

# Interim Report 2025

Demant



# Key figures and financial ratios

(DKK million)	H1 2025	H1 2024	Full year 2024
<b>Income statement</b>			
Revenue	11,253	11,087	22,419
Organic growth	0%	3%	2%
Gross profit	8,547	8,510	17,090
EBITDA	2,593	2,897	5,963
Operating profit before special items	1,849	2,068	4,404
Special items	-	124	124
Operating profit (EBIT)	1,849	2,192	4,528
Net financial items	-385	-410	-812
Profit after tax - continuing operations	1,130	1,354	2,892
Profit after tax - discontinued operations	-13	-154	-504
Profit for the period	1,117	1,200	2,388
<b>Cash flow statement</b>			
Cash flow from operating activities (CFFO)	1,513	1,491	4,080
Acquisition of enterprises, participating interests and activities	-849	-763	-1,234
Investments in property, plant and equipment, net	-307	-286	-545
Free cash flow (FCF)	1,126	1,157	3,486
Share buy-backs	-582	-1,137	-2,301
<b>Balance sheet</b>			
Equity	9,475	9,522	9,644
Total assets	32,640	32,390	32,450
Net interest-bearing debt (NIBD)	14,099	13,853	13,545
Net working capital	3,198	3,546	3,289
<b>Financial ratios</b>			
Gross margin	76.0%	76.8%	76.2%
EBIT margin before special items	16.4%	18.7%	19.6%
Effective tax rate	22.8%	24.0%	22.2%
Gearing multiple (NIBD/EBITDA)	2.5	2.3	2.3

	H1 2025	H1 2024	Full year 2024
<b>Sustainability impacts</b>			
Number of lives improved (million)	11.2	10.6	10.9
Number of people tested (million)	0.8	n.a.	1.5
<b>Environment</b>			
Scope 1 and 2 market-based GHG emissions (tonnes of CO2e) <sup>1</sup>	13,228	13,855	29,426
Scope 1 and 2 location-based GHG emissions (tonnes of CO2e) <sup>1</sup>	17,235	16,358	33,686
Renewable electricity share <sup>1</sup>	55%	38%	35%
<b>Social</b>			
Gender diversity, top-level management (women/men)	31/69%	30/70%	31/69%
Gender diversity, all managers (women/men)	50/50%	49/51%	50/50%
Average number of employees	21,777	21,373	21,381
<b>Governance</b>			
Code of Conduct training, highly exposed employees	94%	n.a.	76%
<b>Share ratio</b>			
Earnings per share (EPS), DKK - continuing operations	5.34	6.18	13.31
Earnings per share (EPS)	5.28	5.47	10.99
Share price, end of period	264.20	301.40	264.20

<sup>1</sup> H1 2024 numbers are restated to account for allocation of Energy Attribute Certificates (EACs) and new acquisitions incorporated during the year.

# Group financial review

## Income statement

(DKK million)	H1 2025	H1 2024	Growth
Revenue	11,253	11,087	2%
Production costs	-2,706	-2,577	5%
<b>Gross profit</b>	<b>8,547</b>	<b>8,510</b>	<b>0%</b>
Gross margin	76.0%	76.8%	
R&D costs	-730	-733	0%
Distribution costs	-5,386	-5,154	5%
Administrative expenses	-596	-586	2%
Share of profit after tax, associates	14	31	-55%
<b>Operating profit (EBIT) before special items</b>	<b>1,849</b>	<b>2,068</b>	<b>-11%</b>
Operating profit (EBIT) margin before special items	16.4%	18.7%	
Special items	-	124	n.a.
<b>Operating profit (EBIT)</b>	<b>1,849</b>	<b>2,192</b>	<b>-16%</b>

## Introduction

The Group reports revenue and growth rates on a quarterly basis, whereas the full income statement, the balance sheet and the cash flow statement are only reported on a half-yearly basis. Unless otherwise indicated, the commentary below relates to H1 2025.

As a result of the discontinuation of Hearing Implants and Communications, these businesses are recognised as discontinued operations, and comparative figures for 2023 have been restated to reflect this.

## Revenue

Group revenue amounted to DKK 11,253 million, corresponding to a growth rate of 2% in local currencies. Organic growth was 0%, which is below our expectations, mainly due to lower-than-normal hearing healthcare market growth and lower sales to a large US retailer.

Growth from acquisitions was 3% for the Group, primarily related to Hearing Care, but we also saw a small positive contribution from Hearing Aids. Exchange rates impacted revenue by -1% driven by adverse developments in many of our main

trading currencies, and in particular the US dollar.

In terms of geography, growth was primarily driven by Europe and our Rest of world region, whereas growth in North America was negative.

## Revenue by business area

(DKK million)	Q2 2025	Q2 2024	Growth				
			Org.	Acq.	LCY	FX	Rep.
Hearing Aids, total revenue	3,073	3,123	0%	1%	1%	-2%	-2%
Hearing Aids, internal revenue	-629	-609	1%	5%	5%	-2%	3%
Hearing Aids, external revenue	2,444	2,514	0%	0%	-1%	-2%	-3%
Hearing Care	2,602	2,516	1%	5%	6%	-2%	3%
Diagnostics	587	634	-4%	0%	-4%	-4%	-7%
<b>Group</b>	<b>5,633</b>	<b>5,664</b>	<b>0%</b>	<b>2%</b>	<b>2%</b>	<b>-3%</b>	<b>-1%</b>
(DKK million)	H1 2025	H1 2024	Growth				
			Org.	Acq.	LCY	FX	Rep.
Hearing Aids, total revenue	6,221	6,230	-1%	1%	1%	-1%	0%
Hearing Aids, internal revenue	-1,307	-1,208	5%	4%	9%	-1%	8%
Hearing Aids, external revenue	4,914	5,022	-2%	1%	-1%	-1%	-2%
Hearing Care	5,149	4,834	2%	5%	7%	-1%	7%
Diagnostics	1,190	1,231	-2%	0%	-2%	-1%	-3%
<b>Group</b>	<b>11,253</b>	<b>11,087</b>	<b>0%</b>	<b>3%</b>	<b>2%</b>	<b>-1%</b>	<b>2%</b>

## Revenue by geographic region

(DKK million)	H1 2025	H1 2024	Growth		
			Org.	Acq.	Rep.
Europe	4,870	4,569	2%	4%	7%
North America	4,472	4,609	-4%	2%	-3%
Asia	1,051	1,058	2%	1%	-1%
Pacific region	523	536	0%	2%	-2%
Rest of world	337	315	22%	-7%	7%
<b>Total</b>	<b>11,253</b>	<b>11,087</b>	<b>0%</b>	<b>3%</b>	<b>2%</b>

In Europe, organic growth was driven by several of our medium-sized markets, particularly Poland, Belgium and Portugal. In France, good growth was supported by the anniversary of the hearing healthcare reform, while growth in Germany was also positive. In the UK, growth was slightly positive. Europe saw good growth contribution from acquisitions, particularly in Germany and Denmark.

North America saw negative organic growth due to negative market developments in the US commercial market, whereas organic growth in Canada was positive.

Asia saw slightly positive organic growth despite persistently challenging market dynamics in China, driven by strong growth in Japan and South Korea.

In the Pacific region, Australia saw flat organic growth, while growth in New Zealand was negative. A slightly positive contribution from acquisitions was more than offset by adverse exchange rate developments, leading to negative reported growth for the region.

In our Rest of World region, organic growth was strong, particularly in Latin America, although this was somewhat offset by negative developments in foreign exchange rates.

