

Ypsomed Holding AG

# Annual Report 2023/24

The Ypsomed Group is a leading developer and manufacturer of injection and infusion systems for self-medication and a renowned diabetes specialist with 40 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 around 2 400 employees.



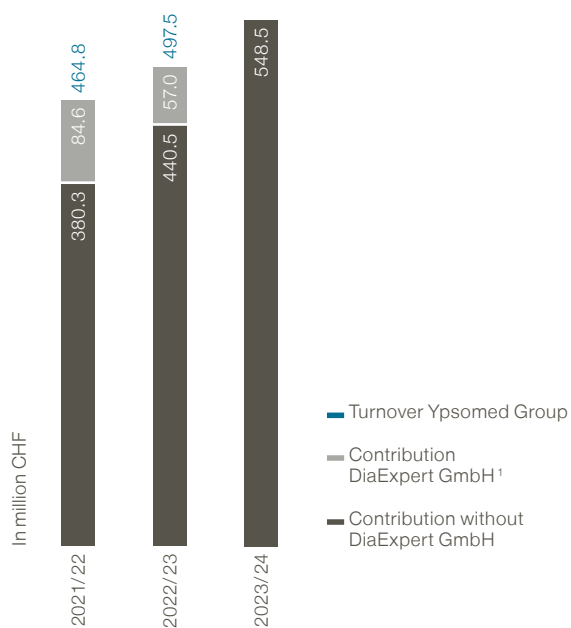
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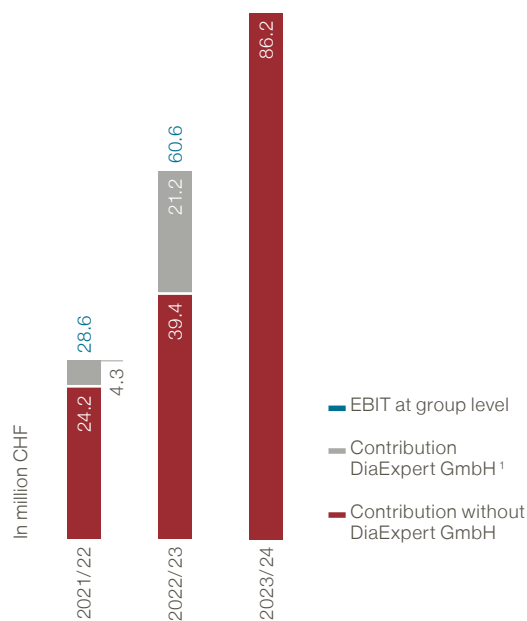


## Key figures

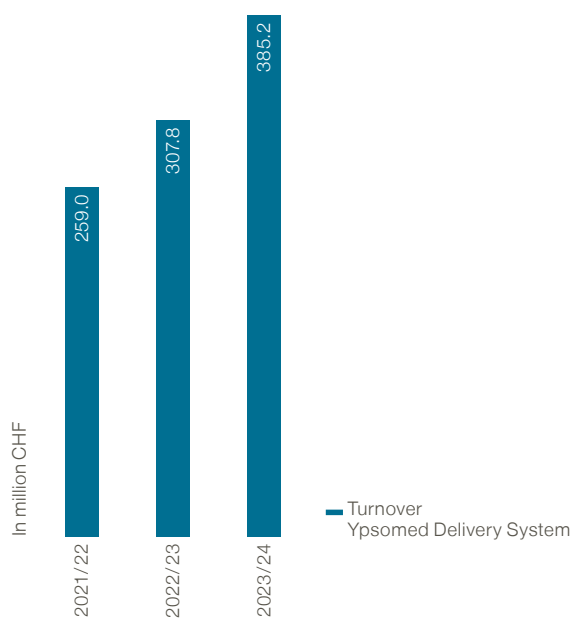
### Sales at group level



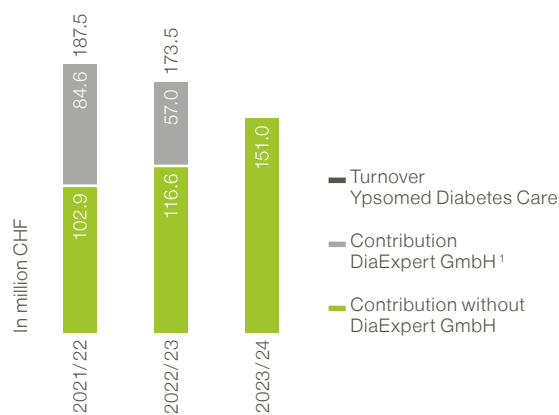
### EBIT at group level



### Turnover Ypsomed Delivery Systems

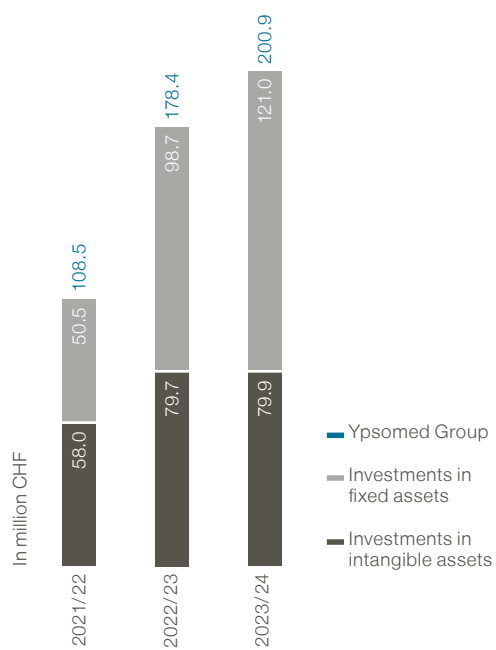
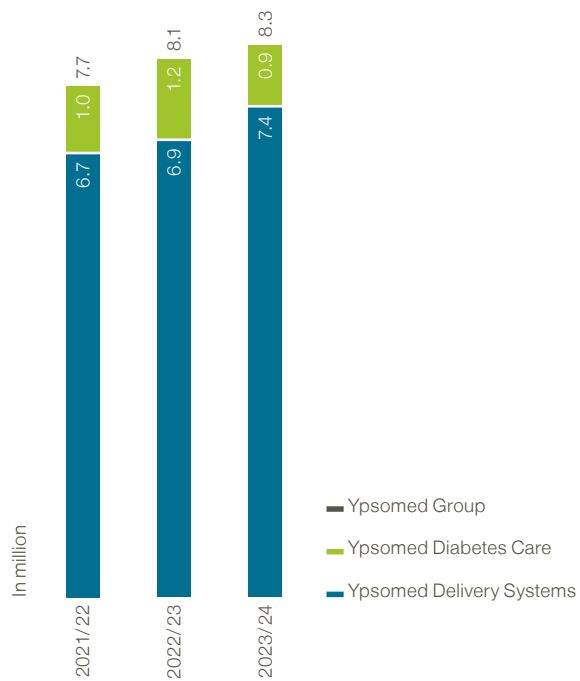
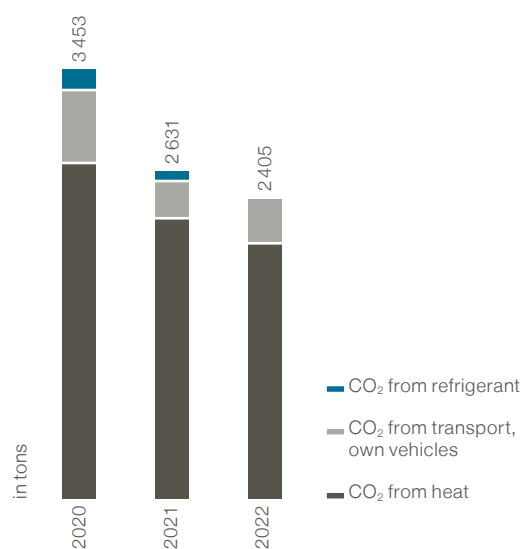


### Turnover Ypsomed Diabetes Care

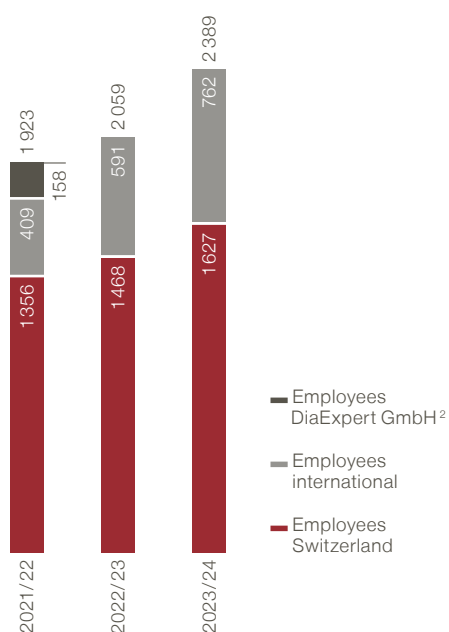


<sup>1</sup> DiaExpert GmbH sold as per 31 December 2022

## Investments

Number of people reached<sup>3</sup>CO<sub>2</sub> emissions<sup>1,3</sup>

## Employee headcount



<sup>1</sup> CO<sub>2</sub>-eq emissions Scope 1 and 2 according to Greenhouse Gas Protocol. For detailed information, see page 33.


<sup>2</sup> DiaExpert GmbH sold as per 31 December 2022

<sup>3</sup> Retroactive corrections







A vertical photograph on the left side of the page shows a modern office interior. It features a white sofa, a potted plant, and a wooden side table.

**We report openly and  
transparently on  
our business performance  
and business model.**



## Continued growth and portfolio streamlining

Dear shareholders, valued partners

We look back on an encouraging year in which we consistently implemented our growth strategy. Adjusted for the sale of DiaExpert, we were able to more than double our operating profit. This is a development which further confirms our positive assessment for the future and which motivates us to continue on our path.

### Strong growth for Ypsomed Delivery Systems

We again achieved a record result in the Delivery Systems business area. The driving forces continue to be our two most important platform product families, the pens and the autoinjectors. In the reporting year, our autoinjectors in particular contributed above-average growth. These are used by large pharmaceutical companies for self-treatment with modern and future-oriented original preparations. A satisfying example is our collaboration with medac. medac is the market leader in the field of subcutaneous methotrexate products. These drugs are used to treat people with various autoimmune diseases such as rheumatoid arthritis, psoriasis as well as Crohn's disease. medac has opted for an autoinjector from Ypsomed for the new version of its methotrexate injector, which is now being successively introduced in the various countries.



Gilbert Achermann, Chairman of the Board of Directors



Simon Michel, Chief Executive Officer

We are also successful in acquiring new projects with existing and new customers. The conclusion of several orders in the area of metabolic indications, for example in the medical treatment of obesity, provides significant and sustainable support for our growth strategy. Based on our pipeline portfolio, we therefore identify enormous medium- and long-term growth opportunities in the area of injection systems.

At the end of 2023, we have successfully completed the industrialisation of our portable YpsoDose patch injector. Together with our partners SCHOTT Pharma and ten23, we offer our customers an integrated and innovative complete solution for this product. Our latest addition to the autoinjector family, the YpsoMate 5.5 for volumes up to 5.5 ml, is also enjoying buoyant demand. By allowing larger volumes to be injected, this auto-injector enables the use of novel drugs in selfcare.

### Further focus at Ypsomed Diabetes Care

Together with our established partnerships, we continue to be successful and were able to increase commercial sales of our insulin pump by 69 % last year. Our partner CamDiab provides the world-leading, hybrid closed loop solution that enables users of our mylife YpsoPump to benefit from a unique, self-learning and adaptive algorithm that runs on a smartphone. The mylife YpsoPump and the mylife CamAPS FX app form the only automatic insulin delivery system (AID) mylife Loop worldwide which can be combined with both the Dexcom G6 sensor as well as the FreeStyle Libre 3 sensor from Abbott. We are proud of the clinical evidence that mylife Loop improves the health of pregnant women with type 1 diabetes and their babies. Due to hormonal changes and changes in eating behaviour, women with type 1 diabetes experience difficulties in achieving the recommended blood glucose levels during pregnancy.

At the same time, we announced in March that we were placing our business with pen needles and blood glucose monitoring systems in other hands. For one, the transfer to the Italian buyer MTD will ensure the continued long-term supply of our unique offering. And secondly, we can now focus our diabetes business even more strongly on the technical advancement and marketing of our mylife Loop solution.

Fuelled by the positive feedback and success in our established markets, we are continuing to drive forward the international expansion of mylife Loop. In the second half of the year, we launched the system in France and gained further access to important tender markets. After submitting the application for approval in Canada in September, we also applied to the FDA for approval in the USA this February. From today's perspective, we expect the market launch in Canada at the beginning of 2025 and prepare the US market entry towards the end of 2025.

### Ypsomed to invest CHF 1.5 billion over the next five years

Our production processes are fully automated and, we have a highly integrated value chain. These industrial prerequisites allow us to expand our capacities on a modular basis and currently represent a distinct competitive advantage. To exploit this advantage and meet the rapidly growing expectations of our customers, we have decided to accelerate our investment programme and invest approximately CHF 1.5 billion in production infrastructure in the area of injection systems over the coming five years. Our pharmaceutical partners will contribute around a quarter of this. In addition to the expansion and conversion at the Solothurn site and the construction of our first plant in China, we will build a second – even larger – factory in Schwerin alongside the existing plant towards the end of 2026. We refer to this project as “Schwerin 2”. We have also decided that we will establish a factory in North America by mid-2027. This brings us closer to our end markets and thus contributes to reliable care for people with chronic diseases.

### Ypsomed awarded as most innovative company

The commitment and motivation of our employees are the foundation of our success. We have a vested interest in ensuring that our employees are satisfied and can identify with our objectives. The fact that we are successful in this is demonstrated by the large number of long-serving employees as well as various national awards. Thus we were honoured with the Swiss Employer Award quality seal in the category of companies with more than 1000 employees. In a recent survey conducted by the Bilanz magazine in collaboration with Statista, we were also ranked as the most innovative company in Switzerland. These awards are testimony to the hard work and creativity of our talented team. We are therefore delighted that we were able to fill 330 new positions in the Group in the past financial year, around half of which were in Switzerland. We want to create over 400 new jobs again this year.

### Change in the Executive Board

Niklaus Ramseier has headed the Finance & IT department since 2002. He relinquished his functions as CFO and Member of the Executive Board at the end of March 2024. We would like to take this opportunity to thank Niklaus Ramseier sincerely for his considerable commitment for over more than two decades. With Samuel Künzli, we were able to attract a proven financial expert with capital market experience as his successor to implement our growth strategy. For the past three years, Samuel Künzli has been CFO and a member of the Group Executive Board at Feintool.

## 40 years of Ypsomed

This year, we proudly look back on 40 years of company history, characterised by entrepreneurial spirit, innovation and the aim of making self-treatment a matter of course. In 1984, the brothers Willy and Peter Michel founded the company Disetronic in Burgdorf with a clear objective: they wanted to develop innovative solutions to improve the quality of life of people with diabetes. We have remained true to this mission to this day.

## Corporate Responsibility

We have continued to drive forward our comprehensive sustainability programme. We have been able to reach a further 500 000 people with chronic conditions with our injection systems. Our climate targets were validated by the Science Based Targets initiative (SBTi) and our climate footprint across the entire value chain was validated by an independent certification body for the years 2021 and 2022. The YpsoMate 1 ml and YpsoMate 2.25 ml autoinjectors are already available to our customers as industrialised and commercial CO<sub>2</sub>-reduced products from our NetZero program.

The Board of Directors of Ypsomed recognises its responsibility and has approved and signed the report on non-financial matters. We will continue to develop this disclosure further over the coming years.

We would like to take this opportunity to thank all our employees who have worked tirelessly for the well-being of people with chronic diseases and who have contributed to our success. On behalf of the Board of Directors, our sincere thanks also go to our partners as well as our shareholders for their continued support and their confidence in our company.



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



**Simon Michel**  
Chief Executive Officer



## Chronic conditions – a major challenge for society

Chronic diseases are responsible for around three quarters of all deaths worldwide. The five most common diseases include cancer, cardiovascular disease, chronic respiratory disease, diabetes, and musculoskeletal disease. The number of people and their families affected is growing, the burden on the community is increasing. The socio-economic costs associated with this development make prevention, control, and treatment of chronic diseases an important development task for the 21<sup>st</sup> century.<sup>1</sup>

The United Nations 2030 Agenda for Sustainable Development recognises chronic diseases as a major challenge. The signatory states commit to developing national actions to reduce premature mortality due to chronic diseases by one third by 2030 (SDG 3.4).

According to the World Health Organization<sup>2</sup> (WHO), chronic diseases are usually long-lasting and the result of a combination between genetic, physiological, environmental, and behavioural factors.

People of all age groups, regions, and countries are affected by chronic diseases. It has been ascertained that 17 million deaths in people under the age of 70 are caused by these diseases. Children, adults and elderly people are all susceptible to the risk factors such as unhealthy diet, lack of exercise, tobacco smoke, harmful alcohol consumption, or air pollution. Chronic diseases are driven by factors such as rapid and unplanned urbanisation, the globalisation of unhealthy lifestyles, and an ageing population.

With innovative, simple-to-use, and reliable products as well as modern care concepts we contribute significantly to the success of a therapy and thereby enable people to enjoy the best possible quality of life.

**Our mission since 2003**



## Our contribution to the better treatment of chronic diseases

The World Health Organization confirms that investment in the better management of chronic diseases is of crucial importance. This includes the early detection, and treatment of these diseases.

According to the WHO, actions for the management of chronic diseases are essential for achieving the SDG 3.4. As a leading developer and manufacturer of injection and infusion systems for the self-medication of liquid drugs, we support treatment and optimisation of the therapeutic outcome.

## Ypsomed solutions make selfcare simpler and easier

Our competence is reflected in our name; “ipso” is the Latin root for oneself and “med” stands for medication. The company name symbolises our core mission: to offer products and services which enable patients to administer liquid medication to themselves in a safe and simple way. With our injection and infusion systems along with the associated services, we help millions of patients to achieve the best possible quality of life.

Ypsomed Delivery Systems provides a complete range of technologies and services for reliable and user-friendly injection systems, as well as Digital Health solutions for self-medication. From the development, design, and manufacturing of injection systems all the way to the operation of digital solutions, we make a decisive contribution to the safety and market success of our pharmaceutical and biotech customers’ products.

mylife Diabetescare is the portfolio of products and services for people with diabetes. It offers leading solutions for the automated and intelligent dosing and administration of insulin which combine digital innovations with established medical technology. Smartphone-based therapy management is the future of diabetes treatment by making self-care simple and less complicated.

## Innovative, straightforward, reliable – these are core values of Ypsomed!

We foster an innovation-friendly corporate culture with honest and transparent communication. Since our foundation, our vision and mission have been shaped by the interests of our shareholders, employees, users, and customers as well as the authorities, society, and the environment. We strive for long-term trusting relationships with our customers and business partners which are characterised by openness and reliability. In doing so, we act in accordance with the applicable laws and respect the various cultural and social norms of each region we interact with.

### Our corporate values



Accountability



Honesty



Open-mindedness



Customer focus



Commitment



Quality

<sup>1</sup> [https://www.who.int/health-topics/noncommunicable-diseases#tab=tab\\_1](https://www.who.int/health-topics/noncommunicable-diseases#tab=tab_1); visited on 08.01.2024.

<sup>2</sup> <https://www.who.int/news-room/fact-sheets/detail/noncommunicable-diseases>; visited on 08.01.2024.



## Business Area

# Ypsomed Delivery Systems

As a leader in innovation and technology, we are a preferred partner of pharmaceutical and biotech companies for pens and autoinjectors designed for administering liquid medications along with our Digital Health solutions.

Our modular and proven platform technologies ensure rapid availability of the Ypsomed injection systems for clinical trials and market launch. Innovative and patented technologies offer our customers a variety of user-friendly injection systems. Our products are characterised by reliable and sophisticated technical concepts optimised for highly automated mass production.

Autoinjectors are medical devices designed for the administration of complex drug formulations. They are used for fixed- or single-dose applications, and can also be used for drugs with higher viscosities and larger volumes. A variant of the autoinjector is the patch injector, which is a device affixed to the user's body.

Our pen platforms are highly-regarded medical devices for the administration of insulin and other peptide- or hormone-based therapies. Pen systems can be used for variable- and multi-dose applications.

Ypsomed Digital Health combines connected injection devices with digital health solutions to facilitate therapy management for patients. This concept makes therapy management easier for users while generating relevant insights for pharmaceutical companies.

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We offer a wide range of technologies and services for self-medication



The administration of liquid medicines is supported by fundamental developments:

### Biologics

Liquid drugs which are produced in living cells using complex biotechnological processes (biologics) play a significant role in the therapy of many chronic diseases. Examples of such biologics are interferons, monoclonal antibodies, coagulation factors, insulins, and other hormones. Unlike traditional chemical drugs, they are highly complex and large molecules.

### Biosimilars

Biosimilars are less expensive yet highly similar drugs of biotechnological drugs following patent expiry. In contrast to generics of chemical drugs, biosimilars are never completely identical to the original active ingredient, however, they are still similar to the original.

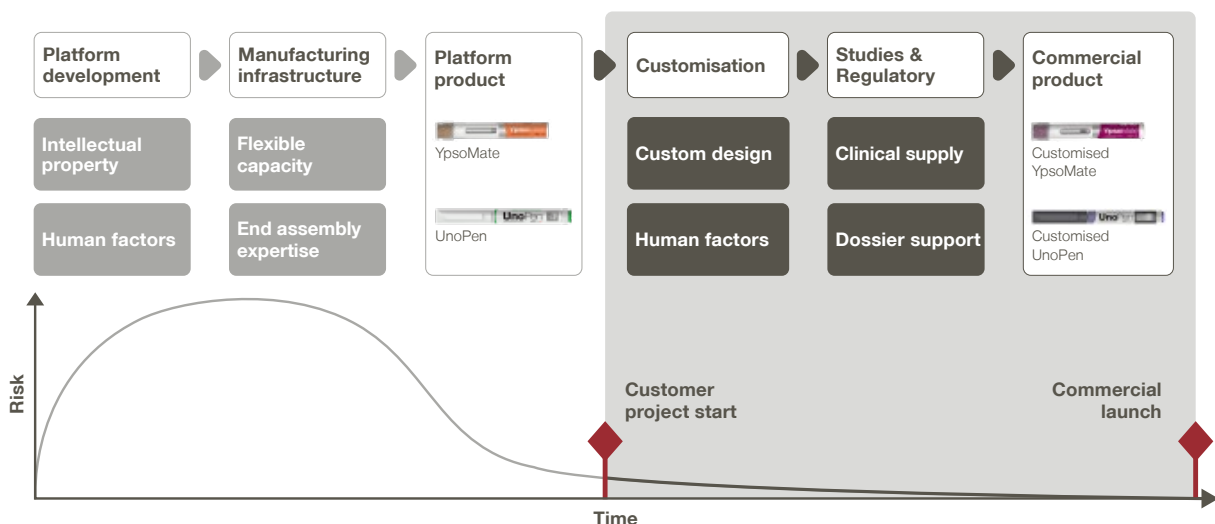
Biosimilars offer more therapeutic alternatives and improved access to biotechnological products. In its resolution WHA67.21 of the World Health Assembly on the access to biopharmaceuticals in 2014, the WHO confirmed their global importance for improving medical care.

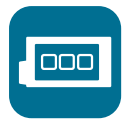
### Fast and cost-efficient on the market

Our platform strategy permits short implementation dates for customer projects while minimising project risks and shortening time to market. We enable pharmaceutical and biotech companies worldwide to make their drugs available in self-injection systems for clinical studies in a timely manner and thus bring them to market more quickly. This is to ensure that we implement customer-specific requirements on industrialised and proven production processes.

As an independent manufacturer with flexible production, we are in a particularly beneficial position to cater for smaller customer orders or start-up companies. Therefore, we make a significant contribution to the treatment of rare diseases with small patient numbers.

### Our platform strategy permits short implementation dates





## Business Area Ypsomed Diabetes Care

We are a recognised diabetes specialist with 40 years of experience. mylife Diabetescare is the title of the brand for Ypsomed's range of products and services for people with diabetes mellitus. We market our product portfolio directly to patients, pharmacies, and clinics.

With the mylife brand, Ypsomed offers products and services for people with diabetes. These solutions enable users to treat themselves easily, discreetly, and reliably – allowing them more freedom and flexibility in their daily lives.

### The intuitive insulin pump system

The mylife YpsoPump insulin pump system offers the essential functions for easy use. Thanks to its icon-based menu and the modern touchscreen, the mylife YpsoPump is simple and intuitive to operate. In addition, the compact and lightweight design makes it a discreet companion in everyday life.

We offer a modular and customisable solution for a diabetes therapy management that is both flexible and expandable.

### Advantages of insulin pump therapy compared to intensified conventional insulin therapy

- The insulin pump comes closest to physiological insulin supply (insulin supply as with a non-diabetic person).
- By adapting insulin supply to individual needs, elevated blood glucose levels in the morning (dawn phenomenon) or frequent low blood glucose episodes (hypoglycaemias) can be reduced.
- Only short-acting insulin is used which allows a high degree of flexibility, e.g., during physical activity and sport, throughout mealtimes, or relaxing at home.

### Digitisation

Smartphone-based therapy management is the future of diabetes treatment. It enables innovative digital therapy management for optimal therapy results and evidence-based treatment.

## Automated insulin delivery (AID) with mylife Loop

The mylife Loop solution consists of the mylife YpsoPump, the mylife CamAPS FX app, and a sensor for continuous glucose measurement (GCM). With mylife Loop, the user can choose between the Dexcom G6 and the FreeStyle Libre 3. The algorithm of the mylife CamAPS FX app is intelligent and self-learning. It monitors and regulates glucose levels mostly automatically via the smartphone.



## How mylife Loop works

The mylife CamAPS FX app and a Dexcom G6 or FreeStyle Libre 3 CGM sensor is required for automated insulin delivery with the mylife YpsoPump. The sensor sends glucose data to the mylife CamAPS FX app every five minutes (Dexcom G6) or every minute (FreeStyle Libre 3). Based on those readings, the app adjusts insulin delivery on the insulin pump every eight to twelve minutes to prevent low or high glucose levels.

The mylife CamAPS FX app is personalised and adaptive; it constantly learns and quickly adapts to the ever changing insulin needs of the user. The app is approved for people with type 1 diabetes aged one year and over, including pregnant women.




