



# Letter to shareholders

Dear shareholders,

Sonova achieved solid growth for the 2024/25 financial year. Successful product launches and further elevation of our commercial performance drove a substantial acceleration in sales and profitability through the course of the year. Although adverse currency exchange-rate developments held back reported growth in Swiss francs, we made further progress on our strategy: advancing our product portfolio, expanding market access, and delivering continuous improvement in our operational and commercial execution. We expect to build further on this momentum as we enter the 2025/26 financial year.

This year featured breakthrough advances delivered by the innovation culture on which Sonova's business thrives, further enhancing the hearing experience for our consumers. A disciplined approach to research and development, both in-house and in collaborations, has supported our long history of industry firsts, including groundbreaking improvements in sound quality, speech understanding, and connectivity. We have again clearly demonstrated the value of this approach with the launch of two new platforms under our core Phonak brand.

Phonak Infinio, powered by the new ERA connectivity chip and launched in August 2024, provides significant improvements over its predecessor Lumity in sound quality and connection stability, delivering high user satisfaction and reduced listening effort. Phonak Audéo Sphere™ Infinio adds real-time artificial intelligence processing to separate speech from noise in all directions instantly, significantly outperforming competitors in real-world listening scenarios. It is powered by our new proprietary DEEPSONIC™ deep neural network chip, the result of more than six years of development and significant R&D investments. These new platforms have been overwhelmingly positively received. They are driving growth in our Hearing Instruments business and have enhanced our Audiological Care business through increased consumer appreciation of our premium products' value, particularly in the second half-year.

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**"It is highly satisfying to see that our significant innovation in hearing aids provides, yet again, very tangible benefits to consumers, helping them to live life to the fullest."**

Arnd Kaldowski

This positive momentum reinforces our conviction that our strategy is an effective generator of profitable growth. You can find additional details in the [Strategy and businesses section](#) of this report.

Our [feature story](#) for this year provides insight into Sonova's innovation culture, detailing how it leads to cutting-edge solutions that deliver fundamental consumer benefits and sustain our leadership position in the hearing-care industry.

#### [Hearing Instruments segment](#)

Sales in the Hearing Instruments segment increased by 7.5% in local currencies, primarily driven by organic growth. Accelerating growth in the second half of the year was supported by the successful launch of the new Infinio and Sphere Infinio platforms in August, which received positive feedback from customers and consumers and drove growth in both the Hearing Instruments and Audiological Care businesses. The Consumer Hearing business posted strong growth in the second half, helped by an improving overall market.

The main highlights in the Hearing Instruments business included the launch of the Phonak Infinio and Sphere Infinio hearing aid platforms in August 2024. We invested substantially in our most ambitious product launch to date, including a flagship event at the Sphere in Las Vegas that attracted over 1,000 hearing care professionals. Following the launch, we expanded the Phonak product range based on the new platforms to encompass additional price points and form factors, all contributing to market share gains. Meanwhile our Unitron brand broadened the offerings of its Vivante platform with its smallest and lightest behind-the-ear (BTE) model and a 'super power' device for consumers requiring greater amplification. Unitron also launched Ativo, a product designed to provide high performance at an accessible price.

Our Audiological Care business overcame some initial challenges to accelerate growth and expand market share in the second half of the financial year. Growth in the first half had been restrained by a modest pipeline of prospective customers at the year's start, combined with lower-than-expected demand, particularly in Europe. We therefore implemented a series of measures to drive growth and profitability, concentrating on improving the level and mix of lead-generation channels and executing structural improvements to streamline operations. The business also leveraged the innovative hearing aid solutions launched under our Phonak brand to stimulate consumer demand. These initiatives resulted in significantly increased growth in the second half-year.

The Consumer Hearing business achieved strong growth during the second half-year, benefiting from the return of the global consumer audio market to growth after a challenging period, as well as a favorable comparison base. The business has achieved further progress on its strategic priorities, concentrating its effort in the premium market categories where the Sennheiser name and market-leading audiophile heritage have the most resonance. At the same time, Consumer Hearing is improving profitability by increasing customer reach in key markets and channels while optimizing product-related costs.

#### [Cochlear Implants segment](#)

Strong sales of new systems, reflecting an increased market share, drove a 9.5% rise in sales in local currencies for the Cochlear Implants segment. Upgrade sales declined as, after the 2021 introduction of the Marvel sound processors, many recipients have already taken up this latest technology. Performance in the US has been a highlight, driven by elevated commercial execution and improvements in lead generation. The Phonak + AB Cochlear Implant Network, in particular, assists with identifying hearing aid users whose hearing loss has progressed to a point where a cochlear implant is the optimal solution. Sales growth was also supported by the Remote Programming feature introduced in the previous financial year: enabled by Phonak's unique Made For All™ universal Bluetooth® connectivity, it allows cochlear implant recipients to attend remote consultations and benefit from real-time adjustments with their audiologists via smartphone.

### Financial performance

Group consolidated sales for the 2024/25 financial year were CHF 3,865.4 million, up 7.6% in local currencies. The continued significant strengthening of the Swiss franc reduced reported sales by CHF 37.7 million, resulting in sales growth of 6.6% in Swiss francs. Growth was supported by accelerating performance in the Hearing Instruments, Audiological Care, and Consumer Hearing businesses during the second half of the financial year, while the Cochlear Implants business achieved a solid performance throughout the year.

