Interim report H1 2024/25

June-November 2024

Q2 highlights

Bang & Olufsen reports a Q2 in line with our expectations. While the EMEA region and the Americas generated positive revenue growth year-on-year, group revenue was 1% lower due to negative growth in China. The gross margin increased year-on-year to 53.7%. As planned, the directed share issue was successfully completed in November 2024, raising DKK 228 million in gross proceeds.

"Our financial year 2024/25 is a transition year, and the second quarter was in line with our expectations and plans. The EMEA region and the Americas generated positive revenue growth year-on-year, while group revenue declined marginally as the Chinese market continues to be challenged. Gross margin improved further year-on-year, providing us with a more robust financial foundation. Demand for our newly launched flagship headphones, H100, exceeded expectations, confirming our strategic direction of strengthening our position in the luxury audio market. We successfully completed the directed share issue as planned, which was a key event in the quarter. We are now ready to accelerate our strategic execution to drive long-term profitable growth."

Kristian Teär, CEO

Q2 2024/25 conference call

10 January 2025, at 10.00 CEST via
https://bangolufsen.eventcdn.net/events/interim-report-2nd-quarter

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Financial highlights (Q2 23/24 in brackets)

- Like-for-like sell-out grew by 1% (2%). Like-for-like sell out for Branded channels grew 5% (0%).
- Revenue declined by 0.4% (-18.5%) year-on-year, or -1% in local currencies (-16%), to DKK 698m (DKK 700m).
- Revenue from Branded channels declined by 5% (-7%), or -6% in local currencies (-5%).
- Gross margin was up by 0.6pp to 53.7% (53.1%).
- EBITDA before special items was DKK 72m (DKK 82m), EBITDA margin before special items of 10.2% (11.7%).
- EBIT before special items was DKK 12m (DKK 21m). EBIT margin before special items of 1.7% (3.0%).
- The free cash flow was DKK 30m (DKK 24m).

FY 2024/25 financial guidance maintained

- Revenue growth in local currencies: -3% to 3%.
- EBIT margin before special items: -2% to 1%.
- Free cash flow: DKK -100m to 0m.

Business highlights

- A directed share issue was successfully completed, raising DKK 228 million in gross proceeds. The proceeds were received in the beginning of December and will be used for investments to realise the announced 3-year growth plan.
- Demand for flagship headphones, H100, launched in September 2024, exceeded expectations.
- Beoplay Eleven earphones with enhanced Active Noise Cancellation were launched.
- Continued optimisation of the retail network, reducing monobrand partners by 36 (net) year-on-year across regions.
- The customer base grew by 4% and the number of customers owning two or more Bang & Olufsen products increased by 4% quarter-on-quarter.

Revenue growth in LC*	Gross margin	EBIT margin bsi**	Free cash flow, DKK
-1%	53.7%	1.7%	30m

* Local currencies ** Before special items

Key figures

	Q2		YTD		Year
(DKK million)	**2024/25**	2023/24	**2024/25**	2023/24	2023/24
Income statement					
Revenue	698	700	1,242	1,319	2,588
EMEA	352	342	603	645	1,249
Americas	86	72	155	139	287
APAC	182	211	347	383	726
Brand Partnering & other activities	78	75	138	152	326
EBITDA before special items	72	82	111	156	300
EBITDA	68	78	104	152	257
EBIT before special items	12	21	-5	37	61
EBIT	8	17	-12	33	18
Special items, net	-4	-4	-7	-4	-43
Financial items, net	-12	-12	-13	-17	-25
Profit/loss before tax (EBT)	-4	5	-25	16	-7
Profit/loss for the period	-13	8	-30	15	-17
Financial position					
Total assets	2,223	2,279	2,223	2,279	2,297
Equity	942	983	942	983	956
Cash	87	154	87	154	177
Available liquidity	159	163	159	163	184
Capital resources	319	323	319	323	344
Net interest-bearing deposit/debt	-45	-33	-45	-33	-34
Net working capital	250	286	250	286	263
Cash flows					
Cash flows from operating activities	84	80	87	61	226
Operational investments	-54	-56	-93	-98	-215
Free cash flow	30	24	-6	-37	11

	Q2		YTD		Year
(DKK million)	**2024/25**	2023/24	**2024/25**	2023/24	2023/24
Key figures					
Gross margin, total, %	53.7	53.1	54.3	52.8	53.3
Gross margin, Products, total %	48.6	48.9	49.6	48.3	49.0
Gross margin, Brand Partnering & other activities, %	94.4	87.9	92.2	87.9	83.3
Growth in local currencies, %	-1	-16	-6	-8	-5
Like-for- like sell-out growth, %	1	2	-1	5	3
Point of sale - Monobrand, number of doors	367	403	367	403	387
Point of sale - Multibrand, number of doors	1,790	2,400	1,790	2,400	2,317
Point of sale - Custom installers, number of doors	124	76	124	76	101
EBITDA margin before special items, %	10.2	11.7	8.9	11.8	11.6
EBITDA margin, %	9.7	11.1	8.4	11.5	9.9
EBIT margin before special items, %	1.7	3.0	-0.4	2.8	2.4
EBIT margin, %	1.1	2.4	-1.0	2.5	0.7
Marketing cost ratio, %	9.3	10.6	9.7	11.1	10.2
Incurred development costs before capitalisation ratio, %	13.0	11.1	13.7	10.7	12.2
Return on assets, %	-1.4	0.7	-1.4	0.7	-0.7
Return on invested capital, excl. goodwill, %	-10.1	12.6	-10.1	12.6	16.7
Return on equity, %	-3.2	1.4	-3.2	1.4	-1.8
Full-time employee (FTE) at end of period	1,002	1,006	1,002	1,006	998
Stock-related key figures					
Earnings per share, basic (EPS) and diluted (EPS-D), DKK	-0.1	0.1	-0.2	0.1	-0.1
Price/Earnings	-92.3	148.9	-39.7	85.4	-75.7

For definitions, see note 8.7 to the Annual Report 2023/24.

Business review

Developments in Q2 2024/25

Our performance in Q2 was in line with our plans and expectations. Overall, like-for-like sell-out grew by 1%. For the branded channels (company-owned stores, monobrand and e-commerce) like-for-like sell-out grew 5% year-on-year.

Revenue (sell-in) in local currencies was 1% lower year-on-year. Our branded channels outperformed multibrand channels, except in the APAC region where the economic climate in China impacted the performance.

While revenue from EMEA grew year-on-year and growth was reported across all branded channels in the region, the UK market and the German market continue to be challenged.

In the Americas, we saw a strong performance across channels. The monobrand channel also grew year-on-year despite having fewer monobrand stores in the region.

We continued the transformation of the multibrand distribution channels, thereby improving the underlying quality of the revenue. In EMEA, the number of multibrand doors was reduced by more than 400 year-on-year.

In APAC, the shift in the multibrand channel towards travel retail positively impacted channel performance.

The gross margin rose to 53.7% compared to 53.1% in Q2 last year. The higher gross margin is a testament to the progress we are making and our strategic focus on building a robust financial foundation for the future.

EBIT margin before special items was 1.7% compared to 3.0% in Q2 last year. The modest decline in revenue and improved gross margin was more than offset by increased development costs.

Free cash flow improved by DKK 6m year-on-year to a free cash flow of DKK 30m that was supported by increased cash flow from operating activities.

The inventory level was reduced by DKK 25m to DKK 426m during the quarter. Overall, the composition and ageing within finished goods improved. We saw the lowest inventory level in more than three years.

