

The Ypsomed Group is a leading developer and manufacturer of injection and infusion systems for self-medication and a renowned diabetes specialist with over 35 years' experience. As a leader in innovation and technology, Ypsomed is the preferred partner for pharmaceutical and biotech companies for the supply of injections pens, autoinjectors and infusion systems to administer liquid drugs. Ypsomed promotes and sells its product portfolio under the umbrella brands, mylife™ Diabetescare directly to patients or through pharmacies and clinics, and under YDS Ypsomed Delivery Systems as business-to-business to pharmaceutical companies.

Ypsomed has its headquarters in Burgdorf, Switzerland, and operates a global network of manufacturing sites, subsidiaries and distributors. The Ypsomed Group employs over 2000 employees.



## Strong rise in profitability

Ypsomed is on track. Despite challenging conditions and an inflationary environment, we significantly increased sales and profitability.

In the first half of the financial year 2022/23, we achieved a consolidated turnover of CHF 244.2 million (previous year: CHF 222.6 million). This corresponds to a growth of 9.7% or CHF 21.7 million compared to the previous year. At constant exchange rates compared to the previous year, it would have been an increase of about 13% or about CHF 30 million. At the same time, we were able to almost double the operating profit from CHF 10.5 million to CHF 19.4 million. This was accompanied by a doubling of net profit to CHF 15.4 million (previous year: CHF 7.1 million).

This result confirms the long-term fundamental trends towards simple and safe selfcare for people with chronic conditions. These trends offer our company enormous growth potential. Our highly automated, scalable and vertically integrated processes are proving their effectiveness and allow us to benefit from growth with increased profitability.

### Ypsomed Delivery Systems continues to grow strongly

The Ypsomed Delivery Systems segment grew by 21.5% or CHF 25.4 million in the first half of the financial year 2022/23. Turnover for the reporting period amounts to CHF 143.7 million (previous year: CHF 118.3 million).

The development in the pen business was particularly pleasing with a growth of 25.6%. The YpsoMate® 2.25

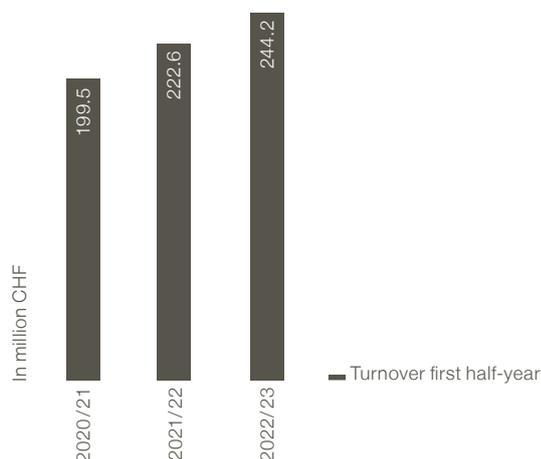
autoinjector for larger volumes, the two reusable insulin pens and the FixPen™ as well as project revenues contributed to this growth. Projects include adaptations of our standardised platform products to specific customer needs in the development and industrialisation of new products.

The acquisition of new customer projects with existing and new pharmaceutical customers continues to develop positively and supports sustainable growth. Most recently, we introduced the autoinjector for volumes up to 5.5 ml. The YpsoMate® 5.5 is the latest addition to the growing YpsoMate® family. Larger injection volumes allow the application for new drugs for selfcare.

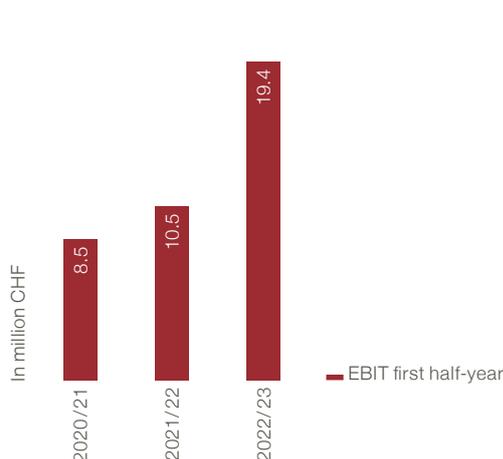
At the same time, we are accelerating our investments for the upcoming growth in Schwerin as well as our new production plant in China, in order to be able to manufacture pens locally for the fast-growing Chinese market. For this purpose, we signed a purchase agreement for a construction site in an industrial park in Changzhou, west of Shanghai, in October.

As part of the further development and digitalisation of the portfolio, we have entered into a cooperation with Sidekick Health, a leading provider of digital therapy solutions. Together we are developing a new module for self-injection treatments that will be integrated into Sidekick's proven digital therapy solution and can be used independently of the manufacturer. In this way, we are expanding our platform portfolio with digital solutions and innovative services.

Turnover at group level



EBIT at group level



## Growth with mylife™ Loop™

In the Ypsomed Diabetes Care segment, we recorded a slight decline in turnover of 3.4 % to CHF 92.0 million (previous year: CHF 95.2 million) in the first half of 2022/23. The main reason for this decline was the business performance of DiaExpert in Germany. Commercial sales of the mylife™ YpsoPump® increased by a very encouraging 31.8 %, adjusted for negative currency effects even by more than 40 % compared to the previous year. The launch of our automated insulin delivery system mylife™ Loop™ with a self-learning algorithm together with our partner CamDiab Ltd. in the summer is generating great demand already. However, the processing by the local health insurance companies causes a time delay until the approval of the invoicing for the insulin pumps. The very positive impulses are therefore only partially visible in the current sales figures.

In June 2022, Sébastien Delarive joined Ypsomed as Chief Business Officer Diabetes Care. With him, we have an internationally experienced manager in our ranks, who has worked for many years in biopharmaceutical and medical technology companies and has been intensively involved in various functions in the treatment of diabetes. Together with his newly organised team, he is focused on making a big improvement for people with diabetes with mylife™ Loop™. Another focus for his team will be to accelerate product design and make development more agile.

The sales contribution of pen needles rose by 12.3 % compared to the previous year. Sales of test strips fell by 14.0 % due to the general decline in the market for conventional blood glucose monitoring.

In October 2022, we announced that we had signed an agreement with Mediq for the sale of DiaExpert. We are convinced that this will allow us to focus our efforts even more strongly on the potential in the insulin pump business. This step supports our strategy to focus on the development and manufacturing as well as the distribution of our own high-quality products.

