7 May 2024

H1 2023/24

Interim financial results, H1 2023/24

1 October 2023 - 31 March 2024

Coloplast delivered a solid Q2 with 8% organic growth and an EBIT margin[1)] of 27%. Reported revenue in DKK grew 9% with 4%-points contribution from Kerecis (underlying growth of around 35%), partly offset by currencies.

- Organic growth rates by business area: Ostomy Care 7%, Continence Care 8%, Voice and Respiratory Care 13%, Advanced Wound Care 8% (Advanced Wound Dressings 8%) and Interventional Urology 5%.
- Continued good momentum in Chronic Care. Ostomy Care growth was driven by broad-based contribution from Emerging markets and Europe, compensating for lower growth in the US which was held back by order phasing and now expected to be H2 weighted. Continence Care growth was driven by intermittent catheters, including good contribution from Luja™.
- Voice and Respiratory Care had a strong Q2, driven by double-digit growth in both laryngectomy and tracheostomy.
- Growth in Advanced Wound Dressings was broad-based across regions, driven by the Biatain® Silicone portfolio.
- Continued strong momentum and market share gains for Kerecis. Underlying growth in the quarter was around 35%, in line with plan. The EBIT margin excl. PPA amortisation was around 10%.
- Interventional Urology growth was driven by Men's Health and Endourology, while Women's Health detracted from growth.
- EBIT[1] was DKK 1,791 million, a 7% increase from last year. The EBIT margin[1,2] was 27% against 28% last year, and includes around 100 basis points negative impact from Kerecis, as expected, and negative impact from currencies.
- Coloplast is expanding its Luja™ portfolio with the launch of Luja for women* as of May 2024. Heylo™*, a digital leakage notification system, has been granted national reimbursement in the UK as of 1 July 2024. Coloplast is also significantly expanding its SenSura Mio ostomy range with SenSura Mio in black* and a broader convexity offering*, as of May 2024.
- LCD** draft policy for skin substitutes announced on 25 April, related to ~20% of Kerecis revenue. Kerecis is considered to not meet a clinical qualification introduced in the draft policy and is therefore not included on the covered list. A 2023 clinical study by Lantis et al. providing relevant, high-quality evidence of the efficacy and performance of Kerecis' fish skin will be submitted in the consultation period, ending on 8 June. The financial assumptions on Kerecis are unchanged.

H1 2023/24 organic growth of 8% and an EBIT margin[1] of 27%. Reported revenue in DKK grew 8% to DKK 13,192 million.

- Organic growth rates by business area: Ostomy Care 7%, Continence Care 8%, Voice and Respiratory Care 10%, Advanced Wound Care 8% (Advanced Wound Dressings 8%) and Interventional Urology 5%. Kerecis contributed to reported growth with 4%-points and underlying growth of around 35%, in line with expectations.
- EBIT[1] was DKK 3,613 million, a 5% increase from last year. The EBIT margin[1,2] was 27% against 28% last year, and includes around 100 basis points negative impact from Kerecis, in line with expectations, and negative impact from currencies.
- ROIC after tax before special items was 15% against 19% last year, negatively impacted by the acquisition of Kerecis.
- Free cash flow was an outflow of DKK 1.3 billion, impacted by income tax paid due to extraordinary tax payment related to Atos Medical's Intellectual Property transfer. Adjusted for the tax payment, free cash flow was an inflow of DKK 1.2 billion.
- The company will pay half-year interim dividend of DKK 5.00 per share, for a total dividend pay-out of DKK 1,125 million.

FY 2023/24 organic growth and reported EBIT margin guidance unchanged. Reported revenue growth adjusted to 10-11%.

- The organic revenue growth is still expected to be around 8%. Reported growth in DKK is now expected to be 10-11%, from previously around 11%, and includes negative impact of 1-2%-points from currencies, from previously around 1%-point. Contribution from the acquisition of Kerecis to reported growth is still expected to be around 4%-points (11 months).
- The reported EBIT margin before special items[1] is still expected to be 27-28%. The EBIT margin includes around 100 basis points dilution from Kerecis (incl. around DKK 100 million in PPA amortisation) and negative impact from currencies.
- Capital expenditures are still expected around DKK 1.4 billion. The effective tax rate is still expected to be around 22%.

"We deliver a solid second quarter with 8% organic growth and an EBIT margin of 27%, which is in line with our financial guidance. I would like to highlight a strong Q2 performance in our Chronic Care and Advanced Wound Care businesses as well as solid contributions from our newest members of the Coloplast family, Atos Medical and Kerecis, both of which deliver double-digit growth in Q2. In Continence Care, our new intermittent catheter for men, Luja™, is contributing well to growth, and we are now expanding our platform with the launch of Luja™ for women. In Ostomy Care, we have now received reimbursement in the UK on Heylo™, the world's first digital leakage notification system. We are also strengthening our SenSura® Mio portfolio in Ostomy Care with two new launches. I believe these launches will help drive our future growth and make a real difference to people living with intimate chronic conditions worldwide." says Kristian Villumsen, President and CEO of Coloplast

Conference call
Coloplast will host a conference call on Tuesday, 7 May 2024 at 9.00 CEST. 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: [Coloplast H1 2023/24 conference call]

1. before special items of DKK 19 million in Q2 2023/24 and DKK 34 million in H1 2023/24. Total FY 2023/24 special items are still expected to be around DKK 50 million related to Atos Medical integration cost. 2. before special items of DKK 20 million in Q2 2022/23 and DKK 33 million in H1 2022/23.
*CE-marked medical device. Product availability is subject to regulatory process of individual countries and is not guaranteed. Currently not available in the US. **Local Coverage Determination

Financial highlights and key ratios
1 October 2022 – 31 March 2024, unaudited

Consolidated	**2023/24 6 mths**	**2022/23 6 mths**	**Change**	**2023/24 Q2**	**2022/23 Q2**	**Change**
Income statement, DKK million						
Revenue	13,192	12,166	8%	6,586	6,061	9%
Research and development costs	-454	-425	7%	-221	-209	6%
Operating profit before interest, tax, depr. and amort. (EBITDA) before special items	4,240	3,974	7%	2,110	1,939	9%
Operating profit before interest, taxes and amortization (EBITA) before special items	3,838	3,612	6%	1,906	1,755	9%
Operating profit (EBIT) before special items	3,613	3,445	5%	1,791	1,671	7%
Special items	-34	-33	N/A	-19	-20	N/A
Operating profit (EBIT)	3,579	3,412	5%	1,772	1,651	7%
Net financial income and expenses	-418	-524	-20%	-165	-190	-13%
Profit before tax	3,161	2,888	9%	1,607	1,461	10%
Net profit for the period	2,464	2,282	8%	1,252	1,155	8%
Revenue growth, %						
Period growth in revenue, %	8	14		9	10	
Growth break down:						
Organic growth, %	8	8		8	8	
Currency effect, %	-3	0		-3	-1	
Acquired operations, %	4	6		4	3	
Balance sheet, DKK million						
Total assets	48,140	37,792	27%	48,140	37,792	27%
Capital invested	41,120	29,337	40%	41,120	29,337	40%
Net interest-bearing debt (NIBD)	23,624	21,007	12%	23,624	21,007	12%
Equity end of period	16,200	7,034	N/A	16,200	7,034	N/A
Cash flow and investments, DKK million						
Cash flows from operating activities	-772	1,176	N/A	-2,560	689	N/A
Cash flows from investing activities	-554	-381	45%	-287	-106	N/A
Investments in property, plant and equipment, gross	-466	-432	8%	-230	-234	-2%
Free cash flow	-1,326	795	N/A	-2,847	583	N/A
Cash flows from financing activities	1,329	-549	N/A	2,806	-623	N/A
Key ratios						
Average number of employees, FTEs	15,930	14,772		15,989	14,885	
Operating margin (EBIT margin) before special items, %	27	28		27	28	
Operating margin (EBIT margin), %	27	28		27	27	
Operating margin before interest, tax, depr. and amort., (EBITDA margin), %	32	32		32	32	
Gearing ratio, NIBD/EBITDA before special items	2.8	2.6		2.8	2.7	
Return on average invested capital before tax (ROIC), %[1)]	18	24		18	23	
Return on average invested capital after tax (ROIC), %[1)]	15	19		14	18	
Return on equity, %	31	67		32	71	
Equity ratio, %	34	19		34	19	
Net asset value per outstanding share, DKK	72	33	N/A	72	33	N/A
Share data						
Share price, DKK	932	902	3%	932	902	3%
Share price/net asset value per share	12.9	27.2	-53%	12.9	27.2	-53%
Average number of outstanding shares, millions	224.6	212.4	6%	224.7	212.4	6%
PE, price/earnings ratio	42.5	41.9	1%	41.8	41.4	1%
Earnings per share (EPS), diluted	10.96	10.75	2%	5.57	5.44	2%
Earnings per share (EPS) before special items, diluted	11.08	10.86	2%	5.63	5.51	2%
Free cash flow per share	-5.9	3.7	N/A	-12.7	2.7	N/A

1) Before special items. After special items, ROIC before tax was 18% (2022/23: 24%), and ROIC after tax was 14% (2022/23: 23%).

