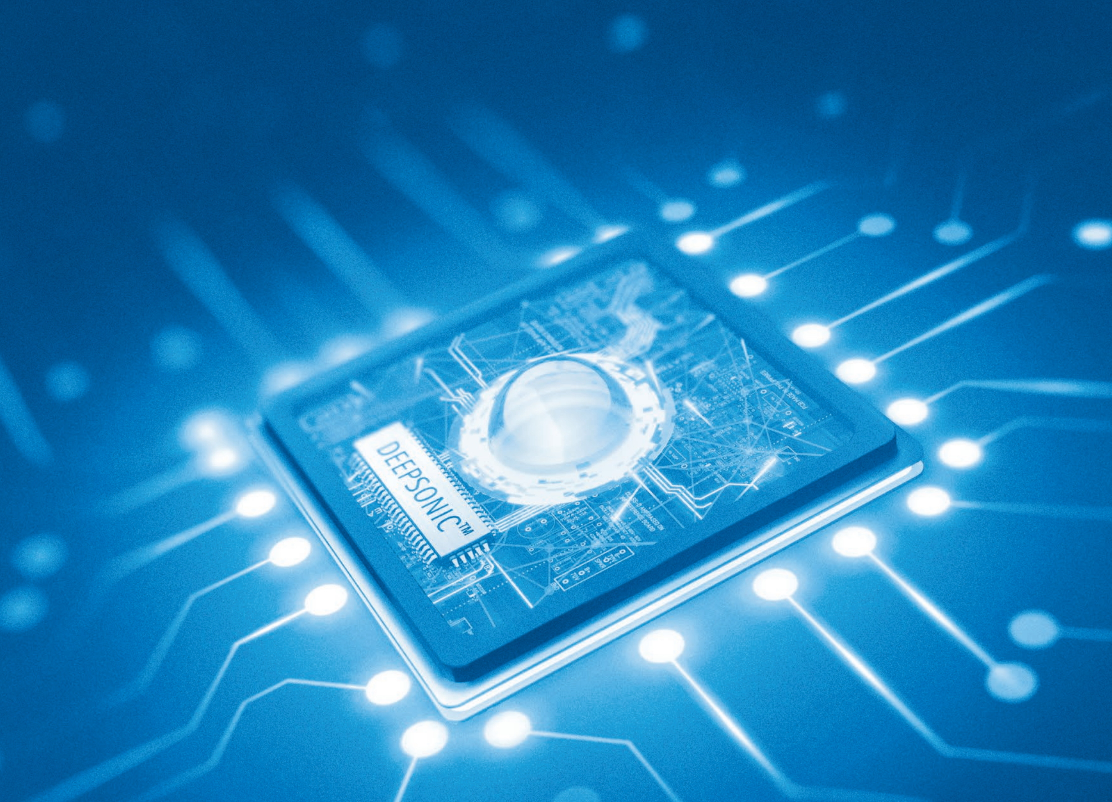
sonova
HEAR THE WORLD



Summary Report 2024/25

Highlights 2024/25

Sonova Group: Sales of CHF 3,865 million
Group sales were CHF 3,865.4 million, up 7.6% in local currencies and 6.6% in Swiss francs. Organic growth reached 6.4% in local currencies.

Adjusted Group EBITA: +7.4% in local currencies
Adjusted Group EBITA[1)] reached CHF 807.8 million, up 7.4% in local currencies or 4.7% in Swiss francs. This represents a margin of 20.9%.

Earnings per share: +10.6% in local currencies
Adjusted earnings per share[1)] increased by 10.6% in local currencies or 7.4% in Swiss francs to CHF 10.81.

Dividend of CHF 4.40 proposed
The Board of Directors proposes to the 2025 Annual General Shareholders' Meeting a dividend of CHF 4.40 per share, representing an adjusted[1)] payout ratio of 41%.

Breakthrough innovation with artificial intelligence
With Audéo Sphere™ Infinio, Phonak introduced the world's first hearing aid that features a proprietary chip and utilizes artificial intelligence to instantly separate speech from background noise.

Expanding access to hearing care
Sonova achieved its target to expand access to hearing care by increasing unit sales in low- and middle-income countries by 67% compared to 2018/19.

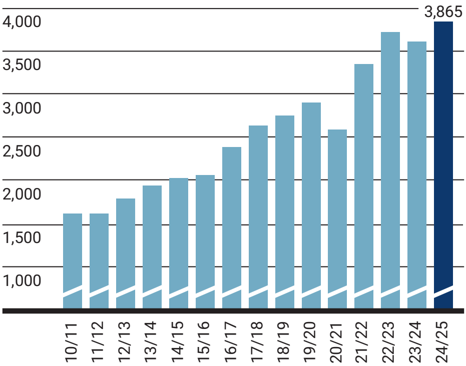
Sonova Group key figures

in CHF million unless otherwise specified	2024/25	2023/24	Change in Swiss francs	Change in local currencies
Sales	3,865.4	3,626.9	6.6%	7.6%
EBITA	749.8	727.0	3.1%	5.9%
EPS (CHF)	9.07	10.08	(10.0%)	(6.9%)
Operating free cash flow	577.9	539.2	7.2%	
EBITA (adjusted)[1)]	807.8	771.4	4.7%	7.4%
EPS (CHF) (adjusted)[1)]	10.81	10.06	7.4%	10.6%

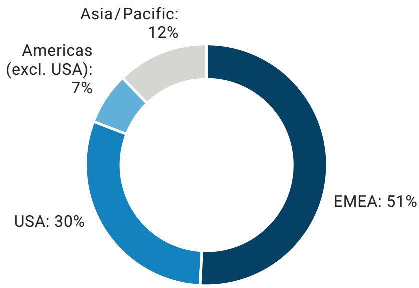
[1)] Non-GAAP financial measure adjusted for nonrecurring items incl. restructuring and acquisition-related costs, certain legal items and impacts from tax reforms; see financial review and for details see the table "Reconciliation of non-GAAP financial measures" in the Annual Report 2024/25.

