

GN Store Nord delivered -6% revenue growth and -21% organic revenue growth in Q1 2022, constrained by the global supply chain situation and on an exceptionally high comparison base. Full year guidance confirmed

GN Store Nord

-21%

organic growth

- In Q1 2022, GN delivered -6% revenue growth, of which -21% was organic revenue growth, leading to a revenue of DKK 3,859 million, constrained by the challenging global supply chain situation and on an exceptionally high comparison base
- Adj. EBITA was DKK 264 million and free cash flow excl. M&A was DKK -557 million driven by the decrease in reported earnings
- Adj. Leverage ended at 5.4x, reflecting the closing of the SteelSeries transaction and the traditional seasonality in cash flow generation
- Full year guidance confirmed

GN Hearing

2%

organic growth

- GN Hearing delivered revenue growth of 8% in Q1 2022, of which organic revenue growth was 2% in a recovering hearing aid market
- Adj. EBITA margin was 2.0% in the Core business driven by higher freight and input costs, investments in growth opportunities and traditional seasonality. EBITA for the Emerging business was DKK -67 million driven by continued investments in future growth
- Free cash flow excl. M&A was DKK -175 million driven by the lower earnings level and traditional seasonality, but positively impacted by working capital movements
- New product launches going as planned and R&D roadmap on track to fuel growth during second half of 2022
- Full year guidance confirmed

GN Audio

-30%

organic growth

- GN Audio delivered revenue growth of -12%, of which organic revenue growth was -30% while SteelSeries delivered organic revenue growth of -35%, constrained by the challenging global supply chain situation and on an exceptionally high comparison base
- GN Audio continued to experience strong underlying demand resulting in a historically high order backlog
- The COVID-19 situation in China and Hong Kong challenged the manufacturing and logistics capacity towards the end of the quarter, which resulted in some short-term delays in shipments
- Adj. EBITA margin was 14.4%, reflecting the topline development, higher freight and input costs, the development in FX as well as the consolidation of SteelSeries
- Free cash flow excl. M&A was DKK -140 million reflecting the decrease in reported earnings
- Full year guidance confirmed

Financial overview Q1 2022

DKK million – Q1 2022	GN Hearing			GN Audio		
	Core business	Emerging business	GN Hearing	GN Audio organic	SteelSeries	GN Audio
Revenue	1,297	40	1,337	2,072	450	2,522
Organic growth	2%	76%	2%	-30%	-35%	-30%
Adj. EBITA**	26	-67	-41			364
Adj. EBITA margin **	2.0%		-3.1%			14.4%

DKK million	GN Store Nord*			GN Hearing			GN Audio		
	Q1 2022	Q1 2021	Growth	Q1 2022	Q1 2021	Growth	Q1 2022	Q1 2021	Growth
Revenue	3,859	4,110	-6%	1,337	1,234	8%	2,522	2,876	-12%
Organic growth	-21%	46%		2%	1%		-30%	82%	
M&A growth	12%	0%		1%	-1%		16%	0%	
Adj. Gross profit**	1,952	2,249	-13%	804	769	5%	1,148	1,480	-22%
Adj. Gross profit margin**	50.6%	54.7%	-4.1%p	60.1%	62.3%	-2.2%p	45.5%	51.5%	-6.0%p
Adj. EBITA**	264	753	-65%	-41	98	NA	364	714	-49%
Adj. EBITA margin**	6.8%	18.3%	-11.5%p	-3.1%	7.9%	-11.0%p	14.4%	24.8%	-10.4%p
Non-recurring items	-266	0		-29	0		-219	0	
Adj. Earnings per share (EPS)***	0.77	3.91	-80%						
Free cash flow excl. M&A	-557	-22	-535	-175	-204	+29	-140	438	-578

* Including "Other", ** Excluding non-recurring items (DKK -142 million in COGS in GN Audio, DKK -77 million in OPEX in GN Audio, DKK -3 million in COGS in GN Hearing and DKK -26 million in OPEX in GN Hearing), *** Excluding non-recurring items (DKK -266 million) and amortization of acquired intangible assets

Financial highlights

DKK million	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Full year 2021 (aud.)
GN Hearing			
Revenue	1,337	1,234	5,332
Revenue growth	8%	-6%	13%
Organic growth	2%	1%	16%
Gross profit margin	59.9%	62.3%	63.8%
EBITA*	-70	98	643
EBITA margin*	-5.2%	7.9%	12.1%
ROIC (EBITA*/Average invested capital)	7%	1%	9%
Free cash flow excl. M&A	-175	-204	198
Cash conversion (Free cash flow excl. M&A/EBITA*)	NA	-208%	31%
GN Audio			
Revenue	2,522	2,876	10,443
Revenue growth	-12%	74%	20%
Organic growth	-30%	82%	22%
Gross profit margin	39.9%	51.5%	50.6%
EBITA*	145	714	2,164
EBITA margin*	5.7%	24.8%	20.7%
ROIC (EBITA*/Average invested capital)	22%	86%	79%
Free cash flow excl. M&A	-140	438	1,288
Cash conversion (Free cash flow excl. M&A/EBITA*)	NA	61%	60%
GN Store Nord			
Revenue	3,859	4,110	15,775
Revenue growth	-6%	39%	17%
Organic growth	-21%	46%	20%
Gross profit margin	46.8%	54.7%	55.0%
EBITA*	16	753	2,619
EBITA margin*	0.4%	18.3%	16.6%
Profit (loss) before tax	-227	612	2,271
Effective tax rate	21.6%	21.2%	21.2%
ROIC (EBITA*/Average invested capital)	12%	23%	25%
Earnings per share, basic (EPS)	-1.50	3.66	13.63
Earnings per share, fully diluted (EPS diluted)	-1.49	3.61	13.49
Free cash flow excl. M&A	-557	-22	702
Cash conversion (Free cash flow excl. M&A/EBITA*)	NA	-3%	27%
Equity ratio	21.9%	34.1%	26.4%
Net interest-bearing debt	14,227	4,334	5,358
Net interest-bearing debt (period-end)/EBITDA	6.1	1.6	1.8
Share buybacks**	-	-	1,166
Outstanding shares, end of period (thousand)	127,750	129,877	127,718
Average number of outstanding shares (thousand)	127,723	129,426	128,816
Average number of outstanding shares, fully diluted (thousand)	128,357	131,211	130,194
Treasury shares, end of period (thousand)	10,426	12,391	10,458
Share price at the end of the period	332.7	499.4	411.3
Market capitalization	42,502	64,861	52,530

ROIC and NIBD/EBITDA are calculated based on EBITA and EBITDA for the latest four quarters

* Excluding gain (loss) on investments of operations etc. and amortization of acquired intangible assets but including amortization of development projects and software developed in-house.