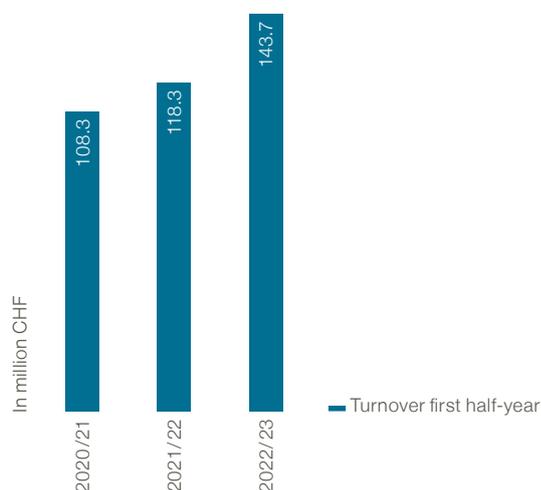
## Higher earnings contribution from the pen business

The operating profit (EBIT) in the first half-year 2022/23 improved significantly to CHF 19.4 million (previous year: CHF 10.5 million) due to the positive business performance.

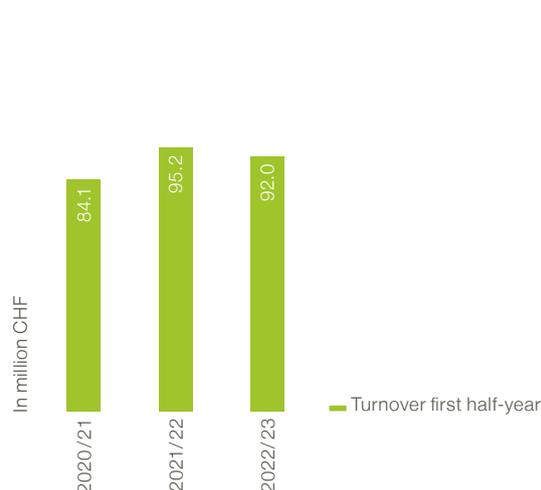
The following factors had an effect on the result in the first half-year 2022/23:

- The higher sales and the very high production capacity utilisation in Switzerland made a positive contribution to the result for the pen systems. In addition, there is higher income from the project business.
- The expansion of capacities at Schwerin impacts the result with higher depreciation.
- Additional licence income of CHF 1.2 million was pleasing.
- The launch of the mylife™ Loop™ system over the summer is unlocking access to additional healthcare professionals and clinics for our YpsoPump®. This was associated by initially higher expenses for training, marketing and product management. Together with higher depreciation of CHF 2.4 million, the total burden on EBIT rose to CHF 27.5 million.
- Income and expenses in the various foreign currencies largely offset each other and only reduced EBIT by around CHF 1 million.

Turnover Ypsomed Delivery Systems



Turnover Ypsomed Diabetes Care



The net profit was more than doubled to CHF 15.4 million in the reporting period compared to the previous year (CHF 7.1 million).

### Ongoing high investments for future growth

At CHF 83.2 million, cash flow from investing activities in the reporting period was again above the previous year (previous year: CHF 69.4 million). Of this amount, CHF 55.0 million was invested in fixed assets. Investments in autoinjectors and UnoPen™, in automated assembly lines, printing systems, injection moulding machines and tools as well as in other operating infrastructure in our production sites amounted to around CHF 30 million in Germany and around CHF 20 million in Switzerland.

In addition, CHF 28.4 million was invested in intangible assets. Half of this went into the further development of platforms for pen systems and the other half into the further development of the YpsoPump® system and the related software solutions.



**Gilbert Achermann**  
Chairman of the  
Board of Directors

### Strengthened equity ratio

In July 2022, we were able to distribute CHF 8.2 million in dividends to our shareholders in line with our sustainable dividend policy. Half of the dividend was paid from retained earnings and half from tax-free capital contribution reserves.

Ypsomed now has a strengthened and robust financing structure for the upcoming growth. Our total equity amounts to CHF 509.0 million (comparable period: CHF 392.5 million). The equity ratio is now a solid 64.4 %.

### Social responsibility

We continue to fulfil our social responsibility. Our environmental management system was successfully certified according to the international standard ISO 14001. Our production was certified according to the ISCC+ standard. This is an international standard used for sustainable plastics. We can now process granulates from biomaterials and pass the products on to our customers with this proof.



**Simon Michel**  
Chief Executive Officer

### Outlook

There are growing signs that our efforts to deliver profitable and sustainable growth are paying off. Our positive assessment of the medium to long-term business performance has been confirmed. We are more confident than ever about our future.

For the financial year 2022/23, Ypsomed expects sales growth of the continued operations in the range of the previous financial year. At the EBIT level, we confirm growth of at least 50 %, taking into account the negative effects from inflation, higher energy cost and the announced sale of DiaExpert.

In addition, Ypsomed is expecting to record a one-off profit in the low double-digit million range at EBIT level on completion of the divestment of DiaExpert.

For the following financial year 2023/24, we confirm a doubling of the operating profit (EBIT) compared to 2022/23, even without a contribution to earnings from DiaExpert.



## Digital and comprehensive support for self-treatment

A message appears on Anna's smartphone; it's time for her next injection. The 19-year-old suffers from psoriasis and has to inject herself regularly with a medication. Anna is a little nervous, because the needle, the prick and the slight pain still make her feel uncomfortable. She is also still unsure whether she is doing everything right during the injection. Nevertheless, it is a great relief that she can now carry out her therapy independently at home and no longer has to go to the doctor so often. With the support of the app on her smartphone and her YpsoMate® autoinjector, combined with the SmartPilot™, she overcomes her concerns, administers the injection that is due and is delighted when a treasure chest opens on the screen and golden light pours out. It shows her that she has done everything right.

The case described is fictitious and an example of what self-treatment with digital accompaniment will look like in the future. In many areas of life, people already use apps on their smartphones to organise themselves better in everyday life. They receive reminders to drink regularly, exercise, or keep to their sleep schedules. We want to use this development to better support chronically ill people in their everyday lives and have therefore entered into a strategic partnership with Sidekick Health. The Icelandic company is a leader in innovative digital health solutions based on medically validated behavioural research and gamification. Together, we are developing a module for self-treatment via injections, which will be integrated into Sidekick's existing digital therapy solution. The goal is to sustainably and significantly improve the therapy outcomes and thus the quality of life for people with chronic diseases.