Key figures 2024/25

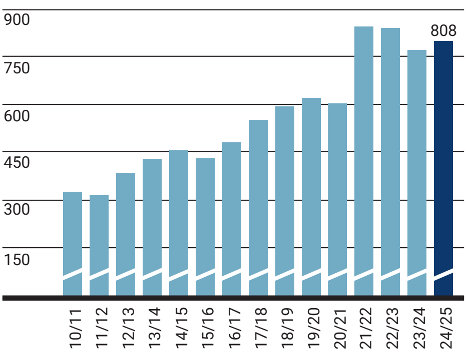
Sales in CHF m



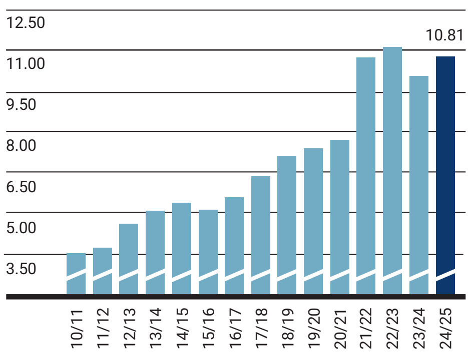
Sales by regions in 2024/25



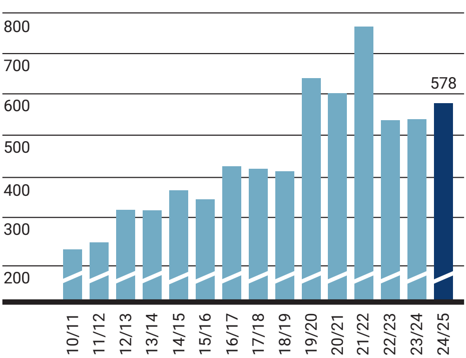
Adjusted EBITA 1) in CHF m



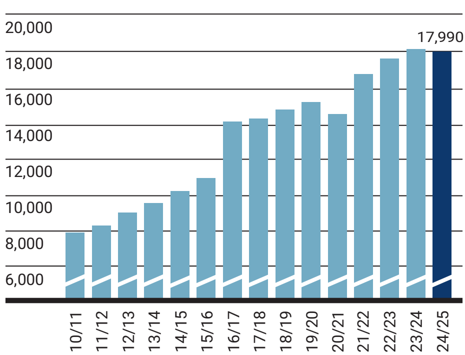
Adjusted EPS 1) in CHF

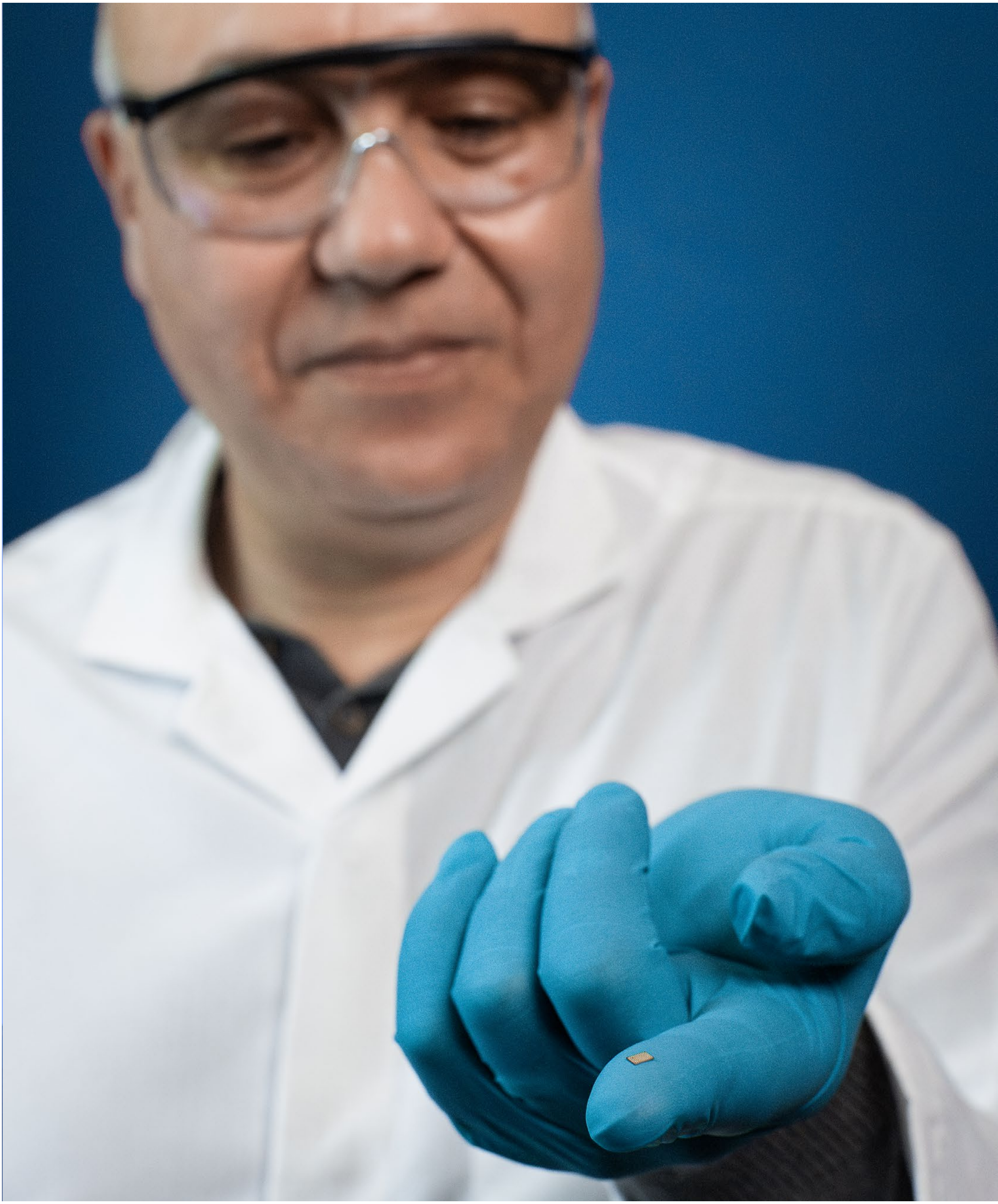


Operating free cash flow in CHF m



Number of employees





From the launch of the first behind-the-ear hearing aid in 1978 to the introduction of the DEEPSONIC™ real-time AI chip in 2024, Sonova is committed to continuously improve the hearing experience for people in need. Fethi Cherigui, from Hearing Instruments Research & Development, appreciates Sonova's willingness to invest in innovation as a real competitive advantage.