** Incl. buybacks as part of share based incentive programs

GN Hearing

8% revenue growth and 2% organic revenue growth in the Core business in Q1 2022. Two important product launches in the quarter

Highlights Q1 2022

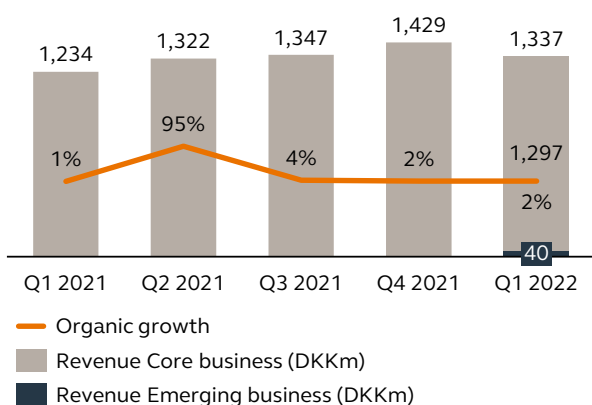
- GN Hearing delivered revenue growth of 8% in Q1 2022, of which organic revenue growth was 2% in a recovering hearing aid market
- Adj. EBITA margin was 2.0% in the Core business driven by higher freight and input costs, investments in growth opportunities and traditional seasonality. EBITA for the Emerging business was DKK -67 million driven by continued investments in future growth
- Free cash flow excl. M&A was DKK -175 million driven by the lower earnings level and traditional seasonality, but positively impacted by working capital movements
- New product launches going as planned and R&D roadmap on track to fuel growth during second half of 2022
- Full year guidance confirmed

Revenue

GN Hearing delivered organic revenue growth of 2% in Q1 2022. Revenue growth was 8% including around 5% impact from the development in foreign exchange rates and around 1% impact from M&A, reflecting the acquisition of Lively and divestments of Beltone retail stores. The Emerging business delivered 76% organic revenue growth. GN Hearing started shipment of Jabra Enhance Plus and ReSound ONE BTEs receiving encouraging initial feedback.

The hearing aid markets are recovering, but still with differences across regions and countries due to the impact from the Omicron variant of COVID-19 especially in several countries in Asia.

GN Hearing revenue development



North America

In North America, the hearing aid market continued to perform well despite a temporary setback in January following the spread of the Omicron variant of COVID-19. GN Hearing's organic revenue growth in North America was 1% driven by solid performance in the independent market but offset by the performance in the VA and the negative ASP development in Costco. Starting this quarter, GN Hearing has again been able to visit, consult and train the VA clinics, following more than 1½ years of visit restrictions in the VA due to COVID-19.

In North America overall, revenue growth was 12% including around 8% impact from the development in foreign exchange rates and 3% impact from M&A.

Europe

In Europe, the hearing aid market has largely recovered, but with some differences across countries and channels. GN Hearing performed strongly in, among other, Germany. Organic revenue growth was 2% despite GN's decision to suspend all sales to Russia. Revenue growth was 4% including around 2% impact from the development in foreign exchange rates.

Rest of World

The Rest of World region continued to be differently impacted by COVID-19 across countries, depending on the level of local restrictions with especially China reinforcing lockdowns towards the end of Q1 2022. Despite the COVID-19 situation in China and Japan, the organic revenue growth in Rest of World region was 3%. Revenue growth was 6% including around 3% impact from the development in foreign exchange rates.

Earnings and other financial highlights

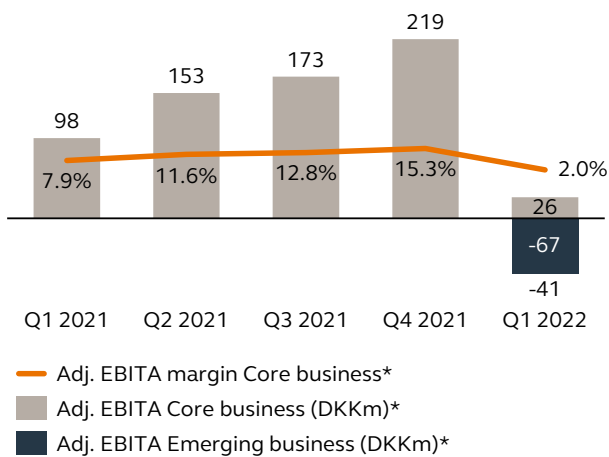
Adj. gross profit reached DKK 804 million in Q1 2022 corresponding to a gross margin of 60.1% compared to 62.3% in Q1 2021. The gross margin is negatively impacted by elevated freight costs, increased input costs, the development in VA and Costco as well as mix effects. In order to mitigate the impact from increasing input costs, pricing initiatives have been put in place during the quarter, but with limited impact in Q1 2022.

GN Hearing continued to take prudent OPEX measures to manage costs. Due to continued investments in growth and the consolidation of the Lively acquisition adjusted OPEX increased 26% compared to Q1 2021. Adj. selling and distribution costs increased by 38% reflecting Lively and investments into marketing and launch costs. Adj. general and administrative expenses increased by 7% in Q1 2022 compared to Q1 2021, mainly driven by investments in IT

infrastructure. Investments into R&D was on par with Q1 2021.

GN Hearing's adj. EBITA was DKK -41 million, with the Core business delivering adj. EBITA of DKK 26 million and the Emerging business delivering DKK -67 million. Reported EBITA amounted to DKK -70 million reflecting non-recurring items of DKK -29 million being recognized in Q1 2022.

GN Hearing adj. EBITA development



*Excluding non-recurring items

The return on invested capital (ROIC) was 7% in Q1 2022, compared to 1% in Q1 2021, mainly due to the business recovery from COVID-19 as ROIC is calculated based on a 12-months rolling EBITA.

Free cash flow excl. M&A was DKK -175 million in Q1 2022 compared to DKK -204 million in Q1 2021, mainly driven by lower reported EBITA, but partly offset by a positive development in working capital.

Business highlights

Launch of Jabra Enhance Plus

On February 25, 2022, Jabra Enhance Plus, the FDA cleared all-in-one earbud with advanced hearing technology to help more people with mild to moderate hearing loss, started shipping and is now available exclusively at licensed hearing care professional throughout the U.S. and in Japan. Jabra Enhance Plus has been launched under the self-fitting regulation with around 2,000 clinics already being Certified Jabra Enhance Centers in the U.S.

Launch of ReSound ONE BTEs

On February 7, 2022, GN Hearing announced the new ReSound ONE Behind-the-Ear hearing aids, and thus expanded the premium sound offering from ReSound ONE. All solutions under the ReSound ONE family were from February 2022 able to offer hand-free calls for iPhone and iPad. Initial feedback from the launches has been encouraging.

As previously communicated, GN Hearing expects to launch a new rechargeable ITE product late Q2 2022, and a new platform launch is expected in Q3 2022, building on the groundbreaking technology of ReSound ONE.

Restoring profitability and non-recurring items

As communicated, GN Hearing expects the Core business to restore profitability to an EBITA margin of more than 20% by 2024, driven by above-market revenue growth and several operational initiatives, primarily related to the supply chain. To accelerate the initiatives and restore profitability, GN Hearing will incur DKK ~ -150 million in non-recurring items in 2022. For Q1 2022, non-recurring items amounted to DKK -29 million.

GN Hearing non-recurring items

(DKK million)	Q1 2022	YTD 2022
Revenue	-	-
Production costs	-3	-3
Gross profit	-3	-3
Development costs	-3	-3
Selling and distribution costs	-18	-18
Management and administrative expenses	-5	-5
Other operating income and costs, net	-	-
EBITA	-29	-29

Market development

The hearing aid market is recovering and is expected to return to historical growth levels in 2022, however with continued differences across regions, countries and channels. We continue to believe that the fundamentals of the hearing aid market are intact and, in 2022, GN Hearing estimates the annual market growth to be around 4 - 6% in volumes with an ASP decline of around 1 - 2%.

