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# Half-year results 2024

René Willi, CEO
Jennifer Dean, CFO

July 18, 2024

*Providing innovative solutions to help people live healthier and more confident lives*

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# Disclaimer and important notes / Safe harbor statement under the US private securities litigation reform act 1995

This presentation contains forward-looking statements that are based on management’s current assumptions and expectations concerning future developments, including but not limited to, projections of financial developments, market activities or future performance of products and solutions, which therefore contain certain risks and uncertainties. These forward-looking statements are subject to change based on known or unknown risks and various other factors, which could cause the actual results or performance to differ materially from the statements made in this presentation. These risks and other factors include, among others, general economic and geopolitical conditions, foreign exchange fluctuations, competitive product and pricing pressures, the effect of a pandemic or epidemic, a cyber event, a natural disaster or other force majeure, as well as regulatory developments and changes in tax regimes.

**Alternative Performance Measures** (APM)
All bridges from reported figures to APM can be found in the financial review of medmix’ half-year report 2024, and all definitions of APM can be found in the APM section of medmix' annual report 2023.

# Business Review

René Willi, CEO

# Key figures half-year 2024

## Broadly as planned

**Group revenues**[1]
**241.2**
-3% reported[2]
-6% organic[3]

**Healthcare revenues**
**82.9**
-7% reported
-6% organic

**Adjusted EBITDA**
**46.0**
-7% year-on-year
19.1% margin

**Consumer & Industrial revenues**
**158.3**
-0% reported
-6% organic

**Gross profit**
**80.6**
-2% year-on-year
33.4% margin

**Adj. operating net cash flow**
**23.9**
+77% year-on-year

[1] (All amounts in CHF millions)
[2] (All growth rates year-on-year, HY 2024 vs. HY 2023)
[3] (Organic growth excludes the effects of acquisitions, disposals and foreign exchange rates while reported or nominal growth rates include all effects)

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# Highlights half-year 2024

## Dental recovery on track, new US Healthcare plant operational

- **Dental** normalizing, strong year-on-year and sequential organic growth
- **Drug Delivery** impacted by implementation of second source
- **Surgery** temporarily restrained by strong year end 2023
- **Beauty** fully in line, with Qiaoyi acquisition performing well
- **Industry** with strong sequential growth, transition to Valencia plant complete
- **Gross margin** for Business Area and Group, and all **Cash Flow** KPIs increased
- **Adj. EBITDA margin** restrained by lower volumes, with higher reported EBITDA
- **New Healthcare plant** in Atlanta ISO-certified and operational, on schedule

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# Market segment revenue and organic growth

## Healthcare Business Area (BA)

### Dental

**54.9** 23% of Group
**+3%**

- Robust year-on-year and sequential (+6%) growth rates

### Drug Delivery

**21.4** 9% of Group
**-19%**

- Customer switch to second source weighing on near-term revenues

### Surgery

**6.6** 3% of Group
**-23%**

- Exceptionally strong end to 2023 depressing start to 2024

## Consumer & Industrial (C&I) BA

### Industry

**65.4** 27% of Group
**-9%**

- Robust +14% sequential growth supported by full product availability

### Beauty

**92.8** 38% of Group
**-4%**

- 2024 launch activity shifted from H1 to H2
- +4% sequential growth

Revenues are in CHF million, growth rates are organic (i.e., excluding M&A & forex)

