



## Wound Care update

Coloplast Capital Markets Day 2018

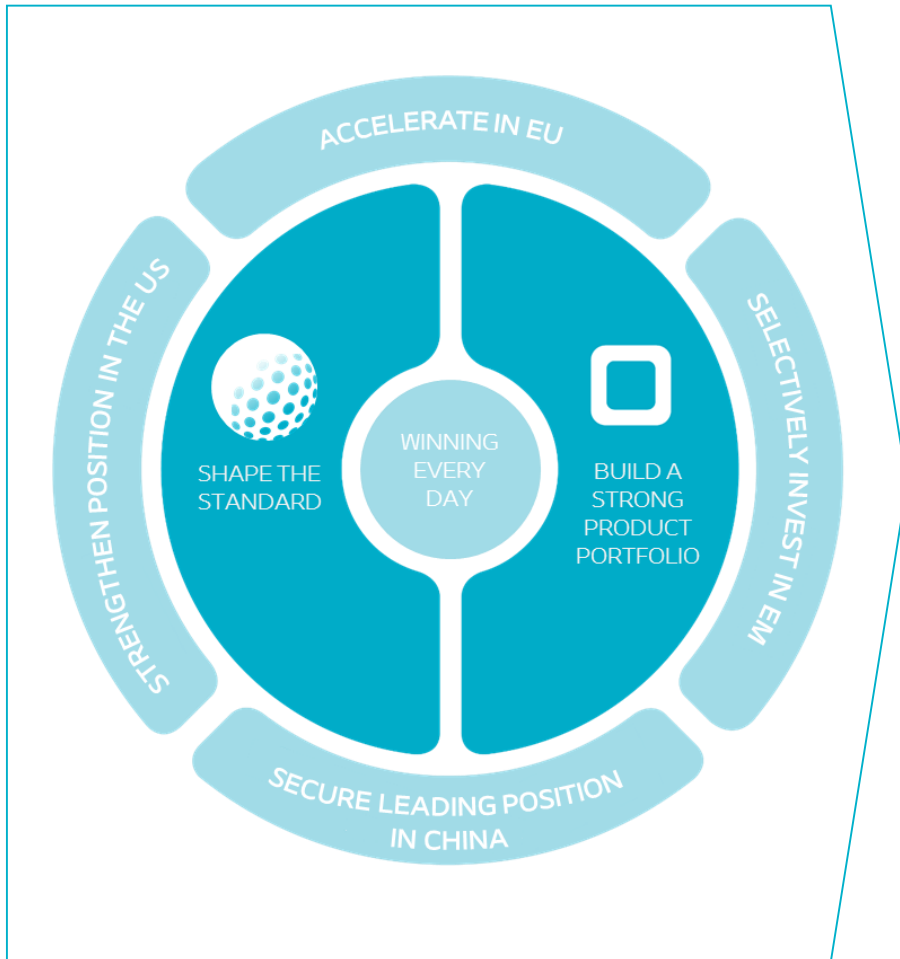
**Nicolai Buhl Andersen, Senior Vice President Wound & Skin Care**

Coloplast Group – Ostomy Care / Continence Care / Wound & Skin Care / Urology Care