Strategy execution

On 27 November 2024, we successfully completed a capital increase as a directed issue and private placement without pre-emptive rights for existing shareholders.

The offering raised gross proceeds of DKK 228 million through the issuance of 24,554,416 new shares at an offer price of DKK 9.27 per share.

We are encouraged by the strong support from both existing and new investors with demand exceeding the size of the offering.

Proceeds are intended to fund our acceleration of the strategic execution and drive long-term profitable growth. We believe that the targeted investments will strengthen our position in the luxury audio market by increasing global brand awareness, optimising the retail network and continuing to further enhance the product portfolio.

To ensure better and faster execution of our growth plans, we are changing our sales organisation. By mid-January 2025, the three regional sales functions will be consolidated into a single global sales function. In addition, we are establishing dedicated functions for new partnerships and adding more local sales and marketing resources. These changes will enhance our focus on key cities and enable us to better serve our customers.

Brand awareness and pricing

In October 2024, we announced the second Special Edition Ferrari Collection, revealing three new product collaborations.

With the made-to-order collection, Bang & Olufsen has reimagined its Beolab 50 speaker, Beosound Theatre Soundbar solution and Beovision Theatre TV solution. The design integrates Ferrari's charcoal Grigio Corsa colourway combined with a striking shade of red to create an unmistakable connection to the motorsport icon and the first Ferrari collection launched in 2023.

The first special edition comprised four products; the Beosound 2 home speaker, Beoplay H95 headphones, Beoplay EX earphones and the portable speaker Beosound Explore.

A key strategic focus is a closer and broader engagement with our customers, and during Q2 we grew our customer base by 4% (quarter-on-quarter). In addition, the number of customers owning two or more B&O products grew 4% during the quarter.

We continued to implement our pricing strategy in line with our efforts to strengthen our luxury positioning. Modest price increases were implemented on a few selected products in November.

Product innovations

In the beginning of September 2024, we launched our new flagship headphones, Beoplay H100, the first headphones built on our proprietary software platform, the Amadeus platform. The higher price point compared to previous headphones not only reflects that Beoplay H100 are the best headphones we have created to date, it also confirms our strategic direction of further strengthening our position in the luxury audio market. The sales performance of Beoplay H100 got off to a good start with demand exceeding our expectations.

In November 2024, we launched the Beoplay Eleven, which is the next generation of the successful Beoplay EX earphones. The Beoplay Eleven features improved acoustic performance thanks to enhanced Active Noise Cancellation, more transparency and voice clarity.

Channel development

As we prepared for the strategy acceleration, we focused on optimising our retail network and creating unique and luxurious experiences in our branded channels.

We continue to improve our store network in EMEA and have since Q2 of last year reduced our monobrand network in the EMEA region by 28 stores (net) year-on-year to 270 stores at quarter-end. During the quarter, we expanded our presence in the Middle East with the opening of a monobrand store in Abu Dhabi. In APAC, the number of monobrand stores was reduced by three (net).

In the US, we reduced the number of monobrand stores by five, all situated in California. We continue with our US expansion in accordance with our mid-term plan. In California, where we are rebuilding a strong presence, we have found a new resourceful and experienced partner with whom we will open several flagship stores.

In addition, we have increased our presence through our custom installer, Origin Acoustics, which is an important partner in the region.

We collaborate with numerous luxury monobrand partners across all regions to utilise the strength of combining our company-owned stores with the presence of strong partner driven monobrand stores.

Out of our 13 defined global Win cities, we are now in execution in four cities: New York, London, Paris and Hong Kong. In terms of performance, the Win cities collectively reported sell-out growth of 24%, which comprises sell-out across channels in the cities. All cities reported growth.

	Monobrand *		Multibrand		Custom installers	
Points of sale, number of doors	30-11-2024	30-11-2023	30-11-2024	30-11-2023	30-11-2024	30-11-2023
EMEA	270	298	961	1,422	N/A	N/A
Americas	24	29	20	37	124	76
APAC	73	76	809	941	N/A	N/A
Total	**367**	**403**	**1,790**	**2,400**	**124**	**76**

* Monobrand is including company-owned stores

New York and London reported double-digit growth. New York was positively impacted by low comparables as one store was closed for relocation in October last year while London was positively impacted by the opening of New Bond Street store in December 2023. Paris and Hong Kong reported single-digit growth year-on-year.

In total, our monobrand network including company-owned stores constituted 367 stores, which was a net reduction of 36 since the end of Q2 last year. This is in line with our ongoing assessment and plan to ensure that all monobrand stores deliver unique and luxurious experiences.

In terms of multibrand and eTail, we continue to limit our presence and be more selective in both channels. For multibrand, we have changed our partner setup in China towards travel retail and further expanded the number of doors in Q2 24/25. In EMEA, we decided to discontinue with selected multibrand partners in accordance with our efforts to optimise our presence in the channel.

License business and Strategic partnerships

We continued the ramp-up of the six-year licensing partnership with TCL, announced in July 2024. Through this partnership we bring elevated audio experiences to TCL's premium TV portfolio with our "Audio by Bang & Olufsen" proposition, distributed globally via TCL's channels and customers.

A key strategic focus is to further develop our offering of software propositions in order to expand partnerships and offerings to the hospitality industry.

Case study: Introducing Beoplay Eleven

In November 2024, we launched the next generation of the successful Beoplay EX earphones, the Beoplay Eleven. Beoplay EX revolutionised our wireless earphone category with its superior sound and cutting-edge design.

With the Beoplay Eleven, we have improved the acoustic performance thanks to enhanced Active Noise Cancellation (ANC), more transparency and voice clarity.

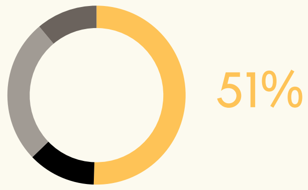
The ANC function provides double the noise reduction at low frequencies and improved optimisation across ear shapes and sizes, creating the best ANC technology in a B&O earphone to date.

The earphones feature six updated microphones that work faster and more efficiently, with significantly lower hiss noise levels to provide a clearer, louder and more natural transparency mode. For the external microphones, additional holes are integrated in the stem to give a more open sound and help relieve wind pressure.

Connectivity is improved thanks to Multipoint and voice call performance also benefits from the addition of new microphones.

The Beoplay Eleven comes in two new colourways, Natural Aluminium and Copper Tone Aluminium.

Share of total revenue



EMEA

Like-for-like sell-out

In terms of demand from our end customers, like-for-like sell-out in EMEA was on a par with last year. Excluding end-of-life deals, like-for-like sell-out growth was mid-single-digit year-on-year.

Like-for-like sell-out for company-owned stores and monobrand grew over the period. Multibrand declined as expected, while eTail increased due to positive traction at the end of the quarter.

In terms of product categories, our Staged products delivered single-digit growth compared to Q2 last year. The Flexible Living category declined, while the On-the-go category reported a modest increase.

Revenue

Revenue was DKK 352m (Q2 23/24: DKK 342m), equivalent to an increase of 2.9% (3% in local currencies).

Our branded channels reported a single-digit increase in revenue year-on-year. Revenue from company-owned stores rose, while revenue from the monobrand channel was on a par with last year. The development in the monobrand channel was driven by increased revenue from the Staged and On-the-go categories, offset by a revenue decline from the Flexible Living category.

Revenue from eTail increased compared to last year. We continue to focus on a selected presence in the eTail channel as well as in the assortment.

The number of multibrand stores was reduced by 461 year-on-year and revenue from the channel declined by a double-digit percentage. This was driven by a decision to close several multibrand doors primarily in Germany in line with the strategic transformation.