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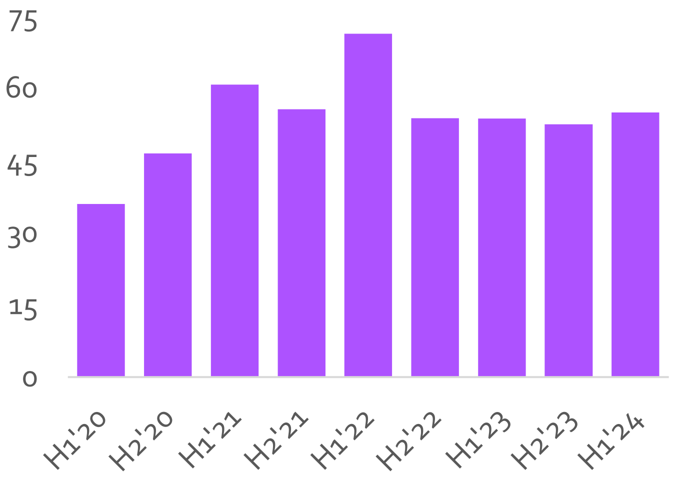
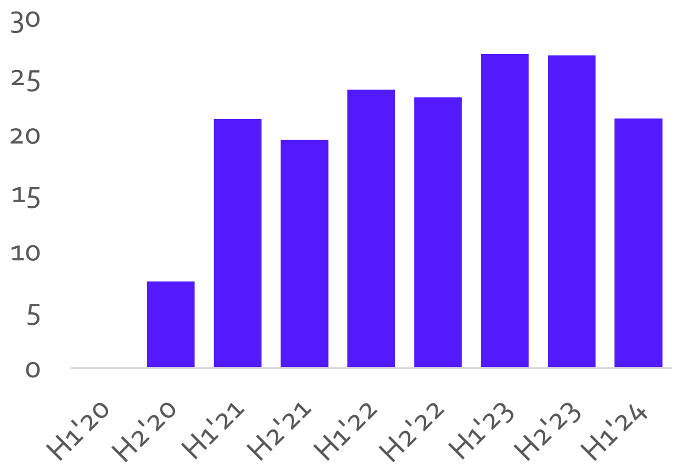
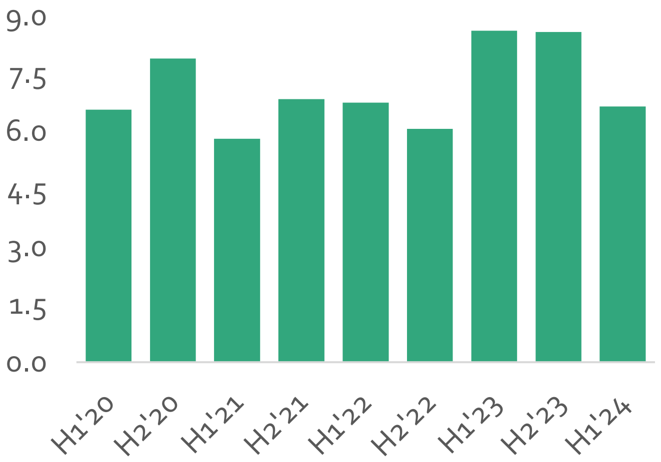
# Healthcare revenue by market segment

## Dental recovering, Drug Delivery pressured near-term




- **DENTAL** sequential organic growth of +6% indicates recovery underway
- Key wholesalers' Q1 revenues suggest continuing soft demand
- Management cautiously optimistic for ongoing revenue recovery in H2

- **DRUG DELIVERY** impacted by implementation of second source for one customer's device
- New Japan cooperation and customer project signed for PiccoJect™
- Project pipeline sufficiently robust to deliver longer-term ambitions

- **SURGERY** limited by exceptionally strong year end 2023
- Atlanta plant as growth catalyst, near-term and over longer term…
- …for all Healthcare segments

All amounts in CHF millions

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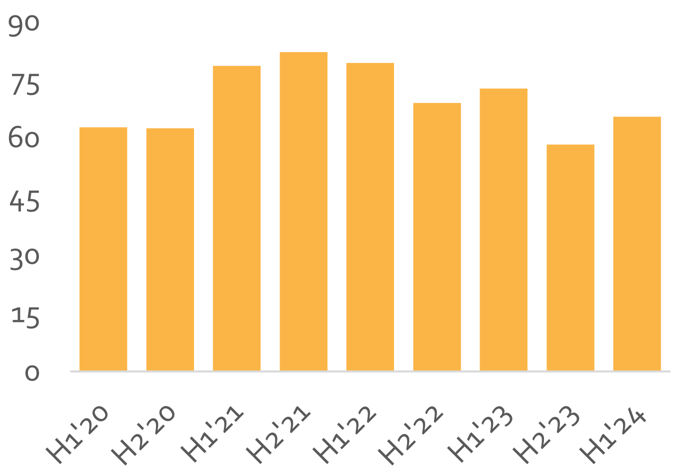
# New ISO-certified[1] Atlanta plant operational, on schedule

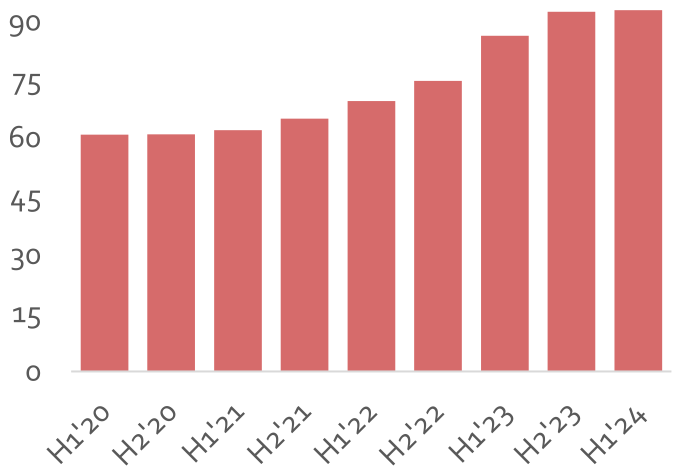
## First validated products for Surgery and Industry products


