

50
1971-2021

 **ÖSSUR**®
LIFE WITHOUT LIMITATIONS

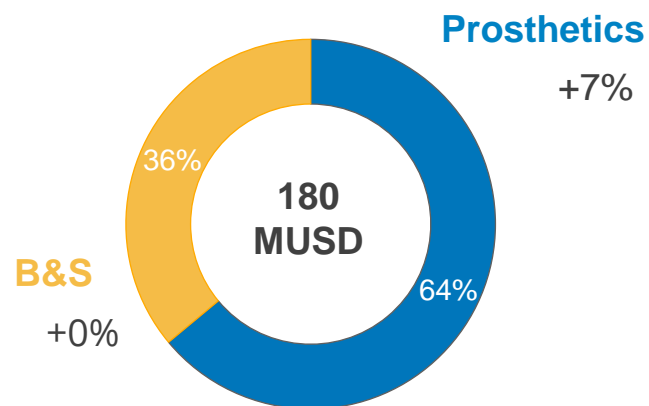
Q3 2021 Investor Presentation

Jon Sigurdsson, President & CEO
Sveinn Solvason, CFO

26 October 2021

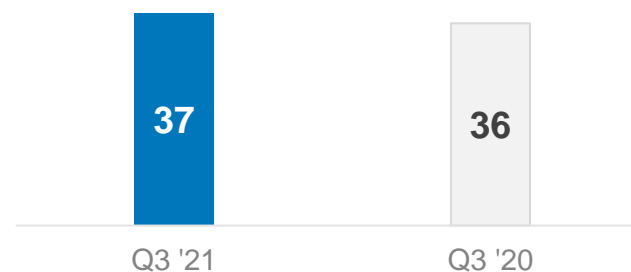
Highlights in Q3 2021

Sales Split and Organic Growth



Sales growth	Q3 2021	Q3 2020
Reported	5%	2%
Local currency	4%	1%
Organic	4%	-5%

EBITDA (MUSD)



EBITDA margin	Q3 2021	Q3 2020
Reported	21%	21%

Highlights

Sales

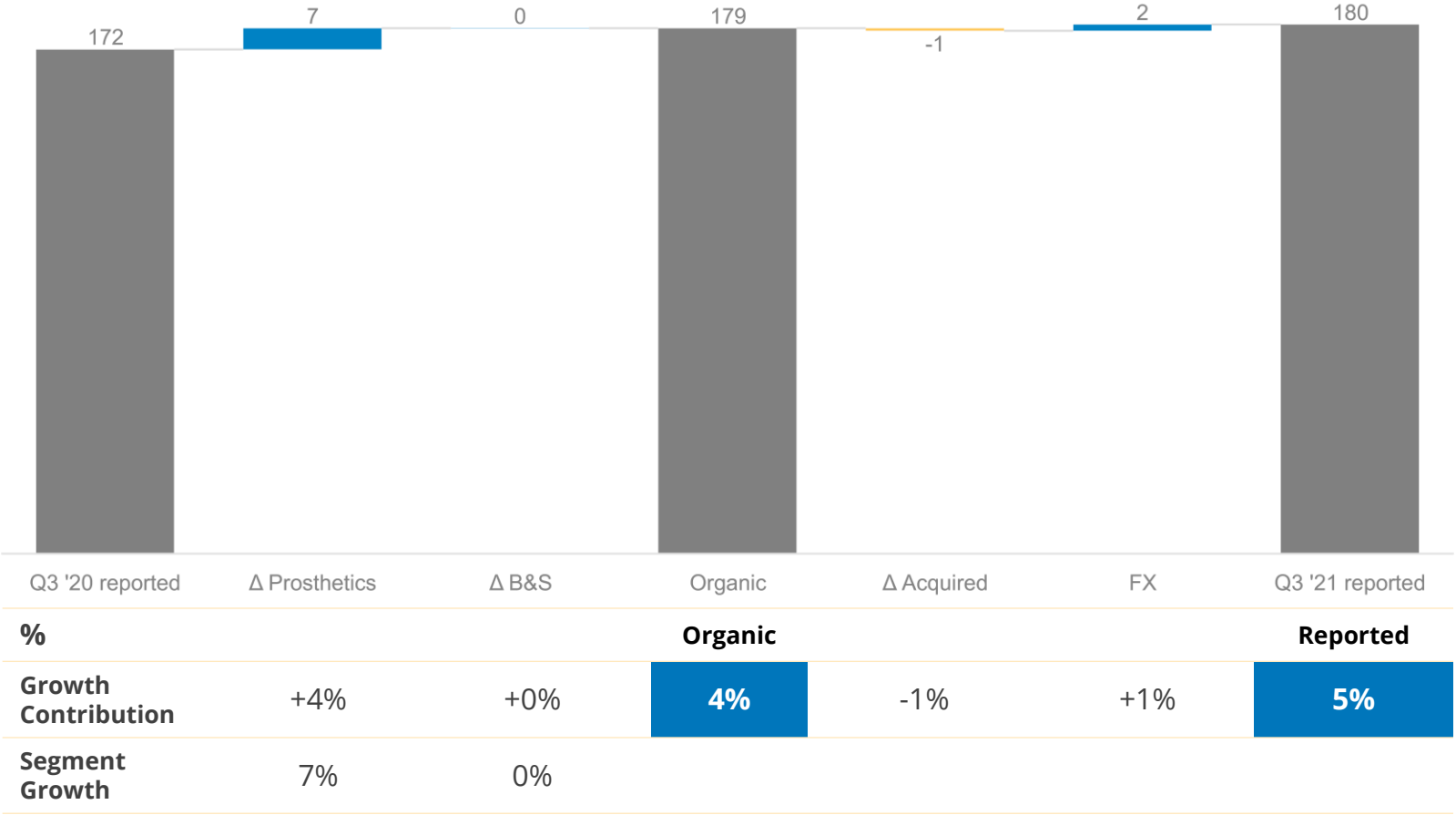
- Strong sales in EMEA and APAC (Australia excepted)
- Sales impacted by the COVID-19 Delta variant in Q3, primarily in Americas
- Continued growth in Prosthetics
 - Bionics sales strong in EMEA
- Soft sales in B&S, mainly in Americas

