

# Sonova Audiological Care

## Denmark ApS

Hans Edvard Teglers Vej 5.1 , 2920 Charlottenlund

Annual Report 1 April 2023 – 31 March 2024

Company reg.no. 16 75 31 81

The annual report was presented and approved at the  
Company's annual general meeting

On 28 June 2024

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chairman of the annual general meeting – Tina Gath

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## Statement by the the Executive Board

Today, the Executive Board has discussed and approved the annual report of Sonova Audiological Care Denmark ApS for the financial year 1 April 2023 to 31 March 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2024 and of the results of its operations for the financial year 1 April 2023 – 31 March 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, the results for the year and the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Charlottenlund, 28 June 2024

Executive Board:

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Peter Brøgger Andreasen

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Tina Gath

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Anette Pia Andersen

## **Independent auditor's report**

### **To the shareholder of Sonova Audiological Care Denmark ApS**

#### **Opinion**

We have audited the financial statements of Sonova Audiological Care Denmark ApS for the financial year 1 April 2023 – 31 March 2024, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 – 31 March 2024 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

#### **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Statement on the Management's review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

**Sonova Audiological Care Denmark ApS**  
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## Independent auditor's report

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Frederiksberg, 28 June 2024  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Jesper Jørn Pedersen  
State Authorised  
Public Accountant  
mne21326

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## Management's review

### Company details

Sonova Audiological Care Denmark ApS  
Hans Edwards Teglers 5.1, 2920 Charlottenlund

Website: [www.audionova.dk](http://www.audionova.dk)

CVR no.	16 75 31 81
Established:	1 January 1993
Registered office:	Charlottenlund
Financial year:	1 April – 31 March

### Executive Board

Peter Brøgger Andreasen

Tina Gath

Anette Pia Andersen

### Auditor

EY Godkendt Revisionspartnerselskab  
Dirch Passers Allé 36  
2000 Frederiksberg

### Parent Company

Sonova AG  
Laubisrütistrasse 28  
8712 Stäfa  
Switzerland

## Management's review

### Financial highlights

DKK 000	2023/24	2022/23	2021/22	2020/21	2019/20
Revenue	223,189	200,089	174,970	186,586	198,743
Gross profit	88,896	62,865	56,595	89,098	75,442
Operating profit/loss	-8,328	-26,511	-25,623	5,448	-2,366
Net financials	-1,507	-698	-148	-378	-1,358
Profit/loss for the year	-6,563	-29,724	-26,441	6,500	-3,840
Total assets	98,774	85,464	85,676	105,169	105,527
Investments in property, plant and equipment	5,999	4,788	9,597	2,006	10,930
Equity	47,201	14,964	14,688	35,129	28,629
Gross margin	39.8%	32.3%	32.3%	46.3%	36.2%
Profit margin	-3.7%	-13.2%	-14.6%	2.9%	-1.2%
Acid test ratio	127.8%	91.1%	61.5%	110.2%	165.4%
Solvency ratio	47.8%	17.6%	17.1%	33.4%	27.1%
Return on equity	-26.8%	-145.8%	-102.9%	26.3%	-19.6%
Average number of full-time employees	170	165	158	162	162

The key figures appearing from the survey have been calculated as follows:

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Net turnover}}$
Profit margin (EBIT margin)	$\frac{\text{Result from primary activities (EBIT)} \times 100}{\text{Net turnover}}$
Acid test ratio	$\frac{\text{Current assets} \times 100}{\text{Short-term liabilities}}$
Solvency ratio	$\frac{\text{Equity, closing balance} \times 100}{\text{Assets in total, closing balance}}$
Return on equity	$\frac{\text{Results for the year} \times 100}{\text{Average equity}}$



## Management's review

### The principal activities of the company

The Company's main activity is sales of hearing aid and related services.

### Development in activities and financial matters

The revenue for the year is DKK 223,189 thousand against DKK 200,089 thousand last year. The results after tax are DKK -6,563 thousand against DKK -29,724 thousand last year. Although strong growth vs prior year, the negative result is seen as not satisfying comparing to expectations of a net result in the range of DKK -5,000-0 thousand. The negative result for the year is solely driven by less sales than budgeted for and is primarily driven by a challenging Q1 and to a less degree the combination of inflation and increased competition.

