



Consensus estimates collected following our Interim Management Statement, 3 May 2023

Cover page

Comments

Please find attached a pdf and spreadsheet with the consensus estimates, which are based on 10 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 our Q1 IMS, 3 March 2023

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

Quarterly revenue numbers (DKK million)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023			Q3 2023			Q4 2023		
	Actual	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	High	Low
Hearing Aids (sales to external customers)	1,910	2,037	1,976	2,308	2,478	2,342	2,517	2,192	2,173	2,366	2,021	2,379	2,547	2,247
<i>Growth</i>	12%	10%	7%	18%	30%	15.0%			10.0%			3.1%		
<i>Organic growth</i>	14%	10%	5%	14%	26%	17.0%	23.0%	10.0%	13.2%	19.0%	7.0%	5.3%	9.0%	2.8%
Hearing Care	1,898	2,034	2,018	2,173	2,218	2,313	2,481	2,237	2,214	2,381	2,104	2,331	2,552	2,239
<i>Growth</i>	10%	1%	9%	10%	17%	13.7%			9.7%			7.3%		
<i>Organic growth</i>	2%	-7%	-5%	1%	9%	7.3%	11.0%	5.0%	7.1%	14.0%	5.0%	5.5%	11.9%	3.0%
Diagnostics	503	563	613	612	566	612	634	574	636	652	618	638	656	599
<i>Growth</i>	25%	28%	31%	20%	13%	8.8%			3.8%			4.3%		
<i>Organic growth</i>	19%	16%	12%	7%	4%	7.6%	12.0%	5.0%	6.5%	8.0%	5.0%	7.1%	8.0%	6.0%
Revenue Hearing Healthcare	4,311	4,634	4,607	5,093	5,262	5,267	5,456	5,052	5,023	5,195	4,792	5,348	5,547	5,195
<i>Growth</i>	13%	8%	11%	15%	22%	13.7%			9.0%			5.0%		
<i>Organic growth</i>	9%	3%	1%	8%	16%	11.6%	15.0%	8.3%	9.6%	13.2%	6.7%	5.6%	8.4%	3.9%
Communications	292	260	256	252	246	252	268	224	255	271	220	267	332	223
<i>Growth</i>	-23%	8%	5%	-21%	-16%	-3.2%			-0.2%			5.9%		
<i>Organic growth</i>	-25%	5%	0%	-23%	-15%	-2.2%	4.5%	-13.0%	2.4%	10.0%	-13.0%	8.2%	34.4%	-10.8%
Revenue Demant Group	4,603	4,894	4,863	5,345	5,508	5,519	5,706	5,308	5,278	5,454	5,054	5,615	5,783	5,454
<i>Growth</i>	9%	8%	11%	12%	20%	12.8%			8.5%			5.1%		
<i>Organic growth</i>	6%	3%	1%	6%	14%	10.9%	14.0%	7.9%	9.2%	12.9%	6.7%	5.7%	7.9%	3.9%
<i>Acquisitive growth</i>	1%	1%	2%	2%	4%	3.6%	5.4%	2.0%	2.5%	3.3%	1.2%	2.2%	2.8%	1.2%
<i>Foreign exchange impact including hedging</i>	3%	5%	7%	4%	2%	-1.6%	-0.7%	-2.6%	-3.5%	-1.7%	-5.2%	-2.5%	-1.4%	-3.7%

