Dear Shareholders,

In the first half of 2024, the global macro-economic environment remained challenging, and we delivered results that match neither our abilities nor our ambitions. To meet these challenges, in both the current year and the years ahead, we have decided to shift gears and transition to a new era of profitable growth and customer centricity. We have renewed our leadership and refocused the team to drive operational excellence and enhance customer experience.

Addressing market dynamics and building our growth platforms

Dental

In the Dental market segment we have taken action to reorganize and strengthen the teams. Despite the general softness in the market, we are now seeing a positive growth trend. In our Dental portfolio, the newly launched ZerofloX™ micro-applicator won the Top Lab Performer award by Dental Advisor and we continued to demonstrate our industry leading expertise in sustainable product innovation with our new ISCC Plus certified dental mixing tips. We will drive operational excellence at our Dental sites and intensify collaboration with our OEM and distribution partners to better anticipate market trends and capture future growth opportunities.

Drug Delivery

Our Drug Delivery sales declined due to the planned implementation of a second source by a key customer. We have reduced our cost base to reflect the new realities without compromising our growth initiatives. Our new ISO-certified Atlanta site increases customer proximity and fulfills our customers’ need for dual sourcing. Going forward, we will continue to invest in our solution platforms and co-invest with our customers in pipeline projects. Additionally, we are expanding market access for our customers by launching a strategic co-operation with Nipro to promote and distribute the PiccoJect™ autoinjector in the Japanese market.

Surgery

For the Surgery market segment, first-half results were temporarily restrained by an exceptionally strong year-end 2023. We have made strong progress in joint development projects with our customers and are positive about growth in the second half of the year and beyond. For our Surgery customers, a significant milestone was achieved in June, with the launch of production at our Healthcare plant in Atlanta.

Industry

For the Industry market segment, demand in several end markets remained subdued. Despite a year-on-year decline in revenue, we see signs of improvement and have delivered positive growth compared to the second-half of 2023. We continued to invest in fueling sustainable growth. With a current reduction in carbon footprint of up to 66%, our expanding range of greenLine™ cartridge systems won in the construction category at the BIG Innovation Awards in January. We made good progress at our Valencia plant, which is now able to offer our full Industry portfolio. We now focus on efficiency improvements.

Beauty

Our Beauty market segment developed in line with expectations considering the strong launch activity in the first half of 2023. In yet another first for our Beauty customers, we have introduced post-consumer recycled polypropylene material that is safe for primary packaging in cosmetics. We are also pleased with the development of our Qiaoyi acquisition, which is tracking well compared to our plan.

Across all our market segments, we are underscoring our progress and leadership in climate action, and we were awarded an A- supplier engagement rating from the CDP, improving on our B rating in the previous year. We are well on track to meet our 2025 CO_2 emission reduction target and are ready for SBTi verification of our goals by end of this year.

Focus on customer experience and operational excellence

With new leadership in place, we have identified three priorities:

- Create a customer-centric organization and culture, and deepen our longstanding strong customer relationships.
- Drive operational excellence within our expanded and upgraded manufacturing network.
- Execute flawlessly on our innovation pipeline and secure co-development projects with our customers.

We are updating our strategic initiatives to sharpen our focus in line with medmix' vision, mission and core values, which are still valid.

The five market segments reinforce each other by leveraging our technologies and key competences. Our segments have strong long-term growth perspectives and operate in highly attractive markets, which are supported by global trends such as a growing middle class, an aging population, increased urbanization, self-administered treatments and sustainability.

"Under new leadership, the medmix team further sharpens its focus on creating value for our customers and our shareholders by improving operational excellence and achieving sustained profitable growth."

ROB TEN HOEDT
CHAIRMAN OF THE BOARD OF DIRECTORS

Financial Results

In the first half of 2024, medmix generated revenues of CHF 241.2 million, a -2.8% decrease year-on-year. The contribution of our acquisitions (+5.4%) more than offset foreign exchange impacts (-2.0%). Organic revenue growth was negative year-on-year (-6.1%).

Adjusted EBITDA was CHF 46.0 million, representing a decrease of -7.4% year-on-year however an increase of +5.9% sequentially, delivering an adjusted EBITDA margin of 19.1% compared to 20.0% in H1 2023 and 18.2% in H2 2023. In addition to the lower volumes, the year-on-year decrease was driven by two main factors. Firstly, the company made additional investments to drive future growth, particularly in R&D and the new sites in Valencia and Atlanta. Secondly, time will be required to ramp up volume and efficiency in our new Valencia plant delivering Industry market segment products. The sequential improvement is primarily driven by the recovery of Dental volumes. In this context, it is worth noting that the reported EBITDA of CHF 41.9 million increased by 22.0% sequentially, i.e., compared to the second half of 2023.

Outlook

At the time of publishing the full-year results for 2023, the Group indicated that the 2024 results would be skewed towards the second half of the year. This remains the case.

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

We will continue to invest in the second half of 2024 in the company's future growth. These investments will relate primarily to the new production sites in Valencia and Atlanta as well as innovation.

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

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

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

"Having met our customers and passionate teams in all market segments, geographies, and functions, I am convinced that we have all the elements of a global leader in high-precision delivery devices for the healthcare, consumer and industrial end-markets."

RENÉ WILLI
CHIEF EXECUTIVE OFFICER

Thank you

On behalf of the Board of Directors and Group Executive Management, we would like to thank for your trust in medmix. We are thankful to our dedicated teams for their continued commitment to the company, remaining focused on our mission to provide innovative solutions to help millions of people live healthier and more confident lives.

Rob ten Hoedt
Chairman of the Board of Directors

René Willi
Chief Executive Officer