

## MEDIA RELEASE

Baar, Switzerland, July 18, 2024

Ad hoc announcement pursuant to Art. 53 LR  
Half-Year 2024 Results

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## First half broadly in line with expectations, with Dental recovery on track Full-year 2024 guidance reduced to reflect ongoing softness in end markets

Revenue (CHF million)	H1 2024	% of group	±% nominal	±% organic <sup>1</sup>	H1 2023
Group	241.2	100.0%	-2.8%	-6.1%	248.1
Healthcare	82.9	34.4%	-7.0%	-5.9%	89.2
Consumer & Industrial	158.3	65.6%	-0.4%	-6.3%	158.9
Profit (CHF million)	H1 2024	% margin	±% nominal	± basis pts.	H1 2023
Business area gross profit <sup>2</sup>	106.2	44.0%	-2.2%	+30 bps.	108.6
Adjusted EBITDA <sup>2</sup>	46.0	19.1%	-7.4%	-100 bps.	49.7
Adjusted operating net cash flow <sup>2</sup>	23.9	9.9%	+77.1%	+450 bps.	13.5

### HALF-YEAR 2024 HIGHLIGHTS

- Year-on-year organic revenue decline primarily reflects phasing, with improved second half expected in four of five market segments
  - **Dental** order patterns normalizing, robust year-on-year and sequential organic revenue growth
  - **Drug Delivery** revenues impacted by implementation of key customer's second source
  - **Surgery** temporarily restrained by exceptionally strong year end 2023
  - **Beauty** in line with expectations in context of intense launch activity in first-half 2023
  - **Industry** making good progress: double-digit sequential organic revenue growth, transition from high-cost temporary sites with manual assembly to new Spanish plant now complete
- Improved gross profit margin, while lower volumes impacted adjusted EBITDA margin
- Increase in reported EBITDA, adjusted operating net cash flow and free cash flow
- New ISO-certified Healthcare plant in Atlanta started production on schedule
- New guidance<sup>2</sup>: organic revenue growth flat to negative, adjusted EBITDA margin 18% to 19%

CEO René Willi said: "Since joining as CEO, I have been impressed by medmix' deep customer relationships, technology portfolio and innovative pipeline. I have had excellent discussions with our key global customers and have met many of medmix' talented and passionate teams in all segments, geographies, and functions. I am convinced that we have all the elements of a global leader in high-precision delivery devices for the healthcare, consumer, and industrial end-markets.

First-half results came in broadly as we had planned. Dental revenues began to normalize and returned to growth, while Industry revenues, which declined year-on-year, grew strongly compared to second-half 2023. Drug Delivery revenues declined following an expected increase in second sourcing by a key customer. Surgery revenues were temporarily restrained after an exceptionally strong year end. In Beauty, the organic revenue decline was fully anticipated given last half year's intense launch activity.

<sup>1</sup> For alternative non-GAAP performance measures, please see glossary at the end of this media release and for more details refer to the medmix annual report 2023, chapter on [alternative performance measures](#).

<sup>2</sup> On February 22, 2024, medmix provided full-year 2024 guidance of "+4% to +6%" organic revenue growth and "at least 20%" adjusted EBITDA margin. This been reduced today to "flat to negative" organic revenue growth and "18% to 19%" adjusted EBITDA margin.

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*We continued to invest in operational excellence. We made good progress at our new Valencia site. Our new ISO-certified Atlanta site, which began production on schedule, will increase customer proximity and fulfill our customers' need for dual sourcing.*

*In the first half of this year, lower volumes led to a dampening effect on our adjusted EBITDA, while all key cash flow parameters increased. In the second half, despite anticipated ongoing softness in our end-markets, we expect an improved year-on-year performance in four out of five market segments.*

*Our first-half results and new 2024 guidance match neither our abilities nor our ambitions. We have already begun to make changes that will drive operational excellence and enhance customer experience, with the aim of transitioning to a new era of profitable growth."*

## GROUP REVIEW

In the first half of 2024, medmix generated revenue of CHF 241.2 million, 2.8% lower year-on-year. Acquisition effects (+5.4%) more than offset foreign exchange impacts (-2.0%). Consequently, **organic revenue growth** was negative year-on-year (-6.1%). Compared to the second half of last year, organic revenue increased by +3.2%.