### Gross profit

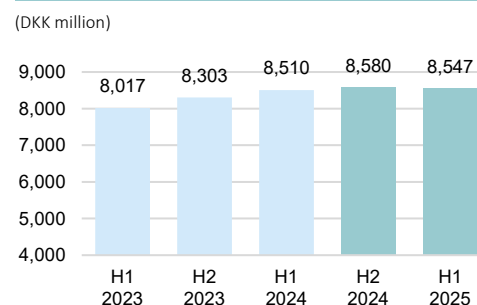
The Group's gross profit amounted to DKK 8,547 million, which is flat compared to H1 2024. The gross margin was 76.0%, a decrease of 0.8 percentage points compared to H1 2024. While a decrease was expected, as the gross margin was particularly strong in the comparative period due to the launch of Oticon Intent, the development was slightly worse than anticipated.

Unfavourable geographic mix changes, particularly negative market growth in the US, impacted all business areas, especially Hearing Aids, which saw ASP headwinds. We also saw a slight decrease in the gross margin in Diagnostics. These effects were, however, somewhat offset by positive changes in the business mix. Exchange rate effects had a slightly negative impact on the gross margin.

## OPEX by function

(DKK million)	H1 2025	H1 2024	Growth		
			Org.	Acq.	Rep.
R&D costs	730	733	0%	0%	0%
Distribution costs	5,386	5,154	1%	5%	5%
Administrative expenses	596	586	3%	0%	2%
<b>Total</b>	<b>6,712</b>	<b>6,473</b>	<b>1%</b>	<b>4%</b>	<b>4%</b>

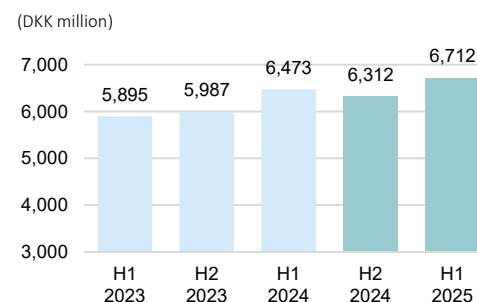
### Gross profit by half-year



### Operating expenses (OPEX)

Total OPEX amounted to DKK 6,712 million, corresponding to 5% growth in local currencies compared to H1 2024.

### OPEX by half-year

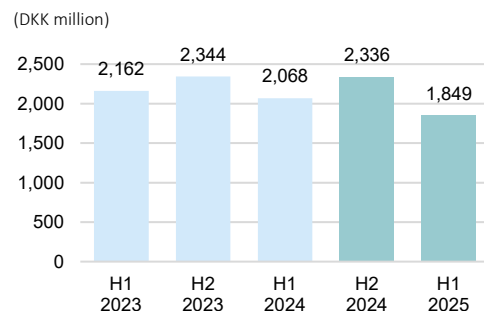


OPEX saw 1% organic growth, reflecting a low run rate going into the year, following our cost-saving efforts in H2 2024, and our continued focus on cost management. Acquisitions, primarily in Hearing Care, added 4% to the Group's OPEX, while exchange rate effects were -1%.

### Operating profit (EBIT) before special items

The Group's EBIT before special items amounted to DKK 1,849 million, which is a decrease of 11% compared to H1 2024. The EBIT margin before special items was 16.4%, a contraction of 2.3 percentage points compared to H1 2024. The decline is due to lower-than-normal market growth, lower-than-planned operating leverage as well as unfavourable geographic mix changes in H1 2025, leading to negative developments in the gross margin. Relative to H1 2024, exchange rates had a negative impact on the Group's EBIT before special items of around DKK 50 million, most of which relates to Q2.

## EBIT before special items by half-year



## Special items

We recognised no special items in H1 2025 compared to special items of DKK 124 million in H1 2024.

## Operating profit (EBIT)

Reported EBIT amounted to DKK 1,849 million, resulting in an EBIT margin of 16.4%.

## Financial items

Reported net financial items amounted to an expense of DKK 385 million, which is a decrease of DKK 25 million compared to last year, primarily due to lower interest expenses.

## Profit for the period

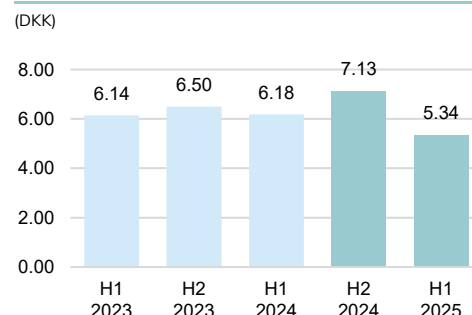
Reported profit before tax amounted to DKK 1,464 million, a decrease of 18%, owing to a lower operating profit. Tax for the period amounted to DKK 334 million, corresponding to an effective tax rate of 22.8%. This resulted in profit after tax generated by the Group's continuing operations of DKK 1,130 million, which is a decrease of 17% compared to H1 2024,

corresponding to earnings per share (EPS) of DKK 5.34.

Loss after tax from discontinued operations amounted to DKK 13 million. This is attributable to a small operating loss in Communications, whereas our bone anchored hearing systems (BAHS) business saw an operating profit. Please refer to Note 2 for more details.

For the Group as a whole, profit after tax was DKK 1,117 million, corresponding to EPS of DKK 5.28, a decrease of 4% compared to H1 2024.

## EPS for continuing operations by half-year



## Cash flow statement

For the Group's continuing operations, cash flow from operating activities (CFFO) remained very solid and amounted to DKK 1,513 million. Despite a lower operating profit, this is a 1% increase compared to H1 2024, driven by higher non-cash items and improved developments in working capital.

## Cash flow by main items

(DKK million)

### CFFO

Net investments

### Free cash flow before acquisitions and divestments

Acquisitions and divestments etc.

Share buy-backs

Other financing activities

### Cash flow for the period

	H1 2025	H1 2024	Change
CFFO	1,513	1,491	1%
Net investments	-387	-334	16%
Free cash flow before acquisitions and divestments	1,126	1,157	-3%
Acquisitions and divestments etc.	-849	-763	11%
Share buy-backs	-582	-1,137	-49%
Other financing activities	369	946	-61%
Cash flow for the period	64	203	-68%

Net investments resulted in a cash flow of DKK -387 million. Net investments in property, plant and equipment and in intangible assets (CAPEX) amounted to DKK 401 million, or 4% of Group revenue. Compared to H1 2024, CAPEX increased by DKK 26 million, or 7%, due to increased investments in property, plant and equipment. Net investments in other non-current assets, which mostly comprise loans to customers and associates, amounted to an inflow of DKK 14 million compared to an inflow of DKK 41 million in H1 2024.

The free cash flow before acquisitions and divestments decreased by 3% to DKK 1,126 million as a result of the higher

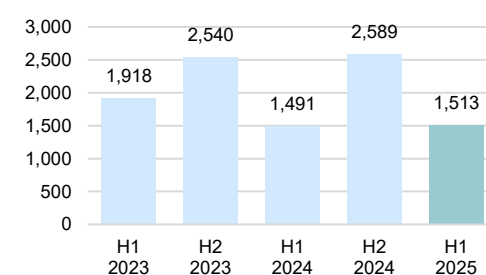
CAPEX and slightly lower net investments in other non-current assets.

Cash spent on acquisitions totalled DKK 849 million and relates to bolt-on acquisitions in Hearing Care.

Share buy-backs amounted to DKK 582 million as at 30 June, as the Group bought back 2,272,349 shares at an average price of DKK 255.97 in H1. As previously announced, the share buy-back programme was suspended effective 11 June 2025 as a consequence of the agreement to acquire KIND Group.

