

Making it easier to be one of the girls

My stoma doesn't define me. My friends know about it and they support me. I feel comfortable when we are hanging out.

Introduce superior innovation and value upgrade

Handelsbanken – Nordic Innovation Leaders Seminar 2020

Rasmus Sørensen, Senior Manager Investor Relations

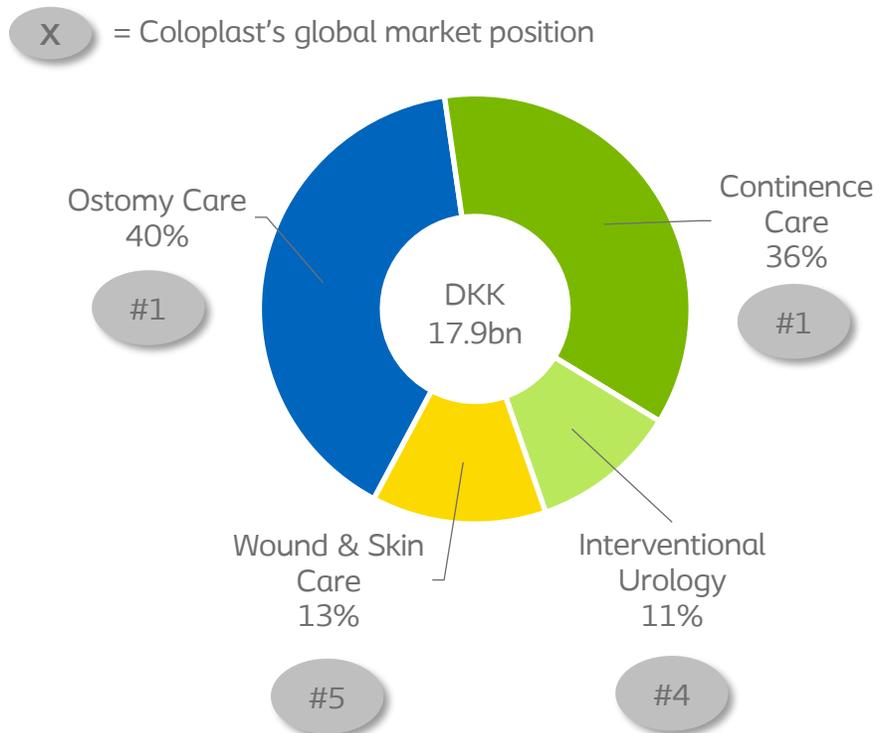
Making life easier

Ostomy Care, Contenance Care, Wound & Skin Care and Interventional Urology

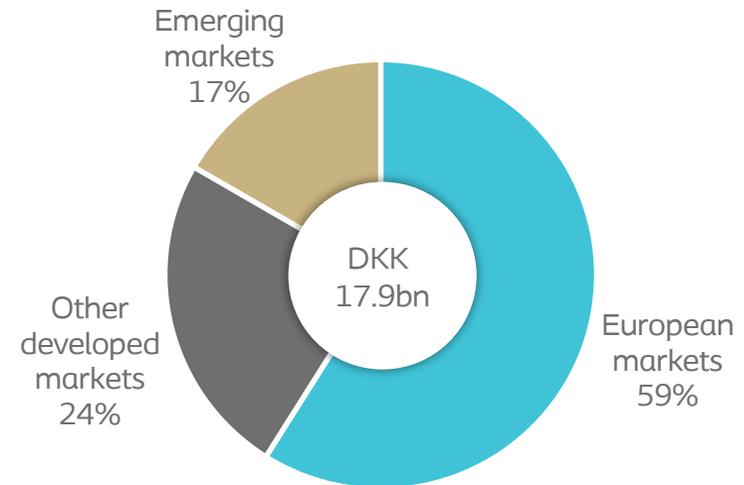


Coloplast has four business areas all with global sales presence

Group revenue 2018/19 by segment



Group revenue 2018/19 by geography



Coloplast specializes in intimate healthcare needs

Who are our typical users

How do we help them?

Ostomy Care

People who have had their intestine redirected to an opening in the abdominal wall

SenSura® Mio
Ostomy bag



Continence Care

People in need of bladder or bowel management

SpeediCath®
Flexible male
urinary catheter



Interventional Urology

People with dysfunctional urinary and reproductive systems

Titan® OTR
Penile implant



Wound Care

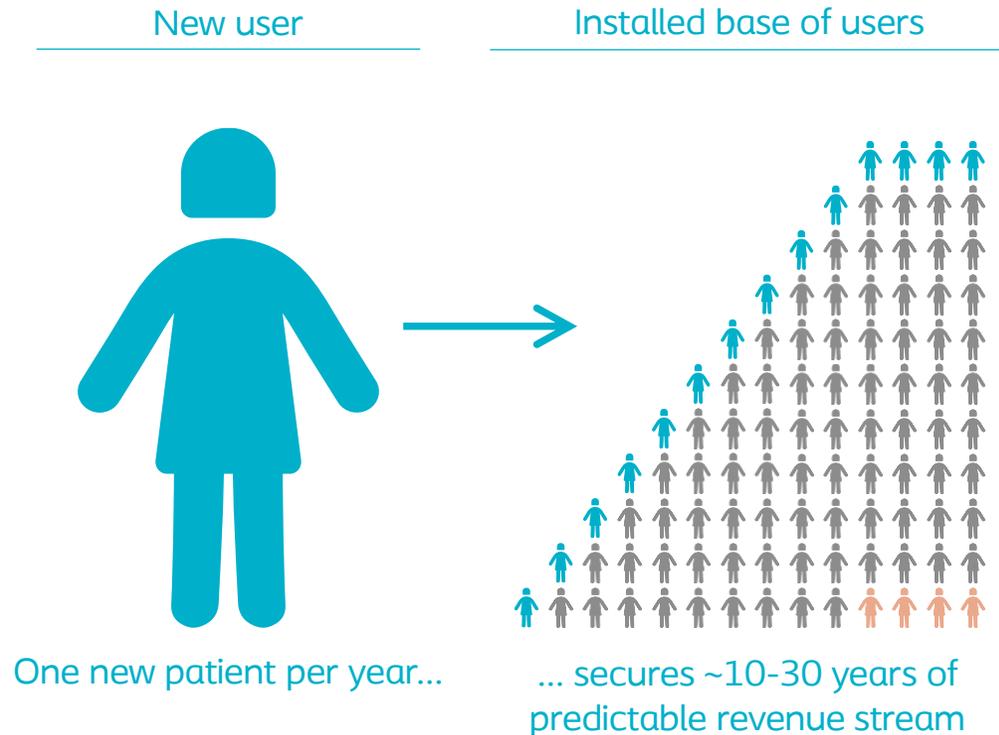
People with difficult-to-heal wounds

Biatain® Silicone
Foam wound dressing



The Chronic Care model secures a predictable revenue stream and stable revenue growth