### Taking patients by the hand in their daily therapy routine

Self-treatment at home is an important starting point for reducing the burden of chronic disease for those affected and relieving the burden on the healthcare system. However, this entails a high degree of self-responsibility and self-organisation for patients. In order to reduce the pressure on those affected, the Sidekick app offers important support, for example by helping users to set personal goals and to pursue them continuously. The app also provides a coach, who is in regular contact with the user, monitors progress, encourages him or her to persist on therapy and is available to answer questions. In this way, an interactive process develops that does not leave the affected person and their environment feeling isolated, because family members and caregivers also receive important information, such as instructions and tips about the disease and the therapy. Any lows in motivation during the course of therapy are overcome more easily thanks to the interactive design of the app. In order to alleviate the psychological and physical stresses of

the disease, those affected learn how they can gain new strength alongside medical treatment through stress reduction, mindfulness exercises, nutrition or exercise. The commitment of those affected is consistently encouraged and positively confirmed.

As mentioned in Anna's example, self-administration is associated with various, often very individual challenges and the requirement to carry out self-treatment largely on one's own responsibility. Ypsomed has many years of experience in this area and is familiar with the concerns and problems of those affected and the associated need for advice and support. Our YpsoMate® autoinjectors are designed to be very user-friendly and simple for easy application, which takes just two steps: remove the protective cap and press onto the skin. Audible and visual signals give the user good control over the success of the injection. The YpsoMate® is compatible with the reusable SmartPilot™ add-on, which transforms the proven autoinjector into a fully networked, intelligent product system. The SmartPilot™ provides user guidance and advanced adherence monitoring. By providing full digital support for conventional self-medication in the future and by motivating users to adopt positive behaviour in a fun way, therapy will become more effective and user-friendly. Digital therapy management can be used across injection-based therapies, for example in oncology, immunology or metabolic diseases such as obesity.

### On the way to becoming a provider of integrated healthcare services

Our injection systems combined with Sidekick's expertise form a unique solution that provides a motivating and personalised patient experience for people with chronic diseases. We thus provide our pharmaceutical customers with a ready-made, digital therapy management system. In particular, it gives them better insight into treatment adherence and efficacy. The self-injection module will be clinically validated and, where indicated, developed in compliance with applicable regulatory re-

quirements for software as a medical device (SaMD). “The partnership with Sidekick is a milestone for Ypsomed and an important step in our journey to become a provider of integrated healthcare services. We will continue to expand our service offering in Digital Health and beyond with additional partnerships to meet the needs of a growing market,” commented Ulrike Bauer, Chief Business Officer Delivery Systems at Ypsomed, on the partnership.

“Combining Ypsomed’s platforms with Sidekick’s digital therapy solution will enable us to develop new behavioural health interventions and address patient-specific challenges related to self-injection,” said Tryggvi Thorgeirsson, CEO of Sidekick. “We strongly believe that patients outside of the clinical setting will be more active participants in their own care. This avoids unnecessary hospitalisations and ultimately reduces chronic disease healthcare costs.”

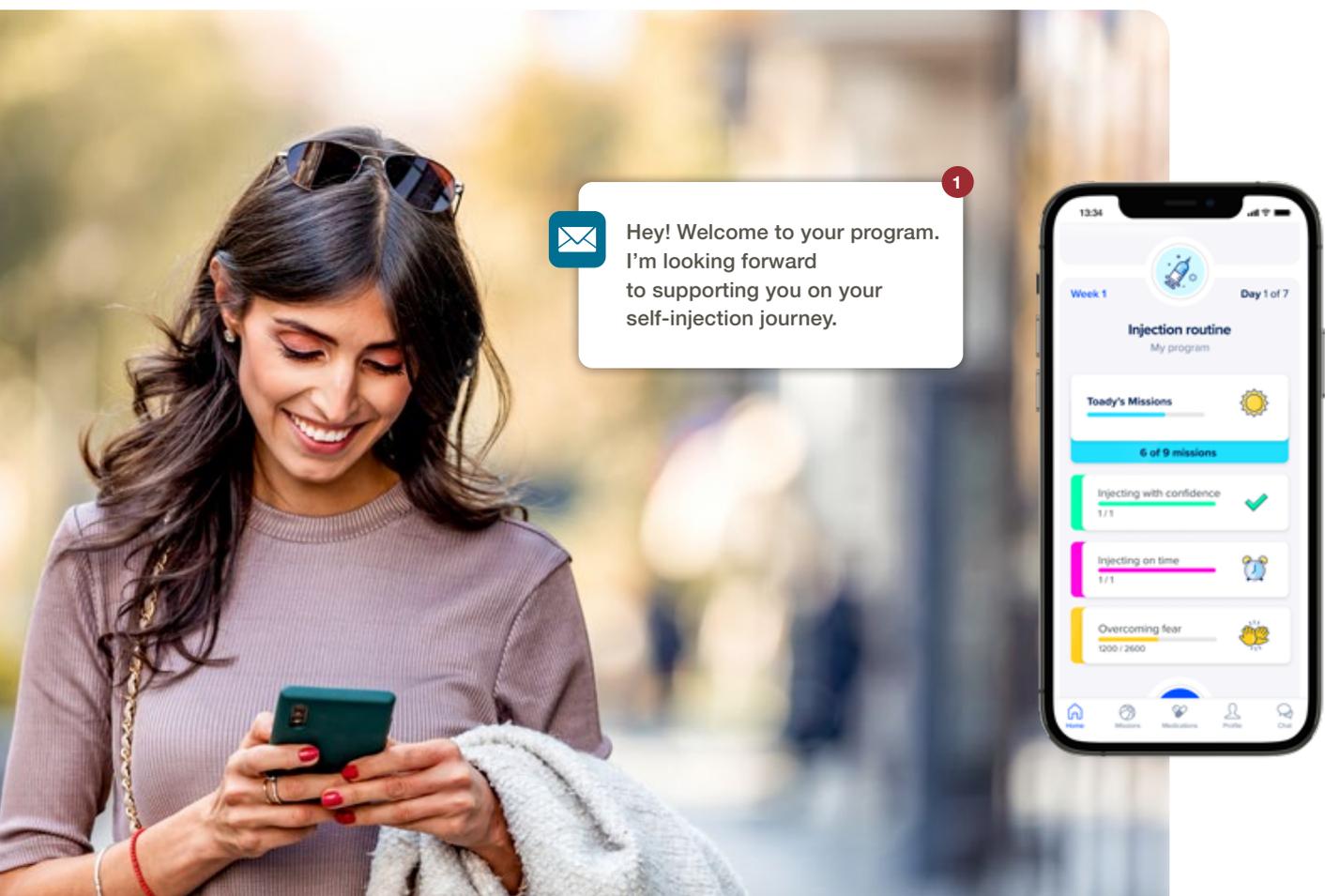
### Careful handling of personal data ensured

