



Consensus estimates collected ahead of our Annual Report 2023, 6 February 2024

Cover page

Comments

Please find attached a pdf and spreadsheet with the consensus estimates, which are based on 16 inputs. Please note that certain metrics, e.g. free cash flow and net debt, are based on fewer estimates. Estimates for FY26 and FY27 may also contain 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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(16 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 | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|
| | <i>Actual</i> | <i>Actual</i> | <i>Actual</i> | <i>Actual</i> | <i>Actual</i> | <i>Actual</i> | <i>Actual</i> | <i>Cons</i> | <i>High</i> | <i>Low</i> |
| Hearing Aids (sales to external customers) | 1,910 | 2,037 | 1,976 | 2,308 | 2,478 | 2,510 | 2,430 | 2,647 | 2,848 | 2,508 |
| <i>Growth</i> | 12% | 10% | 7% | 18% | 30% | 23% | 23% | 14.7% | | |
| <i>Organic growth</i> | 14% | 10% | 5% | 14% | 26% | 22% | 25% | 17.1% | 25.7% | 12.9% |
| Hearing Care | 1,898 | 2,034 | 2,018 | 2,173 | 2,218 | 2,290 | 2,152 | 2,366 | 2,478 | 2,243 |
| <i>Growth</i> | 10% | 1% | 9% | 10% | 17% | 13% | 7% | 8.9% | | |
| <i>Organic growth</i> | 2% | -7% | -5% | 1% | 9% | 7% | 6% | 6.5% | 11.0% | 2.6% |
| Diagnostics | 503 | 563 | 613 | 612 | 566 | 632 | 625 | 660 | 697 | 617 |
| <i>Growth</i> | 25% | 28% | 31% | 20% | 13% | 12% | 2% | 7.8% | | |
| <i>Organic growth</i> | 19% | 16% | 12% | 7% | 4% | 9% | 6% | 7.9% | 12.0% | 5.0% |
| Revenue Hearing Healthcare | 4,311 | 4,634 | 4,607 | 5,093 | 5,262 | 5,432 | 5,207 | 5,672 | 5,878 | 5,518 |
| <i>Growth</i> | 13% | 8% | 11% | 15% | 22% | 17% | 13% | 11.4% | | |
| <i>Organic growth</i> | 9% | 3% | 1% | 8% | 16% | 14% | 14% | 11.5% | 13.7% | 9.3% |
| Communications | 292 | 260 | 256 | 252 | 246 | 215 | 196 | 220 | 243 | 196 |
| <i>Growth</i> | -23% | 8% | 5% | -21% | -16% | -17% | -23% | -12.6% | | |
| <i>Organic growth</i> | -25% | 5% | 0% | -23% | -15% | -16% | -20% | -10.2% | 3.9% | -31.0% |
| Revenue Demant Group | 4,603 | 4,894 | 4,863 | 5,345 | 5,508 | 5,647 | 5,403 | 5,893 | 6,102 | 5,743 |
| <i>Growth</i> | 9% | 8% | 11% | 12% | 20% | 15% | 11% | 10.2% | | |
| <i>Organic growth</i> | 6% | 3% | 1% | 6% | 14% | 12% | 13% | 10.4% | 12.6% | 8.5% |
| <i>Acquisitive growth</i> | 1% | 1% | 2% | 2% | 4% | 4% | 2% | 2.4% | 3.9% | 1.1% |
| <i>Foreign exchange impact including hedging</i> | 3% | 5% | 7% | 4% | 2% | -1% | -4% | -2.5% | -0.7% | -4.0% |

