

SPEAKING NOTES - AGM, 17 AUGUST 2023

(In the event of any discrepancy between the oral and written version, the oral version prevails)

The financial year 2022/23 was a year characterised by headwinds due to macroeconomic challenges, the Russian invasion of Ukraine and COVID-19 developments in China as well as extraordinary costs to logistics and components. So, despite positive progress on our strategic priorities, we did not deliver on the financial guidance we presented at the beginning of the year. As a result, we are not satisfied with this year's results.

We had expected a year of great uncertainty. However, our financial results were particularly impacted by the unexpected COVID-19 developments in China, our largest single market. Regional lockdowns and travel restrictions were followed by a sudden opening of the country. That led to a huge increase in infected people, which pretty much brought all retail to a standstill. This negatively impacted sales and also meant that we had to adjust our guidance for the year in March 2023.

The financial year ended in line with the latest outlook, with revenue of DKK 2.8 billion. This was 7% lower than last year and 8% lower in terms of local currency. The EBIT margin was negative by 3.8%, while free cash flow was negative by DKK 20 million.

Overall, reported revenue in Asia decreased by 19% due to challenges in China. In EMEA, revenue fell 6%, while the Americas generated reported growth of 2%.

Despite the challenges and decline in sales, we delivered good development on some of our strategic initiatives, and we continued to have relatively stable customer demand. I will go into this in more detail later.

The revenue of DKK 2.8 billion was DKK 194 million lower than last year. The revenue level for the year was not satisfactory and at the beginning of the year, we had expected possible growth despite the macroeconomic headwinds. The development in China affected the result significantly and revenue in China thus decreased by 28% compared to last year, corresponding to DKK 166 million.

Looking back three years, revenue has increased by more than 700 million or 35% and we also generated revenue above the level of 2020/21. This underlines that we are on the right track with the transformation, and it is our clear ambition to return to the growth track.

We generated a gross margin of 44.2%, which was a decrease of 1.1 percentage points compared to last year. This slight decrease was primarily due to a change in the product mix towards lower margin products, which was partly offset by the price increases we have implemented since last year. We have a strong focus on strengthening our earnings going forward and ensuring that our product sales become more profitable. In recent years, we have significantly increased the quality of our products, just as we have added several new features and improved the technology, for example, through our new software platforms. In addition, we build products with a long service life. Until now, this has not been reflected in the price of our products and we plan to adjust the

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prices of several of our products in the future to reflect the real functional and emotional value of each product.

The component and logistics challenges we experienced in 2021/22 continued into 2022/23. This meant that we had to absorb around DKK 160 million in extraordinary costs, compared to DKK 220 million last year. In the fourth quarter of the year, we saw significant improvement as the quarter was not significantly impacted by the extraordinary costs. This meant that in the last quarter of the year, we delivered a gross margin of 51.4%.

In total, over the past three years, we have absorbed around DKK 450 million in extraordinary costs for component and logistics. Our work to make the business more robust has enabled us to do this.

Throughout the year, we also continued our work to ensure a low cost-base and balance our investments to reflect market conditions. In the autumn, we implemented a hiring freeze, which was followed by a redundancy round in February. This is part of several initiatives we have executed throughout the year to maintain a low cost-base.

The EBIT margin before special items was negative 3.8% for the year. This was a decrease of 5.6 percentage points compared to last year and was primarily due to the lower turnover as well as the change in the product mix that I mentioned before.

All in all, this meant that profit after tax was negative by DKK 141 million, which was DKK 111 million lower than last year. This was due to developments in China as well as the extraordinary costs that accompanied the macroeconomic challenges that also characterised the year. We are not satisfied with the result and, as I have said, we have therefore taken initiatives to reverse the trend. We need to improve profitability next year.

Total capacity costs amounted to DKK 1,339 million, which was an increase of 4% compared to last year. We continued to make targeted investments in the future – in line with the strategy but, due to global uncertainty, we chose to phase in our investments slowly to limit cost growth.

Development costs amounted to DKK 301 million and increased 8% compared to last year. The increase related to software platforms and additional software engineers, as well as the development of future product designs.

Distribution and marketing costs were DKK 910 million, which was an increase of 4%. These related to higher marketing costs and the hiring of sales and marketing resources to support our strategic initiatives, including our Win City concepts, which have been a great success.

Administrative expenses, on the other hand, decreased by 6% to DKK 128 million, primarily due to lower provisions for employee bonuses and advisory costs.

