



medmix Dental: 1-component system 5mL cartridge

Financial reporting

23	Consolidated income statement
24	Consolidated statement of comprehensive income
25	Consolidated balance sheet
26	Consolidated statement of changes in equity
27	Consolidated statement of cash flow
28	Notes to the consolidated financial statements

Consolidated income statement

January 1 – June 30

millions of CHF	Notes	2023	2022 ¹⁾
Revenue	3	248.1	250.6
Cost of goods sold		-166.1	-151.4
Gross profit		82.0	99.2
Selling and administrative expenses		-57.2	-52.5
Research and development expenses		-12.9	-12.3
Other operating income/(expenses), net	5	2.5	-17.6
Operating income		14.5	16.9
Interest income	6	0.3	0.0
Interest expenses	6	-4.2	-3.0
Other financial income/(expenses), net	6	-1.6	-0.2
Income before tax expenses		9.0	13.7
Income tax expenses	7	-1.7	-4.5
Total net income		7.3	9.2
Earnings per share (in CHF)			
Basic earnings per share		0.18	0.23
Diluted earnings per share		0.18	0.22

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

Consolidated statement of comprehensive income

January 1 – June 30

millions of CHF	Notes	2023	2022 ¹⁾
Net income		7.3	9.2
Items that may be reclassified subsequently to the income statement			
Cash flow hedges, net of tax		0.6	-0.5
Currency translation differences		-3.2	-8.0
Total items that may be reclassified subsequently to the income statement		-2.6	-8.5
Items that will not be reclassified to the income statement			
Remeasurements of defined benefit plans, net of tax		-0.3	-5.4
Total items that will not be reclassified to the income statement		-0.3	-5.4
Total other comprehensive income		-2.9	-13.9
Total comprehensive income for the period		4.4	-4.7

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

Consolidated balance sheet

millions of CHF	Notes	June 30, 2023	December 31, 2022	June 30, 2022 ¹⁾
Non-current assets				
Goodwill		253.3	254.4	252.1
Other intangible assets		110.5	120.4	123.3
Property, plant and equipment		180.6	157.6	145.5
Lease assets		70.4	72.1	74.3
Non-current financial assets		8.4	6.5	12.0
Non-current receivables		0.1	0.1	0.0
Deferred income tax assets		7.9	5.8	3.3
Total non-current assets		631.1	617.0	610.5
Current assets				
Inventory		97.4	91.8	82.2
Current income tax receivables		–	0.0	0.0
Advance payments to suppliers		3.6	4.0	8.4
Contract assets		2.2	1.0	0.4
Trade accounts receivable		66.6	59.6	49.2
Other current receivables and prepaid expenses		18.1	15.8	16.7
Current financial assets		7.1	3.3	–
Cash and cash equivalents		145.6	313.5	188.9
Total current assets		340.4	489.0	345.8
Total assets		971.6	1'105.9	956.2
Equity				
Share capital		0.4	0.4	0.4
Reserves		486.5	504.4	502.6
Equity attributable to shareholders of medmix Ltd	8	486.9	504.8	503.1
Total equity	8	486.9	504.8	503.1
Non-current liabilities				
Non-current borrowings	9	247.0	246.9	226.7
Non-current lease liabilities		59.6	62.5	65.2
Deferred income tax liabilities		14.6	16.1	18.2
Non-current income tax liabilities		–	–	0.8
Defined benefit obligations		1.0	1.0	1.5
Non-current provisions		3.7	3.6	3.8
Other non-current liabilities		11.2	–	0.1
Total non-current liabilities		337.0	330.0	316.2
Current liabilities				
Current borrowings	9	0.3	155.1	21.7
Current lease liabilities		9.7	9.0	9.0
Current income tax liabilities		5.4	4.7	7.8
Current provisions		4.7	5.7	5.4
Contract liabilities		3.6	3.9	3.2
Trade accounts payable		65.7	47.4	43.0
Other current and accrued liabilities	10	58.2	45.2	46.9
Total current liabilities		147.6	271.1	137.0
Total liabilities		484.6	601.1	453.2
Total equity and liabilities		971.6	1'105.9	956.2

