

# Convatec Denmark Holdings ApS

Åholmvej 1, DK-4320 Lejre

## Annual Report for the year 1 January - 31 December 2023

CVR No: 43 32 14 47

The Annual Report was  
presented and adopted at the  
Annual General Meeting of  
the Company on

8 July 2024

DocuSigned by:



Mercedes Armendariz

Chairman

Signing Reason: I approve this document

Signing Time: Jul 9, 2024 | 10:30:28 AM BST

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# Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Convatec Denmark Holdings ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company's operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Lejre, 8 July 2024

## Executive Board

Kjersti Grimsrud

DocuSigned by:

*Kjersti Grimsrud*

Signer Name: Kjersti Grimsrud

Signing Reason: I approve this document

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Supervisory Board

Mercedes Armendariz

Michael Christian Remy Jensen

Kjersti Grimsrud

DocuSigned by:

*Mercedes Armendariz*

Signer Name: Mercedes Armendariz

Signing Reason: I approve this document

Signing Time: Jul 9, 2024 | 10:30:35 AM BST

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*Michael Remy Jensen*

Signer Name: Michael Remy Jensen

Signing Reason: I approve this document

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*Kjersti Grimsrud*

Signer Name: Kjersti Grimsrud

Signing Reason: I approve this document

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# Independent Auditor's Report

To the shareholders of Convatec Denmark Holdings ApS

## Opinion

We have audited the financial statements of Convatec Denmark Holdings ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity, and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act..

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

# Independent Auditor's Report

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Statement on the management commentary

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.


Copenhagen, 8 July 2024

## Deloitte

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

DocuSigned by:

Henrik Wolff Mikkelsen

 Henrik Wolff Mikkelsen  
Henrik Wolff Mikkelsen  
State Authorized Public Accountant  
Identification No. (MNE) 202438727  
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# Company Information

## **The Company**

Convatec Denmark Holdings ApS  
Åholmvej 1 - 3  
DK-4320 Lejre

CVR No: 43 32 14 47  
Financial year: 1 January - 31 December  
Municipality of reg. office: Lejre

## **Supervisory Board**

Mercedes Armendariz  
Michael Christian Remy Jensen  
Kjersti Grimsrud

## **Executive Board**

Kjersti Grimsrud

## **Auditors**

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
DK-2300 Copenhagen S

# Financial Highlights

Seen over a one-year period, the development of the Company is described by the following financial highlights:

## Financial Highlights

	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>Key figures</b>		
<b>Profit/loss</b>		
Gross profit	-169	-50
Net financials	834,932	-9,902
Net profit for the year	846,383	-8,110
<b>Balance sheet</b>		
Balance sheet total	10,311,100	10,133,774
Equity	9,145,206	8,703,822
<b>Ratios</b>		
Solvency ratio	88.7%	85.9%
Return on equity	9.5%	-0.1%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the CFA Society Denmark. For definitions, see under accounting policies.

# Management's Review

## Main activity

Convatec Denmark Holdings ApS is owned by the UK-based company Convatec Holdings UK Limited.

The purpose of the company is to own shares in other companies conducting business within trade and industry and other ancillary business.

## Development in the year

The income statement of the Company for 2023 shows a profit of TDKK 846,383 and at 31 December 2023 compared to a loss of TDKK 8,110 in 2022. The increase was due to a dividend income of TDKK 900,000. The balance sheet of the Company shows equity of TDKK 9,145,206.

## Statutory statement of corporate social responsibility

Convatec Denmark Holdings ApS is the parent company of Unomedical A/S, Convatec Denmark A/S and Papyro-Tex A/S. For a detailed description of the business model of each subsidiary, please refer to their respective Annual Reports for 2023.

Convatec Denmark Holdings ApS has not developed separate Group CSR policies for its subsidiaries or a formalized CSR policy for its financial investments at this point, as this has not been deemed necessary given the nature and scope of the investment activities. However, as part of the regular monitoring of financial investments, Management sets expectations for the subsidiaries to act in compliance with the law.

The principal CSR risks within the Group, in terms of human rights, environmental and climate protection, social and employee matters, and anti-corruption, are mainly associated with the activities of its subsidiaries. Convatec Denmark Holdings ApS monitors progress through active ownership and board participation in these subsidiaries. The risk evaluation and mitigation procedures are primarily described in the management commentary of the Unomedical A/S Annual Report for 2023. Please refer to it for further details.

