

Interventional Urology

On the move for patients

Coloplast Capital Markets Day 2020
Virtual break-out session
October 7th 2020
Steve Blum, SVP Interventional Urology

Coloplast Group - Ostomy Care / Continence Care / Wound & Skin Care / Interventional Urology

Making life easier

Brian



Key takeaways

- Interventional Urology expects to deliver **organic revenue growth in the high single digits** driven by continued investments in patient awareness and commercial activities
- The Endourology global market share will increase with the **U.S. launch of the Endourology portfolio** and **targeted growth strategy** in select countries within **Emerging Markets**
- **Emerging Markets will drive growth** through a more focused investment strategy in select countries
- **R&D investments will increase substantially** to launch new products within existing business areas
- **M&A and distribution agreements will be actively pursued** in high-growth adjacent segments
- **High levels of profitability will be sustained** through efficient operations and leveraging our commercial infrastructure

IU transforms life for patients suffering from urological conditions by advancing interventional treatment solutions



Inflatable penile prosthesis to permanently resolve erectile dysfunction



Slings to treat Women suffering from stress urinary incontinence



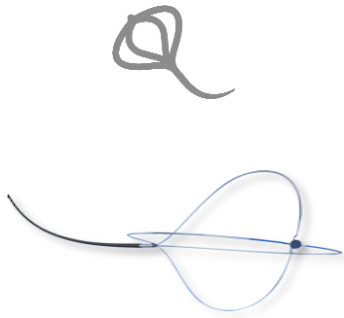

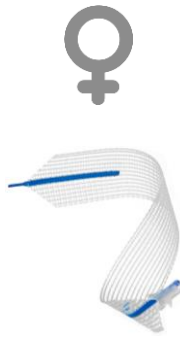

Mesh to treat pelvic organ prolapse



Ureteral stents to treat patients suffering with kidney stone disease