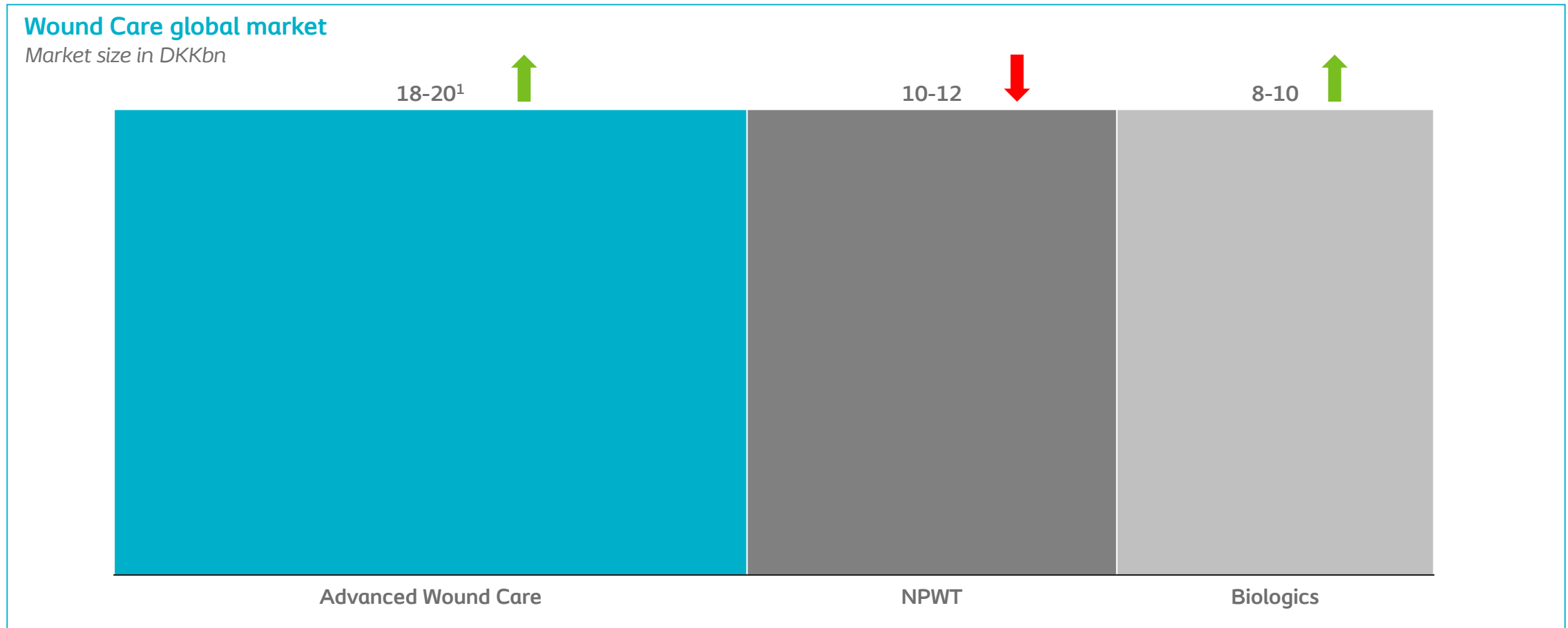


# We continue to invest in and execute on our strategy for Wound Care



Shape the standard	3DFit <sup>®</sup> Technology	EXPRESSED BY EWMA EUROPEAN WOUND MANAGEMENT ASSOCIATION	Endorsements	Publications
Build a strong product portfolio	reddot award 2017 winner			
Accelerate in EU	Ramp-up			
Strengthen position in the US	New structure	New management	New Investment plan	
Secure leading position in China	Revised targeting	Leverage position in top 100 cities		
Selectively invest in EM	Ramping up in selected markets			

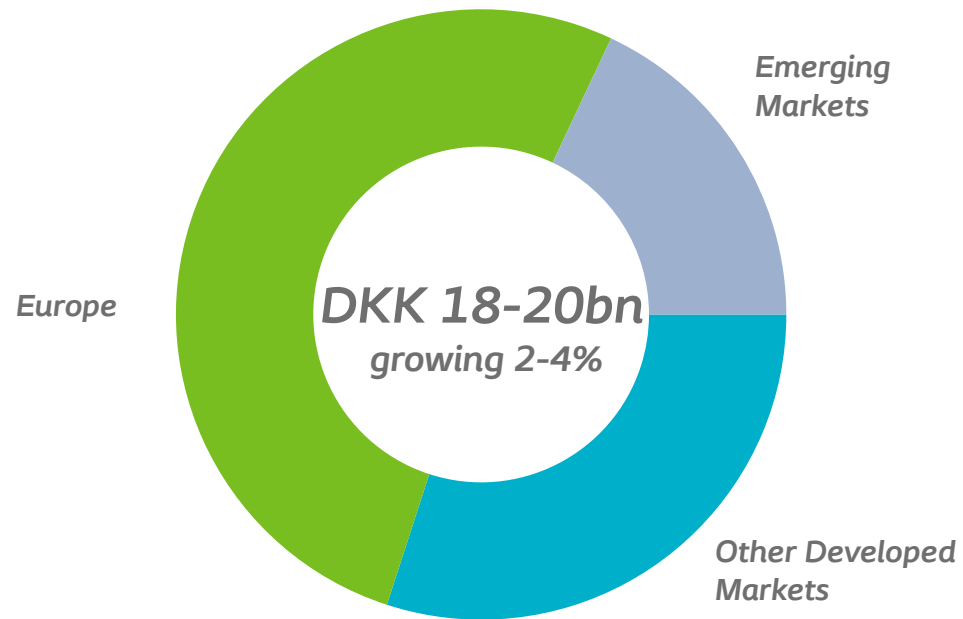
# The global Wound Care market remains a highly attractive value pool of DKK ~40bn...



