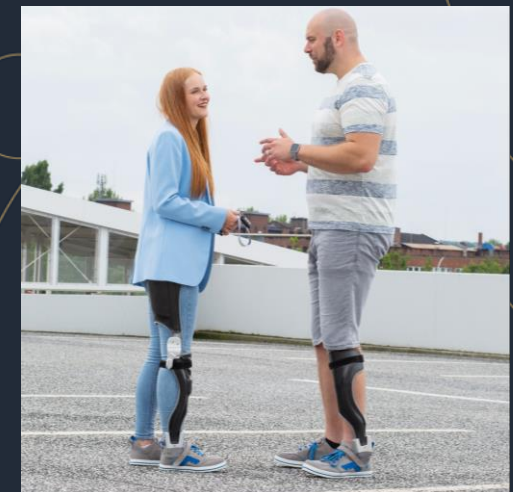
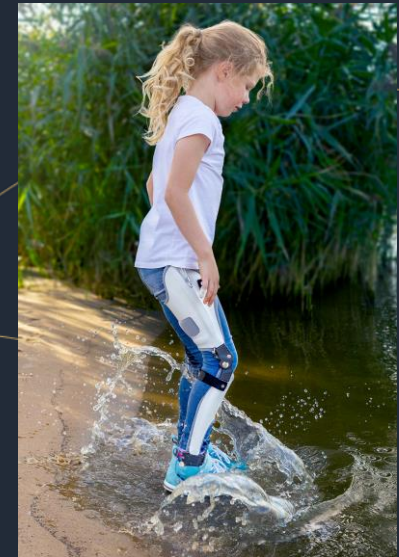


Nordea Expert Call

Neuro Orthotics

Jörg Fior & Ralf Gentz, Founders
Thomas Beckers, Embla Medical

3 December 2024



FIOR & GENTZ was founded on the idea of bringing transformative innovation to an underserved neuro orthotic market

Today's speakers



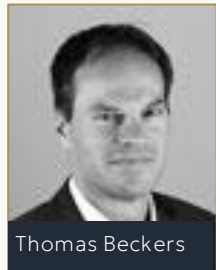
Jörg Fior

- Managing Director/co-founder of FIOR & GENTZ
- Responsible for Sales & Marketing
- Former member of the management at IPOS
- Orthopedie – Techniker Meister



Ralf Gentz

- Managing Director/co-founder of FIOR & GENTZ
- Responsible for Research & Development
- Former member of the management at IPOS
- Orthopedie – Techniker, Mechanical Engineer



Thomas Beckers

- Managing Director Portfolio Brands, Chronic Solutions, Embla
- Former Vice President of Strategy Office, Embla / Össur
- Various senior positions within Commercial and Corporate Development incl. Managing Director of Gibaud SAS, France
- Executive MBA, University of St. Gallen, Switzerland



- Established in 1997 in Lüneburg, Germany
- Employing around 100 people
- Innovative and differentiated Neuro Orthotic product portfolio



From the Forrest Gump movie

Existing orthotic solutions offer low functionality, are expensive, heavy to use and are frequently break.
Innovation in this space has been far behind prosthetics.

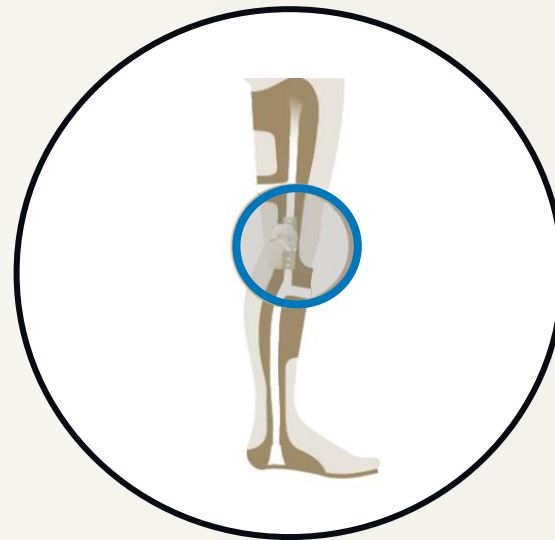
Highly innovative portfolio of knee and ankle joints for the fabrication of custom neuro orthotics for people living with neurological conditions

Ankle foot orthosis (AFO)



