Introduction new CEO

Zlatko Rihter

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CEO Mölnlycke

- ✓ Joins Mölnlycke as CEO – 30 November
- ✓ 25 years experience within the Medical Devices industry



Companies

Medical Tech industries

- Dialysis products and services, Patient handling, IVF and Diagnostics (IVD)

Broad range of responsibilities

- >10 years as Head of R&D/Innovation
- >5 years as Head of Division
- >5 years as Head of Global and Regional (EMEA) sales teams
- >5 years as CEO in a listed Mid-Cap company; CellaVision AB
- Directly or indirectly responsible for 35+ global MedTech product launches

Board experience

- ETAC AB (Medical Device company owned by Nordstjernan AB, 4+ years)
- Malmö FF (Football, 4+ years)

MedTech market specifics

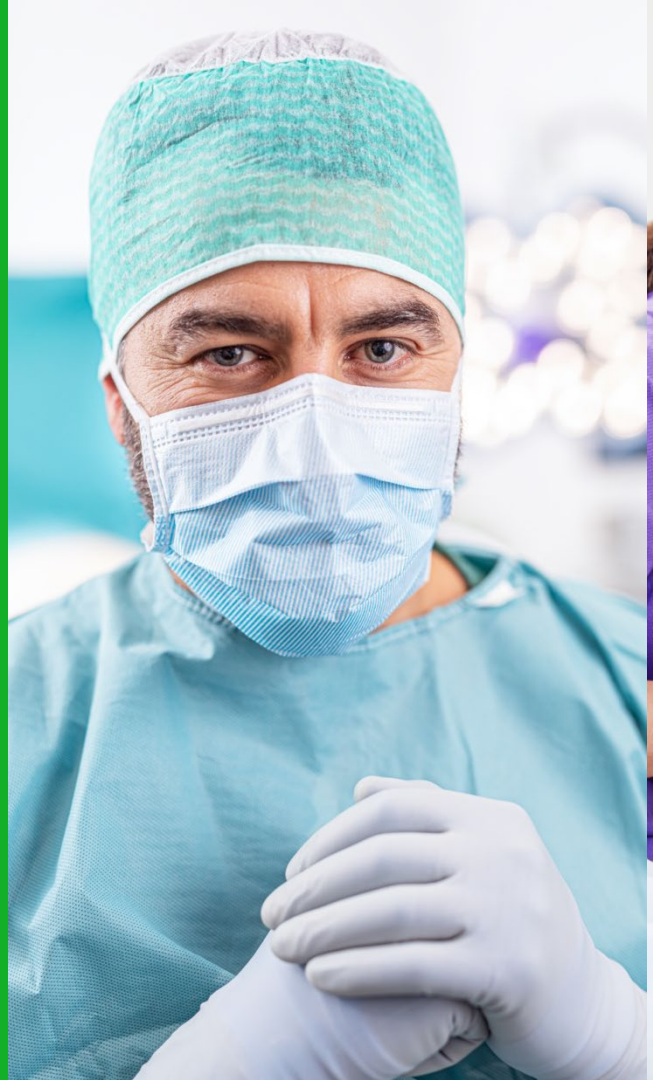
- ✓ Starting point – customer's call point – complex set-up with several decision makers and stakeholders
- ✓ Understanding how to improve customers' work-flow from an efficiency and outcome perspective is crucial for success
- ✓ Value creation lies in the combination of understanding customer insights and at the same time ensure edge in the R&D portfolio
- ✓ Digitalisation and AI will be two key technology drivers within healthcare the coming decade and needs to be mastered



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Investor Capital Markets Day

13 November 2020





Presenter



Barry Mc Bride

Interim CEO

- ✓ Joined Mölnlycke in 2014, Interim CEO since 1 August 2020
- ✓ Leads R&D, Gloves & Antiseptics and medical functions
- ✓ 30 years of global experience from senior positions in medical devises companies

