

# Investor Presentation

Vitrolife AB (publ)  
2022-07-15

A close-up photograph of a woman with dark, curly hair smiling warmly and kissing a baby on the cheek. The baby is also smiling and has its hand near the woman's face. They are both wearing white clothing. The background is a soft, out-of-focus white fabric.

**10 – 15% of all couples in fertile age suffer from fertility problems**

# Vitrolife Group - Excellence in reproductive health



**Vitrolife** 

IVF medical  
devices



**Igenomix**<sup>®</sup>

Reproductive  
genetic testing  
services



# Together we create a global leader in reproductive health

Vitrolife 

+

Igenomix<sup>®</sup>

Enables Vitrolife to better serve clinics, professionals and patients across the IVF journey

Combined offering reduces time to pregnancy through enhanced evaluation tools – the right embryo at the right time

Further scale and global network enhancing ability provide IVF treatment services to clinics around the world

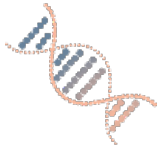


# Excellence in reproductive health – our unique offer

## Preconception



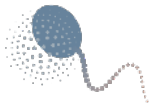
**Best Screening**



WES



CGT

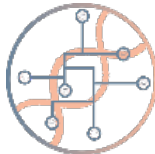


SAT

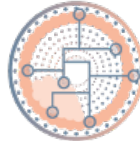
## Preimplantation



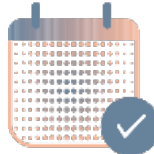
Embrace



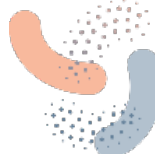
PGT-A



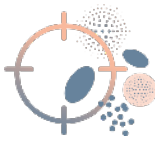
PGT-M



ERA



EMMA



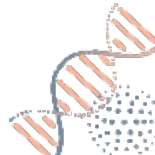
ALICE

## Prenatal & Postnatal

**Best Screening**



NACE



POC



**Right Embryo**

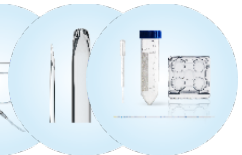
**Right Endometrium**



Lab QC systems



Oocyte retrieval needles



Micro-manipulation pipettes & Labware



Sperm processing



IVF media & oil



Time-lapse systems and Evaluation tools



Laser & imaging systems



Embryo transfer medium



Cryo-preservation

**Best Culturing**

**Right Vitrification**

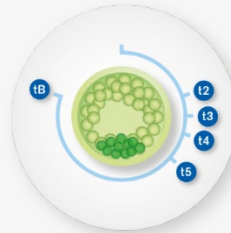
**Efficient Handling**

# Innovative embryo evaluation and leading diagnostic tool to find window of implantation

Two of the strongest names within reproductive health into one platform to achieve successful treatment outcomes



## Two methods for embryo evaluation



Algorithms based on the timing of specific events observed by time-lapse technology



