

Full Year Results 2023/24

Arnd Kaldowski, CEO
Birgit Conix, CFO

Stäfa, May 14, 2024



Disclaimer

This presentation contains forward-looking statements, which offer no guarantee with regard to future performance. These statements are made on the basis of management's views and assumptions regarding future events and business performance at the time the statements are made. They are subject to risks and uncertainties including, but not confined to, future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors outside Sonova's control. Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual outcomes may vary materially from those forecasted or expected. Each forward-looking statement speaks only as of the date of the particular statement, and Sonova undertakes no obligation to publicly update or revise any forward-looking statements, except as required by law.

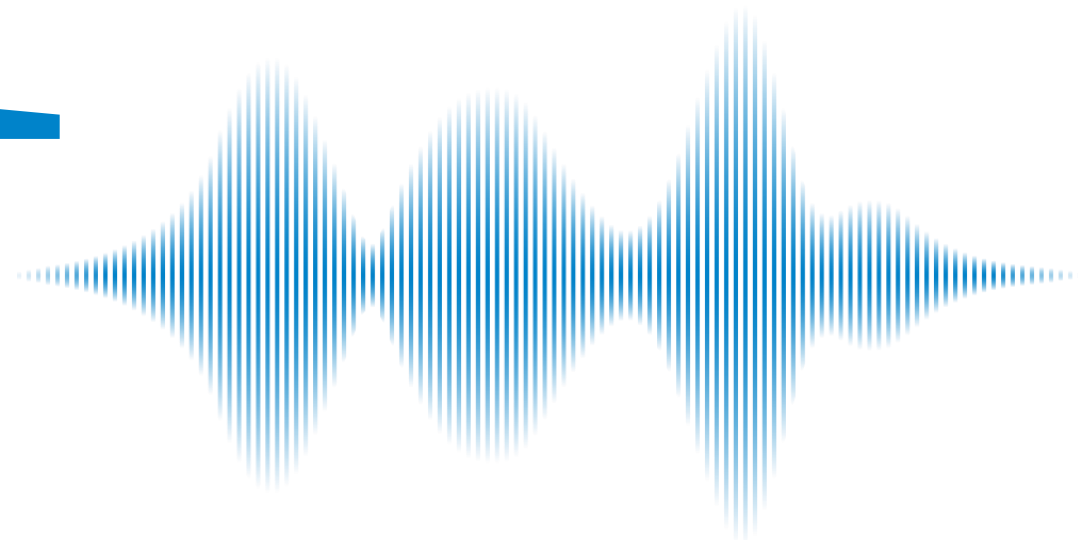
This presentation constitutes neither an offer to sell nor a solicitation to buy any securities. This presentation does not constitute an offering prospectus within the meaning of Article 652a of the Swiss Code of Obligations nor a listing prospectus within the meaning of the listing rules of SIX Swiss Exchange.

Sonova name, products names and logos are registered trademarks of Sonova.

Sennheiser™ is a registered trademark of Sennheiser electronic GmbH & Co. KG used under license by Sonova.



FY 2023/24 Business Review



Summary FY 2023/24

- Hearing care markets back to historical growth rates, despite regional differences
- Growth picking up in 2H, with year ending on a positive note
 - HI and CI business with significant sales acceleration in 2H – AC business posting strong YOY growth
 - Difficult consumer electronics markets and temporary gap in product portfolio weighing on CH business
- Positive customer feedback and expanded Lumity portfolio supporting growth in HI business
- Significant exchange rate movements weighing heavily on results – positive impact currently expected for FY 2024/25
- Laid the foundation for continued growth in FY 2024/25 – high focus on technology innovation with expansion of processing power and augmentation of algorithms at the core



Sonova Group results

Key highlights – FY 2023/24

Sales



CHF 3,627 m

+3.2% in LC

-3.0% in CHF

organic growth +1.6% or +3.2%
excluding non-renewal of large contract

EPS (adj.)



CHF 10.06 per share

+6.4% in LC

-9.6% in CHF

Sales outlook



+6 - 9%

growth in LC
in FY 2024/25

EBITA (adj.)



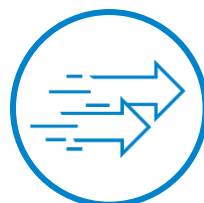
CHF 771.4 m

+4.4% in LC

-8.2% in CHF

(Margin +25bps in LC)

Acceleration HI business



Lumity platform
expanded
and well prepared for a
significant launch year

EBITA (adj.) outlook



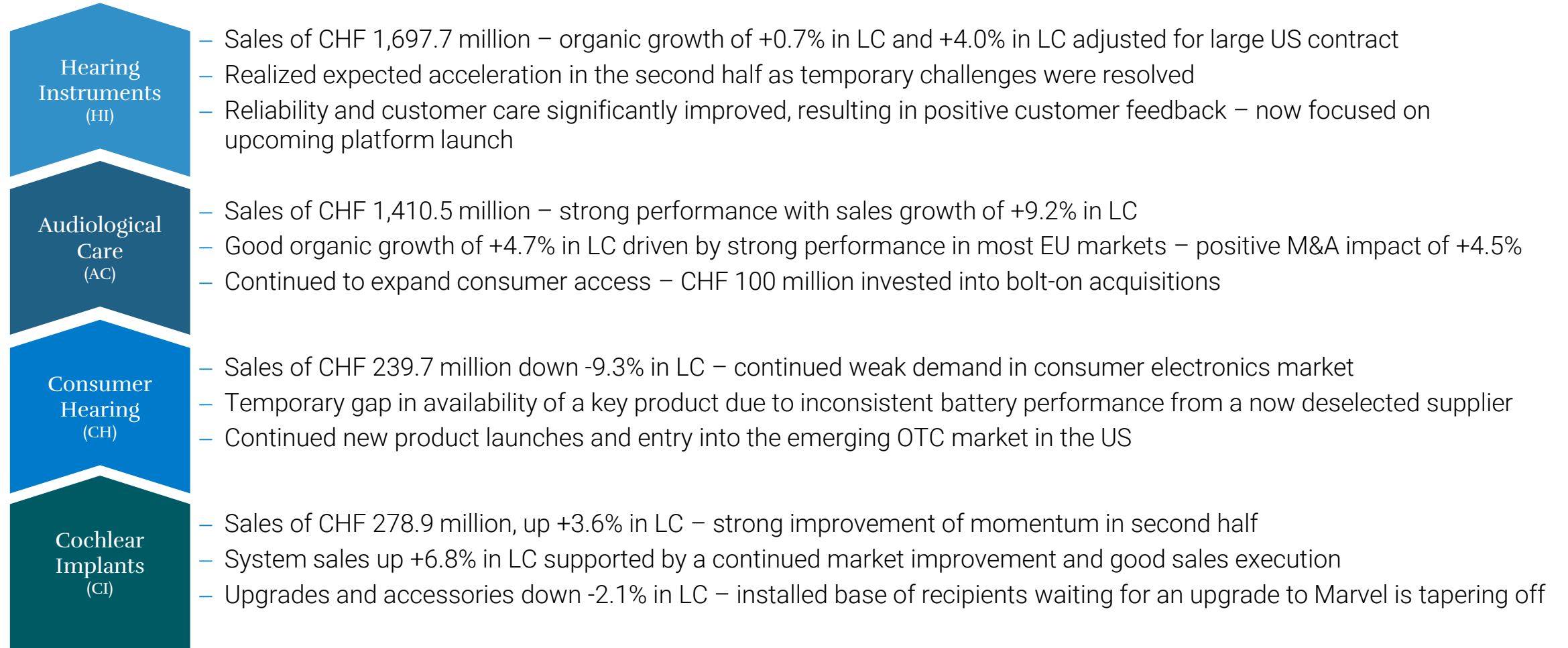
+7 - 11%

growth in LC
in FY 2024/25

Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

Sonova Group results

Business summary



► Sales growth accelerating in the second half mainly driven by improved momentum in Hearing Instruments

Hearing Instruments segment

Highlights

Sales
CHF 3,348m

+3.2% vs. PY in LC

+1.5% organic growth

EBITA (adj.)
CHF 736m

+4.5% vs. PY in LC

Margin: 22.0%

Margin YOY: +30bps in LC

HI business
Sales:
CHF 1,698m

+0.7% vs. PY in LC*

* +4.0% excl. non-renewal of contract with large US customer

AC business
Sales:
CHF 1,411m

+9.2% vs. PY in LC

+4.7% organic growth

CH business
Sales:
CHF 240m

-9.3% vs. PY in LC

Segment sales

- Development supported by improving hearing care market – fundamentals back to normal
- Organic growth accelerating in second half, driven by HI business
- Strong growth in AC business supported by majority of EU countries and M&A

