



## Q2 2022 Investor Presentation

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President and CEO

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- 1. Q2 2022 Review**
2. Guidance for 2022
3. Q&A



# Business Update Q2 2022



## Sales

- Sales amounted to USD 181 million (-1% organic, +2% local currency)
- Solid growth in EMEA and APAC, except for China, and Australia was back on track
- Q2 impacted by softer sales in Americas than expected, continued COVID-19 related lockdowns in China and suspension of sales in Russia
- Shortage of certain raw materials and components, primarily for the new Power Knee, adversely affected sales, as well as FX changes (mainly strong USD)



## Supply chain cost and price increases

- Supply chain cost increase estimate of USD 15 million from pre-pandemic levels, up by USD 2 million from previous estimate in Q1, mainly due to higher freight cost
- Further ASP increases in 2022 and 2023 estimated to largely absorb supply chain cost increases



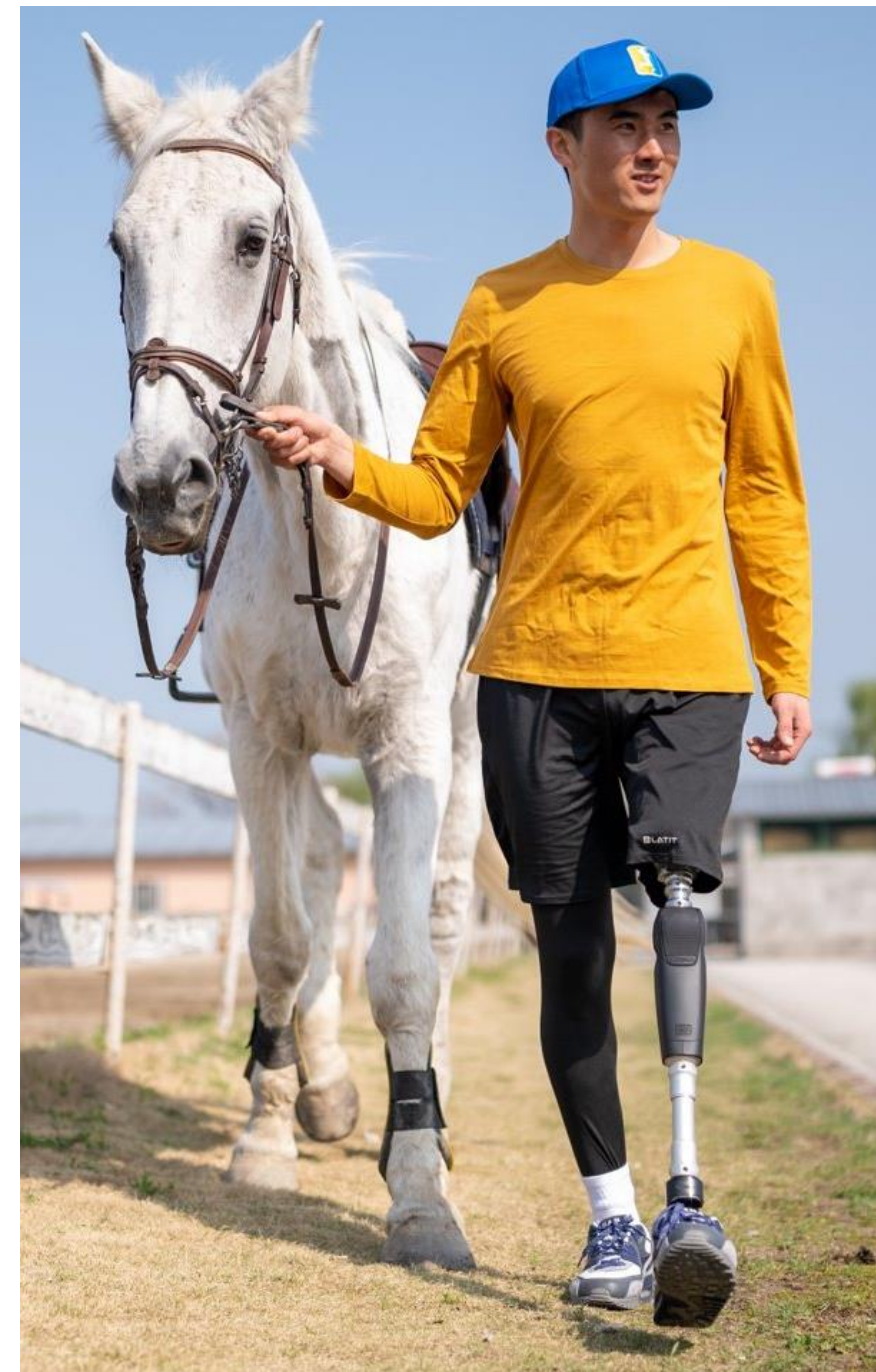
## Profitability

- EBITDA amounted to USD 33 million, EBITDA margin of 18%



## Revised Guidance

- The financial guidance for FY 2022 is 4-6% organic sales growth (previous 6-9%) and 18-20% EBITDA margin before special items (previous 20-21%)