DNA sequencing to determine the chromosome complement

## Combination improves successful treatment outcomes

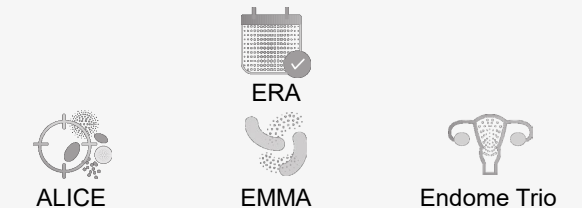


Leadership in reproductive genetic testing

### The Right Embryo



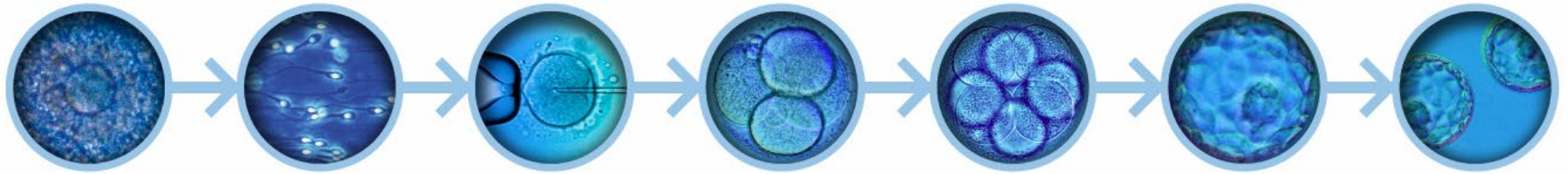
### The Right Timing



# The IVF-process – Vitrolife products

## HORMONE TREATMENT

Hormone stimulation to increase the number of retrievable eggs



OOCYTE RETRIEVAL

SPERM PREPARATION

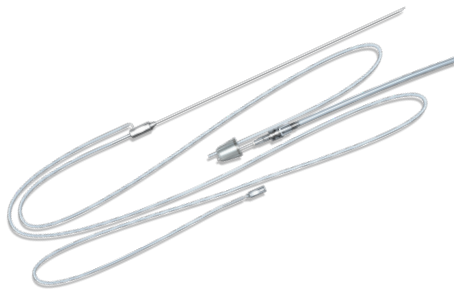
FERTILISATION

CULTURE

EVALUATION

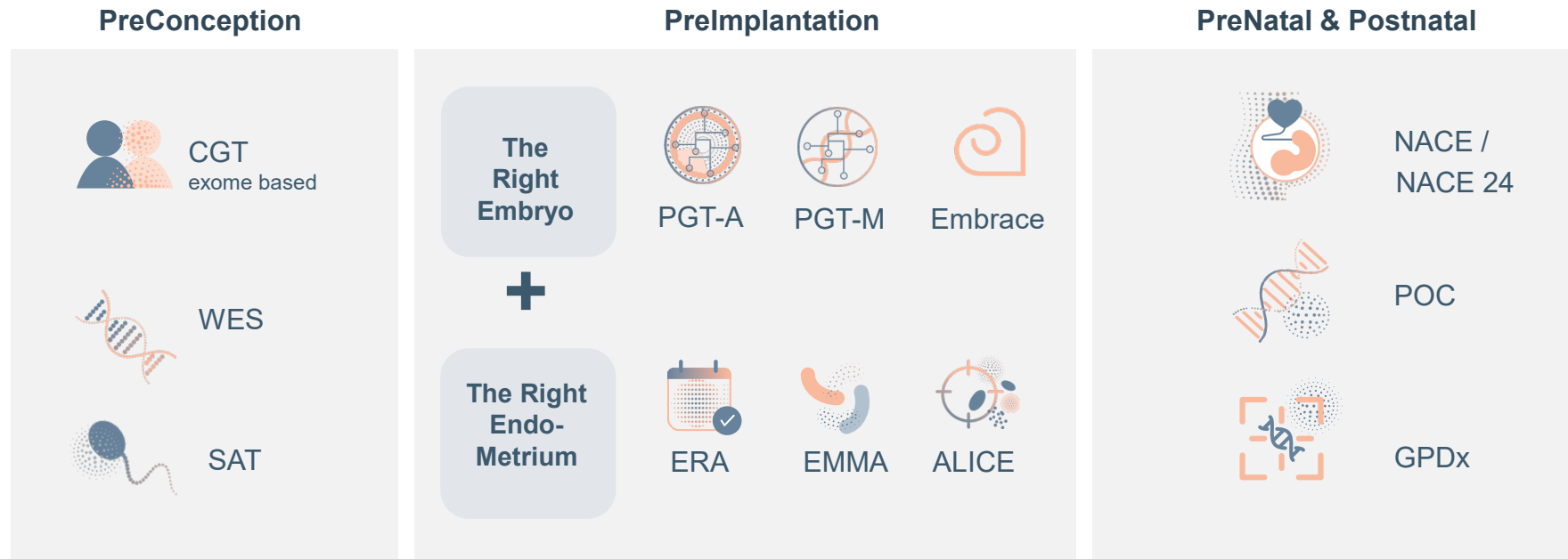
EMBRYO TRANSFER

CRYOPRESERVATION



# Igenomix – Complete Service Portfolio

Across the Different Stages of the Reproductive Cycle





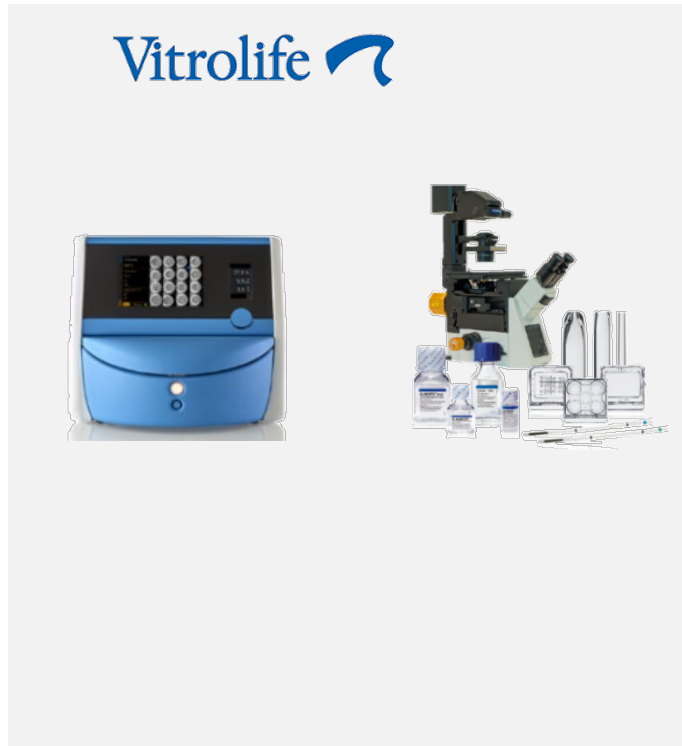
# Three Business Areas

## Consumables incl. Genomics



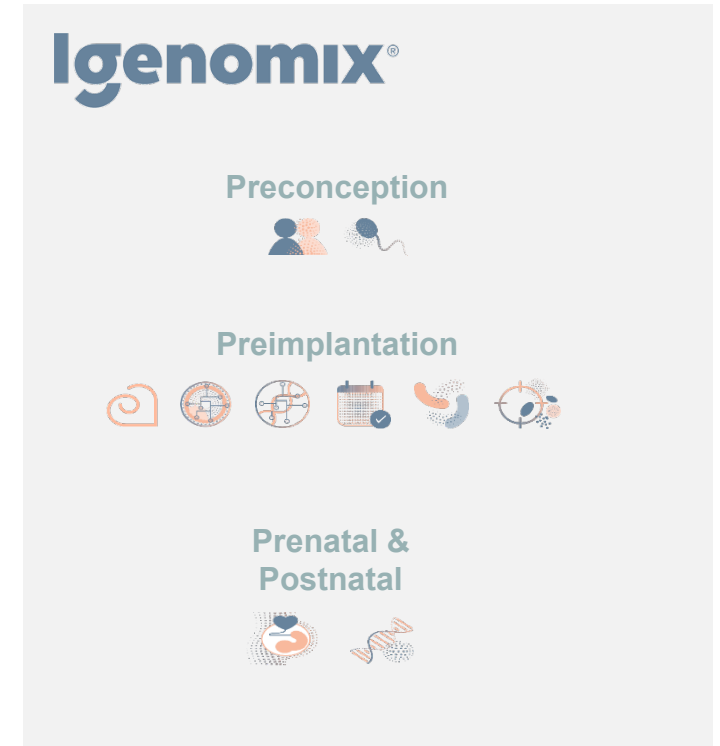
Develop and produce media, disposable instruments and disposable plastic products. Genomics offers kits for genetic analysis of embryos.

## Technologies



Develop and produce equipment such as time-lapse and laser systems.