Segment profitability

- Margin expansion by +30bps in LC, despite higher go-to-market investments to drive sales in 2H
- Gradual easing of transport and component costs
- Residual positive pricing impacts from prior year initiatives

Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

► **Organic growth accelerated in 2H – Margin expansion of +30bps in LC despite higher GTM investments**

Hearing Instruments business

Sales dynamics

HI business
sales: CHF 1,698m

+0.7% vs. PY in LC*

* +4.0% excl. non-renewal of contract
with large US customer

- Organic growth accelerated to +6.0% in LC in 2H, development in 1H held back by previous year non-renewal of large contract
- Substantial further reliability improvement supporting HCP efficiency and resulting in strong positive customer feedback
- Temporary operational challenges resolved and pro-actively communicated to our customers
- Strong focus on driving success of Lumity portfolio expansion in Q4

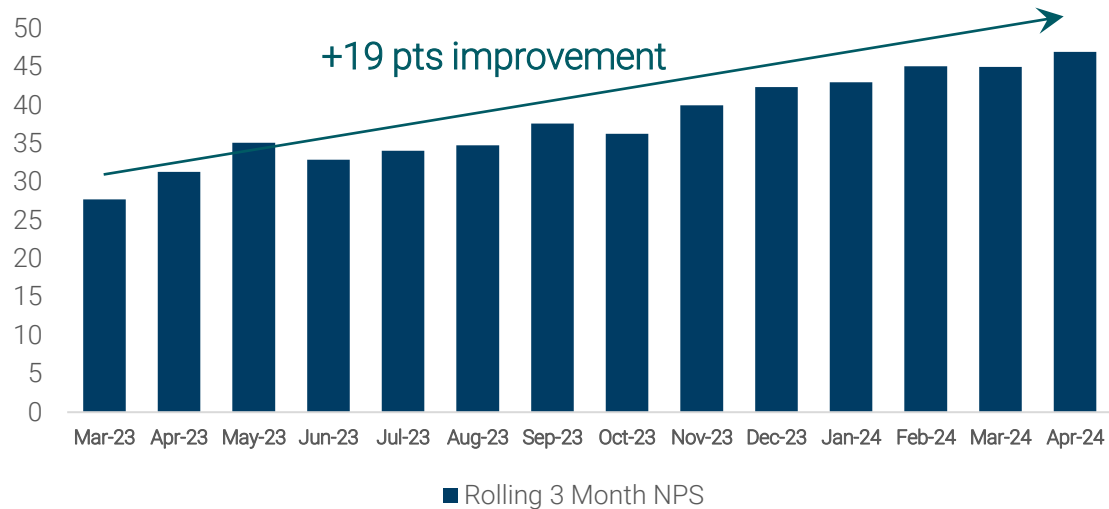
► Strong pick-up in momentum in 2H – Customer confidence restored



Hearing Instruments business

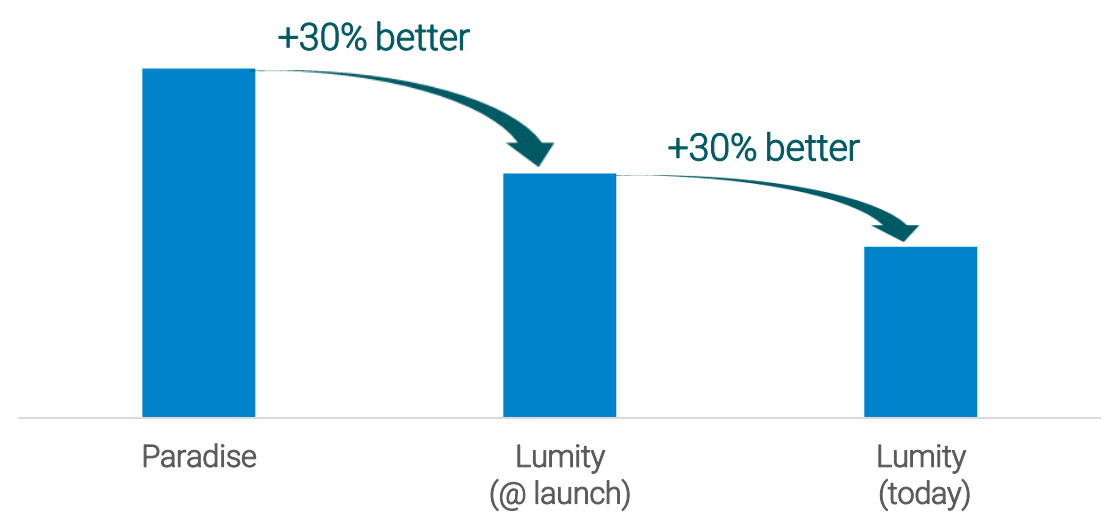
Net promoter score and Lumity repair rates

Net Promoter Score – 3-months rolling



- **Strong customer feedback** as measured by Net Promoter Score (NPS) in 4 largest markets
- Focused investments and process improvements yielding targeted significant improvements

Failure rate (Audéo R & RT models)

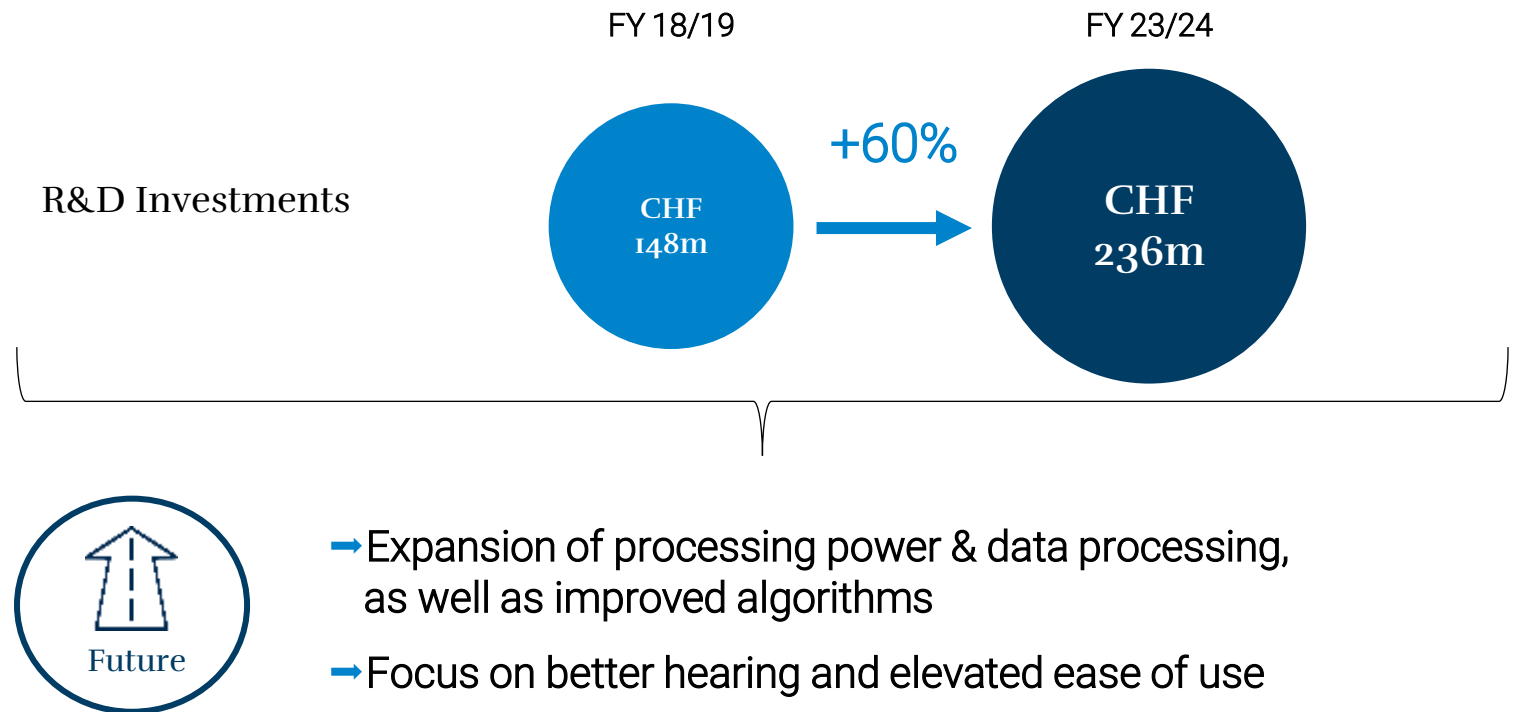


- Designing for reliability – strong processes and development testing setup
- Continued investment in reliability to **further improve customer satisfaction and service costs**
- **Further 30% reduction in failure rates** of current Lumity models compared to already improved Lumity at launch

