

GN Investor Presentation

May 2023



Safe Harbor Statement

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.

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).

This presentation should not be considered an offer to sell or buy securities in GN Store Nord.

Our purpose is Bringing People Closer

GN brings people closer to one another
and what matters most to them

Agenda



GN at a glance

GN Hearing

GN Audio

Financials

GN Store Nord: An integrated technology powerhouse

Focused innovation

Focused innovation within sound and video processing in selected market segments

Asset-light business model

Asset-light business model and highly profitable business enabling strong cash conversion



Leading positions

Leading positions in attractive markets, including those with high entry barriers

Focused growth model

Focused growth model, dedicated developer, manufacturer and distributor, refraining from vertical integration

Clear strategy

Clear strategy underpinned by deep technology expertise and strategic global partnerships fueled by significant company-wide synergies

GN commands world leading hearing, audio, and video expertise

- all under one roof

Medical hearing technology



Professional collaboration



Gaming, calls, and media



GN at a glance



Global leader in intelligent audio solutions

- Founded in 1869 and listed on Nasdaq Copenhagen
- **Technology-driven company** primarily developing and manufacturing hearing aids (GN Hearing) and headsets, speakers and video (GN Audio)
- **Innovation leader** with expertise in the human ear, sound and wireless technology under one roof
- **Unique portfolio** of medical, professional and consumer audio solutions and **deep R&D expertise** (total R&D spend of DKK 1.8 billion per year)
- Strong track record of **strategic partnerships** with leading channels, customers and adjacent industry technology leaders
- Access to **attractive and growing gaming gear market** through the acquisition of SteelSeries



Business areas and brands

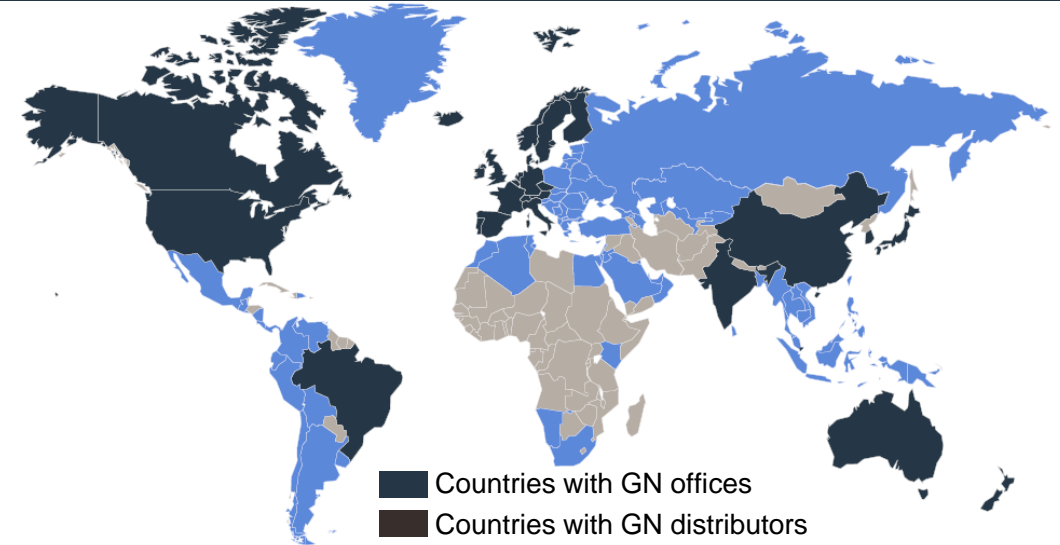
GN Hearing



GN Audio

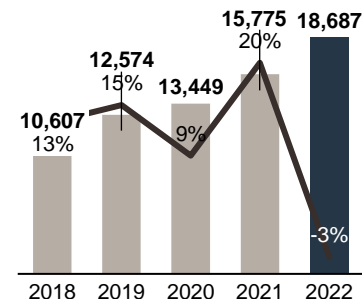


Global reach, local presence

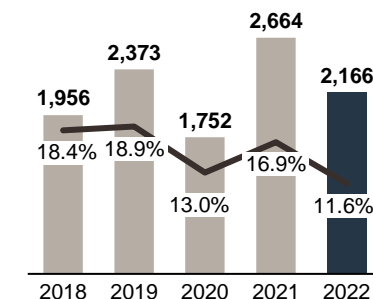


Financial summary

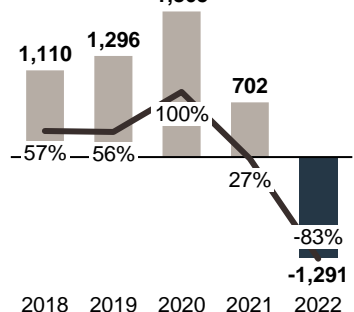
Revenue & organic growth (DKK million & %)



Adj. EBITA & Adj. EBITA margin (DKK million & %)



FCF & cash conversion* (DKK million & %)

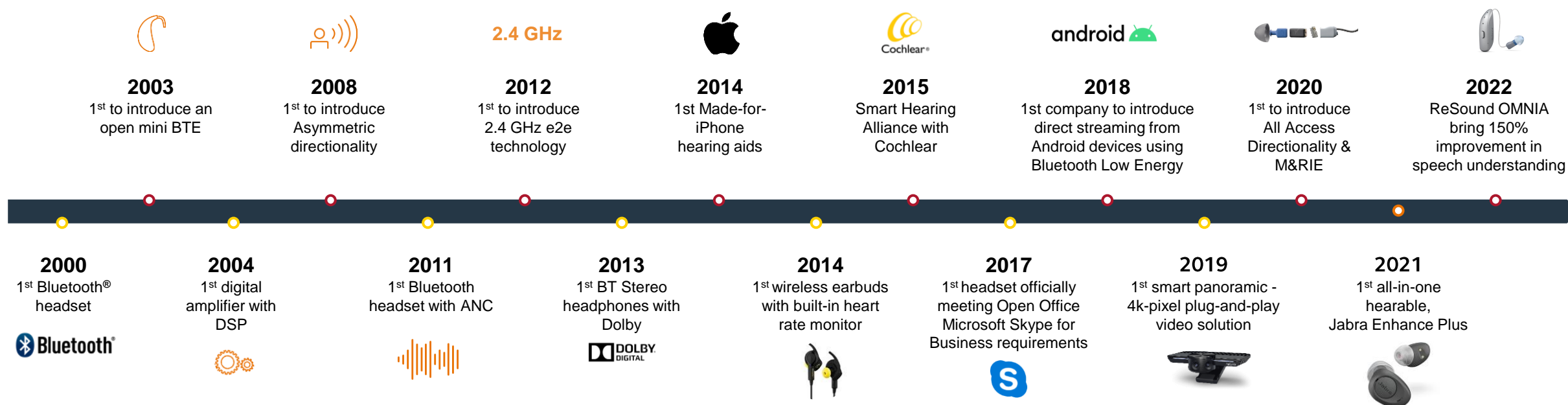


*FCF: Free cash-flow excluding M&A, cash conversion: FCF / EBITA



GN builds on innovation and ecosystem leadership

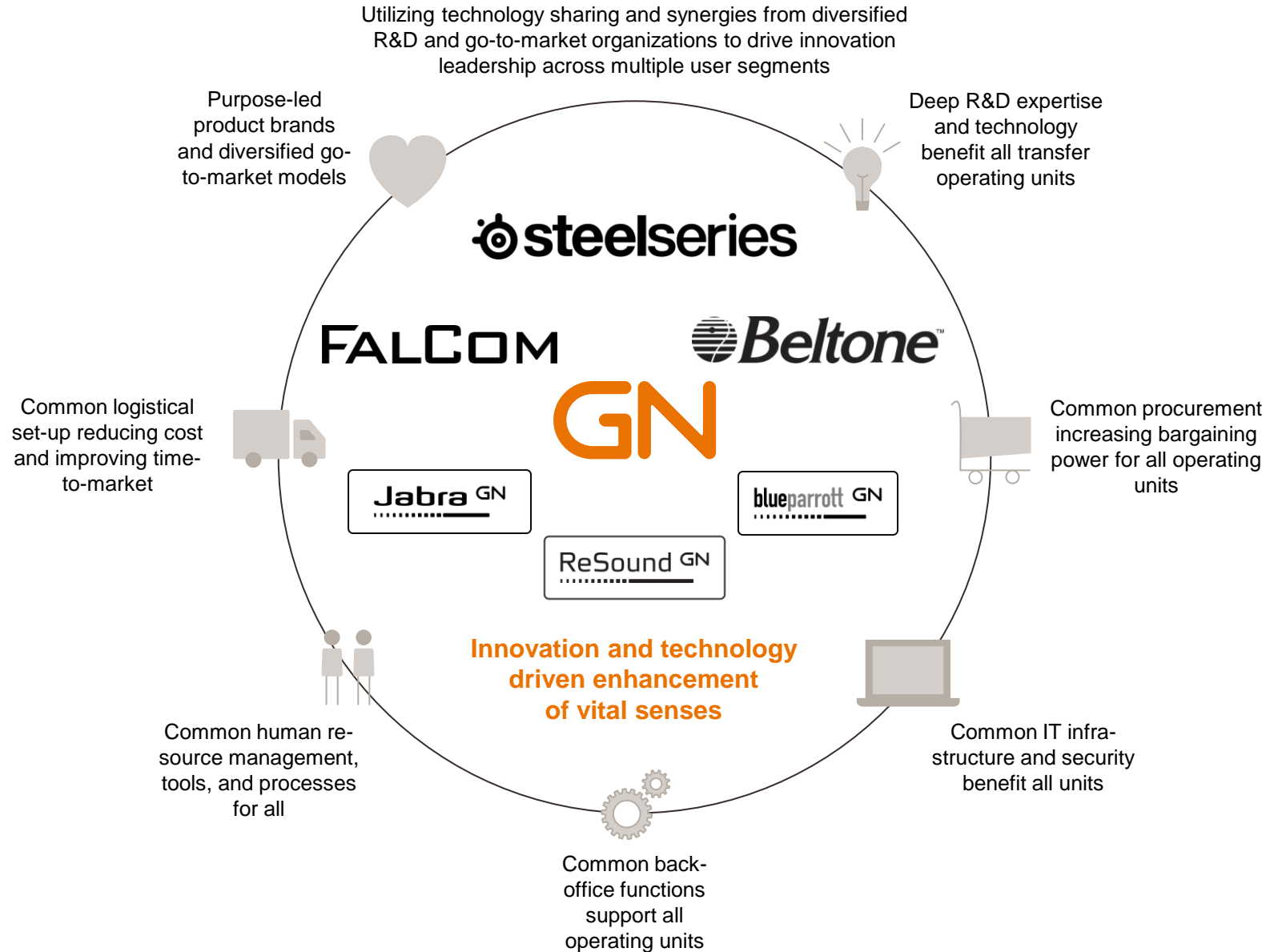
GN's engineering capabilities in hardware and software for audio and video deliver unique and individualized customer experiences. To enhance our impact, we partner with leading channels, ecosystems, scientists, and other industry leaders to leverage technology and market access




