Wound Care Update
Coloplast Capital Markets Day 2016
Nicolai Buhl Andersen, SVP Wound Care
In 2010, we launched a Wound Care strategy to turn the business around ...

Our old strategy

1. Build **sustainable leadership** positions in key Emerging Markets
2. Pursue **pockets of growth** in mature markets
3. Bring more **innovations** to market
4. Attract and develop wound care **talent**

Recap on our WC journey

- **Phase I**: Build a growth platform
- **Phase II**: Drive top-line
- **Phase III**: Increase profitability
... and we believe that we have succeeded in turning the business around

From 2010 to 2016 we have...

- **Globally**, outgrown the AWC market the last 2 consecutive years
- In **Europe**, taken a business in decline to now outgrowing the market
- In **Other Developed Markets**, lifted momentum to above double digit
- In **Emerging Markets**, increased momentum and consistently taken market share
- Improved **profitability**
It is time to set a new ambition for our business

- Shape the standard of care
- Double our business
- Become a truly global player

...as scaling the business will be the key driver of improved profitability
To deliver on our new ambition, we need to execute on 6 themes

1. Shape the standard of care
   - Together with HCPs create a shared standard of care for wound treatment by expanding the awareness and understanding of the Triangle of Wound Assessment framework

2. Build a strong product portfolio
   - Build a focused AWC product portfolio that builds on our Biatain® Silicone success, adding new innovative product categories, and expand our Skin Care offerings

3. Accelerate in EU
   - Build on our solid infrastructure and Biatain® success with selected investments in further commercial activities and sales pressure

4. Strengthen position in the US
   - Expand current commercial infrastructure and broaden product portfolio for skin care and wound care

5. Secure leading position in China
   - Sustain dominant position through commercialization of Biatain® Silicone and strong customer educational service offerings

6. Selectively invest in EM
   - Maximise the value of current market positions and invest in selected new markets
Together with HCPs, we have an aspiration of taking a proactive role in defining the standard of care...

This means we will have a pro-active role when it comes to:

... Defining how to treat wounds

... Delivering best in class medical education

... Delivering new product technologies, which will improve wound healing

... Delivering solutions and services that will allow us to partner with our customers

... Document and prove the clinical value of our offerings
We will invest in innovation and build a strong product portfolio

- Complete Silicone portfolio
- New AWC solutions
- Stronger Skin Care portfolio

Fewer days with wounds
In the EU, we have a strong momentum which we believe we can accelerate

Today, we have the fundamentals in place but we see the opportunity to do more:

- Large opportunity to keep growing within AWC and especially the silicone segment
- Sales organizations in place to be leveraged even further

To accelerate our momentum we need to:

- Launch expanded portfolio
- Increase presence in the market with additional sales force pressure and marketing activities
- Expand service offering to our customers

Source: IMS and Coloplast estimates
In the US, we believe we can make a real difference

The US is the single largest untapped opportunity for us:

- Largest wound care market in the world
- Today, Coloplast Wound Care has less than 2% market share
- We have a skin care position where customers overlap with wound care

To build a strong position we need to invest:

- In a relevant and competitive portfolio
- To have a competitive sales force size with strong geographical presence
- To secure a strong educational service offering
- To prove the value of our products

Source: GHX and Coloplast estimates
In China, we want to sustain our leading position

China remains a critical market:
- Market is growing attractively with numerous opportunities
- Today, we have a significant sales force and a leading position

We need to accelerate our growth in China even further by:
- Capitalizing on our large sales force investments
- Remaining a strong educational and service partner for our customers
- Fully leveraging our portfolio including capitalizing on silicone launch

Top players in China

- Coloplast
- S&N
- Mölnlycke
- Convatec

China
Revenue development

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
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<tbody>
<tr>
<td>10/11</td>
<td>1</td>
</tr>
<tr>
<td>11/12</td>
<td>2</td>
</tr>
<tr>
<td>12/13</td>
<td>3</td>
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<td>13/14</td>
<td>4</td>
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<tr>
<td>14/15</td>
<td>5</td>
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In Emerging Markets, we will selectively invest in next wave markets

The EM region has a lot of opportunity:

• EM region consists of +50 markets in various states of maturity
• We have proven track-record of gaining leadership positions in EM
• But in many markets the size of our business is still low

To strengthen our position across the region we need to:

• Secure execution in existing markets
• Build a pipeline of new opportunities where we will selectively invest

Evaluation criteria

- Macroeconomic environment
- Political stability
- Wound care market development
- Coloplast current position

Next wave markets

Asia and Pacific’s

Latin America
Our track record tells us it can be done …

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<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>2020/21</th>
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<tbody>
<tr>
<td><strong>Shape the standard</strong></td>
<td>From a follower...</td>
<td>...to shaping the standard of care</td>
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<tr>
<td>Coloplast market share within AWC</td>
<td>7-8%</td>
<td>10-15%</td>
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<tr>
<td><strong>Double our business</strong></td>
<td>Coloplast expected revenue distribution</td>
<td></td>
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<tr>
<td>Outside EU</td>
<td>EU</td>
<td>Outside EU</td>
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<tr>
<td>50%</td>
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Coloplast A/S - Ostomy Care / Continence Care / Wound & Skin Care / Urology Care
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