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

Consolidated statement of changes in equity

January 1 – June 30

Attributable to shareholders of medmix Ltd

millions of CHF	Notes	Share capital	Retained earnings	Treasury shares	Cash flow hedge reserve	Currency translation adjustment	Total equity
Equity as of January 1, 2022		0.4	552.8	-6.5	-0.6	-12.2	533.9
Comprehensive income for the period:							
Net income			9.2				9.2
– Cash flow hedges, net of tax					-0.5		-0.5
– Remeasurements of defined benefit plans, net of tax			-5.4	–	–	–	-5.4
– Currency translation differences						-8.0	-8.0
Other comprehensive income			-5.4	–	-0.5	-8.0	-13.9
Total comprehensive income for the period			3.8	–	-0.5	-8.0	-4.7
Transactions with owners of the company:							
Contribution to the Sulzer group	8		-0.4				-0.4
Purchase of treasury shares	8			-6.1			-6.1
Share-based payments			0.8				0.8
Dividends	8		-20.5				-20.5
Equity as of June 30, 2022¹⁾		0.4	536.5	-12.5	-1.0	-20.3	503.1
Equity as of January 1, 2023		0.4	540.3	-12.5	0.7	-24.1	504.8
Comprehensive income for the period:							
Net income			7.3				7.3
– Cash flow hedges, net of tax		–	–	–	0.6	–	0.6
– Remeasurements of defined benefit plans, net of tax		–	-0.3	–	–	–	-0.3
– Currency translation differences		–	–	–	–	-3.2	-3.2
Other comprehensive income		–	-0.3	–	0.6	-3.2	-2.9
Total comprehensive income for the period		–	7.0	–	0.6	-3.2	4.4
Transactions with owners of the company:							
Sale of investments in subsidiaries		–	-1.7	–	–	–	-1.7
Contribution to the Sulzer group	8	–	-0.3	–	–	–	-0.3
Allocation of treasury shares to share plan participants		–	-0.4	0.4	–	–	–
Purchase of treasury shares	8	–	–	-1.0	–	–	-1.0
Share-based payments		–	1.1	–	–	–	1.1
Dividends	8	–	-20.5	–	–	–	-20.5
Equity as of June 30, 2023		0.4	525.7	-13.1	1.3	-27.3	486.9

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

Consolidated statement of cash flows

January 1 – June 30

millions of CHF	Notes	2023	2022 ¹⁾
Cash and cash equivalents as of January 1		313.5	209.8
Net income		7.3	9.2
Loss on net assets derecognized and retained investment	14	–	15.4
Interest income	6	–0.3	–0.0
Interest expenses	6	4.2	3.0
Income tax expenses	7	1.7	4.5
Depreciation, amortization and impairments		25.6	24.7
(Gains) / losses from disposals of tangible and intangible assets		0.0	0.0
Changes in inventory		–6.4	–12.1
Changes in advance payments to suppliers		–0.5	–3.2
Changes in contract assets		–1.2	–0.4
Changes in trade accounts receivable		–7.3	–24.3
Changes in contract liabilities		–0.2	–1.1
Changes in trade accounts payable		3.8	3.1
Changes in employee benefit plans		–0.3	–6.3
Changes in provisions		–0.9	–1.2
Changes in other net current assets		–1.1	18.7
Other non-cash items		–1.9	4.2
Interest received		0.3	0.0
Interest paid		–3.1	–2.6
Income tax paid		–4.5	–5.6
Total cash flow from operating activities		15.4	26.1
Purchase of intangible assets		–1.4	–0.7
Purchase of property, plant and equipment		–18.9	–12.0
Sale of property, plant and equipment		0.0	0.8
Cash consideration for acquisitions, net of cash acquired		–0.0	–0.0
Deconsolidation of medmix Poland, cash derecognized		–	–2.0
Divestitures of investments in subsidiaries		4.0	–
Sale of other non-current financial assets		–	0.1
Purchase of current financial assets		–0.0	0.0
Sale of current financial assets		3.3	0.2
Total cash flow from investing activities		–13.0	–13.6
Dividends paid to shareholders	8	–7.9	–15.0
Purchase of treasury shares	8	–1.0	–6.1
Payments of lease liabilities		–4.9	–4.5
Repayments of non-current borrowings	9	–	–2.6
Proceeds from current borrowings	9	2.0	153.8
Repayments of current borrowings	9	–156.8	–158.5
Total cash flow from financing activities		–168.6	–32.8
Exchange gains / (losses) on cash and cash equivalents		–1.8	–0.7
Net change in cash and cash equivalents		–167.9	–21.0
Cash and cash equivalents as of December 31		145.6	188.9

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

Notes to the consolidated financial statements

29	01 General information and basis of preparation
30	02 Significant events and transactions during the reporting period
31	03 Segment information
35	04 Financial instruments
38	05 Other operating income and expenses
39	06 Financial income and expenses
40	07 Income taxes
40	08 Equity
42	09 Borrowings
43	10 Other current and accrued liabilities
44	11 Change in accounting policies
44	12 Subsequent events after the balance sheet date
45	13 Major subsidiaries
46	14 Deconsolidation of medmix Poland

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, Baar, Switzerland. The unaudited consolidated interim financial statements for the six months ended June 30, 2023, 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 business areas. 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 2'245 people at 21 production, sales and service sites around the world.

