Announcement no. 02/2023
3 February 2023

Ostomy Care
Continence Care
Voice and Respiratory Care
Wound and Skin Care
Interventional Urology

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Q1 2022/23

Interim financial results, Q1 2022/23

1 October 2022 – 31 December 2022

Coloplast delivered a solid start to the year with 7% organic growth and a 29% EBIT margin before special items

- Coloplast delivered 7% organic growth in Q1. Reported revenue in DKK was up by 18%. Organic growth rates by business area: Ostomy Care 8%, Continence Care 7%, Wound and Skin Care 1% (Wound Care -4%), and Interventional Urology 11%.
- Solid start in Chronic Care, with strong momentum in Ostomy Care across regions, ex. China. In Continence Care, backorders in Collecting Devices continued to detract from growth, offset by strong growth in the Intermittent Catheters portfolio.
- Voice and Respiratory Care delivered high single-digit organic growth and contributed 9%-points to reported growth.
- Growth in Wound Care was impacted by a high baseline last year, continued impact from backorders, particularly in Europe, and negative growth in China. Continued good underlying growth momentum in key European markets.
- Strong start to the year in Interventional Urology with broad-based growth, led by the Men's Health business in the US.
- Coloplast is launching Luja™, the new male intermittent catheter with a unique Micro-hole Zone Technology, setting a new standard for bladder emptying. The new catheter is expected to be available in key markets over the next 12 months.
- EBIT before special items was DKK 1,774 million, an 8% increase from last year. The EBIT margin before special items was 29% compared to 32% last year, reflecting increased commercial activity levels, increased costs for raw materials, energy, and freight, as well as around DKK 54 million in amortisation costs related to the Atos Medical acquisition.
- ROIC after tax before special items was 20% compared to 43% last year, negatively impacted by the acquisition of Atos Medical. Diluted earnings per share (EPS) before special items decreased by 7% to DKK 5.35, due to a 7% decrease in net profit from last year. Net profit was impacted by an increase in financial expenses, driven by non-cash effect from currencies.
- Free cash flow was DKK 212 million, a 77% decrease from last year, impacted by a decline in cash flow from operating activities, mostly due to an increase in net working capital. Net working capital for FY 2022/23 is still expected around 24%.

FY 2022/23 financial guidance – unchanged organic revenue growth of 7-8% and an EBIT margin of 28-30% before special items. Reported revenue growth adjusted to 9-10%.

- Organic revenue growth is expected at 7-8% in constant exchange rates. Reported growth in DKK is expected at 9-10%, from previously 11-12%. Impact from currencies is expected around -1%-point, mostly due to an unfavourable development in the US dollar. The Atos Medical acquisition is still expected to contribute around 3%-points to reported growth (4 months).
- Reported EBIT margin before special items is still expected at 28-30%, impacted by increasing input costs, especially raw materials and electricity in Hungary, partly offset by leverage, efficiency gains and prudent management of operating costs.
- Capital expenditures are still expected to be around DKK 1.4 billion. The effective tax rate is still expected to be around 21%.

"We deliver a solid start to the year with 7% organic growth and an EBIT margin of 29% in Q1, in line with our financial guidance. Our Chronic Care business delivered a strong first quarter with broad-based growth excluding China. I would like to highlight our strong performance in Ostomy Care in the US where we continue to strengthen our competitive position, latest with a three-year renewal of our group purchasing agreement with Premier Inc. I am also pleased with our continued solid performance in our Interventional Urology and Voice and Respiratory Care businesses. Finally, we are launching our new male intermittent catheter Luja™, designed to reduce the risk of urinary tract infections. I am excited by what I believe Luja can do for people using intermittent catheters as well as healthcare systems," says President and CEO Kristian Villumsen.

Conference call
Coloplast will host a conference call on Friday, 03 February 2023 at 11.00 CET.
The call is expected to last about one hour.
To actively participate in the Q&A session please sign up ahead of the conference call on the link here to receive an e-mail with dial-in details Register here
Access the conference call webcast directly here: Q1 22/23 conference call

Financial highlights and key ratios

1 October 2021 – 31 December 2022, unaudited

Consolidated	**2022/23 Q1**	**2021/22 Q1**	**Change**
Income statement, DKK million			
Revenue	6,105	5,169	18%
Research and development costs	-216	-205	5%
Operating profit before interest, tax, depr. and amort. (EBITDA) before special items	2,035	1,824	12%
Operating profit before interest, taxes and amortization (EBITA) before special items	1,857	1,670	11%
Operating profit (EBIT) before special items	1,774	1,649	8%
Special items	-13	-34	N/A
Operating profit (EBIT)	1,761	1,615	9%
Net financial income and expenses	-334	-58	N/A
Profit before tax	1,427	1,557	-8%
Net profit for the period	1,127	1,207	-7%
Revenue growth, %			
Period growth in revenue, %	18	9	
Growth break down:			
Organic growth, %	7	6	
Currency effect, %	2	3	
Acquired operations, %	9	-	
Balance sheet, DKK million			
Total assets	35,221	16,188	N/A
Capital invested	28,529	11,887	N/A
Net interest-bearing debt (NIBD)	21,328	4,172	N/A
Equity end of period	5,905	6,419	-8%
Cash flow and investments, DKK million			
Cash flows from operating activities	487	1,131	-57%
Cash flows from investing activities	-275	-201	37%
Investments in property, plant and equipment, gross	-198	-175	13%
Free cash flow	212	930	-77%
Cash flows from financing activities	74	-745	N/A
Key ratios			
Average number of employees, FTEs[1)]	14,685	12,805	
Operating margin (EBIT margin) before special items, %	29	32	
Operating margin (EBIT margin), %	29	31	
Operating margin before interest, tax, depr. and amort., (EBITDA margin), %	33	35	
Gearing ratio, NIBD/EBITDA before special items	2.6	0.6	
Return on average invested capital before tax (ROIC), %[2)]	25	56	
Return on average invested capital after tax (ROIC), %[2)]	20	43	
Return on equity, %	64	66	
Equity ratio, %	17	40	
Net asset value per outstanding share, DKK	28	30	-7%
Share data			
Share price, DKK	812	1,151	-29%
Share price/net asset value per share	29.2	38.2	-24%
Average number of outstanding shares, millions	212.4	212.8	0%
PE, price/earnings ratio	38.2	50.7	-25%
Earnings per share (EPS), diluted	5.31	5.66	-6%
Earnings per share (EPS) before special items, diluted	5.35	5.78	-7%
Free cash flow per share	1.0	4.4	-77%

[1)] Includes Atos Medical employees. [2)] This item is provided before special items. After special items, ROIC before tax was 25% (2021/22: 55%), and ROIC after tax was 20% (2021/22: 43%).

Sales performance

The Q1 organic growth was 7%. Reported revenue in DKK was up by 18% to DKK 6,105 million. Exchange rate developments increased revenue by 2%-points, mainly related to the appreciation of the USD against DKK. Revenue from acquisitions contributed 9%-points, as a result of the acquisition of Atos Medical in the second quarter of 2021/22.