Strive25

Update on strategic priorities

In September 2020, Coloplast presented the new strategy "Strive25 – Sustainable Growth Leadership". Below are key highlights on the progress made during the first half of the financial year 2023/24.

Growth

Atos Medical:
- Strong performance in H1 2023/24 with 10% growth and contributions from both the laryngectomy and tracheostomy businesses.
- Long-term opportunities to drive sustained 8-10% growth and an EBITDA margin in the mid-30s.

Kerecis:
- Strategic fit confirmed, providing Coloplast with a differentiated technology and a footprint in the attractive US-centric biologics wound care segment, while Kerecis gains access to Coloplast's global infrastructure for expansion beyond the US.
- H1 2023/24 performance on track, with ~35% underlying growth and continued market share gains, and an EBIT margin ex. PPA amortisation of ~10%.
- Expected organic growth accretion of around 1%-point as of 2024/25 and EPS accretion as of 2026/27.

Innovation

Luja™, a new intermittent catheter with a Micro-hole Zone Technology:
- Launch of Luja for men in key markets concluded; product available in 13 countries.
- Launch of Luja for women* initiated in May 2024 in Denmark and Italy; expected to launch across all key markets over the next 12 months.

Ostomy Care:
- **Heylo™*** has been granted national reimbursement in the UK as of 1 July 2024.
- **SenSura® Mio range** signinficantly expanded with the launch of SenSura Mio range in black*, as well as a broader convexity offering*, both initiated in May 2024.

Biatain® Silicone Fit, a new silicone foam dressing, and **Peristeen® Light*,** a new transanal irrigation device, were both launched in Q2 2023/24.

Sustainability

Improving products and packaging
In H1 2023/24 we continued to recycle 75% of our production waste, in line with our 2025 ambition, while continuing to look for new use cases for our waste.

Reducing emissions
Scope 1 and 2 emissions decreased by 16% in H1 2023/24 vs. base year 2018/19, positively impacted by the phasing out of natural gas at our Danish sites, partly offset by Atos Medical. Excluding Atos Medical, scope 1 and 2 emissions decreased by 19%.

Responsible operations – employee engagement
Maintained high employee engagement score of 8.1 (out of 10) in the bi-annual employee survey, ahead of the healthcare industry benchmark of 7.8.

Operational efficiency

Global Operations Plan 6
- The process to establish a new manufacturing site in Portugal is on track. The site, expected to be operational in 2026 and with an investment level of around DKK 700 million, will be largest to date and removes the need for additional sites until 2029/30.
- Procurement programme to drive cost efficiencies initiated; on track to deliver savings and support long-term EBIT margin guidance of more than 30%.

Global Business Support and IT landscape
- Solid progress on the Atos Medical integration, with latest achievements in Japan, Australia and New Zealand, which were merged into the Coloplast legal entities in Q2 2024. On track to deliver estimated run-rate operational synergies of up to DKK 100 million.

*CE-marked medical device. Product availability is subject to regulatory process of individual countries and is not guaranteed. Currently not available in the US.

Sales performance

The organic growth was 8% in the first six months of 2023/24. Reported revenue in DKK was up by 8% to DKK 13,192 million. Revenue from acquisitions contributed 4%-points, or DKK 451 million to reported growth, of which DKK 461 million were related to the acquisition of Kerecis (six months impact). Exchange rate developments decreased revenue by 3%-points, mainly related to the depreciation of the USD and ARS against the DKK.

Organic growth in the second quarter was 8%. Reported revenue in DKK was up by 9% to DKK 6,586 million. Exchange rate developments decreased revenue by 3%-points, mainly related to the depreciation of the USD, JPY and a basket of Emerging markets currencies against the DKK. Revenue from acquisitions contributed 4%-points to reported growth.

Sales performance by business areas*	DKK million		Growth composition (6 mths)			
	2023/24 (6 mths)	2022/23 (6 mths)	Organic growth	Acquired operations	Exchange rates	Reported growth*
Ostomy Care	4,663	4,478	7%	-	-3%	4%
Continence Care	4,129	3,951	8%	-	-3%	5%
Voice and Respiratory Care	1,035	959	10%	-1%	-1%	8%
Advanced Wound Care	1,964	1,425	8%	32%	-2%	38%
Interventional Urology	1,401	1,353	5%	-	-1%	4%
Revenue	**13,192**	**12,166**	**8%**	**4%**	**-3%**	**8%**

	DKK million		Growth composition (Q2)			
	2023/24 (Q2)	2022/23 (Q2)	Organic growth	Acquired operations	Exchange rates	Reported growth
Ostomy Care	2,281	2,204	7%	-	-3%	4%
Continence Care	2,062	1,964	8%	-	-3%	5%
Voice and Respiratory Care	527	479	13%	-2%	-1%	10%
Advanced Wound Care	1,018	747	8%	31%	-3%	36%
Interventional Urology	698	667	5%	-	0%	5%
Revenue	**6,586**	**6,061**	**8%**	**4%**	**-3%**	**9%**

Sales performance by region	DKK million		Growth composition (6 mths)			
	2023/24 (6 mths)	2022/23 (6 mths)	Organic growth	Acquired operations	Exchange rates	Reported growth*
European markets	7,279	6,878	5%	0%	1%	6%
Other developed markets	3,738	3,187	7%	14%	-4%	17%
Emerging markets	2,175	2,101	17%	-	-13%	4%
Revenue	**13,192**	**12,166**	**8%**	**4%**	**-3%**	**8%**

	DKK million		Growth composition (Q2)			
	2023/24 (Q2)	2022/23 (Q2)	Organic growth	Acquired operations	Exchange rates	Reported growth
European markets	3,714	3,444	7%	0%	1%	8%
Other developed markets	1,810	1,553	4%	14%	-1%	17%
Emerging markets	1,062	1,064	15%	-	-15%	0%
Revenue	**6,586**	**6,061**	**8%**	**4%**	**-3%**	**9%**

* The sum of organic growth, acquired operations and exchange rates might not match total reported growth due to rounding of numbers

Ostomy Care

Ostomy Care generated 7% organic sales growth for the first half of 2023/24, with reported revenue in DKK growing by 4% to DKK 4,663 million.

The SenSura® Mio portfolio was the main contributor to growth, with good performance across the product range which includes Convex, Concave and Flat products. The Brava® range of supporting products also made a solid contribution to growth. At the product level, SenSura Mio Convex was the main growth contributor driven by Europe, in particular the UK and Germany, as well as the US. The SenSura and Assura/Alterna® portfolios contributed to growth in Emerging markets, where they are actively promoted. Growth in the Brava range of supporting products was broad-based with solid contributions from Europe, especially the UK, the US, as well as Emerging markets, mostly notably China.

From a geographical perspective, growth was driven by good contribution from Europe, especially the UK and Germany, and broad-based growth in Emerging markets. Growth in the US was held back by order phasing in the first half of the year and is now expected to be second half weighted.

China posted mid-single digit growth, as expected, positively impacted by the normalised level of procedural volumes. The average value per patient remains impacted by consumer sentiment.

Q2 organic growth was 7% and reported revenue in DKK increased by 4% to DKK 2,281 million.

The SenSura Mio portfolio was the main contributor to growth in the quarter, followed by the Brava range of supporting products, which also made a solid contribution to growth. At the product level, SenSura Mio Convex was the main growth contributor driven by Europe, most notably the UK and Germany, and the US. The SenSura and Assura/Alterna portfolios continued to contribute to growth in the Emerging markets. Revenue growth in the Brava range of supporting products was driven by Emerging markets, most notably China and LATAM, as well as solid contributions from Europe and the US.

