Wound Care update
Coloplast Capital Markets Day 2018
Nicolai Buhl Andersen, Senior Vice President Wound & Skin Care
We continue to invest in and execute on our strategy for Wound Care

Shape the standard

Build a strong product portfolio

Accelerate in EU

Strengthen position in the US

Secure leading position in China

Selectively invest in EM

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Winning every day

Build a strong product portfolio

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New structure

New management

Revised targeting

Leverage position in top 100 cities

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Endorsements

Publications

red dot award 2017 winner

3DFit Technology

EWMA

Revised targeting

Leverage position in top 100 cities

Selectively invest in EM
The global Wound Care market remains a highly attractive value pool of DKK ~40bn...

Wound Care global market

Market size in DKKbn

18-20

10-12

8-10

Advanced Wound Care

NPWT

Biologics

Source: Coloplast estimates

1) Coloplast’s addressable market
... and the Advanced Wound Care segment alone represents a DKK 18-20bn opportunity growing 2-4%
To be successful in the AWC segment, you need to play and win in Silicone foams and Antimicrobials

Wound Care market category breakdown

<table>
<thead>
<tr>
<th>DKK 5-7bn</th>
<th>DKK 3-5bn</th>
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</thead>
<tbody>
<tr>
<td>5-7% growth</td>
<td>2-4% growth</td>
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<table>
<thead>
<tr>
<th>Category</th>
<th>Subcategory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silicone Foams</td>
<td></td>
</tr>
<tr>
<td>Antimicrobials</td>
<td>Non-Silicone Foams</td>
</tr>
<tr>
<td></td>
<td>Contact Layers</td>
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<tr>
<td></td>
<td>Alginates &amp; Hydrofibers</td>
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<tr>
<td></td>
<td>Hydrocolloids</td>
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<tr>
<td></td>
<td>Other</td>
</tr>
</tbody>
</table>

Source: Coloplast estimates
To be clinically relevant in Silicone foams and Antimicrobials, you need a conforming dressing...

References:
Cutting K et al. Topical silver-impregnated dressings and the importance of the dressing technology. 2009 The Authors. Journal Compilation © 2009 Blackwell Publishing Ltd and Medicalhelplines.com Inc • International Wound Journal • Vol 6 No 5
To be clinically relevant in Silicone foams and Antimicrobials, you need a conforming dressing...

**Gaps** create space for **exudate pooling**

**Pools of exudate promote bacterial growth leading to the risk of infection**

If exudate leaks onto the wound edges and periwound skin, it will become macerated and may **delay wound healing**

References:
Cutting K et al. Topical silver-impregnated dressings and the importance of the dressing technology. 2009 The Authors. Journal Compilation © 2009 Blackwell Publishing Ltd and Medicalhelplines.com Inc • International Wound Journal • Vol 6 No 5
... not all foams are the same... Biatain® Silicone stands out with 3DFit® Technology

Biatain® Silicone conforms to the wound bed...

~ 70% of customers perceive Biatain® Silicone as superior to others

Source: Coloplast/IDR Medical survey 2016 data-on-file VV-0230693

... better than our main competitors...

Biatain® Silicone

Competitor 1

Competitor 2

Competitor 3

Conforms to wound bed
Absorbs vertically
Retains exudate

Source: In Vitro lab test, data on file VV-0201548: 3DFit test of Biatain Silicone and competitors.

... therefore we have launched...
3DFit Technology proven clinically relevant for both non-infected and infected wounds

Study with Biatain® Silicone shows¹:

0% Maceration & 0% Exudate pooling


Biatain® Silicone for non-infected wounds...

... and Biatain® Silicone Ag for infected wounds

Kills mature biofilms²

-99.99% P. aeruginosa -99.3% S. aureus

Prevents biofilms formation²

-99.99% P. aeruginosa -99.99% S. aureus
Launch of 3DFit Technology and Sizes & Shapes has improved our Biatain® Silicone momentum

![Biatain Silicone growth trend](Source: Coloplast)

Silicone Foams market growth, 5-7%

Source: Coloplast
We are well-positioned to tap into the key segments in the Wound Care market
Introducing Wound and Skin Care

Wound Care is the core part of our business...
Revenue split, FY 16/17

[Graph showing 2.1 billion of DKK annual revenue, with breakdowns for Wound Care, Skin Care, and Contract manufacturing]

...and Europe is the main market
Revenue split, FY 16/17

[Graph showing 2.1 billion of DKK annual revenue, with breakdowns for Europe, Other Developed Markets, and Emerging Markets]

Source: Coloplast
Performance picture impacted by external headwinds mainly in China, France and Greece

Global Wound Care
Organic revenue growth 15/16-YTD 17/18

Source: Coloplast
In Europe, we are pleased with the overall performance picture, and significantly outgrow the market.

Coloplast Europe WC growth vs. market growth
Revenue growth (MAT vs. LY)

We outgrow the market in all countries

Source: Coloplast
In the US, we have launched a new setup, new portfolio and new evidence to make a difference

New team, structure, plan...
New management with industry experience
New structure and plan to win with IDNs

... new offering to win in both treatment and prevention...
Winning in US is both Treatment + Prevention

1) Source: Coloplast estimates

... and supporting evidence

1. Redistributes pressure
Peak Pressure
- Low values = GOOD
- High values = GOOD

2. Manages microclimate
Moisture Vapor Transmission Rate
- Low values = GOOD
- High values = GOOD

3. Reduces friction and shear
Dynamic Friction Coefficient
- Not too high not too low = GOOD
- High values = GOOD

4. Maximum Shear Stress Difference
- High values = GOOD

M. Thuy Doang Le, MSc. Chem. Eng., Coloplast A/S; P. Haber, MA, BSN, RN, CWOCN, Coloplast US; C. Toxvaerd, MSc. Hum. Biol. Coloplast A/S.

Coloplast Group – Ostomy Care / Continence Care / Wound & Skin Care / Urology Care
In Emerging markets, China remains a key market and we are expanding our position in other markets

China remains a critical market...

- A growing and attractive market
- We have a strong market position with high share-of-voice
- We have invested to secure, we can outgrow the market
- ... however recent market challenges (product listing, cost pressure etc.) have influenced market dynamics and our performance

... and we remain optimistic about the opportunities...

- Win in wound treatment & prevention with Foam 3DFit Technology
- Sustain strong demand for our hydrocolloid portfolio
- Invest further in our position as an educational partner for clinicians

In Emerging markets we are selectively investing in next wave markets

And building a pipeline of investment opportunities based on key evaluation criteria

1) Australia is regionally part of Other Developed markets but organizationally part of the Emerging Markets organization
Conclusion and summary

1. We still see attractive value creation opportunities within the Wound Care market

2. We are investing in our Wound Care business, and we are fully executing on our strategic priorities

3. Although we have faced some external headwinds, we are taking share in key product segments in key geographies like Europe

4. Our ambition remains the same – get more scale into the Wound Care business
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