Letter to shareholders

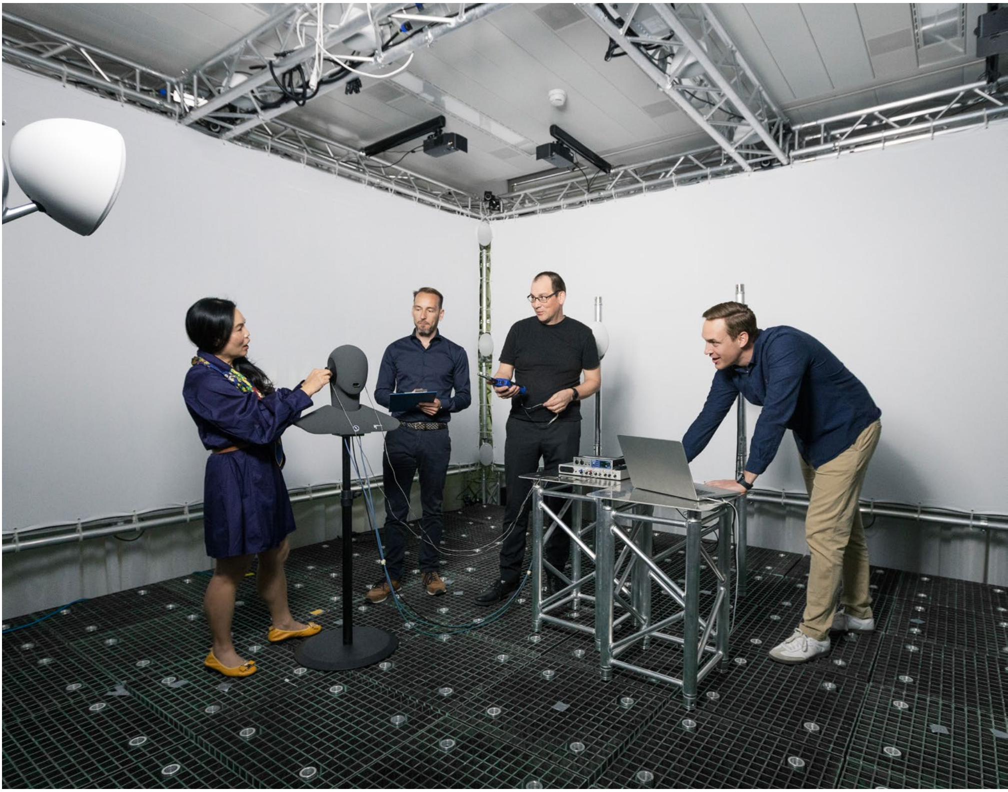
Dear shareholders,

Sonova achieved solid growth for the 2024/25 financial year. Successful product launches and further elevation of our commercial performance drove a substantial acceleration in sales and profitability through the course of the year. Although adverse currency exchange rate developments held back reported growth in Swiss francs, we made further progress on our strategy: advancing our product portfolio, expanding market access, and delivering continuous improvement in our operational and commercial execution. We expect to build further on this momentum as we enter the 2025/26 financial year.

This year featured breakthrough advances delivered by the innovation culture on which Sonova's business thrives, further enhancing the hearing experience for our consumers. A disciplined approach to research and development, both in-house and in collaborations, has supported our long history of industry firsts, including groundbreaking improvements in sound quality, speech understanding, and connectivity. We have again clearly demonstrated the value of this approach with the launch of two new platforms under our core Phonak brand.

Phonak Infinio, powered by the new ERA connectivity chip and launched in August 2024, provides significant improvements over its predecessor Lumity in sound quality and connection stability, delivering high user satisfaction and reduced listening effort. Phonak Audéo Sphere™ Infinio adds real-time artificial intelligence processing to separate speech from noise in all directions instantly, significantly outperforming competitors in real-world listening scenarios. It is powered by our new proprietary DEEPSONIC™ deep neural network chip, the result of more than six years of development and significant R&D investments. These new platforms have been overwhelmingly positively received. They are driving growth in our Hearing Instruments business and have enhanced our Audiological Care business through increased consumer appreciation of our premium products' value, particularly in the second half-year.

This positive momentum reinforces our conviction that our strategy is an effective generator of profitable growth. You can find additional details in the Strategy and businesses section of this year's annual report.



“It’s about creating an environment where people can work together and innovate without hurdles or hierarchies,” Volker Kuehnel says, who works in Sonova’s technology development and integration team. He believes that people need time and space to “think, explore, try out”.

(Volker Kuehnel, second from the right, working here with an interdisciplinary team in the Real-Life Lab in Staefa)

Hearing Instruments segment

Sales in the Hearing Instruments Segment increased by 7.5% in local currencies, primarily driven by organic growth. Accelerating growth in the second half of the year was supported by the successful launch of the new Infinio and Sphere Infinio platforms in August, which received positive feedback from customers and consumers and drove growth in both the Hearing Instruments and Audiological Care businesses. The Consumer Hearing business posted strong growth in the second half, helped by an improving overall market.

The main highlights in the Hearing Instruments business included the launch of the Phonak Infinio and Sphere Infinio hearing aid platforms in August 2024. We invested substantially in our most ambitious product launch to date, including a flagship event at the Sphere in Las Vegas that attracted over 1,000 hearing care professionals. Following the launch, we expanded the Phonak product range based on the new platforms to encompass additional price points and form factors, all contributing to market share gains. Meanwhile our Unitron brand broadened the offerings of its Vivante platform with its smallest and lightest behind-the-ear (BTE) model and a 'super power' device for consumers requiring greater amplification. Unitron also launched Ativo, a product designed to provide high performance at an accessible price.

