

BANG &

OLUFSEN



Interim report  
H1 2025/26

*June-November 2025*

# Q2 highlights

Q2 marked Bang & Olufsen's 100-year anniversary, which was celebrated with special events and brand campaigns around the world. Group revenue in local currencies declined by 1.2%, while the branded channels reported growth of 5.4% in local currencies. The gross margin was 57.9%, an increase from 53.7% last year, with record-high margin generated in product sales. Like-for-like sell-out increased by 7%, with strong traction from the Win Cities of 19% sell-out growth.



November marked a historic milestone as we celebrated our 100th anniversary, honouring a century of iconic craftsmanship and timeless design. We saw a small decline in revenue in the second quarter, mainly due to the timing of the launch of two additions to our product portfolio - the Beo Grace earpieces and the Beosound Premiere soundbar. We expect these launches, and two new flagship stores now open in Paris and San Francisco to contribute to revenue growth in the second half of the financial year in line with the narrowed outlook announced last week.

Nikolaj Wendelboe, CEO (interim) & CFO

## Q2 2025/26 conference call

14 January 2026, at 10.00 CET via

<https://bo.nexahub.io/events/interim-report-2nd-quarter-202526>

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## Financial highlights (Q2 24/25 in brackets)

- Like-for-like sell-out grew by 7% (1%). Like-for-like sell out for Branded channels grew 8% (5%).
- Reported revenue declined by 3.2% (-0.4%) year-on-year, or -1.2% in local currencies (-0.9%), to DKK 676m (DKK 698m).
- Revenue from Branded channels increased by 5.5% (-5%), or 5.4% in local currencies (-5.9%).
- Gross margin was up by 4.2pp to 57.9% (53.7%).
- EBITDA before special items was DKK 26m (DKK 72m), EBITDA margin before special items of 3.8% (10.2%).
- EBIT before special items was DKK -36m (DKK 12m), EBIT margin before special items of -5.3% (1.7%). Excluding one-off related cost for the centennial, the EBIT-margin before special items was around 0%.
- The free cash flow was DKK -33m (DKK 30m).

## FY 2025/26 financial guidance narrowed

- Revenue growth in local currencies: 1% to 5% (previously 1% to 8%).
- EBIT margin before special items: -3% to 1% (unchanged).
- Free cash flow: DKK -100m to -50m (previously DKK -100 to 0m).

## Business highlights

- Announcement of the new earpieces, Beo Grace, in September 2025, with launch in November 2025.
- Reloved programme launched in October 2025, offering refurbished products on our ecom channel.
- Announcement of our soundbar Beosound Premiere in November 2025, with launch at the end of quarter.
- Opening of new flagship store in Paris in November, featuring our Culture store concept.
- Roll out of refreshed brand identity and centennial brand campaign, including a three-week window take-over of Harrods in November 2025.
- Global events held to celebrate the centennial year, anchored by an event at the Danish Royal Opera to honour B&O's strong heritage.
- Planning the opening of new flagship store in San Francisco in December, our largest flagship store to date, featuring the Culture store design.
- On 7 January 2026, Nikolaj Wendelboe was appointed interim CEO, replacing Kristian Teär (see company announcement no. 25.33).

Revenue growth in LC\*

**-1.2%**

Gross margin

**57.9%**

EBIT margin bsi\*\*

**-5.3%**

Free cash flow, DKK

**-33m**

\* Local currencies \*\* Before special items

# Key figures

(DKK million)	Q2		YTD		Year
	2025/26	2024/25	2025/26	2024/25	2024/25
<b>Income statement</b>					
Revenue	676	698	1,193	1,242	2,553
EMEA	342	352	576	603	1,253
Americas	79	86	141	155	317
APAC	185	182	344	347	693
Brand Partnering & other activities	70	78	132	138	290
EBITDA before special items	26	72	60	111	271
EBITDA	20	68	47	104	261
EBIT before special items	-36	12	-63	-5	26
EBIT	-42	8	-76	-12	16
Special items, net	-6	-4	-13	-7	-10
Financial items, net	-7	-12	-8	-13	-14
Profit/loss before tax (EBT)	-49	-4	-84	-25	2
Profit/loss for the period	-53	-13	-90	-30	-29
<b>Financial position</b>					
Total assets	2,294	2,223	2,294	2,223	2,340
Equity	1,026	942	1,026	942	1,144
Cash	130	87	130	87	145
Available liquidity	117	159	117	159	350
Capital resources	267	319	267	319	600
Net interest-bearing deposit/debt	-92	-45	-92	-45	134
Net working capital	289	250	289	250	216
<b>Cash flows</b>					
Cash flows from operating activities	42	84	-35	87	256
Operational investments	-75	-54	-133	-93	-240
Free cash flow	-33	30	-168	-6	16

(DKK million)	Q2		YTD		Year
	2025/26	2024/25	2025/26	2024/25	2024/25
<b>Key figures</b>					
Gross margin, total, %	57.9	53.7	58.2	54.3	55.0
Gross margin, Products, total %	54.4	48.6	54.1	49.6	50.8
Gross margin, Brand Partnering & other activities, %	89.7	94.4	91.6	92.2	87.4
Growth in local currencies, %	-1.2	-0.9	-2.3	-6.3	-1
Like-for-like sell-out growth, %	7	1	7	-1	4
EBITDA margin before special items, %	3.8	10.2	5.1	8.9	10.6
EBITDA margin, %	3.0	9.7	4.0	8.4	10.2
EBIT margin before special items, %	-5.3	1.7	-5.3	-0.4	1.0
EBIT margin, %	-6.2	1.1	-6.4	-1.0	0.6
Marketing cost ratio, %	14.1	9.3	12.8	9.7	8.3
Incurred development costs before capitalisation ratio, %	15.6	13.0	16.9	13.7	14.4
Return on assets, %	-3.9	-2.8	-3.9	-2.8	-1.3
Return on invested capital, %	-6.8	-1.4	-6.8	-1.4	1.9
Return on equity, %	-9.0	-6.4	-9.0	-6.4	-2.8
Full-time employee (FTE) at end of period	1,179	1,002	1,179	1,002	1,073
<b>Stock-related key figures</b>					
Earnings per share, basic (EPS) and diluted (EPS-D), DKK	-0.4	-0.1	-0.7	-0.2	-0.2
Price/Earnings	-33.1	-92.3	-19.4	-39.7	65.9

For definitions, see note 8.7 to the Annual Report 2024/25, Return on assets, return on invested capital and return on equity, are calculated on last twelve months (LTM) basis.

# Case study:

## *Introducing Beo Grace*

Beo Grace marks a new expression of Bang & Olufsen in-ear design, where advanced sound technology meets sculptural form. Crafted from hand-polished aluminium with a refined, lightweight silhouette, Beo Grace is designed to be worn and admired – a modern luxury object as much as a performance earphone.

At its core, Beo Grace introduces a new acoustic architecture built around a 12 mm titanium driver and optimised for Dolby Atmos. Adaptive Active Noise Cancellation tailors sound and silence in real time, while TrueTransparency™ delivers lifelike awareness of surroundings. NearTap™ allows intuitive volume control by tapping the skin in front of the ear, and AI-based voice enhancement ensures clear calling in any environment.

Built on our proprietary Amadeus software platform, Beo Grace reflects our belief that luxury technology requires full control of the experience. The platform enables features such as NearTap™, Case Streaming and advanced sound personalisation, while a custom battery management system supports more than four times the industry standard in charge cycles.

Rooted in over a century of craftsmanship and acoustics expertise, Beo Grace brings heritage into a new form. Designed to endure in both performance and appearance, it represents a future icon for a new generation of Bang & Olufsen customers.



*"Crafted from aluminium, encased in leather and featuring the newest in control technology and audio processing, the jewel-like Bang & Olufsen Beo Grace earbuds are high art for the ears."*

Wallpaper, 23 September 2025

*"The Beo Grace are not just functional audio devices; they are sculptural objects that elevate the category of earbuds into the world of luxury design."*

Forbes, 22 September 2025

*"There's no way around it: The Bang & Olufsen Beo Grace are expensive. But they're also the best pair of wireless earbuds I've used over the last few years."*

Robb Report, 20 November 2025

# Business review

## Developments in Q2 2025/26

On 17 November, we marked the 100th anniversary of Bang & Olufsen – a truly historic milestone. To celebrate this occasion, we launched brand campaigns during the quarter, hosted special events around the world, and added new products to our portfolio, including the Beo Grace earpieces and the Beosound Premiere soundbar.

In addition, we rolled out a refreshed brand identity in connection with our centennial brand campaign. These markings underpin our strategic execution and celebrate our strong heritage while looking into the next century of B&O.

Overall, like-for-like sell-out grew by 7%. For the branded channels (company-owned stores, monobrand and e-commerce) like-for-like sell-out grew 8% year-on-year. Our Win-Cities reported 19% sell-out growth collectively.