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Free cash flow improved by DKK 152 million compared to 2021/22 and was negative by DKK 20 million in 2022/23. In Q4, free cash flow was DKK 27 million, which was the third consecutive quarter with positive free cash flow. A strong focus on improving inventory was a primary reason for improving free cash flow during the year.

Net working capital amounted to DKK 222 million at the end of the financial year. This is DKK 113 million lower than last year, which was primarily due to lower inventories.

Investments amounted to DKK 218 million, DKK 30 million lower than last year. Investments were primarily related to capitalisation of development projects and software.

Our capital resources were DKK 384 million at the end of the year compared to DKK 421 million at the end of last year. Since the end of the third quarter, capital resources improved by DKK 56 million. This was mainly due to our credit facility being increased by DKK 50 million in May, to a total of DKK 200 million.

With the exception of China, we experienced relatively robust customer demand. We measure this by looking at sales by dealers to our end customers. While our revenue decreased by 7%, like-for-like sales to end customers only decreased by 2%.

In Asia, we saw a decline of 7%, driven primarily by the lower demand from end customers in China. EMEA fell 1% while America grew 4%. Our company-owned stores grew overall by 10%, while sales from our partner-owned monobrand stores increased by 3%. Our monobrand stores in EMEA were on par with last year; however, demand varied across countries, especially in Northern Europe, where we saw that the general uncertainty affected customer demand.

If we look at our product categories, sales to end customers in our Staged category decreased by 1%, while the Flexible Living category decreased by 12%. More positively, our On-the-go category increased by 2%.

Last year, we presented a new sustainability strategy, and set long-term goals for our work with products, climate, social responsibility, and governance.

Our products are at the heart of our strategy. This is where we, as a company, can make the biggest difference. It is clear that we and the entire consumer electronics industry need to work with the entire value chain to reduce the amount of e-waste and our climate impact. One of the global recommendations for reversing this trend is to extend the life of electronic products.

Building long-lasting, circular products is an area where we can take leadership – and inspire the rest of the industry – in reducing the negative impacts on products and supply chains alike.

We were the first consumer electronics company to have a product cradle-to-cradle certified when Beosound Level was bronze-certified back in 2021. Cradle-to-cradle is one of the world's most ambitious product circularity standards. This year, we had Beosound Emerge certified. and we are

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well on our way to reaching ten certified products by the end of the financial year 2024/25, thus achieving one of our long-term goals.

The certification is a validation of the work we do to ensure that our products have a long lifespan and are made in a responsible way. This year, we have worked intensively to integrate the principles from cradle-to-cradle throughout our design and product development process, ensuring that all future product innovations must be certified.

We also want to take responsibility for CO₂ emissions across our entire value chain and this year we have worked hard to map our emissions. Against this background and, as I promised at last year's AGM, we have also set our long-term reduction targets in line with the Science Based Targets initiative. Our climate goals need to reflect this recognised global standard, which has been defined by science as the way to meet the Paris Agreement to keep global warming below 1.5 degrees.

We have a specific goal of being completely climate neutral in our supply chain by 2040. We have also set a goal to be climate neutral in our own business by 2027. We are already well on our way and today 99% of our own business is driven by renewable energy. This is partly due to the fact that last year we replaced gas with green power in our aluminium factory, introduced an electric car scheme for the entire company and ensured that our locations around the world also switched to more green power. We are not there, but we are well on our way.

We will work closely with our partners and suppliers to reduce our emissions here as well. In November, we joined the World Economic Forum's First Movers Coalition, focused on reducing emissions from aluminium, one of the hardest hit industries. This means, among other things, that we have committed to ambitious goals to reduce the climate impact of aluminium towards 2030.

In addition, we have initiated new initiatives and objectives that will contribute to strengthening diversity and inclusion in the company. A significant new initiative was that all members of global management presented progress on concrete diversity targets as part of the performance review. This will contribute to building a strong and inclusive culture at Bang & Olufsen. You can read more about our sustainability efforts in the past year in our annual report. This year, for the first time, we have produced a fully integrated annual report, which includes both our sustainability efforts and our financial performance. It also reflects that sustainability has truly become an integral part of the company's strategy.

We are in phase 2 of our strategy which is about continuing to build more resilience into the business so that we can scale and create sustainable growth going forward. Our work to build resilience in recent years has helped us to better withstand the many external shocks of recent years.