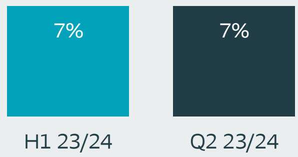
From a geographical perspective, growth was driven by Emerging markets, led by China and LATAM, and Europe, led by the UK and Germany. In the US, growth was impacted by order phasing, however, the underlying demand continues to be strong.

China posted high-single digit growth in the quarter, in line with expectations. Growth in Q2 was positively impacted by the normalised level of procedural volumes and included benefit from a low baseline last year.

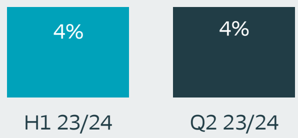
2.3 billion

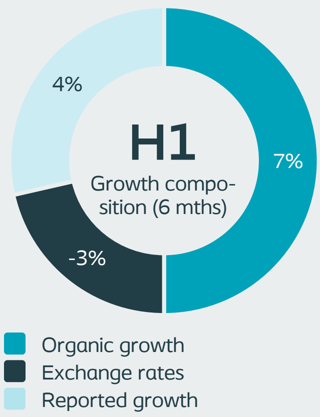
Reported revenue in DKK for Q2 2023/24

Organic growth



Reported growth





Continence Care

Continence Care generated 8% organic sales growth in the first half of 2023/24, with reported revenue in DKK growing by 5% to DKK 4,129 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 by Europe, in particular the UK and France, as well as the US and Emerging markets. SpeediCath Navi, a hydrophilic catheter specifically designed for emerging markets and lower priced developed markets, also contributed nicely to growth.

Luja for men is now available in 13 markets, with latest launches in France, Austria and Belgium as of April 2024. The product continues to be well received by customers and made a solid contribution to growth in the first half of the year.

In Bowel Care, Peristeen® Plus continued to perform well and made a solid contribution to growth, driven by Europe and the US.

Sales growth in Collecting Devices was flat in the first half of 2023/24.

From a geographical perspective, growth was broad-based, with solid contributions from Europe, led by the UK and France. The US also made a solid contribution to growth, while growth in Emerging markets was led by LATAM. Markets with recent reimbursement openings, such as Poland, Australia, Japan, and South Korea, continued to perform well and posted double-digit growth.

Q2 organic growth was 8% and reported revenue in DKK increased by 5% to DKK 2,062 million.

Sales growth in the quarter was driven by solid performance across the SpeediCath portfolio with broad-based growth across compact, standard, and flexible catheters.

The male Luja cathether continued to perform well and made a solid contribution to growth in the quarter.

Bowel Care also contributed to growth in Q2, driven by Peristeen Plus in Europe. Peristeen Light*, Coloplast's new low-volume transanal irrigation device has been launched in two markets with positive feedback.

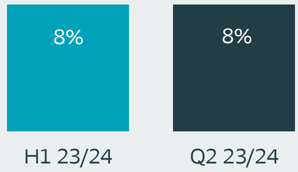
Collecting Devices detracted from growth in the quarter, impacted by baseline.

From a geographical perspective growth was broad-based with solid contribution across regions, led by Europe, in particular the UK and France. The US also made a solid contribution to growth, while growth in Emerging markets was led by LATAM.

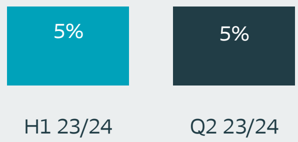
2.1 billion

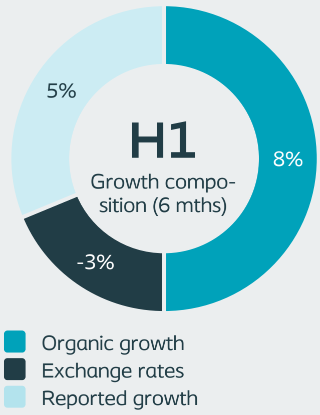
Reported revenue in DKK for Q2 2023/24

Organic growth



Reported growth





*CE-marked medical device. Product availability is subject to regulatory process of individual countries and is not guaranteed. Currently not available in the US.

Voice and Respiratory Care

Voice and Respiratory Care generated 10% organic sales growth in the first half of 2023/24, with reported revenue in DKK growing 8% to DKK 1,035 million. Growth in the period was driven by double-digit growth in both Laryngectomy and Tracheostomy. Reported growth in the first half of the year included negative impact of 1%-point from product rationalisation.

The double-digit growth in laryngectomy in the first half of 2023/24 was driven by an increase in patients served in existing and new markets and an increase in patient value driven by the Provox® Life™ portfolio, Atos Medical's new personalised solution and product line which has been launched in 16 markets.

The double-digit growth in tracheostomy was driven by solid demand and positive impact from forward integration in key European markets and the US.

From a geographical perspective, all regions contributed to growth, led by the biggest region Europe. The US also delivered a solid contribution to growth, while the fastest growing region was Emerging markets. Markets with recent reimbursement openings, such as Poland, made a solid contribution to growth and grew double-digit.

Q2 organic growth was 13% and reported revenue in DKK increased by 10% to DKK 527 million. Growth in the quarter was driven by continued solid momentum in both Laryngectomy and Tracheostomy. Reported growth in the quarter included negative impact of 2%-points from product rationalisation.

Growth in Laryngectomy was double-digit and continued to be 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.

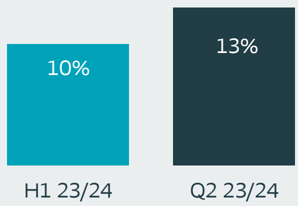
Tracheostomy delivered double-digit growth, with continued solid demand and positive impact from forward integration.

From a geographical perspective, all regions continued to contribute to growth, driven by the biggest region Europe, as well as solid contribution from the US. Emerging markets continued to be the fastest growing region.

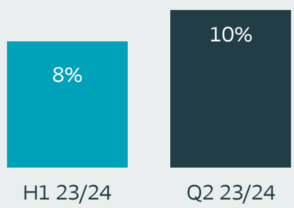
0.5 billion

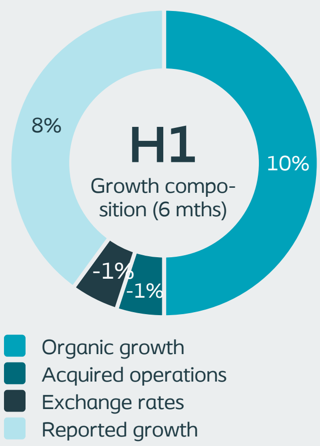
Reported revenue in DKK for Q2 2023/24

Organic growth



Reported growth





Advanced Wound Care

Advanced Wound Care generated 8% organic sales growth in the first half of 2023/24. Reported revenue in DKK grew by 38% to DKK 1,964 million and includes six months impact from the acquisition of Kerecis.

Advanced Wound Dressings in isolation delivered 8% organic growth in the first six months. The Biatain® Silicone portfolio was the main contributor to growth. Biatain Fiber continued to perform well and also contributed to growth.

From a geographical perspective, growth was broad-based across regions, with Europe, in particular Germany, the US and China as main growth contributors.

Skin Care, which is mostly a US hospital business, made a solid contribution to growth in the first half of the year, helped by a lower baseline in the same period last year.

The Compeed contract manufacturing detracted from growth in the first half of the year, impacted by a high baseline in the same period last year.

Kerecis' revenue for the first half of the year amounted to DKK 461 million, with solid underlying growth of around 35% and continued market share gains, in line with expectations. The in-patient channel and surgical wounds were the main growth contributors. From a geographical perspective, both sales and growth were derived from the US.

Q2 organic growth for Advanced Wound Care was 8%, while reported revenue in DKK increased by 36% to DKK 1,018 million, impacted by the acquisition of Kerecis.

Advanced Wound Dressings in isolation delivered 8% organic growth in Q2. The Biatain Silicone portfolio was the main contributor to growth. Biatain Silicone Fit, a new silicone dressing for pressure injury prevention and wound management, was launched in the US in January 2024 and has received positive customer feedback.

From a geographical perspective, Europe was the main growth contributor, driven by Germany. The US and Emerging markets, driven by China, also made solid contributions to growth in Q2.

The Skin Care business posted solid growth in the quarter and benefited from a lower baseline last year.

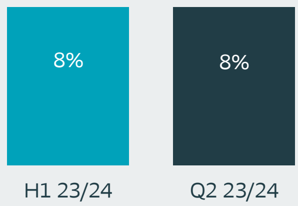
The Compeed contract manufacturing business posted flat growth in Q2, reflecting a high baseline last year.