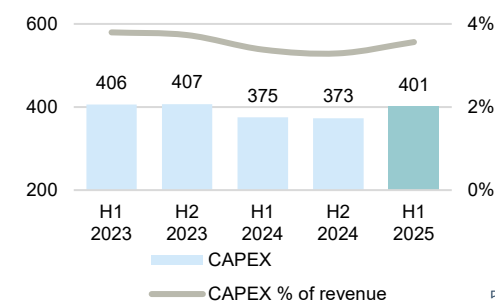
## CFFO by half-year

(DKK million)



## CAPEX by half-year

(DKK million)



Other financing activities resulted in a cash inflow of DKK 369 million, which primarily relates to the continuous refinancing of our borrowings.

Net cash flow from continuing operations amounted to DKK 64 million and net cash flow from discontinued operations to DKK 4 million. Please refer to Note 2 for more details.

## Balance sheet

As at 30 June 2025, total assets amounted to DKK 32,640 million, which is a 1% increase since 31 December 2024. Organic growth contributed 2%, driven by other current assets, primarily relating to unrealised gains on financial contracts.

Acquisitive growth was 3%, whereas exchange rate effects were -4%.

The increase in total assets was mainly driven by an increase in current assets. We also saw growth in non-current assets, primarily relating to acquisitions in Hearing Care, although this growth was more than offset by negative exchange rate effects.

The Group's net working capital decreased by 3% to DKK 3,198 million relative to the end of 2024, mainly driven by higher trade payables.

Net interest-bearing debt (NIBD) amounted to DKK 14,099 million as at 30 June 2025, an increase of 4% compared to 31

December 2024. Relative to a 12-month rolling EBITDA, this corresponds to a gearing multiple of 2.5 at the end of H1, which is within our medium- to long-term target of 2.0-2.5.

The Group's equity decreased by DKK 169 million, or 2%, to DKK 9,475 million relative to the end of 2024, which is attributable to foreign currency translation adjustment in our subsidiaries.

## Employees

At the end of H1, Demant had 22,057 employees compared to 21,349 at the beginning of the year and 21,501 at the end of H1 2024. The increase in the number of employees mainly relates to acquisitions made during the year.

## Events after the reporting period

There have been no other events that materially change the assessment of this Interim Report 2025 from the balance sheet date and up to today.

## Balance sheet by main items

(DKK million)	H1 2025	FY 2024	Change
Lease assets	2,571	2,665	-4%
Other non-current assets	19,866	19,864	0%
Inventories	2,542	2,500	2%
Trade receivables	3,503	3,563	-2%
Cash	1,142	1,112	3%
Other current assets	1,767	1,353	31%
Assets held for sale	1,249	1,393	-10%
<b>Total assets</b>	<b>32,640</b>	<b>32,450</b>	<b>1%</b>
Equity	9,475	9,644	-2%
Lease liabilities	2,677	2,771	-3%
Other non-current liabilities	15,342	14,607	5%
Trade payables	964	658	47%
Other current liabilities	3,878	4,426	-12%
Liabilities related to assets held for sale	304	344	-12%
<b>Total equity and liabilities</b>	<b>32,640</b>	<b>32,450</b>	<b>1%</b>

## Hedging activities

The material forward exchange contracts in place as of 30 June 2025 to hedge against the Group's exposure to movements in exchange rates are shown in the table below.

## Hedging activities

Currency	Hedging period	Average hedging rate
USD	18 months	675
JPY	10 months	4.70
AUD	10 months	435
GBP	10 months	871
CAD	10 months	487
PLN	10 months	170

# Group sustainability review

With our purpose to create life-changing hearing health, sustainable hearing health is at the core of our business activities.

## Our core impact

Through innovative solutions and access to personalised hearing care, Demant aims to help more people become aware of and overcome their hearing loss and thus improve their quality of life. This is our core

sustainability impact for which we have the following targets. By 2030, we aim to improve more than 16 million lives and sequentially increase the number of hearing tests performed to more than 2 million in 2030.

In H1, we tested 0.8 million people with potential hearing loss. Based on the number of hearing aids sold and fittings

conducted, it is estimated that 11.2 million lives were improved by the end of H1.

## Respect for the planet

Caring for people's hearing health goes hand in hand with also caring for the environment.

In H1 2025, total scope 1 and 2 greenhouse gas (GHG) emissions amounted to 13,228 tonnes CO<sub>2</sub>e (market-based emissions), which represents a 5% reduction compared to H1 2024. The decrease in our scope 1 and 2 emissions is primarily driven by the 17 percentage point increase in renewable electricity, which can mainly be attributed to the use of unbundled Energy Attribute Certificates (EACs).

Demant has committed to reducing its aggregate scope 1 and 2 market-based GHG emissions by 46% from a 2019 base year by 2030. An important step towards achieving this climate target is the use of renewable electricity, which is why Demant aims to use 50% renewable electricity in its own operations by 2025 and 100% by 2030. The use of renewable electricity in H1 amounted to 55%.

## Caring for people

Being at the forefront in creating a positive social impact on society requires us to be a leading employer capable of attracting the brightest minds and fostering an inclusive and engaging culture.

In H1, gender diversity at our top management level (VP level and above) remained unchanged at 31% women and 69% men compared to FY 2024. Our target is to achieve a 35/65% gender balance by 2030.

Gender diversity among all managers in the Group remained unchanged in H1 compared to the same period last year. At the end of H1, the share of women and men in management positions was 50/50.

## Performing with integrity

Demant believes that conducting business with integrity is fundamental to building a sustainable and successful organisation.

We continuously train our employees in our Code of Conduct, and we commit to increasing our business conduct excellence through Code of Conduct training to reach 100% of highly exposed employees by 2030. Highly exposed employees include e.g. top-level management, senior leaders of commercial functions, procurement and finance managers etc.

The number of highly exposed employees trained in Demant's Code of Conduct reached 94% in H1, which is an 18 percentage point increase compared to FY 2024.

## Key sustainability figures by half-year

	H1 2025	FY 2024	Change
<b>Sustainability impacts</b>			
Number of lives improved (million)	11.2	10.9	3%
Number of people tested (million)	0.8	1.5	n.a.
	<b>H1 2025</b>	<b>H1 2024</b>	<b>Change</b>
<b>Environment</b>			
Scope 1 and 2 market-based GHG emissions (tonnes of CO <sub>2</sub> e) <sup>1</sup>	13,228	13,855	-5%
Scope 1 and 2 location-based GHG emissions (tonnes of CO <sub>2</sub> e) <sup>1</sup>	17,235	16,358	5%
Renewable electricity share <sup>1</sup>	55%	38%	17 p.p.
	<b>H1 2025</b>	<b>FY 2024</b>	<b>Change</b>
<b>Social</b>			
Gender diversity, top-level management (women/men)	31/69%	31/69%	0 p.p.
Gender diversity, all managers (women/men)	50/50%	50/50%	0 p.p.
<b>Governance</b>			
Code of Conduct training, highly exposed employees	94%	76%	18 p.p.

<sup>1</sup> H1 2024 numbers are restated to account for allocation of Energy Attribute Certificates (EACs) and new acquisitions incorporated during the year.

# Outlook for 2025

## Outlook for 2025

Our revised financial outlook for 2025 is summarised in the table below:

<b>Organic growth</b>	1-3% (previously 1-5%)
<b>EBIT before special items</b>	DKK 3,900-4,300 million (previously DKK 4,100-4,500 million)
<b>Share buy-backs</b>	Suspended as of 11 June

## Modelling assumptions for 2025

For modelling purposes, we provide further assumptions for 2025 below:

<b>Acquisitive growth</b>	2% based on revenue from acquisitions completed as at 11 August 2025
<b>FX growth</b>	-2% based on exchange rates as at 11 August 2025 and including the impact of hedging
<b>Effective tax rate</b>	Around 23%
<b>Profit from discontinued operations</b>	DKK 0-50 million

## Assumptions for 2025

The outlook is based on a number of key assumptions as described below.