In 2023/24 the Company has received final settlement of DKK 2,040 thousand in Government grants related to compensation for the impact of Covid-19 in 2020/21.

In March 2024 the shareholder of the company made a share capital increase of 1 share by cash contribution, a total of DKK 38,800 thousand incl premium.

The private market for Hearing aid products and -service has grown, but entry of new market players and regained growth plans from main competition, including the public sector and local Ear, Nose & Throat Doctors, has increased competition. However during the fiscal year the company's market share has increased again and are for the full year satisfying with a significant growth in total market shares.

## Strategy

Sonova Audiological Care Denmark ApS offers a complete range of digital hearing instruments, wireless FM systems and personal hearing protection.

The development and manufacture of hearing instruments take place primarily in Stäfa, (Switzerland) where the Sonova Group has its headquarters and in Kitchener (Ontario, Canada), whereas wireless communication systems are manufactured in Murten (Switzerland).

Product innovation, customer focus and cost management are the three pillars in the strategy.

## Financial risks

### Operating risks

The effects of fluctuations in the economy (expansion or recession) are expected to be limited for the Company, due to the fact that the dependency on the economic cycle is not specific high. The Company acts in a healthcare market, where the dependency on the reimbursement system is *large*. Changes in legislation can lead to significant impact on the result of the Company.

### Financial risks

The Company holds sufficient liquidity to ensure the fulfilment of all planned payment obligations. The amount of the liquidity reserve is regularly reviewed and adjusted as necessary according to circumstances.

The parent company has provided letter of support with the intention to provide the Company with sufficient funds until 22 October 2025, to enable the Company to meet its working capital requirements.

## Management's review

### Exchange rate risks

The Company is not significantly exposed to currency rate risks, since purchases take place in EUR and DKK while sales only take place in DKK. The Company does not hold any reserves in other currencies.

### Credit risks

The Company is not exposed to significant credit risks. The larger portion of the outstandings are Regions and/or Municipalities.

### External environment

Sonova Audiological Care Denmark ApS complies with existing rules on sorting and disposal of waste. The Company does not consider to have other significant impact on the external environment. The Company is part of the Sonova Group's ESG strategy, which can be found at <https://www.sonova.com/en/sustainability>

### Research and development activities

All research and development activities are performed by the Parent Company in Switzerland.

### The expected development

In 2024/25 the Company will continue to grow and continue to develop and further strengthen its business model leading to continued growth. The Company's financial result for 2024/25 is expected to increase due to continued, stable growth in the market leading to market share gains. Additional Go-to-market strategies and efficiency gains in existing clinic portfolio drives improved results. On this basis, revenue in the range of DKK 225,000 – 250,000 thousand and a result in the range of DKK 0 – 5,000 thousand are expected for 2024/25. Management expects to service more customers and increase efficiency in the shops further with development of the business model.

For 2024/25 and subsequent years, Management expects that hearing aid prices in Denmark will remain under pressure. This will require a continued focus on costs and efficiencies and competitive products and services. Management is confident that the Company is well positioned to maintain and further develop the market leader position in the Danish market. The Company expects a continuing positive development in the coming years.

### Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Accounting policies

Financial Statements of Sonova Audiological Care Denmark ApS for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

With reference to section 86(4) of the Danish Financial Statements Act and as the cash flow statement included in the Consolidated financial statements of Sonova Holding AG, the Company has not prepared a cash flow statement.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### Presentation currency

Financial Statements for 2023/24 are presented in Danish kroner.

### Recognition and measurement in general

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency . All other currencies are regarded as foreign currencies.

### Translation of foreign currency

Translation in foreign currencies are translated at the exchange rates at the date of the transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables, and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rate at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Accounting policies

### The profit and loss account

#### Revenue

Revenue from sale of goods for resale and finished goods is recognised in the income statement when the delivery and transfer of risk has been made before year end. The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition. Sales of Service contracts, such as long-term contracts and extended warranties are separated from the sale of goods and recognized over the term of the contract.

Revenue is recognised exclusive of VAT and net of discount relation to sales.

#### Cost of sales

Cost of sales comprise the cost of goods sold and consumables consumed to achieve revenue for the year.