1.2 Basis of preparation

The interim financial statements have been prepared in accordance with the requirements of IAS 34 Interim Financial Reporting. The accounting policies applied are consistent with those applied in the consolidated financial statements for the year 2022.

These interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, these financial statements are to be read in conjunction with the financial statements for the year ended December 31, 2022, and any public announcements made by the group during the interim reporting period.

2 Significant events and transactions during the reporting period

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

- Revenue decreased from CHF 250.6 million for the first six months in 2022 to CHF 248.1 million in 2023, essentially matching the record first-half 2022 revenues.
- Property, plant and equipment increased in the first six months in 2023 by CHF 23.0 million from CHF 157.6 million to CHF 180.6 million. This increase is mainly due to significant investments in the new production facility for the Industry market segment in Valencia, Spain, and a state-of-the-art Healthcare manufacturing facility near Atlanta, USA.
- On April 28, 2023, the Annual General Meeting approved an ordinary dividend of CHF 0.50 per share to be paid out of reserves (2022: CHF 0.50 per share). The dividend was paid to shareholders on May 5, 2023. The total amount of the dividend to shareholders of medmix Ltd is CHF 20.5 million (half-year 2022: CHF 20.5 million), thereof paid dividends of CHF 7.9 million (half-year 2022: CHF 15.0 million), outstanding withholding taxes of CHF 7.2 million (2022: CHF 0.0 million) and unpaid dividends of CHF 5.5 million (2022: CHF 5.5 million). For more details, reference is made to [note 8](#).

3 Segment information

Segment information by business areas

January 1 - June 30

millions of CHF	Healthcare		Consumer & Industrial		Total medmix	
	2023	2022	2023	2022 ¹⁾	2023	2022 ¹⁾
Revenue ²⁾	89.2	101.9	158.9	148.7	248.1	250.6
Business area cost of goods sold	-35.1	-38.1	-104.4	-92.4	-139.5	-130.6
Business area gross profit	54.1	63.8	54.5	56.3	108.6	120.0
Business area gross profit margin	60.6%	62.6%	34.3%	37.8%	43.8%	47.9%

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14. The complete deconsolidation adjustment is related to the Consumer & Industrial business area.

2) Revenue from external customers.

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

Bridge from business area gross profit to adjusted EBITDA

January 1 - June 30

millions of CHF	2023	2022 ¹⁾
Business area gross profit	108.6	120.0
Other cost of goods sold	-26.6	-20.8
Gross profit	82.0	99.2
Operating expenses	-67.5	-82.3
Operating income (EBIT)	14.5	16.9
Depreciation	14.9	14.6
Amortization	10.7	10.2
EBITDA	40.0	41.7
Restructuring expenses	0.1	0.5
Non-operational items ²⁾	9.5	17.9
Adjusted EBITDA	49.7	60.1
Adjusted EBITDA margin	20.0%	24.0%

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

2) Non-operational items include significant acquisition-related expenses, gains and losses from the sale of businesses or real estate (including release of provisions), and certain non-operational items that are non-recurring or do not regularly occur in similar magnitude.

Bridge from cash flow from operating activities to free cash flow

January 1 - June 30

millions of CHF	2023	2022 ¹⁾
Cash flow from operating activities	15.4	26.1
Purchase of intangible assets	-1.4	-0.7
Purchase of property, plant and equipment	-18.9	-12.0
Sale of property, plant and equipment	0.0	0.8
Free cash flow (FCF)	-4.9	14.2

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

Information about reportable segments

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

The BoD assesses performance of the group using alternative performance measures (APM), which are derived from the financial statements prepared in accordance with IFRS. The APMs are prepared in addition to IFRS to assist in comparability of information across periods by adjusting for depreciation, amortization, impairment, restructuring and other non-operational items (see section alternative performance measures (APM) in the medmix annual report). In this context, the BoD assesses the performance of the group based on adjusted EBITDA and free cash flow in addition to each business area's revenue and gross profit.

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 business area specializes in the design and production of innovative, high-precision delivery devices and services within 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 business area's IP-protected solutions make the customers' products precise, safe, unique and more sustainable, leveraging the business' 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 business area specializes in the design and production of innovative, high-precision delivery devices and services within the Industry market segment, such as adhesives used in construction, electronics, automotive, aerospace and various industries, and consumer markets such as beauty and other microbrush applications. Products include handheld mixing and dispensing delivery devices for two-component adhesives and sealants, mixing tips, cartridges, high-precision make-up applicators and microbrushes.

The business area's IP-protected solutions make the 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 segment information

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.