Hearing Healthcare P&L (DKK million)	H1 2022	H2 2022	FY 2022	H1 2023			H2 2023			FY 2023	FY 2024	FY 2025	FY 2026
	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
Hearing Aids (sales to external customers)	3,947	4,284	8,231	4,820	4,995	4,670	4,552	4,841	4,344	9,372	9,921	10,501	10,967
Hearing Care	3,932	4,191	8,123	4,531	4,699	4,455	4,545	4,872	4,383	9,076	9,764	10,474	11,449
Diagnostics	1,066	1,225	2,291	1,178	1,200	1,140	1,274	1,307	1,240	2,453	2,606	2,754	2,953
Revenue	8,945	9,700	18,645	10,529	10,718	10,314	10,371	10,563	10,038	20,900	22,291	23,729	25,369
Growth	10%	13%	12%	17.7%			6.9%			12.1%	6.7%	6.5%	6.9%
Organic growth	6%	5%	5%	13.7%	15.5%	12.0%	7.5%	9.0%	5.2%	10.5%	5.8%	5.5%	5.7%
Production costs	-2,115	-2,338	-4,453	-2,468	-2,309	-2,540	-2,398	-2,229	-2,467	-4,866	-5,141	-5,441	-5,792
Gross profit	6,830	7,362	14,192	8,061	8,205	7,833	7,973	8,334	7,655	16,034	17,150	18,288	19,577
Gross margin	76.4%	75.9%	76.1%	76.6%			76.9%			76.7%	76.9%	77.1%	77.2%
Research and development costs	-534	-549	-1,083	-581	-535	-670	-596	-553	-677	-1,176	-1,262	-1,344	-1,477
Distribution costs	-4,170	-4,617	-8,787	-4,810	-4,587	-5,009	-4,789	-4,515	-5,035	-9,599	-10,268	-10,947	-11,705
Administrative expenses	-488	-513	-1,001	-545	-512	-589	-546	-526	-565	-1,090	-1,155	-1,223	-1,330
OPEX	-5,192	-5,679	-10,871	-5,935	-5,649	-6,165	-5,930	-5,724	-6,239	-11,866	-12,685	-13,515	-14,513
Share of profit after tax, associates and joint ventures	57	65	122	56	76	28	57	74	28	113	118	124	145
EBIT	1,695	1,748	3,443	2,182	2,351	2,042	2,100	2,243	1,992	4,281	4,583	4,897	5,210
EBIT margin	18.9%	18.0%	18.5%	20.7%			20.2%			20.5%	20.6%	20.6%	20.5%

Communications P&L (DKK million)	H1 2022	H2 2022	FY 2022	H1 2023			H2 2023			FY 2023	FY 2024	FY 2025	FY 2026
	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
Revenue	552	508	1,060	498	514	470	522	597	443	1,020	1,126	1,248	1,398
Growth	-11%	-10%	-10%	-9.8%			2.8%			-3.8%	10.4%	10.8%	12.0%
Organic growth	-14%	-13%	-13%	-9.0%	-5.8%	-14.1%	5.3%	20.3%	-11.9%	-2.1%	10.5%	10.9%	11.2%
Production costs	-299	-284	-583	-283	-258	-308	-288	-244	-336	-571	-604	-655	-724
Gross profit	253	224	477	214	232	186	234	261	199	449	522	593	674
Gross margin	45.8%	44.1%	45.0%	43.1%			44.9%			44.0%	46.4%	47.5%	48.2%
Research and development costs	-117	-114	-231	-102	-81	-124	-100	-64	-114	-202	-200	-206	-213
Distribution costs	-224	-221	-445	-196	-111	-241	-198	-107	-234	-394	-403	-413	-415
Administrative expenses	-19	-18	-37	-18	-16	-22	-19	-17	-21	-37	-38	-41	-44
OPEX	-360	-353	-713	-316	-248	-384	-317	-239	-348	-633	-641	-660	-672
Share of profit after tax, associates and joint ventures	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	-107	-129	-236	-102	-39	-152	-82	-38	-105	-184	-119	-67	2
EBIT margin	-19.4%	-25.4%	-22.3%	-20.5%			-15.8%			-18.1%	-10.5%	-5.3%	0.1%