- **The unit growth rate in the global hearing aid market in 2025 is expected to be 2-4% (previously 3-5%).** Due to geographic and channel mix changes, we expect the hearing aid market to see average selling price (ASP) development of around -1% (unchanged) for the full year, resulting in a value growth rate of 1-3% (previously 2-4%) in 2025.
- We expect the French market to grow in the high single digits in units in 2025.
- **The cash allocated to acquisitions in 2025 will be at a much higher-than-normal level due to a high level of bolt-on acquisitions already made in**

**2025 and the previously announced acquisition of KIND Group, one of the world's leading retailers of hearing aids, for a total consideration of EUR 700 million.**

- **Our financial outlook for 2025 does not include any contribution from KIND Group, pending closing of the transaction, which is expected to take place in H2 2025.**
- **Our assumptions include significant production costs and OPEX relating to future hearing aid introductions. We expect flat development in OPEX sequentially in H2 compared to H1 2025.**
- We continue to expect an impact on EBIT of around DKK -125 million

compared to our original assumptions (unchanged compared to the most recently published outlook) for the year due to adverse exchange rate developments. This includes the effects of both hedged and unhedged currencies, with the majority of the impact expected to take effect in Q2-Q4.

- We expect a limited impact of tariffs on the Group, but we include an impact of around DKK -25 million of tariffs in 2025 on our Diagnostics business area based on currently implemented tariffs in the US.
- Our Communications business and our business for bone anchored hearing systems are recognised as part of discontinued operations, and for the full

year 2025, the combined net profit after tax in these businesses is expected to be DKK 0-50 million. This relates entirely to an expected operating profit for the businesses and does not include any financial impact related to our intended divestment of the businesses.



# Management commentary

## Market trends

Overall, the hearing healthcare market, which comprises the markets for hearing aids and diagnostic instruments and services, saw growth below the structural growth rate of 4-6% in H1 2025, largely due to macroeconomic uncertainties.

### Hearing aid market

Based on available market statistics, covering approximately two-thirds of the market, and on our own assumptions, we estimate that the global hearing aid market saw unit growth of around 3% in H1 compared to the same periods in 2024. The slight acceleration in unit growth from Q1 to Q2 was primarily driven by improved growth in the US commercial market, although the US commercial market remained negative for the half-year, whereas growth in Europe unexpectedly decelerated sequentially, despite strong acceleration in France.

We estimate that in H1, ASP development was negative due to geographic and channel mix changes, particularly negative growth in the US commercial market, as well as intense competitive dynamics. Overall, value growth in the hearing aid market was around 1% in H1, which is below the structural growth rate of 4-6%.

### Q2 update

We estimate that global market unit growth was 3% in Q2. Growth was positive across regions, with the acceleration in growth relative to Q1 driven primarily by

improved market dynamics in the US, whereas growth in Europe was positive, but below expectations. We estimate that the global hearing aid market saw negative ASP development in Q2.

We estimate that unit growth in Europe was 3%. As expected, unit growth was driven by strong growth in France, driven by renewals of free-to-client hearing aids, following the four-year anniversary of the 2021 hearing healthcare reform. In the UK, growth in the NHS was negative due to very strong comparative figures, whereas growth in the UK private market was strong. Excluding France and the NHS, growth in Europe was 2%, a deceleration from Q1, and thus below our expectations. In Germany, growth decelerated from Q1, although it remained positive. Growth was mixed across other regions, with some medium-sized markets seeing good growth, while other markets, including the Nordics and Italy, saw negative growth.

In North America, unit growth was 2%. Following negative developments in Q1, the US commercial market accelerated to 4% unit growth in Q2. Growth was primarily driven by private pay channels, whereas growth in managed care remained negative. In VA, unit growth remained subdued and was slightly positive, whereas growth was negative in Canada.

Looking beyond Europe and North America, we estimate that market unit growth in Rest of World was 5%. We estimate

## Estimated hearing aid market unit growth in 2025 by region

(vs. 2024)	Q1	Q2	H1
Europe	4%	3%	3%
North America	-3%	2%	0%
US (commercial)	-5%	4%	-1%
US (VA)	-1%	1%	0%
Rest of world	4%	5%	4%
<b>Global</b>	<b>2%</b>	<b>3%</b>	<b>3%</b>

that unit growth in China was flattish, and overall market dynamics continue to remain challenged. Growth in Japan was flat. In Australia, growth was negative. We estimate that several smaller export markets saw good growth, particularly in Latin America.

### Diagnostic instruments market

We estimate that compared to H1 last year, growth in the market for diagnostic instruments and services was slightly negative. The market was particularly impacted by negative market dynamics in the US, where macroeconomic uncertainties have caused extended timelines for investment decisions and thus lower levels of investments in equipment in hospitals and clinics. Market headwinds in China also continue to have a negative effect. We estimate that the negative market developments were entirely driven by instruments, whereas the market for services and consumables remained slightly positive.

## Revenue and growth

			Growth				
			Org.	Acq.	LCY	FX	Rep.
(DKK million)	<b>Q2 2025</b>	<b>Q2 2024</b>					
Hearing Aids, total revenue	3,073	3,123	0%	1%	1%	-2%	-2%
Hearing Aids, internal revenue <sup>1</sup>	-629	-609	1%	5%	5%	-2%	3%
Hearing Aids, external revenue	2,444	2,514	0%	0%	-1%	-2%	-3%

			Growth				
			Org.	Acq.	LCY	FX	Rep.
(DKK million)	<b>H1 2025</b>	<b>H1 2024</b>					
Hearing Aids, total revenue	6,221	6,230	-1%	1%	1%	-1%	0%
Hearing Aids, internal revenue <sup>1</sup>	-1,307	-1,208	5%	4%	9%	-1%	8%
Hearing Aids, external revenue	4,914	5,022	-2%	1%	-1%	-1%	-2%

<sup>1</sup> Revenue from internal sales to Hearing Care is eliminated from the reported revenue for the Group, i.e. we only include revenue from external customers. The pricing used in internal transactions is determined on an arm's length basis and thus reflects normal commercial terms.

### Hearing Aids

Total revenue in Hearing Aids was DKK 6,221 million, or flat compared to H1 2024. Organic growth was -1%, whereas acquisitive growth was 1%. Exchange rate effects were -1%.

Internal revenue from sales to our Hearing Care business area accounted for 21% of total revenue and external sales for the remaining 79%. The commentary below focuses on total revenue, including revenue from sales through our own retail clinics.

Growth in the period under review was below expectations, impacted by lower-than-normal market growth and relatively strong comparative figures due to the launch of Oticon Intent in the same period last year. In Q1, growth was further impacted by the loss of market share with managed care in the US in Q2 2024. Lower sales to a large US retailer also

negatively impacted the period under review, following an increase in the number of suppliers.

Unit growth was 3%, although it was somewhat offset by an ASP development of -2% due to unfavourable geographical mix changes, leaving us with growth in local currencies in line with the estimated market growth rate in value of 1%. The unfavourable geographical mix changes primarily relates to the US, where we saw negative growth, but were also impacted by solid growth in lower ASP channels and markets.

In terms of geographies, organic growth was positive across regions, except for North America, which was impacted by negative market developments, particularly in the US.

