Interventional Urology update
Coloplast Capital Markets Day 2018
Steffen Eichner Hovard, Senior Vice President, Interventional Urology

Coloplast Group - Urgent Care / Continence Care / Wound & Skin Care / Urology Care
Interventional Urology is a global division that outpaces the market with its comprehensive portfolio of solutions.

**Interventional Urology at a Glance**

- FY 16/17
- >11% of Coloplast sales
- ~15% global market share
- 1.6+ billion DKK annual sales

**Revenue by Business Area**

- DKKm, FY 16/17
- Endourology
- Men’s Health
- Women’s Health
- Specialty Interventions

**Revenue by region**

- DKKm, FY 16/17
- North America
- Europe
- Rest of World

**New name as Interventional Urology**

- Endourology
- Men’s Health
- Women’s Health
- Specialty Interventions

**Organic revenue growth vs. market growth by business area**

- 9M 17/18
- Endourology
- Men’s Health
- Women’s Health
- Specialty Interventions
We provide solutions that substantially change patients’ urological conditions, a space called Interventional Urology.
The market continues to grow and witness increased price and regulatory pressures and new technology entrants

Healthcare and Market Trends

**Patients**
- Aging global population
- Lifestyles driving disease prevalence
- Demand growing for minimally invasive treatments

**Markets**
- Improved healthcare in developing markets
- Multiple existing low-cost suppliers
- Reimbursement and purchasing power growing

**Customers**
- Decision power shift to non-clinical buyers
- Customer price pressure initiatives
- Demand for demonstrated economic benefit

**Regulations**
- Heightened regulations globally
- Increased demand for proof and outcomes

**Competitors**
- New competitor and technology entrants
- Competitor M&A and consolidation
- Driving growth in Emerging Markets
- Focus on hospital contracting
Interventional Urology is a DKK 12bn market growing 3-5% annually

<table>
<thead>
<tr>
<th>Business Area Market Dynamics</th>
<th>Market Size (DKKbn)</th>
<th>Market growth</th>
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<tbody>
<tr>
<td><strong>Endourology</strong></td>
<td>~4</td>
<td>~5%</td>
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<tr>
<td>• Portfolio breadth increasingly valued</td>
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<tr>
<td>• Single-use visualization significant opportunity</td>
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</tr>
<tr>
<td><strong>Men’s Health</strong></td>
<td>~3</td>
<td>~4%</td>
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<tr>
<td>• Penile implant market responding to patient awareness</td>
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<td></td>
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<tr>
<td>• Opportunities in portfolio expansion and innovation</td>
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<td></td>
</tr>
<tr>
<td><strong>Women’s Health</strong></td>
<td>~3</td>
<td>~3%</td>
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<tr>
<td>• Need for prolapse and incontinence options remains</td>
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<td></td>
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<tr>
<td>• Regulatory and legal environment normalizing</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Specialty Interventions</strong></td>
<td>~2</td>
<td>~3%</td>
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<tr>
<td>• Lower cost competitors entering</td>
<td></td>
<td></td>
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<tr>
<td>• MDR* challenges mid-size companies</td>
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Source: Coloplast estimates
*EU Medical Device Regulation
We have successfully delivered on our strategy launched in 2014 and built a profitable, sustainable business.

**Interventional Urology’s 2014 Ambition**

Revenue, DKKbn

- **2014/15**: 1.4
- **2016/17**: 1.6
- **Near Term**: 2.0

**Core Drivers of Success**

1. Organizational development
2. Operating as One
3. Globalizing our portfolio
4. Focus on the customer

**Growing out of sub-scale challenges**

Source: Coloplast
Innovative products have contributed to our growth and laid the foundation for our portfolio strategy.

Innovation examples contributing to growth:

- **ReTrace® Access Sheath**
- **Titan® Touch inflatable penile prosthesis**
- **Altis® single-incision sling**
- **Isiris® cystoscope with grasper**

Resulting strategy around Innovation:

- Differentiated solutions to simplify procedures and improve outcomes
- Leveraging commercial organization focus and clinical depth
- Innovating for future site of care
- Elevating existing portfolio
- Augmenting portfolio to serve near adjacencies
Future value creation stems from efficiently delivered, differentiated solutions, and personal, trusted expertise.

Interventional Urology Priorities

1. **Proven Solutions**
   Expand and strengthen our portfolio & impact

2. **Trusted Expertise**
   Provide our deep expertise to Healthcare Professionals

3. **Efficient Operations**
   Transform operational footprint and processes

4. **Great Employees**
   Invest in and develop our organization
Our continued growth is driven by investments in commercial expansion, innovation and new adjacencies.

### Commercial growth drivers across in Urology Care

% Market Share, est. 16/17

<table>
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<th>Region</th>
<th>Key Drivers</th>
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| North America| • Accelerate Men’s Health  
• Build clinical acumen  
• Build competitive Endo position |
| Europe       | • Expand sales focus across EUS  
• Introduce new capabilities  
• Strengthen Commercial Excellence |
| Rest of World| • Prioritize high-growth markets  
• Continue market registrations  
• Leverage proven sales models |

### Addressable market with innovation

- **Current market**
- **Market growth**
- **Potential Adjacencies**

Innovation strategy enables:
- Continued market expansion
- Market share gains
- Expanded addressable market

*Source: Coloplast estimates*
By executing on our strategic priorities we will scale the business over time while sustaining strong profitability.

Scaling the Interventional Urology business organically

Net Revenue, DKKbn

<table>
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<tr>
<th></th>
<th>FY 14/15</th>
<th>FY 16/17</th>
<th>Near Future</th>
<th>Future</th>
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<tbody>
<tr>
<td>Net Revenue, DKKbn</td>
<td>1.4</td>
<td>1.6</td>
<td>~2.0</td>
<td>4.0</td>
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Near Future
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