The chronic care user flow

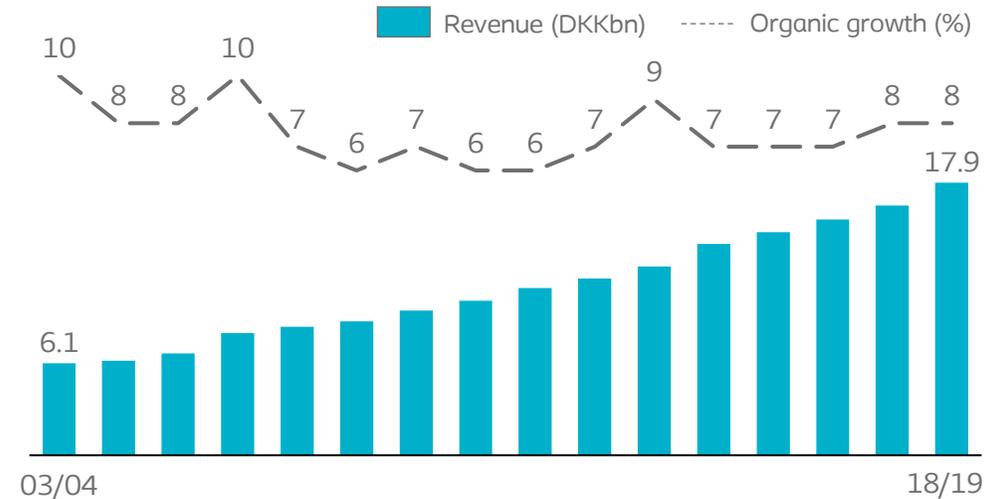


Chronic Care condition

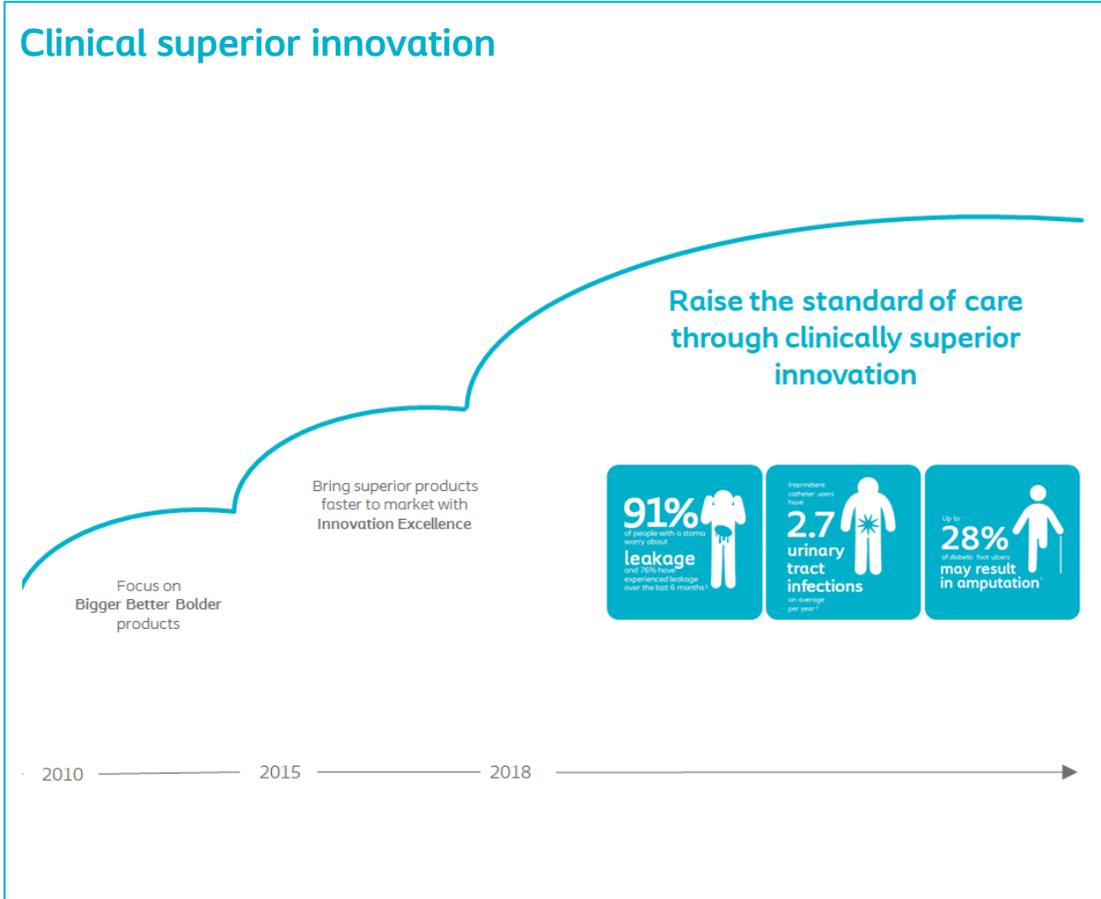
Stable flow of loyal users

Solid reimbursement

Coloplast group revenues



We want to raise the standard of care through clinically superior products and innovation



We have initiated a very ambitious Clinical Performance Program to tackle the biggest issues users face

What really matters to people using catheters?