Our Audiological Care business overcame some initial challenges to accelerate growth and expand market share in the second half of the financial year. Growth in the first half had been restrained by a modest pipeline of prospective customers at the year's start, combined with lower-than-expected demand, particularly in Europe. We therefore implemented a series of measures to drive growth and profitability, concentrating on improving the level and mix of lead-generation channels and executing structural improvements to streamline operations. The business also leveraged the innovative hearing aid solutions launched under our Phonak brand to stimulate consumer demand. These initiatives resulted in significantly increased growth in the second half-year.

The Consumer Hearing business achieved strong growth during the second half-year, benefiting from the return of the global consumer audio market to growth after a challenging period, as well as a favorable comparison base. The business has achieved further progress on its strategic priorities, concentrating its effort in the premium market categories where the Sennheiser name and market-leading audiophile heritage have the most resonance. At the same time, Consumer Hearing is improving profitability by increasing customer reach in key markets and channels while optimizing product-related costs.

Cochlear Implants segment

Strong sales of new systems, reflecting an increased market share, drove a 9.5% rise in sales in local currencies for the Cochlear Implants segment. Upgrade sales declined as, after the 2021 introduction of the Marvel sound processors, many recipients have already taken up this latest technology. Performance in the US has been a highlight, driven by elevated commercial execution and improvements in lead generation. The Phonak + AB Cochlear Implant Network, in particular, assists with identifying hearing aid users whose hearing loss has progressed to a point where a cochlear implant is the optimal solution. Sales growth was also supported by the Remote Programming feature introduced in the previous financial year: enabled by Phonak's unique Made For All™ universal Bluetooth® connectivity, it allows cochlear implant recipients to attend remote consultations and benefit from real-time adjustments with their audiologists via smartphone.

Dividend proposal

The Board of Directors is pleased to propose to the Annual General Shareholders' Meeting (AGM) in June 2025 a dividend of CHF 4.40 per share. This represents a slight increase over the previous year and an adjusted payout ratio of approximately 41%, which is in line with our Total Shareholder Return (TSR) strategy. Sonova confirms its TSR strategy, targeting moderate leverage while maintaining a healthy balance sheet.

Environmental, social, and governance (ESG)

Sonova maintains its long-standing commitment to good environmental, social, and governance (ESG) practice: IntACT, our ESG strategy, is firmly embedded in our overall Sonova Group strategy. In the 2024/25 financial year, we made further progress towards our ESG targets, including a 24.5% reduction in scope 1–3 CO_2 emissions compared to the 2019/20 financial year. In line with our efforts to expand access to hearing care, units sold in low- and middle-income countries increased by 67% over the 2018/19 financial year.

The share of women in senior management increased compared to the previous financial year from 28.3% to 30.5%, and in middle management from 39.9% to 41.6%.

Sonova maintains strong ratings from external ESG agencies. Sustainalytics ranked us first in the medical devices industry, while TIME Magazine's "World's Most Sustainable Companies" named us as top in healthcare and 18th overall. Sonova was included in the Dow Jones Sustainability Index for the eleventh consecutive year, and received an AAA ESG rating from MSCI.

You will find further and more detailed information in our ESG Report, which is part of the Sonova Annual Report 2024/25.

We build products because we know there's a need for it from listening to our consumers. The determination to solve speech understanding in noisy environments led to the development of a specific deep neural network.

The team first heard the denoising effect while testing this in the busy cafeteria during lunch service in Staefa. "That was my 'wow' moment, when I realized we have invented a technology that can change the lives of so many people," says one of the AI software architects.

Rylee Foster’s journey is a tale of resilience and authenticity. After a near-fatal car accident three years ago, the Canadian goalkeeper defied the odds to return to the pitch and is now playing for Durham Women FC in England’s FA Championship. With the Sphere Infinio, her hearing has significantly improved, enhancing her interactions with teammates and coaches. “For the first time, I can easily understand speech,” she shares.

Changes to the Board of Directors and to the Management Board

As previously communicated, the Board of Directors will propose changes to its membership at the upcoming AGM, in line with its established long-term succession planning. After many years of dedicated service, current Chair Robert Spoerry, Stacy Enxing Seng, and Lukas Braunschweiler will not stand for re-election; Robert Spoerry and Lukas Braunschweiler are approaching the age limit stipulated in the Organizational Regulations of Sonova Holding AG. The Board has nominated Gilbert Achermann, who was elected as a member of the Board at the 2024 AGM, for election as Chair and Laura Stoltenberg for election as a new member of the Board at the upcoming AGM. After a transition period in the 2024/25 financial year, the Board will reduce its membership from 10 to 8 members. Further details can be found in the AGM invitation. As announced in previous communications, Elodie Carr-Cingari, who brings extensive financial leadership experience, will join the Management Board as CFO starting July 2025.

Our thanks

We sincerely thank our employees for their unwavering commitment to enhancing the hearing experience for ever more consumers: this is the firm foundation of Sonova's strong performance in a notable year. We are also grateful to the consumers who ask us to accompany them on their hearing journey, and the professionals who support them. And our renewed thanks go to our shareholders for their continued trust in our strategy for sustainable, profitable growth.

Outlook

Building on our solid momentum, increased market share, positive market reception for our new products, and the continued execution of our strategy, we are entering the new financial year from a position of strength. The outlook is based on the current sentiment and growth trends in the hearing care market, as well as the tariffs currently in place. It reflects the recent decline in consumer confidence, particularly in the USA, along with the associated moderate market slowdown observed in recent months. This outlook assumes no significant additional tariffs or other major economic disruptions beyond those already known at the time of this report's publication.

For the full 2025/26 financial year, Sonova expects consolidated sales to increase by 5%–9%, and EBITA – normalized for special items but including restructuring costs – to grow in a range of 14%–18% when measured at constant exchange rates.