Management quote

"We are now looking at a recovering hearing aid market and see strong and attractive megatrends where GN Hearing's competencies will demonstrate our unique ability to innovate. With the Q1 2022 launch of Jabra Enhance Plus we took an important first step in reaching new target groups for occasional hearing enhancement. And with the launch of ReSound ONE BTE we further broadened our portfolio in the traditional hearing market, where we have a strong product roadmap in place for the remainder of the year. Combined with a solid plan to restore profitability and several emerging opportunities, I am excited about the coming quarters and years for our company."

Gitte Aabo, CEO of GN Hearing

GN Audio

-12% revenue growth and -30% organic revenue growth in GN Audio in Q1 2022, constrained by the global supply chain situation and on an exceptionally high comparison base. Continued strong underlying demand

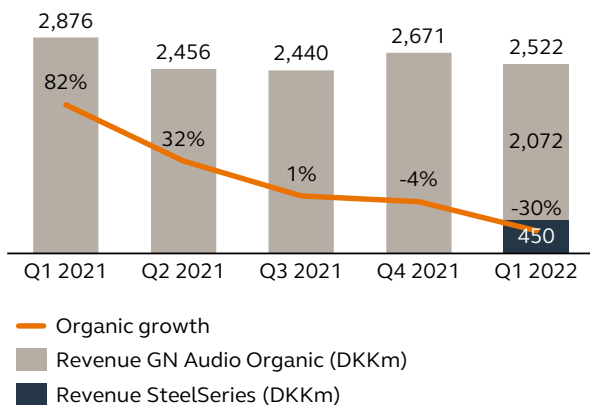
Highlights Q1 2022

- GN Audio delivered revenue growth of -12%, of which organic revenue growth was -30% while SteelSeries delivered organic revenue growth of -35%, constrained by the challenging global supply chain situation and on an exceptionally high comparison base
- GN Audio continued to experience strong underlying demand resulting in a historically high order backlog
- The COVID-19 situation in China and Hong Kong challenged the manufacturing and logistics capacity towards the end of the quarter, which resulted in some short-term delays in shipments
- Adj. EBITA margin was 14.4%, reflecting the topline development, higher freight and input costs, the development in FX as well as the consolidation of SteelSeries
- Free cash flow excl. M&A was DKK -140 million reflecting the decrease in reported earnings
- Full year guidance confirmed

Revenue

GN Audio delivered -30% organic revenue growth in Q1 2022 driven by a challenging global supply chain situation and an exceptionally high comparison base of 82% organic revenue growth in Q1 2021. SteelSeries delivered an organic revenue growth of -35% in Q1 2022. The COVID-19 situation in China and Hong Kong challenged the manufacturing and logistics capacity during the end of the quarter, which resulted in some short-term delays in shipments equal to approximately one weeks' worth of revenue moving from Q1 to Q2 2022.

GN Audio revenue development



Revenue growth was -12% including a 16% impact from M&A, reflecting SteelSeries. The impact from the development in foreign exchange rates was around 2%.

North America

In North America, GN Audio delivered -26% organic revenue growth for the region compared to +59% in Q1 2021. Revenue growth was 8% including around 28% impact from the M&A and around 6% impact from development in foreign exchange rates.

Europe

In Europe, GN Audio delivered an organic revenue growth of -36% on a very high comparison base of +113% in Q1 2021. Revenue growth was -28% including around 8% impact from M&A and around 1% impact from the development in foreign exchange rates.

Rest of World

In the Rest of World region, GN Audio delivered -14% organic revenue growth compared to +40% organic revenue growth in Q1 2021. Revenue growth was 14% including around 23% impact from M&A and around 5% impact from the development in foreign exchange rates.

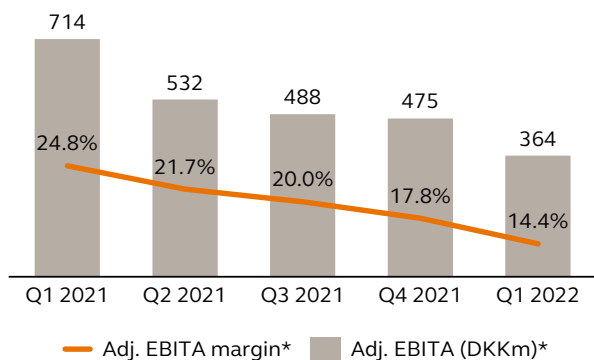
Earnings and other financial highlights

GN Audio delivered an adjusted gross margin of 45.5% in Q1 2022 compared to 51.5% in Q1 2021, driven by a significant negative impact from the elevated level of freight, increased input costs, development from foreign exchange rates as well as the consolidation of SteelSeries. Reported gross margin was 39.9%, reflecting non-recurring items of DKK -142 million in non-cash PPAs related to the SteelSeries acquisition. In order to mitigate the impact from increasing input costs, GN Audio has initiated price increases across the Enterprise portfolio from February 1, 2022, but with limited impact in Q1 2022.

GN Audio's adj. OPEX was DKK 784 million in Q1 2022, reflecting a 2% increase compared to Q1 2021 primarily driven by the consolidation of SteelSeries. Selling and distribution costs increased by 2%, mainly driven by the consolidation of SteelSeries and cost control to mitigate the revenue decline, while adj. general & administrative costs increased 39% due to a low comparison from last year. Investments into R&D decreased with 5% compared to Q1 2021, mainly due to a higher capitalization ratio driven by phasing of projects.

GN Audio's adj. EBITA ended at DKK 364 million in Q1 2022, translating into an adjusted EBITA margin of 14.4%, compared to 24.8% in Q1 2021. The development reflects the revenue decline, the gross margin development as well as the consolidation of SteelSeries. Reported EBITA was DKK 145 million, reflecting DKK -219 million in non-recurring items related to the acquisition of SteelSeries.

GN Audio adj. EBITA development



*Excluding non-recurring items

The return on invested capital (ROIC) was 22% in Q1 2022 compared to 86% in Q1 2021, driven by the lower EBITA and the increase in invested capital due to the goodwill recognition from the SteelSeries acquisition. Free cash flow excl. M&A was DKK -140 million in Q1 2022 compared to DKK 438 million in Q1 2021. The decrease in cash flow was mainly driven by the lower reported EBITA and inventory build of certain critical components.

Business highlights

SteelSeries integration and non-recurring items

Following the closing of the SteelSeries transaction on January 12, 2022, which has provided GN Audio access to the highly attractive market for high-end gaming gear, the integration process has been initiated and is well on track. GN Audio continues to expect annual run-rate of operational synergies of around DKK 150 million by the end of 2022 and around half is expected to be realized in 2022. In addition, future revenue synergies are expected. During Q1 2022, GN booked non-recurring items related to the SteelSeries acquisition of DKK -237 million, of which DKK -142 million was booked as COGS (non-cash PPAs), DKK -77 million was recognized as general and administrative expenses and DKK -18 million was booked in financial items. In 2022, GN Audio continues to expect total transaction and integration costs of around DKK -200 million, and non-cash PPAs of around DKK -200 million.

GN Audio non-recurring items

(DKK million)	Q1 2022	YTD 2022
Revenue	-	-
Production costs	-142	-142
Gross profit	-142	-142
Development costs	-	-
Selling and distribution costs	-	-
Management and administrative expenses	-77	-77
Other operating income and costs, net	-	-
EBITA	-219	-219

Current supply situation

As previously communicated, certain components have been in global shortage impacting many industries. In Q1 2022, the global supply situation continued to be very volatile and challenging. Latest communication from the suppliers is pointing in the direction of a significant gradual step up in component deliveries in the coming quarters. To mitigate the component shortage a number of initiatives continue to be executed, including re-engineering of certain high-volume products, which is expected to benefit GN Audio from end of Q2 2022.

