

A woman with dark hair tied back, wearing a red dress, is smiling and clapping. She is in the foreground, slightly to the right of center. Behind her, a blurred audience of people is also clapping. The lighting is warm and focused on the woman.

GN

# Interim Report

Q1 2024

GN Store Nord A/S

# GN Store Nord delivered organic revenue growth of 5% reaching an EBITA margin of 12.5%

- GN delivered continued execution across the three divisions resulting in 5% organic revenue growth for the Group
- The **Hearing** division delivered continued market share gains leading to 14% organic revenue growth, resulting in 8.2 percentage point increase in the divisional profit margin supported by synergies and a successful ReSound Nexia roll-out
- The **Enterprise** division continued its relentless commercial execution in a stabilizing market leading to 0% organic revenue growth. The divisional profit margin increased by 5.7 percentage points driven by easing freight costs, synergies, product mix, and strict cost control
- The **Gaming & Consumer** division delivered organic revenue growth of 0% due to a demanding comparison base from Q1 2023. The divisional profit margin increased by 3.8 percentage points driven by easing freight costs, synergies, and less promotional activity, while investing in sales and marketing
- Group **EBITA** grew 114% to DKK 538 million, equal to an EBITA margin of 12.5%, which was an improvement of 6.5 percentage points compared to adj. EBITA in Q1 2023, driven by improved divisional profits, tightly managed R&D and general admin costs. EBITA was supported by total One-GN synergies of DKK ~90 million realized in the quarter
- **Free cash flow excl. M&A** ended at DKK 46 million compared to DKK -578 million in Q1 2023 primarily driven by a significant increase in operating cash flow. As a consequence of the strong margin expansion and stable development in net interest-bearing debt, the adj. leverage decreased from 4.5x in Q4 2023 to 4.0x in Q1 2024
- The full year guidance is confirmed

5% Organic growth

12.5% EBITA margin

46 Free cash flow excl. M&A (DKKm)

## Financial overview Q1 2024

DKK million	GN Store Nord			Hearing division			Enterprise division			Gaming & Consumer division		
	Q1 2024	Q1 2023	Growth	Q1 2024	Q1 2023	Growth	Q1 2024	Q1 2023	Growth	Q1 2024	Q1 2023	Growth
<b>Revenue</b>	<b>4,303</b>	<b>4,214</b>	<b>2%</b>	<b>1,737</b>	<b>1,622</b>	<b>7%</b>	<b>1,751</b>	<b>1,767</b>	<b>-1%</b>	<b>815</b>	<b>825</b>	<b>-1%</b>
Organic growth	5%	7%		14%	15%		0%	-3%		0%	17%	
<b>Gross profit*</b>	<b>2,275</b>	<b>2,058</b>	<b>11%</b>	<b>1,089</b>	<b>996</b>	<b>9%</b>	<b>963</b>	<b>883</b>	<b>9%</b>	<b>223</b>	<b>179</b>	<b>25%</b>
Gross profit margin*	52.9%	48.8%	4.1%p	62.7%	61.4%	1.3%p	55.0%	50.0%	5.0%p	27.4%	21.7%	5.7%p
<b>Divisional profit*</b>	<b>1,249</b>	<b>951</b>	<b>31%</b>	<b>599</b>	<b>427</b>	<b>40%</b>	<b>613</b>	<b>518</b>	<b>18%</b>	<b>37</b>	<b>6</b>	<b>517%</b>
Divisional profit margin*	29.0%	22.6%	6.4%p	34.5%	26.3%	8.2%p	35.0%	29.3%	5.7%p	4.5%	0.7%	3.8%p
<b>EBITA*</b>	<b>538</b>	<b>251</b>	<b>114%</b>									
EBITA margin*	12.5%	6.0%	6.5%p									
Free cash flow excl. M&A	46	-578	624									

\*Excluding non-recurring items in Q1 2023

# Financial highlights

DKK million	Q1 2024 (unaud.)	Q1 2023 (unaud.)	Full year 2023 (aud.)
<b>GN Store Nord</b>			
Revenue	4,303	4,214	18,120
Revenue growth	2%	9%	-3%
Organic growth	5%	7%	-1%
Gross profit margin	52.9%	48.4%	49.4%
EBITA*	538	173	1,200
EBITA margin*	12.5%	4.1%	6.6%
Profit (loss) before tax	343	-56	343
Effective tax rate	22.4%	23.2%	22.4%
EBITDA	639	282	1,751
ROIC (EBITA*/Average invested capital)	7%	8%	5%
Earnings per share, basic (EPS)	1.74	-0.42	1.64
Earnings per share, fully diluted (EPS diluted)	1.74	-0.42	1.64
Free cash flow excl. M&A	46	-578	1,092
Cash conversion (Free cash flow excl. M&A/EBITA*)	9%	NA	91%
Equity ratio	33.9%	22.2%	31.3%
Net interest-bearing debt**	10,584	15,275	10,567
Net interest-bearing debt (period-end)/EBITDA**	5.2	7.0	6.0
Outstanding shares, end of period (thousand)	145,613	127,976	145,613
Average number of outstanding shares (thousand)	145,613	127,974	138,883
Average number of outstanding shares, fully diluted (thousand)	145,660	128,122	138,991
Treasury shares, end of period (thousand)	5,300	9,218	5,300
Share price at the end of the period	182.6	153.9	171.8
Market capitalization	26,589	19,696	25,016
Number of employees, end of period	7,047	7,667	7,165

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

\* 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.

\*\* NIBD including Loans to dispensers

DKK million	Q1 2024 (unaud.)	Q1 2023 (unaud.)	Full year 2023 (aud.)
<b>Hearing division</b>			
Revenue	1,737	1,622	6,802
Revenue growth	7%	21%	9%
Organic growth	14%	15%	13%
Gross profit margin	62.7%	60.4%	59.9%
Divisional profit	599	392	1,874
Divisional margin	34.5%	24.2%	27.6%
<b>Enterprise division</b>			
Revenue	1,751	1,767	7,463
Revenue growth	-1%	-3%	-14%
Organic growth	0%	-3%	-13%
Gross profit margin	55.0%	50.0%	52.3%
Divisional profit	613	518	2,442
Divisional margin	35.0%	29.3%	32.7%
<b>Gaming &amp; Consumer division</b>			
Revenue	815	825	3,855
Revenue growth	-1%	16%	2%
Organic growth	0%	17%	5%
Gross profit margin	27.4%	21.7%	25.1%
Divisional profit	37	6	232
Divisional margin	4.5%	0.7%	6.0%

# GN Store Nord

GN delivered organic revenue growth of 5% leading to EBITA margin expansion of 6.5%p supported by the gross margin improvement and One-GN synergies

## Revenue

Following the solid start to the year across GN's three divisions, GN Store Nord in Q1 2024 delivered organic revenue growth of 5%. This led to group revenue of DKK 4,303 million, equal to a revenue growth of 2%, with -1% impact from the development in foreign exchange rates and -2% impact from M&A driven retail disposals including BelAudição.