Overall, revenue from the Staged category increased 8% while the Flexible Living category decreased by 12%. Revenue from the On-the-go category increased by 2%.

Gross profit

Gross profit amounted to DKK 173m (Q2 23/24: DKK 166m), corresponding to a gross margin of 49.3% (Q2 23/24: 48.5%).

The margin was positively impacted by a change in product mix towards higher margin products and generally improved product margins.

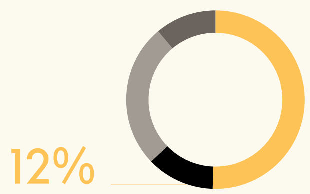
H1 2024/25

Revenue was DKK 603m (H1 23/24: DKK 645m). This represented a decline of 6.5% (-7% in local currencies). The decline was across categories.

Gross margin increased by 1.1pp to 49.1%, primarily driven by increased gross margins in all product categories.

	Q2		YTD	
(DKK million)	**2024/25**	2023/24	**2024/25**	2023/24
Like-for-like sell-out growth	1%	-1%	0%	-2%
Revenue	352	342	603	645
Growth in local currencies	3%	-15%	-7%	1%
Gross profit	173	166	296	310
Gross margin	49.3%	48.5%	49.1%	48.0%

Share of total revenue



Americas

Like-for-like sell-out
Sell-out in the Americas grew by 8%. Branded channels combined reported a double-digit increase year-on-year supported by double-digit growth in all channels. Both company-owned stores delivered good performance and were positively impacted by low comparables as one store was closed for relocation in October last year.

Sell-out reported from the eTail channel declined significantly due to our decision to reduce presence in the channel.

In terms of product categories, our Staged products delivered double-digit growth compared to Q2 last year. The Flexible Living category reported a decline, while the On-the-go category was largely unchanged year-on-year.

Revenue
Revenue was DKK 86m (Q2 23/24: DKK 72m), equivalent to an increase of 19.4% (17% in local currencies).

Revenue growth from branded channels was double-digit, supported by growth in all channels. Revenue from the monobrand channel grew year-on-year despite a reduction in the number of stores in California. We continue with our US expansion in accordance with our mid-term plan. In California, where we are rebuilding a strong presence, we found a new resourceful and experienced partner with whom we will open several flagship stores.

Revenue growth from Custom installers was stable and the enterprise showed good traction supported by our collaboration with the Korean luxury auto maker, Genesis, who has installed Staged products in selected Genesis showrooms across the US.

Revenue from the multibrand channel was minimal and comprised a limited share of total revenue in the Americas. This is in line with the strategic transformation to reduce our multibrand presence. At end of quarter, we were present in 20 stores.

In terms of product categories, revenue from our Staged products increased 59% compared to Q2 last year. The Flexible Living category reported a decline of 5%, while the On-the-go category grew by 10%.

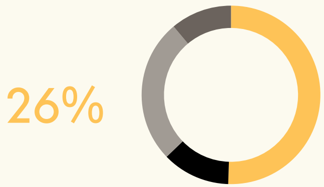
Gross profit
Gross profit amounted to DKK 41m (Q2 23/24: DKK 32m). This was equivalent to a gross margin of 48.0% (Q2 23/24: 42.9%). The margin was positively impacted by a change in product mix towards higher margin products and improved product margins.

H1 2024/25
Revenue was DKK 154m (H1 23/24: DKK 139m), equivalent to a year-on-year increase of 10.7% (9% in local currencies). The increase was primarily driven by growth in the Staged category.

Gross margin increased by 5.2pp to 49.4% driven by improved margins across categories as well as positive changes in the product mix and pricing.

	Q2		YTD	
(DKK million)	**2024/25**	2023/24	**2024/25**	2023/24
Like-for-like sell-out growth	7%	-6%	-2%	-1%
Revenue	86	72	154	139
Growth in local currencies	17%	-27%	9%	-13%
Gross profit	41	32	76	62
Gross margin	48.0%	42.9%	49.4%	44.2%

Share of total revenue



APAC

Like-for-like sell-out

Like-for-like sell-out in APAC declined by 1%. The Branded channels reported growth year-on-year driven by a pickup across the channels (company-owned stores, monobrand stores and e-commerce).

Like-for-like sell-out in the eTail channel declined. In the multibrand channel, only a modest decline in sell-out was reported, positively impacted by travel retail.

China like-for-like sell-out declined 7%. Like-for-like sell-out in the monobrand channel was on a par with last year excluding sell-out from one partner. South Korea and Taiwan reported sell-out growth and Japan reported sell-out growth in the branded channels.

In terms of product categories, our Staged products delivered double-digit growth compared to Q2 of last year. The Flexible Living category and On-the-go category declined.

Revenue

Revenue was DKK 182m (Q2 23/24: DKK 211m), corresponding to a decline of 13.1% (-13% in local currencies).

Revenue from China declined 12.3% (-14% in local currencies) and accounted for approximately 55% of total revenue in APAC. Revenue from Japan and Taiwan grew year-on-year, while South Korea was temporarily impacted by a planned reduction in the partner setup.

Revenue from our monobrand channel in China declined year-on-year. Excluding one partner, revenue from the monobrand channel was largely unchanged year-on-year.

As part of our strategic transformation in China we have implemented a structural change in the multibrand setup and eTail network and we saw increased revenue from both channels year-on-year.

In terms of product categories, revenue from the Staged category declined by 12%. The Flexible Living category decreased by 42% while the On-the-go category grew by 8%. The Flexible Living category was impacted by end-of-life deals made in Q2 of last year.

Gross profit

Gross profit amounted to DKK 87m (Q2 23/24: DKK 108m), equivalent to a gross margin of 47.4% (Q2 23/24: 51.6%) and a decline of 3.4 pp. year on year.

The margin was mainly impacted by a change in product mix towards lower margin products. Product margins were impacted by less revenue to absorb fixed production costs.

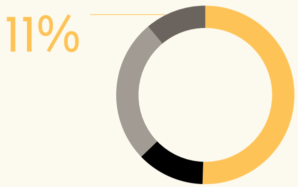
H1 2024/25

Revenue was DKK 347m (H1 23/24: DKK 383m), equivalent to a year-on-year decrease of 8.3% (-9% in local currencies). The Staged category increased, while the Flexible Living and the On-the-go categories declined.

Gross margin increased by 0.3pp to 50.5% driven by margin improvements in the Staged and Flexible Living categories, while the On-the-go category declined.

	Q2		YTD	
(DKK million)	**2024/25**	2023/24	**2024/25**	2023/24
Like-for-like sell-out growth	-3%	8%	-3%	18%
Revenue	182	211	347	383
Growth in local currencies	-13%	-10%	-9%	-13%
Gross profit	87	108	176	192
Gross margin	47.4%	51.6%	50.5%	50.2%

Share of total revenue



Brand Partnering & other activities

Revenue

Revenue was DKK 78m (Q2 23/24: DKK 75m), corresponding to an increase of 4.0% (on a par in local currencies).

Overall license fees increased by 21%. License revenue from the automotive industry grew year-on-year while license from HP declined in line with our expectations due to the expiry of the agreement. Licensing income accounted for 89% of total revenue in Brand Partnering & other activities (Q2 23/24: 74%).

Revenue from Cisco co-branded products declined year-on-year due to a ramp-up in Q2 of last year.

Revenue related to aluminium production for third parties declined compared to Q2 of last year.

Gross profit

Gross profit amounted to DKK 73m (Q2 23/24: DKK 66m), equivalent to a gross margin of 94.4% (Q2 23/24: 87.9%). The margin increased due to the change in mix between license and product sales compared to Q2 of last year.