In addition to the component shortage situation, the COVID-19 situation and related restrictions in China and Hong Kong during March challenged the manufacturing capacity and logistics, resulting in shipment delays and disruption of the supply chain. The current logistics situation in China and globally is highly volatile and unpredictable, and while manufacturing capacity is generally available, the situation remains volatile and unpredictable.

Market development

In Q1 2022, the demand in GN Audio's core enterprise addressable markets continued to be strong driven by flexible working, significant uptake of Unified Communications platforms and other attractive megatrends. For the coming years, GN Audio expects that the markets will continue its favorable trends and that the overall addressable market will grow at around 10% in value when assuming a stable macro environment and supply situation.

Management quote

"The significant impact from the manufacturing, logistics, and components challenges that slowed our growth in late 2021 unfortunately continued in Q1 2022. We continue to see strong demand across our product categories, which makes us very comfortable about the robustness of the underlying trends and dynamics that drive the industry, but right now the growth is solely supply driven and impacted by the COVID-19 situation in China."

René Svendsen-Tune, CEO of GN Audio

GN Store Nord

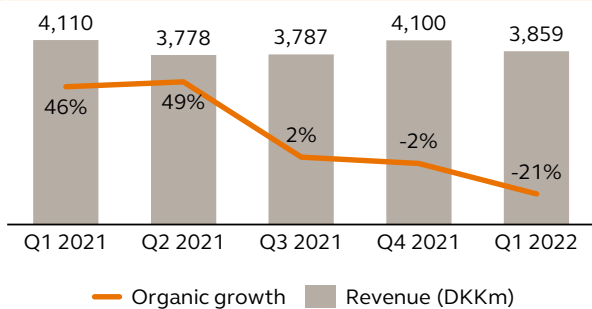
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- Full year guidance confirmed

Revenue

GN delivered -21% organic revenue growth in Q1 2022. Revenue growth was -6% including around 12% impact from M&A, reflecting Lively and SteelSeries. The impact from the development in foreign exchange rates was around 3%.

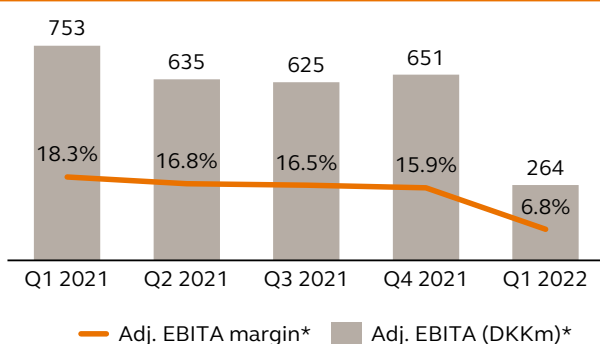
GN Store Nord revenue development



Earnings and other financial highlights

EBITA in Other amounted to DKK -59 million in Q1 2022, compared to DKK -59 million in Q1 2021. GN Store Nord's adj. EBITA was DKK 264 million compared to DKK 753 million in Q1 2021, primarily driven by the lower revenue level and the consolidation of Lively and SteelSeries. This corresponds to an adj. EBITA margin of 6.8% in Q1 2022 compared to 18.3% in Q1 2021. Reported EBITA was DKK 16 million, reflecting non-recurring items of DKK -248 million due to supply chain initiatives in GN Hearing and the transaction and integration costs of SteelSeries in GN Audio.

GN Store Nord adj. EBITA development



*Excluding non-recurring items

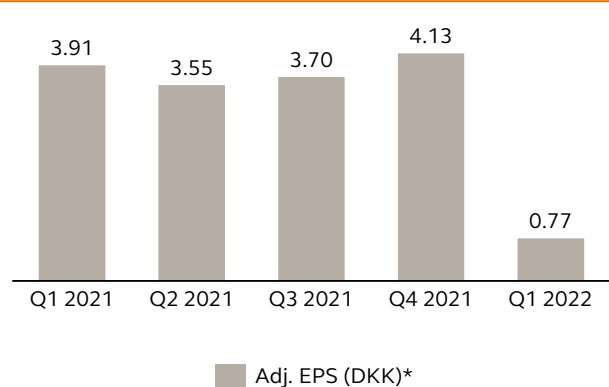
In Q1 2022, amortization of acquired intangible assets amounted to DKK -103 million compared to DKK -41 million reflecting the consolidation of SteelSeries. Financial items were DKK -156 million in Q1 2022 compared to DKK -99 million in Q1 2021, with the increase among other related to the SteelSeries financing and related fees, of which DKK -18 million is recognized as non-recurring items. In Q1 2022, share of profit (loss) in associates was DKK 17 million compared to DKK -1 million in Q1 2021.

The adj. profit before tax was DKK 39 million in Q1 2022 (reported profit before tax was DKK -227 million) compared to DKK 612 million in Q1 2021. The effective tax rate was 21.6%, translating into an adj. net profit of DKK 31 million in Q1 2022 (reported net profit of DKK -178 million) compared to DKK 482 million in Q1 2021.

Free cash flow excl. M&A was DKK -557 million in Q1 2022 compared to DKK -22 million in Q1 2022, mainly driven by the lower earnings and inventory build-up of critical components.

Adj. earnings per share (Adj. EPS), was DKK 0.77 in Q1 2022 compared to DKK 3.91 in Q1 2021.

GN Store Nord adj. EPS development



*Excluding non-recurring items and amortization of acquired intangible assets

By the end of Q1 2022, equity in GN Store Nord amounted to DKK 6,016 million compared to DKK 6,229 million in Q4 2021. The decrease was driven by the net loss for the period and the yearly dividend payment.

Closing of the acquisition of SteelSeries – an ideal strategic fit and access to the fast-growing gaming market

On January 12, 2022, GN announced closing of the acquisition of SteelSeries - a global innovation driven pioneer in premium software-enabled gaming gear. Following the closing, GN has gained a very strong position in the attractive high-end gaming gear market.

The total purchase price for SteelSeries amounted to DKK 8.0 billion on a cash and debt free basis financed through existing cash balances and new debt with financial leverage impact from the closing date.

Capital structure

Net interest-bearing debt was DKK 14,227 million by the end of Q1 2022 compared to DKK 5,358 million in Q4 2021, which was primarily driven by the closing of the SteelSeries acquisition, the traditional cash flow seasonality and the yearly dividend payment. As a result, the adj. leverage increased to 5.4x compared to 1.7x by the end of Q4 2021, reflecting the debt development and the lower adj. EBITDA. Reported leverage ratio was 6.1x reflecting the DKK -248 million non-recurring items in Q1 2022.

With the recent M&A activity and in line with expectations, GN Store Nord's financial leverage ratio is currently above the long-term leverage target of 1-2x NIBD/EBITDA. As a result, GN Store Nord will focus on de-leveraging in order to be within its capital structure policy again within a couple of years. As a consequence, GN Store Nord's share buyback program has been paused for the time being.

During Q1 2022, GN distributed DKK 214 million to shareholders through the annual dividend payment. In March 2022, GN paid out DKK 1.55 per share in respect of the fiscal year 2021, as approved at the Annual General Meeting in 2022.

In line with the last couple of years, GN continues to proactively secure a diversified funding profile. The diverse sources of financing now available to GN include the convertible bond market (via the listed convertible bond), traditional bonds (via the Euro Medium-Term Note program), the short-term Euro Commercial Paper Program, bilateral loan facilities provided by EIB as well as uncommitted bank facilities including overdraft lines.