| 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 | 5,077 | 5,278 | 4,938 | 10,065 | 10,559 | 11,159 | 11,783 | 12,527 |
| Hearing Care | 3,932 | 4,191 | 8,123 | 4,508 | 4,518 | 4,630 | 4,395 | 9,026 | 9,887 | 10,701 | 11,514 | 12,439 |
| Diagnostics | 1,066 | 1,225 | 2,291 | 1,198 | 1,285 | 1,322 | 1,242 | 2,483 | 2,654 | 2,825 | 2,997 | 3,168 |
| Revenue | 8,945 | 9,700 | 18,645 | 10,694 | 10,879 | 11,085 | 10,725 | 21,573 | 23,099 | 24,684 | 26,294 | 28,134 |
| <i>Growth</i> | 10% | 13% | 12% | 20% | 12.2% | | | 15.7% | 7.1% | 6.9% | 6.5% | 7.0% |
| <i>Organic growth</i> | 6% | 5% | 5% | 15% | 12.7% | 13.9% | 11.5% | 13.7% | 5.5% | 5.5% | 5.5% | 5.4% |
| Production costs | -2,115 | -2,338 | -4,453 | -2,677 | -2,552 | -2,413 | -2,646 | -5,229 | -5,506 | -5,843 | -6,209 | -6,655 |
| Gross profit | 6,830 | 7,362 | 14,192 | 8,017 | 8,328 | 8,500 | 8,199 | 16,345 | 17,593 | 18,842 | 20,086 | 21,479 |
| <i>Gross margin</i> | 76.4% | 75.9% | 76.1% | 75.0% | 76.5% | | | 75.8% | 76.2% | 76.3% | 76.4% | 76.3% |
| Research and development costs | -534 | -549 | -1,083 | -607 | -615 | -590 | -651 | -1,222 | -1,340 | -1,438 | -1,556 | -1,665 |
| Distribution costs | -4,170 | -4,617 | -8,787 | -4,726 | -4,835 | -4,693 | -5,105 | -9,561 | -10,345 | -11,052 | -11,748 | -12,564 |
| Administrative expenses | -488 | -513 | -1,001 | -562 | -568 | -539 | -598 | -1,130 | -1,210 | -1,291 | -1,362 | -1,444 |
| OPEX | -5,192 | -5,679 | -10,871 | -5,895 | -6,018 | -5,856 | -6,265 | -11,913 | -12,895 | -13,780 | -14,667 | -15,672 |
| Share of profit after tax, associates and joint ventures | 57 | 65 | 122 | 40 | 65 | 101 | 35 | 105 | 110 | 109 | 123 | 129 |
| EBIT | 1,695 | 1,748 | 3,443 | 2,162 | 2,375 | 2,541 | 2,290 | 4,537 | 4,808 | 5,171 | 5,543 | 5,936 |
| <i>EBIT margin</i> | 18.9% | 18.0% | 18.5% | 20.2% | 21.8% | | | 21.0% | 20.8% | 20.9% | 21.1% | 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 | FY 2027 |
|--|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| | Actual | Actual | Actual | Actual | Cons | High | Low | Cons | Cons | Cons | Cons | Cons |
| Revenue | 552 | 508 | 1,060 | 461 | 416 | 439 | 392 | 877 | 825 | 905 | 981 | 1,061 |
| <i>Growth</i> | -11% | -10% | -10% | -16% | -18.1% | | | -17.2% | -5.9% | 9.7% | 8.4% | 8.2% |
| <i>Organic growth</i> | -14% | -13% | -13% | -15% | -15.1% | -8.1% | -25.4% | -15.3% | -4.5% | 9.1% | 9.1% | 8.6% |
| Production costs | -299 | -284 | -583 | -305 | -337 | -301 | -399 | -642 | -516 | -531 | -555 | -571 |
| Gross profit | 253 | 224 | 477 | 156 | 79 | 131 | 20 | 235 | 309 | 375 | 426 | 490 |
| <i>Gross margin</i> | 45.8% | 44.1% | 45.0% | 33.8% | 19.0% | | | 26.8% | 37.5% | 41.4% | 43.4% | 46.1% |
| Research and development costs | -117 | -114 | -231 | -99 | -92 | -79 | -117 | -191 | -150 | -149 | -148 | -155 |
| Distribution costs | -224 | -221 | -445 | -188 | -183 | -163 | -218 | -371 | -289 | -285 | -294 | -305 |
| Administrative expenses | -19 | -18 | -37 | -17 | -16 | -9 | -22 | -33 | -28 | -29 | -31 | -32 |
| OPEX | -360 | -353 | -713 | -304 | -291 | -262 | -355 | -596 | -466 | -463 | -472 | -493 |
| 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 | -212 | -168 | -278 | -360 | -157 | -88 | -46 | -3 |
| <i>EBIT margin</i> | -19.4% | -25.4% | -22.3% | -32.1% | -51.0% | | | -41.1% | -19.0% | -9.7% | -4.7% | -0.3% |

