

J.P. Morgan Healthcare Conference 2025

Arnd Kaldowski, CEO

San Francisco
January 13th, 2025



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.

Sustainable market leader in an attractive industry

Attractive market

- Attractive secular growth drivers
- Significant penetration potential in mild and moderate hearing loss population and high growth developing markets
- Continued potential to innovate “Better Hearing”
- Opportunity to elevate hearing aid adoption and value capture through focus on known comorbidities

Leading market position

- Leading position in the Hearing Industry
- Advanced vertically integrated business model
- Proven track record of advancing hearing care through strong innovation
- Global and differentiated distribution network, with scaled direct consumer access

Focus on sustainability

- Strong purpose and positive impact on society by providing advanced hearing health care
- *IntACT* ESG strategy executed Group-wide
- Ambitious climate actions linked to science-based targets
- Industry leading ESG performance, recognized by major rating agencies

Strong financials

- Attractive profit margins
- Strong balance sheet and cash generation
- Moderate leverage and long-term debt structure at low interest rates
- Significant capacity for organic and inorganic growth investments
- Low tax rate



► The fundamentals of Sonova’s business remain strong and offer attractive value creation opportunities

Product and service offering

Broadest and most advanced offering of hearing care solutions

Audiological Care



- Individual diagnostics and treatments
- Hearing assessments and counseling, personalized fitting of hearing aids
- After care and hearing aid maintenance services



Hearing Instruments

PHONAK unitron.



Receiver-In-Canal (RIC) hearing instruments



Behind-The-Ear (BTE) hearing instruments



In-The-Ear (ITE) hearing instruments



Roger wireless systems

Consumer Hearing

SENNHEISER A brand licensed by Sonova



Premium & True Wireless headphones



Enhanced hearing



Audiophile



Self-fitting hearing aids (OTC)

Cochlear Implants

ADVANCED BIONICS



Sound processors



Cochlear implant systems with electrodes

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



► Consistent implementation of our proven strategy

Our growth ambition

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

Mid-term targets

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

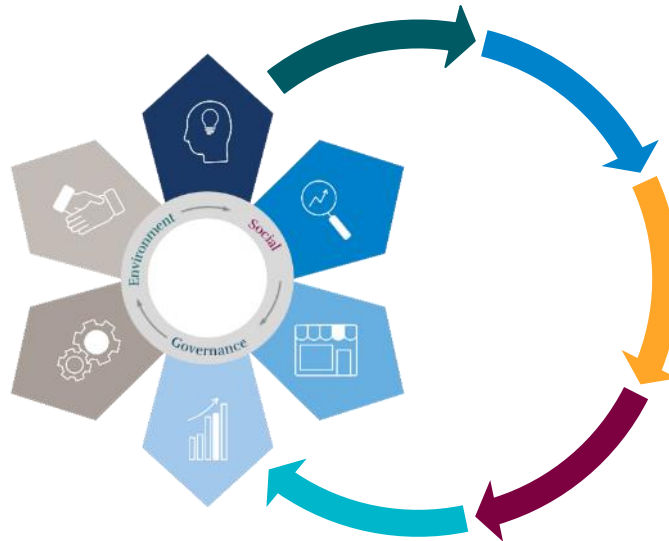
adj. EBITA CAGR
7-11% p.a. in LC

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 – Driving above-market growth and organic margin expansion

