

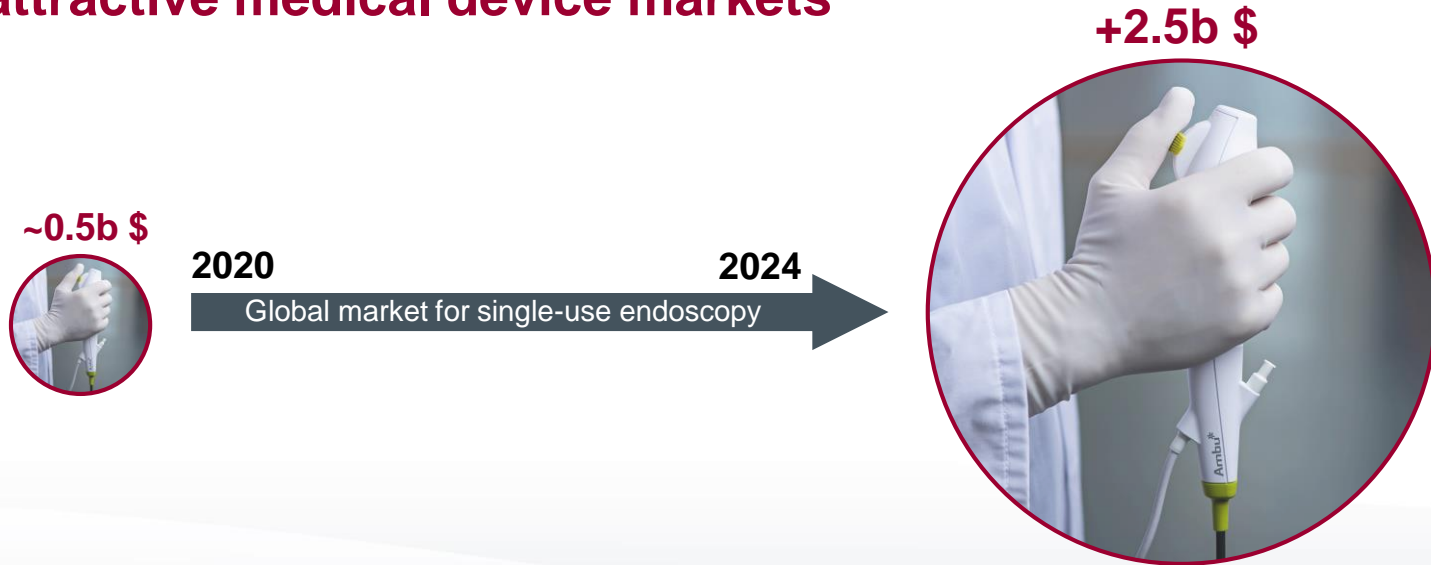
# Ambu analyst meeting

December 18<sup>th</sup>, 2020

Ambu<sup>\*</sup>



# Single-use endoscopy is one of the most attractive medical device markets



## Key drivers

1. Increased focus on contamination and infection control
2. Convenience and compelling economic offering
3. Rapid technology advancements
4. Governments and regulators support market conversion

**17-20%**

organic  
growth

**11-12%**

EBIT  
margin  
*(before special items)*

**1.3-1.4**

million endoscope  
units sold

- **Visualization will be the main growth driver** with continuing high double-digit growth rates
- **Anaesthesia and PMD** growth is expected to exceed normal growth rates for these business areas
- EBIT margin is impacted by the **investments in our commercial infrastructure**
- **CAPEX** relative to revenue will be in the level of approx. 14% and **free cash flow** is expected to be low
- Ambu's effective **tax rate is expected to be approx. 23%** adjusted for non-deductible and non-taxable items

# Guidance 2020/21

- “The growth will be driven by Visualization, which will continue to see high double-digit growth rates. We expect our two new scopes, aScope Cysto and aScope Duo to contribute sizable amount to our organic growth. The COVID pandemic has affected our Visualization business in terms of changed growth patterns across geographies, and these patterns will affect the geographical growth rates for Visualization in 2020/21.” (Q4 2019/20, conference call)
- “Anaesthesia and PMD business were negatively impacted by COVID in 2019/20. Both business areas are expected to return to positive growth rates in 2020/21 as the market conditions improve. The negative impact of COVID in 2019/20 will cause Anaesthesia and PMD to exceed what is considered our normal growth rates for the long-term, in 2020/21. The growth rates for these businesses will be relatively low in the early part of the year while we expect to see an increase towards the end of the year 2020/21. Lastly, we expect especially Q2 and Q3 to be relatively soft due to last year's comparables.” (Q4 2019/20, conference call)
- “In terms of EBIT margin before special items, we expect to be in the range of 11% to 12%. Endoscope units sold is expected in the range 1.3 million to 1.4 million units. Growth will be driven by the bronchoscopes.” (Q4 2019/20, conference call)