45%*

of users describe UTIs as their greatest challenge in life¹

* People answering 'not being able to walk: 22%', 'not be able to travel: 9%'



2.7

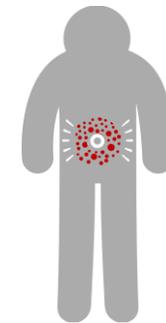
UTIs per user on average every year¹

What really matters to people living with a stoma?



93%

worry about leakage²



30%

of users experience skin irritation at least weekly³

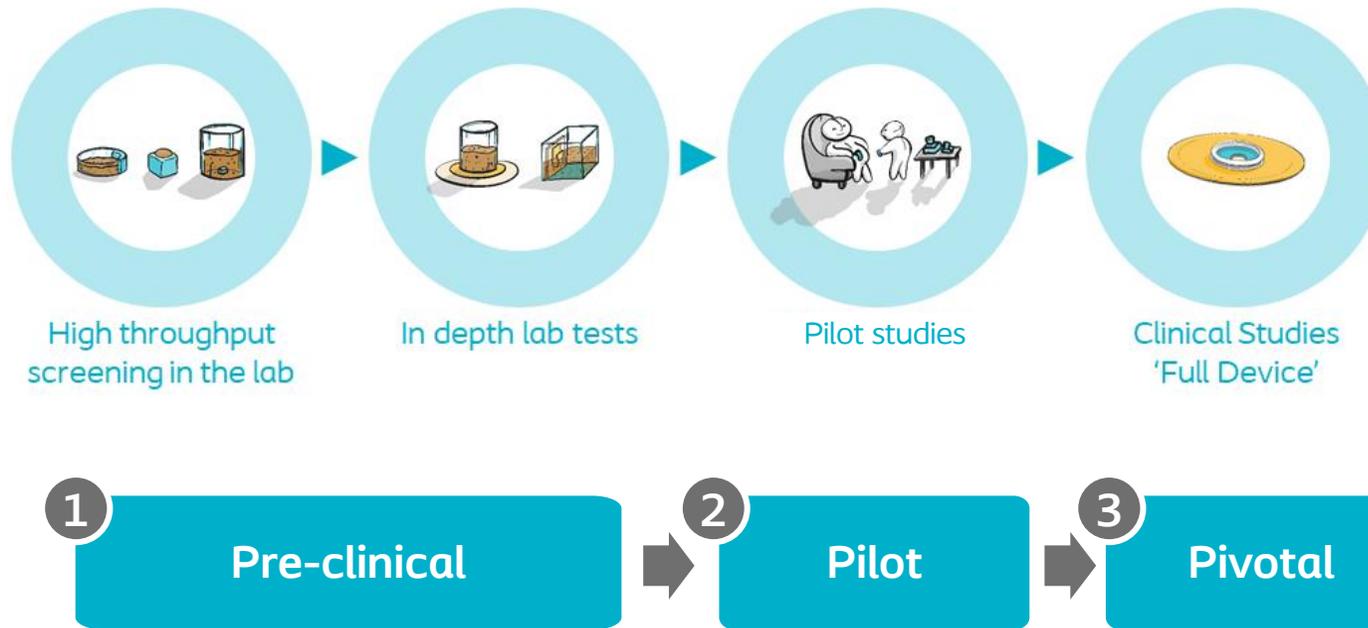
1) Source: Coloplast IC user survey, January 2016 (n=2,942), (Data-on-file) VV-0122794

2) Source: Ostomy Life Study 2016, ECET Coloplast Pre-Event (n=4,235), (Data-on-file) VV-0191619

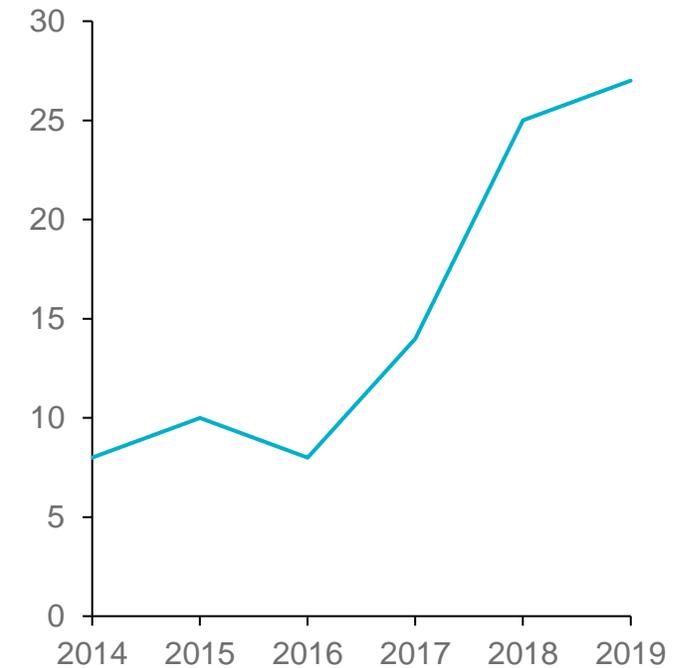
3) Source: OC Usage Pattern Study 2015, (Data-on-file) VV-0147638

We have strengthened our pre-clinical capabilities and are running more clinical studies to test new technologies

Phase of clinical studies: Test new technologies and accelerating development



Number of clinical studies executed by Coloplast*



* Source: internal Coloplast performance data.

