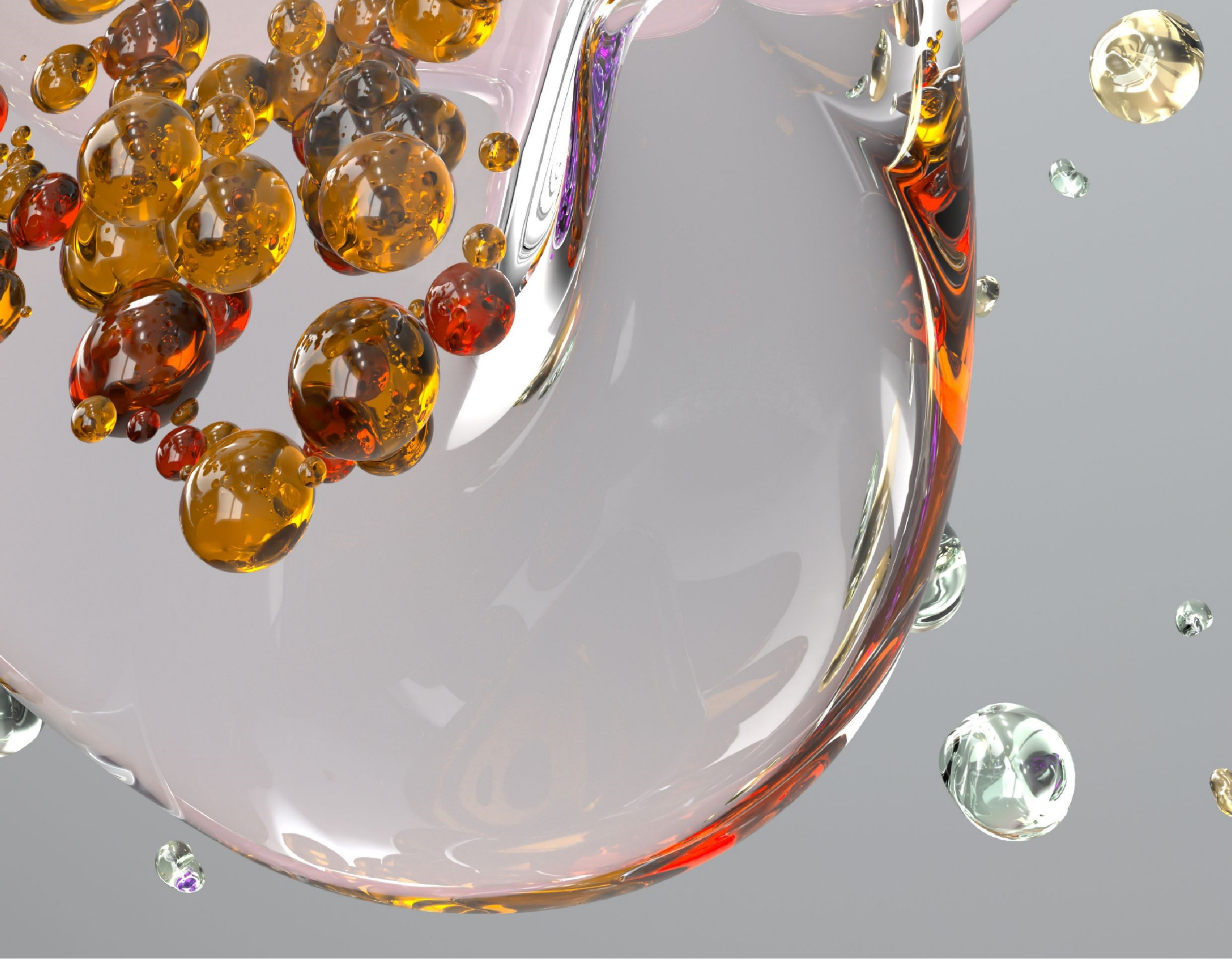

FINANCIAL REPORTING

CONSOLIDATED FINANCIAL STATEMENTS	116
CONSOLIDATED INCOME STATEMENT	116
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	117
CONSOLIDATED BALANCE SHEET	118
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	119
CONSOLIDATED STATEMENT OF CASH FLOWS	120
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	121
AUDITOR'S REPORT	185
ALTERNATIVE PERFORMANCE MEASURES (APM)	189
FINANCIAL STATEMENTS OF MEDMIX LTD	192

Consolidated income statement

January 1 – December 31

millions of CHF	Notes	2024	2023
Revenue	3, 16	483.9	486.6
Cost of goods sold	16	–324.2	–328.9
Gross profit	16	**159.7**	**157.6**
Selling and administrative expenses		–116.4	–119.0
Research and development expenses		–25.4	–25.7
Other operating income / (expenses), net	9	–5.0	3.1
Operating income		**12.9**	**16.0**
Interest income	10	1.1	1.3
Interest expenses	10	–12.1	–10.0
Other financial income / (expenses), net	10	–2.6	–4.4
Share of profit / (loss) of associates	2	–5.7	–
Income before tax expenses		**–6.3**	**2.9**
Income tax expenses	11	–0.0	–2.2
Net income		**–6.4**	**0.7**
Attributable to shareholders of the parent		–7.4	0.3
Attributable to non-controlling interests		1.0	0.4
Earnings per share (in CHF)			
Basic earnings per share	21	–0.18	0.01
Diluted earnings per share	21	–0.18	0.01

Consolidated statement of comprehensive income

January 1 – December 31

millions of CHF	Notes	2024	2023
Net income		**–6.4**	**0.7**
Items that are or may be reclassified subsequently to the income statement			
Cash flow hedges, net of tax	27	–5.0	–1.6
Currency translation differences		6.7	–25.0
Total items that are or may be reclassified subsequently to the income statement		**1.6**	**–26.6**
Items that will not be reclassified to the income statement			
Remeasurements of defined benefit plans, net of tax	8	–1.3	19.5
Total items that will not be reclassified to the income statement		**–1.3**	**19.5**
Total other comprehensive income		**0.3**	**–7.1**
Total comprehensive income for the period		**–6.0**	**–6.4**
- thereof attributable to shareholders of medmix Ltd		–7.4	–6.4
- thereof attributable to non-controlling interests		1.4	–0.0

Consolidated balance sheet

December 31

millions of CHF	Notes	2024	2023
Non-current assets			
Goodwill	12	271.6	268.5
Other intangible assets	12	117.2	127.6
Property, plant and equipment	13	195.2	184.2
Lease assets	14	66.8	73.9
Investments in associates	2	–	5.7
Non-current financial assets		8.0	7.7
Defined benefit assets	8	18.7	22.1
Non-current receivables		0.2	0.3
Deferred income tax assets	11	15.4	8.7
Total non-current assets		**693.0**	**698.7**
Current assets			
Inventory	15	75.4	88.4
Current income tax receivables	11	2.0	–
Advance payments to suppliers		1.9	4.7
Contract assets	16	2.2	1.3
Trade accounts receivable	17	43.8	56.8
Other current receivables and prepaid expenses	18	17.7	26.3
Cash and cash equivalents	19	118.1	130.6
Total current assets		**261.2**	**308.1**
Total assets		**954.2**	**1'006.8**
Equity			
Share capital	20	0.4	0.4
Reserves		435.9	465.0
Equity attributable to shareholders of medmix Ltd	20	**436.4**	**465.4**
Non-controlling interests	20	10.3	9.0
Total equity	20	**446.7**	**474.3**
Non-current liabilities			
Non-current borrowings	22	248.2	247.3
Non-current lease liabilities	14	54.3	60.2
Deferred income tax liabilities	11	16.5	19.4
Defined benefit obligations	8	2.1	1.5
Non-current provisions	23	2.9	2.7
Other non-current liabilities	24	20.6	23.4
Total non-current liabilities		**344.6**	**354.4**
Current liabilities			
Current borrowings	22	10.2	31.5
Current lease liabilities	14	10.7	10.7
Current income tax liabilities	11	13.9	12.7
Current provisions	23	17.3	18.3
Contract liabilities	16	2.2	4.2
Trade accounts payable	25	39.4	49.4
Other current and accrued liabilities	26	69.1	51.2
Total current liabilities		**162.9**	**178.1**
Total liabilities		**507.5**	**532.5**
Total equity and liabilities		**954.2**	**1'006.8**

Consolidated statement of changes in equity

January 1 – December 31

millions of CHF	Notes	Share capital	Retained earnings	Treasury shares	Cash flow hedge reserve	Currency translation adjustment	Total	Non-controlling interests	Total equity
		Attributable to shareholders of medmix Ltd							
Equity as of January 1, 2023		**0.4**	**540.3**	**–12.5**	**0.7**	**–24.1**	**504.8**	**–**	**504.8**
Comprehensive income for the period:									
Net income			0.3				0.3	0.4	0.7
– Cash flow hedges, net of tax	27	–	–	–	–1.6	–	–1.6	–	–1.6
– Remeasurements of defined benefit plans, net of tax	8	–	19.5	–	–	–	19.5	–	19.5
– Currency translation differences		–	–	–	–	–24.6	–24.6	–0.4	–25.0
Other comprehensive income		–	19.5	–	–1.6	–24.6	–6.7	–0.4	–7.1
Total comprehensive income for the period		**–**	**19.8**	**–**	**–1.6**	**–24.6**	**–6.4**	**–0.0**	**–6.4**
Sale of investments in subsidiaries		–	–2.0	–	–	–	–2.0	–	–2.0
Put option liability		–	–9.8	–	–	–	–9.8	–	–9.8
Contribution to the Sulzer group	20	–	–0.3	–	–	–	–0.3	–	–0.3
Transactions with owners of the company:									
Acquisition of subsidiary with non-controlling interests	4	–	–	–	–	–	–	9.0	9.0
Allocation of treasury shares to share plan participants	20	–	–0.4	0.4	–	–	–	–	–
Purchase of treasury shares	20	–	–	–3.1	–	–	–3.1	–	–3.1
Share-based payments	29	–	2.5	–	–	–	2.5	–	2.5
Dividends	20	–	–20.5	–	–	–	–20.5	–	–20.5
Equity as of December 31, 2023	**20**	**0.4**	**529.8**	**–15.2**	**–0.9**	**–48.7**	**465.4**	**9.0**	**474.3**
Equity as of January 1, 2024		**0.4**	**529.8**	**–15.2**	**–0.9**	**–48.7**	**465.4**	**9.0**	**474.3**
Comprehensive income for the period:									
Net income			–7.4				–7.4	1.0	–6.4
– Cash flow hedges, net of tax	27	–	–	–	–5.0	–	–5.0	–	–5.0
– Remeasurements of defined benefit plans, net of tax	8	–	–1.3	–	–	–	–1.3	–	–1.3
– Currency translation differences		–	–	–	–	6.3	6.3	0.4	6.7
Other comprehensive income		–	–1.3	–	–5.0	6.3	–0.0	0.4	0.3
Total comprehensive income for the period		**–**	**–8.7**	**–**	**–5.0**	**6.3**	**–7.4**	**1.4**	**–6.0**
Subsequent measurement of put option liabilities	20	–	–5.0	–	–	–	–5.0	–	–5.0
Contribution to the Sulzer group	20	–	–0.1	–	–	–	–0.1	–	–0.1
Transactions with owners of the company:									
Allocation of treasury shares to share plan participants	20	–	–1.1	1.1	–	–	–	–	–
Purchase of treasury shares	20	–	–	–0.5	–	–	–0.5	–	–0.5
Share-based payments	29	–	4.4	–	–	–	4.4	–	4.4
Dividends	20	–	–20.4	–	–	–	–20.4	–	–20.4
Equity as of December 31, 2024	**20**	**0.4**	**498.9**	**–14.5**	**–6.0**	**–42.4**	**436.4**	**10.3**	**446.7**

Consolidated statement of cash flows

January 1 – December 31

millions of CHF	Notes	2024	2023
Cash and cash equivalents as of January 1	19	**130.6**	**313.5**
Net income		–6.4	0.7
Share of (profit) / loss of associates	2	5.7	–
Interest income	10	–1.1	–1.3
Interest expenses	10	12.1	10.0
Income tax expenses / (income)	11	0.0	2.2
Depreciation, amortization and impairments	12, 13, 14	61.6	58.4
(Gains) / losses from disposals of tangible and intangible assets	9	–0.8	0.0
Changes in inventory		14.9	1.2
Changes in advance payments to suppliers		2.9	–0.8
Changes in contract assets		–1.0	–0.3
Changes in trade accounts receivable		13.4	2.3
Changes in contract liabilities		–2.2	0.2
Changes in trade accounts payable		–7.2	–3.3
Changes in employee benefit plans		2.5	–0.1
Changes in provisions		–1.1	5.7
Changes in other assets and liabilities		12.8	–6.7
Other non-cash items		2.0	0.7
Interest received		0.8	1.3
Interest paid		–12.7	–6.3
Income tax paid		–9.6	–7.9
Total cash flow from operating activities		**86.6**	**56.1**
Purchase of intangible assets	12	–10.0	–6.5
Purchase of property, plant and equipment		–38.5	–46.4
Sale of property, plant and equipment	13	1.5	0.2
Cash consideration for acquisitions, net of cash acquired	4	–4.5	–29.4
Acquisitions of associates		–	–5.7
Divestitures of investments in subsidiaries		–	4.0
Sale of current financial assets		–	3.3
Total cash flow from investing activities		**–51.5**	**–80.6**
Dividends paid to shareholders	20	–15.0	–15.0
Dividends paid to non-controlling interests in subsidiaries		–	–1.3
Purchase of treasury shares	20	–0.5	–3.1
Payments of lease liabilities	14	–11.9	–10.4
Transaction costs related to loans and borrowings		–	–0.4
Proceeds from current borrowings	22	16.4	33.6
Repayments of current borrowings	22	–37.7	–157.2
Total cash flow from financing activities		**–48.6**	**–153.8**
Exchange gains / (losses) on cash and cash equivalents		1.0	–4.6
Net change in cash and cash equivalents		**–12.5**	**–182.9**
Cash and cash equivalents as of December 31	19	**118.1**	**130.6**

For the calculation of free cash flow (FCF), reference is made to Financial review section.

Notes to the consolidated financial statements

01	General information and basis of preparation	122
02	Significant events and transactions during the reporting period	123
03	Segment information	124
04	Acquisition of subsidiaries	127
05	Critical accounting estimates and judgments	128
06	Financial risk management	130
07	Personnel expenses	139
08	Employee benefit plans	139
09	Other operating income and expenses	144
10	Financial income and expenses	145
11	Income taxes	146
12	Goodwill and other intangible assets	150
13	Property, plant and equipment	153
14	Leases	154
15	Inventory	156
16	Assets and liabilities related to contracts with customers	157
17	Trade accounts receivable	158
18	Other current receivables and prepaid expenses	159
19	Cash and cash equivalents	159
20	Equity	160
21	Earnings per share	163
22	Borrowings	163
23	Provisions	165
24	Other non-current liabilities	166
25	Trade accounts payable	166
26	Other current and accrued liabilities	167
27	Derivative financial instruments	168
28	Contingent liabilities	169
29	Share participation plans	169
30	Transactions with members of the Board of Directors, Executive Committee and related parties	172
31	Auditor remuneration	172
32	Material accounting policies and valuation methods	173
33	Subsequent events after the balance sheet date	183
34	Major subsidiaries	184

Notes to the consolidated financial statements

1 General information and basis of preparation

1.1 General information

medmix Ltd (the "company") is a company domiciled in Switzerland. The address of the company's registered office is Neuhofstrasse 20 in Baar, Switzerland. The consolidated financial statements for the year ended December 31, 2024, comprise the company and its subsidiaries (together referred to as the "group" and individually as the "subsidiaries").

The group is a global market leader in high-precision delivery devices for the healthcare and consumer and industrial segments. The group specializes in the design and production of innovative, high-precision delivery devices and applicators for the dental, drug delivery, surgery, industrial and beauty markets. The group employs 2'684 people at 19 production, sales and service sites around the world.

medmix Ltd is listed on the SIX Swiss Exchange in Zurich, Switzerland (symbol: MEDX).

Details of the group's accounting policies are included in note 32.

1.2 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards using the historical cost convention except for

- financial assets at fair value through profit and loss; and
- net position from defined benefit plans, where plan assets are measured at fair value and the plan liabilities are measured at the present value of the defined benefit obligation.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by all subsidiaries.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

Rounding

Due to rounding, numbers presented throughout the report may not add up precisely to the totals provided. All ratios, percentages and variances are calculated using the underlying amounts rather than the presented rounded amounts.

Tables

Within tables, blank fields generally indicate that the field is not applicable or not meaningful, or that information is not available as of the relevant date or for the relevant period. Dashes (–) generally indicate that the respective figure is zero, while a zero (0.0) indicates that the relevant figure has been rounded to zero.

2 Significant events and transactions during the reporting period

The financial position and performance of the group were particularly affected by the following events and transactions during the reporting period:

- In 2024, the group exercised its fixed-price forward and acquired an additional 10% equity interest in Guangdong Qiaoyi Plastic Co. Ltd. ("Qiaoyi") for CHF 4.5 million, increasing its total ownership to 80%. For more details, refer to note 4, note 20 and note 26.
- As part of the Growth & Efficiency program, the group recorded impairments of production machines and facilities, mainly in Germany, and other intangible assets, mainly related to research and development projects, totaling CHF 5.2 million. For more details on the impaired asset category, refer to note 12, note 13 and note 14.
- As of October 31, 2024, the share of loss from associates amounted to CHF 0.5 million. The group conducted an impairment test on the carrying amount of CHF 5.3 million, resulting in a full impairment. The share of profit / (loss) of associates for the full year inlcuding the impairment amounted to CHF –5.7 million.
- On April 24, 2024, the Annual General Meeting approved an ordinary dividend of CHF 0.50 per share to be paid out of reserves (2023: CHF 0.50 per share). The dividend was paid to shareholders on May 5, 2024. The total amount of the dividend to shareholders of medmix Ltd is CHF 20.4 million (2023: CHF 20.5 million), thereof paid dividends of CHF 15.0 million (2023: CHF 15.0 million). Dividends are not transferred to the group's shareholder, Tiwel Holding AG, as a result of US sanctions. The total outstanding dividend as of December 31, 2024, is CHF 16.3 million (December 31, 2023: CHF 10.9 million). For more details, refer to note 20.
- In 2024, the group drew down CHF 15.0 million and repaid CHF 35.0 million from the syndicated revolving credit facility. As of December 31, 2024, CHF 10.0 million of the facility was drawn, compared with CHF 30.0 million as of December 31, 2023. For more details, refer to note 22.

For a detailed discussion about the group's performance and financial position, refer to Financial review section.