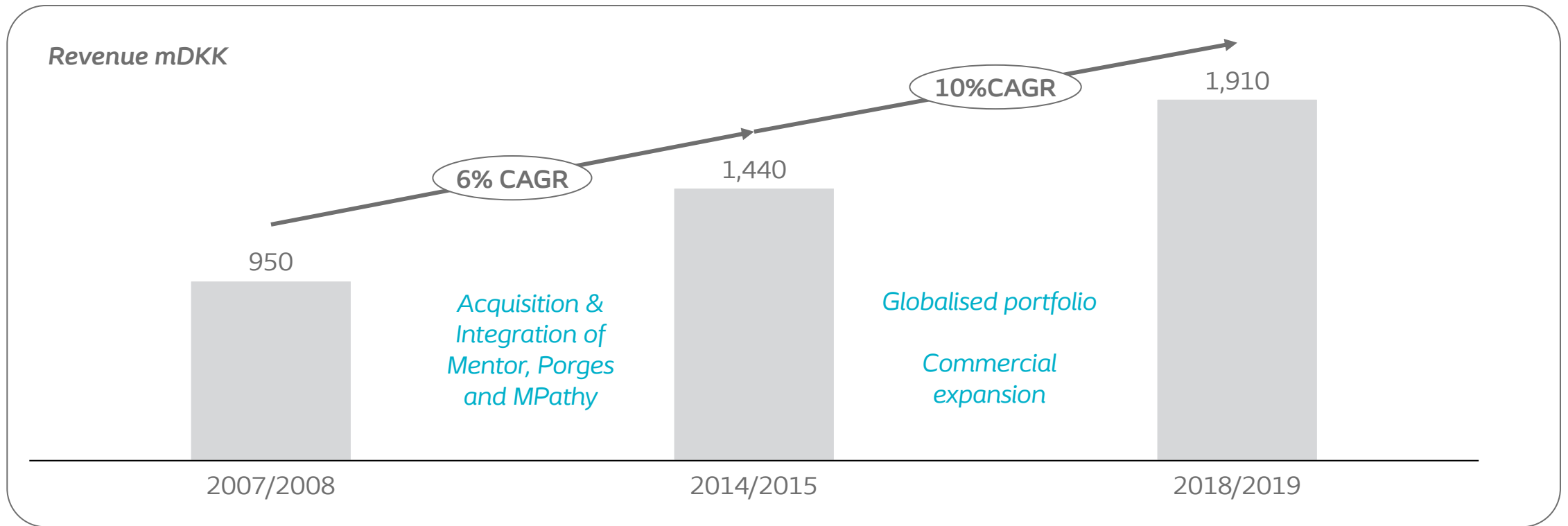


Coloplast Interventional Urology consists of four business areas

Endourology	Men's Health	Women's Health	Bladder Health and Surgery
			
<p>9% of the population worldwide affected by kidney stone disease¹</p> <p>Endourology products are medical disposable devices for the hospital management of urologic and gynecologic disorders such as urinary stone disease and urinary incontinence</p>	<p>25% of men 40-70 experience moderate to severe Erectile Dysfunction²</p> <p>Men's Health products help men who experience erectile dysfunction (E.D.) and stress urinary incontinence (SUI) – often a result of various prostate treatments</p>	<p>35% of women worldwide affected by urinary Incontinence³</p> <p>Female Pelvic Health products help women regain continence and recover from pelvic organ prolapse</p>	<p>Broad portfolio that includes disposable and surgical devices for handling prostate disorders (both diagnosis and treatment), catheters and bladder evacuators</p>

1) www.kidney.org/atoz/content/kidneystones
2) www.bumc.bu.edu/sexualmedicine/physicianinformation/epidemiology-of-ed/
3) www.sciencedirect.com/science/article/abs/pii/S0090429510000191

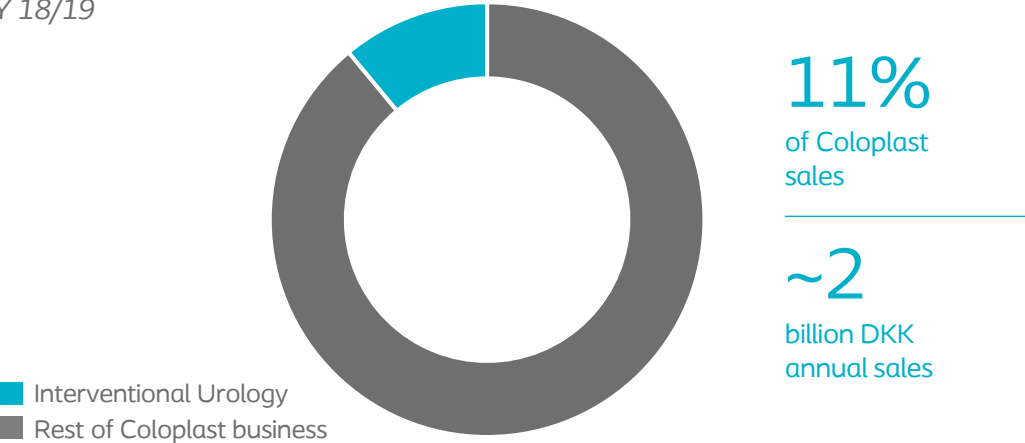
Since 2008, Interventional Urology has doubled revenue and strengthened profitability by globalising its portfolio and through commercial expansion



Today, Interventional Urology's revenue is balanced geographically and across the four business areas

