

Investment case



Focused innovation within sound processing in selected market segments

Leading positions in attractive markets with high entry barriers

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

Clear strategy underpinned by deep technology expertise and strategic global partnerships

Profitability in line with or better than peers

Strong cash conversion and asset light business model

Company overview



- Founded in 1869
- Listed on Nasdaq Copenhagen and 100% free float
- Market cap of DKK ~50 billion

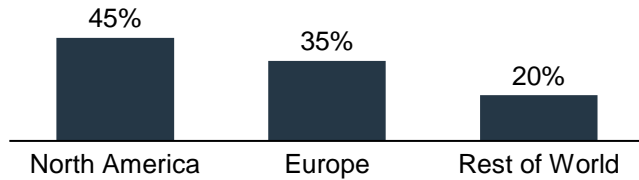
GN Hearing

- Wholesale of hearing aids
- Pioneering and defining the new industry leading audiological solutions

GN Audio

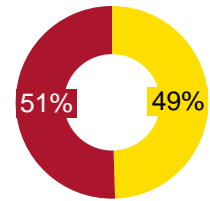
- Developer of professional and consumer headsets
- Global leader in unified communication headsets

Regional sales split (2019)

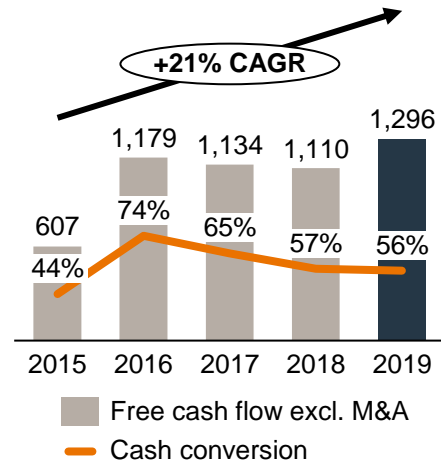
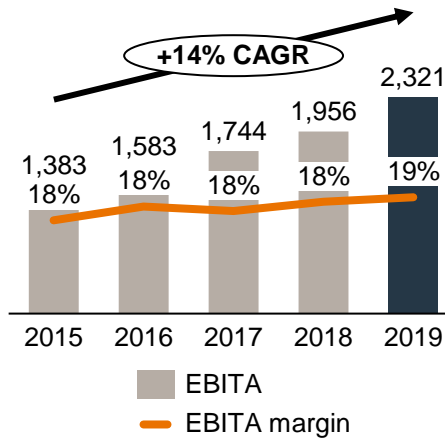
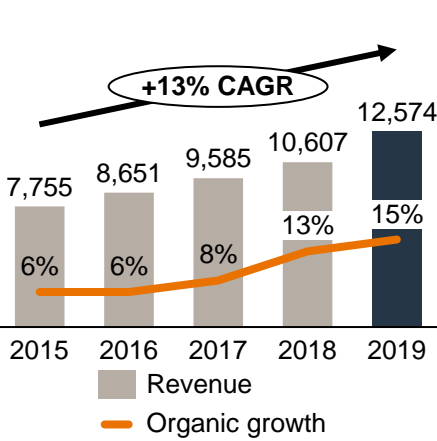


Revenue split (2019)

- GN Hearing
- GN Audio



Key financials (DKKm)



GN strategy for 2020 and beyond

- Individualized customer experience
- Innovation leadership
- Commercial & ecosystem excellence

Engagement & focus

Lean & efficient

Sustainability

Mid-term targets

	Organic revenue growth	EBITA margin	Growth in EPS
GN Hearing	>market growth ¹	>20%	
GN Audio	>market growth ²	>20%	
GN Store Nord	>10%		>10%

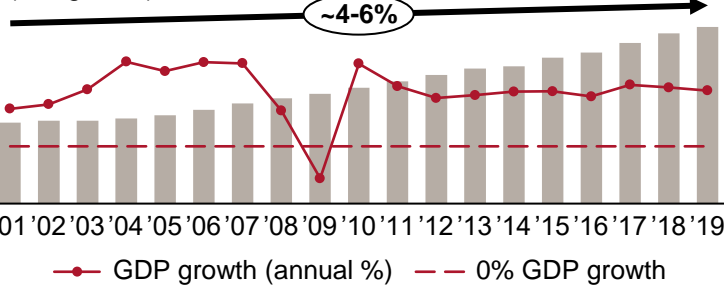
- Moreover, GN Store Nord expects to maintain a conservative capital structure policy of net interest-bearing debt to EBITDA of 1.0 - 2.0x, where excess liquidity will be distributed to shareholders through share buybacks and dividends