Today we will focus on Ostomy Care where peristomal skin complications are common and a burden for many users and costly to payers and society

Peristomal skin complications is a real cost driver



73%

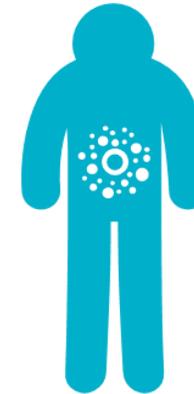
*Of all users have experienced skin issues within the past 6 months**



52%

*Reports skin issues as one of the main reasons to see a nurse**

And is a burden for many users

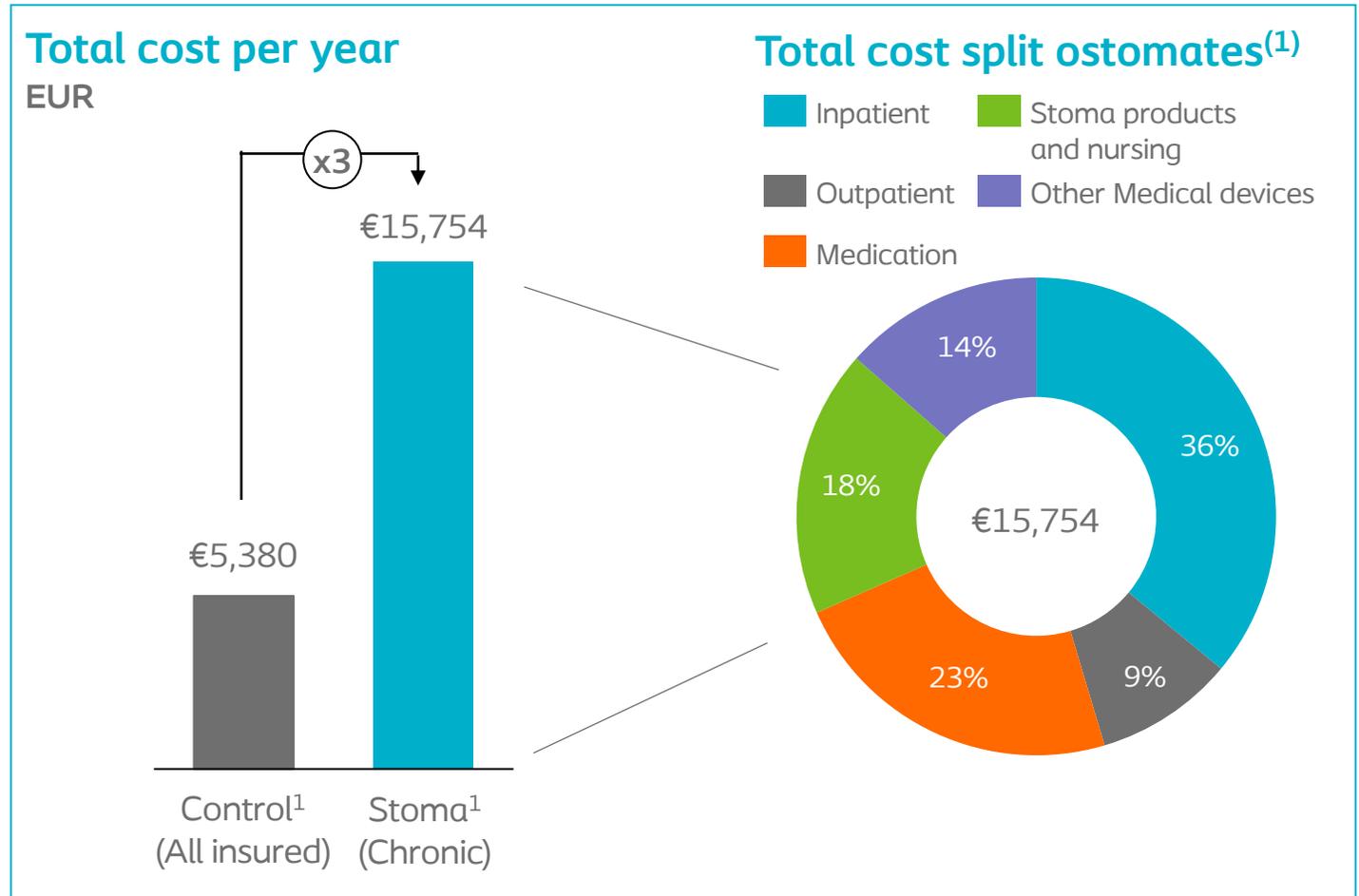
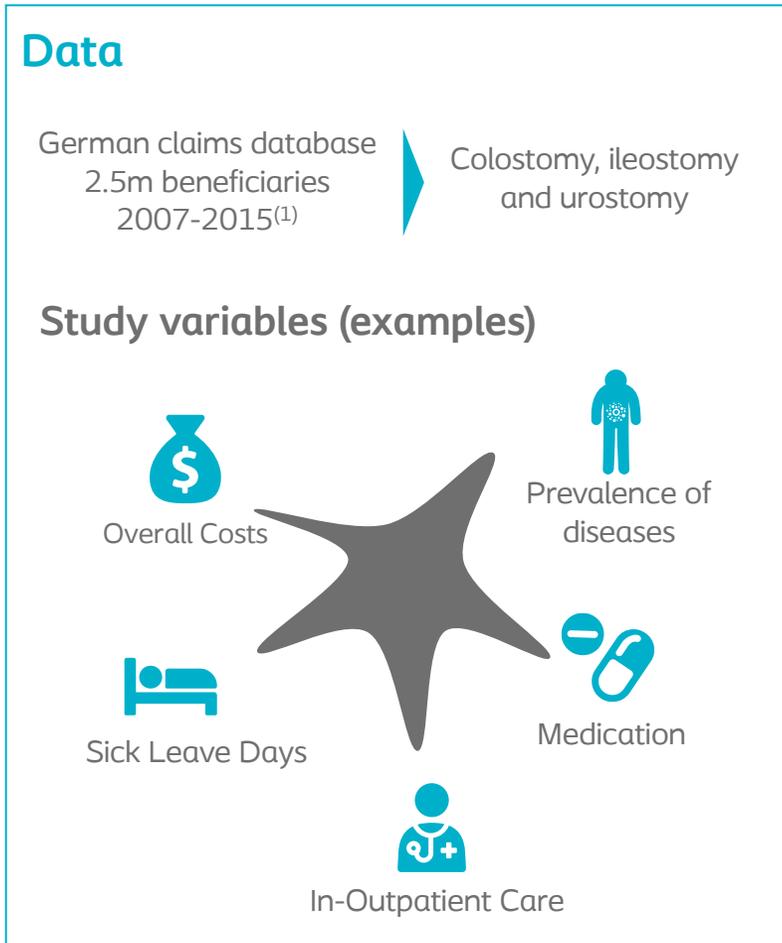


"I usually stay at home for a couple of days when that happens"

"I can't sleep. This is burning so bad I have to go and change it again"

