



Chronic Care North America update

Coloplast Capital Markets Day 2018

Manu Varma, Senior Vice President, Chronic Care Management, NA

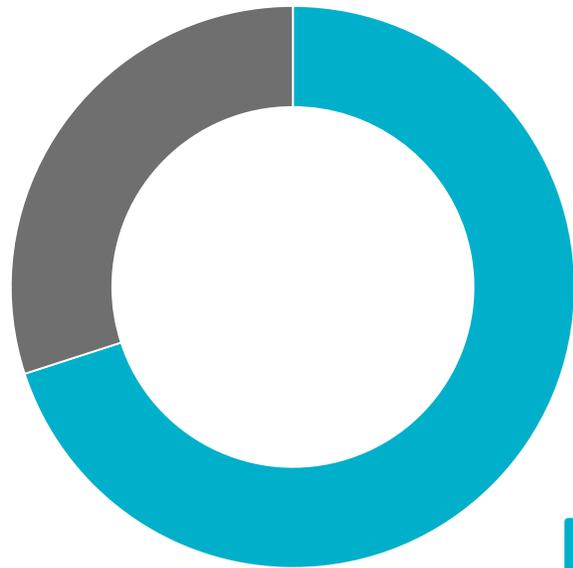
Coloplast Group – Ostomy Care / Continence Care / Wound & Skin Care / Urology Care



US Chronic Care has outperformed the market by a factor 2-3x and continues to take share

Chronic Care revenue in the US by business area

Revenue DKK, FY 16/17



New management
in place May 2018



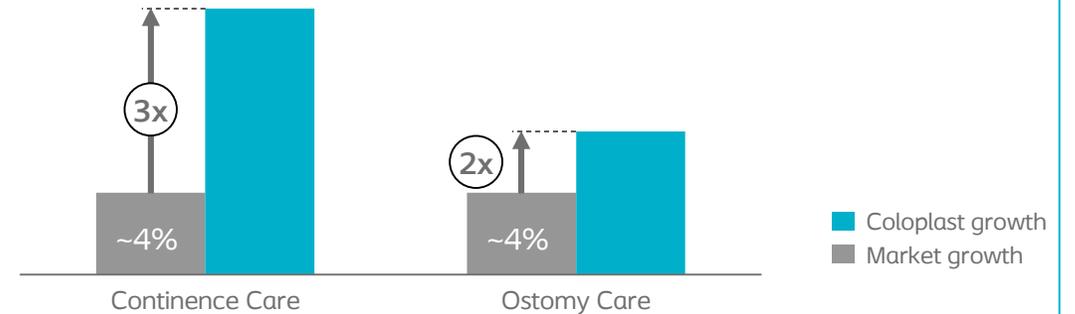
#1

growth opportunity
in Coloplast

■ Continence Care
■ Ostomy Care

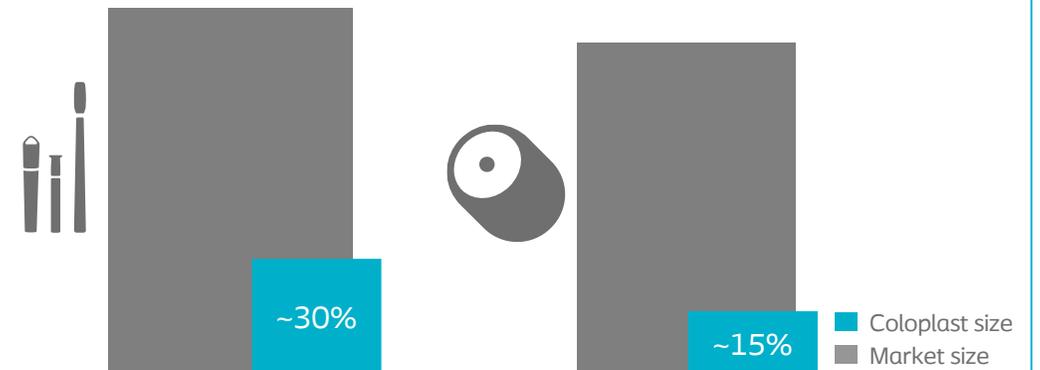
Chronic Care US organic revenue growth vs. market growth

FY 16/17



OC and CC manufacturer US market share

USDm, FY 16/17



Source: Coloplast

The market is impacted by evolving trends and the fact that many consumers do not have access to the best products

The US market is evolving, influencing Coloplast's commercial landscape...