The production ramp-up for the earpieces Beo Grace and Beosound Premiere, announced in September and November, respectively, has started later than anticipated, which has affected revenue growth for the quarter. However, these product launches are expected to support growth in the second half of the financial year.

Group revenue (sell-in) declined by 1.2% year-on-year in local currencies. Product sales decreased by 2.2% (0.2 in local currencies), while branded channel revenue rose 5.5% (5.4% in local currencies) due to growth in company-owned stores and the monobrand channel.

Revenue in the EMEA region declined by 2.2% in local currencies. Revenue from company-owned stores grew double-digit, while revenue from monobrand partners declined. Declines were seen across central and southern European markets, while the Nordics reported growing revenue.

Revenue from the Americas declined by 2.4% in local currencies. Branded channels grew double-digit, supported by growth in company-owned stores as well as the monobrand channel. The APAC region reported growth of 6.1% in local currencies, supported by double digit growth across company-owned stores and the monobrand channel.

Revenue from Brand Partnering & Other activities declined by 9.7% mainly driven by timing in license income from automotive.

Gross profit rose to DKK 391m from DKK 374m in Q2 of last year. The gross margin rose by 4.2pp to 57.9% compared to 53.7% in Q2 last year. The gross margin from product sales rose to record high 54.4% and was driven by improved gross margins across all product categories. The development was a result of our pricing strategy and the continued optimisation of our distribution channels. The gross margin for Brand Partnering & Other activities declined to 89.7% due to lower share of license income.

EBIT margin before special items was -5.3% compared to 1.7% in Q2 last year. The decline was mainly related to strategic investments and activities during the quarter

celebrating our centennial year. Excluding one-off costs related to the celebrations of around DKK 38m, the EBIT-margin before special items was around 0%.

Free cash flow was DKK -33m compared to a free cash flow of DKK 30m in Q2 last year. The development was related to cash flow from operating activities and higher planned investments in product development and retail development.

The inventory level was DKK 487m and increased by DKK 13m during the quarter. Overall, the inventory level is expected to decline during the second half of the year.

## Three product innovations

The Beo Grace earpieces, announced in September 2025, redefines the in-earphone category, in terms of aluminium material, design and functionality. The in-earphones are built on our proprietary Amadeus software platform, thus securing full flexibility in the development of features. A titanium driver, adaptive ANC, Dolby Atmos optimisation, NearTap™ volume control, AI-driven speech enhancement and extended battery life come together to redefine luxury in-ear listening. The product has been well received and all available pre orders were sold out. Production is expected to be at full capacity during second half of the year.

The Reloved programme was launched in October on our own ecom channel. With Reloved, we are taking an important step towards extending the life of our products. Through this initiative, we offer inspection and

refurbishment services with Bang & Olufsen warranty and official certification. The launch has been successful with three out of five monthly product drops sold out within the first week after launch.

In November, we announced the Beosound Premiere soundbar, adding a soundbar to the portfolio fit for TVs from 44" and up. Premiere is built with Wide Stage Technology™ and precision tuning from our Struer craftsmen powered by our Mozart software platform. Sculpted from pure aluminium and brought to life with responsive light and optional 3D-carved oak, it transforms home audio into a multisensory experience. The product has been well received, and production is expected to be at full capacity during the second half of the year.

To celebrate the centennial year, a special collection inspired by the brand's heritage was released, reimagining three of Bang & Olufsen's iconic products; H100, Beosound A5 and Beosound A9 5th Gen. In addition, a Beolab 90 Titan Edition was launched, reimagining our iconic flagship speaker.



### Building brand awareness and brand equity

As part of the celebration and preparation for the next century, we officially rolled out a refreshed brand identity in Q2. The refreshed brand identity honours our heritage by reintroducing elements from our past such as the colours Future Blue and Heritage Red. It blends heritage and forward-thinking to ensure Bang & Olufsen remains distinct, relevant and timeless.

Our centennial campaign, *Sound. Elevated*, tells a story of how Bang & Olufsen has elevated sound for 100 years – and signals our commitment to shaping the next century of Beautiful Sound.

Brand campaigns and events were held globally during the quarter. In Denmark, a centennial event at The Royal Opera celebrated our Danish heritage alongside smaller events and press activities.

During the quarter, we saw a general decline in footfall, while in Denmark and London, where a large number of the centennial activities was concentrated, footfall

increased. In particular, we saw positive traction for our window campaign in Harrods, London, in November, resulting in the best performing month for our Harrods store to date.

A key strategic focus is a closer and broader engagement with our clients, and in Q2 we grew our client base by 2% (quarter-on-quarter). In addition, the number of clients owning two or more B&O products grew 3%. For the first half of the financial year, growth was 5% and 6%, respectively.

### Optimising retail footprint and excellence

We continued strengthening the footprint and quality of our branded retail network across our regions. Our company-owned and monobrand stores are a key platform for customer engagement and are therefore being developed to consistently reflect the B&O luxury experience.

In EMEA, we opened our new flagship store in Paris in November, featuring our Culture Store concept, which

offers immersive brand experiences at the crossroads of luxury, culture and design. The number of stores in Paris remains unchanged, as one store closed in September 2025.

We also opened two pop-up stores in downtown Oslo and Zürich Airport. Our pop-up concept tests locations while increasing brand awareness in the markets. In addition, we continued the improvement programme with several stores uplifted while underperforming stores were closed.

In the Americas, we reached a key milestone after quarter-end by opening our partner-operated flagship store in San Francisco, which also features our Culture Store concept. The store is the largest B&O store globally, spanning 346 sqm of retail space and is the first of three openings we have planned in California this financial year.

The planned expansion will proceed with new store openings in Palo Alto and West Hollywood scheduled for the second half of 2025/26. Although the initial target was set for 2025, delays have occurred primarily because of extended building permit approval processes.

In the APAC region, we continued with improvements, particularly in China, where several stores were uplifted while underperforming stores were closed.

Strengthening our retail presence is not only about new openings, but equally about improving the quality of our existing network. To support this, we carried out two

strategic relocations, eight uplifts and eight selective closures during the quarter.

Across our regions, a key driver of progress is our focus on Win Cities, which collectively delivered a strong 19% growth compared to last year, having delivered double-digit growth for the last six consecutive quarters.

New York, London and Hong Kong generated double-digit growth, while Paris was flat overall, impacted by the closure of one store in September 2025. Adjusted for the store closure, Paris grew double-digit.

San Francisco and Tokyo, where we have rolled out the concept, will be added to our existing Win Cities, New York, London, Paris and Hong Kong and included in our cities of execution from Q3 25/26 onwards.

Within multibrand and eTail, we have in recent years made significant changes and reduced our presence to improve the quality of our distribution and reinforce our luxury positioning. While the larger changes have been completed, we continue to make smaller adjustments for further optimisation. In EMEA, we have closed 62 multibrand doors since last year, primarily in the Netherlands, totalling 899 doors at end of Q2 25/26.

Points of sale, number of doors	Monobrand *		Multibrand		Custom installers	
	30-11-2025	30-11-2024	30-11-2025	30-11-2024	30-11-2025	30-11-2024
EMEA	234	270	899	961	N/A	N/A
Americas	22	24	22	20	146	124
APAC	70	73	765	809	N/A	N/A
<b>Total</b>	<b>326</b>	<b>367</b>	<b>1,686</b>	<b>1,790</b>	<b>146</b>	<b>124</b>

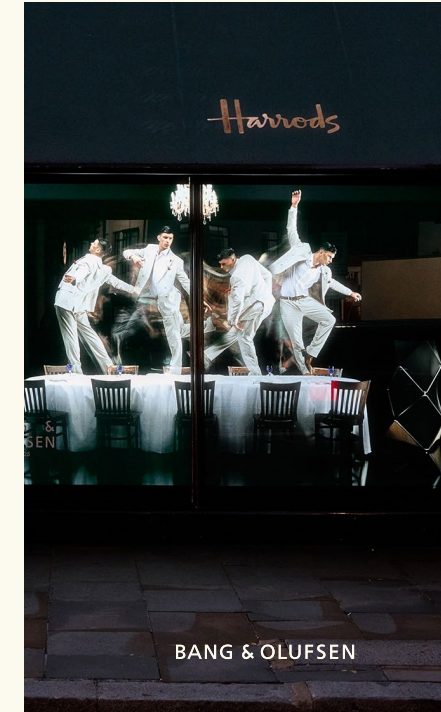
\* Monobrand is including company-owned stores

# Case study: *Harrods Takeover*

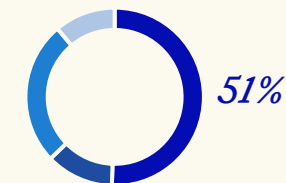
To mark our 100-year anniversary, we took over the Brompton Road windows at Harrods as part of our campaign, *Sound. Elevated*, following a recent uplift of the Harrods store. Together, the activation and the renewed retail space brought a century of design, craftsmanship and acoustic innovation to one of the world's most iconic luxury environments.