# Sales Growth Q2 2022

## Sales Split (MUSD) and Sales Growth

		Organic growth	LCY growth	Reported growth			Sales split	Organic growth
Americas	87	-4%	-3%	-3%	Prosthetics	113	62%	-1%
EMEA	79	3%	8%	-5%	Bracing & Supports	68	38%	-1%
APAC	15	-3%	-3%	-11%				
Total Sales	181	-1%	2%	-5%	Total Sales	181	100%	-1%

# Income Statement Q2 2022

Financial Results (MUSD)	Q2 2022	Q2 2021
<b>Net sales</b>	<b>181</b>	<b>190</b>
<i>Reported growth</i>	-5%	41%
<i>Organic growth</i>	-1%	32%
<b>Gross profit</b>	<b>111</b>	<b>120</b>
<i>Gross profit margin</i>	61%	63%
<b>EBITDA</b>	<b>33</b>	<b>42</b>
<i>EBITDA margin</i>	18%	22%
<b>EBITDA (adj.)*</b>	<b>33</b>	<b>42</b>
<i>EBITDA margin (adj.)*</i>	18%	22%
<b>EBIT</b>	<b>21</b>	<b>30</b>
<i>EBIT margin</i>	11%	16%
<b>Income tax</b>	<b>5</b>	<b>6</b>
<i>Effective tax rate</i>	24%	23%
<b>Net profit</b>	<b>14</b>	<b>19</b>
<i>Net profit margin</i>	8%	10%

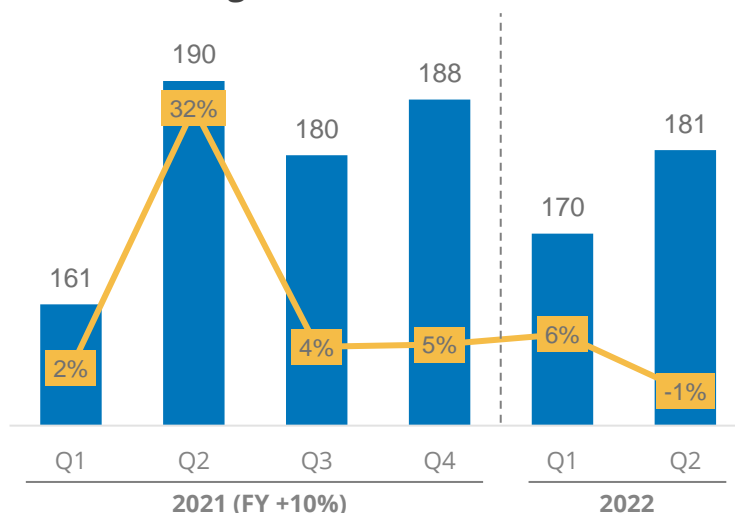
\* Before special items

## Financial Performance

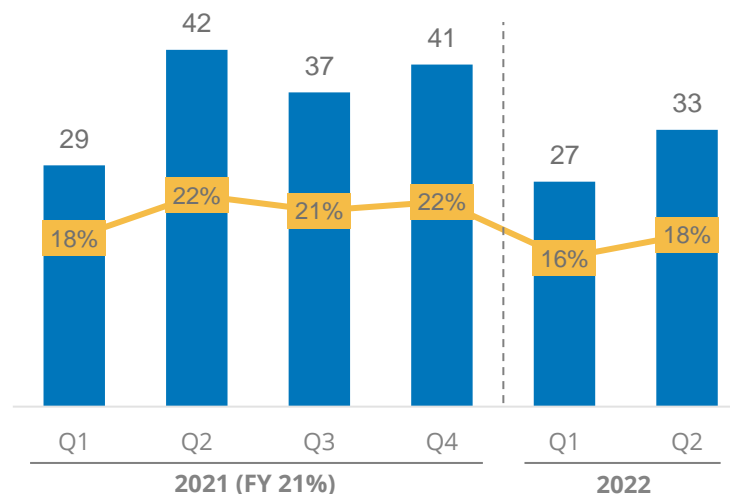
- Organic sales growth of -1% and reported sales growth of -5% in Q2 2022
- Negative FX impact of USD 12m on sales in the quarter
- Gross profit margin at 61% in Q2 2022
  - COGS continues to be adversely affected by higher freight and raw material cost
  - Supply chain challenges causing negative impact on productivity
- Flat OPEX growth in Q2 2022
- Operating profit mainly impacted by supply chain challenges
- Effective tax rate of 24% in Q2 2022
- Net profit of USD 14m in Q2 2022