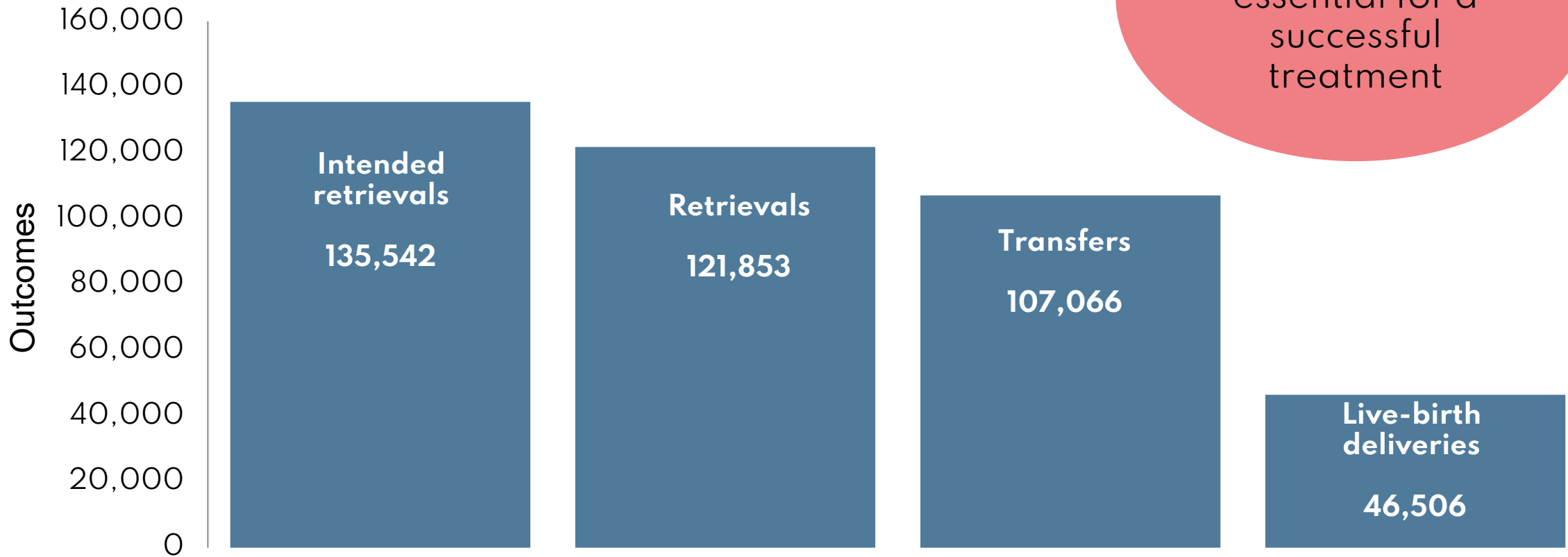
## Genetic Services



Reproductive genetic testing services.

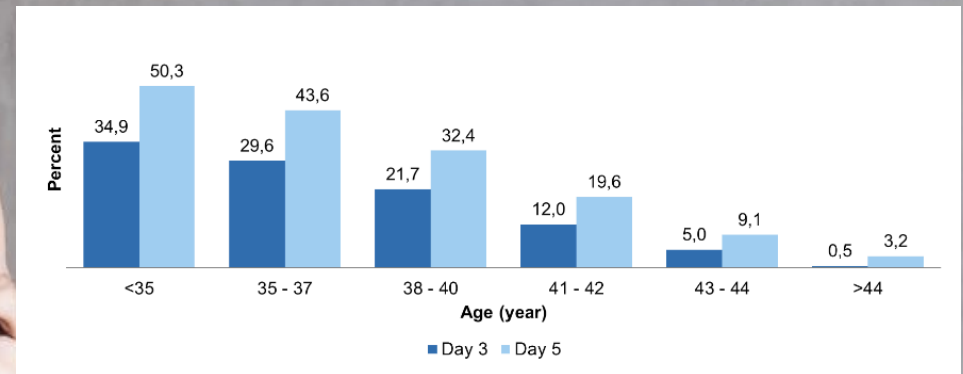
# Success Rates “STEP BY STEP”

## Outcomes of ART Cycles Using Fresh Nondonor Eggs or Embryos

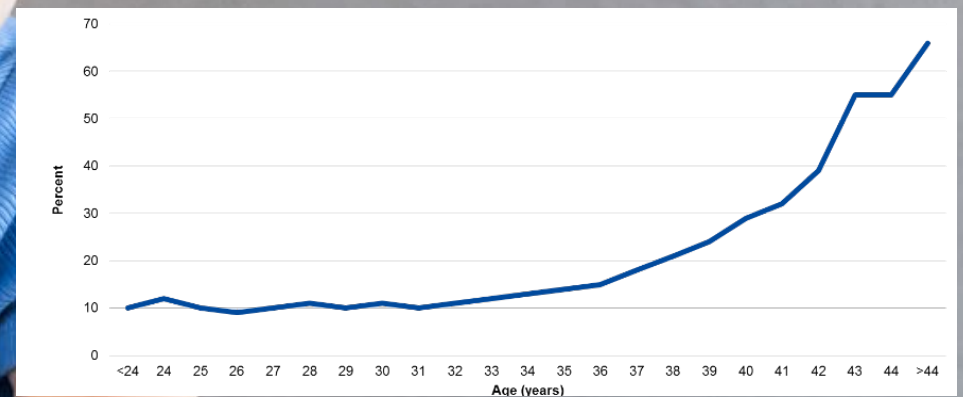


# Age is a critical factor for success

Day 3 and Day 5 embryo transfers that resulted in live births by age



Percentages of ART cycles that resulted in miscarriage by age





# Vitrolife is present in the IVF market, that shows a strong underlying growth with solid drivers

## Demographic & social trends

- Delay in motherhood
- Social acceptances and awareness of IVF
- Lifestyle and social changes

## Technical improvements

- Improvement in IVF lab procedures (i.e. incubation system)
- Use of genetics
- Vitrification techniques

## Favorable regulation

- Increase of alterative treatments (i.e. egg donation)
- Use of genetics
- Access to IVF (i.e. same sex couples)

## Reimbursement and insurance coverage

- Public reimbursement programs
- Commercial insurance coverage
- Speciality benefit programs (SBM) are gaining traction in US





# Interim report Q2 / 2022

2022-07-15

Vitrolife AB (publ)

Thomas Axelsson, CEO

Patrik Tolf, CFO

# Together for successful growth

## Second quarter

Sales

**829** MSEK

+117% in SEK

Organic growth

**18%**

In local currencies

Growth Pro forma excluding Covid-19

**14%**

In local currencies

Gross margin

**56.8%**

(55.2 % Pro forma)

EBITDA

**273** MSEK

Margin 32.9% (32.8% Pro forma)

Earnings per share

**0.96** SEK

+22%

## YTD

Sales

**1,581** MSEK

+108% in SEK

Growth Pro forma excluding Covid-19

**12%**

In local currencies

EBITDA

**501**

Margin 31.7% (33.6% Pro forma)

