

Ad hoc announcement pursuant to Art. 53 LR

Ypsomed sells its pen needle and BGM business to MTD and invests in the expansion of its Solothurn site

Burgdorf, 27.03.2024, 07:00 a.m. – Ypsomed (SIX: YPSN) and Medical Technology and Devices S.p.A. (MTD) have signed an agreement on the transfer of the pen needle and blood glucose monitoring systems (BGMs) businesses. The transfer to MTD will ensure the long-term supply of a unique pen needle offering. With this step, Ypsomed is focusing its diabetes care business even more strongly on the further development and marketing of the innovative mylife Loop insulin pump solution. As part of its growth strategy, Ypsomed will invest over CHF 100 million over the next four years in the expansion of capacities for autoinjectors at the Solothurn site.

Ypsomed is supporting a reliable transition to ensure the supply of pen needles to people around the globe who inject insulin and other hormones. During a transition period, Ypsomed will produce pen needles as a contract manufacturer and provide certain services to facilitate a seamless transfer. The production equipment will be gradually moved to the MTD sites by mid-2025. The business with pen needles and BGMs to be transferred to MTD accounted for sales of CHF 52 million in FY 2022/23 and CHF 18 million in the first half of FY 2023/24.

“We are proud of our long tradition in the production and distribution of pen needles in over 40 countries and our contribution to a better life for people with diabetes and other chronic conditions. I am convinced that MTD will successfully integrate our pen needle and BGM products into their existing portfolio. At Ypsomed Diabetes Care, we are now fully focusing on our insulin pump solutions,” says Simon Michel, CEO of Ypsomed.

“This acquisition will enable us to accelerate growth and enter new strategic markets, leveraging a broader product portfolio combining the click technology from Ypsomed and MTD’s thinnest and shortest 34G pen needle. We will integrate Ypsomed’s pen needles and BGMs’ operations into our European production and distribution sites, contributing to scale efficiencies and benefiting from our category expertise to support millions of people, caregivers, and healthcare professionals worldwide,” says Charles Bouaziz, CEO of MTD.

Ypsomed is continuing to invest in the expansion of the Solothurn site. In addition to expanding the capacity for its own autoinjectors, the space freed up will be converted for an additional injection moulding tool shop facility in Solothurn, thus doubling the tool capacity available to date, generating dozens of new jobs. Therefore, and due to the targeted growth, we are currently assuming that there will be a new position available within the group for all Ypsomed employees following the transfer of the pen needle business. Furthermore, we will work with our recruiting agencies for temporary personnel to find solutions for their temporary employees in the course of 2024. Employment until the end of 2024 can be ensured.

The closing of the transaction and thus the transfer of the business with pen needles and blood glucose monitoring systems is expected in summer 2024, after which the transition will begin, and is subject to customary respectively regulatory conditions.

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Ypsomed Group

Ypsomed is the leading developer and manufacturer of injection and infusion systems for self-medication and a renowned diabetes specialist. The company will celebrate its 40th anniversary in 2024. As a leader in innovation and technology, it is a preferred partner of pharmaceutical and biotech companies for pens, autoinjectors and pump systems for administering liquid medications. Ypsomed presents and markets its product portfolios under the umbrella brand mylife Diabetescare directly to patients, pharmacies, and hospitals as well as under Ypsomed Delivery Systems in business-to-business operations with pharmaceutical companies. Ypsomed is headquartered in Burgdorf, Switzerland. The company has a global network of production facilities, subsidiaries, and distribution partners. Ypsomed has over 2,200 employees worldwide.
www.ypsomed.com

MTD Group

Medical Technology and Devices (MTD) is a leading medical technology group that designs, manufactures and provides a comprehensive range of medical devices for self-care and professional use worldwide. Formed in 2018 from the merger of Pkdare and HTL Strefa, MTD has a long-term and unique expertise in the development of medical sharps, home-use electromedical devices and pharma self-care, distributing its solutions in over 100 countries worldwide.
www.mtdglobal.com