

Company announcement no 2025-13

1 December 2025

Inside information

German translation of this announcement attached

Demant closes the acquisition of KIND

Today, Demant announces the completion of the transaction to acquire KIND Group (KIND), one of the world's leading retailers of hearing aids with around 650 hearing care clinics, following the fulfilment of all closing conditions. Combined with Demant's existing footprint in Germany, the Group now holds a leading position in the country with more than 900 clinics and more than 4,500 clinics worldwide.

"It is with great pride and excitement that we can now officially welcome KIND to the Demant Group following the successful closing of our agreement. This marks a significant milestone for both companies. By combining KIND's strong brand and proven track record with Demant's state-of-the-art technology, global scale and deep expertise in hearing care, we are now uniquely positioned to further expand our presence in Germany and beyond. This step is fully aligned with our purpose and ambition to create a positive difference in the lives of people living with hearing loss and reach as many people as possible with hearing treatment and innovative hearing aids," says Søren Nielsen, President & CEO of Demant.

Financial impact of KIND acquisition and future synergies

On a pro-forma basis, KIND is expected to contribute annual revenue of around DKK 2,000 million to the Demant Group in 2026. This is slightly lower than the initial expectation of revenue around DKK 2,200 million due to weaker-than-expected market growth in 2025. Despite the lower market growth this year, KIND is currently expected to contribute an annual EBIT margin before special items of around 15%, corresponding to approximately DKK 300 million.

The acquisition offers important synergies in terms of both revenue and costs, which are expected to be fully realised by the end of 2027 and to take full-year effect from 2028. This includes KIND getting full access to Demant hearing aid technology as well as synergies to be obtained through a carefully planned integration. Once synergies are fully realised, we expect KIND to contribute an EBIT margin of around 20%.

As previously communicated and based on the above metrics, KIND is expected to generate strong cash flows, and the inclusion of KIND is expected to be slightly accretive to the Demant Group's earnings per share (EPS) in 2026.

Special items

Following closing, we now anticipate recognising costs under special items of around DKK 175 million, which primarily relate to various transaction and integration costs associated with the acquisition. Of this amount, approximately DKK 50 million is expected to be recognised in 2025. The remaining amount of around DKK 125 million is projected to be recognised during 2026.

Outlook for 2025

As communicated on 4 November 2025, our outlook for 2025 was updated to organic growth of 1-3% and an EBIT before special items of DKK 3,900-4,300 million, both likely in the lower end of the range. Upon closing of the acquisition, KIND will be included in Demant's consolidated financial statements from 1 December 2025. This inclusion will be immaterial to the 2025 financial outlook.

For modelling purposes, the growth contribution to Demant from acquisitions in 2025 is expected to be 3% (previously 2%). Following closing and payment of the total consideration of EUR 700 million, our gearing multiple

(NIBD/EBITDA) is expected to be around 3.5 at the end of 2025 as communicated in our company announcement on 11 June 2025. The Group will prioritise deleveraging and expects to return to the gearing target range of 2.0-2.5 within 18 to 24 months from today, and we remain committed to our capital allocation priorities.

Ensuring continuity

Following closing of the transaction, it is Demant's priority, in close collaboration with the local KIND leadership, to maintain continuity, while ensuring a high level of service to customers. In the coming period, we will work on integrating KIND into Demant's existing Hearing Care business, which includes welcoming 3,000 new colleagues to the Group as well as continuing to focus on delivering new and innovative solutions to the market.

"Considering our ambition to grow through acquisitions, the KIND acquisition serves as a catalyst for Demant's Hearing Care strategy and not least for our aspirations to help even more people hear better. I look forward to welcoming the KIND organisation to Demant. We share a strong belief in the value of professional, in-person counselling and care for hearing aid users. Both companies have traditionally invested in ongoing training of hearing care professionals to have the most qualified clinic staff in the industry and to retain and attract employees, which we will continue to do going forward," says Niels Wagner, President of Hearing Care at Demant.

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