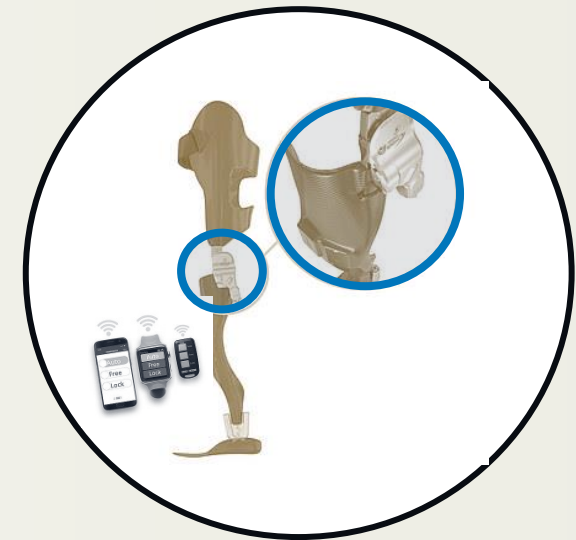
- Designed to provide customized support for patients with different levels of mobility impairment
- If the patient's plantar flexors are weak, the orthosis provides compensatory stability during standing and walking, while enhancing safety and preventing falls

Knee, ankle and foot orthosis (KAFO)



- Designed to provide critical support for patients with paralysis or muscle weakness affecting the knee, ankle, and foot
- The orthotic joints possess adjustable and dynamic functional elements that allow the orthosis function to be adapted to the patient's needs

Neuro HiTronic system (Bionic knee joints)



- The NEURO HiTRONIC system knee joint is suitable for knee-ankle-foot orthosis (KAFO) with microprocessor-controlled swing phase and stance phase control providing a particularly high level of safety for the patient, while achieving a more natural gait

Video demonstrating a multiple sclerosis patient before and after wearing a bilateral Knee Ankle Foot Orthosis (KAFO's)

Before



This MS patient received new orthoses with our automatic system knee joint. She was first diagnosed with multiple sclerosis in 2011 and received her first orthotic treatment in 2014. Despite this, she was able to walk only using a walker or another means of support.





After



The MS patient has to get used to her new orthoses with the NEURO HiTRONIC at knee height and NEURO SWING at ankle height. During this acclimatization period, the walker still provides the good support, and the video shows how the new orthoses give the patient more stability and security when walking.

Chronic neurological disorders represents a significant untapped market opportunity for Neuro Orthotics to improve the mobility for patients

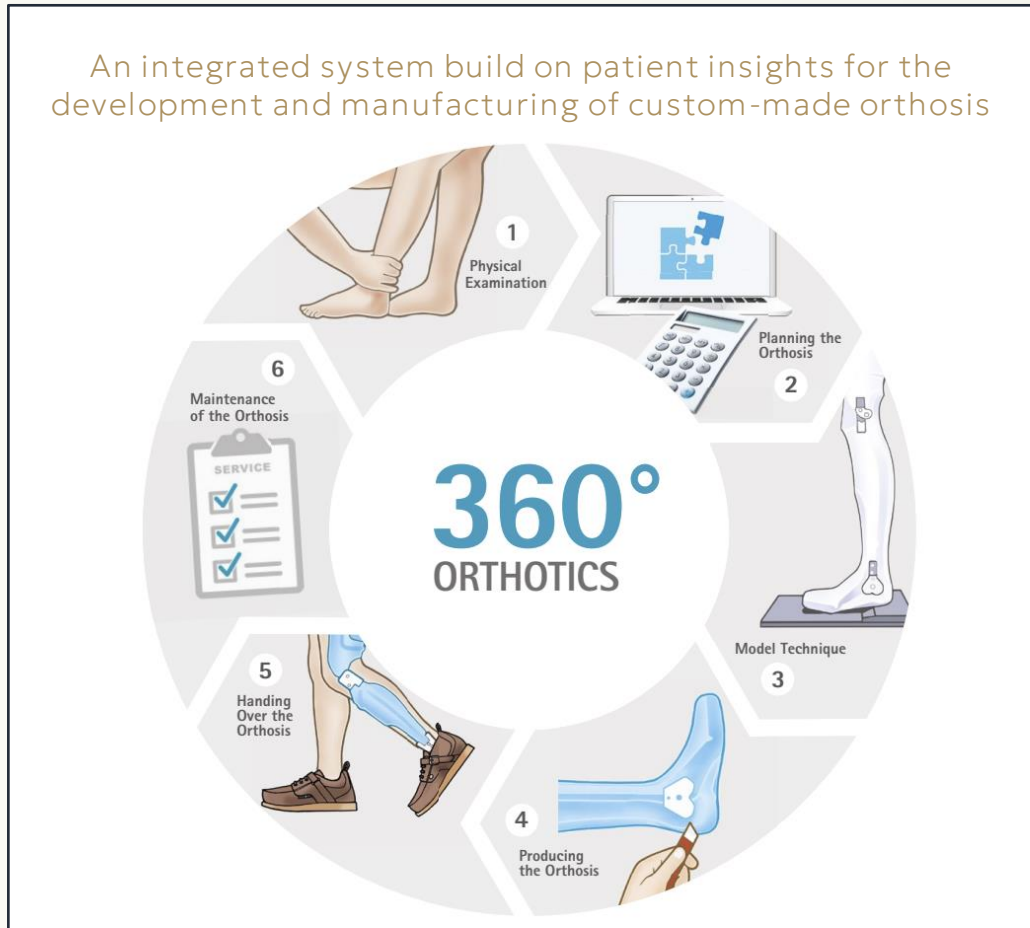
Examples of relevant indications for custom-made orthoses for paralyzed patients (non exhaustive)