Revenue by region

January 1 - June 30

millions of CHF	2023	2022
Europe, the Middle East and Africa	155.8	145.2
– thereof Germany	53.6	53.1
– thereof Italy	24.2	22.5
– thereof France	18.2	14.3
– thereof Switzerland	13.3	12.2
Americas	74.7	84.8
– thereof USA	62.8	75.6
Asia-Pacific	17.6	20.6
– thereof Japan	6.7	5.7
– thereof China	6.5	10.0
Total revenue	248.1	250.6

Market segment information

The following table shows the allocation of revenue from external customers by market segment:

Revenue by market segment

January 1 - June 30

millions of CHF	2023	2022
Dental	53.7	71.3
Drug Delivery	26.9	23.8
Surgery	8.6	6.7
Total Healthcare	89.2	101.9
Industry	72.7	79.2
Beauty	86.3	69.5
Total Consumer & Industrial	158.9	148.7
Total revenue	248.1	250.6

4 Financial instruments

The following tables present the carrying amounts and fair values of financial assets and liabilities as of June 30, 2023, and December 31, 2022, 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 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 and borrowings.

Financial instruments table

		June 30, 2023								
		Carrying amount				Fair value				
millions of CHF	Notes	Fair value hedging instruments	Fair value through profit or loss	Financial assets at amortized cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total fair value
Financial assets measured at fair value										
			–			0.9	–	0.9	–	0.9
		1.5				1.5	–	1.5	–	1.5
		1.5	–	–	–	2.4	–	2.4	–	2.4
Financial assets not measured at fair value										
				7.6		7.6				
				0.1		0.1				
				66.6		66.6				
				1.0		1.0				
				7.1		7.1				
				145.6		145.6				
		–	–	227.8	–	227.8				
Financial liabilities measured at fair value										
		1.3				1.3	–	1.3	–	1.3
		1.3	–	–	–	1.3	–	1.3	–	1.3
Financial liabilities not measured at fair value										
	9				247.0	247.0				
					11.2	11.2				
	9				0.3	0.3				
					65.7	65.7				
					13.9	13.9				
		–	–	–	338.1	338.1				

Financial instruments table

December 31, 2022

millions of CHF	Notes	Carrying amount				Fair value			
		Fair value hedging instruments	Fair value through profit or loss	Financial assets at amortized cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value									
Other non-current financial assets (at fair value)			–			–	–	–	–
Derivative assets – current		2.3				2.3	–	2.3	–
Total financial assets measured at fair value		2.3	–	–	–	2.3	–	2.3	–
Financial assets not measured at fair value									
Non-current financial assets (at amortized cost)				6.5		6.5			
Non-current receivables (excluding non-current derivative assets)				0.1		0.1			
Trade accounts receivable				59.6		59.6			
Other current receivables (excluding current derivative assets and other taxes)				1.4		1.4			
Current financial assets (at amortized cost)				3.3		3.3			
Cash and cash equivalents				313.5		313.5			
Total financial assets not measured at fair value		–	–	384.4	–	384.4			
Financial liabilities measured at fair value									
Derivative liabilities – current		0.4				0.4	–	0.4	–
Total financial liabilities measured at fair value		0.4	–	–	–	0.4	–	0.4	–
Financial liabilities not measured at fair value									
Non-current borrowings	9				246.9	246.9			
Other non-current liabilities (excluding non-current derivative liabilities)					–	–			
Current borrowings and bank loans	9				155.1	155.1			
Trade accounts payable					47.4	47.4			
Other current liabilities (excluding current derivative liabilities, other taxes and contingent considerations)					6.9	6.9			
Total financial liabilities not measured at fair value		–	–	–	456.3	456.3			

5 Other operating income and expenses

January 1 - June 30

millions of CHF	2023	2022 ¹⁾
Proceeds received in the sale process of medmix Poland	2.0	–
Rental income from sub-leases	0.4	0.1
Gain from sale of property, plant and equipment	0.0	0.0
Operating currency exchange gains, net	0.0	–
Other operating income	0.3	0.1
Total other operating income	2.8	0.2
Restructuring expenses	–0.1	–0.5
Cost for mergers and acquisitions	–0.1	–
Loss from sale of property, plant and equipment	–0.1	–0.1
Operating currency exchange losses, net	–	–1.8
Deconsolidation of medmix Poland: Loss on net assets derecognized and retained investment	–	–15.4
Total other operating expenses	–0.3	–17.7
Total other operating income / (expenses), net	2.5	–17.6

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

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

In 2023, the group received an amount of CHF 2.0 million in the sale process of 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 transaction is subject to regulatory approvals. For more details, reference is made to [note 14](#).

In 2022, the group deconsolidated medmix Poland as of April 2022. The loss on the net assets derecognized and retained investment amounted to CHF 15.4 million. Amounts owed to and from medmix Poland before loss of control have been reclassified from intercompany receivables, loans and payables to third party receivables, loans and payables in the total net assets amount of CHF 11.8 million. For more details, reference is made to [note 14](#).

For the period ended June 30, 2023, the group recognized restructuring costs of CHF 0.1 million (half year 2022: CHF 0.5 million).

