



Consensus estimates collected following our Interim Report 2023, 15 August 2023

Cover page

Comments

Please find attached a pdf and spreadsheet with the consensus estimates, which are based on 9 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 estimates were collected prior to our announced intention to gradually wind down activities in Gaming, and that the impact of this is not reflected in the consensus.

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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(9 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	Cons	High	Low	Cons	High	Low
Hearing Aids (sales to external customers)	1,910	2,037	1,976	2,308	2,478	2,510	2,346	2,474	2,259	2,557	2,640	2,377
<i>Growth</i>	12%	10%	7%	18%	30%	23%	18.7%			10.8%		
<i>Organic growth</i>	14%	10%	5%	14%	26%	22%	23.1%	28.6%	19.0%	14.2%	19.3%	5.1%
Hearing Care	1,898	2,034	2,018	2,173	2,218	2,290	2,223	2,295	2,139	2,373	2,437	2,260
<i>Growth</i>	10%	1%	9%	10%	17%	13%	10.1%			9.2%		
<i>Organic growth</i>	2%	-7%	-5%	1%	9%	7%	8.8%	12.0%	7.0%	7.6%	11.0%	5.0%
Diagnostics	503	563	613	612	566	632	653	675	633	659	675	649
<i>Growth</i>	25%	28%	31%	20%	13%	12%	6.5%			7.7%		
<i>Organic growth</i>	19%	16%	12%	7%	4%	9%	8.5%	11.0%	5.5%	9.7%	12.0%	7.0%
Revenue Hearing Healthcare	4,311	4,634	4,607	5,093	5,262	5,432	5,222	5,387	5,137	5,589	5,695	5,424
<i>Growth</i>	13%	8%	11%	15%	22%	17%	13.3%			9.7%		
<i>Organic growth</i>	9%	3%	1%	8%	16%	14%	14.9%	18.0%	13.0%	10.8%	13.4%	6.5%
Communications	292	260	256	252	246	215	229	251	210	253	276	221
<i>Growth</i>	-23%	8%	5%	-21%	-16%	-17%	-10.6%			0.4%		
<i>Organic growth</i>	-25%	5%	0%	-23%	-15%	-16%	-6.8%	2.0%	-14.1%	3.7%	12.1%	-7.6%
Revenue Demant Group	4,603	4,894	4,863	5,345	5,508	5,647	5,451	5,602	5,370	5,842	5,957	5,651
<i>Growth</i>	9%	8%	11%	12%	20%	15%	12.1%			9.3%		
<i>Organic growth</i>	6%	3%	1%	6%	14%	12%	13.7%	16.4%	11.9%	10.5%	12.4%	5.8%
<i>Acquisitive growth</i>	1%	1%	2%	2%	4%	4%	2.7%	3.8%	1.9%	2.3%	3.9%	0.8%
<i>Foreign exchange impact including hedging</i>	3%	5%	7%	4%	2%	-1%	-4.4%	-3.4%	-5.5%	-3.6%	-2.5%	-4.3%

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	Actual	Cons	High	Low	Cons	Cons	Cons	Cons
Hearing Aids (sales to external customers)	3,947	4,284	8,231	4,988	4,903	4,993	4,755	9,891	10,461	11,078	11,576
Hearing Care	3,932	4,191	8,123	4,508	4,596	4,671	4,399	9,104	9,872	10,652	11,525
Diagnostics	1,066	1,225	2,291	1,198	1,312	1,350	1,282	2,510	2,674	2,846	2,990
Revenue	8,945	9,700	18,645	10,694	10,811	10,945	10,664	21,505	23,007	24,576	26,091
Growth	10%	13%	12%	20%	11.5%			15.3%	7.0%	6.8%	6.2%
Organic growth	6%	5%	5%	15%	12.7%	14.2%	11.1%	13.6%	6.0%	5.7%	5.6%
Production costs	-2,115	-2,338	-4,453	-2,677	-2,573	-2,495	-2,652	-5,250	-5,478	-5,790	-6,168
Gross profit	6,830	7,362	14,192	8,017	8,238	8,352	8,168	16,255	17,529	18,786	19,922
Gross margin	76.4%	75.9%	76.1%	75.0%	76.2%			75.6%	76.2%	76.4%	76.4%
Research and development costs	-534	-549	-1,083	-607	-607	-519	-650	-1,214	-1,299	-1,388	-1,488
Distribution costs	-4,170	-4,617	-8,787	-4,726	-4,768	-4,691	-4,868	-9,494	-10,318	-11,030	-11,706
Administrative expenses	-488	-513	-1,001	-562	-559	-489	-579	-1,121	-1,198	-1,272	-1,359
OPEX	-5,192	-5,679	-10,871	-5,895	-5,933	-5,728	-6,048	-11,828	-12,816	-13,690	-14,553
Share of profit after tax, associates and joint ventures	57	65	122	40	65	102	40	105	114	120	131
EBIT	1,695	1,748	3,443	2,162	2,369	2,496	2,288	4,531	4,827	5,216	5,500
EBIT margin	18.9%	18.0%	18.5%	20.2%	21.9%			21.1%	21.0%	21.2%	21.1%