Q2 revenue for Kerecis amounted to DKK 232 million, with underlying growth of around 35%, in line with expectations. Growth in the quarter continued to be driven by the in-patient channel and surgical wounds.

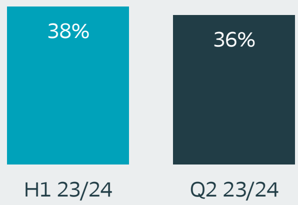
1.0 billion

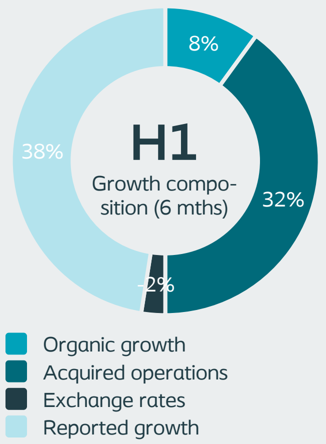
Reported revenue in DKK for Q2 2023/24

Organic growth



Reported growth





Interventional Urology

Interventional Urology generated 5% organic sales growth for the first half of 2023/24, against a high baseline in the same period last year. Reported revenue in DKK grew by 4% to DKK 1,401 million.

The Men's Health business in the US, driven by the Titan® penile implants, was the main contributor to growth. The Endourology portfolio, primarily driven by Europe, also made a solid contribution to growth. Thulium Fiber Laser Drive, Coloplast's laser equipment launched in FY 2022/23 contributed nicely to growth in the first half of the year. The Women's Health business was flat compared to the same period last year and was negatively impacted by competitive pressure.

From a geographical perspective, the US was the main growth contributor.

Q2 organic growth was 5%, against a high baseline in Q2 last year. Reported revenue in DKK increased by 5% to DKK 698 million.

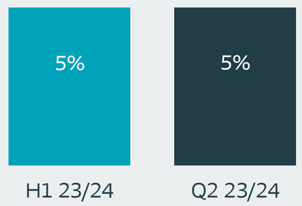
Growth in Q2 was driven by continued good momentum in the US Men's Health business, driven by the Titan penile implants. The Endourology portfolio, including Thulium Fiber Laser Drive, also contributed to growth, driven by Europe. The Women's Health business detracted from growth in the quarter, impacted by competitive pressure.

From a geographical perspective, the US was the main growth contributor, followed by Europe, most notably France.

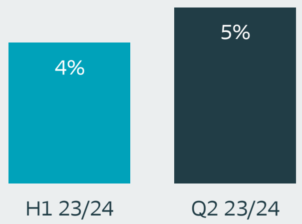
0.7 billion

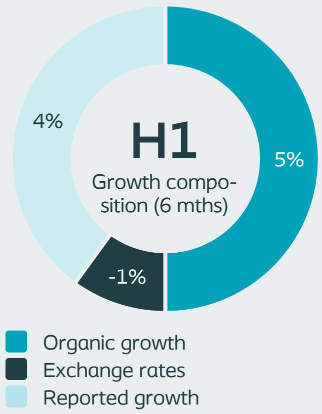
Reported revenue in DKK for Q2 2023/24

Organic growth



Reported growth





Earnings

Income statement, DKK million	2023/24	Index
Revenue	**13,192**	**108**
Production costs	-4,211	105
Gross profit	**8,981**	**110**
Distribution costs	-4,282	114
Administrative expenses	-659	115
Research and development costs	-454	107
Other operating income	39	150
Other operating expenses	-12	150
Operating profit (EBIT) before special items	**3,613**	**105**
Special items	-34	N/A
Operating profit (EBIT)	**3,579**	**105**
Financial income	118	162
Financial expenses	-536	90
Profit before tax	**3,161**	**109**
Tax on profit for the period	-697	115
Net profit for the period	**2,464**	**108**

Gross profit
Gross profit in the first half of the year was DKK 8,981 million, compared to DKK 8,173 million last year, corresponding to a gross margin of 68% compared to 67% last year. The gross margin was positively impacted by a decrease in freight rates and energy costs, price increases, country and product mix, as well as a baseline benefit of around 40 basis points from the Italian pay-back reform provision which was accounted for during 2022/23. The inclusion of Kerecis had a positive impact on the gross margin of around 100 basis points, in line with expectations.

The above-mentioned positive drivers were partly offset by raw material price increases, double-digit wage inflation in Hungary and ramp-up costs in Costa Rica. Currencies also had a negative impact on the gross margin, related mostly to the depreciation of the USD and ARS against the DKK and appreciation of the HUF against the DKK. Around 75% of the company's production volumes are in Hungary.

In Q2, gross profit was DKK 4,477 million, corresponding to a Q2 gross margin of 68% against 66% in Q2 last year. The Q2 margin was impacted by the above-mentioned drivers and includes positive impact from the inclusion of Kerecis of around 100 basis points and negative impact from currencies.

Costs
Operating expenses in the first half of the year amounted to DKK 5,368 million, a DKK 640 million increase (14%) from last year. Excluding impact from inorganic operating expenses from the Kerecis acquisition (six months) operating expenses increased 4%, or DKK 194 million from last year, and include impact from company-wide salary increases as of 1 January 2024.

Kerecis contributed with DKK 447 million to operating expenses in the first six months of 2023/24, of which DKK 51 million were amortisation costs.

Distribution costs amounted to DKK 4,282 million, a DKK 535 million (14%) increase from DKK 3,747 million last year and were mainly impacted by the inclusion of Kerecis (incl. PPA amortisation costs), as well as an increased level of commercial activities. Distribution costs amounted to 32% of revenue compared to 31% last year.

In Q2, distribution costs amounted to DKK 2,152 million, equal to 33% of revenue against 31% in Q2 last year, impacted by the inclusion of Kerecis.

Administrative expenses in the first half of the year amounted to DKK 659 million, up DKK 85 million (15%) from DKK 574 million last year, primarily impacted by the inclusion of Kerecis.

Administrative expenses accounted for 5% of revenue, on par with last year. The Q2 administrative expenses amounted to 5% of revenue, on par with last year.

The R&D costs in the first half of the year were DKK 454 million, compared to DKK 425 million last year, and were mostly impacted by the inclusion of Kerecis. R&D costs amounted to 3% of revenue, on par with last year.

The Q2 R&D costs amounted to DKK 221 million or 3% of revenue, on par with last year.

Other operating income and other operating expenses in the first half of the year amounted to a net income of DKK 27 million, against a net income of DKK 18 million last year.

Operating profit before interest, tax, depreciation and amortisation (EBITDA) and before special items
EBITDA before special items amounted to DKK 4,240 million in the first half of the year, a DKK 266 million (7%) increase from DKK 3,974 million last year. The EBITDA margin before special items was 32% against 33% last year.

In Q2, EBITDA before special items was DKK 2,110 million, a DKK 171 million (9%) increase from Q2 last year. The EBITDA margin before special items was 32% in Q2, on par with last year.

Operating profit (EBIT) before special items
EBIT before special items in the first half of the year amounted to DKK 3,613 million, a DKK 168 million (5%) increase from DKK 3,445 million last year. The EBIT margin before special items was 27% compared to 28% last year. The EBIT margin was mostly impacted by the inclusion of Kerecis, which had a negative impact on the EBIT margin of around 100 basis points (including PPA amortization), in line with expectations. The EBIT margin also included negative impact from currencies of around 110 basis points, mostly related to the depreciation of the USD and ARS against the DKK and the appreciation of the HUF against the DKK.

In Q2, EBIT before special items was DKK 1,791 million, a DKK 120 million (7%) increase from last year. The EBIT margin before special items was 27% in Q2, against 28% last year, and includes around 100 basis points negative impact from the inclusion of Kerecis and around 100 basis points negative impact from currencies, related to the depreciation of the USD, JPY and a basket of Emerging markets currencies against the DKK, as well as the appreciation of the HUF against the DKK.

Special items
During the first half of the year, Coloplast incurred special items expenses of DKK 34 million, related to integration costs for the Atos Medical acquisition, of which DKK 19 million in the second quarter.

Operating profit (EBIT) after special items
EBIT after special items was DKK 3,579 million in the first half of the year, a DKK 167 million (5%) increase from last year. The EBIT margin after special items was 27%.

The Q2 EBIT after special items was DKK 1,772 million, with an EBIT margin of 27%.