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**We are committed to acting responsibly towards our employees, our partners, and society.**



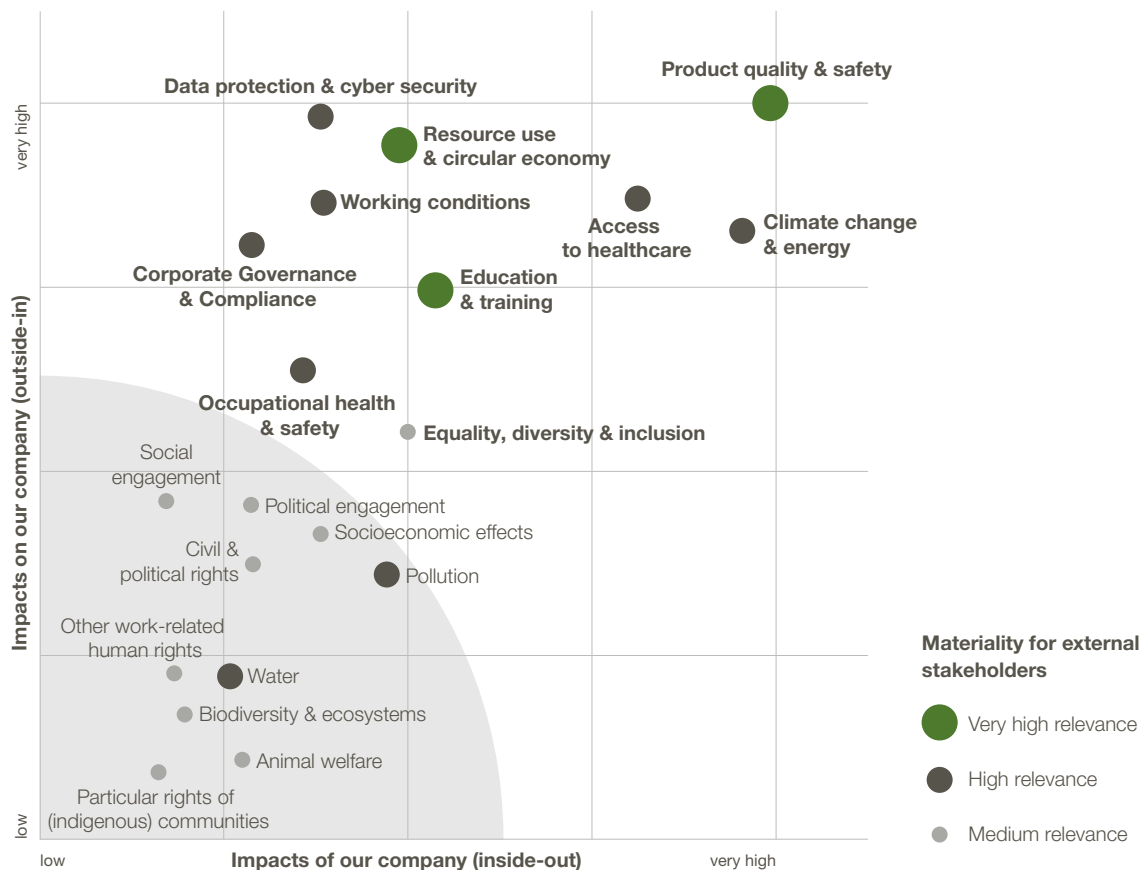
## Our commitment

### Sustainable value creation

As a company which thinks in a long-term and a responsible manner, sustainable action has always been one of our basic principles. We take this into account by making sustainability an integral part of our corporate strategy. We regularly review the focus of our integrated strategy. For this purpose, we conducted a further materiality analysis in the current financial year and refined our approach to include the principle of dual materiality.

We take a holistic view of sustainability across all of our own business activities and units as well as along the value creation chain. For our reporting purposes, this means that we assign sustainability topics to the strategic pillars of our corporate strategy. As a result, we have been disclosing our strategy, the concepts pursued, measurable sustainability targets, actions, their effectiveness, and our progress since the 2020/21 financial year. Here, we are guided by the principles of the Global Reporting Initiative (GRI) and the Sustainable Development Goals (SDGs) of the United Nations.

#### Materiality analysis (2024)



## Material topics

In keeping with the dual materiality approach, we report both on how sustainability issues affect our business (outside-in view) as well as on how our activities have an impact on society and the environment (inside-out view). We have implemented this process in four steps, working together with independent experts.

- 1 In the first step, a comprehensive analysis of sustainability frameworks, regulatory developments, our business model, our business relationships, industry expertise, and internal documents formed the basis for the identification of 24 potential relevant sustainability topics.
- 2 As part of an impact analysis, we had the existing and potential effects of our business activities on the identified 24 sustainability issues assessed and prioritised by independent experts. These effects can be positive or negative and were assessed across our entire value creation chain. Whether Ypsomed can exert influence directly or indirectly was not taken into account. The materiality of the impacts was assessed in accordance with the GRI guidelines based on four categories: scale, scope, irremediability, and likelihood of occurrence.
- 3 To identify the risks and opportunities arising from the impact of sustainability issues on our own operating activities, we first collected qualitative and quantitative information as part of an in-house survey with 52 participants. The quantitative data were used to rank the topics. These were then analysed in depth in a comprehensive workshop with 19 internal experts from various areas of the company. A final ranking list was drawn up during an open discussion. Here, the risks as well as the opportunities arising from the impact of sustainability issues were considered to be relatively balanced for Ypsomed.
- 4 In the fourth step, the perspectives of our external stakeholders were collected in a survey. Based on 71 responses from customers, investors, suppliers, and representatives from politics as well as non-governmental organisations, the expectations with regard to Ypsomed in terms of sustainability issues were assessed. Most of the relevant topics from the outside perspective correlate with the relevant topics that we derived from the in-house materiality analysis. This encourages and confirms the results of our analysis.

Strategic pillar	Material topic	Non-financial matter according to art. 964b CO	Answer
Access & Expansion	Product quality & safety	Business model	page 14–19
	Access to healthcare	Social issues	page 22–24; page 30–31
Responsibility & Engagement	Climate change & energy	Environmental matters, in particular CO <sub>2</sub> goals	page 22–24; page 32–39
	Resource use & circular economy		
	Education & training	Employee-related issues	page 22–24; page 40–43
	Working conditions		
	Equality, diversity & inclusion		
	Occupational health & safety		
	Data protection & cyber security	Respect for human rights; Combatting corruption	page 22–24; page 44–47
	Corporate Governance & Compliance		

In the corresponding sections, we describe the topics identified as being relevant for Ypsomed, the concepts pursued, the objectives we have defined, as well as the actions and control of the issues within our organisation.

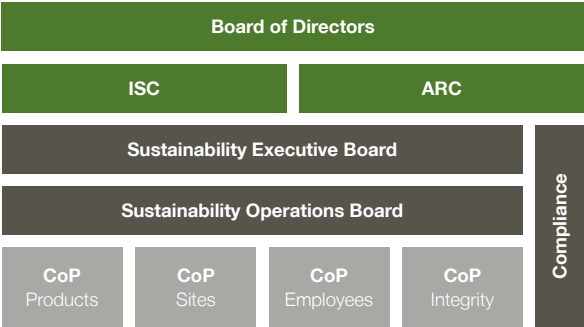
Comparison with the 2020 materiality analysis

Compared to the 2020 materiality analysis, innovative technologies and digitisation are no longer included in the list of key sustainability topics, primarily for methodological reasons. They continue to be important components of our integrated corporate strategy. The topics availability and affordability of healthcare as well as of patients’ health and quality of life were summarised under the topic of access to healthcare. Long-term profitability is also no longer explicitly included in the list of topics. For Ypsomed, this remains an inherent prerequisite for the successful exploitation of opportunities and the minimisation of risks. The following issues, which were previously summarised under working conditions and employee satisfaction, are now listed as explicit topics due to their importance: education and training, occupational health and safety, as well as equity, diversity and inclusion.

Our governance for sustainability

We apply an explicit management process to ensure the appropriate alignment of our sustainability strategy and its functional integration into our corporate strategy. We ensure that we have defined responsibilities, identified opportunities and risks, defined targets, and introduced actions for the key issues. We review implementation, effectiveness, and progress on an ongoing basis, whereby the topics are firmly embedded in our processes. In our Sustainability Report, we inform on our performance and explain how we promote sustainability throughout the company in line with our corporate strategy.

The Innovation & Sustainability Committee and the Audit & Risk Committee support the full Board of Directors in setting sustainability targets and in assessing the environmental, community, and social impact of Ypsomed’s business activities, risk and compliance management, as well as reporting in the area of non-financial matters. A central steering body for sustainability at Ypsomed is the Sustainability Executive Board, which consists of representatives of the Executive Board. This ensures implementation of the sustainability strategy and the integration of sustainability into operational activities via the Sustainability Operations Board and topic-specific teams (Communities of Practice) at the operational level.



ISC: Innovation & Sustainability Committee  
ARC: Audit & Risk Committee  
CoP: Communities of Practice

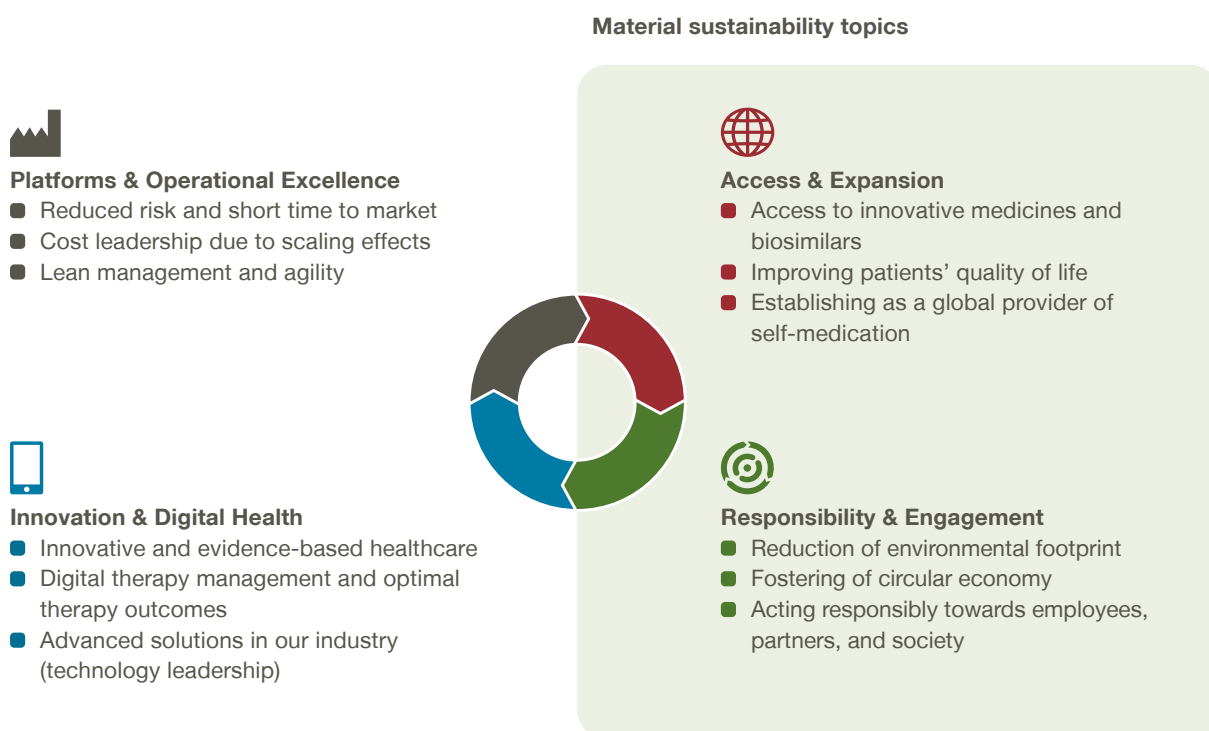
## Sustainable corporate strategy

Our corporate strategy is based on our mission to make a significant contribution to the success of a therapy and thereby enable best possible quality of life with innovative, simple-to-use and reliable products. It is focused on sustainability, addresses our relevant sustainability topics, takes into account the disclosure of non-financial matters, and contributes to the United Nations Sustainable Development Goals (SDGs).

We strive to play a pioneering role in our industry in terms of sustainability. To this purpose, we examine the environmental, social, and ethical impact of our value creation chain. Our processes and supply chains are guided by the principles of product stewardship and the circular economy. We attach great importance to acting responsibly towards employees, partners, and society. In doing so, we are committed to transparency, support diversity, and openness and take action against corruption.

We ensure that we are profitable in the long term and can make a sustainable contribution to society as a whole.

## Our integrated corporate strategy



## Our contribution to the Sustainable Development Goals (SDGs)





## Innovation & Digital Health

Digitisation has also conquered the healthcare system as its benefits became vividly apparent. We regard ourselves as an innovation leader in our market. We defend this position through product innovation in regard to the handling, the materials, and the application capabilities of our devices. In addition, we want to continue shaping the market by expanding our portfolio with digital solutions for successful therapies.

### Highlights 2023/24

- In a recent survey by BILANZ and Statista, Ypsomed was recognised as the most innovative company in Switzerland.
- Our automated insulin delivery system (AID) mylife Loop improves the health of pregnant women with type 1 diabetes and their babies.
- Conclusion of a further strategic partnership in the area of digital health with S3 Connected Health.
- 44 additional, highly qualified employees in research and development.

# 436

in-house employees in  
research and development

### Innovation for easy self-medication and improved quality of life

“Innovation & Digital Health” embraces the consistent further development of our products and services. Furthermore, we are also expanding our portfolio with digital services. We are convinced that the future of self-medication will rely heavily on networked devices and data-based systems as digital assistants.

As a manufacturer of injection and infusion systems, we believe it is our duty to play a pioneering role and actively shape developments on the market. This includes the ongoing improvement and adaptation of existing products as well as the development of new technologies and additional services for an active therapy support. This enables us to offer both our pharmaceutical customers and the end users of our products and services additional options and the evidence-based added value in daily therapy management.

Millions of people with chronic diseases use our products for self-medication purposes. We already have a portfolio of networked devices that make self-medication easier for users. These devices form the basis for new care and support models which help to relieve the burden on the healthcare system and make it more efficient.

Smartphone-based therapy management is the future of diabetes treatment. The mylife YpsoPump insulin pump, the mylife CamAPS FX mobile application and the Dexcom G6 or FreeStyle Libre 3 Continuous Glucose Monitoring (CGM) system combine for an automated insulin delivery system managed directly from your smartphone. We will consistently develop this system further in the coming years.



## Digitisation at Ypsomed

Digitisation changes the demands of patients and influences their behaviour. It offers the opportunity to gain a deeper understanding of specific therapy needs and demands from the data. At the same time, digitisation promotes a new understanding of the stakeholders' roles.

### For us, digitisation means:

- application of digital technologies to increase therapeutic success
- collaboration with partners outside traditional industry boundaries
- creation of new mechanisms for patient interaction with users and stakeholder integration

Even though the requirements of our customers in the areas of Delivery Systems and Diabetes Care differ, they have one thing in common: everyone benefits from networked, intelligent platforms which help to improve adherence to therapy and the quality of life, the users, healthcare professionals, pharmaceutical companies, healthcare systems, health insurance funds, society, and, last but not least, the environment.

### Digital eco-systems for self-treatment:

- improve the quality of patients' life
- facilitate self-therapy as well as accompanying remote therapy
- enable therapy monitoring for users, physicians and caregivers
- make it easier to access healthcare anywhere and anytime
- improve overall therapy adherence, which improves therapeutic outcomes

### YDS Digital Health

We combine our experience in developing innovative injection systems with our digital health partners Sidekick and S3 Connected Health to deliver integrated and data-driven digital solutions. Our digital therapy management is seamlessly integrated with connected injection devices to deliver personalised, data-driven digital solutions that meet patient's needs. Our connected devices deliver support for patients throughout the injection process and capture accurate and unbiased real-world data. They are designed to allow for an effortless communication with our digital therapy management solutions. Device management is an integral part of all our connected devices – ensuring seamless connectivity and data privacy and security.

## Ambitions 2025

### SDGs

- Our innovative and smart solutions for self-medication improve adherence and increase therapeutic success.
- 200 000 patients make use of our smart solutions.



Performance, KPI	2019/20	2020/21	2021/22	2022/23	2023/24	Target 2025/26
Number of active users of smart solutions	20 300	27 800	41 100	53 780	78 650	200 000
Total R&D staff (number)	179	228	277	392	436	
R&D spending (in CHF million)	36	49	52	73	69	
R&D spending in relation to sales (%)	9	12	11	15	13	
Patents (number of first applications)	24	25	36	24	23	
Patents (number of invention disclosures)	33	44	35	37	32	



## Platforms & Operational Excellence

We distinguish ourselves by developing and industrialising innovative technologies. Our platform strategy enables us to provide customised pens and autoinjectors for clinical studies in a very short period of time and to even manufacture large quantities due to a scalable fully automated production. Based on the medium- and long-term demand, we set up the necessary production capacity in good time, thus ensuring that we can meet the required delivery volumes for our customers and users at all times. Due to our focus on proprietary products and crisis-proof supply chains, we can always reliably supply our customers with products.

### Highlights 2022/23

- Four new assembly lines for YpsoMate installed and qualified
- One new assembly line for UnoPen installed and qualified
- 140 % increase in capacity in Schwerin compared to the previous year
- 180 additional employees in manufacturing
- YpsoDose patch injector for volumes up to 10 ml successfully industrialised as a new platform

## 10

platforms foster economies of scale and enable a fast customisation

### Platforms and production competence

“Platforms & Operational Excellence” stands for our platform approach as well as for the claim to continuously optimise our processes in order to further expand our cost leadership while continuing to maintain a high level of quality. As an experienced developer and manufacturer of injection and infusion systems, we offer our customers significant advantages in the development, project, and commercialisation phases: our proven platform strategy enables us to achieve short implementation times for customer projects. We enable pharmaceutical and biotech companies worldwide to make their drugs available in self-injection systems for clinical studies in a timely manner and thus bring them to market more quickly. We base the customer-specific requirements on production processes which have already been established, industrialised and proven.

As an independent manufacturer, we are also able to serve smaller customer orders or start-up companies due to our flexibility in production. In this way, we make a significant contribution to the treatment of rare diseases with small patient numbers.

We continuously optimise our work processes and strive to further expand our cost leadership in this way. To achieve this, we operate according to the principles of lean management. This means that we continuously review all process steps to determine whether they add value and offer customer benefits. If this is not the case, we replace them with more efficient processes or eliminate them completely. Due to our high level of productivity and our reliable quality, we are able to further develop our workplaces in Switzerland and Germany. We create qualified jobs locally, and this makes us successful in the face of international competition.

## Capacities

In our growth strategy, we rely on our production capacities, which we are expanding continuously. In Switzerland, we are continuing to expand our capacities for our own injection systems, particularly at the Solothurn site. In Schwerin, we are steadily expanding the capacities of the platforms. In China, we have laid the foundation stone for another manufacturing plant. Thanks to a modular master plan, we are well prepared for further, seamless expansion in the coming years.

## Ambitions 2025

### SDGs

- Accelerated expansion of production capacities for infusion sets, autoinjectors and pens.
- Further increase in efficiency and productivity through economies of scale.
- Consistent lean management and agile working methods.
- Expanding further cost leadership.



Performance, KPI	2019/20	2020/21	2021/22	2022/23	2023/24	Target 2025/26
Number of platforms	8	9	9	9	10	13

### Lean management

Overall Equipment Effectiveness (OEE) UnoPen (%)	58	62	62	63	59	70
Overall Equipment Effectiveness (OEE) YpsoMate (%)	66	68	69	71	73	70
Scrappings in % of manufacturing costs <sup>1</sup>	1.8	1.4	1.4	1.1	1.1	1.0

<sup>1</sup> The data includes Ypsomed AG.



## Access & Expansion

Our growth strategy benefits both our company and society. This is because products for self-medication and services for improving the success of therapy optimise the therapies of chronically ill people and thus significantly relieve the burden on the healthcare system. Our products also facilitate treatment because they are easy and safe to use.

### Highlights 2023/24

- We have reached another 500 000 people with our injection systems.
- We are serving ATTR amyloidosis and hypercholesterolaemia as new therapeutic areas.
- We have provided access to a further four biosimilars and two originator products.
- We have signed a further 33 project contracts in the area of injection systems.

### Quality of life and product quality

**8.3  
million**

people use our solutions

“Access & Expansion” is our credo to help people access self-medication and medical care. The high quality of the products and their ease of use play a major role in ensuring that the application of our solutions brings both benefits and relief. Successful self-medication requires that our products are safe and reliable, easy and intuitive to use, and that erroneous manipulation is impossible. This is why we place great emphasis on design, haptics, ergonomics, and usability during development. In this process, we incorporate the insights we gain from focus group testing and surveys during both the concept and development phases.

Restrictions in the fulfilment of product safety can lead to reputational damage and liability due to far-reaching national and international regulatory requirements. Product quality and safe application are key for us in delivering our vision. For this reason, we have a comprehensive system of processes to continuously improve and ensure quality and safety.

Our management system complies with the worldwide regulations for medical devices according to US 21 CFR 820 and is certified according to ISO 13485:2016 (EU + Canada) and MDR (EU) 2017/745 and therefore also according to the Medical Device Single Audit Program (MDSAP). At Ypsomed, compliance with these regulations and standards not only means implementing a quality system, but also ensuring that quality-oriented thinking is a core component of our corporate philosophy.

Our quality system is reviewed systematically every year during numerous audits by customers and regulatory authorities. There were no product recalls in the financial year 2023/24.

## Access to healthcare

We are pursuing this ambition through our growth strategy, which enables us to reach more people with our injection and infusion systems for safe and simple self-medication. The reason being that self-medication fundamentally facilitates and improves the possibilities of medical care. In the segment of Ypsomed Delivery Systems, our pharmaceutical customers distribute our products worldwide. We market our Diabetes Care products directly through subsidiaries and distributors in over 40 countries.

Excellent service and top quality are key competitive factors for us. Any impairment of the corresponding value proposition can lead to a loss of trust and therefore also of customers.

The formulation of innovative medicinal products for subcutaneous injection, instead of intravenous infusion, allows for self-treatment in more and more indications. And the use of generic versions of expensive originator drugs or so-called biosimilars makes therapy more cost-effective and thus accessible to a larger group of patients. In this way, we are helping to reduce discrimination against groups. We want to serve as many medical indications as possible in order to make life easier for those affected. This means that not only our company but also society as a whole benefits from our growth strategy. While we were able to reach a further 500 000 people in the area of injection systems in the financial year 2023/24, we had to record a decline in the supply of around 300 000 people affected in the area of diabetes care due to the lower sales of our pen needles.

# 1231

users took part in  
34 formative usability  
studies

## Ambitions 2025

- We enable self-medication solutions for over 8 million people.
- Our devices serve treatments in 18 indications.
- Our medical technology products are the most user-friendly on the market.

### SDGs



Performance, KPI	2019/20	2020/21	2021/22	2022/23	2023/24	Target 2025/26
<b>Access to healthcare</b>						
Reached people with Ypsomed products (million) <sup>1,2</sup>	5.7	6.2	7.7	8.1	<b>8.3</b>	8.0
Disease areas served (number) <sup>1,2</sup>	8	11	12	13	<b>15</b>	18
Injection systems for biosimilars (number) <sup>1,2</sup>	21	30	34	40	<b>44</b>	52
Injection systems for originator drugs (number) <sup>1,2</sup>	12	17	20	23	<b>25</b>	31
<b>Product quality and safety</b>						
Audits of manufacturing sites by external parties (number of audit days)	137	73	149	148	<b>139</b>	
Audits by external parties without significant findings (%)	79	100	81	83	<b>81</b>	
Supplier audits (number of audit days)	23	19	39	48	<b>20</b>	
Product recalls (number)	0	0	0	0	<b>0</b>	

<sup>1</sup> Includes commercial products, excluding clinical studies.

<sup>2</sup> Calculations are based on estimates by Ypsomed assuming average use per patient and a mid-term demand calculation. Due to the upcoming transfer of the pen needle business (in 2023/24: around 900 000 people reached) and to take into account the experience of previous years, the target values for 2025/26 have been adjusted.

The data includes Ypsomed AG and its subsidiaries, namely Ypsomed AG in Switzerland, Ypsomed Produktion GmbH, Germany, and the global sales subsidiaries.



## Responsibility & Engagement

As a value-based company we feel committed to society. That is why we take responsibility for the environmental, social, and societal impact of our actions. We are committed to a long-term and sustainable development. And in doing so, we are open, fair, and respectful towards customers, partners and employees.

### Highlights 2023/24

- The climate targets of our NetZero program have been successfully validated by the Science Based Targets initiative (SBTi).
- Our carbon footprint across the entire value chain has been validated by an independent certification body.
- The YpsoMate 1 ml and 2.25 ml autoinjectors are available to our customers as industrialised and commercial CO<sub>2</sub>-reduced products.
- We were honoured with the Swiss Employer Award quality seal in the category of companies with more than 1 000 employees.
- A group-wide learning platform was successfully introduced.

By “Responsibility & Commitment” we mean our social responsibility towards the environment, the promotion and development of employees, as well as responsible behaviour as individuals and as a company.

### Environment

#### Environment management system

An environment management system helps to continuously improve the environmental performance of an organisation and to cover the ecological dimension of sustainable corporate management. The environment management system of Ypsomed AG with its production sites in Switzerland and Ypsomed Produktion GmbH in Schwerin, Germany, were certified according to ISO 14001 in the financial year 2022/23. ISO 14001 forms the basis for a systematic focus on relevant environmental issues and defines globally applicable criteria for efficient and effective environmental management systems. In its comprehensive approach, the standard requires products and services to be considered over their entire life cycle and thus lays the foundation for viable circular solutions and improved environmental performance.

#### Product stewardship and the circular economy

Both renewable and non-renewable resources are fundamentally limited. It is therefore important that resources are utilised efficiently. As a result, we anticipate an increase in the requirements and expectations of our customers and users, as well as the introduction of new regulatory measures or the tightening of existing ones. To protect the environment and conserve resources, we are guided by the principles of product stewardship and the circular economy. We take on product responsibility by minimising the undesirable effects of our products and services on health, safety and the environment throughout the entire product life cycle. To this end, we continuously optimise our entire value chain – from development, procurement, and production to packaging, to use by users as well as for disposal and recycling.



In doing so, we rely on the principle of the circular economy, by developing products which minimise waste and emissions, which use fully or partially recyclable and renewable raw materials, and which protect the climate. Furthermore, we make efficient use of the energy used. The highest premise remains the standard of medical technology and patient safety, which we ensure through outstanding product quality and a high level of user-friendliness.

#### Reduction of CO<sub>2</sub> emissions across the value chain

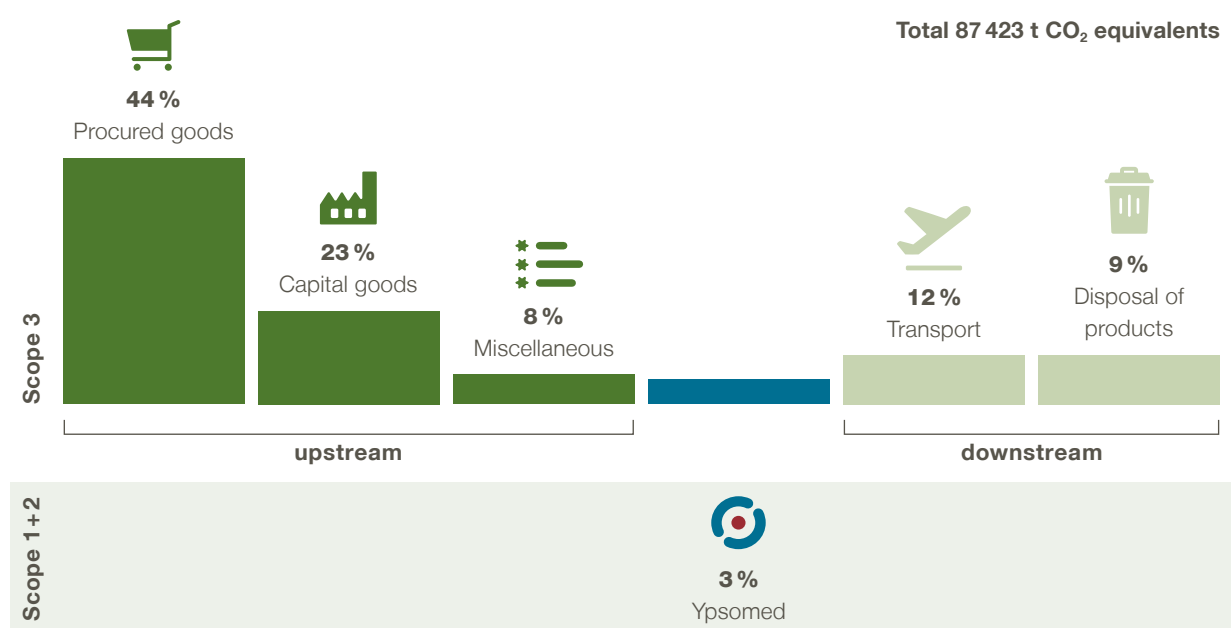
Greenhouse gas emissions caused by humans, such as carbon dioxide or methane, lead to an increase in the natural “greenhouse effect” in the atmosphere. Climate change is one of the great global challenges of our time. Rapid and far-reaching emission reductions are important to halve emissions before 2030 and reach net-zero before 2050. As a socially responsible company, Ypsomed aims to make its contribution to reducing global warming. For this reason, we are committed to net-zero emissions along the value chain.