## Gross profit

Gross profit increased to DKK 2,275 million in Q1 2024 corresponding to a gross margin of 52.9% compared to an adj. gross margin of 48.8% in Q1 2023. The strong increase reflects group-wide synergies, easing freight costs and business mix, while partly being off-set by retail disposals including BelAudição.

## Divisional profit

As a function of the increase in gross profit as well as the prudently managed sales and distribution costs, the divisional profit increased by 31% to DKK 1,249 million in Q1 2024. The development reflects an improvement in the divisional profit margin of 6.4 percentage points to 29.0% compared to an adjusted divisional profit margin of 22.6% in Q1 2023.

## Development costs

Development costs decreased by 2% compared to adj. development costs in Q1 2023, mainly due to timing effects of product roadmaps.

## Management and administration costs

Management and administration costs increased by 3% compared to adj. management and administration costs in Q1 2023 reflecting continued investments into IT and the new financial shared service center currently being established in Poland.

## EBITA

Group EBITA increased by 114% to DKK 538 million compared to the adj. EBITA in Q1 2023 driven by the 31% growth in divisional profit, partly off-set by net investments into back-office and IT. This led to a 12.5% EBITA margin in the quarter (compared to 6.0% adj. EBITA margin in Q1 2023).

## Other financial highlights

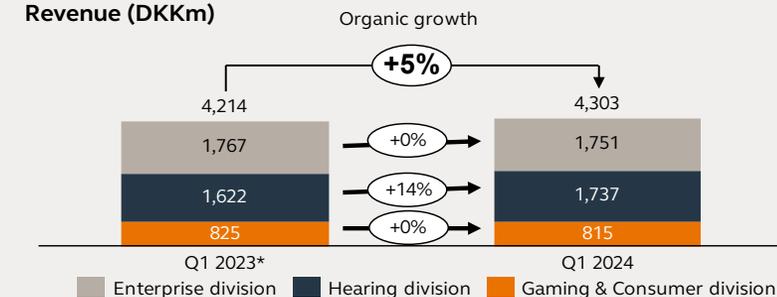
Amortization of acquired intangible assets amounted to DKK -91 million compared to DKK -102 million in Q1 2023. Financial items were DKK -110 million in the quarter compared to DKK -125 million in Q1 2023. Share of profit (loss) in associates was DKK -6 million compared to DKK -1 million in Q1 2023, while gain on disposals were DKK 12 million in the quarter reflecting a non-cash gain from Beltone corporate retail disposals.

Profit before tax was DKK 343 million, while the effective tax rate ended at 22.4%, leading to a net profit of DKK 266 million.

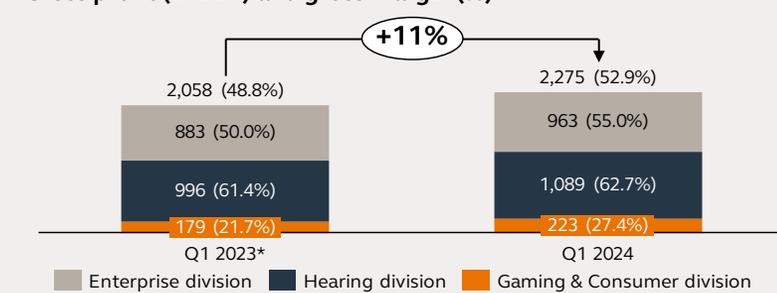
## Cash flow development

GN Store Nord delivered a significant increase in operational free cash flow of 76% leading to DKK 783 million compared to Q1 2023, driven by the strong earnings growth. Investment activities excl. M&A ended at DKK -423 million, which was largely at the same level as Q1 2023.

## Revenue (DKKm)

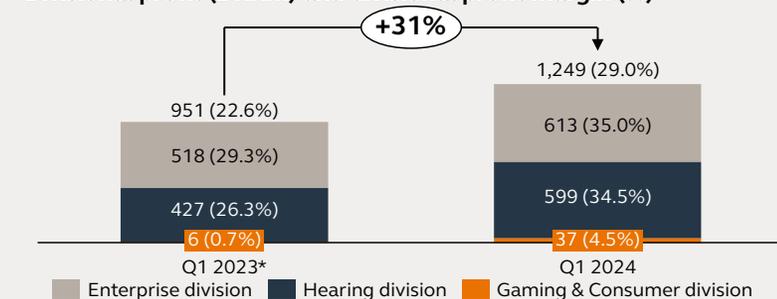


## Gross profit (DKKm) and gross margin (%)



\*Excluding non-recurring items

## Divisional profit (DKKm) and divisional profit margin (%)



\*Excluding non-recurring items

The impact from change in working capital was DKK -158 million in the quarter, negatively impacted by traditional seasonality including yearly bonus payments, but somewhat off-set by a strong reduction in receivables following a strong revenue generation in Enterprise by the end of 2023. Free cash flow excl. M&A ended at DKK 46 million, which was an improvement of DKK 624 million compared to Q1 2023.

**Capital structure**

Net interest-bearing debt ended at DKK 10,584 million, largely at the same level as in Q4 2023 following the stable cash flow generation. Driven by the strong earnings improvement, adj. leverage decreased from 4.5x by Q4 2023 to 4.0x by Q1 2024. The reported leverage ratio was 5.0x reflecting DKK -516 million non-recurring items from Q2 2023 to Q4 2023. By Q1 2024, GN had cash and cash equivalents of DKK 1,224 million. Moreover, GN has access to an undrawn revolving credit facility of DKK 3.9 billion (EUR 520 million) with maturity in Q2 2027.

**One-GN**

Over the past several years, GN has been redefined from a hardware to a software-enabled company; repositioned from being perceived mainly as a hearing aid company to becoming a fully integrated technology company with strong positions in attractive hearing, audio, video, and gaming markets.