3 Segment information

Segment information

millions of CHF	Healthcare 2024	Healthcare 2023	Consumer & Industrial 2024	Consumer & Industrial 2023	Total medmix 2024	Total medmix 2023
Revenue[1)]	**176.7**	**177.0**	**307.2**	**309.6**	**483.9**	**486.6**
Segment cost of goods sold	–68.0	–69.7	–198.4	–200.5	–266.4	–270.2
Segment gross profit	**108.7**	**107.3**	**108.8**	**109.0**	**217.5**	**216.4**
Segment gross profit margin	61.5%	60.6%	35.4%	35.2%	45.0%	44.5%

1) Revenue from external customers.

Certain expenses are not attributable to a particular segment and are reported as a whole across the group irrespective of the segment. These expenses are presented in the following reconciliation statement.

Bridge from segment gross profit to operating income (EBIT)

millions of CHF	2024	2023
Segment gross profit	**217.5**	**216.4**
Other cost of goods sold	–57.8	–58.7
Gross profit	**159.7**	**157.6**
Operating expenses	–146.7	–141.7
Operating income (EBIT)	**12.9**	**16.0**

Information about reportable segments

Operating segments are determined based on the reports reviewed by the Board of Directors (BoD, chief operating decision maker) that are used to measure performance, make strategic decisions and allocate resources to the segments. The business is managed based on segments, and the reportable segments have been identified as disclosed below. The BoD assesses the performance of the two segments based on the segments' revenue, gross profit and gross profit margin.

The BoD assesses the performance of the segments using alternative performance measures (APMs), which are derived from the financial statements prepared in accordance with IFRS Accounting Standards.

- **Segment cost of goods sold** is the part of cost of goods sold that is assigned to a segment. The calculation excludes the part of cost of goods sold that is shared between segments or cannot reasonably be allocated to any segment. Segment cost of goods sold is used to monitor the costs of a segment.
- **Segment gross profit** is the part of gross profit that is assigned to a segment. The calculation excludes the part of cost of goods sold that is shared between segments or cannot reasonably be allocated to any segment. Segment gross profit is used to monitor the gross profit of a segment.
- **Segment gross profit margin** is the part of the gross profit margin that is assigned to a segment. Segment gross profit margin is used to monitor the margin of a segment.

The APMs are prepared in addition to IFRS Accounting Standards to assist in comparability of information across periods and segments.

Revenue from external customers reported to the BoD is measured in a manner consistent with that in the income statement. There is no significant revenue between the segments. No individual customer represents a significant portion of the group's revenue.

Healthcare

Through its well-known brands Haselmeier, Medmix, Mixpac and Transcodent, the Healthcare segment specializes in the design and production of innovative, high-precision delivery devices and services within the drug delivery, surgery and dental markets. Products include injection pens for subcutaneous delivery of drugs, surgical delivery devices focusing on trauma bone repair and wound-healing tissue treatment, and mixing, filling and delivery device systems for the dental consumable industry.

The segment's IP-protected solutions make customers' products precise, safe, unique and more sustainable, leveraging the business's expertise in drug delivery, plastic-injection technology, molding and two-component mixing.

Consumer & Industrial

Through its well-known brands Mixpac, MK, Cox and Geka, the Consumer & Industrial segment specializes in the design and production of innovative, high-precision delivery devices and services within the Industry business unit, such as adhesives used in construction, electronics, automotive, aerospace and various industries, and consumer markets such as beauty and other microbrush applications. Products include hand-held mixing and dispensing delivery devices for two-component adhesives and sealants, mixing tips, cartridges, high-precision makeup applicators and microbrushes.

The segment's IP-protected solutions make customers' products precise, safe, unique and more sustainable, leveraging the business's expertise in plastic injection molding, two-component mixing, fluid handling, material design and microbrushes.

Regional information

The allocation of assets is based on their geographical location. Non-current assets exclude non-current financial assets (other than investments in associates), deferred income tax assets and defined benefit assets. The allocation of revenue from external customers is based on the ship-to location defined by the group's customer, which does not necessarily correspond with the location of the end-customer.

Non-current assets by region

millions of CHF	2024	2023
Europe, the Middle East and Africa	**526.8**	**548.3**
– thereof Germany	274.4	288.5
– thereof Switzerland	187.1	203.1
– thereof Spain	43.0	34.5
– thereof United Kingdom	17.3	18.3
Americas	**67.7**	**55.4**
– thereof USA	65.9	53.9
Asia-Pacific	**56.5**	**56.5**
– thereof China	55.6	56.1
Total non-current assets	**651.0**	**660.2**

Revenue by region

millions of CHF	2024	2023
Europe, the Middle East and Africa	**285.4**	**298.2**
– thereof Germany	108.2	99.2
– thereof Italy	42.7	51.6
– thereof France	26.0	32.6
– thereof United Kingdom	25.4	17.5
– thereof Switzerland	19.4	26.0
Americas	**140.5**	**139.2**
– thereof USA	120.0	113.9
Asia-Pacific	**58.0**	**49.1**
– thereof China	24.7	20.4
– thereof Japan	13.0	13.1
Total revenue	**483.9**	**486.6**

Business unit information

The following table shows the allocation of revenue from external customers by business unit:

Revenue by business unit

millions of CHF	2024	2023
Dental	115.6	106.2
Drug Delivery	43.4	53.6
Surgery	17.7	17.2
Total Healthcare	**176.7**	**177.0**
Industry	126.6	130.9
Beauty	180.6	178.6
Total Consumer & Industrial	**307.2**	**309.6**
Total revenue	**483.9**	**486.6**

4 Acquisition of subsidiaries

Acquisitions in 2024

In 2024, the group exercised its fixed-price forward and acquired an additional 10% equity interest in Guangdong Qiaoyi Plastic Co. Ltd. ("Qiaoyi") for CHF 4.5 million, increasing its total ownership to 80%. In 2023, the current payables from the purchase of a subsidiary, amounting to CHF 4.4 million, were recognized in other current and accrued liabilities (see note 26).

At any time after July 5, 2027, the non-controlling shareholders can exercise a put option to sell, and the group can exercise a call option to purchase, the remaining 20% equity interest held by the non-controlling shareholders for a formula-based purchase price. The group recognized a redemption liability, recorded in other non-current liabilities (note 24), based on the discounted put exercise price in equity. Changes in the put exercise price and accretion effects over the contract period are recognized in equity (note 20).

Acquisitions in 2023

On July 5, 2023, the group acquired 70% of the issued share capital and voting interests in Guangdong Qiaoyi Plastic Co. Ltd. (“Qiaoyi”) for CHF 31.3 million. Qiaoyi operates as part of medmix' Beauty business unit.

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition, including the resulting goodwill and the total consideration.

Net assets acquired at the date of acquisition

millions of CHF	Qiaoyi
Intangible assets	24.0
Property, plant and equipment	5.1
Lease assets	1.6
Inventory	2.3
Advance payments to suppliers	0.0
Trade accounts receivable	2.1
Other current receivables and prepaid expenses	6.6
Cash and cash equivalents	1.9
Deferred income tax liability	–5.3
Current income tax liabilities	–7.2
Contingent liabilities (recorded as current provisions)	–6.4
Contract liabilities	–0.6
Trade accounts payable	–0.4
Other current and accrued liabilities	–3.0
Net identifiable assets	**20.8**
Non-controlling interests	–9.0
Goodwill recognized in balance sheet	24.2
Total consideration	**36.0**
Purchase price paid by the group	31.3
Purchase price not yet paid	4.7
Total consideration	**36.0**

Cash flow from acquisitions of subsidiaries

millions of CHF	2024	2023
Cash consideration paid	–4.5	–31.3
Cash acquired	–	1.9
Total cash flow from acquisitions, net of cash acquired	**–4.5**	**–29.4**

5 Critical accounting estimates and judgments

In preparing these consolidated financial statements in accordance with IFRS Accounting Standards, management has made estimates and assumptions that affect the reported amounts of income, expenses, assets, liabilities and contingent liabilities. All estimates and assessments are continually reviewed and are based on historical experience and other factors, including expectations regarding future events that appear reasonable under the given circumstances. The group makes estimates and assumptions that relate to the future. By their nature, these estimates will only rarely correspond to actual subsequent events. The estimates and assumptions that carry a significant risk, in the form of a substantial adjustment to the present values of assets and liabilities within the next financial year, are set out below.

Employee benefit plans

The present value of the pension obligation and the plan assets depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Assumptions used in determining the defined benefit assets/obligations include the discount rate, future salary and pension increases, and mortality rates. The assumptions are reviewed and reassessed at the end of each year. Further details are provided in note 8 and note 32.

Income taxes

The group is obliged to pay income taxes in numerous jurisdictions. Assumptions are required in order to determine income tax provisions. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Management believes that the estimates are reasonable and that the recognized liabilities for income tax-related uncertainties are adequate. Further details are disclosed in note 11.

Goodwill and other intangible assets

The group carries out an annual impairment test on goodwill as of March 31 (after the budget and the three-year strategic plan have been approved) or when indications of a potential impairment exist. The recoverable amount from cash-generating units is measured on the basis of value-in-use calculations with the terminal growth rate, the discount rate and the projected cash flows as the main variables. Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment are disclosed in note 12. The accounting policies are disclosed in note 32.

Lease assets and lease liabilities

The group has applied judgment to determine the lease term for lease contracts that include renewal and termination options. The assessment of whether the group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and lease assets recognized. This assessment depends on economic incentives, such as removal and relocation costs. Further details are disclosed in note 14 and note 32.

Revenue

At contract inception, the group assesses the goods or services promised in a contract with a customer and identifies each promise to transfer to the customer as a performance obligation. The group considers the terms of the contract and all other relevant facts, including the economic substance of the transaction. Judgment is needed to determine whether there is a single performance obligation or multiple, separate performance obligations.

If the consideration promised in a contract includes a variable amount (e.g., early payment discounts, volume discounts), the group estimates the amount of consideration to which the group will be entitled in exchange for transferring the promised goods or services to a customer. The amount of the variable consideration is estimated using either the expected value or the most likely amount, depending on which method the group expects to better predict the amount of consideration to which it will be entitled. The method selected is applied consistently throughout the contract and to similar types of contracts when estimating the effect of uncertainty on the amount of variable consideration to which the group is entitled. Depending on the outcome of the respective transactions, actual payments may differ from these estimates.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. If the stand-alone selling price is not directly observable, then the group estimates the amount with the expected cost plus margin method. Further details are disclosed in note 32.

Provisions

Provisions are made, among other reasons, for warranties, disputes, litigation and restructuring. A provision is recognized in the balance sheet when the group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The nature of these costs is such that judgment has to be applied to estimate the timing and amount of cash outflows. Depending on the outcome of the respective transactions, actual payments may differ from these estimates. Further details are disclosed in note 23 and note 32.

Indemnification assets

Indemnification assets are recognized for potential cash outflows covered by indemnity clauses in business combinations. An indemnification asset is recognized at the same time that the indemnified item is recognized and measured on the same basis as the indemnified item, subject to the need for a valuation allowance for uncollectible amounts. The nature of these assets is such that judgment has to be applied to estimate the timing and amount of cash inflows. Depending on the outcome of the respective transactions, actual payments may differ from these estimates. Further details about the recognized indemnification assets are disclosed in note 18.

6 Financial risk management

6.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance. The group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department (Group Treasury). Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the group's entities and businesses. There are written principles for overall risk management and policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

a) Market risk

(I) Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The group is exposed to transactional foreign currency risk to the extent that revenues, purchases, license fees, borrowings and other balance sheet items are denominated in currencies other than the functional currencies of group companies. The functional currencies of group entities are primarily CHF, EUR, USD and CNY. Management has established a policy requiring entities to manage their foreign exchange risk against their functional currency. The entities are required to hedge their major foreign exchange risk exposure using forward contracts or other standard instruments, usually transacted with Group Treasury. The group's management policy is to apply the following hedge ratios:

Contractual FX exposure

- 90% to 100% of the exposure

Non-contractual FX exposure

- 100% of the forecast exposure for the next 1–3 months
- 60% of the forecast exposure for the next 4–6 months
- 40% of the forecast exposure for the next 7–12 months

The group uses forward exchange contracts to hedge its currency risk, with a maturity of less than one year from the reporting date. The contracts are generally designated for hedge accounting as cash flow hedges. The group determines the existence of an economic relationship between the hedging instruments and the hedged item based on the currency, amount and timing of the respective cash flows. For hedges of foreign currency purchases, the group enters into hedge relationships where the critical terms of the hedging instrument exactly match the terms of the hedged item. The group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer exactly match the critical terms of the hedging instrument, the group uses the hypothetical derivative method to assess effectiveness. In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated.

Presently, most of the contracts are designated as cash flow hedges. External foreign exchange contracts are designated as hedges of foreign exchange risk on specific assets, liabilities or future transactions on a gross basis. The group has certain investments in foreign operations whose net assets are exposed to foreign currency translation risk. If required, currency exposure arising from the net assets of the group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. Derivative financial instruments are only used on an ad hoc basis to manage foreign currency translation risk.

The following tables show the hypothetical influence on the income statement related to the foreign exchange risk of financial instruments. The volatility used for the calculation is the one-year historic volatility on December 31 for the relevant currency pair and year. For 2024, the currency pair with the most significant exposure and inherent risk was USD versus CHF. If, on December 31, 2024, the USD had appreciated by 7.1% against the CHF with all other variables held constant, profit after tax for the year would have been CHF 0.02 million higher due to foreign exchange gains on USD-denominated assets. A decrease in the rate would have caused a loss in the same amount.

Hypothetical impact of foreign exchange risk on income statement

millions of CHF			2024
Currency pair	USD/CHF	EUR/BRL	GBP/USD
Exposure	0.4	0.4	0.3
Volatility	7.1%	11.6%	6.2%
Effect on profit after tax (appreciation)	0.0	0.0	0.0
Effect on profit after tax (depreciation)	–0.0	–0.0	–0.0

millions of CHF			2023
Currency pair	USD/BRL	EUR/GBP	EUR/USD
Exposure	1.1	0.2	–0.1
Volatility	12.2%	4.8%	7.6%
Effect on profit after tax (appreciation)	0.1	0.0	–0.0
Effect on profit after tax (depreciation)	–0.1	–0.0	0.0

The following tables show the hypothetical influence on other comprehensive income related to the foreign exchange risk of financial instruments for the most important currency pairs as of December 31 of the respective year. The volatility used for the calculation is the one-year historic volatility on December 31 for the relevant currency pair and year. Most of the hypothetical effect on other comprehensive income is a result of fair value changes of derivative financial instruments designated as hedges of future cash flows in foreign currencies adjusted for tax effects.

Hypothetical impact of foreign exchange risk on other comprehensive income

millions of CHF			2024
Currency pair	USD/CHF	EUR/CHF	EUR/USD
Exposure	–19.7	10.8	–5.9
Volatility	7.1%	5.2%	5.9%
Effect on other comprehensive income, net of taxes (appreciation)	–1.1	0.5	–0.3
Effect on other comprehensive income, net of taxes (depreciation)	1.1	–0.5	0.3

millions of CHF			2023
Currency pair	USD/CHF	EUR/CHF	EUR/GBP
Exposure	–24.1	4.7	–4.6
Volatility	7.9%	5.1%	4.8%
Effect on other comprehensive income, net of taxes (appreciation)	–1.6	0.2	–0.2
Effect on other comprehensive income, net of taxes (depreciation)	1.6	–0.2	0.2

(II) Price risk

As of December 31, 2024, and 2023, the group was not exposed to price risks related to investments in equity securities.

(III) Interest rate risk

The group’s interest rate risk arises from interest-bearing assets and liabilities. Assets and liabilities at variable rates expose the group to interest rate risk. The group analyzes its interest rate exposure on a net basis and, if required, enters into derivative instruments in order to limit the volatility of net interest income or expense. The group’s current and non-current interest-bearing liabilities mainly comprise a syndicated term loan of CHF 250.0 million with variable interest rates and a CHF 150.0 million revolving credit facility, of which CHF 10.0 million was drawn as of December 31, 2024 (December 31, 2023: CHF 30.0 million drawn).

The group uses interest rate swaps to hedge its interest rate risk, with a maturity aligned to the hedged item, which is variably financed over the next four years. As of December 31, 2024, CHF 125.0 million was swapped from variable to fixed rate (December 31, 2023: CHF 125.0 million). The contracts are generally designated for hedge accounting as cash flow hedges. The group determines the existence of an economic relationship between the hedging instruments and the hedged item based on the interest reference, amount and timing of the respective cash flows. The group enters into hedge relationships where the critical terms of the hedging instrument exactly match the terms of the hedged item. The group therefore performs a qualitative assessment of effectiveness.

The following table shows the hypothetical influence on the income statement for variable interest-bearing assets net of liabilities at variable interest rates, assuming market interest rate levels would have increased/ decreased by 100 basis points. For CHF, increasing interest rates would have a negative impact on the income statement, since the value of variable interest-bearing liabilities exceeds the value of variable interest-bearing assets. For the other most significant currencies, EUR, USD, CNY and GBP, higher interest rates would have had a positive impact on the income statement, as variable interest-bearing assets (comprising mainly cash and cash equivalents) exceed the value of variable interest-bearing liabilities.

Hypothetical impact of interest rate risk on income statement

millions of CHF			2024	
			Impact on post-tax profit	
Variable interest-bearing assets / (liabilities), net	Amount	Sensitivity in basis points	Rate increase	Rate decrease
CHF	–95.4	100	–0.8	0.8
EUR	21.1	100	0.2	–0.2
USD	16.5	100	0.1	–0.1
CNY	15.6	100	0.1	–0.1
GBP	1.8	100	0.0	–0.0

millions of CHF			2023	
			Impact on post-tax profit	
Variable interest-bearing assets / (liabilities), net	Amount	Sensitivity in basis points	Rate increase	Rate decrease
CHF	–73.5	100	–0.6	0.6
EUR	18.5	100	0.2	–0.2
USD	15.7	100	0.1	–0.1
CNY	6.5	100	0.1	–0.1
GBP	2.2	100	0.0	–0.0

On December 31, 2024, if the interest rates on CHF-denominated assets net of liabilities had been 100 basis points higher with all other variables held constant, post-tax profit for the year would have been CHF 0.8 million lower as a result of higher interest expenses on CHF-denominated liabilities. A decrease in interest rates on CHF-denominated liabilities net of assets would have caused a gain in the same amount. On December 31, 2023, if the interest rates on CHF-denominated assets net of liabilities had been 100 basis points higher with all other variables held constant, post-tax profit for the year would have been CHF 0.6 million lower as a result of higher interest expenses on CHF-denominated liabilities. A decrease in interest rates on CHF-denominated liabilities net of assets would have caused a gain in the same amount.

The following tables show the hypothetical influence on other comprehensive income related to the interest rate risk of financial instruments as of December 31 of the respective year. The sensitivity used for the calculation is 100 basis points. The hypothetical effect on other comprehensive income is the result of fair value changes of derivative financial instruments designated as hedges of future cash flows from variable interest rates adjusted for tax effects.

