



Consensus estimates collected following the Interim Management Statement 2022, 1 November 2022

Cover page

Comments

Please find attached a pdf and spreadsheet with the consensus estimates, which are based on 8 inputs. Please note that certain metrics, e.g. free cash flow and net debt, are based on fewer estimates. Estimates for quarters and half-year figures may also include fewer estimates.

Please be aware that following the announced intention to divest Hearing Implants, we will report this business area as a discontinued operation. This is reflected in the consensus estimates.

Please do not hesitate to reach out with comments and questions.

Instructions

N/A

Notes to consensus estimates:

¹ Calculated based on reported estimates i.e. not reported itself.

² Definition of EPS: Net profit excl. non-controlling interests/average number of shares outstanding excl. treasury shares.

³ Net interest-bearing debt is calculated as the sum of finance lease debt, debt to credit institutions etc., short-term bank facilities etc. and overdraft less interest-bearing receivables and cash.

Consensus estimates collected following the Interim Management Statement, 1 November 2022

(8 responding analysts - all estimates based on simple averages)

Quarterly revenue numbers (DKK million)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022		
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Cons	High	Low
Hearing Aids Growth ¹	2,159	2,257	2,222	2,342	2,351	2,491	2,446	2,586	2,690	2,459
					9%	10%	10%	10.4%		
Organic growth					9%	8%	6%	4.2%	6.9%	1.0%
Acquisitive growth					-2%	-2%	-2%	0.3%	2.0%	-2.0%
Foreign exchange impact including hedging					2%	4%	6%	5.8%	7.6%	4.3%
Hearing Aids - Internal sales to Hearing Care Growth ¹	459	412	381	381	441	454	470	455	500	419
					-4%	10%	23%	19.4%		
Organic growth					-11%	1%	10%	6.1%	17.8%	-1.5%
Acquisitive growth					4%	4%	7%	8.0%	11.0%	5.6%
Foreign exchange impact including hedging					3%	5%	7%	5.4%	6.3%	4.3%
Hearing Aids - Sales to external customers Growth ¹	1,700	1,845	1,841	1,961	1,910	2,037	1,976	2,131	2,232	2,013
					12%	10%	7%	8.7%		
Organic growth					14%	10%	5%	3.8%	6.9%	1.0%
Acquisitive growth					-4%	-3%	-3%	-0.3%	0.8%	-1.4%
Foreign exchange impact including hedging					2%	4%	6%	5.5%	7.1%	4.3%
Hearing Care Growth ¹	1,731	2,006	1,848	1,968	1,898	2,034	2,018	2,208	2,251	2,135
					10%	1%	9%	12.2%		
Organic growth					2%	-7%	-5%	-1.4%	0.5%	-5.0%
Acquisitive growth					5%	4%	8%	8.4%	11.0%	7.1%
Foreign exchange impact including hedging					3%	5%	7%	5.0%	5.8%	3.5%
Diagnostics Growth ¹	402	441	469	511	503	563	613	625	676	598
					25%	28%	31%	22.3%		
Organic growth					19%	16%	12%	11.6%	17.1%	9.0%
Acquisitive growth					1%	3%	5%	3.4%	5.9%	-1.1%
Foreign exchange impact including hedging					6%	10%	13%	6.1%	10.3%	4.3%
Revenue Hearing Healthcare Growth ¹	3,833	4,292	4,158	4,440	4,311	4,634	4,607	4,963	5,101	4,845
					13%	8%	11%	11.8%		
Organic growth					9%	3%	1%	2.6%	4.4%	0.6%
Acquisitive growth					1%	1%	3%	3.8%	5.0%	2.5%
Foreign exchange impact including hedging					3%	5%	7%	5.5%	6.8%	4.3%
Communications	381	240	243	319	292	260	256	296	344	262
					-23%	8%	5%	-7.3%		
Organic growth					-25%	5%	0%	-11.9%	0.2%	-18.0%
Acquisitive growth					0%	0%	0%	0.0%	0.0%	0.0%
Foreign exchange impact including hedging					2%	4%	5%	5.4%	7.7%	2.8%
Revenue Demant Group Growth ¹	4,214	4,532	4,401	4,759	4,603	4,894	4,863	5,259	5,445	5,106
					9%	8%	10%	10.5%		
Organic growth					6%	3%	1%	1.5%	3.7%	-0.4%
Acquisitive growth					1%	1%	2%	3.6%	4.8%	2.5%
Foreign exchange impact including hedging					3%	5%	7%	5.5%	6.8%	4.2%