To unleash the full power of the organization, GN simplified the governance setup during 2023. As part of the process, GN identified company-wide synergies which will support and accelerate the margin improvement across the Group. The company has identified DKK ~600 million in cost synergies (across COGS and OPEX) to be realized by 2026 of which roughly two-thirds will be achieved in 2024.

In Q1 2024, synergies worth of DKK ~90 million were realized as a result of the organizational changes executed last year, as well as

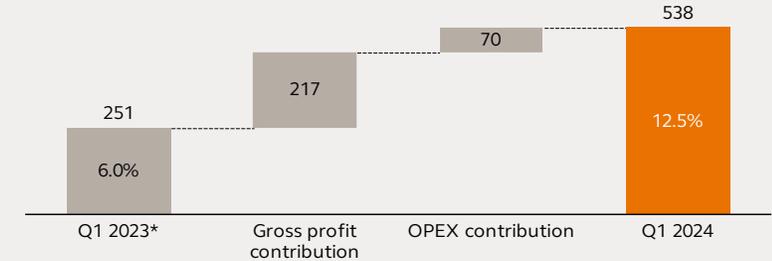
synergies of the merged operations team leveraging both structural and operational synergies within sourcing, manufacturing, and distribution.

**Management quote**

*“The results in Q1 2024 demonstrates that we are on track with the transformation of GN and delivering the business performance and value creation we have promised. Our Hearing division continues its great momentum supporting existing and new customers, and we are pleased to continue to gain share. Our Enterprise division has executed well based on our industry-leading product portfolio and strong position in a stabilizing market. In Gaming & Consumer we were up against difficult comparison numbers from last year and, still, we delivered revenue on par with last year, which was in line with how we planned. Across the Group we see strong improvement in profitability. So, overall, we are moving in the right direction.”*

Peter Karlstromer, CEO of GN Store Nord

**EBITA (DKKm)**

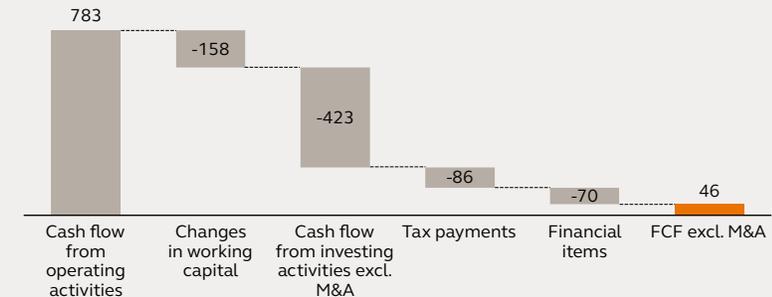


\*Excluding non-recurring items

**Net interest-bearing debt (DKKm)**



**Free cash flow (DKKm)**



# Financial guidance 2024

Confirmed as communicated on February 8, 2024

## GN Store Nord

2% to 8%  
organic revenue  
growth

12% EBITA  
to 14% margin

>700 Free cash flow  
excl. M&A (DKKm)

## Key assumptions

### Hearing division

Following a very strong market growth in 2023, GN expects the markets to return to historical growth rates supported by ongoing favorable demographic trends. As such, GN projects 4-6% market volume growth and -1% to -2% market ASP decline.

Driven by the overwhelmingly positive feedback on ReSound Nexia, GN expects continued strong market share gains on top of a very successful 2023. Consequently, the Hearing division assumes to contribute with organic revenue growth of 8% to 12%. Moreover, the underlying assumptions include an EBITA margin in the core hearing aid business of 18% to 20%.

### Enterprise division

Following some very difficult years in the broader Enterprise equipment market, 2023 saw some general volume stabilization. Supported by early signs of a healthier PC market at the end of 2023 and an expected increase in broader IT equipment spend during 2024, GN projects that the addressable Enterprise market will return to positive value growth sometime during 2024.

GN expects to be able to continue to defend its market-leading position in Enterprise headsets driven by the updated and innovation-led product portfolio and to win market share in Enterprise video due to our industry-leading offering, channel access strength, and strong partnerships with leading software vendors. Consequently, the Enterprise division assumes to contribute with organic revenue growth of -3% to 5%.

### Gaming & Consumer division

The broader Consumer market experienced general stabilization during 2023, following a very difficult 2022. Despite the current macro economic headwinds and related impact on consumer sentiment, GN projects a slightly growing value market for GN's addressable Gaming & Consumer market in 2024.

GN expects to be able to defend its market share in the true wireless segment driven by continued innovation and continue to gain market share within SteelSeries because of the very strong brand and innovation leadership. Consequently, the Gaming & Consumer division assumes to contribute with organic revenue growth of 2% to 10%.

### 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 as well as foreign exchange rates, 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).

For more information, please see the "Management's report" and "Risk management" sections in the Annual Report 2023. This Interim Report should not be considered an offer to sell securities in GN.

# Hearing division

ReSound Nexia driving continued market share gains leading to 14% organic revenue growth and 8.2%p improvement in divisional profit margin

## Revenue

The Hearing division had a strong start to the year with 14% organic revenue growth driven by the successful global roll-out of ReSound Nexia, resulting in continued market share gains. In the quarter, the global hearing aid market is estimated to have grown in line with the historical value growth rates predominantly driven by a continued strong U.S. market, while the European and RoW markets grew slower than the global average.

The organic revenue growth was a result of market share gains across all three regions with particular strong performance in the independent market in North America as well as in Australia and France. By the end of the quarter, the full family of ReSound Nexia was largely available across most key markets except for among other VA and China. The strong start to the year led to an overall revenue of DKK 1,737 million, equal to a growth of 7%, due to -2% impact from the development in foreign exchange rates and -5% impact from M&A driven by the disposal of BelAudição and Beltone corporate retail.

## Gross profit

Gross profit ended at DKK 1,089 million, translating into a gross margin of 62.7%, which was 1.3 percentage points higher than the adj. gross margin in Q1 2023 supported by group synergies and the early success

of ReSound Nexia, but partly off-set by retail disposals including BelAudição.

## Sales and distribution costs

Sales and distribution costs decreased 14% to DKK -490 million in Q1 2024 compared to DKK -569 million in Q1 2023. The reduction in costs was supported by retail disposals including BelAudição, an earlier recognized pension provision and timing of certain cost items.

