



Consensus estimates collected following our Interim Management Statement 2023, 7 November 2023

Cover page

Comments

Please find attached a pdf and spreadsheet with the consensus estimates, which are based on 13 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 also 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.

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(13 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	Actual	Actual	Cons	High	Low
Hearing Aids (sales to external customers)	1,910	2,037	1,976	2,308	2,478	2,510	2,430	2,588	2,838	2,307
<i>Growth</i>	12%	10%	7%	18%	30%	23%	23%	12.2%		
<i>Organic growth</i>	14%	10%	5%	14%	26%	22%	25%	15.9%	22.2%	9.0%
Hearing Care	1,898	2,034	2,018	2,173	2,218	2,290	2,152	2,385	2,519	2,243
<i>Growth</i>	10%	1%	9%	10%	17%	13%	7%	9.8%		
<i>Organic growth</i>	2%	-7%	-5%	1%	9%	7%	6%	6.3%	8.0%	3.0%
Diagnostics	503	563	613	612	566	632	625	671	732	644
<i>Growth</i>	25%	28%	31%	20%	13%	12%	2%	9.6%		
<i>Organic growth</i>	19%	16%	12%	7%	4%	9%	6%	8.5%	12.0%	6.0%
Revenue Hearing Healthcare	4,311	4,634	4,607	5,093	5,262	5,432	5,207	5,644	5,865	5,388
<i>Growth</i>	13%	8%	11%	15%	22%	17%	13%	10.8%		
<i>Organic growth</i>	9%	3%	1%	8%	16%	14%	14%	10.9%	13.6%	7.3%
Communications	292	260	256	252	246	215	196	223	273	182
<i>Growth</i>	-23%	8%	5%	-21%	-16%	-17%	-23%	-11.5%		
<i>Organic growth</i>	-25%	5%	0%	-23%	-15%	-16%	-20%	-10.9%	3.0%	-35.2%
Revenue Demant Group	4,603	4,894	4,863	5,345	5,508	5,647	5,403	5,867	6,047	5,661
<i>Growth</i>	9%	8%	11%	12%	20%	15%	11%	9.8%		
<i>Organic growth</i>	6%	3%	1%	6%	14%	12%	13%	9.9%	12.2%	6.1%
<i>Acquisitive growth</i>	1%	1%	2%	2%	4%	4%	2%	2.5%	4.6%	0.1%
<i>Foreign exchange impact including hedging</i>	3%	5%	7%	4%	2%	-1%	-4%	-2.5%	-1.5%	-4.8%

Hearing Healthcare P&L (DKK million)	H1 2022	H2 2022	FY 2022	H1 2023	H2 2023			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	Cons	Cons	Cons	Cons
Hearing Aids (sales to external customers)	3,947	4,284	8,231	4,988	5,018	5,268	4,737	10,006	10,539	11,175	11,846	12,687
Hearing Care	3,932	4,191	8,123	4,508	4,537	4,671	4,395	9,045	9,843	10,614	11,431	12,238
Diagnostics	1,066	1,225	2,291	1,198	1,296	1,357	1,269	2,494	2,672	2,844	3,023	3,214
Revenue	8,945	9,700	18,645	10,694	10,851	11,072	10,595	21,545	23,053	24,633	26,299	28,139
<i>Growth</i>	10%	13%	12%	20%	11.9%			15.6%	7.0%	6.9%	6.8%	7.0%
<i>Organic growth</i>	6%	5%	5%	15%	12.4%	13.8%	10.5%	13.6%	6.3%	5.6%	5.7%	5.5%
Production costs	-2,115	-2,338	-4,453	-2,677	-2,518	-2,146	-2,660	-5,195	-5,483	-5,819	-6,170	-6,573
Gross profit	6,830	7,362	14,192	8,017	8,333	8,595	8,169	16,350	17,570	18,813	20,130	21,567
<i>Gross margin</i>	76.4%	75.9%	76.1%	75.0%	76.8%			75.9%	76.2%	76.4%	76.5%	76.6%
Research and development costs	-534	-549	-1,083	-607	-621	-590	-679	-1,228	-1,340	-1,434	-1,550	-1,668
Distribution costs	-4,170	-4,617	-8,787	-4,726	-4,849	-4,726	-5,169	-9,575	-10,349	-11,057	-11,780	-12,588
Administrative expenses	-488	-513	-1,001	-562	-563	-488	-601	-1,125	-1,208	-1,282	-1,361	-1,435
OPEX	-5,192	-5,679	-10,871	-5,895	-6,032	-5,895	-6,336	-11,927	-12,897	-13,772	-14,691	-15,691
Share of profit after tax, associates and joint ventures	57	65	122	40	68	102	40	108	116	122	127	139
EBIT	1,695	1,748	3,443	2,162	2,369	2,493	2,220	4,531	4,789	5,163	5,566	6,015
<i>EBIT margin</i>	18.9%	18.0%	18.5%	20.2%	21.8%			21.0%	20.8%	21.0%	21.2%	21.4%