Cost pressure from payors



Rising emphasis on value based care



Increasing channel consolidation

...while the challenge of too many consumers not having access to the best products remains



Low quality products and switching due to challenging reimbursement environment



Poor service experience



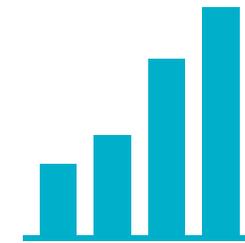
Inadequate qualified guidance

We have launched a new strategy for the US market to deliver on the ambition of double digit growth

Our strategic themes



Our ambition for US Chronic Care



Ambition

Double digit profitable growth

+10%

Our new strategy will strengthen our value proposition to all stakeholders



Consumers have access to the best products and services



Health Care Professionals see us as the standard of care



Payors recognize and reward our superior outcomes

Innovation is a key driver and we will continue to expand our offering of high quality products

Several innovative products in the US in 17/18...



SpeediCath® Flex Coude Pro



SenSura® Mio Convex



SenSura® Mio Hospital Assortment



Brava® Protective Seal

...and more product launches to come



SenSura® Mio Concave

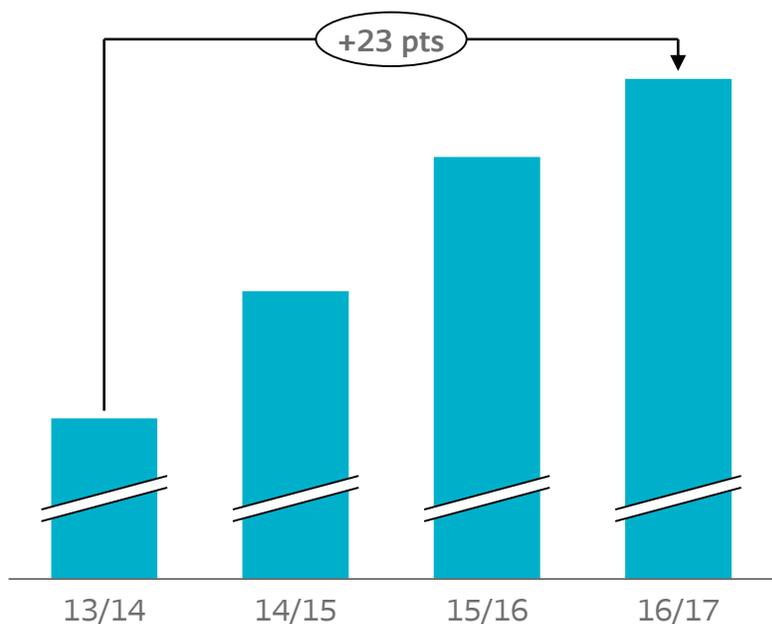


SpeediCath® Standard BBT

We have solid IC momentum and are increasing field sales pressure and education efforts to accelerate it

We have gained significant share over the last years

Coloplast Rehab NPD share in US



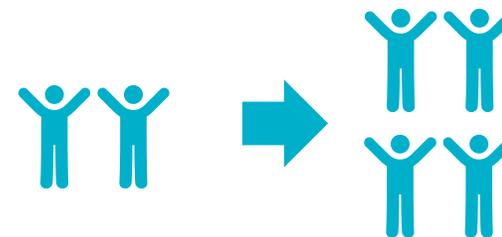
Source: Coloplast

We will accelerate momentum through new products, expanding our field sales force and increasing education efforts