► **Strong customer feedback and significant improvement in product reliability even in year 2 of Lumity**

Innovation as driver for meaningful differentiation

Building on our core competency: improving quality of life for our customers and consumers



► Strong focus on technological innovation to drive significantly improved hearing performance

Audiological Care business

Sales dynamics

AC business
sales: CHF 1,411m

+9.2% vs. PY in LC

+4.7% organic growth

- Good performance for the year, particularly strong in 1H – high growth in majority of European markets and significant M&A contribution
- Lead generation in 2H more challenging despite additional investments & HYSOUND annualizing in 3Q 23/24
- Solid Sonova balance sheet enabling continued footprint expansion to drive growth – CHF 100m invested in bolt-ons
- Continued investment in omni-channel ecosystem

► Strong YOY growth despite gradual deceleration in 2H paired with continued high M&A activity



Our first year with HYSOUND

China – Gaining direct consumer access in largest high growth country

Achievements so far:

- More than 200 clinics in China, per store sales well above market thanks to leading service level and productivity
- Building on well-established digital marketing capabilities
- Cohesive local leadership team in place with new AC leader
- Strong sales growth in FY 2023/24, well above market, despite weaker than anticipated market development

Our path forward:

- Further elevating HYSOUND business by:
 - Expanding the network through greenfield & bolt-ons, participating in accelerating market consolidation
 - Elevating consumer experience both in-store and online
 - Offering leading technology, elevating productivity and improved digital lead generation

► Successful 1st year with attractive opportunities to grow



Consumer Hearing business

Sales dynamics

CH business
sales: CHF 240m
-9.3% vs. PY in LC

- Challenging consumer electronics market
- Temporary portfolio gap in important segment due to inconsistent battery performance of a now deselected supplier – MTW4 introduced in February
- High comparison base due to numerous launches in PY, FY 23/24 product launches skewed towards end of 2H
- Stable market share – well positioned for future growth



► Challenging consumer market and temporary gap in product portfolio holding back sales development

Cochlear Implants segment

Highlights

Sales
CHF 278.9m

+3.6% vs. PY in LC

EBITA (adj.)
CHF 35.1m

+3.5% vs. PY in LC

Margin: 12.6%

Margin YOY: 0bps in LC

System sales
CHF 185.5m

+6.8% vs. PY in LC

Upgrade sales
CHF 93.4m

-2.1% vs. PY in LC

Cochlear implant systems

- Positive YOY growth with sales accelerating to +10.8% in LC in 2H
- Development supported by improving market
- Remote programming capability launched

Upgrades and accessories

- Upgrade sales down due to the lower remaining number of recipients awaiting an upgrade as the Marvel CI sound processor range enters its third post-launch year

Segment profitability

- Strong margin improvement in 2H to 15.3%, driven by operating leverage, operational excellence improvements and fading supply chain issues

Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

► **Strong performance in 2H – System sales accelerating and strong sequential improvement in profitability**

Remote programming

The audiology clinic in your pocket – saving time for clients and HCPs

What

- Mobile and direct access to HCP – anytime / anywhere
- Hardware checks of implant by HCP
- Real-time adjustment of processor functions
- Currently only available with Advanced Bionics

Why

- On average, 6 routine appointments p.a.
- Extensive planning, travel and waiting time for implant receiver and care people
- Routine appointment for pediatric patients >6 times – extensive time commitment for parents

How

- Remote programming capability enabled through the leverage of powerful Marvel CI technology and Phonak's unique Made For All™ universal Bluetooth® connectivity

► **World's first CI remote programming capability – Only with AB**



ESG highlights

Overview of selected tangible achievements highlighting continued progress towards our ESG commitments



Environmental

- ▶ Reduced **greenhouse gas emissions by 28%** (Scope 1-3) vs. 2019 (on a comparable basis) and by 12% vs. previous year
- ▶ Climate targets officially approved by the **Science Based Targets initiative (SBTi)**
- ▶ **100% renewable electricity** globally within our own operations
- ▶ Reduced hearing instruments product and transportation **packaging weight** by 9% vs. previous year



Social

- ▶ Increased **employee engagement** score to 83%, up 1 percentage point vs. previous year
- ▶ Share of **women in senior management** increased to 28.3% (vs. 22.0% in 2022/23) and **women in middle management** increased to 39.9% (vs. 36.4% in 2022/23)
- ▶ Over 500 people leaders trained in “**Mental Health First Aid** Conversations for Managers”
- ▶ More than 4,000 fitted hearing aids through **Hear the World Foundation** projects



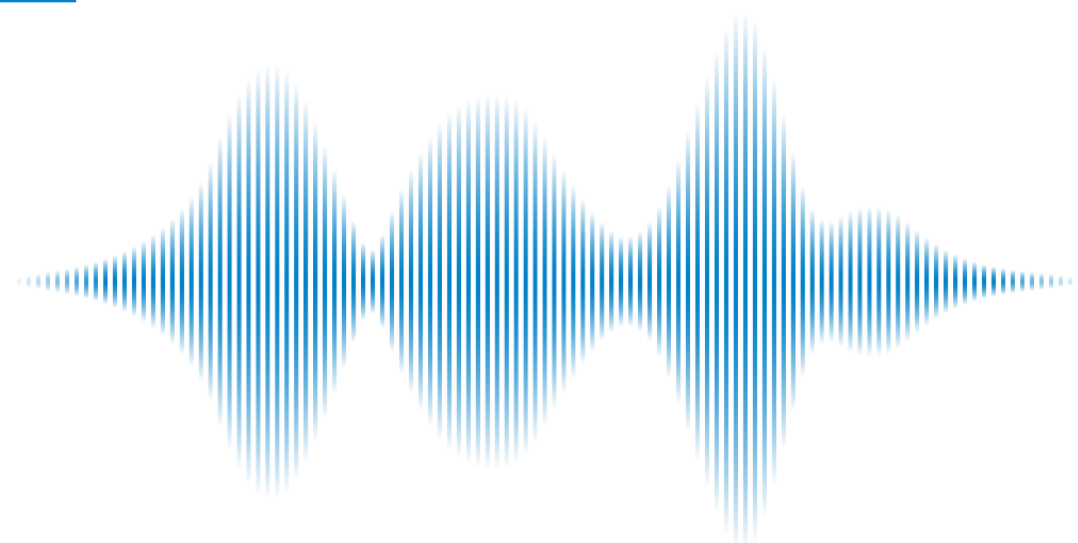
Governance

- ▶ Advanced **ESG reporting and external assurance** to ensure regulatory compliance
- ▶ Improved **product reliability** for hearing instruments (+7%) and cochlear implants (+14%) compared to 2022/23
- ▶ Further advanced **supplier ESG risk assessments**
- ▶ 10% of the variable cash **compensation** of the MB linked to ESG performance