Sales performance by business areas	**DKK million**		**Growth composition (3 mths)**			
	2022/23 (3 mths)	2021/22 (3 mths)	Organic growth	Acquired operations	Exchange rates	Reported growth
Ostomy Care	2,274	2,098	8%	-	0%	8%
Continence Care	1,987	1,844	7%	0%	1%	8%
Voice and Respiratory Care	480	-	n/a	n/a	n/a	n/a
Wound and Skin Care	678	648	1%	-	4%	5%
Interventional Urology	686	579	11%	-	7%	18%
Revenue	**6,105**	**5,169**	**7%**	**9%**	**2%**	**18%**

Sales performance by region	**DKK million**		**Growth composition (3 mths)**			
	2022/23 (3 mths)	2021/22 (3 mths)	Organic growth	Acquired operations	Exchange rates	Reported growth
European markets	3,434	2,959	5%	12%	-1%	16%
Other developed markets	1,634	1,285	9%	9%	9%	27%
Emerging markets	1,037	925	9%	2%	1%	12%
Revenue	**6,105**	**5,169**	**7%**	**9%**	**2%**	**18%**

Ostomy Care

Ostomy Care generated 8% organic sales growth for the first quarter of 2022/23, with reported revenue in DKK growing by 8% to DKK 2,274 million.

The SenSura® Mio portfolio was the main growth contributor, followed by the Brava® range of supporting products. At the product level, SenSura Mio Convex was the main growth contributor driven by Europe, in particular the UK and Germany, and the US. The SenSura and Assura/Alterna® portfolios continued to contribute to growth in the emerging markets, where they are being actively promoted, most notably LATAM. Growth in the Brava range of supporting products was driven by the US, Germany, and the Emerging markets region.

From a geographical perspective, growth was broad-based with solid contributions from Europe, especially the UK, the US, and Emerging markets ex. China, led by LATAM.
In the US, Coloplast continues to advance its competitive position. Premier Inc. has renewed Coloplast's group purchasing agreement. The contract is multi-source and effective for three years, starting April 1, 2023. Coloplast has also won an Ostomy Care award for Captis, a healthcare organisation with 90+ members, under the Vizient™ GPO umbrella. The award is dual source for three years, starting January 1, 2023.

Sales growth in China remained hampered by COVID-19, which has resulted in a continued lower level of procedural volumes and sales in the hospital channel. Despite the national lifting of the COVID-19 restrictions towards the end of Q1, hospital access remains limited, negatively impacting procedural volumes and growth in new patients.

Continence Care

Continence Care generated 7% organic sales growth for the first quarter of 2022/23, with reported revenue in DKK growing by 8% to DKK 1,987 million.

The SpeediCath® ready-to-use hydrophilic intermittent catheters were the main drivers of revenue growth. Sales growth in the SpeediCath portfolio was broad-based across standard, compact, and flexible catheters, and driven mainly by Europe, in particular France and the UK, as well as the US. SpeediCath Flex Set, a flexible hydrophilic catheter with a new integrated sterile bag, has been launched in nine markets and continues to perform well. SpeediCath Navi, a hydrophilic catheter specifically designed for emerging markets and lower priced developed markets, also contributed to growth.

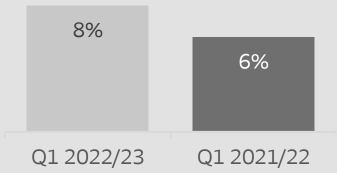
Bowel Management continued to perform well and contributed to Q1 growth, driven by Europe. Peristeen Plus, the newest addition to the Bowel Management portfolio, is on track to replace Peristeen as the standard of care in the 20 markets where the product has been launched.

Collecting Devices continued to detract from growth due to the backorders on Conveen urisheaths. The backorders impact is expected to persist into Q2.

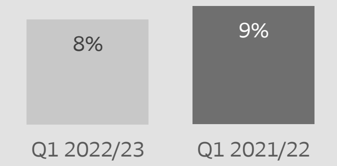
From a geographical perspective, growth was driven by Europe, in particular the UK, and the US. The Emerging markets region also contributed to growth, driven by LATAM. Markets with recent reimbursement openings, such as Poland, Australia, Japan, and South Korea, continued to perform well and posted double-digit growth.

Ostomy Care

Organic growth

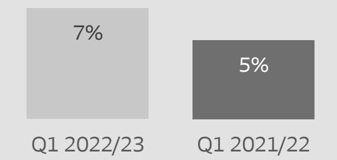


Reported growth

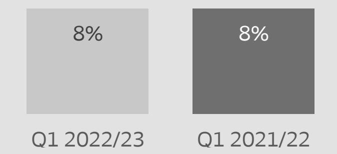


Continence Care

Organic growth



Reported growth



Voice and Respiratory Care

Voice and Respiratory Care contributed 9%-points to the reported growth in the first quarter of the 2022/23 financial year, with high single-digit organic growth, in line with expectations. Growth in the quarter was driven by Laryngectomy, delivering high single-digit organic growth. Tracheostomy also contributed to growth and posted high single-digit organic growth.

Growth in Laryngectomy, which represents around two-thirds of revenues, was driven by growth in patients served in existing and new markets, as well as an increase in patient value driven by the Provox® Life™ portfolio. Provox Life is Atos Medical's new personalized solution and product line designed to optimize patient's breathing ability under different circumstances, further enabling 24/7 use of Heat and Moisture Exchangers (HMEs) for improved pulmonary health. The Provox Life portfolio is launched in 15 markets.

Growth in Tracheostomy and ENT (Ear, Nose and Throat), which represent around one-third of revenues, was positively impacted by phasing.

From a geographical perspective, all regions contributed to growth, led by the biggest region Europe. The US also contributed to growth, while the fastest growing region was Emerging markets.

Voice Prosthesis registration in China
The National Medical Product Administration (NMPA) has approved the registration of the Provox Voice Prosthesis in China. This completes the registration of the laryngectomy product portfolio and represents an important step towards establishing a treatment standard for laryngectomy patients in China.

Wound and Skin Care

Wound and Skin Care generated 1% organic sales growth in the first quarter of 2022/23, with reported revenue in DKK growing by 5% to DKK 678 million.

The wound care business in isolation declined 4% in the first quarter of 2022/23.

The negative growth reflects a high baseline in Q1 last year and continued impact from backorders, particularly in Europe. The backorders impact is expected to persist into Q2.
The underlying growth momentum in the European markets continues to be positive, with key markets posting solid growth in the quarter.

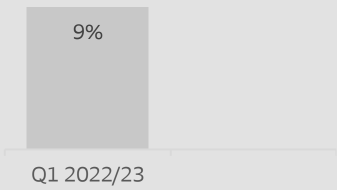
Sales in China continued to decline, due to the negative impact from COVID-19 related restrictions, which have led to a decline in procedural volumes and sales in the hospital channel. Despite the national lifting of the COVID-19 restrictions towards the end of the quarter, hospital access remains limited with continued negative impact on procedural volumes.