Each window paid tribute to a defining decade in Bang & Olufsen's history, forming a series of visual time capsules that showcased our design evolution. The installations featured iconic products including the debut of Beolab 90 Titan alongside Beolab 8, the Beosound A9 Centennial Edition and Beosound Premiere.

The activation delivered strong results, with footfall up 64% versus the same period last year. November became the highest revenue month on record for the store, growing 71% year-on-year, while Q2 revenue increased by 33% versus Q2 2024/25.



# EMEA



## Like-for-like sell-out

In terms of demand from our end clients, like-for-like sell-out in EMEA increased by 2% in Q2 compared to last year.

Like-for-like sell-out for the branded channels, company-owned stores, monobrand and the ecom channel grew over the period, while multibrand and eTail declined.

In terms of product categories, our Staged products delivered single-digit growth compared to Q2 last year. The Flexible Living category reported double-digit growth, while the On-the-go category reported a decline.

## Revenue

Revenue was DKK 342m (Q2 24/25: DKK 352m), equivalent to a decline of 2.7% (-2.2% in local currencies).

Revenue from company-owned stores rose double-digit, while revenue from the monobrand channel declined single-digit compared to last year, driven by central and southern European Markets.

Branded channels in the Nordics and London reported growth year-on-year.

The number of multibrand stores declined by 62 year-on-year, primarily driven by an adjustment of the network in the Netherlands. Revenue from eTail declined compared to last year, mainly due to end-of-life sales of Beoplay EX in Q2 last year in connection with the launch of Beoplay Eleven in November 2024.

Overall, revenue from the Staged category increased by 1% while the Flexible Living category increased by 17%, mainly driven by the strong performance of Beosound A9 5<sup>th</sup> Gen. Revenue from the On-the-go category declined by 20%, mainly driven by end-of-life sales of Beoplay EX in Q2 of last year as Beoplay Eleven was introduced in November 2024. In addition, the quarter saw high comparable for H100 after its launch in September 2024.

## Gross profit

Gross profit amounted to DKK 173m (Q2 24/25: DKK 173m), corresponding to a gross margin of 51.0% (Q2 24/25: 49.3%).

The margin was positively impacted by a shift in the revenue mix towards higher-margin categories as well as improved margins for the On-the-go category due to end-of-life sales of Beoplay EX in Q2 last year.

## H1 2025/26

Revenue was DKK 576m (H1 24/25: DKK 603m). This represented a decline of 4.4% (-4.5% in local currencies). The decline was driven by monobrand channel partly offset by double-digit growth from company-owned stores and the enterprise channel.

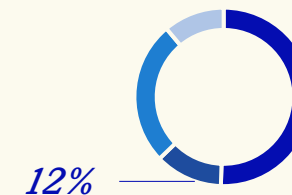
Gross margin increased by 2.9pp to 52.1%, driven by increased gross margins across most product categories, particularly within the flexible living and on-the-go categories.

(DKK million)	Q2		YTD	
	2025/26	2024/25	2025/26	2024/25
Like-for-like sell-out growth	2%	0%	0%	0%
Revenue	342	352	576	603
Growth in local currencies	-2.2%	2.5%	-4.5%	-7.0%
Gross profit	173	173	300	296
Gross margin	51.0%	49.3%	52.1%	49.2%



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# Americas



## Like-for-like sell-out

Like-for-like sell-out in the Americas grew by 9%. Branded channels combined reported a double-digit increase year-on-year driven by growth in company-owned stores and ecom, while the monobrand channel had a modest decline. Like-for-like sell-out reported from the eTail channel declined.

In terms of product categories, our Staged and Flexible Living product categories delivered double-digit growth compared to Q2 last year, while the On-the-go category declined single-digit.

## Revenue

Revenue was DKK 79m (Q2 24/25: DKK 86m), equivalent to a decline of 7.8% (-2.4% in local currencies).

Revenue from branded channels grew double-digit year-on-year driven by growth from our company-owned stores and especially our monobrand channel.

Revenue growth from Custom installers was stable. The enterprise channel declined as last year was positively impacted by our collaboration with the Korean luxury auto maker, Genesis, who has installed Staged products in selected Genesis showrooms across the US.

Revenue from the eTail channel declined by double-digit compared to Q2 last year due end-of-life sales of Beoplay EX in Q2 last year as well as reduced promotional activities. Revenue from the multibrand channel remained limited and represented a small share of total revenue in the Americas.

In terms of product categories, revenue from Staged products increased by 31% year-on-year. The Flexible Living category grew 7% compared to Q2 last year. On-the-go declined by 41% year-on-year mainly driven by end-of-life sales of Beoplay EX as Beoplay Eleven was introduced in November 2024. In addition, the quarter saw high comparable for H100 after its launch in September 2024.

## Gross profit

Gross profit amounted to DKK 45m (Q2 24/25: DKK 41m). This was equivalent to a gross margin of 56.4% (Q2 24/25: 48.0%).

The margin was mainly impacted by a change in product mix towards higher margin products as well as improved margins across product categories. The on-the-go category was positively impacted by end-of-life sales of Beoplay EX in Q2 last year.

Increased tariffs had a negative impact on gross profit of around DKK 8m.

## H1 2025/26

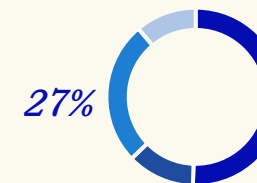
Revenue was DKK 141m (H1 24/25: DKK 154m), equivalent to a year-on-year decline of 8.2% (-2.7% in local currencies). Revenue from the monobrand channel and company-owned stores increased but was offset by lower revenue from eTail.

Gross margin decreased by 0.7pp to 48.7% mainly reflecting the impact of tariffs.

(DKK million)	Q2		YTD	
	2025/26	2024/25	2025/26	2024/25
Like-for-like sell-out growth	9%	8%	11%	-2%
Revenue	79	86	141	154
Growth in local currencies	-2.4%	17.1%	-2.7%	9.2%
Gross profit	45	41	69	76
Gross margin	56.4%	48.0%	48.7%	49.4%



# APAC



## Like-for-like sell-out

Like-for-like sell-out in APAC increased by 17%. The Branded channels reported growth year-on-year driven by company-owned stores and the monobrand channel.

Like-for-like sell-out in the eTail channel increased, while the multibrand channel reported a decline.

China's like-for-like sell-out grew by 22%. Like-for-like sell-out in the monobrand channel was on a par with last year apart from sell-out from one partner. South Korea and Taiwan reported sell-out growth while Japan reported a decline.

In terms of product categories, double-digit growth rates were reported across all categories.

## Revenue

Revenue was DKK 185m (Q2 24/25: DKK 182m), corresponding to an increase of 1.5% (6.1% in local currencies).

Company-owned stores and the monobrand channel reported revenue growth year-on-year, while the eTail channel declined.

Revenue from Hong Kong increased year-on-year. Japan was largely flat year-on-year with increased revenue from the monobrand channel while South Korea declined year-on-year and was impacted by high inventory levels with our partners.

Revenue from China declined by 6.7% (-0.5% in local currencies) and accounted for approximately 51% of total revenue in APAC. Revenue from our monobrand channel in China increased year-on-year.

In April 2025, we took over the online flagship store on the eTail platform, Tmall, thereby operating the two largest eTail platforms in China directly. Revenue growth was reported from Tmall, while overall revenue from the eTail channel decreased due to end-of-life sales of Beoplay EX in Q2 last year.

In terms of product categories, revenue from the Staged category increased by 13%. The Flexible Living category increased by 51%, with strong performance across most products, but especially Beosound A9 5<sup>th</sup> Gen. On-the-go declined by 28%, mainly driven by end-of-life sales of Beoplay EX in Q2 last year as Beoplay Eleven was introduced in November 2024. In addition, the quarter saw high comparable for H100 after its launch in September 2024.

## Gross profit

Gross profit amounted to DKK 110m (Q2 24/25: DKK 87m), equivalent to a gross margin of 59.7% (Q2 24/25: 47.4%) and an increase of 12.3pp year-on-year.

The margin was mainly impacted by a change in product mix towards higher-margin products as well as improved margins across product categories. The On-the-go category was positively impacted by end-of-life sales of Beoplay EX in Q2 last year. In addition, the margins were positively impacted by the takeover of the Tmall online flagship store in April 2025.

## H1 2025/26

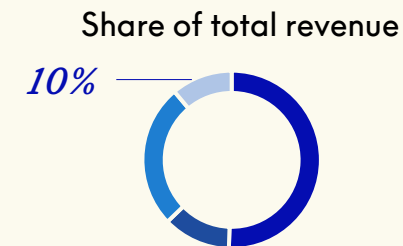
Revenue was DKK 344m (H1 24/25: DKK 347m), equivalent to a year-on-year decrease of 1.0% (increase of 2.1% in local currencies). Revenue growth was reported from company-owned stores as well as the eTail channel.