Lead innovation in audiological performance

Key innovations that changed the industry – Key contributions from Sonova

Beamforming and traditional algorithms

★ Beam steering with multiple microphones

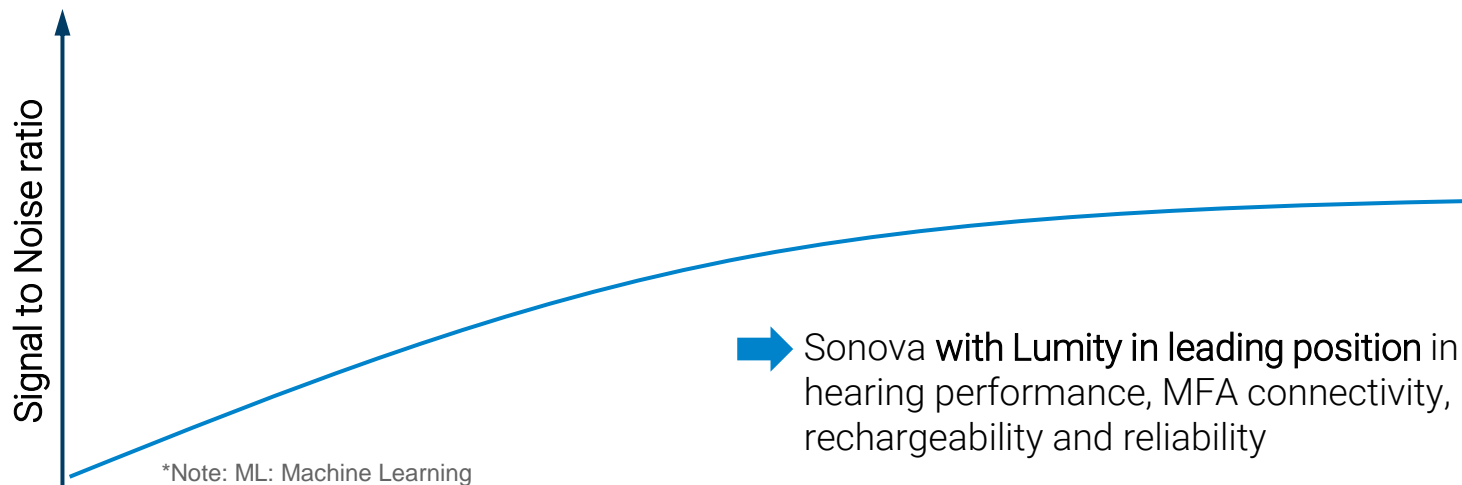
- Reprogrammable DSP platform
- AutoSense OS – ML*-based beamforming
- SoundRecover- 1st frequency compression to improve audibility
- MEMS microphones and transducers

Connectivity and rechargeability

- ★ (MFA) connectivity
- ★ Li-Ion rechargeability
 - Sensor technology
 - App ecosystems

Real-time AI-based sound processing

- ★ Real-time AI sound processing leveraging powerful large DNN on a proprietary chip
 - New dual-chip architecture and new algorithm technology
 - Additive to the benefits of current technologies e.g. beamforming



→ Sonova with Infinio Sphere again pioneering breakthrough technology, enabling a new level in speech clarity from any direction

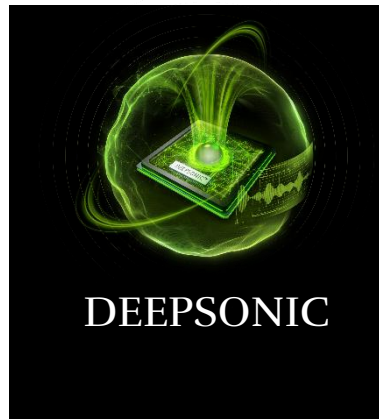
← 3Q 2024

★ Industry & Sonova technology breakthroughs

▶ Sonova has taken the next technology leap – A new chapter in speech enhancement leveraging real-time AI

Delivering breakthrough innovation

New Infinio and Sphere™ Infinio platforms

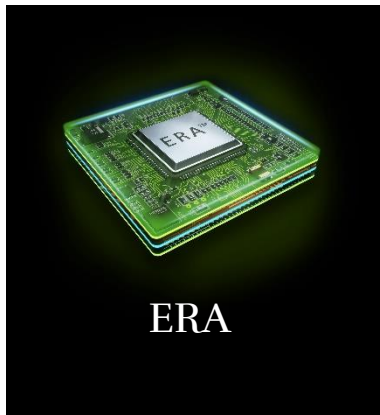


Sphere™ Infinio

Dedicated 2nd chip for
real-time
AI sound processing

Step change in speech
intelligibility, delivering up to
50% more access to
speech cues
than competitors

2-3 times more likely to
understand every word
from any direction
compared to leading
competitors



Infinio

93% user preference
from very first fit
compared to leading
competitor

6x transmission power
enabling more stable
connections and
uninterrupted handsfree
calls over greater distance

21% less fatigue
and
45% less listening effort
required

Water resistant and
sweatproof
featuring Phonak Life
technology as standard
feature in all hearing aids

Note: Additional information available at: <https://www.phonak.com/evidence>

► **Broad new offering delivering strong new consumer benefits**

Strong market response since launch

Launch indicators



Note: * Major countries refers to the US, CA, DE, FR and UK/IE

Open market refers to Independents, Buying Groups, Large Retail Accounts, Medicare, and Medicaid

▶ **Continued strong launch results and customer response for Infinitio and Sphere™ Infinitio**

Audiological Care

Strategy and 2HY focus areas

Strategy



2HY focus areas

- **Improve lead generation to drive organic growth**
 - ➔ Success in building solid pipeline of prospective customers resulting in improved organic sales momentum in 3Q 2024/25
- **Leverage SonovaX and structural optimization**
 - ➔ Targeted cost initiatives are being rolled out to streamline operations and elevate profitability with good initial momentum and impact
- **Harnessing the HI platform launch to drive store traffic**
 - ➔ Strong consumer response to innovative new products supporting growth and delivering ASP lift

▶ AC business gaining momentum and improving profitability into the second half

ESG ratings

Overview of Sonova's rating results for environmental, social, and governance (ESG) factors