To combat the consequences of climate change, we follow the internationally recognised definition of the Greenhouse Gas Protocol (GHG). This divides CO<sub>2</sub> emissions into Scope 1 (direct emissions from the combustion of fossil fuels for heating and mobility or from refrigerants), Scope 2 (indirect emissions caused by purchased energy) and Scope 3 (all other indirect CO<sub>2</sub> emissions).

Our own Scope 1 and 2 greenhouse gas emissions amounted to 3 % of total emissions in 2022. Emissions from heat consumption are the most relevant here. We already obtain 100 % of our electricity from renewable energy sources. This means that 97 % of our emissions come from upstream and downstream Scope 3 emissions.

The carbon footprints for 2021 and 2022 were audited by an independent external certification body for the first time. The corresponding statements are published under “Certificates” on the Ypsomed website.

#### Carbon footprint across the value chain according to Greenhouse Gas Protocol (GHG) (2022)



The data includes Ypsomed AG and its subsidiaries, namely Ypsomed AG in Switzerland, Ypsomed Produktion GmbH, Germany, and the global sales subsidiaries. For detailed information, see table on page 37.

In our climate programme, we take into account scientific and established guidelines according to the Science Based Targets initiative (SBTi). We signed an SBTi declaration of intent in May 2021. To implement our climate goals, we defined concrete short- and long-term CO<sub>2</sub> reduction targets across the entire value chain in the year 2022. Our primary focus here is on reducing greenhouse gas (GHG) emissions. In spring 2023, we submitted our reduction targets for Scope 1 to 3 emissions to the SBTi. At the end of 2023 SBTi approved our short-term climate targets until 2030 as well as our long-term net-zero target for 2040.

### Our climate targets according to SBTi

#### Short-term targets by 2030

Starting from a base year 2020

- Reducing absolute GHG emissions from Scopes 1 and 2 by 32 % by 2027
- Reducing Scope 3 emissions by 52 % per million CHF of value added by 2030

#### Long-term targets by 2040

Starting from a base year 2020

- Reducing absolute GHG emissions from Scopes 1 and 2 by 90 % by 2030
- Reducing Scope 3 emissions by 97 % per million CHF of value added by 2040

#### Net-zero target by 2040

Starting from a base year 2020, to achieving net-zero greenhouse gas emissions across the entire value chain by 2040.

We prioritise direct emissions reduction versus offsetting. Nonetheless, we will not be able to completely avoid GHG emissions. Since 2021, we have been supporting a select number of high-quality, global climate protection projects. For example, projects supported so far include forest protection measures in Brazil and Kenya as well as a reforestation project in Tanzania. In the financial year 2023/24, we cancelled carbon credits amounting to 14 tonnes for the first products manufactured under the NetZero Program for the first time.

Our commitment to the net-zero target means that we must quickly and substantially reduce our greenhouse gas emissions by 2040. Only a substantial reduction makes us and our CO<sub>2</sub> reduction targets credible and meets the requirements of our customers and stakeholders. To achieve this goal, we are pursuing a comprehensive and collaborative climate programme, our NetZero Program.





### NetZero Products

Our carbon footprint for 2022 confirms that the materials we procure, such as plastic granulate and transport containers, are responsible for the major part of our CO<sub>2</sub> footprint. We have therefore initiated the development of NetZero products and are driving the decarbonisation of individual product platforms forward.

- In compliance with our Ecodesign Guideline, we analyse the CO<sub>2</sub> footprint over the entire life cycle when developing new products to identify key emissions and optimise these according to the Ecodesign Index. From designing with a minimum number of parts to selecting sustainable materials through to optimising recyclability – our commitment to environment-friendly practices is embedded in the design of new products without compromising on quality and functionality.
- At the present, replacing conventional plastics with bio-based but chemically identical plastics has the greatest impact on our existing product platforms. Between 20 % and 50 % (cradle-to-gate) can thus be saved by optimising the product and its packaging. Further savings are currently under review.
- An integral part of this is the ISCC+ certification of our production sites by International Sustainability & Carbon Certification (ISCC). ISCC is an organisation which offers a globally recognised certification system for the manufacture of sustainable products. The ISCC+ certification confirms the traceability of our sustainable plastic materials across the entire supply chain using a mass balance approach. Ypsomed received ISCC+ certification for the Lochbach site in 2022. The certification of further sites is planned.

Since 2023, the YpsoMate Zero 1.0 and 2.25 autoinjectors have been commercially available in our NetZero Program as a result of using bioplastics and an optimised packaging concept with transport containers made from recycled PET. In the 2023/24 financial year, we successfully manufactured the first YpsoMate 1.0 autoinjectors for a customer as part of the NetZero program. A CO<sub>2</sub>-reduced version of our UnoPen platform is also expected to be available to our customers in the coming financial year.

Our partners and suppliers, with whom we work together closely, also play a decisive role in this success.

### NetZero Supply Chain

By choosing more sustainable materials for our products, we can significantly reduce our footprint. We engage our suppliers, develop and empower them for our joint journey to net zero.

- We are committed to a sustainable procurement policy.
- Our expectations of suppliers are defined in the Code of Conduct and the Supplier Code.
- We measure and track the energy consumption as well as the CO<sub>2</sub> emissions associated with the raw materials of our products and jointly define actions to reduce these.

We promote awareness, dialogue and the mutual exchange of experience on key reduction actions with all partners.

### NetZero Network

We initiate and maintain partnerships to promote global climate action.

- The Alliance to Zero was founded in 2021 by Ypsomed and seven other companies along the pharmaceutical value chain. The Alliance pursues the goal of achieving the transition to net-zero emissions in line with the goals of the Paris Climate Agreement based on cooperation. It promotes research on the topic of the circular economy for medical devices in cooperation with the Delft University of Technology.
- We established the Ypsomed Sustainability Academy at the end of 2022 for internal and external networking, training and awareness-raising in the area of sustainability. In this context, we inform and discuss current developments, implemented and planned actions in the area of sustainability and network with internal and external sustainability experts from our partners, customers and suppliers.

### NetZero Sites

The second most important emission category of our carbon footprint is investments in capital goods, such as injection moulding equipment and buildings. Our objective is to reduce emissions at our sites by 90 % by 2030. The actions include:

- Reduction in natural gas consumption by utilising waste heat from production
- Energy-efficient injection moulding with the latest generation of machines
- The purchase of 100 % electricity from renewable energies
- Intelligent building technology for optimised heating, cooling and ventilation
- Eco-efficient cooling with groundwater
- Sensitisation and training of the employees

100 %

electricity from renewable energy sources

Climate and energy in operations

We have been reducing the energy consumption and CO<sub>2</sub> emissions of our plants and production sites continuously for years. To achieve this, we have committed ourselves to binding targets the federal government. The Energy Agency for Industry (EnAW) checks the implementation of the actions and their effectiveness. The heat pump installed in Solothurn makes a significant contribution here to saving energy. By utilising the waste heat from production, the proportion of renewable heat is over 80 %. In addition, we only purchase the latest generation of injection moulding machines, which consume an average of 36 % less energy than conventional injection moulding machines. Ypsomed AG's 2023 energy consumption data highlights the effectiveness of our efforts: while production measured in machine hours increased by 13 % compared to the previous year, electricity consumption only increased by 1 %. In addition, fossil heat consumption was reduced by 17 %.

Besides reducing energy consumption, the promotion of renewable energies is a declared goal at Ypsomed. We have been sourcing our electricity from 100 % renewable energy since 2021. Furthermore, we are increasingly generating our own renewable electricity directly at our sites with the help of photovoltaic systems. In the 2023/24 financial year, we put a solar plant into operation at our production site in Schwerin (DE). In 2024, we will install further photovoltaic systems at our sites in Burgdorf and Solothurn.

We also focus on energy efficiency in the transport sector. We are constantly working on making our fleet of vehicles more environmentally friendly. This includes the purchase of electric cars as well as the use of a new software to analyse and optimise utilisation of the vehicle fleet. Nine electric cars were purchased in the past financial year. We currently have eight charging stations with 16 charging ports available for our employees. We promote environmentally friendly cycling with e-bike charging stations at our two main sites in Switzerland as well as in Schwerin. Bicycles are available for free use at all sites. We also promote the use of public transport with an eco-bonus for all employees in Switzerland as well as free all-season tickets for our approximately 60 apprentices.

Due to our FlexWork initiative and the option of location-independent working, the number of commuter movements of our employees is reduced. By the same token, virtual meetings have become established for customer visits and further training over the last years.

Ambitions 2025

- Reducing the ecological footprint by promoting product stewardship and the circular economy.
- Reducing our operational as well as upstream and downstream greenhouse gas emissions (according to the Science Based Targets initiative).
- Progressing towards net zero greenhouse gas emissions by 2030 for operational emissions and by 2040 for the entire value chain.
- Meeting the target agreement for energy efficiency (115 %) and CO<sub>2</sub> intensity (55 %) as specified with the Energy Agency for Industry (EnAW) for the Swiss sites.
- Making use of electricity from 100 % renewable energy and increasing the share of self-produced renewable energy (use of waste heat, installation of photovoltaic systems).

SDGs



Performance, KPI	2020	2021	2022	2023
<b>Energy consumption</b>				
Electricity consumption (MWh)	28 087	28 534	29 290	<b>32 067</b>
Heat consumption (natural gas, heating oil) (MWh)	12 157	13 357	10 789	<b>10 065</b>
Fuel consumption, own vehicles (diesel, gasoline) (MWh)	2 180	2 169	1 054	<b>1 082</b>
<b>Energy consumption, total (MWh)</b>	<b>42 423</b>	<b>44 060</b>	<b>41 133</b>	<b>43 214</b>
Electricity consumption, of which renewable (MWh)	16 338	28 534	29 250	<b>32 027</b>
Electricity consumption, of which renewable (%)	58	100	100	<b>100</b>
Heat consumption, of which renewable (waste heat recovery) (MWh)	3 819	4 377	3 413	<b>3 329</b>
Heat consumption, of which renewable (waste heat recovery) (%)	24	25	24	<b>25</b>
Share of renewable energy, total (%)	44	68	73	<b>76</b>
<b>Energy and GHG intensity</b>				
Energy efficiency (%) <sup>2</sup>	111	112	112	<b>113</b>
Specific energy consumption (MWh per t processed plastic granulate) <sup>3</sup>	7.6	7.9	7.5	<b>6.7</b>
Specific energy consumption (kWh per machine hour) <sup>3</sup>	49	47	45	<b>42</b>
CO <sub>2</sub> intensity (%) <sup>2</sup>	38	32	36	<b>30</b>
Specific CO <sub>2</sub> emissions (kg per t processed plastic granulate) <sup>3</sup>	128	136	128	<b>97</b>
Specific CO <sub>2</sub> emissions (kg per machine hour) <sup>3</sup>	0.8	0.8	0.8	<b>0.6</b>
<b>GHG emissions<sup>1</sup></b>				
CO <sub>2</sub> emissions, Scope 1 (t CO <sub>2</sub> eq)	3 135	3 453	2 557	<b>2 404</b>
CO <sub>2</sub> emissions, Scope 2 (t CO <sub>2</sub> eq)	89	0	1	<b>0</b>
CO <sub>2</sub> emissions, Scope 3 (t CO <sub>2</sub> eq)	62 922	69 042	84 867	
Share of Scope 3 emissions per category:				
Purchased goods and services	36 033	35 893	38 741	
Capital goods	10 513	14 052	20 299	
Fuel- and energy-related activities	1 158	1 351	737	
Upstream transportation and distribution	931	1 306	2 155	
Waste generated in operations	491	407	422	
Business travel	518	480	536	
Employee commuting	593	565	3 140	
Downstream transportation and distribution	4 948	7 284	10 199	
Processing of sold products	446	488	370	
End-of-life treatment of sold products	7 290	7 216	8 268	
<b>GHG emissions, Scope 1–3 (t CO<sub>2</sub>eq)</b>	<b>66 056</b>	<b>72 494</b>	<b>87 423</b>	

**1** CO<sub>2</sub> equivalent emissions according to the Greenhouse Gas Protocol. Scope 3 has so far been surveyed for 2019–2022, survey for 2023 is in progress. The carbon footprints for 2021 and 2022 have been externally validated (see publication of the certificate on the website). Emission categories not listed under Scope 3 are not relevant for Ypsomed. The scope 1 and 2 emissions of the subsidiaries include estimated values that are reviewed as part of the external validation and adjusted retrospectively to improve data quality (value 2022/23).

**2** In accordance with the target agreement with the federal government and the Energy Agency for Industry (EnAW) for Swiss sites Ypsomed AG and Ypsotec.

**3** The data includes Ypsomed AG, CO<sub>2</sub>eq Scopes 1, 2

The data includes Ypsomed AG and its subsidiaries, namely Ypsomed AG in Switzerland, Ypsomed Produktion GmbH, Germany, and the global sales subsidiaries.







## Recycling and waste

Regulatory requirements and our high demands on quality require extensive test runs, which inevitably generate rejects in our plants. We are continuously working to minimise waste and rejects and to steadily increase the proportion of recycled waste at our production sites. In the past financial year, the recycling rate fell from 39 % to 31 %. This deterioration is due to the ramp-up of manufacturing at the Schwerin site and the associated qualification runs. Our employees in production are made aware of the need to recycle waste materials in a targeted manner and thus increase our recycling rate.

We strive to apply the principles of circular economy to the operational waste we generate as well as to the life cycle of our products. The “Ecodesign Guideline” implemented in 2021 and then further developed, promotes environment-friendly product and packaging design at Ypsomed. In addition to product optimisation, our Ecodesign projects also include packaging. With the transport container for the YpsoMate platform made of recycled PET, the CO<sub>2</sub> emissions per container are reduced by some 40 % and resources are kept in the cycle. We aim to make further savings by reusing containers. To this purpose, a pilot project is ongoing in cooperation with selected customers and the Alliance to Zero. Together with our customers and other partners, we are paving the way for the circular economy and are accepting the challenges in the areas of eco-design, recyclability, take-back and recycling systems.

# 40 %

less CO<sub>2</sub> emissions per transport container made of recycled PET

## Ambitions 2025

- Promoting product stewardship and the circular economy within our company and in cooperation with our partners.
- Establishing an ecodesign process and optimising a selection of products accordingly.
- Reducing waste and increasing recycling of products and operational waste.

### SDGs



Performance, KPI	2019	2020	2021	2022	2023	Target 2025
Amount of total waste (t)	965	1010	967	1054	<b>1295</b>	
Specific amount of waste (kg per t processed plastic granulate)	284	248	228	226	<b>233</b>	200
Specific amount of waste (kg per machine hour)	1.9	1.6	1.4	1.4	<b>1.5</b>	
Waste per disposal process (t) <sup>1</sup>						
Recycling	338	360	371	415	405	
Incineration plant	567	608	551	585	783	
High-temperature combustion	52	44	34	50	82	
Refuse-derived fuel (RDF)	0	8	11	5	25	
Landfill	8	1	0	2	0	
Proportion of total volume recycled (recycling rate) (%) <sup>2</sup>	29	35	38	39	<b>31</b>	40
Categories of waste (t)						
Sweepings	564	599	540	569	692	
Paper/cardboard	180	172	148	154	153	
Plastic, mono-material	67	93	160	170	140	
Metals	31	44	35	46	59	
Hazardous waste	53	45	34	50	82	
Matured timber	52	56	33	36	40	
Other	15	6	5	11	29	

<sup>1</sup> Retroactive corrections due to improved data quality. Refuse-derived fuel is now listed as a separate waste category.

<sup>2</sup> Reduced recycling rate in 2023, in particular due to ramp-up of manufacturing at the Schwerin site and associated qualification runs.

The data includes Ypsomed AG and its subsidiaries, namely Ypsomed AG in Switzerland and Ypsomed Produktion GmbH, Germany.

## Employees

At Ypsomed, we have 2389 qualified employees, 1627 of them in Switzerland. This makes us one of the five largest employers in the medical technology sector in Switzerland. In a highly innovative, heavily regulated and dynamic industry, our employees are our most important asset and play a key role in shaping Ypsomed's success. We have a vested interest in ensuring that our employees are satisfied and can identify themselves with Ypsomed. The fact that we are successful in this is demonstrated by the large number of long-serving employees as well as various national awards. We make the job content and working conditions as attractive as possible for our employees. Cooperative human resources management based on personal empowerment, along with excellent prospects for development, are key factors for employee satisfaction that make Ypsomed stand out as an attractive employer.

Our employees are our most important asset and play a key role in shaping Ypsomed's success.

### Education and training

The integration and continuous training of employees is of crucial importance to Ypsomed, especially in a phase of strong growth. Only competent and motivated employees are capable of developing innovative solutions, increasing efficiency and improving the quality of work. In a rapidly changing business world, the professional integration and continuous training of employees is not an advantage, but a necessity. For these reasons, Ypsomed supports lifelong learning with a diverse portfolio of training offers.

A well-structured onboarding programme is the first building block of consistent personnel development. Employee onboarding was revised during the reporting year. At the Insight Ypsomed in-person event, representatives of the company management provided in-depth insights into the Ypsomed Group. The online onboarding programme provides a straightforward overview of the individual onboarding modules and tasks as well as their progress.

The Leading for Future (L4F) training programme offers managers the opportunity to receive further training in various subject areas and thus develop their leadership skills in line with requirements. It specifically strengthens managers as key individuals in shaping the future of Ypsomed on three levels: People, Organisation, and Culture.

Ypsomed provides a comprehensive in-house training and education programme. This is published on the learning platform library. The expansion of this learning platform, which was launched in the spring of 2023, will progressively provide a wide range of learning opportunities. Employees can use the programme according to their own needs and in consultation with their manager.

Ypsomed supports its employees both financially and in terms of working hours with generous training provisions. Depending on the company's needs, this covers up to 75 % of the costs as well as the time, in special cases up to 100 %. This way, employees are significantly encouraged and supported in their further development.

Ypsomed promotes networking and intentionally organises cooperation across departmental boundaries by setting up interdisciplinary working and project groups. On the one hand, this broadens the personal horizon of knowledge and experience and, on the other, promotes career development of employees within Ypsomed.

Flexwork and team spirit – healthy and satisfied employees are essential for us



### Working conditions

The best possible quality of life also enhances our employees' health. Healthy and satisfied employees are one of our basic prerequisites. After all, this is the only way to achieve our goals. A lack of social security and fairness can have a negative impact on our attractiveness as an employer and on the motivation and loyalty of our employees.

Ypsomed is a solid, family-run company enjoying sustained growth. This offers current and future employees security. We not only foster open and informal interaction among each other and provide our employees with an environment that offers the best possible support. With flexible working models (work anytime, work anywhere), a healthy team spirit, and opportunities for organising tasks and careers, Ypsomed offers a motivating corporate culture.

We support the resilience of our employees in a dynamic growth environment. This includes courses on how to deal correctly with stress, offers for reconciling work and family life, as well as our flexible working models. Ypsomed enables flexible working through consistent cultural (corporate culture), structural (decentralisation of responsibility), infrastructural (modern workplaces), and technological (cloud technology) elements.

Ypsomed offers its employees occupational social counselling in cooperation with an external partner. This service enables employees and managers to obtain free counselling on personal issues from almost all areas of life as well as on company issues.

We go to great lengths to offer our employees a corporate culture that is as family-friendly as possible. This includes flexible working hours featuring flexitime and annual working hours, part-time work, parental leave and contributions to child care.

Remuneration of Ypsomed AG employees is regularly analysed both internally and externally and adjusted if necessary. This includes participating in remuneration benchmarks and reviewing equal pay between the genders.

Ypsomed AG is the proud recipient of the Swiss Employer Award 2024 quality seal. This seal of quality is awarded to companies which exceed the average value of the Swiss benchmark in their respective size category for at least one of three target values. We regard this as confirmation that we are an attractive employer.

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#### Swiss Employer Award quality seal



The employee survey is conducted every two years as a matter of principle, most recently in 2023. Compared to previous surveys, the aspects of satisfaction, identification, and solidarity show a slight decline. Explanations can be attributed to the current growth and reorganisation phase. New framework conditions, work processes, or constellations take time to become established. During this transition phase, it is usual that certain topics are viewed more critically. Despite the numerous changes, it is remarkable that the factors mentioned above continued to be rated very positively overall. This assessment is also confirmed by benchmark comparisons with our competitor environment. Ypsomed can continue to maintain its top position in this challenging environment.

#### Equality, diversity, and inclusion

Failure to observe the principles of equality harbours the risk of loss of trust among employees and customers, reputational damage and even legal sanctions. The promotion of employee diversity as well as the inclusion of different groups of people (age, gender, nationality, etc.) are important cornerstones of our personnel policy. The proportion of women is currently approximately 33 %. Ypsomed AG currently boasts almost 60 different nationalities. We promote the exchange and expression of ideas in one's own language through the use of state-of-the-art tools. We employ staff in all age categories: ranging from apprentices to employees who work beyond the standard retirement age.

For many years now, Ypsomed has offered various employment models – from part-time and shift work to the option of pursuing a reduced load career at an advanced age or combining partial retirement with a part-time workload. In the reporting year, employees were employed equally across all age groups. When recruiting, we specifically consider profiles to promote diverse and mixed teams.

We promote young talent and are valued as a training company by apprentices and their parents alike. We train over 50 apprentices in twelve different professions. Many of these are new and aligned with state-of-the-art technologies. On average, two out of three apprentices are offered a permanent position at Ypsomed after completing their training. We have set our sights on employing approximately 100 apprentices in 2027.

Ypsomed assures equal pay for men and women. This objective has now been achieved for several years. For example, the legally stipulated compliance with equal pay was formally checked and confirmed for the first time in 2021 at Ypsomed AG, Switzerland, by an external auditing company (PWC). Ypsomed is also the proud holder of the ADVANCED independent fair-pay label, which additionally confirms equal pay between the genders.

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#### For us, equal pay is a matter of course



By applying Logib, the standard analysis tool for equal pay analyses in Switzerland, employers are able to check their remuneration practices themselves. As of 01 January 2024, the optional target value for equal pay analyses with Logib outside the context of public procurement was reduced from 5 % to 2.5 %. In an internal random sample-based equal pay analysis during the reporting year, Ypsomed determined that the unexplained deviation in remuneration lies significantly below the federal government's target value of 2.5 %, which was adjusted downwards on 01 January 2024. This result is all the more pleasing, as almost 1000 new recruitments have been made since the comprehensive equal pay analysis in 2021. In 2025, we will again conduct a complete equal pay analysis including external plausibility checks and audits.

### Occupational health & safety

Neglecting comprehensive occupational health and safety measures harbours direct risks for the life and health of our employees as well as liability risks for our company. Ypsomed offers optimal working conditions to protect the safety and health of its employees. All plants, buildings, and work processes are equipped with protection and safety concepts and are subject to strict inspection and control protocols. The organisation is prepared for emergencies, both operationally and organisationally. For example, an evacuation drill is held annually at each site. The resulting findings are integrated into the training courses. EHS training sessions on specific topics are held at regular intervals. In 2023, the focus was on training new employees. Due to the sharp increase in the number of employees, more attention had to be paid to safety training in the workplace. To this purpose, the safety assistants are instructed to correct misbehaviour immediately and to make employees more aware of risks. In addition, training is provided for supervisors with regard to their responsibility in matters of occupational safety. Offers and information at work and for leisure promote health and well-being. We offer low-cost or free use of fitness centres and indoor swimming pools near our main sites and throughout Switzerland.

### Ambitions 2025

- Diversity and inclusion: increasing the proportion of women in administration, management, and in executive positions, including different groups of people (age, gender, nationality).
- Leading the way in employee involvement and empowerment in our industry (employee commitment).
- Ensuring leadership skills in a complex, global and digital environment.
- Strengthening employer branding.

#### SDGs



Performance, KPI	2019/20	2020/21	2021/22	2022/23	2023/24	Target 2025/26
Employee survey, satisfaction (points 0–100) <sup>1</sup>	75	76			<b>74</b>	80
Employee survey, identification (points 0–100) <sup>1</sup>	82	82			<b>80</b>	80
Employee survey, solidarity (points 0–100) <sup>1</sup>	88	88			<b>87</b>	80
Leadership development, leaders enrolled for programme (%) <sup>4</sup>	100	100	100	100	<b>100</b>	100
Talent liquidity, positions filled in-house (%) <sup>4</sup>	29	18	30	26	<b>30</b>	30
Fluctuation rate (%) <sup>2,4</sup>	8	5	7	11	<b>8</b>	7
Equal pay, unexplained pay gap for women (%) <sup>3,4</sup>	–2.1		–2.1			< 2.5
Gender diversity, share of women Board of Directors (%)	0	0	20	20	<b>20</b>	30
Gender diversity, share of women Executive Board (%)	13	13	13	14	<b>14</b>	20
Gender diversity, share of women in leadership positions (%) <sup>5</sup>	19			21	<b>21</b>	
Gender diversity, share of women in the workforce (%) <sup>5</sup>	36	34		31	<b>33</b>	
Learning support, training budget per employee (CHF) <sup>4</sup>	1 200	900	1 200	1 400	<b>1 400</b>	
WE@Ypsomed, budget for corporate social responsibility (CHF) <sup>4</sup>	150 000	175 000	175 000	175 000	<b>190 785</b>	
Share of trainees among employees (%)	3.0	3.4	3.5	3.5	<b>3.2</b>	3.0
Occupational accidents with lost days (number) <sup>4,6,7</sup>	12	13	10	14	<b>21</b>	
Lost time injury severity rate <sup>4,7</sup>	0.6	0.1	0.4	0.2	<b>0.2</b>	

<sup>1</sup> Values collected in principle every two years, last survey 2023/24.

<sup>2</sup> Net fluctuation rate, excluding natural fluctuation (retirements, deaths, etc.).

<sup>3</sup> Survey according to a methodology recognised by the federal government.

<sup>4</sup> Data for Ypsomed AG

<sup>5</sup> The data includes Ypsomed AG and its subsidiaries, namely Ypsomed AG in Switzerland, Ypsomed Produktion GmbH, Germany, and the global sales subsidiaries.

<sup>6</sup> Recognised cases with daily allowance according to Suva (Swiss accident insurer). Retroactive accident reports are possible.

<sup>7</sup> Number of days compensated by Suva per full-time employee. Retroactive accident reports are possible.



Integrity

Corporate Governance and Compliance

We are convinced that integrity is essential for the success of our company. This applies not only to our actions towards customers, business partners and shareholders, but also to our behaviour within the company. In addition to complying with legal requirements, we endeavour to embody our values such as respect, trust and openness throughout our company and our supply chain. All of this contributes to Ypsomed’s environmental, social, and economic sustainability and allows us to adapt to a constantly changing environment, and to be open to the needs of our stakeholders.

We are aware of our responsibility towards customers, colleagues, and shareholders as well as towards society and the environment, and we take accountability for what we do.

Compliance Management System (CMS)

Being a part of Corporate Governance, compliance contributes to responsible and transparent company management. In implementation of the Code of Conduct and the organisational regulations we set with our policy on the Compliance Management System the framework with the aim of ensuring that Ypsomed and its employees conduct their business activities in accordance with the law and our internal guidelines. This policy describes the principles and responsibilities for the Compliance Management System in the Ypsomed Group and, next to the principles of good Corporate Governance, is based on the principles of proportionality, integrity, transparency, accountability and sustainability.

The CMS forms a structured framework for adhering to and promoting compliant behaviour for all compliance issues and aims to minimise compliance risks throughout the Group. It includes the core elements of promoting a compliance culture, compliance objectives and risks, the compliance programme, the compliance organisation, as well as communication, monitoring, and improvement. The CMS serves to protect the company in accordance with the principles of prevention (“Prevent”), detection (“Detect”) and response (“Respond”).