In parallel, the Board of Directors worked with management on the development of the next phase of the strategy, so that we create a future-proof B&O. In January, we therefore also announced our sharpened strategic direction. It reflects how we see Bang & Olufsen evolving and outlines our priorities.

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The strategy builds on what we have learned over the recent transformation period. During this period, our strengths and competitive advantages in the market have become clearer. Several of you have already experienced our unique strengths, such as our craftsmanship skills, when you visited factories 3 and 5 earlier today.

The strategy is also based on an analysis of developments in global macro trends that will shape the future and change both consumer electronics and the luxury industry. The availability of 5G and high-quality streaming services, increasing levels of personalisation, sustainability and the growth of global luxury consumption are just a few examples.

These trends benefit us because they allow us to exploit our strengths, competencies and, not least, our fantastic history and heritage.

We want to change how people see, hear and feel the world and we want to create magical moments, designed for life. We will create sustainable growth by directing our sales and marketing efforts towards the 200 million affluent design and music lovers, who are our target audience. We must win their hearts by positioning ourselves more strongly as a Luxury Timeless Technology brand.

We must continue to strengthen the luxury experience across both products and channels, and we must strengthen our customer focus and we must ensure that they have magical experiences wherever they meet us. We must be able to create individual solutions for all our customers so they can get exactly what they want, when they want it. Regardless of colour, shape or imagination, we must be able to create it.

We must strengthen our ability to create timeless products. We must design products to last and create icons. We will do this through modular solutions, timeless designs and technological platforms that can be replaced and upgraded. We must contribute to a more sustainable future and take leadership in creating circular products and services that inspire industry and consumers to change their behaviour.

We must strengthen our technological capabilities. We must grow our business by creating technology experiences that match and exceed the customer experience through hardware, software, content and services. We need to build on our software platforms and create a cohesive portfolio of products. It must be intuitive and at the same time a unique magical Bang & Olufsen experience to step into our product universe.

We can only succeed in this if we have the right culture in the company, which is why we also launched new core values last year: Be Entrepreneurial, Show Love and Create Magic. With our new values and ambitions, we have a solid starting point to succeed with our strategy.

I will now go into more detail about the five strategic shifts that you saw in the figure on the previous page.

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We want to create a culturally relevant brand. We have a strong brand, but we still need to strengthen global awareness. In order to spread B&O as a culturally relevant brand, we focus on collaborating with the right brand ambassadors and partnerships and entering into sponsorships to reach our customer segments. Marketing campaigns through art, design, sports and music will help us to achieve just that.

Secondly, we will continue to develop a product portfolio that bridges our past, present and future. We want to make new products in a way that makes each new product a classic from the start. We want to make sure that every product can always connect easily with the rest of the portfolio and that we always create lasting magical moments for customers through beautiful sound, iconic design, unparalleled craftsmanship and cutting-edge technology. In the car, in your home, on the train and with your family and friends. An essential part of this is our software platforms, which Kristian will tell you more about.

Thirdly, we want to deliver magical customer moments across all channels. This will be in the form of pop-up stores, concert events and a unified customer experience for all customers. We must always deliver the best customer experience, no matter where they encounter us.

Fourthly, we will strengthen sales in selected metropolises around the world – we call this our Win City concept. We need to meet our potential customers where they are. This is especially true in metropolises all over the world. We want to win in the cities of the world that drive culture and where our customers are and where people spend money on luxury and technology. These cities are epicentres of consumption and will be an important way to reach our target audience.

Finally, we will grow new and existing business areas and strategic partnerships.

Our products also fit perfectly with the right partnerships. We have seen this with our audio systems in cars through Harman, our sound in HP computers, soundbar systems for high-end hotels, to name a few. Growing existing and new business areas is a strong driver for profitable growth going forward and we have an exciting pipeline.

With these words, I will give the floor to Kristian Teär.

As Juha said at the beginning, I have practiced speaking as close to Danish as possible so that you can all understand me.

We sharpened our strategic direction in January. We say sharpening because we had already laid the foundation for this change, in terms of products, sales and branding, over the past few years. We have been – and continue to be – undergoing a transformation and it has become increasingly clear to us where our strengths lie and how they interact with changes in our world in terms of technological development and customer preferences. With Luxury Timeless Technology, we believe that we have found our very own position in the market, a so-called Blue Ocean.

Due to the macroeconomic challenges, the transition will also take place at a slightly slower pace, as we have to phase in our investments. It will take time, but we are already up and running, based

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on the five strategic shifts that have already been presented to you. I will now review our strategy execution based on the five shifts.