#### Other operating income

Other operating income include income of secondary nature in relation to the Company's activities. Final settlement from Covid-19 compensation is included in other operation income.

#### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including costs of distribution, sales, advertising, administration, rent, bad debts, etc.

#### Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

#### Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, as well as extra payments and repayment under the on account taxation scheme.

#### Tax for the year

Tax for the year consist of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transaction is recognised directly to equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

## Accounting policies

### The balance sheet

#### Goodwill

Acquired goodwill is measured at cost with deduction of accumulated amortisation. As it is not possible to determine a reliable estimate of the useful life, the amortisation period is set at 10 years.

#### *Depreciation*

Goodwill is amortised over the expected economic life of the assets, measured by reference to Management's experience. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business entities with strong market position and long-term earnings profiles.

#### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

The basis of depreciation, which is calculated as costs less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows;

Other fixtures and fittings, tools and equipment	5-10 years
Leasehold improvements	5-10 years

#### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net setting price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

## Accounting policies

### Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and cost of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of inventories equals landed cost.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which correspond to nominal value less provisions for bad debts.

An impairment loss are recognised according to IAS 39, if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired an impairment loss is recognised on an individual basis.

### Prepayments

Prepayments recognised under "assets" comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### Cash

Cash comprise cash and cash equivalents.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

### Equity Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

### Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

## Accounting policies

### Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax an taxable income for prior years.

Tax receivables and liabilities are off-set if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

### Other provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must 'be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 2 years. Provisions are measured and recognised based an experience with guarantee work. Provisions with an expected maturity exceeding 1 year from the balance sheet date are discounted at the average band yield.

### Other payables

Other payables are measured amortised cost, substantially corresponding to nominal value.

### Deferred income

Deferred income recognised as a liability comprise payments received concerning income in subsequent financial reporting years.

### Liabilities

The company has chosen IAS 39 as interpretation for recognition and measurement of liabilities. Liabilities are measured amortised cost, substantially corresponding to nominal value.

## Profit and loss account 1 April – 31 March

### Income statement

DKK'000	Note	2023/24	2022/23
<b>Revenue</b>		223,189	200,089
Cost of sales		-55,637	-57,713
Other operating income		6,463	4,556
Other external expenses		-85,119	-84,067
<b>Gross profit</b>		88,896	62,865
Staff costs	3	-87,801	-80,050
Depreciation, amortisation and writedown of tangible and intangible fixed assets		-9,423	-9,326
<b>Profit before net financials (EBIT)</b>		-8,328	-26,511
Financial expenses	4	-1,507	-698
<b>Loss before tax</b>		-9,835	-27,209
Tax for the year	5	3,272	-2,516
<b>Loss for the year</b>		-6,563	-29,724



## Balance sheet 31 March

### Assets

DKK'000	Note	2024	2023
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	6		
Goodwill		13,105	16,772
Other intangible assets		610	719
		<u>13,715</u>	<u>17,491</u>
<b>Property, plant and equipment</b>	7		
Fixtures and fittings, other plant and equipment		9,034	6,931
Leasehold improvements		7,891	9,655
		<u>16,925</u>	<u>16,586</u>
<b>Financial assets</b>			
Other receivables	8	15,733	13,148
		<u>15,733</u>	<u>13,148</u>
<b>Total fixed assets</b>		<u>46,373</u>	<u>47,225</u>
<b>Non-fixed assets</b>			
<b>Inventories</b>			
Manufactured goods and trade goods		9,992	13,812
		<u>9,992</u>	<u>13,812</u>
<b>Receivables</b>			
Trade receivables		22,230	16,015
Receivables from group entities	9	5,322	27
Deferred tax assets	10	2,617	149
Income tax receivables		530	343
Other Receivables	8	7,819	4,762
Prepayments	11	1,967	1,804
		<u>40,485</u>	<u>23,100</u>
<b>Cash</b>		1,924	1,327
<b>Total non-fixed assets</b>		<u>42,409</u>	<u>38,239</u>
<b>TOTAL ASSETS</b>		<u><u>98,774</u></u>	<u><u>85,464</u></u>