### Growth in units and ASP

(local currencies)	H1 2024	H2 2024	H1 2025
Units	-6%	-1%	3%
ASP	11%	5%	-2%
<b>Total</b>	<b>4%</b>	<b>4%</b>	<b>1%</b>

When we look at our total hearing aid sales, unit growth was 3%, which is in line with the market growth rate, although it was somewhat offset by an ASP development of -2%. Growth in local currencies was thus 1%, or slightly below the estimated market value growth rate.

#### Q2 update

Total revenue in Hearing Aids was DKK 3,073 million, a decrease of 2% compared to Q2 2024. Organic growth was 0%, acquisitive growth was 1% and exchange rate effects were -2%.

Organic growth in sales to external customers was 0% in Q2. Although growth accelerated as expected from Q1, in part due to annualisation of the significant loss of sales to managed care from Q2 2024, growth was still below expectations.

Unit growth was strong, above the estimated market unit growth rate, and we estimate that we have gained market share in units both year-over-year and sequentially. Strong unit growth was, however, offset by negative ASP developments due to geographic and channel mix changes, as growth was driven by lower ASP markets and relatively lower US sales. Product mix also had a slightly negative impact.

In Europe, organic growth in sales to external customers was negative, in part due to softer-than-expected market dynamics outside of France. In the UK, growth was strong. Growth was slightly negative in France and negative in Germany. We also saw negative growth in Spain and Italy.

In North America, organic growth in sales to external customers was slightly negative. In the US, growth was negative. Despite improved market dynamics, growth was challenged by an increased competitive environment across channels. While we estimate that we maintained our market share on a sequential basis versus Q1, growth was still impacted by a loss of market share in H2 2024. In Canada, growth was strong.

External organic growth in Asia was negative. While growth in Japan was strong,

growth in China was negative, where overall market dynamics remain challenging. We also saw negative growth in several other medium-sized markets.

Our Pacific region saw strong organic growth in sales to external customers, driven by Australia, whereas growth in New Zealand was flat. Our Rest of world region, which mostly comprises emerging markets, saw strong double-digit growth, particularly in Latin America.

### Hearing Care

Revenue in Hearing Care amounted to DKK 5,149 million, an increase of 7% compared to H1 2024. Organic growth was 2% and acquisitive growth 5%. The latter is mainly attributable to acquisitions in Germany and Denmark. Exchange rate effects were -1%.

### Hearing Care

(DKK million)	H1 2025	H1 2024
Revenue	5,149	4,834
Growth		
Organic	2%	
Acquisitions	5%	
Local currencies	7%	
FX	-1%	
Total	7%	

Following a good start to the year with 4% organic growth in Q1, which is above the estimated market growth rate, momentum decelerated in Q2 and was thus below expectations for H1. Growth was impacted by current consumer cautiousness, particularly in the US, resulting from

macroeconomic uncertainties. Growth in the period under review was mainly driven by units, although we also saw a positive ASP development due to geographic mix effects.

#### Q2 update

Revenue amounted to DKK 2,602 million, an increase of 3% compared to Q2 2024. Organic growth was 1%, acquisitive growth was 5% and exchange rate effects were -2%.

In Europe, growth was slightly positive. As expected, growth was driven by France, which saw accelerating momentum due to an increasing rate of hearing aid renewals as part of the four-year anniversary of the 2021 hearing healthcare reform. Growth in Germany was also strong. In the UK, growth was negative. Growth was also particularly negative in Sweden due to adverse market developments.

Organic growth in North America was negative. In the US, organic growth was negative. In Canada, adverse market developments led to negative organic growth.

In Australia, organic growth was slightly negative, while in China, we saw strong organic growth driven entirely by ASP tailwind due to positive product mix changes.

### Diagnostics

In Diagnostics, revenue was DKK 1,190 million, or -3% compared to the same period last year. Organic growth was -2%, while exchange rate effects were -1%. Acquisitive growth was 0%.

Growth in the period was impacted by negative market growth, particularly in Q2.

#### Q2 update

In Diagnostics, revenue was DKK 587 million, a decrease of 7% compared to Q2 2024. Organic growth was -4%, acquisitive growth was 0% and exchange rate effects were -4%.

In Q2, organic growth was -4%. Growth was impacted by negative market developments, particularly in the US, where macroeconomic uncertainties have resulted in a lower level of investments in equipment in hospitals and clinics, as well as by market headwinds in China.

During the period, growth in our instrument business was negative, whereas growth in our services and consumables business was positive.

In terms of geographies, growth in Europe was positive, driven by growth in France and in several medium-sized markets, whereas growth in the UK was negative. In North America, growth was negative. Growth in the US was negative, driven by adverse market developments. In Canada, growth was also negative. In Asia, growth was negative, mainly due to continued negative growth in China as a result of general market weakness and our limited access to public markets.

### Diagnostics

(DKK million)	H1 2025	H1 2024
Revenue	1,190	1,231
Growth		
Organic	-2%	
Acquisitions	0%	
Local currencies	-2%	
FX	-1%	
Total	-3%	

# Management statement

We have today discussed and approved this Interim Report 2025 for Demant A/S.

Interim Report 2025 has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and further Danish disclosure requirements in respect of interim reports for listed companies. Interim Report 2025 has not been audited or reviewed by our auditors.

In our opinion, Interim Report 2025 gives a true and fair view of the Group's assets, liabilities and financial position at 30 June 2025 as well as of the results of our activities and cash flows for the first six months of 2025.

We also believe that the financial review and management commentary contain a fair review of the development in the Group's business and financial position, the results for the period and the Group's financial position as a whole as well as a description of the principal risks and uncertainties facing Demant A/S.

Smørum, 12 August 2025

## Executive Board

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Søren Nielsen, President & CEO

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René Schneider, CFO

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Niels Wagner, President Hearing Care

## Board of Directors

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Niels B. Christiansen, Chair

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Niels Jacobsen, Vice Chair

---

Thomas Duer

---

Heidir Hørby

---

Katrin Pucknat

---

Sisse Fjelsted Rasmussen

---

Anders Højsgaard Thomsen

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Kristian Villumsen



## Consolidated income statement

(DKK million)	H1 2025	H1 2024	Full year 2024
Revenue	11,253	11,087	22,419
Production costs	-2,706	-2,577	-5,329
<b>Gross profit</b>	<b>8,547</b>	<b>8,510</b>	<b>17,090</b>
R&D costs	-730	-733	-1,394
Distribution costs	-5,386	-5,154	-10,246
Administrative expenses	-596	-586	-1,145
Share of profit after tax, associates	14	31	99
<b>Operating profit (EBIT) before special items</b>	<b>1,849</b>	<b>2,068</b>	<b>4,404</b>
Special items	-	124	124
<b>Operating profit</b>	<b>1,849</b>	<b>2,192</b>	<b>4,528</b>
Financial income	50	53	113
Financial expenses	-435	-463	-925
<b>Profit before tax</b>	<b>1,464</b>	<b>1,782</b>	<b>3,716</b>
Tax on profit for the period	-334	-428	-824
<b>Profit after tax - continuing operations</b>	<b>1,130</b>	<b>1,354</b>	<b>2,892</b>
Profit after tax - discontinued operations	-13	-154	-504
<b>Profit for the period</b>	<b>1,117</b>	<b>1,200</b>	<b>2,388</b>

(DKK million)	H1 2025	H1 2024	Full year 2024
<b>Profit for the period attributable to:</b>			
Demant A/S' shareholders	1,117	1,199	2,387
Non-controlling interests	-	1	1
	<b>1,117</b>	<b>1,200</b>	<b>2,388</b>
Earnings per share (EPS), DKK - continuing operations	5.34	6.18	13.31
Diluted earnings per share (DEPS), DKK - continuing operations	5.34	6.18	13.31
Earnings per share (EPS), DKK	5.28	5.47	10.99
Diluted earnings per share (DEPS), DKK	5.28	5.47	10.99

### Discontinued operations

The Hearing Implants and Communications businesses are presented as discontinued operations.