## Special risks - operating risks and financial risks

### Foreign exchange risks

Convatec Denmark A/S has a loan in DKK, the Company has limited exposed to changes in currency exchange rates. These financial risks are monitored and managed in close cooperation with the Parent, Convatec Group, which follows a low-risk policy.

## Targets and expectations for the year ahead

The expectation is to maintain the business as it is so not expected to operate any investments on 2024. In 2024 the company expect a growth between 3-5 % for 2024

## Statement on Gender Representation

The board of directors of Convatec Denmark Holdings ApS consists of three members, of which two are women and one is a man. The executive management consists of one director, who is a woman. This means that women constitute 67% of the board and 100% of the executive management, which aligns with our goal of promoting the underrepresented gender in leadership.

### Table on Gender Distribution

<i>Position</i>	<i>Number of Men</i>	<i>Number of Women</i>	<i>Percentage of Men</i>	<i>Percentage of Women</i>
<i>Board of Directors</i>	<i>1</i>	<i>2</i>	<i>33%</i>	<i>67%</i>
<i>Executive Management</i>	<i>0</i>	<i>1</i>	<i>0%</i>	<i>100%</i>

Since Convatec Denmark Holdings ApS has fewer than 50 employees, there is no requirement to prepare a policy for promoting the underrepresented gender in leadership.



# Management's Review

## Data ethics

Convatec Denmark Holdings strives to use data responsibly and sustainably. However, currently the company has decided not to develop and implement a specific policy regarding data ethics.

We consider that our current use of data in relation to our company and business does not have a character that implies data ethical issues. As such advanced data analysis e.g. "big data" analyses, use of AI or algorithms for automated decisions or other applications of data, which could imply significant consequences for society or population groups, is not currently an integrated part of our business strategy or activities

In this assessment, we have further emphasized that Convatec Denmark Holdings besides the data protection law also complies with the health legislation including medical equipment, which outlines the ethical rules for how we perform our business activities. The use and application of data within our company and industry is constantly changing, and we will therefore continuously perform an assessment of the need to develop and implement a policy on data ethics.

## Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities of the Company for the financial year for 2023 have not been affected by any unusual events.

## Subsequent events

No events post the balance sheet date to report.

## Income Statement 1 January - 31 December

	<b>Note</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
		TDKK	TDKK
Other external expenses		-169	-50
<b>Gross profit</b>		<b>-169</b>	<b>-50</b>
Income from investments in subsidiaries		900,000	0
Financial income		9	0
Financial expenses	1	-64,908	-9,902
<b>Profit before tax</b>		<b>834,932</b>	<b>-9,952</b>
Tax on profit for the year	2	11,451	1,842
<b>Net profit for the year</b>		<b>846,383</b>	<b>-8,110</b>

## Balance Sheet 31 December

### Assets

	Note	2023	2022
		TDKK	TDKK
Investments in subsidiaries	3	<u>10,131,892</u>	<u>10,131,892</u>
<b>Fixed asset investments</b>		<b><u>10,131,892</u></b>	<b><u>10,131,892</u></b>
<b>Fixed assets</b>		<b><u>10,131,892</u></b>	<b><u>10,131,892</u></b>
Joint taxation receivable		143,474	1,842
Receivables from group enterprises		<u>32,779</u>	<u>0</u>
<b>Receivables</b>		<b><u>176,253</u></b>	<b><u>1,842</u></b>
<b>Cash at bank and in hand</b>		<b><u>2,955</u></b>	<b><u>40</u></b>
<b>Currents assets</b>		<b><u>179,208</u></b>	<b><u>1,882</u></b>
<b>Assets</b>		<b><u>10,311,100</u></b>	<b><u>10,133,774</u></b>

### Liabilities and equity

	Note	2023	2022
		TDKK	TDKK
Share capital	4	40	40
Retained earnings	5	9,136,021	8,298,782
Proposed dividend		9,145	405,000
<b>Equity</b>		<b><u>9,145,206</u></b>	<b><u>8,703,822</u></b>
Payables to group enterprises	6	<u>1,010,397</u>	<u>1,420,000</u>
<b>Long-term debt</b>		<b><u>1,010,397</u></b>	<b><u>1,420,000</u></b>
Payables to group enterprises		88,285	9,902
Corporation tax		67,106	0
Other payables		<u>105</u>	<u>50</u>
<b>Short-term debt</b>		<b><u>155,497</u></b>	<b><u>9,952</u></b>
<b>Debt</b>		<b><u>1,165,894</u></b>	<b><u>1,429,952</u></b>
<b>Liabilities and equity</b>		<b><u>10,311,100</u></b>	<b><u>10,133,774</u></b>

