

A person wearing a brown, long-sleeved robe with a tie belt is standing in a dimly lit room. They are pointing their right index finger towards a vintage record player on a wooden surface. The record player has a clear dust cover that is open, revealing a vinyl record with a distinctive pattern of lines on its surface. The room is softly lit, with a plant visible in the background.

DANSKE BANK WINTER SEMINAR

KRISTIAN TEAR, CEO

1 DECEMBER 2020

BANG & OLUFSEN

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DOUBLE-DIGIT GROWTH IN Q1, FIRST REPORTED REVENUE GROWTH SINCE Q1 2018/19

- COVID-19 continued to impact the business
- Solid growth in monobrand channels in focus markets
- Good growth in eCommerce
- New products well received in the market
- Cost reduction programme on plan
- Cash position of DKK 497m driven by rights issue completed in July



Q1 2020/21*

REVENUE

DKK 462m

EBIT
Before special items

DKK -39m

FREE CASH FLOW

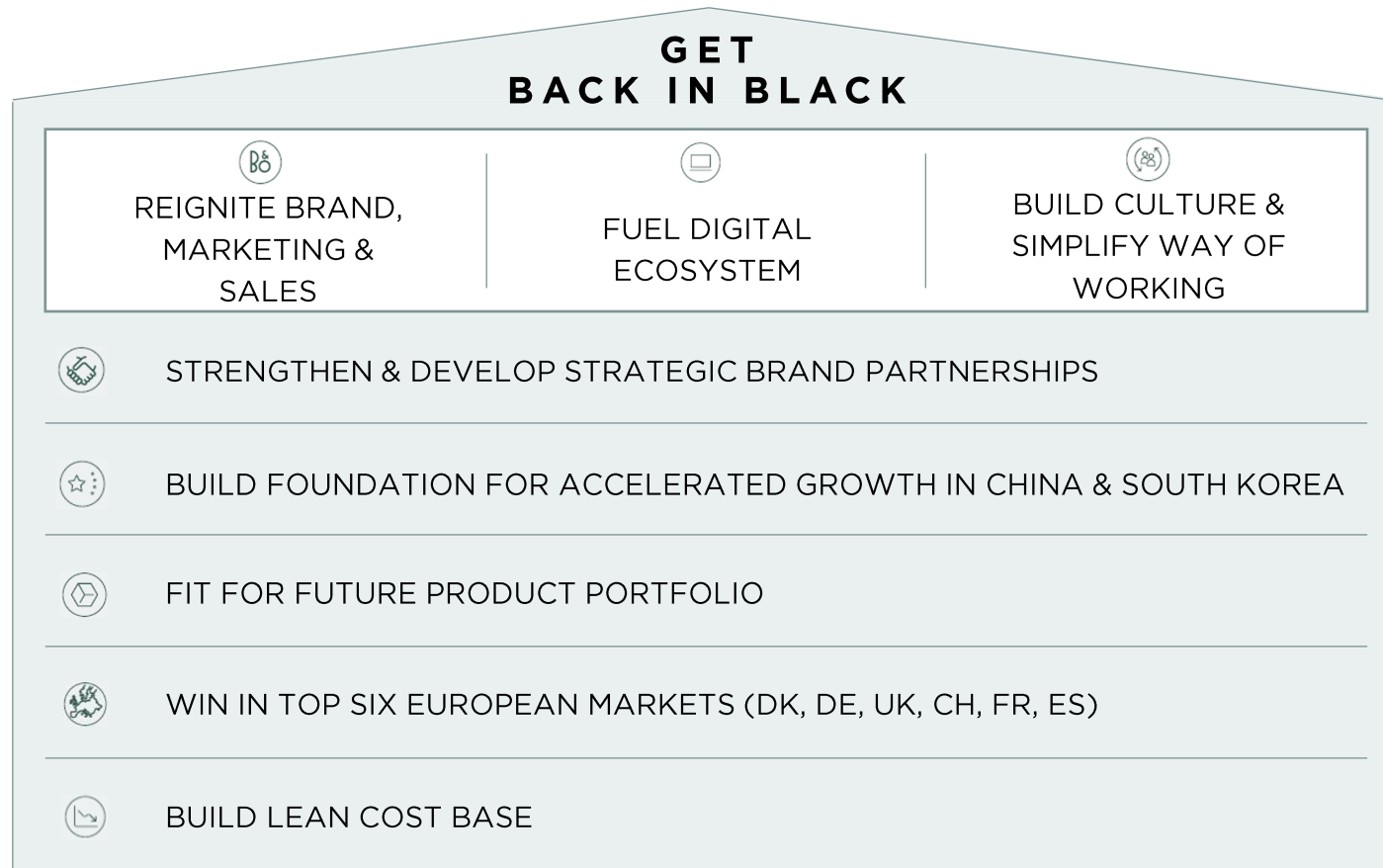
DKK -62m

 11%

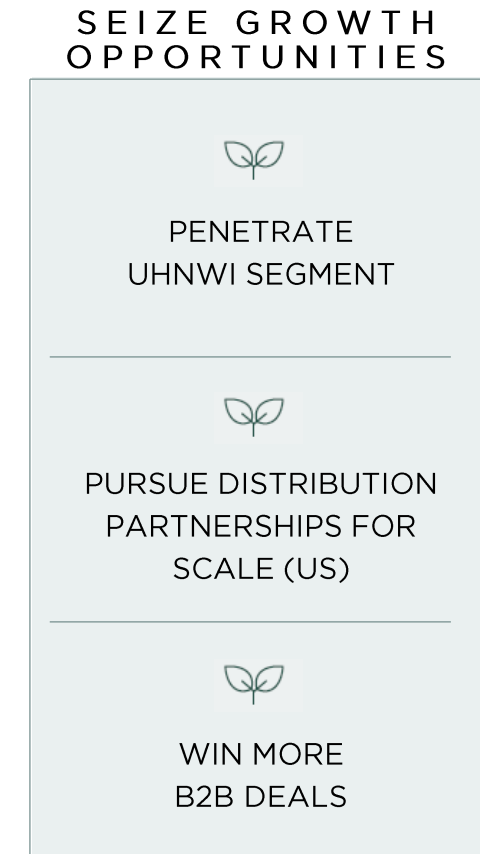
 90 DKKm

 144 DKKm

STRATEGY EXECUTION ON TRACK



+



Q2: SUCCESSFUL LAUNCHES AND SOFTWARE UPDATES TO CURRENT PORTFOLIO

NEW PRODUCTS

BEOREMOTE HALO



BEOVISION CONTOUR



UPGRADED PRODUCTS

BEOLIT 20



BEOVISION ECLIPSE



COLOUR, MATERIAL & FINISH

GOLDEN COLLECTION



E8 Sport x Rapha



CLASSIC

BEOGRAM 4000C



BEOVISION CONTOUR: A RESULT OF A FAST-TRACKED AND AGILE DEVELOPMENT PROCESS



BOOSTING MULTIBRAND AND B2B EXECUTION SUPPORTED BY NEW DISTRIBUTION PARTNERSHIPS

EUROPE

NORTH AMERICA

EASTERN EUROPE

- Engaging directly with multibrand partners
- Ensure correct in-store execution
- New distribution partners to accelerate multibrand and B2B execution
- Reduce issues with products in unauthorised channels