## Divisional profit

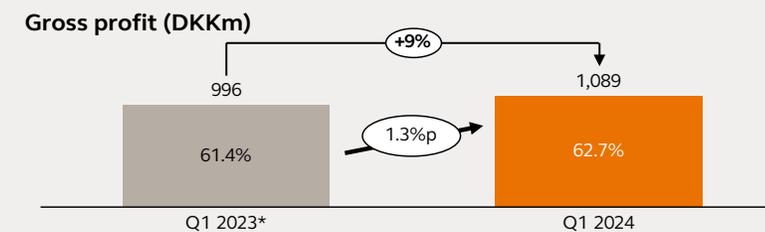
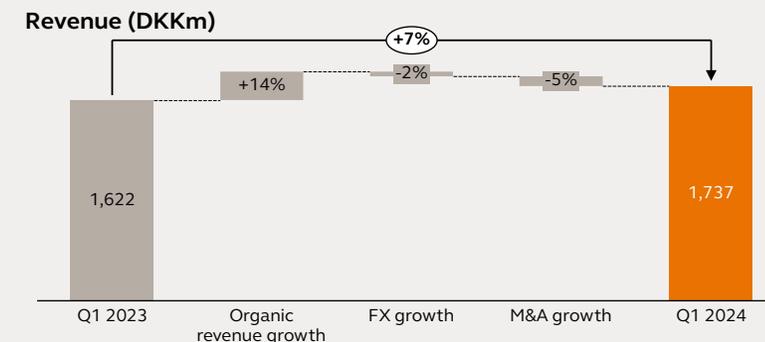
Divisional profit was DKK 599 million equal to a growth of 40% compared to adj. divisional profit in Q1 2023. This was driven by the strong topline growth, the gross margin improvement, and tightly managed sales and distribution costs. As a result, the divisional profit margin increased 8.2 percentage points compared to Q1 2023. The divisional profit margin including non-recurring items increased by 10.3 percentage points.

## EBITA margin

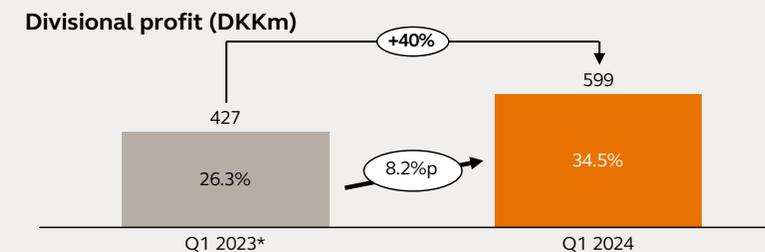
Because of the strong start to the year, the EBITA margin in the core hearing aid business ended at 19.9% using 2023 cost allocation methodology on group development costs and general and administrative costs. This reflects the gross margin improvement as well as tightly managed OPEX including timing of certain cost items and the pension provision.

## Business highlights

At the beginning of February, GN expanded its ReSound Nexia family with a new range of styles all offering the next era of connectivity. The ReSound Nexia portfolio offers a full range of popular styles, top-rated for sound quality and hearing in noise. Designed to take advantage of the new Bluetooth® Low Energy (LE) Audio benefits, ReSound Nexia is the world's first hearing aid to connect with Auracast broadcast devices, the new breakthrough in assistive listening technology.



\*Excluding non-recurring items



\*Excluding non-recurring items

# Enterprise division

Continued market stabilization and focused execution led to 0% organic revenue growth. Gross margin improvement led to improved divisional profit margin by 5.7%p

### Revenue

The Enterprise division had a solid start to the year in a stabilizing market environment with 0% organic revenue growth driven by continued commercial execution. Compared to Q1 2023, the stable development was broad-based across regions supported by market share gains across headsets and video collaboration.

During the quarter, leading indicators for the broader enterprise equipment spend, including PC shipments, continue to be supportive, underpinning the expectation that the enterprise market will return to positive growth sometime during 2024.

The solid start to the year led to an overall revenue of DKK 1,751 million, equal to a revenue growth of -1%, due to -1% impact from the development in foreign exchange rates.

### Gross profit

Gross profit increased by 9% to DKK 963 million, translating into a gross margin of 55.0%, reflecting a 5.0 percentage points improvement compared to Q1 2023 supported by group synergies, product mix and easing freight costs.

### Sales and distribution costs

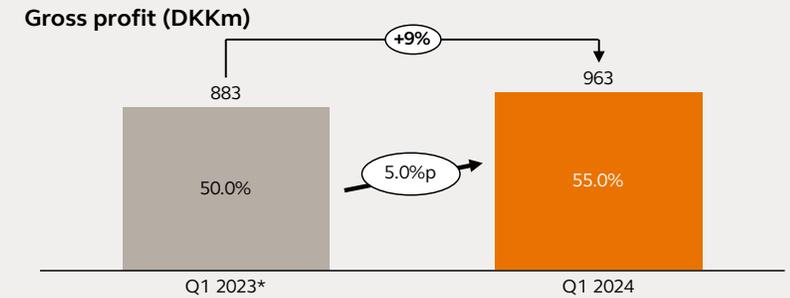
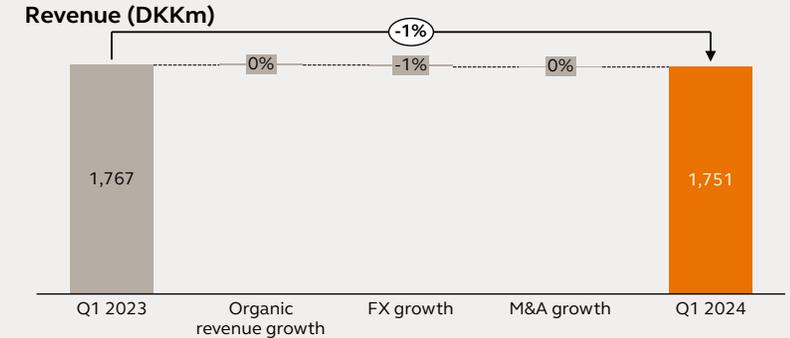
Sales and distribution costs decreased by 4% to DKK -350 million in Q1 2024 compared to DKK -365 million in Q1 2023. The development reflects continued channel investments, while being more than off-set by cost phasing of certain marketing activities.