Financial items and tax
Financial items were a net expense of DKK 418 million against a net expense of DKK 524 million last year.

The net expense was impacted by interest expenses of DKK 374 million compared to DKK 269 million last year, mostly related to the financing of the Atos Medical acquisition. Net losses on balance sheet items of DKK 100 million also contributed to the net expense, mostly driven by the devaluation of the ARS in December 2023. The financial expenses were only partly offset by financial income of DKK 118 million.

The Q2 financial items were a net expense of DKK 165 million compared to a net expense of DKK 190 million in the same period last year, driven by interest expenses mostly related to the financing of Atos Medical.

The tax rate was 22%, compared to 21% last year. The tax rate continued to include positive impact from the transfer of Atos Medical’s Intellectual Property. The tax expense was DKK 697 million compared to DKK 606 million last year. Coloplast’s long-term expectations for a tax rate of around 23% are unchanged.

Net profit
Net profit before special items was DKK 2,491 million in the first half of the year, a DKK 183 million increase from DKK 2,308 million last year. Diluted earnings per share (EPS) before special items were DKK 11.08, or a 2% increase from last year and include impact from the equity raise in August 2023. Net profit after special items was DKK 2,464 million and diluted earnings per share (EPS) after special items were DKK 10.96.

The Q2 net profit before special items amounted to DKK 1,267 million, against DKK 1,171 million last year. The diluted Q2 earnings per share (EPS) before special items were up 2% from last year to DKK 5.63.

The Q2 net profit after special items was DKK 1,252 million and diluted earnings per share (EPS) after special items were DKK 5.57.

Cash flows and investments

Cash flows from operating activities
Cash flows from operating activities amounted to an outflow of DKK 772 million, against a positive cash flow from operating activities of DKK 1,176 million last year. The development in cash flows from operating activities was mostly driven by higher income tax paid, due to the extraordinary tax payment related to the transfer of Atos Medical’s Intellectual Property paid in Q2, with a net impact of DKK 2.5 billion. The payment will be offset by reduced tax payments the following years, starting in FY 2023/24.

The negative impact on cash flow from income tax paid was only partly offset by improvement in changes in working capital, driven by a favourable development in mostly inventories, and an increase in operating profit.

Investments
Net investments amounted to DKK 554 million in the first six months of 2023/24 or around 4% of revenue, compared with DKK 381 million last year.

Free cash flow
As a result, the free cash flow was an outflow of DKK 1,326 million compared to an inflow of DKK 795 million in the same period last year. Adjusted for the extraordinary tax payment related to the transfer of Atos Medical's Intellectual Property, the free cash flow was an inflow of DKK 1.2 billion.

Capital resources
At 31 March 2024, Coloplast had net interest-bearing debt, including securities, of DKK 23,624 million, against DKK 18,660 million at 30 September 2023. The increase was mostly driven by net interest-bearing debt raised to cover the extraordinary tax payment related to the transfer of Atos Medical's Intellectual Property. The gearing ratio at the end of the period was 2.8x EBITDA (before special items).

As part of the financing of the Atos Medical acquisition, Coloplast issued a 2-year bond of EUR 650 million, expiring on 19 May 2024. Coloplast has secured the refinancing of the 2-year bond through a committed term loan. The impact of the refinancing of the 2-year bond is already accounted for in Coloplast's net financial items assumptions for FY 2023/24.

Coloplast is committed to deleveraging and bringing the gearing ratio down to between 1x-2x EBITDA by 2024/25.

Statement of financial position and equity

Balance sheet
At 31 March 2024, total assets amounted to DKK 48,140 million, a decrease of DKK 19 million compared to 30 September 2023.

Working capital was 26% of revenue, on par with 30 September 2023. Inventories increased by DKK 40 million to DKK 3,562 million. Trade receivables increased by DKK 326 million to DKK 4,641 million, impacted by timing, while trade payables decreased by DKK 68 million to DKK 1,226 million. Coloplast's long-term working capital-to-sales ratio is unchanged and expected to be around 24%, while the working capital-to-sales ratio in FY 2023/24 is expected to be around 25%.

Kerecis earnout
On 31 August 2023, Coloplast acquired all shares and voting rights of Kerecis hf. and its subsidiaries at a cash consideration of DKK 7,923 million. At the end of 2022/23, the initial accounting for goodwill, intellectual property rights, other intangible assets and deferred tax assets and liabilities remained provisional. During 2023/24, the assumptions were reassessed, and a reduction of the consideration was recognized at a value of DKK 523 million. The reduction was offset by a corresponding amount to goodwill.

Equity
Equity decreased by DKK 1,099 million compared to 30 September 2023 to DKK 16,200 million. Total comprehensive income for the period of DKK 2,208 million, net effect of sale of treasury shares and loss of exercised options of DKK 249 million and share-based remuneration of DKK 39 million were offset by payment of dividends of DKK 3,595 million.

Treasury shares
At 31 March 2024, Coloplast's holding of treasury shares consisted of 3,159,941 B shares, which was 379,587 less than 30 September 2023. The decrease was due to exercise of share options.

Return on invested capital (ROIC)
ROIC after tax before special items was 15% against 17% as of 30 September 2023, impacted by the acquisitions of Kerecis.

Update on sustainability strategy and performance

Priority	Unit	2025 Ambition	H1 2023/24	H1 2022/23	Change	FY 2022/23
Improving products and packaging						
Recyclable packaging[1)]	% of total	90%	-	-	-	72%
Renewable materials in packaging[1)]	% of total	80%	-	-	-	66%
Production waste recycling[5)]	% of total	75%	75%	74%	1%-p	75%
Reducing emissions						
Scope 1 and 2 emissions[5)]	% reduction	100% reduction by 2030[2) 4)]	16%	15%	1%-p	10%
Renewable energy use[5)]	% of total	100%	82%	76%	6%-p	78%
Electric company cars[1)]	% of total	100% by 2030	-	-	-	8%
Scope 3 emissions[1)] (by 2030)	% reduction per product	50% reduction by 2030[2) 4)]	-	-	-	8%
Business travel by air[1)]	% reduction	10% reduction[2)]	-	-	-	41%
Goods transported by air[1)]	% of total	< 5% of total	-	-	-	2%
Responsible operations						
Lost time injury frequency[5)]	Parts per million	2.0	2.9	2.3	0.6	2.6
Code of Conduct training[1)]	% of white collars	100%	-	-	-	99%
Female senior leaders (VP+ level) [1)]	% of total	40% by 2030	29%	23%	6%-p	26%
Diverse teams[1) 6)]	% share of total teams	75%	51%	55%	-4%-p	54%
Employee satisfaction[1) 3) 6)]	Engagement score	Above benchmark	8.1	8.1	-	8.1

Improving products and packaging
Production waste recycling increased to 75% in H1 2023/24[5], on par with FY 2022/23 and in line with our 2025 ambition, driven by our partnership with a recycling manufacturer in Hungary. We continue to look for new use cases of our production waste, especially at our sites in Costa Rica and China.

Scope 1 and 2 emissions
The absolute scope 1 and 2 emissions decreased by 16% in H1 2023/24[5], compared to the base year 2018/19. The reduction in absolute scope 1 and 2 emissions was positively impacted by the shift from natural gas to more sustainable district heating at our Danish sites in Humlebæk and Mørdrup, partly offset by the inclusion of Atos Medical. Excluding Atos Medical, scope 1 and 2 emissions decreased by 19% in H1 2023/24.

Renewable energy use increased to 82% of the total energy use in H1 2023/24[5], compared to 76% in H1 2022/23, impacted by aforementioned shift to district heating at Coloplast's Danish sites. The transfer to district heating supports Coloplast's ambition of 100% renewable energy by 2025 and contributes to the development of a local distribution network to facilitate wider usage of more sustainable heating.

Responsible operations
In H1 2023/24, the lost time injury frequency was 2.9 ppm, compared to 2.3 ppm in H1 2022/23. We continue to set activities in motion to address LTIs. The aim is to reach all employees through global engagement activities to increase safety awareness and safe behaviours, in order to reach our ambition of 2.0 ppm by 2025.

Employee engagement survey
Coloplast's bi-annual employee survey, conducted in March, showed a high employee satisfaction with an engagement score of 8.1 (out of 10), on par with 2022/23. The score exceeds the healthcare industry benchmark and indicates that Coloplast consistently upholds a strong employee satisfaction across the company. The voluntary turnover level also remains stable and on par with 2022/23.