Gross margin increased by 9.1pp to 59.6%, driven by improved margins across all product categories, particularly On-the-go.

(DKK million)	Q2		YTD	
	2025/26	2024/25	2025/26	2024/25
Like-for-like sell-out growth	17%	-1%	11%	-1%
Revenue	185	182	344	347
Growth in local currencies	6.1%	-13.0%	2.1%	-8.8%
Gross profit	110	87	205	176
Gross margin	59.7%	47.4%	59.6%	50.5%



# Brand Partnering & other activities



## Revenue

Revenue was DKK 70m (Q2 24/25: DKK 78m), corresponding to a decline of 9.7% (-12.3% in local currencies).

Overall license income declined by 10%. License revenue from the automotive industry declined year-on-year mainly due to timing. We are seeing a general shift in production from electric to hybrid cars, which has delayed the timing of license income.

License income from HP declined in line with our expectations, while TCL has been ramping up according to plan. In total, license income accounted for 82% of total revenue in Brand Partnering & other activities (Q2 24/25: 89%).

Revenue from Cisco co-branded products increased year-on-year.

Revenue related to aluminium production for third parties increased compared to Q2 of last year.

## Gross profit

Gross profit amounted to DKK 63m (Q2 24/25: DKK 73m), equivalent to a gross margin of 89.7% (Q2 24/25: 94.4%). The margin declined due to the change in mix between license and product sales compared to Q2 of last year.

## H1 2025/26

Revenue was DKK 132m (H1 24/25: DKK 138m), equivalent to a year-on-year decrease of 4.0% (-3.1% in local currencies). The decline derived mainly from our Cisco co-branded products due to the ramp-up in H1 of last year and lower license revenue from HP as expected.

Gross margin was 91.6% compared to 92.2%. This reflected a modest change in the mix between license and products sales.

## Partnership expansion

In September 2025, RayNeo, a subsidiary of TCL, announced an audio partnership with Bang & Olufsen. This development extends the existing relationship with TCL to include AR glasses. The integration of our audio technology into RayNeo's AR glasses is planned for 2025/26, and the first glasses were launched in November 2025.

By integrating "Audio by Bang & Olufsen" into RayNeo's forthcoming AR glasses, we are transforming audio into an integral part of how we interact with our surroundings, consume content and stay connected.

(DKK million)	Q2		YTD	
	2025/26	2024/25	2025/26	2024/25
Revenue	70	78	132	138
Growth in local currencies	-12.3%	0.1%	-3.1%	-11.6%
Gross profit	63	73	121	127
Gross margin	89.7%	94.4%	91.6%	92.2%



# Case study: *Introducing Premiere*

Beosound Premiere redefines the soundbar category by combining immersive spatial audio with sculptural design and Bang & Olufsen craftsmanship. Designed to transform both sound and space, Premiere delivers a high-fidelity listening experience with depth, clarity and precision.

At its core, Beosound Premiere is built on our patent-pending Wide Stage technology™, using advanced beam-forming and digital signal processing to create a wide and immersive soundstage. Ten custom-engineered drivers, including an up-firing driver, work together to deliver faithful, room-filling sound from every direction.

Crafted from aluminium at Factory 5 in Struer, Denmark, Premiere reflects our expertise in materials and detail, including the up-firing driver finished with 1,925 precision-milled holes referencing our founding year. An optional solid oak cover adds warmth and tactility, offering clients greater flexibility.

Designed for longevity, Beosound Premiere is Cradle to Cradle Certified® Bronze and supported by a 5-year Beocare warranty. With built-in Dolby Atmos 7.1.4 and Beolink Surround, the system can grow over time as additional speakers are added.



*"The launch of Bang & Olufsen's Premiere soundbar introduces patent-pending Wide Stage Technology, which is used to set this rather bold and sculptural soundbar apart from much of the competition and evidence that the 100-year-old brand is still pushing boundaries."*

Forbes, 5 November 2025

*"The Beosound Premiere is a Dolby Atmos soundbar that's more or less a piece of art. It has a three-dimensional design that, unlike most traditional soundbars, is meant to show off its unique driver array rather than hide it".*

Gear Patrol, 5 November 2025

*"Finished in turned aluminium, complete with 1,925 perforations to mark B&O's centenary year, it exemplifies the company's renewed focus on highly crafted products."*

Wallpaper, 6 November 2025

# Financial review

## Revenue split by region, DKKm

Q2 2025/26



Q2 2024/25



- EMEA
- Americas
- APAC
- Brand Partnering & other activities

## Revenue split by category, DKKm

Q2 2025/26



Q2 2024/25



- Staged
- Flexible Living
- On-the-go
- Brand Partnering & other activities

## Like-for-like sell-out

Like-for-like sell-out grew by 7% compared to the same period last year.

Like-for-like sell-out for our branded channels combined grew 8% compared to Q2 of last year.

In terms of product categories, our Staged category and Flexible Living categories grew by 8%, and 25%, respectively. The On-the-go category reported a decline of 4%.

## Revenue in Q2

Revenue in Q2 was DKK 676m compared to DKK 698m in Q2 of last year. This was equivalent to a decline of 3.2% year-on-year (-1.2% in local currencies).

The drop in reported revenue related to a decline in product sales of 2.2% (increase of 0.2% in local currencies), while Brand Partnering and other activities declined by 9.7% (-12.3% in local currencies). The decline in Brand Partnering was mainly driven by automotive due to timing.

## Product revenue, regions

Across regions, branded channels grew by 5.5% (5.4% in local currencies). Company-owned stores reported double-digit growth, while the monobrand channel reported single-digit growth driven by growth in APAC and Americas, while a decline was reported in EMEA.

Revenue from the multibrand channel and eTail decreased year-on-year. This decline was primarily due to strong performance last year following the H100 launch and end-of-life sales of Beoplay EX in connection with Beoplay Eleven's launch in Q2.

## Product revenue, categories

### Staged category

Revenue increased by 6% to DKK 316m. Revenue growth was reported across TVs & Soundbars as well as Speakers.

### Flexible Living category

Revenue increased by 29% to DKK 129m. Revenue growth was reported across flexible speakers, with particularly strong traction from A9 5<sup>th</sup> generation.

### On-the-go category

Revenue declined by 28% to DKK 161m. The development was mainly related to the launch of H100 in September 2024 and the launch of Beoplay Eleven in November 2024, which prompted end-of-life sales of Beoplay EX in

Q2 last year. In comparison, Beo Grace was announced in September, with modest quantities being shipped from the end of quarter.

## Gross profit

Gross profit was DKK 391m (Q2 24/25: DKK 374m), corresponding to a gross margin of 57.9% against 53.7% last year.

Gross profit from regional product sales was DKK 328m (Q2 24/25: DKK 301m), corresponding to a gross margin of 54.4% (Q2 24/25: 48.6%). The gross margin improved across all regions and product categories. This was driven by a shift in revenue towards higher-margin categories, particularly Staged and Flexible Living, as well as improved margins within the On-the-go category.

Gross profit from Brand Partnering & other activities was DKK 63m (Q2 24/25: DKK 73m), equivalent to a gross margin of 89.7% (Q2 24/25: 94.4%). The gross margin declined due to the mix having higher share of product sales.

## LIKE-FOR-LIKE SELL-OUT GROWTH\*

	Q2 25/26	Q2 24/25
EMEA	2%	8%
Americas	9%	25%
APAC	17%	-4%
<b>Total</b>	<b>7%</b>	<b>7%</b>

\* Defined as sell-out from the same stores, provided they were open and active in both periods.

Currency movements had a positive impact of around 0.4pp on the gross margin for the quarter.

### Capacity costs

Capacity costs grew 18% to DKK 433m (Q2 24/25: DKK 366m) mainly driven by increased distribution and marketing costs.

Development costs increased by DKK 5m to DKK 96m (Q2 24/25: DKK 91m). The incurred development costs before capitalisation increased by DKK 14m and the ratio was up by 2.6 pp to 15.6% of revenue. The development was mainly driven by higher advisory costs and wage costs coming from new hires, especially in the software area, in line with our strategic investment plan.

Distribution and marketing costs increased by DKK 63m to DKK 297m (Q2 24/25: DKK 234m). The marketing cost ratio was 14.1% compared to 9.3% in Q2 last year. The increase related to extraordinary centenary activities of

approx. DKK 32m. Excluding this, the marketing ratio was 9.4%.

Administrative expenses of DKK 40m were in line with Q2 of last year (Q2 24/25: DKK 41m).

### EBITDA

EBITDA was DKK 20m (Q2 24/25: DKK 68m). This was equivalent to a margin of 3.0% (Q2 24/25: 9.7%).