* The Ostomy Life Study: the everyday challenges faced by people living with a stoma in a snapshot. Claessens, et al., Gastrointestinal Nursing, Vol. 13, No. 5. doi.org/10.12968/gasn.2015.13.5.18

Example: Results from a burden of illness study in Germany show significant payer costs linked to ostomates

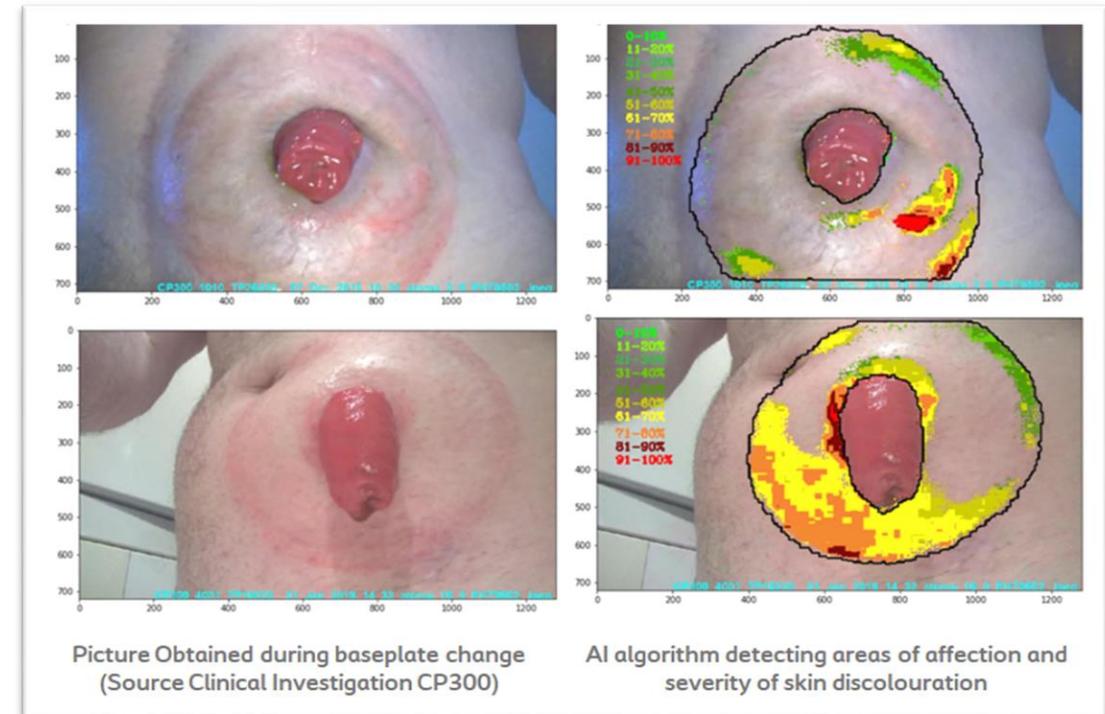


1) Poster Presentation – Rethmeier et al. - ISPOR 2018, Baltimore

We are using artificial intelligence (AI) for peristomal skin analysis

Using AI for peristomal skin analysis

- During our clinical studies users take pictures of their peristomal area and base plate when changing their product
- We have successfully used artificial intelligence to analyse the images and determine skin health and leakage
- AI models achieved high level of accuracy and detection of area of affection, skin discoloration, intensity and leakage
- Percentage discolouration 92.6% accuracy
- Leakage model 95% accuracy

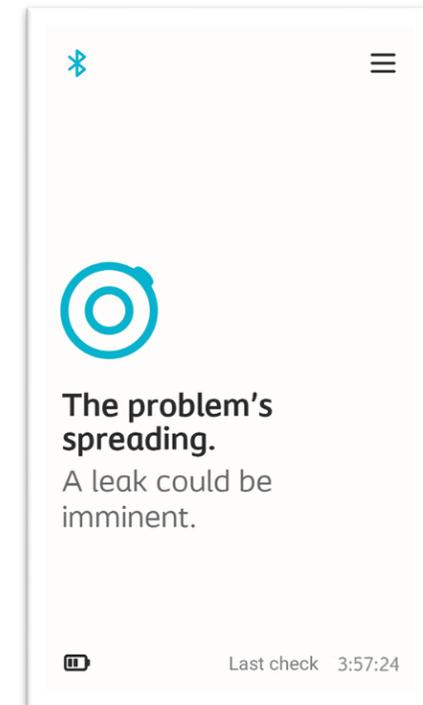


Our digital efforts are progressing and pilot studies have showed encouraging results in detecting leakage (1,2)

Our digital aspiration

- We have a strong concept that can provide peace of mind to users
- Very positive feedback from nurses and users
- Our capabilities around mapping sensor signals and defining subsequent app communication are rapidly maturing
- Pilot studies have shown high reliability in detecting leakage
- Manufacturing processes being matured