We have a strong brand. We have to nurture it and the way we do that, is to ensure that the brand is perceived as relevant and attractive to design and music lovers.

Therefore, we have taken a number of initiatives to strengthen the brand and spread awareness of Bang & Olufsen. One of the ways we have done this is through a number of partnerships.

In February, we launched our partnership with Scuderia Ferrari for the Formula 1. Ferrari is one of the strongest luxury brands in the world and a perfect match for us as they share our passion for performance, perfection and experiences. Also, as we have a good opportunity to sell to their customers.

With over 400 million Formula 1 viewers annually, we expect this partnership to help us increase our global brand awareness. We are also hosting events and activations throughout the Formula 1 season to engage with Ferrari and Formula 1 fans. In May, we were also able to announce that we are further strengthening the cooperation. Soon, we will present a joint product collaboration and we have high expectations of this.

We have further increased the activities of influencers and our brand ambassadors, such as Formula 1 driver Fernando Alonso, who help us drive awareness and traffic to our stores and website.

In addition, we introduced a much clearer visual profile in our sales and marketing efforts. This is reflected in our products and also our campaigns. You may have seen the latest in our Sound for Vision Avatar campaign online or in Bang & Olufsen stores around the world. This campaign is an example of how we also make an effort to attract a younger audience.

Among other things, our brand activities aim to increase our customer base. It is important for us to build a larger customer base and encourage more customers to use our app, thereby creating a closer connection with our customers.

During 2022/23, the number of customers registered in the app increased by 25%. In addition, we continued to see more repeat purchases and the number of customers owning two or more products grew by 27%.

We want our customers to build an ecosystem of our products and we are pleased to see customers expand their B&O systems. This is both a result of our improved portfolio of integrated products that we have built over the last few years and improved brand and marketing efforts.

We also want to create an even stronger and better integrated product portfolio, where products can be easily connected across categories and even across decades.

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In 2022/23, we launched seven product innovations. These include the soundbar Beosound Theatre and the portable speaker Beosound A5, which are among the most important additions to our portfolio. They are both built on our own Mozart software platform and are built to last for at least a decade or more.

We also updated two products, Beosound A9 and Beosound 2, for Mozart. Our software platforms, Baldwin and Mozart, form the basis of our portfolio development. These platforms will help us improve and create an integrated portfolio of products – further improving the customer experience going forward.

The launch of Beosystem 72-23 is also a testament to our ability to connect past, present and future. The system is a fully recreated Beogram 4000c, combined with Beoremove Halo and Beolab 28.

In February, we also presented the first "Atelier Editions". Our new in-house Atelier allows us to make customisations and launch limited editions of special editions of our products. We have successfully launched several versions of our EX-headphones in unique colours as well as a Beosound 2. The ongoing launches of new colours have attracted significant media coverage and attention from customers online. All editions sold out almost immediately.

Offering individual and tailor-made solutions is essential for us to meet the needs of our target group, just as it is a crucial differentiator for us. No one else can make solutions like we can and therefore we will also increase our focus on this area in the future.

We continued to deliver on our longevity promise and create circular and long-lasting products. As mentioned, Beosound Emerge is the latest product that we have obtained Cradle to Cradle certification for. We have a strong focus in creating long-lasting and modular products that you can own for decades. No one has the strong focus, competences, or history to make iconic products like us.

Here, too, software platforms are important. They support our modular design approach and our ambition to build for a long product life. These platforms enable us to leverage new technology and connect past, present and future products. It is not easy, and we are not there yet, but we are well on our way and we believe that this direction benefits our business, our customers and the planet.

To deliver a luxury experience, we must constantly strive to create amazing experiences for our customers, wherever they encounter us: in the service department, in stores, online or at a reception in Struer, Lyngby or Singapore.

We've done several things to improve the customer experience. This includes working with our monobrand partners to improve the store experience, through the interior design, windows and service level. We have strengthened the interaction with customers in the stores with more targeted and exclusive events. For example, with Ferrari in connection with Formula 1, we have used the opportunity to create very special experiences for our customers. We will have a closer and closer cooperation with our dealers, but we have recently also chosen to say goodbye to a

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number of partners who did not live up to our standards or want to make further investments in the customer experience.

We have also had several pop-up stores around the world where we wanted to draw attention to our products and brand and create extraordinary experiences. One example was our longevity pop up on Strøget in Copenhagen. For about two months, we gave customers the opportunity to come in and talk to one of our amazing colleagues here from Struer, get their own products repaired or buy vintage products we had refurbished. It was a huge success. It received a huge amount of attention and was flooded with iconic products that people wanted to have refurbished.