[1] ISO 13485

# C&I revenue by market segment

## Industry stabilizing, Beauty normalizing




- **INDUSTRY** end market demand remains subdued…
- …with sequential organic growth of +14% supported by full product availability at new Valencia plant

- **BEAUTY** benefited in H1 2023 from several post-Covid launches…
- …with launch activity normalizing in 2024
- Qiaoyi driving positive YoY growth

All amounts in CHF millions

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# Fast pace of innovation maintained

## Sustainable[1], unique, versatile and fast to market

### First sustainable dental mixing tip


- Mixer housing & ring ISCC 68% biobased
- 53% $CO_2$ reduction for 5-8% cost increase vs. legacy product

[1] defined as minimum 30% reduction in $CO_2$ cradle-to-gate vs. standard product

### Innovative precision brush applicators

- 3D-printed *Bridge Brush*: Unique protected design, unlimited possibilities, no tool investment, fast to market
- *Ballerina*: Ideal for lips with optimal product load, ideal texture distribution, easy line drawing
- *featherBRUSH*: fits to eye shape, angled bristles and zig-zag formation for better grip and style for lashes

### MIXPAC™ greenLine™ new range extensions

- Peeler System and Q System
- Reduced $CO_2$ with cartridge made from up to 84% certified PCR materials

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# Global leader in supplier engagement on climate change

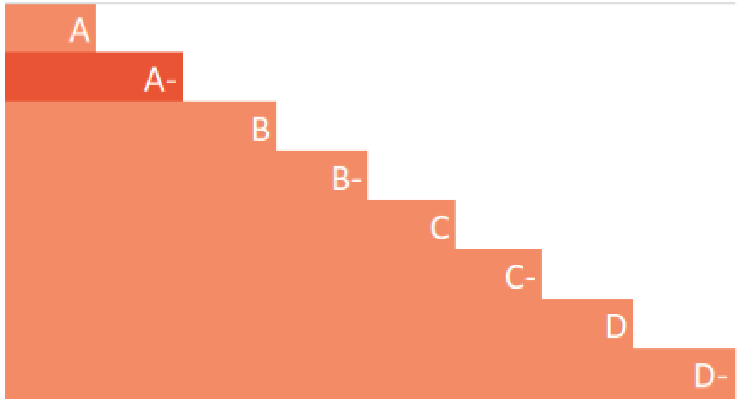
## medmix among top 15% implementing current best practices[1]

A-

| C | B- | C |
|---|---|---|
| Medical equipment & supplies | Europe | Global Average |

CDP
DISCLOSURE INSIGHT ACTION

### UNDERSTANDING YOUR SCORE REPORT




Medmix received an A- which is in the Leadership band. This is higher than the Europe regional average of B-, and higher than the Medical equipment & supplies sector average of C.