Drive SpeediCath[®] Flex Coude Pro



Expand sales force



Invest in medical marketing



Strengthen clinical education



Increase key opinion leaders engagement



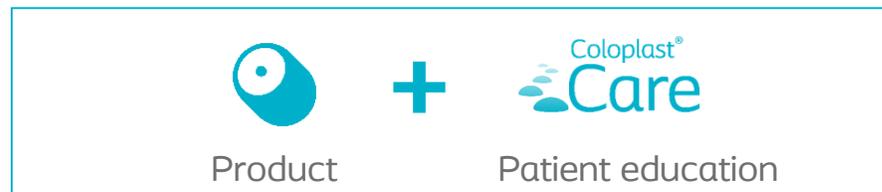
Develop strong clinical evidence



Build support in clinical guidelines

Through our unique value proposition we continue to take share in the Ostomy Care market

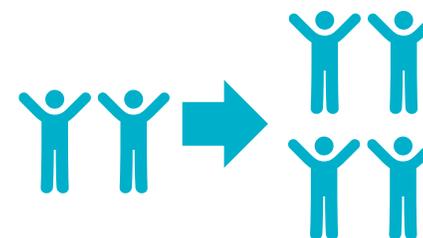
Coloplast offers unique value proposition for hospitals



Recent major wins

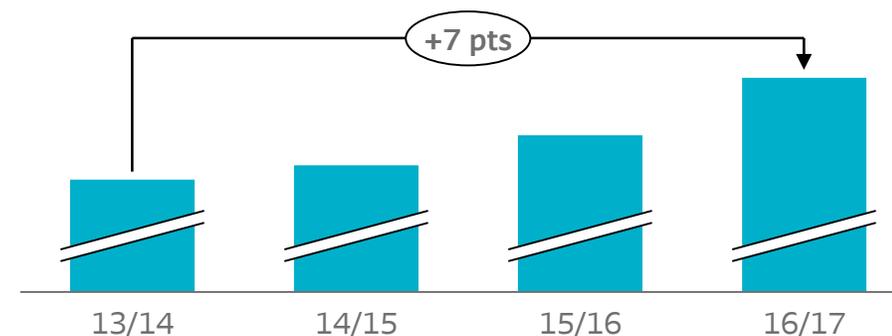


We have also expanded our sales force over the last 6 months and...