We are a world-leading medical solutions company



Wound care

Advanced Wound Care

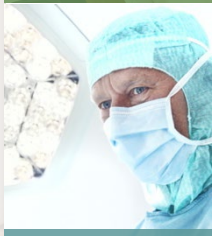


Oxygen Therapy



NPWT





Surgical

Procedure trays



Staff protection



Gloves



Antiseptics



8,000

Employees globally



65% 35%

+15

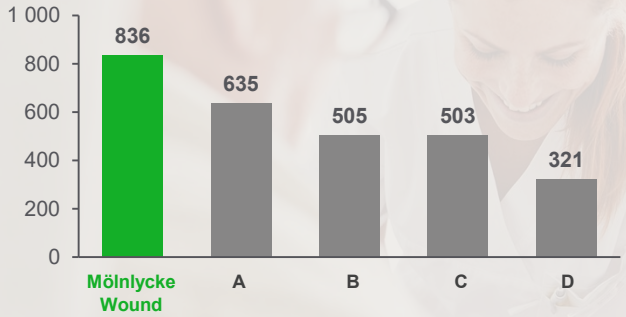
Manufacturing sites

+100

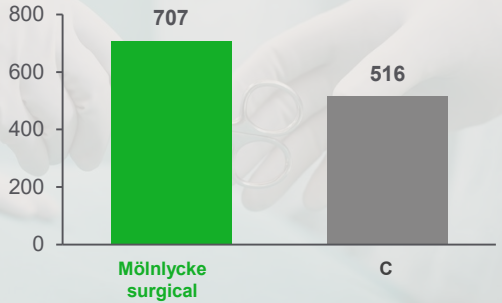
Countries where we are present

We are the largest player in the segments we serve

Sales 2019
(EUR million)
Wound Care

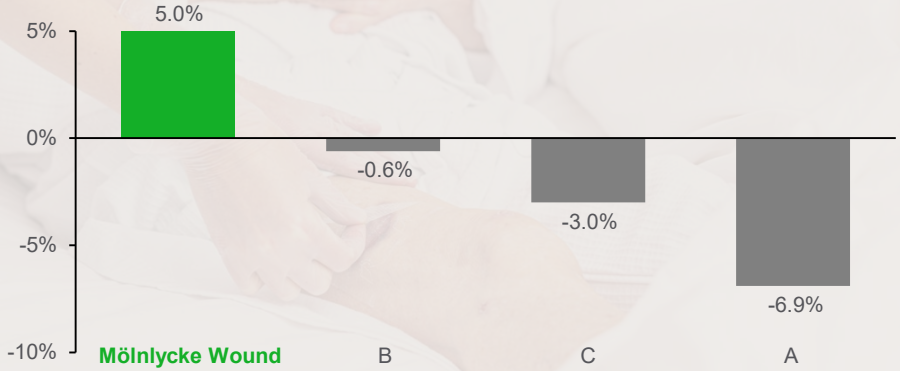


Sales 2019
(EUR million)
Surgical



Competitors' Organic growth Wound care

Q3 2020 vs Q3 2019 (%)



Gained market share despite slow down in Advanced Wound Dressing segment during 2020 due to Corona

Several structural factors underpinning global growth

Developed markets

- Aging population
- Obesity is growing and almost 40% of American adults are obese, causing diabetes

1 in 11
adults has diabetes world wide

Up to 34%
will develop a diabetic foot ulcer in their lifetime

38% increase
surgical procedures globally over the last eight years

Emerging markets

Increase and focus on healthcare spend due to higher levels of income and awareness

EUR 11.6 billion
spent every year on pressure ulcer treatment in the US

3-6%
Of Americans 65+ suffer from venous leg ulcers

17%
2030 will be aged 60 or older globally

Maintain premium position through growing our core, invest in new products and expand channel coverage

