



## Consensus estimates collected before Interim Management Statement, 2 November 2021

Cover page

### Comments

Dear analyst,

Many thanks for your kind contribution to our collection of analyst estimates ahead of the publication of our Interim Management Statement on 2 November 2021. Please find attached a pdf and spreadsheet with the consensus estimates.

The estimates are based on 12 inputs but please note that certain metrics e.g. free cash flow and net debt are based on fewer estimates. There are 5 inputs that have not been updated following the voluntary field corrective action announced by our cochlear implants business last week and as a result, we have excluded these inputs below the EBIT before one-offs line. This way we avoid comparing apples to pears. That said, please note that there may still be a little noise above the mentioned line – particularly for Hearing Implants revenue in H2 21.

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

### Instructions

N/A

Notes to consensus estimates:

<sup>1</sup> Calculated based on reported estimates i.e. not reported itself.

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

<sup>3</sup> 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 before Interim Management Statement, 2 november 2021**

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

Hearing Healthcare P&L (DKK million)	H1 2020	H2 2020	FY 2020	H1 2021	H2 2021			FY 2021			FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
Hearing Aids	2,937	3,886	6,823	4,416	4,643	4,829	4,495	9,059	9,245	8,911	9,935	10,569	11,237	11,896
<i>Hereof sales to Hearing Care</i>	465	657	1,122	871	772	924	612	1,643	1,795	1,483	1,752	1,862	1,989	2,099
<i>Hereof sales to external customers</i>	2,472	3,229	5,701	3,545	3,884	4,037	3,751	7,429	7,582	7,296	8,179	8,701	9,249	9,797
Hearing Care	2,154	3,310	5,464	3,737	3,801	4,104	3,483	7,538	7,841	7,220	8,235	8,853	9,460	10,096
Hearing Implants	246	277	523	266	285	341	233	551	607	499	607	716	857	967
Diagnostics	660	815	1,475	843	922	971	870	1,765	1,814	1,713	1,809	1,918	2,014	2,130
<b>Revenue</b>	<b>5,532</b>	<b>7,631</b>	<b>13,163</b>	<b>8,391</b>	<b>8,891</b>	<b>9,329</b>	<b>8,563</b>	<b>17,282</b>	<b>17,720</b>	<b>16,954</b>	<b>18,830</b>	<b>20,188</b>	<b>21,581</b>	<b>22,989</b>
<i>Growth <sup>1</sup></i>	-25%	0%	-12%	52%	16.5%			31.3%			9.0%	7.2%	6.9%	6.5%
<i>Organic growth</i>	-27%	2%	-13%	55%	14.7%	19.1%	10.9%	32.2%	38.3%	29.4%	8.1%	6.1%	5.6%	5.5%
<i>Acquisitive growth</i>	2%	2%	2%	2%	1.2%	3.3%	0.0%	1.5%	2.7%	1.0%	1.2%	1.1%	1.1%	1.0%
<i>Foreign exchange impact including hedging</i>	0%	-3%	-1%	-5%	0.9%	2.2%	-1.0%	-1.6%	-1.0%	-2.3%	0.2%	0.0%	0.0%	0.0%
Production costs	-1,532	-1,948	-3,480	-1,973	-2,127	-2,012	-2,288	-4,100	-3,985	-4,261	-4,517	-4,815	-5,096	-5,390
<b>Gross profit</b>	<b>4,000</b>	<b>5,683</b>	<b>9,683</b>	<b>6,418</b>	<b>6,764</b>	<b>7,042</b>	<b>6,551</b>	<b>13,182</b>	<b>13,460</b>	<b>12,969</b>	<b>14,313</b>	<b>15,372</b>	<b>16,485</b>	<b>17,598</b>
<i>Gross margin <sup>1</sup></i>	72.3%	74.5%	73.6%	76.5%	76.1%			76.3%			76.0%	76.1%	76.4%	76.6%
Research and development costs	-540	-552	-1,092	-564	-591	-570	-623	-1,155	-1,134	-1,187	-1,267	-1,351	-1,433	-1,514
Distribution costs	-3,311	-3,310	-6,621	-3,807	-4,027	-3,936	-4,203	-7,834	-7,743	-8,010	-8,543	-9,154	-9,798	-10,435
Administrative expenses	-376	-435	-811	-422	-451	-431	-482	-873	-853	-904	-957	-1,014	-1,068	-1,126
<b>OPEX</b>	<b>-4,227</b>	<b>-4,297</b>	<b>-8,524</b>	<b>-4,793</b>	<b>-5,073</b>	<b>-4,956</b>	<b>-5,308</b>	<b>-9,866</b>	<b>-9,749</b>	<b>-10,101</b>	<b>-10,780</b>	<b>-11,552</b>	<b>-12,343</b>	<b>-13,125</b>
Share of profit after tax, associates and joint ventures	13	39	52	57	37	57	3	94	114	60	80	84	89	94
<b>EBIT</b>	<b>-214</b>	<b>1,425</b>	<b>1,211</b>	<b>1,682</b>	<b>1,728</b>	<b>1,826</b>	<b>1,492</b>	<b>3,410</b>	<b>3,508</b>	<b>3,174</b>	<b>3,612</b>	<b>3,904</b>	<b>4,231</b>	<b>4,568</b>
<i>EBIT margin <sup>1</sup></i>	-3.9%	18.7%	9.2%	20.0%	19.4%			19.7%			19.2%	19.3%	19.6%	19.9%