Robert Spoerry
Chair of the Board of Directors

Arnd Kaldowski
CEO

A personal note from the Chair

As previously communicated, I will be retiring from Sonova at the upcoming AGM due to reaching the age limit. It has been an honor and privilege to serve this remarkable company for such a long time, including 14 years as its Chair, and I give warmest thanks to colleagues and shareholders for the trust they have placed in me during our journey together. Sonova is a great company with a clear lead in the market, and I am happy to leave in the knowledge that it is well positioned for the future.

Robert Spoerry
Chair of the Board of Directors

Hearing care professional Tiffany Wilson, a Licensed Hearing Instrument Specialist at AudioNova US, part of Sonova's Audiological Care business, confirms that being able to engage in conversation without the frustration of background noise makes a significant difference in the lives of her customers.

Financial review

Sales growth supported by successful product launches

In the 2024/25 financial year, Sonova Group sales reached CHF 3,865.4 million, an increase of 7.6% in local currencies and 6.6% in Swiss francs. Growth accelerated in the second half-year, driven by the successful launch of the Infinio and Sphere Infinio platforms in August, both of which received positive feedback and supported further growth in the Hearing Instruments and Audiological Care businesses. A slowdown in the US private hearing aid market in the final months of the financial year hampered overall development. Organic growth was 6.4%, while acquisitions in the reporting period, along with the full-year effect of previous acquisitions, contributed 1.2% to total sales growth. Exchange rate effects negatively impacted reported sales by CHF 37.7 million, reducing growth in Swiss francs by 1.0 percentage point.

Solid performance across all regions despite subdued market development

Sales in Europe, Middle East and Africa (EMEA) increased by 7.0% in local currencies. Growth was adversely affected by weaker-than-anticipated market conditions. This was partly mitigated by market share gains following the successful launch of the new platforms in August 2024, as well as by bolt-on acquisitions, mainly in Germany.

In the United States, sales rose by 7.7% in local currency, bolstered by above market growth in the Hearing Instruments business following the recent platform launches. Development was held back by a decline in the private hearing aid market in the final months of the financial year, as consumers grew increasingly hesitant due to widespread economic uncertainty.

Sales in the rest of the Americas (excluding the US) grew by 10.8% in local currencies. Growth was driven by the strong performance of the Hearing Instruments business in Canada, complemented by the ongoing expansion of the store network in the Audiological Care business. Additionally, Brazil delivered significant growth across all businesses.

In the Asia Pacific (APAC) region, sales rose by 8.1% in local currencies. The key driver was strong development of all businesses in Australia, driven in part by bolt-on acquisitions. In China, the performance of the Hearing Instruments and Audiological Care businesses was affected by a sluggish hearing aid market, while both the Cochlear Implants and Consumer Hearing sectors experienced substantial growth.

Substantial increase in profitability in the second half after initial headwinds

The Group implemented additional structural optimization initiatives to streamline operations and enhance profitability in the Audiological Care business, improve its cost structure, and further develop its operations facility in Mexico. Restructuring costs amounted to CHF 44.2 million (2023/24: CHF 23.7 million). Transaction and integration costs related to acquisitions totaled CHF 7.5 million (2023/24: CHF 10.5 million). In addition, the Group incurred legal costs of CHF 6.3 million (2023/24: CHF 10.2 million). Impacts from tax reforms increased income taxes by CHF 49.5 million (2023/24: reduction of CHF 39.1 million).

Adjusted figures and growth rates in this financial review exclude the items in the previous paragraph. For more details, please refer to the "Reconciliation of non-GAAP financial measures" table at the end of the financial review in the financial review of the full Annual Report 2024/25.

Reported gross profit amounted to CHF 2,784.5 million. Adjusted gross profit was CHF 2,799.7 million, an increase of 8.1% in local currencies and 6.8% in Swiss francs. This development was supported by higher volume in the Hearing Instruments business as well as lower costs of components. While average selling prices (ASP) in both the Hearing Instruments and Audiological Care business were helped by the new platforms, this was offset by pressure on previous generation products, costs related to the ramp up of manufacturing, and an adverse country mix. As a result, the adjusted gross profit margin reached 72.4%, up by 0.2 percentage points in Swiss francs or 0.3 percentage points in local currencies.

Excluding acquisition-related amortization, reported operating expenses were CHF 2,034.7 million (2023/24: CHF 1,883.3 million). Adjusted operating expenses before acquisition-related amortization rose by 8.4% in local currencies or by 7.7% in Swiss francs to CHF 1,991.9 million (2023/24: CHF 1,850.1 million). The cost increase is related to investments in the launch of the new hearing aid platforms in the first half-year and elevated lead generation costs in the Audiological Care business, as well as labor cost inflation. Operating costs grew at a slower rate than sales in the second half-year, supported by targeted cost initiatives.

Adjusted research and development (R&D) expenses before acquisition-related amortization reached CHF 232.0 million (2023/24: CHF 236.0 million), a stable development in local currencies, following the successful completion of two parallel platform developments. This represents 6.0% of sales (2023/24: 6.5%).

Adjusted sales and marketing costs before acquisition-related amortization increased by 9.6% in local currencies to CHF 1,390.0 million or 36.0% of sales (2023/24: 35.3%). This was primarily driven by significant launch investments as well as by elevated lead generation costs, new store openings, and acquisitions in the Audiological Care business. Primarily driven by higher IT investments, rising labor costs, and one-time benefits in the prior year, adjusted general and administration costs before acquisition-related amortization increased by 11.2% in local currencies, reaching CHF 370.1 million or 9.6% of sales (2023/24: 9.2%). Adjusted other income totaled CHF 0.0 million (2023/24: expenses of CHF 0.6 million).

Fueled by a strong increase of 16.6% in local currencies in the second half-year, adjusted operating profit before acquisition-related amortization (EBITA) rose by 7.4% in local currencies and 4.7% in Swiss francs, reaching CHF 807.8 million (2023/24: CHF 771.4 million). The adjusted EBITA margin was 20.9%, down 0.4 percentage points in Swiss francs and 0.1 percentage points in local currencies. Exchange rate developments reduced adjusted EBITA by CHF 20.5 million and the margin by 0.3 percentage points. Reported EBITA rose by 5.9% in local currencies or 3.1% in Swiss francs, totaling CHF 749.8 million (2023/24: CHF 727.0 million). Acquisition-related amortization amounted to CHF 57.9 million (2023/24: CHF 57.1 million).