Communications P&L (DKK million)	H1 2022	H2 2022	FY 2022	H1 2023	H2 2023			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	Cons	Cons	Cons	Cons
Revenue	552	508	1,060	461	419	469	378	880	853	932	1,020	1,132
<i>Growth</i>	-11%	-10%	-10%	-16%	-17.5%			-17.0%	-3.1%	9.3%	9.4%	11.0%
<i>Organic growth</i>	-14%	-13%	-13%	-15%	-15.5%	-8.6%	-27.5%	-15.5%	-1.7%	9.1%	9.2%	9.2%
Production costs	-299	-284	-583	-305	-337	-299	-395	-642	-521	-541	-577	-618
Gross profit	253	224	477	156	81	155	10	237	332	391	443	513
<i>Gross margin</i>	45.8%	44.1%	45.0%	33.8%	19.5%			27.0%	39.0%	41.9%	43.4%	45.3%
Research and development costs	-117	-114	-231	-99	-91	-79	-99	-190	-152	-151	-152	-159
Distribution costs	-224	-221	-445	-188	-176	-154	-204	-364	-295	-282	-290	-297
Administrative expenses	-19	-18	-37	-17	-16	-10	-22	-33	-28	-30	-32	-34
OPEX	-360	-353	-713	-304	-283	-257	-315	-587	-475	-463	-474	-491
Share of profit after tax, associates and joint ventures	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	-107	-129	-236	-148	-201	-132	-252	-349	-143	-72	-31	23
<i>EBIT margin</i>	-19.4%	-25.4%	-22.3%	-32.1%	-48.0%			-39.7%	-16.7%	-7.7%	-3.0%	2.0%

