

## Press release

### Board of Directors proposes dividend reduction

**Altstätten, March 31, 2020 - The Board of Directors and Group Management of COLTENE Holding AG have addressed the effects of the corona crisis. After a careful assessment of the challenges, they are convinced that the necessary measures have been taken to protect employees and safeguard the operating business. The ability to supply is ensured in all sales markets. However, the long-term consequences of the corona crisis cannot yet be estimated. In this volatile market environment, the Board of Directors and Group Management want to ensure liquidity even in the event of a prolonged market slump. At the same time, shareholders should participate appropriately in the 2019 results, taking into account the current challenges. The Board of Directors will therefore propose to the Annual General Meeting on 2 April 2020 that a distribution from capital contribution reserves of CHF 1.50 per registered share be approved, half of the original proposal.**

In the first quarter of 2020, the COLTENE Group performed well in an increasingly challenging environment due to the coronavirus and met its sales targets. Costs and results both developed according to plan. In particular, sales of Optim products in the area of infection control increased significantly. However, the acute worldwide worsening of the corona crisis has significantly changed COLTENE's market environment, as in many places dental practices are currently only treating emergency patients. At the moment, it is impossible to estimate how quickly individual countries and sales markets will recover. However, management assumes that dental practices will resume normal service operations without restrictions after the relaxation of the measures in force.

In addition to various measures to maintain operational efficiency and profitability during this period of economic weakness, securing liquidity is a top priority for COLTENE. At the same time, shareholders should participate appropriately in the 2019 results despite the current situation. The Board of Directors of COLTENE Holding AG will therefore propose to the Annual General Meeting on April 2, 2020, to approve a distribution from capital contribution reserves of CHF 1.50 per registered share, half the original proposal (agenda item 2.2 of the invitation to the Annual General Meeting).

With an equity ratio of 48% and a gearing - the ratio of net debt to equity - of 0.4, the COLTENE Group is solidly financed and has sufficient liquidity. The adjustment of the proposal of the Board of Directors regarding the distribution from capital contribution reserves for the 2019 financial year has on the one hand a preventive character for liquidity protection and on the other hand is a contribution of the shareholders in solidarity with the current situation. The Board of Directors is also convinced that this measure is in the interest of all stakeholders. Irrespective of the current economic situation, COLTENE is well prepared for medium and long-term development, and especially after the recovery from the corona crisis, with its global presence. In particular, infection control in dental practices is expected to gain significantly in importance, and here COLTENE is very well positioned with various products thanks to the acquisition of the SciCan Group.

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### **About COLTENE**

COLTENE is an internationally active 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, Brazil and Switzerland as well as own distribution organizations in all major markets including Europe, North and Latin America, China and India. Dentists 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](http://www.coltene.com).

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