Consensus estimates collected following the Interim Management Statement, 1 November 2022

(8 responding analysts - all estimates based on simple averages)

Hearing Healthcare P&L (DKK million)	H1 2021	H2 2021	FY 2021	H1 2022	H2 2022			FY 2022			FY 2023	FY 2024	FY 2025	FY 2026
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
Hearing Aids	4,416	4,564	8,980	4,842	5,032	5,136	4,905	9,874	9,978	9,747	10,444	11,038	11,640	12,272
<i>Hereof sales to Hearing Care</i>	871	762	1,633	895	925	970	889	1,820	1,865	1,784	1,973	2,119	2,268	2,424
<i>Hereof sales to external customers</i>	3,545	3,802	7,347	3,947	4,107	4,208	3,989	8,054	8,155	7,936	8,471	8,919	9,372	9,848
Hearing Care	3,737	3,816	7,553	3,932	4,226	4,269	4,153	8,158	8,201	8,085	8,842	9,501	10,191	10,957
Diagnostics	843	980	1,823	1,066	1,238	1,289	1,211	2,304	2,355	2,277	2,525	2,717	2,919	3,129
Revenue	8,125	8,598	16,723	8,945	9,570	9,766	9,354	18,515	18,711	18,299	19,838	21,137	22,482	23,933
<i>Growth¹</i>				10%	11.3%			10.7%			7.1%	6.6%	6.4%	6.5%
<i>Organic growth</i>	-	-	-	6%	2.0%	2.8%	1.0%	3.7%	4.2%	3.2%	4.1%	5.6%	5.5%	5.5%
<i>Acquisitive growth</i>	-	-	-	1%	2.9%	4.0%	0.7%	1.7%	2.5%	-0.9%	1.5%	0.9%	0.9%	1.0%
<i>Foreign exchange impact including hedging</i>	-	-	-	4%	6.2%	7.0%	5.6%	5.0%	5.5%	4.5%				
Production costs	-1,905	-1,931	-3,836	-2,115	-2,239	-2,168	-2,287	-4,354	-4,283	-4,402	-4,646	-4,891	-5,170	-5,494
Gross profit	6,220	6,667	12,886	6,830	7,331	7,421	7,216	14,161	14,251	14,046	15,192	16,247	17,312	18,439
<i>Gross margin¹</i>	76.6%	77.6%	77.1%	76.4%	76.6%			76.5%			76.6%	76.9%	77.0%	77.0%
Research and development costs	-466	-476	-942	-534	-622	-571	-775	-1,156	-1,105	-1,309	-1,236	-1,292	-1,362	-1,440
Distribution costs	-3,688	-3,891	-7,579	-4,170	-4,420	-4,321	-4,532	-8,590	-8,491	-8,702	-9,212	-9,792	-10,419	-11,091
Administrative expenses	-405	-455	-860	-488	-507	-445	-530	-995	-933	-1,018	-1,058	-1,119	-1,185	-1,256
OPEX	-4,559	-4,822	-9,381	-5,192	-5,550	-5,473	-5,638	-10,742	-10,665	-10,830	-11,506	-12,203	-12,965	-13,787
Share of profit after tax, associates and joint ventures	57	63	120	57	52	69	23	109	126	80	113	113	119	126
EBIT	1,718	1,907	3,625	1,695	1,833	1,929	1,770	3,528	3,624	3,465	3,799	4,157	4,466	4,778
<i>EBIT margin¹</i>	21.1%	22.2%	21.7%	18.9%	19.2%			19.1%			19.2%	19.7%	19.9%	20.0%