6 Financial income and expenses

January 1 - June 30

millions of CHF	2023	2022 ¹⁾
Interest income	0.3	0.0
Total interest income	0.3	0.0
Interest expenses on borrowings and lease liabilities	-4.2	-3.0
Total interest expenses	-4.2	-3.0
Total interest income / (expenses), net	-3.9	-3.0
Fair value changes	-1.8	1.2
Other financial income / (expenses), net	-0.7	0.1
Currency exchange gains / (losses), net	0.9	-1.5
Total other financial income / (expenses), net	-1.6	-0.2
Total financial income / (expenses), net	-5.5	-3.2
- thereof fair value changes on financial assets at fair value through profit and loss	-1.8	1.2
- thereof interest income on financial assets at amortized costs	0.3	0.0
- thereof other financial income / (expenses), net	-0.7	0.1
- thereof currency exchange gains / (losses), net	0.9	-1.5
- thereof interest expenses on borrowings	-3.6	-2.5
- thereof interest expenses on lease liabilities	-0.6	-0.5

1) The numbers as of June 30, 2022, have been adjusted following the deconsolidation of medmix Poland. A reconciliation to the previously published numbers is provided in note 14.

Total financial income / (expenses) amounted to CHF -5.5 million, compared with CHF -3.2 million in the first half of 2022.

Interest expenses on borrowings and lease liabilities increased from CHF -3.0 million in the first half of 2022 to CHF -4.2 million in 2023, due to higher interest rates on borrowings.

Other financial income and expenses amounted to CHF -1.6 million in 2023, compared to CHF -0.2 million in 2022, mostly driven by negative fair value changes on derivative financial instruments.

7 Income taxes

Income tax expenses comprise current and deferred taxes. Income tax expenses are recognized based on the estimated income tax rate for the full financial year. The estimated average annual tax rate used for the year 2023 is 19.0%, compared with 32.8% for the six months ended June 30, 2022. The effective income tax rate for 2022 was impacted by extraordinary one-time effects related to the deconsolidation of medmix Poland. The effective income tax rate used for 2022 before deconsolidating medmix Poland was 15.1%. A reconciliation to the previously published numbers is provided in [note 14](#).

8 Equity

Share capital

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 are fully paid in and registered.

Retained earnings

The retained earnings include prior years' undistributed income of consolidated companies, transactions recognized in relation to share-based payment plans, contributions to the Sulzer group and all remeasurements for defined benefit plans.

Treasury shares

For the period ended June 30, 2023, the group acquired in total 48'750 treasury shares (half year 2022: 198'149 shares) to cover its existing exposure from share-based payment programs for consideration of CHF 1.0 million (half year 2022: CHF 6.1 million). During the first six months in 2023, the group allocated 10'569 shares (half year 2022: 0 shares) to share plan participants for a total value of CHF 0.4 million (half year 2022: CHF 0.0 million). The total number of shares held by the group as of June 30, 2023, amounted to 385'717 treasury shares (December 31, 2022: 347'536 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 the currency of which differs from the reporting currency of the group.

Dividends

On April 28, 2023, the Annual General Meeting approved an ordinary dividend of CHF 0.50 per share to be paid out of reserves (2022: CHF 0.50 per share). The dividend was paid to shareholders on May 5, 2023. The total amount of the dividend to shareholders of medmix Ltd is CHF 20.5 million (half-year 2022: CHF 20.5 million), thereof paid dividends of CHF 7.9 million (half-year 2022: CHF 15.0 million), outstanding withholding taxes of CHF 7.2 million (2022: CHF 0.0 million) and unpaid dividends of CHF 5.5 million (2022: CHF 5.5 million). The dividend payments to the group's shareholder, Tiwel Holding AG, could still not be transferred as a result of US sanctions. The total outstanding dividend payments of CHF 10.9 million (2022: CHF 5.5 million) are reflected in the balance sheet position "Other current and accrued liabilities" (note 10).

Contribution to the Sulzer group

For the half year 2023, the contribution to the Sulzer group of CHF –0.3 million is related to the vested Sulzer shares under the existing Sulzer share plans (half-year 2022: CHF –0.4 million).

9 Borrowings

	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	–	2.0	2.0
Cash flow for repayments	–	–156.8	–156.8
Changes in amortized costs	0.1	–	0.1
Reclassifications	–	–	–
Currency translation differences	–	0.0	0.0
Total borrowings as of June 30	247.0	0.3	247.3

	2022		
millions of CHF	Non-current borrowings	Current borrowings	Total
Balance as of January 1	238.9	16.3	255.3
Cash flow from proceeds	–	310.5	310.5
Cash flow for repayments	–3.0	–161.6	–164.6
Changes in amortized costs	1.0	–	1.0
Reclassifications	10.0	–10.0	–
Currency translation differences	–0.1	–0.1	–0.2
Total borrowings as of December 31	246.9	155.1	402.0

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 2027. The credit facilities include two one-year extension options (subject to lenders' approval), of which the first extension option has been selected by the group and approved by the lenders.