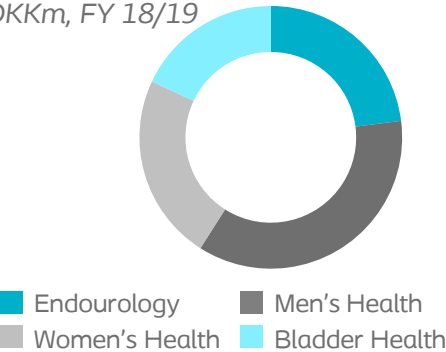
Interventional Urology at a Glance

FY 18/19



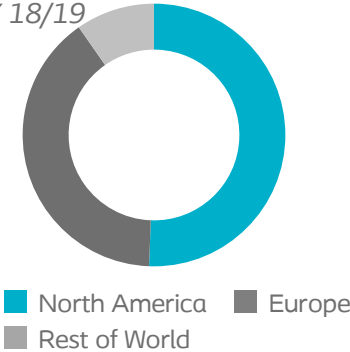
Revenue by Business Area

DKKm, FY 18/19



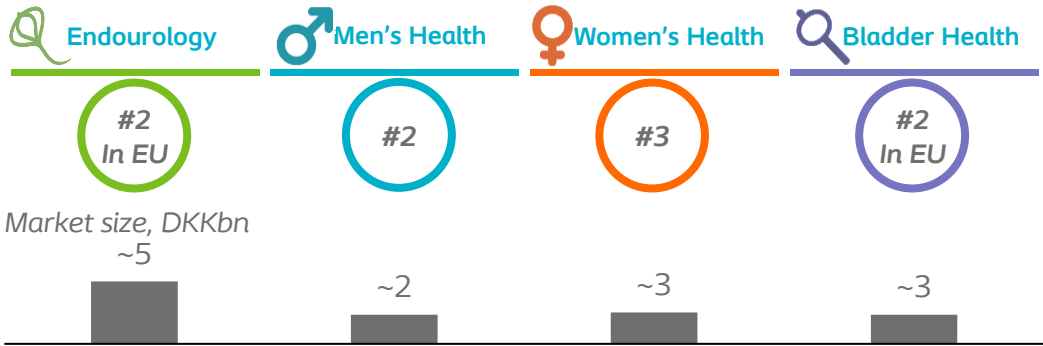
Revenue by region

DKKm, FY 18/19



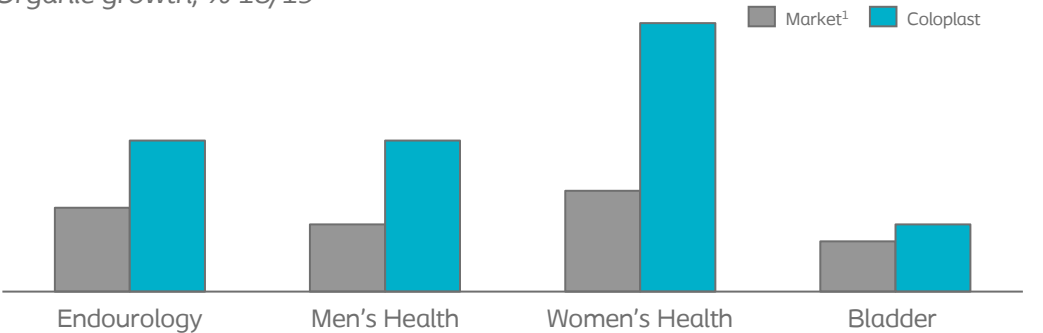
~15% market share in global market of DKK 12-13bn market growing 3-5% annually