Neurological disorder	Stroke (apoplexy)	Multiple sclerosis	Cerebral Palsy (CP)	Spinal cord injuries
Prevalence	 <p>1 in 4 adults over the age of 25 will have a stroke in their life ¹</p>	 <p>2.9m (globally)³</p>	 <p>2 out of 1,000 live births will have Cerebral Palsy in their life ⁵</p>	 <p>15m (globally) ⁶</p>
Mobility statistics	<p>Est. 15-30% of stroke patients experience some form of lower limb weakness or paralysis. 25-30% of these patients do not regain their ability to walk independently ²</p>	<p>Within 10-15 years of disease onset, 80% of patients report gait disturbance. 50-70% of MS pts report falls within 6-month period.⁴</p>	<p>At least 25% of adults with CP report deterioration in walking. Adults with CP experience 6x as many falls as healthy adults ⁵</p>	<p>~70% of spinal cord patients end up in a wheelchair (powered or manual) while the remaining patients use walkers, braces, and crutches as their mobility aid ⁷</p>
Mobility support	<p>Canes/crutches, wheelchairs, physiotherapy, balance training, orthoses</p>	<p>Canes/crutches, wheelchairs, physiotherapy, balance training, orthoses</p>	<p>Braces, canes/crutches, wheelchairs, orthoses</p>	<p>Canes/crutches, walkers, wheelchairs, and scooters</p>
Est. Penetration Orthotics and Neuro Orthotics	<p>Developed Markets: Below 5% (Germany 15-20%)</p>	<p>Developed Markets: Below 5%</p>	<p>Developed Markets: Below 5%</p>	<p>Developed Markets: Below 5%</p>

Sources

- 1) www.world-stroke.org
- 2) AHA/ASA – Stroke Journal “Long-term outcomes of stroke patients with and without walking ability (B.B.Kwakkel, 2003)
- 3) National Multiple Sclerosis Society
- 4) http://herl.pitt.edu/jrrd/Souza_MS_Lit_review_JRRD.pdf
- 5) National Institutes of Health <https://pmc.ncbi.nlm.nih.gov/articles/PMC9804547/Ss>
- 6) World Health Organization <https://www.who.int/news-room/fact-sheets/detail/spinal-cord-injury>
- 7) <https://www.researchgate.net/publication/287111063>

F&G's "360° Orthotics" concept supported by an Orthosis Configurator is a key differentiator, tailoring neuro orthoses to individual patient needs

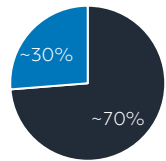


FIOR & GENTZ portfolio is a strong fit to Embla with compelling commercial synergies and accretive financials supporting long-term value creation

The F&G portfolio offers **innovative and customized orthotic joints** addressing an **untapped market** for patients suffering from chronic neurological conditions such as MS, CP, and stroke with a **reoccurring need** for upgrades and replacements

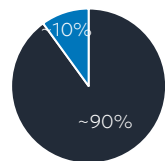
Data points (2023) before the acquisition (January 2024)