Hypothetical impact of interest rate risk on other comprehensive income

millions of CHF			2024	
			Impact on other comprehensive income	
Exposure	Amount	Sensitivity in basis points	Rate increase	Rate decrease
CHF	–125.0	100	–1.0	1.0

millions of CHF			2023	
			Impact on other comprehensive income	
Exposure	Amount	Sensitivity in basis points	Rate increase	Rate decrease
CHF	–125.0	100	–1.0	1.0

b) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments, deposits with financial institutions and credit exposures to customers, including outstanding receivables, contract assets and committed transactions. The maximum exposure to credit risk per class of financial asset is disclosed by carrying amounts in the fair value table.

Credit risks of banks and financial institutions are monitored and managed centrally. Generally, only independently rated parties with a strong credit rating are accepted, and the total volume of transactions is split among several banks to reduce the individual risk with one bank.

For every customer with an expected order volume of more than CHF 0.2 million per year, an individual risk assessment of the credit quality of the customer is performed that considers independent ratings, financial position, past experience and other factors. Additionally, bank guarantees and letters of credit are requested. For more details on the credit risk of contract assets, please refer to note 16 and for credit risk of trade accounts receivable, please refer to note 17.

c) Liquidity risk

Prudent liquidity risk management includes the maintenance of sufficient cash and marketable securities, the availability of funding from an adequate number of committed credit facilities and the ability to close out market positions.

Management anticipates the future development of the group’s liquidity reserve on the basis of expected cash flows by performing regular group-wide cash forecasts.

The following table analyzes the group’s financial liabilities in relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows calculated with the year-end closing rates. Borrowings include the notional amount and interest payments.

Maturity profile of financial liabilities

					2024
millions of CHF	Carrying amount	<1 year	1–5 years	>5 years	Total
Borrowings	258.4	10.2	277.2	–	287.4
Lease liabilities	65.0	10.7	35.9	26.1	72.8
Contract liabilities	2.2	2.2	–	–	2.2
Trade accounts payable	39.4	39.4	–	–	39.4
Other non-current, current and accrued liabilities (excluding derivative liabilities)	80.7	65.9	16.6	–	82.5
Derivative liabilities	9.0	3.2	5.8	–	9.0
– thereof outflow		130.6	125.0	–	255.6
– thereof inflow		127.4	119.2	–	246.6

					2023
millions of CHF	Carrying amount	<1 year	1–5 years	>5 years	Total
Borrowings	278.7	31.7	285.6	–	317.3
Lease liabilities	70.9	10.7	33.8	35.9	80.4
Contract liabilities	4.2	4.2	–	–	4.2
Trade accounts payable	49.4	49.4	–	–	49.4
Other non-current, current and accrued liabilities (excluding derivative liabilities)	71.7	50.5	23.6	–	74.1
Derivative liabilities	2.9	0.7	2.2	–	2.9
– thereof outflow		61.5	2.2	–	63.7
– thereof inflow		60.8	–	–	60.8

6.2 Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

6.3 Fair value estimation

The following tables present the carrying amounts and fair values of financial assets and liabilities as of December 31, 2024, and 2023, including their levels in the fair value hierarchy. For financial assets and financial liabilities not measured at fair value in the balance sheet, fair value information is not provided if the carrying amount is a reasonable approximation of fair value.

Fair values are categorized into three different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. Such instruments are included in level 1.

The fair values included in level 2 are based on valuation techniques using observable market input data. This may include discounted cash flow analysis, option pricing models or reference to other instruments that are substantially the same, while always making maximum use of market inputs and relying as little as possible on entity-specific inputs. The fair values of forward contracts are measured based on broker quotes for foreign exchange rates and interest rates.

Fair values measured using unobservable inputs are categorized within level 3 of the fair value hierarchy. This applies particularly to contingent considerations in business combinations.

Financial instruments table

		December 31, 2024								
		Carrying amount					Fair value			
millions of CHF	Notes	Fair value hedging instruments	Fair value through profit or loss	Financial assets at amortized cost	Financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total fair value
Financial assets measured at fair value										
Derivative assets – current	18, 27	1.0				1.0	–	1.0	–	1.0
Total financial assets measured at fair value		**1.0**	**–**	**–**	**–**	**1.0**	**–**	**1.0**	**–**	**1.0**
Financial assets not measured at fair value										
Non-current financial assets (at amortized cost)				8.0		8.0				
Non-current receivables (excluding non-current derivative assets)				0.2		0.2				
Trade accounts receivable	17			43.8		43.8				
Other current receivables (excluding current derivative assets and other taxes)	18			7.8		7.8				
Cash and cash equivalents	19			118.1		118.1				
Total financial assets not measured at fair value		**–**	**–**	**177.8**	**–**	**177.8**				
Financial liabilities measured at fair value										
Derivative liabilities – non-current	24, 27	5.8				5.8	–	5.8	–	5.8
Derivative liabilities – current	26, 27	3.2				3.2	–	3.2	–	3.2
Total financial liabilities measured at fair value		**9.0**	**–**	**–**	**–**	**9.0**	**–**	**9.0**	**–**	**9.0**
Financial liabilities not measured at fair value										
Non-current borrowings	22				248.2	248.2				
Non-current lease liabilities	14				54.3	54.3				
Other non-current liabilities (excluding non-current derivative liabilities)	24				14.8	14.8				
Current borrowings and bank loans	22				10.2	10.2				
Current lease liabilities	14				10.7	10.7				
Contract liabilities	16				2.2	2.2				
Trade accounts payable	25				39.4	39.4				
Other current and accrued liabilities (excluding current derivative liabilities)	26				65.9	65.9				
Total financial liabilities not measured at fair value		**–**	**–**	**–**	**445.8**	**445.8**				

Financial instruments table

December 31, 2023

millions of CHF	Notes	Carrying amount: Fair value hedging instruments	Fair value through profit or loss	Financial assets at amortized cost	Financial liabilities	**Total carrying amount**	Fair value: Level 1	Level 2	Level 3	**Total fair value**
Financial assets measured at fair value										
Derivative assets – non-current	27	0.0				0.0	–	0.0	–	0.0
Derivative assets – current	18, 27	4.8				4.8	–	4.8	–	4.8
Total financial assets measured at fair value		**4.8**	**–**	**–**	**–**	**4.8**	**–**	**4.8**	**–**	**4.8**
Financial assets not measured at fair value										
Non-current financial assets (at amortized cost)				7.7		7.7				
Non-current receivables (excluding non-current derivative assets)				0.2		0.2				
Trade accounts receivable	17			56.8		56.8				
Other current receivables (excluding current derivative assets and other taxes)	18			7.0		7.0				
Cash and cash equivalents	19			130.6		130.6				
Total financial assets not measured at fair value		**–**	**–**	**202.3**	**–**	**202.3**				
Financial liabilities measured at fair value										
Derivative liabilities – non-current	24, 27	2.2				2.2	–	2.2	–	2.2
Derivative liabilities – current	26, 27	0.7				0.7	–	0.7	–	0.7
Total financial liabilities measured at fair value		**2.9**	**–**	**–**	**–**	**2.9**	**–**	**2.9**	**–**	**2.9**
Financial liabilities not measured at fair value										
Non-current borrowings	22				247.3	247.3				
Non-current lease liabilities	14				60.2	60.2				
Other non-current liabilities (excluding non-current derivative liabilities)	24				21.2	21.2				
Current borrowings and bank loans	22				31.5	31.5				
Current lease liabilities	14				10.7	10.7				
Contract liabilities	16				4.2	4.2				
Trade accounts payable	25				49.4	49.4				
Other current and accrued liabilities (excluding current derivative liabilities)	26				50.5	50.5				
Total financial liabilities not measured at fair value		**–**	**–**	**–**	**475.0**	**475.0**				

7 Personnel expenses

millions of CHF	2024	2023
Salaries and wages	145.3	135.3
Defined contribution plan expenses	2.1	1.8
Defined benefit plan expenses	8.2	5.1
Cost of share-based payment transactions	4.4	2.5
Social benefit costs	22.4	20.2
Other personnel costs	3.3	3.3
Total personnel expenses	**185.7**	**168.3**

The increase in personnel expenses is primarily attributed to the first full year of Qiaoyi being part of medmix, the Valencia production facility becoming fully operational in 2024, the commencement of operations at the Atlanta facility and one-off increases in pension and long-term incentive plans.

8 Employee benefit plans

The defined benefit obligations for the active members of pension plans is the present value of accrued pension obligations at the balance sheet date considering future salary and pension increases and turnover rates (using the project unit credit method). The defined benefit obligations for the retirees are the present value of the current and future pension benefits considering future pension increases.

Reconciliation of the amount recognized in the balance sheet as of December 31

			2024
millions of CHF	Funded plans Switzerland	Unfunded plans Germany	Total
Present value of funded defined benefit obligation	–146.6	–	–146.6
Fair value of plan assets (funded plans)	164.1	–	164.1
Overfunding / (underfunding)	**17.5**	**–**	**17.5**
Present value of unfunded defined benefit obligation	–	–1.0	–1.0
Adjustment to asset ceiling	–	–	–
Asset / (liability) recognized in the balance sheet	**17.5**	**–1.0**	**16.6**
– thereof as defined benefit obligations	–1.1	–1.0	–2.1
– thereof as defined benefit assets	18.7	–	18.7

			2023
millions of CHF	Funded plans Switzerland	Unfunded plans Germany	Total
Present value of funded defined benefit obligation	–114.1	–	–114.1
Fair value of plan assets (funded plans)	135.6	–	135.6
Overfunding / (underfunding)	**21.5**	**–**	**21.5**
Present value of unfunded defined benefit obligation	–	–0.9	–0.9
Adjustment to asset ceiling	–	–	–
Asset / (liability) recognized in the balance sheet	**21.5**	**–0.9**	**20.6**
– thereof as defined benefit obligations	–0.7	–0.9	–1.5
– thereof as defined benefit assets	22.1	–	22.1

The group operates funded defined benefit pension plans in Switzerland. Unfunded defined benefit plans relate to pension plans in Germany. The plans are exposed to actuarial risks, e.g., longevity risk, currency risk and interest rate risk, and the funded plans are also exposed to market (investment) risk.

In Switzerland, the group contributes to two pension plans funded via two different pension funds, i.e., a base plan for all employees and a supplementary plan for employees with salaries exceeding CHF 152'869 per year. Both plans provide benefits depending on the pension savings at retirement. They include certain legal minimum interest credits to the pension savings (i.e., investment return) and guaranteed rates of conversion of pension savings into an annuity at retirement. In addition, the plans offer death in service and disability benefits. The two pension funds are collective funds, administrating pension plans of group companies and other companies. In the event of material underfunding of the pension plans, the regulations include predefined steps, such as higher contributions by the employer and employees and lower interest on pension savings, to eliminate the underfunding. The pension funds are legally separated from the group. The vast majority of the active participants in the two pension funds are employed by companies not belonging to the group. The Board of Trustees for the base plan comprises nine employee representatives and nine employer representatives. The total expenses recognized in the income statement in 2024 were CHF 7.9 million, impacted by pension plan amendments (2023: CHF 5.2 million). The Swiss Pension Fund Board decided in September 2024 to increase the guaranteed pension conversion rate by 0.2 percentage points from 4.8% to 5.0% as of January 1, 2025. The plan amendment, recognized as past service cost, had a negative impact of CHF 2.2 million in the income statement, of which CHF 0.9 million was recorded as cost of goods sold and CHF 1.3 million as general administrative expenses.

In Germany, the group operates an unfunded defined benefit pension plan and benefits are paid directly by the employer to the beneficiaries as they become due. The plan is closed to new entrants. Existing employees who participated in the defined benefit plan continue to be eligible for these defined benefit pensions. The defined benefit plan offers retirement pensions and disability pensions. The total expenses recognized in the income statement in 2024 were CHF 0.0 million (2023: CHF 0.0 million).

Employee benefit plans

millions of CHF	2024	2023
Reconciliation of effect of asset ceiling		
Adjustment to asset ceiling as of January 1	–	–24.1
Interest expenses / (income) on effect of asset ceiling	–	–0.5
Change in effect of asset ceiling excl. interest income / (expenses)	–	24.7
Adjustment to asset ceiling as of December 31	**–**	**–**
Reconciliation of asset / (liability) recognized in the balance sheet		
Asset / (liability) recognized as of January 1	20.6	–1.0
Defined benefit income / (expenses) recognized in the income statement	–7.9	–5.2
Defined benefit income / (expenses) recognized in OCI	–1.5	21.4
Employer contributions	5.4	5.3
Currency translation differences	–0.0	0.0
Asset / (liability) recognized as of December 31	**16.6**	**20.6**
Components of defined benefit income / (expenses) in the income statement		
Current service costs (employer)	–6.0	–4.4
Interest expenses	–1.8	–2.3
Interest income on plan assets	2.1	2.8
Past service costs	–2.2	–0.7
Interest expenses / (income) on effect of asset ceiling	–	–0.5
Other administrative costs	–0.0	–0.0
Income / (expenses) recognized in the income statement	**–7.9**	**–5.2**
– thereof charged to personnel expenses	–8.2	–5.1
– thereof charged to interest income / (expenses)	0.3	–0.0
Components of defined benefit gains / (losses) in OCI		
Actuarial gains / (losses) on defined benefit obligation	–12.0	–5.2
Returns on plan assets excl. interest income	10.6	1.9
Changes in effect of asset ceiling excl. interest expenses / (income)	–	24.7
Defined benefit gains / (losses) recognized in OCI[1)]	**–1.5**	**21.4**

1) The tax effect on defined benefit cost recognized in OCI amounted to CHF 0.2 million (2023: CHF -1.9 million).

Employee benefit plans

millions of CHF	2024	2023
Reconciliation of defined benefit obligation		
Defined benefit obligation as of January 1	–115.0	–98.5
Interest expenses	–1.8	–2.3
Current service costs (employer)	–6.0	–4.4
Contributions by plan participants	–3.9	–3.8
Past service costs	–2.2	–0.7
Benefits paid / (deposited)	–6.6	–0.2
Other administrative costs	–0.0	–0.0
Actuarial gains / (losses)	–12.0	–5.2
Currency translation differences	–0.0	0.0
Defined benefit obligation as of December 31[1]	**–147.6**	**–115.0**
Reconciliation of the fair value of plan assets		
Fair value of plan assets as of January 1	135.6	121.7
Interest income on plan assets	2.1	2.8
Employer contributions	5.4	5.3
Contributions by plan participants	3.9	3.8
Benefits (paid) / deposited	6.6	0.2
Returns on plan assets excl. interest income	10.6	1.9
Fair value of plan assets as of December 31	**164.1**	**135.6**
Total plan assets at fair value – quoted market price		
Cash and cash equivalents	6.3	7.2
Equity instruments	41.1	31.6
Debt instruments	44.2	35.9
Real estate funds	3.4	4.3
Others	9.4	7.7
Total assets at fair value – quoted market price as of December 31	**104.4**	**86.7**
Total plan assets at fair value – non-quoted market price		
Properties occupied by or used by third parties (real estate)	50.4	41.1
Others	9.4	7.7
Total assets at fair value – non-quoted market price as of December 31	**59.8**	**48.9**
Best estimate of contributions for upcoming financial year		
Contributions by the employer	5.5	5.3
Contributions by plan participants	4.0	3.9

1) The defined benefit obligation includes the funded part and the unfunded part.

Employee benefit plans

millions of CHF	2024	2023
Components of defined benefit obligation, split		
Defined benefit obligation for active members	–127.2	–93.1
Defined benefit obligation for pensioners	–20.3	–21.8
Defined benefit obligation for deferred members	–0.1	–0.1
Total defined benefit obligation as of December 31	**–147.6**	**–115.0**
Components of actuarial gains / (losses) on obligations		
Actuarial gains / (losses) arising from changes in financial assumptions	–10.3	–8.3
Actuarial gains / (losses) arising from changes in demographic assumptions	1.7	0.3
Actuarial gains / (losses) arising from experience adjustments	–3.4	2.8
Total actuarial gains / (losses) on defined benefit obligation	**–12.0**	**–5.2**
Maturity profile of defined benefit obligation		
Weighted average duration of defined benefit obligation in years	13.9	13.4

Principal actuarial assumptions as of December 31

The following were the principal actuarial assumptions:

	2024		2023	
	Funded plans Switzerland	Unfunded plans Germany	Funded plans Switzerland	Unfunded plans Germany
Discount rate for active employees	1.0%	3.2%	1.5%	4.2%
Discount rate for pensioners	1.0%	3.2%	1.5%	4.2%
Interest credit rate	1.8%	3.2%	1.8%	4.2%
Future salary increases	2.0%	0.0%	1.8%	0.0%
Future pension increases	0.0%	1.0%	1.5%	1.0%
Life expectancy at retirement age (male / female) in years	22/24	21/24	22/24	21/24
Mortality	BVG 2020, CMI 1.25%	Heubeck 2018 G	BVG 2020, CMI 1.25%	Heubeck 2018 G
Exercise of capital option upon retirement	40.0%	n/a	25.0%	n/a

Sensitivity analysis of defined benefit obligations

Reasonably possible changes at the reporting date to the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

millions of CHF	2024	2023
Discount rate (decrease of 0.25 percentage points)	–5.2	–3.9
Discount rate (increase of 0.25 percentage points)	4.8	3.7
Interest credit rate (decrease of 0.25 percentage points)	2.8	2.2
Interest credit rate (increase of 0.25 percentage points)	–1.1	–0.6
Future salary growth (decrease of 0.25 percentage points)	0.7	1.4
Future salary growth (increase of 0.25 percentage points)	–0.7	–1.5
Life expectancy (decrease of 1 year)	2.3	0.5
Life expectancy (increase of 1 year)	–2.3	–0.5

9 Other operating income and expenses

millions of CHF	2024	2023
Remeasurement of indemnification assets	0.4	–
Government assistance	0.0	0.3
Rental income from sub-leases	0.6	0.9
Gain from sale of property, plant and equipment	0.8	0.0
Operating currency exchange gains, net	0.3	0.7
Proceeds received for the sale of the former subsidiary medmix Poland	–	2.0
Change in impairments and provisions against former subsidiary medmix Poland	–	2.2
Miscellaneous other operating income	0.3	1.0
Total other operating income	**2.4**	**7.0**
Restructuring expenses	–1.6	–0.8
Impairments on tangible and intangible assets	–5.2	–3.0
Cost for mergers and acquisitions	–0.6	–0.1
Miscellaneous other operating expenses	–0.1	–0.0
Total other operating expenses	**–7.4**	**–3.9**
Total other operating income / (expenses), net	**–5.0**	**3.1**

Other operating income includes income from remeasurement of indemnification assets, litigation cases, government grants and incentives and recharges to third parties not qualifying as revenues from customers and other income.

Further details regarding the remeasurement of indemnification assets are disclosed in note 18.

As part of the Growth & Efficiency program, the group recognized restructuring costs of CHF 1.6 million (2023: CHF 0.8 million), mainly associated with a production facility in Germany.