Coloplast position, FY 18/19

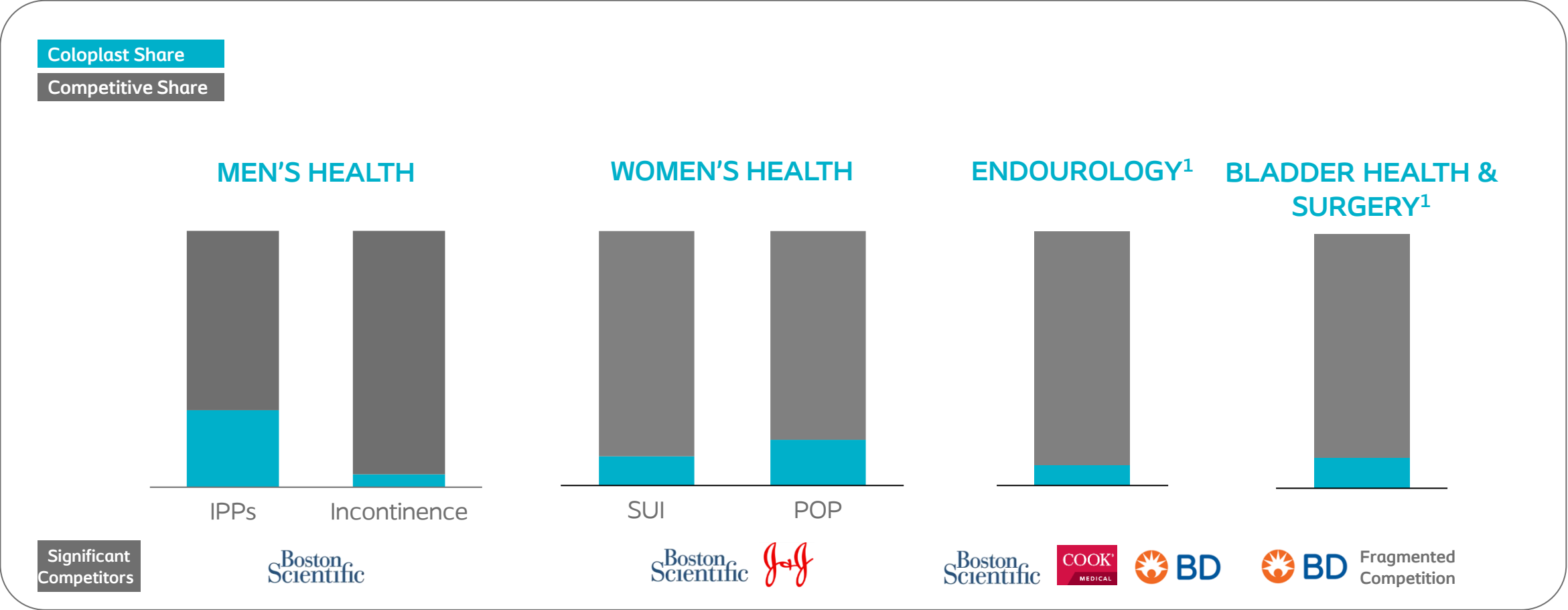


Organic revenue growth vs. market growth by business area

Organic growth, % 18/19



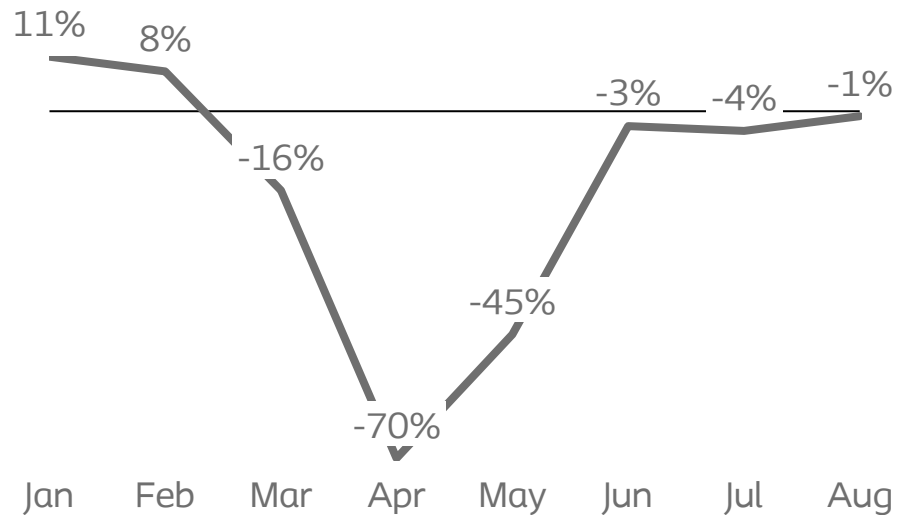
We have a strong presence in our categories but there is room to capture market share



Source: Company information; Note: ¹ Select segments.

Monthly revenue growth rate continued to improve throughout Q4

Monthly revenue growth rate improved significantly during Q3 and continued to improve during Q4



Growth rate expected to be flat into 2020/21 and H2 will benefit from an easy comparison period

IU has been highly impacted by Covid19 due to the elective nature of the implantable business, but business is improving

Endourology in Europe is showing strong recovery, and more recently Men's Health in the United States has strengthened

Risks to sustained recovery include increase in COVID infection rates, employment levels and operating room capacity

Interventional Urology will deliver annual organic revenue growth in the upper single digits through 4 key focuses



Our strategy reflects unique market dynamics across the four business areas



Endourology

- Full portfolio needed for GPO procurement
- Improved hospital cost savings becoming an enabler to play



Men's Health

- Minimally invasive procedures on the rise
- Cost of treatment (infection free, invasiveness and time efficiency) is becoming increasingly important