# Financial Performance

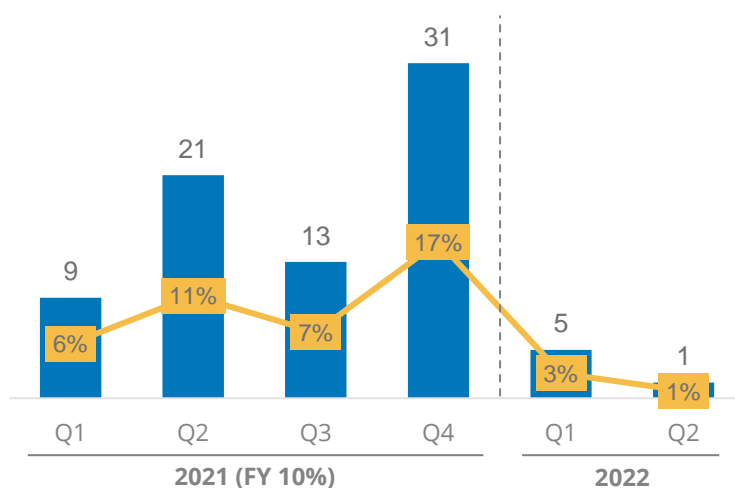
## Sales and Organic Growth (MUSD)



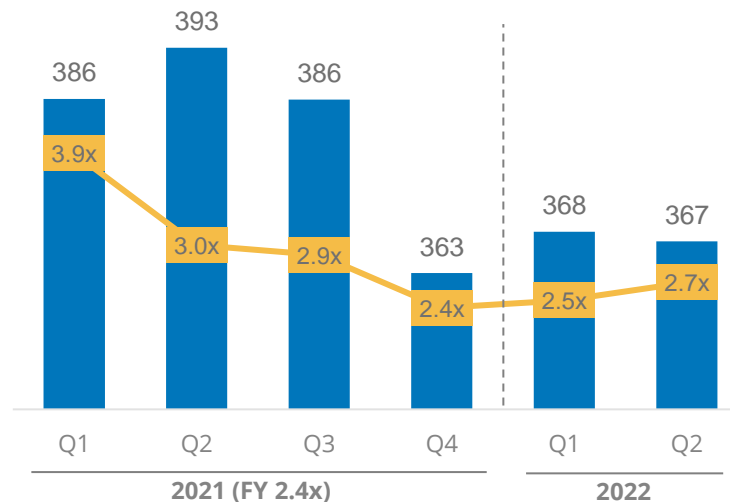
## EBITDA and EBITDA Margin (MUSD)\*



## Free Cash Flow (MUSD)\*\* and % of Sales



## Net Interest-Bearing Debt (MUSD) and Leverage



\* Before special items

\*\* Before special items, acquisitions, and changes in financial assets

## Financial Highlights

- Organic sales growth of -1% in Q2 2022
- EBITDA margin of 18% in Q2 2022
  - Primarily, impact from higher freight and raw material cost
- Cash flow adversely affected by receivables and inventory buildup
  - Inventory buildup largely related to building safety stock
- Leverage of 2.7x, within the target range of 2.0-3.0x