Growing our core business …



Advanced Wound Care



Specialised Procedure Trays

+

Channel expansion and entering **new geographies**

Investing in new products, launching NPWT in Europe

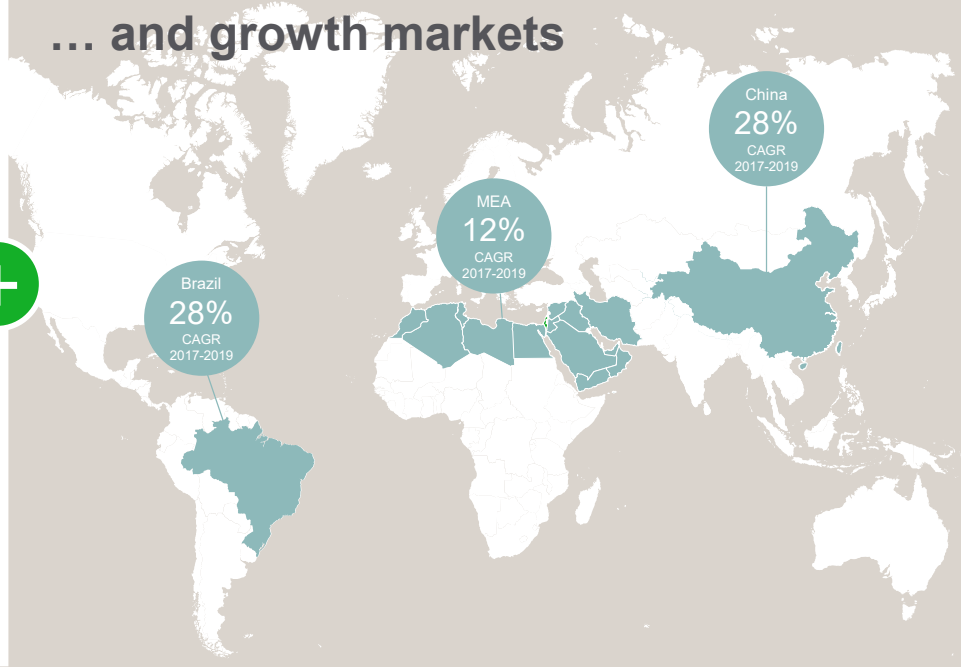


Entering new markets for Granulox



+

… and growth markets



Leveraging increased demand for staff protection will create a sustainable business

Covid-19 outbreak – increased demand of PPE from customers

Responding on demand – sourcing new supply of face masks and gowns

Establishing relationships with new customers and governments

Longer term build on relationships to have a sustainable staff protection business



Q1 Q2 Q3 Q4

Towards a sustainable assortment through innovation

- ✓ Headwear >50% bio based
- ✓ Classic Gowns >50% bio based
- ✓ Next in line; Scrub Suits >50% bio based



Green line components



Polymer surgical instruments



Foldable bowls



20-25% reduction of CO2

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Invest in value-added initiatives to ensure market leadership

Challenges:

Pressure on healthcare budgets

- Commercial execution
- Health economics
- Innovation and Product pipeline
- Clinical evidence

We are in a good position

Diversified product portfolio –
covering home care, acute care and staff protection