# Sales and growth per market region

**Q2 growth rate**  
(local currencies)

**241%**

**53%**

**73%**

**85%**

**Total**

**99%**

**Organic growth**  
(pro forma excl  
Covid-19 testing, in  
local currencies)

**13%**

**0%**

**41%**

**32%**

**14%**

**Sales (MSEK)**

**296**

**286**

**143**

**104**

**829**

**Share of  
Vitrolife's sales**

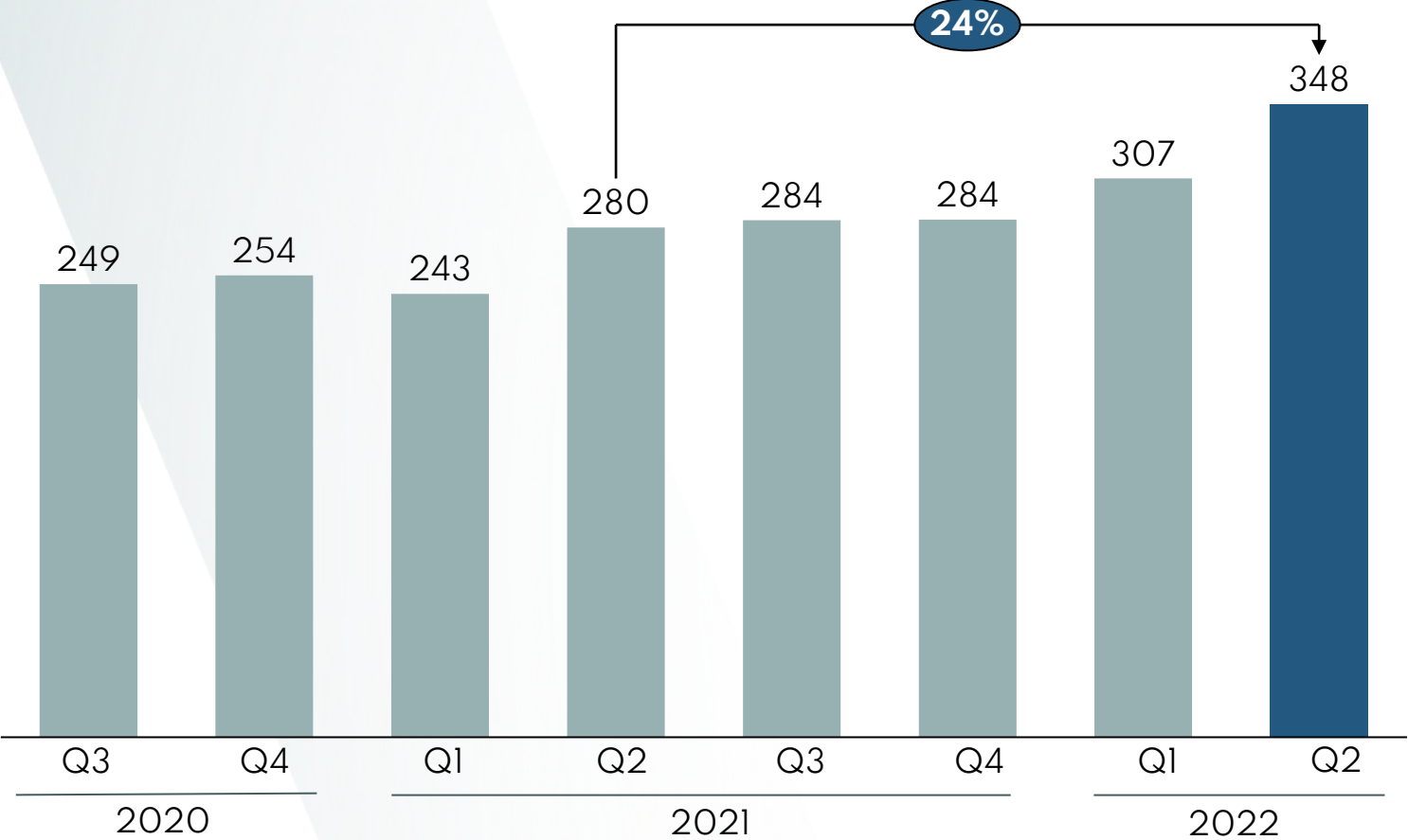
**36%**

**35%**

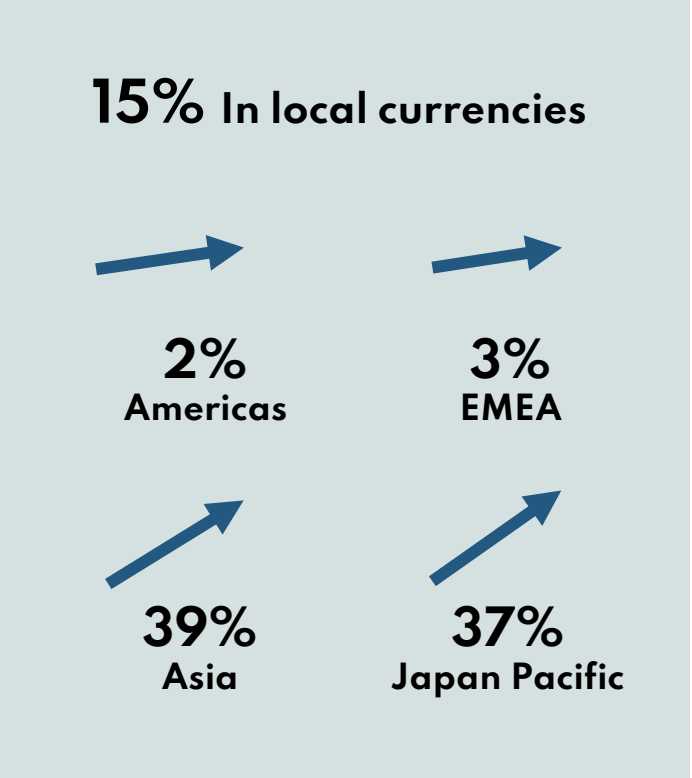