In 2022 the R&D spend was DKK 1.8 bn, corresponding to an R&D to revenue ratio of 9.5%

Definitions: DSP: Digital Signal Processing; e2e: Ear to Ear

Group synergies are stronger than ever



Agenda



GN at a glance



GN Hearing



GN Audio



Financials

GN Hearing at a glance

Strategic Focus



Individualized customer experience: We will obsess about customer experience for users of hearing aids and business support for hearing care professionals



Innovation leadership: We will continue to lead in innovation – in individualized hearing experience, in overall user experience, in connectivity, and in customer care



Commercial & ecosystem excellence: We will build more and stronger relationships with hearing care professionals and ecosystem partners

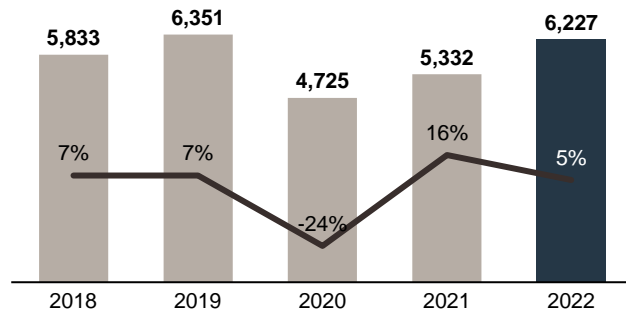


Brands, products and partnerships

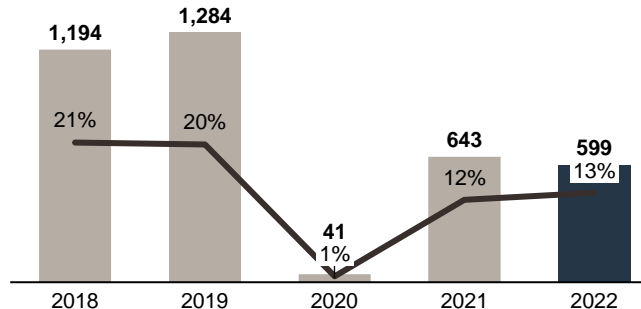


Financial Performance

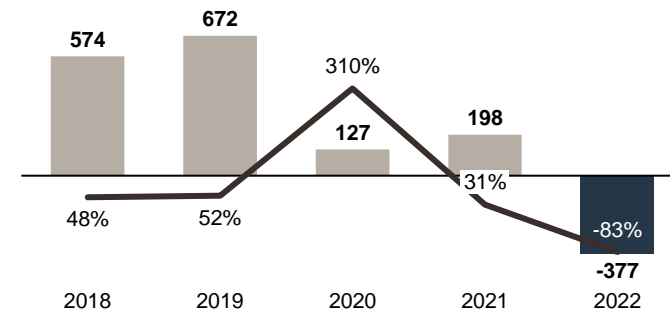
Revenue & organic growth
(DKK million & %)



Adj. EBITA & Adj. EBITA margin
(DKK million & %)



FCF & cash conversion¹
(DKK million & %)



Note 1: FCF: Free cash-flow excluding M&A, cash conversion: FCF / EBITA

Living with untreated hearing loss increases the risk of health problems

- The incidence of dementia is greater in people with hearing loss¹, and early studies show that **wearing hearing aids may have a positive effect on cognitive function**²
- People with mild hearing loss were nearly three times more likely to have a history of falling than those with no hearing loss³. One study shows that wearing hearing aids may improve balance⁴
- Wearing hearing aids reduce the risk of depression⁵
- Untreated hearing loss reduces **quality of life**⁶



References:

¹ Lin FR, Metter EJ, O'Brien RJ, Resnick SM, Zonderman A, Ferrucci L. Hearing loss and incident dementia. Arch Neurol. 2011 Feb;68(2):214-20

² Lancet Commission on Dementia Prevention: *Intervention and Care Reference*, August 2019

³ Lin F. & Ferrucci, L. (2012) Hearing Loss and Falls Among Older People in the United States. Arch Intern Med. 2012;172(4):369-371

⁴ Hullar, T: *The effect of hearing aids on postural stability*. Laryngoscope, 2014.

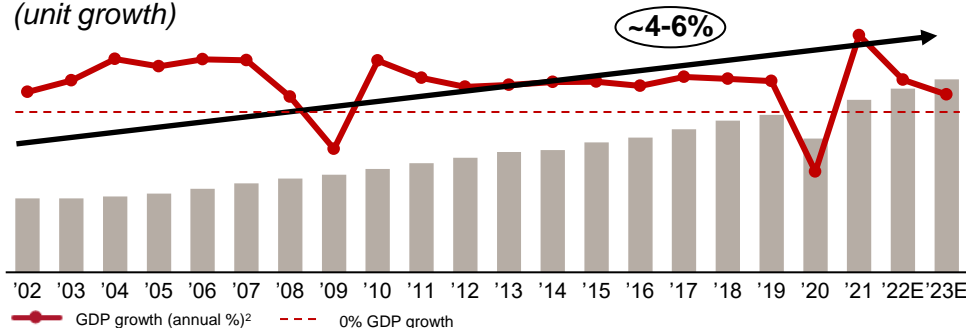
⁵ Hearing Industries Association: MT10:MarkeTrak, March 27, 2019

⁶ Kochkin, S. MarkeTrak VIII: Patients report improved quality of life with hearing aid usage, Hearing Journal, Vol. 64 (6), June 2011.

The hearing aid market remains very attractive and robust in the mid to long term

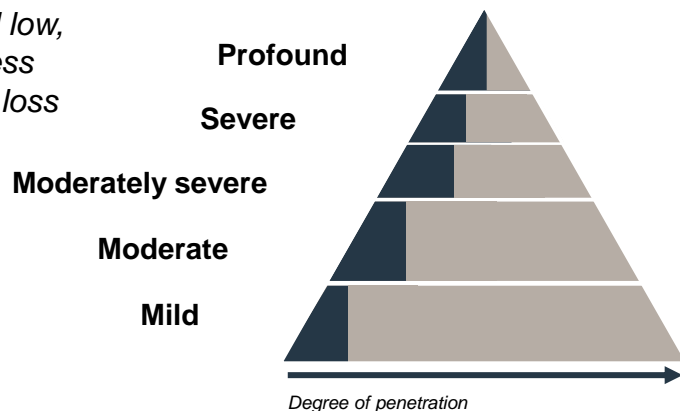
01 ~4-6% expected unit CAGR in coming years¹

Global hearing aids market growth¹
(unit growth)



02 Room for penetration growth

Penetration still low,
especially for less
severe hearing loss



03 Multiple attractive megatrends driving market growth

- 65+ population **expected to grow significantly** in the years to come
- **Baby boomers** generation reaching retirement age
- Increasing noise pollution **drives prevalence of hearing loss**
- **Increasing wealth** among larger middle class

04 High barriers to entry to the market



Regulations

- FDA regulations (Medical Class II devices)
- Increasing requirements from the EU Medical Device Regulation
- Extensive investments needed into quality management systems



Technology

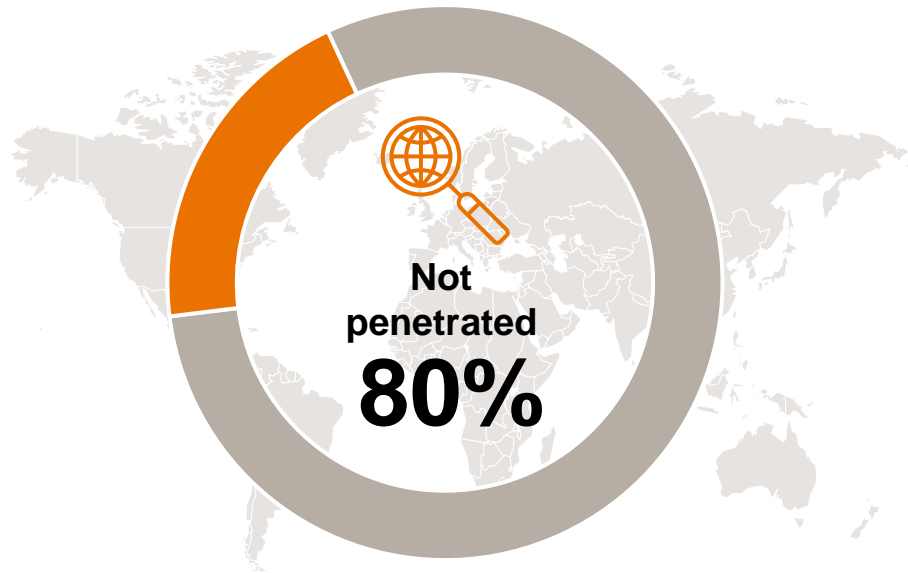
- 75+ years of knowhow in the hearing aid space
- Significant investments required into R&D
- Extensive intellectual property rights in the hearing aid space



Distribution

- Users of hearing aids tend to choose hearing aids based on inputs from their hearing care professional
- Sticky distribution as hearing care professionals tend to partner with same manufactures

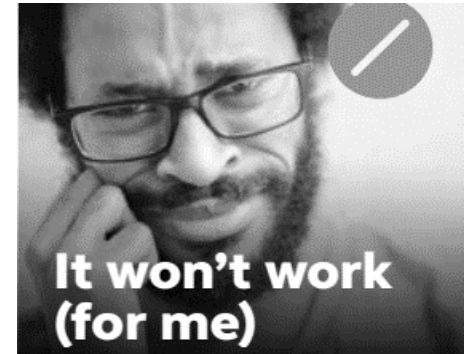
Worldwide: 80% of people with a hearing loss currently live without hearing aids



“What prevents you from buying a hearing aid?”