EBITDA before special items was DKK 26m (Q2 24/25: DKK 72m), equivalent to a margin of 3.8% (Q2 24/25: 10.2%).

Special items were DKK 6m (Q2 24/25: DKK 4m) and related to re-organisation activities.

### EBIT

EBIT was a loss of DKK 42m (Q2 24/25: profit of DKK 8m). This was equivalent to an EBIT margin of -6.2% (Q2 24/25: 1.1%).

EBIT before special items was a loss of DKK 36m (Q2 24/25: profit of DKK 12m), equivalent to a margin of -5.3% (Q2 24/25: 1.7%). The decline was mainly related to strategic investments and activities during the quarter celebrating our centennial year. Excluding one-off costs related to the celebrations of around DKK 38m, the EBIT-margin before special items was around 0%.

### Cash flows

Free cash flow was DKK -33m compared to DKK 30m last year. The year-on-year decrease related primarily to decreased cash flows from operating activities (DKK 42m) and a higher outflow to operational investing activities (DKK 21m).

Cash flows from operational investments totalled an outflow of DKK 75m, which was DKK 21m higher than last year (Q2 24/25: DKK 54m) and related to investments in product development and retail developments in line with our strategic investment plan.

Cash flows from financing activities were DKK 11m (Q2 24/25: outflow of DKK 78m). The cash flows related to a net increase in bank loans (repo transactions and ESG-linked credit facility) of DKK 59m offset by the purchase of

treasury shares for DKK 33m and repayment of lease liabilities of DKK 15m.

The cash position at the end of the quarter was DKK 130m (31 August 2025: DKK 151m). Total available liquidity was DKK 117m (31 August 2025: DKK 198m), consisting of cash DKK 130m and securities DKK 247m less DKK 260m in bank loans mainly related to repo transactions.

### Net working capital

Net working capital decreased by DKK 27m during the quarter to DKK 289m (31 August 2025: DKK 316m).

Net working capital ratio to the last 12 months' revenue was 11.5% (Q1 25/26: 12.5%).

Trade receivables increased by DKK 117m to DKK 398m. The increase was driven by higher sales in Q2 than in Q1.

The inventory level was DKK 487m and increased by DKK 13m during the quarter. Overall, the inventory level is expected to decline during the second half of the year.

GROSS MARGIN	Q2		YTD	
	2025/26	2024/25	2025/26	2024/25
Staged	58.5%	56.8%	58.4%	57.0%
Flexible Living	57.4%	53.5%	58.1%	53.1%
On-the-go	43.8%	35.4%	43.0%	34.8%
<b>Products, total</b>	<b>54.4%</b>	<b>48.6%</b>	<b>54.1%</b>	<b>49.6%</b>
Brand Partnering & other activities	89.7%	94.4%	91.6%	92.2%
<b>Total</b>	<b>57.9%</b>	<b>53.7%</b>	<b>58.2%</b>	<b>54.3%</b>

Trade payables increased by DKK 103m to DKK 497m, mainly related to product launches and centenary brand campaigns and events.

Other short-term liabilities increased by DKK 42m to DKK 182m during the quarter primarily driven by employee-related liabilities.

### Net interest-bearing deposits/debt

Net interest-bearing debt amounted to DKK 92m, compared to a deposit of DKK 134m at year-end, 31 May 2025. The decrease was mainly due to the negative free cash flow of DKK 168m for H1 and the repayment of lease liabilities. For further details, please see note 7.

## Case study: *Introducing Reloved*

Reloved reflects our belief that true luxury lies in design that endures. The Reloved programme extends the lifetime of Bang & Olufsen products by inspecting and certifying pre-owned originals and offering them to new owners through our own channels. Demand has been strong, with the first monthly release selling out within a week and several products gone on launch day.

Each Reloved product is inspected, refurbished and certified by our authorised technicians in Struer, Denmark, to meet B&O's performance and quality standards. All products are sold with a Bang & Olufsen warranty and official certification, delivering the same confidence associated with purchasing something new.

Reloved also reflects our approach to sustainability through product longevity. By keeping products in use for longer, the programme supports a circular model that prioritises restoration over replacement, preserving the value embedded in materials and craftsmanship.

By making circularity a natural part of the luxury experience, Reloved reinforces timeless design as both a customer benefit and a sustainability driver. The programme demonstrates how durability, heritage and responsible design create value over multiple product lifecycles.



# Case study: *Paris Flagship Store*

Our new flagship store in central Paris, just a few steps from the Opéra Garnier, strengthens Paris as one of Bang & Olufsen's Win Cities and reinforces our presence in one of the world's most influential cultural capitals.

The store features our Culture Store concept in France, blending classic Parisian architecture with Scandinavian design codes including natural wood, aluminium and subtle references to our iconic forms and colour palette. The result is a calm, refined environment that reflects both heritage and contemporary luxury.

Designed as a house of sound, the flagship store invites visitors to experience audio as emotion and atmosphere. Curated listening rooms, intimate cinema spaces and thoughtfully designed product zones create a destination for discovery and connection.

The Paris flagship brings our luxury positioning to life through experience. It is a place where design, craftsmanship and technology converge, and where Bang & Olufsen becomes part of the city's cultural landscape.



## Financial performance H1 2025/26

Like-for-like sell-out grew by 5%, while sell-out from branded channels grew by 4%.

Revenue amounted to DKK 1,193m (H1 24/25: DKK 1,242m), a decline of 4.0% (-2.3% in local currencies). Revenue from branded channels declined by 3.5% (-2.5% in local currencies).

EMEA revenue declined by 4.4% compared to H1 24/25 (-4.5% in local currencies). The decline was driven by the monobrand channel partly offset by double-digit growth from company-owned stores and the enterprise channel.

Revenue from the Americas declined by 8.2% (-2.7% in local currencies). Revenue from the monobrand channel and company-owned stores increased but was offset by lower revenue from eTail.

APAC revenue declined by 1.0% (growth of 2.1% in local currencies). Revenue growth was reported from company-owned stores as well as the eTail channel.

Revenue in the Staged category declined by 4%. Beolab speakers were largely flat year-on-year while TV's & soundbars declined.

Revenue in the Flexible Living category increased by 10%. Revenue growth was reported across most speakers, with strong performance from A9 5<sup>th</sup> gen. in particular.

Revenue from the On-the-go category decreased by 12%, which was driven by the introduction of H100 and Beoplay Eleven in Q2 of last year, as well as end-of-life sales of Beoplay EX. The newly launched Beo Grace began shipping in modest quantities at the end of November 2025

Revenue from Brand Partnering & other activities decreased by 4.0% (-3.1% in local currencies) year-on-year mainly due to the expected decline in income from HP.

Gross profit increased by DKK 20m to DKK 695m (H1 24/25: DKK 675m). Gross margin was 58.2% (H1 24/25: 54.3%), equivalent to a year-on-year increase of 3.9pp.

The gross margin was favourably impacted by a shift in the product mix towards higher-margin products as well as price increases implemented last year.

Currency movements had a positive effect of around 0.4pp on the gross margin and EBIT compared to last year.

Capacity costs amounted to DKK 771m (H1 24/25: DKK 687m). The increase was driven by higher development costs as well as distribution and marketing costs while administrative costs declined.

EBITDA was DKK 47m (H1 24/25: DKK 104m). The decline was driven by increased capacity costs. This was equivalent to a margin of 4.0% vs. 8.4% last year.

EBITDA before special items was DKK 60m (H1 24/25: DKK 111m), equivalent to a margin of 5.1% compared to 8.9% last year.

