



Investor Presentation

August 16, 2022

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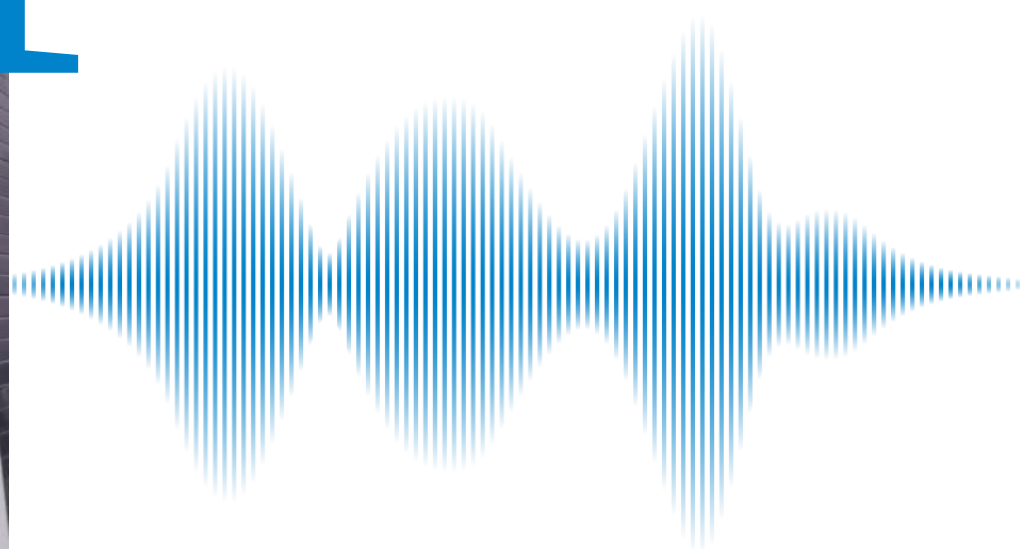
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Sonova Group & hearing care market



Key highlights – FY 2021/22

Sales



CHF 3,364m
+29.0% in LC
(2y CAGR: +9.7% in LC)

EPS (adj.)



CHF 10.76 per share
+39.6% in CHF
(2y CAGR: +27.4% in LC)

Sales outlook



+15-19%
growth in LC
in FY 2022/23

EBITA (adj.)



CHF 844.4m
+39.3% in LC
(2y CAGR: +21.8% in LC)

Consumer access



Significant expansion of
the AC network & entry
into the consumer
hearing segment

EBITA (adj.) outlook



+6-10%
growth in LC
in FY 2022/23

Reasons to invest in Sonova

Attractive market

- Attractive secular growth drivers
- Resilience to economic cycles
- Good penetration potential in both HI & CI
- Continued potential to innovate “Better Hearing”
- Opportunity to elevate hearing aids to become a “healthy living companion”

Leading market position

- Leading positions in key market segments
- Advanced vertically integrated business model
- Broadest and most advanced product offering
- Global and differentiated distribution network



Strong financials

- Attractive margin with further upside
- Significant capacity for growth investments
- Strong balance sheet
- Solid free cash flow and low tax rate