Foreign exchange exposure

GN has hedged a substantial part of the expected net cash-flow in foreign currencies to secure the EBITA contribution of the material trading currencies for the next 12 months across both GN Hearing and GN Audio.

Financial guidance 2022

(Confirmed as communicated on February 10, 2022)

Financial guidance 2022

	Organic revenue growth	Adjusted EBITA margin ⁴⁾	Non-recurring items (DKK million) ⁵⁾	Growth in adjusted EPS ⁶⁾
GN Hearing				
- Core business organic	5-10%	~14%	~ -150	
- Emerging Business ¹⁾ (DKK million)		~ -190		
GN Audio^{2) 3)}		~20%	~ -400	
- GN Audio organic	>5%			
- SteelSeries	>10%			
Other (DKK million)		~ -190		
GN Store Nord				>10%

Note 1) Emerging Business mainly includes the Lively acquisition

Note 2) The SteelSeries organic revenue growth will be reported as M&A growth for GN Audio

Note 3) GN Audio and SteelSeries organic revenue growth constrained by the current global supply chain situation

Note 4) Excluding non-recurring items

Note 5) Non-recurring items in GN Hearing primarily related to supply chain investments (DKK ~ -150m) and in GN Audio related to transaction and integration costs (DKK ~ -200m) as well as non-cash PPAs (DKK ~ -200m), associated with SteelSeries

Note 6) Compared to 2021 adjusted EPS (excluding non-recurring items and amortization and impairment of acquired intangible assets) of DKK 15.29

Based on foreign exchange rates as of May 5, 2022

Primary risk factors in relation to the financial guidance

Due to the ongoing COVID-19 pandemic and the global supply situation – which impacts GN in many ways – it must be stressed that the basic assumptions behind the guidance remain more uncertain than normal. The situation is impacting GN's operational performance, predictability and visibility across markets, channels and supply chain. The financial guidance is contingent on no new significant local restrictions due to COVID-19 and an ease of the supply chain situation in H2 2022.

Forward-looking statements

The forward-looking statements in this report reflect the management's current expectations of certain future events and financial results. Statements regarding the future are, naturally, subject to risks and uncertainties, which may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events, which may prove incorrect. Changes to such expectation and assumptions will not be disclosed on an ongoing basis, unless required pursuant to general disclosure obligations to which GN is subject.

Factors that may cause actual results to deviate materially from expectations include – but are not limited to – general economic developments and developments in the financial markets, technological developments, changes and amendments to legislation and regulations governing GN's markets, changes in the demand for GN's products, competition, fluctuations in sub-contractor supplies and developments in ongoing litigation (including but not limited to class action and patent infringement litigation in the United States).

Due to the COVID-19 situation – which impacts the company in many different ways – it must be stressed that the basic assumptions behind the guidance remain significantly more uncertain than normal.

Additional information

Teleconference

GN will host a teleconference at 11.00 am CEST on May 5, 2022. Please visit www.gn.com to access the teleconference. Presentation material will be available on the website approximately one hour prior to the start of the teleconference.

Financial calendar 2022

Interim Report Q2 2022: August 18, 2022
Interim Report Q3 2022: November 11, 2022

Forward-looking statements

The forward-looking statements in this report reflect the management's current expectations of certain future events and financial results. Statements regarding the future are, naturally, subject to risks and uncertainties, which may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events, which may prove incorrect. Changes to such expectation and assumptions will not be disclosed on an ongoing basis, unless required pursuant to general disclosure obligations to which GN is subject.

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Financial statements

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Quarterly reporting by segment

DKK million	Q1 2021 (unaud.)	Q2 2021 (unaud.)	Q3 2021 (unaud.)	Q4 2021 (unaud.)	Q1 2022 (unaud.)	Full year 2021 (aud.)
Income statement						
Revenue						
GN Hearing	1,234	1,322	1,347	1,429	1,337	5,332
GN Audio	2,876	2,456	2,440	2,671	2,522	10,443
Total	4,110	3,778	3,787	4,100	3,859	15,775
Organic growth						
GN Hearing	1%	95%	4%	2%	2%	16%
GN Audio	82%	32%	1%	-4%	-30%	22%
Total	46%	49%	2%	-2%	-21%	20%
Gross profit						
GN Hearing	769	832	891	908	801	3,400
GN Audio	1,480	1,264	1,222	1,316	1,006	5,282
Total	2,249	2,096	2,113	2,224	1,807	8,682
Gross profit margin						
GN Hearing	62.3%	62.9%	66.1%	63.5%	59.9%	63.8%
GN Audio	51.5%	51.5%	50.1%	49.3%	39.9%	50.6%
Total	54.7%	55.5%	55.8%	54.2%	46.8%	55.0%
Development costs						
GN Hearing	-139	-154	-155	-131	-138	-579
GN Audio	-199	-168	-173	-185	-189	-725
Other *	-34	-27	-9	-15	-21	-85
Total	-372	-349	-337	-331	-348	-1,389
Selling and distribution costs and administrative expenses etc.						
GN Hearing	-532	-525	-563	-558	-733	-2,178
GN Audio	-567	-564	-575	-687	-672	-2,393
Other *	-25	-23	-27	-28	-38	-103
Total	-1,124	-1,112	-1,165	-1,273	-1,443	-4,674
EBITA						
GN Hearing	98	153	173	219	-70	643
GN Audio	714	532	474	444	145	2,164
Other *	-59	-50	-36	-43	-59	-188
Total	753	635	611	620	16	2,619
EBITA margin						
GN Hearing	7.9%	11.6%	12.8%	15.3%	-5.2%	12.1%
GN Audio	24.8%	21.7%	19.4%	16.6%	5.7%	20.7%
Total	18.3%	16.8%	16.1%	15.1%	0.4%	16.6%
Depreciation and software amortization						
GN Hearing	-42	-41	-40	-40	-38	-163
GN Audio	-33	-31	-34	-37	-45	-135
Other *	-30	-33	-32	-36	-35	-131
Total	-105	-105	-106	-113	-118	-429
EBITDA						
GN Hearing	140	194	213	259	-32	806
GN Audio	747	563	508	481	190	2,299
Other *	-29	-17	-4	-7	-24	-57
Total	858	740	717	733	134	3,048
EBITA						
Amortization and impairment of acquired intangible assets	-41	-42	-40	-103	-103	-226
Gain (loss) on divestment of operations etc.	-	-9	-	13	-1	4
Operating profit (loss)	712	584	571	530	-88	2,397
Share of profit (loss) in associates	-1	-20	9	-24	17	-36
Financial items	-99	-12	-13	34	-156	-90
Profit (loss) before tax	612	552	567	540	-227	2,271
Tax on profit (loss)	-130	-118	-121	-112	49	-481
Profit (loss)	482	434	446	428	-178	1,790
Balance sheet						
Development projects						
GN Hearing	1,019	1,001	989	1,014	1,026	1,014
GN Audio	508	585	655	708	859	708
Other *	-13	-12	-10	-9	-7	-9
Total	1,514	1,574	1,634	1,713	1,878	1,713
Inventories						
GN Hearing	677	675	683	743	770	743
GN Audio	939	1,049	1,019	1,205	2,012	1,205
Total	1,616	1,724	1,702	1,948	2,782	1,948
Trade receivables						
GN Hearing	987	1,020	1,111	1,124	1,144	1,124
GN Audio	1,670	1,721	2,057	2,169	1,975	2,169
Other *	-	2	2	-	2	-
Total	2,657	2,743	3,170	3,293	3,121	3,293
Net working capital						
GN Hearing	785	862	883	1,010	1,036	1,010
GN Audio	652	662	793	837	1,646	837
Other *	-189	-136	-149	-122	-165	-122
Total	1,248	1,388	1,527	1,725	2,517	1,725
Free cash flow excl. M&A						
GN Hearing	-204	123	340	-61	-175	198
GN Audio	438	371	281	198	-140	1,288
Other *	-256	16	-128	-416	-242	-784
Total	-22	510	493	-279	-557	702
Acquisitions and divestments of companies						
	-38	-1	-1	-314	-7,037	-354
Free cash flow	-60	509	492	-593	-7,594	348

* "Other" comprises Group Functions, GN Ejendomme and eliminations.