As part of the Growth & Efficiency program, the group recorded impairments of production machines and facilities, mainly in Germany, and other intangible assets, mainly related to research and development projects, totaling CHF 5.2 million (2023: CHF 3.0 million). For more details on the impaired asset category, refer to note 12, note 13 and note 14.

The functional allocation of the total restructuring expenses and impairments is as follows: cost of goods sold CHF 4.0 million (2023: CHF 2.6 million), selling and administrative expenses CHF 1.4 million (2023: CHF 0.7 million) and research and development expenses CHF 1.3 million (2023: CHF 0.5 million).

In 2023, the group received CHF 2.0 million from the sale of the former subsidiary medmix Poland to a third party, resulting in a profit recognized in other operating income and a cash flow in the amount of CHF 2.0 million. The group also recognized other operating income from the change of impairments and provisions against the former subsidiary medmix Poland in the amount of CHF 2.2 million.

10 Financial income and expenses

millions of CHF	2024	2023
Interest income	0.8	1.3
Interest income on employee benefit plans	0.3	0.0
Total interest income	**1.1**	**1.3**
Interest expenses on borrowings	–10.5	–8.8
Interest income / (expenses) on interest rate derivative financial instruments – transfer from cash flow hedge reserve	–0.2	0.1
Interest expenses on lease liabilities	–1.3	–1.3
Interest expenses on employee benefit plans	–0.0	–0.0
Total interest expenses	**–12.1**	**–10.0**
Total interest income / (expenses), net	**–10.9**	**–8.7**
Fair value changes on foreign currency derivative financial instruments, unrealized	–5.3	1.4
Fair value changes on foreign currency derivative financial instruments, realized	0.6	–0.0
Currency exchange gains / (losses), net	3.0	–4.6
Other financial income / (expenses), net	–0.8	–1.2
Total other financial income / (expenses), net	**–2.6**	**–4.4**
Total financial income / (expenses), net	**–13.5**	**–13.0**

Total financial income / (expenses), net, amounted to CHF –13.5 million, compared with CHF –13.0 million in 2023. Key drivers were net interest income / (expenses), which increased from CHF –8.7 million to CHF –10.9 million in 2024 due to higher interest rates on borrowings and net other financial income / (expenses) of CHF –2.6 million in 2024, compared with CHF –4.4 million in 2023.

Net currency exchange gains / (losses) increased from CHF –4.6 million in 2023 to CHF 3.0 million in 2024. These were partially offset by fair value changes on foreign currency derivative financial instruments (realized and unrealized), changing from CHF 1.4 million in 2023 to CHF –4.7 million in 2024. As a result, currency exchange gains / (losses) net of hedging effects improved from CHF –3.1 million in 2023 to CHF –1.8 million in 2024.

11 Income taxes

millions of CHF	2024	2023
Current income tax expenses	–8.5	–9.2
Deferred income tax income	8.5	7.0
Total income tax expenses	**–0.0**	**–2.2**

For the reconciliation of the income tax expenses, the group used the weighted average tax rate for the group tax rate. The weighted average tax rate results from applying each subsidiary’s statutory income tax rate to the income before taxes based on absolute values (that is, making all values positive). Since the group operates in countries that have differing tax laws and rates, the consolidated weighted average effective tax rate will vary from year to year according to variations in income per country and changes in applicable tax rates.

Reconciliation of income tax expenses

millions of CHF	2024	2023
Income before income tax expenses	–6.3	2.9
Group tax rate	**20.4%**	**18.2%**
Income taxes at group tax rate	1.3	–0.5
Income taxed at different tax rates	1.3	2.6
Effect of tax loss carryforwards and allowances for deferred income tax assets	–4.4	–1.1
Expenses not deductible for tax purposes	–0.1	0.1
Effect of changes in tax rates and legislation	0.1	–2.2
Prior year items and others	1.7	–1.0
Total income tax expenses	**–0.0**	**–2.2**
Effective income tax rate	–0.7%	76.7%

The effective income tax rate for 2024 is –0.7%. The effect of income taxed at different tax rates in the amount of CHF 1.3 million consists partially of tax-deductible impairments of investments in foreign subsidiaries and associates. In addition, the effective income tax rate in 2024 was negatively impacted by the non-recognition of tax loss carryforwards of CHF 4.4 million. The prior year items and others of CHF 1.7 million consists partially of prior year adjustments in group entities in Germany and China.

The effective income tax rate for 2023 was 76.7%. The effect of income taxed at different tax rates in the amount of CHF 2.6 million consists partially of a tax-deductible impairment of an investment in a foreign subsidiary. The negative effect of changes in tax rates and legislation in the amount of CHF –2.2 million relates to a release of deferred tax assets following a change of tax status of a legal entity in Switzerland. Without the mentioned effects, the effective income tax rate would have been 23.2%.

Income tax liabilities

millions of CHF	2024	2023
Balance as of January 1	12.7	4.7
Acquired through business combination	–	7.2
Additions	8.5	9.2
Utilized	–7.6	–8.8
Currency translation differences	0.3	0.3
Total income tax liabilities as of December 31	**13.9**	**12.7**
– thereof current	13.9	12.7

Summary of deferred income tax assets and liabilities in the balance sheet

			2024
millions of CHF	Assets	Liabilities	Net
Intangible assets	1.0	–18.6	–17.6
Property, plant and equipment	1.5	–3.2	–1.7
Other financial assets	–	–1.9	–1.9
Inventory	2.8	–0.2	2.6
Other assets	0.4	–5.3	–4.9
Defined benefit obligations	0.4	–	0.4
Non-current provisions	0.1	–	0.1
Current provisions	3.2	–0.2	3.0
Other liabilities	6.2	–0.1	6.1
Tax loss carryforwards	12.7	–	12.7
Tax assets / liabilities	**28.4**	**–29.5**	**–1.1**
Offset of assets and liabilities	–13.0	13.0	0.0
Net recorded deferred income tax assets and liabilities	15.4	–16.5	–1.1

			2023
millions of CHF	Assets	Liabilities	Net
Intangible assets	0.5	–20.6	–20.2
Property, plant and equipment	1.2	–1.9	–0.7
Other financial assets	0.9	–	0.9
Inventory	2.4	–0.7	1.8
Other assets	0.5	–4.5	–4.0
Defined benefit obligations	0.1	–2.2	–2.1
Non-current provisions	0.1	–	0.1
Current provisions	2.4	–0.1	2.3
Other liabilities	4.2	–0.0	4.2
Tax loss carryforwards	7.0	–	7.0
Tax assets / liabilities	**19.4**	**–30.1**	**–10.7**
Offset of assets and liabilities	–10.7	10.7	–
Net recorded deferred income tax assets and liabilities	8.7	–19.4	–10.7

Cumulative deferred income taxes recorded in equity as of December 31, 2024, amounted to CHF 2.0 million (2023: CHF 3.0 million).

The group does not recognize any deferred taxes on investments in group entities because it controls the dividend policy of its entities, i.e., the group controls the timing of reversal of the related taxable temporary differences and management is satisfied that no material amounts will reverse in the foreseeable future. The aggregate amount of unrecognized temporary differences associated with investments in subsidiaries amounted to CHF 111.3 million (December 31, 2023: CHF 105.7 million), resulting in unrecognized deferred tax liabilities of CHF 5.6 million (December 31, 2023: CHF 5.3 million).

Movement of deferred income tax assets and liabilities in the balance sheet

	2024					
millions of CHF	Balance as of January 1	Recognized in profit or loss	Recognized in other comprehensive income	Acquisition of entities	Currency translation differences	**Balance as of December 31**
Intangible assets	–20.2	2.8	–	–	–0.2	–17.6
Property, plant and equipment	–0.7	–1.0	–	–	–	–1.7
Other financial assets	0.9	–2.8	–	–	0.0	–1.9
Inventory	1.8	0.8	–	–	–	2.6
Other assets	–4.0	–0.9	–	–	0.1	–4.9
Defined benefit obligations	–2.1	2.4	0.2	–	–0.0	0.4
Non-current provisions	0.1	–0.0	–	–	–	0.1
Current provisions	2.3	0.9	–	–	–0.1	3.0
Other liabilities	4.2	0.9	0.9	–	0.1	6.1
Tax loss carryforwards	7.0	5.5	–	–	0.2	12.7
Total	**–10.7**	**8.5**	**1.1**	**–**	**–0.0**	**–1.1**

	2023					
millions of CHF	Balance as of January 1	Recognized in profit or loss	Recognized in other comprehensive income	Acquisition of entities	Currency translation differences	**Balance as of December 31**
Intangible assets	–17.2	3.2	–	–6.0	–0.1	–20.2
Property, plant and equipment	0.5	–0.5	–	–0.7	–	–0.7
Other financial assets	–	0.9	0.0	–	–	0.9
Inventory	1.3	0.6	–	–0.1	–	1.8
Other assets	–2.2	0.1	–	–1.8	–0.1	–4.0
Defined benefit obligations	–	–0.2	–1.9	–	–	–2.1
Non-current provisions	0.2	–0.1	–	–	–	0.1
Current provisions	0.4	0.2	–	1.6	–	2.3
Other liabilities	2.4	0.2	–	1.7	–	4.2
Tax loss carryforwards	4.4	2.7	–	–	–	7.0
Total	**–10.3**	**7.0**	**–1.9**	**–5.3**	**–0.2**	**–10.7**

Tax loss carryforwards (TLCF)

millions of CHF	Amount	Potential tax assets	Valuation allowance	Carrying amount	Unrecognized TLCF
					2024
Expiring in the next 3 years	–	–	–	–	–
Expiring in 4–7 years	1.7	0.4	–0.4	0.0	1.7
Available without limitation	74.3	19.5	–6.8	12.7	25.3
Total tax loss carryforwards as of December 31	**76.0**	**19.9**	**–7.2**	**12.7**	**26.9**

millions of CHF	Amount	Potential tax assets	Valuation allowance	Carrying amount	Unrecognized TLCF
					2023
Expiring in the next 3 years	1.1	0.2	–0.2	–	1.1
Expiring in 4–7 years	–	–	–	–	–
Available without limitation	39.8	9.6	–2.5	7.0	11.2
Total tax loss carryforwards as of December 31	**40.9**	**9.8**	**–2.7**	**7.0**	**12.3**

Deferred income tax assets are recognized for tax loss carryforwards to the extent that the realization of the related tax benefit through future taxable profits is probable. No deferred income tax assets have been recognized on tax loss carryforwards in the amount of CHF 26.9 million (2023: CHF 12.3 million).

The utilization of deferred tax assets on unused tax losses depends on future taxable profits exceeding the profits arising from the reversal of existing taxable temporary differences. Some entities that have recognized deferred tax assets amounting to CHF 12.7 million as of December 31, 2024 (CHF 7.0 million in 2023), have incurred losses in the current and/or preceding periods in the tax jurisdictions to which the deferred tax assets relate. The group has analyzed estimated future taxable profits and considers it probable that future taxable profit will be available in the coming years against which these tax losses can be recognized.

As part of the OECD BEPS 2.0 project, Switzerland, along with some 140 other countries, has made a commitment to implement the OECD global minimum tax (also referred to as Pillar Two legislation). In certain jurisdictions in which the group operates, Pillar Two legislation was enacted from January 1, 2024. The rules apply to multinational groups with a total consolidated revenue of EUR 750 million or more in at least two of the four preceding years. Based on this, the legislation does not apply to the group, as the group’s consolidated revenue is below this threshold. Therefore, the group is not expecting any exposure to Pillar Two top-up taxes in the foreseeable future. However, medmix is monitoring the situation very closely.

12 Goodwill and other intangible assets

millions of CHF	Goodwill	Trademarks and licenses	Research and development	Computer software	Customer relationships	Intangible assets in development	Total
							2024
Acquisition cost							
Balance as of January 1	268.5	82.6	5.8	20.3	240.4	9.6	627.3
Additions	–	–	–	0.5	0.2	9.3	10.0
Disposals	–	–	–	–0.6	–	0.0	–0.6
Reclassifications	–	–	1.1	1.5	0.0	–2.7	–
Currency translation differences	3.1	0.2	0.0	0.2	3.8	–0.0	7.3
Balance as of December 31	**271.6**	**82.9**	**6.9**	**21.9**	**244.4**	**16.3**	**643.9**
Accumulated amortization and impairment losses							
Balance as of January 1	–	71.5	4.9	17.0	137.8	–	231.2
Additions	–	2.6	0.4	2.1	16.3	–	21.5
Disposals	–	–	–	–0.6	–	–	–0.6
Impairments	–	–	1.1	0.1	–	–	1.2
Currency translation differences	–	0.1	0.0	0.1	1.8	–	2.0
Balance as of December 31	**–**	**74.2**	**6.4**	**18.7**	**155.9**	**–**	**255.2**
Net book value							
As of January 1	268.5	11.1	0.9	3.3	102.6	9.6	396.1
As of December 31	271.6	8.7	0.5	3.2	88.5	16.3	388.8

millions of CHF	Goodwill	Trademarks and licenses	Research and development	Computer software	Customer relationships	Intangible assets in development	Total
							2023
Acquisition cost							
Balance as of January 1	254.4	79.4	5.8	19.0	231.0	0.1	589.7
Acquired through business combination	24.2	3.9	–	–	20.1	–	48.2
Additions	–	–	0.0	0.2	0.1	6.1	6.5
Disposals	–	–	–0.4	–0.1	–0.7	–	–1.2
Reclassifications	–	–	0.5	1.6	–	3.4	5.5
Currency translation differences	–10.1	–0.6	–0.2	–0.3	–10.1	–0.0	–21.4
Balance as of December 31	**268.5**	**82.6**	**5.8**	**20.3**	**240.4**	**9.6**	**627.3**
Accumulated amortization and impairment losses							
Balance as of January 1	–	69.0	4.7	15.1	126.0	–	214.8
Additions	–	2.9	0.4	2.1	17.6	–	23.0
Disposals	–	–	–0.4	–0.1	–0.7	–	–1.1
Impairments	–	–	0.4	0.1	–	–	0.6
Currency translation differences	–	–0.4	–0.2	–0.3	–5.2	–	–6.0
Balance as of December 31	**–**	**71.5**	**4.9**	**17.0**	**137.8**	**–**	**231.2**
Net book value							
As of January 1	254.4	10.4	1.2	3.8	104.9	0.1	374.9
As of December 31	268.5	11.1	0.9	3.3	102.6	9.6	396.1

Goodwill impairment test

Goodwill is allocated to the smallest group of cash-generating unit at which goodwill is monitored for internal management purposes (i.e., segment). The recoverable amount of these units is determined using a five-year cash flow projection period.

Regular goodwill impairment test

The regular goodwill impairment tests were performed as of March 31, 2024. The calculations are based on the budget for the first period (2024), the three-year strategic plan for the subsequent two periods (2025–2026), and a management calculation for the next two periods (2027–2028). The budget and the three-year strategic plan were approved by the Board of Directors in February 2024. Cash flows beyond the planning periods are extrapolated using a terminal value, including the growth rates as stated above.

				2024
millions of CHF	Goodwill	Headroom	Growth rate residual value	Pretax discount rate
Healthcare	108.3	1’249.9	2.0%	9.0%
Consumer & Industrial	170.0	365.8	2.0%	10.3%
Total as of March 31	**278.3**	**1’615.6**		

				2023
millions of CHF	Goodwill	Headroom	Growth rate residual value	Pretax discount rate
Healthcare	109.2	1’428.2	2.0%	9.6%
Consumer & Industrial	147.4	282.9	2.0%	11.5%
Total as of March 31	**256.5**	**1’711.1**		

The goodwill impairment tests conducted on March 31, 2024, resulted in positive headrooms for both group of cash-generating units.

Second goodwill impairment test

As of December 31, 2024, the group assessed whether there is any indication that the goodwill may be impaired and considered the group's market capitalization of CHF 363.1 million, which is below the carrying amount of the net assets of the group, as an impairment indicator. As a result of the identified indication for impairment, the group updated the goodwill impairment tests as of December 31, 2024.

The second calculation is based on the budget for the first period (2025), the three-year strategic plan for the subsequent two periods (2026–2027) and a management calculation for the next two periods (2028–2029). Cash flows beyond the planning periods are extrapolated using a terminal value including the growth rates as stated above.

	2024			
millions of CHF	Goodwill	Headroom	Growth rate residual value	Pretax discount rate
Healthcare	106.4	822.3	2.0%	8.3%
Consumer & Industrial	165.2	80.7	2.0%	10.4%
Total as of December 31	**271.6**	**903.0**		

The goodwill impairment tests conducted as of December 31, 2024, resulted in positive headrooms for both group of cash generating units, confirming that no goodwill impairment is required.

Sensitivity analyses

The recoverable amount from cash-generating units is measured based on value-in-use calculations significantly impacted by the terminal growth rate used to determine the residual value, the discount rate and the projected cash flows. The table above shows the amount by which the estimated recoverable amount of the group of cash-generating units exceeds its carrying amount (headroom).

For the Healthcare segment, management determined there are no reasonably possible changes in key assumptions that would result in a goodwill impairment.

For the Consumer & Industrial segment, management identified that a possible change in the terminal growth rate from 2.0% to 0.0% or in the pre-tax discount rate from 10.4% to 12.2% could cause the carrying amount to equal the recoverable amount.

13 Property, plant and equipment

millions of CHF	Land and buildings	Machinery and technical equipment	Other non-current assets	Tangible assets under construction	Total
					2024
Acquisition cost					
Balance as of January 1	69.8	229.1	18.9	39.8	357.6
Additions	0.1	7.9	1.8	25.1	35.0
Disposals	–1.3	–7.7	–1.0	–0.0	–10.0
Reclassifications	16.1	14.0	3.2	–32.2	1.2
Currency translation differences	1.2	–0.1	0.2	1.1	2.4
Balance as of December 31	**85.9**	**243.2**	**23.2**	**33.8**	**386.2**
Accumulated depreciation					
Balance as of January 1	29.0	133.9	10.5	–	173.4
Additions	3.5	18.8	2.4	–	24.7
Disposals	–0.9	–7.5	–0.9	–	–9.3
Impairments	2.5	0.1	0.2	–	2.8
Currency translation differences	–2.2	1.5	0.1	–	–0.6
Balance as of December 31	**31.8**	**146.8**	**12.3**	**–**	**190.9**
Net book value					
As of January 1	40.8	95.2	8.4	39.8	184.2
As of December 31	54.2	96.4	10.8	33.8	195.2

millions of CHF	Land and buildings	Machinery and technical equipment	Other non-current assets	Tangible assets under construction	Total
					2023
Acquisition cost					
Balance as of January 1	68.0	203.6	17.7	31.0	320.3
Acquired through business combination	2.6	2.4	0.1	–	5.1
Additions	0.8	23.1	1.5	34.7	60.1
Disposals	–0.5	–8.7	–0.4	–	–9.5
Reclassifications	1.4	16.4	0.7	–23.9	–5.5
Currency translation differences	–2.6	–7.6	–0.7	–2.0	–13.0
Balance as of December 31	**69.8**	**229.1**	**18.9**	**39.8**	**357.6**
Accumulated depreciation					
Balance as of January 1	26.7	126.6	9.3	–	162.7
Additions	3.3	17.7	1.9	–	22.8
Disposals	–0.4	–8.5	–0.4	–	–9.3
Impairments	–	2.4	–	–	2.4
Currency translation differences	–0.6	–4.3	–0.4	–	–5.3
Balance as of December 31	**29.0**	**133.9**	**10.5**	**–**	**173.4**
Net book value					
As of January 1	41.3	76.9	8.4	31.0	157.6
As of December 31	40.8	95.2	8.4	39.8	184.2

The group performed impairment tests on property, plant and equipment, resulting in impairments of CHF 2.8 million as of December 31, 2024 (December 31, 2023: CHF 2.4 million). All of these impairments were charged to other operating expenses (note 9).

