

FY 2024/25 Pre-close brief – September 2025

Prior to entering our silent period on October 6, 2025 and ahead of reporting our FY results on November 4, 2025 for the period ending September 30, 2025, we would like to bring the following highlights to your attention:

Capital Markets Day

- On September 2, 2025 Coloplast hosted its Capital Markets Day, presenting the company's new 5-year strategy, *Impact4*, and a new long term financial ambition towards 2030 ([announcement no. 07](#)). All material from the day is available here: [Capital Markets Day 2025](#).

CEO search

- The search for a new CEO, announced in May 2025, is currently ongoing. The new CEO is expected to be in place within 12 months after the search was announced.

Proposed update to DMEPOS Competitive Bidding Program announced by CMS

- On June 30, 2025, the Centers for Medicare and Medicaid Services (CMS) in the US announced a proposed rule¹, which, among other, included an update on the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (CBP). The commenting period ended August 29, 2025 and we expect an update to be published in late 2025, and for any potential changes to take effect at the earliest in 2027 based on internal assessment ([Reaction to CMS proposed rule change](#)).

Proposed change to payment for skin substitutes announced by CMS

- On July 14, 2025, the CMS announced a substantially changed Physician Fee Schedule², where the Average Selling Price (ASP) pricing model for the out-patient setting is replaced by a fixed payment of \$125/cm² for all products for the implementation year 2026. The commenting period ended September 12, 2025 and the proposal should be finalized in October, with policy changes taking effect January 1, 2026 ([Reaction to CMS draft payment proposal for skin substitutes](#)).

Section 232 national security investigation in the US

- On September 2, 2025 the Secretary of Commerce initiated an investigation³ to determine the effects on the national security of imports of personal protective equipment (PPE), medical consumables, and medical equipment including devices. The deadline for providing comments is set for 21 days, ending October 17, 2025. Our current assumption is that the impact from tariffs on Coloplast will remain immaterial, however, we are closely monitoring the situation and will engage with our industry association in the US during the commenting period.

Financial guidance for FY 2024/25

(based on spot rates as of August 15, 2025)

- Organic revenue growth at constant exchange rates is expected at around 7% and assumes:
 - Negative impact from the preventative and voluntary product return in Advanced Wound Dressings in China of around DKK 80 million, impacting mostly Q4, partly offset by good momentum in the other business areas
 - Growth expectations across the other business areas and geographies are largely unchanged.
 - Positive pricing impact expected, however, at a lower level compared to FY 2023/24
 - The organic growth by quarter for FY 2023/24 was: Q1 7.5%, Q2 7.5%, Q3 7.8%, Q4 8.2%
- Reported revenue growth in DKK is expected to be around 3-4% and includes negative impact from currencies of around 2%-points and negative impact from the Skin Care divestment of around 1.5%-points (10 months).
- The gross margin for FY 2024/25 is expected to be around 68% and includes benefit from lower inflationary pressure on input costs, partly offset by ramp-up activities in Costa Rica and Portugal.
- The reported EBIT margin before special items for FY 2024/25 is expected to be 27-28% and assumes:
 - Currencies are expected to have around neutral impact
 - The remaining assumptions on costs of goods sold and operating expenses are largely unchanged
- Impact from US tariffs is expected to be immaterial, as products in our chronic care categories, which cover Ostomy, Continence and Voice and Respiratory Care, are all currently exempt from tariffs.

1. [Durable Medical Equipment, Prosthetics, Orthotics, and Supplies \(DMEPOS\) Competitive Bidding Program Updates](#)

2. [Calendar Year \(CY\) 2026 Medicare Physician Fee Schedule \(PFS\) Proposed Rule \(CMS-1832-P\) | CMS](#)

3. [Federal Register :: Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Personal Protective Equipment, Medical Consumables, and Medical Equipment, Including Devices](#)

- Special items of around DKK 450 million expected in FY 2024/25, mostly related to profitability improvement initiatives to support long-term value creation, management changes and write-down of assets. Key remaining initiatives include organisational restructuring in China and cost optimisation in Interventional Urology, both of which will have an impact on special items in Q4 2024/25.
- CAPEX for FY 2024/25 expected to be around DKK 1.4 billion.
- The net financial expenses for FY 2024/25 are expected around DKK -950 million based on spot rates from August 15, 2025.
- The ordinary tax rate for FY 2024/25 is expected to be around 22%, while the effective tax rate is expected to be around 40% due to the extraordinary impact from the Kerecis IP transfer. The long-term expectations for a tax rate of around 23% are unchanged.
- Net working capital for the year is expected to be around 25% of revenue.