H1 2024/25

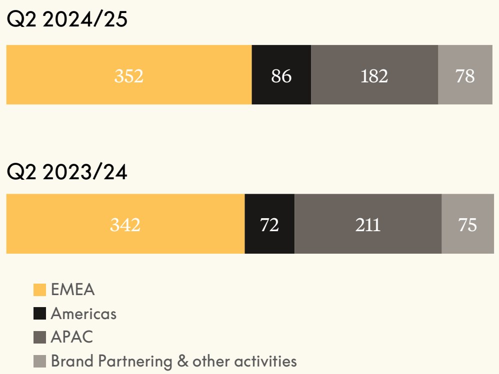
Revenue was DKK 138m (H1 23/24: DKK 152m), equivalent to a year-on-year decrease of 9.3% (-12% in local currencies). The decline came mainly from our Cisco co-branded products due to ramp-up in H1 of last year and lower license revenue from HP as expected. License revenue from TCL is ramping up as expected.

Gross margin increased by 4.3pp to 92.2% mainly driven by the reduced share of product revenue from our brand collaboration with Cisco.

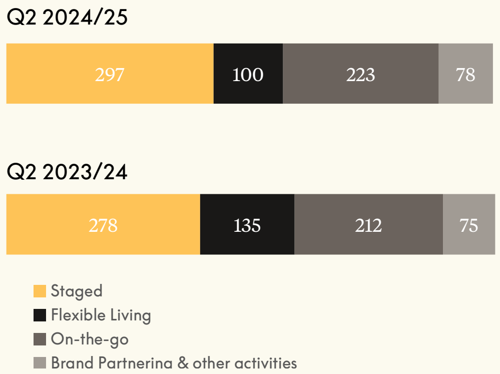
	Q2		YTD	
(DKK million)	2024/25	2023/24	2024/25	2023/24
Revenue	78	75	138	152
Growth in local currencies	0%	-26%	-12%	-20%
Gross profit	73	66	127	133
Gross margin	94.4%	87.9%	92.2%	87.9%

Financial review

Revenue split by region, DKKm



Revenue split by category, DKKm



Like-for-like sell-out

Sell-out grew by 1% compared to the same period last year. Excluding end-of-life products, like-for-like sell-out grew by mid-single digits compared to Q2 last year.

Like-for-like sell-out for our branded channels combined grew 5% compared to Q2 of last year.

In terms of product categories, our Staged category grew by 9%, while the Flexible Living category and On-the-go category declined by 10% and 3%, respectively.

Revenue in Q2

Revenue in Q2 was DKK 698m compared to DKK 700m in Q2 of last year. This was equivalent to a decline of 0.4% year-on-year (-1% in local currencies).

The drop in reported revenue related to a decline in product sales of 0.8% (-1% in local currencies), while Brand Partnering and other activities increased by 4.0% (unchanged in local currencies).

Product revenue, regions

The development in product revenue was driven by reported single-digit growth in branded channels in EMEA, double-digit growth in the Americas while APAC declined.

Reported revenue from the multibrand channel grew year-on-year mainly driven by APAC and the expansion in travel retail.

Product revenue, categories

Staged category

Revenue increased by 7% to DKK 297m. This was mainly driven by increased revenue from TV's & soundbars.

Flexible Living category

Revenue declined by 26% to DKK 100m. The decline was mainly driven by the launch of our first Ferrari product collection last year and end-of-life deals.

On-the-go category

Revenue increased by 5% to DKK 223m. Growth was mainly driven by the successful launch of H100.

Brand Partnering & other activities

The 4.0% growth (largely unchanged in local currencies) in Brand Partnering & other activities was mainly due to the favourable impact of currency exchange rates. The expected reduced license income from HP year-on-year was more than offset by increased revenue from automotive. In Q2 of last year, license income from automotive was impacted by factory strikes. Revenue from the Brand collaboration with Cisco declined due to ramp-up in Q2 of last year.

Gross profit

Gross profit was DKK 374m (Q2 23/24: DKK 372m), corresponding to a gross margin of 53.7% against 53.1% last year.

Gross profit from regional product sales was DKK 302m (Q2 23/24: DKK 306m), corresponding to a gross margin of 48.6% (Q2 23/24: 48.9%). The gross margin improved in the EMEA and Americas regions driven by a positive change in product mix, while APAC declined. The gross margin for the Staged category declined due to a higher

LIKE-FOR-LIKE SELL-OUT GROWTH*

	Q2 24/25		Q2 24/25
EMEA	0%	Staged	9%
Americas	8%	Flexible Living	-10%
APAC	-1%	On-the-go	-3%
Total	**1%**	**Total**	**1%**

* Defined as sell-out from the same stores, provided they were open and active in both periods.

share of fixed production costs. The Flexible living and On-the-go categories increased year-on-year. The On-the-go category was positively impacted by the launch of H100.

Gross profit from Brand Partnering & other activities was DKK 73m (Q2 23/24: DKK 66m), equivalent to a gross margin of 94.4% (Q2 23/24: 87.9%). The gross margin increased due to the mix having lower product sales.

Currency movements had an immaterial impact on the gross margin for the quarter.

Capacity costs

Capacity costs grew 3% to DKK 366m (Q2 23/24: DKK 355m) mainly driven by increased development costs.

Development costs increased by DKK 20m to DKK 91m (Q2 23/24: DKK 71m). The incurred development costs before capitalisation increased by DKK 13m and the ratio was up by 1.9 pp to 13.0% of revenue mainly driven by higher advisory costs and higher amortisation due to product launches.

Distribution and marketing costs decreased by DKK 12m to DKK 234m (Q2 23/24: DKK 246m). The marketing cost ratio was 9.3% compared to 10.6% in Q2 last year. The decrease was driven by lower marketing activity, especially within the regions.

Administrative expenses increased by DKK 3m to DKK 41m (Q2 23/24: DKK 38m) primarily driven by higher advisory costs related to our strategy acceleration plans.

EBITDA

EBITDA was DKK 68m (Q2 23/24: DKK 78m). This was equivalent to a margin of 9.7% (Q2 23/24: 11.1%).

EBITDA before special items was DKK 72m (Q2 23/24: DKK 82m), equivalent to a margin of 10.2% (Q2 23/24: 11.7%).

Special items were DKK 4m (Q2 23/24: DKK 4m) and related to the re-organisations made,

EBIT

EBIT was a profit of DKK 8m (Q2 23/24: Profit of DKK 17m). This was equivalent to an EBIT margin of 1.1% (Q2 23/24: 2.4%).

EBIT before special items was a profit of DKK 12m (Q2 23/24: Profit of DKK 21m), equivalent to a margin of 1.7% (Q2 23/24: 3.0%).

	Q2		YTD	
GROSS MARGIN	**2024/25**	2023/24	**2024/25**	2023/24
Staged	56.8%	58.4%	57.0%	56.0%
Flexible Living	53.5%	53.4%	53.1%	51.1%
On-the-go	35.4%	33.6%	34.8%	34.1%
Products, total	**48.6%**	**48.9%**	**49.6%**	**48.3%**
Brand Partnering & other activities	94.4%	87.9%	92.2%	87.9%
Total	**53.7%**	**53.1%**	**54.3%**	**52.8%**

Cash flows

Free cash flow was DKK 30m compared to DKK 24m last year. The year-on-year improvement related primarily to increased cash flows from operating activities (DKK 4m) and less outflow to investing activities (DKK 4m).