Sonova ESG ratings

B	AAA	Low ESG risk	DJSI member	3.9/5	Platinum												
<p>Status: Prime (C+ or better) Industry position: Top 2%</p> <p>Last rating update: 29 Oct 2024</p>	<p>ESG Rating history</p> <p>Last rating update: 22 Nov 2024</p>	<p>15.5 Low Risk</p> <table border="1"> <thead> <tr> <th>UNIVERSE</th> <th>RANK</th> <th>PERCENTILE</th> </tr> </thead> <tbody> <tr> <td>Global Universe</td> <td>1986/15080</td> <td>14th</td> </tr> <tr> <td>Healthcare INDUSTRY</td> <td>52/588</td> <td>10th</td> </tr> <tr> <td>Medical Devices SUBINDUSTRY</td> <td>1/200</td> <td>1st</td> </tr> </tbody> </table> <p>Last rating update: 15 Nov 2024</p>	UNIVERSE	RANK	PERCENTILE	Global Universe	1986/15080	14th	Healthcare INDUSTRY	52/588	10th	Medical Devices SUBINDUSTRY	1/200	1st	<p>Member of indices DJSI World & DJSI Europe for 10 consecutive years</p> <p>4th out of 279 assessed companies in the medical devices industry</p> <p>Last rating update: 18 Dec 2023</p>	<p>ESG Score: 3.9 ICB Supersector: Health Care Percentile rank: 88</p> <p>Exposure levels: High Medium Low Not Applicable</p> <p>Score: 0 to 5 (higher scores are better)</p> <p>Last rating update: 24 June 2024</p>	<p>Overall score 80/100</p> <p>Percentile 99th</p> <p>Last rating update: 22 August 2024</p>
UNIVERSE	RANK	PERCENTILE															
Global Universe	1986/15080	14th															
Healthcare INDUSTRY	52/588	10th															
Medical Devices SUBINDUSTRY	1/200	1st															

► Major ESG rating agencies give Sonova industry-leading scores

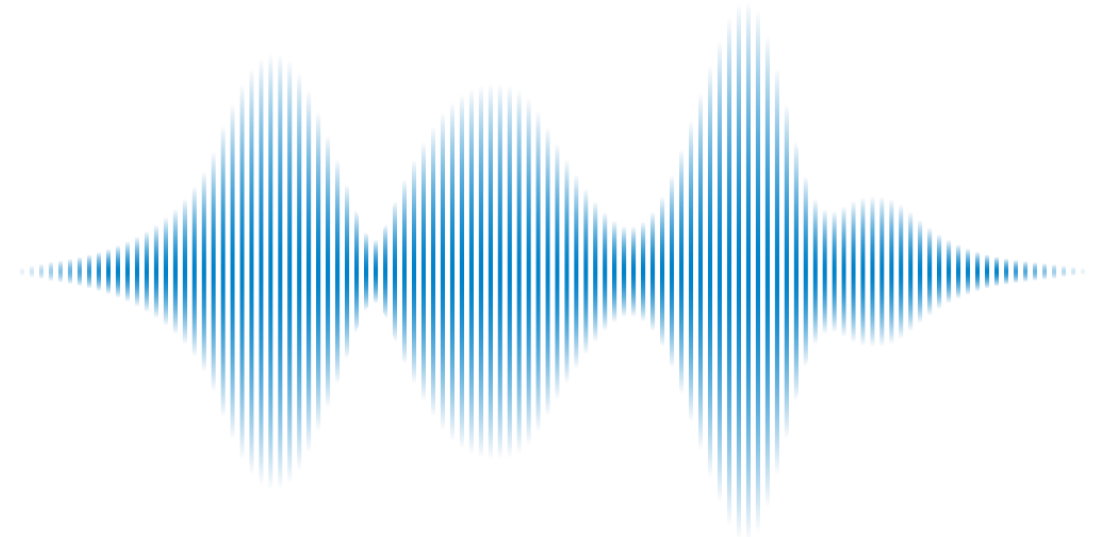
Accelerating into 2H 2024/25

- **Subdued growth in the global hearing care market in 1H** expected to continue for the remainder of the year
- **HI momentum accelerated by strong market response to Infinio platforms**, higher ASPs and share gains
- **AC growth picking up**, benefiting from improved lead generation, new platforms, and lower comparison base
- **CH business showing improved growth**, supported by more favorable comparison base due to temporary portfolio gap in the prior year period
- **CI delivering solid system sales**, while upgrades continuing to face headwinds from shrinking pool of eligible recipients
- **Strong profitability growth anticipated**, driven by sales momentum from new products, lower launch costs, higher ASPs, better profit fall-through, and targeted cost initiatives

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



Q&A



Thank you!