Note: HI = Hearing Instruments; CI = Cochlear implants

► **Strong fundamentals and attractive growth potential fully intact**

Our businesses

Company structure and key brands

Hearing Instruments segment

Hearing Instruments



PHONAK **unitron**

Audiological Care



AudioNova

Consumer Hearing



SENNHEISER

Cochlear Implants segment

Cochlear Implants



AB **ADVANCED BIONICS**

Product and service offering

Broadest and most advanced offering of hearing care solutions

SENNHEISER

Consumer Hearing



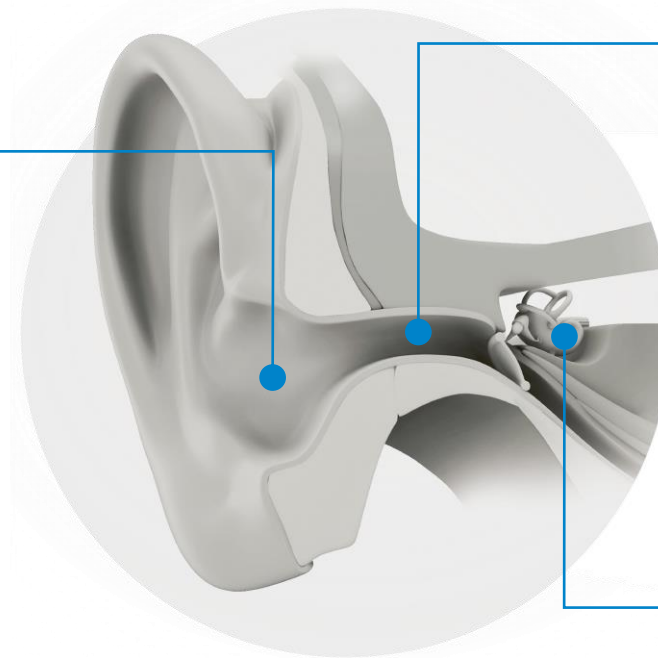
Premium & True Wireless headphones



Enhanced hearing



Audiophile



PHONAK unitron

Hearing Instruments



Receiver-In-Canal (RIC) hearing instruments



In-The-Ear (ITE) hearing instruments



Behind-The-Ear (BTE) hearing instruments



Roger wireless systems



Cochlear Implants



Sound processors



Cochlear implant systems with electrodes

AudioNova

Audiological Care



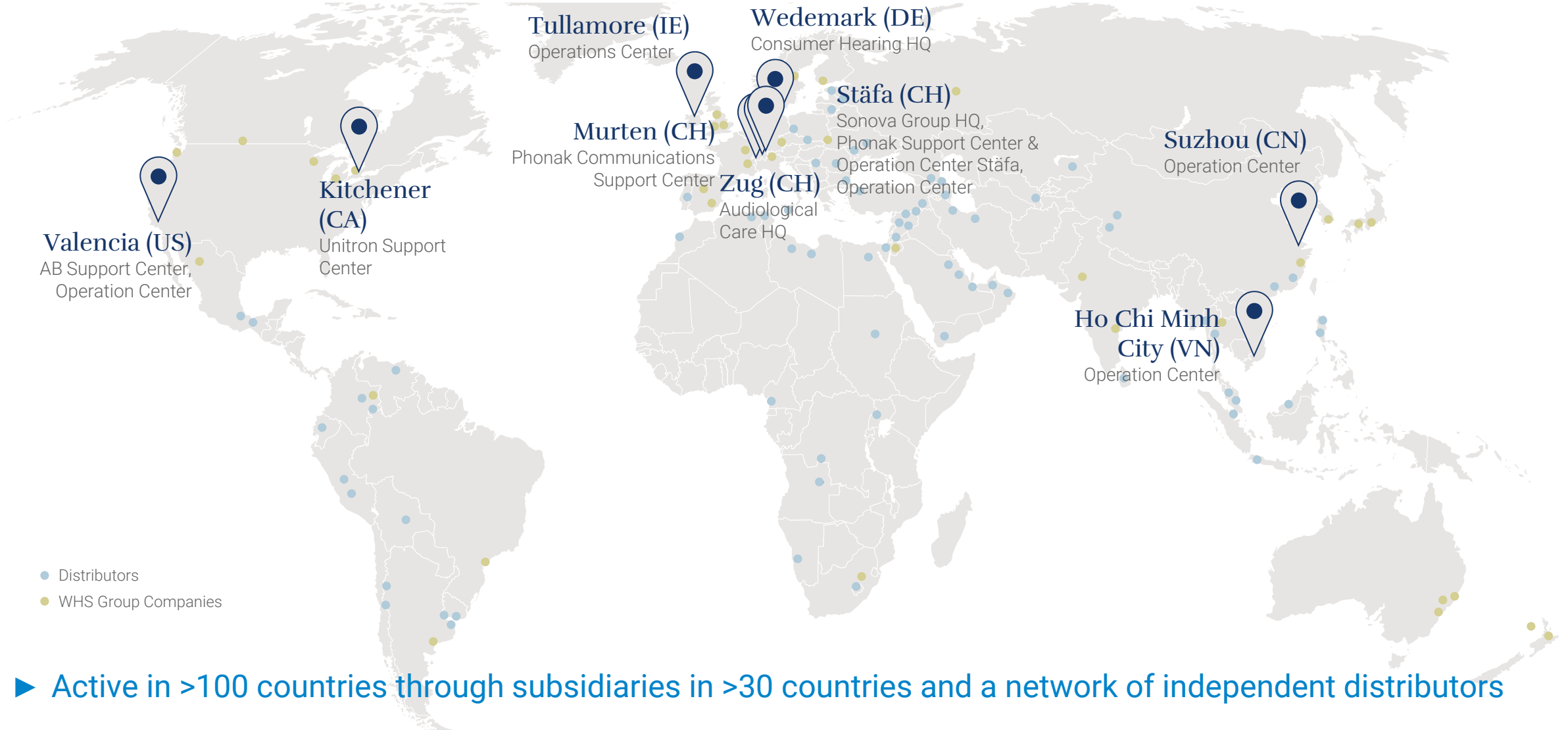
Individual diagnostics and analysis

Hearing assessments and counseling, personalized fitting of hearing aids

After care and hearing aid maintenance services

Our footprint

Strong global presence

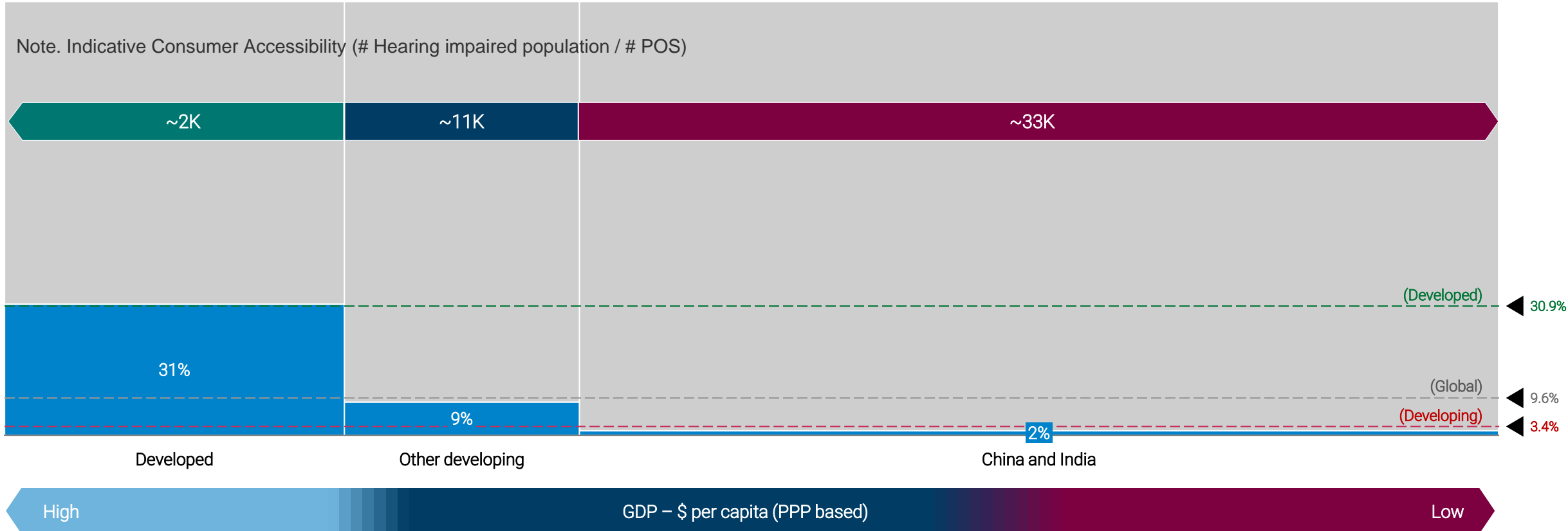


▶ Active in >100 countries through subsidiaries in >30 countries and a network of independent distributors

Market potential

Market penetration and access to hearing care

Label ■ HI users ■ Hearing impaired w/ no HI ◀ Avg. adoption rate % Note. Bar width = Hearing impaired population



► **Current penetration levels and improving consumer access to hearing care offers significant upside**

Hearing care market

Attractive size and growth potential

Hearing Instruments manufacturing

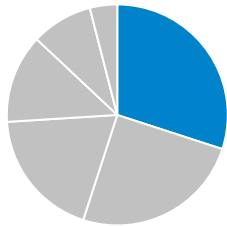


~ CHF 6-7 bn

~ 18-19 mln units

Market CAGR: ~3-5%

1 in the HI market



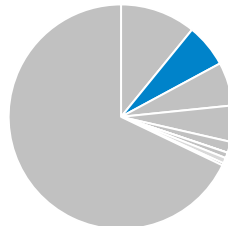
Audiological Care



~ CHF 11-12 bn

Market CAGR: ~ 3-5%

2 in the retail market



Cochlear Instruments manufacturing

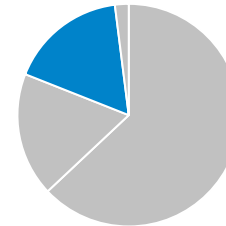


~ CHF 1.5 bn

~65k units

Market CAGR: ~5-10%

2/3 in the CI market



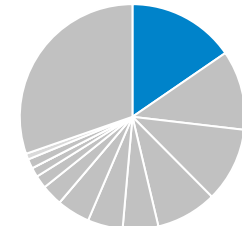
Total hearing care market



~ CHF 19-20 bn

Market CAGR: ~4-5%

1 in the hearing care market

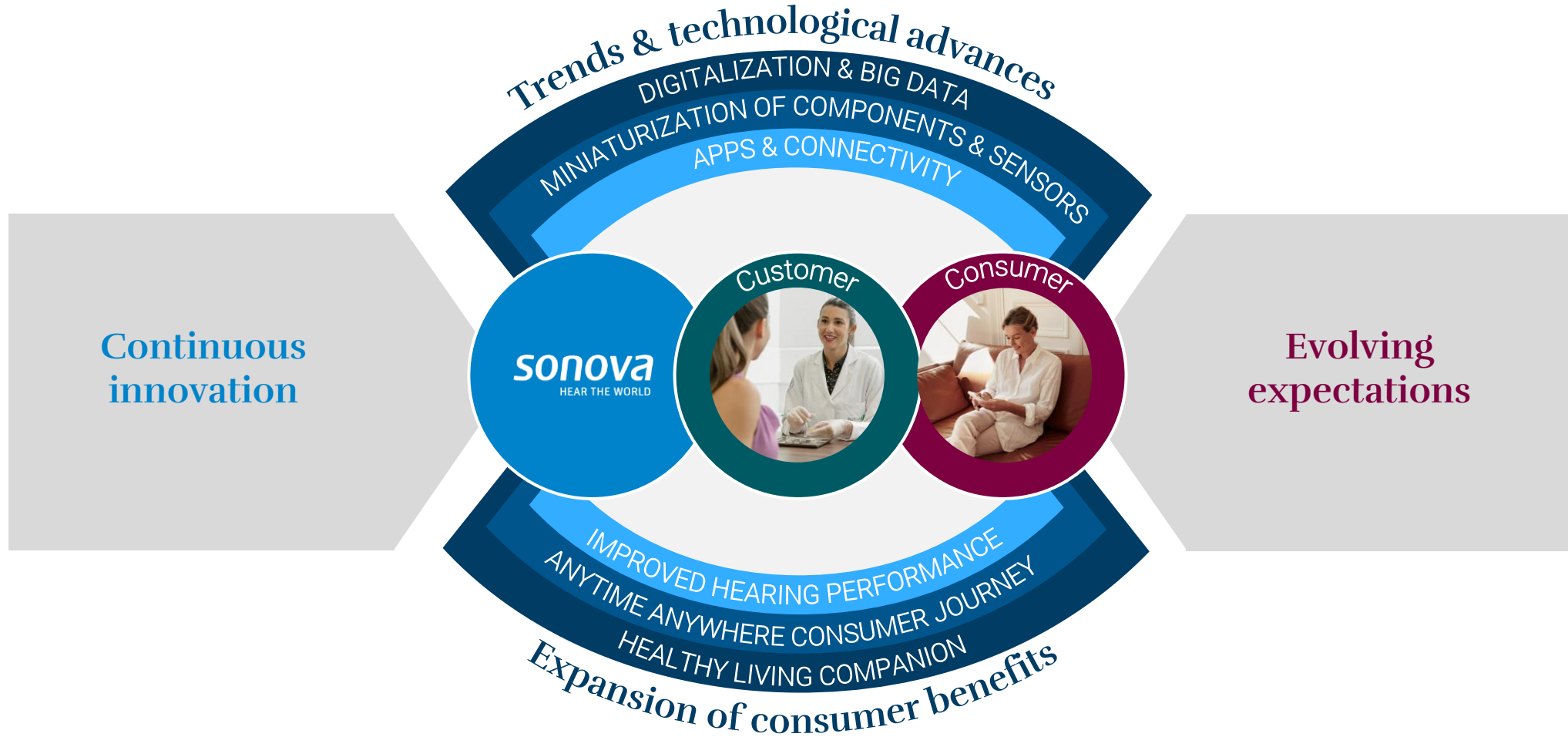


► **Sonova – #1 position in the overall hearing care market**

Source: Sonova estimates for market size in CY 2021; market CAGR refers to mid-term growth rate post COVID effects

Market trends

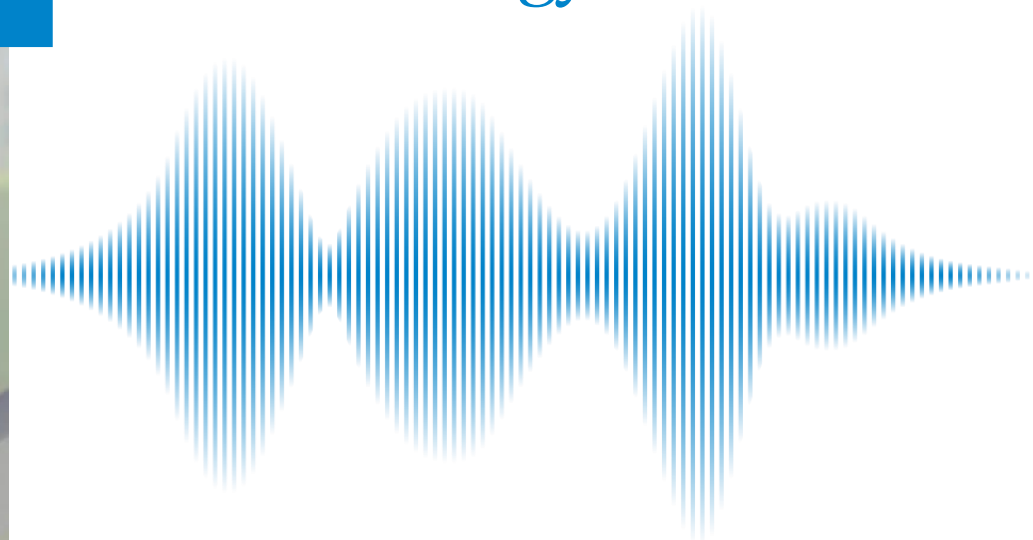
Technological advances and expansion of consumer benefits



- ▶ Sonova's opportunity: Innovation leadership to address megatrends and to elevate consumer journey

2

Our strategy



Our strategy

Six strategic pillars



► Further progress achieved on our proven strategy, especially on expansion of our consumer access

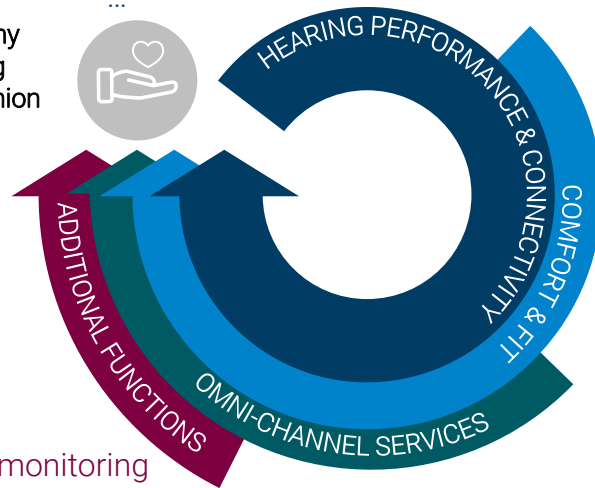
Lead innovation

Building up competence in Artificial Intelligence and sensor technology

Innovation framework

- Effortless communication in daily life powered by AI
- Natural and authentic sound quality
- Seamless adaptation to environment
- Multi-media streaming
- ...