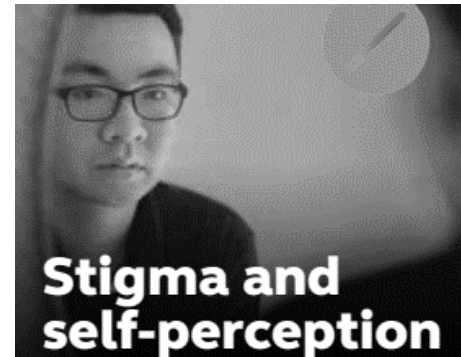
35% of respondents



22% of respondents



20% of respondents



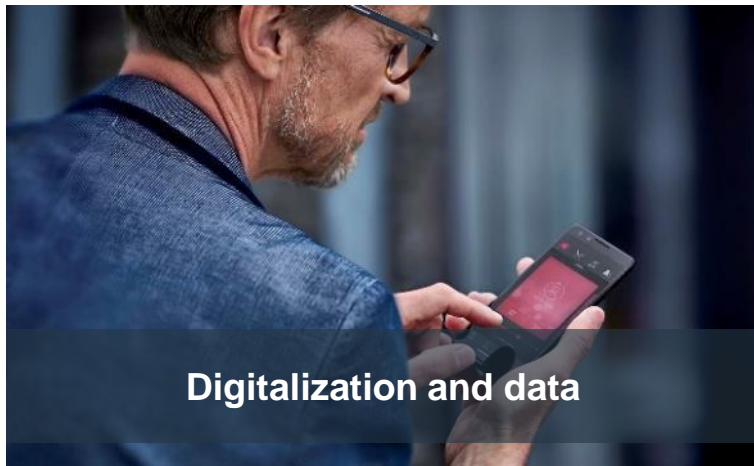
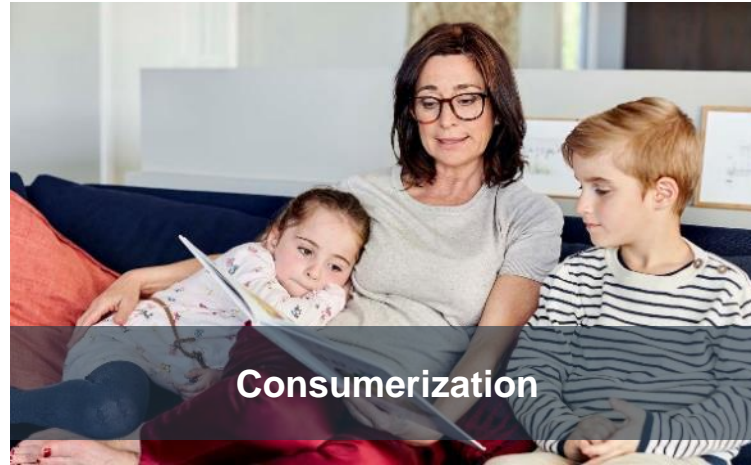
15% of respondents











9% of respondents

Source: Internal GN Hearing study analyzing the reasons for not buying hearing aids

GN Hearing's growth is supported by strong and attractive megatrends



The hearing aid market is expanding with new opportunities emerging

				
Business verticals	Medical Touch Experience	High Touch Experience	Light Touch Experience	No Touch Experience
	Advanced hearing health and medical expertise	Relationship-based service and hearing advice	Value-based, hearing service	Self-controlled, hearing improvement
Examples			 Jabra Enhance™	
Average age		~ 75	~ 67	~ 66
First time users		~ 20%	~ 56%	~ 89%
Current part of US market		~ 95%	~ 3%	~ 2%

Simplify to grow - Unlocking the potential of the hearing solutions market



Core business

- Deliver customer-centric products and experiences with organic hearing including multiple new product launches in 2022
- Be a trusted and innovative partner for our hearing care professionals in key markets



Emerging business

- Participate in new channels and hearing solution adjacencies
- Build on the combined competencies of GN to reach new customer groups with lifestyle hearing products including Jabra Enhance Plus



Digitize and simplify the way we work

Current focus areas

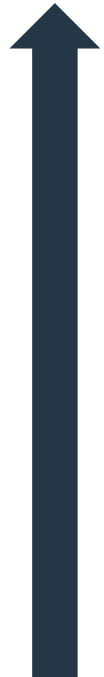
- Modernize hearing care by building new ways of connecting hearing care professionals, consumers and partners
- Digitize, simplify and automate the supply chain
- Simplify the way we work and reduce complexity
- Accelerate through M&A and partnerships



On top of leading innovation, we focus on being the preferred partner

The choice of the Hearing Care Professional

Preferred brand



All brands

Service & relation



Develop me & my business

- Partner with the customer by going the extra mile, proactively reach out and support, deliver services far above expectations



Ease of doing business

- Reliable and fast delivery, warranties, easy to return / repair etc.

Products & technology



Design, Innovation & cutting-edge technology

- Add value to audiological benefits of the hearing aid and easy-to-use fitting software



High quality products and solutions

- Cover basic audiological needs

Introducing ReSound OMNIA

Sounds natural

- 150% improvement in speech understanding in noisy environments

Feels natural

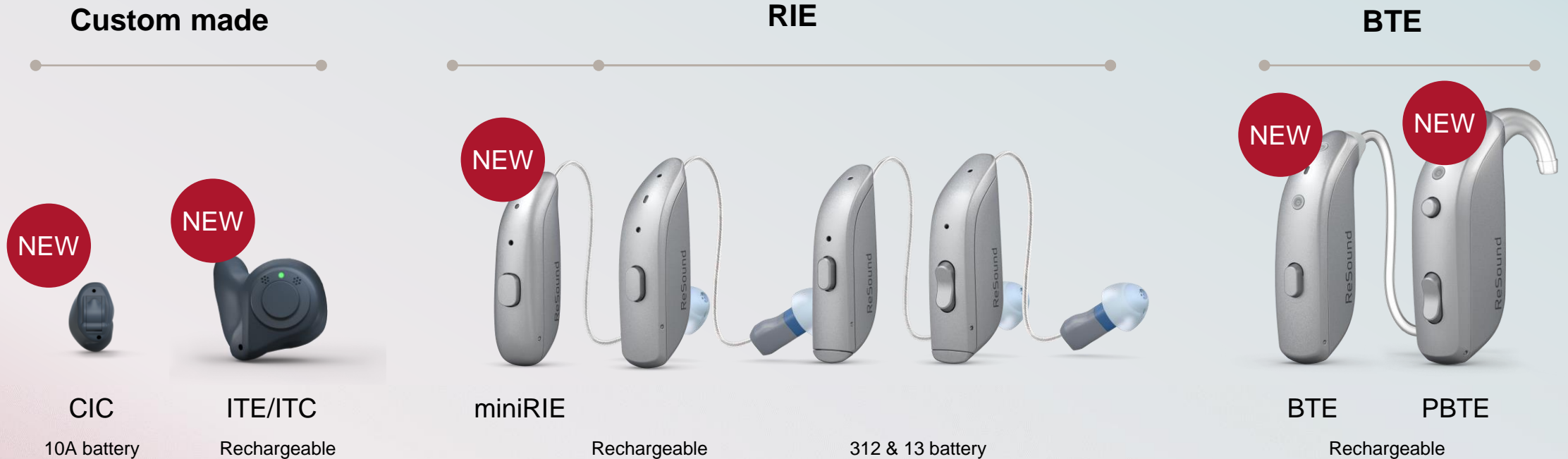
- Best wearing comfort all day long and ease of use

Connects you naturally

- Crystal clear hands-free calls to iPhone and iPad



Completing the ReSound OMNIA family – Five new form factors to be launched by the end of February 2023



We are catering solutions to **key needs** for people with hearing difficulties

1 Wants uncompromised hearing



- Aged 18-75 (median: 60)
- Diagnosed mild-to-profound HL

RIE



ReSound OMNIA

Go to market strategy

Exceptional sound quality in our flagship product functions as a **door opener**



Point of sales

Sold through regular channels

2 Wants reliable and robust



- Aged 70+ (median: 78)
- Diagnosed moderate-to-profound HL

BTE




ReSound OMNIA BTE

Smart Hearing Alliance with Cochlear **valuable** in go-to-market strategy



Sold through regular channels

3 Wants earbud experience



- Aged 50-75 (median: 65)
- Diagnosed mild-to-severe HL

ITE



Custom made by ReSound

Excitement for new custom design **opens new doors** while **expanding** portfolio