**17%**

**13%**

# Consumables business area

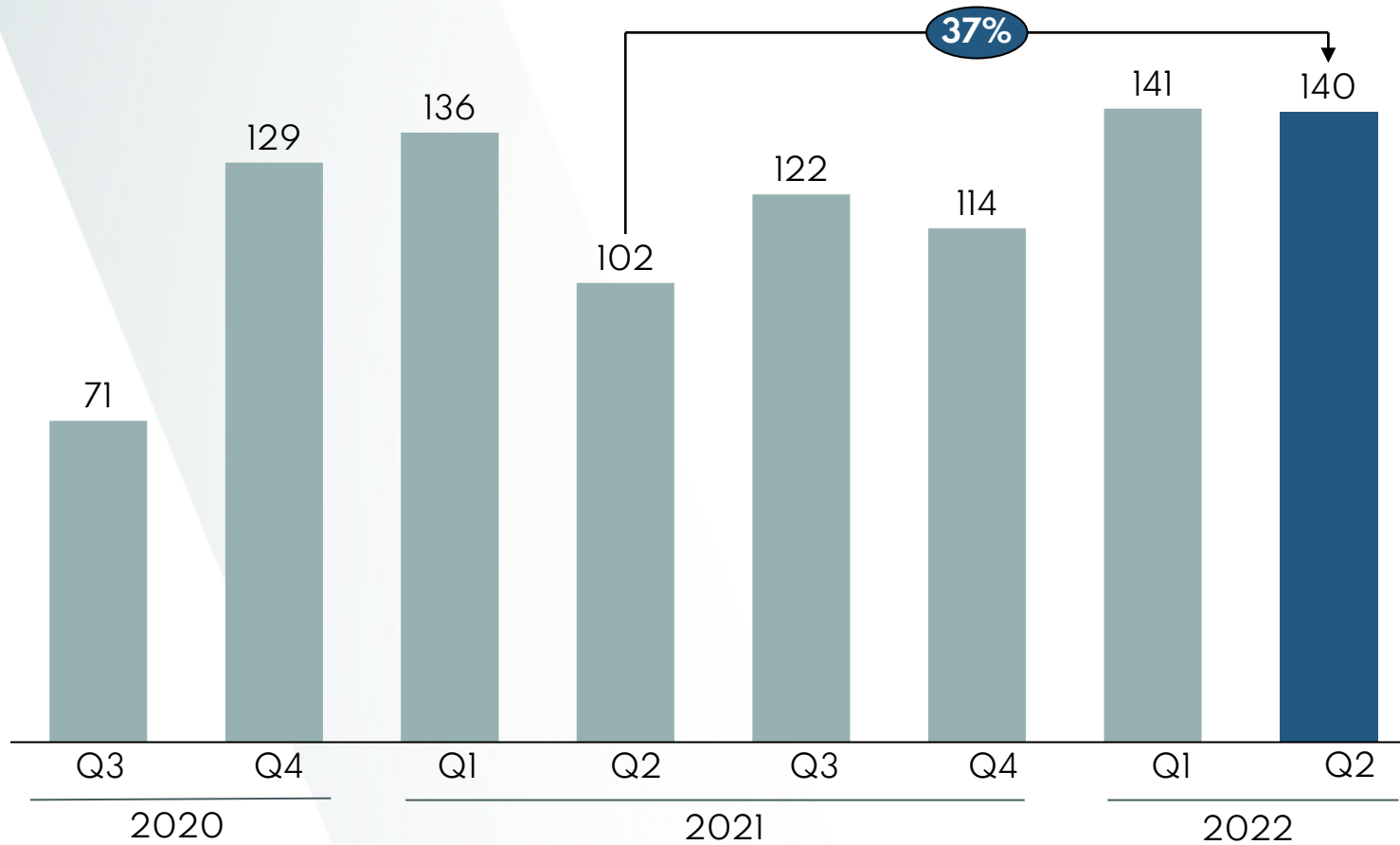


Net sales MSEK

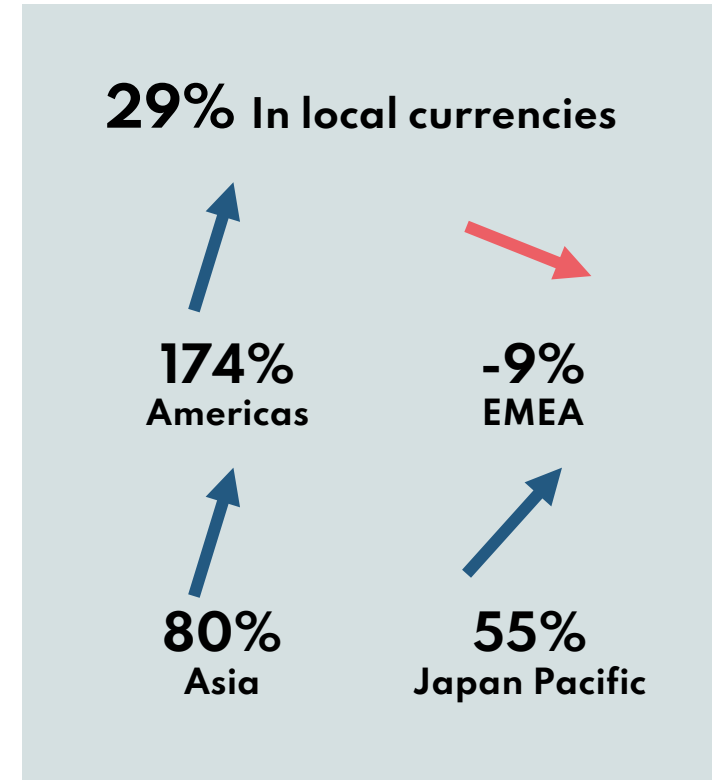




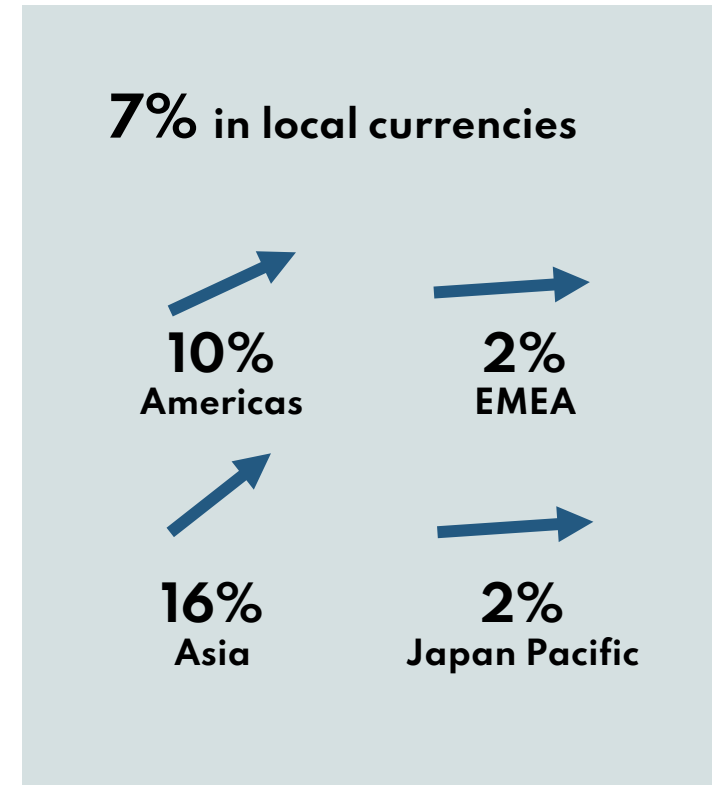
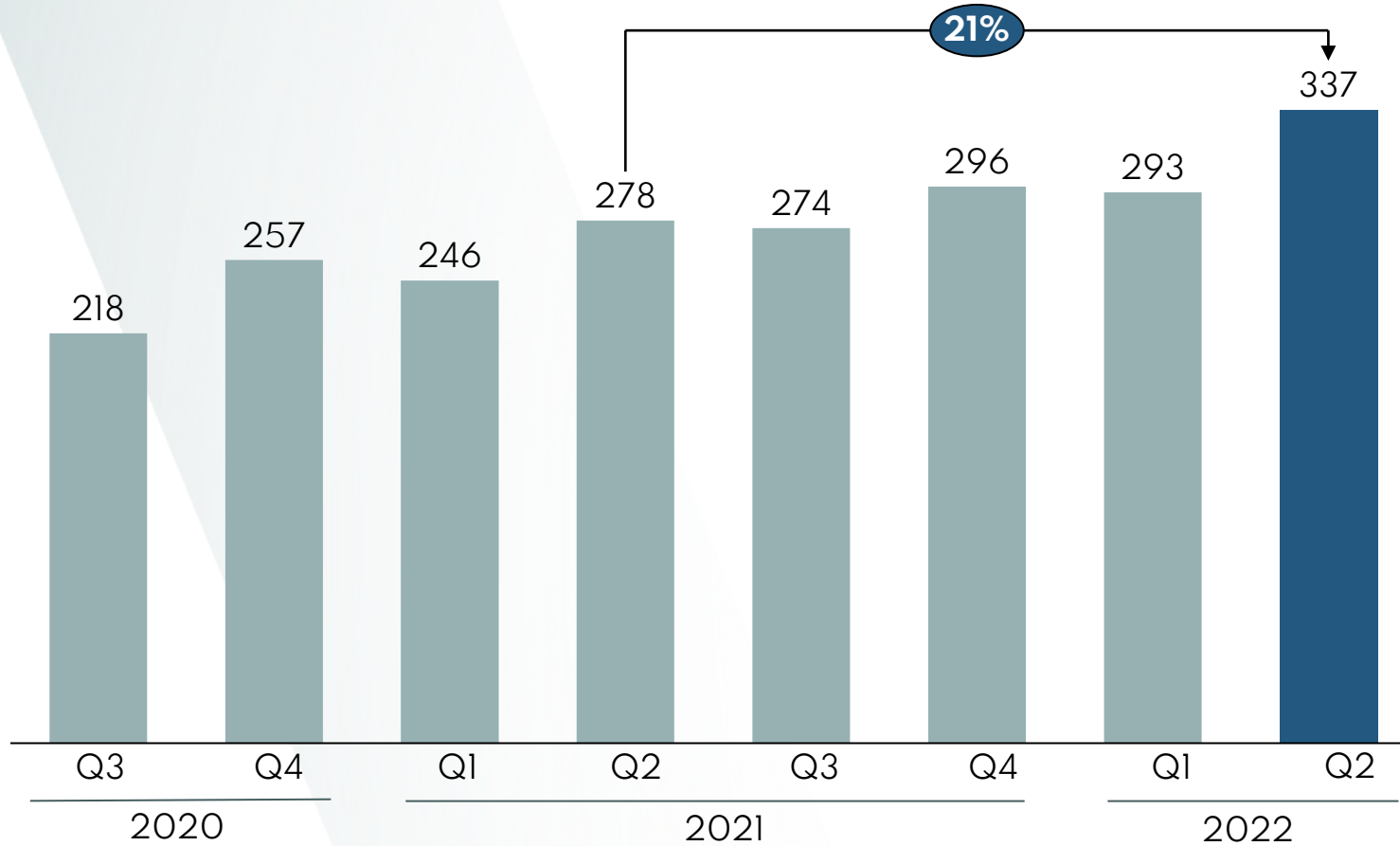
# Technologies business area



Net sales MSEK



# Genetic Services\* business area



Net sales MSEK

\*Genetic Services excluding business related to Covid-19