INGRAM MICRO[®]

INGRAM MICRO[®]

TechData

ASBIS[®]

verizon[✓]

littlebit
TECHNOLOGY

NEW WAVE OF COVID-19 IS IMPACTING THE BUSINESS

	LOCKDOWNS	COMPONENT AND PRODUCTION	LOGISTICS
IMPLICATIONS	<ul style="list-style-type: none"> • 82 monobrand stores closed, primarily in France, Belgium, UK and Austria • Most closed stores can still run installation business 	<ul style="list-style-type: none"> • Global scarcity on electronic components • Higher prices on some components • Reduced labour capacity at suppliers 	<ul style="list-style-type: none"> • Reduced global logistics capacity • Increased use of air freight as a result of stressed supply-chain • Higher logistics costs
MITIGATION	<ul style="list-style-type: none"> • Focus on digital efforts • Higher e-com revenue sharing in markets impacted by lockdown 	<ul style="list-style-type: none"> • Increased internal resource allocation to strengthen component supply-chain 	<ul style="list-style-type: none"> • Return to ship and rail freight, when supply-chain normalises

ACCELERATING DIGITAL AND D2C PROGRAMMES

- Click & collect
- Increasing consumer communication
- Online experts selling
- Work from home campaign and enhance your home campaign
- Scaling D2C commerce
- Accelerating app commerce



OUR PEOPLE MAKE THE STRATEGY WORK DESPITE LOCKDOWN

- Focus on core markets paying off
- Seven new and upgraded products launched in the first 6 months
- Onboarded new distribution partners to strengthen multibrand and B2B performance
- Accelerated efforts on digital and e-commerce progressing well
- Initiatives launched to mitigate impact from COVID-19 and lockdowns
- Q2 report will be published on 12 January 2021

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