Reported operating profit (EBIT) amounted to CHF 691.9 million (2023/24: CHF 669.9 million), up 6.2% in local currencies or 3.3% in Swiss francs.

Net financial expenses, including the result from associates, rose from CHF 22.6 million in the prior year to CHF 39.9 million, reflecting increased hedging costs and certain non-recurring benefits in the prior year. Income taxes amounted to CHF 105.0 million (2023/24: CHF 37.8 million), impacted by the implementation of the OECD global minimum tax laws in Switzerland from 2024 onwards. In the prior year, income taxes benefited from effects related to tax reforms and the recognition of deferred tax assets arising from losses incurred. Basic earnings per share (EPS) reached CHF 9.07, down 6.9% in local currencies and 10.0% in Swiss francs. Adjusted EPS rose by 10.6% in local currencies and 7.4% in Swiss francs to CHF 10.81, compared to CHF 10.06 in the prior year.

Hearing Instruments segment – Successful product launches driving sales acceleration

Sales in the Hearing Instruments segment reached CHF 3,561.4 million, reflecting an increase of 7.5% in local currencies and 6.4% in Swiss francs. Growth accelerated in the second half-year, driven by successful product launches and a rebound of organic growth in the Audiological Care business, although it was held back by softer-than-expected market growth. Organic sales growth was 6.1%, while acquisitions contributed an additional 1.3%, equating to CHF 44.1 million. Exchange rate effects reduced reported sales by CHF 36.1 million, or 1.1% in Swiss francs.

The Hearing Instruments business recorded sales of CHF 1,821.4 million, reflecting an increase of 8.5% in local currencies. Following the successful launch of the Phonak Audéo Infinio and Audéo Sphere Infinio hearing aid families in August, the company consistently gained market share, resulting in a growth of 9.8% in local currencies in the second half-year. In the final two months of the 2024/25 financial year, the development was held back by a significant slowdown in the private hearing aid market in the US, affecting both volume growth and ASP development.

The Audiological Care business generated sales of CHF 1,487.5 million, representing an increase of 6.4% in local currencies. Organic growth reached 3.3% but accelerated to 5.3% in the second half-year, supported by a series of measures implemented to drive growth and profitability. Convincing customers to visit the hearing care clinic and make a purchase decision continued to be a challenge, resulting in elevated lead generation costs. Acquisitions (including the full-year effect of prior year acquisitions) lifted sales by 3.1%.

Sales in the Consumer Hearing business increased by 6.4% in local currencies, reaching CHF 252.5 million. This was fueled by double-digit growth in the second half-year, benefiting from the return of the global consumer audio market to growth and a favorable comparison base. The business has made considerable progress in its strategic priorities, focusing on premium market categories while driving sustainable profitability by expanding customer reach in key markets and channels, as well as optimizing product-related costs.

Reported EBITA for the Hearing Instruments segment was CHF 721.4 million, up 5.5% in local currencies. Adjusted EBITA rose by 6.5% in local currencies to CHF 764.9 million, corresponding to a margin of 21.5% (2023/24: 22.0%). Excluding the adverse currency development, the adjusted EBITA margin declined by 0.2 percentage points compared to the prior year, but improved by 1.4 percentage points in the second half-year compared to the prior year period.

Cochlear Implants segment – Continued market share gains

Sales in the Cochlear Implants segment amounted to CHF 303.9 million, up 9.5% in local currencies and 9.0% in Swiss francs. The increase was primarily attributed to continued strong system sales, which rose by 16.3% in local currencies, indicating market share gains. Sales growth was also supported by the Remote Programming feature introduced in the previous financial year. Strong performance in the US was achieved through enhanced commercial execution and improvements in lead generation. Sales of upgrades and accessories declined by 3.9% in local currencies, as many recipients have already adopted the Marvel sound processor technology, which was introduced in 2021.

Reported EBITA for the Cochlear Implants segment was CHF 28.4 million. The adjusted EBITA reached CHF 42.8 million (2023/24: CHF 35.1 million), representing a margin of 14.1% (2023/24: 12.6%). Adverse shifts in the geographic sales mix weighed on the gross margin, which was more than offset by strict control of operating costs. Excluding the adverse currency development, the adjusted EBITA margin rose by 1.8 percentage points.

Cash flow

Cash flow from operating activities totaled CHF 793.7 million (2023/24: CHF 753.3 million). Growth of income before taxes in Swiss francs was held back by adverse currency developments. Lower cash outflow from changes in working capital was driven by the fact that the impact of higher receivables and inventories was more than compensated by the increase in payables, partly due to ongoing payment term initiatives. The net purchase of tangible and intangible assets stood at CHF 136.0 million (2023/24: CHF 127.4 million). Coupled with higher income taxes paid, operating free cash flow reached CHF 577.9 million (2023/24: CHF 539.2 million).

Cash consideration for acquisitions amounted to CHF 77.3 million (2023/24: CHF 101.6 million), reflecting the further expansion of the Audiological Care network through bolt-on acquisitions, mainly in Australia, Canada, and Germany. In total, this resulted in a free cash flow of CHF 500.5 million (2023/24: CHF 437.6 million). The cash outflow from financing activities of CHF 401.8 million mainly reflects the dividend payment of CHF 256.2 million, as well as lease liabilities repayment of CHF 73.3 million.

Balance sheet

Cash and cash equivalents rose to CHF 686.9 million, compared to CHF 513.6 million at the end of the 2023/24 financial year. Net working capital rose to CHF 165.0 million, compared to CHF 93.2 million at the end of the 2023/24 financial year, reflecting higher receivables and inventory, partly offset by the increase in accounts payable. Capital employed remained stable at CHF 3,824.1 million, compared to CHF 3,850.9 million at the end of the 2023/24 financial year.