***Leadership (A/A-):*** *Implementing current best practices*

***Management (B/B-):*** *Taking coordinated action on supplier engagement issues*

***Awareness (C/C-):*** *Knowledge of impacts on, and of, supplier engagement issues*

***Disclosure (D/D-):*** *Transparent about supplier engagement issues*

[1] according to CDP Supplier Engagement Rating Report 2023 for medmix

# Financial Review

Jennifer Dean, CFO

# Key performance indicators

## Higher gross profit margins, improved cash flow

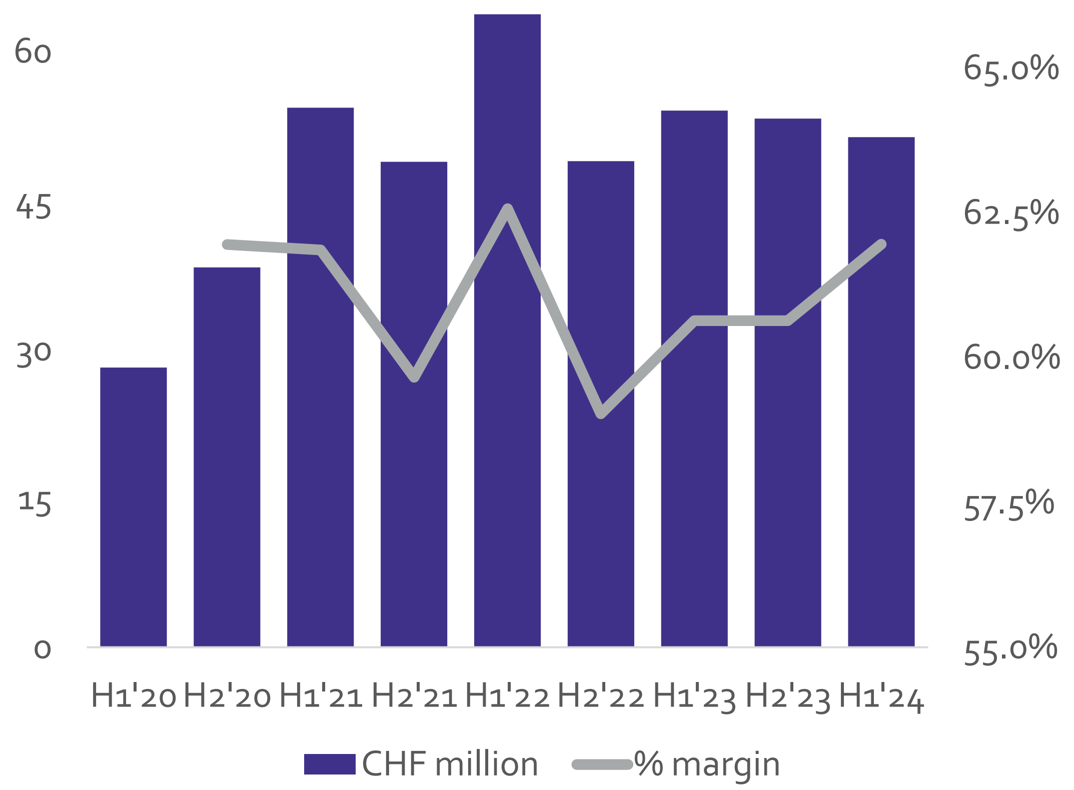
| CHF million | HY 2024 | HY 2023 | change |
|---|---|---|---|
| **Revenue** | **241.2** | **248.1** | -2.8% |
| Organic revenue growth | – | – | -6.1% |
| **BA gross profit** | **106.2** | **108.6** | -2.2% |
| BA gross margin | 44.0% | 43.8% | +30 bps |
| **Gross profit** | **80.6** | **82.0** | -1.7% |
| Gross margin | 33.4% | 33.1% | +30 bps |
| **Adjusted EBITDA** | **46.0** | **49.7** | -7.4% |
| Adjusted EBITDA margin | 19.1% | 20.0% | -100 bps |
| **Adjusted net income[1]** | **18.2** | **23.9** | -24.0% |
| **Adjusted ONCF[2]** | **23.9** | **13.5** | 77.1% |
| **Free cash flow** | **7.6** | **-4.9** | -256% |
| Net debt / adjusted EBITDA | 2.50x | 1.73x | – |

- Group revenue down year-on-year, and slightly up sequentially (+1.1%)
- Dental recovery (improved mix) and Qiaoyi supporting gross margin
- Lower revenues weighed on adj. EBITDA margin
- Reported EBITDA margin of 17.4%, +120bps YoY, +300 bps sequentially
- Marked improvement in adj. ONCF and FCF due to normalized capex and lower non-operating costs

[1] attributable to the shareholders of medmix Ltd. [2] operating net free cash flow