The Code of Conduct

Ypsomed’s Code of Conduct and our corporate values form the basis of our business dealings. It constitutes the guideline for conducting our activities responsibly and in compliance with local and international laws. Its content is binding for all employees of the Ypsomed Group.

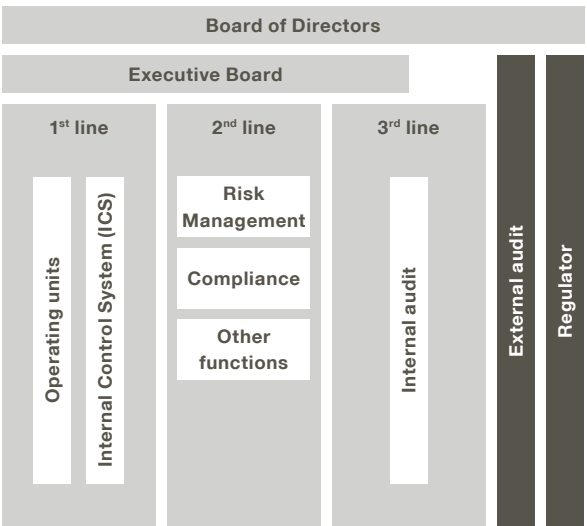
The Code of Conduct regulates the relevant aspects of Ypsomed’s operating activities, including compliance with laws and regulations. We are committed to conducting our business responsibly and in a socially and environmentally sustainable manner which promotes the well-being of our employees, customers, and society and which minimises a negative impact on the environment. We are committed to respecting human rights, promoting equal rights, equal opportunities, equal pay and diversity in our companies, and treating all our employees with appreciation and respect. Ypsomed’s international activities increase the cultural diversity in our company, and we are proud to drive our success with competent and qualified employees.

The Code of Conduct is regularly reviewed, updated and approved by the Board of Directors. All employees are periodically trained on the principles of our Code of Conduct with compliance topics such as dealing with medical professionals, conflicts of interest, or data protection and sensitised to correct behaviour in accordance with this Code.

In 2025, we are aiming for a rate of over 100 % of Ypsomed employees who regularly take part in training on the Code of Conduct. Our new eLearning system supports the achievement of objectives through easier access, an improved overview as well as automated processes such as reminders or escalation options.

We address violations of the Code of Conduct, applicable law, and internal guidelines with appropriate corrective actions and sanctions against offending employees.

Principles of the roles and functions of the Three Lines Model at Ypsomed





### Anti-corruption

Companies such as Ypsomed, which have a global presence and a large number of business partners, are by their very nature exposed to potential corruption risks. The occurrence of such cases, be it in our company or our supply chain, can have significant financial, legal, and reputation-damaging consequences. We condemn all forms of active and passive corruption and contribute to combating such practices in our day-to-day business.

We respect the applicable laws and industry codes, such as the “Swiss Medtech Code of Ethical Business Conduct”, when working with medical professionals and institutions. Our employees receive training on the Code of Conduct with regard to anti-corruption.

To assess the impact of our actions to combat corruption, we collect the number of confirmed cases of possible violations received via our reporting procedure (see Section “Reporting procedure for violations”) as a key performance indicator in addition to the training courses on the Code of Conduct.

### Transparency of educational grants

With innovative, easy-to-use, reliable products and state-of-the-art treatment concepts, Ypsomed wants to make a major contribution to successful therapy for patients and make self-treatment become self-evident.

One major component in order to achieve this goal are the interactions between Ypsomed and medical professionals and medical institutes. The partnership and knowledge transfer help to promote the development of medical technologies and innovative medical devices, while giving patients access to better therapy. We support medical institutions in expanding and securing their expertise with the appropriate instruction, training, and supporting services.

Ypsomed is committed to ensuring that the independent decision-making of medical professionals is not jeopardised by such interactions. We therefore encourage the transparency of all educational grants, as specified in the “Swiss MedTech Transparency Guideline” and disclose our annual educational grants<sup>1</sup> on our website.

### Respect for human rights

In keeping with our corporate values, the Code of Conduct and the Supplier Code of Conduct, we are committed to respecting human rights across the entire value creation chain. By doing so, we minimise significant risks that could arise from cases of discrimination, data protection violations, or inhumane working conditions in the supply chain.

Our Supplier Code of Conduct is based on the conventions of the International Labour Organisation (ILO), the OECD Guidelines for Multinational Enterprises as well as the principles of the UN Global Compact. The Group Compliance Officer conducts appropriate periodic assessments involving the business and corporate areas and departments concerned and identifies the most relevant risks. Based on the identified risks and their impact, the Group Compliance Officer defines and implements suitable actions with the involvement of both internal and external stakeholders.

When dealing with our business partners, we adhere to the principles of our Code of Conduct. We expect our business partners to comply with the law and to take their responsibility towards employees, society and the environment seriously. This includes respecting human rights, in particular refraining from any form of forced or compulsory labour, treating employees with dignity and respect and remunerating them in accordance with applicable laws and regulations.

In the Ypsomed Group, we dissociate ourselves from any kind of discrimination and harassment. We do not tolerate exclusion or unequal treatment based on gender, origin, language, religion or sexual identity, age or other personal characteristics as well as inappropriate behaviour. The policy “Against harassment and discrimination” explains what is meant by discrimination and harassment and who employees can turn to if they feel that their personal integrity has been violated or if they have observed offensive behaviour.

<sup>1</sup> [www.ypsomed.com/educational-grants](http://www.ypsomed.com/educational-grants)

### Responsible supply chain

We wish to promote responsible behaviour not only within Ypsomed – integrity is also of crucial importance to us across the entire supply chain. Not only do we perceive this as a growing need among our stakeholders, but many new laws are also seeking to regulate this area more closely. We are preparing throughout the Group for the requirements of the new supply chain laws and implementing additional processes and actions where necessary.

In terms of materials for our products, we consider suppliers who have a quality management system which enables them to demonstrate compliance with the law and our requirements. In addition, we require all our suppliers to live up to their social responsibility. In particular, we require that they respect internationally recognised human rights and treat their employees with dignity and respect. This includes rejecting child labour, refraining from any kind of forced or compulsory labour, and paying their employees a fair remuneration. In addition, our Supplier Code of Conduct obliges them to act ethically and with integrity as well as to ensure the health and safety of their employees, customers, and society, and to protect the environment.

As per 01 January 2022, new due diligence and reporting obligations regarding conflict minerals and child labour came into force for companies with their registered office, head office, or principal place of business in Switzerland (Art. 964j et seq. CO). In this context, Art. 5 of the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO) stipulates an obligation to conduct due diligence. Ypsomed has complied with this obligation.

Ypsomed checks its suppliers in a standardised procedure and places high demands on quality and compliance with regulatory requirements. Ypsomed sees no reason to assume that its suppliers provide products and services employing child labour as defined in Art. 2 (1) lit. f DDTrO.

The products manufactured by the Ypsomed Group contain small quantities of minerals and metals according to the list in Appendix 1 DDTrO. However, the quantities processed lie far below the threshold values in accordance with Appendix 1 DDTrO. Ypsomed is therefore exempt from the due diligence and reporting obligations for minerals and metals from conflict areas in accordance with Art. 964j CO.

### Data protection, information security, and cybersecurity

As a globally operating company, we organise ourselves in such a manner that we respect the applicable data protection laws and their requirements. Our data protection programme comprises an organisation that is established across all companies and creates uniform processes. Within the Ypsomed Group, the Data Protection Officer is responsible for the processes to ensure compliance with the data protection laws. Relevant employees receive regular training within the context of the data protection programme. The online training courses are supplemented by in-person training for specific departments and teams as required. These training courses cover the essential principles and requirements of the applicable data protection laws.

Our efforts and actions are analysed and assessed annually in a data protection report by an external service provider. The report prepared for this financial year confirms Ypsomed's good overall progress in the area of data protection. Furthermore, in December 2023, Ypsomed conducted a data protection assessment by an external service provider as part of the ISO 27001 certification, which confirmed Ypsomed's high level of compliance with the applicable data protection regulations.

We use electronic means of communication responsibly and conscientiously and we protect our infrastructure against cyberattacks. In all processes where information and telecommunication technology is used, Ypsomed aims for a high level of integrity, availability, and confidentiality of business data and systems in keeping with the current state-of-the-art standards. We regularly have the effectiveness of the implemented technical actions checked by internal and external audits and adjust them wherever necessary. Ypsomed prepared for the ISO 27001 certification of its network infrastructure in the 2023/24 financial year. The audit by TÜV-Süd was successfully conducted in March 2024.

Ypsomed employees have access to directives and internal guidelines regarding the secure use of information and communication media. The Information Security Policy describes the principles for ensuring IT and cyber security and sets out the responsibilities. This forms the basis for the ensuing processes.

All employees are regularly required to complete mandatory information security and cybersecurity online training. This training is supplemented by various specific training courses on topics such as phishing and social engineering. In addition, employees who process personal data receive special training on the topic of data protection.

### Reporting procedure for violations

We encourage our employees to report misconduct. To this end, our Ypsomed Integrity Line whistleblowing system is available to them via various channels.

Since June 2023, the Ypsomed Integrity Line has been available for reporting potential violations of law or internal company regulations. The Ypsomed Integrity Line is being expanded continuously and is available to employees, customers, business partners, and other stakeholders to report misconduct and violations within the Ypsomed Group as well as by our business partners.

Reports can be submitted via the electronic Ypsomed Integrity Line or via other channels. The latter is used primarily in the area of HR matters. Compliance did not receive any reports in the area of business integrity. All received allegations are investigated internally, processed, and appropriate actions are taken.

# 98 %

of the Ypsomed Group's employees have been trained regarding our Code of Conduct

### Ambitions 2025

- Consistently ensuring responsible behaviour towards our employees, partners, and society.
- Increasing the level of employee training regarding the Code of Conduct to 100 % across the Group.
- Strengthening Corporate Governance / Good Governance within the company.
- Increasing the level of employee training with regard to security awareness and data protection to 100 % across the Group.
- All our relevant suppliers are part of our sustainable procurement programme.

#### SDGs



Performance, KPI	2019/20	2020/21	2021/22	2022/23	2023/24	Target 2025/26
Code of Conduct, percentage of employees trained (%)	84	84	93	100	98	100
Security awareness training, percentage of employees (%)		73	73	82	93	100
Data protection training, percentage of employees (%)	86	87	85	89	94	100

The data includes Ypsomed Group.







**In the financial year 2023/24,  
we achieved a sales growth  
of CHF 51.0 million.**

The operating result (EBIT) amounted to CHF 86.2 million. The net profit amounts to CHF 78.4 million.



## Further significant increase in operating profit

In the financial year 2023/24, we achieved consolidated sales of CHF 548.5 million (previous year: CHF 497.5 million). We have thus achieved a satisfying growth of CHF 51.0 million in the reporting period. Adjusted for the divestment of the diabetes specialist DiaExpert, this corresponds to a growth of CHF 108.0 million or 24.5 %. At constant exchange rates compared to the previous year, this would have represented an increase of around 26 % or approximately CHF 114 million respectively. The operating profit (EBIT) amounted to CHF 86.2 million (previous year: CHF 60.6 million). Adjusted for the previous year's contribution from DiaExpert, the operating profit in the previous period amounted to CHF 39.4 million. After this elimination, this results in an EBIT growth of CHF 46.8 million or 119.0 %. On this basis, we were able to more than double the EBIT for the second year in a row. New net profit amounts to CHF 78.4 million (previous year: CHF 51.3 million).

### The pen and autoinjector business continues to grow significantly

Compared to the previous year, the Ypsomed Delivery Systems (YDS) segment again grew strongly by 25.1 % resp. CHF 77.3 million in the 2023/24 financial year. The turnover for the reporting period amounts to CHF 385.2 million (previous year: CHF 307.8 million).

- With a growth of 38.9 %, the development of commercial deliveries in the business with proprietary injection systems was particularly pleasing. Here, the YpsoMate 1.0 (+75 %), UnoPen and YpsoMate 2.25 platforms for larger volumes in particular made a significant contribution.
- Project revenues remained stable at a high level. Project revenues include customer-specific adaptations of our standardised platform products as well as deliveries for clinical trials for the authorisation of new products.
- The acquisition of new projects continues to be successful, both with existing as well as new pharmaceutical customers. During the reporting period, a further 33 new project orders were concluded.
- Sales in the contract manufacturing segment were 7.3 % higher than the previous year's level. Turnover with Sanofi makes up 8.3 % of the Group's turnover.

### Growth with the mylife YpsoPump

In the Ypsomed Diabetes Care (YDC) segment, we recorded a decline in sales of 13.0 % resp. CHF –22.5 million to CHF 151.0 million in the 2023/24 financial year. Adjusted for the divestment of the DiaExpert diabetes specialist retailer, we achieved a growth of 29.6 % resp. CHF 34.5 million.

- Commercial sales of the mylife YpsoPump System improved by 69 %, or over 76 % at constant exchange rates. In the second half of the year, recruitment of new patients for our insulin pump and thus sales growth was curbed due to the supply situation for our infusion sets – caused by a delay in the start-up of a new assembly plant in Schwerin. As a response, the production capacities for infusion sets at a contract manufacturer in Mexico as well as at a third-party supplier will be ramped up over the next few months;
- Adjusted for the effects of the cancellation of project income in the previous period, project income remained stable in the reporting year;
- Of the provision of around CHF 3 million in the previous year due to the claim by the Italian health authorities, CHF 1.6 million were reversed in the reporting year and reflected in sales and earnings;
- Business with the pen needles and blood glucose monitoring systems declined by a total of CHF 13 million.

### Segment Others

In the Others segment, which consists of our subsidiary Ypsotec as well as properties not used for operational purposes, sales declined by 24.0 % to CHF 12.2 million (previous year: CHF 16.1 million) in a volatile environment.



### Considerably higher gross margin

Due to higher sales and the associated better utilisation of the production infrastructure, the gross margin increased significantly to 34.5 % (previous year: 28.3 %).

### Encouraging earnings contribution from the pen and autoinjector business

The operating profit for the 2023/24 financial year grew significantly and was CHF 86.2 million (previous year: CHF 60.6 million). The following factors had a significant effect on the result of the financial year:

- The increase in turnover and higher utilisation of the production capacity for pens and autoinjectors made an encouraging contribution to earnings;
- The loss with the mylife YpsoPump continues to burden the result with CHF –44.6 million (previous year: CHF –53.5 million). The better result from the additional turnover was negatively affected by around CHF 14 million in additional costs for strengthening the global sales organisation and higher marketing expenses;
- The decline in sales at Ypsotec reduces the result by around CHF –3 million in total (previous year: CHF –2 million);
- Business from the pen needles and blood glucose monitoring devices division, which is to be discontinued, had a negative impact on the result of around CHF –12 million (previous year: CHF –12 million);
- In the previous period, we realised an income on disposals from the sale of DiaExpert of around CHF 17 million and an operating profit contribution of CHF 4 million in the previous year.

In the financial year 2023/24, we generated a net profit of CHF 78.4 million (previous year: CHF 51.3 million). The net profit margin increased to 14.3 % (previous year: 10.3 %). The earnings per share are CHF 5.74 (previous year: CHF 3.82).

### Continued high growth investments

In the financial year 2023/24, we generated an operative cash flow of CHF 163.2 million from operating activities (previous year 129.5 million). Cash flow from investment activities increased to CHF 195.1 million (previous year: CHF 122.0 million, with a net inflow of CHF 46.0 million from the sale of DiaExpert in the previous year). Of this amount, CHF 116.4 million (previous year: CHF 98.9 million) were invested in fixed assets; in particular in the further expansion of capacities for the YpsoMate 1.0 and the ongoing implementation of doubling the capacities for the UnoPen as well as in the expansion of other operating infrastructures. Investments in intangible assets of CHF 78.9 million (previous year: CHF 70.3 million) went into the further development of platforms for pen and autoinjector systems, smartphone apps, FDA approval for the US pump market and digital services in the Digital Health area.

Our short-term financial liabilities to banks total CHF 256.0 million (previous year: CHF 157.0 million) with an overall credit line of CHF 370 million. Our equity totals CHF 617.7 million (comparative period: CHF 562.3 million). The equity ratio remains at a high level of 56.1 % (previous year: 65.2%).

### Consistent dividend policy

In July 2023, we were able to distribute CHF 17.7 million in dividends to our shareholders in line with our consistent dividend policy. Half of the dividend was paid from retained earnings and half from tax-privileged capital contribution reserves. The Board of Directors will propose to the Annual General Meeting that CHF 2.00 per share (previous year: CHF 1.30) be distributed in dividends for the financial year 2023/24, half of which from capital contribution reserves and the other half from retained earnings.

The Annual General Meeting of the Ypsomed Holding AG will be held in Burgdorf on June 26, 2024.



## Consolidated income statement

(Audited Swiss GAAP FER figures) in thousand CHF

	Notes	01 April 2023 – 31 March 2024	in %	01 April 2022 – 31 March 2023	in %
Sales of goods and services	22	548 457	100.0 %	497 460	100.0 %
Cost of goods and services sold		–359 403	–65.5 %	–356 868	–71.7 %
<b>Gross profit</b>		<b>189 053</b>	<b>34.5 %</b>	<b>140 591</b>	<b>28.3 %</b>
Marketing and sales expenses		–78 877	–14.4 %	–77 074	–15.5 %
Administration expenses		–29 114	–5.3 %	–26 219	–5.3 %
Other operating income	1	6 251	1.1 %	24 521	4.9 %
Other operating expenses		–1 094	–0.2 %	–1 225	–0.2 %
<b>Operating profit</b>	22	<b>86 219</b>	<b>15.7 %</b>	<b>60 594</b>	<b>12.2 %</b>
Financial income	19	4 835	0.9 %	3 164	0.6 %
Financial expenses	20	–9 183	–1.7 %	–7 121	–1.4 %
<b>Profit before income taxes</b>		<b>81 872</b>	<b>14.9 %</b>	<b>56 637</b>	<b>11.4 %</b>
Income taxes	21	–3 506	–0.6 %	–5 362	–1.1 %
<b>Net profit</b>		<b>78 366</b>	<b>14.3 %</b>	<b>51 275</b>	<b>10.3 %</b>
<b>Earnings per share</b> (diluted) in CHF	26	<b>5.74</b>		<b>3.82</b>	
<b>Earnings per share</b> (undiluted) in CHF	26	<b>5.74</b>		<b>3.82</b>	
Operating profit		86 219		60 594	
Depreciation and impairment of fixed assets		43 547		41 810	
Amortisation and impairment of intangible assets		31 319		36 750	
<b>EBITDA</b> (operating profit before depreciation and amortisation)		<b>161 085</b>	<b>29.4 %</b>	<b>139 154</b>	<b>28.0 %</b>



# Consolidated balance sheet

(Audited Swiss GAAP FER figures) in thousand CHF

Assets	Notes	31 March 2024	in %	31 March 2023	in %
Cash and cash equivalents	4	74 017	6.7 %	25 224	2.9 %
Trade receivables	5	128 031	11.6 %	93 336	10.8 %
Other current assets	1	15 806	1.4 %	15 624	1.8 %
Accrued income and prepayments		13 002	1.2 %	15 053	1.7 %
Current income tax assets		65	0.0 %	66	0.0 %
Inventories	6	75 286	6.8 %	57 704	6.7 %
Customer machinery		31 739	2.9 %	1 319	0.2 %
<b>Total current assets</b>		<b>337 945</b>	<b>30.7 %</b>	<b>208 327</b>	<b>24.2 %</b>
Financial assets	7	2 713	0.2 %	2 639	0.3 %
Deferred income tax assets	21	33 870	3.1 %	31 498	3.7 %
Fixed assets	8	445 291	40.5 %	387 677	45.0 %
Intangible assets	9	281 576	25.6 %	231 738	26.9 %
<b>Total non-current assets</b>		<b>763 450</b>	<b>69.3 %</b>	<b>653 552</b>	<b>75.8 %</b>
<b>Total assets</b>		<b>1 101 395</b>	<b>100.0 %</b>	<b>861 879</b>	<b>100.0 %</b>
<b>Liabilities and equity</b>	Anhang	<b>31 March 2024</b>	<b>in %</b>	<b>31 March 2023</b>	<b>in %</b>
Financial liabilities	11	256 000	23.3 %	157 000	18.2 %
Trade payables		30 884	2.8 %	19 620	2.3 %
Prepayments from customers		74 806	6.8 %	23 918	2.8 %
Current income tax payable	21	6 212	0.6 %	2 239	0.3 %
Other payables	1	19 190	1.7 %	8 101	0.9 %
Accrued liabilities and deferred income	12	48 950	4.4 %	44 284	5.1 %
Provisions (short-term)	14	4 181	0.4 %	3 826	0.4 %
<b>Total current liabilities</b>		<b>440 223</b>	<b>40.0 %</b>	<b>258 988</b>	<b>30.0 %</b>
State-subsidised payments	13	7 729	0.7 %	7 976	0.9 %
Other long-term liabilities		24 307	2.2 %	20 234	2.3 %
Provisions (long-term)	14	8 181	0.7 %	9 839	1.1 %
Deferred income tax liabilities	14	3 220	0.3 %	2 510	0.3 %
<b>Total non-current liabilities</b>		<b>43 436</b>	<b>3.9 %</b>	<b>40 558</b>	<b>4.7 %</b>
Share capital	15	193 144	17.5 %	193 144	22.4 %
Capital reserves		197 774	18.0 %	206 291	23.9 %
Treasury shares		0	0.0 %	-167	-0.0 %
Translation differences		-31 477	-2.9 %	-25 736	-3.0 %
Goodwill offset		-313 788	-28.5 %	-313 788	-36.4 %
Retained earnings		572 081	51.9 %	502 587	58.3 %
<b>Total equity</b>		<b>617 736</b>	<b>56.1 %</b>	<b>562 333</b>	<b>65.2 %</b>
<b>Total liabilities and equity</b>		<b>1 101 395</b>	<b>100.0 %</b>	<b>861 879</b>	<b>100.0 %</b>



## Consolidated statement of cash flows

(Audited Swiss GAAP FER figures) in thousand CHF

	Notes	01 April 2023 – 31 March 2024	01 April 2022 – 31 March 2023
<b>Net profit</b>		<b>78 366</b>	<b>51 275</b>
Depreciation and amortisation of fixed and intangible assets		<b>74 866</b>	78 560
Change in provisions (incl. deferred income taxes)	14/21	<b>-3 058</b>	6 624
Other expenses/income that do not affect the fund		<b>-569</b>	-287
Income from disposal of non-current assets incl. investments and marketable securities	1/21	<b>-180</b>	-17 424
Increase (-)/decrease (+) in trade receivables		<b>-35 205</b>	-18 329
Increase (-)/decrease (+) in other receivables and prepayments and accrued income		<b>1 906</b>	-13 368
Increase (-)/decrease (+) in inventories <sup>1</sup>		<b>-17 886</b>	-4 304
Increase (-)/decrease (+) in customer machinery <sup>2</sup>		<b>-16 085</b>	767
Increase (+)/decrease (-) in trade payables		<b>5 956</b>	5 612
Increase (+)/decrease (-) in prepayments from customers		<b>50 887</b>	4 374
Increase (+)/decrease (-) in other payables and accrued liabilities and deferred income		<b>20 153</b>	15 798
Increase (+)/decrease (-) in other long-term liabilities		<b>4 073</b>	20 234
<b>Cash flow from operating activities</b>		<b>163 224</b>	<b>129 531</b>
Purchases of fixed assets <sup>2</sup>	8	<b>-116 374</b>	-98 878
Disposals of fixed assets	8	<b>241</b>	355
Purchases of intangible assets <sup>1</sup>	9	<b>-78 938</b>	-70 295
Divestment of investment less cash and cash equivalents sold	1	<b>0</b>	45 954
State-subsidised payments	13	<b>0</b>	845
<b>Cash flow from investing activities</b>		<b>-195 072</b>	<b>-122 019</b>
Proceeds from capital increase (incl. share premium)		<b>0</b>	35 154
Proceeds of borrowings from banks	11	<b>107 000</b>	48 000
Repayment of borrowings from major shareholder	11	<b>0</b>	-25 003
Repayment of short-dated financial liabilities to banks	11	<b>-8 000</b>	-48 000
Purchase of own shares		<b>-1 325</b>	-1 757
Disposals of own shares	15/17	<b>1 135</b>	1 061
Distribution of capital reserves and retained earnings	15	<b>-17 745</b>	-8 190
<b>Cash flow from financing activities</b>		<b>81 066</b>	<b>1 265</b>
Effect of foreign currency translation		<b>-425</b>	-591
<b>Total cash flow</b>		<b>48 792</b>	<b>8 186</b>
Cash and cash equivalents as of 01 April		<b>25 224</b>	17 038
Cash and cash equivalents as of 31 March		<b>74 017</b>	25 224
<b>Net increase (+)/decrease (-) in cash and cash equivalents</b>		<b>48 792</b>	<b>8 186</b>

<sup>1</sup> Eli Lilly has terminated the partnership in the insulin pump business for the US market in December 2022. The related development-/registration costs were accrued as net sales according to the percentage of completion (POCM cost-to-cost method). As of 31 March 2022, approximately CHF 9 million were reported under inventories. The costs relating to the approval of a base pump system for the US market were capitalised as intangible assets in the business year 2022/23, as Ypsomed is adhering to its US strategy.

<sup>2</sup> In September 2023, a contract with a pharmaceutical partner was modified. According to this contract, assembly equipment and specific injection molds will become the property of the pharma partner after successful completion. The redesign of a contract signed in the previous year now results in advance payments to equipment suppliers being recognised as customer machinery under current assets. Consequently, CHF 14.0 million, previously classified as property, plant, and equipment (assets under construction) in the prior year, were reclassified as customer machinery without affecting cash.



## Consolidated statement of changes in equity

(Audited Swiss GAAP FER figures)  
in thousand CHF

	Share capital	Group reserves and share premium	Treasury shares	Currency 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
Recognition in profit or loss due to disposal <sup>1</sup>				2 204	9 104		11 308
Net profit						51 275	51 275
Dividend payout from capital contribution reserves		-4 095					-4 095
Dividend payout from retained earnings						-4 095	-4 095
Purchase of own shares			-1 745				-1 745
Disposals of own shares		69	1 578				1 647
Currency translation differences				-4 658			-4 658
Balance as of 31 March 2023	193 144	206 291	-167	-25 736	-313 788	502 587	562 333

<sup>1</sup> The cumulative currency translation differences and goodwill are derecognised from equity and form part of the gain or loss on disposal, which is reported in other operating income.

### 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. 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 120.2 million (whereas CHF 35.2 million in cash). The share capital consists of 13 649 739 registered shares with a nominal value of CHF 14.15 each.

	Share capital	Group reserves and share premium	Treasury shares	Currency translation differences	Goodwill offset	Retained earnings	Total
Balance as of 01 April 2023	193 144	206 291	-167	-25 736	-313 788	502 587	562 333
Recognition in profit or loss due to disposal							0
Net profit						78 366	78 366
Dividend payout from capital contribution reserves		-8 872					-8 872
Dividend payout from retained earnings						-8 872	-8 872
Purchase of own shares			-1 313				-1 313
Disposals of own shares		119	1 479				1 599
Share-based payments		236					236
Currency translation differences				-5 741			-5 741
Balance as of 31 March 2024	193 144	197 774	0	-31 477	-313 788	572 081	617 736



# Basis for the consolidated financial statements

## 1. General information

Ypsomed Holding AG is a limited company (Aktiengesellschaft) established on 29 December 2003 under Swiss law with registered offices in Burgdorf (canton of Bern, Switzerland).