Profitability

- EBITDA margin impacted by softer sales in Americas and further supply chain related cost increases

Sales by Business Segments

Sales Contribution in USD Million

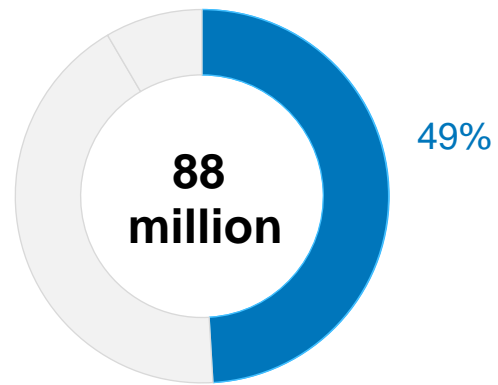


Note: Bridge is an approximation for growth contribution



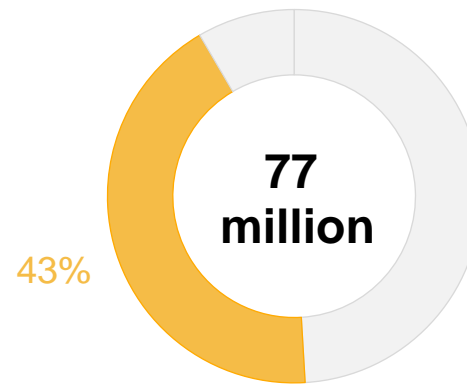
Sales Growth in Q3 by Geography

Americas



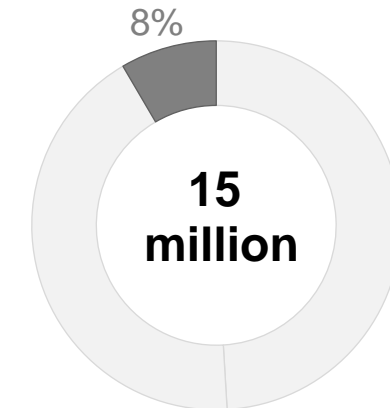
Reported	6%
Local currency	6%
Organic	5%