Healthy living companion



- Wearing comfort
- Size, aesthetics, handling
- Rechargeability
- Reliability
- ...

- Fitting tool innovation
- First fit acceptance
- Personalization
- User empowerment
- Audiology Service Innovation
- ...

- Vital signs monitoring
- Physical activity tracking
- Balance monitoring
- Tinnitus therapy
- ...

Our R&D focus investments

- ➔ Continued expansion of processing power
 - Proprietary processing and connectivity chip technology
- ➔ Elevating algorithms to enhance hearing performance
 - Augmenting existing algorithm technology with AI technologies
- ➔ Broadening functionality towards healthy living benefits
 - Sensor technologies and algorithms
 - Collaborations with medical institutions on comorbidities
- ➔ Expanding consumer applications
 - App development and link into existing ecosystems

▶ Driving innovation to elevate hearing aids – Expanding R&D investments, DD 3-year CAGR

Leading innovation

Phonak Audéo Fit – launch announced in April 2022



*Compared to Phonak Audéo Marvel

Note: In order to access health data, it is necessary to create an account within myPhonak app

1. Appleton, J. (2020) AutoSense OS 4.0 - significantly less listening effort and preferred for speech intelligibility. Phonak Field Study News retrieved from www.phonakpro.com/evidence, accessed November 2020.

► Building on proven Paradise technology with additional health functionalities

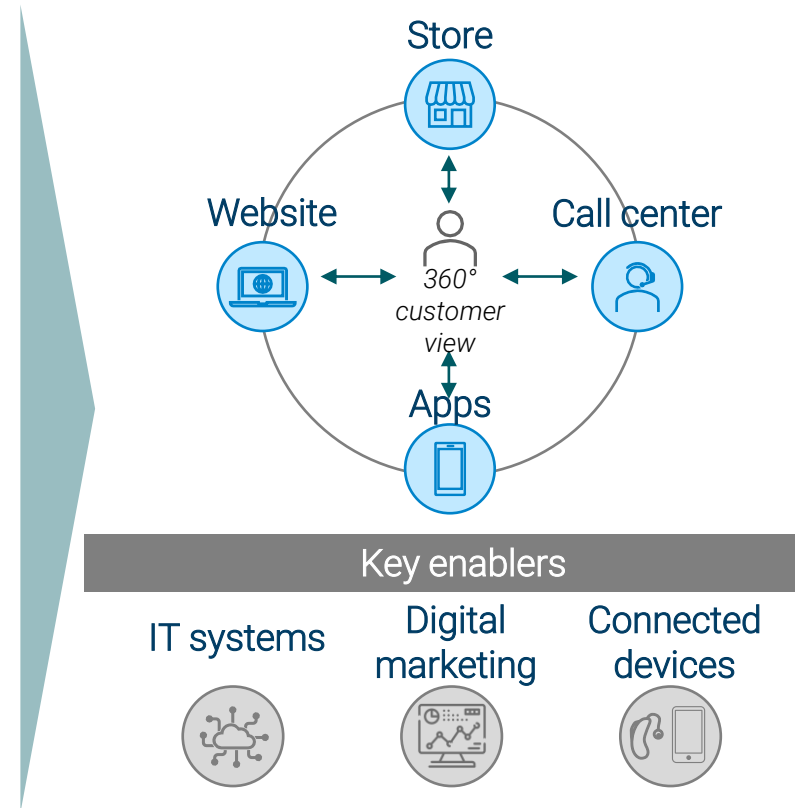
Expand consumer access – Omni-channel AC network

Proactive approach to serve changing consumer needs and driven by digitalization

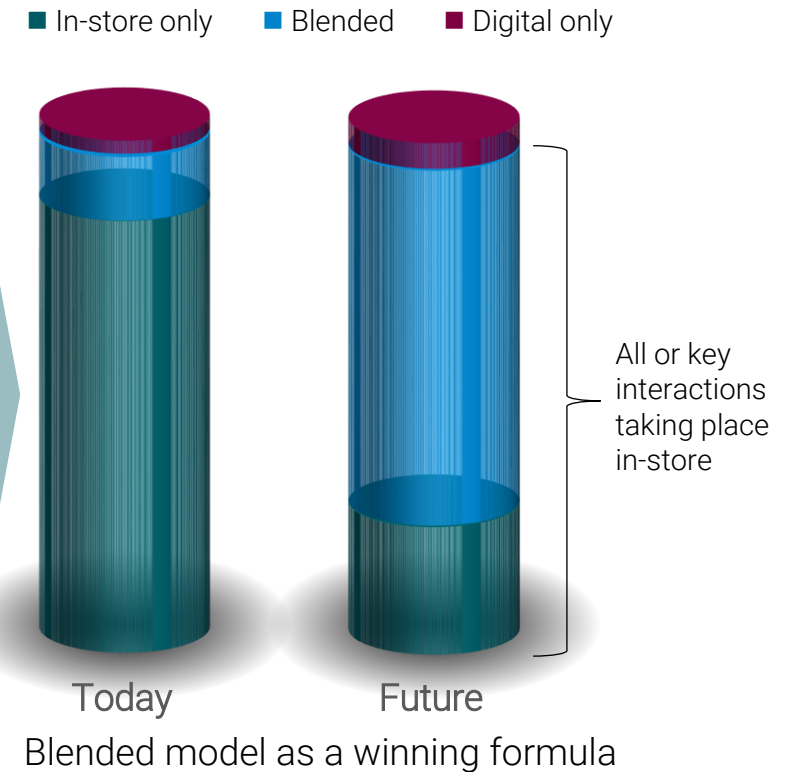
Omnichannel strategic pillars



Ecosystem



Evolution of the channel mix



► Sonova Audiological Care in a strong position to successfully drive omni-channel consumer journey

Expand consumer access – AC network expansion

Continued bolt-on acquisitions and greenfield openings

Systematic approach to:

- ➔ Increase store density
- ➔ Optimize the store footprint
- ➔ Enter new growth markets

Balance sheet investments:

Higher spending for bolt-ons

- ➔ Planned cash-out of 70-100 million p.a.

Over CHF 430 million invested in FY 21/22, adding over **400 POS** and more than CHF 170 million sales p.a.



P&L investments:

Expansion with various store formats

Opened over **100 POS** in FY 21/22 incl. 12 new World of Hearing stores



Mid-term:

targeting combined MSD to HSD percentage points average annual growth contribution in AC

▶ Significant network expansion realized in FY 2021/22 in line with our strategy

Extend reach through commercial excellence

Driving growth beyond product innovation through sales, marketing and pricing excellence

Enabling sustainable market share gains



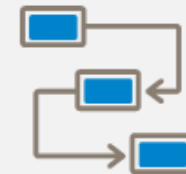
- Elevating commercial execution to drive market penetration
- Driving growth beyond product launches and innovation

Three workstreams



- 1 **Sales excellence:** Improving sales productivity and funnel management to unlock or grow target segments with biggest growth potential
- 2 **Marketing excellence:** Improving B2B marketing to increase market visibility and ability to drive segment specific campaigns
- 3 **Pricing Excellence:** Building pricing capabilities by strengthening pricing execution process and enablers

Rollout plan



- Continuous improvement in Wave 1 Summit GCs (US, DE, FR, UK)
- Sales Ex deployment in Wave 2 countries (CA, ES) – launched in Dec. 2020
- GTM phase 2 in the US (more FOTS)
- Processes and learnings to be standardized for global deployment

► Grow customer base through better coverage and commercial execution

Invest in high growth markets

Consumer journey innovation – Omni channel model in China

Lead generation

- Lead generation factory for Audionova & wholesale partners
- Leading followership
- Strategic platform partnerships



Engagement

- Platform apps as portal for screening, appointment, eCommerce, etc.
- Personal invitation by call center
- Membership privileges

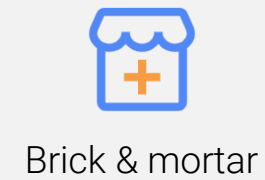


Conversion

Online stores



Own stores



Network partners



▶ Executing our omni-channel approach from consumer engagement to fulfillment

Continuous process improvement & structural optimization

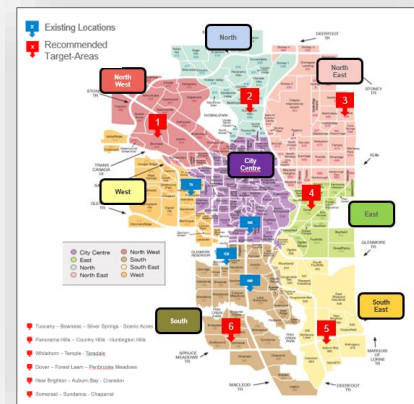
Audiological Care – Examples of continuous improvement of same-store base

Marketing excellence



- Increase referrals from physicians and ear nose and throat doctors (ENTs)
- Expand digital lead generation

Geo-optimized store portfolio management



- Systematic and data-driven process to optimize store network

In-store excellence



- Improve audiologist productivity through standardized calendar management

► Driving same-store growth and delivering funds to invest into next tier growth opportunities