# Healthcare BA gross profit

## Improved margin thanks to higher Dental volumes

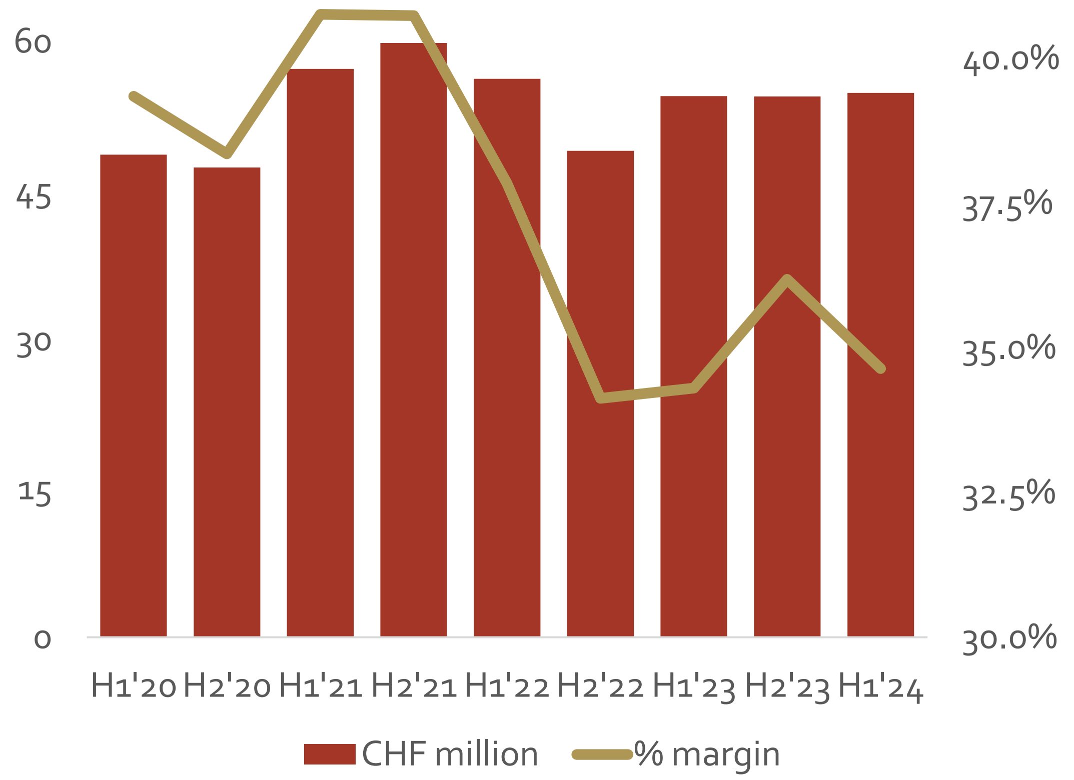



- Margin +130 bps YoY and sequentially
- Recovery in highly profitable Dental segment improving overall mix…
- …and offsetting revenue shortfall in Drug Delivery and Surgery
- H2 2024 to be characterized by:
  - Ongoing recovery in Dental (t.b.c.)
  - Impact on Drug Delivery of second source for key customer
  - Normalization of Surgery revenues

All amounts in CHF millions and percentage of revenue (margin)

# Consumer & Industrial BA gross profit

## Gross profit stable, margin increase, year-on-year

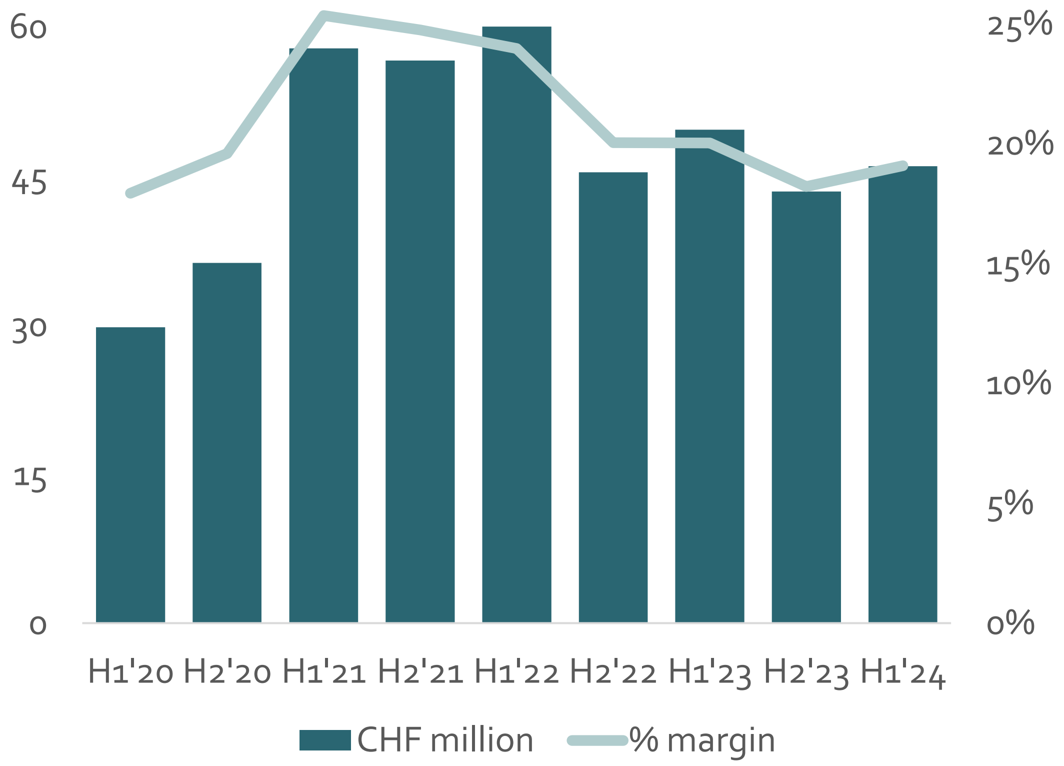



- Stable BA gross profit
  - Gross profit flat YoY
  - Gross margin 35%, +30 bps YoY
- Higher Beauty revenues (Qiaoyi) offsetting lower Industry revenues
- H2 2024 to be characterized by:
  - Positive revenue growth YoY
  - Efficiency improvements at new Industry plant in Valencia

All amounts in CHF millions and percentage of revenue (margin)

# Adjusted Group EBITDA

## Lower volumes weighing on margin




- Group EBITDA
  - Adjusted -100 bps YoY, +90 bps vs. H2’23
  - Reported +120 bps YoY, +300 bps vs. H2’23
- Operating expenses flat
- H2 2024 characterized by:
  - Efficiency improvements at Valencia plant
  - Increased year-on-year volumes

All amounts in CHF millions and percentage of revenue (margin)