# New manufacturing plant in Mexico



## Comments

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- “It has been decided to build a new manufacturing plant for single-use endoscopes in Mexico. The plant will be operational in 2022/23, and we have sufficient capacity in Malaysia to support demand until then.” (Q4 2019/20 Investor Presentation, p. 9)
- “The level of investment in 2021 are going to be relatively modest. Out of our total investments for this year (2020/21) it is going to be well below 10%. A part of the investments are going to come the year following 2020/21. With respect to the amortization which is going to drive that; those are going to kick in the year 2022/23.” (Q4 2019/20, conference call)

***Sufficient capacity in Malaysia to support demand until 2022/23***

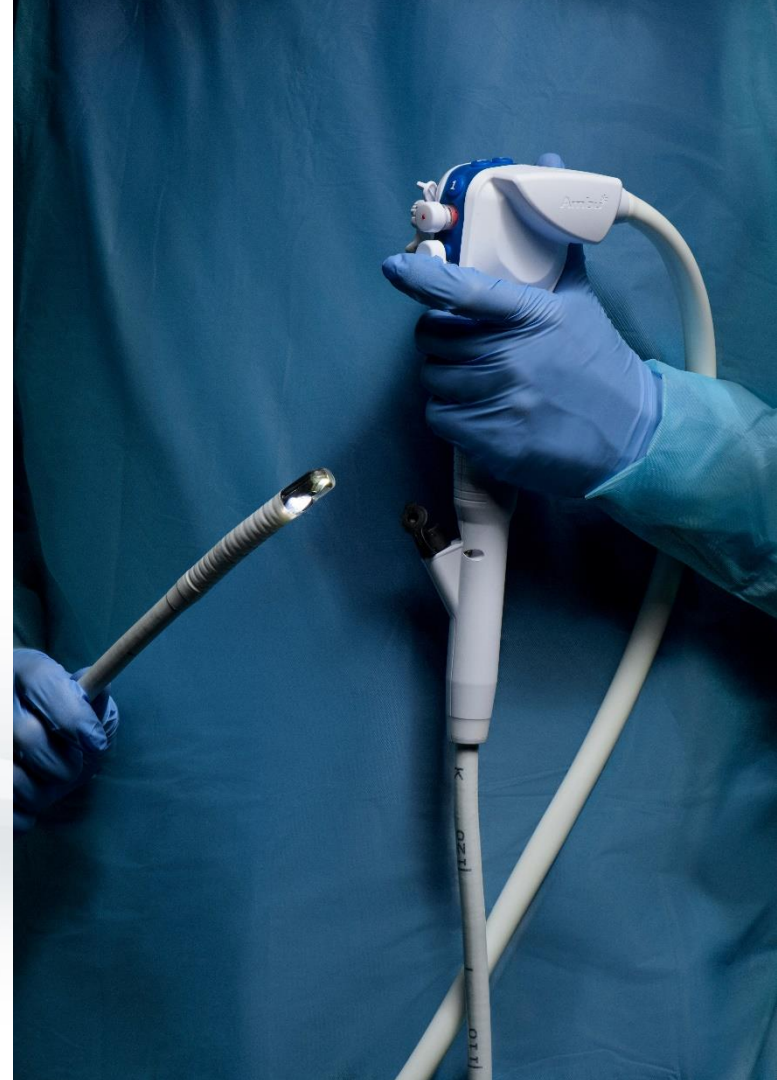
## Visualization

- “In North America, our full year growth (71%) is also driven by our distributor transition the previous year. Adjusted for that, our aScope Broncho in the U.S. grew 23% in terms of volume last year and with 19% volume growth in Q4.” (Q4 2020, conference call)
- “You are going to see a very nice growth contribution next year from all three recently launched products, namely ENT, Cysto and Duo. We are very comfortable about the prognosis that we are working with.” (Q4 2020, conference call)
- “We should expect similar dynamics to what we saw during the first wave, but maybe not to such an extreme level. Hospitals are starting to learn how to treat patients. They are also learning how to be able to continue elective procedures in spite of a pandemic. The big swings that we saw in the first wave is something that we are not expecting. Having said that, we believe we are going to see a positive impact in Europe.” (Q4 2020, conference call)