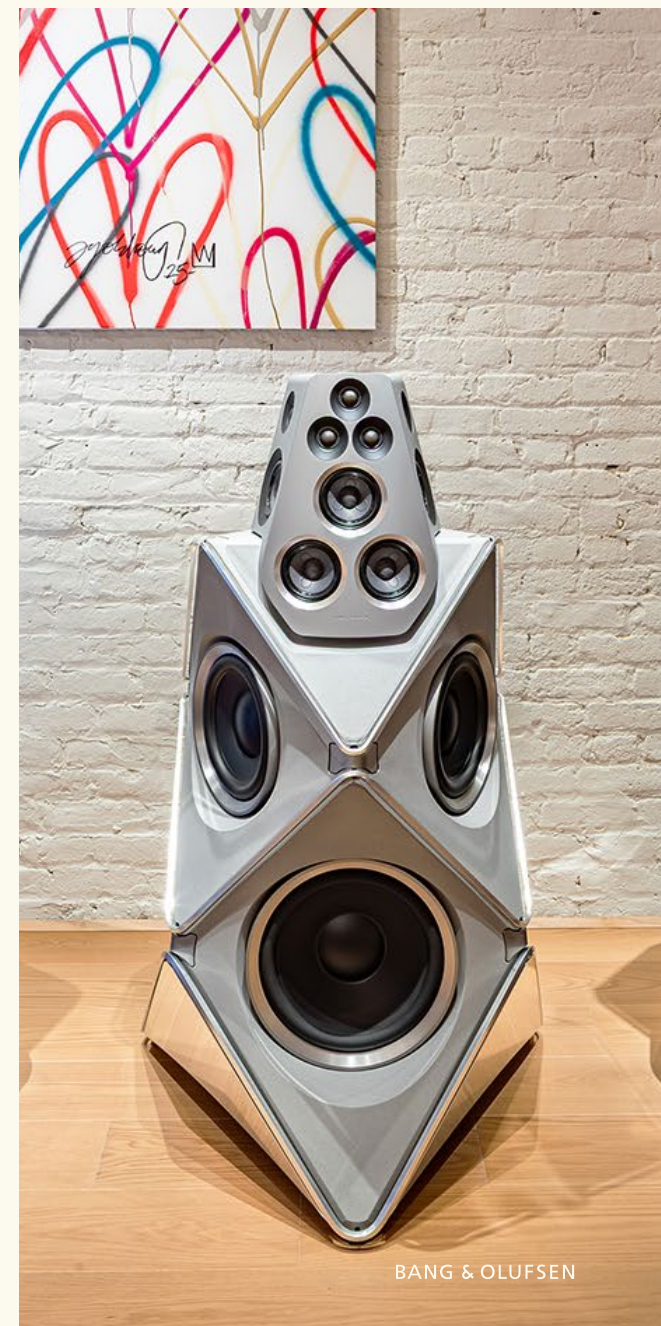
EBIT was DKK -76m (H1 24/25: DKK -12m), equivalent to a margin of -6.4% (H1 24/25: -1.0%).

EBIT before special items was DKK -63m (H1 24/25: DKK -5m) with a margin of -5.3% (H1 24/25: -0.4%).

Special items were DKK 13m (H1 24/25: DKK 7m) and primarily related to re-organisation activities.

Free cash flow was DKK -168m (H1 24/25: DKK -6m) primarily driven by a lower EBITDA of DKK 47m (H1 24/25: DKK 104m) and a negative change in net working capital of DKK 73m (H1 24/25: negative at DKK 13m).

Our combined capital resources (available liquidity and the undrawn part of our ESG-linked credit facility) amounted to DKK 267m (31 May 2025: DKK 600m). The difference was due to the negative free cash flow, repayment of lease liabilities and a lower undrawn part of the credit facility.



# Outlook for 2025/26 narrowed

Revenue growth in local currencies

**1% to 5%**

Previously 1% to 8%

EBIT margin before special items

**-3% to 1%**

Unchanged

Free cash flow (DKK)

**-100m to -50m**

Previously -100m to 0m

## Outlook for 2025/26

The outlook for 2025/26 is based on our accelerated strategic execution to secure long-term profitable growth and is part of the announced mid-term financial ambitions for the three-year period covering the financial years 2025/26 to 2027/28.

With six months left of the financial year and based on the performance of the first half of the financial year, we have narrowed the outlook ranges for revenue and free cash flow.

### Revenue growth

Revenue growth in local currencies is expected to be from 1% to 5%. Range is narrowed from previously 1% to 8%.

### EBIT margin before special items

EBIT margin before special items is unchanged expected to be from -3% to 1%.

### Free cash flow

Free cash flow is expected to be from DKK -100m to DKK -50m. Range is narrowed from previously DKK -100m to DKK 0m.

### Assumptions

The expectations are subject to the following assumptions:

- Launch of three or more product innovations.
- No deterioration of macroeconomic conditions in our main markets including negative impact on our partners retail investment appetite.

- Exchange rates against DKK, including in particular USD, CNY and EUR, in line with current exchange rate levels overall.
- CAPEX is expected to be around DKK 320-360m.
- Capacity costs are expected to increase by around DKK 150m from 2024/25.
- No significant impact from change in tariffs compared to current levels.

### Sensitivities

The outlook for 2025/26 is subject to uncertainty related to consumer sentiment. In addition, there continues to be geopolitical and economic uncertainty including risks associated with global trade conflicts.

### Forward-looking expectations

The report contains statements relating to expectations for future developments, including future revenues and operating results, as well as expected business-related events. Such statements, including without limitation those relating to the outlook and the medium-term ambitions, are subject to uncertainty and carry an element of risk since many factors, some of which are beyond Bang & Olufsen's control, may cause actual developments to deviate significantly from the expectations expressed in this report. Without being exhaustive, such factors include general economic and commercial factors, such as market and competitive matters, supplier issues and financial issues in the form of foreign exchange, interest rates, credit and liquidity risk.

## Mid-term financial ambitions

- Organic growth: 8% (CAGR\* 2025/26-2027/28)
- EBIT margin bsi\*\*: 8% (ln 2027/28)
- Free cash flow: DKK 250m (ln 2027/28)

### Assumptions

The financial ambitions are based on constant currencies and on the political and economic environment and projections at launch. Any change to these factors may impact the ambitions. The sensitivities relating to the outlook for 2025/26 apply equally to the period for the medium-term ambitions.

\* Compound annual growth rates \*\* Before special items

# Condensed income statement

(DKK million)	Notes	Q2		YTD		Year
		2025/26	2024/25	2025/26	2024/25	2024/25
<b>Revenue</b>	4	<b>676</b>	<b>698</b>	<b>1,193</b>	<b>1,242</b>	<b>2,553</b>
Production costs		-285	-324	-498	-567	-1,149
<b>Gross profit</b>		<b>391</b>	<b>374</b>	<b>695</b>	<b>675</b>	<b>1,404</b>
Development costs	5	-96	-91	-182	-170	-340
Distribution and marketing costs		-297	-234	-517	-440	-895
Administrative expenses		-40	-41	-72	-77	-153
<b>Operating profit/loss (EBIT)</b>		<b>-42</b>	<b>8</b>	<b>-76</b>	<b>-12</b>	<b>16</b>
Financial income		9	14	20	35	68
Financial expenses		-16	-26	-28	-48	-82
Financial items, net		-7	-12	-8	-13	-14
<b>Profit/loss before tax (EBT)</b>		<b>-49</b>	<b>-4</b>	<b>-84</b>	<b>-25</b>	<b>2</b>
Income tax		-4	-9	-6	-5	-31
<b>Profit/loss for the period</b>		<b>-53</b>	<b>-13</b>	<b>-90</b>	<b>-30</b>	<b>-29</b>
<b>Earnings per share</b>						
Earnings per share, basic (EPS) and diluted (EPS-D), DKK		-0.4	-0.1	-0.7	-0.2	-0.2

# Condensed statement of comprehensive income

(DKK million)	Q2		YTD		Year
	2025/26	2024/25	2025/26	2024/25	2024/25
<b>Profit/loss for the period</b>	<b>-53</b>	<b>-13</b>	<b>-90</b>	<b>-30</b>	<b>-29</b>
<b>Items that will be reclassified subsequently to the income statement:</b>					
Exchange adjustments of subsidiaries	3	8	-4	5	-9
Fair value adjustments of hedging instruments	-1	2	-2	-4	-7
Value adjustments of hedging instruments reclassified in					
Revenue	-1	3	-2	5	10
Production costs	2	-1	4	-1	-3
Tax on other comprehensive income/loss	-	-1	-	-	-
<b>Items that will not be reclassified subsequently to the income statement:</b>					
Actuarial gains/losses on defined benefit plans	0	-	0	-	-4
Tax on other comprehensive income	0	-	0	-	1
<b>Other comprehensive income/loss for the period, net of tax</b>	<b>3</b>	<b>11</b>	<b>-4</b>	<b>5</b>	<b>-12</b>
<b>Total comprehensive income/loss for the period</b>	<b>-50</b>	<b>-2</b>	<b>-94</b>	<b>-25</b>	<b>-41</b>

# Condensed statement of financial position

ASSETS (DKK million)	Notes	30-11-25	30-11-24	31-05-25
Goodwill		42	42	42
Acquired rights and software		102	81	98
Completed development projects		199	198	159
Development projects in progress	5	125	83	148
<b>Intangible assets</b>		<b>468</b>	<b>404</b>	<b>447</b>
Property, plant and equipment		222	214	211
Right-of-use assets		133	123	136
<b>Tangible assets</b>		<b>355</b>	<b>337</b>	<b>347</b>
Non-current other receivables		22	20	20
Deferred tax assets		75	96	75
<b>Total non-current assets</b>		<b>920</b>	<b>857</b>	<b>889</b>
Inventories		487	426	447
Trade receivables		398	347	348
Tax receivable		28	26	28
Other receivables		54	56	61
Prepayments		30	37	42
Securities	7	247	387	380
Cash	7	130	87	145
<b>Total current assets</b>		<b>1,374</b>	<b>1,366</b>	<b>1,451</b>
<b>Total assets</b>		<b>2,294</b>	<b>2,223</b>	<b>2,340</b>