The Compeed contract manufacturing business made a solid contribution to growth and grew double-digit, reflecting improved consumer demand, as well as a low baseline last year.

The skin care business, which is mostly a US hospital business, delivered flat growth in the first quarter. The high level of hospital staff turnover due to COVID-19 continues to impact awareness of and demand for skin care treatment solutions.

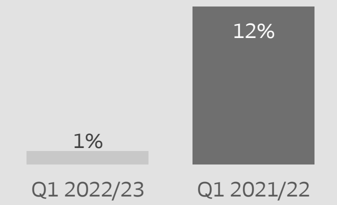
Voice and Respiratory Care

Acquired growth impact

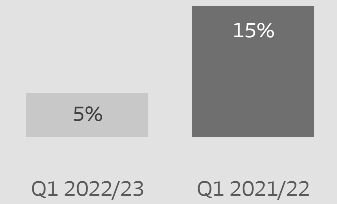


Wound and Skin Care

Organic growth



Reported growth



Interventional Urology

Interventional Urology generated 11% organic sales growth in the first quarter of the 2022/23 financial year, with reported revenue in DKK growing by 18% to DKK 686 million.

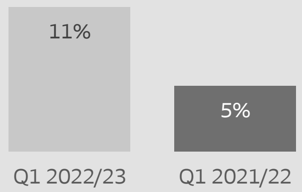
Growth in the quarter was nicely balanced across business areas and geographies, with strong contribution from the Men's Health business in the US, driven by the Titan® penile implants. The Endourology portfolio, driven by Europe, also made a solid contribution to growth.

From a geographical perspective, the growth contribution in the quarter was broad-based and driven by the US and Europe, most notably France.

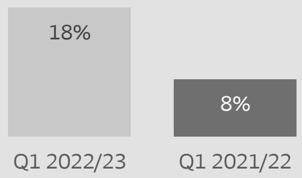
Coloplast has launched its first laser equipment, Thulium Fiber Laser (TFL) Drive, in key markets. The launch is off to a good start with positive customer feedback. With the launch Coloplast has entered the lasers segment, worth an estimated DKK 3 billion.

Interventional Urology

Organic growth



Reported growth



Earnings

Income statement, DKK million	2022/23	Index
Revenue	**6,105**	**118**
Production costs	-1,959	120
Gross profit	**4,146**	**117**
Distribution costs	-1,865	125
Administrative expenses	-297	152
Research and development costs	-216	105
Other operating income	9	64
Other operating expenses	-3	100
Operating profit (EBIT) before special items	**1,774**	**108**
Special items	-13	N/A
Operating profit (EBIT)	**1,761**	**109**
Financial income	31	163
Financial expenses	-365	474
Profit before tax	**1,427**	**92**
Tax on profit for the period	-300	86
Net profit for the period	**1,127**	**93**

Gross profit
Gross profit was DKK 4,146 million compared to DKK 3,530 million last year, equivalent to a gross margin of 68%, on par with last year. The gross margin was positively impacted by price increases and country and product mix. Coloplast continues to have a strong focus on offsetting the inflationary pressure, with 80+ pricing projects ongoing across regions and business areas. Atos Medical, operating leverage and efficiency savings from Global Operations Plan 5 also contributed positively to the gross margin. The gross margin also includes a positive impact from currencies, mainly due to the appreciation of the USD against DKK, and the depreciation of the HUF against DKK. Around 80% of the company's volumes are produced in Hungary.

The above-mentioned positive drivers were offset by increased prices for raw materials, energy, and transportation, double-digit wage inflation in Hungary, and ramp-up costs in Costa Rica.

Costs
Operating expenses amounted to DKK 2,372 million, a DKK 491 million increase (26%) from last year. Atos Medical contributed with DKK 290 million to operating expenses, of which DKK 54 million were amortisation costs, included under distribution costs.

Excluding Atos Medical, operating expenses increased by DKK 201 million, or 11% from last year, as expected. Operating costs for the full year are still expected to grow below reported revenue in DKK (ex. acquired growth).

Distribution costs amounted to DKK 1,865 million, a DKK 373 million increase (25%) from DKK 1,492 million last year and were impacted by the inclusion of Atos Medical. Distribution costs amounted to 31% of revenue compared to 29% last year. The higher distribution costs reflect increased sales and marketing activities post COVID-19 across most markets. Distribution costs were also impacted by higher logistics costs, due to increased freight rates, and continued commercial investments in Interventional Urology, consumer and digital initiatives, and Atos Medical.

Administrative expenses amounted to DKK 297 million, up DKK 102 million (52%) from DKK 195 million last year, primarily impacted by the inclusion of Atos Medical. Administrative expenses accounted for 5% of revenue compared to 4% last year.

The R&D costs were DKK 216 million, a DKK 11 million increase (5%) compared to last year, and amounted to 4% of revenue, on par with last year.

Other operating income and other operating expenses amounted to a net income of DKK 6 million, compared to a net income of DKK 11 million last year.

Operating profit (EBIT) before special items
EBIT before special items amounted to DKK 1,774 million, a DKK 125 million increase (8%) from DKK 1,649 million last year. The EBIT margin before special items was 29% compared to 32% last year. The EBIT margin includes a positive impact from currencies, mainly related to the appreciation of the USD against DKK. The EBIT margin was negatively impacted by the increase in operating expenses, mainly distribution costs, which among other include DKK 54 million in amortisation costs related to the Atos Medical acquisition.

Special items
During Q1, Coloplast incurred special items expenses of DKK 13 million, related to integration costs for the Atos Medical acquisition.

Operating profit (EBIT) after special items
EBIT after special items was DKK 1,761 million, with an EBIT margin of 29%.

Financial items and tax

Financial items were a net expense of DKK 334 million, compared to a net expense of DKK 58 million last year. The net expense was mostly driven by non-cash effect from currencies, while the cash impact from the net financial expense was DKK 81 million. The net expense was primarily due to net losses on balance sheet items of DKK 182 million, impacted by the USD and SEK. Losses on currency hedges of DKK 37 million, mainly due to the USD, and fees of DKK 24 million also contributed to the net expenses. Interest expenses amounted to DKK 116 million, from DKK 3 million last year, impacted by the financing of the Atos Medical acquisition. The blended interest rate for the debt financing of Atos Medical is now expected to be around 2.6% in FY 2022/23, from 1.9%, impacted by the adjustment of the variable interest rate on the 2-year bond issue.

The tax rate was 21.0%, compared to 22.5% last year, positively impacted by the transfer of Atos Medical IP. The tax expense amounted to DKK 300 million against DKK 350 million last year.

Net profit

Net profit before special items was DKK 1,137 million, a DKK 96 million decrease from DKK 1,233 million last year. Diluted earnings per share (EPS) before special items decreased by 7% from DKK 5.78 last year to DKK 5.35. The decrease was a result of a lower net profit compared to last year, negatively impacted by an increase in financial expenses, driven mostly by non-cash effect from currency, as well as interest expenses related to the financing of the Atos Medical acquisition.