▶ Substantial progress on our *IntACT* ESG strategy achieved in FY 2023/24

2

Financial information



Financial highlights

Sonova Group



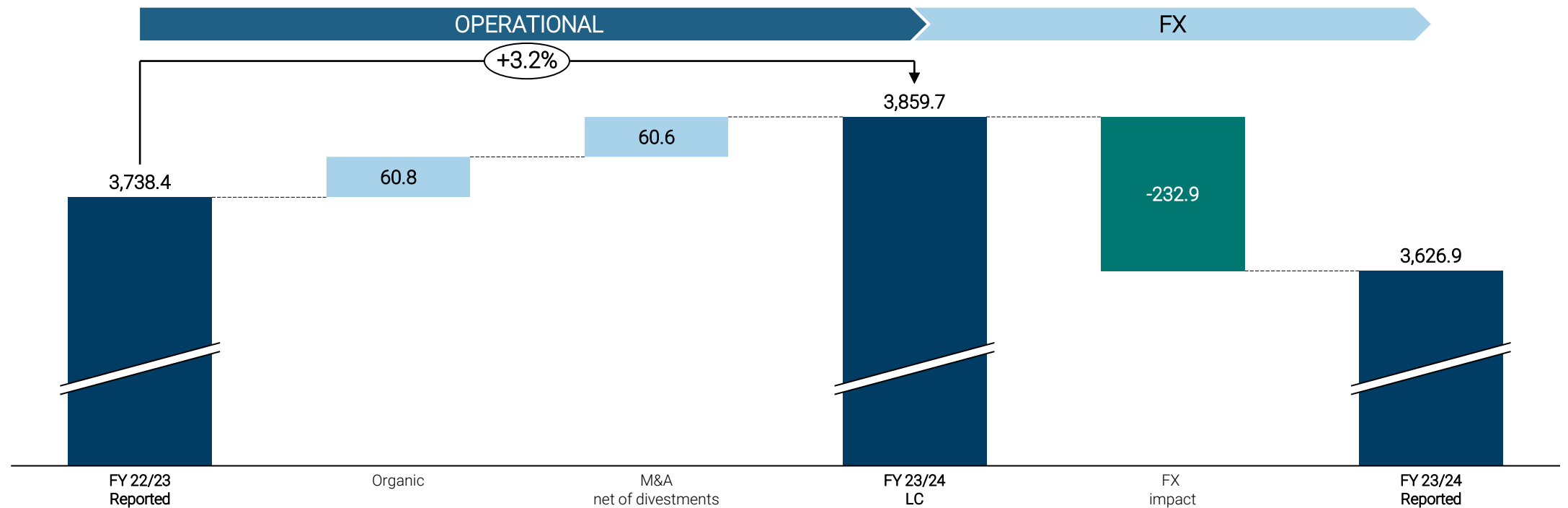
- Sales of CHF 3,626.9 million +3.2% in LC and -3.0% in CHF
- Significant FX headwinds of CHF -232.9 million (-6.2%)
- Organic sales growth of +1.6% in LC for the Group – +3.2% in LC adjusted for non-renewal of large US contract
- Gross profit margin (adj.) of 72.3%, +210bps in LC from 70.8% in PY
- EBITA (adj.) of CHF 771.4 million, up +4.4% in LC, margin of 21.3%, up +25 bps LC
- EPS (adj.) of CHF 10.06, up +6.4% in LC but down -9.6% in CHF due to substantial FX headwind
- Operating free cash flow (OpFCF) at CHF 539.2 million, up +0.7% YOY
- Driven by adverse FX development, partly compensated by lower CAPEX, tax payments and lower cash outflow for NWC
- Net debt/EBITDA ratio of 1.5x – moved back into target range of 1.0-1.5x
- Net debt position at CHF 1,359.5 million down from CHF 1,495.9 million at the end of FY 2023/24
- No shares bought back during FY 2023/24 – expected to recommence share-buy back in 2H

Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

Sonova Group results

Sales components

in CHF million

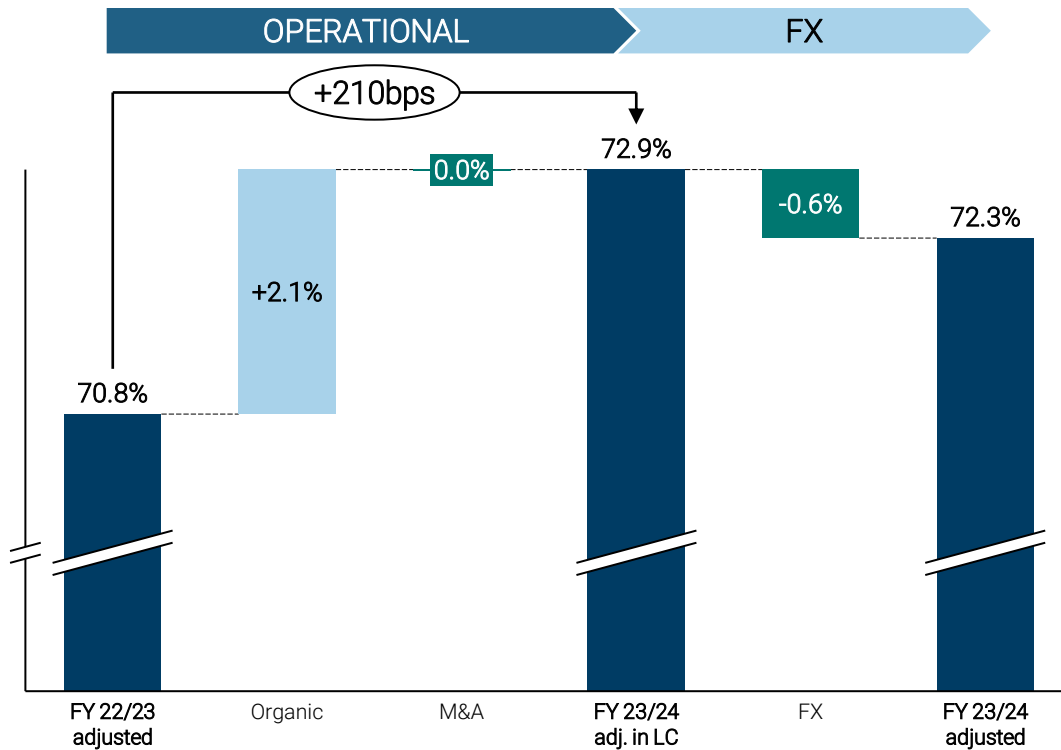


YOY growth components	+1.6% (+3.2% excl. large client)	+1.6%	+3.2%	-6.2%	-3.0%
1H 2023/24 growth components	-0.4% (+3.0% excl. large client)	+2.0%	+1.6%	-6.7%	-5.1%
2H 2023/24 growth components	+3.6%	+1.2%	+4.8%	-5.8%	-0.9%

► Ending the year on positive note with sales growth accelerating in 4Q

Gross margin development

Sonova Group



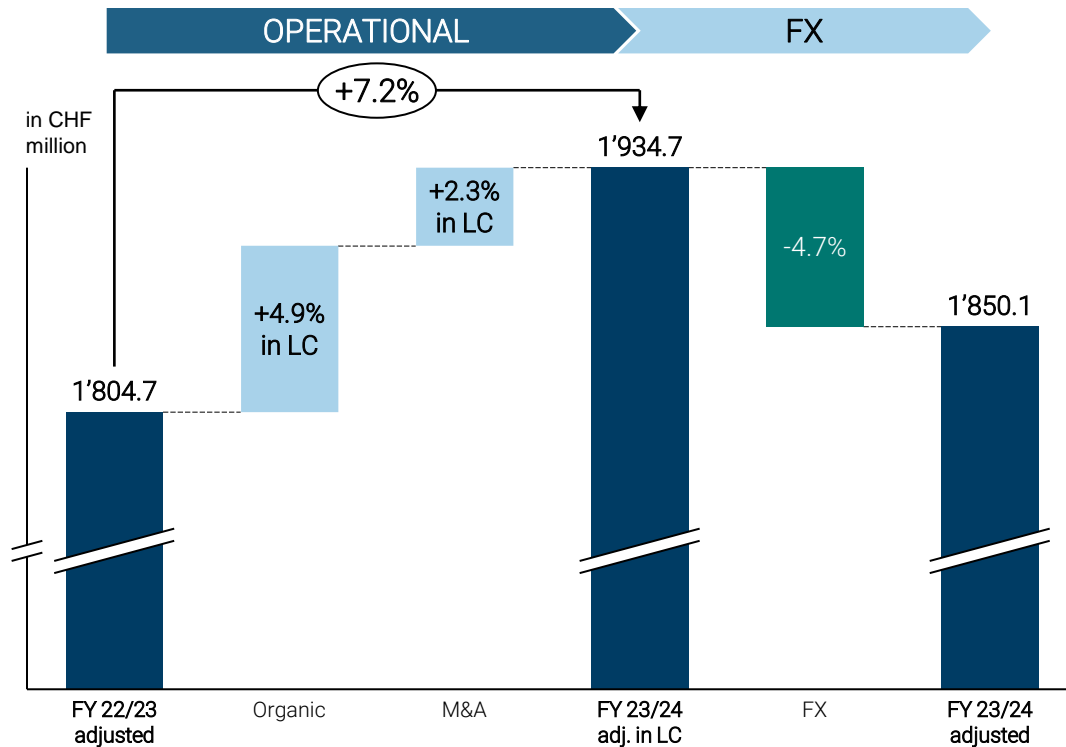
Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