## Consolidated statement of comprehensive income

(DKK million)	H1 2025	H1 2024	Full year 2024
<b>Profit for the period</b>	<b>1,117</b>	<b>1,200</b>	<b>2,388</b>
Foreign currency translation adjustment, subsidiaries	-922	135	265
<b>Value adjustments of hedging instruments:</b>			
Value adjustment for the period	272	-41	-91
Value adjustment transferred to revenue	-21	-3	-5
Tax on currency translation and value adjustments	-54	10	22
<b>Items that have been or may subsequently be reclassified to the income statement</b>	<b>-725</b>	<b>101</b>	<b>191</b>
Actuarial gains/losses on defined benefit plans	-	-3	-17
Tax on actuarial gains/losses on defined benefit plans	-	-1	4
<b>Items that will not subsequently be reclassified to the income statement</b>	<b>-</b>	<b>-4</b>	<b>-13</b>
<b>Other comprehensive income/loss</b>	<b>-725</b>	<b>97</b>	<b>178</b>
<b>Comprehensive income</b>	<b>392</b>	<b>1,297</b>	<b>2,566</b>
<b>Comprehensive income attributable to:</b>			
Demant A/S' shareholders	392	1,296	2,565
Non-controlling interests	-	1	1
	<b>392</b>	<b>1,297</b>	<b>2,566</b>
<b>Breakdown of tax on other comprehensive income:</b>			
Foreign currency translation adjustment, subsidiaries	-	-	1
Value adjustment of hedging instruments for the period	-59	9	20
Value adjustment of hedging instruments transferred to revenue	5	1	1
Actuarial gains/losses on defined benefit plans	-	-1	4
<b>Tax on other comprehensive income</b>	<b>-54</b>	<b>9</b>	<b>26</b>

## Consolidated balance sheet

(DKK million)	H1 2025	H1 2024	Full year 2024
<b>Assets</b>			
Goodwill	13,903	13,335	13,854
Patents and licences	9	14	12
Other intangible assets	851	925	933
Prepayments and assets under development	314	219	267
<b>Intangible assets</b>	<b>15,077</b>	<b>14,493</b>	<b>15,066</b>
Land and buildings	1,106	1,131	1,131
Plant and machinery	317	303	291
Other plant, fixtures and operating equipment	544	519	526
Leasehold improvements	754	723	763
Prepayments and assets under construction	219	185	198
<b>Property, plant and equipment</b>	<b>2,940</b>	<b>2,861</b>	<b>2,909</b>
Lease assets	2,571	2,630	2,665
Investments in associates	363	354	363
Receivables from associates	173	191	193
Other investments	7	14	9
Customer loans	484	482	519
Other receivables	195	165	217
Deferred tax assets	627	548	588
<b>Other non-current assets</b>	<b>4,420</b>	<b>4,384</b>	<b>4,554</b>
<b>Non-current assets</b>	<b>22,437</b>	<b>21,738</b>	<b>22,529</b>

(DKK million)	H1 2025	H1 2024	Full year 2024
Inventories	2,542	2,674	2,500
Trade receivables	3,503	3,705	3,563
Receivables from associates	232	191	200
Income tax	198	142	78
Customer loans	140	156	155
Other receivables	488	397	454
Unrealised gains on financial contracts	214	30	31
Prepaid expenses	495	513	435
Cash	1,142	1,048	1,112
Assets held for sale	1,249	1,796	1,393
<b>Current assets</b>	<b>10,203</b>	<b>10,652</b>	<b>9,921</b>
<b>Assets</b>	<b>32,640</b>	<b>32,390</b>	<b>32,450</b>

### Assets held for sale

The assets of the BAHS and Communications businesses are presented as assets held for sale.

## Consolidated balance sheet

(DKK million)	H1 2025	H1 2024	Full year 2024
<b>Equity and liabilities</b>			
Share capital	43	44	44
Other reserves	9,353	9,395	9,520
<b>Equity attributable to Demant A/S' shareholders</b>	<b>9,396</b>	<b>9,439</b>	<b>9,564</b>
Equity attributable to non-controlling interests	79	83	80
<b>Equity</b>	<b>9,475</b>	<b>9,522</b>	<b>9,644</b>
<b>Non-current liabilities</b>	<b>17,371</b>	<b>15,374</b>	<b>16,711</b>
Borrowings	13,239	11,112	12,487
Lease liabilities	2,029	2,082	2,104
Deferred tax liabilities	656	620	634
Provisions	221	189	213
Other liabilities	387	589	461
Deferred income	839	782	812
<b>Current liabilities</b>	<b>5,794</b>	<b>7,494</b>	<b>6,095</b>
<b>Liabilities</b>	<b>23,165</b>	<b>22,868</b>	<b>22,806</b>
<b>Equity and liabilities</b>	<b>32,640</b>	<b>32,390</b>	<b>32,450</b>

### Liabilities related to assets held for sale

The liabilities of the BAHS and Communications businesses are presented as liabilities related to assets held for sale.



## Consolidated cash flow statement

(DKK million)	H1 2025	H1 2024	Full year 2024
Operating profit (EBIT)	1,849	2,192	4,528
Non-cash items etc.	785	579	1,233
Change in receivables etc.	-291	-314	-119
Change in inventories	-77	-271	-7
Change in trade payables and other liabilities etc.	229	196	16
Change in provisions	-16	-11	-46
Dividends received	10	32	43
<b>Cash flow from operating profit</b>	<b>2,489</b>	<b>2,403</b>	<b>5,648</b>
Financial income etc. received	42	44	95
Financial expenses etc. paid	-389	-445	-884
Income tax paid	-629	-511	-779
<b>Cash flow from operating activities (CFFO)</b>	<b>1,513</b>	<b>1,491</b>	<b>4,080</b>
Acquisition of enterprises, participating interests and activities	-849	-763	-1,234
Investments in intangible assets	-94	-89	-203
Investments in property, plant and equipment	-319	-288	-576
Disposal of property, plant and equipment	12	2	31
Investments in other non-current assets	-164	-88	-251
Disposal of other non-current assets	178	129	405
<b>Cash flow from investing activities (CFFI)</b>	<b>-1,236</b>	<b>-1,097</b>	<b>-1,828</b>

### Discontinued operations

The Hearing Implants and Communications businesses are presented as discontinued operations.