In 2024, the group sold property, plant and equipment with a net book value of CHF 0.7 million for CHF 1.5 million, resulting in a net gain of CHF 0.8 million. In 2023, the group sold property, plant and equipment with a net book value of CHF 0.2 million for CHF 0.2 million, resulting in a net gain of CHF 0.0 million.

14 Leases

Lease assets

				2024
millions of CHF	Land and buildings, leased	Machinery and technical equipment, leased	Other non-current assets, leased	Total
Balance as of January 1	53.0	20.1	0.8	73.9
Additions	0.7	2.0	0.2	2.9
Depreciation	–7.7	–2.1	–0.4	–10.3
Impairments	–1.2	–	–	–1.2
Remeasurements and contract modifications	1.2	0.0	0.1	1.3
Reclassifications	–	–1.2	–	–1.2
Currency translation differences	1.3	0.1	0.0	1.4
Total lease assets as of December 31	**47.2**	**18.9**	**0.7**	**66.8**

				2023
millions of CHF	Land and buildings, leased	Machinery and technical equipment, leased	Other non-current assets, leased	Total
Balance as of January 1	53.5	17.6	1.0	72.1
Acquired through business combination	1.6	–	–	1.6
Additions	7.0	5.0	0.3	12.3
Depreciation	–7.3	–1.9	–0.4	–9.5
Remeasurements and contract modifications	0.3	–	–	0.3
Currency translation differences	–2.2	–0.6	–0.0	–2.8
Total lease assets as of December 31	**53.0**	**20.1**	**0.8**	**73.9**

Lease liabilities

millions of CHF	Non-current lease liabilities	Current lease liabilities	Total
			2024
Balance as of January 1	60.2	10.7	70.9
Additions	2.0	0.9	2.9
Interest expenses	1.1	0.2	1.3
Cash flow for repayments – principal portion	–0.0	–11.9	–11.9
Cash flow for repayments – interest portion	–	–1.3	–1.3
Remeasurements and contract modifications	0.7	1.0	1.7
Reclassifications	–10.8	10.8	0.0
Currency translation differences	1.1	0.2	1.3
Total lease liabilities as of December 31	**54.3**	**10.7**	**65.0**

millions of CHF	Non-current lease liabilities	Current lease liabilities	Total
			2023
Balance as of January 1	62.5	9.0	71.5
Additions	10.0	2.3	12.3
Interest expenses	1.1	0.2	1.3
Cash flow for repayments – principal portion	–0.0	–10.4	–10.4
Cash flow for repayments – interest portion	–1.1	–0.2	–1.3
Remeasurements and contract modifications	0.3	–	0.3
Reclassifications	–10.2	10.2	–
Currency translation differences	–2.4	–0.4	–2.8
Total lease liabilities as of December 31	**60.2**	**10.7**	**70.9**

Other leasing disclosures

millions of CHF	2024	2023
Recognized in the income statement		
Expenses relating to short-term leases	–1.5	–1.7
Expenses relating to low-value asset leases, excluding short-term leases of low-value assets	–0.2	–0.1
Expenses relating to variable lease payments not included in the lease liability	–0.3	–0.3
Income from subleasing right-of-use assets	0.6	0.9
Interest expenses on lease liabilities	–1.3	–1.3
Total recognized in the income statement	**–2.6**	**–2.6**
Recognized in the statement of cash flows		
Cash flow for short-term, low-value and variable leases (included within cash flow from operating activities)	–1.9	–2.2
Cash flow from subleasing right-of-use assets (included within cash flow from operating activities)	0.6	0.9
Cash flow for repayments of interest on lease liabilities (included within cash flow from operating activities)	–1.3	–1.3
Cash flow for repayments of the principal portion on lease liabilities (included within cash flow from financing activities)	–11.9	–10.4
Total cash flow	**–14.5**	**–13.0**

15 Inventory

millions of CHF	2024	2023
Raw material, supplies and consumables gross	21.2	25.3
Raw material, supplies and consumables write-downs	–3.0	–3.4
Work in progress gross	26.0	26.9
Work in progress write-downs	–3.6	–3.3
Finished products and trade merchandise gross	42.3	50.4
Finished products and trade merchandise write-downs	–7.5	–7.6
Total inventory as of December 31	**75.4**	**88.4**

Inventory write-downs

millions of CHF	2024	2023
Balance as of January 1	14.2	12.6
Additions	3.1	4.2
Released as no longer required	–1.7	–0.8
Utilized	–1.8	–1.5
Currency translation differences	0.2	–0.4
Balance as of December 31	**14.1**	**14.2**

Material expenses in 2024 amounted to CHF 107.4 million (2023: CHF 113.3 million).

16 Assets and liabilities related to contracts with customers

millions of CHF	2024	2023
Revenue recognized over time related to ongoing performance obligations	5.5	4.0
Revenue recognized over time related to satisfied performance obligations	0.0	–
Revenue recognized over time	**5.5**	**4.0**
Revenue recognized at a point in time	478.4	482.6
Revenue	**483.9**	**486.6**
– thereof revenue recognized included in the contract liability balance at the beginning of the period	4.2	3.9
Cost of goods sold recognized over time related to ongoing performance obligations	–5.3	–3.6
Cost of goods sold recognized over time related to satisfied performance obligations	–	–
Cost of goods sold recognized over time	**–5.3**	**–3.6**
Cost of goods sold recognized at a point in time	–318.9	–325.3
Cost of goods sold	**–324.2**	**–328.9**
Gross profit recognized over time related to ongoing performance obligations	0.2	0.4
Gross profit recognized over time related to satisfied performance obligations	0.0	–
Gross profit recognized over time	**0.2**	**0.4**
Gross profit recognized at a point in time	159.4	157.2
Gross profit	**159.7**	**157.6**
Contract assets from revenue recognized over time relating to ongoing performance obligations	15.2	11.0
Netting with contract liabilities	–13.0	–9.7
Contract assets	**2.2**	**1.3**
Contract liabilities from costs recognized over time relating to ongoing performance obligations	–	0.2
Advance payments from customers relating to point in time contracts	1.6	4.0
Advance payments from customers relating to over time contracts	13.6	9.7
Netting with contract assets	–13.0	–9.7
Contract liabilities	**2.2**	**4.2**
Order backlog (aggregate amount of transaction price allocated to unsatisfied performance obligations)	122.4	133.7
– thereof expected to be recognized as revenue within 12 months	120.8	133.1
– thereof expected to be recognized in more than 12 months	1.6	0.6

17 Trade accounts receivable

Aging structure of trade accounts receivable

				2024
millions of CHF	Expected loss rate	Gross amount	Allowance	Net book value
Not past due	0.0%	35.9	–0.0	35.9
Past due				
1–30 days	0.8%	5.6	–0.0	5.5
31–60 days	0.0%	1.0	–	1.0
61–120 days	2.0%	0.4	–0.0	0.4
>120 days	39.0%	1.4	–0.5	0.8
Total trade accounts receivable as of December 31		**44.4**	**–0.6**	**43.8**

				2023
millions of CHF	Expected loss rate	Gross amount	Allowance	Net book value
Not past due	0.0%	42.5	–	42.5
Past due				
1–30 days	0.0%	9.4	–0.0	9.4
31–60 days	2.2%	1.7	–0.0	1.6
61–120 days	0.1%	0.9	–0.0	0.9
>120 days	34.7%	3.6	–1.3	2.3
Total trade accounts receivable as of December 31		**58.1**	**–1.3**	**56.8**

Allowance for doubtful trade accounts receivable

millions of CHF	2024	2023
Balance as of January 1	1.3	2.3
Additions	0.3	0.3
Released as no longer required	–0.8	–0.6
Utilized	–0.1	–0.7
Currency translation differences	0.0	–0.0
Balance as of December 31	**0.6**	**1.3**

Approximately 19% (2023: 27%) of the gross amount of trade accounts receivable was past due and an allowance of CHF 0.6 million (2023: CHF 1.3 million) was recorded. The recoverability of trade accounts receivable is regularly reviewed, and the credit quality of new customers is thoroughly assessed. Due to the large and heterogeneous customer base, the credit risk from individual customers of the group is limited. The allowance for doubtful trade accounts receivable is based on expected credit losses. These are based on historical observed default rates over the expected life of the trade receivables and are adjusted for forward-looking information such as gross domestic product (GDP) forecasts.

Trade accounts receivable by geographical location

millions of CHF	2024	2023
Europe, the Middle East and Africa	**26.0**	**38.7**
– thereof Germany	12.3	21.3
– thereof Switzerland	9.9	13.6
Americas	**14.3**	**14.6**
Asia-Pacific	**3.5**	**3.4**
Total as of December 31	**43.8**	**56.8**

18 Other current receivables and prepaid expenses

millions of CHF	2024	2023
Taxes (VAT, withholding tax)	3.1	9.1
Derivative financial instruments	1.0	4.8
Indemnification assets	7.0	6.4
Other current receivables	0.8	0.7
Total other current receivables as of December 31	**11.8**	**20.9**
Prepaid expenses	5.9	5.4
Total prepaid expenses as of December 31	**5.9**	**5.4**
Total other current receivables and prepaid expenses as of December 31	**17.7**	**26.3**

Further details regarding derivative financial instruments are disclosed in note 27.

As part of the Qiaoyi acquisition in 2023, the group recorded indemnification assets related to specific risks for which the group provided contingent liabilities (recognized as provisions) and income tax liabilities. The indemnification assets are measured using the same measurement basis as for the contingent liabilities and income tax liabilities before reflecting management's assessment of collectability of the asset. As of December 31, 2024, the indemnification assets amounted to CHF 7.0 million (2023: CHF 6.4 million).

19 Cash and cash equivalents

millions of CHF	2024	2023
Cash	115.8	127.5
Cash equivalents	2.3	3.1
Total cash and cash equivalents as of December 31	**118.1**	**130.6**

Cash and cash equivalents as of December 31, 2024, amounted to CHF 118.1 million (2023: CHF 130.6 million), thereof CH 21.9 million (2023: CHF 18.5 million) restricted cash. Cash equivalents represent mainly fixed-term deposits with maturities up to three months from the acquisition date. Further details are disclosed in the consolidated statement of cash flows.

20 Equity

Share capital

thousands of CHF	2024 Number of shares	2024 Share capital	2023 Number of shares	2023 Share capital
Balance as of December 31 (par value CHF 0.01)	**41’262’370**	**412.6**	**41’262’370**	**412.6**

The share capital amounts to CHF 412’623.70, made up of 41’262’370 shares with dividend entitlement and a par value of CHF 0.01. All shares were fully paid in and registered.

Share ownership

medmix shares are freely transferable provided that, when requested by the company to do so, buyers declare that they have purchased and will hold the shares in their own name and for their own account. Nominees will only be entered in the share register with the right to vote provided that they meet the following conditions: the nominee is subject to the supervision of a recognized banking and financial market regulator; the nominee has entered into an agreement with the Board of Directors concerning its status; the share capital held by the nominee does not exceed 3% of the registered share capital entered in the commercial register; and the names, addresses and number of shares of those individuals for whose accounts the nominee holds at least 0.5% of the share capital have been disclosed. The Board of Directors is also entitled, beyond these limits, to enter shares of nominees with voting rights in the share register, provided that the above-mentioned conditions are met (see also paragraph 6a of the Articles of Association at https://www.medmix.swiss/Investors/Governance).

	December 31, 2024		December 31, 2023	
	Number of shares	in %	Number of shares	in %
Viktor Vekselberg (direct shareholder: Tiwel Holding AG)	16’728’414	40.54	16’728’414	40.54
The Capital Group Companies, Inc. (direct shareholder: Capital Research and Management Company)	n/a	n/a	1’248’655	3.03
FIL Limited	2’025’719	4.91	2’025’719	4.90
UBS Fund Management (Switzerland) AG	1’669’130	4.05	1’489’532	4.35

Retained earnings

The retained earnings include prior years’ undistributed income of consolidated companies and all remeasurements of the net liability for defined benefit plans.

Treasury shares

In 2024, the group acquired in total 27’348 treasury shares (2023: 144’000 shares) to cover its existing exposure from share-based payment programs for a consideration of CHF 0.5 million (December 31, 2023: CHF 3.1 million). During 2024, the group allocated 36’253 shares to share plan participants (2023: 11’013 shares), with a total value of CHF 1.1 million (2023: CHF 0.4 million). The total number of shares held by the group as of December 31, 2024, amounted to 471’618 (December 31, 2023: 480’523 shares).

Cash flow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments where the hedged transaction has not yet occurred. Amounts are reclassified to profit or loss when the associated hedged transaction affects the income statement.

Currency translation reserve

The currency translation reserve comprises all foreign exchange differences arising on the translation of the financial statements of consolidated entities whose currency differs from the reporting currency of the group.

Non-controlling interests

The group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, at the non-controlling interest's proportionate share of the recognized amounts of the acquiree's identifiable net assets.

In 2024, the group exercised its fixed-price forward and acquired an additional 10% equity interest in Guangdong Qiaoyi Plastic Co. Ltd. ("Qiaoyi") for CHF 4.5 million, increasing its total ownership to 80%. Since the acquisition of the additional 10% in Qiaoyi was a fixed-price forward, it had no impact on the non-controlling interests, which remained at 20% in both 2024 and 2023.

As of December 31, 2024, the non-controlling interests amounted to CHF 10.3 million (December 31, 2023: CHF 9.0 million).

Dividends

On April 24, 2024, the Annual General Meeting approved an ordinary dividend of CHF 0.50 per share to be paid out of reserves (2023: CHF 0.50 per share). The dividend was paid to shareholders on May 5, 2024. The total amount of the dividend to shareholders of medmix Ltd was CHF 20.4 million (2023: CHF 20.5 million), thereof paid dividends of CHF 15.0 million (2023: CHF 15.0 million) and unpaid dividends of CHF 5.5 million (2023: CHF 5.5 million). The dividend to one of the group's shareholders, Tiwel Holding AG, was not transferred, as a result of US sanctions. The total outstanding dividend payments of CHF 16.3 million (2023: CHF 10.9 million) are reflected in the balance sheet position "Other current and accrued liabilities" (note 26).

The Board of Directors has decided to propose to the Annual General Meeting 2025 a dividend for the financial year 2024 of CHF 0.50 per share.

Subsequent measurement of put option liabilities

Subsequent measurement of put option liabilities amounted to CHF 5.0 million, thereof CHF 4.5 million from Qiaoyi and CHF 0.5 million from accretion effects from sale of investments in subsidiaries (2023: CHF 0.0 million).

Put option liability Qiaoyi

At any time after July 5, 2027, the non-controlling shareholders of Guangdong Qiaoyi Plastic Co. Ltd. ("Qiaoyi") can exercise a put option to sell, and the group can exercise a call option to purchase, the remaining 20% equity interest held by the non-controlling shareholders for a formula-based purchase price. The group recognized a redemption liability, recorded in other non-current liabilities, based on the discounted put exercise price, which is accreted over the contract period.

As of December 31, 2024, the put option liability, recorded in other non-current liabilities (note 24), amounted to CHF 14.8 million (December 31, 2023: CHF 9.8 million), with the changes in the put exercise price and accretion over the contract period recognized in equity. In 2024, the put option liability increased by CHF 4.9 million (2023: decrease of CHF 0.2 million) due to the revaluation of the liability in the amount of CHF 4.0 million (2023: CHF 0.2 million), the interest accretion in the amount of CHF 0.5 million (2023: CHF 0.2 million) and currency translation differences in the amount of CHF 0.4 million (2023: CHF –0.6 million).

Put option liability from sale of investments in subsidiaries

In 2023, the group sold non-controlling interests in investments in subsidiaries without loss of control. The group has a call option to purchase until March 31, 2026, and the buyers have a put option to sell any time between March 31, 2025, and March 31, 2026, all non-controlling interests. Since the call and put option represent fixed price options, the group recognized an economic interest of 100% and recorded 0% for the non-controlling interests. The group recognized a liability based on the discounted put exercise price.

As of December 31, 2024, the put option liability, recorded in other current liabilities (note 26), amounted to CHF 11.7 million (December 31, 2023: CHF 11.4 million in other non-current liabilities), with the interest accretion over the contract period recognized in equity. In 2024, the put option liability increased by CHF 0.3 million (2023: 0.0 million) due to the interest accretion in the amount of CHF 0.5 million, partly offset by currency translation differences in the amount of CHF –0.2 million.

Contribution to the Sulzer group

For 2024, the contribution to the Sulzer group of CHF -0.1 million relates to the vested Sulzer shares under the last existing Sulzer share plan (2023: CHF -0.3 million).

21 Earnings per share

	2024	2023
Net income attributable to shareholders of medmix Ltd (millions of CHF)	**–7.4**	**0.3**
Issued number of shares	41’262’370	41’262’370
Adjustment for the average number of treasury shares held	–482’528	–393’944
Average number of shares outstanding as of December 31	**40’779’842**	**40’868’426**
Adjustment for share participation plans	630’442	335’259
Average number of shares for calculating diluted earnings per share as of December 31	**41’410’284**	**41’203’685**
Earnings per share, attributable to a shareholder of medmix Ltd (in CHF) as of December 31		
Basic earnings per share	–0.18	0.01
Diluted earnings per share	–0.18	0.01

22 Borrowings

			2024
millions of CHF	Non-current borrowings	Current borrowings	Total
Balance as of January 1	247.3	31.5	278.7
Cash flow from proceeds	–	16.4	16.4
Cash flow for repayments	–	–37.7	–37.7
Changes in amortized costs	0.9	–	0.9
Currency translation differences	–	0.0	0.0
Total borrowings as of December 31	**248.2**	**10.2**	**258.4**

			2023
millions of CHF	Non-current borrowings	Current borrowings	Total
Balance as of January 1	246.9	155.1	402.0
Cash flow from proceeds	–	33.6	33.6
Cash flow for repayments	–	–157.2	–157.2
Transaction costs related to loans and borrowings	–0.4	–	–0.4
Changes in amortized costs	0.8	–	0.8
Currency translation differences	–	–0.1	–0.1
Total borrowings as of December 31	**247.3**	**31.5**	**278.7**

In 2021, the group arranged two committed syndicated credit facilities (A and B) for a total amount of CHF 400.0 million, both maturing in September 2028.