Digitalisation offers great potential for improvements in healthcare. In this context, sceptics have repeatedly warned of the possible misuse of personal data for commercial purposes. However, we operate in a strictly regulated environment in the healthcare sector. This also includes the careful handling of personal data. Personal information in Sidekick’s digital therapy solution is only passed on to treating physicians, caregivers or relatives with the user’s consent. The data is protected against unauthorised and unlawful access and loss by appropriate technical and organisational measures and is always treated confidentially.

Overall, successful therapy management significantly reduces the financial burden on the entire healthcare system in the long term and at the same time provides continuous, yet flexible care that can be tailored to the individual.

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Those affected are assisted digitally in their therapy and accompanied by a personal coach.





## More quality of life with the mylife™ Loop™ system

On average, people with type 1 diabetes spend four to five hours a day on their therapy, often not meeting treatment goals, which in the long term can lead to severe diabetes-related complications.<sup>1</sup> This is also referred to as the “burden of diabetes”. With the diagnosis of type 1 diabetes, which often occurs in childhood or adolescence, life changes fundamentally for those affected and their families. Blood glucose levels must be monitored throughout the day and also at night. This causes enormous psychological and physical stress. With our new therapy solutions, combining a medical device, intelligent digital technology and insulin, we can now significantly relieve the burden on those affected and improve treatment outcome.

To better manage diabetes and its effects, glucose levels should remain within a target range between 70 and 180 milligrams of glucose per decilitre of blood for as long as possible.<sup>2</sup> In healthy people, this is true about 90 % of the time, compared to about of 50 % time in range in type 1 diabetes patients using state of the art treatments. Thanks to Ypsomed’s new mylife™ Loop™ offering, a value of up to 80 % time in range can now be achieved in type 1 diabetes together with a much easier treatment for patients and their families.<sup>3</sup>

### The mylife™ Loop™ learns constantly

With the mylife™ Loop™ system, currently consisting of the three components mylife™ YpsoPump®, Dexcom G6 and the mylife™ CamAPS® FX app by CamDiab Ltd., we launched an automated, algorithm-controlled insulin dosing (AID) system for our insulin pump in early summer. Based on sensor readings from the Dexcom G6 rtCGM<sup>4</sup> system, insulin delivery is automatically adjusted to keep glucose levels within the target range. This is a unique app-centric solution that allows discrete and convenient management of the insulin dosing system from the app. Most of therapy management decisions are done automatically, freeing patients from part of the constant burden of diabetes.

Through partnerships with the best in class in diabetes, we create access to improved therapies and choices. From the beginning of 2023, mylife™ Loop™ will be expanded to include the FreeStyle® Libre 3 sensor from Abbott. This will give users the choice of which sensor they want to use in the mylife™ Loop™ – the Dexcom G6 from Dexcom or the FreeStyle® Libre 3 from Abbott.

### Usability as a success factor

It is our vision to make selfcare simpler and easier. That is why the mylife™ Loop™ system offers several advantages:

- It is discreet, i.e. it is controlled via smartphone and thus enables unobtrusive therapy management in everyday life.
- It is self-learning and adaptive, i.e. the daily insulin amount as well as the daily and postprandial glucose course are automatically determined and continuously adjusted.
- It is modular, meaning patients can choose between two sensors for continuous glucose monitoring – Dexcom G6 or FreeStyle® Libre 3.<sup>5</sup>
- It is versatile, meaning it is approved for children (two years and older with the Dexcom G6 sensor, four years and older with the FreeStyle® Libre 3) and adults including pregnant women.
- It is simple and fast, i.e. only two parameters need to be entered at the beginning, the technical set-up is possible in five steps.
- Its design is made for convenience, thanks to the availability of prefilled insulin cartridges, easy to use interface and mylife™ Orbit® infusion sets.

Just a few months after its launch, we are already seeing very encouraging demand for the YpsoPump® supplemented with the mylife™ Loop™. Our users report more freedom in their daily lives: they have more time for their families, are more active and can sleep better at night. The mylife™ Loop™ system gives parents of children with diabetes in particular a feeling of security, because they can view their child’s glucose values via smartphone at any time – when he or she is at school, at sports or with friends – and intervene if necessary. A second, very significant long-term advantage is the improvement in time in range mentioned at the beginning of this article. Secondary diseases of diabetes such as stroke, heart attack, blindness or kidney failure can thus be reduced.

<sup>1</sup> State of Type 1 Diabetes Management and Outcomes from the T1D Exchange in 2016–2018, <https://bit.ly/3FH77bj>;  
[www.nejm.org/doi/full/10.1056/nejm199309303291401](https://www.nejm.org/doi/full/10.1056/nejm199309303291401)

<sup>2</sup> Definition of the American Diabetes Association (ADA).

<sup>3</sup> Source: <https://pubmed.ncbi.nlm.nih.gov/35359882/>

<sup>4</sup> rtCGM stands for real-time continuous glucose monitoring.

<sup>5</sup> The FreeStyle® Libre 3 is expected to be available in Germany from 2023.

## Discreet bolus delivery via smartphone with the mylife™ App

An alternative to automated insulin dosing is the use of the mylife™ App. A new function of the mylife™ App makes it possible to deliver the bolus conveniently and discreetly via the personal smartphone without having to pick up the pump. All bolus variants – from the normal bolus to the extended bolus to a combined bolus – can be delivered in this way. People with diabetes thus have the freedom of choice to use the therapy solution they prefer.