Women's Health

- Shift towards outpatient procedures
- More pre-market requirements
- Need for prolapse and incontinence options remains






Bladder Health & Surgery

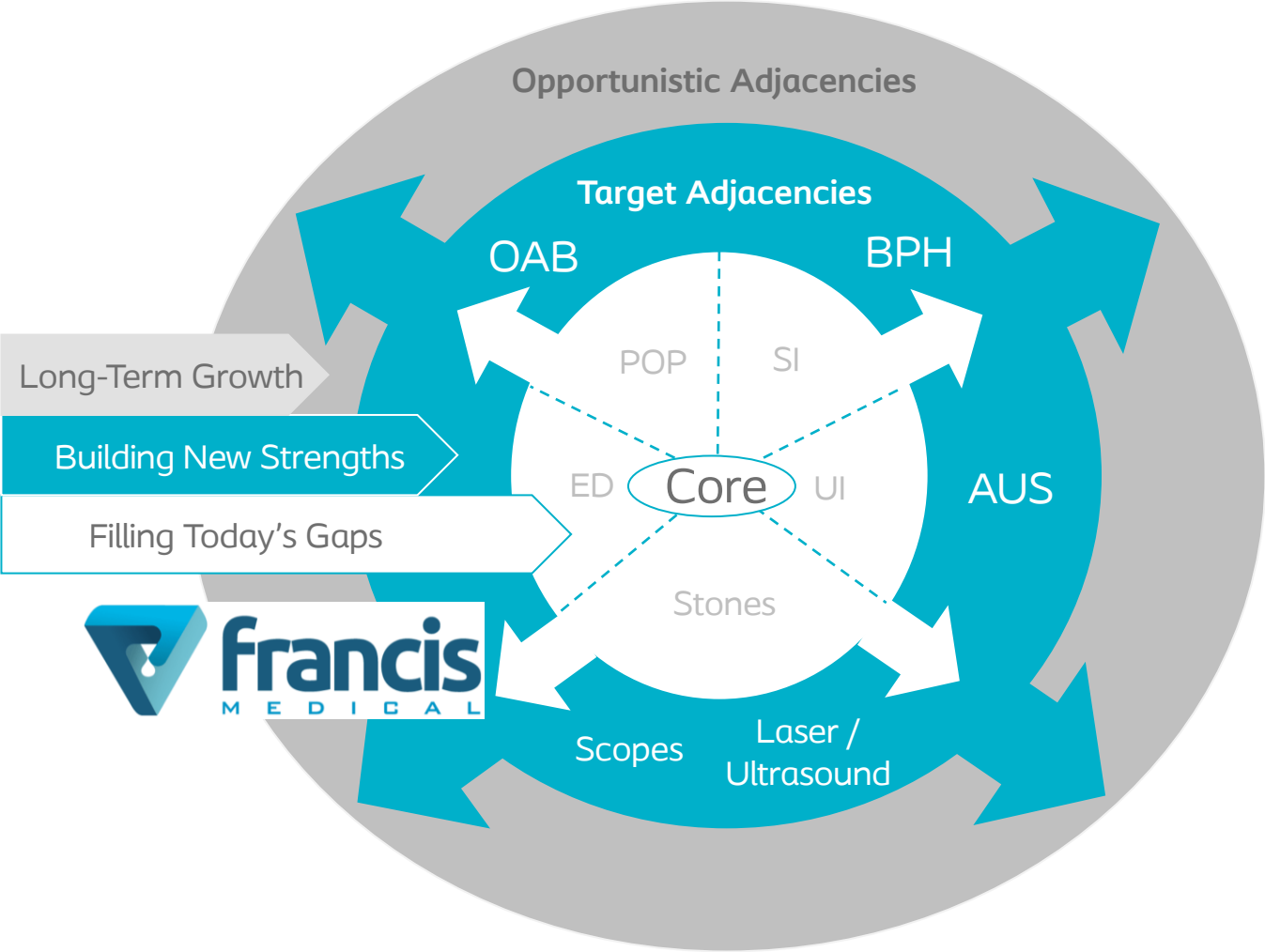
- Product commoditisation has adverse impact on prices
- Rise in robotic surgery creating unmet needs