(DKK million)	H1 2025	H1 2024	Full year 2024
Repayments of borrowings	-750	-2,536	-5,023
Proceeds from borrowings	1,594	3,428	6,424
Change in short-term bank facilities	-98	414	-586
Repayments of lease liabilities	-376	-359	-750
Transactions with non-controlling interests	-1	-1	-3
Share buy-backs	-582	-1,137	-2,301
<b>Cash flow from financing activities (CFFF)</b>	<b>-213</b>	<b>-191</b>	<b>-2,239</b>
<b>Cash flow for the period, net - continuing operations</b>	<b>64</b>	<b>203</b>	<b>13</b>
Cash flow for the period, net - discontinued operations	4	-292	-16
<b>Cash flow for the period, net</b>	<b>68</b>	<b>-89</b>	<b>-3</b>
Cash and cash equivalents at the beginning of the period	1,112	1,138	1,138
Foreign currency translation adjustment of cash and cash equivalents	-38	-1	-23
<b>Cash and cash equivalents at the end of the period</b>	<b>1,142</b>	<b>1,048</b>	<b>1,112</b>
<b>Breakdown of cash and cash equivalents at the end of the period:</b>			
Cash	1,142	1,048	1,112
<b>Cash and cash equivalents at the end of the period</b>	<b>1,142</b>	<b>1,048</b>	<b>1,112</b>

## Consolidated statement of changes in equity

(DKK million)

	Share capital	Other reserves			Demant A/S' share-holders' share	Non-controlling interests' share	Equity
		Foreign currency translation reserve	Hedging reserve	Retained earnings			
<b>Equity at 1.1.2025</b>	<b>44</b>	<b>163</b>	<b>-53</b>	<b>9,410</b>	<b>9,564</b>	<b>80</b>	<b>9,644</b>
<b>Comprehensive income:</b>							
Profit for the period	-	-	-	1,117	1,117	-	1,117
<b>Other comprehensive income:</b>							
Foreign currency translation adjustment, subsidiaries	-	-922	-	-	-922	-	-922
<b>Value adjustments of hedging instruments:</b>							
Value adjustment for the period	-	-	272	-	272	-	272
Value adjustment transferred to revenue	-	-	-21	-	-21	-	-21
Actuarial gains/losses on defined benefit plans	-	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-54	-	-54	-	-54
<b>Other comprehensive income/loss</b>	<b>-</b>	<b>-922</b>	<b>197</b>	<b>-</b>	<b>-725</b>	<b>-</b>	<b>-725</b>
<b>Comprehensive income/loss for the period</b>	<b>-</b>	<b>-922</b>	<b>197</b>	<b>1,117</b>	<b>392</b>	<b>-</b>	<b>392</b>
Share buy-backs	-	-	-	-582	-582	-	-582
Share-based compensation	-	-	-	22	22	-	22
Capital reduction through cancellation of treasury shares	-1	-	-	1	-	-	-
Transactions with non-controlling interests	-	-	-	-	-	-1	-1
<b>Equity at 30.06.2025</b>	<b>43</b>	<b>-759</b>	<b>144</b>	<b>9,968</b>	<b>9,396</b>	<b>79</b>	<b>9,475</b>

## Consolidated statement of changes in equity

(DKK million)

	Share capital	Other reserves			Demant A/S' share-holders' share	Non-controlling interests' share	Equity
		Foreign currency translation reserve	Hedging reserve	Retained earnings			
<b>Equity at 1.1.2024</b>	<b>45</b>	<b>-103</b>	<b>22</b>	<b>9,292</b>	<b>9,256</b>	<b>82</b>	<b>9,338</b>
<b>Comprehensive income:</b>							
Profit for the period	-	-	-	1,199	1,199	1	1,200
<b>Other comprehensive income:</b>							
Foreign currency translation adjustment, subsidiaries	-	135	-	-	135	-	135
<b>Value adjustments of hedging instruments:</b>							
Value adjustment for the period	-	-	-41	-	-41	-	-41
Value adjustment transferred to revenue	-	-	-3	-	-3	-	-3
Actuarial gains/losses on defined benefit plans	-	-	-	-3	-3	-	-3
Tax on other comprehensive income	-	-	10	-1	9	-	9
<b>Other comprehensive income/loss</b>	<b>-</b>	<b>135</b>	<b>-34</b>	<b>-4</b>	<b>97</b>	<b>-</b>	<b>97</b>
<b>Comprehensive income/loss for the period</b>	<b>-</b>	<b>135</b>	<b>-34</b>	<b>1,195</b>	<b>1,296</b>	<b>1</b>	<b>1,297</b>
Share buy-backs	-	-	-	-1,137	-1,137	-	-1,137
Share-based compensation	-	-	-	24	24	-	24
Capital reduction through cancellation of treasury shares	-1	-	-	1	-	-	-
<b>Equity at 30.06.2024</b>	<b>44</b>	<b>32</b>	<b>-12</b>	<b>9,375</b>	<b>9,439</b>	<b>83</b>	<b>9,522</b>

# Note 1 – Acquisition of enterprises and activities

(DKK million)	H1 2025				H1 2024
	Europe	North America	Other	Total	Total
Intangible assets	14	2	1	17	32
Property, plant and equipment	21	1	1	23	11
Other non-current assets	85	17	7	109	89
Inventories	18	-	-	18	8
Current receivables	29	2	-	31	54
Cash and cash equivalents	28	2	-	30	87
Non-current liabilities	-134	-17	-7	-158	-108
Current liabilities	-60	-4	-1	-65	-76
<b>Acquired net assets</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>5</b>	<b>97</b>
Goodwill	768	56	20	844	1,455
<b>Acquisition costs</b>	<b>769</b>	<b>59</b>	<b>21</b>	<b>849</b>	<b>1,552</b>
Carrying amount of non-controlling interests on obtaining control	-	-16	-	-16	-326
Fair value adjustment of non-controlling interests on obtaining control	-	-	-	-	-335
Contingent consideration and deferred payments	-38	-4	-6	-48	-82
Acquired cash and cash equivalents	-28	-2	-	-30	-87
<b>Cash acquisition costs</b>	<b>703</b>	<b>37</b>	<b>15</b>	<b>755</b>	<b>722</b>

Figures are shown at fair value on the acquisition date.

As part of the capital allocation policy, a portion of the cash flow from operating activities is allocated to value-adding acquisitions. In H1 2025, a total of 24 acquisitions were completed at an estimated total consideration of DKK 849 million. The individual acquisitions are not considered to be material and are therefore not disclosed separately, but are grouped together with other acquisitions in the relevant geographical region.

In H1 2025, the Group acquired a number of enterprises or obtained significant stakes in hearing healthcare businesses in North America, Europe and other regions in the Hearing Care business.

On 1 May 2024, the Group acquired the remaining 51% of the shares in Fuel Medical Group and now holds 100% of the shares. Fuel Medical Group is a value-added distributor of hearing aids that operates in North America. The step acquisition

resulted in a fair value adjustment of the Group's existing shares of DKK 324 million, presented as a special item in the income statement.



# Note 1 – Acquisition of enterprises and activities

## Accounting treatment

In respect of acquisitions, the Group paid total acquisition costs of DKK 849 million, exceeding the fair values of the acquired assets, liabilities and contingent liabilities. Such positive balances in value can be attributed to expected synergies between the activities of the acquired businesses and the Group's existing activities, to the future growth opportunities and to the value of staff competencies in the acquired businesses. These synergies are not recognised separately from goodwill, as they are not individually identifiable. Total goodwill recognised in respect of the acquisitions made in H1 2025 amounts to DKK 844 million.

Of the total number of acquisitions made in the reporting period, the fair value of estimated contingent considerations in the form of earnouts and deferred payments accounted for DKK 48 million (DKK 82 million in H1 2024). Earnouts depend on the results of the acquired businesses for a period of 1-3 years. Earnouts and other contingent considerations related to the acquisitions are estimated to be maximum DKK 55 million (DKK 82 million in H1 2024).

The fair values of acquisitions are not considered final until 12 months after the acquisition date. Adjustments to acquisitions completed more than 12 months prior to the time of the adjustments, including changes in estimated contingent

considerations, are recognised in the income statement.

In H1 2025, adjustments were made to the preliminary recognition of acquisitions made in 2024. These adjustments relate to payments made, contingent considerations provided as well as net assets and goodwill acquired. The impact of these adjustments on goodwill was DKK 13 million (DKK 5 million in H1 2024) and DKK 13 million (DKK -1 million in H1 2024) on contingent considerations.

In H1 2025, adjustments were also made to contingent considerations related to acquisitions completed more than 12 months prior to the time of the adjustments. These adjustments amount to DKK 24 million (DKK 0 million in H1 2024) and are recognised as part of distribution costs for acquisitions.