Cash flows from operational investments totalled an outflow of DKK 54m and were slightly lower than last year (Q2 23/24: DKK 56m).

Cash flows from financing activities were an outflow of DKK 78m (Q2 23/24: DKK 12m) relating mainly to net repo transactions of DKK 65m and repayment of lease liabilities.

The cash position at the end of the quarter was DKK 87m (31 August 2024: DKK 131m). Total available liquidity was DKK 159m (31 August 2024: DKK 138m), consisting of cash DKK 87m and securities DKK 387m less DKK 315m in bank loans related to repo transactions.

Subsequent to the closing of the quarter, gross proceeds of DKK 228m were transferred to our bank account at the beginning of December 2024 following the completion of the new share offering.

Net working capital

Net working capital decreased by DKK 32m during the quarter to DKK 250m (31 August 2024: DKK 282m).

Net working capital to the last 12 months' revenue was 10.0% (Q1 24/25: 11.2%).

Trade receivables increased by DKK 112m to DKK 347m. The increase was driven by higher sales in Q2 than in Q1. Sales with extended credit accounted for 1% of revenue for the quarter (Q1 24/25: 3%).

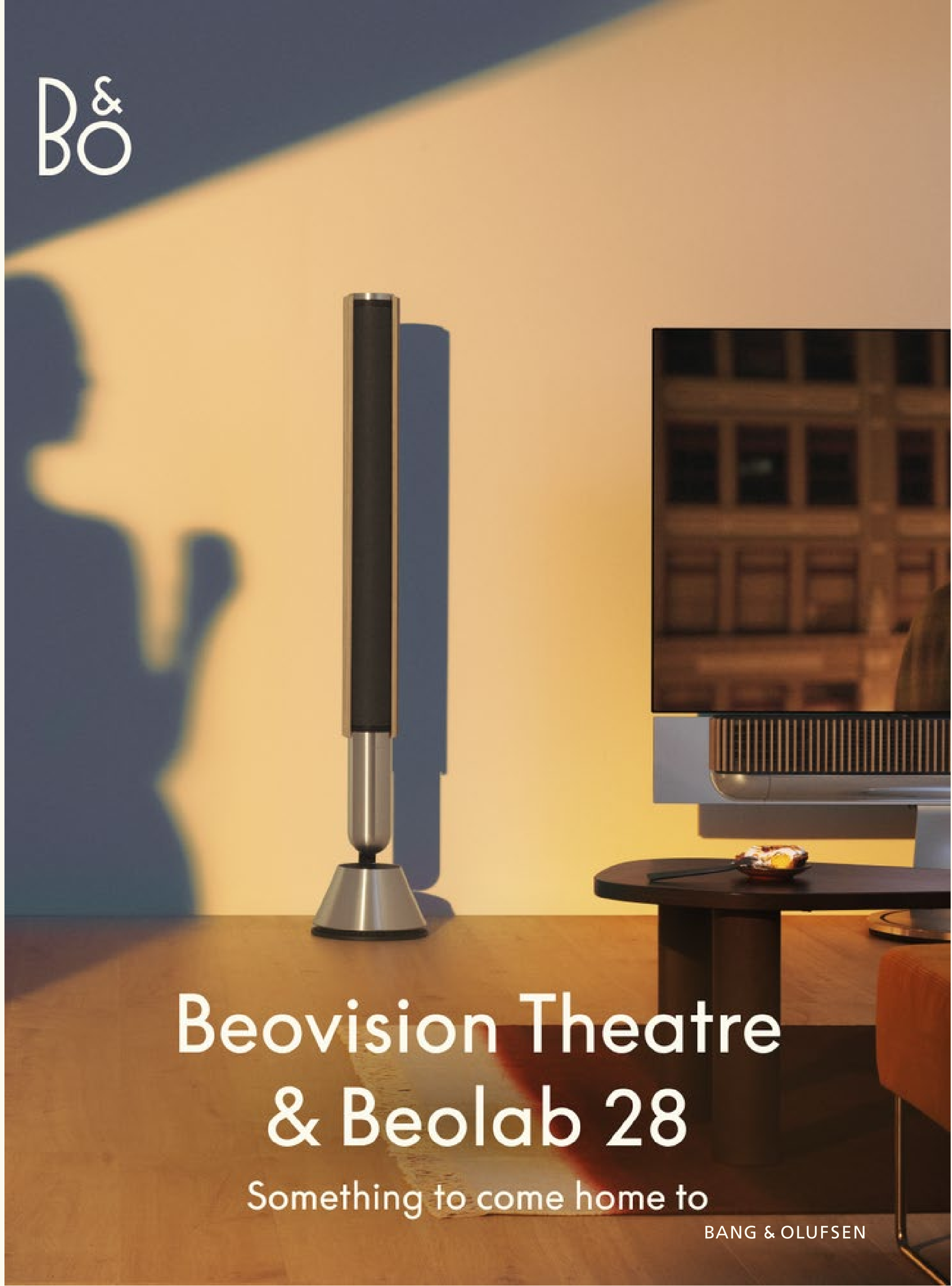
Inventories decreased by DKK 25m during the quarter to DKK 426m. Overall, finished goods were improved in terms of composition and ageing.

Trade payables increased by DKK 61m to DKK 426m, mainly related to timing.

Other short-term liabilities increased by DKK 63m to DKK 189m during the quarter primarily driven by employee-related liabilities and VAT.

Net interest-bearing deposits/debt

Net interest-bearing debt amounted to DKK 45m, compared to DKK 34m at year-end, 31 May 2024. The increase in debt was mainly due to the negative free cash flow of DKK 6m for H1 and the repayment of lease liabilities. For further details, please see note 7.



Financial performance H1 2024/25

Revenue amounted to DKK 1,242m (H1 23/24: DKK 1,319m) and declined by 5.9% (-6% in local currencies).

EMEA revenue declined by 6.5% compared to H1 23/24 (-7% in local currencies). Revenue in branded channels (company-owned stores, monobrand and e-commerce) declined -4.5% year-on-year (-6% in local currencies) mainly driven by a high comparable in H1 of last year.

The Americas reported growth of 10.7% (9% in local currencies) mainly driven by increased revenue from the branded channel and the eTail channel. Revenue from the multibrand channel declined year-on-year.

APAC revenue declined by 9% (-9% in local currencies). Revenue from the monobrand channel declined and was impacted by low performance from one partner. As part of our strategic transformation in China, we have implemented a structural change in the eTail network and multibrand setup. As a result, revenue from the eTail channel declined year-on-year whereas the multibrand channel increased driven by a changed focus towards travel retail.

Revenue in the Staged category grew by 1% supported by a solid performance from our Beolab speakers and Beoconnect Core. TVs and soundbars declined year-on-year, mainly due to a high comparable in Q1 of last year.

The Flexible Living category decreased by 20%. The decline was mainly driven by end-of-life deals made in H1 of last year. In addition, we saw good traction for Beosound 2 in H1 of last year supported by the Ferrari edition.

The On-the-go category declined by 7%. Strong performance was reported from the Launch of H100 in September 2024, which was offset by lower revenue from headphones and earphones in general.

The revenue from Brand Partnering & other activities decreased 9% year-on-year due to declining income from HP and reduced income from the Cisco collaboration as a result of the ramp-up in H1 of last year.

Gross margin was 54.3% (H1 23/24: 52.8%), equivalent to a year-on-year increase of 1.5pp.

The gross margin was favourably impacted by a change in product mix towards higher margin products as well as price increases implemented since last year.

Currency movements had an immaterial effect on the gross margin and EBIT compared to last year.