# Together for successful growth

**Focus on fertility journey**

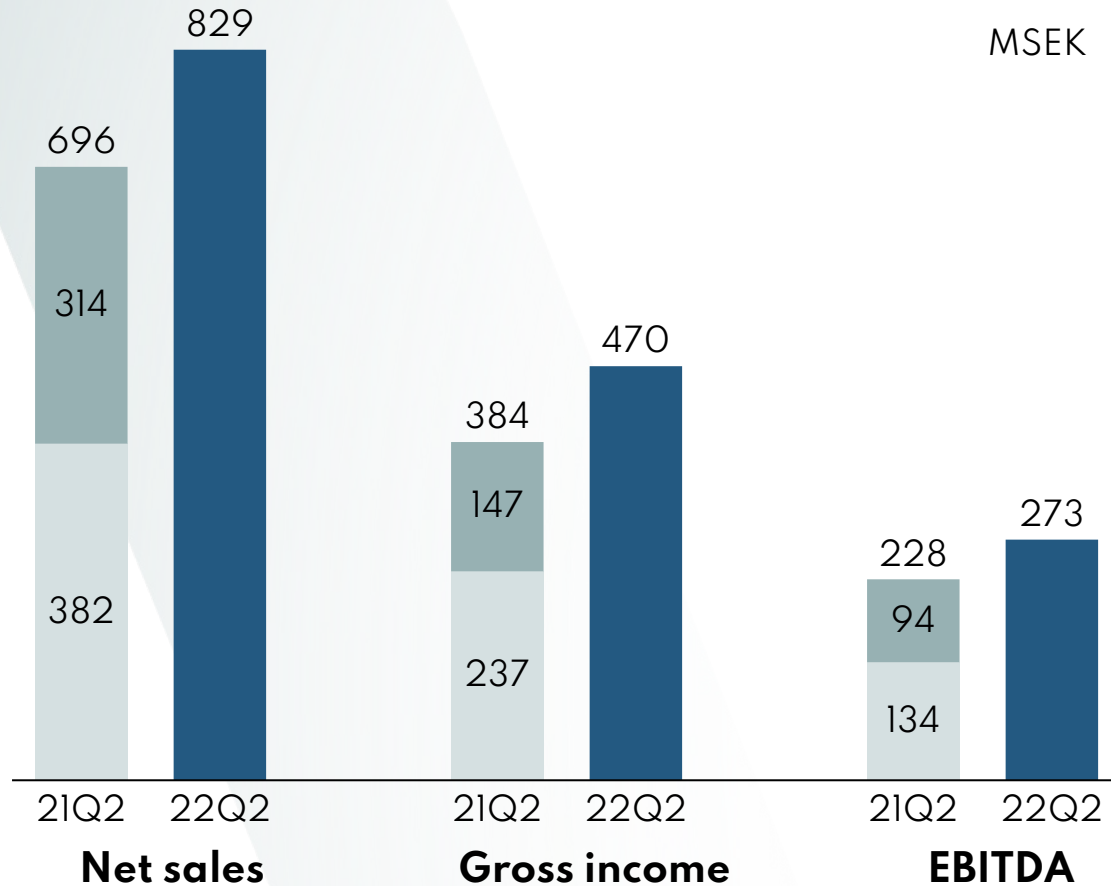
**Customer offering**

**Down-scaling of operations**



# Q2 financial highlights

MSEK



■ Pro forma Genetic Services  
■ Vitrolife

Net sales of SEK 829 million (382)

- Increase of 99% in local currencies including acquired revenue of SEK 341 million
- Growth on pro forma basis is 14% in local currencies excluding Covid-19 testing.