Source: Coloplast estimates  
1) Coloplast's addressable market

# ... and the Advanced Wound Care segment alone represents a DKK 18-20bn opportunity growing 2-4%

## Advanced Wound Care (AWC) market value



Source: Coloplast estimates

## Market drivers / limiters

- + **Ageing population**  
(People above 60 expected to double by 2050, reaching ~2bn)<sup>1</sup>
- + **Growing prevalence of diabetes**  
(Number of diabetics globally has grown with a factor 4 in the past 25 years)<sup>2</sup>
- + **Upgrade to better healthcare**  
(In Germany, traditional Wound Care still represents ~25% of total WC market)<sup>3</sup>
- + **Infected wounds remains a big clinical burden**  
(Due to prolonged hospitalization, readmission rates, reoperation, antibiotics and increased mortality rates)<sup>4</sup>
- ÷ **Strong focus on cost and “value for money” continues globally**
- ÷ **Consolidation among payers and buyers**
- ÷ **Pricing pressure from reforms and competition**

Sources:

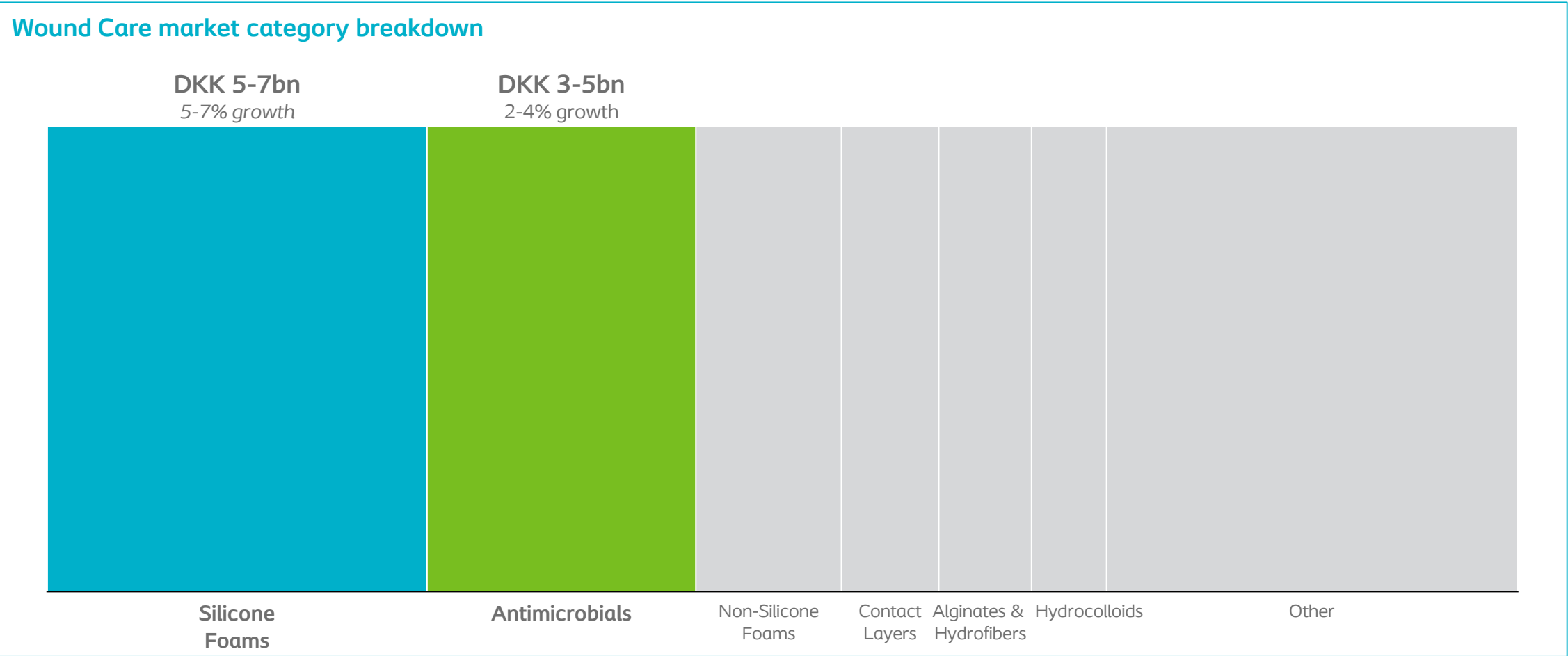
1: United Nations, 2017

2: World Health Organization, 2017

3: Coloplast market estimation

4: Journal of Hospital Infection Volume 96, Issue 1, May 2017, Pages 1-15

# To be successful in the AWC segment, you need to play and win in Silicone foams and Antimicrobials



Source: Coloplast estimates



# To be clinically relevant in Silicone foams and Antimicrobials, you need a conforming dressing...



## References:

Adderley UJ (2010) Managing wound exudate and promoting healing. Br J Community Nurs 15(3): S15-6, 18, 20. Doc. No. PM-02934

Mouës CM, Heule F, Legerstee R, Hovius SE (2009) Five millennia of Wound Care products — what is new? A literature review. Ostomy Wound Manage 55(3):16-8, 20, 22 passim. Doc. No PM- 02932