Continuing to take market share in **Wound care**

Solid supplier of equipment for the **operating room** and **staff protection**

Investments made in people and capabilities
to ensure solid Commercial execution




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Appendix

Business overview

Wound Care

Prevention

Turning & Positioning



Treatment

Advanced Wound Care



Conventional Wound Care



Oxygen Therapy



Surgical

OR Solutions

Drapes



Mölnlycke Procedure Trays



Staff Clothing



Surgical Instruments



Gloves

Gloves



Antiseptics

Antiseptics

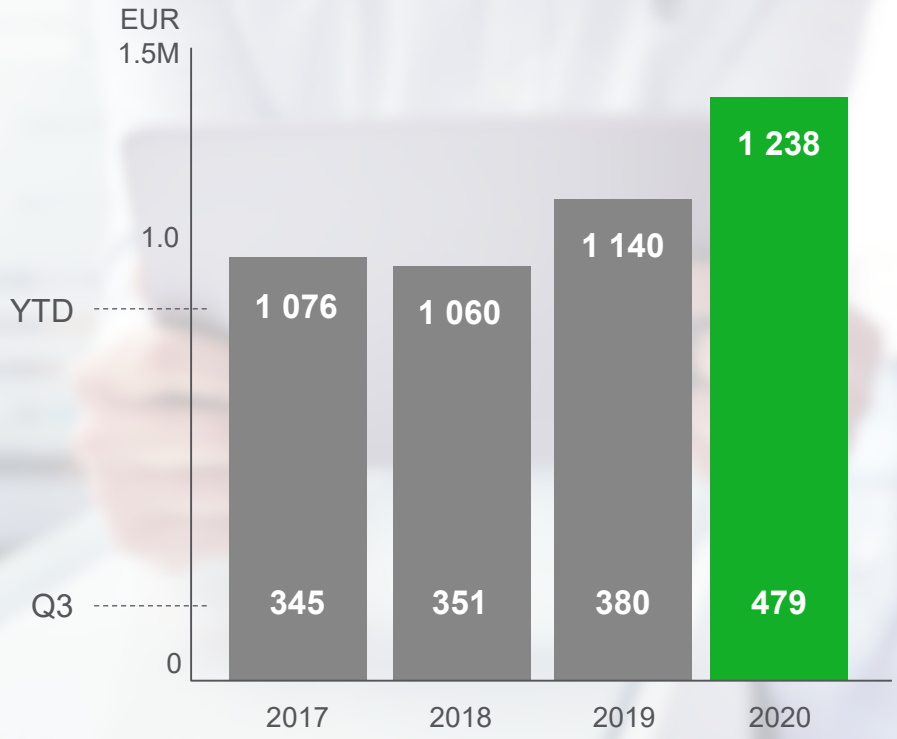


Key brands

Prevention / Treatment				OR Solutions	Gloves	Antiseptics
Tortoise® SafetaC® TECHNOLOGY	Mepilex® SafetaC® TECHNOLOGY	Mepore® Mepitel®	Granulox®	BARRIER® ProcedurePak	Biogel®	Hibi®

