

Media Release

Ad hoc announcement pursuant to Art. 53 KR

Altstätten, 3 March 2023

Challenging business year 2022

- **COLTENE achieved sales of CHF 267.1 million, down 4.3%.**
- **Operating profit (EBIT) reached CHF 34.9 million (2021: CHF 43.8 million).**
- **Operating profit margin 2022 was 13.1% (2021: 15.7%).**
- **Net Income was CHF 26.0 million (2021: CHF 31.7 million).**
- **The Board of Directors proposes a dividend of CHF 3.30 per share from capital contribution reserves to the Annual General Meeting (previous year: CHF 3.30).**
- **Matthias Altendorf and Daniel Bühler are proposed as new members of the Board of Directors.**
- **COLTENE expects solid demand for dental treatments despite challenging economic conditions.**

COLTENE, a leading international developer and manufacturer of dental consumables and small equipment, reached sales of CHF 267.1 million in 2022, 4.3% lower compared to the previous year. In local currencies sales decreased by 3.5%. Thanks to a tight cost control and the solid gross margin the EBIT margin reached a value of 13.1% (2021: 15.7%) despite lower sales volume. Net profit amounted to CHF 26.0 million compared to CHF 31.7 million in the previous year.

The equity ratio increased to 58.9% (2021: 57.5%). Due to a 33% reduction in free cash flow to CHF 15.2 million, net debt increased to CHF 22.8 million (previous year CHF 17.2 million). At the Annual General Meeting on 19 April 2023, the Board of Directors proposes a dividend of CHF 3.30 per share from capital contribution reserves (previous year CHF 3.30) for shareholder approval. This distribution is tax-exempt for natural persons residing in Switzerland.

The decline in sales was due to several factors. Effects of the pandemic continued. The supply chains and corresponding backlogs of electronic components in the product area Infection Control had not yet normalized completely. Sales in China suffered from lockdowns. In addition, inflation and fears of recession increasingly affected the business. A normalization of the 2021 pandemic-related record volumes primarily in OPTIM surface wipes also had a negative impact on sales. Finally, the appreciation of the Swiss franc against the euro led to lower consolidated sales. By contrast, the EMEA and Latin America regions developed well, with currency-adjusted growth rates of 4.2% and 16.1%, respectively.

North America remains the largest market with a share of 48.2% of group sales, followed by EMEA with 35.5%. Asia and Latin America achieved shares of 10.8% and 5.5%, respectively. The largest product area, Efficient Treatment, achieved 2.9% lower sales compared to 2021, while Infection Control achieved 6.9% lower sales. Sales of the Dental Preservation product group decreased by 3.1% compared to the previous year.

Changes in Group Management and the Board of Directors

As previously announced in January, Stefan Helsing will step down from his position as Chief Operating Officer at the end of March due to retirement. Gregor Picard (52 years old, German citizen) has been appointed as his successor. He has many years of experience in the dental and automotive industries. As announced at last year's Annual General Meeting, Erwin Locher and Matthew Robin will not stand for re-election as members of the Board of Directors at the upcoming Annual General Meeting. The Board of Directors proposes Matthias Altendorf and Daniel Bühler for election by the shareholders. Both have many years of management experience of international manufacturing companies. Matthias Altendorf is CEO of Endress+Hauser Group, while Daniel Bühler, CEO Medical Division, is with Röchling Group.

Outlook 2023

Economic developments and the geopolitical situation remain volatile. Customers are therefore cautious on the procurement side, especially for economic-sensitive equipment. On the other hand, it can be assumed that patient treatments will only be postponed in the short term and are therefore quickly made up for. In addition, the situation on the purchasing side is expected to ease and delivery backlogs can be worked off during the first half-year. COLTENE can thus respond flexibly to the needs of a volatile market with good inventory availability.

The Group is maintaining its medium-term targets of an EBIT margin of 15% and sales growth modestly above the market. The payout ratio for future dividends remains at a target of around 70%.

Media and analyst conference

Today Friday 3 March 2023, 10:00 a.m. CET, at Haus zum Rütten, Limmatquai 42, 8001 Zurich, reception starts at 9:30 a.m. To download the presentation documents, visit www.coltene.com.

Annual General Meeting 2023

The Annual General Meeting of COLTENE Holding AG will be held on Wednesday 19 April 2023, at 4:00 p.m. CET at Hotel-Restaurant Sonne, Kugelgasse 2, 9450 Altstätten. Doors open at 3.30 p.m. Directions to the venue and the detailed invitation to the Annual General Meeting are available for download at www.coltene.com.

Annual Report 2022

COLTENE Holding AG's Annual Report 2022 was published today and can be downloaded at www.coltene.com.

Key figures (in CHF 1000)	2022	2021	% change
Net sales	267 125	279 242	-4.3%
Operating expenses	136 650	137 250	-0.4%
Operating profit (EBIT)	34 911	43 796	-20.3%
as % of net sales	13.1%	15.7%	
Net profit	25 999	31 708	-18.0%
Operating cash flow	23 421	32 515	-28.0%
Investments (net)	8 197	9 795	-16.3%
Free cash flow	15 224	22 720	-33.0%
Key figures (in CHF 1000)	31.12.22	31.12.21	% change
Net debt	-22 848	-17 185	33.0%
Total assets	190 597	186 738	2.1%
Shareholder's equity	112 184	107 399	4.5%
as % of total assets	58.9%	57.5%	
Distribution per share in CHF	3.30 ¹⁾	3.30	0.0%
Number of employees (FTE)	1 221	1 242	-1.7%

¹ Board of directors' proposal to the Annual General Meeting 2023 (distribution from capital contribution reserves)

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Financial Calendar

Annual General Meeting 2023	19 April 2023
Release of Half-Year Report 2023 and Conference call on the half-year results 2023	4 August 2023
Media and analyst conference on 2023 financial year and Release of Annual Report 2023	8 March 2024
Annual General Meeting 2024	19 April 2024
Release of Half-Year Report 2024 and Conference call on the half-year results 2024	8 August 2024

About COLTENE

COLTENE is an international developer, manufacturer and seller of dental consumables and small equipment in the areas of Infection Control, Dental Preservation and Efficient Treatment. COLTENE has state-of-the-art production facilities in the USA, Canada, Germany, France and Switzerland as well as own sales organizations in all major markets including Europe, North and Latin America, Japan, China and India. Dentists, DSOs, dental clinics and dental labs all around the globe trust COLTENE's high-quality products. The registered shares of COLTENE Holding AG (CLTN) are listed on SIX Swiss Exchange. Learn more about COLTENE and our products at www.coltene.com.

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