All figures are excluding Kerecis.
1) Metric will only be reported on a semi-annual or full-year basis. 2) From base year 2018/19. 3) Employee survey conducted twice a year. Latest industry benchmark from Q2 2023/24 was 7.8. 4) Target validated by Science-Based Targets initiative (SBTi). 5) Four quarters rolling average. 6) 'Diverse teams' and 'Employee satisfaction' for H1 2022/23 and FY 2022/23 excludes Atos Medical.

Other matters

Launch of Luja™ for women*
Coloplast expands its Luja portfolio with the launch of a new intermittent catheter with Micro-hole Zone Technology for female users. The catheter enables complete bladder emptying in one free flow[1] to reduce the risk of urinary tract infections[2].

Urinary tract infections remain a major concern and challenge for men and women using catheters[3]. Flow stops and blockage of conventional catheter eyelets during catheterisation may risk leaving residual urine behind in the bladder, which raises the risk of bacteria growth and is a well-known UTI risk factor[2]. The new intermittent catheter for women has 50+ micro-holes** and is designed to reduce flow stops and mucosal suction during catheterisation. The performance of Luja for women is supported by two clinical studies. The studies found that the catheter enables complete bladder emptying in one free flow without having to reposition the catheter[1]. The studies also found that women reported no discomfort when using Luja.

The new catheter for women is designed with the user and environment in mind. The catheter is made with 28% less plastic than Coloplast's SpeediCath® Compact Eve and has a 22% reduced carbon footprint[4]. The product container is also recyclable[5].

Luja for women will launch across all Coloplast's key markets over the next 12 months, starting with two markets in May 2024.

1. Luja female ensured zero flow stops in 87% of catheterisations & <10 mL residual urine at first flow stop in 83% of catheterisations (RCTs, post-hoc, NCT05841004, n=73, & NCT05814211, n=82). Coloplast Data-on-File) 2. UTI risk factors defined by Kennelly M., et al 2019, DOI:10.1155/2019/2757862 3. Averbeck M.A., et al 2023, DOI:10.12968/bjon.2023.32.18.S8. 4. Compared to SpeediCath® Compact Eve. Based on externally reviewed carbon footprint according to ISO14067. 5. Product design, use and local waste management specifics may limit recyclability.
*CE-marked medical device. Product availability is subject to regulatory process of individual countries and is not guaranteed. Currently not available in the US. ** minimum of 50 micro-holes on Luja female CH10-16.

Ostomy care portfolio strengthened with three product launches
Heylo*, a digital leakage notification device, has been granted national reimbursement in the UK as of 1 July 2024. Heylo is the world's first digital leakage notification system, designed to help users feel more in control and bring peace of mind. The product consists of a sensor layer that is used together with the ostomy appliance, a transmitter that is connected to the user's smartphone, and an app that notifies the user at the first sign of leakage. Work to obtain reimbursement in the second launch market, Germany, is ongoing.

To provide more choice to people with a stoma, Coloplast is significantly expanding its SenSura Mio range with SenSura Mio ostomy bags in black*. Until now, ostomy bags have mostly come in traditional colours, with black bags being niche and only available in a limited number of countries. With the launch, Coloplast is introducing black ostomy bags to many more markets. The first variants of the SenSura Mio range in black will be introduced in key markets over the next six months, starting with five markets in May 2024.

Coloplast is also broadening its offering in the convex segment with the launch of SenSura Mio Convex Soft with Flex coupling*, which will be introduced in key markets over the next nine months, starting with two markets in May 2024.

Meet the Management event
Coloplast will host a Meet the Management event on 6 June 2024 in Denmark. Registration deadline for in-person participation is 17 May 2024. Please find further details on the following link: Coloplast Meet the Management 2024.

Timetable for half-year interim dividend of DKK 5.00 per share
7 May 2024 – Declaration date
13 May 2024 – Ex-dividend date
14 May 2024 – Value date
15 May 2024 – Disbursement date

Proposed LCDs for Skin Substitute Grafts/Cellular and Tissue-Based Products
On 25 April, seven Medicare Administrative Contractors issued a draft Local Coverage Determination (LCD) policy regarding skin substitute grafts/cellular and tissue-based products (CTP) for the treatment of diabetic foot ulcers and venous leg ulcers in the Medicare population.

The draft LCD policy contains a technical qualification and a clinical efficacy qualification that CTPs need to fulfil to be covered for payment. Kerecis fulfils the technical qualification in the draft policy, but it is considered to not meet the clinical efficacy qualification and it is therefore not included on the covered list in the draft policy. An estimated ~20% of Kerecis revenues could fall under the draft policy.

Manufacturers of CTPs can provide their input to the draft policy during a consultation period that ends on 8 June. The potential implementation date of the policy has not been established, but typically it takes several months to half a year from the conclusion of the consultation period. Kerecis has a strong clinical body of evidence with more than 40 peer reviewed publications, including a number of randomized controlled trials (RCTs). A 2023 RCT by Lantis et al., which provides relevant and high-quality evidence on the efficacy and performance of Kerecis fish skin in the treatment of chronic diabetic foot ulcers, is not included in the draft policy assessment. Kerecis will provide comments to the draft LCD policy, including the abovementioned 2023 RCT on diabetic foot ulcers. Coloplast strongly believes the clinical data meets and exceeds the efficacy qualification of the draft LCD policy, and therefore Kerecis should remain on the list of covered products.

2023/24 Financial guidance

Around 8%

Organic revenue growth at constant exchange rates

27-28%

Reported EBIT margin (before special items)

Around 1.4 bn

Capital expenditure in DKK

Around 22%

Effective tax rate

Long-term financial guidance

8-10%
Organic growth p.a.

above 30%
EBIT margin beyond 2024/25 (at constant exchange rates)

The long-term organic growth guidance includes around 1%-point accretion from Kerecis as of FY 2024/25. For the remaining Strive25 strategic period running until end of 2024/25, the EBIT margin is expected to remain below 30% and assumes dilution of around 100 basis points p.a. from Kerecis (including PPA amortisation). For financial assumptions on Kerecis, please refer to: Kerecis acquisition

Key assumptions largely unchanged

Current macroeconomic and industry-specific trends are continuously monitored and their potential impact on our business is evaluated on an ongoing basis. As such, the financial guidance is subject to a higher degree of uncertainty.

The addressable market in which Coloplast operates is expected to continue growing at 4-5%.

The organic revenue growth guidance and EBIT margin guidance are unchanged, and the assumptions laid out in November 2023 still largely hold.

Revenue growth
Organic growth is expected around 8% in constant currencies with the following assumptions:

a. Chronic Care:
   - Continued solid momentum in Europe and Emerging markets ex. China, in line with the Strive25 ambitions
   - Improvement in growth in China, however, China is not expected to return to the Strive25 ambition of double-digit growth, due to continued impact from average value per patient which remains hindered by consumer sentiment
   - US Chronic Care – growth expected to be second half weighted, due to impact from order phasing in the US ostomy care business in H1 2023/24

b. Advanced Wound Care is expected to deliver growth above the market
c. Interventional Urology is now expected to deliver mid-single digit growth, from previously high-single digit, impacted by softer momentum in the Women's Health business
d. Voice and Respiratory Care is expected to grow at 8-10%
e. No current knowledge of significant health care reforms; positive pricing impact is expected. The expectation of long-term price pressure of up to 1% annually is unchanged
f. A stable supply and distribution of products across the company

Reported growth in DKK is now expected to be 10-11%, from previously around 11%, which includes negative impact from currencies of around 1-2%-points, from previously around 1%-point. Contribution from the Kerecis acquisition is still expected around 4%-points (11 months).

EBIT margin
The reported EBIT margin before special items is expected at 27-28%, and includes the following assumptions:

a. Input costs development:
   - Raw materials – mid single-digit price increase
   - Tailwind from total energy costs of around DKK 100 million on the gross margin
   - Tailwind from freight cost
   - Wages in Hungary – double-digit increase, similar to 2022/23

b. One-off baseline benefit of ~40 basis points from the Italian pay-back reform provision which was included in the FY 2022/23 gross margin
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. Benefit from operational synergies related to integration of Atos Medical on Coloplast infrastructure
f. Negative impact from Kerecis of around 100 basis points, which includes around DKK 100 million in PPA amortisation
g. Negative impact from currencies of around 50 basis points

Special items of around DKK 50 million, related to the Atos Medical integration.