- Facility A: syndicated term loan for an amount of CHF 250.0 million. As of December 31, 2024 and as of December 31, 2023, the facility was fully utilized.
- Facility B: syndicated revolving credit facility for an amount of CHF 150.0 million. The credit facility can be drawn until one month before maturity and includes a further option to increase the credit facility by CHF 75.0 million (subject to lenders' approval). As of December 31, 2024, CHF 10.0 million of the facility was drawn, compared with CHF 30.0 million as of December 31, 2023.

The committed syndicated credit facilities (A and B) are dependent on a financial covenant that defines the interest margin and the maximum leverage allowed for the group.

The group complied with the financial covenant as of December 31, 2024 and December 31, 2023 and expects to comply with it for 12 months after the reporting date.

Net debt must not exceed three times the pro-forma EBITDA (EBITDA adjusted on a pro-forma basis for permitted acquisitions and disposals); this leverage ratio is tested on a half-yearly basis. If the group has closed one or more permitted acquisitions of more than CHF 75.0 million, the ratio must not exceed 3.75 times pro-forma EBITDA for the two testing dates following the acquisition.

The average interest rate for borrowings in CHF in 2024 is 3.2%, down from 3.3% in 2023. This rate is determined by taking a weighted average of the borrowed amounts, using the interest rates applicable at the time of each borrowing, and does not include the impact of interest rate swaps.

Borrowings by currency

			2024
	millions of CHF	in %	Interest rate
CHF	258.2	99.9	3.2%
EUR	0.1	0.0	3.5%
USD	0.1	0.1	3.5%
Total as of December 31	**258.4**	**100.0**	

			2023
	millions of CHF	in %	Interest rate
CHF	277.5	99.6	3.3%
EUR	1.2	0.4	3.3%
USD	0.0	0.0	0.0%
Total as of December 31	**278.7**	**100.0**	

23 Provisions

millions of CHF	Other employee benefits	Warranties / liabilities	Restructuring	Other	Total
					2024
Balance as of January 1	3.1	2.1	0.4	15.4	21.0
Additions	1.0	1.2	1.6	5.2	9.0
Released as no longer required	–0.1	–0.8	–0.0	–3.8	–4.8
Utilized	–0.4	–0.4	–1.5	–3.1	–5.4
Currency translation differences	0.0	0.0	–0.0	0.3	0.3
Total provisions as of December 31	**3.7**	**2.1**	**0.5**	**13.9**	**20.2**
– thereof non-current	2.7	–	–	0.3	2.9
– thereof current	1.0	2.1	0.5	13.6	17.3

millions of CHF	Other employee benefits	Warranties / liabilities	Restructuring	Other	Total
					2023
Balance as of January 1	4.8	1.2	0.3	2.9	9.3
Acquired through business combination	–	0.1	–	6.3	6.4
Additions	1.2	1.8	0.8	7.9	11.7
Released as no longer required	–1.4	–0.7	–	–0.2	–2.4
Utilized	–1.4	–0.4	–0.7	–1.2	–3.7
Currency translation differences	–0.1	–0.0	–0.0	–0.3	–0.4
Total provisions as of December 31	**3.1**	**2.1**	**0.4**	**15.4**	**21.0**
– thereof non-current	2.4	–	–	0.2	2.7
– thereof current	0.7	2.1	0.4	15.2	18.3

The category “Other employee benefits” includes provisions for long-service gifts and other obligations to employees.

The category “Warranties/liabilities” includes provisions for warranties, customer claims, penalties, litigation and legal cases relating to goods delivered or services rendered.

The category “Other” includes provisions that do not fit into the aforementioned categories.

As part of the Growth & Efficiency program, the group recognized restructuring costs of CHF 1.6 million (2023: CHF 0.8 million), mainly associated with a production facility in Germany.

As part of the Qiaoyi acquisition in 2023, the group recorded contingent liabilities (recognized as other provisions) related to value added tax (VAT) risks. As of December 31, 2024, the contingent liabilities for Qiaoyi VAT risks amounted to CHF 6.3 million (2023: CHF 6.3 million).

In 2023, the group announced that it was seeking to sell its Polish entity, following its decision not to resume operations in Wroclaw, Poland. In 2023, the group contractually agreed with the buyer of the former subsidiary medmix Poland to a minimum net equity after the sale of all assets of the company (net equity guarantee). The group assessed the risk of the net equity guarantee based on the most likely outcome and recognized other provisions. As of December 31, 2024, the provision for the net equity guarantee amounted to CHF 3.0 million (2023: CHF 3.0 million).

Although the group expects a large part of the category “Other” to be realized in one year, by their nature, the amounts and timing of any cash outflows are difficult to predict.

24 Other non-current liabilities

millions of CHF	2024	2023
Put option liability	14.8	9.8
Liability from sale of investments in subsidiaries	–	11.4
Non-current financial derivative liabilities	5.8	2.2
Total other non-current liabilities as of December 31	**20.6**	**23.4**

In 2023, the group recognized a put option liability for the Qiaoyi acquisition based on the discounted put exercise price in equity in the amount of CHF 10.0 million, which is accreted over the contract period in equity (December 31, 2023: CHF 9.8 million). At any time after July 5, 2027, the non-controlling shareholders can exercise a put option to sell, and the group can exercise a call option to purchase, the remaining 20% equity interest held by the non-controlling shareholders for a formula-based purchase price. As of December 31, 2024, the put option liability amounted to CHF 14.8 million. Further details regarding the subsequent measurement of the put option liability are disclosed in note 20.

Further details regarding the liability from sale of investments in subsidiaries are disclosed in note 26.

Further details regarding derivative financial instruments are disclosed in note 27.

25 Trade accounts payable

The group participates in a supplier finance arrangement with a financial institution to facilitate payments for selected vendors and subsequently pay the institution at a later date. The purpose of this arrangement is to ensure an efficient payment process and to improve the group's working capital. The group has not derecognized the original trade accounts payable related to the arrangement because these trade accounts payable are considered to have a similar nature and function to other trade accounts payable.

millions of CHF	2024	2023
Payables not part of the finance arrangement	26.6	41.5
Payables part of the finance arrangement in respect of which suppliers have received payment	12.9	7.9
Total trade accounts payable as of December 31	**39.4**	**49.4**

Range of payment due dates (days after invoice date)

	2024	2023
Payables subject to supplier finance arrangement	usually between 30 to 60 days	usually between 30 to 60 days
Payables not subject supplier finance arrangement	usually between 30 to 60 days	usually between 30 to 60 days

The payments to the financial institution are included within the cash flow from operating activities because they continue to be part of the normal operating cycle of the group and their nature remains operating, i.e., payments for the purchase of goods and services. The payments to a supplier by the financial institution are considered non-cash transactions.

26 Other current and accrued liabilities

millions of CHF	2024	2023
Outstanding dividend payments	16.3	10.9
Liability from sale of investments in subsidiaries	11.7	–
Taxes (VAT, withholding tax)	1.6	1.9
Derivative financial instruments	3.2	0.7
Current payables from purchase of a subsidiary	–	4.4
Other current liabilities	2.0	2.4
Total other current liabilities as of December 31	**34.8**	**20.2**
Contract-related costs	1.4	1.1
Salaries, wages and bonuses	12.4	8.5
Vacation and overtime claims	1.9	2.5
Accrued interest expenses	3.1	3.7
Accrued expenses and deferred income	15.6	15.1
Total accrued liabilities as of December 31	**34.3**	**31.0**
Total other current and accrued liabilities as of December 31	**69.1**	**51.2**

The unpaid dividends amounted to CHF 16.3 million (2023: CHF 10.9 million). For more details, refer to note 20.

In 2023, the group sold non-controlling interests in investments in subsidiaries without loss of control. The group has a call option to purchase until March 31, 2026, and the buyers have a put option to sell any time between March 31, 2025, and March 31, 2026, all non-controlling interests. Since the call and put option represent fixed price options, the group recognized an economic interest of 100% and recorded 0% for the non-controlling interests. The group recognized a liability based on the discounted put exercise price in equity in the amount of CHF 2.0 million and in other non-current liabilities in the amount of CHF 11.4 million. Changes in the put exercise price and interest accretion over the contract period are recognized in equity. During 2024, the group reclassed the liability from non-current to current. As of December 31, 2024, the liability from the sale of investments in subsidiaries amounted to CHF 11.7 million.

Further details regarding derivative financial instruments are disclosed in note 27.

In 2024, the group exercised its fixed-price forward and acquired an additional 10% equity interest in Guangdong Qiaoyi Plastic Co. Ltd. ("Qiaoyi") for CHF 4.5 million, increasing its total ownership to 80%. In 2023, the current payables from the purchase of a subsidiary, amounting to CHF 4.4 million, were recognized in other current and accrued liabilities.

27 Derivative financial instruments

	2024				2023			
	Derivative assets		Derivative liabilities		Derivative assets		Derivative liabilities	
millions of CHF	Notional value	Fair value	Notional value	Fair value	Notional value	Fair value	Notional value	Fair value
Forward exchange rate contracts	68.8	1.0	130.6	3.2	148.4	4.8	61.5	0.7
Interest rate swaps	–	–	125.0	5.8	25.0	0.0	100.0	2.2
Total as of December 31	**68.8**	**1.0**	**255.6**	**9.0**	**173.4**	**4.8**	**161.5**	**2.9**
– thereof due in <1 year	68.8	1.0	130.6	3.2	148.4	4.8	61.5	0.7
– thereof due in 1–5 years	–	–	125.0	5.8	25.0	0.0	100.0	2.2

Cash flow hedge reserve

The notional value and the fair value of derivative assets and liabilities include current and non-current derivative financial instruments. The cash flow hedges of the expected future revenues and interest payments were assessed as highly effective. The following tables present the cash flow hedge reserve as of December 31, 2024, and 2023.

	2024		
millions of CHF	Gross amount	Deferred taxes	Cash flow hedge reserve in equity
Balance as of January 1	**–0.8**	**–0.1**	**–0.9**
Fair value adjustments	–4.8	0.9	–3.9
Reclassified to profit or loss	–1.2	0.1	–1.1
Currency translation differences	0.0	–0.0	0.0
Balance as of December 31	**–6.8**	**0.8**	**–6.0**

	2023		
millions of CHF	Gross amount	Deferred taxes	Cash flow hedge reserve in equity
Balance as of January 1	**0.8**	**–0.1**	**0.7**
Fair value adjustments	–2.5	0.1	–2.3
Reclassified to profit or loss	0.9	–0.2	0.7
Currency translation differences	–0.0	0.0	–0.0
Balance as of December 31	**–0.8**	**–0.1**	**–0.9**

There was no ineffectiveness that arose from cash flow hedges in 2024 (2023: CHF 0.0 million). The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the balance sheet.

The hedged, highly probable forecast transactions denominated in foreign currencies are mostly expected to occur at various dates during the next 12 months. Gains and losses recognized in the cash flow hedge reserve (cash flow hedges) in equity on forward foreign exchange contracts as of December 31, 2024, are recognized in revenues, cost of goods sold or other operating income/expenses in the period or periods during which the hedged transaction affects the income statement. This is generally within 12 months of the balance sheet date unless the gain or loss is included in the initial amount recognized for the purchase of fixed assets, in which case recognition is over the lifetime of the asset (five to ten years).

The interest rate risk as shown in note 6 is hedged with financial derivatives and relates to the variable financing of the group. The duration of the hedges is aligned with the duration of the hedged items. Gains and losses recognized in the cash flow hedge reserve (cash flow hedges) in equity on interest rate derivatives contracts as of December 31, 2024, will be booked in interest expense over the next four years.

The group enters into derivative financial instruments under enforceable master netting arrangements. These agreements do not meet the criteria for offsetting derivative assets and derivative liabilities in the consolidated balance sheet. As of December 31, 2024, the amount subject to such netting arrangements was CHF 9.0 million (2023: CHF 2.9 million). Considering the effect of these agreements, the amount of derivative assets, recorded as other current receivables and prepaid expenses (note 18), would reduce from CHF 1.0 million to CHF 0.0 million (2023: from CHF 4.8 million to CHF 1.9 million). Similarly, the amount of derivative liabilities, recorded as other non-current liabilities (note 24) and other current and accrued liabilities (note 26), would reduce from CHF 9.0 million to CHF 8.0 million (2023: from CHF 2.9 million to CHF 0.0 million).

28 Contingent liabilities

The separation from Sulzer Ltd was effectuated by way of a symmetrical demerger in 2021 in accordance with the Swiss Merger Act. Under the merger act, the group may be held liable by creditors of Sulzer Ltd, who may be able to enforce certain claims existing at the time of the spin-off or having their basis prior to the spin-off against the group.

As part of the Qiaoyi acquisition in 2023, the group recorded contingent liabilities (recognized as other provisions) related to value added tax (VAT) risks. As of December 31, 2024, the contingent liabilities for Qiaoyi VAT risks amounted to CHF 6.3 million (2023: CHF 6.3 million).

The group is involved in a legal dispute over a commercial disagreement, with a plaintiff seeking CHF 15.6 million. The group has asked for the claim to be dismissed. The probability of a favorable judgment for the group is currently assessed to be at least 75%, though this may change as proceedings continue. Since the likelihood of a positive outcome is clearly above 50%, the group has not provided any provision for the claim and instead reports the amount sought as a contingent liability.

29 Share participation plans

Share-based payments charged to personnel expenses

millions of CHF	2024	2023
Restricted share unit plan	1.4	0.5
Performance share plan	2.9	2.1
Total charged to personnel expenses	**4.4**	**2.5**

Restricted share unit plan settled in medmix shares

This long-term incentive plan covers the Board of Directors and certain new management members as a replacement for forfeited, unpaid and unvested performance and/or retention bonus payments and awards with previous employers. Restricted share units (RSUs) are granted annually to the Board of Directors and at the joining date of certain new management members. The plan features graded vesting over a one-year, two-year, or three-year period. One RSU award is settled with one medmix share at the end of the vesting period. The fair value of the RSUs granted is measured at the grant date closing share price of medmix Ltd, adjusted by expected dividends during the vesting period. Participants are not entitled to dividends declared during the vesting period. Consequently, the grant date fair value of the RSUs is reduced by the present value of the dividends expected to be paid during the vesting period.

Restricted share units for the Board of Directors

Grant year	2024	2023	2022	2021	Total
Outstanding as of January 1, 2023	**–**	**–**	**16’797**	**1’830**	**18’627**
Granted	–	25’153	–	–	25’153
Exercised	–	–	–5’600	–915	–6’515
Forfeited	–	–	–	–	–
Outstanding as of December 31, 2023	**–**	**25’153**	**11’197**	**915**	**37’265**
Outstanding as of January 1, 2024	**–**	**25’153**	**11’197**	**915**	**37’265**
Granted	34’577	–	–	–	34’577
Exercised	–399	–12’250	–7’788	–915	–21’352
Forfeited	–3’425	–	–	–	–3’425
Outstanding as of December 31, 2024	**30’753**	**12’903**	**3’409**	**–**	**47’065**
Average fair value at grant date in CHF	15.02	20.65	32.08	43.92	-

Restricted share units for new management members

Grant year	2024	2023	Total
Outstanding as of January 1, 2023	**–**	**–**	**–**
Granted	–	20’421	20’421
Exercised	–	–2’413	–2’413
Outstanding as of December 31, 2023	**–**	**18’008**	**18’008**
Outstanding as of January 1, 2024	**–**	**18’008**	**18’008**
Granted	123’206	–	123’206
Exercised	–	–8’261	–8’261
Outstanding as of December 31, 2024	**123’206**	**9’747**	**132’953**
Average fair value at grant date in CHF	15.82	17.96	-

Performance share plan settled in medmix shares

This long-term incentive plan covers the members of the Executive Committee and other selected individuals employed in defined roles. Performance share units (PSU) are granted annually, depending on the organizational position of the employee.

Vesting of the PSP is based on the achievement of three pre-determined performance conditions:

- Growth: measured by the revenue of medmix based on the consolidated financial statement, weighted at 30%.
- Profitability: measured by the adjusted EBITDA margin, weighted at 30%.
- Share performance: measured by the share price performance relative to the Swiss Performance Index excluding dividends, weighted at 40%. Share performance is measured using a starting value of the average share closing price over the first three months prior to the start of the three-year performance period and an ending value of the average share closing price over the last three months of the vesting period.

The number of vested PSUs is determined by multiplying the number of originally granted PSUs by the total achievement factor, rounded up to the next full number of vested PSUs. For each vested PSU, one medmix share will be transferred to the individual plan participant on the share delivery date.

The following inputs were used to determine the fair value of the PSUs at grant date using a Monte Carlo simulation:

Grant year	2024	2023	2022
Fair value at grant date	15.11	22.64	31.81
Share price at grant date	16.40	17.85	32.90
Expected volatility	36.00%	35.26%	36.83%
Risk-free interest rate	1.03%	1.96%	0.39%

The expected volatility of the medmix shares is determined by the historical volatility. The zero-yield curve from Switzerland was used as the relevant risk-free rate. Historical data was used to arrive at an estimate for the correlation between medmix and the Swiss Performance Index.

Performance share units – terms of awards

Grant year	2024	2023	2022
Number of awards granted	209’222	169’832	127’194
Grant date	April 01, 2024	April 01, 2023	April 01, 2022
Performance period	01/24–12/26	01/23–12/25	01/22–12/24
Fair value at grant date in CHF	15.11	22.64	31.81

Performance share units

Grant year	2024	2023	2022
Outstanding as of January 1, 2023	**–**	**–**	**123’651**
Granted	–	169’832	–
Exercised	–	–240	–4’258
Forfeited	–	–2’002	–7’704
Outstanding as of December 31, 2023	**–**	**167’590**	**111’689**
Outstanding as of January 1, 2024	**–**	**167’590**	**111’689**
Granted	209’222	–	–
Exercised	–660	–3’132	–2’015
Forfeited	–5’745	–16’481	–10’044
Outstanding as of December 31, 2024	**202’817**	**147’977**	**99’630**

30 Transactions with members of the Board of Directors, Executive Committee and related parties

Key management compensation

	2024				2023			
thousands of CHF	Short-term employee benefits	Post-employment benefits	Share-based payments	Total	Short-term employee benefits	Post-employment benefits	Share-based payments	Total
Board of Directors	566	–	596	1’162	671	–	543	1’214
Executive Committee	3’610	1’152	1’832	6’594	1’761	623	1’065	3’449

As of December 31, 2024 and 2023, there were no outstanding loans with members of the Board of Directors or the Executive Committee.

Related parties

There are no transactions with related parties to disclose.