Source: IQVIA, iData and DRG 2019 global reports; IU global market model; company information

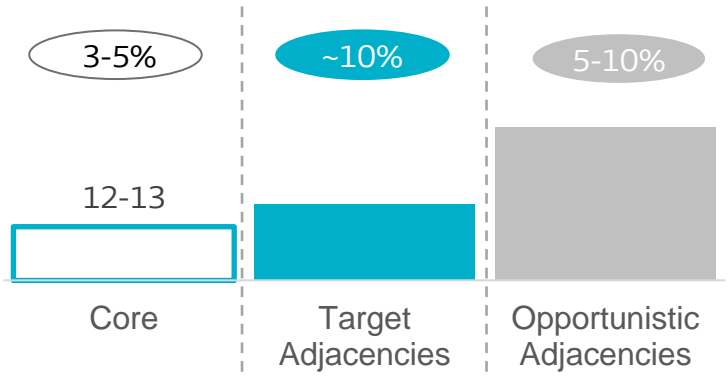
Our organic pipeline delivers innovation in all IU segments

Strategy	Description	 ENDO	 MH	 WH
Strengthen core	Fill gaps and ensure competitiveness	Cadence of stone procedure tools	Series of IPP enhancements	Enhance market leading SUI & POP products
Portfolio expansion	Broaden offering with new technologies	Advanced visualisation and stone elimination	Expanded procedure solutions	Office based , minimally invasive therapies
Platform innovation	Develop differentiated transformational solutions			

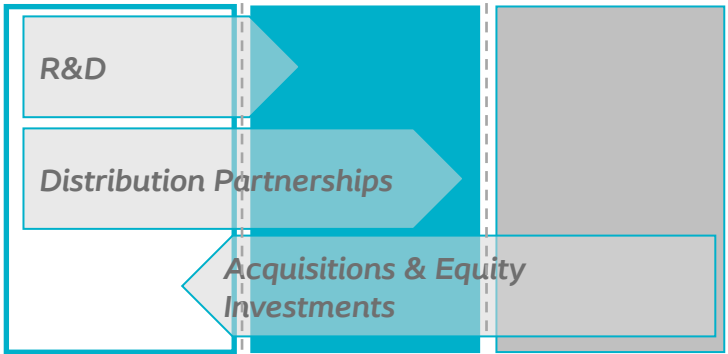
We are actively seeking opportunities in adjacent segments



Market size and growth for core business and adjacencies, DKKbn, Illustrative



Growth Methodologies



Source: Coloplast

We will grow our revenue globally with region-specific approaches



North America

- MH & WH will drive growth via patient education and commercial expansion
- Endourology portfolio launched and significant commercial investments are being made



Europe

- MH growth driven by patient education
- Endo will grow via portfolio expansion
- Portfolio will grow from increased focus on Commercial Excellence



Emerging Markets and Asia Pacific

- Currently <10% market share with significant potential
- Endo and MH growth driven by increased investment in select group of high potential countries

Endourology in the US is finally poised to deliver in 20/21 and beyond

Portfolio in place



Ureteral Stents



Laser Fibers



Guidewires



Retrieval Baskets



Dilation



Access Sheaths



Stent Removal



Ureteral Catheters

Commercial organization aligned



Staffing field sales and internal teams for accelerated growth

Leveraging 125-year history to establish brand presence and loyalty



We should. We've been at this for 125 years.

Innovation ambitions



Visualisation



Stone elimination



Organic product development

IU is evolving our organization and enhancing operations and processes



Inclusion & Diversity

Train all employees on inclusion & unconscious bias

Ensure diverse candidate pools & selection committees



Recruitment & retention

Elevate employee on-boarding to speed productivity & enhance engagement



Enhancing Operations

Improve productivity via lean manufacturing and enhanced sales and operations planning



Process Efficiencies

Leverage the Coloplast Business Center to reduce costs and improve quality and efficiency

IU will deliver annual organic growth in the high single digits with potential upside from partnerships and M&A



**Driving
revenue**
High single digit annual
organic growth

**Sustaining
high level
of profitability
and ROIC**

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