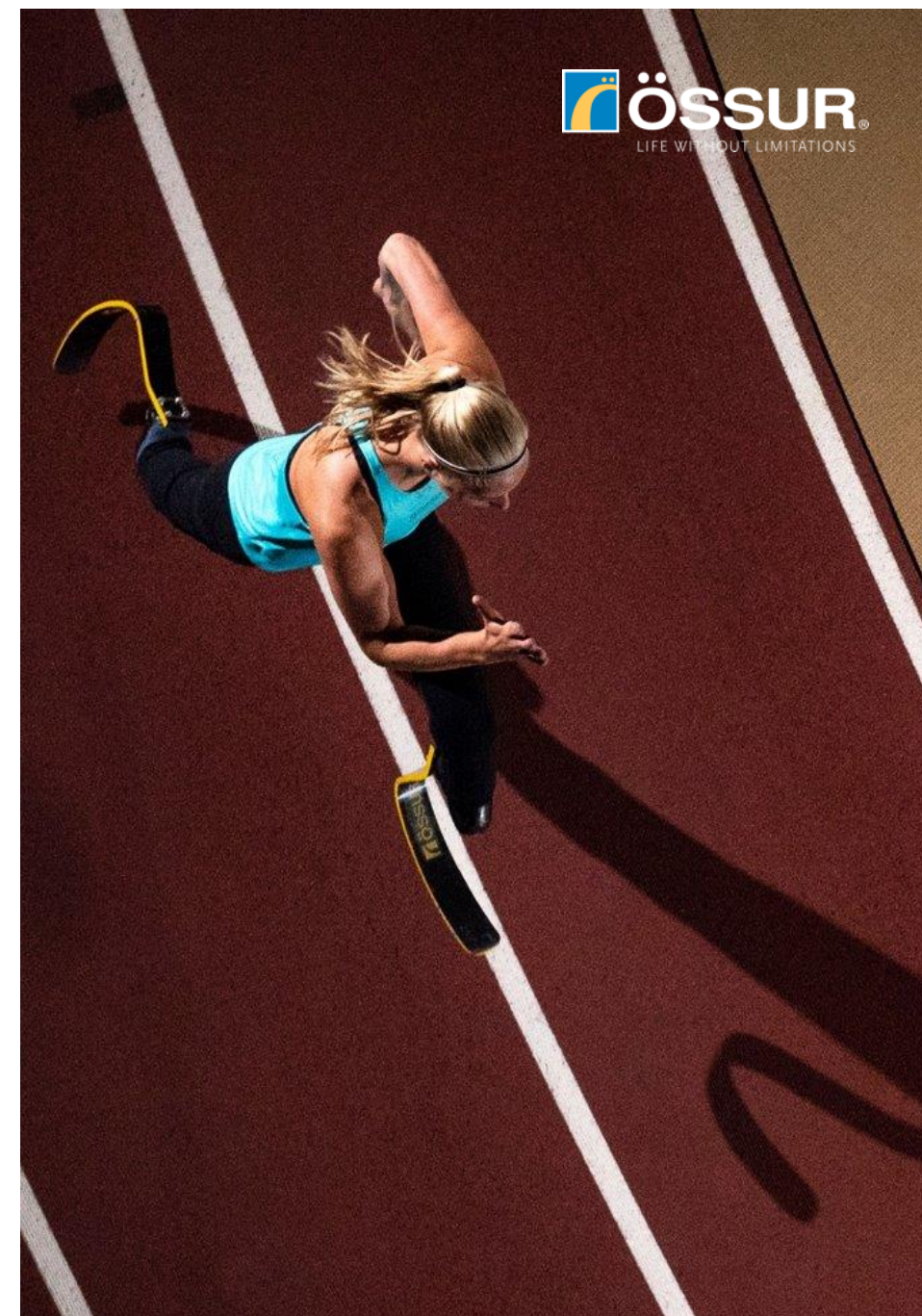


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## Guidance Considerations for 2022

	Actual Q2 2022	Previous Guidance FY 2022	Revised Guidance FY 2022
<b>Sales growth</b> Organic	-1%	6-9%	4-6%
<b>EBITDA margin</b> Before special items	18%	20-21%	18-20%
<b>CAPEX</b> % of sales	5%	3-4%	3-4%
<b>Tax</b> Effective tax rate	24%	23-24%	23-24%







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A person is sitting on a black metal bench at night. They are wearing a light blue t-shirt, black leggings, and black sneakers with white soles. They are holding a small spray bottle and spraying their right leg. A bright light source, possibly a stadium light, is visible in the background, creating a strong lens flare and illuminating the scene. The ground appears to be a running track.

Q&A



# Financial Calendar & Upcoming Investor Conferences

## Financial Calendar

Interim Report Q3 2022	25 October 2022
Interim Report Q4 and Annual Report 2022	31 January 2023
Annual General Meeting	10 March 2023

## Conferences

Pareto Securities' Healthcare Conference (SE)	7 September 2022
Goldman Sachs European Medtech Conference (UK)	7 – 8 September 2022
ABGSC Small & Mid Cap Seminar (DK)	21 September 2022
SEB Nordic Seminar (virtual)	21 - 23 November 2022

### Further Information

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