...as a result, we expect to continue to take share as in previous years

Bags & Plates acute share



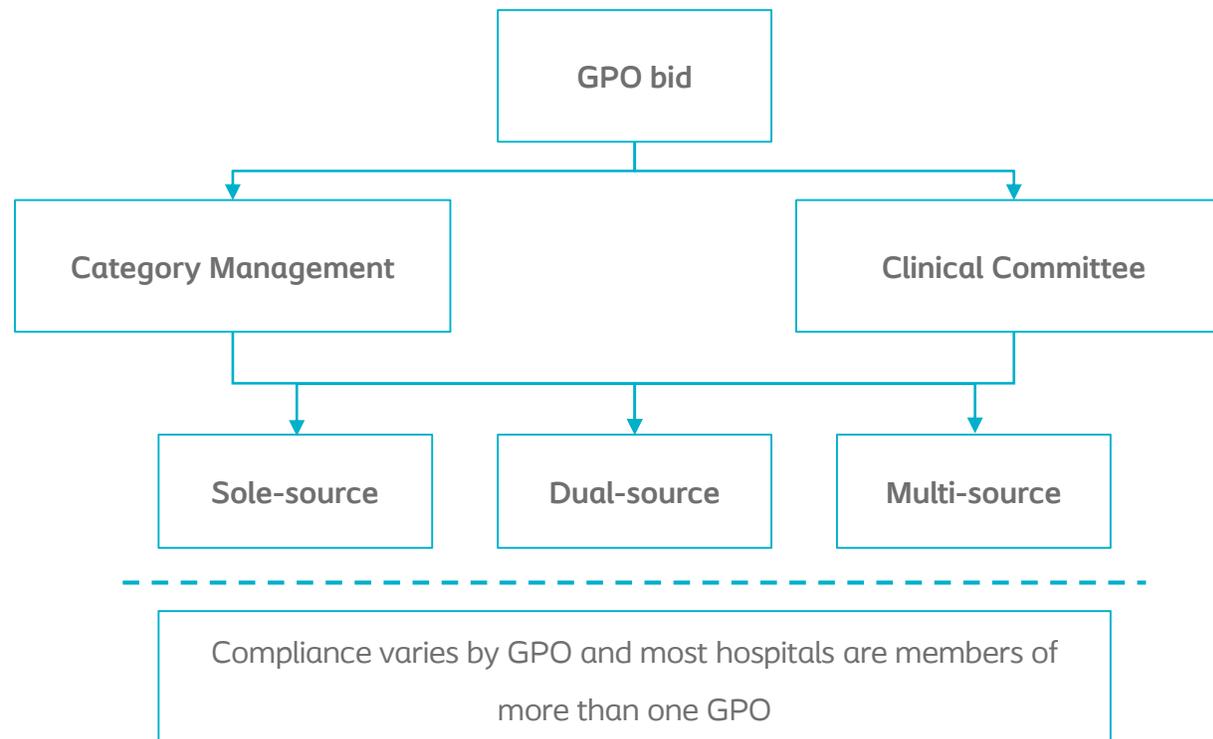
Source: Coloplast estimates

In Ostomy Care, most hospitals' purchases are made either directly or through GPO contracts...

Next award year for three major GPOs

	Acute members ¹	Estimated Acute share ²	Next award year
 vizient	7,500	~50%	2021
 Premier	3,600	~25%	2020
 Health Trust	1,400	~15%	2020

Example of a bidding process



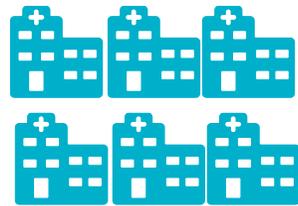
Source: Coloplast

1. Acute members can be part of more than one GPO
2. Coloplast estimates based on primary GPO affiliation

Hospitals drive purchase decisions and Coloplast has access to win business in the majority of acute care accounts

We are driving multiple initiatives to win contracts with IDNs and Hospital systems