Communications P&L (DKK million)	H1 2020	H2 2020	FY 2020	H1 2021	H2 2021			FY 2021			FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
<b>Revenue</b>	<b>546</b>	<b>760</b>	<b>1,306</b>	<b>621</b>	<b>557</b>	<b>657</b>	<b>540</b>	<b>1,178</b>	<b>1,278</b>	<b>1,161</b>	<b>1,343</b>	<b>1,509</b>	<b>1,705</b>	<b>1,901</b>
<i>Growth <sup>1</sup></i>				14%	-26.8%			-9.8%			14.1%	12.3%	13.0%	11.5%
<i>Organic growth</i>	N/A	N/A	N/A	16%	-27.1%	-15.0%	-33.1%	-8.6%	-2.0%	-10.5%	13.9%	12.3%	12.0%	11.5%
<i>Acquisitive growth</i>	N/A	N/A	N/A	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>	N/A	N/A	N/A	-2%	0.0%	2.0%	-2.0%	-0.9%	0.0%	-2.1%	0.2%	0.0%	0.0%	0.0%
Production costs	-291	-358	-649	-321	-297	-278	-334	-618	-599	-655	-684	-753	-834	-917
<b>Gross profit</b>	<b>255</b>	<b>402</b>	<b>657</b>	<b>300</b>	<b>260</b>	<b>323</b>	<b>213</b>	<b>560</b>	<b>623</b>	<b>513</b>	<b>659</b>	<b>755</b>	<b>871</b>	<b>984</b>
<i>Gross margin <sup>1</sup></i>	46.7%	52.9%	50.3%	48.3%	46.7%			47.5%			49.1%	50.1%	51.1%	51.8%
Research and development costs	-78	-91	-169	-91	-90	-75	-102	-181	-166	-193	-192	-207	-226	-242
Distribution costs	-144	-213	-357	-233	-226	-192	-240	-459	-425	-473	-475	-493	-535	-567
Administrative expenses	-12	-17	-29	-20	-19	-17	-25	-39	-37	-45	-42	-43	-49	-53
<b>OPEX</b>	<b>-234</b>	<b>-321</b>	<b>-555</b>	<b>-344</b>	<b>-332</b>	<b>-285</b>	<b>-359</b>	<b>-676</b>	<b>-629</b>	<b>-703</b>	<b>-711</b>	<b>-745</b>	<b>-812</b>	<b>-867</b>
Share of profit after tax, associates and joint ventures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>EBIT</b>	<b>21</b>	<b>81</b>	<b>102</b>	<b>-44</b>	<b>-72</b>	<b>-32</b>	<b>-102</b>	<b>-116</b>	<b>-76</b>	<b>-146</b>	<b>-51</b>	<b>10</b>	<b>60</b>	<b>117</b>
<i>EBIT margin <sup>1</sup></i>	3.8%	10.7%	7.8%	-7.1%	-12.9%			-9.9%			-3.8%	0.7%	3.5%	6.2%