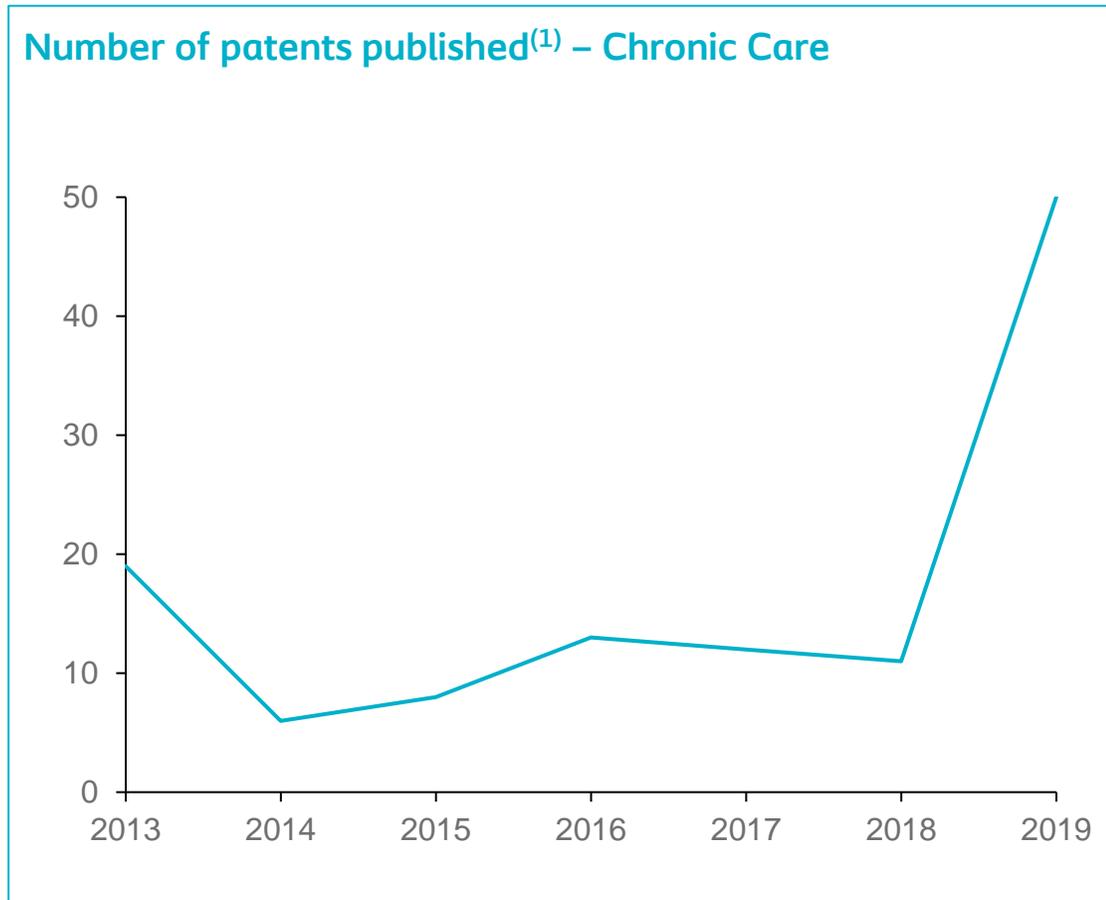
Giving users accurate information about product performance



1) Assessment of the Performance of a New Ostomy Device in Subjects Having an Ileostomy. ClinicalTrials.gov Identifier: NCT03439241.

2) Evaluation of the Ability of Newly Developed Adhesives to Absorb Moisture. ClinicalTrials.gov Identifier: NCT03619226

We have raised the bar for innovation and protecting our Intellectual Property is important



1) Includes expected publications for all of 2019

Patented areas

- Digital health
- Skin protecting technology
- New IC platform

We have a strong track record in delivering incremental innovation and are making good progress on next level innovation

Products to be launched beyond 2020

Incremental innovation

New products and line extensions within existing technologies to drive short term growth

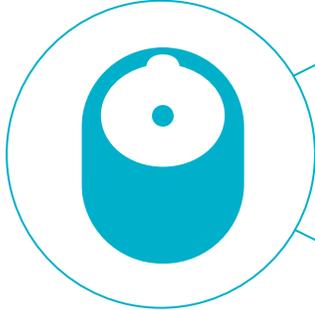
-  Known materials/processes. In-house expertise
-  Shorter time to market
-  Price strategy – on par / parity+
-  Existing reimbursement categories
-  Lower risk projects

Next level innovation

Clinically superior products requiring new technologies to drive long term growth

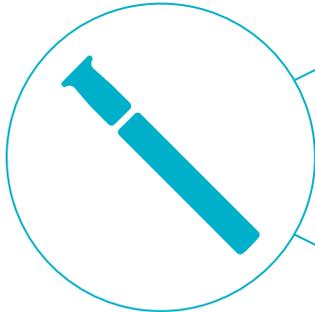
-  New materials/processes. External partnerships
-  Longer time to market
-  Premium price strategy – beats time-to-market
-  Premium / new reimbursement categories
-  Higher risk projects

Next steps



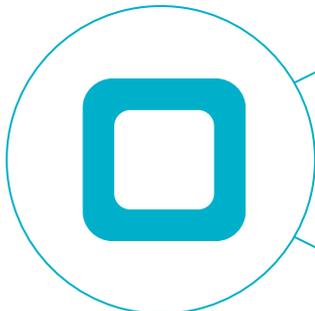
In Ostomy Care we will continue to:

- Conduct pilot and pivotal clinical studies in order to
 - Show efficacy and safety to be used for price and category negotiations
 - Support product registration and product claims
- Drive our digital efforts



In Contenance Care we are working on a new catheter platform:

- Including the Bacteria Barrier Technology
- Developing new technologies that address risk factors for getting UTI's
- Continuation of pre-clinical efforts and conducting pilot studies



In Wound Care we will continue to:

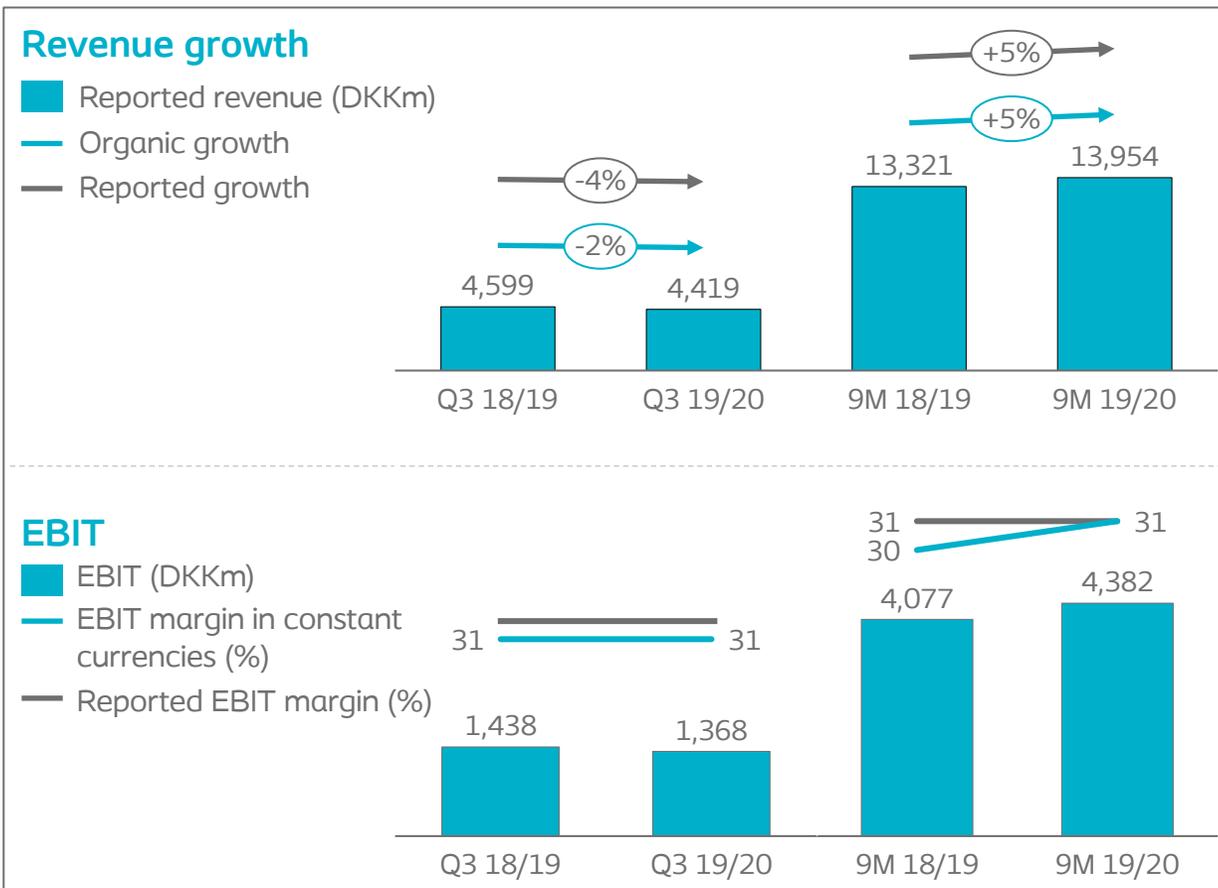
- Strengthen the innovation pipeline
- Focus on silicone category and 3DFit Technology

An update on how Coloplast is navigating the COVID-19 pandemic

- **Three key priorities: keeping our people safe, continuing to serve our customers and maintaining business operations**
 - Global guidelines, safety measures and contingency plans implemented
 - Support consumers with dependable delivery of products and close dialogue through direct businesses and consumer teams in +30 markets
 - Virtual engagement with health care professionals and training programmes to upskill sales force
 - Prudent approach to costs yet firm commitment to investments in innovation and commercial initiatives
- **Positive and negative drivers in Q3 due to COVID-19:**
 - After a significant negative impact in Q3, the situation in Interventional Urology is expected to gradually normalise in Q4. The situation improved throughout Q3 at a pace that implies that the worst case scenario is now out of scope.
 - The majority of the positive stock building impact of DKK ~150m in mainly Europe in Q2 reversed in Q3 and is now expected to fully reverse in Q4.
 - Lower growth in the UK chronic care business in H2 19/20 driven by a decline in new patients due to COVID-19. Due to COVID-19 and the extended lockdown in the UK, there has been a significant decline in screening, referrals, diagnostics and operations. This has resulted in a decline in NPDs in both Ostomy and Continence Care.
 - A larger negative impact on the Wound & Skin Care business (incl. Contract manufacturing) in Europe and the US in H2 19/20 than previously anticipated. The situation in China in Wound Care is still expected to normalize in Q4.

Financial guidance for 2019/20 narrowed

Q3 negatively impacted by decline in elective procedures in Interventional Urology and reversal of stock building in EU



Q3 Highlights

- Negative organic growth of -2% and -4% reported decline in DKK
- Chronic Care delivered a stable underlying growth in Q3, adversely impacted by the reversal of the majority of the positive DKK ~150m impact from the previous stock building
- Interventional Urology reported -40% in Q3 due to decline in elective procedures in primarily the US. Performance improved during Q3 with April, May and June down 70%, 45%, 3% respectively
- In Q3, Wound and Skin Care delivered -6% organic primarily due to a decline in hospital procedures resulting in lower sales in China, Europe and US Skin Care
- EBIT declined 5% to DKK 1,368m negatively impacted by the drop in revenue and despite cost saving initiatives but also reflecting sustained investments in growth opportunities and innovation as well as IT
- ROIC after tax before special items⁽¹⁾ of 40%
- Financial guidance for 2019/20 narrowed:
 - Organic revenue growth of ~4% from previously 4-6% and a reported growth in DKK of 3-4% from previously 4-6% due to weaker outlook for Wound & Skin Care and UK Chronic Care
 - EBIT margin of ~31% from previously 30-31% in constant exchange rates and in reported EBIT margin in DKK of ~31% from previously 30-31%
 - Capex of DKK 950m

(1) Special items: Balance sheet items related to the provision in connection with settlements in lawsuits in the USA alleging injury resulting from the use of trans-vaginal surgical mesh products.

Financial guidance for FY 2019/20 – guidance range narrowed

	Guidance 2019/20	Guidance 2019/20 (DKK)*	Key assumptions
Sales growth	~4% from previously 4-6% (organic)	3-4% from previously 4-6%	<ul style="list-style-type: none"> The situation in Interventional Urology gradually normalises in Q4 Majority of 150m stock building from Q2 reversed in Q3 – expected to fully reverse in Q4 Lower growth in the UK chronic care business driven by a decline in new patients due to COVID-19 Larger negative impact on Wound & Skin Care business in H2 19/20 than previously anticipated. China WC expected to normalise in Q4 Stable supply and distribution of products across the company
EBIT margin	~31% from previously 30-31% (constant exchange rates)	~31% from previously 30-31%	<ul style="list-style-type: none"> Global Operations Plan 4 – savings of 100bps partly offset by negative impact from wage inflation and labour shortages in Hungary Incremental investments of up to 2% of revenue in China, other EM countries, US and UK No restructuring costs Prudent approach to costs due to COVID-19 situation Extraordinary costs related to COVID-19
CAPEX (DKKm)		~950m	<ul style="list-style-type: none"> New machines for new and existing products, establishment of volume site in Costa Rica, investments into automation at volumes sites and IT investments
Tax rate		~23%	