EMEA



Reported	5%
Local currency	3%
Organic	7%

APAC



Reported	-4%
Local currency	-7%
Organic	-7%

Note: Percentages next to charts refer to % of total sales

Income Statement

Financial Results (MUSD)	Q3 2021	Q3 2020
Net sales	180	172
<i>Reported growth</i>	5%	2%
<i>Organic growth</i>	4%	-5%
Gross profit	112	108
<i>Gross profit margin</i>	62%	63%
EBITDA	37	36
<i>EBITDA margin</i>	21%	21%
EBITDA (adj.)*	37	36
<i>EBITDA margin (adj.)*</i>	21%	21%
EBIT	25	25
<i>EBIT margin</i>	14%	14%
Income tax	6	5
<i>Effective tax rate</i>	24%	27%
Net profit	17	15
<i>Net profit margin</i>	10%	9%

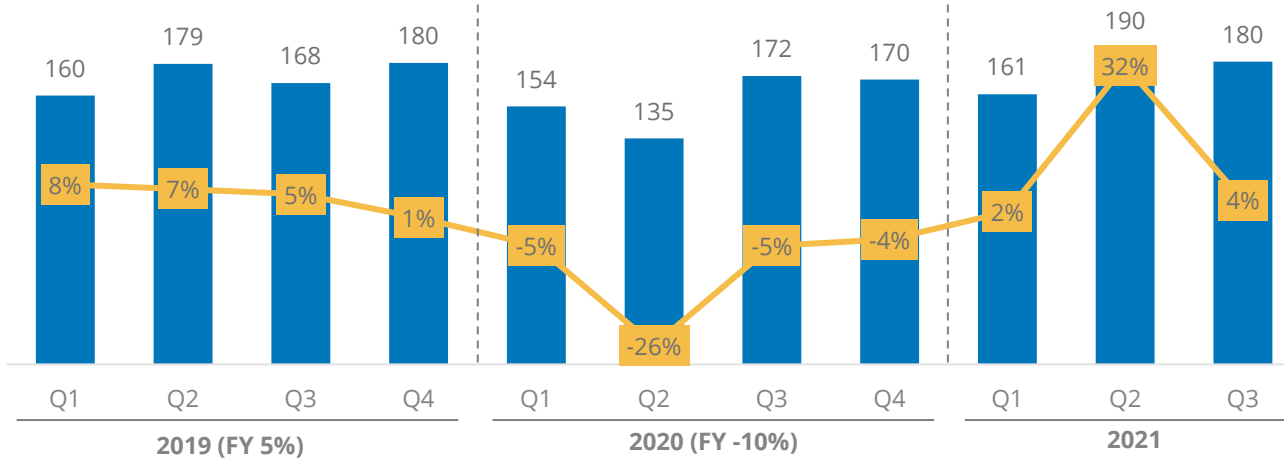
* Before special items

Financial Performance

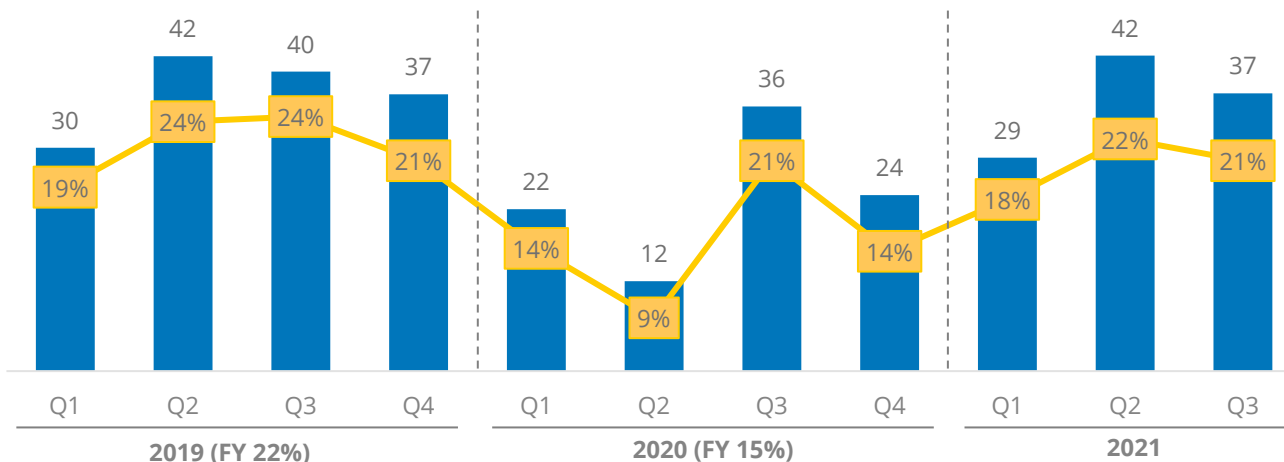
- Sales varied by geography
- Gross profit affected by supply chain costs
 - Further higher freight and raw material cost, FY impact of 9-11 MUSD
- OPEX, relative to sales, in line with Q3 2020
 - Variable sales cost increasing in line with higher activity
 - Continuous investments in R&D, digitalization and infrastructure in Emerging Markets
- EBITDA margin 21%, the same as in Q3 2020
- Effective tax rate of 24% in Q3
- Net profit of 17 MUSD in Q3