31 Auditor remuneration

Fees for the audit services by KPMG as the appointed group auditor amounted to CHF 0.6 million (2023: CHF 0.7 million). Additional services provided by the group auditor amounted to a total of CHF 0.1 million (2023: CHF 0.3 million). This amount includes CHF 0.1 million for tax services (2023: CHF 0.1 million) and CHF 0.0 million for other services (2023: CHF 0.2 million).

32 Material accounting policies and valuation methods

32.1 Change in accounting policies

a) Standards, amendments and interpretations that were effective for 2024

The following amended standards become effective for annual reporting periods beginning on or after January 1, 2024, and have been adopted by the group. None of these changes has a material impact on the financial statements of the group.

For other standard amendments, the group did not have to change its accounting policies or make retrospective adjustments.

Amendments to IAS 7 and IFRS 7 for disclosure of supplier finance arrangements

These amendments address the disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on the group's liabilities, cash flows and exposure to liquidity risk.

These amendments resulted in the extended note 25, where the group discloses the supplier finance arrangements.

Amendment to IAS 1 for classification of liabilities as current or non-current and non-current liabilities with covenants

These amendments clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period.

These amendments resulted in a change in the accounting policy of borrowings classification, by removing the requirement for a right to be unconditional to defer settlement for at least 12 months after the reporting date. However, there was no impact on the classification of non-current borrowings for the group (see note 22 for disclosures of covenants).

b) Standards, amendments and interpretations issued but not yet effective, which the group decided not to adopt early in 2024

IFRS 18 – Presentation and disclosure in financial statements

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18, a new standard on presentation and disclosure in financial statements, which replaces IAS 1. IFRS 18 will apply for annual reporting periods beginning on or after January 1, 2027.

The objective of the new standard is to ensure that financial statements provide relevant information that faithfully represents the group’s assets, liabilities, equity, income and expenses. Key features include a defined structure for the income statement, mandatory subtotals, aggregation and disaggregation of information, and disclosures related to the income statement.

The group has started a project to assess the impact that initial application will have on its consolidated financial statements.

No other IFRS standards or interpretations not yet effective are expected to have a material impact on the group.

32.2 Business combinations

The group accounts for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is measured at the fair value of the assets given, the liabilities incurred to the former owner of the acquiree and the equity interest issued by the group. Any goodwill arising is tested annually for impairment. Any gain on a bargain purchase is recognized in the income statement immediately. Acquisition-related costs are expensed as incurred, except if related to the issue of debt or equity securities. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in the income statement.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree’s employees (acquiree’s awards), then all or a portion of the amount of the acquirer’s replacement awards is included in measuring the consideration transferred in the business combination. The determination is based on the difference between the market-based measure of the replacement awards and the market-based measure of the acquiree’s awards and the extent to which the replacement awards relate to pre-combination service.

32.3 Foreign currency translation

Items included in the financial statements of consolidated entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Swiss francs (CHF).

The following table shows the major currency exchange rates:

	2024		2023	
CHF	Average rate	Year-end rate	Average rate	Year-end rate
EUR 1	0.95	0.94	0.97	0.93
USD 1	0.88	0.90	0.90	0.84
CNY 100	12.23	12.39	12.68	11.89

32.4 Intangible assets

Intangible assets with finite useful life are amortized in line with the expected useful life, usually on a straight-line basis. The period of useful life is assessed according to business rather than legal criteria.

a) Goodwill

Goodwill is subject to an annual impairment test and valued at its original acquisition cost less accumulated impairment losses. In cases where circumstances indicate a potential impairment, impairment tests are conducted more frequently. Profits and losses arising from the sale of a business include the book value of the goodwill assigned to the business being sold.

For impairment testing, goodwill is allocated to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Goodwill originating from the acquisition of an associated company is included in the book value of the participation in associated companies.

b) Trademarks and licenses

Trademarks, licenses and similar rights acquired from third parties are stated at acquisition cost. Such assets are amortized over their expected useful life, generally not exceeding ten years.

c) Research and development

Expenditure on research activities is recognized in the income statement as incurred. Development costs for major projects are capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the group intends and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in the income statement as incurred. Subsequently, such assets are measured at cost less accumulated amortization (max. five years) and any accumulated impairment loss.

d) Computer software

Acquired computer software licenses under the control of the group are capitalized on the basis of the cost incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (three to max. five years).

e) Customer relationships

As part of a business combination, acquired customer rights are recorded at fair value (cost at the time of acquisition). These costs are amortized over their estimated useful lives, generally not exceeding 15 years.

32.5 Property, plant and equipment

Property, plant and equipment is stated at acquisition cost less depreciation and impairments. Depreciation is provided on a straight-line basis over the estimated useful life. Land is stated at cost and is not depreciated.

The useful lives are as follows:
Buildings: 20–50 years
Machinery: 5–15 years
Technical equipment: 5–10 years
Other non-current assets: max. 5 years

32.6 Impairment of property, plant and equipment and intangible assets

An impairment loss is recorded equal to the excess of the carrying value over the recoverable amount. The recoverable amount is the higher of the fair value of the asset less disposal costs and its value in use. The value in use is based on the estimated cash flow over a five-year period and the extrapolated projections for subsequent years. The results are discounted using an appropriate pre-tax, long-term interest rate. For the purposes of the impairment test, assets are grouped together at the lowest level for which separate cash flows can be identified (cash-generating units).

32.7 Lease assets and lease liabilities

The group recognizes lease assets and lease liabilities for most leases (these leases are on-balance-sheet leases). However, the group has elected not to recognize lease assets and lease liabilities for some leases of low-value assets and short-term leases. The group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The group recognizes lease assets and lease liabilities at the lease commencement date. The asset is initially measured at cost and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements. The lease liability is initially measured at the present value of the lease payments that are not paid on commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group’s incremental borrowing rate. In most cases, the group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index rate, a change in the estimate of the amount expected to be payable under a residual value guarantee or a change in the assessment of whether a purchase or extension option is reasonably certain to be exercised, or if a termination option is reasonably certain not to be exercised.

32.8 Derivative financial instruments and hedging activities

The group uses derivative financial instruments, such as forward currency contracts and other forward contracts, to hedge its risks associated with fluctuations in foreign currencies arising from operational and financing activities. The group uses interest rate swaps to hedge its risks associated with interest rate changes. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on the derivatives during the year that do not qualify for hedge accounting are recognized directly in profit or loss.

The group applies hedge accounting to secure the foreign currency risks of future cash flows that have a high probability of occurrence. These hedges are classified as "cash flow hedges", whereas the hedge instrument is recorded on the balance sheet at fair value and the effective portions are booked against "Other comprehensive income" in the column "Cash flow hedge reserve". If the hedge relates to a non-financial transaction that will subsequently be recorded on the balance sheet, the adjustments accumulated under "Other comprehensive income" at that time will be included in the initial book value of the asset or liability. In all other cases, the cumulative changes in fair value of the hedging instrument that have been recorded in other comprehensive income are included as a charge or credit to income when the forecast transaction is recognized or when hedge accounting is discontinued as the criteria are no longer met.

32.9 Inventory

Raw materials, supplies and consumables are stated at the lower of cost or net realizable value. Finished products and work in progress are stated at the lower of production cost or net realizable value. Production cost includes the costs of materials, direct and indirect manufacturing costs, and contract-related costs of development. Inventory is valued by reference to weighted average costs. Provisions are made for slow-moving and excess inventory.

32.10 Trade receivables

Trade and other accounts receivable are recognized initially at transaction price and subsequently measured at amortized cost less allowances for doubtful trade accounts receivable.

The allowance for doubtful trade accounts receivable is based on expected credit losses. These are based on historical observed default rates over the expected life of the trade receivables and are adjusted for forward-looking information such as gross domestic product (GDP) forecasts.

32.11 Cash and cash equivalents

Cash and cash equivalents comprise bills, postal giros and bank accounts, together with other short-term highly liquid investments with a maturity of three months or less from the date of acquisition. Bank overdrafts are reported within borrowings in the current liabilities.

32.12 Share capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects. When share capital is repurchased, the amount of the consideration paid, which includes directly attributable cost, is net of any tax effects and is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is transferred to/from retained earnings.

32.13 Borrowings

Financial debt is stated at fair value when initially recognized, after recognition of transaction costs. In subsequent periods, it is valued at amortized cost. Any difference between the amount borrowed (after deduction of transaction costs) and the repayment amount is reported in the income statement over the duration of the loan using the effective interest method. Borrowings are classified as current liabilities unless the group has a right to defer settlement of the liability for at least 12 months after the balance sheet date.

32.14 Current and deferred income taxes

The current income tax charge comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the group operates and generates taxable income. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The liability method is used to provide deferred taxes on all temporary differences between the tax base of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred taxes are valued by applying tax rates (and regulations) that are substantially enacted on the balance sheet date or any that have essentially been legally approved and are expected to apply at the time when the deferred tax asset is realized or the deferred tax liability is settled.

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized directly in equity or other comprehensive income.

Deferred tax assets are recognized for unused tax losses and deductible temporary differences to the extent that it is probable that a taxable profit will be available against which they can be used. Deferred tax liabilities arising as a result of temporary differences relating to investments in subsidiaries and associated companies are applied, unless the group can control when temporary differences are reversed and it is unlikely that they will be reversed in the foreseeable future.

32.15 Employee benefits

a) Defined benefit plans

The group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and deducting the fair value of any plan assets.

The calculation of defined benefit assets/obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest income on plan assets) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expenses and other expenses related to defined benefit plans are recognized in the income statement.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the income statement. The group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

b) Defined contribution plans

Defined contribution plans are defined as pure savings plans, under which the employer makes certain contributions into a separate legal entity (fund) and does not have a legal or a constructive liability to contribute any additional amounts in the event this entity does not have enough funds to pay out benefits. A "constructive" commitment exists when it can be assumed that the employer will voluntarily make additional contributions in order not to endanger the relationship with its employees. Company contributions to such plans are considered in the income statement as personnel expenses.

c) Other employee benefits

Some subsidiaries provide other employee benefits such as early retirement benefits or long-service gifts to their employees. Early retirement benefits are defined as termination benefits for employees accepting voluntary redundancy in exchange for those benefits. Long-service gifts are other long-term benefits. For example, in Switzerland, the group makes provisions for long-service benefits based on a Swiss local directive. The provisions are reported in the category "Other employee benefits".

Short-term benefits are payable within 12 months of the end of the period in which the employees render the related employee service. In the case of liabilities of a long-term nature, the discounting effects and employee turnover are taken into consideration.

Obligations to employees arising from restructuring measures are included under the category "Restructuring provisions".

32.16 Share-based compensation

The group operates one equity-settled, share-based payment plan. The restricted share plan (RSP) covers the members of the Board of Directors.

The fair value of the employee services received in exchange for the grant of the share units is recognized as a personnel expense with a corresponding increase in equity. The total amount expensed is recognized over the vesting period, which is the period over which the specified service conditions are expected to be met.

The fair value of the restricted share units (RSUs) granted for services rendered is measured at the medmix Ltd closing share price at grant date and discounted over the vesting period using a discount rate that is based on the yield of Swiss government bonds with maturities matching the duration of the vesting period. Participants are not entitled to dividends declared during the vesting period. The grant date fair value of the RSUs is consequently reduced by the present value of dividends expected to be paid during the vesting period.

The group accrues for the expected cost of social security contributions in connection with the allotment of shares under the RSP. The dilutive effect of the share-based awards is considered when calculating diluted earnings per share.

32.17 Provisions

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Restructuring provisions comprise employee termination payments. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required is determined by considering the class of obligation as a whole. A provision is recognized even if the likelihood of an outflow with respect to a single item included in the class of obligations may be small.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pretax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

32.18 Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the group's activities. This includes standard products (off the shelf) as well as configured and engineered or tailor-made products. Revenues are shown net of value added tax, returns, rebates and discounts and after eliminating revenues within the group.

The core principle is that revenues are recognized at an amount that reflects the consideration to which the group expects to be entitled in exchange for transferring goods or services to a customer.

Revenues are recognized when (or as) the group satisfies a performance obligation by transferring a promised good or service (i.e., an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

A customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from, that good or service (e.g., use, consume, sell, hold). A customer could have the future right to direct the use of the asset and obtain substantially all of the benefits from it (i.e., upon making a prepayment for a specified product).

There are two methods for recognizing revenues:

- **Point in time method (PIT):** revenue recognition when the performance obligation is satisfied at a certain point in time.
- **Over time method (OT):** revenues, costs and profit margin recognition in line with the progress of the project.

The group determines at contract inception whether control of each performance obligation transfers to a customer over time or at a point in time. Arrangements where the performance obligations are satisfied over time are not limited to services arrangements. The assessment of whether control transfers over time or at a point in time is critical to the timing of revenue recognition.

Point in time method (PIT)

A performance obligation is satisfied at a point in time if none of the criteria for satisfying a performance obligation over time are met. Revenues are recognized when (or as) the customer obtains control of that asset (depending on incoterms). The following points indicate that a customer has obtained control of an asset:

- The entity has a present right to payment;
- The customer has legal title;
- The customer has physical possession;
- The customer has the significant risks and rewards of ownership;
- The customer has accepted the asset.

For contracts applying the point in time method, the transfer of risks and rewards of ownership (depending on international commercial terms) typically marks the transfer of control most appropriately.

Over time method (OT)

Revenues are recognized over time if any of the following criteria is met:

- The customer simultaneously receives/consumes as the group performs;
- The group creates/enhances an asset and the customer controls it during this process;
- The created asset has no alternative use and the group has an enforceable right to payment (including a reasonable profit margin) for performance to date if the customer terminates the contract for convenience.

The over time method is based on the percentage of costs to date compared with the total estimated contract costs (cost-to-cost method). In rare cases, other methods, such as a milestones method, may be used for a particular project, assuming that the stage of completion can be better estimated than by applying the cost-to-cost method. Work progress of sub-suppliers is considered to determine the stage of completion. If circumstances arise that may change the original estimates of revenues, costs or the extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs, and are reflected in income in the period in which the circumstances that give rise to the revision become known by management.

The income statement contains a share of revenues, including an estimated share of profit. The balance sheet includes the corresponding contract assets if the assets exceed the advance payments from the customer of the project. When it appears probable that the total costs of an order will exceed the expected income, the total amount of the expected loss is recognized immediately in the income statement.

Contract classification per segment

Revenues are measured based on the consideration specified in a contract with a customer. Revenues are recognized over time if any of the conditions above are met. If none of the criteria for satisfying a performance obligation over time are met, revenues are recognized at a point in time.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers and the related revenue recognition method.

Contract classification	Characteristics	Typical revenue recognition method	
		Created asset has an alternative use or the group has no enforceable right to payment (including a reasonable profit margin) for performance to date if the customer terminates the contract for convenience	Created asset has no alternative use and the group has an enforceable right to payment (including a reasonable profit margin) for performance to date if the customer terminates the contract for convenience
Healthcare			
Standard orders	— Off-the-shelf articles of stock materials (production to stock) — Made-to-order articles	PIT	n/a
Developmental projects for drug delivery devices and medical instruments	— Highly customized products that are tailor-made to customers' specifications — Multistage process that generally includes design, development and industrialization capability phases	PIT	OT
Consumer & Industrial			
Standard orders	— Off-the-shelf articles of stock materials (production to stock) — Made-to-order articles	PIT	n/a

Payment terms

The group's general terms and conditions of supply require payments within 30 days of the invoice date.

Other payment terms may apply if otherwise defined in the customer contract, the purchase order, the respective change order or the quotation.

Variable considerations

If the consideration promised in a contract includes a variable amount (e.g., liquidated damages, early payment discount, volume discounts), the group estimates the amount of consideration to which the group will be entitled in exchange for transferring the promised goods or services to a customer. The amount of the variable consideration is estimated using either the expected value method or the most likely amount method, depending on which method the group expects will better predict the amount of consideration to which it will be entitled. The method selected is applied consistently throughout the contract and to similar types of contracts when estimating the effect of uncertainty on the amount of variable consideration to which the group is entitled.

The group's general terms and conditions of supply provide for the following warranty periods. Except in cases where the scope of supply is limited to services only, the warranty period ends on the earliest of the following dates:

- After 12 months from the initial operation of the scope of supply.
- After 18 months from delivery of the scope of supply.
- In the event that delivery is delayed or impeded for reasons beyond the supplier's control, after 18 months from the date of the supplier's notification that the scope of supply is ready for dispatch.

Where the scope of supply is limited to services only, the warranty period ends six months after completion of such services.

If the group fails to meet the delivery date for more than two calendar weeks due to reasons for which the group is directly responsible, and provided that the purchase order expressly provides liquidated damages for such failure, the purchaser is entitled to demand that the group pay liquidated damages at the rate stated in the purchase order.

The group's obligation for warranties, liquidated damages and other obligations is accounted for as a variable consideration in the revenues and recognized as a provision.

Allocation of the transaction price

To allocate the transaction price to each performance obligation on a relative stand-alone, selling-price basis, the group determines the stand-alone selling-price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. If the stand-alone selling price is not directly observable, then the group estimates the amount using the expected cost plus margin method.

33 Subsequent events after the balance sheet date

Subsequent events have been considered for adjustment of disclosure up to February 25, 2025, the date these consolidated financial statements were authorized for issue.

34 Major subsidiaries

	Subsidiary	Equity participation	Registered capital	Direct participation by medmix Ltd	Research and development	Production and engineering	Sales
Europe							
Switzerland	medmix Switzerland AG, Haag	100%	CHF 100’000		•	•	•
	medmix Group AG, Baar	100%	CHF 100’000	•			
Germany	medmix Deutschland Holding GmbH, Bechhofen	100%	EUR 870’000				
	GEKA GmbH, Bechhofen	100%	EUR 878’600		•	•	•
	medmix Deutschland GmbH, Kiel	100%	EUR 26’000			•	
	Haselmeier GmbH, Stuttgart	100%	EUR 2'027'700			•	•
Spain	medmix Spain, S.L., Valencia	100%	EUR 3'600			•	•
UK	medmix UK Ltd., Hungerford	100%	GBP 1’000’000			•	•
North America							
USA	medmix US Inc., Salem, New Hampshire	100%	USD 100				•
	GEKA Manufacturing Corporation, Elgin, Illinois	100%	USD 100			•	•
	medmix Healthcare US Inc., Flowery Branch, Georgia	100%	USD 1'000			•	•
	medmix US Holding Inc., Salem, New Hampshire	100%	USD 1'000				
Central and South America							
Brazil	GEKA do Brasil Indústria e Comércio de Embalagens Ltda., Cotia, São Paulo	100%	BRL 15’009’794			•	•
Asia							
India	Haselmeier India Pvt. Ltd., Bengaluru, Karnataka	100%	INR 32'309'720			•	•
People’s Republic of China	medmix China Ltd., Shanghai	100%	CHF 6'500'000			•	•
	Guangdong Qiaoyi Plastic Co. Ltd., Shantou, Guangdong	80%	RMB 32'800'000		•	•	•

KPMG

Statutory Auditor's Report

To the General Meeting of medmix Ltd, Baar

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of medmix Ltd and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 116 to 184) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

REVENUE RECOGNITION

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

REVENUE RECOGNITION

Key Audit Matter

Total consolidated revenue of the financial year 2024 amounted to CHF 483.9 million (2023: CHF 486.6 million). The Group’s revenue is mainly related to the sale of high-precision delivery devices in healthcare, consumer and industrial end-markets.