Operating in the field of medical technology, the Ypsomed Group is a leading independent manufacturer of injection pens for pharmaceutical and biotech companies, and of products for people with diabetes, such as insulin pumps, pen needles and blood glucose monitoring systems. Ypsomed's core manufacturing business consists of developing and marketing products and services allowing patients to administer their own medication. The group operates production sites in Burgdorf, Solothurn, Grenchen (all CH), Tábor (CZ), Schwerin (DE, in expansion) and Changzhou (CN, under construction), and has a global sales and distribution network. The shares of Ypsomed Holding AG have been traded on SIX Swiss Exchange since 2004.

The company was created as a result of the split-up of the Disetronic Group in 2003. Disetronic had been founded in 1984 to develop, manufacture and sell infusion pumps and had expanded into the injection systems business in 1986.

The consolidated financial statements were approved for issue by the Board of Directors on 21 May 2024 and recommended for acceptance to the Annual General Meeting of Shareholders in Burgdorf on 26 June 2024.

## 2. Fundamental accounting and assessment methods

### Principles

The consolidated financial statements have been prepared in accordance with the Swiss accounting and reporting recommendations of Swiss GAAP FER according to the principle of "true and fair view". They are based on the financial statements of the company prepared for the same reporting period using consistent accounting policies. The group's reporting currency is the Swiss Franc (CHF). The period under review comprises twelve months and ends 31 March.

The accompanying consolidated financial statements are published in German and English. The German version is legally binding.

All figures included in these financial statements and notes to the financial statements are rounded to the nearest CHF 1 000 except where otherwise indicated.

### Consolidation

**Subsidiaries:** Subsidiaries are all entities over which the group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or tradable can also determine whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained. They are de-consolidated from the date that control ceases.

Subsidiaries are recognised using the purchase method. The consideration encompasses the compensation transferred in exchange for obtaining control over the identifiable assets, liabilities and contingent liabilities of the company acquired. The compensation encompasses cash payments as well as the fair market value of both the transferred assets, the incurred or assumed liabilities and, in addition, the equity instruments as of the trade date that have been issued by the group. The net assets acquired, comprising of identifiable assets, liabilities and contingent liabilities, are recognised at their fair value. Goodwill is recognised as of the acquisition date and is measured as the excess of the consideration transferred as described over and above the fair value of the identified net assets. If the group does not acquire 100 % of the shares of a company, the minority interest in equity is to be disclosed separately under equity.

Transactions, balances and gains on transactions between subsidiaries are eliminated. Losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

In the event of a company being sold, the goodwill previously recorded under equity will be booked out and recorded in the income statement as part of the proceeds from the disposal.

**Associates:** Associated companies are those companies that are significantly influenced but not controlled by the group. This normally applies to investments in which the group owns between 20 % and 50 %. Investments in affiliated companies are accounted for using the equity method. The group's investment in associates includes goodwill identified on acquisition. Ypsomed does not currently have any investments in associated companies.



### Foreign currency translation

Foreign currency transactions are translated to the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised as financial income or expenses (individual financial statements).

In the consolidated financial statement, assets and liabilities of foreign subsidiaries are converted into Swiss francs at year-end exchange rates. Equity is converted with historical exchange rates. The income statement and the statement of cash flows are translated at annual average exchange rates. The effects of this conversion as well as foreign exchange gains and losses arising from the translation of non-currency congruent financed equity-like corporate loans denominated in foreign currencies are to be recognised in the equity, with no effect on the income statement. In the sale of a foreign subsidiary, the previously recognised cumulative translation differences in equity are derecognised and recorded in the income statement as part of the proceeds from the disposal.

### Cash

Cash and cash equivalents comprise of cash on hand, demand deposits and time deposits with a residual term to maturity from the balance sheet date of 90 days at the most. They form the basis of the consolidated statement of cash flows.

### Trade receivables/

#### other receivables as well as long-term receivables

Trade receivables, other receivables as well as long-term receivables are valued at the nominal amount less impairment, if any. An allowance is set aside if objective indications show that receivables cannot be collected. Allowances are based on individual valuations.

### Inventories

Raw materials and merchandise purchased are recognised at cost, semi-finished and finished goods at their production cost. Discounts are recognised as a reduction in the purchase price. Manufacturing costs include the associated direct production costs and production overheads. If the acquisition or manufacturing costs are higher than the net market value, an impairment loss is recorded on the income statement in the current period to write the inventories down to the net market value (lower of cost or market principle). Net market value is equivalent to the current market price less the usual sales deductions, marketing costs and administrative costs yet to be incurred. Inventories that cannot be sold are written off in full. The costs of inventories are determined by using the FIFO method.

### Customer machinery/

#### prepayments from customers

Ypsomed receives prepayments from pharma partners in order to acquire production machinery for these pharma partners. Ypsomed coordinates the manufacturing of the machinery with suppliers and makes contractual advance payments to the suppliers. After installation and successful test runs, the machinery is accepted by Ypsomed. From a legal and commercial viewpoint, once the machinery has been accepted by Ypsomed, the title is transferred to the pharma partners. The advance and final payments made by Ypsomed to suppliers are disclosed in the consolidated balance sheet as current assets until acceptance of the machinery. The prepayments from customers are recognised in current liabilities. Once the machinery is accepted, the advance and final payments from Ypsomed are settled with the prepayments.

### Fixed assets

Fixed assets are carried at historical acquisition or manufacturing cost, with depreciation calculated using the straight-line method based on the following estimated useful lives:

■ Land	no depreciation
■ New buildings	30 to 40 years
■ Special buildings	20 to 30 years
■ High voltage current, sanitary, lifts	20 years
■ Heating/ventilation/ air-conditioning, floors	10 to 15 years
■ Production machinery	8 to 12 years
■ Measuring and inspection equipment	3 to 8 years
■ Software and hardware	3 to 5 years
■ Furniture, vehicles	5 to 8 years

Depreciation is included in the following income statement categories: manufacturing costs of goods sold, marketing and distribution costs, administration costs and other operating expenses. Should an asset be impaired as a result of impairment testing, the corresponding impairment charge is included in depreciation and reported separately as an impairment loss. Value-enhancing expenditures are capitalised if the market value or the value in use increases as a result. Long-term leasing contracts, which are, in substance, equivalent to the purchase of assets with long-term financing (financial leasing), are recognised at the beginning of the lease as an asset and measured at net market value/acquisition cost or, if lower, at the present cost of the leasing payments. The asset is depreciated in line with its useful economic life. Investment properties are reported at cost of acquirement minus depreciation. The period of depreciation is calculated according to the category of asset.

### Intangible assets

**Goodwill:** Net assets taken over in an acquisition are to be valued at actual values and any surplus of acquisition cost over the newly valued net assets is to be designated as goodwill (purchase price allocation). The goodwill is to be offset at the date of acquisition, the negative goodwill (badwill) is to be attributed to the equity. The effects of a theoretical capitalisation are to be disclosed in the notes, please refer to note 10.

**Development costs:** Development costs are capitalised if an intangible asset can be identified, finished, marketed or used internally, if it is controlled by the Ypsomed Group, if it is expected to provide the Ypsomed Group with an economic benefit over several years and if its costs can be reliably determined.

Capitalised development costs are amortised straight-line over their useful economic life up to nine years after the beginning of marketing. The amortisation is included in the manufacturing costs of products and services sold. Costs accrued for development projects are tested for impairment on an annual basis.

**Other intangible assets:** Patents are carried at acquisition cost and amortised over their estimated useful lives up to 20 years. Amortisation is included in the costs of research and development that are integrated in the manufacturing costs of products and services sold.

Software is capitalised on the basis of the costs incurred to acquire the software and bring the software to use. These costs are amortised over the estimated useful life of three to five years using the straight-line method. Amortisation is mainly included in marketing & sales and administration expenses. Intangible assets, such as brand names or customer relationships that were acquired through a business combination and can be identified separately, are reported if they fulfil the definition of an intangible asset. The acquisition costs of such intangible assets correspond to their fair value at the time of acquisition. The value thereafter is measured at acquisition cost minus accumulated amortisation and impairment. The useful life is estimated at five to eight years. Amortisation is included in marketing and distribution costs.

### Leasing

In the case of leasing transactions, a distinction is made between finance leasing and operational leasing. Finance leasing exists when substantially all risks and rewards incidental to the ownership of an asset are transferred. Assets and liabilities from finance leasing are shown in the balance sheet. Leasing liabilities from operating leasing that cannot be terminated within one year are shown in Appendix 24 to the consolidated financial statement.

### Financial assets

Financial assets are recognised at acquisition cost less impairment, if any. Impairment is recorded in profit or loss for the current period.

### Impairment of assets

All assets are reviewed as of each balance sheet date for indications of impairment. If there are indications that an asset may be impaired, the recoverable amount of the asset is determined and the impairment loss is estimated. Should the estimated recoverable amount of the asset, which is equivalent to the higher of net market value and the value in use of the asset, be lower than the asset's book value, an adjustment is made to the income statement to reduce the book value of the asset to the estimated recoverable amount in the same period in which the impairment was discovered. Net market value is the price obtainable between independent third parties less the associated selling expenses. Value in use is based on the estimated future cash flows resulting from the use of the asset, including any possible cash flow at the end of the useful life, discounted using an appropriate long-term interest rate.

### Financial liabilities

Financial liabilities are measured at its nominal amount.

### Capacity reservation fees

Pharmaceutical partners reserve production capacities for the pen and autoinjector platforms by means of contractually agreed advance payments. These are accrued on an accrual basis. The terms of the contracts are between three and ten years. Sales are recognised over this period. The current portion of CHF 7.6 million (sales within twelve months after the balance sheet date) is presented under "Accrued liabilities and deferred income", the non-current portion of CHF 24.3 million under "Other long-term liabilities".

### Provisions

Provisions are established when a legal or de facto obligation arising from previous events exists that will likely result in a cash outflow and this cash outflow can be reliably estimated. The provisions established represent the best possible estimate of the final obligation. Long-term provisions are discounted to their present values, provided that the impact is material. The subdivision into short-term and long-term provisions is based on whether utilisation is assumed to be probable within one year or at a later time.

Possible obligations whose existence requires confirmation by future events or obligations whose amount cannot be reliably estimated are disclosed in the notes to the financial statements as contingent liabilities.

### State-subsidised grants

Awarded state-subsidised payments are shown as liabilities, which are reversed proportionately according to the specific depreciable life of the respective tangible fixed asset item that was qualified as state-subsidy. The reversal is posted net after deducting the cost of depreciation. The state-subsidised payments are disclosed within "cash flow from investing activities" in the consolidated statement of cash flows as they only consist of asset-related grants.

### Share-based payments

There is a long-term incentive plan (LTIP) for the Board of Directors, the Executive Management and other managers. Plan participants receive a defined number of performance share units (PSUs) at the beginning of a vesting period of three years. The fair value of the PSUs at the time the LTIP is issued is measured by an external company that is specialised in the valuation of option and share plans. The following procedures are used for the subsequent measurement of the two performance conditions:

**"Total Shareholder Return":** this is a so-called "market condition". By applying the Monte Carlo valuation to the fair value measurement at the time of issuance, the future development is already included in the fair value calculation at the grant date. No reassessment is therefore required during the vesting period. The expense is generally recognised on a straight-line basis, provided there have been no changes in the participants of the plan.

**"Cumulative absolute EBIT in CHF":** this is a non-market condition. During the vesting period, a reassessment of EBIT target achievement is required on each balance sheet date. The pro rata expense is calculated and recognised accordingly.

A corresponding reserve for the LTIP is accumulated in the capital reserves (equity). If a plan participant terminates her/his employment during the vesting period, the entitlement expires, and the previously recognised reserve is released to the income statement. Under certain circumstances (e.g. retirement, death etc.), early vesting may occur. In this case, the corresponding expense is recognised immediately. In the event of changes to the exercise or participation conditions, the necessary adjustments are evaluated and accordingly recognised. At the end of the three-year vesting period, the plan participants receive the corresponding number of shares for each PSU granted. The number of shares allocated depends on the performance factor, which in turn is based on the two performance conditions mentioned above (each weighted at 50 %).

### Pension benefit obligations

The pension benefit obligations of the group companies in respect of old age, death and disability comply with the statutory provisions and regulations in the respective countries. The employees of the Swiss companies have a legally independent pension fund for retirement, death and disability. The pension funds are financed by employer and employee contributions (defined contribution plan). The actual economic impact of pension plans on the company is calculated as of the balance sheet date. An economic benefit is capitalised, provided it will be available to reduce the company's future pension expenses. An economic obligation is recognised as a liability if the conditions for establishing a provision are met. Any unconditionally available employer contribution reserves are recognised as assets. The economic impacts of surpluses or deficits in the pension funds on the group as well as a change in any employer contribution reserves are recognised as profit or loss and reported as personnel expenses in addition to the contributions deferred to the reporting period.

**Current income taxes**

Income taxes are calculated based on reported profits and in conformity with the tax laws prevailing in the individual countries and recognised in profit or loss of the current period.

Deferred taxes are taken into account on temporary differences between tax bases and the carrying amounts in the consolidated financial statements and are calculated using the liability method based on effective or expected effective local tax rates. Deferred tax assets are recognised for loss carry-forwards where it is highly probable that they can be offset against future taxable income. The changes in deferred tax assets and liabilities are recognised in the consolidated income statement. Taxes on transactions that are reported in equity are also recognised in equity.

**Net sales and sales recognition**

**Net sales:** Sales consist of all sales proceeds attained from the delivery of goods and the provision of services to third parties after deducting discounts, rebates, cash discounts and value-added taxes. Sales proceeds are always included in the income statement as soon as the delivery of the goods has taken place and benefit and risk have been transferred to the buyer or the service has been rendered. Net sales also comprise of income from the provision of research, development, industrialisation and marketing services.

**Other operating income:** Other operating income primarily includes rental income arising from the leasing of properties owned by the Ypsomed Group, licencing income arising from the use of Ypsomed assets by external third parties and proceeds from the disposal of fixed and intangible assets as well as investments.

**Long-term contracts:** Development and industrialisation projects are accounted for according to the percentage-of-completion method (POCM) if the respective criteria are met. Services and costs are correspondingly considered according to the degree of completion (cost-to-cost method) so that any profit is taken into consideration proportionally. The degree of completion for the services provided is calculated by determining the difference between the costs incurred and the costs expected for the whole order. If the criteria for the application of POCM are not met, the respective revenue is disclosed according to the amount of the realisable cost (without recognising any profit). However, respective losses and non-recoverable costs are debited directly and reduces the profit of the financial year. The long-term contracted projects according to POCM are disclosed within the reporting lines inventories, trade receivables and prepayments from customers.

**Research and development costs**

Research costs are routinely included in the manufacturing costs of the products and services sold.

Development costs are capitalised if an intangible asset can be identified, finished, marketed or used internally, if it is controlled by the Ypsomed Group, if it is expected to provide the Ypsomed Group with an economic benefit over several years and if its costs can be reliably determined.

**Borrowing costs**

Borrowing costs are charged directly to the income statement.

**Derivative financial instruments**

Derivative financial instruments are entered into for hedging purposes and carried at market value. The adjustment of the changes in market value is recorded in the same way as for the underlying transaction.

**3. Risk assessment**

The management of the Ypsomed Group carries out a comprehensive risk assessment at least once a year. This standardised process is based on a risk inventory that encompasses the relevant risk categories such as strategic risks, management risks, general risks in the operating business, legal risks, systemic risks, financial risks (including market, credit and liquidity risks) and event risks (including political, regulatory, fiscal and external risks). The fundamental risks are assessed with regard to probability of occurrence and impact and both management and the Board of Directors decide on measures to be taken and monitor their implementation according to predetermined criteria.

#### 4. Legal risks

The Ypsomed Group develops innovative platform technologies, produces customer-friendly medical devices, sells and supplies these to various customers in numerous countries and protects the technologies developed by Ypsomed in several countries. Ypsomed's business activities are exposed to numerous legal risks that could have a negative effect on the course of business, the financial situation or the competitiveness of the group.

Competitive pressure in the pharmaceutical sector has increased significantly with the emergence of new drug forms (generics, biosimilars), the medical device sector in general and infusion and injection systems in particular have also been affected. Regular legal disputes regarding the validity and alleged or actual infringement of intellectual property rights by drugs or medical devices, tightening of the regulatory environment, uncertainties and delays in the approval of new drugs and medical devices, cost-saving measures in the health sector, in particular reimbursements from health insurance funds, as well as risks in connection with product liability and data liability cohesive with infringement of individual-related data inclusive health data are risks to which Ypsomed is also exposed, in particular with its platform technology products. Furthermore, possible terminations of existing contracts of important suppliers or important customers and disputes in the context of the settlement of contractual relationships could impair Ypsomed's business development.

#### 5. Key estimates and assumptions

The preparation of the consolidated financial statements in accordance with generally accepted accounting principles assumes that management makes certain estimates and assumptions which have an impact on the reported carrying amounts of assets and liabilities shown in the balance sheet on the balance sheet date and income and expenses accounted for in the period under review. These estimates and assumptions are based on future expectations and are held reasonable at the time of preparation of the financial statements. The actual amounts can deviate from these assumptions. The most important influential factors on positions based on estimates and assumptions are expressed as follows:

##### Capitalised development costs

The development expenses are capitalised when the requirements for the capitalisation are met. Ypsomed's estimation of future economic benefits is based on management's assumptions with regard to the economic baseline conditions, expected prospective cash flows and the expected period of time in which economic benefits are targeted. Capitalised development expenses as of 31 March 2024 amount to CHF 250.6 million (previous year: CHF 201.2 million).

##### Provisions for warranties

When determining the provisions for warranties, management takes into account currently marketed own products and sets the provisions necessary to cover all callable claims based on the maturity and characteristics of the products as well as experience. As of 31 March 2024, Ypsomed discloses provisions for warranties of CHF 7.7 million (previous year: CHF 7.1 million).

##### Income taxes

When accruals for income taxes are made for a period, uncertainties regarding final tax payments remain. Estimates that vary from the definitive tax amount have an impact on current and deferred income taxes. With the capitalisation of deferred tax assets from losses carried forward, the value of these tax loss carryforwards and the tax rates to be applied must be estimated. Deferred income tax assets related to tax loss carryforwards as of 31 March 2024 amount to CHF 14.4 million (previous year: CHF 11.9 million).

#### 6. Impact of the Ukraine crisis

The war between Ukraine and Russia shows a significant impact on the economies of both countries and beyond. While deliveries to pharmaceutical and biotech companies in Russia are at the reporting date not affected by sanctions, this may change over time. Ypsomed meets its obligations in a logistically challenging environment and supplies pharmaceutical companies with life-saving insulin pens. Future negative effects on Ypsomed, for example as a result of possible payment restrictions, cannot be excluded.





## 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

	01 April 2023– 31 March 2024	01 April 2022– 31 March 2023
Operating profit	86 219	60 594
<b>EBIT</b>	<b>86 219</b>	<b>60 594</b>
Depreciation and impairment of fixed assets, refer to note 8	44 108	42 187
Dissolved state-subsidies, refer to note 13	–561	–377
Amortisation and impairment of intangible assets, refer to note 9	31 319	36 750
<b>EBITDA</b> (operating profit before depreciation and amortisation)	<b>161 085</b>	<b>139 154</b>



# Notes to the consolidated financial statements

In thousand CHF, unless otherwise stated.

## 1. Divestment DiaExpert GmbH

In the previous year (31 December 2022), DiaExpert GmbH was sold to Mediq Groupe. DiaExpert is an established specialist and mail order company for the care of people with diabetes (exclusively) in Germany, with the specialisation of insulin pump therapies and was an important part of the Ypsomed Diabetes Care segment. The reporting period was not affected by this transaction.

Net sales and operating result	2022/23
Net sales	56 980
Operating result	3 928

Assets and liabilities sold of	2022/23
Trade receivables	10 924
Inventories	5 323
Other current assets	3 220
Fixed assets	2 944
Current liabilities	-4 728
Non-current liabilities	-7 286

Net inflow of cash	2022/23
Consideration received in the form of cash	40 723
Repayment of financial liabilities	6 890
Cash and cash equivalents disposed of	-1 659
<b>Total net cash inflow</b>	<b>45 954</b>

Other operating income	2022/23
Gain on sale DiaExpert GmbH	17 294
Other operating income	7 227
<b>Total other operating income</b>	<b>24 521</b>

### Profit and loss transfer agreement Ypsomed GmbH and DiaExpert GmbH

As of 31 March 2023, the profit and loss transfer for the abbreviated fiscal year 01 April to 31 December 2022 of DiaExpert GmbH to Ypsomed GmbH has not been completed. Legally, this result was required to flow to Ypsomed GmbH. As the annual result 01 April to 31 December 2022 less taxes had already been paid by means of the purchase price to Ypsomed GmbH by the purchaser, this had to be passed on. This circumstance was shown gross. The receivable from DiaExpert GmbH of approximately CHF 3.5 million was recognised as "other current assets". The net liability to the buyer in the amount of CHF 2.5 million was shown as "other payables", the ordinary income taxes from the DiaExpert business were shown as "current income tax payable".

## 2. Consolidation scope

	Interest held capital/votes		Share capital	Research & Development	Production	Marketing & Sales	Financing & Services
<b>Ypsomed Holding AG, CH-Burgdorf</b>		<b>CHF</b>	<b>193 143 807</b>				■
Ypsomed AG, CH-Burgdorf	100 %	CHF	10 000 000	■	■	■	■
TecPharma Licensing AG, CH-Burgdorf	100 %	CHF	100 000				■
Ypsomed Immobilien AG, CH-Burgdorf	100 %	CHF	200 000				■
Ypsotec AG, CH-Grenchen	100 %	CHF	1 000 000		■	■	
Ypsotec s.r.o., CZ-Tábor	100 %	CZK	33 200 000		■	■	
Ypsomed GmbH, DE-Liederbach	100 %	EUR	100 000			■	
Ypsomed Produktion GmbH, DE-Schwerin	100 %	EUR	23 000 000		■		
Ypsomed Distribution GmbH, DE-Rheinfelden	100 %	EUR	25 000				■
Ypsomed AB, SE-Solna	100 %	SEK	10 000 000			■	
Ypsomed S.A.S., FR-Paris	100 %	EUR	1 000 000			■	
Ypsomed BV, NL-Nieuwegein	100 %	EUR	50 000			■	
Ypsomed India Private Ltd., IN-New Delhi	100 %	INR	172 316 470			■	
Ypsomed Ltd., UK-Esclrick	100 %	GBP	300 000			■	
Ypsomed GmbH, AT-Vienna	100 %	EUR	35 000			■	
Ypsomed Italia S.R.L., IT-Milano	100 %	EUR	50 000			■	
Ypsomed Australia Pty Ltd., AU-Sydney	100 %	AUD	700 000			■	
Ypsomed s.r.o., CZ-Prague	100 %	CZK	5 000 000			■	
Ypsomed Polska Sp. z o.o., PL-Warsaw	100 %	PLN	1 000 000			■	
Ypsomed BV, BE-Brussels	100 %	EUR	300 000			■	
Ypsomed Diabetes S.L.U., ES-Barcelona	100 %	EUR	500 000			■	
Ypsomed Canada inc., CA-Pointe Claire	100 %	CAD	1 000 000			■	
Ypsomed AS, NO-Drammen	100 %	NOK	2 000 000			■	
Ypsomed Oy, FI-Masala	100 %	EUR	50 000			■	
Ypsomed ApS, DK-Copenhagen	100 %	DKK	50 000			■	
Ypsomed Inc., US-Dover	100 %	USD	100 000			■	
Ypsomed Software S.L.U., ES-Barcelona	100 %	EUR	250 000	■			■
Ypsomed Medical Devices Co. Ltd., CN-Beijing	100 %	CHF	250 000				■
Ypsomed Manufacturing Co., Ltd., CN-Changzhou <sup>1</sup>	100 %	EUR	16 350 000		■		

<sup>1</sup> As of 24 October 2022, Ypsomed Manufacturing Co., Ltd. was founded with headquarters in Changzhou, China. The subsidiary will primarily manufacture injection systems for the Chinese market. As of 31 March 2023, the registered capital amounted to EUR 13.35 million, of which EUR 8 million had been paid up. By 31 March 2024, the share capital had been increased to EUR 16.35 million and fully paid up.

As of 31 December 2022 DiaExpert GmbH was sold in full and as a result deconsolidated.

### 3. Foreign currencies

		Balance sheet year-end rates		Income statement average rates
	<b>31 March 2024</b>	31 March 2023	<b>2023/24</b>	2022/23
Euro (EUR)	<b>0.97</b>	0.99	<b>0.96</b>	0.99
US Dollar (USD)	<b>0.90</b>	0.92	<b>0.89</b>	0.95
Swedish Krona (100SEK)	<b>8.44</b>	8.82	<b>8.36</b>	9.20
Norwegian Krone (100NOK)	<b>8.33</b>	8.74	<b>8.33</b>	9.60
Danish Krone (100DKK)	<b>13.05</b>	13.32	<b>12.89</b>	13.36
Czech Koruna (100CZK)	<b>3.81</b>	4.23	<b>3.95</b>	4.08
Indian Rupee (100INR)	<b>1.07</b>	1.11	<b>1.07</b>	1.19
British Pound sterling (GBP)	<b>1.14</b>	1.13	<b>1.11</b>	1.15
Australian Dollar (AUD)	<b>0.59</b>	0.61	<b>0.58</b>	0.65
Polish Zloty (100PLN)	<b>22.38</b>	21.21	<b>21.59</b>	21.12
Canadian Dollar (CAD)	<b>0.67</b>	0.68	<b>0.66</b>	0.72
Chinese Yuan Renminbi (100CNY)	<b>12.32</b>	13.31	<b>12.38</b>	13.94

### 4. Cash and cash equivalents

	<b>31 March 2024</b>	31 March 2023
Cash	<b>12</b>	897
Postal accounts	<b>575</b>	747
Bank accounts	<b>73 429</b>	23 581
<b>Total</b>	<b>74 017</b>	25 224

### 5. Trade receivables

	<b>31 March 2024</b>	31 March 2023
Trade receivables	<b>128 697</b>	93 772
Provision for bad and doubtful debts	<b>-666</b>	-435
<b>Total</b>	<b>128 031</b>	93 336

<b>Provision for bad and doubtful debts</b>	<b>2023/24</b>	2022/23
At 01 April	<b>435</b>	990
Addition of provision	<b>335</b>	158
Use of provision of booked up trade receivables	<b>-73</b>	-39
Reversal of unneeded provisions	<b>-23</b>	-7
Disposal scope of consolidation	<b>0</b>	-812
Currency translation differences	<b>-8</b>	146
<b>At 31 March</b>	<b>666</b>	435

## 6. Inventories

	31 March 2024	31 March 2023
Raw materials and supplies	13 419	12 243
Goods in process	41 394	27 604
Finished products	22 994	19 464
<b>Gross inventories</b>	<b>77 807</b>	<b>59 310</b>
Valuation allowance	-2 521	-1 607
<b>Total</b>	<b>75 286</b>	<b>57 704</b>

## 7. Financial assets

Financial assets	31 March 2024	31 March 2023
CeQur SA, Switzerland	2 500	2 500
Other financial assets	213	139
<b>Total</b>	<b>2 713</b>	<b>2 639</b>

CeQur SA is in the commercialisation phase of a wearable, purely mechanical patch for bolus delivery of insulin.