Sibbald G, Williamson D, Orsted H, Campbell K, Krasner D, Sibbald R (2009) Preparing the wound bed — debridement, bacterial balance, and moisture balance. Ostomy Wound Manage 46(11): 14-22, 24-8, 30-5; quiz 36-7. Doc. No PM-02935

Bowler P. et al. Dressing conformability and silver-containing wound dressings. Wounds uk, 2010, Vol 6, No 2

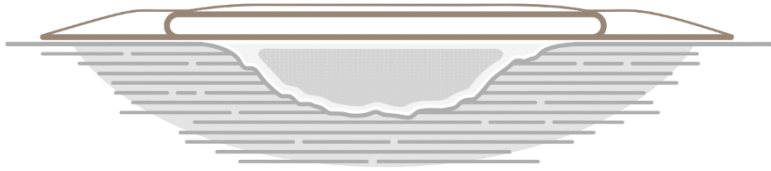
Waring M et al. An investigation into the conformability of wound dressings. Wounds uk, 2011, Vol 7, No 3

Snyder RJ Managing dead space: an overview. Podiatry Management. October 2005.

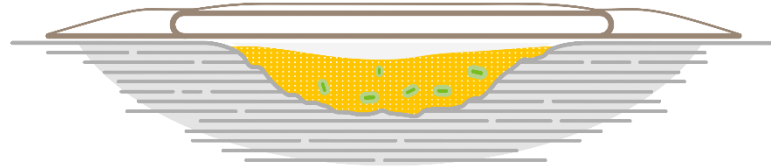
Cutting K et al. Topical silver-impregnated dressings and the importance of the dressing technology. 2009 The Authors. Journal Compilation © 2009 Blackwell Publishing Ltd and Medicalhelplines.com Inc • International Wound Journal • Vol 6 No 5



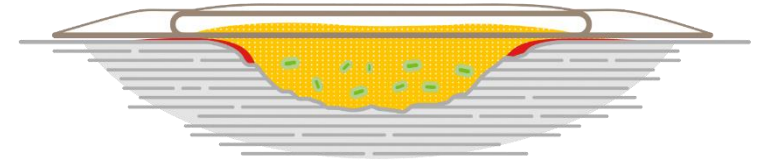
# To be clinically relevant in Silicone foams and Antimicrobials, you need a conforming dressing...



**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:**  
Adderley UJ (2010) Managing wound exudate and promoting healing. Br J Community Nurs 15(3): S15–6, 18, 20. Doc. No. PM-02934  
Mouës CM, Heule F, Legerstee R, Hovius SE (2009) Five millennia of Wound Care products — what is new? A literature review. Ostomy Wound Manage 55(3):16–8, 20, 22 passim. Doc. No PM- 02932  
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# ... not all foams are the same... Biatain<sup>®</sup> Silicone stands out with 3DFit<sup>®</sup> Technology

Biatain<sup>®</sup> Silicone conforms to the wound bed...