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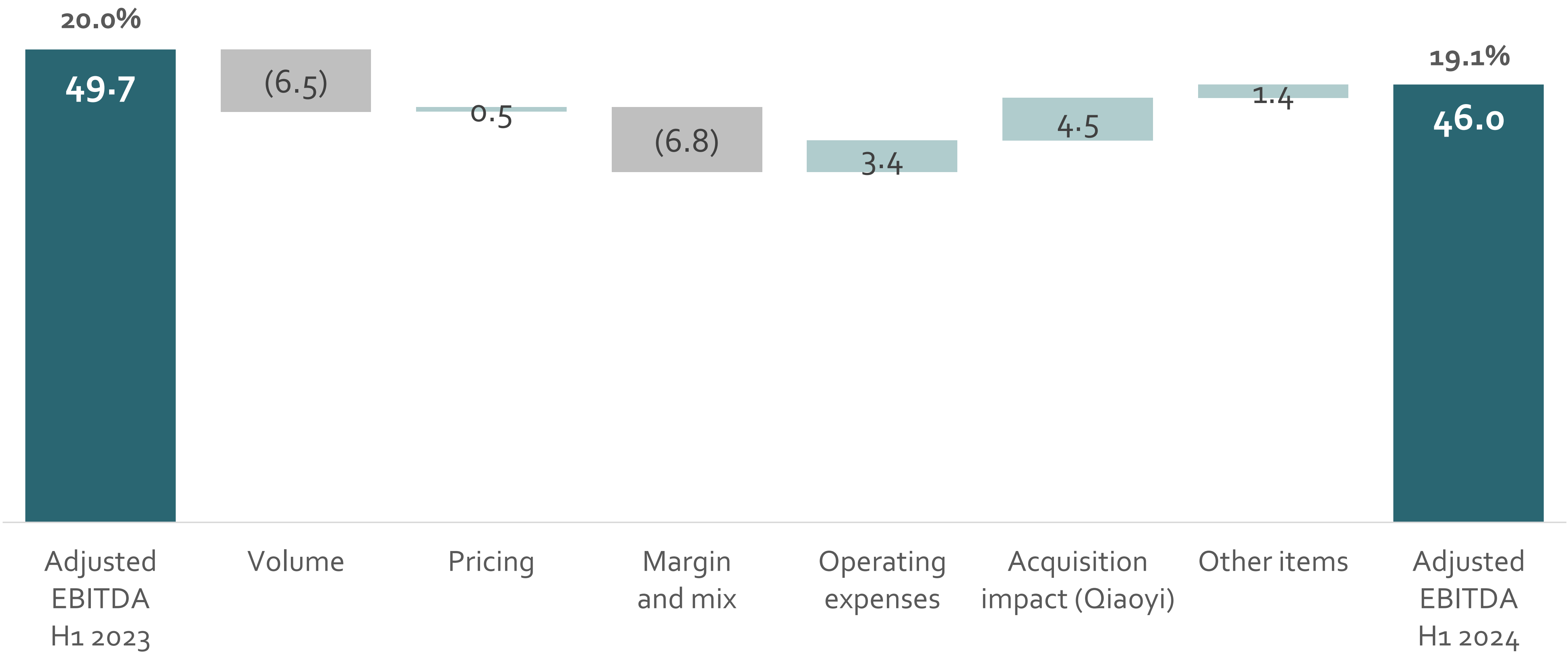
# Adjusted EBITDA bridge

## Margin impacted by lower volumes, Valencia ramp-up




The above walk includes year on year decreases of CHF 6.4 million COGS-related and CHF 0.3 million OPEX-related non-operating expenses

Chart figures in CHF millions; percentage figures above columns (where provided) in percentage of revenues

