

> **PRESS RELEASE / 18 AUG 2021**

Coloplast delivers 11% organic growth in Q3 and an EBIT margin of 33%

Organic growth in Q3 was 11% and reported revenue in DKK was up by 9% to DKK 4,835 million. EBIT amounted to DKK 1,592 million, a 16% increase from last year, corresponding to an EBIT margin of 33%, which reflects efficiency gains and lower costs due to COVID-19, partly offset by continued investments.

Year to date organic growth was 6% and reported revenue in DKK increased by 3% to DKK 14,326 million. EBIT before special items was DKK 4,705 million in the first nine months of the financial year, corresponding to an EBIT margin before special items of 33% against 31% last year. ROIC after tax before special items was 43% and diluted earnings per share (EPS) before special items increased by 17% to DKK 17.24.

- "COVID-19 continues to impact our business, but the situation is improving, and I am encouraged by the rollout of the vaccination programmes and the improvement in hospital access across markets. Growth in new patients within our Chronic Care business is either largely normalised at pre-covid levels or approaching normalisation. This gives me confidence that growth rates will improve going forward." says CEO Kristian Villumsen and continues.
- "I would like to highlight a strong quarter in Interventional Urology, led by the US and our Men's Health business, as well as solid momentum in our Wound & Skin Care business, driven by Europe and China and a strong contribution from our Biatain Silicone portfolio. Growth in our Chronic Care business in Europe is also picking up driven by an increase in new patients, and our Emerging markets business is on track to delivering a strong year."
- "We continue to move forward with our 2025 strategy, Strive25, which focuses on innovation and growth, and we are making solid progress with our Clinical Performance Programme. This quarter, we have received the CE mark for our new Digital Ostomy Tool developed to avoid leakage accidents and we will soon initiate payer pilot studies in Germany and the UK. Towards the end of 2021, we will initiate a pivotal study on our new Ostomy Platform designed to reduce skin irritation – a significant issue for ostomy users. Finally, we have made solid progress on the product design and performance of our new Catheter Platform, which is now expected to launch in the first half of this strategy period."

Organic growth rates by business area in Q3 were 4% in Ostomy Care, 5% in Continence Care, 82% in Interventional Urology, and 17% in Wound & Skin Care. Looking at organic growth rates by geography in Q3, the European markets reported 10% growth, Other developed markets contributed with 17% growth, while Emerging markets grew 8%.

Country-by-country tax reporting

Coloplast continues to demonstrate a strong commitment to sustainability initiatives and company ethics, including improved ESG reporting. Consequently, the Board of Directors has decided that Coloplast will publish country-by-country tax reporting together with the Annual Report 2020/21 on 1 November 2021.

Climate-related criteria in remuneration

Coloplast's Board of Directors is currently discussing Executive Leadership remuneration and

upon approval at this year's Annual General Meeting climate-related criteria will be incorporated into the short-term incentive plan for 2021/22.

2020/21 financial guidance narrowed

Coloplast now expects organic revenue growth in the lower end of the 7-8% range at constant exchange rates. Reported growth in DKK is still expected to be 4-5%.

The EBIT margin guidance before special items is now expected to be in the upper end of the 32-33% range. After special items, the reported EBIT margin is now expected to be in the upper end of the 31-32% range.

Capital expenditure is still expected to be around DKK 1.1 billion. The effective tax rate is still expected to be around 23%.

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Financial highlights and key ratios

DKKm	2020/21 – Q3	2019/20 – Q3	Change
Revenue	4,835	4,419	9%
EBIT	1,592	1,368	16%
EBIT margin	33%	31%	2%-pts
Net profit	1,254	997	26%

Sales performance by business area

DKKm	2020/21 – Q3	2019/20 – Q3	Organic growth	Reported growth
Ostomy Care	1,915	1,870	4%	2%
Continenence Care	1,744	1,680	5%	4%
Interventional Urology	542	313	82%	73%
Wound & Skin Care	634	556	17%	14%
Net revenue	4,835	4,419	11%	9%

Coloplast develops products and services that make life easier for people with very personal and private medical conditions. Working closely with the people who use our products, we create solutions that are sensitive to their special needs. We call this intimate healthcare. Our business includes Ostomy Care, Continenence Care, Wound and Skin Care and Interventional Urology. We operate globally and employ about 12,500 employees.

Sales performance by region

DKKm	2020/21 - Q3	2019/20 - Q3	Organic growth	Reported growth
European markets	2,844	2,577	10%	10%
Other developed markets	1,183	1,083	17%	9%
Emerging markets	808	759	8%	6%
Net revenue	4,835	4,419	11%	9%

Financial highlights for the first 9 months of 2020/2021

DKKm	2020/21 - 9mths	2019/20 - 9mths	Change
Revenue	14,326	13,954	3%
EBIT before special items	4,705	4,382	7%
EBIT margin before special items	33%	31%	2%-pts
EBIT margin after special items	31%	31%	-
Special items*	-200	0	nm
Net profit	3,520	3,156	12%

*DKK 200m as further provision to cover potential settlements and costs related to the existing lawsuits in the US alleging injury resulting from the use of transvaginal surgical mesh products.

Financial guidance for 2020/21

Financial guidance	Guidance for 2020/21	Guidance for 2020/21 (DKK)
Sales growth	7-8% (organic) (lower end)	4-5%
EBIT margin before special items	-	32-33% (upper end)
EBIT margin after special items	-	31-32% (upper end)
Capital expenditure	-	~1.1 billion
Tax rate	-	~23%

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