### Divisional profit

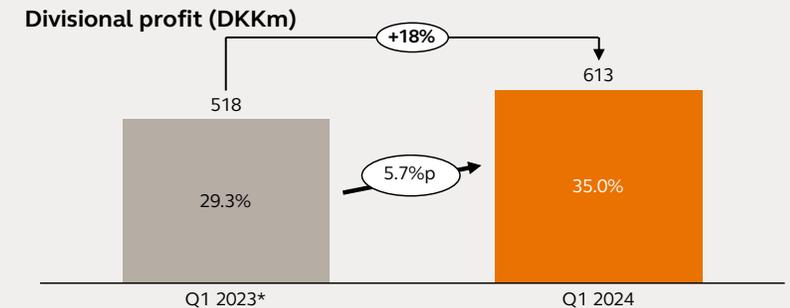
Divisional profit was DKK 613 million compared to DKK 518 million in Q1 2023 driven by the improved gross margins, group synergies and cost phasing of marketing costs. As a result, the divisional profit margin ended at 35.0% compared to 29.3% in Q1 2023.

### Business highlights

With a fully updated product portfolio across all Enterprise segments, the quarter was characterized by marketing and sales execution activities. A new global marketing campaign, “the unmeetables”, was launched to communicate how Jabra’s market leading professional headsets support hybrid working in a differentiated way with the ultimate aim to move knowledge workers to enterprise grade headsets. To continue to sustain the strong channel partner relationships, 2024 partner launch events were hosted across the globe and video commercialization built momentum with launches of video partner programs across Europe.



\*Excluding non-recurring items



\*Excluding non-recurring items

# Gaming & Consumer division

0% organic revenue growth due to a demanding comparison base from Q1 2023. Gross margin improvements led to 3.8%p improvement in the divisional profit margin

### Revenue

The Gaming & Consumer division delivered organic revenue growth of 0% due to a demanding comparison base from Q1 2023, where the division grew 17% organically. The performance was driven by healthy growth in Gaming, while the Consumer business was impacted by a challenging comparison base from last year, which included some large one-offs deals.

The global Gaming & Consumer market continued its recent stabilization trend in volumes, and the broader market was positively impacted by less promotional activity in general supporting global ASP levels.

The solid start to the year led to an overall revenue of DKK 815 million, equal to revenue growth of -1%, due to -1% impact from the development in foreign exchange rates.

### Gross profit

Gross profit reached DKK 223 million in Q1 2024 corresponding to a gross margin of 27.4% compared to 21.7% in Q1 2023. The increase in gross margin was driven by higher ASP as a result of limited promotional activity, group synergies, as well as easing freight costs.

### Sales and distribution costs

Sales and distribution costs increased by 8% to DKK -186 million in Q1 2024 compared to DKK -173 million in Q1 2023. The development reflects continued channel investments and marketing activity in a market which is anticipated to be recovering.

### Divisional profit

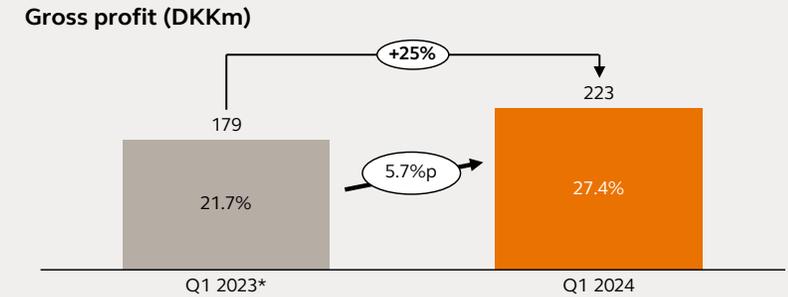
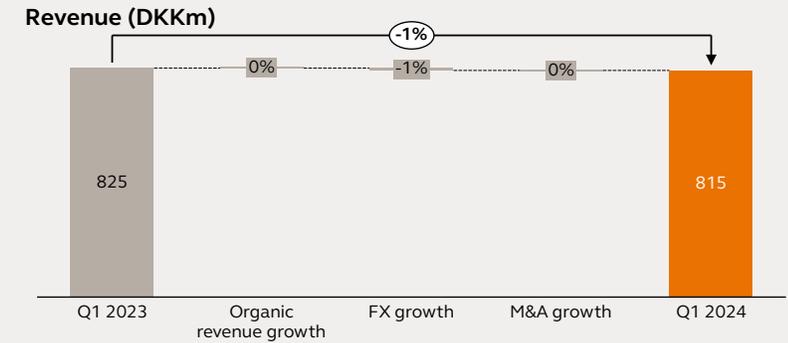
As a function of the significant increase in gross profit as well as the prudently managed sales and distribution costs, the divisional profit increased to DKK 37 million in Q1 2024. The development reflects an improvement in the divisional profit margin of 3.8 percentage points to 4.5% compared to 0.7% in Q1 2023.

### Business highlights

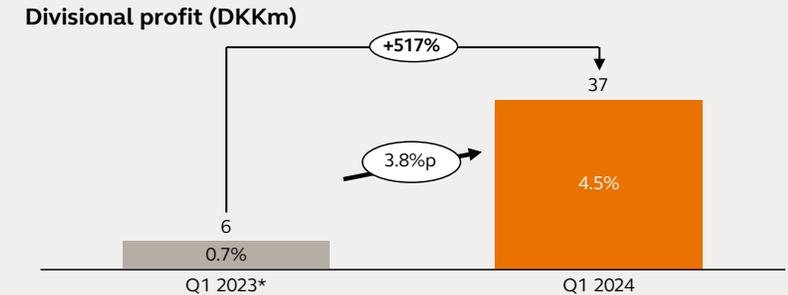
SteelSeries' software suite GG continues to see momentum and together with the hardware supports a leading gaming experience. Moments, an application that enables gamers to capture, edit and publish game highlights exceeded the 1 billion captured clips mark, while Sonar, a suite that enables unprecedented control of the audio experience, crossed 2 million monthly active users.

SteelSeries continued to expand its retail footprint, adding new distribution in the United States, Nordics, France, Poland, Australia, Benelux, and Mexico.

Jabra Elite 8 Active was selected as a Best Workout Earbuds in the Rolling Stone 2024 Audio Awards and Elite 10 received an Editor's Choice award from USA Today's consumer product review site, Reviewed.com.



\*Excluding non-recurring items



\*Excluding non-recurring items

# Additional information

## Teleconference

GN will host a teleconference at 11.00 am CET on May 2, 2024. Please visit [www.gn.com](http://www.gn.com) to access the teleconference. Presentation material will be available on the website prior to the start of the teleconference.