# aScope™ Duodeno

- “Our U.S. GI commercial organization is 100% in place. They have performed just over 550 product demonstrations and lined up 300 of the largest ERCP hospitals in the country.” (Q4 2019/20, conference call)
- “U.S. clinical trial has been submitted to ClinicalTrials.gov and is expected to start in January 2021 with currently two sites enrolled, but more will be added as we progress” (Q4 2019/20 Investor Presentation, p.13)
- “We expect that the 500-patient study will take a year to complete.” (Q2 2019/20, conference call)



# aScope™ 4 Cysto

- “We have done 650 product demonstrations and have 220 ongoing trials with major U.S. urology accounts. 30 of the top 100 U.S. urology organizations have already converted or they are in trial phase to adopt our single-use system.”  
(Q4 2019/20, conference call)
- “Cysto is penetrating the market at an even faster rate than ENT (...). Everything that we know today indicates that our entrance into urology is going to be successful and our aScope Cysto is going to be a very important growth engine.”  
(Q4 2019/20, conference call)
- “CE-mark for aScope™ 4 Cysto obtained Nov. 5, 2020”  
(Q4 2019/20 Investor Presentation, p.11)





# Anaesthesia and Patient Monitoring & Diagnostics (Core)

- “Overall, we are finishing the year with a more stable Core business, and we expect that next year, especially in the second half as the COVID-19 pandemic is stabilized that our Core portfolio is going to grow faster than in a normal market” (Q4 2019/20, conference call)
- “Anaesthesia and our PMD business were negatively impacted by COVID-19 in 2019/20. Both business areas are expected to return to positive growth rates in 2020/21 as the market conditions improve. The negative impact of COVID-19 in 2019/20 will cause Anaesthesia and PMD to exceed what is considered our normal growth rates for the long-term, in 2020/21. The growth rates for these businesses will be relatively low in the early part of the year. While we expect to see an increase towards the end of the year 2020/21” (Q4 2019/20, conference call)
- The current COVID-19 situation impacts especially our PMD business as elective procedures continue to be impacted



# U.S. GPO announcements

## **Major U.S. Group Purchasing Organization** *(Announcement, December 14, 2020)*

- Ambu has been granted a national single-use endoscopy contract in the category of single-use endoscopes with a major U.S. GPO. This contract gives Ambu a sole position in both single-use bronchoscopes and single-use ENT scopes for the duration of the contract. The single-use endoscopy category is new for the GPO and will be effective through November 2023

<https://www.ambuusa.com/about/news?year=2020#/ambu-news-item=1291/>

## **Major U.S. Group Purchasing Organization** *(Announcement, October 6, 2020)*

- Ambu was awarded a national single-use endoscopy contract in the category of Single-Use Endoscopes with a major U.S. GPO. This category will provide access to the full Ambu portfolio of FDA-approved single-use endoscopes and allow members the choice to partner with Ambu by standardizing across Ambu's single-use product portfolio – including bronchoscopy, ENT, urology, and gastroenterology

[https://www.ambu.com/Files/Files/Ambu/Investor/News/English/2020/Press-release\\_US-endoscopy-contract-October-7-2020.pdf](https://www.ambu.com/Files/Files/Ambu/Investor/News/English/2020/Press-release_US-endoscopy-contract-October-7-2020.pdf)

## **UroGPO** *(Announcement, Sept 8, 2020)*

- Ambu was awarded a contract with UroGPO, the largest Group Purchasing Organization for urology private practice clinics in the U.S. The three-year agreement is awarded for Ambu's aScope™ 4 Cysto and aView™2 Advance HD Monitor, effective September 14, 2020. The aScope™ 4 Cysto is the only single-use cystoscope on contract with UroGPO