With the ever-improving treatment options, diabetes can now be treated increasingly well and secondary diseases can be reduced. Supported by lifestyle changes, a high quality of life and increased life expectancy is possible. We are continuously working to make diabetes treatment easier and safer with our therapy solutions.

## We want to improve the lives of people with diabetes



**Sébastien Delarive**  
Chief Business Officer  
Diabetes Care

In June 2022, Sébastien Delarive joined Ypsomed as Chief Business Officer Diabetes Care. With him, we have an internationally experienced manager in our ranks, who has worked for many years in biopharmaceutical and medical technology companies and has been intensively involved in various functions, including the treatment of diabetes, immunology and rare diseases. In this interview, he talks about his first months at Ypsomed and his plans.

### Why did you decide to join Ypsomed?

Ypsomed is a pioneer in modern diabetes therapy and the treatment of diabetes has always fascinated me. At the same time, I am frustrated by the fact that only 40 % of patients achieve the treatment goal with insulin therapy. I am convinced that by combining insulin with medical devices, digital technology and targeted patient education, we can achieve a much better outcome. In fact, with

the mylife™ Loop™ system, we manage to achieve up to 80 % time in range. It also allows us to reduce the burden of treating diabetes from four to five hours per day to a handful of interventions per day. That means we can make a huge improvement for people with diabetes.

### A key organisational principle at Ypsomed is customer focus. What do you want to achieve with Ypsomed Diabetes Care and what are the challenges?

We have to make the shift from single-product-centric thinking to a patient-centric, networked, digital treatment solution. This is a big challenge, because it requires everyone in the company to understand the needs of patients and healthcare professionals to steer, as a consequence, product and solution improvements.

### What will be your focus and priorities in the coming months?

First, we focus to provide access to as many patients as possible to the mylife™ Loop™ system to transform the experience of people with diabetes and consequently drive growth. Another focus will be to accelerate product design and make it more agile. To make all this happen it is also essential to foster an environment where people can be their best self, fulfil themselves and contribute to a greater goal. Together, we will join forces for the benefit of patients and the company.



## Well-positioned against the shortage of specialists

For some time now, Europe has been experiencing a shortage of qualified and well-trained workers. Specialists are in particular demand for MINT occupational fields (mathematics, information technology, natural sciences and technology). To prevent this problem, we are increasingly training our specialists ourselves. Every year, around 20 young people complete their vocational training at Ypsomed and help to make self-treatment a matter of course. In addition, we fulfil our social responsibility as a company by providing training and offering attractive jobs.

### Simply train specialists yourself

As an internationally successful company in medical technology, we offer various apprenticeships in an exciting environment and continually demonstrate that we are a good training company. Apprentices can train in twelve apprenticeship professions at Ypsomed – and we regularly open up new professional fields. This means that we develop new training programmes for the areas in which we need new employees. By participating in vocational training events, we position ourselves and actively show our presence. This generates a lot of interest and our commitment is already paying off: our apprentices did very well at the SwissSkills Swiss Vocational Championships. We benefit from the know-how of the young talents while passing on our experience. In this way,

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Growing together as a team – the apprentices master the first challenges together during the introductory days.



the company retains quality and knowledge and the apprentices are rewarded for their commitment during their training.

In addition to the opportunity of an exciting apprenticeship, this summer we gave four apprentices the chance to swap their place of work and thus gain international experience within the Ypsomed Group. Apprentices at the Schwerin site in Germany were thus able to swap roles with two apprentices from Burgdorf and Solothurn for four weeks – and continue their apprenticeship. In this way, we reward the young talents for their commitment and good academic performance during the course of their apprenticeship. At Ypsomed, the majority of apprentices continue to be employed by the company after successfully completing their apprenticeship.

### Finding and retaining specialists and high potentials

The new generation of workers increasingly values issues such as work-life balance, meaningfulness and sustainability. Our integrated sustainable strategy shows that our company makes a significant contribution to sustainable development across all four strategic pillars and that our ambitions are mutually supportive and enriching. With our products, we also contribute to more freedom, more autonomy and a better quality of life for people with diabetes and other chronic diseases. Ypsomed also strengthens the dual education system through training. In the future, we want to rely even more on young talent from the middle school and university sectors – a very promising market for skilled workers.

Currently, about 15 % of our employees are university graduates. Through direct measures such as offering university internships, we want to further increase this rate in the coming years. In addition to apprentices, Ypsomed takes on young professionals whom we train internally to become specialists and enable them to gain the necessary professional experience – this is how a junior develops into a senior over time. With the constant opportunity for employees to further their education, there is the option of developing employees internally towards positions of responsibility.

In addition, we have responded to the shortage of specialists in Switzerland by setting up our Software Delivery Centre in Barcelona: our colleagues in Spain focus on the development of apps and clouds – which are already of great importance to us today and will become even more important in the future. The exchange with professionals from other regions is very valuable for us: the collaboration with other cultures, languages and planning methods brings our employees a lot of positive benefits, not only professionally but also personally. This international cooperation is an important factor for Ypsomed as a globally active company.



### Win a colleague – employees recruit in their own environment

Ypsomed also relies on its own employees in the search for new, suitable colleagues: through an referral programme, we find new colleagues who are professionally suited to Ypsomed through our own employees. Our employees know exactly our corporate culture and can therefore act as talent scouts themselves. In addition, we offer remuneration for the placement of a permanent position – motivation enough to actively search within one’s own circle of friends. In this way, we attract very well-qualified personnel into our company. Insights into our working world also increase our chances of finding good employees. Through our social media presence, stories on our website or, for example, at industry nights, we show exciting insights into the world of one of the leading medical technology companies in Switzerland.

Ypsomed is proud of its corporate culture: as a family-run company, values such as honesty and an open culture of error are exemplified. Attractive working conditions such as the possibility of flex work, flexible working regardless of location, and equal pay in practice confirm our position as an attractive employer. This is reflected in the large number of long-term employees and the continuous growth we are experiencing.