Sold through regular channels

4 Wants discreet above all



- Aged 50-75 (median: 65)
- Diagnosed mild-to-severe HL

CIC



Custom made by ReSound

Ensuring HCPs have a high quality product to **end-users** who want a **discreet** product as possible



Sold through regular channels

5 Wants occasional use



- Aged 18-75
- Self-diagnosed

Earbud



Jabra Enhance Plus

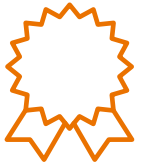
Expanding the hearing aid market by providing a solution for **customers not yet ready** for a **traditional** hearing aid



Sold through new channels, and selected current customers

Lively is now JabraEnhance.com

– an online destination for better hearing



Rebranding Lively to JabraEnhance.com

JabraEnhance.com will be a leading online hearing care platform, enabling consumers to **explore, purchase and receive hearing care** in the U.S. from **home**



Offering OTC products and hearing care

Beginning in 2023, JabraEnhance.com will offer over-the-counter (OTC) **hearing aids**, including the Jabra Enhance Plus earbuds

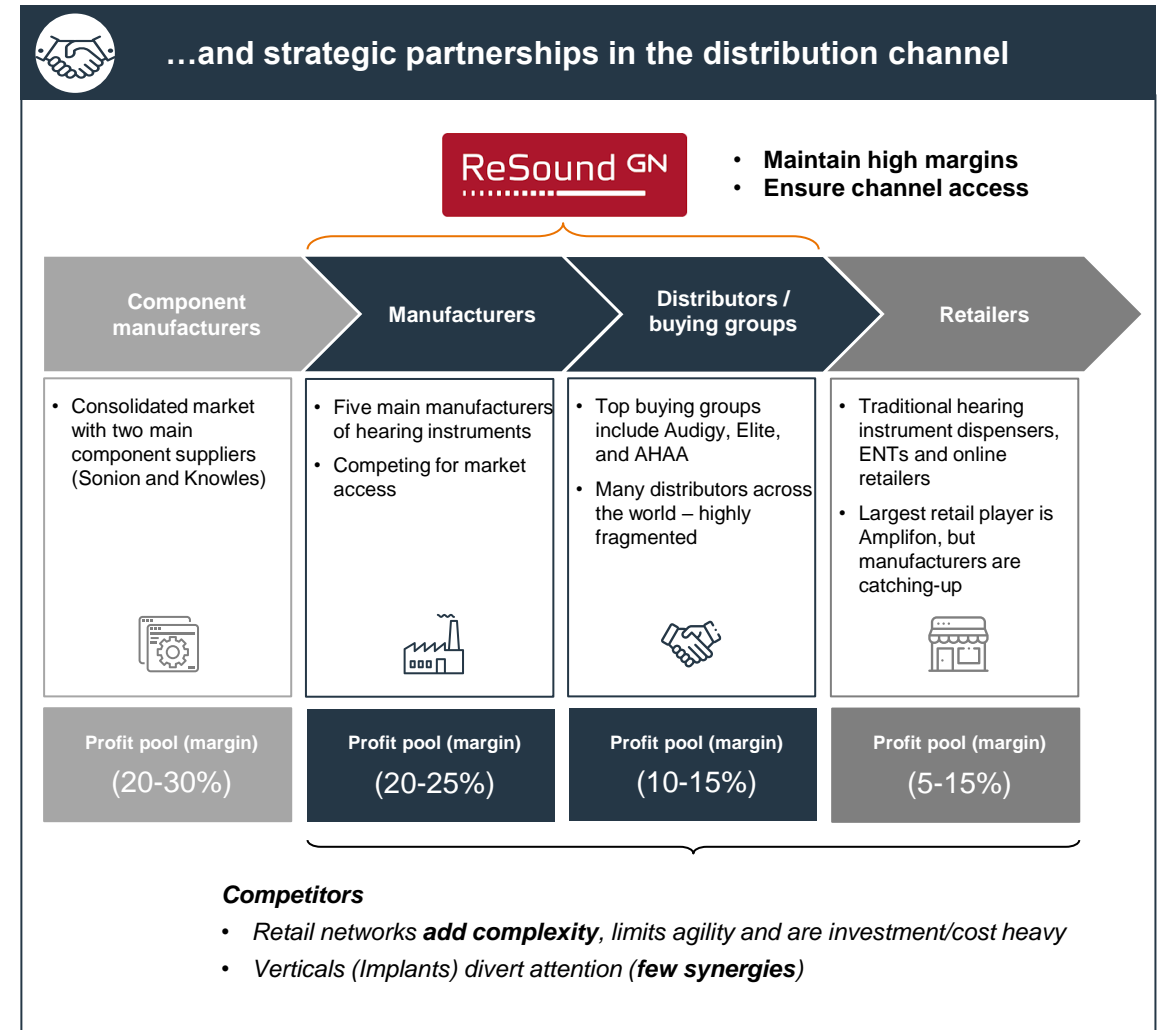
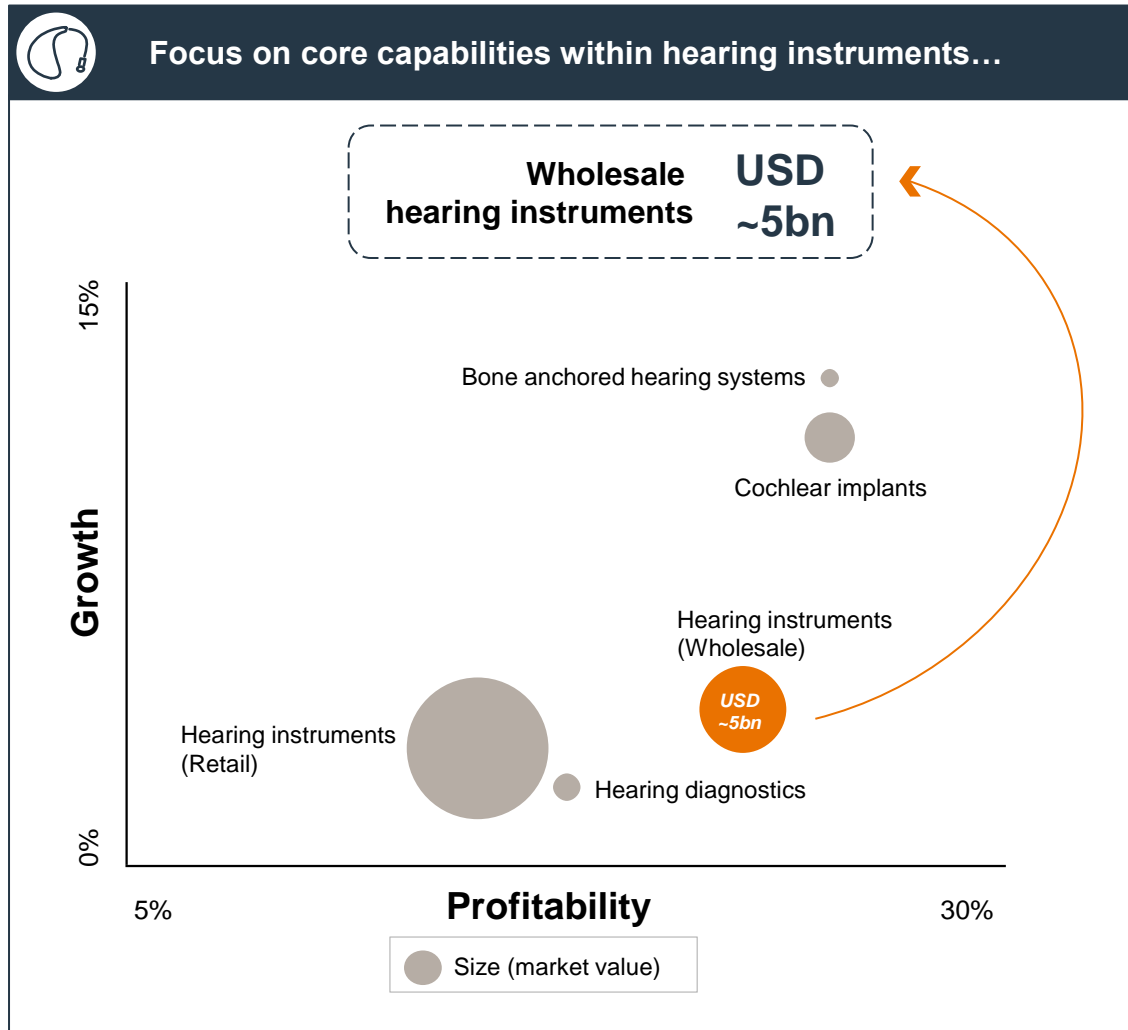


Jabra and Lively – perfect match for OTC

Combining **Jabra's renowned brand** for audio expertise and sound engineering with **Lively's tradition for innovative telehealth** and a digital-care-first model will accelerate making **hearing care more accessible and affordable** for millions of Americans