<https://www.ambuusa.com/about/news?year=2020#/ambu-news-item=1242/>

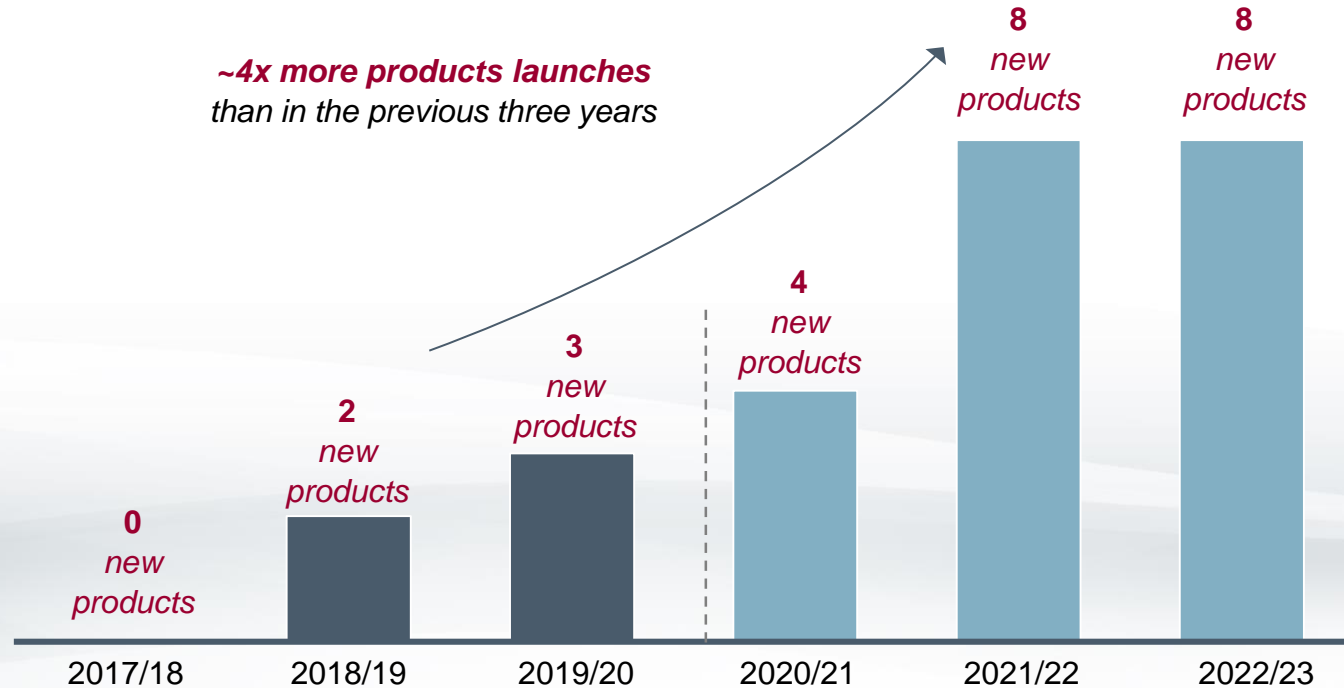
## **Premier Inc.** *(Announcement, August 28, 2020)*

- Ambu was awarded the single-use endoscopy contract as the only supplier of single-use endoscopes designated to participate in Premier's SURPASS and ASCEND programs. The three-year agreement is effective from Nov 1, 2020

[https://www.ambu.com/Files/Files/Ambu/Investor/News/English/2020/20200828\\_Ambu-press-release\\_Premier-Single-Use-Endo.pdf](https://www.ambu.com/Files/Files/Ambu/Investor/News/English/2020/20200828_Ambu-press-release_Premier-Single-Use-Endo.pdf)

# 20 new product launches

Combination of next generation products and specialty scopes across existing segments



**aScope™ 5 HD**

launch in  
Q4 2020/21

**Colonoscope**

launch in  
H2 2020/21

**Gastroscope**

launch in  
H2 2020/21

**aBox™ Console**

launch in  
H2 2020/21

# Q&A

# Investor contact information

## Share Information



Ambu A/S is listed on the stock exchange in Copenhagen under the symbol AMBU B

For further company information, please visit:  
[www.ambu.com](http://www.ambu.com)

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## Financial calendar



### 2021

27 January	Q1 2020/21
12 May	Q2 2020/21
17 August	Q3 2020/21
09 November	FY and Q4 2020/21
14 December	Annual General Meeting

For full list of Investor Relations events, please visit:

[www.ambu.com/about/corporateinfo/investors/calendar](http://www.ambu.com/about/corporateinfo/investors/calendar)

# *The world's most innovative single-use endoscopy player*

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