Net profit after special items was DKK 1,127 million and diluted earnings per share (EPS) after special items were DKK 5.31.

Cash flows and investments

Cash flows from operating activities

Cash flows from operating activities amounted to DKK 487 million in the first quarter of 2022/23, compared to DKK 1,131 million in the same period last year. The negative development in cash flows from operating activities was driven by an increase in working capital. Inventories increased due to a higher safety stock level on raw materials, price increases, and an increase in finished goods due to the transfer of production to Costa Rica. Trade receivables also had a negative impact due to phasing. Other payables were negatively impacted by mesh lawsuit settlement payments in the US and payment related to the formal resolution of the US Veteran Affairs matter of incorrect management of contractual obligations. Higher income tax paid also had a negative impact on the cash flow.

Investments

Investments amounted to a total cash outflow of DKK 275 million in the first quarter of 2022/23, or around 5% of revenue, against a DKK 201 million outflow in the same period last year.

Free cash flow

As a result, the free cash flow was an inflow of DKK 212 million compared to an inflow of DKK 930 million in Q1 last year, impacted by the decrease in cash flow from operating activities.

Capital resources

At 31 December 2022, Coloplast had net interest-bearing debt, including securities, of DKK 21,328 million, against DKK 18,091 million at 30 September 2022. The increase in net interest-bearing debt was mainly due to the payment of dividends in December 2022. The gearing ratio at the end of the period was 2.6x EBITDA (before special items).

Statement of financial position and equity

Balance sheet

At 31 December 2022, total assets amounted to DKK 35,221 million, an increase of DKK 265 million compared to 30 September 2022.

Working capital was 26% of revenue, compared to 25% at 30 September 2022, driven by an increase in inventories and trade receivables, as well as a decrease in trade payables. Inventories increased by DKK 210 million to DKK 3,397 million, impacted by an increase in safety stock on raw materials, price increases, and an increase in finished goods, as explained above. Trade receivables increased by DKK 13 million to DKK 3,953 million. Trade payables decreased by DKK 278 million relative to 30 September 2022 to stand at DKK 964 million, impacted by timing.
Net working capital for the year is still expected to be around 24% of revenue.

Equity

Equity decreased by DKK 2,387 million relative to 30 September 2022 to DKK 5,905 million. Total comprehensive income for the period of DKK 782 million, share-based remuneration of DKK 11 million, and net effect of sale of treasury shares and loss of exercised options of DKK 5 million were offset by the payment of dividends amounting to DKK 3,185 million.

Treasury shares

At 31 December 2022, Coloplast's holding of treasury shares consisted of 3,594,679 B shares, which was 98,197 less than at 30 September 2022. The decrease was due to exercise of share options.

Update on sustainability strategy and performance

Priority	Unit	2025 Ambition	Q1 2022/23	Q1 2021/22	Change	FY 2021/22
Improving products and packaging						
Recyclable packaging[1]	% of total	90%	-	-	-	78%
Renewable materials in packaging[1]	% of total	80%	-	-	-	76%
Production waste recycling	% of total	75%	74%	60%[8]	14%-p	71%
Reducing emissions[2]						
Scope 1 and 2 emissions[7]	% reduction	100% reduction by 2030[2) 5)]	13%	0%	13%-p	8%
Renewable energy use[7]	% of total	100%	75%	67%[8]	8%-p	72%
Electric company cars[1) 3)]	% of total	50%	-	-	-	4%
Scope 3 emissions[1] (by 2030)	% reduction per product	50% reduction by 2030[2) 5)]	-	-	-	9%
Business travel by air[1]	% reduction	10% reduction[2]	-	-	-	55%
Goods transported by air[1]	% of total	< 5% of total	-	-	-	3%
Responsible operations						
Lost time injury frequency[6]	Parts per million	2.0	2.4	2.2[8]	7%	2.4
Code of Conduct training[1]	% of white collars	100%	-	-	-	100%
Female senior leaders (VP+ level)[1]	% of total	40% by 2030	-	-	-	21%
Diverse teams[1]	% share of total teams	75%	-	-	-	55%
Employee satisfaction[1) 4)]	Engagement score	Above benchmark	-	-	-	8.2

Improving products and packaging
Production waste recycling increased to 74% in Q1 2022/23, compared to 60% in Q1 2021/22. The increase reflects continued progress on the efforts to scale up Coloplast's partnership with a recycling manufacturer in Hungary. Through an innovative waste recycling technology, the recycling manufacturer uses Coloplast's production waste as a moulded component in rubber-based composite products used for flooring at schools, sport fields, railway systems or as building isolation.

Scope 1 and 2 emissions
Renewable energy use increased to 75% of the total energy use in Q1 2022/23 (four quarters rolling average), compared to 67% in Q1 2021/22. Q1 likewise saw progress on the absolute emissions in scope 1 and 2, which decreased by 13% in Q1 2022/23 (four quarters rolling average), compared to the base year 2018/19. Both the uptake in renewable energy use and the reduction in absolute scope 1 and 2 emissions were driven by the efforts to phase out natural gas at Coloplast's manufacturing sites in Hungary and China.

Solar panel installation at Coloplast US Headquarters in Minneapolis
With the installation of solar panels on the roof of Coloplast's office in Minneapolis, Minnesota, Coloplast will be able to generate part of its electricity on-site from a renewable energy source. The project is expected to be completed in February 2023.

The solar panel installation is an example of Coloplast's diversified approach to green technologies for reducing emissions and delivering on the ambition of 100% renewable energy use by 2025.

Production site in Cartago, Costa Rica achieves ISO certification
Coloplast's new production site in Cartago, Costa Rica has received the internationally acknowledged ISO 45001 certification for occupational health and safety management and the ISO 14001 certification for environmental management.

With the addition of the Cartago site, all Coloplast production sites (excluding Atos Medical) are certified according to the ISO 45001 and ISO 14001 standards. The plan to achieve certification of Atos Medical's production sites in Sweden and Germany is currently being developed.

[1] Metric will only be reported on a semi-annual or full-year basis. [2] From base year 2018/19. [3] Ambition beyond 2025 is 100% of company cars to be converted to electrical vehicles by 2030. [4] Employee survey conducted twice a year. Latest industry benchmark from May 2022 was 7.4. [5] Target validated by Science-Based Targets initiative (SBTi). [6] Lost time injury frequency for Q1 2022/23 includes Atos Medical [7] Four quarters rolling average [8] Figure has been restated due to improved data quality.
All numbers are excluding Atos Medical, except Lost time injury frequency for Q1 2022/23

Other matters

Launch of Luja™, the new male intermittent catheter with a unique Micro-hole Zone Technology
Coloplast is launching Luja, the first and only intermittent catheter with a Micro-hole Zone Technology. With Luja, Coloplast introduces the next generation of male intermittent catheters, setting a new standard for bladder emptying.