Leverage M&A to accelerate growth strategically

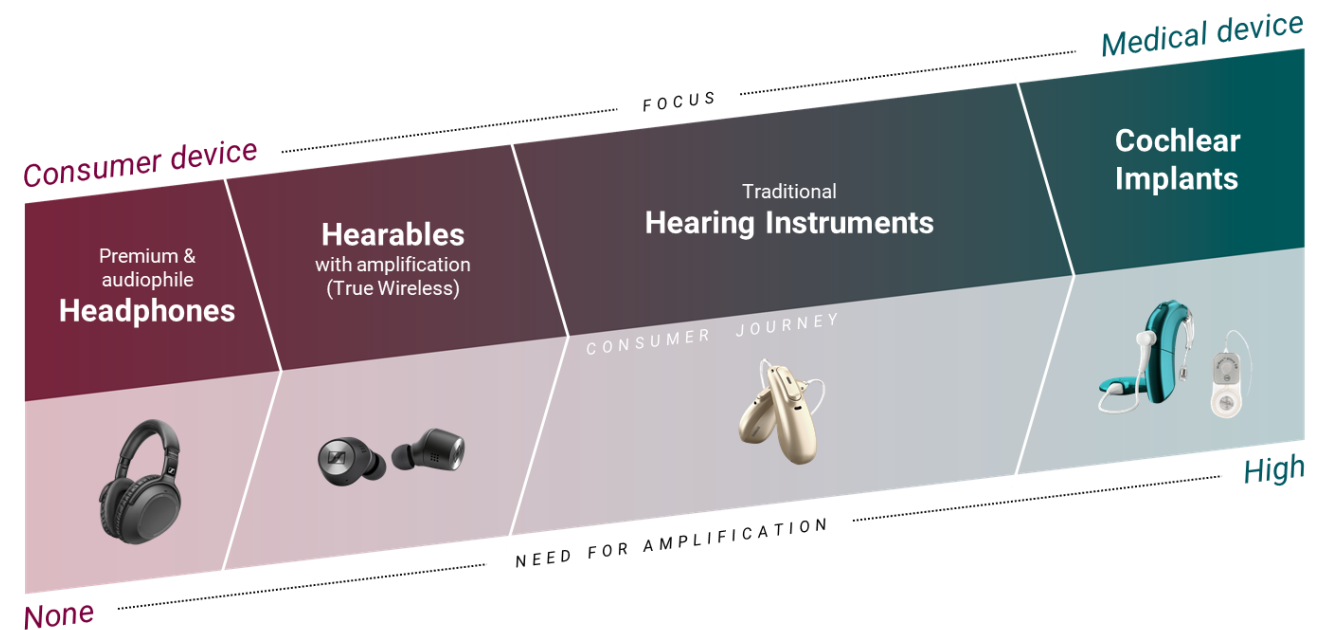
New Consumer Hearing business – Acquisition of Sennheiser Consumer Division

Strategic rationale:

- Joining forces in rapidly developing segment of **hearables with amplification**, jump-starting Sonova's own efforts
- Adding an **additional growth vector** by entering the fast-growing market of True Wireless headsets
- Expanding reach by capturing potential hearing instrument consumers **earlier on their journey**
- Gaining **access to new channels** and leveraging the strong Sennheiser brand
- **Leveraging the combined strengths** of Sonova's audiological expertise and Sennheiser's know-how in premium sound delivery
- Exploiting **significant synergies** in production, R&D and channel access



Sennheiser Consumer Division

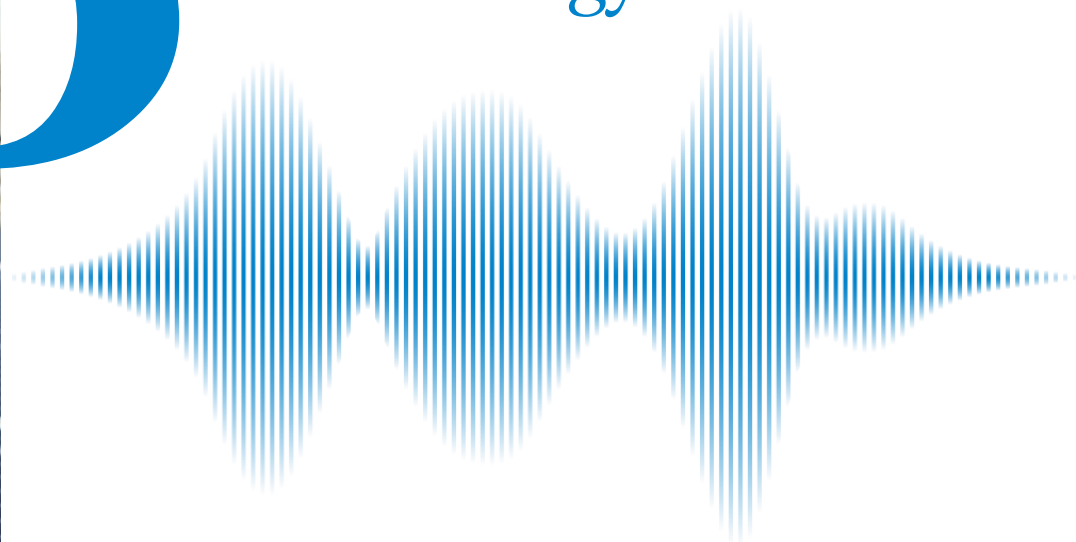


► Expanding Sonova's reach along the consumer journey leveraging Sennheiser's well established platform



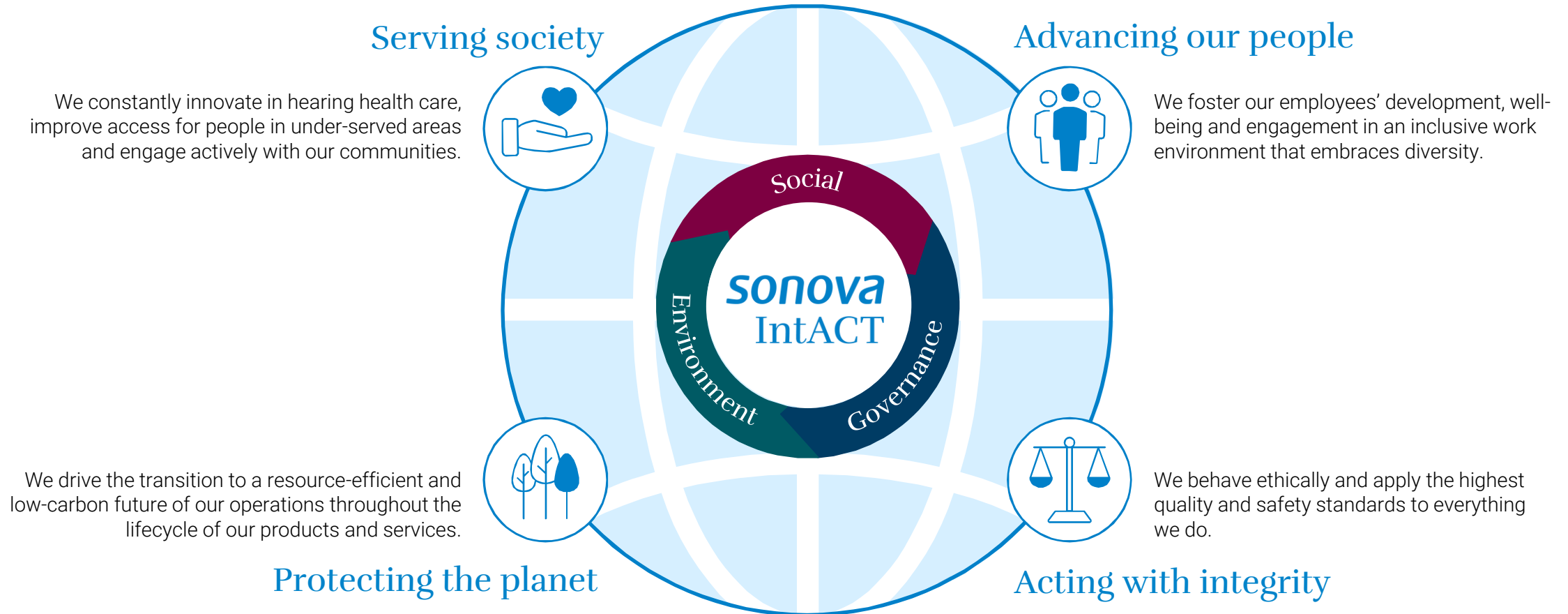
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ESG strategy



Sonova's commitment to sustainable success

IntACT – Sonova's ESG Strategy



► Advanced ESG strategy clustered around four strategic areas

ESG highlights

Select achievements highlighting progress towards our ESG commitments



Environmental

- ▶ Achieved **carbon neutrality in our own operations** (Scope 1 and 2 CO₂e emissions) through energy efficiency measures, strongly increasing our renewable energy ratio, and investing in certified offsetting projects in China, Vietnam, and Brazil
- ▶ Completed a **full Scope 3 CO₂e emissions assessment** to quantify all greenhouse gas emissions along our value chain

▶ Substantial progress in FY 2021/22



Social

- ▶ Implemented global **employee health & wellbeing** measures, including the launch of global hybrid working guidelines
- ▶ 97% of non-production or assembly employees have a **personal development plan**
- ▶ Increase of **share of women in key positions** from vs. PY 33.5% to 35.2%
- ▶ Over 97% of employees have received **training on unconscious bias**



Governance

- ▶ Conducted Sonova's first pilot **human rights impact assessment** to advance and further align our human rights due diligence across our value chain with international frameworks, such as the UNGP and OECD Guidelines
- ▶ >30% **product reliability improvement** of rechargeable technology from Audéo™ Marvel to Audéo™ Paradise

ESG ratings

Commitment to sustainability is integrated in our business and culture

Sonova ESG ratings

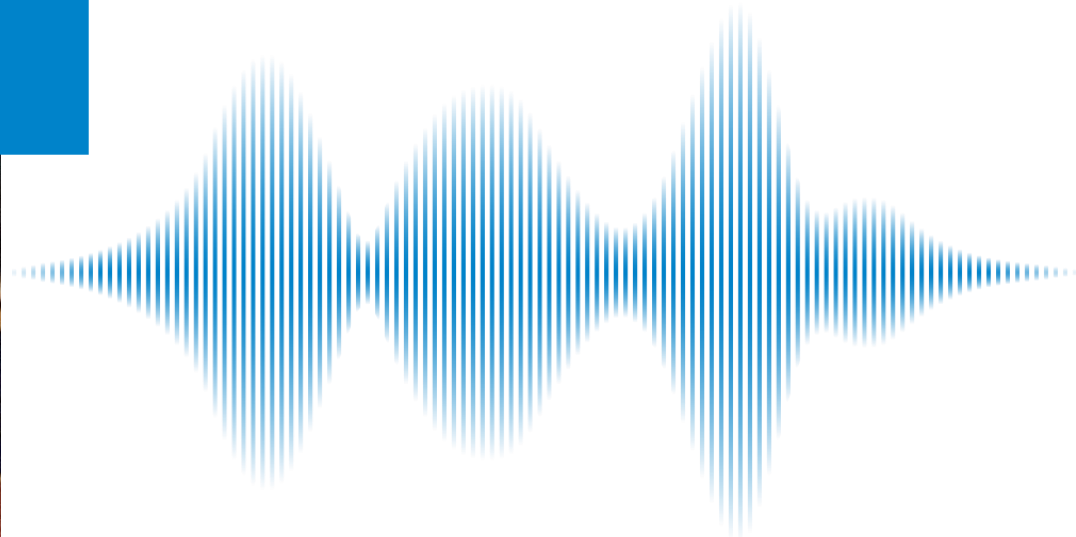
<p>B</p>	<p>AA</p>	<p>Low ESG risk</p>	<p>Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA</p> <p>DJSI member</p>
<p>Status: Prime (C+ or better) Industry position: Top 10%</p> <p>Last rating update: 12 Feb 2022</p>	<p>Sonova received an MSCI ESG Rating of AA.</p> <p>Last rating update: 22 Oct 2021</p>	<p>ESG Risk Rating</p> <p>15.2 Low Risk</p> <p>Ranking</p> <p>Industry Group (1st = lowest risk) Healthcare 17 out of 609</p> <p>Last rating update: 18 Mar 2022</p>	<p>Member of indices: DJSI World & DJSI Europe</p> <p>78 /100 ESG score</p> <p>98th Industry percentile</p> <p>Last rating update: 12 Nov 2021</p>