Financial Performance

Sales and Organic Growth (MUSD)



EBITDA and EBITDA Margin (MUSD)*



* Before special items

Sales

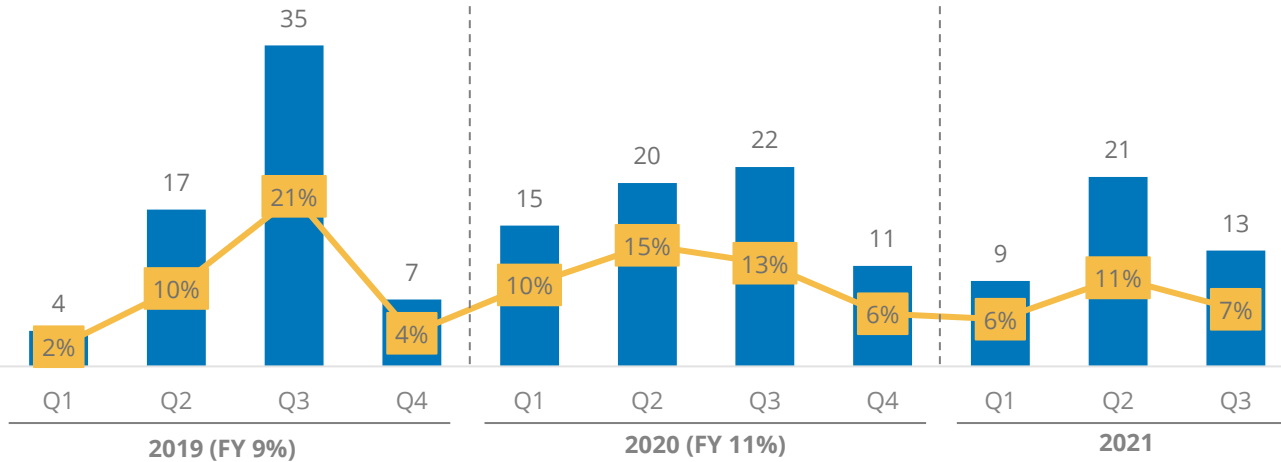
- Organic sales growth of 4% in Q3
- Organic sales growth of 12% in 9M
- Strong sales in EMEA and APAC, slow in Americas