Financial results of 2020 Q3

Sales

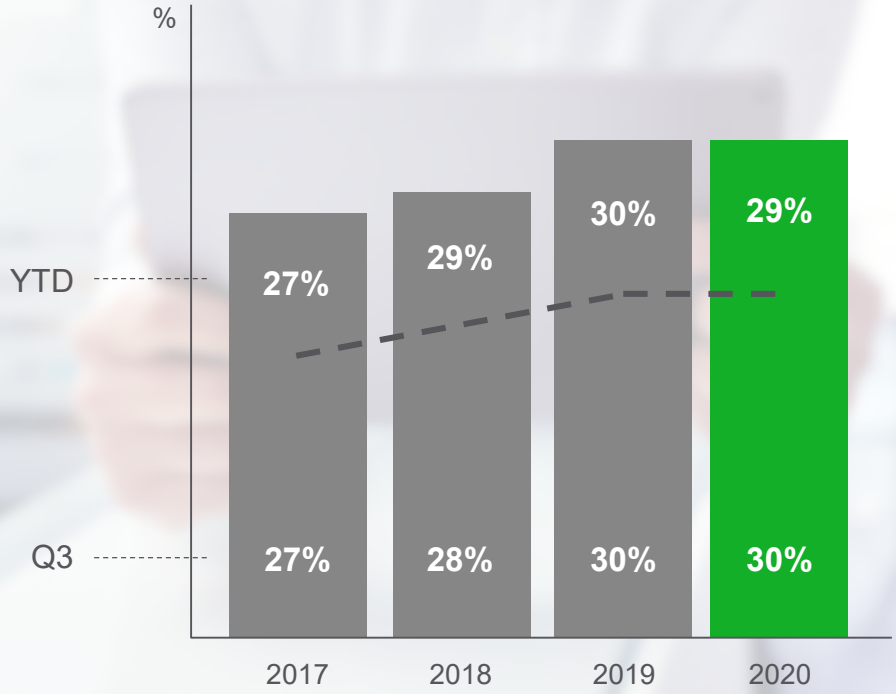


9%
YoY YTD organic

29%
YoY Q3 organic

Financial results of 2020 Q3 YTD

EBITDA

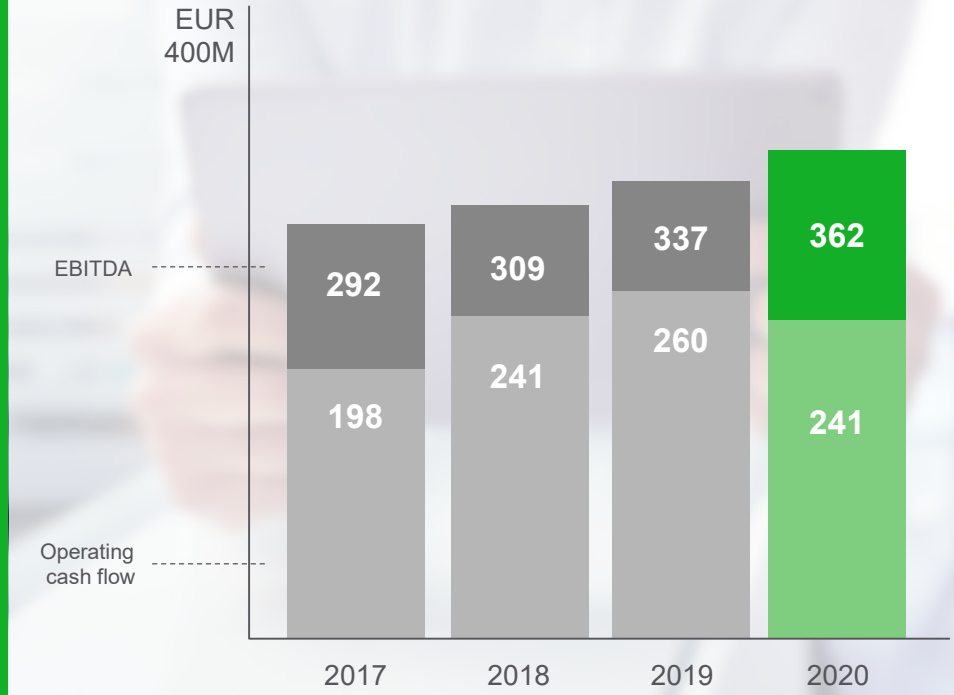


+9%
YoY YTD

+25%
YoY Q3

Financial results of 2020 Q3 YTD

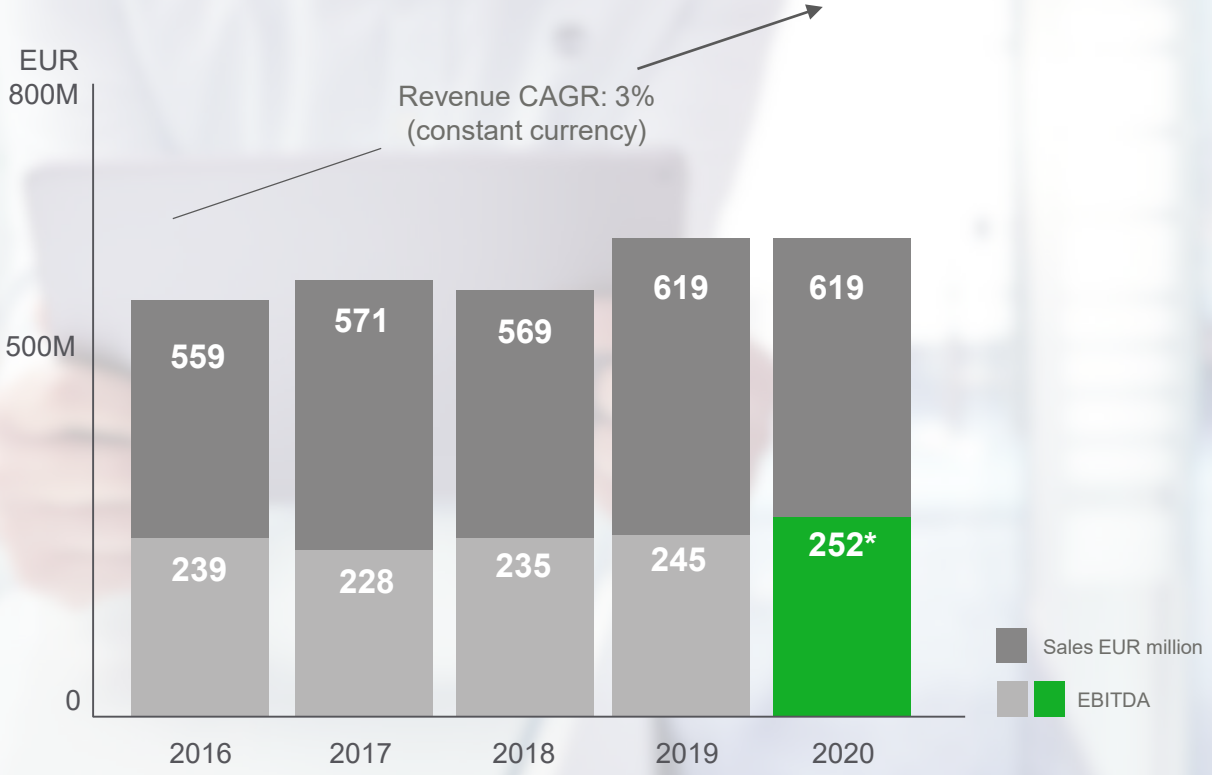
Cash conversion



76%
Cash conversion rolling 12 months

Financial results of 2020 Q3 YTD

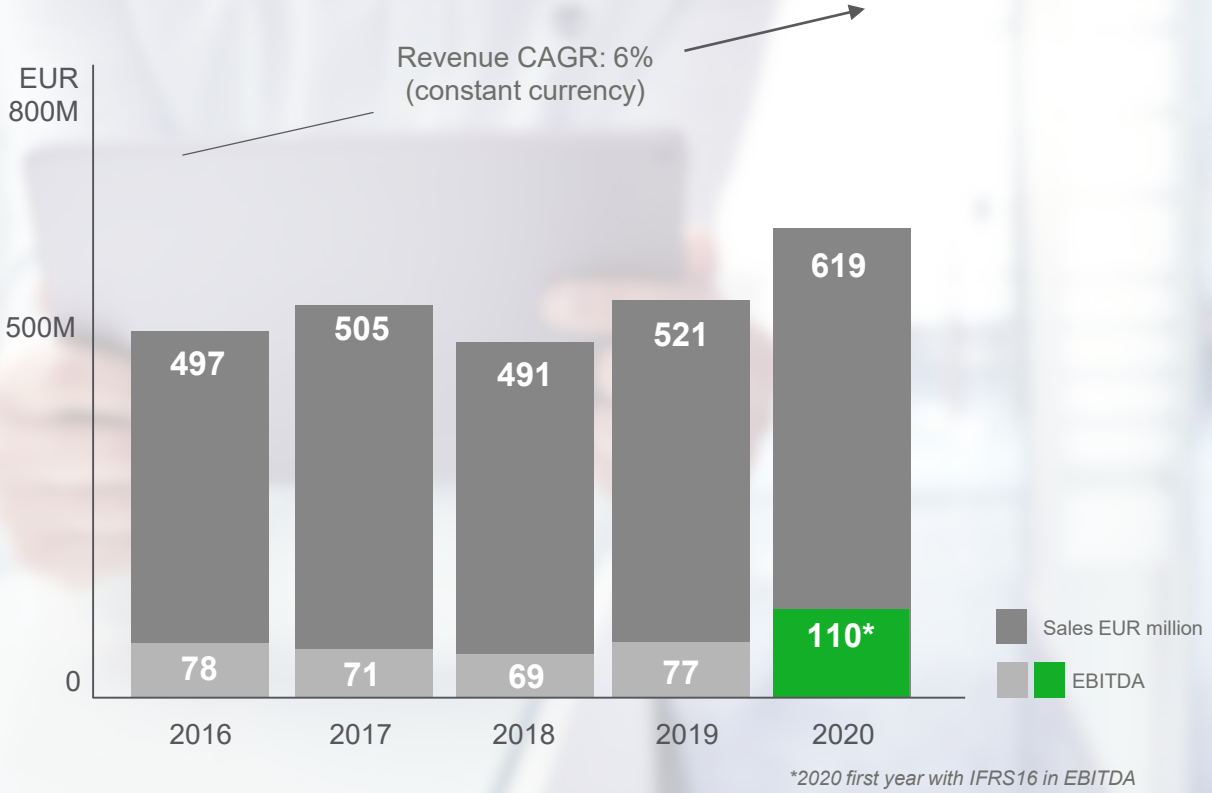
Wound Care



*2020 first year with IFRS16 in EBITDA

Financial results of 2020 Q3 YTD

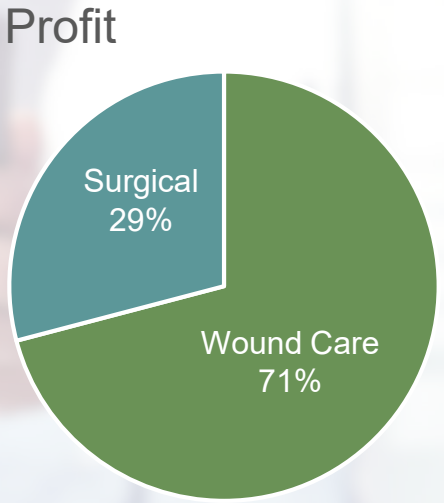
Surgical



Financial results last 12 months

Wound Care & Surgical split





Financial results of 2020 Q3 YTD

Key take-aways

- ✓ Organic sales growth of 29% in constant currency in Q3 (9% YTD), mainly driven by strong sales of Personal Protective Equipment as an effect of Covid-19
- ✓ Despite the negative business mix, with a lower share of Wound care sales, the EBITDA margin of 30% in Q3 was essentially in line with last year, driven by good cost control
- ✓ Wound care organic growth of 5% in constant currency in Q3
- ✓ Surgical organic growth of 58% in constant currency in Q3


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