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Inside information

Demant to sell Oticon Medical to Impilo

Today, Demant has signed an agreement to sell Oticon Medical to Impilo for a total contractual consideration of up to DKK 600 million, thereby concluding the process of divesting its Hearing Implants business area. The agreement ensures the continuity of Oticon Medical's business operations, its sustained strong position in the market, further growth as well as investments in future innovation for the benefit of customers and patients.

"I'm very happy that Impilo is taking over the ownership of Oticon Medical. Impilo is a Nordic company that knows the healthcare – and especially the MedTech – sector very well. They have a long-term perspective, and I'm confident that Oticon Medical will continue to prosper under its new ownership. Oticon Medical is leaving Demant in good shape, as the company has delivered good growth over the years and recently enhanced its product portfolio with the launch of the flagship product, Sentio. Demant is committed to supporting the transition of the business for the benefit of customers, patients and employees," says Søren Nielsen, President & CEO of Demant.

As part of the agreement – and to ensure business continuity – Demant will support Impilo for a defined period of time, as they develop Oticon Medical into a stand-alone business. These transitional services will include jointly developing next-generation products, supplying existing and future sound processors and providing local sales and customer support as well as administrative services, until such functions are established in Oticon Medical.

"We are thrilled to acquire Oticon Medical from Demant. Under Demant's leadership, Oticon Medical has established itself as a global leader in the bone anchored hearing systems (BAHS) market, renowned for its innovation and unwavering commitment to patient care. This acquisition marks an exciting new chapter for Oticon Medical, positioning the company for even greater growth and long-term success. In close partnership with Demant, we look forward to investing in and accelerating the development of cutting-edge BAHS solutions to further enhance patient outcomes worldwide," says Fredrik Strömholm, Managing Partner at Impilo.

Financial impact and transaction details

The transaction involves the divestment of Demant's Oticon Medical business for a total contractual consideration of up to DKK 600 million. Subject to net working capital and net debt adjustments, DKK 325 million will be paid in cash at closing, with the remaining payment contingent upon achievement of certain targets and milestones in the coming years. The proceeds from the divestment will be added to the Group's cash reserves and reduce the Group's gearing multiple.

The transaction is subject to customary closing conditions and regulatory approvals, and closing of the transaction is expected to take place no later than the end of Q1 2026.

Hearing Implants (Oticon Medical) is recognised as part of the Group's discontinued operations alongside Communications (EPOS). We now expect the loss from discontinued operations to be around DKK 200 million (previously profits of DKK 0-50 million) in 2025. The change in expectations is entirely due to provisions made now for the agreed future services and deliverables, which are not compensated for by the positive effect of the gain on the sale of Oticon Medical.

About Demant

Demant is a world-leading hearing healthcare group built on a heritage of care, health and innovation since 1904. The Group offers innovative technologies, solutions and expertise to help people hear better. In every aspect, from hearing care and hearing aids to diagnostic equipment and services, Demant is active and engaged. Headquartered in Denmark, the Group employs more than 22,000 people globally and is present with solutions in 130 countries, creating life-changing differences through hearing health. William Demant Foundation holds the majority of shares in Demant A/S, which is listed on Nasdaq Copenhagen and among the 25 most traded stocks.

About Oticon Medical

Oticon Medical is a global company in bone anchored hearing solutions – dedicated to bringing the power of sound to people at every stage of life. Oticon Medical collaborates with leading audiologists, surgeons and other hearing care professionals to empower tens of thousands of hearing implant users every single day, helping them live full lives – now and in the future.

About Impilo

Impilo is a Nordic investment company focused solely on investments in Nordic healthcare companies. Founded in 2017, Impilo manages approximately EUR 2 billion on behalf of prominent Nordic and international investors. The company's core philosophy is to generate sustainable and patient-centric growth, ensuring that their portfolio companies make meaningful contributions to the societies, markets and patients they serve. With offices in Copenhagen and Stockholm, Impilo is dedicated to fostering innovation and driving positive, long-term outcomes in healthcare.

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