EQUITY AND LIABILITIES (DKK million)	Notes	30-11-25	30-11-24	31-05-25
Share capital		737	613	737
Translation reserve		3	21	7
Cash flow hedge reserve		-2	-2	-2
Retained earnings		288	310	402
<b>Total equity</b>		<b>1,026</b>	<b>942</b>	<b>1,144</b>
Lease liabilities		99	100	104
Pensions		14	10	15
Deferred tax		8	8	8
Provisions		34	45	37
Mortgage loans		49	52	50
Non-current other liabilities		1	1	2
<b>Total non-current liabilities</b>		<b>205</b>	<b>216</b>	<b>216</b>
Lease liabilities		57	49	59
Mortgage loans		3	3	3
Bank loans	7	260	315	175
Provisions		43	58	42
Trade payables		497	426	453
Tax payable		20	25	21
Other liabilities		183	189	227
<b>Total current liabilities</b>		<b>1,063</b>	<b>1,065</b>	<b>980</b>
<b>Total liabilities</b>		<b>1,268</b>	<b>1,281</b>	<b>1,196</b>
<b>Total equity and liabilities</b>		<b>2,294</b>	<b>2,223</b>	<b>2,340</b>

# Condensed statement of cash flows

(DKK million)	Notes	Q2		YTD		Year
		2025/26	2024/25	2025/26	2024/25	2024/25
Profit/loss before tax (EBT)		-49	-4	-84	-25	2
Financial items, net		7	12	8	13	14
Depreciation, amortisation and impairment		62	60	123	116	245
<b>Operating profit/loss before depreciation, amortisation and impairment (EBITDA)</b>		<b>20</b>	<b>68</b>	<b>47</b>	<b>104</b>	<b>261</b>
Other non-cash items		4	-13	6	-24	-23
Change in net working capital	6	27	32	-73	13	47
Interest received		12	16	20	35	64
Interest paid		-16	-19	-28	-43	-83
Income tax received/paid		-5	-	-7	2	-10
<b>Cash flows from operating activities</b>		<b>42</b>	<b>84</b>	<b>-35</b>	<b>87</b>	<b>256</b>
Purchase of intangible non-current assets		-51	-43	-97	-77	-200
Purchase of tangible non-current assets		-23	-11	-36	-17	-39
Sublease payment		-	1	-	1	1
Other cash flows from investing activities		-1	-1	-	-	-2
<b>Operational investments</b>		<b>-75</b>	<b>-54</b>	<b>-133</b>	<b>-93</b>	<b>-240</b>
<b>Free cash flow</b>		<b>-33</b>	<b>30</b>	<b>-168</b>	<b>-6</b>	<b>16</b>
Purchase of securities		-	-	-	-	-
Sale of securities		2	2	134	4	9
<b>Financial investments</b>		<b>2</b>	<b>2</b>	<b>134</b>	<b>4</b>	<b>9</b>
<b>Cash flows from investing activities</b>		<b>-73</b>	<b>-52</b>	<b>1</b>	<b>-89</b>	<b>-231</b>

(DKK million)	Notes	Q2		YTD		Year
		2025/26	2024/25	2025/26	2024/25	2024/25
Repayment of lease liabilities		-15	-13	-28	-24	-46
Repayment of mortgage loans		-	-	-1	-1	-3
Proceeds from loans and borrowings		-	-	-	6	-
Repayment of loans and borrowings		59	-65	84	-71	-206
Purchase of treasury shares		-33	-	-37	-	-20
Rights issue		-	-	-	-	217
<b>Cash flows from financing activities</b>		<b>11</b>	<b>-78</b>	<b>18</b>	<b>-90</b>	<b>-58</b>
Cash and cash equivalents, opening balance		151	131	145	177	177
Foreign exchange gain/loss on cash and cash equivalents		-1	2	1	2	1
<b>Change in cash and cash equivalents</b>		<b>-20</b>	<b>-46</b>	<b>-16</b>	<b>-92</b>	<b>-33</b>
<b>Cash and cash equivalents, closing balance</b>		<b>130</b>	<b>87</b>	<b>130</b>	<b>87</b>	<b>145</b>
Available liquidity	7	117	159	117	159	350

# Condensed statement of changes in equity

(DKK million)	Share capital*	Translation reserve	Cash flow hedge reserve	Retained earnings	Total
<b>Equity 1 June 2025</b>	<b>737</b>	<b>7</b>	<b>-2</b>	<b>402</b>	<b>1,144</b>
Profit/loss for the period	-	-	-	-90	-90
Exchange adjustments of subsidiaries	-	-4	-	-	-4
Fair value adjustments of hedging instruments	-	-	-2	-	-2
Value adjustments of hedging instruments reclassified in					
Revenue	-	-	-2	-	-2
Production costs	-	-	4	-	4
Income tax on items that will be reclassified to the income statement	-	-	-	-	-
<b>Comprehensive income/loss for the period</b>	<b>-</b>	<b>-4</b>	<b>-</b>	<b>-90</b>	<b>-94</b>
Share-based payments	-	-	-	13	13
Acquisition of own shares	-	-	-	-37	-37
<b>Equity 30 November 2025</b>	<b>737</b>	<b>3</b>	<b>-2</b>	<b>288</b>	<b>1,026</b>
<b>Equity 1 June 2024</b>	<b>613</b>	<b>16</b>	<b>-2</b>	<b>329</b>	<b>956</b>
Profit/loss for the period	-	-	-	-30	-30
Exchange adjustments of subsidiaries	-	5	-	-	5
Fair value adjustments of hedging instruments	-	-	-4	-	-4
Value adjustments of hedging instruments reclassified in					
Revenue	-	-	5	-	5
Production costs	-	-	-1	-	-1
Income tax on items that will be reclassified to the income statement	-	-	-	-	-
<b>Comprehensive income/loss for the period</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-30</b>	<b>-25</b>
Share-based payments	-	-	-	11	11
<b>Equity 30 November 2024</b>	<b>613</b>	<b>21</b>	<b>-2</b>	<b>310</b>	<b>942</b>

\* The company holds a total of 4,181,499 treasury shares (2,963,183 shares as of 31 May 2025).

# Notes

## 1 Basis of reporting

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim financial reports of listed companies.

No interim report has been prepared for the parent company.

The accounting policies applied in this interim report are consistent with those applied in the Annual Report for 2024/25.

### **New standards, interpretations and amendments adopted by Bang & Olufsen**

Bang & Olufsen has implemented the International Financial Reporting Standards (IFRS) and amendments effective as of 1 June 2025 and endorsed by the EU. The implementation of new or amended standards and interpretations had no material impact on the interim financial statements.

## 2 Critical accounting estimates and judgements

When preparing the interim financial report, Management makes various accounting estimates and assumptions that form the basis of the presentation, recognition and measurement of Bang & Olufsen's assets and liabilities. Estimates and judgements are reassessed on a regular basis.

All critical accounting estimates and judgements are consistent with those applied in note 1.2 to the consolidated financial statements in the 2024/25 Annual Report, to which reference is made.

## 3 Seasonality

Due to the composition of the Bang & Olufsen business, some degree of seasonality of revenue must be expected. Historically, reported revenue has been the highest in the second quarter due to the seasonal nature of the business.

## 4 Segment information – Q2

(DKK million)	EMEA	Americas	APAC	Regions, total	Brand Partnering & other activities	All
<b>Q2 2025/26 revenue by geographics</b>						
Revenue	342	79	185	606	70	676
Production costs	-169	-34	-75	-278	-7	-285
Gross profit	173	45	110	328	63	391
Gross margin	51.0%	56.4%	59.7%	54.4%	89.7%	57.9%
<b>Q2 2024/25 revenue by geographics</b>						
Revenue	352	86	182	620	78	698
Production costs	-179	-45	-95	-319	-5	-324
Gross profit	173	41	87	301	73	374
Gross margin	49.3%	48.0%	47.4%	48.6%	94.4%	53.7%

(DKK million)	Staged	Flexible Living	On-the-go	Products, total	Brand Partnering & other activities	All
<b>Q2 2025/26 revenue by product category</b>						
Revenue	316	129	161	606	70	676
Production costs	-132	-56	-90	-278	-7	-285
Gross profit	184	73	71	328	63	391
Gross margin	58.5%	57.4%	43.8%	54.4%	89.7%	57.9%
<b>Q2 2024/25 revenue by product category</b>						
Revenue	297	100	223	620	78	698
Production costs	-128	-46	-145	-319	-5	-324
Gross profit	169	54	78	301	73	374
Gross margin	56.8%	53.5%	35.4%	48.6%	94.4%	53.7%

Gross profit is a segment KPI. There are no unallocated elements, and total gross profit reconciles to the income statement.