## Financial calendar 2024

Capital Markets Day	May 7, 2024
Interim Report Q2 2024:	August 22, 2024
Interim Report Q3 2024:	November 7, 2024

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# Quarterly reporting by segment

DKK million	Q1 2023 (unaud.)	Q2 2023 (unaud.)	Q3 2023 (unaud.)	Q4 2023 (unaud.)	Q1 2024 (unaud.)	Full Year 2023 (aud.)
<b>Income statement</b>						
<b>Revenue</b>						
Hearing	1,622	1,719	1,653	1,808	1,737	6,802
Enterprise	1,767	1,861	1,838	1,997	1,751	7,463
Gaming & Consumer	825	814	952	1,264	815	3,855
<b>Total</b>	<b>4,214</b>	<b>4,394</b>	<b>4,443</b>	<b>5,069</b>	<b>4,303</b>	<b>18,120</b>
<b>Organic growth</b>						
Hearing	15%	15%	15%	7%	14%	13%
Enterprise	-3%	-23%	-13%	-9%	0%	-13%
Gaming & Consumer	17%	-4%	3%	6%	0%	5%
<b>Total</b>	<b>7%</b>	<b>-8%</b>	<b>0%</b>	<b>0%</b>	<b>5%</b>	<b>-1%</b>
<b>Gross profit</b>						
Hearing	979	1,039	1,019	1,039	1,089	4,076
Enterprise	883	986	976	1,056	963	3,901
Gaming & Consumer	179	197	229	363	223	968
<b>Total</b>	<b>2,041</b>	<b>2,222</b>	<b>2,224</b>	<b>2,458</b>	<b>2,275</b>	<b>8,945</b>
<b>Gross profit margin</b>						
Hearing	60.4%	60.4%	61.6%	57.5%	62.7%	59.9%
Enterprise	50.0%	53.0%	53.1%	52.9%	55.0%	52.3%
Gaming & Consumer	21.7%	24.2%	24.1%	28.7%	27.4%	25.1%
<b>Total</b>	<b>48.4%</b>	<b>50.6%</b>	<b>50.1%</b>	<b>48.5%</b>	<b>52.9%</b>	<b>49.4%</b>
<b>Divisional profit</b>						
Hearing	392	483	477	522	599	1,874
Enterprise	518	620	635	669	613	2,442
Gaming & Consumer	6	25	21	180	37	232
<b>Total</b>	<b>916</b>	<b>1,128</b>	<b>1,133</b>	<b>1,371</b>	<b>1,249</b>	<b>4,548</b>
<b>Divisional margin</b>						
Hearing	24.2%	28.1%	28.9%	28.9%	34.5%	27.6%
Enterprise	29.3%	33.3%	34.5%	33.5%	35.0%	32.7%
Gaming & Consumer	0.7%	3.1%	2.2%	14.2%	4.5%	6.0%
<b>Total</b>	<b>21.7%</b>	<b>25.7%</b>	<b>25.5%</b>	<b>27.0%</b>	<b>29.0%</b>	<b>25.1%</b>

DKK million	Q1 2023 (unaud.)	Q2 2023 (unaud.)	Q3 2023 (unaud.)	Q4 2023 (unaud.)	Q1 2024 (unaud.)	Full Year 2023 (aud.)
<b>Other group information</b>						
Depreciation and software amortization	-109	-113	-108	-221	-101	-551
EBITDA	282	444	538	487	639	1,751
EBITA	173	331	430	266	538	1,200
Amortization and impairment of acquired intangible assets	-102	-101	-99	-90	-91	-392
Profit (loss)	-43	43	227	39	266	266
Free cash flow excl. M&A	-578	622	279	769	46	1,092
Acquisitions and divestments of companies	-36	-	441	-	-35	405
Free cash flow	-614	622	720	769	11	1,497

# Consolidated income statement

DKK million	Q1 2024 (unaud.)	Q1 2023 (unaud.)	Full Year 2023 (aud.)
Revenue	4,303	4,214	18,120
Production costs	-2,028	-2,173	-9,175
<b>Gross profit</b>	<b>2,275</b>	<b>2,041</b>	<b>8,945</b>
Development costs	-351	-367	-1,546
Selling and distribution costs	-1,026	-1,125	-4,397
Management and administrative expenses	-352	-376	-1,810
Other operating income and costs, net	-8	-	8
<b>EBITA*</b>	<b>538</b>	<b>173</b>	<b>1,200</b>
Amortization and impairment of acquired intangible assets	-91	-102	-392
Gain (loss) on divestment of operations etc.	12	-1	61
<b>Operating profit (loss)</b>	<b>459</b>	<b>70</b>	<b>869</b>
Share of profit (loss) in associates	-6	-1	-64
Financial items	-110	-125	-462
<b>Profit (loss) before tax</b>	<b>343</b>	<b>-56</b>	<b>343</b>
Tax on profit (loss)	-77	13	-77
<b>Profit (loss) for the period</b>	<b>266</b>	<b>-43</b>	<b>266</b>
<b>Attributable to:</b>			
Non-controlling interests	12	11	38
Shareholders in GN Store Nord A/S	254	-54	228
<b>Earnings per share (EPS):</b>			
Earnings per share (EPS)	1.74	-0.42	1.64
Earnings per share, fully diluted (EPS diluted)	1.74	-0.42	1.64

\* 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 2024 (unaud.)	Q1 2023 (unaud.)	Full Year 2023 (aud.)
<b>Profit (loss) for the period</b>	<b>266</b>	<b>-43</b>	<b>266</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Actuarial gains (losses)	-	-	-2
Tax relating to actuarial gains (losses)	-	-	-2
<b>Items that may be reclassified subsequently to profit or loss</b>			
Adjustment of cash flow hedges	24	-	51
Foreign exchange adjustments, etc.	99	3	-216
Tax relating to other comprehensive income	-5	-108	-11
<b>Other comprehensive income for the period</b>	<b>118</b>	<b>-105</b>	<b>-180</b>
<b>Total comprehensive income for the period</b>	<b>384</b>	<b>-148</b>	<b>86</b>
<b>Attributable to:</b>			
Non-controlling interests	12	11	38
Shareholders in GN Store Nord A/S	372	-159	48