- Facility A: Syndicated term loan for an amount of CHF 250.0 million. As of June 30, 2023 and as of December 31, 2022, 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 June 30, 2023 the facility was undrawn and as of December 31, 2022 the facility was fully utilized.

10 Other current and accrued liabilities

millions of CHF	2023	2022
Outstanding dividend payments	10.9	5.5
Taxes (VAT, withholding tax)	9.0	1.6
Derivative financial instruments	1.3	0.4
Other current liabilities	3.0	1.4
Total other current liabilities as of June 30 / December 31	24.2	8.9
Contract-related costs	0.9	0.6
Salaries, wages and bonuses	6.3	9.6
Vacation and overtime claims	5.4	3.0
Accrued expenses and deferred income	21.3	23.0
Total accrued liabilities as of June 30 / December 31	34.0	36.3
Total other current and accrued liabilities as of June 30 / December 31	58.2	45.2

The unpaid dividends amounted to CHF 10.9 million (2022: CHF 5.5 million) and the outstanding withholding taxes to CHF 7.2 million (2022: CHF 0.0 million). For more details, reference is made to [note 8](#).

11 Change in accounting policies

a) Standards, amendments and interpretations effective for 2023

A number of amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adoption of these amended standards.

b) Standards, amendments and interpretations issued but not yet effective, which the group has decided not to early adopt in 2023

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

12 Subsequent events after the balance sheet date

On July 6, 2023, the group announced the closing of the acquisition of a 70% controlling stake in Guangdong Qiaoyi Plastic Co. Ltd ("Qiaoyi"), following the announcement of the contract signing made on January 9, 2023. Qiaoyi is a beauty manufacturing business, located in Shantou (China) and employs about 350 people.

The purchase price for the 70% controlling stake amounts to CHF 31.3 million to be paid in the second half of 2023. The operating results, assets and liabilities of Qiaoyi will be consolidated as of the closing date.

The Board of Directors authorized these consolidated interim financial statements for issue on July 19, 2023. At the time when these consolidated interim financial statements were authorized for issue, the Board of Directors and the Executive Committee were not aware of any other events that would materially affect these financial statements.

13 Major subsidiaries

	Subsidiary	Equity participation	Registered capital (including paid-in capital in the USA)	Direct participation by medmix Ltd	Research and development	Production and engineering	Sales	Service
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., Madrid	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 0				•	
	GEKA Manufacturing Corporation, Elgin, Illinois	100%	USD 603'719			•	•	•
	medmix Healthcare US Inc., Flowery Branch, Georgia ¹⁾	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	100%	BRL 15'009'794			•	•	•
Asia								
India	Haselmeier India Pvt. Ltd., Bengaluru	100%	INR 32'309'720			•		
People's Republic of China	medmix China Ltd., Shanghai	100%	CHF 1'000'000			•		

1) Founded in 2023.

14 Deconsolidation of medmix Poland

On May 16, 2022, the group announced a suspension of operations at its manufacturing site in Wroclaw, Poland, as a result of sanctions levied by the Polish government on the medmix local affiliate. The Polish government wrongly assumed that medmix' minority shareholder, Viktor Vekselberg, would have control of medmix Poland, which is false. Viktor Vekselberg has no control or ownership of any medmix entities and is deprived of all his economic rights in medmix.

On May 23, 2022, the Polish Ministry of the Interior and Administration denied the group's urgent request for removal from the Polish sanctions list. Therefore, the group started to build production capacity in other countries. Appeals against the decision by the Polish administration are continuing. medmix has received the full support of the Swiss government.

As of June 30, 2022, the group assessed whether it still controls medmix Poland and concluded that there is a temporary loss of control. However, it was then more likely than not that the group would regain control before the end of the year and therefore the group's management decided to include the financial statements of medmix Poland in the consolidated interim financial statements as of June 30, 2022. As another consequence, the group reviewed the balance sheet of medmix Poland and assessed if indications for impairments of assets existed. No impairments were recognized as of June 30, 2022.

As of December 31, 2022, the group assessed whether it still controls medmix Poland and concluded that the group lost control at the end of April 2022, the date the sanctions were levied by the Polish government. As a result, the group stopped consolidation of medmix Poland retrospectively as of April 30, by derecognizing the assets and liabilities of the subsidiary including any components of other comprehensive income (OCI) attributable to the entity. Total net assets at the time of deconsolidation amounted to CHF 12.5 million and currency translation differences accumulated in OCI amounted to CHF 3.0 million, which resulted in a total loss from deconsolidation of CHF 15.4 million as stated below. The group also remeasured the investment in medmix Poland to its fair value, which was assessed to be zero at initial recognition and as of June 30, 2022.