## Step acquisitions

At the time of acquisition of non-controlling interests, the shares of the acquisitions are measured at the proportionate share of the total fair value of the acquired businesses, including goodwill. On obtaining a controlling interest through step acquisitions, previously held non-controlling interests are, at the time of obtaining control, remeasured at fair value with fair value adjustments recognised in the income statement.

The total impact on the income statement of fair value adjustments of non-

controlling interests in step acquisitions was DKK 0 million in H1 2025 (DKK 335 million in H1 2024).

The statements of fair values of acquisitions are not considered final until 12 months after the acquisition date.

## Transaction costs

Transaction costs in connection with acquisitions made in H1 2025 amount to DKK 6 million (DKK 5 million in H1 2024) and are recognised in distribution costs.

## Acquired assets and pro forma figures

The acquired assets include contractual receivables amounting to DKK 19 million (DKK 50 million in H1 2024) of which DKK 0 million (DKK 1 million in H1 2024) is considered to be uncollectible at the date of the acquisition. Of total goodwill in the amount of DKK 844 million (DKK 1,455 million in H1 2024), DKK 101 million (DKK 65 million in H1 2024) can be amortised for tax purposes.

Revenue and profit after tax generated by the acquired businesses since acquiring them in H1 2025 amount to DKK 193 million (DKK 87 million in H1 2024) and DKK 9 million (DKK 4 million in H1 2024), respectively. Had such revenue and profit been consolidated on 1 January 2025, it is estimated that consolidated pro forma revenue and profit after tax would have been DKK 11,306 million (DKK 11,184 million in

H1 2024) and DKK 1,119 million (DKK 1,205 million in H1 2024), respectively. Without taking synergies with our core business into account, we believe that these pro forma figures reflect the level of consolidated earnings after our acquisition of the enterprises.

## Acquisitions after the reporting period

The Group has acquired additional minor distribution enterprises from the reporting date and until the date of publication of this Interim Report 2025. We are in the process of estimating their fair values. The acquisition costs are expected to relate primarily to goodwill.

# Note 2 – Discontinued operations and assets held for sale

## Note 2.1 - Discontinued operations

(DKK million)	H1 2025	H1 2024	Full year 2024
Revenue	578	602	1,162
Expenses	-560	-719	-1,551
Gain/loss on divestment of enterprises and activities	-	-36	-25
Amortisation, depreciation and impairment losses	-20	-78	-224
<b>Profit before tax - discontinued operations</b>	<b>-2</b>	<b>-231</b>	<b>-638</b>
Tax on profit for the period	-11	77	134
<b>Profit for the period - discontinued operations</b>	<b>-13</b>	<b>-154</b>	<b>-504</b>
<b>Profit for the period for discontinued operations attributable to:</b>			
Demant A/S' shareholders	-13	-154	-504
	<b>-13</b>	<b>-154</b>	<b>-504</b>
Earnings per share (EPS), DKK	-0.06	-0.71	-2.32
Diluted earnings per share (DEPS), DKK	-0.06	-0.71	-2.32
<b>Cash flow from discontinued operations:</b>			
Cash flow from operating activities (CFFO)	80	-134	-247
Cash flow from investing activities (CFFI)	-7	-5	-38
Cash flow from financing activities (CFFF)	-69	-153	269
<b>Cash flow for the period, net - discontinued operations</b>	<b>4</b>	<b>-292</b>	<b>-16</b>

On 14 August 2024, the Group concluded on a review of the strategic options for the Communications business and announced its intention to initiate a significant restructuring plan, which was implemented immediately thereafter. The restructuring plan is ongoing, and the Group continues to pursue the divestment of the Communications business. The Communications business still meets the criteria for being classified as held for sale and a discontinued operation.

As previously communicated, the bone anchored hearing systems (BAHS) business will remain with the Group for the time being and continues to be considered a discontinued operation.

In H1 2025, discontinued operations, consisting of the Communications and BAHS businesses, realised a net operating loss after tax of DKK 13 million.

## Accounting policies

Discontinued operations represent a separate line of business disposed of or in preparation for sale. The results of discontinued operations are presented separately in the income statement, and comparative figures are restated. Assets and liabilities of discontinued operations are presented as separate items in the balance sheet, and cash flows from discontinued operations are presented separately in the cash flow statement.

## Note 2 – Discontinued operations and assets held for sale

### Note 2.2 - Assets held for sale and liabilities related to assets held for sale

(DKK million)	H1 2025	H1 2024	Full year 2024
<b>Balance sheet items:</b>			
Intangible assets	425	539	433
Property, plant and equipment	30	27	25
Lease assets	42	53	44
Deferred tax assets	27	54	47
Other non-current assets	1	155	1
<b>Non-current assets</b>	<b>525</b>	<b>828</b>	<b>550</b>
<b>Current assets</b>	<b>724</b>	<b>968</b>	<b>843</b>
<b>Assets held for sale</b>	<b>1,249</b>	<b>1,796</b>	<b>1,393</b>
Provisions	53	20	46
Lease liabilities	44	54	46
Other liabilities	207	278	252
<b>Liabilities related to assets held for sale</b>	<b>304</b>	<b>352</b>	<b>344</b>

Assets classified as held for sale as at 30 June 2025 comprise the Communications and BAHS businesses.

### Accounting policies

Assets and liabilities of discontinued operations and assets held for sale, except financial assets etc., are measured at the lower of their carrying amount and their fair value less costs to sell. Non-current assets held for sale are not depreciated.

### Key accounting estimates and judgements

No key estimates were identified.

# Note 2 – Discontinued operations and assets held for sale

## Note 2.3 - Divestment of enterprises and activities

(DKK million)	H1 2025	H1 2024	Full year 2024
Selling price	-	-	-
Net debt adjustment	-	-	25
<b>Selling price of divested enterprises and activities</b>	<b>-</b>	<b>-</b>	<b>25</b>
<b>Gain/loss on divestment of enterprises and activities:</b>			
Selling price of divested enterprises and activities	-	-	25
Net assets sold	-	-619	-619
Previously recognised impairment losses	-	612	612
Provisions as a result of the transaction	-	-18	-32
Transaction costs	-	-11	-11
<b>Gain/loss on divestment of enterprises and activities</b>	<b>-</b>	<b>-36</b>	<b>-25</b>
<b>Net profit from divestment of enterprises and activities:</b>			
Profit from divested discontinued operations	-	-51	-65
Gain/loss on divestment of enterprises and activities	-	-36	-25
<b>Net profit from divestment of enterprises and activities</b>	<b>-</b>	<b>-87</b>	<b>-90</b>

As at 30 June 2025, there have been no divestments.

In 2024, the Group divested its CI business to Cochlear Limited. The divestment resulted in a loss of DKK 25 million.

### Accounting policies

Gains or losses from the divestment of enterprises and activities are determined as the difference between the selling price and the carrying amount of the net assets divested.

Transaction costs and any provisions made for obligations related to the divestment of enterprises and activities are deducted.



## Note 3 – Accounting policies and estimates

This Interim Report 2025 is presented in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and further Danish disclosure requirements in respect of interim reports for listed companies. We have not prepared a separate interim report for the Parent. Interim Report 2025 is presented in Danish kroner (DKK), which is the functional currency of the Parent.

The accounting policies used for this Interim Report 2025 are the same as the accounting policies used for our Annual Report 2024 to which we refer for a full description. The Group has adopted all new, amended and revised accounting standards and interpretations as published by the IASB and adopted by the EU, effective for the accounting period beginning on 1 January 2025. The amendments, revised standards and interpretations have not had a significant effect.