► Major rating agencies confirm Sonova’s industry-leading ESG performance



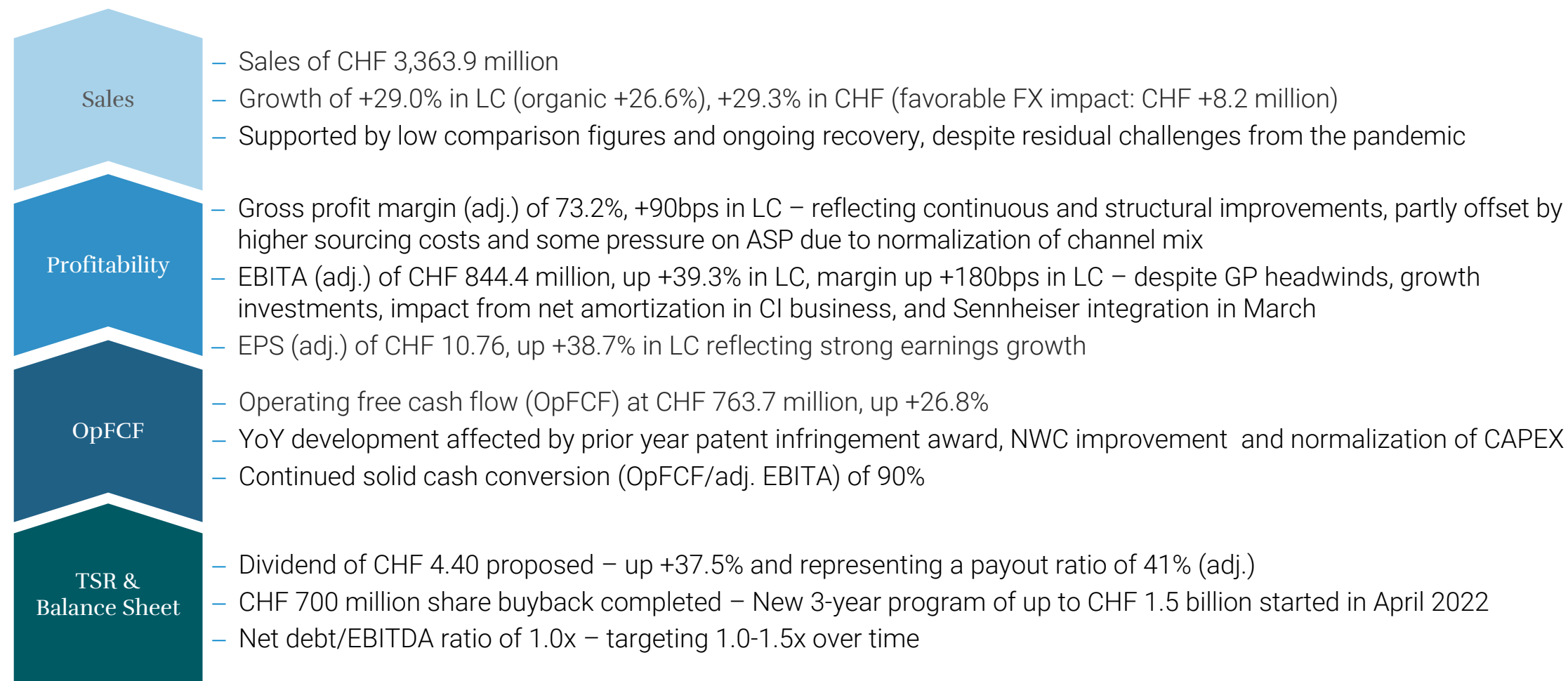
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Financial Information



Full Year 2021/22 – Highlights

Building on Sonova's proven strategy – Delivering continued strong financial performance



Note: adj. refers to adjusted figures; for details, please refer to Appendix – Non-GAAP adjustments

Full Year 2021/22 – Key financials

	CHF m	Margin	Δ % in LC	Δ margin in LC	2y CAGR in LC	Comments
Sales	3,363.9		+29.0%		+9.7%	
Gross profit (adj.)	2,463.7	73.2%	+30.6%	+90bps	+10.8%	– Continuous improvement, partly offset by sourcing & freight costs in H2 – ASP headwind from further normalization of the channel mix
OPEX (adj.)	1,619.2		+26.4%		+5.9%	– Investments in growth initiatives funded by cost optimization
EBITA (adj.)	844.4	25.1%	+39.3%	+180bps	+21.8%	– Supply Chain headwinds and dilutive effect from acquisitions in 2H partly offset structural and continuous improvements in COGS
Adjustments	-41.5					
EBITA (reported)	802.9	23.9%	+20.3%	-170bps	+25.8%	– Prior year benefitted from patent infringement income
Acq. rel. amortization	-42.9					– In line with prior year level
EBIT (reported)	760.0	22.6%	+21.9%	-130bps	+27.8%	
Financial result	-31.8					– Step up in debt
Tax	-64.5					– Step up of underlying tax rate to 14.5% (FY 2020/21: 12.5%)
Net profit (reported)	663.6	19.7%	+12.5%	-290bps	+22.8%	
EPS (adj. in CHF)	10.76		+38.7%		+27.4%	– Driven by strong earnings growth
EPS (reported in CHF)	10.42		+12.2%		+23.6%	– Up +13.0% in CHF and 12.2% in LC (2y CAGR: +17.0% in CHF)

Note: adj. refers to adjusted figures; for details, please refer to Appendix – Non-GAAP adjustments

► **Strong development supported by solid market recovery, low comparison base and strong execution**

Hearing Instruments segment

Continued strong momentum and progress on profitability

Sales

CHF 3,084m

+27.2% vs. PY in LC

+9.4% 2y CAGR in LC

EBITA (adj.)

CHF 807m

+30.2% vs. PY in LC

+19.2% 2y CAGR in LC

Margin 26.2%: +60bps

HI business

Sales:

CHF 1,838m

+25.4% vs. PY in LC

+9.5% 2y CAGR in LC

+25.5% organic growth

AC business

Sales:

CHF 1,237m

+29.1% vs. PY in LC

+9.0% 2y CAGR in LC

+23.4% organic growth

CH business

Sales:

CHF 9m

Segment sales

- Strong organic growth further supported by accelerated M&A activity
- Ongoing market recovery despite some residual headwinds from COVID-19 pandemic
- Continued momentum of Phonak Paradise supported by commercial execution
- Limited contribution of newly formed Consumer Hearing business in the final month of FY 2021/22

Segment profitability

- Benefiting from higher sales volume
- Healthy balance between higher growth investments and continued margin expansion
- Supply chain constraints and dilutive effect from acquisitions affecting profitability development

Note: adj. refers to adjusted figures; for details, please refer to Appendix – Non-GAAP adjustments

► **Strong sales and sustainably high profitability despite unforeseen headwinds and growth investments**

Cochlear Implants segment

Strong demand for the new Marvel sound processors

Sales

CHF 279.9m

+51.7% vs. PY in LC

+10.5% 2y CAGR in LC (adj)

EBITA (adj.)

CHF 36.8m

Margin 13.2%

Up from negative EBITA in PY,
highest in history

System sales

CHF 175.8m

+35.7% vs. PY in LC

+2.9% 2y CAGR in LC (adj.)

Upgrade sales

CHF 104.1m

+88.9% vs. PY in LC

+28.1% 2y CAGR in LC

Cochlear implant systems

- Pick-up of elective surgeries at the start of the year
- Held back by supply shortages and rising infection rates leading to hospital staffing shortages in 2H
- Recapturing market share after the voluntary field corrective action

Upgrades and accessories

- Strong market response to new sound processors based on proven Marvel technology

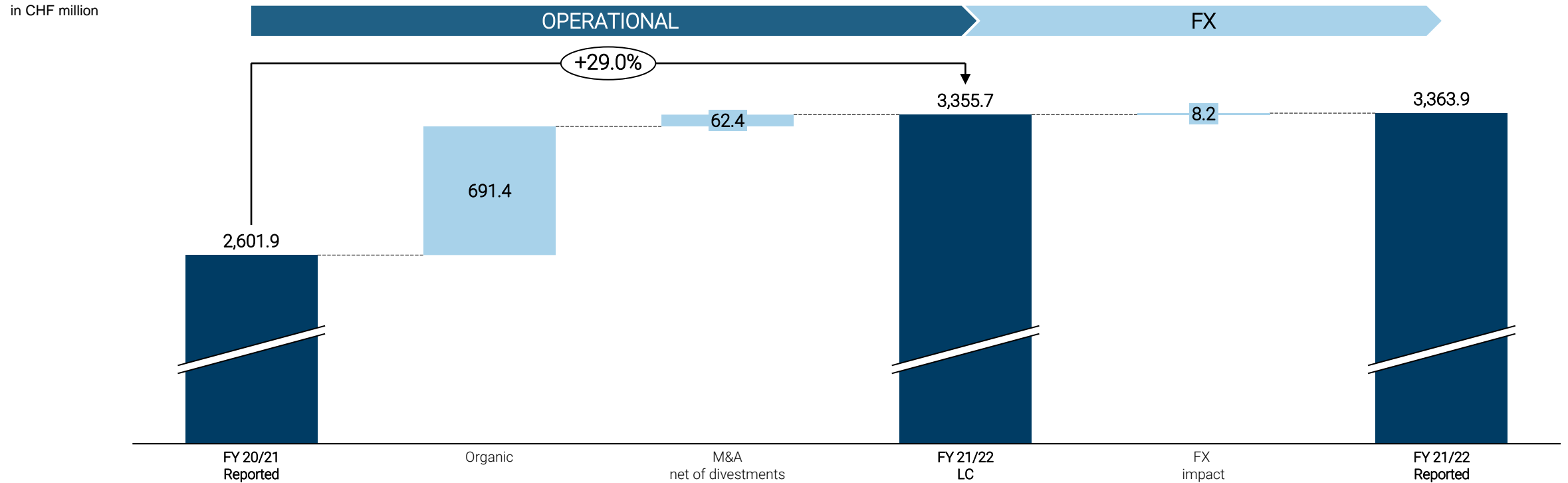
Segment profitability

- Double-digit profitability supported by continuous and structural improvements
- Positive ASP development supported by innovation and strong market recovery in the US
- Significant net amortization of capitalized development costs after Marvel processor launch