- Gross margin (adj.) increased by +210bps in LC
- Margin increase mainly driven by:
 - Continued benefit from continuous process improvements
 - Residual impact from prior year price increases
 - Shift in the business mix due to the higher growth in AC
 - Lower costs for repairs due to improvements in product reliability
 - Easing of headwinds from transport and component costs
- Adverse FX development weighing on GP margin

► Gross profit margin increased by +210bps in LC

Development of operating expenses

Sonova Group



Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

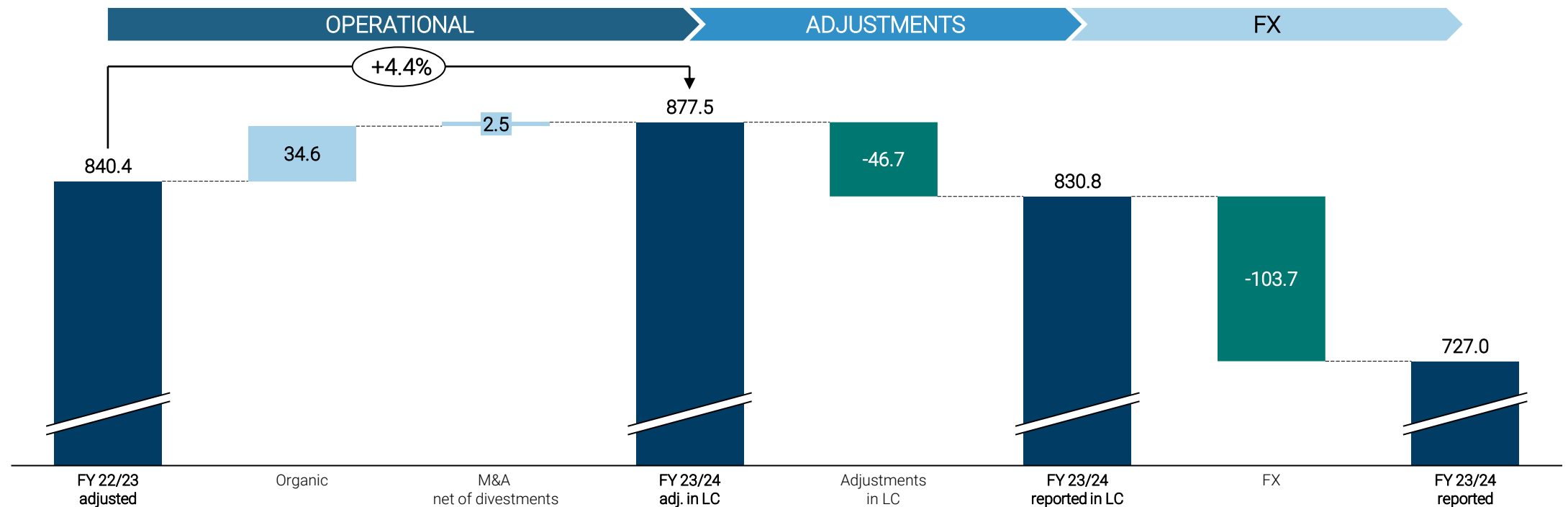
- Organic OPEX development driven by business mix shift due to higher growth in the AC business and continued investments in sales & marketing to drive future sales
 - R&D expenses flat in LC and unchanged as % of sales
 - S&M up +8% in LC YOY – shift in the business mix due to the higher growth in AC including acquisitions
 - G&A +11% in LC, driven partly by continued investments in IT infrastructure
- FX development reducing OPEX growth in CHF

► Mix-shift due to faster growth in AC and growth investments driving up OPEX

EBITA Components

Sonova Group

in CHF million



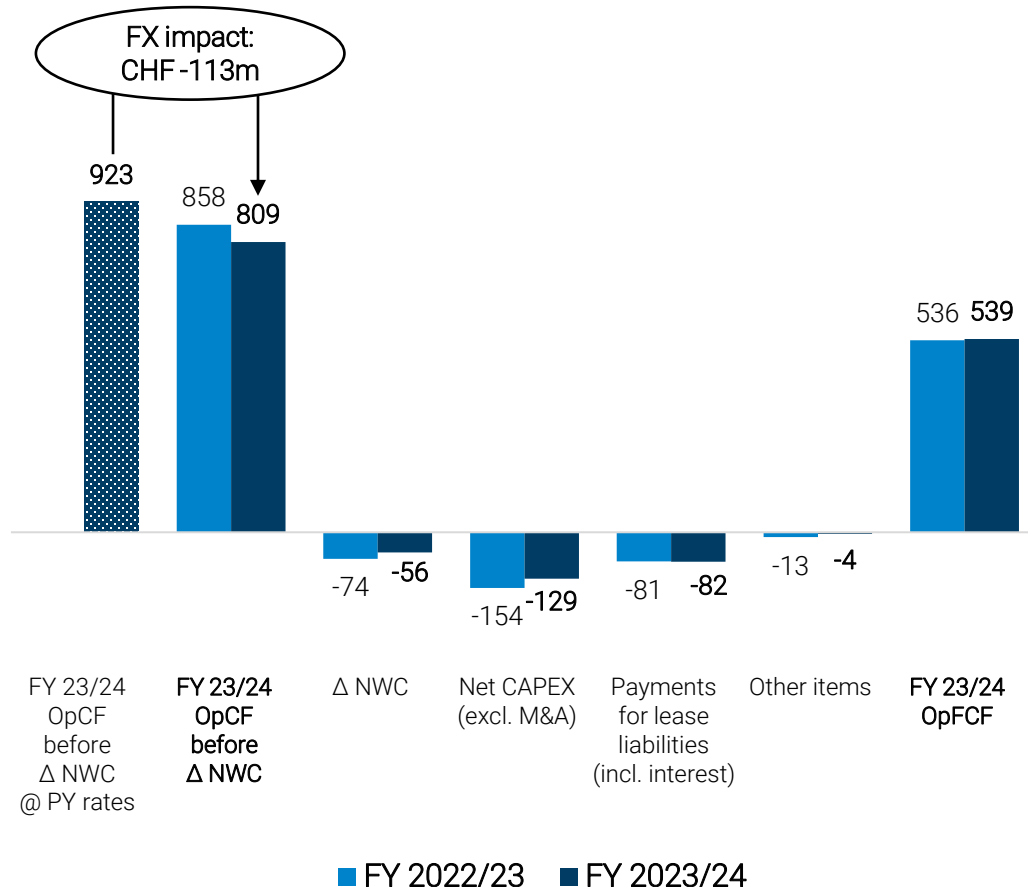
	FY 22/23 adjusted	Organic	M&A net of divestments	FY 23/24 adj. in LC	Adjustments in LC	FY 23/24 reported in LC	FX	FY 23/24 reported
Margin	22.5%	+0.5%	-0.3%	22.7%	-1.2%	21.5%	-1.5%	20.0%
1H 2023/24	21.6%	+0.6%	-0.4%	21.7%	-0.9%	20.8%	-1.8%	19.0%
2H 2023/24	+23.4%	+0.5%	-0.2%	23.7%	-1.5%	22.2%	-1.2%	21.0%

Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

► Underlying margin improvement despite modest sales growth – Strong FX headwinds weigh on profitability

Cash flow development

Sonova Group – Operating Free Cash Flow



- **OpCF before changes in NWC:** Driven by lower income before tax due to CHF 113 million adverse FX impact
- **Changes in NWC:** Improvement mainly resulting from prior year build-up in working capital for the Consumer Hearing business, partly offset by higher outflow for inventories
- **CAPEX:** Reduction primarily due to elevated PY investments, partly related to the build-up of a new operating facility for the Americas in Mexico, strict budget control

► Driven by significant adverse FX impact on profits – Partly offset by NWC improvement and lower CAPEX