Urinary tract infections are a significant burden for people using intermittent catheters, as well as healthcare systems as a whole. Luja is designed to reduce the risk of urinary tract infections by minimising residual urine and mucosal microtrauma. The new catheter enables complete bladder emptying in one free flow – the flow only stops when the bladder is completely emptied. Catheterisation with Luja does not require repositioning, as with the Micro-hole Zone Technology mucosal suction is reduced.

The product launch begins in February and the new catheter is expected to be available in key markets over the next 12 months.

Contract with the US Department of Veterans Affairs
Coloplast has formally resolved the matter of incorrect management of contractual obligations related to past agreements with the US Department of Veterans Affairs (VA).

The situation was uncovered and disclosed to the authorities in FY 2016/17. The impact from the matter is in line with expectations and limited to the one-off revenue adjustment of 90 million DKK made in FY 2016/17.
In response to the matter disclosed in FY 2016/17, Coloplast has strengthened its internal controls and procedures for managing these government contract obligations.

Coloplast has a long history of supporting the VA and its patients and continues to supply products to the VA under a new contract.

For more information, please see the annual report from FY 2016/17: FY 2016/17 annual report.

Italian payback system for medical devices
The Italian Ministry of Health is implementing a retroactive regional payback system for medical devices for the period 2015-2022. This is a government decision to promote a public health budget control mechanism. The regional payback system will be activated in the event of exceeding an annual regional expenditure ceiling, based on the purchase by the regional health service.

Coloplast is closely monitoring the development and expects to be able to manage the financial impact within the given guidance for FY 2022/23.
Coloplast is contesting the implementation of the payback system and has appealed the legal grounds of the decision and the individual payback requests from the regions.

War in Ukraine
Coloplast continues to monitor the war in Ukraine closely. Our primary focus is to keep our people safe as well as to ensure that our around 100,000 users in Ukraine and Russia have access to products to manage their chronic conditions.

Revenue exposure in Russia and Ukraine combined is estimated to be around 1% of group revenues in FY 2022/23, majority of which is in Russia.

Coloplast complies with all sanctions imposed by the EU, the UN, and the US on Russia. Medical devices are generally not targeted by sanctions and export controls, and as such Coloplast is able to continue serving its users in Russia. In Poland and Hungary, Coloplast employs around 400 Ukrainians and our local teams have initiated several activities to support Ukrainian colleagues such as transferring their families and finding housing and jobs. Coloplast has also donated large volumes of wound care products to humanitarian organisations.

2022/23 Financial guidance

7-8%

Organic revenue growth at constant exchange rates

28-30%

Reported EBIT margin (before special items)

Around 1.4 bn

Capital expenditure in DKK

Around 21%

Effective tax rate

Long term financial guidance

The long-term financial guidance for the Strive25 strategy period running until end 2024/25 is the following:

7-9%
Organic growth p.a.

above 30%
EBIT margin at constant exchange rates

Key assumptions

The impact of current macroeconomic trends and global events, especially input costs development and COVID-19 in China, is continuously monitored and evaluated on a short- and medium-term basis. The financial guidance is subject to a higher degree of uncertainty due to the changing environment.

The addressable market in which Coloplast operates is expected to continue growing at 4-5% and includes negative impact from COVID-19 in China.

The organic revenue growth guidance and EBIT margin guidance are unchanged, and the assumptions laid out in November still hold.

Revenue growth
Organic growth is expected at 7-8% in constant currencies and assumes:

a) Limited impact from COVID-19 on hospital activity across markets, except for China
b) The chronic care business excluding China is expected to grow largely in line with the Strive25 ambitions. The assumptions by region include:
   - Continued good momentum in Europe
   - US – sustained good momentum in Ostomy Care and improvement in growth in Continence Care
   - Emerging markets – broad-based double-digit growth excluding China
   - China is expected to remain impacted by COVID-19. Despite the lifting of COVID-19 related restrictions, hospital access remains limited, with a continued negative impact on procedural volumes. The average value per patient is expected to remain below pre-COVID levels, impacted by consumer sentiment
c) Wound and Skin Care is expected to deliver growth above the market in line with the Strive25 ambitions. China is expected to remain impacted by COVID-19. Despite the lifting of COVID-19 related restrictions, hospital access remains limited, with a continued negative impact on procedural volumes.
d) Interventional Urology is expected to deliver high single-digit growth in line with the Strive25 ambitions
e) Voice and Respiratory Care is expected to grow at 8-10%, with 8 months impact on organic growth
f) Revenue exposure to Russia and Ukraine is expected to be on par with 2021/22 i.e., around 1% of group revenues with a flat growth rate in FY 2022/23
g) No current knowledge of significant health care reforms; positive pricing impact is expected
h) A stable supply and distribution of products across the company; impact from backorders in Collecting Devices and Wound Care expected to persist into H1 2022/23

Reported growth in DKK is expected at 9-10%, from previously 11-12%. The updated guidance assumes around -1% -point impact from currencies, from previously around 1%-point, impacted by unfavourable development in mostly the US dollar against the DKK. The expected contribution from the Atos Medical acquisition to reported growth is unchanged, around 3%-points (4 months impact).

The expectation of long-term price pressure of up to 1% annually is unchanged.

EBIT margin
The EBIT margin is expected at 28-30% (before special items), and assumes:

a) Leverage effect on fixed costs and continued efficiency improvements through Global Operations Plan 5
b) An increase in input costs, driven mostly by:
    - Raw materials – double-digit price increase
    - Energy – cost expected to be around double compared to 2021/22
    - Wages in Hungary – double-digit increase
c) Prudent management of operating costs, expected to grow below reported revenue in DKK (excluding acquired growth)
d) Incremental investments at the lower end of the Strive25 guidance (up to 2% of sales in incremental OPEX investments)
e) Full year impact of around DKK 230 million of amortisation related to the Atos Medical acquisition

Capex
Capex is still expected to be around DKK 1.4 billion and includes investments in automation at volume sites in Hungary and China as part of GOP5, investments in new machines for existing and new products, IT and sustainability investments, as well as Atos Medical capex and integration capex.

Effective tax rate
The effective tax rate is still expected to be around 21%, positively impacted by the transfer of Atos Medical Intellectual Property.

Other assumptions
The provision made to cover costs relating to transvaginal surgical mesh products remains subject to a degree of estimation.

Dividend policy
The Board of Directors intends to distribute excess liquidity to the shareholders through dividends and share buybacks.

The target payout ratio is 60-80% of net profit.

Atos Medical financial assumptions

The key financial assumptions for Atos Medical during the Strive25 strategy period are summarized below:

a) Organic growth is expected to be 8-10%, with an EBITDA margin in the mid-30s level
b) The transaction is expected to be increasingly EPS accretive from FY 2022/23. Estimated run-rate operational synergies of up to DKK 100 million from utilising Coloplast infrastructure, with full impact estimated from FY 2023/24
c) Capex integration costs of up to DKK 150 million split over 2021/22-2023/24, of which the vast majority will be IT capex
d) Around 25% of the purchase value is treated as intangibles, to be amortised over ~15 years
e) Around DKK 50 million integration cost in FY 2022/23, to be treated as special items, as expected

Forward-looking statements

The forward-looking statements in this announcement, including revenue and earnings guidance, do not constitute a guarantee of future results and are subject to risk, uncertainty and assumptions, the consequences of which are difficult to predict.