## Balance sheet 31 March

### Equity and liabilities

DKK'000	Note	2024	2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	480	460
Retained earnings		46,721	14,504
<b>Total equity</b>		47,201	14,964
<b>Provisions</b>			
Other provisions	13	1,859	1,688
<b>Total provisions</b>		1,859	1,688
<b>Liabilities other than provisions</b>			
<b>Non-current liabilities other than provisions</b>			
Deferred income	14	12,877	11,532
		12,877	11,532
<b>Current liabilities other than provisions</b>			
Trade payables		6,719	5,848
Deferred income	14	8,982	8,329
Payables to group entities	15	4,805	26,646
Other payables	16	16,331	16,457
		36,837	57,280
<b>Total liabilities</b>		51,573	68,812
<b>TOTAL EQUITY AND LIABILITIES</b>		98,774	85,464
Financial support	1		
Unusual matters	2		
Contingencies	17		
Related parties	18		
Appropriation of profit/loss	19		
Events after the balance sheet date	20		

## Statement of changes in equity

DKK'000	Share capital	Share Premium	Retained earnings	Total
	_____	_____	_____	_____
<b>Equity at 1 April 2023</b>	460	0	14,504	14,964
Cash capital increase	20	38,780	0	38,800
Transfer	0	-38,780	38,780	0
Profit and loss for the year brought forward	0	0	-6,563	-6,563
<b>Equity at 31 March 2024</b>	480	0	45,721	47,201

## Notes 1 April – 31 March

### 1 Financial support

The parent company has provided letter of support with the intention to provide the Company with sufficient funds until 25 October 2025, to enable the Company to meet its working capital requirements.

### 2 Unusual matters

Unusual items comprise significant income and expenses of a special nature relative to the Company's revenue-generating operating activities, e.g. expenses incurred for extensive structuring of processes and basic structural adjustments as well as any related disposal gains and losses, that have a material impact over time. Unusual items also comprise significant one-off items that, in Management's opinion, do not form part of the Company's operating activities.

The deferred tax assets have increased by DKK 2,468 thousand. This is mainly based on the expected ability to utilize the tax asset within a period of 3-5 years.

In 2023/24 the Company has received final settlement of DKK 2,040 thousand in Government grants related to compensation for the impact of Covid-19. The amount is included in other operating income.

DKK'000

<b>3 Staff costs</b>	<b>2023/24</b>	<b>2022/23</b>
Salaries and wages	79,853	72,988
Pension costs	6,700	6,125
Other costs for social security	1,248	937
	<u>87,801</u>	<u>80,050</u>
Average number of full-time employees	170	165

Staff costs includes salaries to the Executive Board with DKK 3,838 thousand (2023/24: DKK 3,853 thousand) and pensions with DKK 296 thousand (2022/23: DKK 292 thousand).

DKK'000

### 4 Financial expenses

Financial expenses, group entities	1,462	68
Other financial expenses	45	630
	<u>1,507</u>	<u>698</u>

## Notes 1 April – 31 March

DKK'000

<b>5 Tax for the year</b>	<b>2023/24</b>	<b>2022/23</b>
Deferred tax adjustment for the year	2,468	-3,409
Joint taxation contribution for the year	530	343
Joint taxation contribution adjustment for prior year	274	550
	<u>3,272</u>	<u>-2,516</u>

## 6 Intangible assets

DKK'000	Other intangible assets	Goodwill	Total
Cost at 1 April 2023	1,100	149,756	150,856
Additions	0	-13,200	-13,200
Disposals	0	0	0
Cost at 31 March 2024	<u>1,100</u>	<u>149,756</u>	<u>150,856</u>
Amortisation and impairment losses at 1 April 2023	-381	-132,984	-133,365
Amortisation	-109	-3,667	-3,776
Amortization regarding assets disposed	0	0	0
Amortisation and impairment losses at 31 March 2024	<u>-490</u>	<u>-136,651</u>	<u>-137,141</u>
<b>Carrying amount at 31 March 2024</b>	<u>610</u>	<u>13,105</u>	<u>13,715</u>
Carrying amount at 31 March 2023	719	16,772	17,491

### Justification for depreciation periods for goodwill

Goodwill arising from acquisitions of assets/activities in other companies within the same industry as Sonova Audiological Care Denmark ApS is considered strategically important in order to increase activities and marketshares. Considering the Company's expected plans for increasing activities and growth the economical lifetime for goodwill is fixed at 10 years.