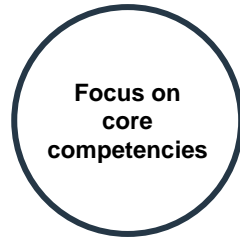


The most focused hearing instruments manufacturer in the world



GN uniquely positioned for future growth with its distribution approach

GN refrains from vertical integration



Innovation excellence



Strategic partnerships

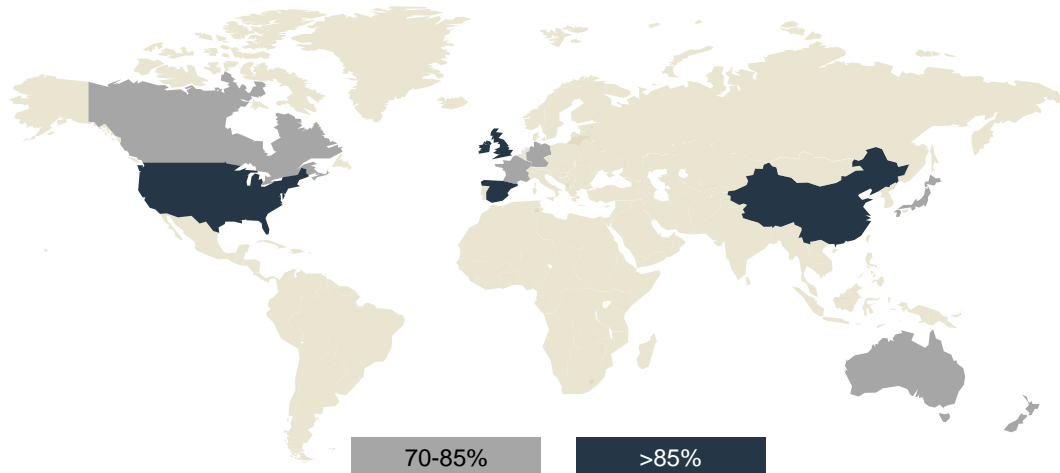


Efficient use of capital

Focus on independent retail markets



The vast majority of the retail market is not locked by manufacturers



Note: Selected countries with indication of unit share of market not locked by manufacturers (GN Hearing estimates)

- ~90% of the global market is **not** locked by hearing aid manufacturers
- GN has significant room to grow its global market share

Driving growth through strategic collaboration

Partnering up with
tech giants



Google

Exposure to fast-growing
cochlear market




Cochlear™

Refraining from
vertical integration



Agenda



GN at a glance



GN Hearing



GN Audio



Financials

GN Audio at a glance



Strategic Focus



Individualized customer experience: We will offer customers best-in-class experiences as we transform from strict product focus to a more segment- and experience driven approach



Ecosystem-led innovation: We will lead in innovation and develop world-class and highly relevant audio and video products and solutions together with leading ecosystem partners



Sustainable commercial & operational excellence: We will excel in go-to-market execution in enterprise, retail and online channels and support our high growth with agile, sustainable and scalable operations

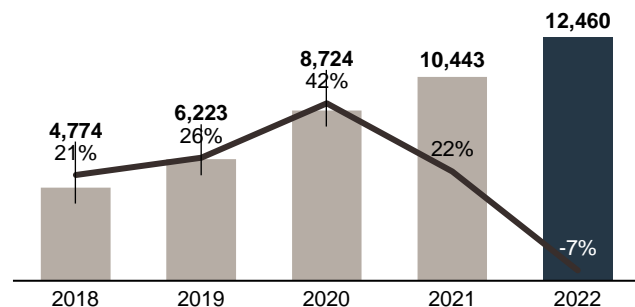


Brands, products and partnerships

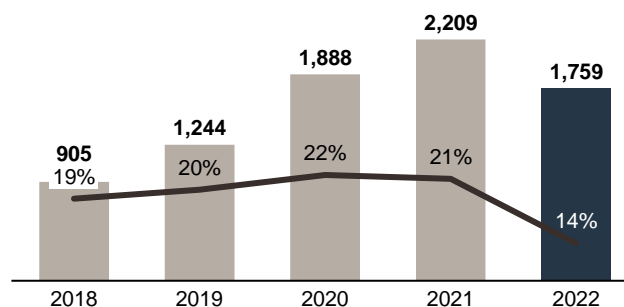


Financial Performance

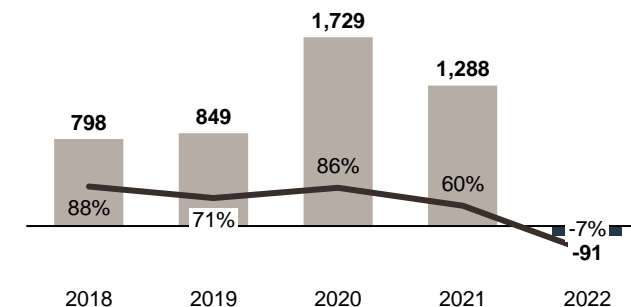
Revenue & organic growth
(DKK million & %)



Adj. EBITA & Adj. EBITA Margin
(DKK million & %)



FCF & cash conversion¹
(DKK million & %)

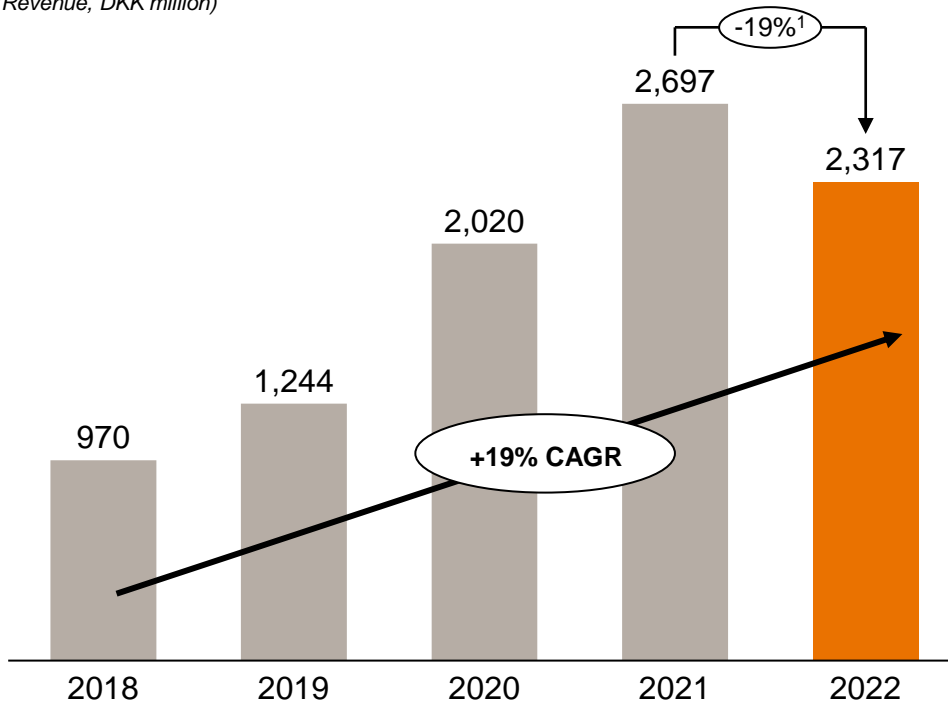


Note 1: FCF: Free cash-flow excluding M&A, cash conversion: FCF / EBITA

SteelSeries 2022 – Strong execution and market share gains in a challenging year

SteelSeries revenue development

(Revenue, DKK million)



Note 1: Organic revenue growth

Key achievements during 2022

Integration



- Supply chain and back-office functions integrated successfully
- Sales function of GN Audio Consumer and SteelSeries combined into joint organization



Key personnel committed to GN journey

- Key personnel have remained in SteelSeries post transaction



Product launches

- Delivery on all product launches with strong consumer reviews















Commercial execution

- Strong execution in a soft market driven by successful product introductions and sales execution
- World's leading gaming headset brand and top 3 across core categories

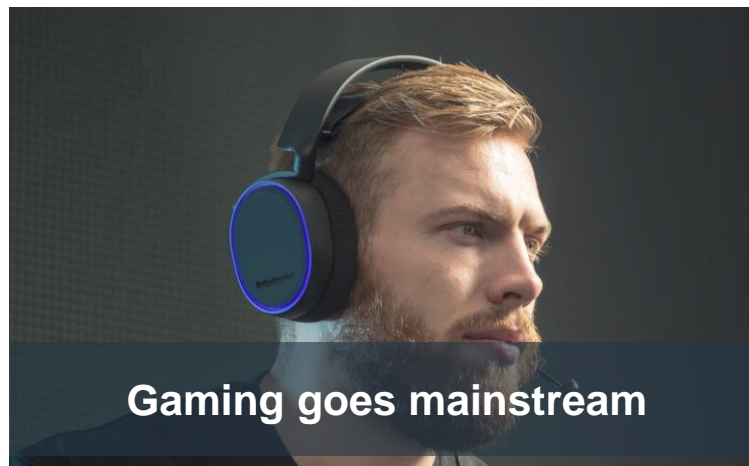
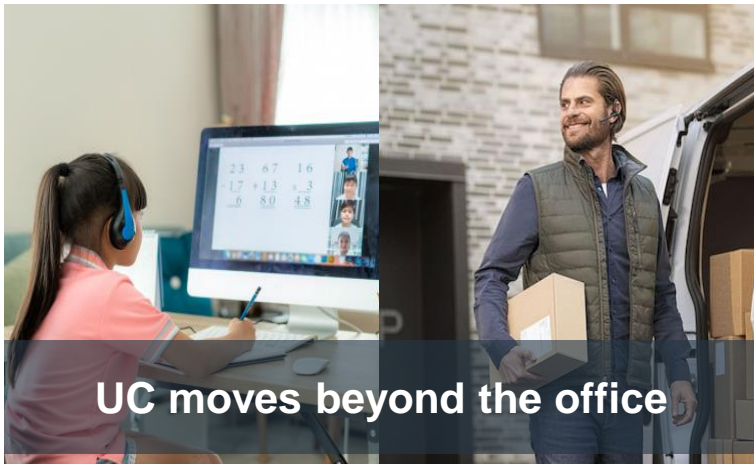
Global market share up ~2%p in core categories (headsets, keyboards and mice) compared to 2021