The Dental and Industry market segments, which were challenged last year, both delivered signs of recovery in the first half of 2024. The Dental market segment grew strongly on an organic basis, both year-on-year (+3.2%) and sequentially (+5.5%). Although Industry market segment organic revenues declined by -8.5% year-on-year, they grew +14.1% compared to the second half of 2023.

The Beauty market segment grew +7.6% thanks to last year's Qiaoyi acquisition. The organic revenue decline of -4.4% was due to a normalization of product launch activity after record growth in the first half of last year. Compared to the second half of 2023, organic revenue increased by +3.7%.

The Drug Delivery and Surgery market segments declined sharply in the first half of the year. In Drug Delivery, the planned transfer of a portion of a customer's volumes to a second source continued, while Surgery experienced a temporary softening after an exceptionally strong year end.

**Business area gross profit** declined by -2.2%, less steeply than Group revenues, delivering an improved year-on-year margin of 44.0%, up +30 basis points. **Gross profit** at the Group level, which includes shared costs and cost absorption, declined by -1.7% year-on-year to CHF 80.6 million. Group gross margin therefore increased to 33.4%, up +30 basis points. This improvement was driven primarily by the recovery in Dental market segment revenues.

**Adjusted EBITDA** came in at CHF 46.0 million, representing a decrease of -7.4% year-on-year, and an increase of +5.9% sequentially, delivering an adjusted EBITDA margin of 19.1% compared to 20.0% in H1 2023. This decrease reflects lower year-on-year revenues.

**Reported EBITDA** reached CHF 41.9 million, up +4.5% year-on-year and up +22.0% sequentially, with a margin of 17.4%, up +120 bps year-on-year and up +300 bps sequentially.

**Adjusted net income** attributable to medmix shareholders was CHF 18.2 million in the first half, a year-on-year decrease of -24.0%, primarily due to the lower adjusted EBITDA.

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In the first half of 2024, **gross capital expenditure** was 49.7% lower than the previous year at CHF 17.7 million. This represents 7.3% of revenue, compared to 14.2% of revenue for the first half of 2023. The previously published capex guidance for full-year 2024 of "around 9% of revenue" remains valid.

Lower capital expenditure helped deliver a positive **free cash flow** of CHF 7.6 million, vs. the negative CHF 4.9 million posted in the first half of 2023. The operating metric of **adjusted operating net cash flow**<sup>3</sup> increased by +77.1% to CHF 23.9 million compared to CHF 13.5 million in the first half of 2023.

## BUSINESS AREA<sup>4</sup> REVIEW

In the Healthcare business area, the strong organic revenue growth in the Dental market segment was more than offset by the decline in the Drug Delivery and Surgery market segments.

Consumer & Industrial business area organic revenue also declined in the first half, driven by a normalization of Beauty market segment launch activity and soft demand within the Industry market segment.

### Healthcare | Dental recovering, Drug Delivery recalibrating, Surgery rephasing

BA revenue   CHF million	H1 2024	% of group	±% nominal	±% organic	H1 2023
Healthcare	82.9	34.4%	-7.0%	-5.9%	89.2
- Dental	54.9	22.8%	+2.4%	+3.2%	53.7
- Drug Delivery	21.4	8.9%	-20.6%	-18.5%	26.9
- Surgery	6.6	2.8%	-22.8%	-22.8%	8.6
BA gross profit   CHF million	H1 2024	% margin	±% nominal	± basis pts.	H1 2023
Healthcare	51.4	62.0%	-5.0%	+130 bps.	54.1

Healthcare business area revenues declined by -7.0% nominally and -5.9% organically, with the difference of -1.1% entirely due to foreign exchange effects.

The **Dental** market segment enjoyed a robust organic revenue growth of +3.2% year-on-year and +5.5% sequentially. Based on the first six months, management is optimistic that destocking has run its course and looks forward to confirmation of these positive trends in the months ahead.

