

## Bang & Olufsen releases preliminary Q3 2025/26 results, adjusts FY 2025/26 outlook and withdraws mid-term financial ambitions

Bang & Olufsen's preliminary Q3 2025/26 reported revenue is DKK 621m, a 1% year-on-year increase in local currencies. For the first nine months of 2025/26 reported revenue was DKK 1,814m, a decline of 1% in local currencies.

Q3 2025/26 revenue came in below expectations. While the newly launched earpieces Beo Grace performed as expected, the sales performance of Beosound Premiere was significantly lower-than-anticipated. In addition, armed conflicts, geopolitical tension and economic uncertainty have intensified and are expected to impact the remainder of the financial year.

Consequently, the FY 2025/26 outlook for revenue and free cash flow are adjusted. Revenue growth in local currencies for FY 2025/26 is now expected to be between -3% and 0% (previously 1% to 5%) and free cash flow is expected to be between DKK -200m and DKK -150m (previously DKK -100m to DKK -50m). The FY 2025/26 EBIT margin before special items outlook range is narrowed and is now expected to be between -3% and -1% (previously -3% to 1%).

In connection with the adjusted outlook for FY 2025/26, the previously communicated mid-term financial ambitions for the period through 2027/28 are withdrawn. The company's long-term ambition to strengthen Bang & Olufsen's position as a leading global luxury house in audio remains firmly in place.

Chairman of the Board Juha Christensen comments:

"Our commercial operating model, specifically the coordination between marketing investments, retail execution and product launches, requires strengthening. This is the process we initiated in January, and it is not only a near-term priority; it is key to unlocking Bang & Olufsen's full potential over the medium and long term.

The strategy and ambition to strengthen Bang & Olufsen's position as a global leader in luxury audio remain unchanged. But we need to improve our commercial discipline and execution to ensure that when our great products reach the market, every element of the commercial machine is ready to do it justice.

The CEO search is progressing as planned and the Board expects to announce a permanent appointment in the coming months."

Interim CEO Nikolaj Wendelboe comments:

"In my capacity as interim CEO, we have already begun the work on strengthening our ways of working throughout the company.

While the gross margin improvement of over three percentage points in the first nine months is encouraging, securing a sound financial foundation is fundamental to everything we do and will guide both our investment priorities and our cost management in the coming period."

The preliminary results for Q3 2025/26 (9M 2025/26) are as follows:

- Like-for-like sell-out growth of 1% y-o-y (9M: Like-for-like sell-out growth of 3% y-o-y)
- Group revenue of DKK 621m, equivalent to a 1.7% decline or 1.3% y-o-y growth in local currencies (9M: DKK 1,814m, equivalent to a 3.2% decline or 1.1% y-o-y decline in local currencies)
- Product revenue of DKK 560m, equivalent to 0.2% decline or 3.1% y-o-y growth in local currency (9M: DKK 1,621m equivalent to a 2.7% decline or 0.4% y-o-y decline in local currency)
- Gross margin of 57.5%, corresponding to an improvement of 2.1 pp. (9M: 58.0%, corresponding to an improvement of 3.3 pp.)
- EBIT before special items of DKK 12m (9M: DKK -51m)
- EBIT margin before special items of 1.9% (9M: -2.8%)
- Free cash flow of DKK 22m (9M: DKK -146m)
- Capital resources were DKK 262m as per end of Q3 2025/26

The adjusted FY 2025/26 outlook is as follows:

Revenue growth in local currencies: -3% to 0%  
(Previously 1% to 5%)

EBIT margin before special items: -3% to -1%  
(Previously -3% to 1%)

Free cash flow: DKK -200m to DKK -150m  
(Previously DKK -100m to DKK -50m)

The current outlook for the free cash flow includes an inflow of DKK 63m received in March 2026 comprising proceeds from a favourable ruling on an old dispute with the Danish Customs Authority and severance pay to the former CEO of DKK 21m.

CAPEX is now expected to be around DKK 280m-300m (previously DKK 320-360m). Capacity costs are now expected to increase by around DKK 100m from 2024/25 (previously around DKK 150m).

The outlook for 2025/26 is subject to uncertainty related to consumer sentiment. In addition, there continues to be geopolitical and economic uncertainty including risks associated with armed conflicts and global trade conflicts. For further details on unchanged assumptions, please see interim report H1 2025/26.

The company will release its trading statement for 9M 2025/26 and host a conference call as planned on 16 April 2026.

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The information contained in this announcement regarding adjustment of outlook 2025/26 and withdrawal of mid-term ambitions constitute inside information within the meaning of Article 17 of Regulation (EU) 596/2014 as subsequently amended (MAR).