## Consolidated income statement

(Unaudited Swiss GAAP FER figures) in thousand CHF

	Notes	01 April 2022– 30 Sept. 2022	in %	01 April 2021– 30 Sept. 2021	in %
Sales of goods and services	2	244 244	100.0 %	222 588	100.0 %
Cost of goods and services sold		-178 796	-73.2 %	-170 246	-76.5 %
<b>Gross profit</b>		<b>65 448</b>	<b>26.8 %</b>	<b>52 342</b>	<b>23.5 %</b>
Marketing and sales expenses		-35 961	-14.7 %	-32 723	-14.7 %
Administration expenses		-13 131	-5.4 %	-11 142	-5.0 %
Other operating income		3 555	1.5 %	2 364	1.1 %
Other operating expenses		-465	-0.2 %	-353	-0.2 %
<b>Operating profit</b>	2	<b>19 445</b>	<b>8.0 %</b>	<b>10 489</b>	<b>4.7 %</b>
Financial income	3	2 341	1.0 %	1 114	0.5 %
Financial expenses	3	-5 048	-2.1 %	-3 035	-1.4 %
<b>Profit before income taxes</b>		<b>16 739</b>	<b>6.9 %</b>	<b>8 567</b>	<b>3.8 %</b>
Income taxes		-1 300	-0.5 %	-1 443	-0.6 %
<b>Net profit</b>		<b>15 439</b>	<b>6.3 %</b>	<b>7 124</b>	<b>3.2 %</b>
<b>Earnings per share</b> (diluted and undiluted) in CHF	4	<b>1.17</b>		<b>0.56</b>	
Operating profit		19 445		10 489	
Depreciation and impairment of fixed assets		19 865		18 904	
Amortisation and impairment of intangible assets		17 573		13 036	
<b>EBITDA</b> (operating profit before depreciation and amortisation)		<b>56 883</b>	<b>23.3 %</b>	<b>42 429</b>	<b>19.1 %</b>



## Consolidated balance sheet

(Unaudited Swiss GAAP FER figures) in thousand CHF

Assets	Notes	30 Sept. 2022	in %	31 March 2022	in %
Cash and cash equivalents		17 150	2.2%	17 038	2.3%
Trade receivables		81 264	10.3%	86 986	11.5%
Other current assets		8 374	1.1%	8 338	1.1%
Accrued income and prepayments		13 005	1.6%	10 672	1.4%
Current income tax assets		59	0.0%	164	0.0%
Inventories		70 949	9.0%	68 299	9.0%
Customer machinery		1 329	0.2%	2 086	0.3%
<b>Total current assets</b>		<b>192 131</b>	<b>24.3%</b>	<b>193 584</b>	<b>25.6%</b>
Financial assets		2 636	0.3%	2 642	0.3%
Deferred income tax assets		32 882	4.2%	33 756	4.5%
Fixed assets		362 447	45.8%	336 150	44.4%
Intangible assets		200 747	25.4%	190 779	25.2%
<b>Total non-current assets</b>		<b>598 712</b>	<b>75.7%</b>	<b>563 327</b>	<b>74.4%</b>
<b>Total assets</b>		<b>790 843</b>	<b>100.0%</b>	<b>756 910</b>	<b>100.0%</b>
<b>Liabilities and equity</b>					
Financial liabilities	6	144 000	18.2%	157 000	20.7%
Current liabilities to major shareholder	6	25 003	3.2%	0	0.0%
Trade payables		20 701	2.6%	17 386	2.3%
Prepayments from customers		16 503	2.1%	19 544	2.6%
Current income tax payable		707	0.1%	182	0.0%
Other payables		7 891	1.0%	3 608	0.5%
Accrued liabilities and deferred income		47 303	6.0%	36 789	4.9%
Provisions (short-dated)		3 041	0.4%	2 827	0.4%
<b>Total current liabilities</b>		<b>265 150</b>	<b>33.5%</b>	<b>237 336</b>	<b>31.4%</b>
Non-current liabilities to major shareholder	6	0	0.0%	110 000	14.5%
State-subsidised payments		7 092	0.9%	7 739	1.0%
Provisions (long-term)		6 929	0.9%	6 512	0.9%
Deferred income tax liabilities		2 631	0.3%	2 783	0.4%
<b>Total non-current liabilities</b>		<b>16 652</b>	<b>2.1%</b>	<b>127 034</b>	<b>16.8%</b>
Share capital		193 144	24.4%	178 994	23.6%
Capital reserves		206 222	26.1%	104 313	13.8%
Translation differences		-34 186	-4.3%	-23 283	-3.1%
Goodwill offset		-322 892	-40.8%	-322 892	-42.7%
Retained earnings		466 751	59.0%	455 407	60.2%
<b>Total equity</b>	5	<b>509 040</b>	<b>64.4%</b>	<b>392 540</b>	<b>51.9%</b>
<b>Total liabilities and equity</b>		<b>790 843</b>	<b>100.0%</b>	<b>756 910</b>	<b>100.0%</b>



# Consolidated statement of cash flows

(Unaudited Swiss GAAP FER figures) in thousand CHF

	Notes	01 April 2022– 30 Sept. 2022	01 April 2021– 30 Sept. 2021
<b>Net profit</b>		<b>15 439</b>	7 124
Depreciation and amortisation of fixed and intangible assets		37 438	31 940
Loss from impairment (+)/Reversal of impairment (-)	3	0	452
Change in provisions (incl. deferred income taxes)		911	113
Other expenses/income that do not affect the fund		133	127
Result from disposals of fixed and financial assets		52	-52
Increase (-)/decrease (+) in trade receivables		4 208	-3 544
Increase (-)/decrease (+) in other receivables and prepayments and accrued income		-2 739	9 594
Increase (-)/decrease (+) in inventories		-3 617	995
Increase (-)/decrease (+) in customer machinery		757	-657
Increase (+)/decrease (-) in trade payables		4 142	3 541
Increase (+)/decrease (-) in prepayments from customers		-3 042	-8 461
Increase (+)/decrease (-) in other payables and accrued liabilities and deferred income		16 061	6 816
<b>Cash flow from operating activities</b>		<b>69 742</b>	47 988
Disposal of financial assets and securities		0	278
Purchases of fixed assets		-55 013	-23 771
Disposals of fixed assets		201	6
Purchase of intangible assets <sup>1</sup>		-28 350	-44 726
Acquisition of subsidiaries less cash and cash equivalents acquired		0	-1 162
<b>Cash flow from investing activities</b>		<b>-83 162</b>	-69 375
Net proceeds from capital increase (including premium)		35 154	0
Proceeds of borrowings from major shareholder		0	22 500
Proceeds of borrowings from banks		16 000	22 000
Repayment of short-dated financial liabilities to banks		-29 000	0
Distribution of capital reserves and retained earnings	5	-8 190	-14 666
<b>Cash flow from financing activities</b>		<b>13 964</b>	29 834
Effect of foreign currency translation		-432	-142
<b>Total cash flow</b>		<b>112</b>	8 305
Cash and cash equivalents as of 01 April		17 038	19 320
Cash and cash equivalents as of 30 September		17 150	27 625
<b>Net increase (+)/decrease (-) in cash and cash equivalents</b>		<b>112</b>	8 305

<sup>1</sup> Out of the CHF 20 million invoice received in the financial year 2020/21 for patent letters to operate the insulin pump, which were capitalised under intangible assets, CHF 18 million were paid in the first half year 2021/22.