## 8. Fixed assets

Cost values	Land and buildings	Machinery and equipment	Other fixed assets	Assets under construction	Buildings for investment purposes	Total
At 01 April 2022	129 092	461 436	26 935	30 470	14 407	662 340
Additions	1 068	27 439	4 776	65 016	419	98 717
Disposals		-3 624	-1 154			-4 778
Disposal scope of consolidation		-2 494	-1 833			-4 327
Transfers	506	21 399	404	-22 511	-70	-272
Currency translation differences	-686	-2 140	-151	-762		-3 738
At 31 March 2023	129 980	502 016	28 978	72 212	14 756	747 943

## Accumulated depreciation

At 01 April 2022	-56 422	-245 024	-18 543	0	-6 202	-326 191
Depreciation	-3 909	-34 286	-3 528		-464	-42 187
Disposals		3 437	1 058			4 495
Disposal scope of consolidation		1 779	1 439			3 218
Currency translation differences	27	274	98			398
At 31 March 2023	-60 304	-273 819	-19 476	0	-6 666	-360 266
Net book value at 01 April 2022	72 670	216 412	8 392	30 470	8 205	336 150
Net book value at 31 March 2023	69 676	228 197	9 502	72 212	8 090	387 677

Cost values	Land and buildings	Machinery and equipment	Other fixed assets	Assets under construction	Buildings for investment purposes	Total
At 01 April 2023	129 980	502 016	28 978	72 212	14 756	747 943
Additions	733	35 554	4 231	80 144	371	121 033
Disposals		-1 524	-987			-2 511
Transfers	601	24 450	1 752	-42 331		-15 527
Currency translation differences	-1 052	-2 327	-193	-1 094		-4 666
At 31 March 2024	130 263	558 169	33 781	108 931	15 127	846 271

## Accumulated depreciation

At 01 April 2023	-60 304	-273 819	-19 476	0	-6 666	-360 266
Depreciation	-3 908	-35 696	-4 013		-491	-44 108
Disposals		1 508	943			2 451
Transfers		419	-419			0
Currency translation differences	163	660	120			943
At 31 March 2024	-64 049	-306 929	-22 845	0	-7 157	-400 980
Net book value at 01 April 2023	69 676	228 197	9 502	72 212	8 090	387 677
Net book value at 31 March 2024	66 213	251 240	10 936	108 931	7 971	445 291

There are no pledges as security for loans. In the reporting period, our manufacturing capacity for the YpsoMate, UnoPen and ServoPen platforms was expanded in Germany, Switzerland and China.

In September 2023, a contract with a pharmaceutical partner was modified. According to this contract, assembly equipment and specific injection molds will become the property of the pharma partner after successful completion. The redesign of a contract signed in the previous year now results in advance payments to equipment suppliers being recognised as customer machinery under current assets. Consequently, CHF 14.0 million, previously classified as property, plant, and equipment (assets under construction) in the prior year, were reclassified as customer machinery without affecting cash.

## 9. Intangible assets

<b>Cost values</b>	Development costs	Patents	Software	Client base/ Other	Total
<b>At 01 April 2022</b>	271 465	20 660	47 844	11 597	351 566
Additions	73 868	2 283	3 549		79 700
Disposals	-904		-6 506		-7 410
Disposal scope of consolidation			-3 656	-973	-4 630
Transfers	114		157		272
Currency translation differences	-361		-113	-123	-598
<b>At 31 March 2023</b>	344 183	22 943	41 274	10 500	418 900
<b>Accumulated amortisation</b>					
<b>At 01 April 2022</b>	-114 928	-660	-33 626	-11 574	-160 787
Amortisation	-28 953	-2 522	-5 254	-21	-36 750
Disposals	904		6 506		7 410
Disposal scope of consolidation			1 791	973	2 764
Currency translation differences	32		47	123	201
<b>At 31 March 2023</b>	-142 944	-3 182	-30 537	-10 499	-187 162
<b>Net book value at 01 April 2022</b>	156 538	20 000	14 218	23	190 779
<b>Net book value at 31 March 2023</b>	201 238	19 761	10 738	1	231 738
<b>Cost values</b>	Development costs	Patents	Software	Client base/ Other	Total
<b>At 01 April 2023</b>	344 183	22 943	41 274	10 500	418 900
Additions	72 828	840	5 051	1 174	79 893
Disposals	-1 980		-125	-3 223	-5 328
Transfers	3		1 496		1 498
Currency translation differences	-227		-27	-66	-320
<b>At 31 March 2024</b>	414 807	23 783	47 668	8 386	494 644
<b>Accumulated amortisation</b>					
<b>At 01 April 2023</b>	-142 944	-3 182	-30 537	-10 499	-187 162
Amortisation	-23 278	-2 898	-5 123	-20	-31 319
Disposals	1 980		125	3 223	5 328
Currency translation differences	3		21	60	85
<b>At 31 March 2024</b>	-164 239	-6 079	-35 513	-7 236	-213 068
<b>Net book value at 01 April 2023</b>	201 238	19 761	10 738	1	231 738
<b>Net book value at 31 March 2024</b>	250 568	17 704	12 156	1 150	281 576

Capitalised development costs include products in the development phase amounting to CHF 185.1 million (previous year: CHF 129.3 million), products in the industrialisation phase amounting to CHF 11.4 million (previous year: CHF 10.0 million) and products in the marketing phase amounting to CHF 54.1 million (previous year: CHF 62.0 million).

Eli Lilly has terminated the partnership in the insulin pump business for the US market in December 2022. The related development-/registration costs were accrued as net sales according to the percentage of completion (POCM cost-to-cost method). As of 31 March 2022, approximately CHF 9 million were reported under inventories. The costs relating to the approval of a base pump system for the US market were capitalised as intangible assets in the business year 2022/23, as Ypsomed is adhering to its US strategy.

## 10. Goodwill not reported in the balance sheet

Acquired goodwill – the difference between acquisition costs and the recalculated current value of all net assets acquired – is offset directly against equity at the time of acquisition of a participation or business. Theoretical

capitalisation of goodwill and amortisation over five years would produce the following stated values under assets and scheduled amortisation of goodwill in the income statement:

Cost values	2023/24	2022/23
At 01 April	314 881	322 931
Disposal scope of consolidation	0	–7 520
Currency translation differences	27	–530
At 31 March	314 908	314 881
Accumulated amortisation		
At 01 April	–314 881	–322 931
Disposal scope of consolidation	0	7 520
Amortisation, scheduled amortisation over 5 years	0	0
Currency translation differences	–27	530
At 31 March	–314 908	–314 881
Net book value at 01 April	0	0
Net book value at 31 March	0	0

The value of acquired goodwill would have been completely amortised if the same had been hypothetically capitalised.

## 11. Financial liabilities

	31 March 2024	31 March 2023
Fixed advances banks (current)	256 000	157 000

Fixed advances of banks were granted to Ypsomed Holding AG and Ypsomed AG with a term of up to 12 months. The average interest rate is 2.35 % (previous year: 1.2 %). As at 31 March 2024, the maximum credit line for fixed advances was CHF 370 million (previous year: CHF 265 million). Interest of CHF 4.8 million (previous year: CHF 1.9 million) was paid on fixed advances in 2023/24.

At the beginning of the 2022/23 fiscal year, the shareholder loan of Techpharma Management AG totaled CHF 110 million. Prior to the capital increase conducted in June 2022, all loans of Techpharma Management AG (a company controlled by Willy Michel) were transferred to Willy Michel. The shareholder loans from main shareholder Willy Michel were offset against his subscription rights in the amount of CHF 85.0 million (offsetting release). The remaining CHF 25.0 million was repaid in October 2022.

## 12. Accrued liabilities and deferred income

	2023/24	2022/23
Personnel-related accrued expenses	18 277	17 939
Capacity reservation fees	7 556	4 749
Other deferred income and accrued expenses	23 116	21 596
<b>Total</b>	<b>48 950</b>	<b>44 284</b>

### 13. State-subsidised grants

Ypsomed receives state-subsidies – granted by the German federal state of Mecklenburg-Vorpommern from funds of the joint expenditure “Improvement of the regional economic structure” – that is fully related to the set-up of the manufacturing site in Schwerin (DE), i.e. the construction of the building and the procurement of movable assets. The overall amount of these state-subsidies amounts EUR 9.8 million at most, and they are dependent on the ultimate amount of investment.

	2023/24	2022/23
At 01 April	7 976	7 739
Funds received	468	845
Partial reversal of subsidies	–561	–377
Currency translation differences	–155	–231
At 31 March	7 729	7 976

In the reporting year, Ypsomed was awarded subsidies in the amount of CHF 0.5 million (previous year: CHF 0.8 million), with the cash flow taking place in April 2024. The subsidies are carried as liabilities and released in line with the depreciation period of the respective subsidised asset. The conditions for receiving the subsidies were met on the reporting date.



## 14. Provisions/Deferred tax liabilities

	Taxes	Warranties	From pension plans	Restructuring	Other	Total
At 01 April 2022	2 783	5 165	0	0	4 174	12 122
Additions	184	3 689			3 941	7 813
Disposal scope of consolidation					-487	-487
Release	-455	-72			-274	-801
Utilisation		-1 660			-776	-2 436
Currency translation differences	-1				-36	-37
At 31 March 2023	2 510	7 123	0	0	6 542	16 175
of which current	0	3 133	0	0	693	3 826

At 01 April 2023	2 510	7 123	0	0	6 542	16 175
Additions	716	3 263			1 338	5 317
Disposal scope of consolidation						
Release	-5	-593			-1 622	-2 220
Utilisation		-2 073			-1 516	-3 589
Currency translation differences	-0				-100	-101
At 31 March 2024	3 220	7 721	0	0	4 641	15 582
of which current	0	2 958	0	0	1 223	4 181

### Warranties

There is a risk that medical products developed, distributed and produced by Ypsomed could have material defects or product faults, resulting in legal liability and product liability in particular as well as other liabilities, such as the withdrawal or recall of products. Provisions are recorded based on management's best estimate and relate to warranties and also to replacement costs for withdrawn products. The company's management bases these provisions on the estimated potential warranty claim for each product.

Ypsomed holds insurance policies with third parties to cover material damages, interruption of operation, product liability and other risks, with worldwide cover. Ypsomed believes that its insurance cover and provisions with regard to business activities and the associated operative risks involved with this are appropriate and sensible. However, events can arise that are not covered or only partly covered by insurance policies or provisions made by Ypsomed. The closing of an insurance contract, covering product liability, depends on the development of the insurance market and, in particular, on the general development of the pharmaceutical industry, in which high claims for compensation are typical. Although no such losses are presently expected at Ypsomed, there is no guarantee that the company might not be subjected to damage claims in the future that are in excess of the cover available.

Provisions for warranties cover any warranty claims that may occur for products on the market. The provisions extend for the average life of the products, which is between one and five years, depending on the product, and are also determined by the best possible assessment of the risk of a claim for each product category.

### Other provisions

During the fiscal year 2022/23, the Italian Ministry of Health reactivated a legislative decree that was retroactive for the years 2015–2018. With the so-called "payback" system, the regional authorities can recover their budget overruns in aforementioned years for medical devices supplied based on this decree from the suppliers. Like numerous companies in the medical device industry, Ypsomed filed an objection to this procedure. In this context, a provision amounting to CHF 2.9 million was established as of 31 March 2023, charged against net sales. Meanwhile, the Italian authority introduced a settlement offer ("Opt-in" option), whereby a payment of 48 % by the end of October 2023 releases the affected companies from all further repayment obligations (amounting to 52 %). This led to a dissolution of CHF 1.5 million. Ypsomed has accepted the settlement offers in most regions and utilised provisions totaling CHF 0.9 million.

The other items are based on estimates and mainly include provisions for long-service benefits of employees.

During the reporting year, CHF 1.3 million were accrued in this regard, CHF 0.6 million were utilised, and CHF 0.1 million were released. As of 31 March 2024, provisions for long-service awards amounted to CHF 3.2 million (previous year: CHF 2.9 million).

## 15. Share capital

Share capital (in thousand CHF)	2023/24	2022/23
<b>At 01 April</b>	<b>193 144</b>	<b>178 994</b>
Capital increase	0	14 150
<b>At 31 March</b>	<b>193 144</b>	<b>193 144</b>
<b>Shares issued at 31 March</b>	<b>13 649 739</b>	<b>13 649 739</b>
<b>Treasury shares at 31 March</b>	<b>0</b>	<b>1 000</b>
<b>Shares outstanding at 01 April</b>	<b>13 648 739</b>	<b>12 649 739</b>
Capital increase	0	1 000 000
Purchase number of shares	4 370	9 254
Average price in CHF	300	189
Disposal number of shares	5 370	8 254
Average price in CHF	300	201
<b>Shares outstanding at 31 March</b>	<b>13 649 739</b>	<b>13 648 739</b>

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. The share capital now consists of 13 649 739 (previous year: 13 497 39) registered shares with a nominal value of CHF 14.15 each. As of 31 March 2024, Ypsomed group including the employee pension fund held 17 721 treasury shares (previous year: 18 721).

**Non-distributable reserves**

Non-distributable reserves in the group's shareholders' equity amounted to CHF 38.6 million at the end of the reporting period (previous year: CHF 38.6 million).

## 16. Long-term contracts according to Percentage-of-Completion-Method (POCM)

	2023/24	2022/23
<b>Revenue from development and industrialisation services (POCM)</b>	<b>41 816</b>	<b>29 419</b>
<b>Long-term contracts according to POCM in the balance sheet</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Trade receivables	9 735	5 960
Inventories	1 951	1 620
Prepayments from customers	-19 156	-19 640

In prior year, Eli Lilly terminated the partnership in the insulin pump business for the US market. Associated development/registration costs had previously been accrued as net sales according to the percentage of completion method and were included as an offsetting entry in inventories. As of 31 March 2022, these amounted to approximately CHF 9 million. Agreed-upon additional milestones had not yet been met at the time of termination, thus these deferred net revenues from prior years had to be reversed in the fiscal year 2022/23.

## 17. Personnel expenses

	2023/24	%	2022/23	%
Wages and salaries	217 535	83.7	194 495	83.7
Social security expenses	34 290	13.2	30 504	13.1
Other personnel expenses	7 941	3.1	7 382	3.2
<b>Total</b>	<b>259 766</b>	<b>100.0</b>	<b>232 381</b>	<b>100.0</b>

Employees of Ypsomed AG were able to purchase shares of Ypsomed Holding AG at preferential conditions. All employees of who were in an employment relationship without notice at the time of the offer were entitled to acquire shares in Ypsomed Holding AG amounting to 90 % of one month's salary.

The purchase price offered on 01 December 2023 corresponded to the average of all daily share prices for the months of September, October and November 2023 minus a discount of 20 %. Partly due to tax considerations, the acquired shares cannot be sold during a blocking period of 3 years.

Ypsomed employees acquired a total of 5 370 Ypsomed Holding AG shares (previous year: 8 254 Ypsomed Holding AG shares) at the special price of CHF 211.40 (previous year: CHF 128.49). The nominal discount per share on the grant date (date of origination of purchase agreement between Ypsomed AG and the employee, 08 December 2022) amounts to CHF 88.60 (previous year: CHF 72.51). CHF 0.5 million is therefore reported under "Wages and salaries" (previous year: CHF 0.6 million).

Personnel at 31 March (full-time equivalents)	31 March 2024	31 March 2023
Australia	23	16
Belgium	2	1
China	23	8
Denmark	5	3
Germany	369	237
Finland	4	4
France	51	51
India	5	6
Italy	17	13
Canada	8	9
Netherlands	17	13
Norway	3	1
Austria	7	5
Poland	2	2
Sweden	13	8
Switzerland	1 545	1 397
Spain	72	73
Czechia	95	103
United Kingdom	36	26
United States of America	2	4
<b>Total</b>	<b>2 296</b>	<b>1 978</b>
Headcount	2 389	2 059

### Share-based payments

During the reporting year, a Long-Term Incentive Plan (LTIP) was introduced for the Board of Directors, the Executive Management and other managers. Plan participants receive a defined number of performance share units (PSUs) at the beginning of a vesting period of three years. At the end of the three-year vesting period, participants will be allocated a certain number of shares of Ypsomed Holding AG for each allocated PSU, depending on the corresponding goal achievement.

The vesting of the LTIP allocation from this reporting year will take place in 2026. For each PSU between 0 and 2 shares could be allocated (performance factor). The plan sets a target for both the growth of “Total Shareholder Return” (weighted at 50 %) and the “cumulative absolute EBIT in CHF” (weighted at 50 %).

After vesting, plan participants can freely dispose of the allocated shares as they are not subject to any lock-up period. It is a real equity-based compensation, accordingly the booking is done through personnel expenses directly in equity (capital reserves).

<b>Vesting period</b>	Fair-value at grant date (in CHF)	Number of PSU granted	Amount expensesd in FY23/24 (TCHF)
June 2023 – June 2026	251.12	3 694	236

## 18. Employee pensions

Within the group, there are various employee pension plans, of which most employees are members. For the companies abroad and one company in Switzerland, there are pension plans for which the obligation to provide benefits such as retirement, death or invalidity benefits lies with a state institution and/or an insurance company. For the pension plan of Ypsomed AG representing a proportion of 65 % of the group's workforce as at 31 March 2024, there is a separate pension scheme set up in accordance with the Swiss Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and independent of the group. As at 31 March 2024, the

pension scheme held a value fluctuation reserve of CHF 35.9 million (previous year: CHF 18.8 million). As in the previous year, there were no non committed funds as per 31 March 2024. In the reporting period, the calculated coverage ratio was 111.7 % within the meaning of art. 44 of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV2), based on a technical interest rate of 1.0 % and BVG 2020 (previous year: 106.9 %, technical interest rate 1.0 % and BVG 2020). Pension costs as part of personnel expense correspond to the standard contribution payments by the group companies involved.

	Surplus/deficit	Economic benefit/obligation		Contributions concerning the business period	Pension benefit expenses within personnel expenses	
	31.03.2024	31.03.2024	31.03.2023	2023/24	2023/24	2022/23
Pension institutions without surplus/deficit	0	0	0	11 489	11 489	9 998
Pension institutions without own assets	0	0	0	1 261	1 261	1 124

Per end of the financial years 2023/24 and 2022/23, there were no employer contribution reserves existing.

## 19. Financial income

	2023/24	2022/23
Interest income	156	23
Foreign exchange gains	4 679	3 140
Dividends/other financial income	0	1
<b>Total</b>	<b>4 835</b>	<b>3 164</b>

## 20. Financial expenses

	2023/24	2022/23
Interest expenses	4 818	2 088
Foreign exchange losses	4 145	4 811
Other financial expenses	220	222
<b>Total</b>	<b>9 183</b>	<b>7 121</b>



## 21. Income taxes

	2023/24	2022/23
Current income taxes	5357	3756
Deferred income taxes	(1851)	1606
<b>Total</b>	<b>3506</b>	<b>5362</b>
Weighted average tax rate in %	4.3%	9.5%
<b>Weighted average tax rate in % without special item</b>	<b>7.3%</b>	<b>14.3%</b>

Ypsomed AG benefits from tax relief for patents and research and development activities under STAF, resulting in a reduced tax rate of 11.275 %. Deferred tax effects on temporary differences are recognised at a future income tax rate of 11.275 %, with utilisation of the maximum STAF relief.

At Ypsomed Produktion GmbH, losses incurred in connection with the set-up of production are recognised as deferred tax assets at a tax rate of 32.15 %.

#### Special effects from the previous year in current taxes for the year 2022/23:

In the previous year, the gain on the divestment of DiaExpert GmbH, DE-Liederbach, amounting to CHF 17.3 million, was taxed at a special rate in Germany, resulting in a tax expense of CHF 0.3 million.

The group average tax rate used to calculate deferred income tax is 14.2 % (previous year: 13.8 %).

#### Special effects in deferred taxes

As at 31 December 2019, intercompany sales of trademarks and patents of TecPharma Licensing AG to Ypsomed AG amounted to CHF 242.0 million. In the 2019/20 financial year, ordinary current taxes of CHF 21.5 million were due on the gain of this intercompany transaction. At Group level, there are valuation differences due to sales of brands and patents within the group, as the brands and patents were capitalised by Ypsomed AG. Since 01 January 2020, these are amortised linearly for tax purposes over 10 years. As per 31 March 2024, the deferred income tax assets on this transaction amounted to CHF 18.2 million (31 March 2023: CHF 18.4 million). These were assessed at the tax rate of 11.275% until 31 March 2027, taking advantage of the maximum STAF relief. As of 01 April 2027, the future income tax rate of 15 % (maximum STAF relief) was applied as a result of OECD minimum taxation. The revaluation of deferred tax assets at a tax rate of 15 % resulted in a deferred tax gain of CHF 2.5 million in the reporting period.

	31 March 2024	31 March 2023
<b>Total capitalised deferred tax assets</b>	<b>33870</b>	<b>31498</b>
of which temporary differences	19426	19589
of which not yet utilised tax-loss carryforwards	14444	11910

Deferred income tax assets from unused tax loss carryforwards are only capitalised if it is highly probable that future taxable profits will be generated. In the financial year 2023/24, deferred income tax assets on expired and thus unusable loss carryforwards in the amount of CHF 0.0 million were reversed (previous year: CHF 0.4 million). CHF 4.7 million (previous year: CHF 2.8 million) in assets were created for newly incurred losses. CHF 2.0 million (previous year: CHF 2.3 million) of the deferred tax assets from loss carryforwards were used by offsetting profits.

The remaining change compared to the previous year is attributable to foreign currency translation effects. Deferred income tax assets are recognised on 72 % (previous year: 80 %) of the total loss carryforwards of CHF 76.2 million (previous year: CHF 67.6 million).

## 22. Segment information

Ypsomed discloses net sales from the perspective of sales structures, according to Ypsomed Delivery Systems (YDS: injection systems) 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 and SHL Group), or large companies with large reporting segments and diluted comparative information (Roche and 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.

Financial year 2022/23	Ypsomed Diabetes Care	Ypsomed Delivery Systems	Others	Eliminations	Group
Sales of goods and services to third-party customers	173 530	307 807	16 122		497 460
Intersegmental sales			2 209	-2 209	0
<b>Total sales of goods and services</b>	<b>173 530</b>	<b>307 807</b>	<b>18 331</b>	<b>-2 209</b>	<b>497 460</b>

<b>Operating profit</b>						<b>60 594</b>
<b>EBIT margin</b>						<b>12.2 %</b>
Investments in fixed and intangible assets						178 417
Depreciation/Amortisation/Impairment						78 560

Financial year 2023/24	Ypsomed Diabetes Care	Ypsomed Delivery Systems	Others	Eliminations	Group
Sales of goods and services to third-party customers	<b>151 049</b>	<b>385 152</b>	<b>12 255</b>		<b>548 457</b>
Intersegmental sales			<b>4 349</b>	<b>-4 349</b>	<b>0</b>
<b>Total sales of goods and services</b>	<b>151 049</b>	<b>385 152</b>	<b>16 604</b>	<b>-4 349</b>	<b>548 457</b>

<b>Operating profit</b>						<b>86 219</b>
<b>EBIT margin</b>						<b>15.7 %</b>
Investments in fixed and intangible assets						<b>200 927</b>
Depreciation/Amortisation/Impairment						<b>74 866</b>

Sales of goods and services by regions	2023/24	2022/23
Switzerland	58 012	60 801
Europe	332 588	308 875
North America	47 505	39 811
Rest of the World	110 352	87 973
<b>Total</b>	<b>548 457</b>	<b>497 460</b>

Sales of goods and services are reported by geographical location in accordance with the invoice address. The sales of injection systems to biotech and pharmaceutical part-

ners are made mainly to their European group companies. These companies market the products worldwide.

## 23. Contingent liabilities

Ypsomed has indefinite contingent liabilities (mainly guarantees) from current business activities with regard to third parties to the amount of CHF 7.7 million (previous year: CHF 3.8 million). Ypsomed is of the opinion that it is

unlikely that these contingent liabilities will be utilised. In addition, there are contingencies and commitments in the context of law cases that could occur in the course of normal business operations.

## 24. Leasing and contractual obligations

The maturities of the group's fixed operating leasing/rental liabilities that cannot be terminated within 12 months are as follows (undiscounted):

	31 March 2024	31 March 2023
Less than 1 year	2 990	2 290
1 to 5 years	8 660	6 725
Over 5 years	630	1 470
<b>Total</b>	<b>12 280</b>	<b>10 485</b>

The above overview includes a lease agreement concluded between Ypsomed AG and Techpharma Management AG, a company controlled by Willy Michel. The rent is based on an independent rental valuation, and starting from 01 June 2020 it amounts to CHF 840 000 per year plus VAT and is linked to the national consumer price index. The rental contract stipulates that small and standard

maintenance work on the building shall be paid by the tenant up to a maximum amount of 2.0 % of the annual rent per calendar year. The contract ends on 31 December 2029. The total obligation until expiry of the contract amounts to CHF 4.8 million (previous year: CHF 5.7 million).

Further contractual obligations	31 March 2024	31 March 2023
Purchase commitments for products	16 025	10 991
Obligations for the purchase of fixed assets	127 028	72 148
Obligations for the purchase of intangible assets	1 250	1 050
Liabilities for miscellaneous purchasing	1 392	3 159
<b>Total</b>	<b>145 694</b>	<b>87 348</b>

The increase in obligations for the acquisition of fixed assets is primarily attributable to the expansion (expansion of the hall, assembly lines, injection moulding machines, etc.) at the production site of Ypsomed Produktion GmbH in Schwerin, the establishment of the production site in China, as well as investments by Ypsomed AG for production lines for YpsoMate 1.0 and YpsoMate 2.25, and capacity expansion for the production of infusion sets.

## 25. Transactions with related parties

Related parties are Techpharma Management AG, TecMed AG and the employee pension funds. On the balance sheet date, trade receivables and advance payments to related parties amounted to CHF 0.8 million (previous year: CHF 1.1 million).

As in the previous year, there were no liabilities at the reporting date. The reporting year includes the following significant transactions with related parties:

Expenses	2023/24	2022/23
Techpharma Management AG (interest according to note 11)	0	178
Techpharma Management AG (compensation for rented business premises)	840	840
Techpharma Management AG (amounts in accordance with service contract)	39	34
<b>Total expenses</b>	<b>879</b>	<b>1 052</b>
<b>Income/Sale of capitalised development expenditures</b>		
TecMed AG (development activities rendered regarding YpsoPod enhancement project since 01.01.2021) in sales of goods and services	11 634	11 375
<b>Total income</b>	<b>11 634</b>	<b>11 375</b>

### Lease Agreement

Since 01 January 2006, Techpharma Management AG, which is controlled by Willy Michel, has rented the commercial property at Buchmattstrasse in Burgdorf to Ypsomed. The parties have signed this lease contract that stipulates i.e. an index-linked lease at arms' length; the determination of the lease has been reviewed and agreed by an independent assessor. The lease contract could be terminated on 31 December 2029 conditional upon a 24 months' notice, and after this date on any month. During the entire lease period, there is an unlimited purchase option for the lessee, which definitely will end after 25 years after the beginning of the lease. In addition, the lease contract stipulates that moderate and usual maintenance work amounting up to 2 % of the annual lease per calendar year shall be borne by the lessee. More extensive maintenance expenses in order to preserve the substance of the building shall be borne by the lessor. Realised and with the hirer agreed modifications of the building shall be reimbursed upon the termination of the contract; the respective book values derive from the asset ledger by applying the respective depreciation rates according to Swiss GAAP FER. This lease contract was discussed and agreed by the Board of Directors who have obtained the opinion that the contract is at arm's length.

### Further contractual relations

Techpharma Management AG, which is controlled by Willy Michel, and Ypsomed have concluded a framework service contract that can be terminated by either side at any time. This contract allows Techpharma Management AG for providing service as of needed basis to Ypsomed Group (e.g. hotel, catering) as well as selected management support services (including temporary labour leasing) and, for its part, for Ypsomed Group to offer occasional

services Techpharma Management AG (e.g. management – and IT support, including temporary labour leasing). The required services are being invoiced at a prevailing market rate. This service contract was discussed and agreed by the Board of Directors who have obtained the opinion that the contracts is at arm's length.