Gross income of SEK 470 million (237)

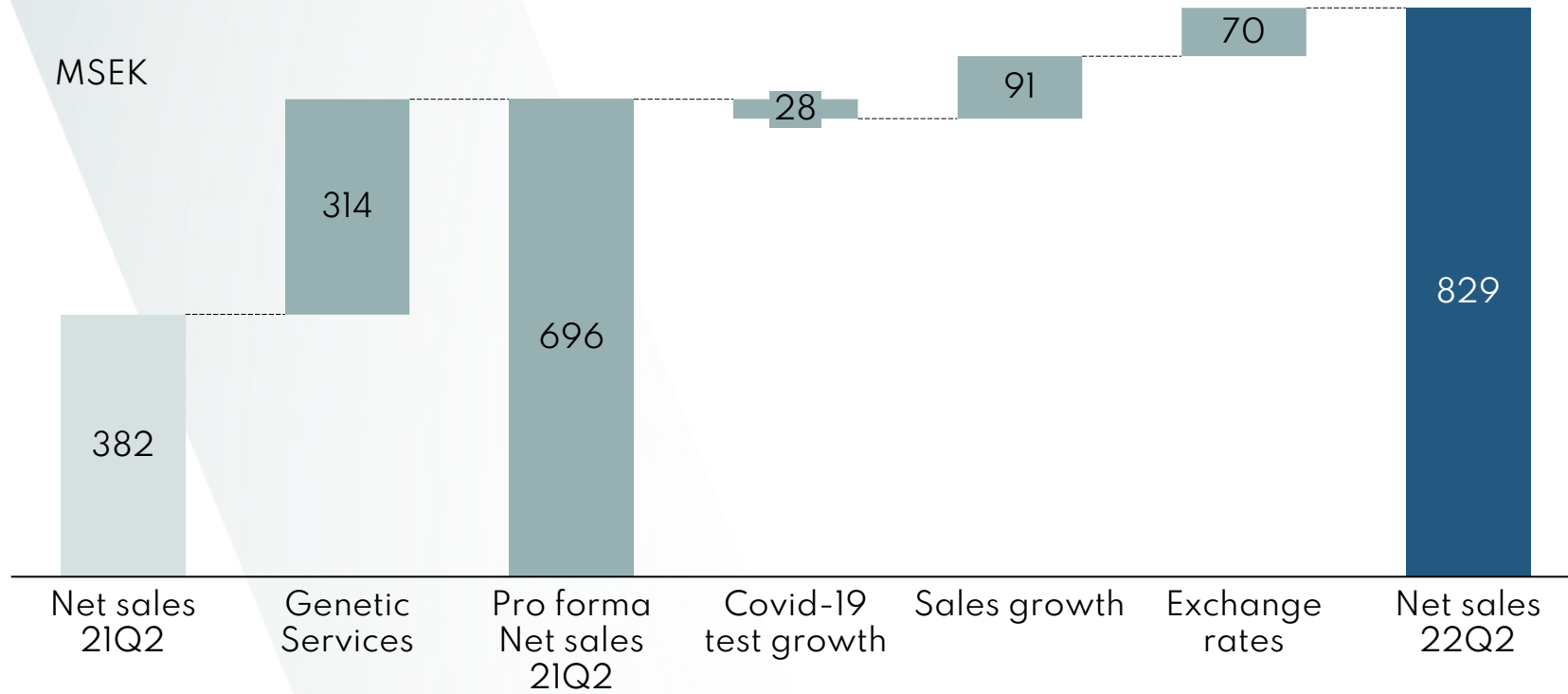
- Margin of 56.8% (pro forma 55.2%)

EBITDA of SEK 273 million (134).

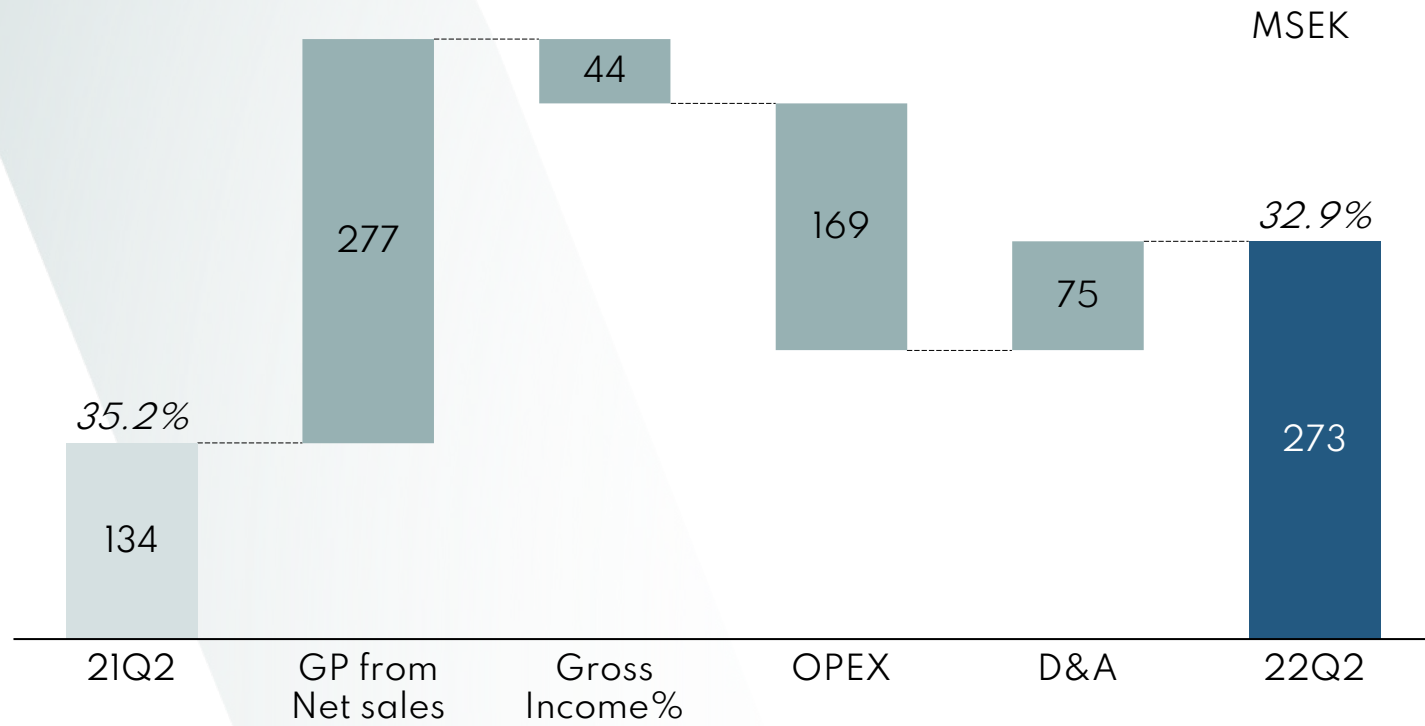
- Margin of 32.9% (pro forma 32.8%)