Regional growth composition Q1 2022

(DKK million)	GN Hearing		GN Audio		Consolidated total	
	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)
Europe - revenue	369	354	1,223	1,694	1,592	2,048
Organic growth	2%	-5%	-36%	113%	-29%	75%
FX growth	2%	-2%	1%	-2%	1%	-2%
M&A growth	0%	0%	8%	0%	7%	0%
Revenue growth	4%	-7%	-28%	111%	-22%	73%
North America - revenue	641	571	791	735	1,432	1,306
Organic growth	1%	-7%	-26%	59%	-14%	21%
FX growth	8%	-8%	6%	-16%	7%	-11%
M&A growth	3%	-1%	28%	0%	17%	-1%
Revenue growth	12%	-16%	8%	43%	10%	9%
Rest of World - revenue	327	309	508	447	835	756
Organic growth	3%	27%	-14%	40%	-7%	34%
FX growth	3%	-6%	5%	-7%	3%	-6%
M&A growth	0%	0%	23%	0%	14%	0%
Revenue growth	6%	21%	14%	33%	10%	28%
Total revenue	1,337	1,234	2,522	2,876	3,859	4,110
Organic growth	2%	1%	-30%	82%	-21%	46%
FX growth	5%	-6%	2%	-8%	3%	-7%
M&A growth	1%	-1%	16%	0%	12%	0%
Revenue growth	8%	-6%	-12%	74%	-6%	39%

Consolidated income statement

(DKK million)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Full Year 2021 (aud.)
Revenue	3,859	4,110	15,775
Production costs	-2,052	-1,861	-7,093
Gross profit	1,807	2,249	8,682
Development costs	-348	-372	-1,389
Selling and distribution costs	-1,017	-848	-3,484
Management and administrative expenses	-422	-283	-1,205
Other operating income and costs, net	-4	7	15
EBITA*	16	753	2,619
Amortization and impairment of acquired intangible assets	-103	-41	-226
Gain (loss) on divestment of operations etc.	-1	-	4
Operating profit (loss)	-88	712	2,397
Share of profit (loss) in associates	17	-1	-36
Financial items	-156	-99	-90
Profit (loss) before tax	-227	612	2,271
Tax on profit (loss)	49	-130	-481
Profit (loss) for the period	-178	482	1,790
Attributable to:			
Non-controlling interests	13	8	34
Shareholders in GN Store Nord A/S	-191	474	1,756
Earnings per share (EPS):			
Earnings per share (EPS)	-1.50	3.66	13.63
Earnings per share, fully diluted (EPS diluted)	-1.49	3.61	13.49

* Excluding gain (loss) on divestments of operations etc. and amortization of acquired intangible assets but including amortization of development projects and software developed in-house.

Consolidated statement of comprehensive income

(DKK million)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Full Year 2021 (aud.)
Profit (loss) for the period	-178	482	1,790
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains (losses)	-	-	46
Tax relating to actuarial gains (losses)	-	-	-10
Items that may be reclassified subsequently to profit or loss			
Adjustment of cash flow hedges	-7	10	35
Foreign exchange adjustments, etc.	122	238	396
Tax relating to other comprehensive income	-	-2	-8
Other comprehensive income for the period	115	246	459
Total comprehensive income for the period	-63	728	2,249
Attributable to:			
Non-controlling interests	13	8	34
Shareholders in GN Store Nord A/S	-76	720	2,215

Consolidated balance sheet

(DKK million)	Mar. 31 2022 (unaud.)	Dec. 31 2021 (aud.)	Sep. 30 2021 (unaud.)	Jun. 30 2021 (unaud.)
Assets				
Intangible assets	16,363	8,271	7,395	7,210
Property, plant and equipment	1,329	1,300	1,232	1,224
Investments in associates	180	153	385	506
Deferred tax assets	345	435	410	402
Other non-current assets	1,423	1,399	1,323	1,333
Total non-current assets	19,640	11,558	10,745	10,675
Inventories	2,782	1,948	1,702	1,724
Trade receivables	3,121	3,293	3,170	2,743
Tax receivables	168	77	15	21
Other receivables	849	468	416	462
Cash and cash equivalents	959	6,208	1,619	1,715
Total current assets	7,879	11,994	6,922	6,665
Total assets	27,519	23,552	17,667	17,340
Equity and liabilities				
Equity	6,016	6,229	5,761	5,874
Bank loans and issued bonds	10,675	9,513	5,475	5,460
Lease liabilities, non-current	302	311	284	287
Pension obligations	7	7	34	34
Provisions, non-current	182	221	217	227
Deferred tax liabilities	873	402	364	364
Other non-current liabilities	715	727	563	519
Total non-current liabilities	12,754	11,181	6,937	6,891
Bank loans	4,072	1,615	380	257
Lease liabilities, current	137	127	117	119
Trade payables	1,229	1,280	1,051	1,148
Tax payables	42	72	355	284
Provisions, current	263	344	356	374
Other current liabilities	3,006	2,704	2,710	2,393
Total current liabilities	8,749	6,142	4,969	4,575
Total equity and liabilities	27,519	23,552	17,667	17,340

Consolidated statement of cash flow

(DKK million)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Full Year 2021 (aud.)
Operating activities			
Operating profit (loss)	-88	712	2,397
Depreciation, amortization and impairment	361	274	1,192
Other non-cash adjustments	111	115	23
Cash flow from operating activities before changes in working capital	384	1,101	3,612
Changes in working capital	-484	-431	-710
Cash flow from operating activities before financial items and tax	-100	670	2,902
Financial items, net	-53	-130	-219
Tax paid, net	-78	-102	-571
Cash flow from operating activities	-231	438	2,112
Investing activities			
Development projects	-202	-147	-755
Investments in other intangible assets, net	-91	-58	-308
Investments in property, plant and equipment, net	-20	-242	-457
Investments in other non-current assets, net	-13	-13	110
Company acquisitions	-7,037	-38	-354
Company divestments	-	-	-
Cash flow from investing activities	-7,363	-498	-1,764
Cash flow from operating and investing activities (free cash flow)	-7,594	-60	348
Financing activities			
Paid dividends	-155	-147	-188
Share-based payment (exercised)	5	129	159
Purchase/sale of treasury shares and other equity instruments	-	-	-1,166
Net proceeds from issue of EMTN bonds	-	363	5,134
Increase/decrease in bank loans and other adjustments	2,489	-54	248
Cash flow from financing activities	2,339	291	4,187
Net cash flow	-5,255	231	4,535
Cash and cash equivalents beginning of period	6,208	1,657	1,657
Adjustment foreign currency, cash and cash equivalents	6	10	16
Cash and cash equivalents, end of period	959	1,898	6,208