## Consolidated statement of changes in equity

(Unaudited Swiss GAAP FER figures)  
in thousand CHF

	Share capital	Group reserves and share premium	Treasury shares	Translation differences	Goodwill offset	Retained earnings	Total
Balance as of 01 April 2021	178 994	111 433	-957	-10 829	-322 892	439 635	395 385
Net profit half-year						7 124	7 124
Dividend payout from capital contribution reserves		-7 333					-7 333
Dividend payout from retained earnings						-7 333	-7 333
Translation exchange differences				-3 262			-3 262
Balance as of 30 September 2021	178 994	104 100	-957	-14 091	-322 892	439 425	384 581

	Share capital	Group reserves and share premium	Treasury shares	Translation differences	Goodwill offset	Retained earnings	Total
Balance as of 01 April 2022	178 994	104 313	0	-23 283	-322 892	455 407	392 540
Capital increase	14 150	106 004					120 154
Net profit half-year						15 439	15 439
Dividend payout from capital contribution reserves		-4 095					-4 095
Dividend payout from retained earnings						-4 095	-4 095
Translation exchange differences				-10 903			-10 903
Balance as of 30 September 2022	193 144	206 222	0	-34 186	-322 892	466 751	509 040

### Share capital increase of Ypsomed Holding AG in June 2022

On 13 June 2022, the Board of Directors decided to execute a capital increase from authorised capital, which was created by the resolution of the Annual General Meeting of 30 June 2021, in the amount of a maximum of 1 million fully paid registered shares with a nominal value of CHF 14.15 each. In the course of the offering, all new registered shares were placed with both existing and new shareholders. At the offer price of CHF 122.50, the transaction volume amounts to CHF 122.5 million. Shareholder loans in the amount of CHF 85.0 million were offset. Prior to the capital increase, all loans of Techpharma Management AG (a company controlled by Willy Michel) were transferred to Willy Michel. The net proceeds from the capital increase, after deduction of the transaction costs of CHF 2.3 million, totalled CHF 35.2 million. The share capital now consists of 13 649 739 registered shares with a nominal value of CHF 14.15 each.



## Alternative Performance Measures

Ypsomed's annual report in accordance with SWISS GAAP FER is enhanced by additional key financial figures that are not defined in SWISS GAAP FER. These are mainly EBIT and EBITDA.

### EBIT and EBITDA

Ypsomed's EBITDA equals operating profit before amortisation, depreciation and impairment of tangible and intangible assets, whereas EBIT stands for operating profit. Ypsomed feels confident that both EBIT and EBITDA represent substantial financial ratios that allow for a comparison with other corporations with regard to

different Capitalisation – or legal set-ups and therefore different interest- and tax rates. In addition, the ratios enable drawing comparisons to enterprises with differently occurring amortisation, depreciation and impairment of both tangible and intangible assets.

in thousand CHF

	<b>01 April 2022– 30 Sept. 2022</b>	01 April 2021– 30 Sept. 2021
Operating profit	<b>19445</b>	10489
<b>EBIT</b>	<b>19445</b>	10489
Depreciation and impairment of fixed assets	<b>20045</b>	19098
Dissolved state-subsidies	<b>-180</b>	-194
Amortisation and impairment of intangible assets	<b>17573</b>	13036
<b>EBITDA</b> (operating profit before depreciation and amortisation)	<b>56883</b>	42429



# Notes to the consolidated semiannual financial statements

In thousand CHF unless otherwise stated.

## 1. Accounting policies

### Basics

This consolidated semiannual report includes the non-audited consolidated half-year financial statement of the Ypsomed Holding AG and its subsidiaries for the reporting period ending 30 September 2022. The consolidated semiannual report was prepared in compliance with Swiss GAAP FER 31 interim reporting. The accounting principles applied to the preparation of the semiannual report comply with the accounting principles on which the consolidated report per 31 March 2022 was based. The consolidated semiannual report was released for publication by the Board of Directors on 08 November 2022. The business operations of Ypsomed are not subject to major seasonal or cyclic fluctuations within the financial year.

Preparation of the semiannual report necessitates that Management make certain estimates and assumptions which may affect the assets and liabilities balanced on the effective reporting date and the revenues and expenditures given for the reporting period. These estimates and assumptions are based on future expectations and are deemed as being appropriate at the point in time of preparing the semiannual report. The actual figures may differ from these estimates.

## 2. Segment information

Ypsomed discloses net sales from the perspective of sales structures, according to Ypsomed Delivery Systems (YDS: injection systems and Contract Manufacturing) and Ypsomed Diabetes Care (YDC: insulin pumps, infusion sets, pen needles, blood glucose monitoring systems and other accessories). The YDS division provides pharmaceutical and biotech customers with injection systems and related services. This is a B2B business which is handled directly from the headquarters in Burgdorf. In the YDC area, the products are sold directly to hospitals, doctors, pharmacies and patients via Ypsomed subsidiaries and distributors. The segment Others comprises Ypsotec and properties not used for operational purposes.

Due to possible competitive disadvantages, segment results are not disclosed in accordance with Swiss GAAP FER 31/8. Compared to relevant competitors in the field of injection systems and insulin pumps, this results in significantly higher transparency with regard to the cost and margin structure and Ypsomed would be the only company to provide detailed segment profitability information. Most of the relevant competitors are companies without publicly available financial information (Owen Mumford, SHL Group) or large companies with large reporting segments and diluted comparative information (Roche, Medtronic). Accordingly, disclosure of such information would result in a significant competitive disadvantage compared to competitors. In addition, such information can have a negative impact on the negotiating position towards customers and suppliers.