| 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 | 11,296 | 11,505 | 11,146 | 22,451 | 23,924 | 25,590 | 27,275 | 29,195 |
| <i>Growth</i> | 9% | 11% | 10% | 17% | 10.7% | | | 13.9% | 6.6% | 7.0% | 6.6% | 7.0% |
| <i>Organic growth</i> | 4% | 3% | 4% | 13% | 11.7% | 12.8% | 10.6% | 12.3% | 5.1% | 5.6% | 5.6% | 5.5% |
| <i>Acquisitive growth</i> | 1% | 2% | 2% | 4% | 2.2% | 3.0% | 1.5% | 3.1% | 1.8% | 1.4% | 1.2% | 1.2% |
| <i>Foreign exchange impact including hedging</i> | 4% | 6% | 5% | 1% | -3.1% | -1.9% | -4.0% | -1.4% | -0.3% | 0.0% | 0.0% | 0.0% |
| Production costs | -2,414 | -2,622 | -5,036 | -2,982 | -2,889 | -2,714 | -3,036 | -5,871 | -6,022 | -6,373 | -6,763 | -7,226 |
| Gross profit | 7,083 | 7,586 | 14,669 | 8,173 | 8,407 | 8,612 | 8,252 | 16,580 | 17,903 | 19,217 | 20,512 | 21,969 |
| <i>Gross margin</i> | 74.6% | 74.3% | 74.4% | 73.3% | 74.4% | | | 73.9% | 74.8% | 75.1% | 75.2% | 75.2% |
| Research and development costs | -651 | -663 | -1,314 | -706 | -707 | -681 | -740 | -1,413 | -1,490 | -1,587 | -1,704 | -1,820 |
| Distribution costs | -4,394 | -4,838 | -9,232 | -4,914 | -5,018 | -4,860 | -5,306 | -9,932 | -10,633 | -11,337 | -12,042 | -12,869 |
| Administrative expenses | -507 | -531 | -1,038 | -579 | -584 | -558 | -619 | -1,163 | -1,237 | -1,319 | -1,393 | -1,476 |
| OPEX | -5,552 | -6,032 | -11,584 | -6,199 | -6,310 | -6,131 | -6,564 | -12,509 | -13,361 | -14,243 | -15,139 | -16,165 |
| Share of profit after tax, associates and joint ventures | 57 | 65 | 122 | 40 | 65 | 101 | 35 | 105 | 110 | 109 | 123 | 129 |
| 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 | 2,162 | 2,263 | 2,038 | 4,176 | 4,651 | 5,083 | 5,497 | 5,933 |
| <i>EBIT margin</i> | 16.7% | 15.9% | 16.3% | 18.1% | 19.1% | | | 18.6% | 19.4% | 19.9% | 20.2% | 20.3% |
| One-offs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EBIT | 1,588 | 1,619 | 3,207 | 2,014 | 2,162 | 2,263 | 2,038 | 4,176 | 4,651 | 5,083 | 5,497 | 5,933 |
| Net financial income and expenses | -95 | -185 | -280 | -359 | -342 | -327 | -355 | -701 | -697 | -659 | -626 | -590 |
| Profit before tax | 1,493 | 1,434 | 2,927 | 1,655 | 1,820 | 1,922 | 1,699 | 3,475 | 3,954 | 4,423 | 4,871 | 5,342 |
| Tax on ordinary income | -336 | -315 | -651 | -397 | -451 | -421 | -479 | -848 | -957 | -1,072 | -1,172 | -1,273 |
| Net profit from continuing operations | 1,157 | 1,119 | 2,276 | 1,258 | 1,369 | 1,445 | 1,275 | 2,627 | 2,997 | 3,351 | 3,699 | 4,069 |
| <i>Tax rate¹</i> | 22.5% | 22.0% | 22.2% | 24.0% | 24.8% | | | 24.4% | 24.2% | 24.2% | 24.1% | 23.8% |
| Net profit from discontinued operations | -107 | -85 | -192 | -676 | -94 | -24 | -124 | -770 | -16 | -10 | -4 | -5 |
| Profit for the period | 1,050 | 1,034 | 2,084 | 582 | 1,277 | 1,353 | 1,176 | 1,859 | 2,981 | 3,341 | 3,695 | 4,064 |
| <i>Avg. number of shares outstanding (in million)</i> | 227.98 | 224.06 | 226.02 | 223.17 | 223.71 | 230.38 | 221.35 | 223.44 | 219.74 | 213.86 | 206.98 | 196.19 |
| <i>Non-controlling interests</i> | 1 | 1 | 2 | 1 | 2 | 10 | 0 | 3 | 3 | 3 | 3 | 3 |
| <i>Earnings per share from continuing operations (EPS, DKK)</i> | 5.07 | 4.99 | 10.06 | 5.63 | 6.11 | 6.41 | 5.71 | 11.75 | 13.63 | 15.66 | 17.86 | 20.73 |

| Other Group metrics | | | | | | | | | | | | |
|---|--------|--------|--------|--------|--------|--------|-------|--------|--------|--------|--------|--------|
| Amortisation and depreciation | -541 | -636 | -1,176 | -648 | -653 | -539 | -720 | -1,301 | -1,209 | -1,276 | -1,371 | -1,417 |
| EBITDA | 2,128 | 2,255 | 4,383 | 2,662 | 2,814 | 2,965 | 2,685 | 5,476 | 5,860 | 6,358 | 6,868 | 7,350 |
| <i>EBITDA margin</i> | 22.4% | 22.1% | 22.2% | 23.9% | 24.9% | | | 24.4% | 24.5% | 24.8% | 25.2% | 25.2% |
| Reported free cash flow before acquisitions | 398 | 1,219 | 1,617 | 1,490 | 1,071 | 1,704 | 235 | 2,561 | 3,041 | 3,289 | 3,709 | 4,035 |
| Buy-back of shares | 1,307 | 533 | 1,840 | 17 | 230 | 821 | 0 | 247 | 1,646 | 1,862 | 2,025 | 2,203 |
| Net interest-bearing debt | 10,986 | 12,711 | 12,711 | 12,197 | 12,227 | 13,722 | 9,184 | 12,227 | 12,094 | 11,930 | 11,611 | 10,998 |

| | Cons | High | Low |
|--------------------|------|------|------|
| WACC | 7.7% | 8.8% | 6.7% |
| Price target (DKK) | 309 | 360 | 235 |

| | Buy | Hold | Sell |
|-------------------------------------|-----|------|------|
| Recommendation (# of Buy/Hold/Sell) | 8 | 4 | 4 |