Strong demand and market growth across business segments

Segment	Target users	Market characteristics	Market share
 Professionals	Office-based knowledge workers	From desk-phone telephony in private offices to UC&C in open offices	
 Contact center	“Calls for a living”	From desk-phones using on-premise infrastructure to laptop-based cloud calling	
 Collaboration	Plug-and-play collaboration	From built-in legacy equipment to UC&C-enabled plug-and-play solutions	
 Consumer	Preference for great calls, music, and an active lifestyle	From corded headbands to True Wireless as the preferred form factor	
 Gaming	Premium software-enabled gaming gear	Growing base of gamers and low penetration of purpose-built gaming gear	
 Hearing protection	Tactical hearing protection for defense and security	Hearing protection systems is a growing political need	

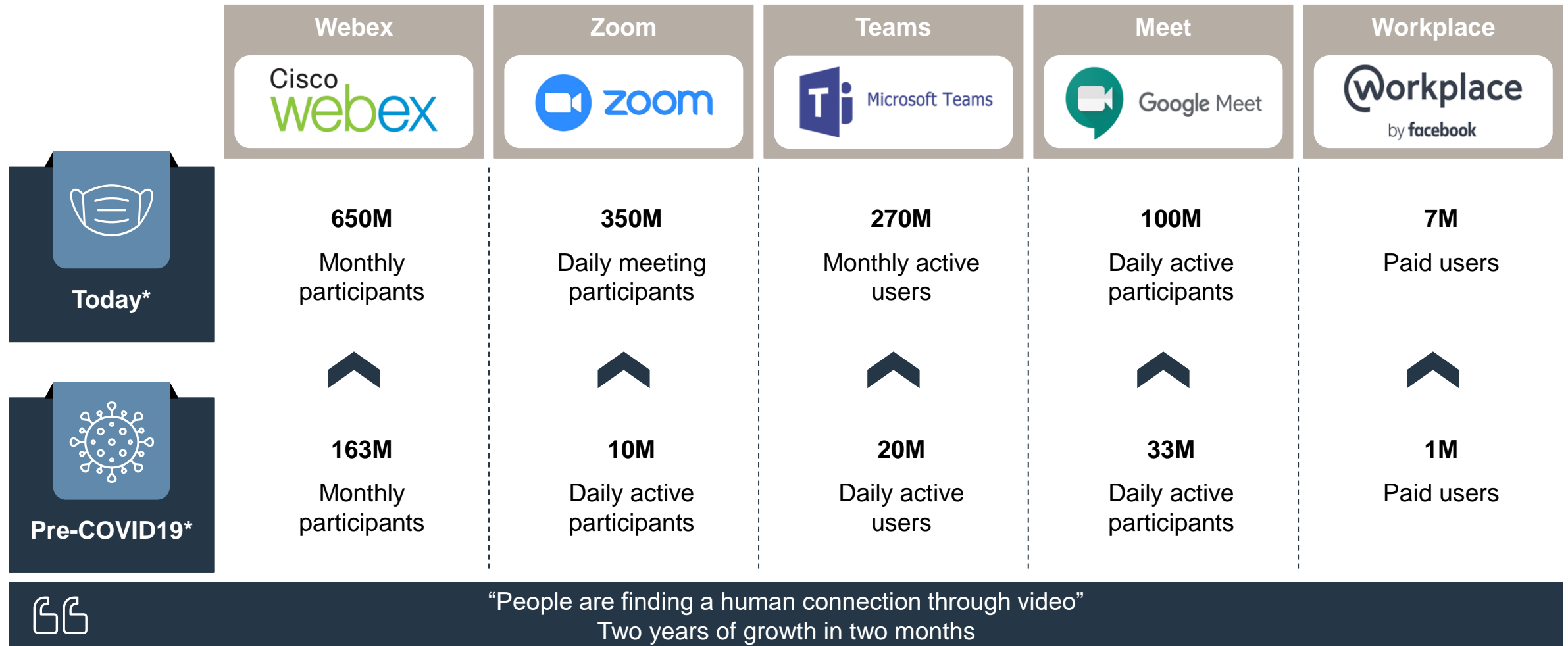
Sources: GN estimates, NewZoo, The NPD Group Inc.

GN Audio's growth is supported by strong and attractive megatrends



March 2020: fundamental change...work, learn, live, play...

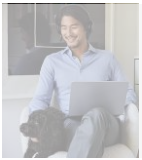
Strong and sustained growth in modern collaboration



Source: Cisco, Zoom, Microsoft, Google and Facebook

Long term drivers intact but challenged markets expected for 2023

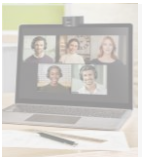
Long term drivers



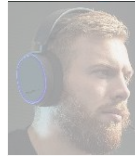
Work life becomes hybrid



UC moves beyond the office



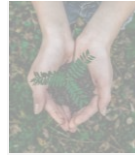
Audio, video and data replaces audio-only



Gaming goes mainstream



Products and channels become more consumerized



Increasing focus on sustainability

Short term uncertainties in 2023



Macroeconomic outlook uncertain



Challenged consumer sentiment



Downward revisions of enterprise spend (e.g. PC)



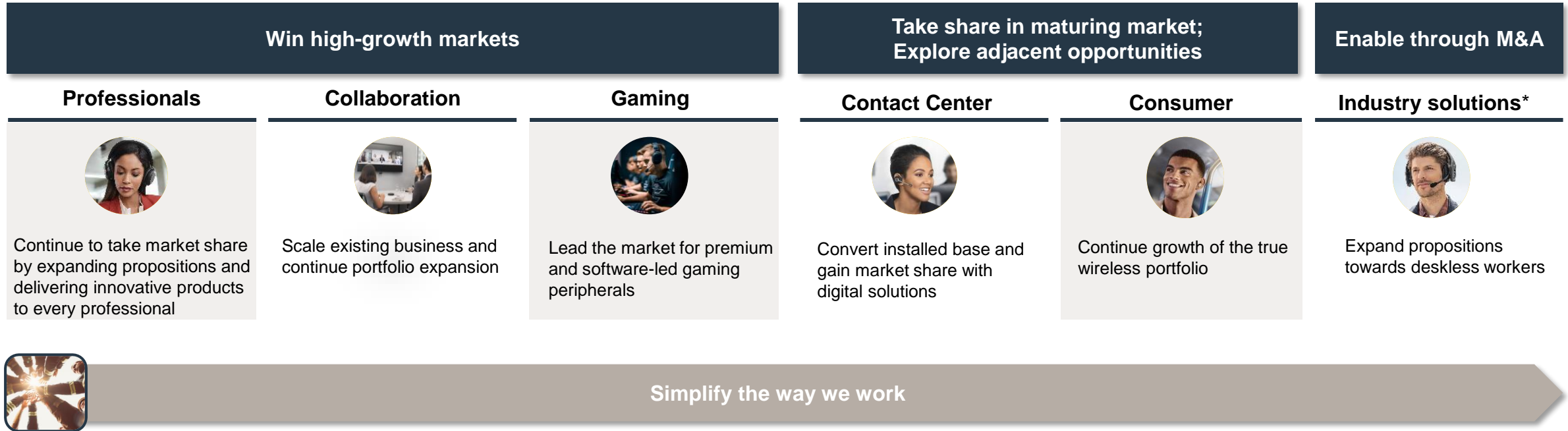
Unclear inventory levels and deleveraging across value chains



Less clarity than normal on end user demand

We operate in highly attractive markets, but significant uncertainties for 2023

GN Audio focuses on six growth opportunities



Current focus areas

- Transforming from an audio-only business to an audio, video, and gaming business
- Prioritize resources in Professionals, Collaboration, and Gaming while taking share in Consumer and Contact Center
- Broaden the scope of the Professionals business unit beyond office headsets
- Accelerate through M&A and drive simpler ways of working



*) Targeting more than two billion "non-office workers" (teachers, doctors, retail staff, logistics personnel, first responders, and many other key roles)

Key industry barriers: Innovation, partnerships and channel access is key to defend and grow

Increasing entry barriers to the Enterprise market



Integration

- Extensive collaboration and integration with software vendors
- Certification process through software vendors requires extensive investments



Technology

- Product complexity, open-offices, and increasing background noise require superior technology
- Advances in technology, incl. AI to support the improvement of efficiency for customers



Distribution

- Exclusive distribution through distributors and resellers
- Broad and deep product portfolios required
- Long term relationship drives future growth

Partnerships with leading technology players to create the future experiences together – Microsoft example



Microsoft 365 for frontline workers

Your frontline workforce is essential to your business. Invest in them with simple, intuitive, and secure solutions from Microsoft 365.

[See products and pricing](#)

[Contact sales](#)



Together with our partners, we're equipping frontline workers with tools that allow them to stay connected with their team and company leadership while concentrating on the customer or job at hand."