The forward-looking statements are based on our current expectations, estimates and assumptions and are provided on the basis of information available to us at the present time.

Major fluctuations in the exchange rates of key currencies, significant changes in the healthcare sector or major developments in the global economy may impact our ability to achieve the defined long-term targets and meet our guidance. This may impact our company's financial results.

Exchange rate exposure

Our financial guidance for the 2022/23 financial year has been prepared on the basis of the following assumptions for the company's principal currencies:

OVERVIEW OF EXCHANGE RATES FOR KEY CURRENCIES AGAINST DKK

	GBP	USD	HUF
Average exchange rate 3M 2021/22	877	651	2.04
Average exchange rate 3M 2022/23	855	729	1.81
Change in average exchange rates for 2022/23 compared with the same period last year	**-3%**	**12%**	**-11%**
Average exchange rate 2021/22[1)]	878	688	1.97
Spot rate on 31 January 2023	847	686	1.91
Estimated average exchange rate 2022/23[2)]	849	697	1.89
Change in spot rates compared with average exchange rate 2021/22	**-3%**	**1%**	**-4%**

[1)] Average exchange rates for 2021/22 are from 1 October 2021 to 30 September 2022.

[2)] Estimated average exchange rates are calculated as the average exchange rates for the first three months combined with the spot rates at 31 January 2023.

Revenue is particularly exposed to developments in USD and GBP relative to DKK. Fluctuations in HUF against DKK impact the operating profit because a substantial part of our production, and thus of our costs, are in Hungary, whereas our sales there are moderate.

EFFECT OVER 12 MONTHS OF A 10% INITIAL DROP IN EXCHANGE RATES FOR KEY CURRENCIES (DKK MILLION)

	Revenue	EBIT
USD	-490	-220
GBP	-320	-220
HUF	-	130

Statement by the Board of Directors and the Executive Management

The Board of Directors and the Executive Management have today considered and approved the interim report of Coloplast A/S for the period 1 October 2022 – 31 December 2022.

The interim report which has neither been audited nor reviewed by the company's auditors, is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and additional Danish disclosure requirements for interim 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 31 December 2022 and of the results of the Group's operations and cash flows for the period 1 October 2022 – 31 December 2022.

Furthermore, in our opinion, the Management's report includes a fair account of the development and performance of the Group, the results for the period and of the financial position of the Group.
Other than set forth in the interim report, no changes have occurred to the significant risks and uncertainty factors compared with those disclosed in the annual report for 2021/22.

Humlebæk, 3 February 2023

Executive Management

Kristian Villumsen
President, CEO

Anders Lonning-Skovgaard
Executive Vice President, CFO

Nicolai Buhl Andersen
Executive Vice President

Paul Marcun
Executive Vice President

Allan Rasmussen
Executive Vice President

Board of Directors

Lars Rasmussen
Chairman

Niels Peter Louis-Hansen
Deputy Chairman

Carsten Hellmann

Annette Brüls

Jette Nygaard-Andersen

Marianne Wiinholt

Thomas Barfod
Elected by the employees

Roland V. Pedersen
Elected by the employees

Nikolaj Kyhe Gundersen
Elected by the employees

Statement of comprehensive income

1 October – 31 December, unaudited

Consolidated DKK million	Note	2022/23 Q1	2021/22 Q1	Index
Revenue	2	6,105	5,169	118
Production costs		-1,959	-1,639	120
Gross profit		**4,146**	**3,530**	**117**
Distribution costs		-1,865	-1,492	125
Administrative expenses		-297	-195	152
Research and development costs		-216	-205	105
Other operating income		9	14	64
Other operating expenses		-3	-3	100
Operating profit (EBIT) before special items		**1,774**	**1,649**	**108**
Special items	3	-13	-34	-
Operating profit (EBIT)		**1,761**	**1,615**	**109**
Financial income	4	31	19	163
Financial expenses	4	-365	-77	>200
Profit before tax		**1,427**	**1,557**	**92**
Tax on profit for the period		-300	-350	86
Net profit for the period		**1,127**	**1,207**	**93**
Remeasurements of defined benefit plans		-2	27	
Tax on remeasurements of defined benefit plans		-	-6	
Items that will not be reclassified to the income statement		**-2**	**21**	
Value adjustment of currency hedging		123	-94	
Transferred to financial items		37	37	
Tax effect of hedging		-30	13	
Currency adjustment of opening balances and other value adjustments relating to subsidiaries		-473	28	
Items that may be reclassified to income statement		**-343**	**-16**	
Total other comprehensive income		**-345**	**5**	
Total comprehensive income		**782**	**1,212**	
DKK				
Earnings per share (EPS)		5.31	5.67	
Earnings per share (EPS), diluted		5.31	5.66	

Statement of cash flows

1 October – 31 December, unaudited

Consolidated **DKK million**	**Note**	**2022/23** **3 mths**	**2021/22** **3 mths**
Operating profit		1,761	1,615
Amortisation		83	21
Depreciation		178	154
Adjustment for other non-cash operating items	7	-73	-19
Changes in working capital	7	-501	63
Ingoing interest payments, etc.		21	3
Outgoing interest payments, etc.		-102	-95
Income tax paid		-880	-611
Cash flows from operating activities		**487**	**1,131**
Investments in intangible assets		-77	-26
Investments in land and buildings		-1	-
Investments in plant and machinery and other fixtures and fittings, tools and equipment		-11	-2
Investments in property, plant and equipment under construction		-186	-173
Cash flows from investing activities		**-275**	**-201**
Free cash flow		**212**	**930**
Dividend to shareholders		-3,185	-2,979
Sale of treasury shares and loss on exercised options		5	7
Financing from shareholders		**-3,180**	**-2,972**
Repayment of lease liabilities		-66	-49
Drawdown on credit facilities		3,320	2,276
Cash flows from financing activities		**74**	**-745**
Net cash flows		**286**	**185**
Cash and cash equivalents at 1 October		**414**	**448**
Value adjustment of cash and bank balances		-29	9
Net cash flows		286	185
Cash and cash equivalents at 31 December	8	**671**	**642**

The cash flow statement cannot be derived using only the published financial data.