~ 70% of customers perceive Biatain<sup>®</sup> Silicone as superior to others

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

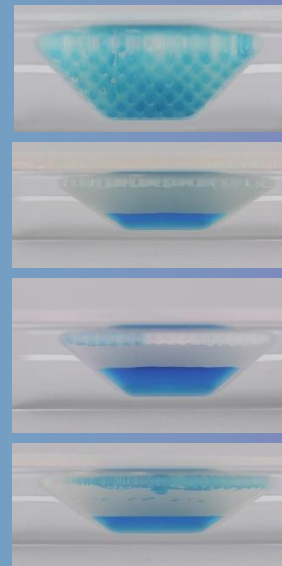
... better than our main competitors...

Biatain<sup>®</sup> Silicone

Competitor 1

Competitor 2




Competitor 3



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

... therefore we have launched...



-  Conforms to wound bed
-  Absorbs vertically
-  Retains exudate



# 3DFit Technology proven clinically relevant for both non-infected and infected wounds

Biatain® Silicone for non-infected wounds...



Study with Biatain® Silicone shows<sup>1</sup>:

**0%** Maceration & **0%** Exudate pooling

... and Biatain® Silicone Ag for infected wounds



Kills mature biofilms<sup>2</sup>



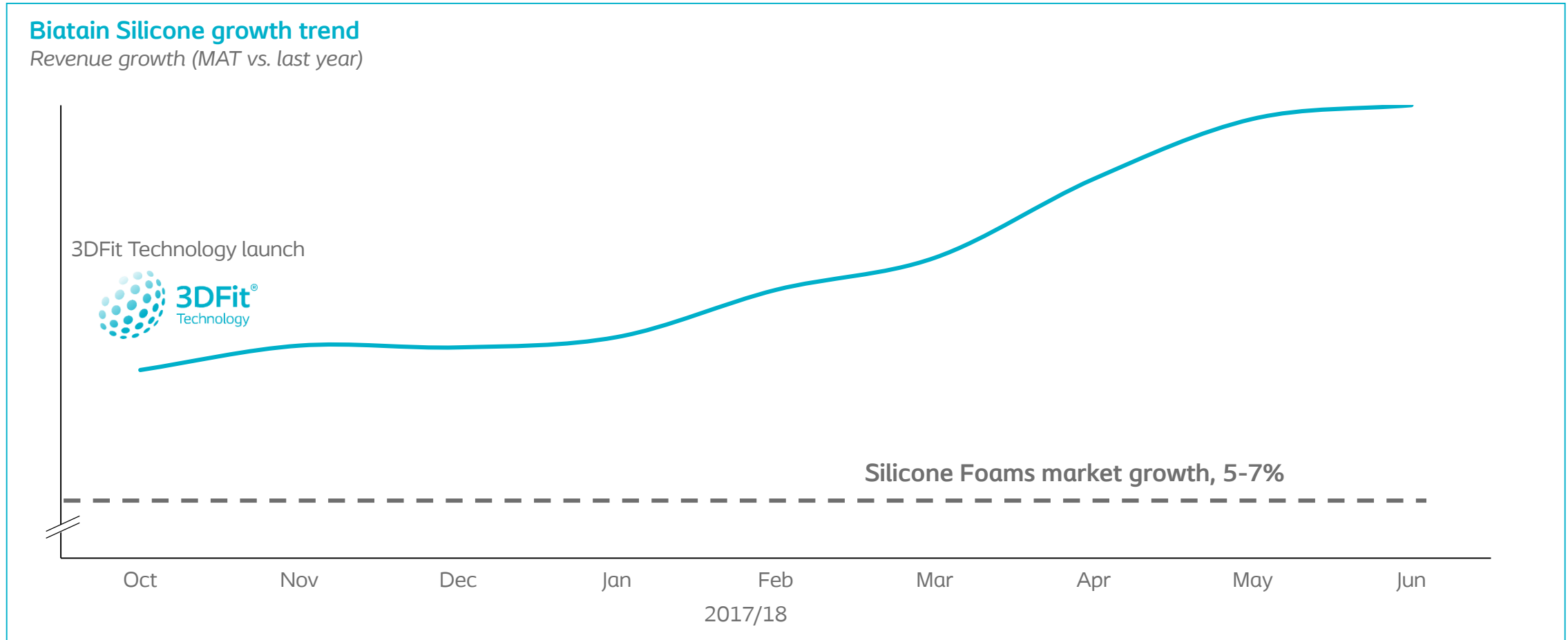
Prevents biofilms formation<sup>2</sup>



1) Source: Hallen BV et al, Conformability of a Foam Dressing – clinical experience based on 104 cases, Poster Wounds UK Harrogate 2017

2) Source: Christiansen et al. In vitro evaluation of a silver foam dressing with and without silicone adhesive against biofilms and a broad range of microorganisms. Poster presented at EWMA Krakow 2018.