Communications P&L (DKK million)	H1 2021	H2 2021	FY 2021	H1 2022	H2 2022			FY 2022			FY 2023	FY 2024	FY 2025	FY 2026
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
Revenue	621	562	1,183	552	552	600	518	1,104	1,152	1,070	1,169	1,302	1,440	1,593
<i>Growth¹</i>	14%	-26%	-9%	-11%	-1.8%			-6.7%			5.9%	11.4%	10.6%	10.6%
<i>Organic growth</i>	16%	-27%	-9%	-14%	-6.8%	0.1%	-9.1%	-10.2%	-7.1%	-11.8%	4.5%	11.3%	10.6%	10.6%
<i>Acquisitive growth</i>	0%	0%	0%	0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Foreign exchange impact including hedging</i>	-2%	1%	0%	3%	5.5%	6.7%	3.9%	4.2%	5.5%	3.2%	1.3%	0.0%	0.0%	0.0%
Production costs	-321	-291	-612	-299	-307	-277	-366	-606	-576	-665	-629	-670	-725	-788
Gross profit	300	271	571	253	245	323	152	498	576	405	540	632	715	805
<i>Gross margin¹</i>	48.3%	48.2%	48.3%	45.8%	44.3%			45.1%			46.2%	48.5%	49.7%	50.5%
Research and development costs	-91	-106	-197	-117	-114	-88	-124	-231	-205	-241	-219	-228	-243	-262
Distribution costs	-233	-231	-464	-224	-231	-213	-254	-455	-437	-478	-448	-457	-480	-506
Administrative expenses	-20	-12	-32	-19	-18	-12	-21	-37	-31	-40	-36	-37	-41	-45
OPEX	-344	-349	-693	-360	-362	-348	-372	-722	-708	-732	-703	-723	-764	-813
Share of profit after tax, associates and joint ventures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	-44	-78	-122	-107	-117	-114	-120	-224	-221	-227	-163	-92	-49	-8
<i>EBIT margin¹</i>	-7.1%	-13.9%	-10.3%	-19.4%	-21.3%			-20.3%			-14.0%	-7.0%	-3.4%	-0.5%

Consensus estimates collected following the Interim Management Statement, 1 November 2022

(8 responding analysts - all estimates based on simple averages)