Profitability

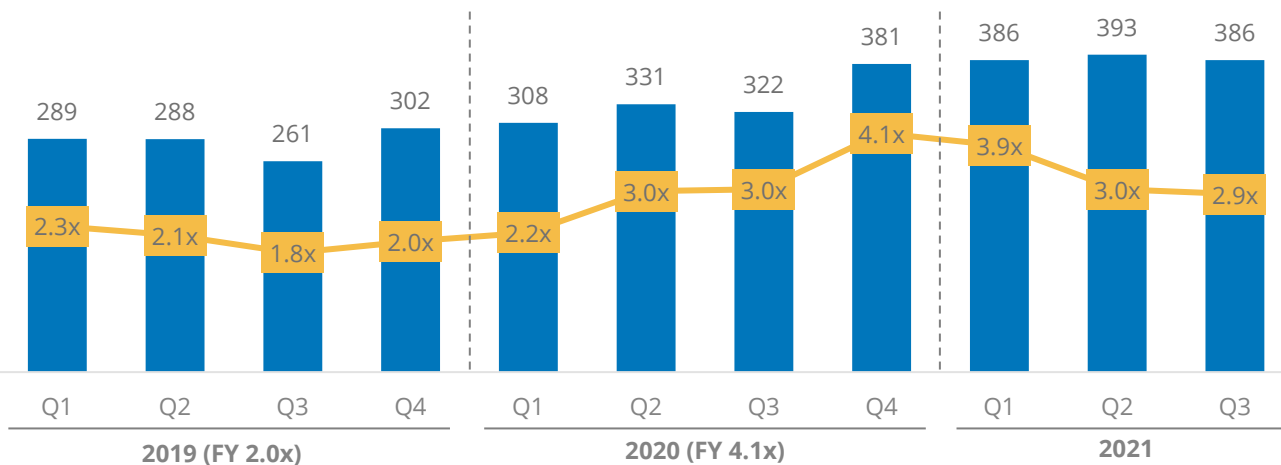
- EBITDA margin 21% in Q3
- EBITDA mainly impacted by lack of operating leverage, supply chain cost increases and impact from investments made

Financial Performance

Free Cash Flow (MUSD)* and % of Sales



Net Interest-Bearing Debt (MUSD) and Leverage



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

Free Cash Flow

- Inventory increasing in line with demand
- Timing of tax payments
- Collections going well in all markets

Net Interest-Bearing Debt

- Leverage 2.9x, within the target range of 2.0-3.0x
- Share buybacks and dividends temporarily on hold

Guidance Considerations for 2021

	Actual Q3 2021	Guidance FY 2021
Sales growth Organic	4%	~10%
EBITDA margin Before special items	21%	~21%
CAPEX % of sales	4%	3-4%
Tax Effective tax rate	24%	23-24%



Q&A

Sales

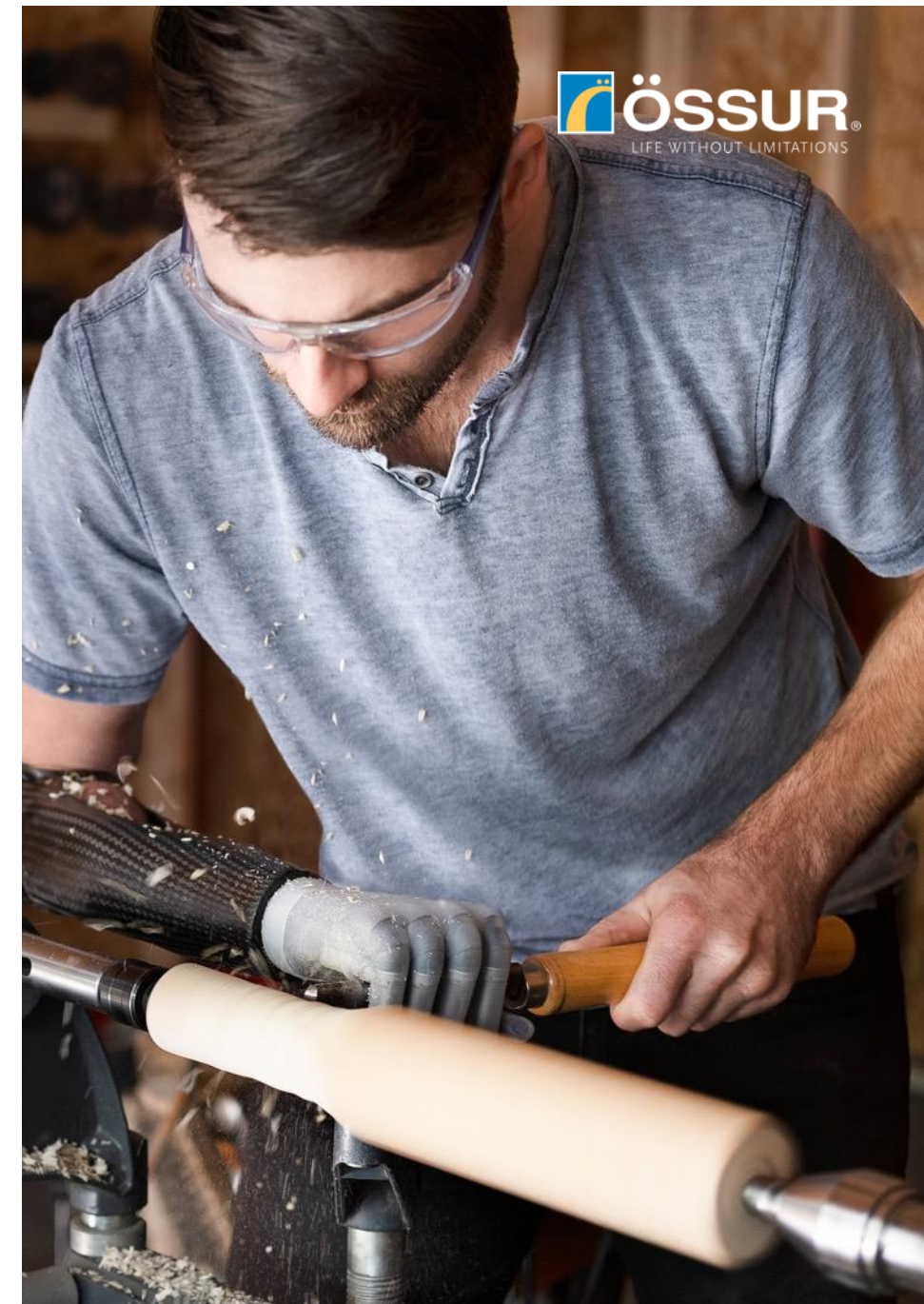
- Strong sales in EMEA and APAC (Australia excepted)
- Sales impacted by the COVID-19 Delta variant in Q3, primarily in Americas
- Continued growth in Prosthetics
 - Bionics sales strong in EMEA
- Soft sales in B&S, mainly in Americas