1. Prioritize and win strategic IDNs...



Existing strategic IDN customers



Recent major wins



2. Effectively communicate Coloplast value proposition



Superior products



Patient support



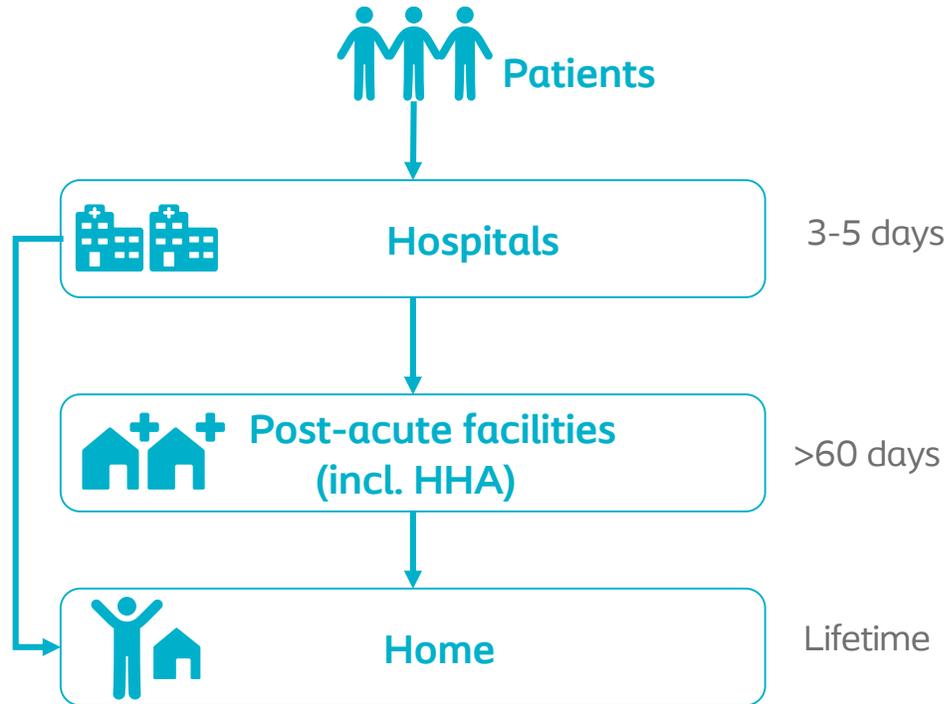
Fast growing market share



Coloplast OneSolution Value proposition

We are increasingly winning share in the important Home Health Agency setting

3 out of 4 Ostomy patients are discharged into post-acute facilities



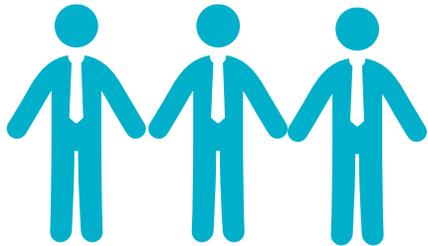
We have had several big wins with Home Health Agency partners



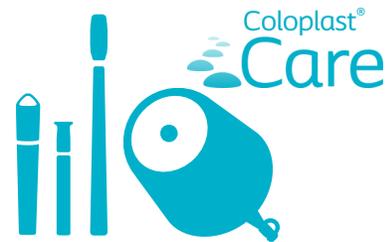
We are investing to directly target the Home Health Agencies

We are expanding our Market Access team to engage closer with payors

Engage more closely with payors to drive users' access to Coloplast's high quality products



Build up Payor sales teams in Coloplast and Comfort Medical



Strengthen dialogue around service and superior products



Increase understanding of Ostomy and Continence care disease burden

Our new strategy places a higher emphasis on our service offering as a means of differentiation

Recap challenges for US consumers...



Low quality products and switching due to challenging reimbursement environment



Poor service experience



Inadequate qualified guidance

...we are addressing the challenges by raising the bar for service and empowering consumers



Increase consumer power through Seamless Transitions program



Build a platform to improve consumers access to products and increase service offerings

Coloplast Care and Consumer are key elements of our dedication to support consumers at every step of their journey

Our Coloplast Care and Consumer teams play an essential role in supporting patients at every step of their journey...



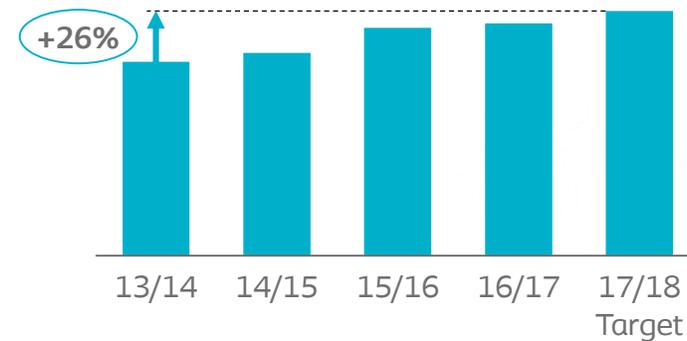
Educate and support patients



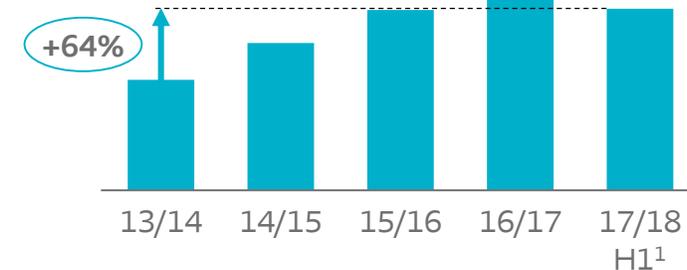
Provide access to the best products and services