Note: adj. refers to adjusted figures; for details, please refer to Appendix – Non-GAAP adjustments

► **Strong growth and market share gains – Continuous and structural improvement driving profitability**

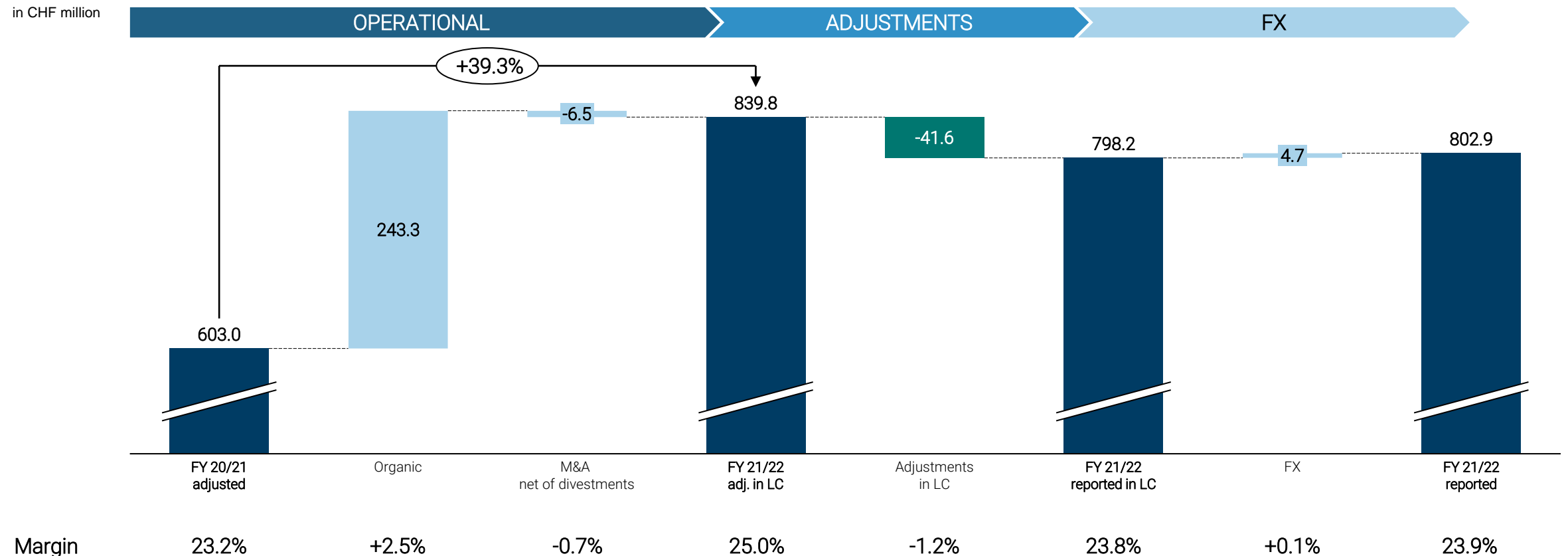
Sales components



YoY growth components	+26.6%	+2.4%	+29.0%	+0.3%	+29.3%
2-year CAGR	+8.4%	+1.3%	+9.7%	-2.3%	+7.4%

► Strong sales momentum supported by market recovery – Good contribution from higher M&A activity

EBITA components



Note: adj. refers to adjusted figures; for details, please refer to Appendix – Non-GAAP adjustments

► Strong YoY margin improvement – in 2HY partly offset by supply chain headwinds and dilution from M&A

Operating Expenses

	FY 2021/22			FY 2020/21	
	CHF m	Δ % in LC	2y CAGR in LC	CHF m	Comments
Research & Development (adj.) in % of sales	-229.4 6.8%	+28.7%	+19.3%	-177.9 6.8%	<ul style="list-style-type: none"> – Targeted step up in new technology investments – CI amortization of capitalized development costs significantly exceeding capitalization (trend reversal with net P&L impact)
Sales & Marketing (adj.) in % of sales	-1,090.1 32.4%	+26.5%	+4.9%	-858.6 33.0%	<ul style="list-style-type: none"> – Network expansion and investments in lead-generation – Reduced store foot traffic leading to higher costs per lead
General & Administration (adj.) in % of sales	-299.8 8.9%	+23.5%	+1.3%	-242.0 9.3%	<ul style="list-style-type: none"> – Ongoing investment in CRM platform for AC business – One-time impact of provisions related to Russia
Other income/expenses (adj.)	0.0	NM	NM	1.4	
Total OPEX (adj.) in % of sales	-1,619.2 48.1%	+26.4%	+5.9%	-1,277.1 49.1%	<ul style="list-style-type: none"> – Minor government support vs. CHF 42.5 million in PY
Adjustments	-38.5	NM	NM	66.9	<ul style="list-style-type: none"> – FY 2020/21: net benefit due to AB patent award – FY 2021/22: costs related to restructuring, M&A and legal
Total OPEX (reported) in % of sales	-1,657.7 49.3%	+36.6%	+5.6%	-1,210.3 46.5%	

Note: Operating expenses excluding acquisition related amortization; adj. refers to adjusted figures; for details, please refer to Appendix – Non-GAAP adjustments

► Step-up of growth investments funded by good cost control

Capital allocation

Total shareholder return (TSR) strategy

Sonova TSR strategy

1. Acquisitions

- Bolt-ons: CHF 70-100 million p.a.
- Strategic and technology acquisitions

2. Attractive dividend

- Maintain payout ratio of around 40%

3. Healthy balance sheet

- Targeting net debt / EBITDA ratio of 1.0-1.5x over time

4. Share buyback

- New three-year buyback program of up to CHF 1.5 billion

- Total M&A cash-out: around CHF 600 million spent for AC network expansion and acquisition of the Sennheiser Consumer Division

- Over CHF 200 million distributed
- Dividend increase of 37.5% proposed, resulting in cash distribution of over CHF 260 million

- Equity ratio of 43.5%
- Net Debt/EBITDA ratio of 1.0x.

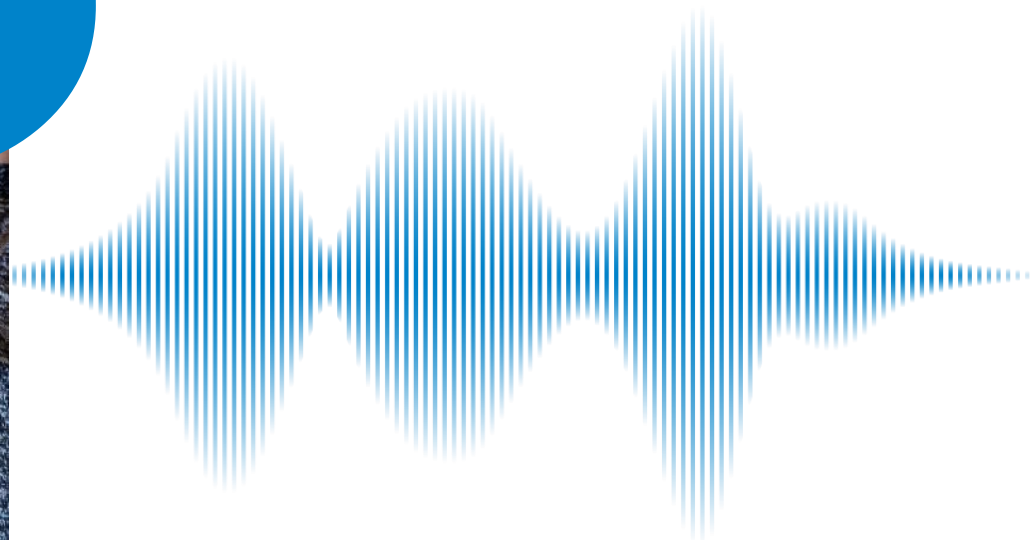
- 2021-22 buyback completed March 28
- Shares worth CHF 699.3 million bought back

► TSR strategy aimed at creating shareholder value – Significant cash deployed in FY 2021/22



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Outlook



Outlook

Guidance and mid-term target as of August 16, 2022

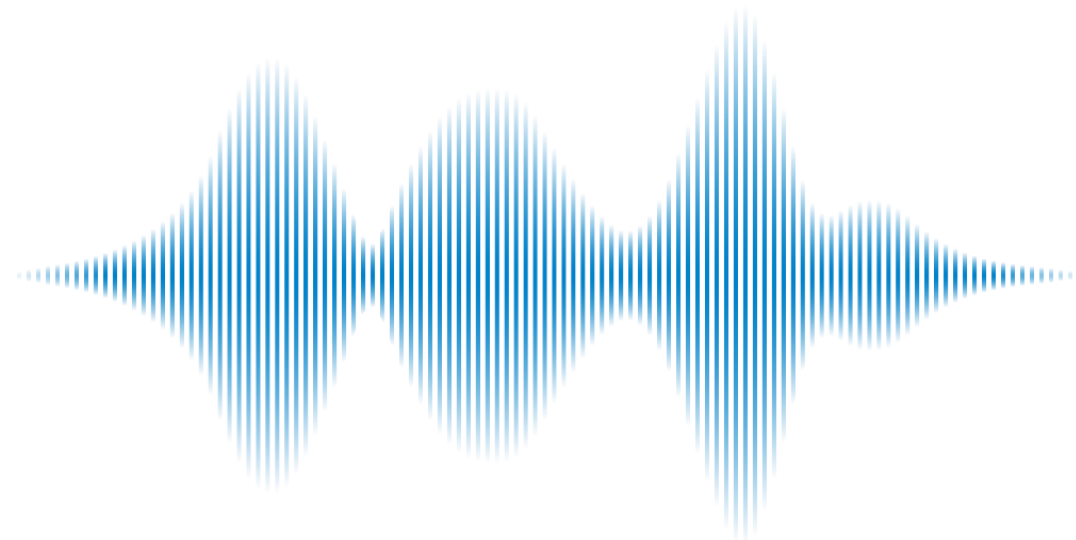
In LC	Guidance FY 2022/23	Mid-term Target
Sales growth	+15% to +19%	+6% to +9% p.a.
adj. EBITA growth	+6% to +10%	+7% to +11% p.a.