The Group's equity of CHF 2,684.6 million represents an equity ratio of 45.3%, compared to 43.0% at end of the 2023/24 financial year. The net debt position decreased to CHF 1,139.5 million compared to CHF 1,359.5 million at the end of the 2023/24 financial year. The net debt/EBITDA ratio stood at 1.2x, down from 1.5x in March 2024, and within Sonova's target range of 1.0–1.5x. The return on capital employed (ROCE) reached 18.0% compared to 17.7% in the prior year.

Consolidated financial statements

Consolidated income statement

CHF million	2024/25	2023/24
Sales	**3,865.4**	**3,626.9**
Cost of sales	(1,080.9)	(1,016.5)
Gross profit	**2,784.5**	**2,610.4**
Research and development[1)]	(235.1)	(239.0)
Sales and marketing[1)]	(1,465.1)	(1,346.0)
General and administration	(392.6)	(354.9)
Other income	0.2	0.0
Other expenses	0.0	(0.6)
Operating profit (EBIT)[2)]	**691.9**	**669.9**
Financial income	6.8	12.3
Financial expenses	(52.1)	(39.2)
Share of profit/(loss) in associates/joint ventures, net	5.4	4.4
Income before taxes	**652.0**	**647.3**
Income taxes	(105.0)	(37.8)
Income after taxes	**547.0**	**609.5**
Attributable to:		
Equity holders of the parent	540.5	601.0
Non-controlling interests	6.4	8.5
Basic earnings per share (CHF)	9.07	10.08
Diluted earnings per share (CHF)	9.04	10.05

1) Includes acquisition-related amortization of CHF 1.5 million (previous year: CHF 1.5 million) in "Research and development" and CHF 56.3 million (previous year: CHF 55.6 million) in "Sales and marketing". EBITA (Earnings before financial result, share of profit/(loss) in associates/joint ventures, taxes and acquisition-related amortization) amounts to CHF 749.8 million (previous year: CHF 727.0 million).
2) Earnings before financial result, share of profit/(loss) in associates/joint ventures and taxes (EBIT).

Consolidated statement of comprehensive income

CHF million	2024/25	2023/24
Income after taxes	**547.0**	**609.5**
Other comprehensive income		
Actuarial gain/(loss) from defined benefit plans, net	4.1	13.2
Tax effect on actuarial result from defined benefit plans, net	(0.6)	(2.3)
Items that will never be reclassified to the income statement	**3.5**	**10.9**
Currency translation differences	(79.9)	(79.4)
Tax effect on currency translation items	4.1	5.0
Items that may be reclassified subsequently to the income statement	**(75.8)**	**(74.4)**
Other comprehensive income, net of tax	**(72.3)**	**(63.5)**
Total comprehensive income	**474.7**	**546.0**
Attributable to:		
Equity holders of the parent	468.2	537.8
Non-controlling interests	6.5	8.2

Consolidated balance sheet

Assets CHF million	**31.3.2025**	**31.3.2024**
Cash and cash equivalents	686.9	513.6
Trade receivables and other current financial assets	589.1	549.0
Inventories	468.5	435.6
Other current operating assets and income tax receivables	166.8	154.3
Total current assets	**1,911.3**	**1,652.4**
Property, plant and equipment	379.6	380.2
Right-of-use assets	238.0	269.6
Intangible assets and goodwill	2,984.6	3,038.6
Investments in associates/joint ventures	18.6	19.2
Other non-current financial and operating assets	71.4	67.2
Retirement benefit asset	19.7	16.8
Deferred tax assets	301.0	347.8
Total non-current assets	**4,012.9**	**4,139.4**
Total assets	**5,924.2**	**5,791.8**

Liabilities and equity CHF million	**31.3.2025**	**31.3.2024**
Current financial liabilities	373.8	18.8
Current lease liabilities	68.7	74.3
Trade payables	269.0	202.4
Current income tax liabilities	176.3	211.0
Short-term contract liabilities	117.4	123.6
Other short-term operating liabilities	376.4	379.6
Short-term provisions	118.5	128.3
Total current liabilities	**1,500.1**	**1,137.9**
Non-current financial liabilities	1,205.8	1,576.1
Non-current lease liabilities	179.9	204.8
Long-term provisions	66.6	80.5
Long-term contract liabilities	146.0	158.0
Retirement benefit obligation	14.8	13.9
Deferred tax liabilities	126.3	129.4
Total non-current liabilities	**1,739.5**	**2,162.5**
Total liabilities	**3,239.6**	**3,300.4**
Equity	**2,684.6**	**2,491.3**
Total liabilities and equity	**5,924.2**	**5,791.8**

Consolidated cash flow statement

CHF million	2024/25	2023/24
Income before taxes	**652.0**	**647.3**
Depreciation, amortization and impairment of tangible and intangible assets and right-of-use assets	248.5	246.2
Loss on sale of tangible and intangible assets, net	3.6	0.8
Share of (profit)/loss in associates/joint ventures, net	(5.4)	(4.4)
Decrease in long-term provisions and long-term contract liabilities	(20.4)	(28.8)
Financial (income)/expenses, net excl. cash flow from management of foreign currencies and exchange (gains)/losses	23.0	17.3
Share based payments	20.4	22.8
Other non-cash items	16.5	(17.2)
Income taxes paid	(99.0)	(74.6)
Cash flow before changes in net working capital	**839.1**	**809.4**
Increase in trade receivables	(52.1)	(22.0)
Increase in inventories	(35.9)	(19.0)
Increase in trade payables	70.9	11.7
Other, net	(28.3)	(26.8)
Cash flow from operating activities	**793.7**	**753.3**
Purchase of property, plant and equipment	(89.8)	(85.3)
Purchase of intangible assets	(47.8)	(43.3)
Cash consideration for acquisitions, net of cash acquired	(77.3)	(101.6)
Other, net	2.2	(3.8)
Cash flow from investing activities	**(212.7)**	**(234.0)**
Repayment of borrowings	(0.9)	
Repayment of lease liabilities	(73.3)	(75.1)
(Purchase)/sale of treasury shares, net	(38.1)	(31.5)
Dividends paid to shareholders of Sonova Holding AG	(256.2)	(274.1)
Other, net	(33.3)	(34.7)
Cash flow from financing activities	**(401.8)**	**(415.3)**
Effect of exchange rates changes on cash and cash equivalents	(5.9)	(4.3)
Increase in cash and cash equivalents	**173.3**	**99.7**
Cash and cash equivalents at the beginning of the financial year	513.6	413.9
Cash and cash equivalents at the end of the financial year	**686.9**	**513.6**