Capacity costs amounted to DKK 687m (H1 23/24: DKK 664m). The increase was driven by higher development costs, while distribution and marketing costs declined.

EBITDA was DKK 104m (H1 23/24: DKK 152m). The decline was driven by lower gross profit and increased capacity cost. This was equivalent to a margin of 8.4% vs. 11.5% last year.

EBITDA before special items was DKK 111m (H1 23/24: DKK 156m), equivalent to a margin of 8.9% compared to 11.8% last year.

EBIT was DKK -12m (H1 23/24: DKK 33m), equivalent to a margin of -1.0% (H1 23/24: 2.5%).

EBIT before special items was DKK -5m (H1 23/24: DKK 37m) with a margin of -0.4% (H1 23/24: 2.8%).

Special items were DKK 7m (H1 23/24: DKK 4m) and primarily related to the re-organisations made.

Free cash flow was DKK -6m (H1 23/24: DKK -37m) primarily driven by a lower EBITDA of DKK 104m (H1 23/24: DKK 152m) and offset by a positive change in net working capital of DKK 13m (H1 23/24: negative at DKK 64m).

Our combined capital resources (available liquidity and the undrawn part of our ESG-linked credit facility) amounted to DKK 319m (31 May 2024: DKK 344m). The difference being due to the change in free cash flow and the repayment of lease liabilities.

At the end of the quarter, we announced the completion of the new share offering, raising gross proceeds of DKK 228m.

Outlook for 2024/25 maintained

Revenue growth in local currencies

-3% to 3%

EBIT margin before special items

-2% to 1%

Free cash flow (DKK)

-100m to 0m

Outlook for 2024/25

The outlook for 2024/25 is based on a transition year prior to accelerating the strategic execution and investments as described in relation to the medium-term ambitions in the annual report 2023/24. Targeted investments will be funded by the capital raise completed at the end of November 2024.

Revenue growth
Revenue growth in local currencies is expected to be from -3% to 3%.

EBIT margin before special items
EBIT margin before special items is expected to be from -2% to 1%.

Free cash flow
Free cash flow is expected to be from DKK -100m to DKK 0m.

Assumptions
The expectations are subject to the following assumptions:

- Launch of four or more product innovations (including H100 and Beoplay Eleven)
- No deterioration of macroeconomic conditions in our main markets
- No major changes to events impacting our monobrand distribution setup in China.
- Exchange rates against DKK, including in particular USD, CNY and EUR, in line with current exchange rate levels overall.
- CAPEX is expected to be around DKK 250-275m.
- Capacity costs are expected to increase by around DKK 100m from 2023/24.

Sensitivities
The outlook for 2024/25 is subject to uncertainty related to consumer sentiment. In addition, there continues to be geopolitical and economic uncertainty.

Forward looking expectations
The report contains statements relating to expectations for future developments, including future revenues and operating results, as well as expected business-related events. Such statements, including without limitation those relating to the outlook and the medium-term ambitions, are subject to uncertainty and carry an element of risk since many factors, some of which are beyond Bang & Olufsen's control, may cause actual developments to deviate significantly from the expectations expressed in this report. Without being exhaustive, such factors include general economic and commercial factors, such as market and competitive matters, supplier issues and financial issues in the form of foreign exchange, interest rates, credit and liquidity risk.

Mid-term financial ambitions

Organic growth
8%
CAGR* 25/26-27/28

EBIT margin bsi**
8%
in 27/28

Free cash flow
DKK 250m
in 27/28

* Compound annual growth rate ** Before special items

Assumptions

Our financial ambitions are based on constant currencies and on the current political and economic environment and projections. Any change to these factors may impact the ambitions. The sensitivities relating to the outlook for 2024/25 apply equally to the period for the medium-term ambitions.

Condensed income statement

(DKK million)	Notes	Q2 2024/25	Q2 2023/24	YTD 2024/25	YTD 2023/24	Year 2023/24
Revenue	4	**698**	**700**	**1,242**	**1,319**	**2,588**
Production costs		-324	-328	-567	-622	-1,209
Gross profit		**374**	**372**	**675**	**697**	**1,379**
Development costs	5	-91	-71	-170	-134	-286
Distribution and marketing costs		-234	-246	-440	-461	-940
Administrative expenses		-41	-38	-77	-69	-135
Operating profit/loss (EBIT)		**8**	**17**	**-12**	**33**	**18**
Financial income		14	11	35	23	50
Financial expenses		-26	-23	-48	-40	-75
Financial items, net		**-12**	**-12**	**-13**	**-17**	**-25**
Profit/loss before tax (EBT)		**-4**	**5**	**-25**	**16**	**-7**
Income tax		-9	3	-5	-1	-10
Profit/loss for the period		**-13**	**8**	**-30**	**15**	**-17**
Earnings per share						
Earnings per share, basic (EPS) and diluted (EPS-D), DKK		-0.1	0.1	-0.2	0.1	-0.1

Condensed statement of comprehensive income

	Q2		YTD		Year
(DKK million)	**2024/25**	2023/24	**2024/25**	**2023/24**	2023/24
Profit/loss for the period	**-13**	**8**	**-30**	**15**	**-17**
Items that will be reclassified subsequently to the income statement:					
Exchange adjustments of subsidiaries	8	3	5	-2	-4
Fair value adjustments of hedging instruments	2	-5	-4	-4	-5
Value adjustments of hedging instruments reclassified in					
Revenue	3	1	5	2	3
Production costs	-1	1	-1	5	5
Tax on other comprehensive income/loss	-1	-	-	-1	-1
Items that will not be reclassified subsequently to the income statement:					
Actuarial gains/losses on defined benefit plans	0	-	0	-	0
Tax on other comprehensive income	0	-	0	-	0
Other comprehensive income/loss for the period, net of tax	**11**	**-**	**5**	**-**	**-2**
Total comprehensive income/loss for the period	**-2**	**8**	**-25**	**15**	**-19**

Condensed statement of financial position

ASSETS

(DKK million)	Notes	30-11-24	30-11-23	31-05-24
Goodwill		42	42	42
Acquired rights and software		81	71	72
Completed development projects		198	156	150
Development projects in progress	5	83	104	132
Intangible assets		**404**	**373**	**396**
Property, plant and equipment		214	219	220
Right-of-use assets		123	111	136
Tangible assets		**337**	**330**	**356**
Non-current other receivables		20	22	20
Deferred tax assets		96	100	92
Total non-current assets		**857**	**825**	**864**
Inventories		426	460	447
Trade receivables		347	365	309
Tax receivable		26	11	32
Other receivables		56	47	53
Prepayments		37	26	27
Securities	7	387	391	388
Cash	7	87	154	177
Total current assets		**1,366**	**1,454**	**1,433**
Total assets		**2,223**	**2,279**	**2,297**

EQUITY AND LIABILITIES

(DKK million)	Notes	30-11-24	30-11-23	31-05-24
Share capital		613	613	613
Translation reserve		21	18	16
Cash flow hedge reserve		-2	-2	-2
Retained earnings		310	354	329
Total equity		**942**	**983**	**956**
Lease liabilities		100	96	117
Pensions		10	10	10
Deferred tax		8	6	8
Provisions		45	38	46
Mortgage loans		52	52	53
Non-current other liabilities		1	3	2
Total non-current liabilities		**216**	**205**	**236**
Lease liabilities		49	42	45
Mortgage loans		3	6	3
Bank loans	7	315	382	381
Provisions		58	49	84
Trade payables		426	451	401
Tax payable		25	1	20
Other liabilities		189	160	171
Total current liabilities		**1,065**	**1,091**	**1,105**
Total liabilities		**1,281**	**1,296**	**1,341**
Total equity and liabilities		**2,223**	**2,279**	**2,297**