On January 11, 2023, the group announced that it was seeking to sell its Polish entity, following its decision not to resume operations in Wroclaw, Poland.

On May 31, 2023, the group received an amount of CHF 2.0 million in the sale process of medmix Poland to a third party, resulting in a profit recognized in other operating income (note 5) and a cash flow in the amount of CHF 2.0 million. The transaction is subject to regulatory approvals.

Net assets derecognized

millions of CHF	April 30, 2022
Other intangible assets	0.0
Property, plant and equipment	15.0
Lease assets	4.8
Deferred income tax assets	0.2
Other non-current assets	-0.0
Cash and cash equivalents	2.0
Inventory	7.8
Trade accounts receivable	2.5
Other current assets	-0.0
Borrowings	-11.5
Lease liabilities	-4.5
Provisions	-0.1
Other liabilities	-3.9
Net assets derecognized	12.5

Loss on net assets derecognized and retained investment

millions of CHF	April 30, 2022
Net assets derecognized	-12.5
Currency translation differences recycled into the income statement	-3.0
Fair value on retained investment	-
Loss on net assets derecognized and retained investment	-15.4

Amounts owed to and from medmix Poland before loss of control have been reclassified from intercompany receivables, loans and payables to third party receivables, loans and payables in the total net assets amount of CHF 11.8 million.

Impact of deconsolidation medmix Poland on net income

January 1 – June 30

millions of CHF	2022
Loss on net assets derecognized and retained investment	-15.4
Adjustment of medmix Poland for the period May - June	0.9
Total impact of deconsolidation medmix Poland	-14.6

Due to the retrospective deconsolidation as of April 30, 2022, the group adjusted its financial statements as of June 30, 2022.

Adjusted consolidated income statement

January 1 – June 30

millions of CHF	As reported in 2022	Adjustment	Adjusted 2022
Revenue	250.6	–	250.6
Cost of goods sold	–152.7	1.3	–151.4
Gross profit	97.9	1.3	99.2
Selling and administrative expenses	–52.7	0.2	–52.5
Research and development expenses	–12.3	–	–12.3
Other operating income / (expenses), net	–1.7	–15.9	–17.6
Operating income (EBIT)	31.3	–14.4	16.9
Interest income	0.0	–	0.0
Interest expenses	–3.0	–	–3.0
Other financial income / (expenses), net	–0.3	0.1	–0.2
Income before income tax expenses	28.0	–14.3	13.7
Income tax expenses	–4.2	–0.2	–4.5
Net income	23.8	–14.6	9.2
Earnings per share (in CHF)			
Basic earnings per share	0.58	–0.36	0.23
Diluted earnings per share	0.58	–0.35	0.22

Adjusted consolidated statement of comprehensive income

January 1 – June 30

millions of CHF	As reported in 2022	Adjustment	Adjusted 2022
Net income	23.8	-14.6	9.2
		-	
Items that may be reclassified subsequently to the income statement		-	
Cash flow hedges, net of tax	-0.5	-	-0.5
Currency translation differences	-8.0	-	-8.0
Total items that may be reclassified subsequently to the income statement	-8.5	-	-8.5
		-	
Items that will not be reclassified to the income statement		-	
Remeasurements of defined benefit plans, net of tax	-5.4	-	-5.4
Total items that will not be reclassified to the income statement	-5.4	-	-5.4
		-	
Total other comprehensive income	-13.9	-	-13.9
		-	
Total comprehensive income for the period	9.9	-14.6	-4.7