### Sale and the further development of YpsoPod development project

As of 01 January 2021, Ypsomed sold the development project YpsoPod (patch-pump technology) to TecMed AG, a company controlled by Willy Michel. This sale enabled Ypsomed to enhance the entrepreneurial freedom and to invest the resources by focusing on all activities, which contribute to profitability faster. Ypsomed has a preemption right if TecMed AG prospectively sells the YpsoPod in future. If Ypsomed is opting out the preemption right, then it could claim 20 % earn-out. In addition, Ypsomed can repurchase the product at the respective stage of development.

As stipulated in a service contract, TecMed AG has mandated Ypsomed AG to enhance YpsoPod. Ypsomed charges occurring expenditures and processing services with a mark-up of 5 %. The risks of the enhancement and industrialisation bear TecMed AG. If TecMed AG outsources the production of YpsoPod, Ypsomed AG has the right to submit an offer. The corresponding contracts have been discussed and approved by the Board of Directors and, in the opinion of the Board of Directors, correspond to a cooperation customary in the market.

## 26. 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.

In the reporting year, a Long-Term Incentive Plan (LTI) was introduced for the Board of Directors, the Executive Management, and other managers, which may lead to a potentially dilutive effect.

	2023/24	2022/23
Net profits in thousand CHF	78 366	51 275
Number of outstanding shares weighted on a monthly basis	13 648 908	13 418 662
Earnings per share in CHF (undiluted)	5.74	3.82
Net profits in thousand CHF	78 366	51 275
Number of outstanding shares weighted on a monthly basis	13 648 908	13 418 662
Potentially dilutive effect of the Long-Term Incentive Plan	2 842	0
Earnings per share in CHF (diluted)	5.74	3.82

## 27. Discontinued operations

On 27 March 2024, Ypsomed announced its intention to sell its Pen Needle and Blood Glucose Monitoring (BGM) business segments to the Italian Medical Technology and Devices S.p.A (MTD). With this move, Ypsomed is fully focusing on the insulin pump business within the Diabetes Care segment. The completion of the transaction and the transfer of the business (Closing) are subject to the usual or regulatory conditions and are expected in the summer of 2024. During a transitional period, Ypsomed will continue to manufacture pen needles and provide services as a contract manufacturer to facilitate a seamless transition. The assets with book values of approximately CHF 10 million will be transferred gradually. Overall, Ypsomed expects a book loss from this transaction roughly equal to the goodwill to be recycled from equity, which amounts to approximately CHF 10 million. This transaction is non-cash and has no impact on equity. The net sales and the operating result from discontinued operations can be found in the table below.

Net sales and operating result	2023/24	2022/23
Net sales	39 406	52 324
Operating result	-12 385	-11 547

## Subsequent events

Based on the Board of Directors decision on 21 May 2024 Ypsomed intends to separate its Business Areas (Ypsomed Delivery Systems and Ypsomed Diabetes Care) into two independent entities. The future financial impact cannot be reliably estimated at this time. The pure separation has no significant impact on the consolidated financials as per 31 March 2024.



# Report of the group auditors

## Report of the statutory auditor

to the General Meeting of Ypsomed Holding AG

Burgdorf

### Report on the audit of the consolidated financial statements

#### Opinion

We have audited the consolidated financial statements of Ypsomed Holding AG and its subsidiaries (the Group), which comprise the consolidated income statement for the financial year ended 31 March 2024, the consolidated balance sheet as at 31 March 2024, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year then ended, the basis for the consolidated financial statements and notes to the consolidated financial statements.

In our opinion, the consolidated financial statements (pages 52 to 61 and 63 to 82) give a true and fair view of the consolidated financial position of the Group as at 31 March 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

#### Basis for opinion

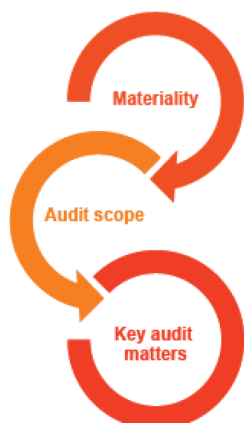
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent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

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

#### Our audit approach

##### Overview

Overall Group materiality: CHF 4'000'000



We concluded full scope audit work at 4 Group companies in 2 countries. These Group companies contributed 89% of the Group's sales of goods and services.

As key audit matter the following area of focus has been identified:

Impairment of capitalized development costs

#### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due

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to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

<b>Overall Group materiality</b>	CHF 4'000'000
<b>Benchmark applied</b>	Sales of goods and services
<b>Rationale for the materiality benchmark applied</b>	We chose sales of goods and services as the benchmark because, in our view, it is one of the benchmarks against which the performance of the group is most commonly measured, and it is a generally accepted benchmark for materiality considerations.

We agreed with the Audit & Risk Committee that we would report to them misstatements above CHF 400'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

#### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group comprises three business divisions (Ypsomed Delivery Systems, Ypsomed Diabetes Care, Others) and it is active in four regions, 'Switzerland', 'Europe', 'North America' and 'Rest of the World'. The Group financial statements are a consolidation of 29 reporting units, comprising the Group's operating businesses and centralised service and corporate functions.

The Group audit strategy was determined taking into account the work performed by the Group auditor as well as by the component auditors in the PwC network. In relying on the component auditors, we have ensured that their work provides sufficient appropriate audit evidence on the components' financial information as a basis for the Group audit opinion. This involvement of the Group auditor in the work of the component auditors was based on audit instructions and pre-structured reporting. It also included the assessment of the risk assessments and reporting of the component auditors as well as various telephone conferences with them.

#### Key audit matters

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

### Impairment of capitalized development costs

Key audit matter	How our audit addressed the key audit matter
<p>As at 31 March 2024, Ypsomed Group disclosed capitalized development costs in the amount of CHF 250.6 million (prior year: CHF 201.2 million). In this regard, we also refer to section 5 of the basis for the consolidated financial statements and in section 9 of the notes to the consolidated financial statements.</p> <p>Capitalized development costs include products in the development phase in the amount of CHF 185.1 million (prior year: CHF 129.3 million), products in the industrialization phase of CHF 11.4 million (prior year: CHF 10.0 million) and products in the marketing phase of CHF 54.1 million (prior year: CHF 62.0 million).</p> <p>In order to test the development costs for impairment, management assesses the probability of any expected future economic benefits. We consider the impairment of capitalized development costs as a key audit matter, as the profitability analysis used for this purpose is substantially based on management estimates.</p>	<p>We tested the appropriateness of the Group's financial reporting in relation to the impairment of capitalized development costs.</p> <p>Based on the following audit procedures we tested how management made the accounting estimate in terms of the profitability analysis:</p> <ul style="list-style-type: none"> <li>• We compared the relevant parameters used in the profitability analysis with data sources of the group.</li> <li>• We assessed the accuracy of past plans by comparing them with the values, that actually occurred.</li> <li>• Furthermore, we evaluated how sensitively the calculations reacted to changes in the input parameters and whether the calculation models used were mathematically accurate.</li> </ul> <p>We consider the profitability analysis applied by management to be an appropriate basis for the assessment of the impairment of capitalized development cost.</p>

### Other information

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

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

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

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

### Board of Directors' responsibilities for the consolidated financial statements

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

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

### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERT-suisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

## Report on other legal and regulatory requirements

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

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

PricewaterhouseCoopers AG

Oliver Kuntze  
Licensed audit expert  
Auditor in charge

Astrit Mehmeti  
Licensed audit expert

Bern, 21 May 2024



# Balance sheet of Ypsomed Holding AG

## – statutory financial statements

In thousand CHF

<b>Assets</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Cash	2735	484
Other short-term interest-bearing receivables from third parties	0	993
Other short-term receivables to third parties	87	35
Accrued income	51	31
<b>Total current assets</b>	<b>2873</b>	<b>1542</b>
Investments	308649	301342
Long-term receivables group companies	670425	582957
<b>Total non-current assets</b>	<b>979075</b>	<b>884299</b>
<b>Total assets</b>	<b>981948</b>	<b>885841</b>
<b>Liabilities and equity</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Trade payables third parties	69	56
Other short-term payables to third parties	28	0
Short-term financial liabilities to bank	211000	104000
Short-term financial liabilities to group companies	15565	15203
Accrued liabilities and deferred income	1184	1140
Current income taxes payable	8	28
<b>Total current liabilities</b>	<b>227855</b>	<b>120427</b>
Provision for Long-term Incentive Plan (Techpharma Management AG, CH-Burgdorf)	41	0
<b>Total non-current liabilities</b>	<b>41</b>	<b>0</b>
<b>Total liabilities</b>	<b>227895</b>	<b>120427</b>
Share capital	193144	193144
Statutory capital reserves		
Capital contribution reserves	195593	204466
Disagio	-150	-150
Statutory retained earnings		
General legal reserves	50	50
Reserve for treasury shares	0	167
Retained earnings	359033	381053
Net result	6382	-13315
<b>Total shareholders' equity</b>	<b>754052</b>	<b>765415</b>
<b>Total liabilities and shareholders' equity</b>	<b>981948</b>	<b>885841</b>



# Income statement of Ypsomed Holding AG – statutory financial statements

In thousand CHF

	01 April 2023– 31 March 2024	01 April 2022– 31 March 2023
Operating expenses		
Administrative expenses	1 458	1 372
Costs of services	800	700
Impairment of investment Ypsotec AG	0	4 800
Impairment of long-term receivables Ypsotec AG	0	7 693
<b>Total operating expenses</b>	<b>2 258</b>	<b>14 565</b>
<b>Operating result</b>	<b>–2 258</b>	<b>–14 565</b>
Financial income		
Interest income third parties	9	14
Interest income investments	15 110	6 438
Foreign exchange gains realised and unrealised	22	156
<b>Total financial income</b>	<b>15 140</b>	<b>6 608</b>
Financial expense		
Interest expense third parties	–3 502	–1 546
Interest expense investments	–362	–141
Foreign exchange losses realised and unrealised	–2 419	–3 465
Other financial expenses	–42	–20
<b>Total financial expenses</b>	<b>–6 325</b>	<b>–5 172</b>
<b>Financial result</b>	<b>8 816</b>	<b>1 436</b>
<b>Result before taxes</b>	<b>6 557</b>	<b>–13 129</b>
Taxes	–175	–186
<b>Net result</b>	<b>6 382</b>	<b>–13 315</b>



# Notes to the statutory financial statements of Ypsomed Holding AG

## General

The creation of the annual financial statements 2023/24 is in adherence to the regulations of the Swiss Reporting Authorisation (32nd title of Swiss Code of Obligations). Additional information in the notes to the annual financial statement, the cash flow statement and the situation report was dispensed with in accordance with art. 961d CO as Ypsomed Holding AG prepares a consolidated financial statement in accordance with a recognised standard for financial accounting.

## Valuation principles

This annual financial statement was prepared in accordance with the provisions on commercial accounting of the Swiss Code of Obligations (art. 957–963b CO).

### Assets and liabilities

Assets are valued no higher than the purchasing costs, listed securities at market value. All changes in values are posted in the profit and loss results. No provisions are made for a fluctuation reserve. Liabilities are valued at their nominal value.

### Investments and financial assets

Investments and financial assets are valued at acquisition costs less impairment. Value adjustments affecting net income are included in the results for the period.

### Foreign currency translation

All assets and liabilities in foreign currencies are translated at the exchange rates applicable at the reporting date. The translation of income and expenses in foreign currencies as well as all transactions in foreign currencies are made at the exchange rates applicable on the respective transaction dates. The resulting differences in exchange rates are included in the profit and loss account.

## Number of full-time equivalents

The annual average of full time equivalents was 0 – in both the reported financial year and the previous year.

## Direct investment

During the current year, a capital contribution to reserves in the amount of CHF 15.0 million was made to the investment in Ypsotec AG by transferring a portion of the loan. At the same time, the loan impairment from the previous year in the amount of CHF 7.7 million was trans-

ferred to the investment carrying amount. The net investment carrying amount as of 31 March 2024, is CHF 7.3 million.

In the previous year, the investment in Ypsotec AG was impaired by an additional CHF 4.8 million to a new value of CHF 0.0.

The share in the investment in Ypsomed BV, BE-Brussels (0.34 %) was sold to Ypsomed AG, Burgdorf, at cost. Ypsomed AG is now the sole owner of Ypsomed BV, BE-Brussels (100 %).

## Long-term receivables group companies

The loan to Ypsotec AG amounts to CHF 14.2 million (previous year: CHF 19.5 million) and was impaired by CHF 7.7 million in the previous year. Additionally, a subordination of CHF 3.5 million was granted in the previous year. During the current financial year, a capital contribution to reserves in the amount of CHF 15.0 million was made by transferring a portion of the loan. As a result, the subordination has ceased. At the same time, the impairment of CHF 7.7 million made in the previous year was transferred to the investment value.

## Long-term interest-bearing financial liabilities to major shareholder

The loan of Techpharma Management AG for a total of CHF 110.0 million was assigned to the private person Willy Michel in June 2022. With the capital increase of June 2022, the shares subscribed by Willy Michel were offset against the loan by means of a off-set in the amount of CHF 85.0 million. The remaining loan of Willy Michel in the amount of CHF 25.0 million was repaid in October 2022.

## Share-based payments

For Board members, there is a Long-Term Incentive Plan (LTIP). Plan participants receive a defined number of performance share units (PSUs) at the beginning of a three-year vesting period, entitling them to purchase a specific number of shares of Ypsomed Holding AG at the end of the vesting period, subject to certain performance criteria. A corresponding provision is created during the vesting period. The expense is recognised in the income statement in accordance with the period's timing principle. In the reporting year, the expense for the LTIP amounted to TCHF 40.6 (previous year: TCHF 0).



### Derivative financial instruments

No transactions with derivative financial instruments were carried out in the reporting year.

### Financial expenses

The foreign currency valuation of the loan to Ypsomed Produktion GmbH resulted in an unrealised foreign currency loss of CHF –2.4 million (previous year: CHF –3.5 million).

### Share capital

The share capital increase of a maximum of CHF 14 150 000 through the issuance of a maximum of 1 000 000 fully paid registered shares with a nominal value of CHF 14.15 each,

as resolved at the AGM on 30 June 2021, was completed on time on 27 June 2022. The share capital amounting to CHF 193 143 806 (previous year: CHF 193 143 806) consists of 13 649 739 (previous year: 13 649 739) registered shares with a nominal value each of CHF 14.15 (previous year: CHF 14.15).

In the previous year, the reserves from capital contributions amounted to CHF 204.465 million, following the contribution of a share premium of CHF 108.35 million, the costs of the capital increase of CHF –2.345 million, and the payment of the dividend from capital contributions of CHF 4.095 million.

The reserves from capital contributions now amount to CHF 195.593 million (previous year: CHF 204.465 million). This is after the payment of the dividend from capital contributions of CHF 8.872 million (previous year: CHF 4.095 million).

### Significant shareholders and shareholder groups

	31 March 2024		31 March 2023	
	Number of shares	Capital and vote share	Number of shares	Capital and vote share
Shareholder group Michel family	<b>9 805 907</b>	<b>71.8 %</b>	10 072 139	73.8 %

As of 31 March 2024, no further notifiable holdings have been reported.

### Treasury shares

Ypsomed Holding AG does not own any treasury shares. Ypsomed AG held 1 000 shares of Ypsomed Holding AG as of 31 March 2023, which represented the basis for the reserve of treasury shares in the previous year.

### Direct investments

	31 March 2024		31 March 2023	
	Capital and vote share	Book value (CHF)	Capital and vote share	Book value (CHF)
Ypsomed AG, CH-Burgdorf	<b>100 %</b>	<b>299 812 758</b>	100 %	299 812 758
Ypsotec AG, CH-Grenchen	<b>100 %</b>	<b>7 307 000</b>	100 %	0
TecPharma Licensing AG, CH-Burgdorf	<b>100 %</b>	<b>1 529 702</b>	100 %	1 529 702
Ypsomed India Private Ltd., IN-New Delhi	<b>0.01 %</b>	<b>0</b>	0.01 %	0
<b>Total Investments</b>		<b>308 649 460</b>		<b>301 342 460</b>

## Indirect and substantial investments

	Holding by	Capital and vote share	
		31 March 2024	31 March 2023
Ypsomed GmbH, DE-Liederbach	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed BV, NL-Nieuwegein	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed S.A.S., FR-Paris	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed AB, SE-Solna	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Produktion GmbH, DE-Schwerin	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed India Private Ltd., IN-New Delhi	Ypsomed AG, CH-Burgdorf	99.99 %	99.99 %
Ypsomed Ltd., UK-Esclrick	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed GmbH, AT-Vienna	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Italia S.R.L., IT-Milano	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Medical Devices Co. Ltd., CN-Beijing	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Australia Pty Ltd., AU-Sydney	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed s.r.o., CZ-Prague	Ypsomed AG, CH-Burgdorf	100 %	100 %
DiaExpert GmbH, DE-Liederbach	Ypsomed GmbH, DE-Liederbach	0 %	0 %
Ypsotec s.r.o., CZ-Tábor	Ypsotec AG, CH-Grenchen	100 %	100 %
Ypsomed Polska Sp. z o.o., PL-Warsaw	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed BV, BE-Brussels	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Diabetes, S.L.U., ES-Barcelona	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Canada inc., CA-Pointe Claire	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed AS, NO-Drammen	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Oy, FI-Masala	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed ApS, DK-Copenhagen	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Inc., US-Dover	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Distribution GmbH, DE-Rheinfelden	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Immobilien AG, CH-Burgdorf	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Software S.L.U., ES-Barcelona	Ypsomed AG, CH-Burgdorf	100 %	100 %
Ypsomed Manufacturing Co., Ltd., CN-Changzhou	Ypsomed AG, CH-Burgdorf	100 %	100 %

In the previous year, Ypsomed Manufacturing Co., Ltd., CN-Changzhou, was founded.

In the previous year, DiaExpert GmbH, DE-Liederbach, was completely sold on 31 December 2022.

## Patronage agreements to investments

None

## Securities, reserve for guarantees and collateral order in favour of third parties

In thousand CHF

	31 March 2024	31 March 2023
Credit Suisse (Schweiz) AG, CH-Zurich, guarantee in connection with credit business for Ypsomed AG	80 000	87 500
BNP Paribas (Suisse) SA, CH-Geneva, guarantee in connection with tender transactions of subsidiaries	13 141	9 925

## Long-term receivables group companies

In thousand CHF

	31 March 2024	31 March 2023
Ypsomed AG, CH-Burgdorf	488 319	436 802
Ypsotec AG, CH-Grenchen	14 188	19 549
Ypsomed Produktion GmbH, DE-Schwerin	167 918	126 606
<b>Total long-term receivables group companies</b>	<b>670 425</b>	<b>582 957</b>

## Investments held by the Board of Directors and members of Executive Board

As at 31 March 2024, executive and non-executive members of the Board of Directors, members of the Executive Board and persons closely linked to them held the following investments in total. No options on Ypsomed shares were held. Own shares held by the

Ypsomed Group and shares of Ypsomed Holding AG held by the employee pension fund are not allocated to any member of the Board of Directors or Executive Board.

Share ownership of Board of Directors	31 March 2024	31 March 2023
Gilbert Achermann, Chairman, since 29.06.2022	10 550	10 550
Paul Fonteyne, Member	0	0
Dr. Martin Münchbach, Member	400	400
Betül Susamis Unaran, Member	0	0
Simon Michel, Member, since 29.06.2022	177 496	177 496
<b>Total shares Board of Directors</b>	<b>188 446</b>	<b>188 446</b>

### Members of Executive Board

Simon Michel, Chief Executive Officer (CEO) and member of the Board of Directors	177 496	177 496
Dr. Nicolas Meyer, Chief Legal Officer (CLO) and secretary of the Board of Directors, since 01.05.2023	0	
Dr. Beat Maurer, Chief Legal Officer (CLO) and secretary of the Board of Directors, until 31.03.2023		695
Niklaus Ramseier, Chief Financial Officer (CFO), until 31.03.2024	1 356	1 356
Ulrike Bauer, Chief Business Officer Ypsomed Delivery Systems (CBO YDS) <sup>1</sup>	700	700
Frank Mengis, Chief Operating Officer (COO)	750	750
Michael Zaugg, Chief Corporate Officer (CCO)	26	26
Sébastien Delarive, Chief Business Officer Ypsomed Diabetes Care (CBO YDC), since 01.06.2022	688	838
<b>Total shares Executive Board</b>	<b>181 016</b>	<b>181 840</b>

Refer to the Corporate Governance on page 104 for details of the shareholder group Michel family and their share ownership.

<sup>1</sup> Correction previous year: In the previous year, as of 31 March 2023, 679 shares were reported instead of 700 shares.

## Subsequent events

Based on the Board of Directors decision on 21 May 2024 Ypsomed intends to separate its Business Areas (Ypsomed Delivery Systems and Ypsomed Diabetes Care) into two independent entities. The future financial impact

cannot be reliably estimated at this time. The pure separation has no significant impact on the financials as per 31 March 2024.

**Proposed appropriation of available earnings and the proposed repayment of the legal capital reserve**

The Board of Directors proposes to the Annual General Meeting of Shareholders a distribution of the retained earnings and the legal capital reserve as follows:

In thousand CHF

	31 March 2024	31 March 2023
Retained earnings	358 866	381 220
Allocation reserves for treasury shares	0	-167
Release of reserves for treasury shares	167	0
<b>Retained earnings brought forward after change in reserves for treasury shares</b>	<b>359 033</b>	<b>381 053</b>
Net result	6 382	-13 315
<b>Retained earnings at disposal of the General Meeting of Shareholders</b>	<b>365 415</b>	<b>367 738</b>
Distribution of dividend from retained earnings <sup>1</sup>	-13 650	-8 872
Allotment from capital contribution reserves <sup>1</sup>	13 650	8 872
Distribution of dividend from capital contribution reserves <sup>1</sup>	-13 650	-8 872
<b>Carried forward to the next year</b>	<b>351 766</b>	<b>358 866</b>
Fully paid registered shares as of 31 March each at CHF 14.15 par value	13 649 739	13 649 739

<sup>1</sup> The Board of Directors proposes to the Annual General Meeting of Shareholders a dividend payment from retained earnings of CHF 1.00 (previous year: CHF 0.65) and a tax free distribution of capital contribution reserves in the amount of CHF 1.00 (previous year: CHF 0.65) per share. The total distribution based on the outstanding shares as of 31 March 2024 amounts to approximately CHF 27.3 million (previous year: CHF 17.7 million).



# Report of the statutory auditors

## Report of the statutory auditor

to the General Meeting of Ypsomed Holding AG

Burgdorf

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Ypsomed Holding AG (the Company), which comprise the balance sheet as at 31 March 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant valuation principles and accounting policies.

In our opinion, the financial statements (pages to 87 bis 93) comply with Swiss law and the Company's articles of incorporation.

#### Basis for opinion

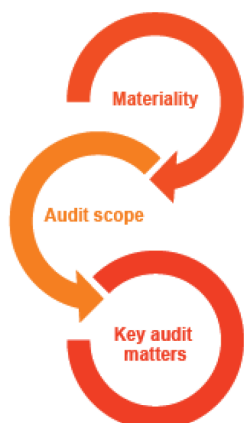
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company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

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

#### Our audit approach

##### Overview

Overall materiality: CHF 7'000'000



We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:

Impairment of investments and long-term receivables group companies

#### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

<b>Overall materiality</b>	CHF 7'000'000
<b>Benchmark applied</b>	total assets
<b>Rationale for the materiality benchmark applied</b>	We chose total assets as the benchmark because, in our view, it is a relevant benchmark against which a holding company can be assessed, and it is a generally accepted benchmark for materiality considerations.

We agreed with the Audit & Risk Committee that we would report to them misstatements above CHF 400'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

#### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

#### Key audit matters

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

#### Impairment of investments and long-term receivables group companies

Key audit matter	How our audit addressed the key audit matter
<p>As at 31 March 2024, Ypsomed Holding AG holds investments and long-term receivables group companies in the amount of kCHF 979'075 (prior year: kCHF 884'299).</p> <p>To test the investments and long-term receivables group companies positions for impairment, management prepares medium-term plans. These medium-term plans form the basis for testing the impairment of investments and long-term receivables group companies' positions. These medium-term plans are substantially based on management estimates.</p> <p>We consider the impairment of investments and long-term receivables group companies as a key audit matter due to their relevance to the financial position of Ypsomed Holding AG</p> <p>This matter is presented in the statutory financial statements in the notes to the statutory financial statements in the valuation principles to «investments and financial assets» and «direct investment» as well as «long-term receivables group companies».</p>	<p>In order to test the appropriateness of the impairment assessment undertaken by management, we performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• We assessed the mathematical accuracy and consistency of the applied calculation models.</li> <li>• We assessed the accuracy of past planning by comparing it to what actually occurred.</li> <li>• Furthermore, we assessed whether the medium-term plans used in impairment testing were consistent with the planning data that was used in connection with the consolidated financial statements.</li> </ul> <p>We consider the assessment procedures used by management to be an appropriate and adequate basis for the impairment testing of investments and long-term receivables group companies.</p>



### Other information

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

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

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

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

### Board of Directors' responsibilities for the financial statements

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

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

### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

### Report on other legal and regulatory requirements

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

We further confirm that the proposed appropriation of available earnings and the proposed repayment of the legal capital reserve comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Oliver Kuntze  
Licensed audit expert  
Auditor in charge

Astrit Mehmeti  
Licensed audit expert

Bern, 21 May 2024





## Multi-year overview

In thousand CHF

	2023/24	2022/23	2021/22	2020/21
Sales of goods and services <sup>1</sup>	548 457	497 460	464 841	403 656
Gross profit	189 053	140 591	113 817	94 827
Gross profit in %	34.5 %	28.3 %	24.5 %	23.5 %
EBIT profit	86 219	60 594	28 579	9 269
EBIT profit in %	15.7 %	12.2 %	6.1 %	2.3 %
Net profit	78 366	51 275	23 105	5 811
Net profit in %	14.3 %	10.3 %	5.0 %	1.4 %
Depreciation of tangible assets	43 547	41 810	40 273	34 053
Amortisation of intangible assets	31 319	36 750	27 808	21 972
EBITDA <sup>2</sup>	161 085	139 154	96 660	65 294
EBITDA in %	29.4 %	28.0 %	20.8 %	16.2 %
Current assets	337 945	208 327	193 584	185 141
Non-current assets	763 450	653 552	563 327	532 543
Current liabilities	440 223	258 988	237 336	272 377
Non-current liabilities	43 436	40 558	127 034	49 921
Balance sheet total	1 101 395	861 879	756 910	717 683
Capital expenditure	-121 033	-98 717	-50 537	-57 197
Cash flow from operating activities	163 224	129 531	85 706	85 828
Cash flow from investing activities	-195 072	-122 019	-125 700	-106 914
Cash flow from financing activities	81 066	1 265	38 125	26 669
Issued shares at 31 March	13 649 739	13 649 739	12 649 739	12 649 739
Average shares outstanding	13 648 908	13 418 662	12 645 041	12 612 184
Earnings per share in CHF (basic/diluted)	5.74	3.82	1.83	0.46
Dividend per share (in CHF)	2.00	1.30	0.60	1.16
Book value per issued share (in CHF) <sup>3</sup>	45.26	41.20	31.03	31.26
Share price: year's highest (in CHF)	377.00	205.50	193.00	162.80
Share price: year's lowest (in CHF)	185.40	121.60	138.20	112.40
Share price: year-end (in CHF)	360.50	192.40	163.00	158.60
Market capitalisation (in million CHF)	4 921	2 626	2 062	2 006
Average headcount	2 267	2 060	1 882	1 799
Average full-time equivalent	2 176	1 967	1 791	1 712
Year-end headcount	2 389	2 059	1 923	1 824
Year-end full-time equivalent	2 296	1 978	1 831	1 737
Sales per average full-time equivalent (in CHF)	252 048	252 903	259 543	235 780

<sup>1</sup> See basis for the consolidated financial statements on page 56.

<sup>2</sup> Operating profit before depreciation and amortisation.

<sup>3</sup> The goodwill was offset with equity under Swiss GAAP FER.