Total shareholder return & cash deployment strategy

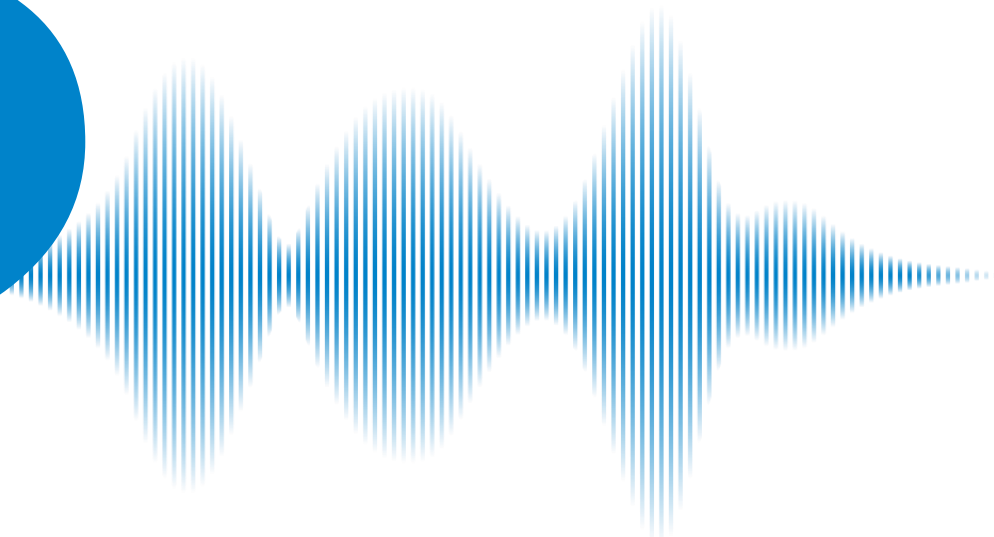
Sonova Group

	Sonova TSR strategy	FY 2023/24
1. Acquisitions	<ul style="list-style-type: none"> – Bolt-ons: CHF 70-100 million p.a. – Strategic and technology acquisitions 	<ul style="list-style-type: none"> – Total M&A cash-out: approximately CHF 100 million investment into further AC network expansion
2. Attractive dividend	<ul style="list-style-type: none"> – Maintain payout ratio of around 40% 	<ul style="list-style-type: none"> – CHF 4.30 – payout ratio of 43%
3. Healthy balance sheet	<ul style="list-style-type: none"> – Targeting net debt/EBITDA ratio of 1.0-1.5x 	<ul style="list-style-type: none"> – Equity ratio of 43.0% – Net Debt/EBITDA ratio of 1.5x
4. Share buyback	<ul style="list-style-type: none"> – Three-year buyback program of up to CHF 1.5 billion from April 2022 until April 2025 	<ul style="list-style-type: none"> – No shares bought back in FY 2023/24 – Expecting to recommence share-buy back in 2H 2024/25 absent any larger acquisitions and subject to cash flow development in CHF

► Continued to execute TSR strategy – Share buy-back expected to recommence in 2H 2024/25

3

Outlook



Sonova's strategy

Strategic pillars

Lead innovation in audiological performance & consumer experience

Leverage **M&A** to accelerate growth strategically

Continuous **process** improvement through Sonova X & structural optimization

Invest in **high growth** developing markets

Expand consumer access through **omni-channel** audiological care network and consumer device business

Extend reach through **multi-channel, value-adding** partnerships & commercial excellence



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

Our growth ambition

Ambition to gain market share through customer-focused growth strategy and strong operational execution

Mid-term targets

Sales CAGR
6-9% p.a. in LC
organic: +5-7%
M&A: ~+1-2%

adj. EBITA CAGR
7-11% p.a. in LC

Market growth (in value)

Mid-term CAGR
4-6% p.a.

Sonova growth strategy

Executing on our strategic pillars to drive above-market growth



Key focus areas

Targeted growth initiatives in 5 focus areas enabled by continued growth investments



► Mid-term targets and strategy unchanged – Returning to above-market growth and continue margin expansion

Outlook

Guidance and mid-term target

FY 2024/25 market and business assumptions

- Global hearing care market back to normal growth at 4-6%
- Lower market growth for North America expected due to high base – further improvement in EU markets driven by FR and DE
- FY2024/25 to benefit from significant new products which will elevate Sonova’s industry-leading performance and drive growth
- Due to timing of product launches and associated costs, growth of both sales and profitability to be higher in the second half
- Restructuring and integration costs expected at around CHF 30-40 million in FY 2024/25

FY 2024/25 expected currency impact (based on May 2024 FX)

- Sales growth in CHF to be lifted by ~1-2%-pts
- Adj. EBITA growth in CHF to be lifted by ~2-3%-pts

In LC	Guidance FY 2024/25
Sales growth	+6% to +9% p.a.
adj. EBITA growth	+7% to +11% p.a.

Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

► Significant product launches in FY24/25 to elevate our competitive performance – Growth skewed to 2H

Save the date

Investor- & Analyst Day

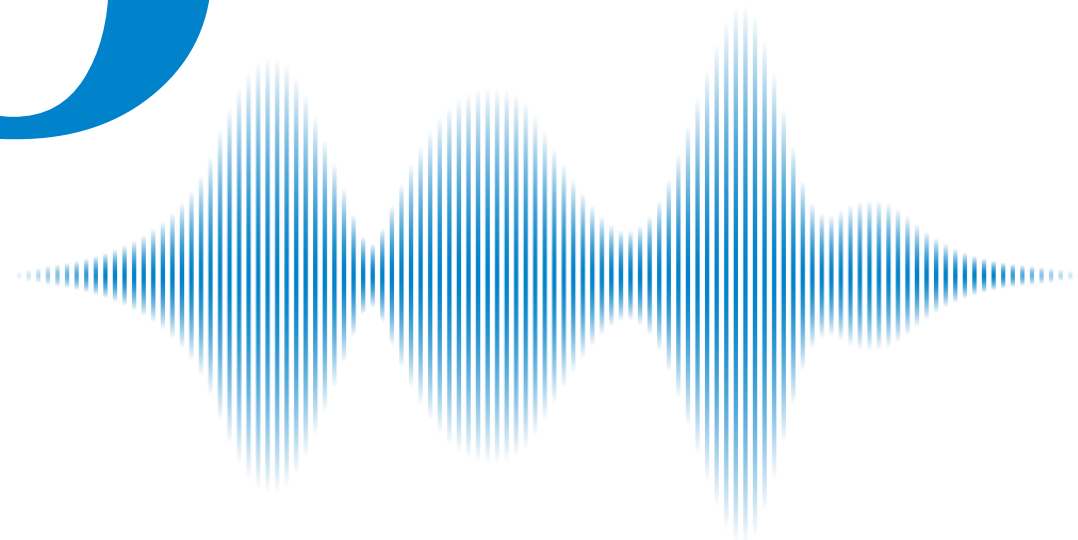
Tuesday, August 27
Sonova HQ
Stäfa Switzerland

► More details to follow



5

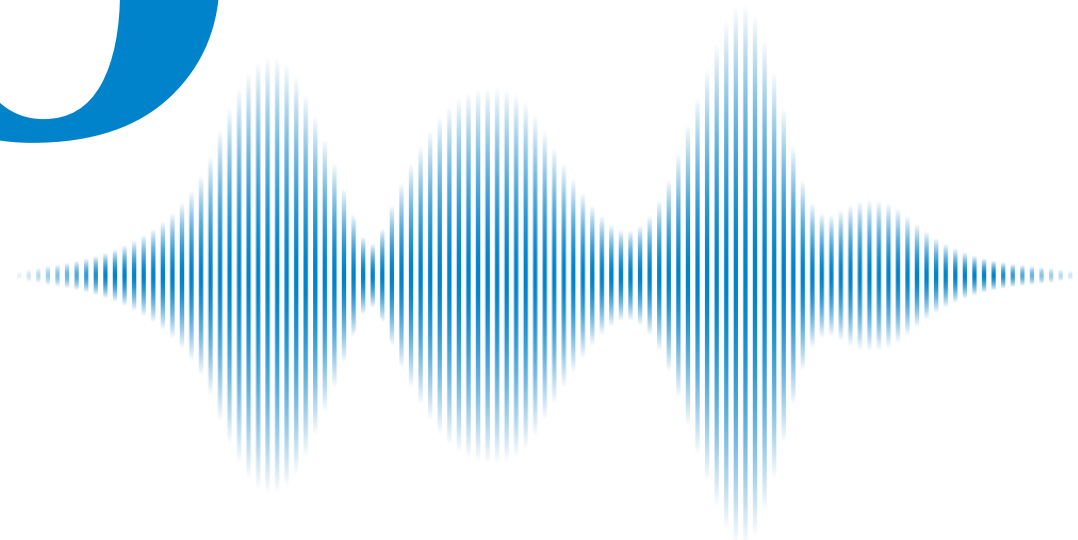
Q&A



Thank you!