**Drug Delivery** market segment revenue declined by -18.5% organically. The shortfall was due to the planned shift of a portion of production volumes to a third-party manufacturer by a customer.

**Surgery** market segment revenue, with a -22.8% organic decrease, was limited by an exceptionally strong end to last year. Management anticipates a normalization of revenues in the second half.

<sup>3</sup> Defined as free cash flow adjusted for financial income and expenses, taxes, other items, cash impacts on other non-operational items.

<sup>4</sup> The abbreviation of "BA" within this section refers to "business area".

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**Business area gross profit** decreased by -5.0% year-on-year to CHF 51.4 million, slightly better than revenue, delivering a gross margin of 62.0% (+130 bps), with the Dental market segment recovery offsetting profit pressure within the Drug Delivery and Surgery market segments.

#### Consumer & Industrial | Industry focusing on recovery, Beauty rephasing

BA revenue   CHF million	H1 2024	% of group	±% nominal	±% organic	H1 2023
Consumer & Industrial	158.3	65.6%	-0.4%	-6.3%	158.9
- Industry	65.4	27.1%	-9.9%	-8.5%	72.7
- Beauty	92.8	38.5%	+7.6%	-4.4%	86.3
BA gross profit   CHF million	H1 2024	% margin	±% nominal	± basis pts.	H1 2023
Consumer & Industrial	54.8	34.6%	+0.6%	+30 bps.	54.5

Consumer & Industrial business area revenues declined by -0.4% on a reported basis and -6.3% organically. Qiaoyi, last year's Beauty market segment acquisition, contributed growth of +8.4% to the first six months, while foreign exchange rates had a negative impact of -2.5%. Compared to the second half of last year, organic revenue increased by +7.7%.

**Industry** market segment revenue reached CHF 65.4 million in the first half of 2024, with a year-on-year organic decline of -8.5%. Compared to the second half of 2023, the Industry market segment delivered solid organic growth of +14.1%. Demand in its end-markets of construction, transportation and electronics continue to be soft.

**Beauty** market segment revenue grew year-on-year by +7.6% to CHF 92.8 million, driven primarily by the Qiaoyi acquisition, with a positive impact of +15.4%. The organic revenue decline of -4.4% was anticipated as first-half 2023 revenues benefited from several customer product launches, and this year's product launch activity returned to a more normalized phasing. Organic revenue increased by +3.7% on a sequential basis.

**Business area gross profit** increased by +0.6% year-on-year, delivering a gross margin of 34.6%, an increase of +30 basis points, primarily due to the accretive Qiaoyi acquisition.

## OUTLOOK

### FY 2024 guidance | Reduced to reflect soft end markets

We are seeing positive signs in the **Dental** and **Industry** market segments, though the end markets in each remain soft. Our full Industry market segment portfolio is now available, and the focus is on increasing efficiency. **Beauty** and **Surgery** market segment revenues are expected to normalize in the second half. **Drug Delivery** market segment revenues are expected to remain under pressure, due to the implementation of a key customer's second source.

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Considering the above factors, management is reducing its financial guidance for 2024:

- Organic revenue growth rate flat to negative (vs. "+4% to +6%" previously and +1.1% actual in FY 2023)
- Adjusted EBITDA margin of 18% to 19% (vs. "at least 20%" previously and 19.1% actual in FY 2023)

We have launched operational excellence initiatives which have already begun to gain traction, and will deliver improvements in profitability at the EBIT level this year.

