



18 May 2023

ConvaTec Group Plc (ConvaTec)
AGM trading update for the four months ended 30 April 2023

Good start to 2023 - revenue guidance increased

ConvaTec, a global medical products and technologies company, announces a trading update for the four months ended 30 April 2023. Revenue increased by 3.1% on an organic basis¹. On a reported basis revenue decreased by 1.7%, as expected, following the exit of the hospital care activities and related industrial sales in 2022. On a constant currency basis revenue increased by 0.8%. Given the good organic growth so far this year against tough comparatives coupled with the improving momentum and confidence in the outlook, we now expect organic revenue growth for 2023 to be between 5.0% and 6.5% (previously 4.5%-6.0%).

In Advanced Wound Care, organic growth was mid-single digit, with a strong performance in Global Emerging Markets and good growth in Europe and North America, the latter supported by a strong contribution from ATT².

In Ostomy Care, organic growth compared to the same category last year was mid-single digit, with strong growth in Global Emerging Markets, good growth in North America and key European markets. In the new combined category, which includes Flexi-Seal³, growth was flat, with the positive performance in Ostomy products offset by expected declines in Flexi-Seal. This was owing to phasing of sales which are expected to normalise across the year.

In Continence Care, organic growth was mid-single digit, benefitting from an increase in reimbursement levels in the US. Organic growth was mid-single digit both including and excluding industrial sales⁴, which was added to the category at the start of this year.

In Infusion Care, organic growth was flat for the first four months, due to the phasing of customer orders and strong prior year comparators, as anticipated. Underlying demand for ConvaTec's infusion sets remains strong. We continue to expect high single-digit growth from this category over time.

Strategic progress over the last four months

- **Acquisition of a highly innovative anti-infective nitric oxide technology platform:** a unique natural antimicrobial and antibiofilm mode of action, backed by compelling scientific and clinical data. ConvaTec is well positioned to commercialise this technology across a variety of medtech device applications starting with Advanced Wound Care, with the first product expected to be launched in 2025
- **Plant Network Optimisation:** announced plan to move manufacturing operations from EuroTec facility in Roosendaal, the Netherlands, to our larger site in Michalovce, Slovakia, which already manufactures similar Ostomy products. The intended move will take place later this year and is part of our simplification and productivity agenda
- **New product innovation**
 - ConvaFoamTM launched in the US in January, and we are pleased with the initial positive customer feedback
 - InnovaMatrixTM continued to demonstrate strong momentum in the large and rapidly growing wound biologics segment⁵ and contributed to organic growth from April
 - Regulatory approval was received in the US for the sale of Medtronic's 780G with our MioAdvanceTM Extended Wear Infusion Set
 - On track for further new product and customer launches in 2023:
 - GentleCathTM Air for Women, our compact catheter offering, in France in Q4 2023
 - Tailored infusion set for Tandem Mobi, for launch in H2 2023 in the US, subject to regulatory approval
 - insetTM and contactTM infusion sets for the Beta Bionics iLet Bionic Pancreas in the US, subject to regulatory approval
 - NeriaTM guard infusion set for AbbVie's ABBV-951 Parkinson's disease therapy which has been submitted for regulatory approval across global markets

Revenue guidance increased

Given the good organic revenue growth so far this year against tough comparatives coupled with the improving momentum and confidence in the outlook, we now expect organic revenue growth for 2023 to be between 5.0% and 6.5% (previously 4.5%-6.0%). We continue to expect to increase our operating profit margin on a constant currency basis to at least 19.7% (FY2022: 19.5%).

¹ Organic growth is calculated by applying the applicable prior period average exchange rates to the Group's actual performance in the respective period and excluding acquired and disposed/discontinued businesses

² Triad Life Sciences, now known as Advanced Tissue Technologies (ATT), included in organic growth from 1 April 2023

³ Faecal management system, which was moved to Ostomy Care at the start of this year

⁴ B2B catheter sales, which was moved to Continence Care at the start of the year

⁵ SmartTRAK wound biologics segment includes skin substitutes, active collagen dressings and topical drug delivery

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About Convatec

Pioneering trusted medical solutions to improve the lives we touch: Convatec is a global medical products and technologies company, focused on solutions for the management of chronic conditions, with leading positions in advanced wound care, ostomy care, continence care, and infusion care. With around 10,000 colleagues, we provide our products and services in almost 100 countries, united by a promise to be forever caring. Our solutions provide a range of benefits, from infection prevention and protection of at-risk skin, to improved patient outcomes and reduced care costs. Group revenues in 2022 were over \$2 billion. The company is a constituent of the FTSE 100 Index (LSE:CTEC). To learn more about Convatec, please visit <http://www.convatecgroup.com>

Forward Looking Statements

This document includes certain forward-looking statements with respect to the operations, performance and financial condition of the Group. Forward-looking statements are generally identified by the use of terms such as "believes", "estimates", "aims", "anticipates", "expects", "intends", "plans", "predicts", "may", "will", "could", "targets", "continues", or their negatives or other similar expressions. These forward-looking statements include all matters that are not historical facts.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies that are difficult to predict and many of which are outside the Group's control. As such, no assurance can be given that such future results, including guidance provided by the Group, will be achieved. Forward-looking statements are not guarantees of future performance and such uncertainties and contingencies, including the factors set out in the "Principal Risks" section of the Strategic Report in our Annual Report and Accounts, could cause the actual results of operations, financial condition and liquidity, and the development of the industry in which the Group operates, to differ materially from the position expressed or implied in the forward-looking statements set out in this document. Past performance of the Group cannot be relied on as a guide to future performance.

Forward-looking statements are based only on knowledge and information available to the Group at the date of preparation of this document and speak only as at the date of this document. The Group and its directors, officers, employees, agents, affiliates and advisers expressly disclaim any obligations to update any forward-looking statements (except to the extent required by applicable law or regulation).

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