## Notes 1 April – 31 March

### 7 Property, plant and equipment

DKK'000	Fixtures and fittings, other plant and equipment	Lease-hold improvements	Total
Cost at 1 April 2023	34,236	16,598	50,834
Additions	4,388	1,611	5,999
Transferred	0	0	0
Disposals	-584	-10	-594
Cost at 31 March 2024	38,039	18,199	56,238
Depreciation and impairment losses at 1 April 2023	-27,305	-6,943	-34,248
Depreciation	-2,273	-3,374	-5,647
Adjustment depreciation regarding assets transferred	0	0	0
Depreciation on disposals	573	9	582
Depreciation and impairment losses at 31 March 2024	-29,005	-10,308	-39,313
<b>Carrying amount at 31 March 2024</b>	<b>9,034</b>	<b>7,891</b>	<b>16,925</b>
Carrying amount at 31 March 2023	6,931	9,655	16,586

## Notes 1 April – 31 March

### 8 Other receivables

DKK'000	2024	2023
Cost at 1 April 2023	17,910	10,900
Additions/disposals during the year	5,641	7,010
<b>Other receivables at 31 March 2024</b>	<b>23,551</b>	<b>17,910</b>
Share of amount due within a year	7,819	4,762

### 9 Receivables from group entities

DKK'000	2024	2023
Receivables from group entities	5,322	27
<b>Receivables from group entities at 31 March 2024</b>	<b>5,322</b>	<b>27</b>
Share of amount due within a year	5,322	27

The Sonova Group has a cash pool agreement with Nordea Bank, where Sonova AG is main account owner and Sonova Audiological Care Denmark ApS is sub account owner together with affiliated companies. The conditions for the agreement provide Sonova AG the possibility to offset the liabilities and receivables on the sub accounts so only the net amount of the cash pool is an intermediate with Nordea Bank.

Sonova Audiological Care Denmark ApS of the cash pool agreement is a recognized as a receivables from group entities of DKK 5,318 thousand (2022/23: payables DKK 20,931 thousand)

## 10 Deferred tax assets

DKK'000

Deferred tax assets at 1 April 2023	149	3,558
Deferred tax of the results for the year	2,468	-3,409
<b>Deferred tax assets at 31 March 2024</b>	<b>2,617</b>	<b>149</b>

The following items are subject to deferred tax:

Intangible fixed assets	-351	-95
Tangible fixed assets	3,751	2,509
Trade debtors	288	89
Inventories	586	1,208
Deferred revenue	4,809	4,370
Warranty	409	371
Tax loss carry forwards	9,201	15,266
	18,693	23,718
Deferred tax asset not recognised in the balance sheet	-16,076	-23,569
	2,617	149

It is expected that the deferred tax assets of DKK 2,617 thousand recognised at 31 March 2024 will be realised as current tax within a period of 3-5 years.

## 11 Prepayments

Rent	1,202	1,093
Other expenses	765	711
	1,967	1,804



## Notes 1 April – 31 March

DKK'000	2024	2023
<b>12 Share capital</b>		
Share capital at 1 April	460	440
Cash capital increase	20	20
	<u>480</u>	<u>460</u>

The share capital consists of 24 shares, each with a nominal value of DKK. 20.000. The past five years of changes in share capital specification:

DKK'000	2023/24	2022/23	2021/22	2020/21	2019/20
Share capital at 1 April	460	440	420	420	380
Cash capital increase	20	20	20	0	40
	<u>480</u>	<u>460</u>	<u>440</u>	<u>420</u>	<u>420</u>

DKK'000	2024	2023
<b>13 Other provisions</b>		
Other provisions at 1 April 2023	1,688	2,383
Change of the year in other provisions	171	-695
<b>Other provisions at 31 March 2024</b>	<u>1,859</u>	<u>1,688</u>

Sonova Audiological Care Denmark ApS provides a 2 year extended warranty on certain products. A provision of DKK 1,859 thousand (2022/23: DKK 1,688 thousand) has been made for anticipated warranty claims based on historic experience of the level of repairs and returns. It is expected that DKK 1,341 thousand thereof will be used in 2023/24 and DKK 518 thousand in 2024/25.