Adjusted consolidated balance sheet

June 30, 2022

millions of CHF	As reported in 2022	Adjustment	Adjusted 2022
Non-current assets			
Goodwill	252.1	–	252.1
Other intangible assets	123.3	–0.0	123.3
Property, plant and equipment	160.9	–15.4	145.5
Lease assets	79.0	–4.7	74.3
Non-current financial assets	–	12.0	12.0
Non-current receivables	0.0	–	0.0
Deferred income tax assets	3.7	–0.4	3.3
Total non-current assets	619.0	–8.5	610.5
Current assets			
Inventory	90.2	–7.9	82.2
Current income tax receivables	0.0	–	0.0
Advance payments to suppliers	8.4	–	8.4
Contract assets	0.4	–	0.4
Trade accounts receivable	51.7	–2.5	49.2
Other current receivables and prepaid expenses	17.4	–0.7	16.7
Current financial assets	–	–	–
Cash and cash equivalents	190.9	–2.0	188.9
Total current assets	358.9	–13.2	345.8
Total assets	977.9	–21.7	956.2
Equity			
Share capital	0.4	–	0.4
Reserves	517.2	–14.6	502.6
Equity attributable to shareholders of medmix Ltd	517.6	–14.6	503.1
Total equity	517.6	–14.6	503.1
Non-current liabilities			
Non-current borrowings	226.7	–	226.7
Non-current lease liabilities	68.5	–3.3	65.2
Deferred income tax liabilities	18.2	–	18.2
Non-current income tax liabilities	0.8	–	0.8
Defined benefit obligations	1.5	–	1.5
Non-current provisions	3.8	–	3.8
Other non-current liabilities	0.1	–	0.1
Total non-current liabilities	319.4	–3.3	316.2
Current liabilities			
Current borrowings	21.7	–	21.7
Current lease liabilities	9.8	–0.8	9.0
Current income tax liabilities	8.4	–0.6	7.8
Current provisions	5.5	–0.1	5.4
Contract liabilities	3.2	–	3.2
Trade accounts payable	44.7	–1.7	43.0
Other current and accrued liabilities	47.5	–0.6	46.9
Total current liabilities	140.9	–3.9	137.0
Total liabilities	460.3	–7.2	453.2
Total equity and liabilities	977.9	–21.7	956.2

Adjusted consolidated statement of cash flows

January 1 – June 30

millions of CHF	As reported in 2022	Adjustment	Adjusted 2022
Cash and cash equivalents as of January 1	209.8	–	209.8
Net income	23.8	–14.6	9.2
Loss on net assets derecognized and retained investment	–	15.4	15.4
Interest income	–0.0	–0.0	–0.0
Interest expenses	3.0	–0.0	3.0
Income tax expenses	4.2	0.2	4.5
Depreciation, amortization and impairments	25.2	–0.5	24.7
(Gains) / losses from disposals of tangible and intangible assets	0.0	–	0.0
Changes in inventory	–12.2	0.1	–12.1
Changes in advance payments to suppliers	–3.2	–	–3.2
Changes in contract assets	–0.4	–	–0.4
Changes in trade accounts receivable	–24.2	–0.0	–24.3
Changes in contract liabilities	–1.1	–	–1.1
Changes in trade accounts payable	4.6	–1.4	3.1
Changes in employee benefit plans	–6.3	–	–6.3
Changes in provisions	–1.1	–0.1	–1.2
Changes in other net current assets	18.1	0.5	18.7
Other non-cash items	4.2	0.0	4.2
Interest received	0.0	0.0	0.0
Interest paid	–2.6	0.0	–2.6
Income tax paid	–5.6	–0.0	–5.6
Total cash flow from operating activities	26.4	–0.3	26.1
Purchase of intangible assets	–0.7	–	–0.7
Purchase of property, plant and equipment	–12.2	0.3	–12.0
Sale of property, plant and equipment	0.8	–	0.8
Cash consideration for acquisitions, net of cash acquired	0.0	–	0.0
Deconsolidation of medmix Poland, cash derecognized	0.0	–2.0	–2.0
Sale of other non-current financial assets	0.1	–	0.1
Purchase of current financial assets	0.0	–	0.0
Sale of current financial assets	0.2	–	0.2
Total cash flow from investing activities	–11.8	–1.7	–13.6
Dividends paid to shareholders	–15.0	–	–15.0
Purchase of treasury shares	–6.1	–	–6.1
Payments of lease liabilities	–4.4	–0.1	–4.5
Repayments of non-current borrowings	–2.6	0.0	–2.6
Proceeds from current borrowings	153.8	–	153.8
Repayments of current borrowings	–158.5	–	–158.5
Total cash flow from financing activities	–32.8	–0.1	–32.8
Exchange gains / (losses) on cash and cash equivalents	–0.8	0.1	–0.7
Net change in cash and cash equivalents	–18.9	–2.0	–21.0
Cash and cash equivalents as of June 30	190.9	–2.0	188.9

Adjusted segment information

January 1 – June 30

millions of CHF	As reported in 2022	Adjustment	Adjusted 2022
Revenue	250.6	–	250.6
Business area cost of goods sold	–130.7	0.1	–130.6
Business area gross profit	119.9	0.1	120.0
Business area gross profit margin	47.8%	0.1%	47.9%
Other cost of goods sold	–22.0	1.2	–20.8
Gross profit	97.9	1.3	99.2
Operating expenses	–66.6	–15.6	–82.3
Operating income (EBIT)	31.3	–14.4	16.9
Depreciation	15.1	–0.5	14.6
Amortization	10.2	–0.0	10.2
EBITDA	56.5	–14.8	41.7
Restructuring expenses	0.5	–	0.5
Non-operational items	3.1	14.8	17.9
Adjusted EBITDA	60.1	–	60.1
Adjusted EBITDA margin	24.0%	–	24.0%