Condensed statement of cash flows

		Q2		YTD		Year
(DKK million)	Notes	**2024/25**	2023/24	**2024/25**	2023/24	2023/24
Profit/loss before tax (EBT)		-4	5	-25	16	-7
Financial items, net		12	12	13	17	25
Depreciation, amortisation and impairment		60	61	116	119	239
Operating profit/loss before depreciation, amortisation and impairment (EBITDA)		**68**	78	**104**	**152**	**257**
Other non-cash items		-13	-9	-24	-12	33
Change in net working capital	6	32	25	13	-64	-41
Interest received		16	11	35	23	50
Interest paid		-19	-15	-43	-29	-63
Income tax received/paid		-	-10	2	-9	-10
Cash flows from operating activities		**84**	**80**	**87**	**61**	**226**
Purchase of intangible non-current assets		-43	-38	-77	-70	-163
Purchase of tangible non-current assets		-11	-19	-17	-29	-55
Sublease payment		1	-	1	1	2
Other cash flows from investing activities		-1	1	-	-	1
Operational investments		**-54**	**-56**	**-93**	**-98**	**-215**
Free cash flow		**30**	**24**	**-6**	**-37**	**11**
Purchase of securities		-	-	-	-	-
Sale of securities		2	-	4	3	6
Financial investments		**2**	**-**	**4**	**3**	**6**
Cash flows from investing activities		**-52**	**-56**	**-89**	**-95**	**-209**

		Q2		YTD		Year
(DKK million)	Notes	**2024/25**	2023/24	**2024/25**	2023/24	2023/24
Repayment of lease liabilities		-13	-11	-24	-21	-45
Repayment of mortgage loans		-	-	-1	-1	-3
Proceeds from loans and borrowings		-	-	6	-	-6
Repayment of loans and borrowings		-65	-1	-71	-4	-
Cash flows from financing activities		**-78**	**-12**	**-90**	**-26**	**-54**
Cash and cash equivalents, opening balance		131	141	177	216	216
Foreign exchange gain/loss on cash and cash equivalents		2	1	2	-2	-2
Change in cash and cash equivalents		**-46**	**12**	**-92**	**-60**	**-37**
Cash and cash equivalents, closing balance		**87**	**154**	**87**	**154**	**177**
Available liquidity	7	159	163	159	163	184

Condensed statement of changes in equity

(DKK million)	Share capital*	Translation reserve	Cash flow hedge reserve	Retained earnings	**Total**
Equity 1 June 2024	**613**	**16**	**-2**	**329**	**956**
Profit/loss for the period	-	-	-	-30	-30
Exchange adjustments of subsidiaries	-	5	-	-	5
Fair value adjustments of hedging instruments	-	-	-4	-	-4
Value adjustments of hedging instruments reclassified in					
Revenue	-	-	5	-	5
Production costs	-	-	-1	-	-1
Income tax on items that will be reclassified to the income statement	-	-	-	-	-
Comprehensive income/loss for the period	**-**	**5**	**-**	**-30**	**-25**
Share-based payments	-	-	-	11	11
Equity 30 November 2024	**613**	**21**	**-2**	**310**	**942**
Equity 1 June 2023	**613**	**20**	**-4**	**329**	**958**
Profit/loss for the period	-	-	-	15	15
Exchange adjustments of subsidiaries	-	-2	-	-	-2
Fair value adjustments of hedging instruments	-	-	-4	-	-4
Value adjustments of hedging instruments reclassified in					
Revenue	-	-	2	-	2
Production costs	-	-	5	-	5
Income tax on items that will be reclassified to the income statement	-	-	-1	-	-1
Comprehensive income/loss for the period	**-**	**-2**	**2**	**15**	**15**
Share-based payments	-	-	-	10	10
Equity 30 November 2023	**613**	**18**	**-2**	**354**	**983**

* The company holds a total of 1,318,414 treasury shares (1,768,231 shares as of 31 May 2024).

Notes

1 Basis of reporting

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim financial reports of listed companies.

No interim report has been prepared for the parent company.

The accounting policies applied in this interim report are consistent with those applied in the Annual Report for 2023/24.

New standards, interpretations and amendments adopted by Bang & Olufsen
Bang & Olufsen has implemented the International Financial Reporting Standards (IFRS) and amendments effective as of 1 June 2024 and endorsed by the EU. The implementation of new or amended standards and interpretations had no material impact on the interim financial statements.

2 Critical accounting estimates and judgements

When preparing the interim financial report, Management makes various accounting estimates and assumptions that form the basis of the presentation, recognition and measurement of Bang & Olufsen's assets and liabilities. Estimates and judgements are reassessed on a regular basis.

All critical accounting estimates and judgements are consistent with those applied in note 1.2 to the consolidated financial statements in the 2023/24 Annual Report, to which reference is made.

3 Seasonality

Due to the composition of the Bang & Olufsen business, some degree of seasonality of revenue must be expected. Historically, reported revenue has been the highest in the second quarter due to the seasonal nature of the business.

4 Segment information – Q2

(DKK million)	EMEA	Americas	APAC	**Regions, total**	Brand Partnering & other activities	**All**
Q2 2024/25 revenue by strategic market						
Revenue	**352**	**86**	**182**	**620**	**78**	**698**
Production costs	-179	-45	-95	-319	-5	-324
Gross profit	**173**	**41**	**87**	**301**	**73**	**374**
Gross margin	49.3%	48.0%	47.4%	48.6%	94.4%	53.7%
Q2 2023/24 revenue by strategic market						
Revenue	**342**	**72**	**211**	**625**	**75**	**700**
Production costs	-176	-40	-103	-319	-9	-328
Gross profit	**166**	**32**	**108**	**306**	**66**	**372**
Gross margin	48.5%	42.9%	51.6%	48.9%	87.9%	53.1%

(DKK million)	Staged	Flexible Living	On-the-go	**Products, total**	Brand Partnering & other activities	**All**
Q2 2024/25 revenue by product category						
Revenue	**297**	**100**	**223**	**620**	**78**	**698**
Production costs	-128	-46	-145	-319	-5	-324
Gross profit	**169**	**54**	**78**	**301**	**73**	**374**
Gross margin	56.8%	53.5%	35.4%	48.6%	94.4%	53.7%
Q2 2023/24 revenue by product category						
Revenue	**278**	**135**	**212**	**625**	**75**	**700**
Production costs	-115	-63	-141	-319	-9	-328
Gross profit	**163**	**72**	**71**	**306**	**66**	**372**
Gross margin	58.4%	53.4%	33.6%	48.9%	87.9%	53.1%

Gross profit is a segment KPI. There are no unallocated elements, and total gross profit reconciles to the income statement.