Moving parts into FY 2025/26

- Organic revenue growth:
 - Continued good momentum in Chronic Care ex. China; China not expected to show improvements
 - Easier baseline in Interventional Urology; product recall will be annualized in December 2025
 - Kerecis – final year of three-year period to deliver ~30% CAGR
 - Challenged outlook in Advanced Wound Dressings from Q1-Q3 due to China product return
 - No significant impact from healthcare reforms
- EBIT:
 - Stable inflation levels
 - Continued ramp-up in Costa Rica and Portugal
 - Positive impact from company-wide profitability improvement initiatives in FY 2024/25
 - Dilution from Kerecis and PPA-related amortisation, however, at a lower level compared to FY 2024/25. Kerecis EBIT margin uplift to around 20% expected in FY 2025/26
 - New Impact4 investments will be initiated
 - Special items at a significantly lower level compared to FY 2024/25

New long-term financial ambition towards 2030

- Organic revenue growth of 7-8% (5-year CAGR until FY 2029/30).
- Absolute EBIT growth* in line with or above revenue growth over the period.
- ROIC of more than 20% in FY 2029/30, with a linear improvement expected over the period.

The new financial ambition includes the following key assumptions:

- Market growth in the period is expected to be 4-5%
- A stable macroeconomic environment and no significant changes in tariffs or other trade restrictions
- Stable quality, supply and distribution of products across the company
- Neutral impact from pricing over the period
- No significant M&A deals expected in the period; M&A strategy focused on bolt-on acquisitions

Additional financial assumptions for the period include:

- Capex-to-sales ratio is expected to be 4-5%, with a reduction to around 4% towards the end of the *Impact4* strategy period
- Tax rate expected to be around 22% during the period
- NWC-to-sales ratio is expected to improve to around 24%
- Net debt/EBITDA ratio is expected to decrease to around 1.5x towards FY 2029/30
- Capital allocation policy to pay out excess cash through dividends, with a target payout ratio of 60-80% of net profit, is unchanged

* In constant currencies; before special items

Foreign exchange rates

Please see below an updated FX overview with spot rates as of September 26, 2025. Exchange rate exposure and hedging policy are available on page 61 in our latest roadshow presentation ([Roadshow presentation](#)).

Currency	Average exchange rate for FY 2023/24 ¹⁾	Spot rate, Sep 26, 2025	Spot rate vs. avg. exchange rate FY 2023/24	Average exchange rate for 12M 2023/24 (Oct 1, 2023 to Sep 30, 2024)	Average exchange rate for YTD 2024/25 (Oct 1, 2024 to Sep 26, 2025)	Change in average exchange rates
Key currencies:						
USD	688	639	-7%	688	676	-2%
GBP	872	854	-2%	872	882	1%
HUF	1.92	1.91	-1%	1.92	1.85	-4%
Other selected currencies:						
CNY	96	90	-6%	96	94	-2%
JPY	4.58	4.27	-7%	4.58	4.53	-1%
AUD	454	418	-8%	454	435	-4%
BRL	134	119	-11%	134	119	-11%
ARS ²⁾	0.69	0.48	-30%	0.69	0.48	-30%

1) Average exchange rate from October 1, 2023 to September 30, 2024

2) The hyperinflationary economy in Argentina entails that results denominated in Argentinian Peso must be adjusted for inflation and be translated at the exchange rate of the balance sheet day which was DKK 0.69 per ARS 100.00 at September 30, 2024 and DKK 0.48 per ARS 100.00 at September 26, 2025.

Please do not hesitate to reach out to Investor Relations if you have any questions.

Best regards,

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