...and we are continuously supporting more consumers

Coloplast Care enrolments



Coloplast end user database



Source: Coloplast

1) The decline in 2017/18 is a consequence of the EU General Data Protection Regulation implemented in May 2018

With our Seamless Transitions program we aim to increase consumer power and raise the bar for service

Coloplast Seamless Transitions presents consumers the best match dealer options based on key service parameters



With Comfort Medical we are building a platform to secure consumer's access to high quality products and services

We have validated our rationale for the Comfort Medical acquisition

Opportunity to secure consumers access to our superior products...



... while participating in a larger value pool



We have gained a better understanding of growth opportunities in Comfort Medical which we will incorporate in the future model



Expanding payor coverage to fuel further growth

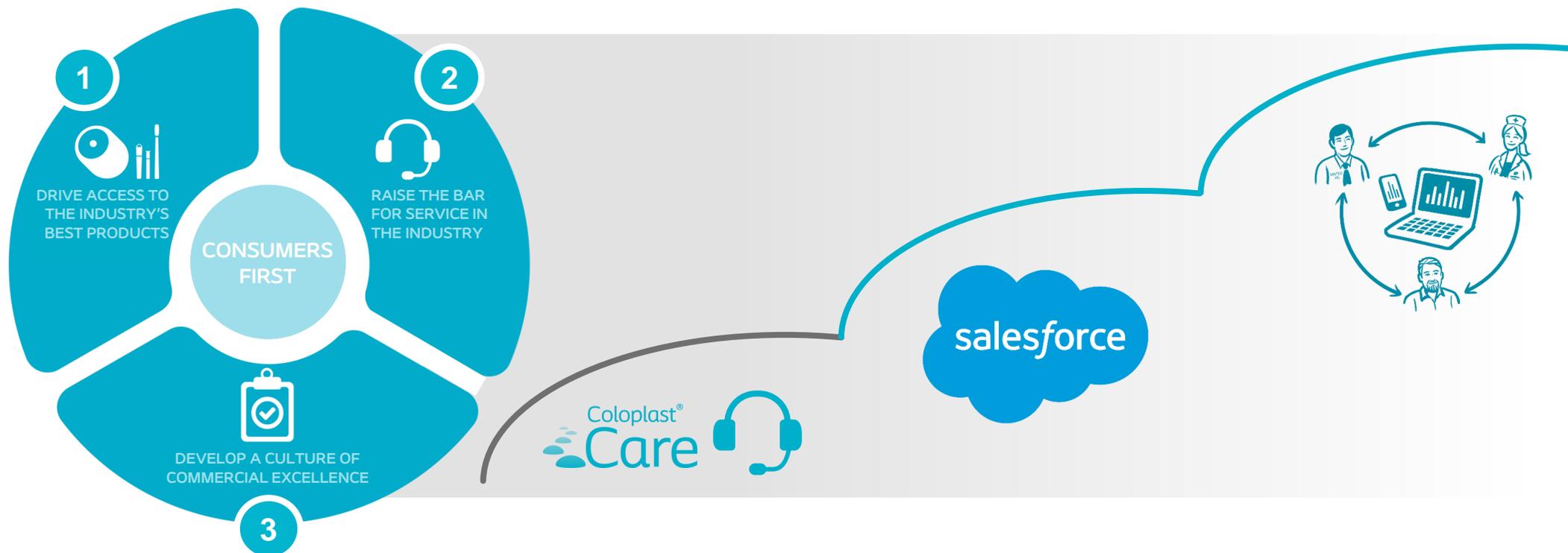


Working on finding the right model between Coloplast and Comfort Medical

The implementation of Salesforce.com is the first step towards a integrated, full digital offering

Our new strategy...

...enabled through digitalization



Our new US strategy positions us to outpace the market for years to come

Our strategic themes



Our ambition for US Chronic Care



Ambition

Double digit profitable growth

+10%

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