Assets

At 31 December, unaudited

Consolidated

DKK million	**Note**	**31.12.22**	**31.12.21**	**30.09.22**
Intangible assets		19,802	3,677	20,277
Property, plant and equipment		4,557	3,845	4,474
Right-of-use assets		839	576	677
Other equity investments		51	41	51
Deferred tax asset		663	739	674
Other receivables		30	26	31
Non-current assets		**25,942**	**8,904**	**26,184**
Inventories		3,397	2,497	3,187
Trade receivables		3,953	3,215	3,940
Income tax		331	287	336
Other receivables		318	240	383
Prepayments		399	181	293
Marketable securities		210	222	219
Cash and cash equivalents		671	642	414
Current assets		**9,279**	**7,284**	**8,772**
Assets		**35,221**	**16,188**	**34,956**

Equity and liabilities

At 31 December, unaudited

Consolidated DKK million	Note	31.12.22	31.12.21	30.09.22
Share capital		216	216	216
Currency translation reserve		-1,307	-380	-910
Reserve for currency hedging		545	-85	415
Proposed ordinary dividend for the year		-	-	3,185
Retained earnings		6,451	6,668	5,386
Equity		**5,905**	**6,419**	**8,292**
Provisions for pensions and similar liabilities		118	159	115
Provision for deferred tax		1,469	673	2,077
Other provisions	5	199	27	258
Bonds	6	16,360	-	16,359
Other payables		16	-	16
Lease liability		665	430	496
Prepayments		7	3	7
Non-current liabilities		**18,834**	**1,292**	**19,328**
Provisions for pensions and similar liabilities		6	15	6
Other provisions	5	260	145	347
Other credit institutions		4,965	4,435	1,644
Trade payables		964	597	1,242
Income tax		1,372	657	1,342
Other payables		2,711	2,451	2,544
Lease liability		203	171	209
Prepayments		1	6	2
Current liabilities		**10,482**	**8,477**	**7,336**
Equity and liabilities		**35,221**	**16,188**	**34,956**

Statement of changes in equity, current year

At 31 December, unaudited

Consolidated	Share capital		Reserves				
DKK million	A shares	B shares	Currency translation	Currency hedging	Proposed dividend	Retained earnings	Total
2022/23							
Equity at 1 October	18	198	-910	415	3,185	5,386	8,292
Net profit for the period	-	-	-	-	-	1,127	1,127
Other comprehensive income	-	-	-397	130	-	-78	-345
Total comprehensive income	**-**	**-**	**-397**	**130**	**-**	**1,049**	**782**
Sale of treasury shares and loss on exercised options	-	-	-	-	-	5	5
Share-based payment	-	-	-	-	-	11	11
Dividend paid out in respect of 2021/22	-	-	-	-	-3,185	-	-3,185
Transactions with shareholders	**-**	**-**	**-**	**-**	**-3,185**	**16**	**-3,169**
Equity at 31 December	18	198	-1,307	545	-	6,451	5,905

Statement of changes in equity, last year

At 31 December, unaudited

Consolidated	Share capital		Reserves				
DKK million	**A shares**	**B shares**	**Currency translation**	**Currency hedging**	**Proposed dividend**	**Retained earnings**	**Total**
2021/22							
Equity at 1 October	**18**	**198**	**-392**	**-41**	**2,979**	**5,406**	**8,168**
Net profit for the period	-	-	-	-	-	1,207	**1,207**
Other comprehensive income	-	-	12	-44	-	37	**5**
Total comprehensive income	**-**	**-**	**12**	**-44**	**-**	**1,244**	**1,212**
Sale of treasury shares	-	-	-	-	-	7	**7**
Share-based payment	-	-	-	-	-	11	**11**
Dividend paid out in respect of 2020/21	-	-	-	-	-2,979	-	**-2,979**
Transactions with shareholders	**-**	**-**	**-**	**-**	**-2,979**	**18**	**-2,961**
Equity at 31 December	**18**	**198**	**-380**	**-85**	**-**	**6,668**	**6,419**

List of notes

Note 1
Accounting policies

The unaudited consolidated financial statements and interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and additional Danish disclosure requirements for listed companies. The accounting policies for recognition and measurement applied in the preparation of the interim report are consistent with those applied in the Annual Report 2021/22 except for new standards, amendments and interpretations that are effective from 2022/23 financial year.

Note 2
Segment information

Operating segments
The operating segments are defined on the basis of the monthly reporting to the Executive Leadership Team, which is considered the senior operational management, and the management structure. Reporting to the Executive Leadership Team is based on four operating segments: Chronic Care, Voice and Respiratory Care., Wound and Skin Care and Interventional Urology.

The operating segment Chronic Care covers the sale of ostomy care products and continence care products. Voice and Respiratory Care covers the sale of laryngectomy care products and tracheostomy products, as well as R&D activities. The operating segment Wound and Skin Care covers the sale of wound and skin care products. The operating segment Interventional Urology covers the sale of urological products, including disposable products, as well as R&D activities.

The reporting segments are also Chronic Care, Voice and Respiratory Care, Wound and Skin Care and Interventional Urology. The segmentation reflects the structure of reporting to the Executive Leadership Team.

The shared/non-allocated comprises support functions (production units and staff functions) and eliminations, as these functions do not generate revenue. While costs of R&D activities for Interventional Urology and Voice and Respiratory Care are included in the segment operating profit/loss for that segment, R&D activities for Chronic Care and Wound and Skin Care are shared functions which are comprised in shared/non-allocated. The shared/non-allocated costs also include PPA amortisation expenditures related to Voice and Respiratory Care.

Financial items and income tax are not allocated to the operating segments.

The Executive Leadership Team reviews each operating segment separately, applying their market contributions to earnings and allocating resources on that basis. The market contribution is defined as external revenue less the sum of direct production costs, distribution costs, sales costs, marketing costs and administrative expenses. Costs are allocated directly to segments. Certain immaterial indirect costs are allocated systematically to the shared/non-allocated and the reporting segments.

The Executive Leadership Team does not receive reporting on assets and liabilities by the reporting segments. Accordingly, the reporting segments are not measured in this respect, nor do we allocate resources on this background. No single customer accounts for more than 10% of revenue.

Note 2, continued

Consolidated	Chronic Care		Interventional Urology		Wound and Skin Care		Voice and Respiratory Care		Group	
DKK million	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Segment revenue:										
Ostomy Care	2,274	2,098	-	-	-	-		-	2,274	2,098
Continence Care	1,987	1,844	-	-	-	-		-	1,987	1,844
Interventional Urology	-	-	686	579	-	-		-	686	579
Wound and Skin Care	-	-	-	-	678	648		-	678	648
Voice and Respiratory Care	-	-	-	-	-	-	480	-	480	-
External revenue as per the statement of comprehensive income	**4,261**	**3,942**	**686**	**579**	**678**	**648**	**480**	**-**	**6,105**	**5,169**
Costs allocated to segment	-1,805	-1,612	-442	-355	-429	-375	-324	-	-3,000	-2,342
Segment operating profit/loss	**2,456**	**2,330**	**244**	**224**	**249**	**273**	**156**	**-**	**3,105**	**2,827**
Shared/non-allocated									-1,331	-1,178
Special items not included in segment operating profit/loss (see note 3)									-13	-34
Operating profit before tax (EBIT) as per the statement of comprehensive income									**1,761**	**1,615**
Net financials									-334	-58
Tax on profit/loss for the year									-300	-350
Profit/loss for the year as per the statement of comprehensive income									**1,127**	**1,207**

Note 3
Special items

DKK million	2022/23	2021/22
Expenses related to business combinations	13	34
Total	**13**	**34**

Special items contains expenses and integration costs related to business combinations.