# Consolidated balance sheet

DKK million	Mar. 31 2024 (unaud.)	Dec. 31 2023 (aud.)	Sep. 30 2023 (unaud.)	Jun. 30 2023 (unaud.)	Mar. 31 2023 (unaud.)
<b>Assets</b>					
Intangible assets	17,073	16,925	17,323	17,115	17,548
Property, plant and equipment	960	1,036	1,071	1,097	1,198
Investments in associates	301	276	295	269	315
Deferred tax assets	504	494	490	476	481
Other non-current assets	1,910	1,727	1,795	1,711	1,636
<b>Total non-current assets</b>	<b>20,748</b>	<b>20,458</b>	<b>20,974</b>	<b>20,668</b>	<b>21,178</b>
Inventories	2,667	2,657	3,209	3,282	3,348
Trade receivables	3,937	4,442	4,278	3,814	3,760
Tax receivables	101	69	159	119	108
Other receivables	739	854	690	788	837
Cash and cash equivalents	1,224	2,162	1,726	1,008	676
<b>Total current assets</b>	<b>8,668</b>	<b>10,184</b>	<b>10,062</b>	<b>9,011</b>	<b>8,729</b>
Assets held for sale	-	-	-	569	-
<b>Total assets</b>	<b>29,416</b>	<b>30,642</b>	<b>31,036</b>	<b>30,248</b>	<b>29,907</b>
<b>Equity and liabilities</b>					
<b>Equity</b>	<b>9,965</b>	<b>9,587</b>	<b>9,711</b>	<b>9,283</b>	<b>6,630</b>
Bank loans and issued bonds, non-current	2,992	3,527	7,537	7,496	12,142
Lease liabilities, non-current	196	211	214	212	253
Pension obligations	8	9	7	7	8
Provisions, non-current	143	144	180	175	140
Deferred tax liabilities	752	745	899	881	914
Other non-current liabilities	786	777	844	811	802
<b>Total non-current liabilities</b>	<b>4,877</b>	<b>5,413</b>	<b>9,681</b>	<b>9,582</b>	<b>14,259</b>
Bank loans and issued bonds, current	9,319	9,674	5,999	6,034	4,181
Lease liabilities, current	81	87	95	98	95
Trade payables	1,394	1,719	1,593	1,621	1,166
Tax payables	252	229	167	111	131
Provisions, current	322	340	212	199	225
Other current liabilities	3,206	3,593	3,578	3,212	3,220
<b>Total current liabilities</b>	<b>14,574</b>	<b>15,642</b>	<b>11,644</b>	<b>11,275</b>	<b>9,018</b>
Liabilities directly associated with assets held for sale	-	-	-	108	-
<b>Total equity and liabilities</b>	<b>29,416</b>	<b>30,642</b>	<b>31,036</b>	<b>30,248</b>	<b>29,907</b>

# Consolidated statement of cash flows

DKK million	Q1 2024 (unaud.)	Q1 2023 (unaud.)	Full Year 2023 (aud.)
<b>Operating activities</b>			
Operating profit (loss)	459	70	869
Depreciation, amortization and impairment	325	360	1,729
Other non-cash adjustments	-1	16	124
<b>Cash flow from operating activities before changes in working capital</b>	<b>783</b>	<b>446</b>	<b>2,722</b>
Changes in working capital	-158	-397	438
<b>Cash flow from operating activities before financial items and tax</b>	<b>625</b>	<b>49</b>	<b>3,160</b>
Financial items, net	-70	-109	-347
Tax paid, net	-86	-81	-175
<b>Cash flow from operating activities</b>	<b>469</b>	<b>-141</b>	<b>2,638</b>
<b>Investing activities</b>			
Development projects	-208	-249	-951
Investments in other intangible assets, net	-88	-112	-351
Investments in property, plant and equipment, net	-1	-34	-113
Investments in other non-current assets, net	-126	-42	-131
Company acquisitions	-35	-36	-36
Company divestments	-	-	441
<b>Cash flow from investing activities</b>	<b>-458</b>	<b>-473</b>	<b>-1,141</b>
<b>Cash flow from operating and investing activities (free cash flow)</b>	<b>11</b>	<b>-614</b>	<b>1,497</b>

DKK million	Q1 2024 (unaud.)	Q1 2023 (unaud.)	Full Year 2023 (aud.)
<b>Financing activities</b>			
Proceeds from share placement, net of costs	-	-	2,621
Paid dividends	-	-14	-32
Share-based payment (exercised)	-	1	47
Increase/decrease in bank loans and other adjustments	-957	317	-2,948
<b>Cash flow from financing activities</b>	<b>-957</b>	<b>304</b>	<b>-312</b>
<b>Net cash flow</b>	<b>-946</b>	<b>-310</b>	<b>1,185</b>
Cash and cash equivalents beginning of period	2,162	990	990
Adjustment foreign currency, cash and cash equivalents	8	-4	-13
<b>Cash and cash equivalents, end of period</b>	<b>1,224</b>	<b>676</b>	<b>2,162</b>

# Consolidated statement of changes in equity

DKK million	Q1 2024								
	Share capital*	Other reserves			Proposed dividends for the year	Retained earnings	Equity, share-holders in GN Store Nord A/S	Non-con-trolling interests	Total equity
		Foreign exchange adjust-ments	Hedging reserve	Treasury shares					
<b>Balance at December 31, 2023</b>	<b>604</b>	<b>-1,062</b>	<b>-11</b>	<b>-2,725</b>	<b>-</b>	<b>12,781</b>	<b>9,587</b>	<b>-</b>	<b>9,587</b>
Profit (loss) for the period	-	-	-	-	-	254	254	12	266
Actuarial gains (losses)	-	-	-	-	-	-	-	-	-
Tax relating to actuarial gains (losses)	-	-	-	-	-	-	-	-	-
Adjustment of cash flow hedges	-	-	24	-	-	-	24	-	24
Foreign exchange adjustments, etc.	-	99	-	-	-	-	99	-	99
Tax relating to other comprehensive income	-	-	-5	-	-	-	-5	-	-5
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>99</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118</b>	<b>-</b>	<b>118</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>99</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>254</b>	<b>372</b>	<b>12</b>	<b>384</b>
Share-based payment (granted)	-	-	-	-	-	-6	-6	-	-6
Reclassification of non-controlling interests by recognizing a put option liability	-	-	-	-	-	12	12	-12	-
Paid dividends	-	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2024</b>	<b>604</b>	<b>-963</b>	<b>8</b>	<b>-2,725</b>	<b>-</b>	<b>13,041</b>	<b>9,965</b>	<b>-</b>	<b>9,965</b>