Profitability

- EBITDA margin impacted by softer sales in Americas and further supply chain related cost increases

Guidance

- Organic growth ~10%, EBITDA margin before special items ~21%, CAPEX 3-4% of sales and effective tax rate of 23-24%



Financial Calendar & Upcoming Investor Conferences

Financial Calendar

Interim report Q4 2021 and Annual Report 2021	1 February 2022
Annual General Meeting	8 March 2022

Conferences

Jefferies London Healthcare Conference (virtual)	18 – 19 November 2021
Nordea Innovation Seminar (virtual)	24 November 2021
Danske Bank Copenhagen Winter Seminar (DK)	1 - 2 December 2021
DNB Nordic Healthcare Conference (NO)	16 December 2021
SEB Nordic Seminar (DK)	10 – 12 January 2022
Carnegie Nordic Healthcare Seminar (SE/virtual)	16 March 2022
ABGSC Small & Mid Cap Seminar (DK)	21 April 2022
Goldman European Medtech Conference (UK)	7 – 8 September 2022

Further Information

Edda Lára Lúðvígsdóttir
Investor Relations Director
E-mail: eludvigsdottir@ossur.com
Tel: +354 844 4759

Össur Press Releases by E-mail

If you wish to receive Össur press releases by e-mail, please register on our website:
www.ossur.com/investors



50
1971-2021



ÖSSUR[®]
LIFE WITHOUT LIMITATIONS

Forward-looking statement

This presentation contains forward-looking statements, which reflect the Management's current views with respect to certain future events and financial performance. Although the statements are based upon estimates the Management believes to be reasonable, there is no assurance that these statements will be achieved.

Statements containing the financial outlook for 2021 and the following years naturally involve risks and uncertainties, and consequently actual results will differ, and may differ materially, from those projected or implied in the forward-looking statements.

The risks and uncertainties may include unexpected developments in the international currency exchange and securities markets, financing, market driven price decreases for Össur's products, delay or failure of development products, production problems and unexpected cost increases, development of new technologies by competitors, the introduction of competing products within Össur's core areas, exposure to product liability and other lawsuits, changes in reimbursement rules and governmental laws.