Note 4
Financial income and expenses

DKK million	2022/23	2021/22
Financial income		
Interest income	1	2
Interest hedges	19	-
Net exchange adjustments	-	12
Hyperinflationary adjustment of monetary position	10	4
Other financial income	1	1
Total	**31**	**19**
Financial expenses		
Interest expenses	23	3
Interest expenses, lease liabilities	6	3
Interest expenses, bonds	93	-
Fair value adjustments of forward contracts transferred from other comprehensive income	37	37
Fair value adjustments of cash-based share options	-	3
Net exchange adjustments	182	-
Other financial expenses and fees	24	31
Total	**365**	**77**

Note 5
Other provisions

Product liability case regarding transvaginal surgical mesh products
Since 2011, Coloplast, along with a number of other major manufacturers, has been named as a defendant in individual lawsuits in various federal and state courts around the United States alleging injury resulting from use of transvaginal surgical mesh products designed to treat pelvic organ prolapse and stress urinary incontinence. A multidistrict litigation (MDL) was formed in 2012 in the Southern District of West Virginia to consolidate federal court cases in which Coloplast is the first named defendant.

Since the first lawsuits were filed, Coloplast has been intent on disputing the current and any future litigation and has continually considered which strategy and other steps may serve the company's best interests.

Against this background, Coloplast has from the start reached settlements with groups of law firms. In 2017, Judge Joseph Goodwin issued a court order stating that plaintiffs may no longer direct claims against Coloplast in the ongoing MDL. In 2019, the remaining cases were remanded to the relevant Courts, and on 18 December 2020 the MDL was formally closed. It is estimated that around 99% of the former MDL cases have been settled to date.

The total amount recognised since the 2013/14 financial year for expected costs of litigation in the USA amounts to DKK 6.15 billion including legal costs (before insurance cover of DKK 0.5 billion).

The total expected expense is based on a number of estimates and assumptions and is therefore subject to uncertainty.

The remaining provision made for legal claims amounted to DKK 0.1 billion at 31 December 2022 (DKK 0.2 billion at 30 September 2022) plus DKK 0.1 billion recognised under other debt (DKK 0.3 billion at 30 September 2022). Liabilities are classified as other debt when agreements are reached with the plaintiffs' legal counsel and amounts and timing become known.

With reference to the prejudicial exemption in IAS 37, Coloplast will not disclose any further information about the assumptions for the provision, including any details about current and the expected number of lawsuits and settled claims.

The disclosure of such information is believed to be detrimental to Coloplast in connection with the ongoing confidential negotiations and could inflict financial losses on Coloplast and its shareholders.

Note 6
Bonds

Bonds
Coloplast has in 2021/22 raised EUR 2.2 billion in debt financing through the issuance of senior unsecured notes in an aggregate principal amount of EUR 2.2 billion under the Coloplast Euro Medium Term Note programme. The Notes are unconditionally and irrevocably guaranteed by Coloplast. COLOCB1 Floating Rate Note carries a coupon adjusted quarterly. COLOCB2 carries a fixed coupon for five years, and COLOCB3 carries a fixed coupon for eight years.

COLOCB2 and COLOCB3 can be redeemed at a market price fixed on the redemption date in relation to named EUR bonds with similar maturity

A pre-hedge was made with Interest swaps on COLOCB2 and COLOCB3 with mandatory breakage on the day the bonds are issued to limit the financial risks. The gain of DKK 521 million has as per hedge accounting been set off in the equity and transferred to the financial items during the lifetime of the bonds.

Short name	Currency	Amount, million	Expiry date	Coupon[1)]
COLOCB1	EUR	650	19-05-2024	2.55
COLOCB2	EUR	850	19-05-2027	2.25
COLOCB3	EUR	700	19-05-2030	2.75

[1)] Fixed for COLOCB1 as per 17-11-2022. The coupon rate is set as 3M Euribor + 0.75%.

Note 7
Specifications of cash flow from operating activities

DKK million	2022/23	2021/22
Change in other provisions	-85	-30
Other non-cash operating items	12	11
Adjustment for other non-cash operating items	**-73**	**-19**
Inventories	-305	-43
Trade receivables	-145	34
Other receivables, including amounts held in escrow	-27	-24
Trade and other payables etc.	-24	96
Changes in working capital	**-501**	**63**

Note 8
Cash and cash equivalents

DKK million	2022	2021
Bank deposits, short term	671	642
Cash and cash equivalents at 30 December	**671**	**642**

Note 9
Contingent liabilities

Other than as set out in note 5, the Coloplast Group is a party to a few minor legal proceedings, which are not expected to influence the Group's future earnings.

Income statement, quarterly

Unaudited

Consolidated	2022/23	2021/22			
DKK million	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Revenue	6,105	6,059	5,849	5,502	5,169
Production costs	-1,959	-1,889	-1,801	-1,721	-1,639
Gross profit	**4,146**	**4,170**	**4,048**	**3,781**	**3,530**
Distribution costs	-1,865	-1,872	-1,813	-1,620	-1,492
Administrative expenses	-297	-276	-270	-264	-195
Research and development costs	-216	-217	-222	-222	-205
Other operating income	9	15	30	15	14
Other operating expenses	-3	-6	-12	-4	-3
Operating profit (EBIT) before special items	**1,774**	**1,814**	**1,761**	**1,686**	**1,649**
Special items	-13	-36	-20	-381	-34
Operating profit (EBIT)	**1,761**	**1,778**	**1,741**	**1,305**	**1,615**
Financial income	31	-29	79	50	19
Financial expenses	-365	-137	-149	-68	-77
Profit before tax	**1,427**	**1,612**	**1,671**	**1,287**	**1,557**
Tax on profit for the period	-300	-382	-382	-307	-350
Net profit for the period	**1,127**	**1,230**	**1,289**	**980**	**1,207**

DKK					
Earnings per share (EPS) before special items	5.36	5.92	6.14	6.00	5.80
Earnings per share (EPS)	5.31	5.79	6.07	4.61	5.67
Earnings per share (EPS) before special items, diluted	5.35	5.92	6.13	5.99	5.78
Earnings per share (EPS), diluted	5.31	5.79	6.06	4.60	5.66

Our mission
Making life easier for people
with intimate health care needs

Our values
Closeness... to better understand
Passion... to make a difference
Respect and responsibility... to guide us

Our vision
Setting the global standard
for listening and responding

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This announcement is available in a Danish and an English-language version. In the event of discrepancies, the English version shall prevail.

Coloplast develops products and services that make life easier for people with very personal and private medical conditions. Working closely with the people who use our products, we create solutions that are sensitive to their special needs. We call this intimate health care. Our business includes Ostomy Care, Continence Care, Wound and Skin Care, Interventional Urology and Voice and Respiratory Care. We operate globally and employ more than 14,500 employees.