We have here a short video that captured the mood.

We also invited a special group of former employees over to see the store and the old products as well as visit our office in Lyngby. They call themselves The Club and they have all been involved in making many of the famous products we know. We think they deserved a trip to see that we are still building on their good work.

Finally, I would like to mention that we have also increased our focus on quality and service in recent years. We have chosen to insource several of our service teams to ensure that we provide the best possible experience to customers who call in and have questions. This has proven to be very successful and popular with our customers.

A key focus to ensure future growth– our so-called "Win City concept". We have selected cities, where we see a large share of affluent design-and music lovers, which is our target audience. We see great potential to increase sales going forward.

Our Win-city concept in London is well underway and we achieved 24% growth in sales to end customers for the year. The marketing activities were mainly centred on the introduction of new products such as Beosound A5 and Beosystem 72-23. Our company-owned store in Selfridges had its best quarter ever in the fourth quarter.

We have added Paris this year and in the fourth quarter we achieved 18% growth in sales to end customers. In addition, we added New York at the end of the fiscal year, and we expect a positive development in the new fiscal year. Several cities are on the drawing board, and we will launch continuously depending on developments in the markets.

Finally, we continued to grow in our strategic partnerships, which is one of our important growth areas. In 2022/23, we grew revenue in this area by 17% in local currencies. This was mainly due to our collaboration with Harman on in-car audio equipment and the collaboration with Cisco on headphones.

In addition, we launched the speaker case made in collaboration with Balenciaga. The bag was available in limited quantities and sold out immediately. This was a massive success and the speaker bag gained millions of views online and attracted coverage from media across the globe.

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As mentioned earlier, we have also announced our Ferrari product partnership as an addition to our Formula 1 sponsorship. The products will be available in the first half of this financial year. These partnerships with like-minded brands around joint product offerings are critical to amplifying our brand and increasing revenue.

We have also achieved Microsoft Teams certification of our Beocom Portal headphones, so they now have both MS Teams and Zoom certification and, most recently, our EX-earphone has been MS Teams certified. We believe, there is great potential for us in the sale of exclusive audio products for companies with employees working flexibly between home and the office. Therefore, we believe, that we are in a strong position to capture larger shares of that market.

At the same time, we have seen a good development in sales to luxury hotels all over the world. There is a great demand for exclusive sound and TV products in great design and here our products fit in really well. All in all, we have an exciting pipeline in this part of the business and expect good opportunities in the coming years.

Juha will shortly review our guidance for the financial year 2023/24.

It will be another year of great uncertainty, where the macroeconomic development remains unclear at this point.

We are certain that we have the right strategy, that will enable us to generate profitable growth and scale the business. The strategic initiatives we are launching have good effect. Therefore, we will continue to execute in line with the five shifts I went through earlier. They will support our transition towards the Luxury Timeless Technology position, which is our "blue ocean".

However, we are very aware that we need to phase in our investments and ensure that they are made at the right pace in relation to the development we see in revenue. We need to constantly ensure that we have a strong focus on our earnings and free cash flow.

When it comes to the brand, we will focus our brand activities on Ferrari.

In terms of product launches, we expect to launch at least six new product innovations. We will increase our focus on bespoke and limited editions with Atelier Studio. In addition, we will strengthen earnings on the products. We do not expect extraordinary costs for components, and we will continuously adjust the prices of selected products.

We will continue to strengthen our customer experience in the stores, and the roll-out of our Win-City concept. We have seen it work and we continue to execute the plans to the extent that investments allow. Paris, London and New York will be central next year.

With these words, I give the floor back to Juha.

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Thanks Kristian.

As we entered 2022/23, expectations for the future were characterised by great uncertainty due to COVID-19 and lockdowns, just as the strained supply chains affected logistics and the component situation.

Entering 2023/24, we saw improvements in supply chain conditions, but uncertainty remains amid high inflation, rising interest rates and the Russian invasion of Ukraine. There is also uncertainty surrounding the reopening in China. Therefore, it is still difficult to predict how this will affect consumer behaviour throughout the year and thus difficult to produce precise financial expectations for the year. However, we see opportunities for profitable growth in 2023/24.

We expect revenue to be in the range of 0% to 9% compared to last year, measured in local currency.

We expect the EBIT margin before special items to be in the range of 0% to 6%.