Demant Group (DKK million)	H1 2021	H2 2021	FY 2021	H1 2022	H2 2022			FY 2022			FY 2023	FY 2024	FY 2025	FY 2026
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
Revenue	8,746	9,160	17,906	9,497	10,122	10,308	9,969	19,619	19,805	19,466	21,007	22,439	23,922	25,526
<i>Growth¹</i>				9%	10.5%			9.6%			7.1%	6.8%	6.6%	6.7%
<i>Organic growth</i>	-	-	-	4%	1.4%	2.5%	0.4%	2.8%	3.4%	2.3%	4.2%	5.9%	5.8%	5.8%
<i>Acquisitive growth</i>	-	-	-	1%	2.7%	3.8%	0.6%	1.6%	2.4%	-0.8%	1.4%	0.9%	0.9%	1.0%
<i>Foreign exchange impact including hedging</i>	-	-	-	4%	6.2%	6.9%	5.5%	5.0%	5.5%	4.5%	1.6%	0.0%	0.0%	0.0%
Production costs	-2,226	-2,222	-4,447	-2,414	-2,546	-2,469	-2,653	-4,960	-4,883	-5,067	-5,275	-5,561	-5,895	-6,282
Gross profit	6,520	6,938	13,458	7,083	7,576	7,655	7,457	14,659	14,738	14,540	15,731	16,878	18,027	19,244
<i>Gross margin¹</i>	74.5%	75.8%	75.2%	74.6%	74.8%			74.7%			74.9%	75.2%	75.4%	75.4%
Research and development costs	-557	-582	-1,139	-651	-736	-664	-900	-1,387	-1,315	-1,551	-1,455	-1,520	-1,605	-1,702
Distribution costs	-3,921	-4,122	-8,043	-4,394	-4,651	-4,534	-4,774	-9,045	-8,928	-9,168	-9,661	-10,249	-10,899	-11,597
Administrative expenses	-425	-467	-892	-507	-525	-457	-550	-1,032	-964	-1,057	-1,094	-1,157	-1,226	-1,301
OPEX	-4,903	-5,171	-10,074	-5,552	-5,912	-5,832	-5,986	-11,464	-11,384	-11,538	-12,209	-12,926	-13,730	-14,600
Share of profit after tax, associates and joint ventures	57	63	120	57	52	69	23	109	126	80	113	113	119	126
Other operating income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT before one-offs	1,674	1,829	3,503	1,588	1,716	1,814	1,650	3,304	3,402	3,238	3,636	4,065	4,417	4,770
<i>EBIT margin¹</i>	19.1%	20.0%	19.6%	16.7%	17.0%			16.8%			17.3%	18.1%	18.5%	18.7%
One-offs	0	159	159	0	0	0	0	0	0	0	0	0	0	0
EBIT	1,674	1,988	3,663	1,588	1,716	1,814	1,650	3,304	3,402	3,238	3,636	4,065	4,417	4,788
Net financial income and expenses	-101	-101	-202	-95	-102	-6	-134	-197	-101	-229	-222	-222	-227	-250
Profit before tax	1,573	1,888	3,461	1,493	1,615	1,747	1,529	3,108	3,240	3,022	3,413	3,843	4,190	4,538
Tax on ordinary income	-357	-393	-750	-336	-362	-339	-393	-698	-675	-729	-765	-861	-939	-1,017
Net profit from continuing operations	1,216	1,495	2,711	1,157	1,252	1,354	1,185	2,409	2,511	2,342	2,649	2,982	3,251	3,522
<i>Tax rate¹</i>	22.7%	20.8%	21.7%	22.5%	22.4%			22.5%			22.4%	22.4%	22.4%	22.4%
Net profit from discontinued operations	-33	-150	-183	-107	-113	-68	-122	-220	-175	-229	-27	0	0	0
Profit for the period	1,183	1,345	2,528	1,050	1,140	1,232	1,067	2,190	2,282	2,117	2,622	2,982	3,251	3,522
<i>Avg. number of shares outstanding (in million)</i>	237.66	234.82	236.24	227.98	223.73	227.98	219.30	225.86	227.98	223.64	217.06	208.89	199.98	194.51
<i>Non-controlling interests</i>	9	6	15	1	9	14	0	10	15	0	11	11	12	11
<i>Earnings per share (EPS, DKK)^c</i>	5.08	6.40	11.48	5.07	5.60	5.94	5.41	10.67	11.01	10.47	12.20	14.28	16.26	18.11
Other Group metrics														
Amortisation and depreciation etc.	-513	-555	-1,067	-540	-568	-370	-652	-1,109	-911	-1,193	-1,174	-1,228	-1,286	-1,349
EBITDA	2,187	2,543	4,730	2,128	2,284	2,375	2,184	4,413	4,504	4,313	4,809	5,293	5,703	6,137
<i>EBITDA margin¹</i>	25.0%	27.8%	26.4%	22.4%	22.6%			22.5%			22.9%	23.6%	23.8%	24.0%
Reported free cash flow before acquisitions	1,187	1,698	2,885	398	982	2,339	-993	1,380	2,737	-595	2,622	2,823	3,211	3,337
Buy-back of shares	1,813	1,387	3,200	1,307	779	1,840	533	2,086	3,147	1,840	1,494	1,916	1,973	2,031
Net interest-bearing debt ^d	8,573	9,150	9,150	10,986	11,420	12,957	9,644	11,420	12,957	9,644	10,459	10,095	9,594	9,003

	Cons	High	Low
WACC	7.8%	8.5%	5.5%
Price target (DKK)	231	360	165

	Buy	Hold	Sell
Recommendation (# of Buy/Hold/Sell)	3	2	2