Consolidated statement of equity

Q1 2021 (DKK million)	Other reserves				Proposed dividends for the year	Retained earnings	Equity, shareholders in GN Store Nord A/S	Non-controlling interests	Total equity
	Share capital*	Foreign exchange adjustments	Hedging reserve	Treasury shares					
Balance at December 31, 2020	569	-1,500	-21	-3,640	206	9,564	5,178	-	5,178
Profit (loss) for the period	-	-	-	-	-	474	474	8	482
Adjustment of cash flow hedges	-	-	10	-	-	-	10	-	10
Foreign exchange adjustments, etc.	-	238	-	-	-	-	238	-	238
Tax relating to other comprehensive income	-	-	-2	-	-	-	-2	-	-2
Other comprehensive income for the period	-	238	8	-	-	-	246	-	246
Total comprehensive income for the period	-	238	8	-	-	474	720	8	728
Share-based payment (granted)	-	-	-	-	-	17	17	-	17
Share based payment (exercised)	-	-	-	179	-	-50	129	-	129
Tax related to share-based incentive plans	-	-	-	-	-	46	46	-	46
Reclassification of non-controlling interests by recognizing a put option liability	-	-	-	-	-	3	3	-8	-5
Paid dividends	-	-	-	-	-188	-	-188	-	-188
Dividends, treasury shares	-	-	-	-	-18	18	-	-	-
Balance at March 31, 2021	569	-1,262	-13	-3,461	-	10,072	5,905	-	5,905
Q1 2022 (DKK million)									
Balance at December 31, 2021	553	-1,104	6	-3,731	214	10,291	6,229	-	6,229
Profit (loss) for the period	-	-	-	-	-	-191	-191	13	-178
Adjustment of cash flow hedges	-	-	-7	-	-	-	-7	-	-7
Foreign exchange adjustments, etc.	-	122	-	-	-	-	122	-	122
Other comprehensive income for the period	-	122	-7	-	-	-	115	-	115
Total comprehensive income for the period	-	122	-7	-	-	-191	-76	13	-63
Share-based payment (granted)	-	-	-	-	-	53	53	-	53
Share-based payment (exercised)	-	-	-	8	-	-3	5	-	5
Reclassification of non-controlling interests by recognizing a put option liability	-	-	-	-	-	3	3	-13	-10
Paid dividends	-	-	-	-	-198	-	-198	-	-198
Dividends, treasury shares	-	-	-	-	-16	16	-	-	-
Balance at March 31, 2022	553	-982	-1	-3,723	-	10,169	6,016	-	6,016

* shares of DKK 4 each

Note 1 – Accounting policies

This interim report has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and Danish interim financial reporting requirements for listed companies.

New standards, interpretations and amendments adopted by GN Store Nord

As of January 1, 2022, GN Store Nord adopted all relevant new or revised International Financial Reporting Standards and IFRIC Interpretations with effective date January 1, 2022, or earlier. The new or revised Standards and Interpretations did not affect recognition and measurement or result in any material changes to disclosures. Apart from this, the accounting policies applied are unchanged from those applied in the Annual Report 2021.

Please refer to the section “Accounting standards not yet adopted” in the accounting policies in the Annual Report 2021 for information on the on-going analysis regarding accounting for the costs of configuring or customizing the supplier’s application software in a Software-as-a-Service (SaaS) arrangement.

Note 2 – Segment disclosures Q1 2022

Income statement	GN Hearing		GN Audio		Other**		Consolidated total	
	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)
(DKK million)								
Revenue	1,337	1,234	2,522	2,876	-	-	3,859	4,110
Production costs	-536	-465	-1,516	-1,396	-	-	-2,052	-1,861
Gross profit	801	769	1,006	1,480	-	-	1,807	2,249
Development costs	-138	-139	-189	-199	-21	-34	-348	-372
Selling and distribution costs	-541	-380	-476	-468	-	-	-1,017	-848
Management and administrative expenses	-174	-158	-216	-100	-32	-25	-422	-283
Other operating income and costs, net	-18	6	20	1	-6	-	-4	7
EBITA*	-70	98	145	714	-59	-59	16	753
Amortization and impairment of acquired intangible assets	-15	-24	-88	-17	-	-	-103	-41
Gain (loss) on divestment of operations etc.	-1	-	-	-	-	-	-1	-
Operating profit (loss)	-86	74	57	697	-59	-59	-88	712
Share of profit (loss) in associates	17	-1	-	-	-	-	17	-1
Financial items	-28	-68	-19	-45	-109	14	-156	-99
Profit (loss) before tax	-97	5	38	652	-168	-45	-227	612
Tax on profit (loss)	21	-1	-8	-139	36	10	49	-130
Profit (loss) for the period from continuing operations	-76	4	30	513	-132	-35	-178	482

Cash flow statement	GN Hearing		GN Audio		Other**		Consolidated total	
	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)
(DKK million)								
Operating activities before changes in working capital	75	232	325	897	-16	-28	384	1,101
Cash flow from changes in working capital	-63	-230	-313	-251	-108	50	-484	-431
Cash flow from operating activities excluding financial items and tax	12	2	12	646	-124	22	-100	670
Cash flow from investing activities:								
Development projects	-91	-61	-111	-86	-	-	-202	-147
Other	-38	-58	-7,045	-42	-78	-251	-7,161	-351
Cash flow from operating and investing activities before financial items and tax	-117	-117	-7,144	518	-202	-229	-7,463	172
Tax and financial items	-82	-122	-9	-83	-40	-27	-131	-232
Cash flow from operating and investing activities (free cash flow)	-199	-239	-7,153	435	-242	-256	-7,594	-60
Cash flow from M&A activities	-24	-35	-7,013	-3	-	-	-7,037	-38
Free cash flow excl. M&A	-175	-204	-140	438	-242	-256	-557	-22

Additional information	GN Hearing		GN Audio		Other**		Consolidated total	
	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)	Q1 2022 (unaud.)	Q1 2021 (unaud.)
(DKK million)								
Revenue distributed geographically								
Denmark	18	22	47	81	-	-	65	103
Europe	351	332	1,176	1,613	-	-	1,527	1,945
North America	641	571	791	735	-	-	1,432	1,306
Rest of World	327	309	508	447	-	-	835	756
Revenue	1,337	1,234	2,522	2,876	-	-	3,859	4,110
Incurred development costs	-150	-110	-229	-241	-22	-35	-401	-386
Capitalized development costs	91	61	111	86	-	-	202	147
Amortization, impairment and depreciation of development projects***	-79	-90	-71	-44	1	1	-149	-133
Expensed development costs	-138	-139	-189	-199	-21	-34	-348	-372
EBITDA	-32	140	190	747	-24	-29	134	858
Depreciation and software amortization	-38	-42	-45	-33	-35	-30	-118	-105
EBITA*	-70	98	145	714	-59	-59	16	753
EBITA margin	-5.2%	7.9%	5.7%	24.8%	N/A	N/A	0.4%	18.3%
Number of employees, end of period	4,690	4,458	2,730	2,019	325	259	7,745	6,736

* Excluding gain (loss) on divestments of operations etc. and amortization of acquired intangible assets but including amortization of development projects and software developed in-house.