Consolidated changes in equity

CHF million

	Attributable to equity holders of Sonova Holding AG					
	Share capital	Retained earnings	Translation adjustment	Treasury shares	Non-controlling interests	Total equity
Balance April 1, 2023	**3.1**	**3,176.6**	**(538.2)**	**(429.0)**	**18.9**	**2,231.4**
Total comprehensive income		611.9	(74.1)		8.2	546.0
Capital decrease – share buyback program	(0.1)	(421.4)		421.5		
Share-based payments		8.2		19.7		27.9
Sale/transfer of treasury shares[1)]		(14.8)		35.3		20.5
Purchase of treasury shares				(51.3)		(51.3)
Dividend paid		(274.1)			(8.2)	(282.3)
Acquisition of non-controlling interests		(3.4)	0.5		2.0	(0.9)
Balance March 31, 2024	**3.0**	**3,082.9**	**(611.7)**	**(3.8)**	**20.9**	**2,491.3**

Balance April 1, 2024	**3.0**	**3,082.9**	**(611.7)**	**(3.8)**	**20.9**	**2,491.3**
Total comprehensive income		544.0	(75.9)		6.5	474.7
Share-based payments		4.3		15.4		19.6
Sale/transfer of treasury shares[1)]		(20.3)		50.1		29.8
Purchase of treasury shares				(67.3)		(67.3)
Dividend paid		(256.2)			(7.4)	(263.6)
Balance March 31, 2025	**3.0**	**3,354.8**	**(687.6)**	**(5.6)**	**20.0**	**2,684.6**

[1)] In relation to long-term equity incentive plans.

Financial statements of Sonova Holding AG

Income statement

CHF million	2024/25	2023/24
Income		
Investment income	483.0	470.8
Financial income	29.0	26.9
Total income	**512.0**	**497.7**

Expenses		
Administration and other expenses	(10.7)	(10.1)
Depreciation and amortization	(0.1)	(12.8)
Financial expenses	(53.1)	(49.5)
Direct taxes	(0.2)	(0.5)
Total expenses	**(64.1)**	**(72.9)**
Net profit for the year	**447.9**	**424.8**

Balance sheet

Assets CHF million	31.3.2025	31.3.2024
Cash and cash equivalents	73.8	3.8
Financial assets	75.0	0.0
Other receivables, group companies	12.0	73.8
Prepaid expenses and other receivables, third parties	0.5	0.3
Total current assets	**161.4**	**77.9**
Financial assets, third parties	1.2	1.6
Financial assets, group companies	1,798.3	1,704.7
Investments	448.1	435.0
Total non-current assets	**2,247.6**	**2,141.3**
Total assets	**2,408.9**	**2,219.2**

Liabilities and shareholders' equity CHF million	**31.3.2025**	**31.3.2024**
Trade account payables, third parties	0.3	0.2
Short-term interest-bearing liabilities, third parties	4.8	4.8
Bonds	358.6	
Other short-term liabilities, third parties	2.5	2.1
Accrued liabilities	14.8	11.0
Total short-term liabilities	**381.0**	**18.1**
Bonds	1,150.0	1,512.3
Other long-term liabilities, third parties	(0.7)	0.1
Total long-term liabilities	**1,149.3**	**1,512.4**
Total liabilities	**1,530.3**	**1,530.5**
Share capital	3.0	3.0
Statutory retained earnings	1.8	1.8
Treasury shares	(5.6)	(3.8)
Balance carried forward	431.6	262.9
Net profit for the year	447.9	424.8
Total shareholders' equity	**878.6**	**688.8**
Total liabilities and shareholders' equity	**2,408.9**	**2,219.2**

Appropriation of available earnings

As proposed by the Board of Directors to the Annual General Shareholders' Meeting of June 10, 2025:

CHF million	**31.3.2025**
Balance carried forward from previous year	431.6
Net profit for the year	447.9
Total available earnings	**879.5**
Dividend distribution[1)]	(262.3)
Balance to be carried forward	**617.2**

1) If the Annual General Shareholders' Meeting approves the proposed appropriation of available earnings, a gross dividend of CHF 4.40 per registered share of CHF 0.05 will be paid out (previous year: CHF 4.30).

Contacts:

Investor Relations
Thomas Bernhardsgrütter
Phone + 41 58 928 33 44
Email thomas.bernhardsgruetter@sonova.com

Media Relations
Karl Hanks
Phone + 41 58 928 33 23
Email karl.hanks@sonova.com

Financial calendar

June 10, 2025
General Shareholders' Meeting of Sonova Holding AG

November 14, 2025
Publication of the half-year results as of September 30, 2025

May 18, 2026
Publication of the full-year results as of March 31, 2026

June 16, 2026
General Shareholders' Meeting of Sonova Holding AG

Financial information

Corporate & ad hoc news
Annual Reports
Semi-Annual Reports
IR presentations
www.sonova.com/en/investors

Information on the General Shareholders' Meeting

Invitation and agenda
General Shareholders' Meeting presentations
General Shareholders' Meeting minutes
www.sonova.com/en/AGM

IR online news service

IR News Service
www.sonova.com/en/services-and-contacts

Sonova Holding AG
Laubisrütistrasse 28
8712 Stäfa
Switzerland

Phone + 41 58 928 33 33
Fax + 41 58 928 33 99
Email ir@sonova.com
Website www.sonova.com

The cover depicts DEEPSONIC™, our dedicated real-time AI chip for speech-from-noise separation, which powers our latest Phonak Audéo Sphere Infinio platform.

Disclaimer

This report 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.

Our Core Brands

Licensed Brand