# Adjusted EBITDA to net income

## Lower EBITDA driving lower EBIT and net income

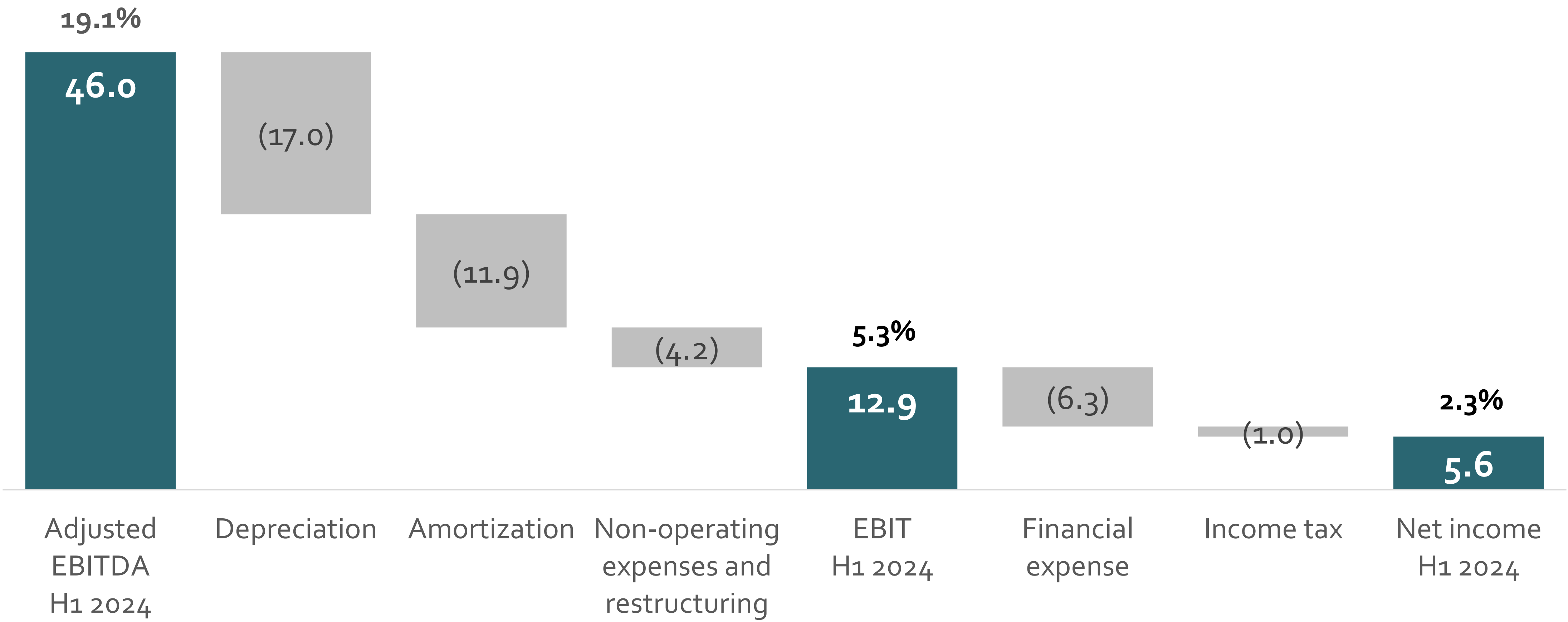



Chart figures in CHF millions; percentage figures above columns (where provided) in percentage of revenues