6

Appendix



Appendix

Sales by regions and key markets

	FY 2023/24		2H 2023/24		1H 2023/24	
	CHF m	Δ % in LC	CHF m	Δ % in LC	CHF m	Δ % in LC
EMEA	1,859.0	+3.8%	977.4	+3.0%	881.6	+4.8%
USA	1,074.0	+0.7%	543.4	+6.6%	530.7	-4.6%
Americas (excl. USA)	264.4	+3.6%	137.9	+8.7%	126.5	-1.2%
Asia / Pacific	429.4	+7.1%	215.2	+6.4%	214.2	+7.8%
Total Sonova	3,626.9	+3.2%	1,873.9	+4.8%	1,753.0	+1.6%

Appendix

Key financials – Half-year view

CHF m	FY 2023/24	Δ % in LC	Δ % in CHF	2H 2023/24	Δ % in LC	Δ % in CHF	1H 2023/24	Δ % in LC	Δ % in CHF
Sales	3,626.9	+3.2%	-3.0%	1,873.9	+4.8%	-0.9%	1,753.0	+1.6%	-5.1%
Gross profit (adj.)	2,621.5	+6.3%	-0.9%	1,366.3	+6.8%	+0.4%	1,255.2	+5.8%	-2.3%
- Gross profit margin (adj.)	72.3%	+210bps	+150bps	72.9%	+140bps	+100bps	71.6%	+280bps	+200bps
OPEX (adj.)	-1,850.1	+7.2%	+2.5%	-944.9	+7.2%	+2.9%	-905.2	+7.2%	+2.1%
EBITA (adj.)	771.4	+4.4%	-8.2%	421.3	+6.2%	-4.7%	350.0	+2.5%	-12.1%
- EBITA margin (adj.)	21.3%	+25bps	-120bps	22.5%	+30bps	-90bps	20.0%	+20bps	-160bps
EBITA (reported)	727.0	+3.6%	-9.3%	393.7	+7.5%	-3.9%	333.3	-0.4%	-14.9%
EBIT (reported)	669.9	+3.2%	-10.3%	364.4	+6.9%	-4.8%	305.6	-0.7%	-16.0%
Financial result (reported)	-22.6	-28.4%	-27.3%	-10.7	-38.6%	-39.7%	-11.9	-14.7%	-10.7%
Tax (reported)	-37.8	-36.1%	-34.2%	+6.3	n/m	n/m	-44.1	-20.1%	-18.9%
Net profit (reported)	609.5	+8.5%	-7.4%	359.8	+12.6%	-0.6%	249.6	+3.3%	-15.7%

Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

Appendix

Sonova Group – Expense by category excluding acquisition-related amortization

	FY 2023/24		FY 2022/23	Comments
	CHF m	Δ % in LC	CHF m	
Research & development (adj.) in % of sales	-236.0 6.5%	-0.7%	-242.9 6.5%	– Maintained high level of R&D investment at 6.5% of sales
Sales & marketing (adj.) in % of sales	-1,278.6 35.3%	+7.9%	-1,250.6 33.5%	– Shift in the business mix due to the higher growth in AC including acquisitions
General & administration (adj.) in % of sales	-334.9 9.2%	+11.3%	-311.9 8.3%	– Continued investments in IT-infrastructure
Other income/expenses (adj.)	-0.6	n/m	+0.6	
Total OPEX (adj.) in % of sales	-1,850.1 51.0%	+7.2%	-1,804.7 48.3%	
Adjustments	-33.2	n/m	-31.0	
Total OPEX (reported) in % of sales	-1,883.3 51.9%	+7.3%	-1,835.8 49.1%	

Note: adj. refers to adjusted figures; for details, please refer to the Appendix.

Appendix

Key financials – As reported and adjusted

in CHF million	FY 2023/24	Adjustments					FY 2023/24
	Reported	① Restructuring	② Transaction & integration	③ Patent / legal litigation	④ Tax reform	Total	Adjusted
Sales	3,626.9	-	-	-	-	-	3,626.9
Cost of sales	-1,016.5	+11.1	-	-	-	+11.1	-1,005.4
Gross profit	2,610.4	+11.1	-	-	-	+11.1	2,621.5
<i>Research & Development</i>	-237.5	+1.4	-	-	-	+1.4	-236.0
<i>Sales & Marketing</i>	-1,290.4	+6.1	+5.7	-	-	+11.8	-1,278.6
<i>General & Administration</i>	-354.9	+5.0	+4.8	+10.2	-	+20.0	-334.9
<i>Other income/(expenses)</i>	-0.6	-	-	-	-	-	-0.6
Total OPEX	-1,883.3	+12.5	+10.5	+10.2	-	+33.2	-1,850.1
EBITA	727.0	+23.7	+10.5	+10.2	-	+44.3	771.4
Tax	-37.8	-2.1	-2.2	-1.8	-39.1	-45.2	-82.9
EPS (in CHF)	10.08	+0.36	+0.14	+0.14	-0.66	-0.01	10.06

Note: positive values indicate a positive impact on the adjusted vs. the respective reported financial metric and vice versa.

- ① **Restructuring:** structural optimization initiatives including build-up of new operations facility in Mexico
- ② **Transaction & integration:** acquisitions and integrations (Sennheiser Consumer Division, Alpaca and HYSOUND)
- ③ **Patent / legal litigation:** patent litigation with MED-EL and other legal settlements
- ④ **Tax reform:** positive impact from tax reforms

Appendix

Non-GAAP adjustments

in CHF m	2023/24			2022/23		
	FY	2H	1H	FY	2H	1H
Restructuring	+23.7	+13.5	+10.2	+15.6	+12.8	+2.8
<i>thereof HI segment</i>	+17.1	+9.9	+7.2	+14.6	+11.8	+2.8
<i>thereof CI segment</i>	+6.6	+3.6	+3.0	+1.0	+1.0	+0.0
Transaction and integration costs	+10.5	+4.0	+6.5	+17.0	+14.4	+2.5
Patent / legal litigation	+10.2	+10.2	-	+6.2	+5.2	+1.0
<i>thereof HI segment</i>	+7.0	+7.0	-	+1.5	+1.5	-
<i>thereof CI segment</i>	+3.1	+3.1	-	+4.7	+3.7	+1.0
Total adjustments to EBITA	+44.3	+27.6	+16.7	+38.8	+32.4	+6.3
Tax impact from adjustments (affecting net profit and EPS)	-6.1	-5.1	-1.0	-6.4	-5.7	-0.7
Impact from tax reforms (affecting net profit and EPS)	-39.1	-39.1	0	-9.2	-9.2	0

Note: positive values indicate a positive impact on the adjusted vs. the respective reported financial metric and vice versa.

Appendix

Balance Sheet

CHF m	31 Mar 2024	31 Mar 2023	Comments
Days sales outstanding (DSO)	56	54	– Continued solid receivable collection
Days inventory outstanding (DIO)	175	154	– Affected by elevated safety stock levels during ramp-up of new operations facility in Mexico and product launches in 4Q
Capital employed	3,850.9	3,727.3	– Driven largely by acquisitions
ROCE (reported)	17.7%	20.8%	– Primarily driven by FX impact on results and acquisition impact on capital employed
Net debt	1,359.5	1,495.9	
Net debt/EBITDA	1.5x	1.5x	– At upper end of target range of 1.0-1.5x net debt/EBITDA

Note: DSO and DIO calculated on a 360 days basis; net debt/EBITDA ratio calculated based on net debt as of 30 March 2024, divided by 12-months rolling reported EBITDA.