In line with IFRS 15, the Group recognizes revenue when a performance obligation is satisfied by transferring control over a promised good or service. Due to the Group’s business model, revenues recognized with the over time method are currently not material.

Revenue is a key performance indicator and therefore in internal and external stakeholders’ focus. Consequently, there might be pressure to achieve forecasted results. This could lead to an increased audit risk relating to sales cut-off and revenues not being recorded in the proper accounting period.

We consider revenue recognition to be a key audit matter due to the number of transactions that occur close to year-end and the potential impact of the cut-off date of these transactions on the consolidated financial statements.

Our response

Our audit procedures included, among others, inquiries with management regarding significant new contracts and relevant changes in existing contracts. The procedures also included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition.

Walkthroughs were performed to gain an understanding of processes and internal controls, including management reviews, with respect to revenue recognition.

On a sample basis, we reconciled revenue to the supporting documentation, such as sales orders, shipping documents and invoices.

A specific emphasis was set on verifying that revenue transactions at the end of the financial year have been recognized in the proper accounting period by comparing revenues close to the balance sheet date with the respective contractual terms.

Furthermore, we assessed the Group’s disclosures relating to revenue recognition.

For further information on KEY AUDIT MATTER 1 refer to the following:

– Note 3 of the consolidated financial statements
– Note 32.18 Key accounting policies and valuation methods - Revenue

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the company, the compensation report and our auditor’s reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors’ Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

S.Niklaus

Simon Niklaus
Licensed Audit Expert
Auditor in Charge

Anita Benz
Licensed Audit Expert

Zurich, 25 February 2025

KPMG AG, Badenerstrasse 172, CH-8036 Zurich

Alternative performance measures (APMs)

The financial information included in this report includes certain alternative performance measures (APMs), which are not accounting measures as defined by IFRS Accounting Standards. These APMs should not be used instead of, or considered as alternatives to, the group’s financial results based on IFRS Accounting Standards. These APMs may not be comparable to similarly titled measures disclosed by other companies. All APMs presented relate to the performance of the current reporting period and comparative periods.

The group believes that disclosing these performance measures enhances investors' ability to evaluate and assess the underlying performance of the group's operations and the related key business drivers. These APMs are also aligned to measures used internally to assess business performance.

Definition of alternative performance measures (APMs)

Segment cost of goods sold

Segment cost of goods sold is the part of cost of goods sold that is assigned to a segment. The calculation excludes the part of cost of goods sold that is shared between segments or cannot reasonably be allocated to any segment. Segment cost of goods sold is used to monitor the costs of a segment.

Segment gross profit

Segment gross profit is the part of gross profit that is assigned to a segment. The calculation excludes the part of cost of goods sold that is shared between segments or cannot reasonably be allocated to any segment. Segment gross profit is used to monitor the gross profit of a segment.

Segment gross profit margin

Segment gross profit margin is the part of the gross profit margin that is assigned to a segment. It is calculated by dividing segment gross profit by segment revenue. The segment gross profit margin measures how the segment turns revenue into segment gross profit.

Gross profit margin

The gross profit margin is calculated by dividing gross profit by revenue. The gross profit margin measures how the group turns revenue into gross profit.

Other cost of goods sold

Other cost of goods sold is the part of cost of goods sold that is not assigned to a segment. Other cost of goods sold includes shared costs, production variances and under absorption not allocated to a segment and therefore not included in segment gross profit. Other cost of goods sold is used to reconcile the segment gross profit to the gross profit of the group.

EBITDA (earnings before interest, taxes, depreciation and amortization)

EBITDA is defined as net income before income tax expenses, other net financial income and expenses, interest expenses, interest income, depreciation, amortization and impairments on tangible and intangible assets. In other words, EBITDA is defined as EBIT before depreciation, amortization and impairments on tangible and intangible assets. EBITDA is used to determine the net debt/EBITDA ratio.

Adjusted EBITDA

Adjusted EBITDA is defined as EBITDA adjusted for restructuring expenses and other non-operational items, which include significant acquisition-related expenses, gains and losses from the sale of businesses or real estate, and certain non-operational items that are non-recurring or do not occur in similar magnitude. Adjusted EBITDA is used to determine the profitability of the business and to determine the net debt/adjusted EBITDA ratio. The group also uses APM adjusted EBITDA, which is a measure that it considers to be relevant for investors who want to understand the profit generation excluding items affecting comparability.

Adjusted EBITDA margin

The adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue. The adjusted EBITDA margin measures how the group turns revenue into adjusted EBITDA.

Adjusted net income

Adjusted net income is defined as net income before tax-adjusted effects on restructuring, amortization, impairments and non-operational items. The group uses adjusted net income, which is a measure that it considers to be relevant for investors who want to understand the net income excluding items affecting comparability.

Free cash flow (FCF)

FCF is used to assess the group’s ability to generate the cash required to conduct and maintain its operations. It also indicates the group’s ability to generate cash to finance dividend payments, repay debt and to undertake merger and acquisition activities. FCF is calculated based on the cash flow from operating activities and adjusted for paid capital expenditures (net investments in property, plant and equipment and intangible assets).

Operating net cash flow (ONCF)

ONCF is calculated based on FCF adjusted for financial income and expenses, taxes and other items. ONCF is used to assess the group’s operating net cash flow.

Adjusted operating net cash flow (adjusted ONCF)

Adjusted ONCF is calculated based on ONCF adjusted for cash impacts on other non-operational items. Adjusted ONCF is used as a financial objective for the short-term variable compensation for the members of the Executive Committee (further details are provided in chapter Compensation architecture for the Executive Committee) and other employees of the group.

Gross capital expenditure (gross capex)

Capex, gross, is the sum of additions to intangible assets and additions to property, plant and equipment.

Net capital expenditure (net capex)

Capex, net, is calculated based on capex, gross, adjusted for the net book value of disposed intangible assets and property, plant and equipment.

Net debt

Net debt is used to monitor the group's overall short-term and long-term liquidity. Net debt is calculated as the sum of total current and non-current borrowings and lease liabilities less cash and cash equivalents and current financial assets.

Net debt/adjusted EBITDA ratio

Net debt/adjusted EBITDA is a ratio measuring the amount of income generated and available to pay down debt before covering interest, taxes, depreciations and amortization expenses without considering impairments, restructuring expenses and other non-operational items. The net debt/adjusted EBITDA ratio is used as a measurement of adjusted leverage. It is calculated as net debt divided by adjusted EBITDA.

Currency-adjusted growth

Certain percentage changes in the financial review and the business review have been calculated using constant exchange rates, which allow for an assessment of the group's financial performance with the effects of exchange rate fluctuations eliminated. The currency-adjusted growth is calculated by applying the previous year's exchange rates for the current year and calculating the growth without currency effects.

Organic growth

Organic growth measures changes with the same period in the previous year after adjusting for effects arising from acquisitions, divestments and foreign exchange differences.

The impact of the organic growth is determined as follows:

- Currency-adjusted growth as described above.
- For current-year acquisitions, by deducting the currency-adjusted amount generated during the current year by the acquired entities.
- For prior-year acquisitions, by deducting the currency-adjusted amount generated over the months during which the acquired entities were not consolidated in the previous year.
- For current-year disposals, by adding the currency-adjusted amount generated by the divested entities in the previous year over the months during which those entities were no longer consolidated in the current year.
- For the prior-year disposals, by adding for the current year the currency-adjusted amount generated in the previous year by the divested entities.

Reconciliation statements for alternative performance measures (APMs)

For the reconciliation statements of segment gross profit and segment gross profit margin, please refer to note 3. For all other alternative performance measures, refer to the Financial review section.

Financial statements of medmix Ltd

Balance sheet of medmix Ltd	0
Income statement of medmix Ltd	0
Statement of changes in equity of medmix Ltd	0
Notes to the financial statements of medmix Ltd	0
01 General information	0
02 Key accounting policies and principles	0
03 Investments in subsidiaries	0
04 Equity	0
05 Contingent liabilities	0
06 Investment income	0
07 Financial income and expenses	0
08 Administrative expenses	0
09 Share participation of the Board of Directors, Executive Committee and related parties	0
10 Subsequent events after the balance sheet date	0
Proposal of the Board of Directors for the appropriation of the available profit	0
Auditor’s report	0

Balance sheet of medmix Ltd

December 31

thousands of CHF	Notes	2024	2023
Current assets			
Cash and cash equivalents		404	3’031
Accounts receivable from subsidiaries		6	10
Other current accounts receivable		275	515
Prepaid expenses and other current accounts receivable		97	132
Prepaid expenses and other current accounts receivable with subsidiaries		–	4
Current loans to subsidiaries		37’500	30’000
Total current assets		**38’282**	**33’691**
Non-current assets			
Non-current loans to subsidiaries		183’500	183’500
Investments in subsidiaries	3	424’394	424’394
Total non-current assets		**607’894**	**607’894**
Total assets		**646’176**	**641’585**
Current liabilities			
Current liabilities with shareholders		16’310	10’873
Accrued liabilities and other current liabilities		264	312
Accrued liabilities and other current liabilities with subsidiaries		75	154
Total current liabilities		**16’650**	**11’340**
Non-current liabilities			
Total non-current liabilities		**–**	**–**
Total liabilities		**16’650**	**11’340**
Equity			
Share capital	4	413	413
Legal capital reserves			
– Reserves from capital contribution	4	294’653	294’653
– Other capital reserves		50’000	50’000
Voluntary retained earnings		263’951	263’951
Treasury shares	4	–14’548	–15’184
Available earnings			
– Profit / (loss) brought forward		16’025	2’861
– Profit / (loss) for the year		19’033	33’552
Total equity		**629’526**	**630’246**
Total equity and liabilities		**646’176**	**641’585**

Income statement of medmix Ltd

January 1 – December 31

thousands of CHF	Notes	2024	2023
Income			
Investment income	6	25'000	40'000
Financial income	7	2'967	2'193
Total income		**27'967**	**42'193**
Expenses			
Administrative expenses	8	–8'328	–8'363
Financial expenses	7	–594	–251
Other expenses		–1	–0
Total expenses		**–8'923**	**–8'614**
Profit / (loss) for the year before taxes		**19'045**	**33'580**
Direct taxes		–12	–28
Profit / (loss) for the year		**19'033**	**33'552**

Statement of changes in equity of medmix Ltd

thousands of CHF	Share capital	Reserves from capital contribution	Other capital reserves	Voluntary retained earnings	Treasury shares	Profit / (loss) brought forward	Profit / (loss) for the year	Total
Equity as of January 1, 2023	**413**	**294’653**	**50’000**	**268’951**	**–12’470**	**4’045**	**14’270**	**619’862**
Allocation of free reserves				–5’000		5’000		–
Dividend						–20’454		–20’454
Allocation of net income						14’270	–14’270	–
Profit / (loss) for the year							33’552	33’552
Change in treasury shares					–2’714			–2’714
Equity as of December 31, 2023	**413**	**294’653**	**50’000**	**263’951**	**–15’184**	**2’861**	**33’552**	**630’246**
Equity as of January 1, 2024	**413**	**294’653**	**50’000**	**263’951**	**–15’184**	**2’861**	**33’552**	**630’246**
Dividend						–20’388		–20’388
Allocation of net income						33’552	–33’552	–
Profit / (loss) for the year							19’033	19’033
Change in treasury shares					636			636
Equity as of December 31, 2024	**413**	**294’653**	**50’000**	**263’951**	**–14’548**	**16’025**	**19’033**	**629’526**

Notes to the financial statements of medmix Ltd

1 General information

medmix Ltd, Baar, Switzerland (the company), is the parent company of the medmix group. Its financial statements are prepared in accordance with Swiss law and serve as complementary information to the consolidated financial statements.

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below. medmix Ltd is presenting its consolidated financial statements according to IFRS Accounting Standards. As a result, medmix Ltd has applied the exemption included in Article 961d SCO and has not included additional disclosures such as a cash flow statement or a management report in its financial statements.

2 Key accounting policies and principles

Treasury shares

Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. In case of a resale, the gain or loss is recognized through the income statement as financial income or financial expenses.

Investments in subsidiaries

Investments are initially recognized at cost or, if the value is lower, at value in use, using generally accepted valuation principles.

Share-based payments

medmix Ltd operates a share-based payment program that covers the Board of Directors. Restricted share units (RSUs) are granted annually. The plan features graded vesting over a three-year period. One RSU award is settled with one medmix share at the end of the vesting period. Awards automatically vest with the departure from the Board. The fair value of the medmix share at the vesting date is recognized as compensation to the Board of Directors.

3 Investments in subsidiaries

A list of the major subsidiaries held directly or indirectly by medmix Ltd is included in note 34 of the consolidated financial statements.

4 Equity

Share capital

The share capital as of December 31, 2024, amounted to CHF 412’623.70, made up of 41’262’370 shares with dividend entitlement and a par value of CHF 0.01. All shares were fully paid in and registered.

Share ownership

medmix shares are freely transferable provided that, when requested by the company to do so, buyers declare that they have purchased and will hold the shares in their own name and for their own account. Nominees will only be entered in the share register with the right to vote provided that they meet the following conditions: the nominee is subject to the supervision of a recognized banking and financial market regulator; the nominee has entered into an agreement with the Board of Directors concerning its status; the share capital held by the nominee does not exceed 3% of the registered share capital entered in the commercial register; and the names, addresses and number of shares of those individuals for whose accounts the nominee holds at least 0.5% of the share capital have been disclosed. The Board of Directors is also entitled, beyond these limits, to enter shares of nominees with voting rights in the share register, provided that the above-mentioned conditions are met (see also paragraph 6a of the Articles of Association at https://medmix.swiss/en/Investors/Governance).

Shareholders holding more than 3%

	December 31, 2024		December 31, 2023	
	Number of shares	in %	Number of shares	in %
Viktor Vekselberg (direct shareholder: Tiwel Holding AG)	16’728’414	40.54	16’728’414	40.54
The Capital Group Companies, Inc. (direct shareholder: Capital Research and Management Company)	n/a	n/a	1’248’655	3.03
FIL Limited	2’025’719	4.91	2’025’719	4.90
UBS Fund Management (Switzerland) AG	1’669’130	4.05	1’489’532	4.35

Reserves from capital contributions

The share capital increase as of September 30, 2021, resulted in reserves from capital contribution of CHF 294’653k.

Treasury shares held by medmix Ltd

thousands of CHF	2024 Number of shares	2024 Total transaction amount	2023 Number of shares	2023 Total transaction amount
Balance as of January 1	**480'523**	**15'184**	**347'536**	**12'470**
Purchase	27'348	478	144'000	3'105
Share-based remuneration	–36'253	–1'118	–11'013	–391
Balance as of December 31	**471'618**	**14'544**	**480'523**	**15'184**

The total number of treasury shares held by medmix Ltd as of December 31, 2024, amounted to 471'752 (December 31, 2023: 480'523); these are mainly held for the purpose of issuing shares under the management share-based payment programs.

5 Contingent liabilities

thousands of CHF	2024	2023
Guarantees, sureties and comfort letters for subsidiaries		
– to banks and insurance companies	84'417	54'845
Total contingent liabilities as of December 31	**84'417**	**54'845**

As of December 31, 2024, CHF 21'221k (2023: CHF 16'341k) of guarantees, sureties and comfort letters for subsidiaries to banks and insurance companies were utilized.

The separation from Sulzer Ltd was effected by way of a symmetrical demerger according to the Swiss Merger Act. Under the merger act, the company may be held liable by creditors of Sulzer Ltd, who may be able to enforce certain claims existing at the time of the spin-off or having their basis prior to the spin-off against the company.

6 Investment income

In 2024, the investment income contained dividend payments from medmix Group AG amounting to CHF 25'000k (2023: CHF 40'000k)

7 Financial income and expenses

The financial income contains interest on loans with subsidiaries amounting to CHF 2'934k (2023: CHF 2'193k) and foreign exchange gains of CHF 33k (2023: CHF 0k).

The financial expenses mainly include treasury share expenses provided to share plan participants of CHF 550k (2023: CHF 169k).

8 Administrative expenses

thousands of CHF	2024	2023
Compensation of the Board of Directors	–1’055	–1’214
Other administrative expenses	–7’273	–7’149
Total administrative expenses	**–8’328**	**–8’363**

medmix Ltd does not have any employees. The compensation to the Board of Directors includes share-based payments and remuneration. Other administrative expenses contain management services and recharges from subsidiaries.

9 Share participation of the Board of Directors

The compensation of the Board of Directors consists of a fixed cash component and a restricted share unit (RSU) component with a fixed grant value. The number of RSUs is determined by dividing the fixed grant value by the volume-weighted share price of the last ten days prior to the grant date. One-third of the RSUs vest after each of the first, second and third anniversaries of the grant date. Upon vesting, one vested RSU is converted into one share of medmix Ltd. The vesting period for RSUs granted to the members of the Board of Directors ends no later than on the date on which the member steps down from the Board. The allocation was as follows:

	2024		2023	
	Quantity	Value in CHF	Quantity	Value in CHF
Allocated to members of the Board of Directors	31’152	488’775	25’153	542’500

10 Subsequent events after the balance sheet date

At the time when these financial statements were authorized for issue, the Board of Directors was not aware of any events that would materially affect these financial statements.

Proposal of the Board of Directors for the appropriation of the available profit

in CHF	2024	2023
Profit / (loss) for the year	19’032’695	33’551’684
Unallocated profit carried forward from previous year	16’024’909	2’861’343
Total available profit	**35’057’604**	**36’413’027**
Ordinary dividend	–20’395’376	–20’388’118
Balance carried forward	**14’662’228**	**16’024’909**
Dividend distribution per share		
Gross dividend	0.50	0.50
Withholding tax (35%)	–0.18	–0.18
Net dividend	**0.32**	**0.32**

The Board of Directors proposes the payment of a dividend of CHF 0.50 per share to the Annual General Meeting on April 23, 2025. The company will not pay a dividend on treasury shares held by medmix Ltd or one of its subsidiaries.

KPMG

Statutory Auditor's Report

To the General Meeting of medmix Ltd, Baar

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of medmix Ltd (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 193 to 199) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors’ Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company’s articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Simon Niklaus Licensed Audit Expert Auditor in Charge	Anita Benz Licensed Audit Expert

Zurich, 25 February 2025

KPMG AG, Badenerstrasse 172, CH-8036 Zurich