## Segment information – YTD

(DKK million)	EMEA	Americas	APAC	Regions, total	Brand Partnering & other activities	All
<b>2025/26 revenue by geographics</b>						
Revenue	576	141	344	1,061	132	1,193
Production costs	-276	-72	-139	-487	-11	-498
Gross profit	300	69	205	574	121	695
Gross margin	52.1%	48.7%	59.6%	54.1%	91.6%	58.2%
<b>2024/25 revenue by geographics</b>						
Revenue	603	154	347	1,104	138	1,242
Production costs	-307	-78	-171	-556	-11	-567
Gross profit	296	76	176	548	127	675
Gross margin	49.2%	49.4%	50.5%	49.6%	92.2%	54.3%

(DKK million)	Staged	Flexible Living	On-the-go	Products, total	Brand Partnering & other activities	All
<b>2025/26 revenue by product category</b>						
Revenue	555	214	292	1,061	132	1,193
Production costs	-231	-90	-166	-487	-11	-498
Gross profit	324	124	126	574	121	695
Gross margin	58.4%	58.1%	43.0%	54.1%	91.6%	58.2%
<b>2024/25 revenue by product category</b>						
Revenue	577	195	332	1,104	138	1,242
Production costs	-248	-91	-217	-556	-11	-567
Gross profit	329	104	115	548	127	675
Gross margin	57.0%	53.1%	34.8%	49.6%	92.2%	54.3%

Gross profit is a segment KPI. There are no unallocated elements, and total gross profit reconciles to the income statement.

## 5 Development costs

(DKK million)	Q2		YTD		Year
	2025/26	2024/25	2025/26	2024/25	2024/25
Incurring development costs before capitalisation	105	91	201	170	368
Of which capitalised	-37	-27	-75	-50	-138
Incurring development costs after capitalisation	68	64	126	120	230
Capitalisation (%)	35.2%	29.8%	37.3%	29.5%	37.5%
Total charges and impairment losses on development projects	28	27	56	50	110
<b>Development costs recognised in the consolidated income statement</b>	<b>96</b>	<b>91</b>	<b>182</b>	<b>170</b>	<b>340</b>
<b>Incurring development costs before capitalisation ratio (% of revenue)</b>	<b>15.6%</b>	<b>13.0%</b>	<b>16.9%</b>	<b>13.7%</b>	<b>14.4%</b>

## 6 Change in net working capital

(DKK million)	30-11-25	31-05-25	Change in	Change in	Change in
			Q2 2025/26 YTD	Q2 2024/25 YTD	2024/25
Inventories	487	447	-40	21	39
Trade receivables	398	348	-50	-38	7
Other receivables*	54	59	5	-3	15
Prepayments	30	42	12	-10	-52
Trade payables	-497	-453	44	25	-56
Other liabilities	-183	-227	-44	18	-
<b>Total</b>	<b>289</b>	<b>216</b>	<b>-73</b>	<b>13</b>	<b>-47</b>

\*Other receivables were adjusted for financial receivables related to leases of DKK 1m not included as net working capital at 31 May 2025 (30 November 2025: DKK 0m).

## 7 Net interest-bearing deposit/debt

Net interest-bearing deposit/debt consists of interest-bearing assets less interest-bearing debt. Interest-bearing assets consist of securities, cash and finance lease receivables. Interest-bearing debt consists of mortgage loans, bank loans and lease liabilities. We have placed the majority of our cash in Danish mortgage bonds, all with an AAA S&P rating. To maintain short-term financial flexibility, we use repo transactions, whereby we can access liquidity on an intra-day basis if needed by lending our banks bonds in return for cash while committing to a reverse transaction at a predetermined future date. Bonds are presented as securities on the balance sheet, as ownership of the bonds remains with the company during the term of the repo. The obligation to return cash for bonds under such repo transactions is recognised as short-term bank loans. As of 30 November 2025, short-term bank loans of DKK 260 mainly consisted of repo transactions.

During the quarter, net interest-bearing debt decreased by DKK 68m to DKK 92m.

(DKK million)	30-11-25	30-11-24	31-05-25
Mortgage loans (non-current)	-49	-52	-50
Mortgage loans (current)	-3	-3	-3
Bank loans (current)	-260	-315	-175
Lease liabilities (non-current)	-99	-100	-104
Lease liabilities (current)	-57	-49	-59
Other non-current liabilities*	-1	-1	-2
<b>Interest-bearing debt</b>	<b>-469</b>	<b>-520</b>	<b>-393</b>
Finance lease receivables (non-current)	0	0	0
Finance lease receivables (current)	-0	1	2
Cash (current)	130	87	145
Securities (current)	247	387	380
<b>Interest-bearing assets</b>	<b>377</b>	<b>475</b>	<b>527</b>
<b>Net interest-bearing deposit/debt</b>	<b>-92</b>	<b>-45</b>	<b>134</b>

\* Only the interest-bearing part of Other non-current liabilities has been included in net interest-bearing deposit/debt.

During the quarter, net available liquidity increased by DKK 82m to DKK 117m, consisting of cash and securities offset by repo transactions.

(DKK million)	30-11-25	30-11-24	31-05-25
Cash (current)	130	87	145
Securities (current)	247	387	380
Bank loans (current)	-260	-315	-175
<b>Available liquidity</b>	<b>117</b>	<b>159</b>	<b>350</b>

Including the undrawn part of our ESG-linked credit facility, capital resources were DKK 267m (year-end 2024/25: DKK 600m), consisting of available liquidity of DKK 117m and undrawn committed credit facilities of DKK 150m (year-end 2024/25: DKK 250m).

## 8 Financial instruments

### Financial instruments by category

(DKK million)	30-11-25	30-11-24	31-05-25
Non-current other receivables	22	20	20
Trade receivables	398	347	348
Other receivables	54	56	61
Cash	130	87	145
<b>Financial assets at amortised cost</b>	<b>604</b>	<b>510</b>	<b>574</b>
Securities	247	387	380
<b>Fair value through income statement</b>	<b>247</b>	<b>387</b>	<b>380</b>
Derivatives used for hedge accounting	2	4	1
<b>Fair value through other comprehensive income</b>	<b>2</b>	<b>4</b>	<b>1</b>
<b>Financial assets</b>	<b>853</b>	<b>901</b>	<b>955</b>
Mortgage loans	52	55	53
Bank loans	260	315	175
Lease liabilities	156	149	163
Trade payables	497	426	453
<b>Financial liabilities at amortised cost</b>	<b>965</b>	<b>945</b>	<b>844</b>
Derivatives used for hedge accounting	7	9	7
<b>Fair value through other comprehensive income</b>	<b>7</b>	<b>9</b>	<b>7</b>
<b>Financial liabilities</b>	<b>972</b>	<b>954</b>	<b>851</b>

The fair value is approximately equal to the carrying amount for all financial assets and liabilities.

### Securities

Securities comprise listed Danish mortgage bonds and are measured at fair value with all changes in fair value recorded in the income statement. Bonds are measured using observable market values (level 1 in the fair value hierarchy). We use repo transactions and as ownership of the bonds remains with us during the term of the repo, the bonds remain recognised on the balance sheet.

### Derivative financial instruments

Derivative financial instruments comprise primarily foreign exchange contracts used to hedge foreign exchange risk related to unrecognised future transactions. Derivatives are measured at fair value in accordance with level 2 in the fair value hierarchy using valuation techniques that apply market data such as exchange rates, credit risk and volatility.

See note 7.3 to the 2024/25 Annual Report for an overview of foreign exchange contracts.

## 9 Subsequent events

On 7 January 2026, Nikolaaj Wendelboe was appointed interim CEO, replacing Kristian Teär (see company announcement no. 25.33). This has not affected the consolidated financial statement. Information related to the severance package of Kristian Teär will be disclosed in the annual report 2025/26 at the latest.

No other events have occurred in the period from the balance sheet date until the presentation of the financial statements that materially affect the assessment of the consolidated financial statements.

# Management's statement

The Board of Directors and the Executive Management Board have today discussed and approved the interim report of Bang & Olufsen A/S for the period 1 June 2025 – 30 November 2025.

The interim report, which has not been audited or reviewed by the company's auditor, is presented in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 30 November 2025, and of the results of the Group's operations and cash flows for the period 1 June 2025 – 30 November 2025. In our opinion, the Management's review includes a fair review of the development in the Group's operations and financial matters, the results for the period, and the financial position in general, as well as a description of the significant risks and uncertainty factors pertaining to the Group.

Struer, 14 January 2026

## Executive Management Board:

Nikolaj Wendelboe  
CEO (Interim) & CFO

Line Køhler Ljungdahl  
EVP, CCCO

## Board of Directors:

Juha Christensen  
Chair

Albert Bensoussan  
Vice Chair

Anders Colding Friis

Andra Gavrilescu

Dorte Vegeberg

Jesper Jarlbæk

Nancy Liu

Søren Balling

Tuula Ryttilä

# BANG & OLUFSEN

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