# Launch of 3DFit Technology and Sizes & Shapes has improved our Biatain<sup>®</sup> Silicone momentum



Source: Coloplast

# We are well-positioned to tap into the key segments in the Wound Care market



# Introducing Wound and Skin Care

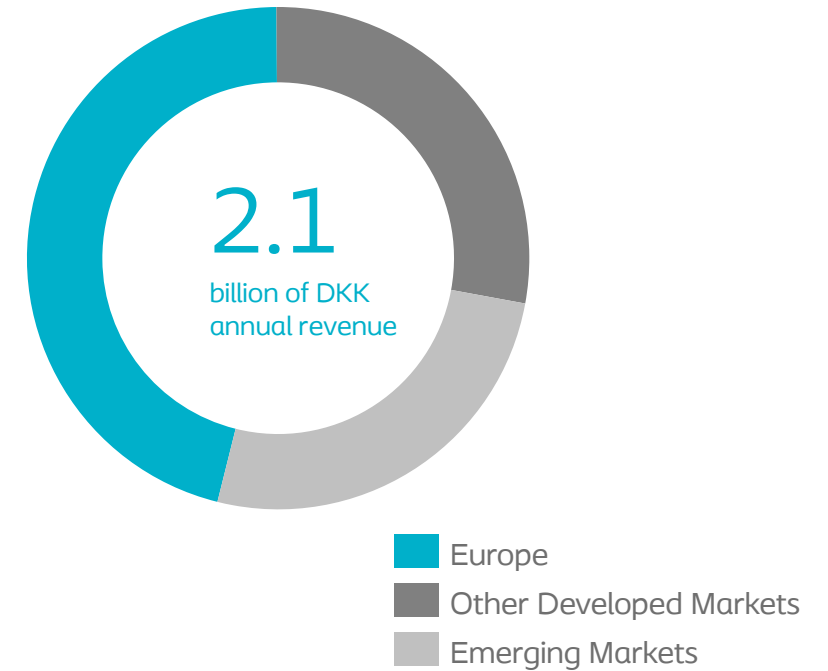
## Wound Care is the core part of our business...