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	Actual	Cons	High	Low	Cons	Cons	Cons	Cons
Revenue	552	508	1,060	461	482	514	432	943	1,023	1,134	1,264
Growth	-11%	-10%	-10%	-16%	-5.1%			-11.0%	8.5%	10.8%	11.5%
Organic growth	-14%	-13%	-13%	-15%	-1.6%	5.0%	-10.9%	-8.8%	8.7%	10.8%	11.1%
Production costs	-299	-284	-583	-305	-303	-280	-320	-608	-611	-653	-694
Gross profit	253	224	477	156	179	226	139	335	412	481	570
Gross margin	45.8%	44.1%	45.0%	33.8%	37.1%			35.5%	40.3%	42.4%	45.1%
Research and development costs	-117	-114	-231	-99	-97	-81	-109	-196	-190	-195	-205
Distribution costs	-224	-221	-445	-188	-191	-177	-220	-379	-378	-392	-409
Administrative expenses	-19	-18	-37	-17	-18	-14	-23	-35	-36	-39	-43
OPEX	-360	-353	-713	-304	-306	-281	-339	-610	-604	-627	-657
Share of profit after tax, associates and joint ventures	0	0	0	0	0	0	0	0	0	0	0
EBIT	-107	-129	-236	-148	-127	-106	-168	-275	-192	-146	-87
EBIT margin	-19.4%	-25.4%	-22.3%	-32.1%	-26.4%			-29.2%	-18.8%	-12.9%	-6.9%

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	Actual	Cons	High	Low	Cons	Cons	Cons	Cons
Revenue	9,497	10,208	19,705	11,155	11,293	11,416	11,177	22,448	24,030	25,710	27,354
<i>Growth</i>	9%	11%	10%	17%	10.6%			13.9%	7.0%	7.0%	6.4%
<i>Organic growth</i>	4%	3%	4%	13%	12.0%	13.4%	10.8%	12.5%	6.1%	5.9%	5.8%
<i>Acquisitive growth</i>	1%	2%	2%	4%	2.5%	3.7%	1.5%	3.2%	1.3%	1.2%	1.1%
<i>Foreign exchange impact including hedging</i>	4%	6%	5%	1%	-3.6%	0.0%	-4.7%	-1.6%	-0.2%	0.0%	0.0%
Production costs	-2,414	-2,622	-5,036	-2,982	-2,876	-2,784	-2,950	-5,858	-6,089	-6,443	-6,862
Gross profit	7,083	7,586	14,669	8,173	8,417	8,525	8,345	16,590	17,940	19,267	20,492
<i>Gross margin</i>	74.6%	74.3%	74.4%	73.3%	74.5%			73.9%	74.7%	74.9%	74.9%
Research and development costs	-651	-663	-1,314	-706	-705	-628	-745	-1,411	-1,499	-1,595	-1,711
Distribution costs	-4,394	-4,838	-9,232	-4,914	-4,960	-4,904	-5,052	-9,874	-10,696	-11,420	-12,110
Administrative expenses	-507	-531	-1,038	-579	-575	-509	-597	-1,154	-1,226	-1,301	-1,389
OPEX	-5,552	-6,032	-11,584	-6,199	-6,240	-6,056	-6,352	-12,439	-13,420	-14,316	-15,210
Share of profit after tax, associates and joint ventures	57	65	122	40	65	102	40	105	114	120	131
Other operating income	0	0	0	0	0	0	0	0	0	0	0
EBIT before one-offs	1,588	1,619	3,207	2,014	2,242	2,328	2,175	4,256	4,635	5,071	5,413
<i>EBIT margin</i>	16.7%	15.9%	16.3%	18.1%	19.9%			19.0%	19.3%	19.7%	19.8%
One-offs	0	0	0	0	0	0	0	0	0	0	0
EBIT	1,588	1,619	3,207	2,014	2,242	2,328	2,175	4,256	4,635	5,071	5,413
Net financial income and expenses	-95	-185	-280	-359	-328	-253	-360	-687	-609	-590	-568
Profit before tax	1,493	1,434	2,927	1,655	1,914	2,042	1,833	3,569	4,026	4,481	4,845
Tax on ordinary income	-336	-315	-651	-397	-468	-437	-508	-865	-969	-1,077	-1,163
Net profit from continuing operations	1,157	1,119	2,276	1,258	1,446	1,534	1,366	2,704	3,057	3,404	3,682
<i>Tax rate¹</i>	22.5%	22.0%	22.2%	24.0%	24.5%			24.2%	24.1%	24.0%	24.0%
Net profit from discontinued operations	-107	-85	-192	-676	-96	-50	-134	-772	24	20	12
Profit for the period	1,050	1,034	2,084	582	1,350	1,456	1,266	1,932	3,080	3,424	3,694
<i>Avg. number of shares outstanding (in million)</i>	227.98	224.06	226.02	223.17	223.87	230.38	222.17	223.52	220.08	214.28	209.18
<i>Non-controlling interests</i>	1	1	2	1	2	12	-2	3	3	3	2
<i>Earnings per share from continuing operations (EPS, DKK)</i>	5.07	4.99	10.06	5.63	6.45	6.87	6.10	12.08	13.88	15.89	17.63

Other Group metrics											
Amortisation and depreciation	-541	-636	-1,176	-648	-672	-580	-720	-1,320	-1,406	-1,512	-1,599
EBITDA	2,128	2,255	4,383	2,662	2,918	3,007	2,850	5,580	6,041	6,583	7,012
<i>EBITDA margin</i>	22.4%	22.1%	22.2%	23.9%	25.8%			24.9%	25.1%	25.6%	25.6%
Reported free cash flow before acquisitions	398	1,219	1,617	1,490	1,506	2,513	854	2,996	3,062	3,449	3,762
Buy-back of shares	1,307	533	1,840	17	71	500	0	88	1,517	1,710	1,819
Net interest-bearing debt	10,986	12,711	12,711	12,197	12,013	13,035	10,680	12,013	11,455	10,732	9,636

	Cons	High	Low
WACC	7.6%	8.4%	6.3%
Price target (DKK)	313	340	240

	Buy	Hold	Sell
Recommendation (# of Buy/Hold/Sell)	7	0	2