\* shares of DKK 4 each

DKK million	Q1 2023								
	Share capital*	Other reserves			Proposed dividends for the year	Retained earnings	Equity, share-holders in GN Store Nord A/S	Non-con-trolling interests	Total equity
		Foreign exchange adjust-ments	Hedging reserve	Treasury shares					
<b>Balance at December 31, 2022</b>	<b>549</b>	<b>-846</b>	<b>-51</b>	<b>-3,366</b>	<b>-</b>	<b>10,514</b>	<b>6,800</b>	<b>-</b>	<b>6,800</b>
Profit (loss) for the period	-	-	-	-	-	-54	-54	11	-43
Adjustment of cash flow hedges	-	-	3	-	-	-	3	-	3
Foreign exchange adjustments, etc.	-	-108	-	-	-	-	-108	-	-108
Tax relating to other comprehensive income	-	-	-	-	-	-	-	-	-
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-108</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-105</b>	<b>-</b>	<b>-105</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-108</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-54</b>	<b>-159</b>	<b>11</b>	<b>-148</b>
Transaction costs	-	-	-	-	-	-8	-8	-	-8
Share based payment (exercised)	-	-	-	-	-	-1	-	-	-
Tax related to share-based incentive plans	-	-	-	-	-	-	-	-	-
Reclassification of non-controlling interests by recognizing a put option liability	-	-	-	-	-	-3	-3	3	-
Paid dividends	-	-	-	-	-	-	-	-14	-14
<b>Balance at March 31, 2023</b>	<b>549</b>	<b>-954</b>	<b>-48</b>	<b>-3,365</b>	<b>-</b>	<b>10,448</b>	<b>6,630</b>	<b>-</b>	<b>6,630</b>

## 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, 2024, GN Store Nord adopted all relevant new or revised International Financial Reporting Standards and IFRIC Interpretations with effective date January 1, 2024, 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 2023.

### Identification of Reportable Segments

Effective January 1, 2024, the Group’s segment reporting will now occur on the following three divisions:

- Hearing;
- Enterprise; and
- Gaming & Consumer

Prior to January 1, 2024, GN Hearing and GN Audio were the reportable segments in the Group. The comparative segment results have been restated for comparison purposes as required by IFRS 8 Operating Segments. Segment performance is now evaluated on Divisional profit. Divisional profit is calculated as gross profit less selling and distribution costs.

## Note 2 – Segment disclosures Q1 2024

Income statement	Hearing		Enterprise		Gaming & Consumer		Consolidated total	
	Q1 2024 (unaud.)	Q1 2023 (unaud.)						
DKK million								
Revenue	1,737	1,622	1,751	1,767	815	825	4,303	4,214
Production costs	-648	-643	-788	-884	-592	-646	-2,028	-2,173
<b>Gross profit</b>	<b>1,089</b>	<b>979</b>	<b>963</b>	<b>883</b>	<b>223</b>	<b>179</b>	<b>2,275</b>	<b>2,041</b>
Selling and distribution costs	-490	-587	-350	-365	-186	-173	-1,026	-1,125
<b>Divisional profit</b>	<b>599</b>	<b>392</b>	<b>613</b>	<b>518</b>	<b>37</b>	<b>6</b>	<b>1,249</b>	<b>916</b>
Development costs							-351	-367
Management and administrative expenses							-352	-376
Other operating income and costs, net							-8	-
<b>EBITA*</b>							<b>538</b>	<b>173</b>
Amortization and impairment of acquired intangible assets							-91	-102
Gain (loss) on divestment of operations etc.							12	-1
<b>Operating profit (loss)</b>							<b>459</b>	<b>70</b>
Share of profit (loss) in associates							-6	-1
Financial items							-110	-125
<b>Profit (loss) before tax</b>							<b>343</b>	<b>-56</b>
Tax on profit (loss)							-77	13
<b>Profit (loss) for the period</b>							<b>266</b>	<b>-43</b>

Additional information	Hearing		Enterprise		Gaming & Consumer		Consolidated total	
	Q1 2024 (unaud.)	Q1 2023 (unaud.)						
DKK million								
Revenue distributed geographically								
Europe	470	496	1,043	1,079	281	259	1,794	1,834
North America	893	762	348	341	372	397	1,613	1,500
Rest of World	374	364	360	347	162	169	896	880
<b>Revenue</b>	<b>1,737</b>	<b>1,622</b>	<b>1,751</b>	<b>1,767</b>	<b>815</b>	<b>825</b>	<b>4,303</b>	<b>4,214</b>
<b>Revenue growth composition</b>								
Organic growth	14%	15%	0%	-3%	0%	17%	5%	7%
FX growth	-2%	2%	-1%	0%	-1%	0%	-1%	1%
M&A growth	-5%	4%	0%	0%	0%	0%	-2%	1%
<b>Revenue growth</b>	<b>7%</b>	<b>21%</b>	<b>-1%</b>	<b>-3%</b>	<b>-1%</b>	<b>17%</b>	<b>2%</b>	<b>9%</b>
Incurred development costs							-420	-464
Capitalized development costs							207	249
Amortization, impairment and depreciation of development projects**							-138	-152
<b>Expensed development costs</b>							<b>-351</b>	<b>-367</b>
EBITDA							639	282
Depreciation and software amortization							-101	-109
<b>EBITA*</b>							<b>538</b>	<b>173</b>
EBITA margin							12.5%	4.1%
Number of employees, end of period							7,047	7,667

\* 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.

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

### Note 3 – Incentive plans

As of March 31, 2024, the total number of outstanding options in GN Store Nord is 4,911,962 (3.3% of the shares issued in GN Store Nord).

### Note 4 – Shareholdings

On March 31, 2024, members of the board of directors and the executive management, respectively, own 63,123 and 44,254 shares in GN Store Nord.

On March 31, 2024, GN owns 5,300,179 treasury shares, equivalent to 3.5% of the 150,912,715 shares issued.

The GN stock is 100% free float, and the company has no dominant shareholders. William Demant Invest A/S has reported an ownership interest in excess of 10% of GN's share capital. Foreign ownership of GN is estimated to be around 65%.

# Statements 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, 2024.

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 on March 31, 2024, and of the results of the group's operations and cash flows for the period January 1 – March 31, 2024.

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 2, 2024

Executive Management

**Peter Karlstromer**  
Group CEO

Board of Directors

**Jukka Pekka Pertola**  
Chair

**Anette Weber**

**Leo Larsen**

**Søren Jelert**  
Group CFO

**Klaus Holse**  
Deputy Chair

**Jørgen Bundgaard Hansen**

**Cathrin Inge Hansen**

**Hélène Barnekow**

**Kim Vejlbj Hansen**

**Claus Holmbeck-Madsen**



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