Revenue split, FY 16/17



## ... and Europe is the main market

Revenue split, FY 16/17



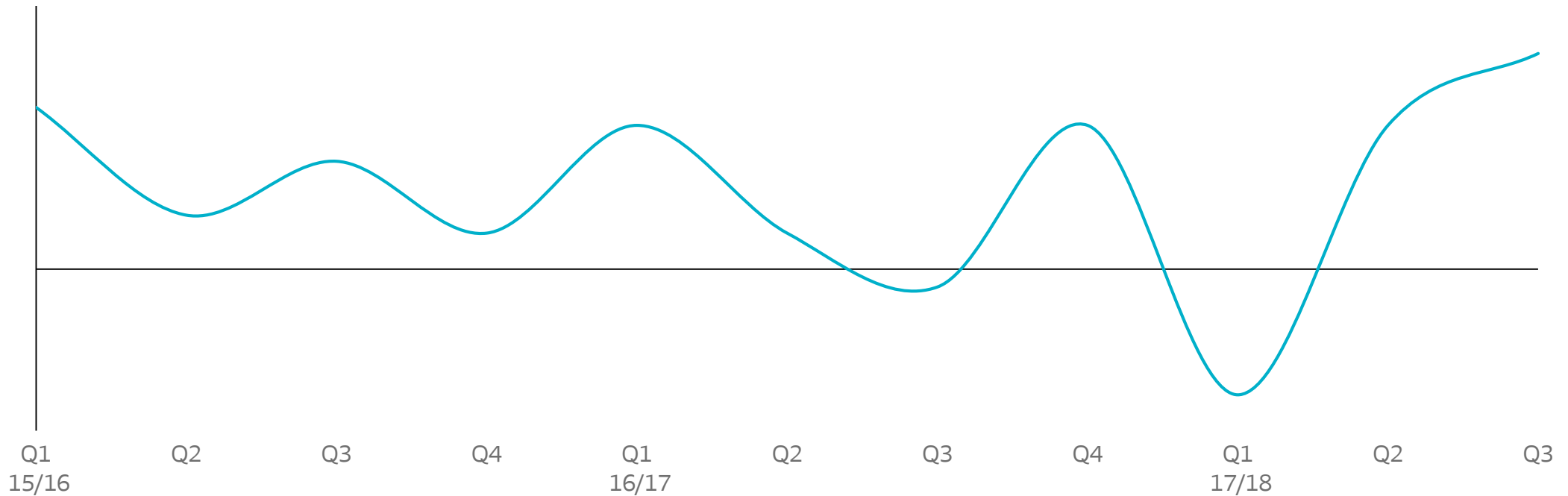
Source: Coloplast



# 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)



Source: Coloplast

## We outgrow the market in all countries





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

New team, structure, plan...



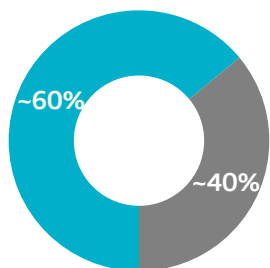
New management with industry experience



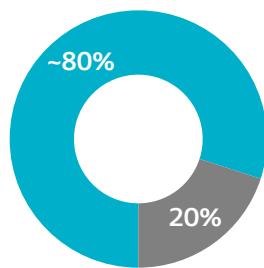
New structure and plan to win with IDNs

... new offering to win in both treatment and prevention...

Winning in US is both Treatment + Prevention<sup>1</sup>



Value

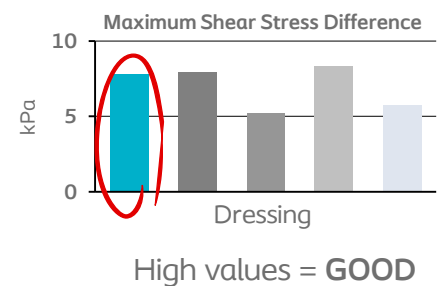
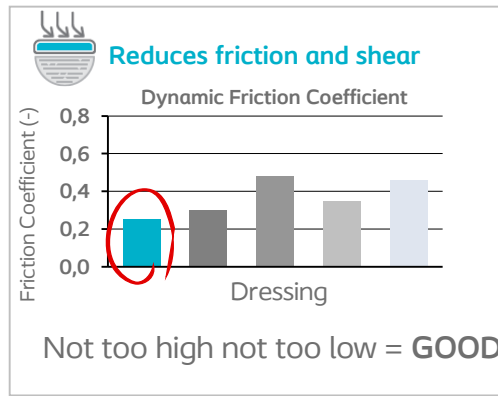
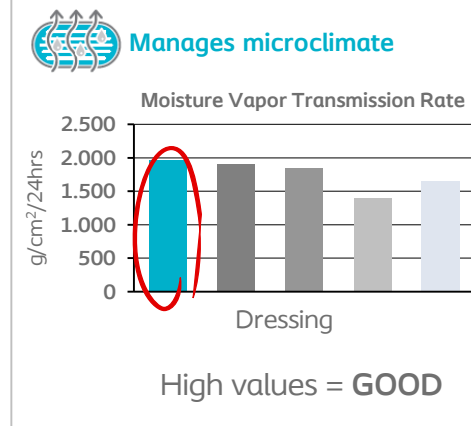
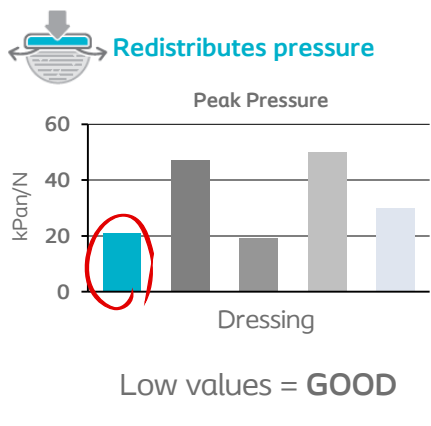