Appendix

Sales by segment and sales components – Half-year view

	FY 2023/24			2H 2023/24			iH 2023/24		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
<i>HI business</i>	1,697.7	-6.2%	+0.7%	873.1	-0.7%	+6.0%	824.5	-11.3%	-4.3%
<i>AC business</i>	1,410.5	+3.9%	+9.2%	735.1	+2.4%	+7.1%	675.5	+5.5%	+11.5%
<i>CH business</i>	239.7	-15.7%	-9.3%	119.4	-21.1%	-15.9%	120.3	-9.5%	-1.9%
HI segment	3,347.9	-3.0%	+3.2%	1,727.6	-1.2%	+4.6%	1,620.3	-4.9%	+1.8%
CI segment	278.9	-2.8%	+3.6%	146.3	+2.0%	+8.2%	132.6	-7.5%	-0.9%
Total Sonova	3,626.9	-3.0%	+3.2%	1,873.9	-0.9%	+4.8%	1,753.0	-5.1%	+1.6%
Δ organic	+60.8	-	+1.6%	+67.9	-	+3.6%	-7.0	-	-0.4%
Δ acquisitions	+60.6	-	+1.6%	+23.4	-	+1.2%	+37.1	-	+2.0%
Δ disposals	-	-	-	-	-	-	-	-	-
Δ FX	-232.9	-6.2%	-	-109.2	-5.8%	-	-123.7	-6.7%	-

Appendix

Business performance – Hearing Instruments and Audiological Care businesses

Hearing Instruments business

	FY 2023/24			2H 2023/24			1H 2023/24		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	1,697.7	-6.2%	+0.7%	873.1	-0.7%	+6.0%	824.5	-11.3%	-4.3%
Δ organic	+13.0	-	+0.7%	+52.8	-	+6.0%	-39.8	-	-4.3%
Δ acquisitions	+0.0	-	+0.0%	-	-	-	+0.0	-	+0%
Δ FX	-124.7	-6.9%	-	-59.0	-6.7%	-	-65.8	-7.1%	-

Audiological Care business

	FY 2023/24			2H 2023/24			1H 2023/24		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	1,410.5	+3.9%	+9.2%	735.1	+2.4%	+7.1%	675.5	+5.5%	+11.5%
Δ organic	+63.9	-	+4.7%	+27.4	-	+3.8%	+36.6	-	+5.7%
Δ acquisitions	+60.5	-	+4.5%	+23.4	-	+3.3%	+37.0	-	+5.8%
Δ FX	-71.7	-5.3%	-	-33.5	-4.7%	-	-38.2	-6.0%	-

Appendix

Business performance – Hearing Instruments and Audiological Care businesses

Consumer Hearing business

	FY 2023/24			2H 2023/24			1H 2023/24		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	239.7	-15.7%	-9.3%	119.4	-21.1%	-15.9%	120.3	-9.5%	-1.9%
Δ organic	-26.6	-	-9.3%	-24.1	-	-15.9%	-2.5	-	-1.9%
Δ disposals	-	-	-	-	-	-	-	-	-
Δ FX	-18.0	-6.3%	-	-7.8	-5.2%	-	-10.2	-7.7%	-

Cochlear Implants business

	FY 2023/24			2H 2023/24			1H 2023/24		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	278.9	-2.8%	+3.6%	146.3	+2.0%	+8.2%	132.6	-7.5%	-0.9%
Δ organic	+10.4	-	+3.6%	+11.7	-	+8.2%	-1.3	-	-0.9%
Δ acquisitions	-	-	-	-	-	-	-	-	-
Δ FX	-18.4	-6.4%	-	-8.9	-6.2%	-	-9.5	-6.6%	-

Appendix

Cash flow statement

	FY 2023/24		FY 2022/23
	CHF m	Δ % in CHF	CHF m
Income before taxes	647.3	-9.5%	715.6
<i>Depreciation & amortization</i>	246.2	+2.7%	239.7
<i>Working capital</i>	-56.1	-23.9%	-73.7
<i>Other cash effects</i>	-26.9	+5.1%	-25.5
<i>Tax paid</i>	-74.6	-14.2%	-86.8
<i>Financial result</i>	17.3	+18.4%	14.6
Operating cash flow	753.3	-3.9%	783.9
<i>Payments for lease liabilities</i>	-81.7	+0.8%	-81.1
<i>CAPEX</i>	-128.6	-16.6%	-154.3
<i>Other movements in financial assets</i>	-3.8	-70.9%	-12.9
Operating free cash flow	539.2	+0.7%	535.6
<i>Net M&A</i>	-101.6	-61.1%	-261.1
Free cash flow	437.6	59.4%	274.4
Cash flow from financing activities	-415.3	-23.8%	-545.2

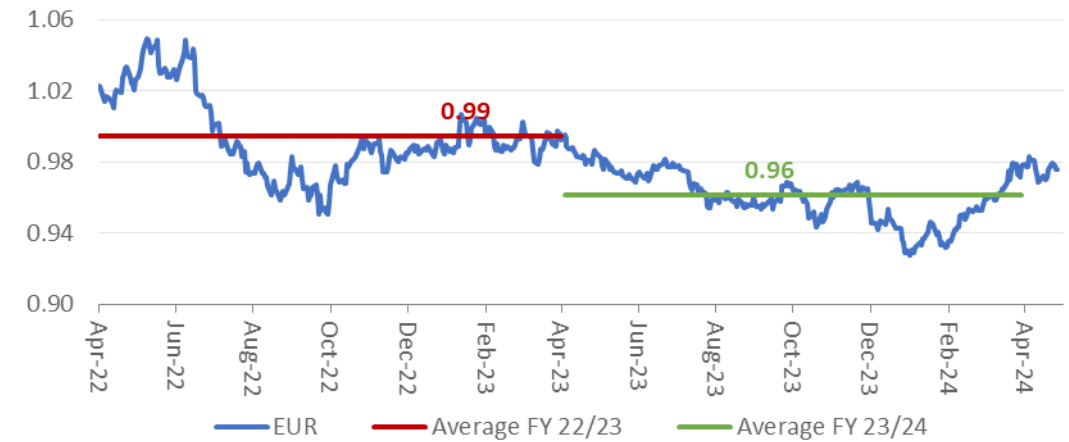
Appendix

Sonova Group – FX impact on sales and margins

USD/CHF



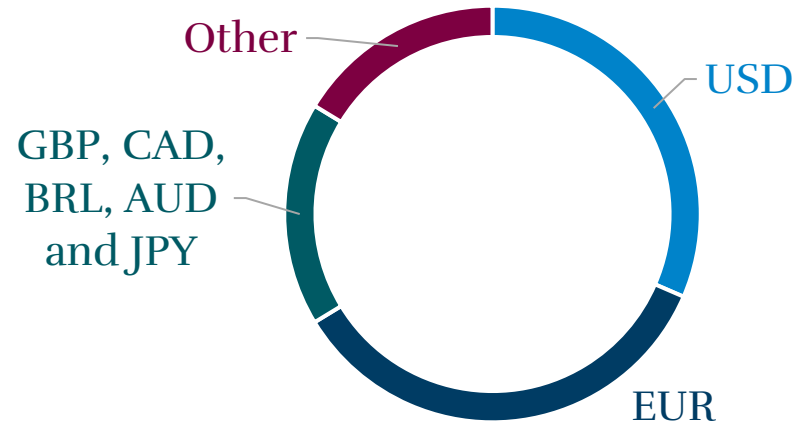
EUR/CHF



	Rate	Sales	EBITA
USD/CHF	+/- 5%	+/- CHF 65 million	+/- CHF 17 million
EUR/CHF	+/- 5%	+/- CHF 70 million	+/- CHF 25 million

Appendix

Sonova Group – Sales by currency and FX rates



	FY-22/23	1H-23/24	2H-23/24	FY-23/24	Effect FY-23/24	Spot May 8
USD	0.96	0.89	0.88	0.89	-	0.91
EUR	0.99	0.97	0.95	0.96	-	0.98
GBP	1.15	1.12	1.10	1.11	-	1.13
CAD	0.72	0.66	0.65	0.66	-	0.66
AUD	0.65	0.59	0.58	0.58	-	0.60
BRL	0.19	0.18	0.18	0.18	-	0.18
JPY 100	0.70	0.63	0.59	0.61	-	0.59

Upcoming events

Date	Event
June 11, 2024	AGM 2024
August 27, 2024	Capital Markets Day
October 1 – November 18, 2024	Quiet period
November 19, 2024	Publication of Half-Year Results 2024/25

Sonova Financial Calendar

Please find the full financial calendar here: <https://www.sonova.com/en/financial-calendar>

Investor relations contacts



Thomas Bernhardsgruetter
Senior Director Investor Relations

☎ +41 58 928 33 44
📱 +41 79 618 28 07
✉ Thomas.Bernhardsgruetter@sonova.com



Jessica Grassi
Director Investor Relations

☎ +41 58 928 33 22
📱 +41 79 416 28 76
✉ Jessica.Grassi@sonova.com



Nicole Jenni
Investor Relations Associate

☎ +41 58 928 33 21
✉ Nicole.Jenni@sonova.com

Sonova Group Headquarters

📍 Laubisrütistrasse 28
CH-8712 Stäfa
Switzerland

✉ ir@sonova.com
☎ Switchboard: +41 58 928 01 01