# Net sales

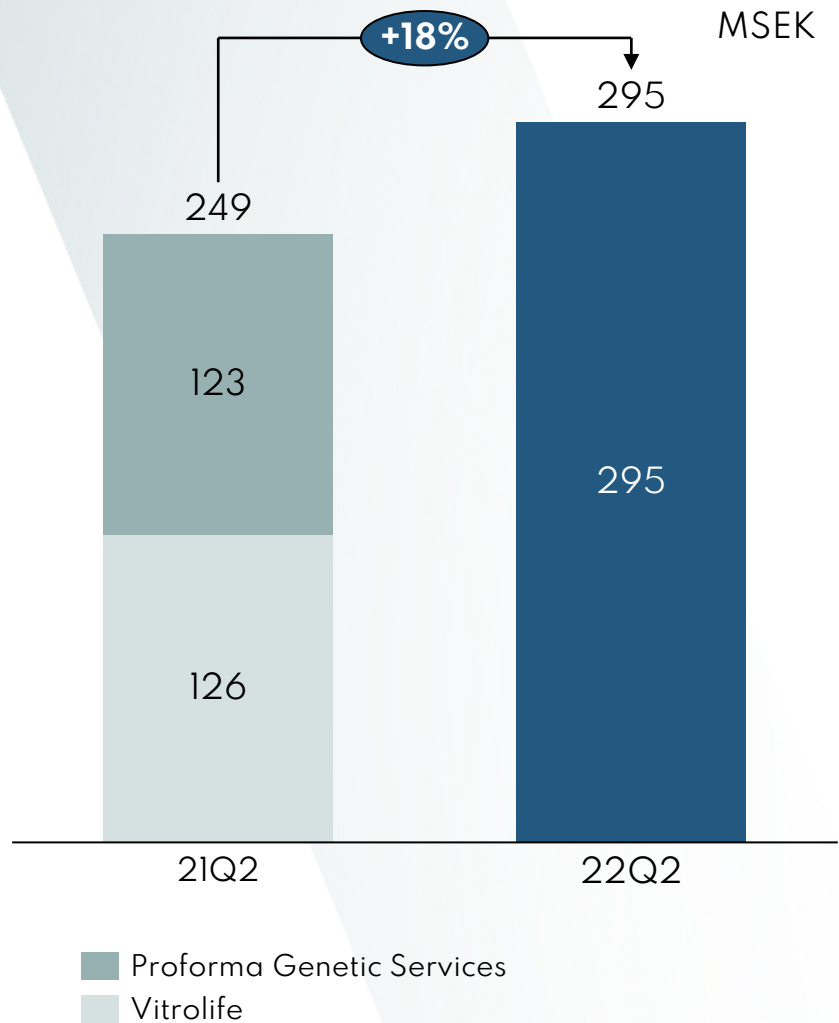


# EBITDA



	2021, Q2	2022, Q2	Growth
EBITDA per share, SEK	1.24	<b>2.01</b>	<b>+63%</b>

# OPEX



- Normalised business activities
- Non-core operations

## Key financials and pro forma

	2022 Q2	2021 Q2	2021 Q2 Pro forma	Delta Pro forma	2022 Q1-Q2	2021 Q1-Q2
Sales, MSEK	<b>829</b>	382	696	+133	1,581	761
Gross Margin, %	<b>57%</b>	62%	55%	+2ppt	56%	64%
Adj. Gross Margin, %*	<b>59%</b>	63%	59%	0ppt	59%	65%
Adjusted EBITDA, MSEK**	<b>273</b>	145	228	+45	501	311
Adjusted EBITDA, %**	<b>33%</b>	38%	33%	0ppt	32%	41%
EBITDA, MSEK	<b>273</b>	134	228	+45	501	297
EBITDA Margin, %	<b>33%</b>	35%	33%	0ppt	32%	39%
Earnings per share, SEK	<b>0.96</b>	0.79	0.85	0.14	1.56	1.88
EBITDA per share, SEK	<b>2.01</b>	1.24	1.69	0.32	3.70	2.74
Net Debt / EBITDA rolling 12m	<b>2.4</b>	-1.9				

\*Gross margin excluding amortization of acquisition-related intangible assets.

\*\*EBITDA adjusted for M&A



## Management comments

Strong growth

IVF consolidation impact

Americas now largest market region

MDR for Technologies Vitrolife A/S

Focus on fertility business



# Long-term outlook

Broadening the product and service offering

Long-term market growth **5-10%** in monetary terms

Expansion of sales





A close-up photograph of a woman with dark, curly hair smiling and kissing a baby on the cheek. The baby is also smiling and has curly hair. They are both wearing white clothing. The background is a soft, light-colored fabric.

Contact: Thomas Axelsson, CEO, [taxelsson@vitrolife.com](mailto:taxelsson@vitrolife.com), +46 31 721 80 01  
Patrik Tolf, CFO, [ptolf@vitrolife.com](mailto:ptolf@vitrolife.com), +46 31 766 90 21

## **DISCLAIMER**

This presentation contains estimates and forward-looking statements, which reflect the Management's current views with respect to the market, 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 are correct or will be achieved. The most important strategic and operative risks regarding Vitrolife's business and field are described in the Management report, in the Annual Report. These are primarily constituted by macro-economic risks, operational risks and financial risks.