Volume

■ Treatment  
■ Prevention



... and supporting evidence<sup>2</sup>



1) Source: Coloplast estimates

2) Source: Comparison of in-vitro performance characteristics of a new silicone dressing with four other silicone wound dressings used for both pressure injury prevention and/or wound management

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

# 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

Examples

Australia<sup>1</sup>



South Africa



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

Macroeconomic environment

Wound care market development

Political stability

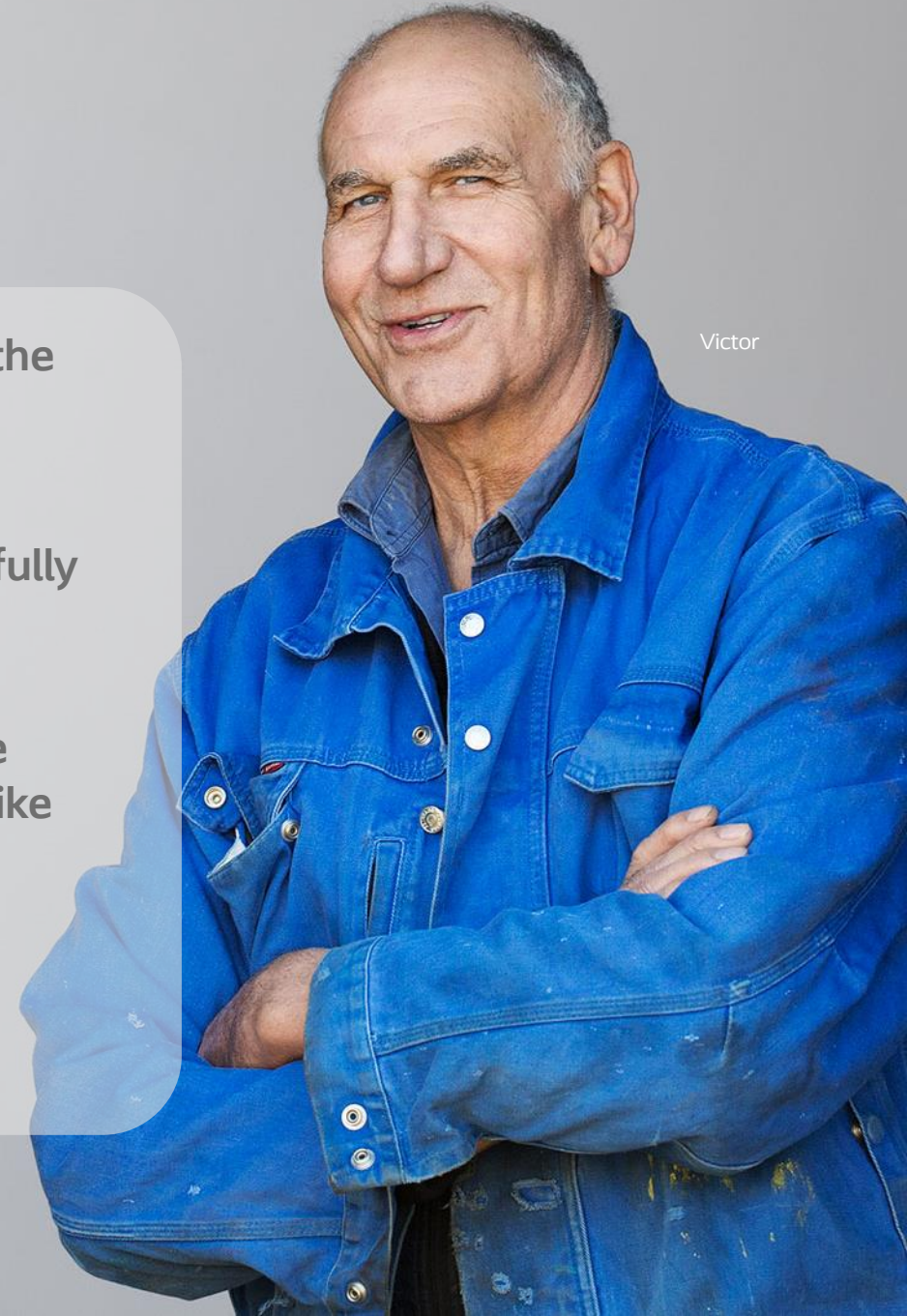
Coloplast current position

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