Demant Group (DKK million)	H1 2022	H2 2022	FY 2022	H1 2023	H2 2023			FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	Cons	Cons	Cons	Cons
Revenue	9,497	10,208	19,705	11,155	11,270	11,450	11,064	22,425	23,906	25,565	27,319	29,271
<i>Growth</i>	9%	11%	10%	17%	10.4%			13.8%	6.6%	6.9%	6.9%	7.1%
<i>Organic growth</i>	4%	3%	4%	13%	11.4%	12.6%	9.4%	12.1%	6.0%	5.7%	5.8%	5.6%
<i>Acquisitive growth</i>	1%	2%	2%	4%	2.3%	3.4%	1.0%	3.1%	1.5%	1.1%	1.1%	1.1%
<i>Foreign exchange impact including hedging</i>	4%	6%	5%	1%	-3.2%	-2.7%	-4.4%	-1.5%	-0.1%	0.0%	0.0%	0.0%
Production costs	-2,414	-2,622	-5,036	-2,982	-2,856	-2,445	-2,983	-5,838	-6,004	-6,361	-6,747	-7,191
Gross profit	7,083	7,586	14,669	8,173	8,415	8,750	8,199	16,588	17,902	19,204	20,572	22,080
<i>Gross margin</i>	74.6%	74.3%	74.4%	73.3%	74.7%			74.0%	74.9%	75.1%	75.3%	75.4%
Research and development costs	-651	-663	-1,314	-706	-713	-684	-777	-1,419	-1,500	-1,595	-1,714	-1,846
Distribution costs	-4,394	-4,838	-9,232	-4,914	-5,024	-4,879	-5,348	-9,938	-10,642	-11,336	-12,065	-12,876
Administrative expenses	-507	-531	-1,038	-579	-578	-499	-619	-1,157	-1,229	-1,305	-1,385	-1,459
OPEX	-5,552	-6,032	-11,584	-6,199	-6,315	-6,155	-6,623	-12,514	-13,371	-14,235	-15,164	-16,181
Share of profit after tax, associates and joint ventures	57	65	122	40	68	102	40	108	116	122	127	139
Other operating income	0	0	0	0	0	0	0	0	0	0	0	0
EBIT before one-offs	1,588	1,619	3,207	2,014	2,168	2,264	1,968	4,182	4,648	5,091	5,535	6,038
<i>EBIT margin</i>	16.7%	15.9%	16.3%	18.1%	19.2%			18.6%	19.4%	19.9%	20.3%	20.6%
One-offs	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	1,588	1,619	3,207	2,014	2,168	2,264	1,968	4,182	4,648	5,091	5,535	6,038
Net financial income and expenses	-95	-185	-280	-359	-343	-327	-375	-702	-668	-631	-609	-592
Profit before tax	1,493	1,434	2,927	1,655	1,825	1,920	1,629	3,480	3,980	4,460	4,926	5,446
Tax on ordinary income	-336	-315	-651	-397	-451	-407	-478	-848	-969	-1,086	-1,198	-1,316
Net profit from continuing operations	1,157	1,119	2,276	1,258	1,374	1,459	1,222	2,632	2,998	3,364	3,717	4,121
<i>Tax rate¹</i>	22.5%	22.0%	22.2%	24.0%	24.7%			24.4%	24.3%	24.3%	24.3%	24.2%
Net profit from discontinued operations	-107	-85	-192	-676	-92	-30	-124	-768	-11	-10	-10	-14
Profit for the period	1,050	1,034	2,084	582	1,279	1,388	1,123	1,861	2,988	3,355	3,707	4,109
<i>Avg. number of shares outstanding (in million)</i>	227.98	224.06	226.02	223.17	223.10	230.38	216.85	223.13	219.87	214.13	207.92	196.97
<i>Non-controlling interests</i>	1	1	2	1	1	2	-1	2	1	1	1	1
<i>Earnings per share from continuing operations (EPS, DKK)</i>	5.07	4.99	10.06	5.63	6.16	6.53	5.48	11.79	13.63	15.71	17.88	21.01

Other Group metrics												
Amortisation and depreciation	-541	-636	-1,176	-648	-654	-539	-720	-1,302	-1,378	-1,466	-1,555	-1,628
EBITDA	2,128	2,255	4,383	2,662	2,821	2,983	2,574	5,483	6,025	6,557	7,090	7,666
<i>EBITDA margin</i>	22.4%	22.1%	22.2%	23.9%	25.0%			24.5%	25.2%	25.6%	26.0%	26.2%
Reported free cash flow before acquisitions	398	1,219	1,617	1,490	1,232	2,330	647	2,722	3,082	3,375	3,738	4,141
Buy-back of shares	1,307	533	1,840	17	157	1,383	0	174	1,582	1,823	1,928	2,085
Net interest-bearing debt	10,986	12,711	12,711	12,197	12,314	15,015	9,242	12,314	11,861	11,397	10,677	9,012

	Cons	High	Low
WACC	7.6%	8.4%	6.7%
Price target (DKK)	299	340	210

	Buy	Hold	Sell
Recommendation (# of Buy/Hold/Sell)	8	3	2