** "Other" comprises Group Shared Services, GN Ejendomme and eliminations

*** Does not include amortization of acquired intangible assets, cf. definition of EBITA

Note 2 – Segment disclosures Q1 2022 (Continued)

Balance sheet	GN Hearing		GN Audio		Other*		Consolidated total	
	Mar. 31 2022 (unaud.)	Mar. 31 2021 (unaud.)	Mar. 31 2022 (unaud.)	Mar. 31 2021 (unaud.)	Mar. 31 2022 (unaud.)	Mar. 31 2021 (unaud.)	Mar. 31 2022 (unaud.)	Mar. 31 2021 (unaud.)
(DKK million)								
ASSETS								
Goodwill	4,256	3,388	6,615	1,154	-	-	10,871	4,542
Development projects	1,026	1,019	859	508	-7	-13	1,878	1,514
Other intangible assets	274	386	2,707	368	633	404	3,614	1,158
Property, plant and equipment	463	512	411	323	455	408	1,329	1,243
Investments in associates	133	513	13	-	34	24	180	537
Deferred tax assets	376	360	46	147	-77	-102	345	405
Loans to dispensers and ownership interests	979	793	-	-	-	-	979	793
Other financial assets	442	496	2	-	-	-	444	496
Total non-current assets	7,949	7,467	10,653	2,500	1,038	721	19,640	10,688
Inventories	770	677	2,012	939	-	-	2,782	1,616
Trade receivables	1,144	987	1,975	1,670	2	-	3,121	2,657
Receivables from group companies**	-	-	-	1,673	-	-1,673	-	-
Tax receivables	89	40	132	122	-53	-135	168	27
Other receivables	344	232	401	119	104	78	849	429
Cash and cash equivalents	180	218	292	173	487	1,507	959	1,898
Total current assets	2,527	2,154	4,812	4,696	540	-223	7,879	6,627
Total assets	10,476	9,621	15,465	7,196	1,578	498	27,519	17,315
EQUITY AND LIABILITIES								
Equity	5,957	5,224	5,177	4,236	-5,118	-3,555	6,016	5,905
Bank loans and issued bonds	-	-	20	-	10,655	5,445	10,675	5,445
Lease liabilities, non-current	182	221	72	79	48	20	302	320
Pension obligations	-	29	7	6	-	-	7	35
Provisions, non-current	73	120	105	117	4	-	182	237
Deferred tax liabilities	268	260	655	156	-50	-52	873	364
Other non-current liabilities	453	343	260	155	2	-	715	498
Total non-current liabilities	976	973	1,119	513	10,659	5,413	12,754	6,899
Bank loans	1	22	10	6	4,061	324	4,072	352
Lease liabilities, current	79	75	45	32	13	8	137	115
Trade payables	271	228	899	751	59	39	1,229	1,018
Amounts owed to group companies**	2,081	2,021	6,103	-	-8,184	-2,021	-	-
Tax payables	25	12	141	125	-124	62	42	199
Provisions, current	135	183	128	208	-	-	263	391
Other current liabilities	951	883	1,843	1,325	212	228	3,006	2,436
Total current liabilities	3,543	3,424	9,169	2,447	-3,963	-1,360	8,749	4,511
Total equity and liabilities	10,476	9,621	15,465	7,196	1,578	498	27,519	17,315
Invested capital***	7,826	6,580	12,005	2,680	912	610	20,743	9,870
Average invested capital	7,203	6,913	7,343	2,821	761	503	15,307	10,237

* "Other" comprises Group Shared Services, GN Ejendomme and eliminations

** Net amount

*** Includes Net working capital (Inventories, Trade receivables, Other receivables, Trade payables and Other current liabilities), Goodwill, Development projects, Other intangible assets, Property, plant and equipment, Loans to dispensers and ownership interests and Provisions

Note 3 – Incentive plans

As of March 31, 2022, the total number of outstanding warrants in GN Hearing was 1,474 (0.2% of the shares issued in GN Hearing). The total number of outstanding warrants in GN Audio was 1,430 (0.4% of the shares issued in GN Audio). The total number of outstanding options in GN Store Nord is 3,109,804 (2.3% of the shares issued in GN Store Nord)

Note 4 – Shareholdings

On March 31, 2022, members of the board of directors and the executive management, respectively, own 79,808 and 131,739 shares in GN Store Nord.

On March 31, 2022, GN owns 10,426,282 treasury shares, equivalent to 7.5% of the 138,175,982 shares issued.

The GN stock is 100% free float, and the company has no dominant shareholders. APG Asset Management N.V. has reported an ownership interest in excess of 5% of GN's share capital. Foreign ownership of GN is estimated to be around 70%.

Note 5 – Acquisition of companies and operations

On January 12 2022, GN Audio acquired 100% of the Danish based company SteelSeries Group A/S, a global pioneer in premium software-enabled gaming gear. SteelSeries, with its attractive growth profile and margin structure, presents an attractive new growth opportunity for GN. The acquisition of SteelSeries will bring complementary engineering competencies, commercial capabilities, differentiated brands, a large customer base and an innovative high-growth product offering, adding further technical expertise and IP to GN. SteelSeries will benefit from GN's commercial and operational excellence, and financial strength, allowing SteelSeries to continue its strong growth trajectory and take share in the fast-growing market for premium software-enabled gaming gear.

Based on GN's successful track-record of integrating acquired assets, it is anticipated that the combination will produce significant scaling opportunities and revenue synergies when combining SteelSeries with GN's extensive global distribution footprint. Goodwill comprises the expected synergies as well as the value of SteelSeries highly skilled workforce.

The goodwill of DKK 5,407 million relating to this transaction is allocated to the cash-generating unit GN Audio. Goodwill of DKK 0 million has been determined to be deductible for tax purposes.

DKK million	SteelSeries
Identifiable assets acquired, liabilities assumed and consideration transferred	
Patents, rights and other intangibles	1,036
Customer relationships	747
Trademarks	762
Property plant and equipment and non-current assets	92
Current assets	1,270
Cash	227
Bank debt and non-current liabilities	-1,050
Deferred tax liabilities	-573
Other current liabilities	-678
Fair value of identified net assets	1,833
Goodwill	5,407
Consideration transferred	7,240
Acquired cash and cash equivalents	-227
Cash consideration paid	7,013

DKK million	SteelSeries
The share of revenue and profit (loss) for the period from the acquisition date can be specified as follows:	
Revenue	450
Profit (loss) before tax*	-163

* Includes effect of PPA adjustments on inventory and amortization of acquired intangible assets

Statement by the Executive Management and the Board of Directors

Today, the board of directors and the executive management have reviewed and approved the interim report for GN Store Nord A/S for the period January 1 – March 31, 2022.

The interim report, which has not been audited or reviewed by the company's auditors, has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion, the interim report gives a true and fair view of the group's assets, liabilities and financial position at

March 31, 2022, and of the results of the group's operations and cash flows for the period January 1 – March 31, 2022.

Further, in our opinion the executive management's review gives a true and fair view of the development in the group's operations and financial matters, the results of the group for the period and the group's financial position as a whole and describes the significant risks and uncertainties pertaining to the group.

Ballerup, May 5, 2022

Executive Management

René Svendsen-Tune
CEO, GN Store Nord & GN Audio

Gitte Aabo
CEO, GN Hearing

Peter la Cour Gormsen
CFO, GN Store Nord & GN Audio

Board of Directors

Per Wold-Olsen
Chairman

Jukka Pekka Pertola
Deputy Chairman

Hélène Barnekow

Ronica Wang

Montserrat Maresch Pascual

Anette Weber

Leo Larsen

Cathrin Inge Hansen

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