### Key figures<sup>5</sup>

CHF million	H1 2024	% revenues	±% change	H1 2023	% revenues
Revenue	241.2	100.0%	-2.8%	248.1	100.0%
Organic revenue growth <sup>6</sup>	-	-	-6.1%	-	-
Business area gross profit <sup>6</sup>	106.2	44.0%	-2.2%	108.6	43.8%
Gross profit	80.6	33.4%	-1.7%	82.0	33.1%
Operating income (EBIT)	12.9	5.3%	-11.0%	14.5	5.8%
EBITDA	41.9	17.4%	+4.5%	40.0	16.1%
Adjusted EBITDA <sup>6</sup>	46.0	19.1%	-7.4%	49.7	20.0%
Net income, attributable <sup>7</sup>	5.2	2.1%	-29.2%	7.3	2.9%
Adjusted net income <sup>6</sup> , attributable <sup>7</sup>	18.2	7.5%	-24.0%	23.9	9.7%
Free cash flow (FCF)	7.6	-	-255.8%	-4.9	-
Capital expenditure, gross <sup>6</sup>	17.7	7.3%	-49.7%	35.1	14.2%
Capital expenditure, net <sup>6</sup>	17.1	7.1%	-51.2%	35.1	14.1%
Adj. operating net cash flow (adj. ONCF) <sup>6</sup>	23.9	9.9%	+77.1%	13.5	5.4%
Net debt	223.2	-	+36.1%	164.0	-
Net debt to adjusted EBITDA ratio	2.50	-	-	1.73	-
Employees (FTEs)	2695	-	+20.1%	2245	-
Basic earnings per share (in CHF)	0.12	-	-29.0%	0.18	-
Adj. diluted earnings per share <sup>6</sup> (in CHF)	0.44	-	-24.3%	0.58	-

The medmix half-year report 2024 is [available to download here](#).

<sup>5</sup> medmix' half-year report 2024 contains all consolidated financial statements and notes and is [available to download here](#).

<sup>6</sup> For alternative non-GAAP performance measures, please see glossary at the end of this media release and for more details refer to the medmix annual report 2023, chapter on [alternative performance measures](#).

<sup>7</sup> attributable to shareholders of medmix Ltd.

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## Half-year 2024 results presentation

### Webcast participation

medmix management will present the half-year results 2024 as a webcast on July 18, 2024, at 08:30 CET. Please note that the moderator can only take questions from dialed-in participants. Webcast participants may submit written questions.

A webcast invitation was sent to medmix news subscribers earlier this week. If you have not received it and wish to participate, [please click here to pre-register](#) by 08:00 CET latest to receive the link to the webcast and dedicated dial-in details.

### Webcast playback

The playback of the webcast will be available shortly after the event under the same link.

## Inquiries

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## Key dates in 2024 and 2025

September 12, 2024                      UBS Best of Switzerland Conference

February 26, 2025                      Full-year results 2024

## Glossary of key non-GAAP measures

- **Organic revenue growth** is revenue growth adjusted to exclude acquisitions, disposals, and currency effects.
- **Business area gross profit** is the gross profit assigned to a business area and excludes the part of cost of goods sold that is shared between business units or cannot reasonably be allocated to any one business unit.
- **Adjusted EBITDA** is adjusted for non-operational items that are non-recurring or do not regularly occur in a similar magnitude. The adjusted EBITDA margin is calculated by dividing the adjusted EBITDA by Group revenue.
- **Adjusted net income** is net income attributable to shareholders of medmix Ltd before tax-adjusted effects on restructuring, amortization, impairments, and non-operational items.
- **Adjusted diluted earnings per share** is adjusted net income divided by the average fully diluted number of shares.
- **Adjusted operating net cash flow** is free cash flow adjusted for financial income and expenses, taxes, other items and cash impacts on other non-operational items.

For more details of these and other non-GAAP measures, please refer to the [medmix annual report 2023](#), chapter on [alternative performance measures](#).

## About medmix

medmix is a global leader in high-precision delivery devices. We occupy leading positions in the healthcare, consumer, and industrial end markets. Our customers benefit from a dedication to innovation and technological advancement that has resulted in over 900 active patents. Our 14 production sites worldwide together with our highly motivated and experienced team of nearly 2,700 employees provide our customers with uncompromising quality, proximity, and agility. medmix is headquartered in Baar, Switzerland. Our shares are traded on the SIX Swiss Exchange (SIX: MEDX). [www.medmix.swiss](http://www.medmix.swiss)

## Disclaimer

This document may contain forward-looking statements including, but not limited to, projections of financial developments, market activity, or future performance of products and solutions containing risks and uncertainties. These forward-looking statements are subject to change based on known or unknown risks and various other factors that could cause actual results or performance to differ materially from the statements made herein.