<b>4,013</b>

## Note 5 – Adjustment of items with no cash flow effect

	Q1 2021/22	Q1 2020/21	FY 2020/21
Depreciation, amortisation and impairment losses	62	50	216
Share-based payment	3	2	11
	<b>65</b>	<b>52</b>	<b>227</b>

# Notes to the interim report

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## Note 6 – Changes in net working capital

	Q1 2021/22	Q1 2020/21	FY 2020/21
Changes in inventories	-141	-50	-222
Changes in receivables	38	21	-163
Changes in trade payables etc.	-17	-54	188
	<b>-120</b>	<b>-83</b>	<b>-197</b>

## 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

	Q1 2021/22	Q1 2020/21	FY 2020/21
Interest income, others	0	0	3
Foreign exchange gains, net	0	0	4
Fair value adjustment, swap	0	0	1
<b>Financial income</b>	<b>0</b>	<b>0</b>	<b>8</b>

	Q1 2021/22	Q1 2020/21	FY 2020/21
Interest expenses, banks	3	6	16
Interest expenses, leases	4	2	8
Interest expenses, others	0	0	2
Foreign exchange loss, net	3	15	0
Fair value adjustment, contingent consideration	4	6	10
Effect of shorter discount period, acquisition of technology	1	1	4
<b>Financial expenses</b>	<b>15</b>	<b>30</b>	<b>40</b>

# Notes to the interim report

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## Note 9 – Net interest-bearing debt

	31.12.21	31.12.20	FY 2020/21
Credit institutions	860	1,650	550
Leases	456	130	210
Other interest-bearing debt	0	24	0
<b>Long-term interest-bearing debt</b>	<b>1,316</b>	<b>1,804</b>	<b>760</b>
Leases	84	70	63
<b>Short-term interest-bearing debt</b>	<b>84</b>	<b>70</b>	<b>63</b>
<b>Interest-bearing debt</b>	<b>1,400</b>	<b>1,874</b>	<b>823</b>

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

	31.12.21	31.12.20	FY 2020/21
Interest-bearing debt	1,400	1,874	823
Cash and cash equivalents	-141	-173	-64
<b>Net interest-bearing debt</b>	<b>1,259</b>	<b>1,701</b>	<b>759</b>

## 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.

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

	30.09.21	Change	31.12.21
No. of Class A shares	34,320,000	0	34,320,000
No. of Class B shares	223,383,932	5,000	223,388,932
	<b>257,703,932</b>	<b>5,000</b>	<b>257,708,932</b>
Share capital	128,851,966	2,500	128,854,466

### 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 December 2021, this had been reduced by 60,145 shares to 3,916,326 Class B shares. The reduction is attributable to disposals in connection with the conclusion of the employee share programme for 2019 (matching shares). 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.

# Notes to the interim report

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## Note 11 – Contingent consideration

	31.12.21	31.12.20	FY 2020/21
Contingent consideration at 1 October	137	426	426
Used during the year	0	-298	-298
<i>Adjustments made through the income statement under financial expenses:</i>			
Value adjustment	4	6	10
Foreign currency translation adjustment	0	0	-1
<b>Contingent consideration end of reporting period</b>	<b>141</b>	<b>134</b>	<b>137</b>
<b>Contingent consideration expected to fall due:</b>			
Current contingent consideration	141	134	137
<b>Contingent consideration end of reporting period</b>	<b>141</b>	<b>134</b>	<b>137</b>

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.

The net value adjustment of a DKK 4m expense (DKK 6m) 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 duodenoscopy 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 December 2021. 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 December 2021 which could be expected to have a significant impact on the group's financial position.