Half-year 2021/22	Ypsomed Diabetes Care	Ypsomed Delivery Systems	Others	Eliminations	Group
Sales of goods and services to third-party customers	95 206	118 331	9 050		222 588
Intersegmental sales			902	-902	0
<b>Total sales of goods and services</b>	<b>95 206</b>	<b>118 331</b>	<b>9 952</b>	<b>-902</b>	<b>222 588</b>
<b>Operating profit</b>					<b>10 489</b>
<b>EBIT margin</b>					<b>4.7 %</b>
Investments in fixed and intangible assets					51 073
Depreciation / Amortisation / Impairment					31 940

Half-year 2022/23	Ypsomed Diabetes Care	Ypsomed Delivery Systems	Others	Eliminations	Group
Sales of goods and services to third-party customers	<b>92 013</b>	<b>143 728</b>	<b>8 504</b>		<b>244 244</b>
Intersegmental sales			<b>906</b>	<b>-906</b>	<b>0</b>
<b>Total sales of goods and services</b>	<b>92 013</b>	<b>143 728</b>	<b>9 410</b>	<b>-906</b>	<b>244 244</b>
<b>Operating profit</b>					<b>19 445</b>
<b>EBIT margin</b>					<b>8.0 %</b>
Investments in fixed and intangible assets					<b>82 955</b>
Depreciation / Amortisation / Impairment					<b>37 438</b>

### 3. Financial result

	Half-year 2022/23	Half-year 2021/22
Interest income	3	7
Gains from the sale of securities	0	49
Foreign exchange gains	2332	978
Dividends/other financial income	7	80
<b>Total financial income</b>	<b>2341</b>	<b>1114</b>
Interest expenses	793	1004
Loss from sale of securities	0	452
Foreign exchange losses	4161	1484
Other financial expenses	94	95
<b>Total financial expenses</b>	<b>5048</b>	<b>3035</b>

The remaining shares in Bionime Corp. held for sale were sold in the second half of 2021/22. In the first half of 2021/22, the valuation at current values resulted in a loss of CHF 0.5 million.

### 4. Earnings per share

The earnings per share are calculated by dividing the net profits by the monthly weighted number of outstanding shares during the period. Here, the average number of

own shares held by the Group companies is subtracted from the issued shares.

	Half-year 2022/23	Half-year 2021/22
Net profit in thousand CHF	15439	7124
Number of outstanding shares weighted on a monthly basis	13221168	12642953
Earnings per share in CHF (diluted and undiluted)	1.17	0.56

## 5. Payment to shareholders

As per 09 July 2022, a distribution of retained earnings in the amount of CHF 0.30 (previous year: CHF 0.58) and a tax-free distribution of capital contribution reserves in the amount of CHF 0.30 (previous year: CHF 0.58) per share were paid. The total distribution amounted to CHF 8.2 million (previous year: CHF 14.7 million).

## 6. Financial liabilities

As at 30 September 2022, there is a maximum credit line of CHF 265 million for the fixed advances from banks. The fixed advances from banks were granted to Ypsomed Holding AG and Ypsomed AG with a term of up to twelve months.

A capital increase from authorised capital was executed in June 2022. By offsetting existing loans from Dr. h.c. Willy Michel against the company, it was possible to reduce the shareholder loans by CHF 85.0 million to CHF 25.0 million in the context of the capital increase. Prior to the capital increase, all loans of Techpharma Management AG (a company controlled by Willy Michel) were transferred to Willy Michel.

## 7. Subsequent event

On 27 October 2022, Ypsomed and Mediq signed an agreement on the sale of DiaExpert GmbH, Liederbach (“signing”). With this sale, Ypsomed will more strongly focus on the development, manufacturing and distribution of its own high-quality medical technology products for people with chronic conditions. The transaction is expected to be completed in the upcoming months (“closing”) and is subject to the usual regulatory approvals. The discontinued operations contributed CHF 39 million to consolidated sales and CHF 3 million to consolidated operating profit in the first half of 2022/23 (previous year: sales CHF 45 million and operating profit CHF 4 million).



## Information policy

Ypsomed Holding AG maintains an open and transparent communication policy towards shareholders, potential investors, financial analysts, the media, customers and other interested people, based on the principle of equality. The company uses the following tools: annual report, semiannual report, presentation of the annual results to the media and financial analysts ahead of the General Meeting of Shareholders, as well as media briefings and company publications that have potential relevance to the share price. Responsibility for communication with investors rests with the Chairman of the Board of Directors.

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In Switzerland, production of the pen systems is in full swing, as here with the UnoPen™.



The following research cover monitor the performance of the Ypsomed Group:

**Credit Suisse, Zurich:** Christoph Gretler  
**Zürcher Kantonalbank, Zurich:** Daniel Buchta  
**Vontobel AG, Zurich:** Sibylle Bischofberger Frick  
**Octavian AG, Zurich:** Sandra Dietschy  
**Research Partners, Zurich:** Urs Kunz

On our website at [www.ypsomed.com](http://www.ypsomed.com) (under Media & Investors), all interested parties can access up-to-date and potentially market-relevant information (pull system) without charge. Furthermore, all interested parties can subscribe to an e-mail distribution list under [www.ypsomed.com/newsservice](http://www.ypsomed.com/newsservice) (push system). The official publication organ of Ypsomed Holding AG is the Swiss Official Gazette of Commerce (SOGC). Company publications with potential relevance to the share price are usually communicated at the end of daily trading. Such publications are reported in advance to the SIX Swiss Exchange Regulation and thereafter uploaded to the above-mentioned website and simultaneously communicated to a number of national newspapers, electronic information systems and to persons registered on the e-mail distribution list.

### Equity trading

The registered shares of Ypsomed Holding AG are traded on the SIX Swiss Exchange.

Ticker symbols:  
YPSN (Telekurs)  
YPSN.S (Reuters)  
YPSN SW (Bloomberg)  
Security number: 1 939 699  
ISIN: CH 001 939 699 0

### Important dates and contact

**24 May 2023:** Media conference and analysts' presentation of the annual figures 2022/23, Zurich

**28 June 2023:** General Assembly of Shareholders, Burgdorf

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