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

Market development, GN Hearing

1. Global hearing aids market growth¹

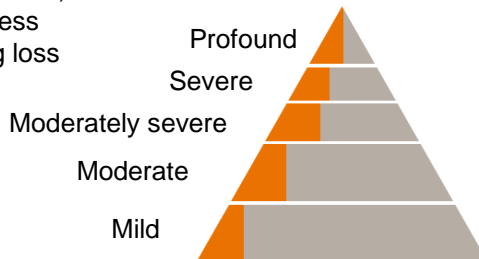
(unit growth)



¹ ASP decline of 1-2%. Based on company estimates, industry association EHIMA

2. Room for penetration growth

- Penetration still low, especially for less severe hearing loss



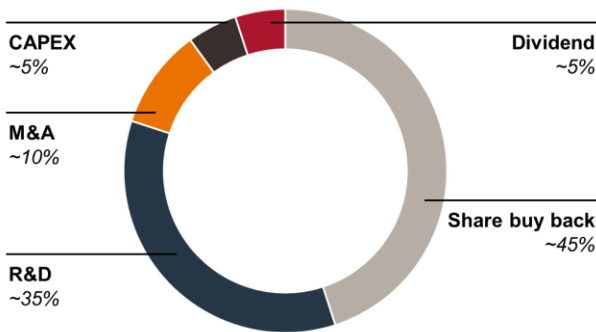
3. Attractive megatrends

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

4. Increasing entry barriers to the market

- Regulation
- Technology
- Distribution

Capital allocation over the past 3 years



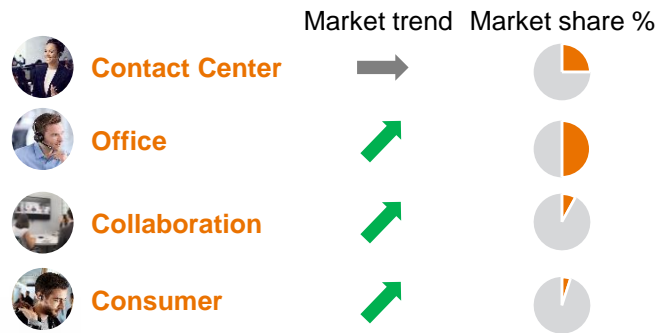
Investor Relations



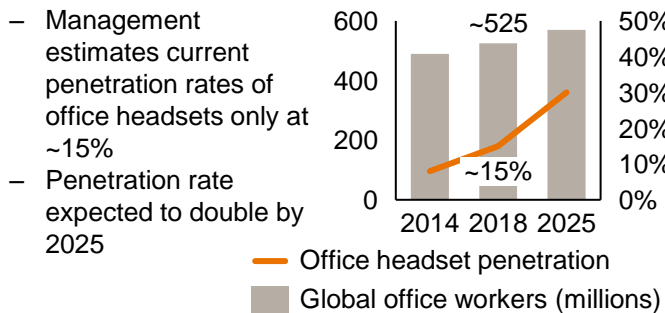
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Market development, GN Audio

1. Portfolio of markets



2. Penetration of office headsets



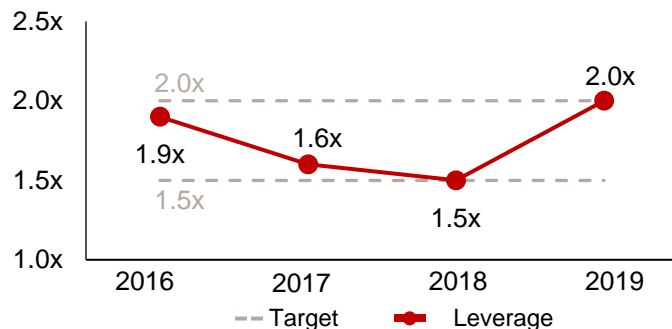
3. Attractive megatrends

- Millennials – representing 75% of work force by 2025 – require flexibility in working style
- Emerging focus on cloud-based solutions
- Improvement of technologies, including 5G
- Reducing travel costs and carbon footprint; whilst improving productivity and efficiency

4. Increasing entry barriers to the market

- Integration
- Technology
- Distribution

NIBD / EBITDA development



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.