Regional split



Germany
International

Customer split¹



Repeat customer
New customer

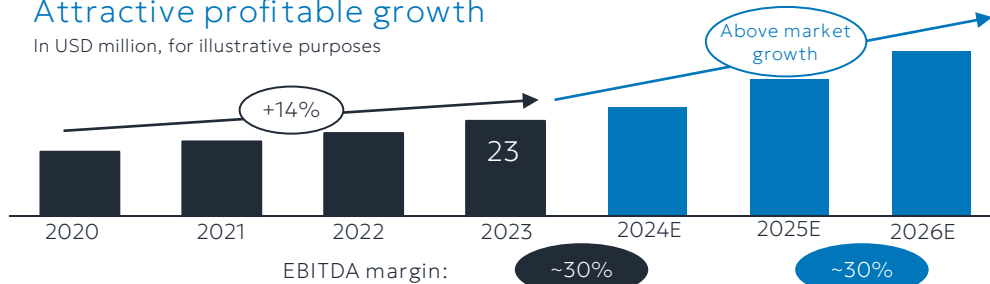
Sales channel



O&P clinics²
Other

Attractive profitable growth

In USD million, for illustrative purposes



Strategic rationale for Embla Medical

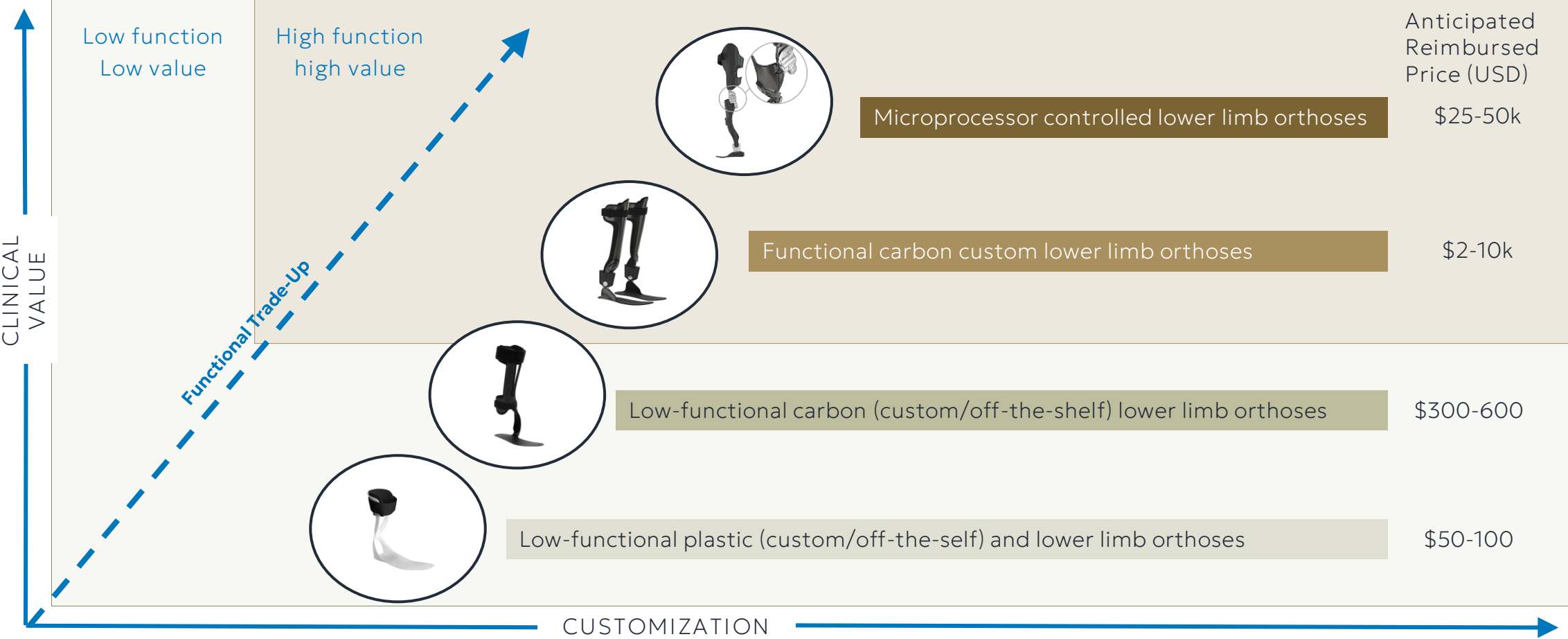
- **Sound strategic rationale** in line with Growth'27 strategy addressing chronic mobility challenges more broadly
- **Complementary product offering**, adding innovative and high-quality neuro orthotic solutions to Embla's/Össur's product portfolio
- **Compelling commercial synergies** leveraging Embla's commercial infrastructure and O&P clinics
- **Great cultural fit and shared vision** improving people's mobility
- **Strategic entry to a fast-growing neuro-orthotic market** and an underserved patient population
- **Financial accretive** to Embla's organic sales growth and EBITDA margin; EPS accretive from 2025