Emma Williams, CVP, Microsoft,
January 2022

New ways of working calls for superior technology

In the office

Use case:



- Background noise
- Different UC platforms
- Interruptions
- Need for collaboration
- Busy environment

Working from home

Use case:



- Plug into a new set-up
- Background noise from kids, dog, etc.
- Limited privacy
- Concentration issues
- More than one device

"On the go"

Use case:



- No charging options
- Background noise
- Changing environments
- Move from office to "on the go"
- Preference for music listening and smarter design

Jabra Evolve2 85



Superior battery: Up to 37 hours battery life - 8 hours of battery life charged in 15 minutes



Soft memory headband: New ergonomic headband designed from hundred of head scans, for comfortable all-day wear



Bigger speakers: Powerful leak-tolerant 40mm. Factor in advanced digital chipset and the latest AAC codec driving superior sound quality for both calls and music



Noise isolating design and ANC: Enhanced noise isolating design and powerful digital hybrid ANC



Intelligent 10-microphone technology and new improved signal processing algorithms delivering outstanding call performance, everywhere



Busylight visible from any direction. Red light automatically activated when in call or in a meeting



Discrete hidden boom arm: Retractable boom arm allows for a more casual look without compromising on call quality

PanaCast 50 Video Bar System to facilitate next-level hybrid meeting experiences

- The Jabra PanaCast 50 Video Bar System is an Android collaboration bar which completes Jabra's solution portfolio for small-medium sized meeting rooms
- Offers full suite of flexible, scalable deployment options with a one-touch start/join controller, offering a collaboration experience on native UC applications like Microsoft Teams Rooms and Zoom Rooms
- Delivers all features and functional capabilities of the Jabra PanaCast 50, including the Panoramic-4K 180-degree field of view, Virtual Director, Intelligent Zoom and Dynamic Composition



Several industry leading products launched in 2022 and beginning of 2023 further strengthening industry leading portfolio

Enterprise



Engage 55



Panacast 50
Video Bar System



Evolve2 Buds



Connect 5t



Jabra Speak 2



Engage 50 II



Engage AI



Engage 40



Perform 45



Jabra Evolve 2

SteelSeries



Apex 9 keyboard



Arena speakers



Arctis Nova Pro



Apex Pro TLK keyboard



Apex Pro Mini

Consumer



Jabra Elite 4 Active



Jabra Elite 5

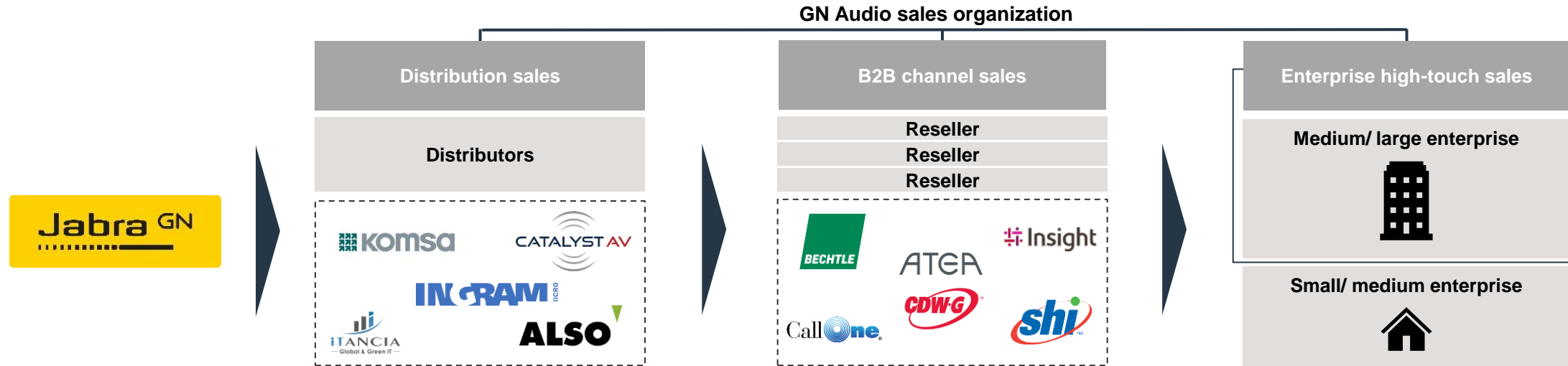


Jabra Elite 4

Broad product portfolio, two-tier distribution model and long-term relationships driving commercial excellence