## Statement of Changes in Equity

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Proposed dividend</b>	<b>Total</b>
	TDKK	TDKK	TDKK	TDKK
<b>Equity at 1 January 2023</b>	40	8,298,782	405,000	8,703,822
Ordinary dividend paid	0	0	-405,000	-405,000
Net profit/loss for the year	0	837,239	9,145	846,384
<b>Equity at 31 December 2023</b>	<b>40</b>	<b>9,136,021</b>	<b>9,145</b>	<b>9,145,206</b>

# Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>1. Financial Expenses</b>		
Interest paid to group enterprises	64.908	9.902
	<u>64.908</u>	<u>9.902</u>
<b>2. Tax on profit for the year</b>		
Current tax for the year	-11.451	-1.842
	<u>-11.451</u>	<u>-1.842</u>
<b>3. Investments in subsidiaries</b>		
Cost at 1 January	10.131.892	10.131.892
<b>Carrying amount at 31 December</b>	<u>10.131.892</u>	<u>10.131.892</u>

Investments in subsidiaries are specified as follows:

<u>Investments in subsidiaries</u>	<u>Registered in</u>	<u>Equity interest</u>	<u>Equity</u>	<u>Profit /loss</u>
			TDKK	TDKK
Unomedical A/S	Denmark	100%	1,686,257	534,579
Convatec Denmark A/S	Denmark	100%	126,263	438
Papyro-Tex A/S	Denmark	100%	63,330	9,076

## 4. Equity

The share capital consists of 40,001 shares of a nominal value of DKK 1. Here of 40.000 shares at establishment on 10.06.2022 and 1 share raised during 2022.

## 5. Distribution of profit

Retained earnings	9,136,021	8,298,782
Proposed dividend for the year	9,145	405,000
	<u>9,145,166</u>	<u>8,703,782</u>

## 6. Short and long-term debt to group

Payments due within 1 year are presented as short-term debt. Remaining debt is presented as long-term debt.

The debt falls due for payment as specified below:

### Payables to group enterprises

Between 1 and 5 years	1,010,397	1,420,000
Long-term part	1,010,397	1,420,000
Short-term debt to group enterprises	88,285	9,902
	<u>1,098,682</u>	<u>1,429,902</u>

# Notes to the Financial Statements

## 7. Related parties

<b>Controlling interest</b>	<b>Basis</b>
Convatec Holdings UK : United Kingdom	Immediate parent
Convatec Group PLC: United Kingdom	Ultimate parent

<b>Consolidated Financial Statements</b>	
<b>Name</b>	<b>Place of registered office</b>
Convatec Group PLC	UK

## Transactions

Trade with related parties, including trade with the parent company, is based on market terms.

## Consolidated Financial Statements

The Company is included in the Group Annual Report of the Ultimate Parent:

The Group Annual Report of Convatec Group PLC may be obtained at the following address:

3 Forbury Place, 23 Forbury Road, UK.

## 8. Fee to auditors appointed at the general meeting.

	<b>2023</b>	<b>2022</b>
	TDKK	TDKK
Audit fee to Deloitte	<u>50</u>	<u>50</u>

## 9. Accounting Policies

The Annual Report of Convatec Denmark Holdings ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large - sized enterprises of reporting class C.

The financial year 2023 is the Company's second and covers the period 01.01.2023 – 31.12.2023 and has comparative figures related to the previous year.

The Financial Statements for 2023 are presented in DKK.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Convatec Group PLC, the Company has not prepared consolidated financial statements.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Convatec Group PLC, the Company has not prepared a cash flow statement.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

# Notes to the Financial Statements

## Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

## Accounting Policies (continued)

Receivables, payables, and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Other external expenses also include research and development costs that do not qualify for capitalization.

### Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance Sheet

### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

## Financial Highlights

### Explanation of financial ratios

Solvency ratio

$$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$$

Return on equity

$$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$$