7 1) In Germany,
2) O&P clinics refers to Orthotic & Prosthetics clinics which is Embla's primary customer channel

The maturity of the Neuro Orthotic Market is likely more than a decade behind prosthetics, both in terms of offering and awareness

The Neuro Orthotic evolution:

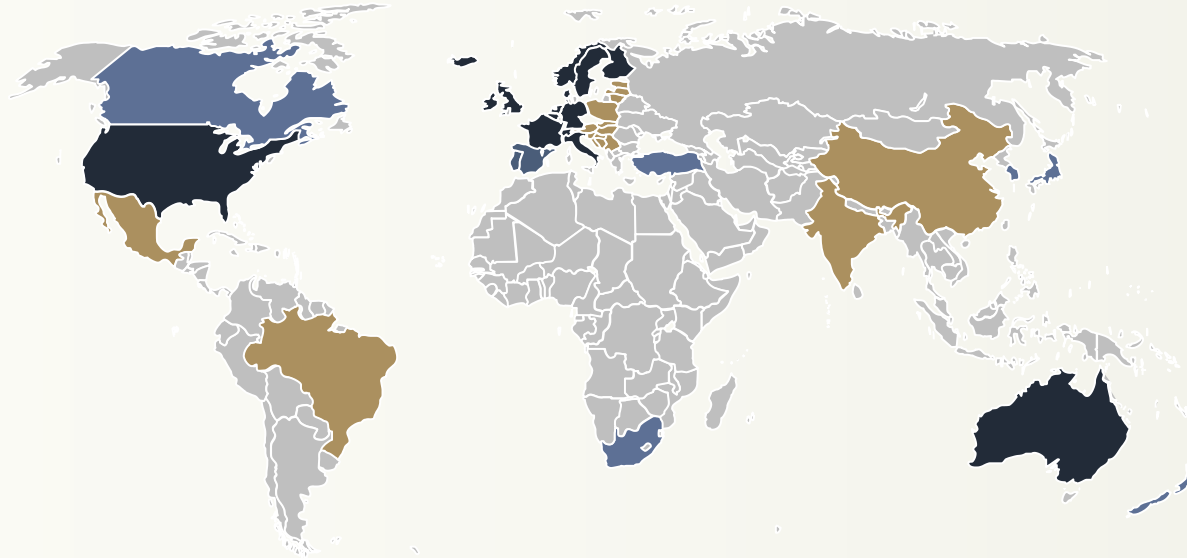
From simple non-functional plastic orthoses to powered, intelligent and energy efficient Bionic solutions



Leveraging Embla's infrastructure provides an attractive and near-term growth opportunity in a market supported by strong structural growth

Our Market strategy:

Rolling out Neuro Orthotics in our direct markets, while ensuring (better) reimbursement in key markets



Strong long term growth drivers
(potential to exceed underlying market growth of 10-12% YoY)

Grow Patient Reach



- Growing patient population as more patients will be diagnosed with chronic neurological diseases
- Increasing fitting rates as the awareness and knowledge on the functional benefits of Neuro Orthotics expands

Increased use of product



- Market Access: Potential to substantially improve reimbursement as demand for more efficient mobility solutions increases
- Renewal cycle leading to increased use of higher value products

Increase value



- Functional trade-up through increased use of more advanced Neuro Orthotics (Bionics) as innovation develops
- Increasing average selling prices

- ✓ PoC in Germany/Building base business
USD 23m realized in 2023 (hereof 70% in Germany)
- Near-term**
- 1 Transferring product distribution to Össur
Leveraging Össur's commercial infrastructure and O&P relationships in mature reimbursed markets in Europe
- Mid-term**
- 2 Build new markets through Market Access
Increase awareness on the health economic benefits of Neuro Orthotics to further mature reimbursements in new markets
- Long-term**
- 3 Expand Neuro Orthotics globally
Build partnerships in Emerging Markets and pursue private pay opportunities

OUR VISION

To enable Life Without
Limitations

OUR MISSION

We Improve People's Mobility

Q&A