*DKK guidance is based on spot rates as of August 14th 2020

Coloplast strengthens Executive Management

- Coloplast Executive Leadership Team is expanded from four to six people in order to deliver on upcoming 2025 strategy centred around Innovation and Growth, which will be presented at the Capital Markets Day on September 29th



Kristian Villumsen
remains President and CEO



New role EVP Innovation with responsibility for commercial offering overseeing global functions incl. R&D and Marketing led by **Nicolai Buhl Andersen**, who is promoted into the Executive Leadership team



Anders Lonning-Skovgaard
remains EVP & CFO



New role EVP Growth with responsibility for Chronic Care and Wound & Skin Care sales organisation led by EVP **Paul Marcun**

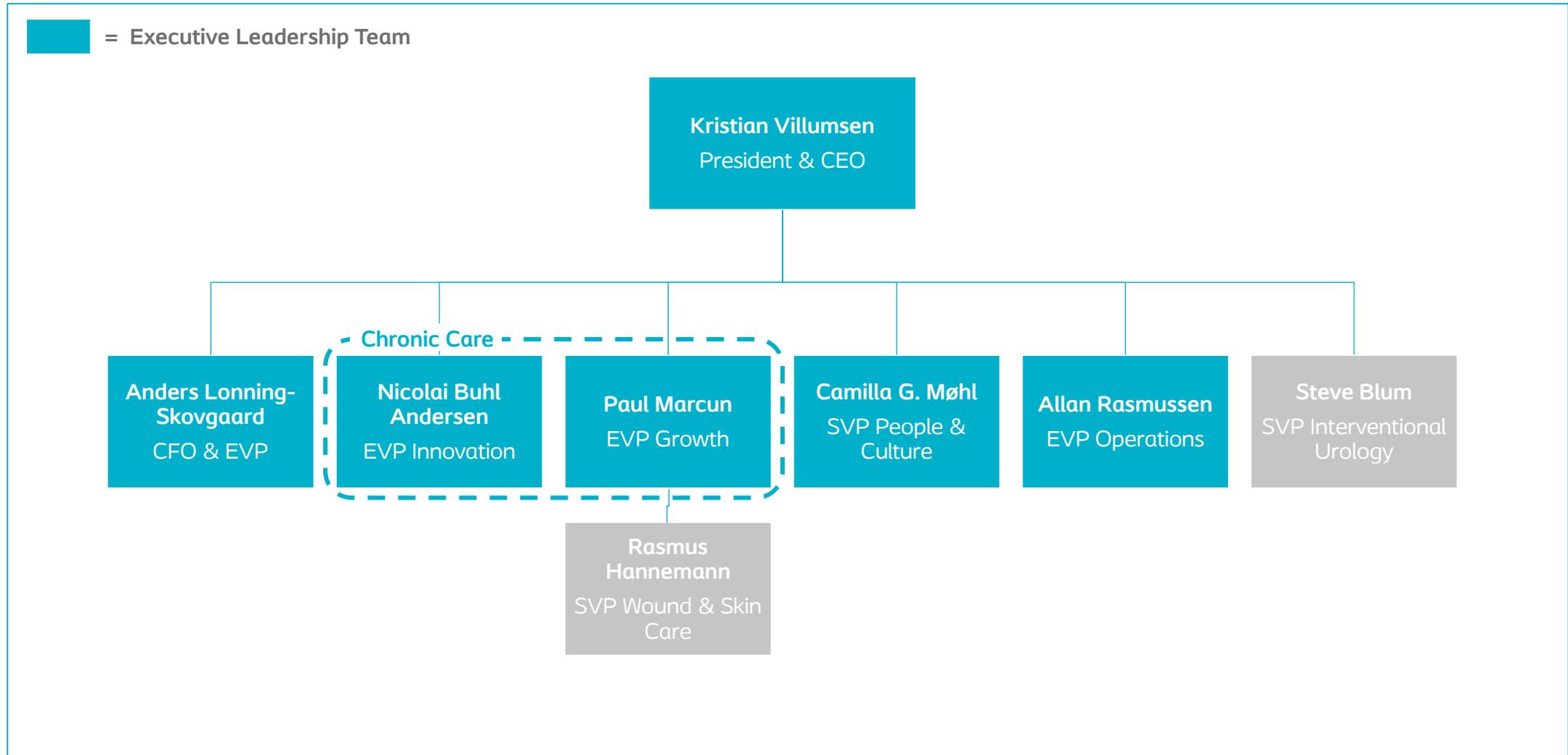


Allan Rasmussen
remains EVP Operations



HR renamed People & Culture and elevated to Executive Leadership led by SVP **Camilla G. Møhl**, who is promoted into the Executive Leadership team

Coloplast organization as of October 1, 2020



Key highlights from 2018/19 Corporate Responsibility initiatives

Empowering People



Our Access to Healthcare programme has supported 62 projects since 2007. This year, we entered a 3-year plan to raise the standard of care for spinal cord injured patients in China. Today, around two million Chinese citizens are spinal cord injured

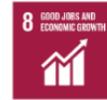


>800 healthcare professionals attended Continenence Days in Denmark – focused on the neurogenic bladder and bowel



83% of users expressed feeling an improved quality of life through their participation in Coloplast Care

Acting respectfully



New target to increase share of diverse teams (gender, generation, nationality)



30% reduction in occupational injuries in 18/19 to our 2020 target of a 3.0 LTI frequency



Established Remuneration and Nomination Committee



Updated Code of Conduct, 99% of white collars trained



100% of raw material suppliers screened for human rights

Minimising footprint



Achieved 100% electricity from renewable sources



32% recycling coverage of production waste in 18/19
Target of 35% by the end of 2020



Airfreight as a % of total transport has decreased to 5.1% from 10.7% last year
Long-term ambition is to reduce to less than 3%



WE SUPPORT

MSCI (AA)

NOTE: Full statements to be found in Coloplast's Corporate Responsibility Report 2018/19

Our mission

Making life easier for people
with intimate healthcare 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