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## **Media Release**

### **COLTENE Holding AG Announces Terms of the Rights Offering in Connection with the Financing of the Planned Acquisition of SciCan and Micro-Mega**

**Altstaetten, September 13, 2018 – COLTENE Holding AG (SIX Swiss Exchange: CLTN), an internationally leading developer and producer of dental consumables, announced today the terms of the rights offering in connection with the partial financing of the previously announced acquisition of SciCan and Micro-Mega. COLTENE expects to finance the acquisition of SciCan and Micro-Mega, in the total amount of approximately CHF 200 million, by way of a combination of available cash, proceeds from a rights offering, the issuance of new shares to the sellers against contribution in kind of all of the shares in SciCan Ltd. and new debt financing.**

COLTENE intends to use all proceeds from the rights offering to partially pay cash for the planned acquisition. The targeted gross proceeds amount to approximately CHF 62.5 million. To this end, the Board of Directors proposes to the Extraordinary Shareholder Meeting to be held on September 14, 2018, to increase COLTENE's share capital by up to CHF 70,316.70 through the issuance of up to 703,167 new registered shares with a par value of CHF 0.10 each. In addition, the Board of Directors proposes to the Extraordinary Shareholder Meeting the creation of authorized share capital exclusively reserved for the purpose of a subsequent issuance of new shares to the selling shareholders of SciCan and Micro-Mega by way of contribution in kind share capital increase (consideration shares). The issue price for each consideration share is CHF 94.6549 (20 days VWAP (volume weighted average price) from 11.5.-7.6.2018), adjusted by a possible discount of the offer price compared to the market price at the time of the rights offering. At the closing of the acquisition, these shares are valued at the then prevailing market price for the calculation of the purchase price in accordance with the accounting standard IFRS. Assuming a market price of CHF 113.00 (closing price on 12.09.2018), this would result in a purchase price according to IFRS of approximately CHF 224 million.

The offering consists of an at market rights offering to existing COLTENE Holding AG shareholders in Switzerland and a share placement, in which the shares not taken up in the rights offering may be offered to selected investors or sold in the market. The Company is offering up to 703,167 shares in the rights offering (offer shares). The final number of offer shares to be sold will be determined by the

Company and the bank mandated by it for the offer at the end of the rights exercise period on the basis of the number of offer shares for which rights have been exercised, investor demand resulting from the bookbuilding procedure, the targeted gross proceeds, the market price for the existing COLTENE Holding AG shares and general market conditions.

The Company and the mandated bank will determine the offer price on the day following the end of the exercise period (Pricing Date) on the basis of investor demand resulting from the bookbuilding procedure, the market price for the existing COLTENE Holding AG shares and general market conditions, provided that the offer price does not exceed the closing price of the existing shares on the SIX Swiss Exchange on the Pricing Date (or, if higher, the volume-weighted average price of the existing shares during the bookbuilding period). Each exercise of rights will be effective at the offer price.

Six (6) existing shares on the reference date or exercise rights grant the holder the right to acquire one (1) offer share against payment of the offer price during the exercise period (subscription ratio of 6:1). Each shareholder is entitled to subscribe for at least one offer share. The applicable law and the conditions set out in the offer and listing prospectus shall apply.

Subject to the Extraordinary Shareholder Meeting approving the proposal by the Board of Directors, the rights exercise period is expected to start on September 19, 2018 and to end on September 26, 2018 at 12.00 noon CEST. Existing shareholders wishing to purchase offer shares must exercise their rights during the rights exercise period through their respective custodian bank. The offering and listing prospectus will be published on or around September 17, 2018.

COLTENE has concluded a loan agreement with the mandated bank for the necessary external financing. The agreement provides the company with an unsecured loan of up to CHF 75 million.

### **Obligations of Anchor Shareholders**

Huwa Finanz- und Beteiligungs AG and Esola Beteiligungsverwaltungs GmbH have each individually undertaken vis-à-vis the Company to exercise all subscription rights allocated to them and to subscribe for a maximum of as many additional offer shares as would be necessary to maintain their respective current participation quotas after completion of the rights offering and the acquisition. The corresponding obligations of the anchor shareholders will only apply to the extent of any shortfall compared to the targeted gross proceeds of CHF 62.5 million. Furthermore, the obligations are further limited, so that the subscription of further offered shares may in no case result in one or both of these anchor shareholders holding more than 32% of the Company's share capital after completion of the offering. In addition, subject to the usual exceptions, the anchor shareholders have entered into a six-month lock-up commitment.

### **Lock-Up**

The Company, the members of the Board of Directors, and the members of Group Management entered into a lock-up undertaking ending six months after the first day of trading, subject to customary exceptions. In connection with the acquisition, the sellers and Mr. Arthur Zwingenberger entered into a lock-up undertaking ending, subject to certain circumstances resulting in an earlier termination, twelve months after the completion of the acquisition, subject to customary exceptions.

### **Current Business Development**

With the publication of the offer and listing prospectus, COLTENE is providing a commentary on the current business development both on COLTENE Group and on SciCan and Micro-Mega Group. Business development at COLTENE has been in line with the expectations of the Group's management since the publication of the results for the six months ended on June 30, 2018 and the Group's management is confident of the underlying financial and trading prospects of the Group for the current financial year.

As a result of the acquisition, the Group expects its EBIT margin to decrease from the previously communicated level of currently 15%. However, the Group's management expects the operating margin to improve once the initial dilutive effect and the adverse effects caused by costs of the integration process have been overcome.

SciCan and Micro-Mega also showed a positive start into the second half of the 2018 business year, according to its management.

### Preliminary Transaction Timeline

Reference date for the allocation of exercise rights	September 18, 2018 after close of trading
Beginning of the rights exercise period	September 19, 2018
Beginning of the bookbuilding period	September 19, 2018
End of the rights exercise period	September 26, 2018 12.00 noon CEST
Announcement of the number of offer shares for which subscription rights have been exercised, final number of offer shares and final number of consideration shares	September 26, 2018, after close of trading
End of the bookbuilding period (The Company and the mandated bank reserve the right to extend or shorten the bookbuilding period)	September 27, 2018, 12.00 noon CEST
Announcement of the offer price	September 27, 2018, after close of trading
Listing and first day of trading day of the offer shares	on or about September 28, 2018
Payment of the offer price against delivery of offer shares (closing date)	October 2, 2018

Sign up for email updates from COLTENE Holding AG at [www.coltene.com](http://www.coltene.com).

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### Financial Calendar

Extraordinary General Meeting	September 14, 2018
Investora Zurich	September 27, 2018

### About COLTENE

COLTENE is an internationally active developer, manufacturer and seller of dental consumables and small equipment in the areas of restoration, endodontics, prosthetics and treatment auxiliaries. COLTENE has state-of-the-art production facilities in the USA, Germany, Brazil and Switzerland as well as own distribution organizations in all major markets including Europe, North 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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