<b>14 Deferred income</b>		
Share of deferred income due within 1-5 years	12,877	11,532
Share of deferred income due within 1 year	8,982	8,329
<b>Deferred income at 31 March 2024</b>	<u>21,859</u>	<u>19,861</u>

## Notes 1 April – 31 March

### Notes

DKK '000	2024	2023
<b>15 Payable to group entities</b>		
Payable to group entities	4,805	26,646
<b>Payable to group entities at 31 March 2024</b>	<b>4,805</b>	<b>26,646</b>
Share of amount due within a year	4,805	26,646

The Sonova Group has a cash pool agreement with Nordea Bank, where Sonova AG is main account owner and Sonova Audiological Care Denmark ApS is sub account owner together with affiliated companies. The conditions for the agreement provide Sonova AG the possibility to offset the liabilities and receivables on the sub accounts so only the net amount of the cash pool is an intermediate with Nordea Bank.

Sonova Audiological Care Denmark ApS of the cash pool agreement is a recognized as a receivables from group entities of DKK 5,318 thousand (2022/23: payables DKK 20,931 thousand)

### 16 Other payables

Other payables	9,854	11,158
Holiday pay	6,477	5,299
<b>Other payables at 31 March 2024</b>	<b>16,331</b>	<b>16,457</b>
Share of amount due within a year	16,331	16,457

## Notes 1 April – 31 March

### Notes

#### 17 Contingencies

##### Contingent liabilities

##### Leasing liabilities

The company has entered into operational leasing contracts with an average annual leasing payment of DKK 17,212 thousands. The leasing contracts have 1-36 months left to run, and the total outstanding leasing payment is DKK 21,239 thousand, of which DKK 11,487 thousand is due within the year and DKK 9,752 thousand is due between 1-5 years. Bank guarantees of DKK 4,329 thousand have been issued as guarantees for before mentioned operational leasing contracts.

##### Restorations obligation

The company has a restoration obligation, when a lease for a location is terminated. The Company does not expect to terminate any location within foreseeable future. The obligation is not possible to measure reliable before a termination is effected.

##### Joint taxation

Sonova Denmark A/S, company reg. no 10317487 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

According to the rules of joint taxation, Sonova Audiological Care Denmark ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

## Notes 1 April – 31 March

### Notes

#### 18 Related party transactions

Sonova Audiological Care Denmark ApS has carried out the following related party transactions:

DKK'000	2024	2023
Purchase of goods from group entities	42,960	51,523
Purchase of services from group entities	6,021	4,147
Sale of service to group entities	4,244	4,556
Interest expenses to group entities	1,462	630
Receivables from group entities	5,322	27
Payables to group entities	4,805	26,646

#### Ownership

According to the Company's list of shareholders, the following shareholders own 100% of the share capital of Sonova Audiological Care Denmark ApS.

Sonova AG, Laubisrütisstrasse 28, 8712 Stäfa, Switzerland.

#### Consolidated annual accounts

The company is included in the Group Annual Report of the ultimate Parent Company Sonova Holding AG.

The Group Annual Report of Sonova Holding AG may be obtained at the following address:

Sonova AG

Laubisrütisstrasse 28

8712 Stäfa

Switzerland

<https://www.sonova.com/en/financial-reports>

DKK'000	2024	2023
<b>19 Appropriation of profit/loss</b>		
Recommended appropriation of profit/loss		
Retained earnings	-6,563	-29,724
	<u>-6,563</u>	<u>-29,724</u>

#### 20 Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

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## Tina Gath

### Dirigent

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Serienummer: 1de17213-95cb-407a-a8c4-af4221cc244c  
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2024-06-28 05:37:15 UTC



## Tina Gath

### Member of the executive board

På vegne af: Member of the executive board  
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## Peter Brøgger Andreasen

### CEO

På vegne af: Member of the executive board  
Serienummer: ddd3a3fd-61e8-4df7-8fbf-b09306c4fa11  
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2024-06-28 11:10:48 UTC



## Anette Pia Andersen

### Member of the executive board

På vegne af: Member of the executive board  
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IP: 94.127.xxx.xxx  
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## Jesper Jørn Pedersen

### EY Godkendt Revisionspartnerselskab CVR: 30700228

### Statsaut. revisor

På vegne af: EY Godkendt Revisionspartnerselskab  
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