Capex includes investments in the new manufacturing site in Portugal, investments in new machines for existing and new products, IT and sustainability investments, as well as Atos Medical integration capex.

Effective tax rate is expected to be around 22%, positively impacted by the transfer of Atos Medical Intellectual Property (IP).

Dividend policy
The Board of Directors intends to distribute excess liquidity to the shareholders through dividends and share buybacks, with a target payout ratio of 60-80% of net profit.

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 2023/24 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 6M 2022/23	849	711	1.87
Average exchange rate 6M 2023/24	865	690	1.94
Change in average exchange rates for 2023/24 compared with the same period last year	**2%**	**-3%**	**4%**
Average exchange rate 2022/23[1)]	855	698	1.92
Spot rate on 3 May 2024	872	695	1.92
Estimated average exchange rate 2023/24[2)]	869	692	1.93
Change in estimated average exchange rates compared with average exchange rate 2022/23	**2%**	**-1%**	**1%**

[1)] Average exchange rates for 2022/23 are from 1 October 2022 to 30 September 2023.

[2)] Estimated average exchange rates are calculated as the average exchange rates for the first six months combined with the spot rates at 3 May 2024.

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	-710	-220
GBP	-350	-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 2023 – 31 March 2024.

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 March 2024 and of the results of the Group's operations and cash flows for the period 1 October 2023 – 31 March 2024.

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 2022/23.

Humlebæk, 7 May 2024

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 March, unaudited

Consolidated DKK million	Note	2023/24 6 mths	2022/23 6 mths	Index	2023/24 Q2	2022/23 Q2	Index
Revenue	2	13,192	12,166	108	6,586	6,061	109
Production costs		-4,211	-3,993	105	-2,109	-2,034	104
Gross profit		**8,981**	**8,173**	**110**	**4,477**	**4,027**	**111**
Distribution costs		-4,282	-3,747	114	-2,152	-1,882	114
Administrative expenses		-659	-574	115	-324	-277	117
Research and development costs		-454	-425	107	-221	-209	106
Other operating income		39	26	150	18	17	106
Other operating expenses		-12	-8	150	-7	-5	140
Operating profit (EBIT) before special items		**3,613**	**3,445**	**105**	**1,791**	**1,671**	**107**
Special items	3	-34	-33	-	-19	-20	-
Operating profit (EBIT)		**3,579**	**3,412**	**105**	**1,772**	**1,651**	**107**
Financial income	4	118	73	162	36	42	86
Financial expenses	4	-536	-597	90	-201	-232	87
Profit before tax		**3,161**	**2,888**	**109**	**1,607**	**1,461**	**110**
Tax on profit for the period		-697	-606	115	-355	-306	116
Net profit for the period		**2,464**	**2,282**	**108**	**1,252**	**1,155**	**108**
Remeasurements of defined benefit plans		-2	5		4	7	
Tax on remeasurements of defined benefit plans		1	-2		-1	-2	
Items that will not be reclassified to the income statement		**-1**	**3**		**3**	**5**	
Value adjustment of currency hedging		-16	157		-46	34	
Transferred to financial items		-71	31		-18	-6	
Tax effect of hedging		19	-38		14	-8	
Currency adjustment of opening balances and other value adjustments relating to subsidiaries		-267	-542		-374	-69	
Tax effect of currency adjustment, assets in foreign currency		80	-		80	-	
Items that may be reclassified to income statement		**-255**	**-392**		**-344**	**-49**	
Total other comprehensive income		**-256**	**-389**		**-341**	**-44**	
Total comprehensive income		**2,208**	**1,893**		**911**	**1,111**	
DKK							
Earnings per share (EPS)		10.96	10.75		5.57	5.44	
Earnings per share (EPS), diluted		10.96	10.75		5.57	5.44	

Statement of cash flows

1 October – 31 March, unaudited

Consolidated		2023/24	2022/23
DKK million	**Note**	**6 mths**	**6 mths**
Operating profit		3,579	3,412
Amortisation		225	167
Depreciation		402	362
Adjustment for other non-cash operating items	6	-60	-81
Changes in working capital	6	-953	-1,289
Ingoing interest payments, etc.		73	12
Outgoing interest payments, etc.		-423	-155
Income tax paid		-3,615	-1,252
Cash flows from operating activities		**-772**	**1,176**
Investments in intangible assets		-84	-134
Investments in land and buildings		-5	-5
Investments in plant and machinery and other fixtures and fittings, tools and equipment		-27	-30
Investments in property, plant and equipment under construction		-434	-397
Property, plant and equipment sold		1	2
Investment in other investments		-13	-17
Company divestment		8	-
Net sales/purchase of marketable securities		-	200
Cash flows from investing activities		**-554**	**-381**
Free cash flow		**-1,326**	**795**
Dividend to shareholders		-3,595	-3,185
Sale of treasury shares and loss on exercised options		249	7
Financing from shareholders		**-3,346**	**-3,178**
Repayment of lease liabilities		-127	-119
Drawdown on credit facilities		4,802	2,748
Cash flows from financing activities		**1,329**	**-549**
Net cash flows		**3**	**246**
Cash and cash equivalents at 1 October		**911**	**414**
Value adjustment of cash and bank balances		-21	-32
Cash and cash equivalents, disposed operations		-4	-
Net cash flows		3	246
Cash and cash equivalents at 31 March	7	**889**	**628**

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

Assets

At 31 March, unaudited

Consolidated

DKK million	Note	31.03.24	31.03.23	30.09.23
Intangible assets		30,403	22,093	31,255
Property, plant and equipment		5,346	4,788	5,131
Right-of-use assets		973	829	848
Other equity investments		77	68	65
Deferred tax asset		916	656	884
Other receivables		34	35	39
Non-current assets		**37,749**	**28,469**	**38,222**
Inventories		3,562	3,512	3,522
Trade receivables		4,641	3,988	4,315
Income tax		557	390	532
Other receivables		354	394	273
Prepayments		388	395	384
Marketable securities		-	16	-
Cash and cash equivalents		889	628	911
Current assets		**10,391**	**9,323**	**9,937**
Assets		**48,140**	**37,792**	**48,159**

Equity and liabilities

At 31 March, unaudited

Consolidated

DKK million	Note	31.03.24	31.03.23	30.09.23
Share capital		228	216	228
Currency translation reserve		-1,832	-1,381	-1,579
Reserve for currency hedging		355	565	423
Proposed ordinary dividend for the period		1,125	1,062	3,595
Retained earnings		16,324	6,572	14,632
Equity		**16,200**	**7,034**	**17,299**
Provisions for pensions and similar liabilities		130	111	124
Provision for deferred tax		2,086	3,963	2,122
Other provisions		68	198	71
Bonds	5	11,562	16,387	11,558
Other payables		4	3	4
Lease liability		778	655	664
Prepayments		7	8	6
Non-current liabilities		**14,635**	**21,325**	**14,549**
Provisions for pensions and similar liabilities		6	5	7
Other provisions		90	236	186
Bonds	5	4,849	-	4,847
Other credit institutions		7,069	4,392	2,268
Trade payables		1,226	1,136	1,294
Income tax		1,332	1,354	4,229
Other payables		2,479	2,095	3,249
Lease liability		251	214	230
Prepayments		3	1	1
Current liabilities		**17,305**	**9,433**	**16,311**
Equity and liabilities		**48,140**	**37,792**	**48,159**

Statement of changes in equity, current year

At 31 March, unaudited

Consolidated	Share capital		Reserves				
DKK million	A shares	B shares	Currency translation	Currency hedging	Proposed dividend	Retained earnings	Total
2023/24							
Equity at 1 October	18	210	-1,579	423	3,595	14,632	17,299
Net profit for the period	-	-	-	-	1,125	1,339	**2,464**
Other comprehensive income	-	-	-253	-68	-	65	**-256**
Total comprehensive income	**-**	**-**	**-253**	**-68**	**1,125**	**1,404**	**2,208**
Sale of treasury shares and loss on exercised options	-	-	-	-	-	249	**249**
Share-based payment	-	-	-	-	-	39	**39**
Dividend paid out in respect of 2022/23	-	-	-	-	-3,595	-	**-3,595**
Transactions with shareholders	**-**	**-**	**-**	**-**	**-3,595**	**288**	**-3,307**
Equity at 31 March	18	210	-1,832	355	1,125	16,324	16,200

Statement of changes in equity, last year

At 31 March, 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	-	-	-	-	1,062	1,220	**2,282**
Other comprehensive income	-	-	-471	150	-	-68	**-389**
Total comprehensive income	**-**	**-**	**-471**	**150**	**1,062**	**1,152**	**1,893**
Sale of treasury shares and loss on exercised options	-	-	-	-	-	7	**7**
Share-based payment	-	-	-	-	-	27	**27**
Dividend paid out in respect of 2021/22	-	-	-	-	-3,185	-	**-3,185**
Transactions with shareholders	**-**	**-**	**-**	**-**	**-3,185**	**34**	**-3,151**
Equity at 31 March	18	198	-1,381	565	1,062	6,572	7,034

List of notes

Note 1
Accounting policies

The financial statements in this report is prepared in accordance with IAS 34 “Interim financial reporting” as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.. The accounting policies for recognition and measurement applied in the preparation of the financial statements in this report are consistent with those applied in the Annual Report 2022/23.