Segment information – YTD

(DKK million)	EMEA	Americas	APAC	**Regions, total**	Brand Partnering & other activities	All
2024/25 revenue by strategic market						
Revenue	**603**	**154**	**347**	**1,104**	**138**	**1,242**
Production costs	-307	-78	-171	-556	-11	-567
Gross profit	**296**	**76**	**176**	**548**	**127**	**675**
Gross margin	49.1%	49.4%	50.5%	49.6%	92.2%	54.3%
2023/24 revenue by strategic market						
Revenue	**645**	**139**	**383**	**1,167**	**152**	**1,319**
Production costs	-335	-77	-191	-603	-19	-622
Gross profit	**310**	**62**	**192**	**564**	**133**	**697**
Gross margin	48.0%	44.2%	50.2%	48.3%	87.9%	52.8%

(DKK million)	Staged	Flexible Living	On-the-go	**Products, total**	Brand Partnering & other activities	All
2024/25 revenue by product category						
Revenue	**577**	**195**	**332**	**1,104**	**138**	**1,242**
Production costs	-248	-91	-217	-556	-11	-567
Gross profit	**329**	**104**	**115**	**548**	**127**	**675**
Gross margin	57.0%	53.1%	34.8%	49.6%	92.2%	54.3%
2023/24 revenue by product category						
Revenue	**569**	**242**	**356**	**1,167**	**152**	**1,319**
Production costs	-250	-118	-235	-603	-19	-622
Gross profit	**319**	**124**	**121**	**564**	**133**	**697**
Gross margin	56.0%	51.1%	34.1%	48.3%	87.9%	52.8%

Gross profit is a segment KPI. There are no unallocated elements, and total gross profit reconciles to the income statement.

5 Development costs

	Q2		YTD		Year
(DKK million)	**2024/25**	2023/24	**2024/25**	2023/24	2023/24
Incurred development costs before capitalisation	91	78	170	141	315
Of which capitalised	-27	-31	-50	-57	-127
Incurred development costs after capitalisation	64	47	120	84	188
Capitalisation (%)	29.8%	39.1%	29.5%	40.5%	40.2%
Total charges and impairment losses on development projects	27	24	50	50	98
Development costs recognised in the consolidated income statement	**91**	**71**	**170**	**134**	**286**
Incurred development costs before capitalisation ratio (% of revenue)	13.0%	11.1%	13.7%	10.7%	12.2%

6 Change in net working capital

(DKK million)	**30-11-24**	31-05-24	Change in Q2 2024/25 YTD	Change in Q2 2023/24 YTD	Change in 2023/24
Inventories	426	447	21	39	-52
Trade receivables	347	309	-38	-24	-32
Other receivables*	55	52	-3	20	-14
Prepayments	37	27	-10	-2	3
Trade payables	-426	-401	25	-114	164
Other liabilities	-189	-171	18	17	-28
Total	**250**	**263**	**13**	**-64**	**41**

*Other receivables were adjusted for financial receivables related to leases of DKK 1m not included as net working capital at 30 November 2024 (31 May 2024: DKK 1m).

7 Net interest-bearing deposit/debt

Net interest-bearing deposit/debt consists of interest-bearing assets less interest-bearing debt. Interest-bearing assets consist of securities, cash and finance lease receivables. Interest-bearing debt consists of mortgage loans, bank loans and lease liabilities. We have placed the majority of our cash in Danish mortgage bonds, all with an AAA S&P rating. To maintain short-term financial flexibility, we use repo transactions, whereby we can access liquidity on an intra-day basis if needed by lending our banks bonds in return for cash while committing to a reverse transaction at a predetermined future date. Bonds are presented as securities on the balance sheet, as ownership of the bonds remains with the company during the term of the repo. The obligation to return cash for bonds under such repo transactions is recognised as short-term bank loans. As of 30 November, repo transactions amounted to DKK 315m.

During the quarter, net interest-bearing debt decreased by DKK 23m to DKK 45m.

(DKK million)	**30-11-24**	30-11-23	31-05-24
Mortgage loans (non-current)	-52	-52	-53
Mortgage loans (current)	-3	-6	-3
Bank loans (current)	-315	-382	-381
Lease liabilities (non-current)	-100	-96	-117
Lease liabilities (current)	-49	-42	-45
Other non-current liabilities*	-1	-3	-2
Interest-bearing debt	**-520**	**-581**	**-601**
Finance lease receivables (non-current)	0	2	1
Finance lease receivables (current)	1	1	1
Cash (current)	87	154	177
Securities (current)	387	391	388
Interest-bearing assets	**475**	**548**	**567**
Net interest-bearing deposit/debt	**-45**	**-33**	**-34**

* Only the interest-bearing part of Other non-current liabilities has been included in net interest-bearing deposit/debt.

During the quarter, net available liquidity increased by DKK 20 to DKK 159m, consisting of cash and securities offset by repo transactions.

(DKK million)	**30-11-24**	30-11-23	31-05-24
Cash (current)	87	154	177
Securities (current)	387	391	388
Bank loans (current)	-315	-382	-381
Available liquidity	**159**	**163**	**184**

Including the undrawn part of our ESG-linked credit facility, capital resources were DKK 319m (year-end 2023/24: DKK 344m), consisting of available liquidity of DKK 159m and undrawn committed credit facilities of DKK 160m.

8 Financial instruments

Financial instruments by category

(DKK million)	30-11-24	30-11-23	31-05-24
Non-current other receivables	20	22	20
Trade receivables	347	365	309
Other receivables	56	47	53
Cash	87	154	177
Financial assets at amortised cost	**510**	**588**	**559**
Securities	387	391	388
Fair value through income statement	**387**	**391**	**388**
Derivatives used for hedge accounting	4	0	1
Fair value through other comprehensive income	**4**	**0**	**1**
Financial assets	**901**	**979**	**948**
Mortgage loans	55	58	56
Bank loans	315	382	381
Lease liabilities	149	138	162
Trade payables	426	451	401
Financial liabilities at amortised cost	**945**	**1,029**	**1,000**
Derivatives used for hedge accounting	9	6	6
Fair value through other comprehensive income	**9**	**6**	**6**
Financial liabilities	**954**	**1,035**	**1,006**

The fair value is approximately equal to the carrying amount for all financial assets and liabilities.

Securities

Securities comprise listed Danish mortgage bonds and are measured at fair value with all changes in fair value recorded in the income statement. Bonds are measured using observable market values (level 1 in the fair value hierarchy). We use repo transactions and as ownership of the bonds remains with us during the term of the repo, the bonds remain recognised on the balance sheet.

Derivative financial instruments

Derivative financial instruments comprise primarily foreign exchange contracts used to hedge foreign exchange risk related to unrecognised future transactions. Derivatives are measured at fair value in accordance with level 2 in the fair value hierarchy using valuation techniques that apply market data such as exchange rates, credit risk and volatility.

See note 7.3 to the 2023/24 Annual Report for an overview of foreign exchange contracts.

9 Subsequent events

Subsequent to the closing of the quarter, gross proceeds of DKK 228m were transferred to our bank account at the beginning of December 2024 as a result of the completion of the directed share issue.

Except as described above, no other events have occurred in the period from the balance sheet date until the presentation of the financial statements that materially affect the assessment of the consolidated financial statements.

Management's statement

The Board of Directors and the Executive Management Board have today discussed and approved the interim report of Bang & Olufsen A/S for the period 1 June 2024 – 30 November 2024.

The interim report, which has not been audited or reviewed by the company's auditor, is presented in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 30 November 2024, and of the results of the Group's operations and cash flows for the period 1 June 2024 – 30 November 2024. In our opinion, the Management's review includes a fair review of the development in the Group's operations and financial matters, the results for the period, and the financial position in general, as well as a description of the significant risks and uncertainty factors pertaining to the Group.

Struer, 10 January 2025

Executive Management Board:

Kristian Teär
CEO

Nikolaj Wendelboe
EVP, CFO

Line Køhler Ljungdahl
EVP, CCCO

Board of Directors:

Juha Christensen
Chair

Albert Bensoussan
Vice Chair

Anders Colding Friis

Andra Gavrilescu

Dorte Vegeberg

Jesper Jarlbæk

M. Claire Chung

Søren Balling

Tuula Rytilä

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