# Net income to free cash flow

## Improved working capital delivering positive free cash flow

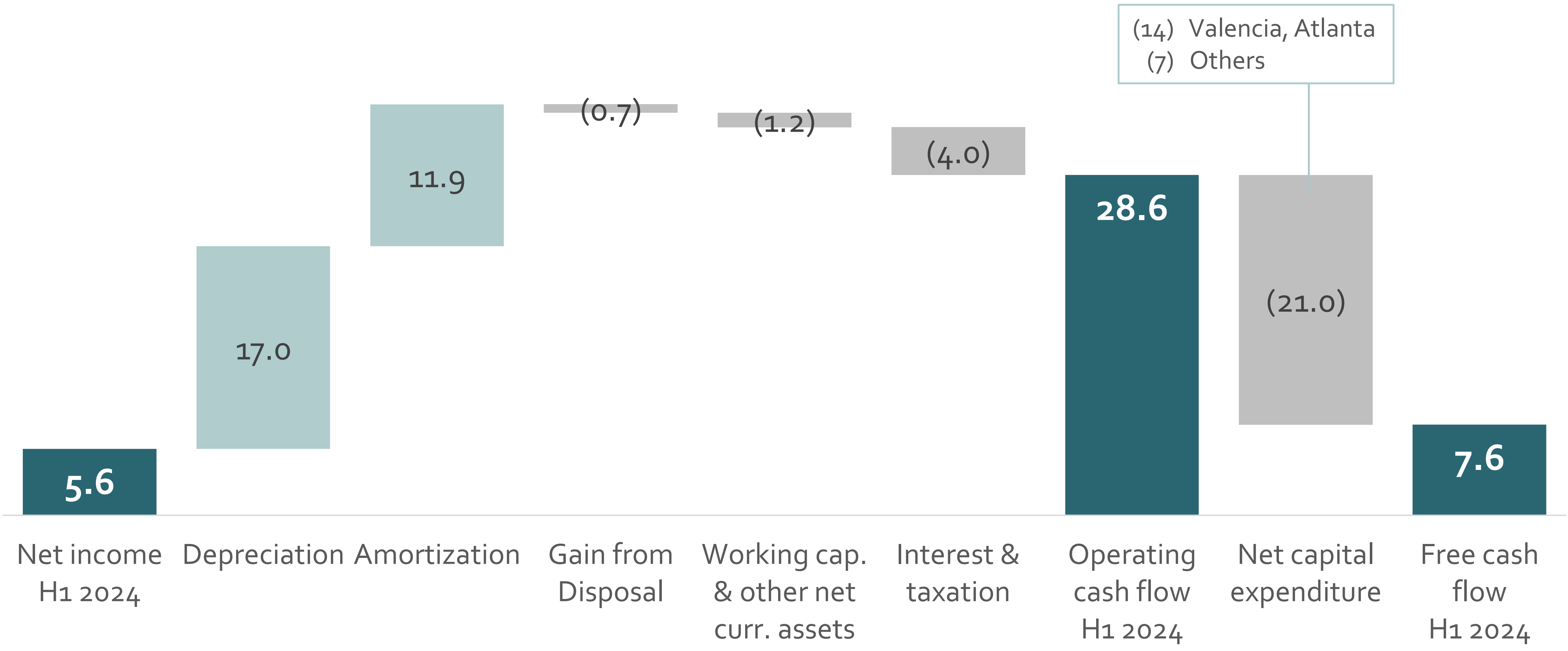



Chart figures in CHF millions; percentage figures above columns (where provided) in percentage of revenues

# Adjusted operating net cash flow bridge

## Operating cash flow driving year-on-year improvement

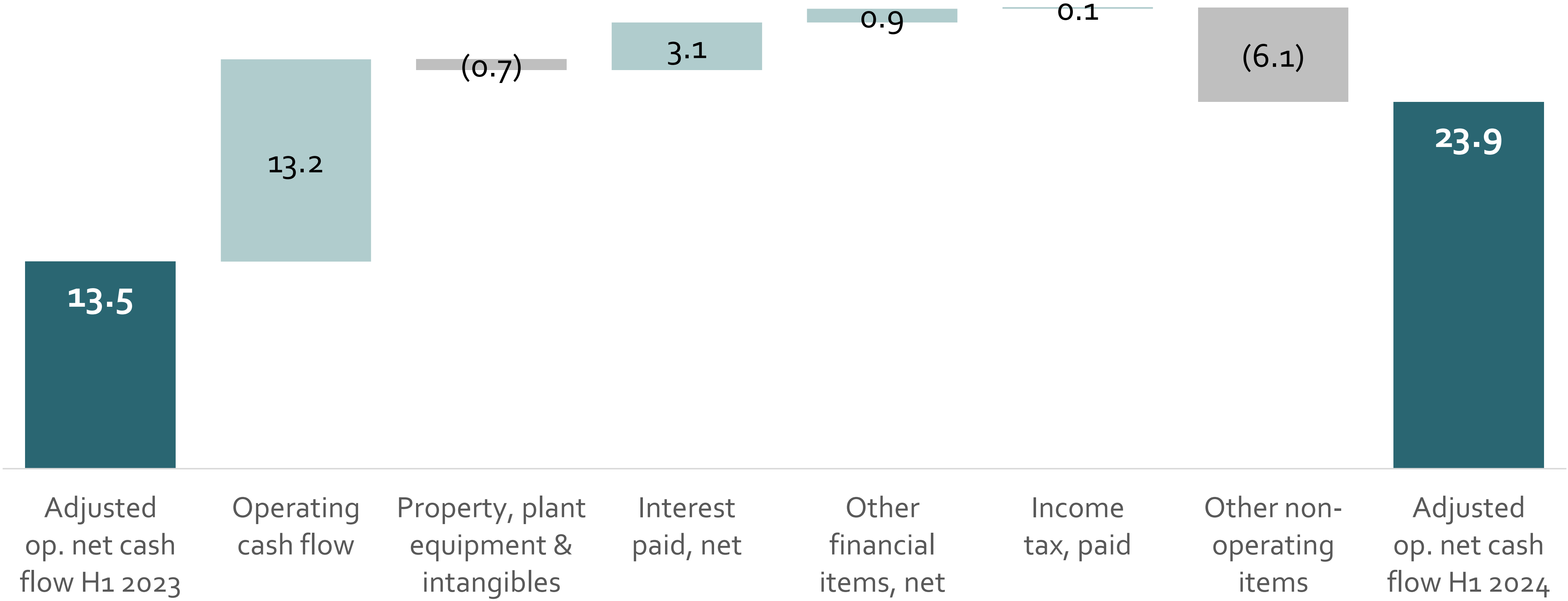



Chart figures in CHF millions

# Outlook

# Outlook

## Revised FY 2024 guidance

Original 2024 guidance assumed stronger Dental and Industry end market recovery than we see, leading to the following revision

- Organic revenue growth flat to negative
- Adjusted EBITDA margin 18-19%

Our urgent priorities:

1. Execute on our innovation pipeline
2. Improve customer experience
3. Drive operational excellence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# Q&A

René Willi, CEO

Jennifer Dean, CFO


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