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 five operating segments: Chronic Care, Voice and Respiratory Care, Interventional Urology, Advanced Wound Dressings and Biologics.

The segment Chronic Care covers the sale of ostomy care products and continence care products. The segment Voice and Respiratory Care covers the sale of laryngectomy and tracheostomy products. The segment Interventional Urology covers the sale of urological products, including disposable products. The segment Advanced Wound Dressings covers the sale of wound and skin care products and Compeed contract manufacturing. The segment Biologics represents a new segment, obtained through the acquisition of Kerecis, covering the sale of tissue-based products. The segmentation reflects the structure of reporting to the Executive Leadership Team.

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

DKK million	Chronic Care	Voice and Respiratory Care	Interventional Urology	Advanced Wound Dressings	Biologics	Group
2023/24						
Segment revenue:						
Ostomy Care	4,663	-	-	-	-	4,663
Continence Care	4,129	-	-	-	-	4,129
Voice and Respiratory Care	-	1,035	-	-	-	1,035
Interventional Urology	-	-	1,401	-	-	1,401
Advanced Wound Care	-	-	-	1,503	461	1,964
External revenue as per the statement of comprehensive income	**8,792**	**1,035**	**1,401**	**1,503**	**461**	**13,192**
Costs allocated to segment	-3,665	-678	-920	-928	-416	-6,607
Segment operating profit/loss	**5,127**	**357**	**481**	**575**	**45**	**6,585**
Shared/non-allocated						-2,972
Special items not included in segment operating profit/loss (see note 3)						-34
Operating profit before tax (EBIT) as per the statement of comprehensive income						**3,579**
Net financials						-418
Tax on profit/loss for the period						-697
Profit/loss for the period as per the statement of comprehensive income						**2,464**

DKK million	Chronic Care	Voice and Respiratory Care	Interventional Urology	Advanced Wound Dressings	Biologics	Group
2022/23						
Segment revenue:						
Ostomy Care	4,478	-	-	-	-	4,478
Continence Care	3,951	-	-	-	-	3,951
Voice and Respiratory Care	-	959	-	-	-	959
Interventional Urology	-	-	1,353	-	-	1,353
Advanced Wound Care	-	-	-	1,425	-	1,425
External revenue as per the statement of comprehensive income	**8,429**	**959**	**1,353**	**1,425**	**-**	**12,166**
Costs allocated to segment	-3,598	-641	-874	-885	-	-5,998
Segment operating profit/loss	**4,831**	**318**	**479**	**540**	**-**	**6,168**
Shared/non-allocated						-2,723
Special items not included in segment operating profit/loss (see note 3)						-33
Operating profit before tax (EBIT) as per the statement of comprehensive income						**3,412**
Net financials						-524
Tax on profit/loss for the period						-606
Profit/loss for the period as per the statement of comprehensive income						**2,282**

Note 3
Special items

DKK million	2023/24	2022/23
Expenses related to business combinations	34	33
Total	**34**	**33**

Special items contains expenses related to integration costs for the Atos Medical acquisition.

Note 4
Financial income and expenses

DKK million	2023/24	2022/23
Financial income		
Interest income	39	10
Fair value adjustments of forward contracts transferred from other comprehensive income	33	-
Interest hedges	38	37
Hyperinflationary adjustment of monetary position	7	24
Other financial income	1	2
Total	**118**	**73**
Financial expenses		
Interest expenses	115	64
Interest expenses, lease liabilities	15	12
Interest expenses, bonds	259	205
Fair value adjustments of forward contracts transferred from other comprehensive income	-	31
Fair value adjustments of cash-based share options	2	2
Net exchange adjustments	100	227
Other financial expenses and fees	45	56
Total	**536**	**597**

Note 5
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	4.67
COLOCB2	EUR	850	19-05-2027	2.25
COLOCB3	EUR	700	19-05-2030	2.75

[1)] Fixed for COLOCB1 as per 17-02-2024. The coupon rate is set as 3M Euribor + 0.75%.

Note 6
Specifications of cash flow from operating activities

DKK million	2023/24	2022/23
Net gain/loss on divestment of non-current assets	-	-1
Change in other provisions	-98	-107
Other non-cash operating items	38	27
Adjustment for other non-cash operating items	**-60**	**-81**
Inventories	-138	-445
Trade receivables	-395	-232
Other receivables, including amounts held in escrow	-93	-95
Trade and other payables etc.	-327	-517
Changes in working capital	**-953**	**-1,289**

Note 7
Cash and cash equivalents

DKK million	2024	2023
Bank deposits, short term	889	628
Cash and cash equivalents at 31 March	**889**	**628**

Note 8
Contingent liabilities

The Coloplast Group is a party to a few minor legal proceedings, which are not expected to influence the Group's future earnings.

Note 9
Acquisitions

On 31 August 2023 Coloplast acquired all shares and voting rights of Kerecis hf. and its subsidiaries at a cash consideration of DKK 7,923 million. At the end of 2022/23, the initial accounting for goodwill, intellectual property rights, other intangible assets and deferred tax assets and liabilities remained provisional. The consideration based on the performance of Kerecis in 2023/24 was assessed at a very high level in the purchase price allocation. During 2023/24, the assumptions were reassessed, and a reduction of the consideration was recognized at a value of DKK 523 million. The reduction was offset by a corresponding amount to goodwill.

For further information regarding the acquisition and the provisional purchase price allocation please refer to the note 32 in the Annual Report for 2022/23.

Income statement, quarterly

Unaudited

Consolidated	2023/24		2022/23			
DKK million	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Revenue	6,586	6,606	6,226	6,108	6,061	6,105
Production costs	-2,109	-2,102	-2,094	-2,085	-2,034	-1,959
Gross profit	**4,477**	**4,504**	**4,132**	**4,023**	**4,027**	**4,146**
Distribution costs	-2,152	-2,130	-1,905	-1,866	-1,882	-1,865
Administrative expenses	-324	-335	-279	-262	-277	-297
Research and development costs	-221	-233	-231	-216	-209	-216
Other operating income	18	21	17	13	17	9
Other operating expenses	-7	-5	-20	-6	-5	-3
Operating profit (EBIT) before special items	**1,791**	**1,822**	**1,714**	**1,686**	**1,671**	**1,774**
Special items	-19	-15	-69	28	-20	-13
Operating profit (EBIT)	**1,772**	**1,807**	**1,645**	**1,714**	**1,651**	**1,761**
Financial income	36	82	81	37	42	31
Financial expenses	-201	-335	-199	-141	-232	-365
Profit before tax	**1,607**	**1,554**	**1,527**	**1,610**	**1,461**	**1,427**
Tax on profit for the period	-355	-342	-298	-338	-306	-300
Net profit for the period	**1,252**	**1,212**	**1,229**	**1,272**	**1,155**	**1,127**

DKK						
Earnings per share (EPS) before special items	5.63	5.45	5.72	5.88	5.51	5.36
Earnings per share (EPS)	5.57	5.39	5.47	5.99	5.44	5.31
Earnings per share (EPS) before special items, diluted	5.63	5.45	5.72	5.88	5.51	5.35
Earnings per share (EPS), diluted	5.57	5.39	5.47	5.98	5.44	5.31

7 May 2024

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 was founded on passion, ambition, and commitment. We were born from a nurse's wish to help her sister and the skills of an engineer. Guided by empathy, our mission is to make life easier for people with intimate healthcare needs. Over decades, we have helped millions of people to live a more independent life and we continue to do so through innovative products and services. Globally, our business areas include Ostomy Care, Continence Care, Advanced Wound Care, Interventional Urology and Voice and Respiratory Care.