Demant Group (DKK million)	H1 2020	H2 2020	FY 2020	H1 2021	H2 2021			FY 2021			FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Actual	Cons	High	Low	Cons	High	Low	Cons	Cons	Cons	Cons
<b>Revenue</b>	6,078	8,391	14,469	9,012	9,447	9,871	9,118	18,459	18,883	18,130	20,173	21,696	23,286	24,890
<i>Growth<sup>1</sup></i>	-17%	10%	-3%	48%	12.6%			27.6%			9.3%	7.5%	7.3%	6.9%
<i>Organic growth</i>	-27%	2%	-13%	51%	11.2%	15.1%	8.6%	27.9%	30.2%	26.6%	8.4%	6.5%	6.1%	5.9%
<i>Acquisitive growth</i>	9%	12%	11%	2%	0.9%	2.7%	-1.6%	1.4%	2.2%	0.9%	1.1%	1.1%	1.0%	1.0%
<i>Foreign exchange impact including hedging</i>	1%	-3%	-1%	-5%	0.6%	1.6%	-2.6%	-1.4%	-1.0%	-2.2%	0.2%	0.0%	0.0%	0.0%
Production costs	-1,823	-2,306	-4,129	-2,294	-2,424	-2,295	-2,616	-4,718	-4,589	-4,910	-5,201	-5,569	-5,929	-6,307
<b>Gross profit</b>	4,255	6,085	10,340	6,718	7,024	7,254	6,823	13,742	13,972	13,541	14,972	16,127	17,356	18,583
<i>Gross margin<sup>1</sup></i>	70.0%	72.5%	71.5%	74.5%	74.3%			74.4%			74.2%	74.3%	74.5%	74.7%
Research and development costs	-618	-643	-1,261	-655	-682	-653	-702	-1,337	-1,308	-1,357	-1,459	-1,558	-1,659	-1,756
Distribution costs	-3,455	-3,523	-6,978	-4,040	-4,252	-4,164	-4,395	-8,292	-8,204	-8,435	-9,018	-9,647	-10,333	-11,001
Administrative expenses	-388	-452	-840	-442	-470	-451	-499	-912	-893	-941	-999	-1,057	-1,116	-1,179
<b>OPEX</b>	-4,461	-4,618	-9,079	-5,137	-5,405	-5,301	-5,592	-10,542	-10,438	-10,729	-11,491	-12,297	-13,155	-13,991
Share of profit after tax, associates and joint ventures	13	39	52	57	37	57	3	94	114	60	80	84	89	94
Other operating income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>EBIT before one-offs</b>	-193	1,506	1,313	1,638	1,656	1,724	1,420	3,294	3,362	3,058	3,561	3,914	4,290	4,685
<i>EBIT margin<sup>1</sup></i>	-3.2%	17.9%	9.1%	18.2%	17.5%			17.8%			17.7%	18.0%	18.4%	18.8%
One-offs	307	-90	217	0	-85	-85	-87	-85	-85	-87	0	0	0	0
<b>EBIT</b>	114	1,416	1,530	1,638	1,579	1,639	1,488	3,217	3,277	3,126	3,561	3,914	4,290	4,685
Net financial income and expenses	-88	-106	-194	-102	-106	-74	-142	-208	-176	-244	-217	-225	-230	-228
<b>Profit before tax</b>	26	1,310	1,336	1,536	1,473	1,541	1,345	3,009	3,077	2,881	3,344	3,689	4,060	4,457
Tax on ordinary income	95	-297	-202	-353	-337	-295	-374	-690	-648	-727	-777	-857	-946	-1,040
<b>Net profit</b>	121	1,013	1,134	1,183	1,136	1,203	1,050	2,319	2,386	2,233	2,567	2,832	3,114	3,418
<i>Tax rate<sup>1</sup></i>	-365.4%	22.7%	15.1%	23.0%	22.9%			22.9%			23.2%	23.2%	23.3%	23.3%
<i>Avg. number of shares outstanding (in million)</i>	239.90	239.66	239.78	237.66	232.37	238.00	215.96	235.02	237.83	226.81	227.39	220.55	214.53	208.26
<i>Non-controlling interests</i>	2	11	13	9	6	10	4	15	19	13	16	16	17	18
<i>Earnings per share (EPS, DKK)<sup>2</sup></i>	0.50	4.18	4.68	4.94	4.91	5.34	4.46	9.85	10.28	9.40	11.20	12.75	14.43	16.34

Other Group metrics														
Amortisation and depreciation etc.	-515	-533	-1,048	-524	-553	-503	-675	-1,077	-1,027	-1,199	-1,051	-1,137	-1,194	-1,259
<b>EBITDA</b>	629	1,949	2,578	2,162	2,159	2,280	2,021	4,321	4,442	4,183	4,612	5,051	5,485	5,944
<i>EBITDA margin<sup>1</sup></i>	10.3%	23.2%	17.8%	24.0%	22.9%			23.4%			22.9%	23.3%	23.6%	23.9%
Reported free cash flow before acquisitions	489	1,534	2,023	1,234	1,084	2,006	333	2,318	3,240	1,567	2,649	2,985	3,282	3,607
Buy-back of shares	197	0	197	1,813	1,270	1,600	1,087	3,083	3,413	2,900	2,190	2,323	2,401	2,497
Net interest-bearing debt <sup>3</sup>	8,388	7,135	7,135	8,573	8,336	9,318	5,827	8,336	9,318	5,827	8,848	8,919	8,831	8,245

	Cons	High	Low
WACC	6.6%	7.2%	5.2%
Price target (DKK)	346	400	270

	Buy	Hold	Sell
Recommendation (# of Buy/Hold/Sell)	5	5	2