Demant Group (DKK million)	H1 2022	H2 2022	FY 2022	H1 2023			H2 2023			FY 2023	FY 2024	FY 2025	FY 2026
	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
Revenue	9,497	10,208	19,705	11,027	11,214	10,816	10,893	11,042	10,574	21,920	23,417	24,977	26,767
<i>Growth</i>	9%	11%	10%	16.1%			6.7%			11.2%	6.8%	6.7%	7.2%
<i>Organic growth</i>	4%	3%	4%	12.4%	14.0%	10.9%	7.4%	8.9%	5.5%	9.8%	6.0%	5.8%	6.0%
<i>Acquisitive growth</i>	1%	2%	2%	3.8%	4.7%	2.9%	2.3%	2.9%	1.2%	3.0%	1.3%	1.2%	1.3%
<i>Foreign exchange impact including hedging</i>	4%	6%	5%	0.1%	0.6%	-0.4%	-3.0%	-1.8%	-4.4%	-1.5%	-0.1%	0.0%	0.0%
Production costs	-2,414	-2,622	-5,036	-2,751	-2,586	-2,849	-2,686	-2,496	-2,804	-5,437	-5,745	-6,096	-6,516
Gross profit	7,083	7,586	14,669	8,276	8,433	8,058	8,207	8,535	7,901	16,483	17,672	18,881	20,251
<i>Gross margin</i>	74.6%	74.3%	74.4%	75.1%			75.3%			75.2%	75.5%	75.6%	75.7%
Research and development costs	-651	-663	-1,314	-683	-634	-785	-696	-654	-788	-1,379	-1,462	-1,550	-1,690
Distribution costs	-4,394	-4,838	-9,232	-5,006	-4,828	-5,209	-4,987	-4,749	-5,248	-9,993	-10,671	-11,360	-12,120
Administrative expenses	-507	-531	-1,038	-563	-532	-606	-564	-545	-586	-1,127	-1,193	-1,264	-1,374
OPEX	-5,552	-6,032	-11,584	-6,252	-6,034	-6,414	-6,247	-6,041	-6,484	-12,499	-13,326	-14,174	-15,184
Share of profit after tax, associates and joint ventures	57	65	122	56	76	28	57	74	28	113	118	124	145
Other operating income	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT before one-offs	1,588	1,619	3,207	2,080	2,259	1,951	2,017	2,141	1,891	4,097	4,465	4,830	5,212
<i>EBIT margin</i>	16.7%	15.9%	16.3%	18.9%			18.5%			18.7%	19.1%	19.3%	19.5%
One-offs	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	1,588	1,619	3,207	2,080	2,259	1,951	2,017	2,141	1,891	4,097	4,465	4,830	5,212
Net financial income and expenses	-95	-185	-280	-295	-275	-300	-305	-294	-322	-600	-566	-556	-539
Profit before tax	1,493	1,434	2,927	1,785	1,967	1,657	1,712	1,841	1,576	3,508	3,898	4,274	4,673
Tax on ordinary income	-336	-315	-651	-452	-400	-490	-429	-395	-471	-881	-947	-1,036	-1,124
Net profit from continuing operations	1,157	1,119	2,276	1,333	1,477	1,219	1,282	1,394	1,174	2,627	2,951	3,238	3,550
<i>Tax rate ¹</i>	22.5%	22.0%	22.2%	25.3%			25.1%			25.1%	24.3%	24.2%	24.0%
Net profit from discontinued operations	-107	-85	-192	-78	-50	-100	-74	-50	-100	-151	-38	-38	-17
Profit for the period	1,050	1,034	2,084	1,267	1,377	1,169	1,229	1,377	1,104	2,496	2,933	3,221	3,554
<i>Avg. number of shares outstanding (in million)</i>	227.98	224.06	226.02	224.72	229.00	223.00	223.28	226.28	217.40	224.00	219.02	211.99	206.24
<i>Non-controlling interests</i>	1	1	2	1	9	-6	1	11	-6	3	1	1	1
<i>Earnings per share from continuing operations (EPS, DKK)</i>	5.07	4.99	10.06	5.95	6.57	5.42	5.78	6.19	5.37	11.73	13.56	15.31	17.24
Other Group metrics													
Amortisation and depreciation	-541	-636	-1,176	-602	-525	-672	-640	-555	-702	-1,242	-1,315	-1,395	-1,493
EBITDA	2,128	2,255	4,383	2,682	2,909	2,521	2,657	2,740	2,593	5,339	5,779	6,225	6,705
<i>EBITDA margin</i>	22.4%	22.1%	22.2%	24.3%			24.4%			24.4%	24.7%	24.9%	25.1%
Reported free cash flow before acquisitions	398	1,219	1,617	1,097	1,331	800	1,301	1,745	954	2,691	2,897	3,203	3,553
Buy-back of shares	1,307	533	1,840	0	0	0	0	0	0	0	1,473	1,647	1,598
Net interest-bearing debt	10,986	12,711	12,711	12,198	12,897	11,455	11,509	12,897	10,375	11,481	11,339	11,090	10,210

	Cons	High	Low
WACC	7.4%	8.1%	6.0%
Price target (DKK)	305	330	260

	Buy	Hold	Sell
Recommendation (# of Buy/Hold/Sell)	5	4	1