And we expect free cash flow to be in the range of minus DKK 50 million and plus DKK 100 million.

As we have said, our expectations are subject to some uncertainty and assume that there will be progress in China during the financial year. In addition, the assumptions entail that macroeconomic conditions in the United States and Europe will improve during the fiscal year.

The outlook assumes continued investments in our business, but we will adjust the timing and size of these investments in line with developments in the markets. Kristian presented our prioritisations for next year.

We consider diversity and diversity in management to be crucial to the company's operations and so Bang & Olufsen has adopted a policy that sets the framework for ensuring diversity in the company's management.

Among the six members elected by the general meeting, half of the Board of Directors is from an international background and two are women. Thus, we continue to work towards to the objective of equal representation of women and men on the Board of Directors.

To ensure that the Board of Directors has the necessary competencies and a well-functioning cooperation internally and with the Executive Management, a comprehensive evaluation of the work of the Board of Directors, the Chairman of the Board of Directors and the individual members of the Board of Directors is carried out annually.

Last year's evaluation showed that we generally have a well-functioning and well-organised board with experience and insight into the industry.

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The evaluation identified only three areas in need of minor improvement:

- Increase focus on structured succession planning. This has also been an observation in previous years. However, as the organisation has been significantly changed and many managers in leadership positions have been replaced during the past years, the succession planning process has not been materially improved yet.
- More frequent interaction between Board meetings between the Board and the Executive Management Board to ensure that the Board's competencies are used effectively on an ongoing basis.
- Frequent review of impact and execution KPIs related to the sharpened strategic direction.

We would also like to touch on what is called good corporate governance – or corporate governance. At Bang & Olufsen, we regard corporate governance as an important and ongoing process, and we continuously adhere to the principles of corporate governance.

As a company listed on NASDAQ Copenhagen A/S and in accordance with the Danish Financial Statements Act, Bang & Olufsen is covered by the recommendations on corporate governance and follows the updated recommendations from December 2020.

The company's Board of Directors has again this year prepared a report on corporate governance for 2022/23. This report is available on the company's website. For the record, I can mention that Bang & Olufsen complies with all the recommendations.

The company's annual report and further information about our products, company announcements and social responsibility, etc. can be downloaded from our website.

Finally, I would like to take this opportunity to thank Bang & Olufsen's customers, employees and partners around the world once again – and of course also to our shareholders for their continued support. It has been a year with many challenges, a lot of uncertainty with war, corona and rising inflation globally. Several of these elements that we will also be affected by in the new year.

We continue to invest in our strategy execution by building more resilience in the business and we have a strong focus on ensuring better development in our free cash flow. In addition, the world remains uncertain, with rising inflation and the Russian invasion of Ukraine. It is therefore the recommendation of the Board of Directors not to pay dividends.

Once again, we have prepared a remuneration report that reviews the remuneration of the Board of Directors and the Executive Management. For the Executive Management, the report also contains details of which parameters apply to the part of the salary that is dependent on performance.

The remuneration of the Board of Directors amounted to DKK 5.8 million in 2022/23 compared with DKK 5.72 million last year. The development is due to an increase in fees for the chairman of the

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committees, which was approved at the general meeting on 19 August 2021, which is why there was no full annual effect in 2021/22.

The remuneration of the Executive Board has been reduced by almost DKK 10 million to a total of DKK 33 million. The decrease relates to lower bonus costs as a result of the company's financial performance. The Board of Directors has decided to implement a clause for the short-term cash bonus scheme if EBIT before special items was below zero. This clause was implemented in addition to the remuneration policy and as a result of the company's performance this year. Thus, no short-term cash bonus has been paid to the Executive Board this year.

Base salary including pension for CEO and CLO increased 2% while base salary including pension for CFO increased 8% due to increased area of responsibility. The total base salary, including pension, decreased by DKK 0.7 million compared to last year, as the Executive Board was reduced by one member in 2022.

The remuneration of the Executive Management has been approved by the Board of Directors and is in accordance with the remuneration policy approved by the General Meeting. The level of remuneration reflects our desire to be competitive and to be able to attract and retain talented employees, in our Executive Management and throughout the company. For further details, you can read more in our remuneration report, which can be found on the company's website.

On behalf of the Board of Directors, I would like to thank you for the attendance and participation in the general meeting – both to those of you who are physically present and to those of you who have watched virtually. I would also like to thank the chairman of the meeting for the good conduct of the general meeting.