Note: adj. refers to adjusted figures; for details, please refer to Appendix – Non-GAAP adjustments



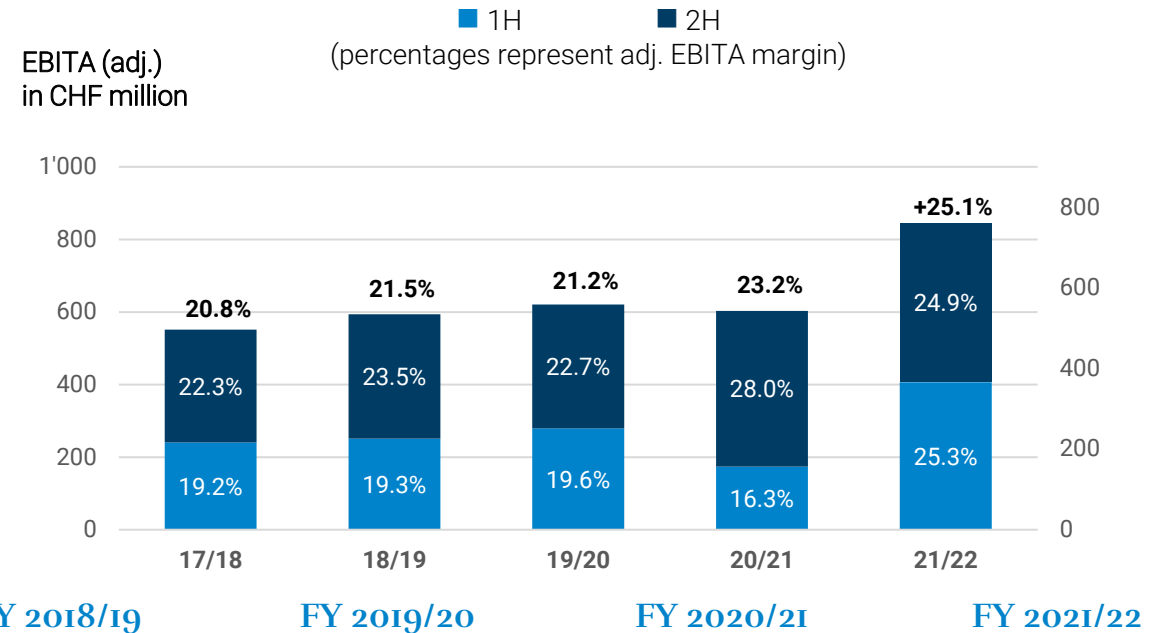
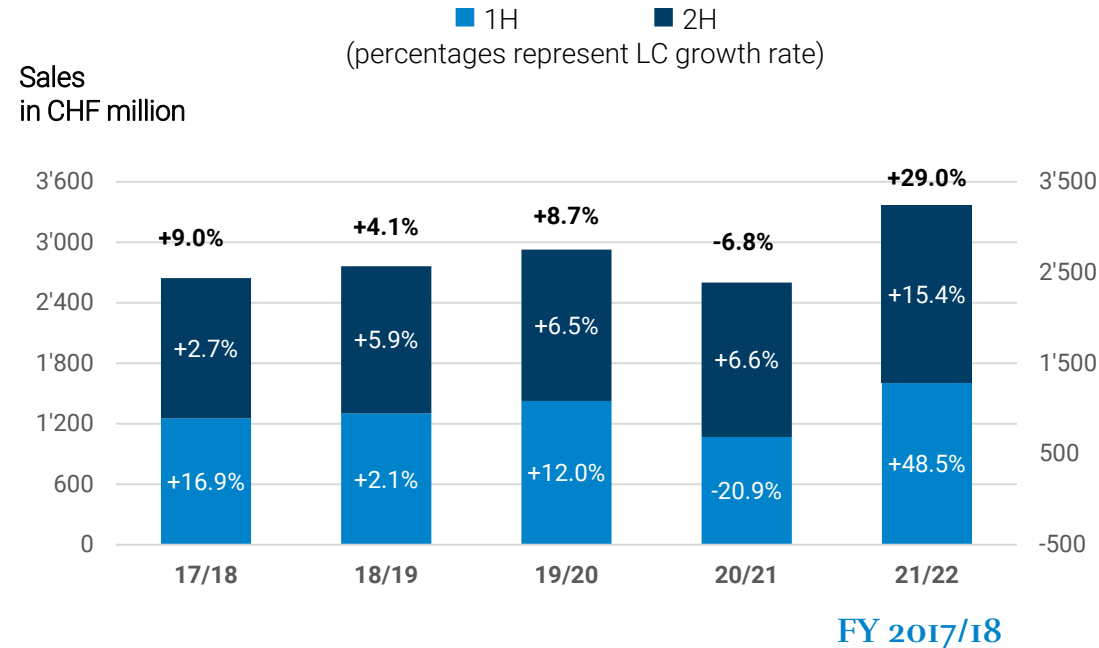
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Appendix



Appendix

Performance history



	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Sales growth reported	+10.4%	+4.4%	+5.6%	-10.8%	+29.3%
Sales growth in LC	+9.0%	+4.1%	+8.7%	-6.8%	+29.0%
Organic sales growth in LC	+3.8%	+4.9%	+8.1%	-7.1%	+26.6%
EBITA Margin (adj.)	20.8%	21.5%	21.2%	23.2%	25.1%

Note: adj. refers to adjusted figures; for details, please refer to the respective annual report

► **Solid growth in recent years with FY 2020/21 affected by COVID – Strong margin progression despite FX**

Appendix

Key financials

	FY2021/22 CHF m	Δ % in LC vs. FY 2020/21	Δ % in LC vs. FY2019/20	2y CAGR in LC
Sales HI segment	3,084.0	+27.2%	+19.8%	+9.4%
<i>Sales HI business</i>	1,838.4	+25.4%	+19.8%	+9.5%
<i>Sales AC business</i>	1,236.8	+29.1%	+18.9%	+9.0%
<i>Sales CH business</i>	8.8	n/a	n/a	n/a
Sales CI segment	279.9	+51.7%	+22.1% ¹⁾	+10.5% ¹⁾
Total sales	3,363.9	+29.0%	+20.4%	+9.7 %
Gross profit (adj.)	2,463.7	+30.6%	+22.7%	+10.8%
<i>Gross margin (adj.)</i>	<i>73.2%</i>	<i>+90bps</i>	<i>+160bps</i>	
OPEX (adj.)	1,619.2	+26.4%	+12.1%	+5.9%
<i>OPEX in % of sales (adj.)</i>	<i>48.1%</i>	<i>-100bps</i>	<i>-340bps</i>	
EBITA (adj.)	844.4	+39.3%	+48.2%	+21.8%
<i>EBITA margin (adj.)</i>	<i>25.1%</i>	<i>+180bps</i>	<i>+500bps</i>	
EPS (adj. in CHF)	10.76	+38.7%	+62.2%	+27.4%

1) Sales in FY 2019/20 adjusted with CI Field Corrective Action

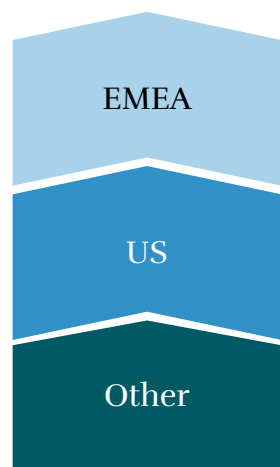
Note: adj. refers to adjusted figures; for details, please refer to Appendix – Non-GAAP adjustments

► Significant growth resulting in record sales – Best-in-class profitability

Appendix

Sales by regions and key markets

	FY 2021/22		2H 2021/22		1H 2021/22	
	CHF m	Δ % in LC	CHF m	Δ % in LC	CHF m	Δ % in LC
EMEA	1,775.9	+25.4%	945.3	+14.6%	830.6	+41.3%
USA	1,009.8	+38.6%	510.0	+16.3%	499.8	+70.3%
Americas (excl. USA)	244.6	+32.7%	127.7	+16.4%	116.9	+56.9%
Asia / Pacific	333.6	+19.4%	177.1	+16.4%	156.6	+23.2%
Total Sonova	3,363.9	+29.0%	1,760.1	+15.4%	1,603.8	+48.5%



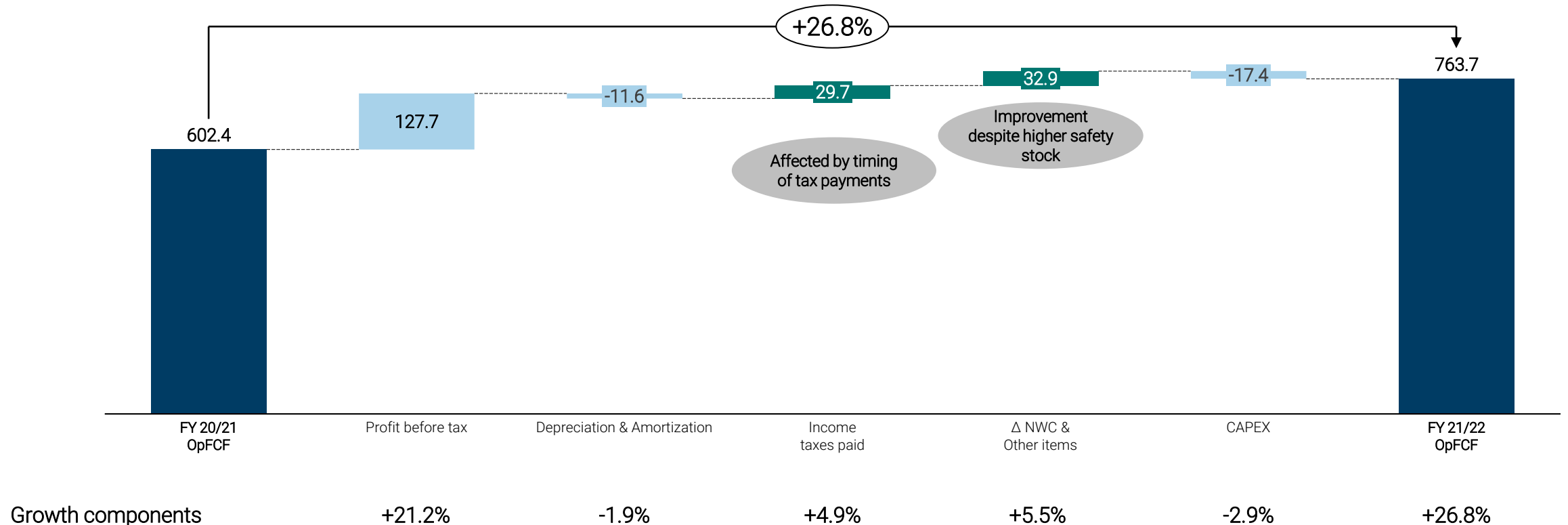
- Supported by strong recovery of the private market in the UK and by a change in the reimbursement system in FR
- Slower recovery in important markets incl. DE, BE and NL
- Strong growth driven by the success of product introductions as well as the renewal of a private label contract
- Development further aided by leading position with the VA and a strong recovery in this market segment
- Americas (excl. the US) helped by acquisitions – held back by a slower recovery in CA
- APAC development supported by a solid development in CN but affected by temporary lockdowns in AU and NZ