Go-to-market strategy drives the commercial execution



Broad and deep product portfolio required

LOW MOBILITY

HIGH MOBILITY

Meeting room



PanaCast 3 & PanaCast 50

Desk worker



Evolve2 40 & PanaCast 20

Corridor warrior



Evolve2 75

Remote worker



Evolve2 85

Flexible hub worker



Speak2 75

Executive nomad



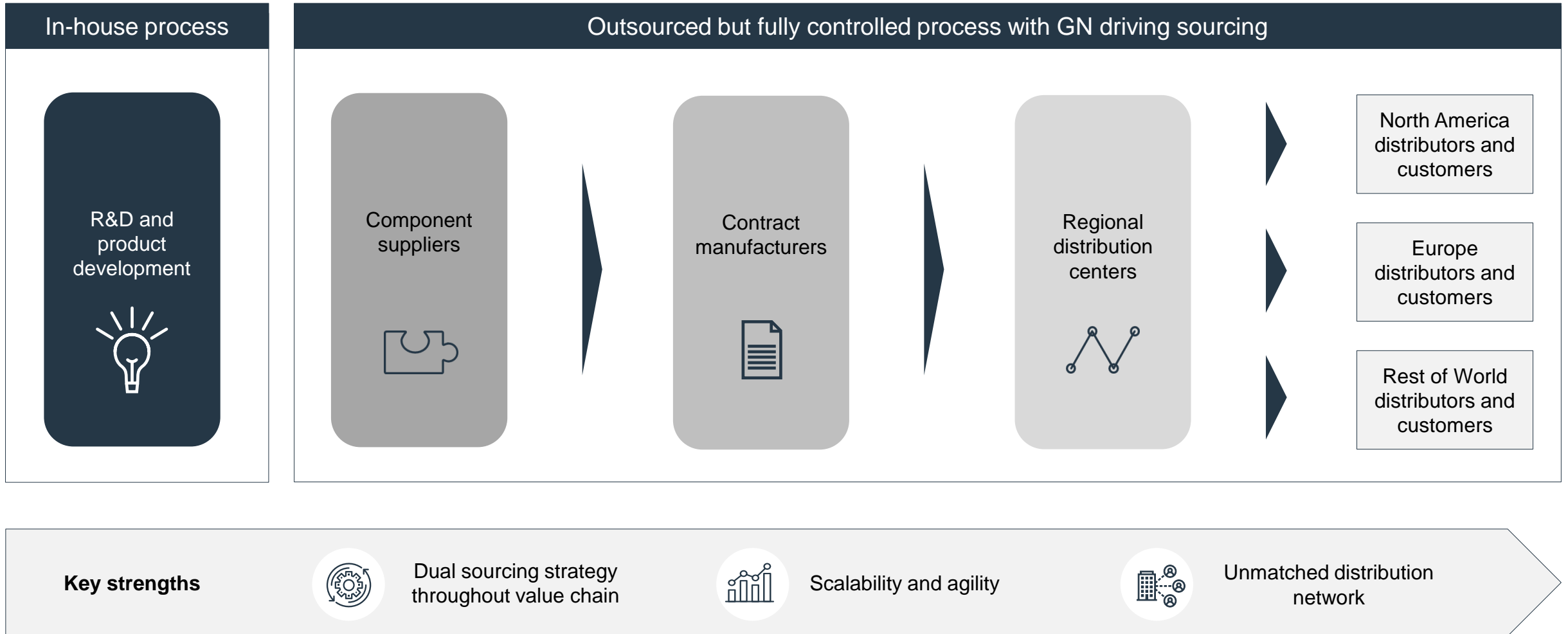
Elite 7 Pro

Road warrior




Evolve 75e

Driving scalability with very efficient outsourced supply chain setup



Agenda




GN at a glance



GN Hearing

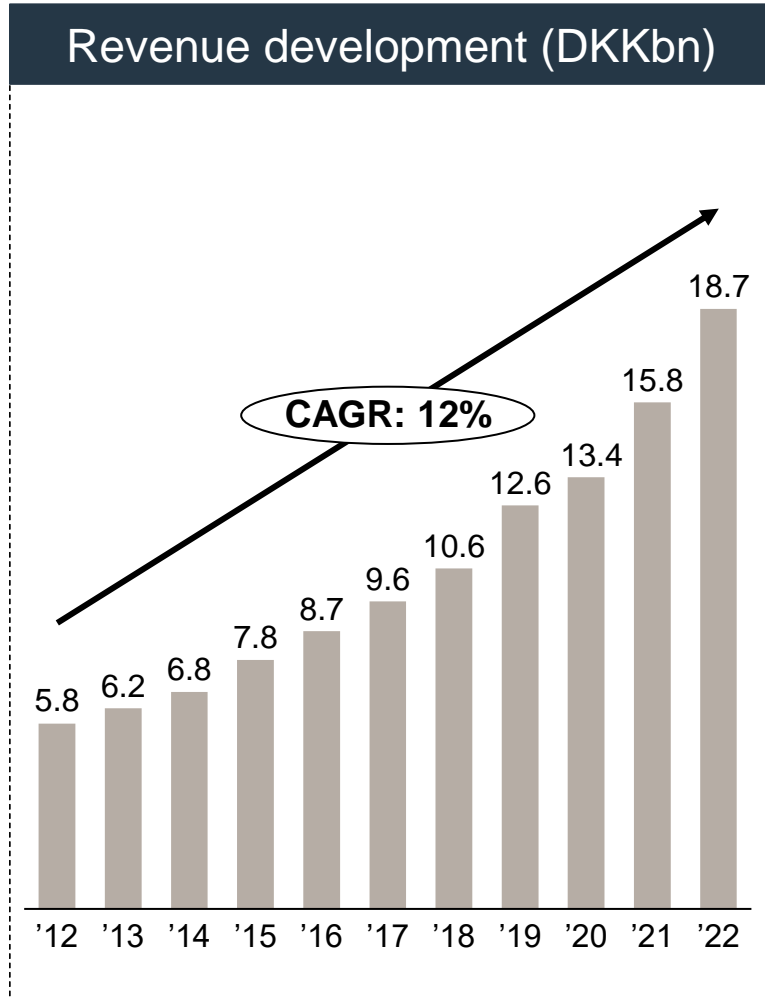


GN Audio

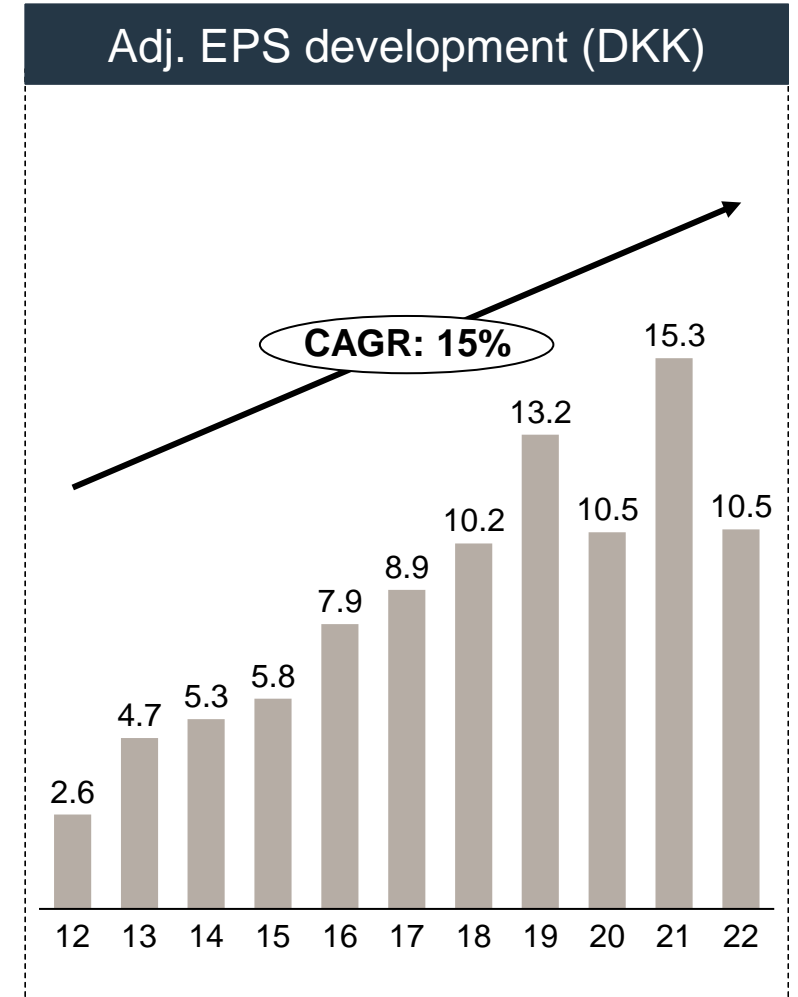
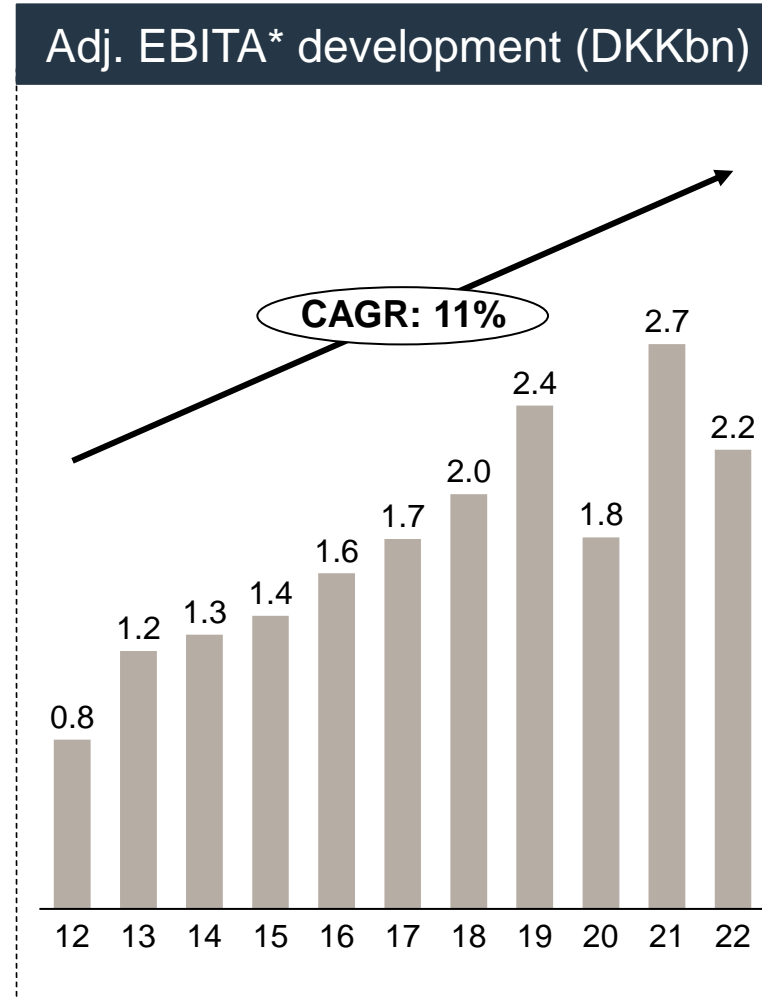


Financials

GN - 10 years of relentless growth...



* Excluding non-recurring items



The financial guidance 2023 is upgraded

	Organic revenue growth	Adj. EBITA margin ²⁾	Non-recurring items (DKKm)
GN Hearing	5% to 10%		
- Core business		14% to 16%	~ -150
- Emerging business ¹⁾ (DKKm)		~ -150	
GN Audio	-10% to +5%	10% to 15%	~ -150
Other (DKK million)		~ -200	
GN Store Nord	-5% to +7%		~ -300

Note 1) Emerging Business mainly includes the JabraEnhance.com (formerly Lively)

Note 2) Excluding non-recurring items

Based on foreign exchange rates as of April 26, 2023

Ambitious mid-term targets

	Organic revenue growth	EBITA margin	Growth in EPS
GN Hearing (Excl. Emerging business)	>market growth ¹	>20%	
GN Audio (Incl. SteelSeries)	>market growth ²	>20%	
GN Store Nord	>10%		>10%

1) In the mid-term, GN Hearing expects the global hearing aid market to continue to grow at around 4 - 6% in units with an ASP decline of around 1 - 2% annually

2) In the mid-term, GN Audio expects its markets to continue to grow at around 10% annually



Signatory since 2010

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

Our purpose

Make life sound better

Hear more, do more and be more



Protecting our planet



Truly sustainable products
and packaging



Improving health and wellbeing
through our products



GN

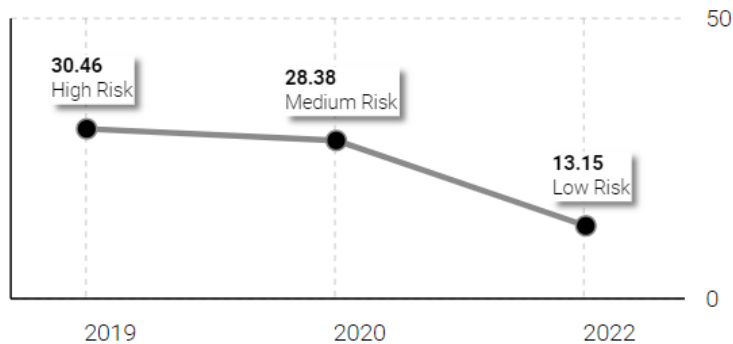


Appendix

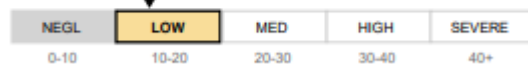
ESG efforts continues to be acknowledged by external agencies



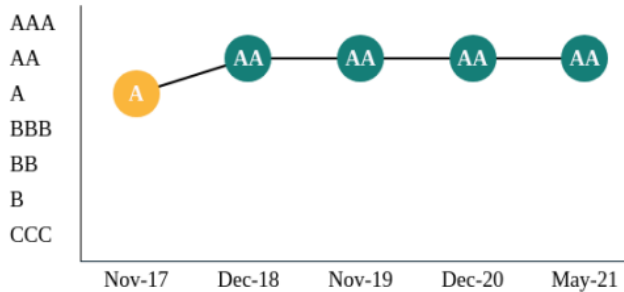
Climate Transparency



Low Risk



ESG Rating history



Score: B-



Committed to setting science-based targets and becoming net zero

2025 Sustainability Goals



Protecting our planet

- **Climate neutral** in company activities (scope 1+2)
- Halve the carbon footprint of **company air travel**
- Reduce our carbon footprint in our **distribution and manufacturing**
- Report to **CDP and TCFD** in our 2021 Sustainability | ESG Report



Truly sustainable products and packaging

- 50% **sustainable material** in new products
- 100% **sustainable packaging** (minimal plastic, small size, FSC)
- Use sustainable **product development requirements**
- Expand **take-back schemes** to relevant products and regions
- Give more products a second life through **repair or refurb**



Improving health and wellbeing

- Help **10 million+ people** with hearing loss to Hear More, Do More and Be More
- Create **awareness** of hearing loss and break down stigmas
- New **health functionalities** in our products
- Support **unmet hearing health needs** through donations and capacity-building



GN commits to Science Based Targets initiative

GN commits to Science Based Targets initiative to limit global warming to 1.5C and being net-zero by 2050



Climate goals will be independently certified to be aligned with the scientific consensus



GN joins the Business Ambition for 1.5 C coalition



Required additional goals will be prepared in collaboration with the Science Based Target initiative



Progress will be reported in the annual reports

BUSINESS
AMBITION FOR **1.5°C**



SCIENCE
BASED
TARGETS