Reported operating profit before acquisition-related amortization (EBITA) reached CHF 749.8 million, an increase of 5.9% in local currencies or 3.1% in Swiss francs. Adjusted for restructuring, transaction, integration, and certain legal costs, EBITA reached CHF 807.8 million, up 7.4% in local currencies and 4.7% in Swiss francs. The adjustments primarily reflect the extensive restructuring measures undertaken to enhance productivity and improve our cost structure, thereby putting us in a stronger position for the upcoming financial year. The resulting margin was 20.9%, compared to 21.3% in the 2023/24 financial year, and mainly reflects the strong currency headwind. Adjusted earnings per share (EPS) reached CHF 10.81 (2023/24: CHF 10.06), up 10.6% in local currencies or 7.4% in Swiss francs.

### Dividend proposal

The Board of Directors is pleased to propose to the Annual General Shareholders' Meeting (AGM) in June 2025 a dividend of CHF 4.40 per share. This represents a slight increase over the previous year and an adjusted payout ratio of approximately 41%, which is in line with our Total Shareholder Return (TSR) strategy. Sonova confirms its TSR strategy, targeting moderate leverage while maintaining a healthy balance sheet.

### Environmental, social, and governance (ESG)

Sonova maintains its long-standing commitment to good environmental, social, and governance (ESG) practice: IntACT, our ESG strategy, is firmly embedded in our overall Sonova Group strategy. In the 2024/25 financial year, we made further progress towards our ESG targets, including a 24.5% reduction in scope 1-3 CO<sub>2</sub> emissions compared to the 2019/20 financial year. In line with our efforts to expand access to hearing care, units sold in low- and middle-income countries increased by 67% over the 2018/19 financial year.

The share of women in senior management increased compared to the previous financial year from 28.3% to 30.5%, and in middle management from 39.9% to 41.6%.

Sonova maintains strong ratings from external ESG agencies. Sustainalytics ranked us first in the medical devices industry, while TIME Magazine's "World's Most Sustainable Companies" named us as top in healthcare and 18th overall. Sonova was included in the Dow Jones Sustainability Index for the eleventh consecutive year, and received an AAA ESG rating from MSCI.

You will find further and more detailed information in our [ESG Report](#).

### Changes to the Board of Directors and to the Management Board

As previously communicated, the Board of Directors will propose changes to its membership at the upcoming AGM, in line with its established long-term succession planning. After many years of dedicated service, current Chair Robert Spoerry, Stacy Enxing Seng, and Lukas Braunschweiler will not stand for re-election; Robert Spoerry and Lukas Braunschweiler are approaching the age limit stipulated in the Organizational Regulations of Sonova Holding AG. The Board has nominated Gilbert Achermann, who was elected as a member of the Board at the 2024 AGM, for election as Chair and Laura Stoltenberg for election as a new member of the Board at the upcoming AGM. After a transition period in the 2024/25 financial year, the Board will reduce its membership from 10 to 8 members. Further details can be found in the AGM invitation. As announced in previous communications, Elodie Carr-Cingari, who brings extensive financial leadership experience, will join the Management Board as CFO starting July 2025.

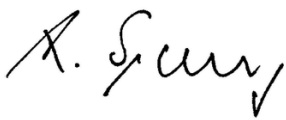
### Our thanks

We sincerely thank our employees for their unwavering commitment to enhancing the hearing experience for ever more consumers: this is the firm foundation of Sonova's strong performance in a notable year. We are also grateful to the consumers who ask us to accompany them on their hearing journey, and the professionals who support them. And our renewed thanks go to our shareholders for their continued trust in our strategy for sustainable, profitable growth.

### Outlook

Building on our solid momentum, increased market share, positive market reception for our new products, and the continued execution of our strategy, we are entering the new financial year from a position of strength. The outlook is based on the current sentiment and growth trends in the hearing care market, as well as the tariffs currently in place. It reflects the recent decline in consumer confidence, particularly in the USA, along with the associated moderate market slowdown observed in recent months. This outlook assumes no significant additional tariffs or other major economic disruptions beyond those already known at the time of this report's publication.

For the full 2025/26 financial year, Sonova expects consolidated sales to increase by 5% – 9%, and EBITA – normalized for special items but including restructuring costs – to grow in a range of 14% – 18% when measured at constant exchange rates.



**Robert Spoerry**  
Chair of the Board of Directors



**Arnd Kaldowski**  
CEO

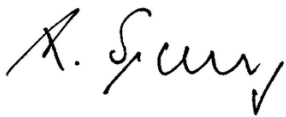
### A personal note from the Chair

As previously communicated, I will be retiring from Sonova at the upcoming AGM due to reaching the age limit. It has been an honor and privilege to serve this remarkable company for such a long time, including 14 years as its Chair, and I give warmest thanks to colleagues and shareholders for the trust they have placed in me during our journey together. Sonova is a great company with a clear lead in the market, and I am happy to leave in the knowledge that it is well positioned for the future.

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**"As my time at Sonova ends, I am convinced that the company is strongly positioned for a successful and sustainably profitable future."**

Robert Spoerry



**Robert Spoerry**  
Chair of the Board of Directors