► **Solid recovery across all regions, led by strong growth in the United States**

Appendix

Sonova Group – Operating Free Cash Flow

in CHF million



► Solid OpFCF driven by profit growth and NWC improvement – Normalization of CAPEX post pandemic

Appendix

Cash flow statement

	FY 2021/22		FY 2020/21
	CHF m	Δ % in CHF	CHF m
Income before taxes	728.2	+21.3%	600.4
<i>Depreciation & amortization</i>	211.1	-5.2%	222.7
<i>Working Capital</i>	-18.9	-54.2%	-41.3
<i>Other cash effects</i>	32.6	-14.0%	37.9
<i>Tax paid</i>	-46.7	-38.9%	-76.3
<i>Financial result</i>	34.9	+66.1%	21.0
Operating Cash Flow	941.1	+23.1%	764.4
<i>Payments for lease liabilities</i>	-67.6	-4.3%	-70.7
<i>Capex</i>	-106.6	+19.5%	-89.2
<i>Other movements in financial assets</i>	-3.2	+56.5%	-2.0
Operating Free Cash Flow	763.7	+26.8%	602.4
<i>Net M&A</i>	-596.1	+1852.1%	-30.5
Free Cash Flow	167.6	-70.7%	571.9
Cash flow from financing activities	-1,392.4	NM	676.1

Appendix

Balance sheet

CHF m	31 Mar 2022	31 Mar 2021	Comments
Days sales outstanding (DSO)	52	56	– Continued strong receivable collection
Days inventory outstanding (DIO)	171	154	– Targeted stock increases to counter supply chain risks
Capital employed	3,439.1	2,855.7	– Higher intangibles from acquisitions
ROCE (reported)	24.1%	22.3%	– Improvement driven by strong profit growth
Net debt	1,006.3	83.3	– Increase driven by share buyback program, dividend payments and step-up in M&A
Net debt/EBITDA	1.0x	0.1x	

Note: DSO and DIO calculated on a 90 day basis

► Significant increase of ROCE driven by higher earnings – Higher leverage as a result of SBB and M&A

Appendix

Non-GAAP adjustments

in CHF million	FY 2021/22	Adjustments					FY 2021/22
	Reported	① Restructuring	② Strategic M&A	③ Legal	④ Other	Total	Adjusted
Sales	3,363.9	-	-	-	-	-	3,363.9
Cost of sales	-903.3	3.0	-	-	-	3.0	-900.3
Gross profit	2,460.7	3.0	-	-	-	3.0	2,463.7
<i>Research & Development</i>	-230.0	0.6	-	-	-	0.6	-229.4
<i>Sales & Marketing</i>	-1,095.3	4.8	0.4	-	-	5.2	-1,090.1
<i>General & Administration</i>	-320.9	5.1	11.7	4.4	-	21.2	-299.8
<i>Other income/(expenses)</i>	-11.5	-	-	11.6	-	11.6	-0.0
Total OPEX	-1,657.7	10.5	12.0	16.0	-	38.5	-1,619.2
EBITA	802.9	13.5	12.0	16.0	-	41.5	844.4
EPS (in CHF)	10.42	0.18	0.17	0.26	-0.28	0.33	10.76

① **Restructuring:** costs related to additional structural optimization initiatives

② **Strategic M&A:** transaction and integration costs related to the acquisition of the Sennheiser Consumer Division and Alpaca Audiology

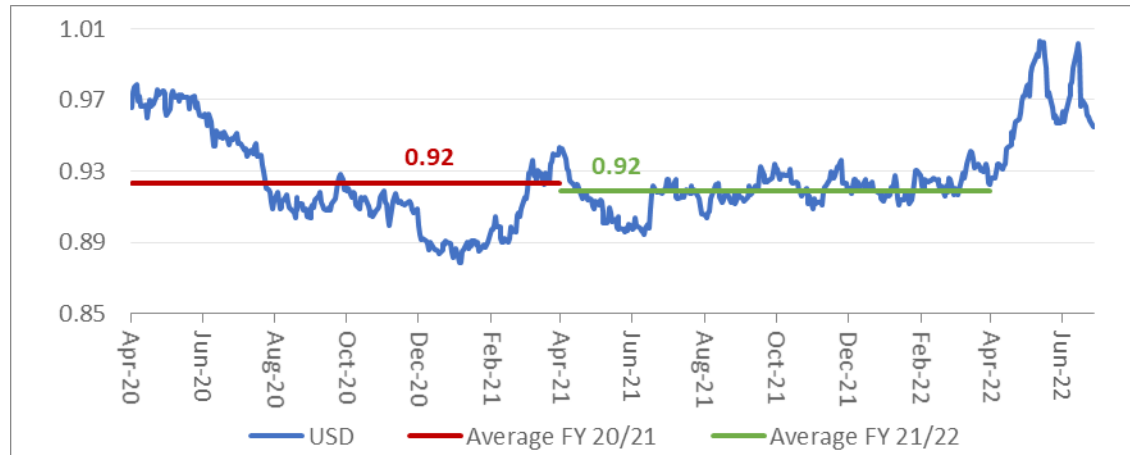
③ **Legal:** costs related to settlement agreement in principle with the DOJ and ongoing patent litigation in the CI segment

④ **Other:** positive impact from tax reforms

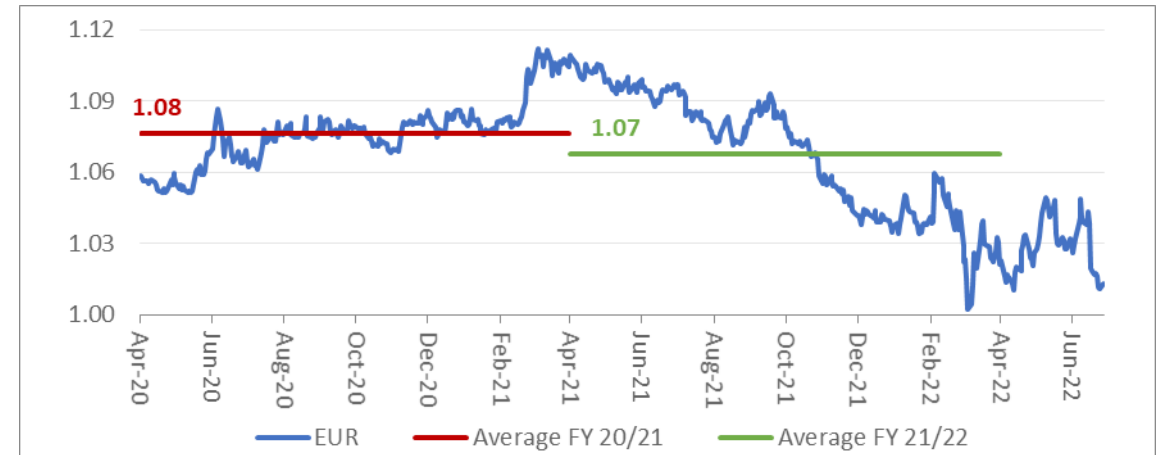
Appendix

Sonova Group – FX impact on sales and margins

USD/CHF



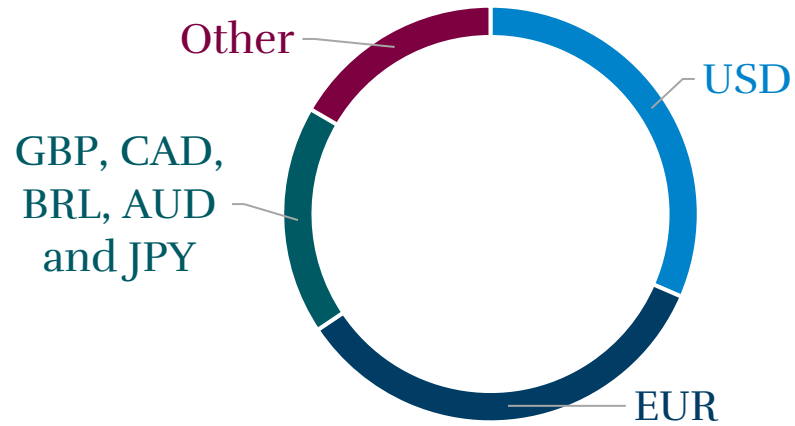
EUR/CHF



	Rate	Sales	EBITA
USD/CHF	+/- 5%	+/- CHF 64 million	+/- CHF 20 million
EUR/CHF	+/- 5%	+/- CHF 70 million	+/- CHF 29 million

Appendix

Sonova Group – Sales by currency and FX rates






	FY-20/21	1H-21/22	2H-21/22	FY-21/22	Effect FY-21/22	Spot Jun-2022
USD	0.92	0.91	0.92	0.92	=	0.95
EUR	1.08	1.09	1.05	1.07	-	1.01
GBP	1.21	1.27	1.24	1.26	+	1.17
CAD	0.70	0.74	0.73	0.73	+	0.74
AUD	0.66	0.69	0.67	0.68	+	0.66
BRL	0.17	0.17	0.16	0.17	=	0.18
JPY 100	0.87	0.83	0.81	0.82	-	0.71

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Thank you

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