**The Corporate Governance report describes the management and control principles at the highest corporate level of Ypsomed Holding AG and its subsidiaries.**





## Corporate Governance

The Corporate Governance report describes the management and control principles at the highest corporate level of Ypsomed Holding AG and its subsidiaries according to the directive of SIX Swiss Exchange as of 29 June 2022 (Corporate Governance Directive) concerning information on corporate governance.

Ypsomed, with headquarters in Burgdorf, Switzerland, is a world leader in the field of injection systems for the administration of pharmaceutical substances. Ypsomed develops and produces its products primarily in Switzerland. Ypsomed injection systems are marketed by globally operating pharmaceutical and biotechnology companies. As part of its Diabetes Care business segment, Ypsomed focuses on self-medication products for patients with diabetes. The company's own infusion pumps, pen needles as well as infusion sets and commercial products purchased from third parties, in particular devices for the self-monitoring of blood glucose levels, are sold through the company's own distribution network and by independent distributors. The Ypsomed Group also includes Ypsotec, with headquarters in Grenchen and a subsidiary in Czechia, a supplier of precision-turned parts and components.

In the reporting year, Ypsomed decided to divest the pen needles and blood glucose meters business areas. Ypsomed signed an agreement on the transfer of these areas in March 2024. The completion of the transaction is subject to the usual regulatory conditions and is expected in summer 2024. Further information on this transaction can be found in the financial report 2023/24 on page 82.

The Ypsomed Group's principles and regulations on Corporate Governance are defined in the Articles of Association, in the Organisational Regulations of Ypsomed Holding AG as well as the Code of Conduct of the Ypsomed Group and correspond to the Corporate Governance Directive. The Organisational Regulations issued by the Board of Directors governs the duties, powers and responsibilities of the executive bodies of the Ypsomed Group, with the main features of this policy set out on page 110 under section "Definition of competences". Ypsomed Holding AG's Articles of Association (in German) can be ordered in printed form from the company or can be viewed on the company's website at [www.ypsomed.com](http://www.ypsomed.com) (under: [www.ypsomed.com/articlesofassociation](http://www.ypsomed.com/articlesofassociation)).

The Code of Conduct of the Ypsomed Group can be ordered in printed form from the company or can be viewed on the company's website at [www.ypsomed.com](http://www.ypsomed.com) ([www.ypsomed.com/codeofconduct](http://www.ypsomed.com/codeofconduct)). Implementation of the basic principles and values laid down in the Code of Conduct is reviewed on an ongoing basis during the company's day-to-day business. To this purpose, the Board of Directors receives information on a regular basis regarding experiences with the Code of Conduct.

### Group structure

Ypsomed Holding AG is organised as a holding company pursuant to Swiss law and directly or indirectly owns or controls all the companies that form part of the Ypsomed Group worldwide. None of Ypsomed Holding AG's subsidiaries are listed companies.

### History of Ypsomed's development

Ypsomed was formed from what was previously Disetronic, which was founded in 1984 and had developed and produced infusion systems and also, from 1986, injection systems. On 30 April 2003, Roche Holding AG acquired the infusion business of Disetronic through a public tender offer. Willy Michel continued the injection business under the Ypsomed company name.

### Listed group company

Ypsomed Holding AG, which has its headquarters in Burgdorf, Switzerland, is the parent company of the Ypsomed Group. It has a share capital of CHF 193 143 806.85, divided into 13 649 739 registered shares with a nominal value of CHF 14.15 each. Shares in Ypsomed Holding AG have been traded on the Domestic Standard of the Swiss Stock Exchange, the SIX Swiss Exchange, security number 1939699/ticker symbol: YPSN.

	Per 31 March 2024	Per 31 March 2023
Market capitalisation in CHF	<b>4 920 730 910</b>	2 626 209 784
In % of equity <sup>1</sup>	<b>797.6</b>	467.0
Share price in CHF	<b>360.50</b>	192.40
Price/earnings ratio <sup>2</sup>	<b>62.79</b>	50.35

<sup>1</sup> Equity capital on 31 March 2024: kCHF 617 736  
Equity capital on 31 March 2023: kCHF 562 333

<sup>2</sup> Earnings per share as at 31 March 2024: CHF 5.74  
Earnings per share as at 31 March 2023: CHF 3.82

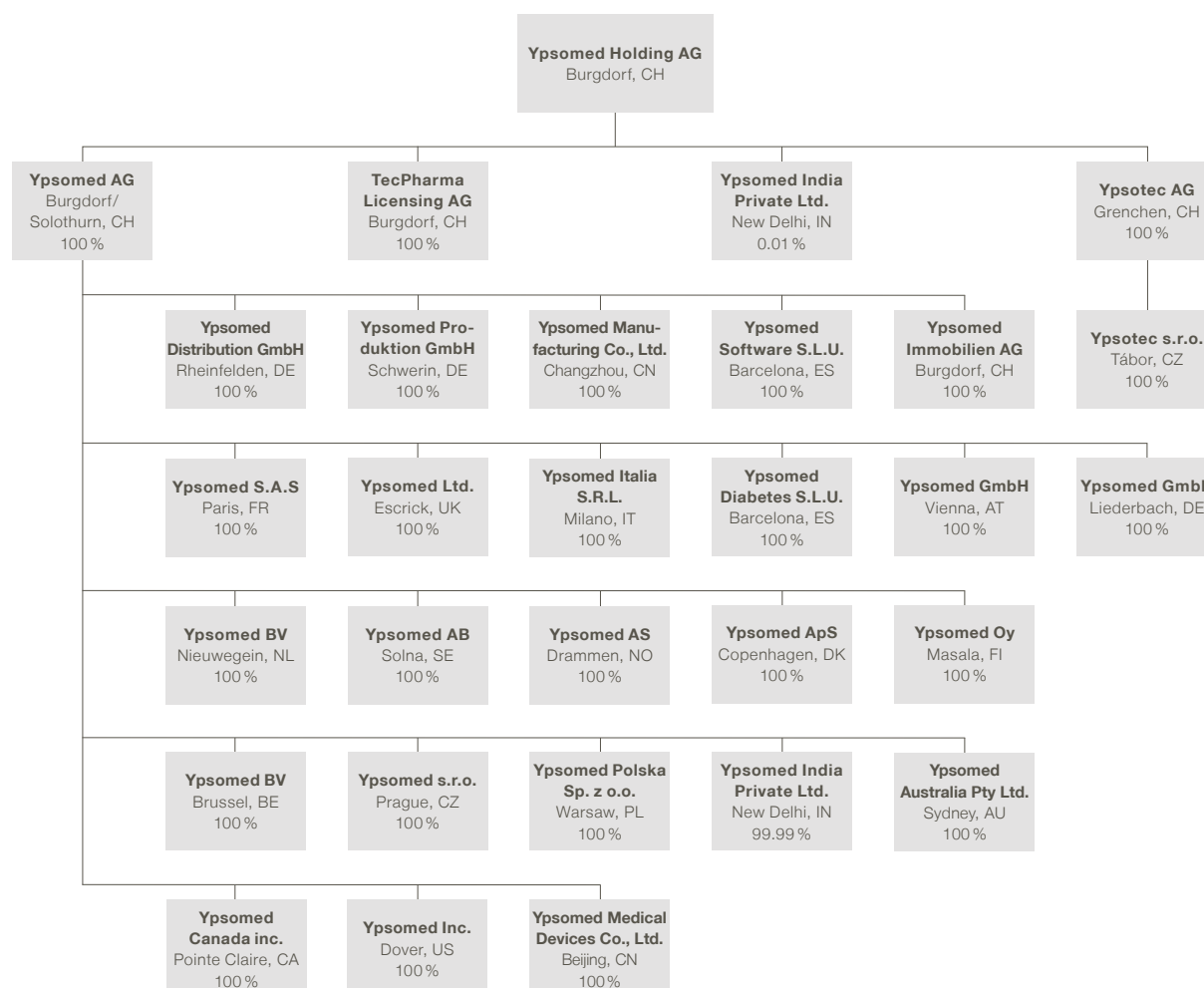
## Operating organisation

As of 01 October 2022, the operating organisational structure of the Ypsomed Group has been increasingly aligned with market requirements. In particular, product management and product development were merged into the two business areas Ypsomed Diabetes Care and Ypsomed Delivery Systems and the technology department, which previously accommodated product development, was disbanded. In addition to these two Business Areas, there are four supporting Corporate Areas: Operations, Corporate Services, Finance and Legal & Intellectual Property. The Executive Board members responsible for the Business Areas and Corporate Areas all report directly to the CEO. As a rule, two members of the Executive Board sit on the supreme body of each subsidiary. The Executive Board of Ypsotec reports directly to the CEO; the Executive Boards of the foreign sales companies report to the Head of Global Commercial Operations, a function which was newly created in the reporting year, who in turn reports directly to the Executive Board member Chief Business Officer of Ypsomed Diabetes Care; the Executive Board of Ypsomed Software S.L.U., Barcelona (ES) re-

ports directly to the Executive Board member Chief Business Officer of Ypsomed Diabetes Care; the Executive Board of Ypsomed Medical Devices Co., Ltd. (CN) reports to the Executive Board member Chief Business Officer Ypsomed Delivery Systems; the Executive Boards of Ypsomed Produktion GmbH, Schwerin (DE) and of Ypsomed Manufacturing Co., Ltd., Changzhou (CN) report to the Executive Board member Chief Operating Officer (COO).

In terms of operations, the Ypsomed Group is divided into two business segments, so-called Business Areas: The “Ypsomed Delivery Systems” segment comprises the business with the injection systems developed and manufactured by Ypsomed. The “Ypsomed Diabetes Care” segment comprises the business with various supplies for diabetes care, such as infusion pumps, infusion sets, pen needles, blood glucose monitoring systems and other accessories. The “Others” segment comprises precision turned parts as well as real estate not currently in operational use.

### Group structure as at 31 March 2024



The capital of each company is given in the appendix to the consolidated annual balance, see page 64 under note 2. Consolidation scope.





## Capital structure

### Share capital

The share capital of Ypsomed Holding AG amounts to CHF 193 143 806.85. It is divided into 13 649 739 fully paid-up registered shares, each with a nominal value of CHF 14.15.

### Conditional share capital

The Ypsomed Holding AG does not own conditional capital as of 31 March 2024.

### Authorised share capital

As at 31 March 2024, Ypsomed Holding AG does not have any authorised capital.

### Shares and participation certificates

The 13 649 739 registered shares are fully paid-up, and each has a nominal value of CHF 14.15. One registered share represents one vote. All shares have equal dividend rights. There are no preferential rights. Ypsomed Holding AG has no participation capital.

## Equity analysis of Ypsomed Holding AG

(Values in CHF)

Date	Process	Number of shares	Par value	Share capital	Retained earnings
<b>31.03.2021</b>	<b>Holdings</b>	<b>12649739</b>	<b>14.15</b>	<b>178993806.85</b>	<b>403038892.37</b>
01.04.2021	Transfer of net profit carried forward to retained earnings				-2612622.87
09.07.2021	Dividend from capital contribution reserves				
09.07.2021	Dividend from retained earnings				-7332912.74
10.-14.12.2021	Purchase of 1531 own shares				
17.12.2021	Disposal of 8317 own shares				
31.03.2022	Net result				
<b>31.03.2022</b>	<b>Holdings</b>	<b>12649739</b>	<b>14.15</b>	<b>178993806.85</b>	<b>393093356.76</b>
01.04.2022	Transfer of net profit carried forward to retained earnings				-7778319.49
27.06.2022	Capital increase	1000000	14.15	14150000.00	
27.06.2022	Capital increase – Agio				
27.06.2022	Capital increase – Cost & Emissions tax				
06.07.2022	Dividend from capital contribution reserves				
06.07.2022	Dividend from retained earnings				-4094921.70
12.12.2022	Reserves for treasury shares (at Ypsomed AG)				-166748.60
31.03.2023	Net result				
<b>31.03.2023</b>	<b>Holdings</b>	<b>13649739</b>	<b>14.15</b>	<b>193143806.85</b>	<b>381053366.97</b>
01.04.2023	Transfer of net profit carried forward to retained earnings				-13314894.71
28.06.2023	Dividend from capital contribution reserves				
28.06.2023	Dividend from retained earnings				-8872330.35
31.03.2024	Release of Reserves for treasury shares				166748.60
31.03.2024	Net result				
<b>31.03.2024</b>	<b>Holdings</b>	<b>13649739</b>	<b>14.15</b>	<b>193143806.85</b>	<b>359032890.51</b>

## Dividend rights certificates

Ypsomed Holding AG owns no dividend rights certificates.

## Changes in capital

The capital changed as follows in the past years: changes in the share capital up to 31 March 2024 in accordance with the statutory financial statement of Ypsomed Holding AG.

Net result	Treasury shares	Reserves for treasury shares	Other capital reserves (disagio)	Capital contribution reserves	General legal reserves	Total equity
<b>-2612622.87</b>	<b>-956554.56</b>		<b>-150000.00</b>	<b>109888990.25</b>	<b>50000.00</b>	<b>688252512.04</b>
2612622.87						688252512.04
				-7332912.74		680919599.30
						673586686.56
	-262786.40					673323900.16
	1219340.96					674543241.12
-7778319.49						666764921.63
<b>-7778319.49</b>	<b>0</b>		<b>-150000.00</b>	<b>102556077.51</b>	<b>50000.00</b>	<b>666764921.63</b>
7778319.49						666764921.63
						680914921.63
				108350000.00		789264921.63
				-2345634.94		786919286.69
				-4094921.70		782824364.99
						778729443.29
		166748.60				778729443.29
-13314894.71						765414548.58
<b>-13314894.71</b>		<b>166748.60</b>	<b>-150000.00</b>	<b>204465520.87</b>	<b>50000.00</b>	<b>765414548.58</b>
13314894.71						765414548.58
				-8872330.35		756542218.23
						747669887.88
		-166748.60				747669887.88
6382394.29						754052282.17
<b>6382394.29</b>			<b>-150000.00</b>	<b>195593190.52</b>	<b>50000.00</b>	<b>754052282.17</b>



## Shareholder structure

### Registered shareholders

There were 5947 shareholders owning shares registered in the Share Register on 31 March 2024 (previous year: 5387 shareholders). Of these shareholders, some 97 % report Switzerland as their place of residence. The distribution of shareholdings is as follows:

Number of shares	Number of shareholders as at 31 March 2024	Number of shareholders as at 31 March 2023
1 to 100	3946	3 161
101 to 1000	1 763	1 984
1001 to 10 000	206	209
10 001 to 100 000	26	25
over 100 000	6	8

### Significant shareholders and significant shareholder groups

The Michel family shareholder group, set up for the purpose of keeping shares in family ownership, consists of Willy Michel, who holds shares both directly and indirectly via Techpharma Management AG, which he controls, and his children Simon Michel, member of the Board of Directors of Ypsomed Holding AG as well as CEO of Ypsomed Holding AG and the Ypsomed Group, Serge Michel and Lavinia Camilla Nussio, who each hold the shares directly. As at 31 March 2024, the Michel family shareholder group holds a combined total of 9805907 (previous year: 10072 139) registered shares in Ypsomed Holding AG, which represents 71.8 % (previous year: 73.8 %) of all the shares in the company.

There are no other known significant shareholders or significant shareholder groups. No shareholder agreements have been disclosed.

In the reporting year, there were no disclosure notifications. The disclosure notifications published pursuant to art. 120 ff. of the Financial Market Infrastructure Act can be accessed at the website of SIX Swiss Exchange via the following link: [www.ser-ag.com](http://www.ser-ag.com).

### Cross participations

There are no cross participations between Ypsomed Holding AG and other companies exceeding 5.0 % of the capital shareholdings or voting rights on both sides.

### Limitation on the transferability of shares

No share certificates are issued for Ypsomed Holding AG shares. Any shareholder may ask the company at any time to issue a confirmation regarding the registered shares entered in the Share Register in their name. Any person validly entered in the Share Register as an owner or beneficiary is considered to be a shareholder of the company. Any person acquiring registered shares or the beneficial entitlement to registered shares must apply in writing to be entered in the Share Register. Approval is given by the Board of Directors, which may delegate this power. The transfer is then entered in the Share Register. Applicants will be entered in the Share Register as shareholders with voting rights provided they expressly declare that they have acquired the registered shares in their own name and for their own account. If this declaration is not made, the Board of Directors may refuse the entry. The Board of Directors may draw up guidelines for the entry of nominees and may permit nominees to be entered in the Share Register with voting rights for shares up to a maximum of 5.0 % of the nominal share capital. The Board of Directors may also allow nominees to be entered in the Share Register with voting rights for shares exceeding this limit if the nominees disclose the names, addresses, nationality, domicile and shareholdings of the natural persons and legal entities on whose account they hold 1.0 % or more of the share capital. The 5.0 % limit also applies to nominees who are related to one another through capital ownership or voting rights by virtue of a common management or otherwise. After having heard the parties involved, the Board of Directors may remove the entry as a shareholder with voting rights from the Share Register and replace it with an entry as a shareholder without voting rights if the entry was made on the basis of incorrect information. No applications for the entry of nominees were made in the reporting year.

Restrictions on the transfer of registered shares may only be amended by a resolution passed at the General Meeting of Shareholders with a qualified majority of at least two thirds of the votes represented and an absolute majority of the nominal share capital represented at the meeting.

### Convertible bonds and options

There are no outstanding convertible bonds, and no options on participation rights for Ypsomed Holding AG or any group companies have been issued.



## Board of Directors

### Gilbert Achermann

Member of the Board of Directors of the Ypsomed Holding AG since 2020 and Chairman of the Board of Directors of the Ypsomed Holding AG since 2022; Member of the Nomination & Compensation Committee (NCC), Audit & Risk Committee (ARC) and Innovation & Sustainability Committee (ISC). After completing his banking apprenticeship at the Bankverein and the HWV in St. Gallen, he worked in investment banking at UBS in Switzerland and abroad from 1988 to 1998. In 1998, he moved to the MedTech industry as CFO at Straumann, where he was appointed CEO in 2002 and acted as Chairman of the Board of Directors of Straumann Holding AG from 2010 until April 2024. In addition, Gilbert Achermann was Chairman of the Board of Directors of Siegfried Holding AG in Zofingen (2011 to 2014) and Vitra Holding AG in Birsfelden (2012 to 2015). From 2012 to April 2024, he was a member of the Board of Directors of the private bank Julius Baer. From 2016 till May 2024, he was a member of the Committee of the Basle Chamber of Commerce and since 2016 he has been a member of the Supervisory Board of IMD – International Institute for Management Development in Lausanne, since 2020 a member of the Board of Directors of Swiss Medtech and since 2022 also a member of the Board of Directors of greenTEG AG in Rümlang and since 2023 Chairman of the Board of Directors of Unilabs in Copenhagen, Denmark. He is also involved in Venture Kick as a juror and is an active investor in Swiss start-ups. Gilbert Achermann has been nominated for election to the Board of Directors at the Annual General Meeting of Sonova Holding AG on 11 June 2024.

### Paul Fonteyne

Member of the Board of Directors of the Ypsomed Holding AG since 2018 and Vice Chairman of the Board of Directors of Ypsomed Holding AG; Chairman of the NCC. After graduating from Brussels University with a degree in chemical engineering and an MBA from Carnegie Mellon University in Pittsburgh, he held various positions at Abbott Laboratories Inc. and Merck and Co. Inc. He joined the Boehringer Ingelheim Group in 2003. For the first five years, he headed the Human Pharmaceuticals Division in the USA. From 2008 to 2011, he lived in Germany to lead the worldwide marketing team for human pharmaceuticals. From 2012 to 2018, he was Chairman of the Board of Directors and CEO of Boehringer Ingelheim USA as well as Country Managing Director for the United States. Paul Fonteyne previously served as Chairman of the National Pharmaceutical Council (NPC) and as a member of the Board of Directors of Pharmaceutical Research and Manufacturers of America (PhRMA), of ResTORbio Inc. (until 2020), of AMAG Pharmaceuticals Inc. (until 2020), of Covetrus Inc. (until 2022) and of Gelesis Inc (until 2023). He is currently a member of the Board of Directors of the four biotechnology companies Amylyx Pharmaceuticals Inc, Apnimed Pharmaceuticals and Apellis Pharmaceuticals Inc, all based in USA, as well as DalCor Inc, based in London. He is associated with Canaan Partners (Venture Capital) as Executive in Residence.

### Dr. Martin Münchbach

Member of the Board of Directors of Ypsomed Holding AG since 2019; Chairman of the ARC. After graduating from ETH Zurich with a degree in natural sciences followed by a doctorate (Dr. sc. nat.) in protein chemistry and further postgraduate studies in economics, business and management sciences from ETH Zurich, he worked in various functions at venture capital firms in Switzerland. He is currently Managing Partner of Pureos Bioventures, a venture capital firm specialising in early-stage financing to support innovative young drug development companies with a focus on Switzerland and Europe. Through his involvement as a venture capitalist, he has been able to establish numerous medical technology and biotechnology companies that have brought innovative drugs and diagnostics to market approval. Martin Münchbach is presently a member of the Board of Directors of Ariceum Therapeutics in Berlin, Germany, Alentis Therapeutics AG in Basel and River Renal Inc. in New York, USA.

## Betül Susamis Unaran

Member of the Board of Directors of Ypsomed Holding AG since 2021; Chairwoman of the ISC. After graduating in industrial engineering from Bogazici University, she started her career in various positions at Procter & Gamble in Istanbul and Frankfurt. After completing her MBA at INSEAD, she joined McKinsey & Company as a consultant in 2004, working in London and Geneva in various industries with a focus on healthcare, strategy and transformation. From 2012–2017, she worked at Ferring Pharmaceuticals, where she held the position of Director of Global Operations and then Global Head of Digital. From 2018 to 2019, she was Global Head of Digital Medicines at Novartis Pharmaceuticals and a member of the Novartis Pharma Global Commercial Leadership Team and the Novartis Global Digital Leadership Team. From 2019 to 2022, she worked as Chief Strategy and Digital Officer at the Zur Rose Group AG, the largest e-commerce pharmacy in Europe. Since April 2023 she works as Chief Commercial Officer at Unilabs. From 2022 to November 2023, Betül Susamis Unaran was member of the Board of Directors of Brain+ A/S, which is listed in Denmark. She was member of the Board of Directors from 2022 to June 2023 and from October 2023 she has been member of the Impact Advisory Board of DSS Sustainable Solutions Holding SA, Versoix in the Canton of Geneva. She is also a member of the Advisory Board of Lumanity, an Arsenal Capital Partners company, with the vision to accelerate and optimise access to advances in medicine. Betül Susamis Unaran has been included in the 2022 Global Top CDO 100 list by Hot-Topics.ht in collaboration with Hewlett Packard Enterprise (January 2022). Furthermore, she was named one of the “10 forward thinkers in Switzerland” by the Handelszeitung (December 2021) and one of the “20 amazing women leading Europe’s tech revolution” by Mindquest (April 2021).

## Simon Michel

Member of the Board of Directors of Ypsomed Holding AG since 2022 and CEO of Ypsomed Holding AG and the Ypsomed Group; member of the ARC and the ISC. With Ypsomed since October 2006. Member of Executive Board since 2008 and responsible for Marketing & Sales and CEO since July 2014. From 2003 until 2006, Simon Michel worked for Orange Communications AG. Simon Michel studied economics at the University of St. Gallen and completed a Masters with a focus on media and communications management. He is a member of the Board of Directors of Unitectra AG, sitem-insel AG, Forster Rohner AG and LEM Surgical AG. Since 2017, he has been Chairman of the Board of Directors of DCB Research AG, which works closely with the University Hospital UDEM of the Insel Group in Switzerland and conducts research into new therapeutic approaches to improve the quality of life of people with diabetes. Simon Michel is on the board of the Cantonal Bernese Trade and Industry Association and the Solothurn Chamber of Commerce, has been a Board Member of Swiss Medtech since 2015 and, since 2023, has been on the Board and Board Committee of economiesuisse. Since 2021, he has also been Chairman of the Board of Ahueni AG, a company involved in the development and trading of CO<sub>2</sub> certificates in Africa. Simon Michel was a member of the Cantonal Council of the Canton of Solothurn from March 2017 to January 2024. In autumn 2023, he was elected to the National Council of the Swiss Confederation.

## Members of the Board of Directors

Name	Nationality	Year of birth	Position	Member since	Elected until AGM
Gilbert Achermann <sup>1,2,3,4</sup>	CH	1964	President of the Board of Directors	2020	2024
Paul Fonteyne <sup>1,2</sup>	BE/USA	1961	Vice President of the Board of Directors	2018	2024
Dr. Martin Münchbach <sup>1,3</sup>	DE/CH	1970	Member	2019	2024
Betül Susamis Unaran <sup>1,4</sup>	CH/TR	1976	Member	2021	2024
Simon Michel <sup>3,4,5</sup>	CH	1977	Member	2022	2024

<sup>1</sup> Non-executive member of the Board of Directors, no operational activity for Ypsomed Holding AG and its subsidiaries in the current year and the three preceding financial years.

<sup>2</sup> Member of the Nomination & Compensation Committee (NCC)

<sup>3</sup> Member of the Audit & Risk Committee (ARC)

<sup>4</sup> Member of the Innovation & Sustainability Committee (ISC)

<sup>5</sup> Since July 2014, Simon Michel is CEO of the Ypsomed Holding AG and the Ypsomed Group and thus operationally active for Ypsomed Holding AG and its subsidiaries in the current and more than the three previous financial years.





Gilbert Achermann



Paul Fonteyne



Dr. Martin Münchbach





Betül Susamis Unaran



Simon Michel

### Other activities and vested interests

There are no other activities or vested interests apart from those already mentioned.

### Significant business relations

Apart from the mandates on the Board of Directors and the employment contract with Simon Michel as CEO, there are no significant business relationships between the individual members of the Board of Directors and Ypsomed Holding AG or one of its subsidiaries.

### Number of permissible mandates

Ypsomed Holding AG's Articles of Association prevent the members of the Board of Directors from accepting more than 15 additional mandates in as members of the Board of Directors, Executive Board or in comparable functions in other companies with an economic purpose, and limit such outside activity to five mandates in listed companies. This limitation does not apply to mandates in businesses that are controlled either directly or indirectly by Ypsomed Holding AG or which control Ypsomed Holding AG. Mandates with different legal entities that are under joint control are deemed as being one mandate. Mandates in associations, foundations, trusts, pension funds, organisations and legal entities without an economic purpose are not subject to the restriction on permissible mandates.

### Election and period of office

The members of the Board of Directors as well as the Chairman are elected on an annual basis. Re-election is possible. There is no restriction to the period of office. The members of the Board of Directors were each re-elected individually at the General Meeting of Shareholders 2023 and Gilbert Achermann was re-elected as President of the Board of Directors. The results of the first election can be seen in the table on page 106. The statutes of Ypsomed Holding AG do not include any rules that deviate from the applicable legal provisions regarding the appointment of the chairperson, the members of the compensation committee (NCC) and the independent proxy.

## Internal organisation

The Chairman of the Board of Directors is elected by the General Meeting of Shareholders. In addition, the Board of Directors constitutes itself. With the exception of Simon Michel, member of the Board of Directors and CEO, none of the members of the Board of Directors in office as at 31 March 2024 have ever belonged to the Executive Board of Ypsomed Holding AG or one of its subsidiaries, and they are also independent from Ypsomed Holding AG and its subsidiaries due to the non-existence of business relationships. There is no advisory board.

### Division of duties in the Board of Directors

The Chairman of the Board of Directors of Ypsomed Holding AG chairs the General Meeting of Shareholders and the meetings of the Board of Directors. He is the link between the Board of Directors and the CEO, is in regular contact with the CEO, discusses individual transactions with the CEO and monitors the activities of the CEO and of Executive Board. According to the Organisational Regulations, the CEO represents the company externally.

The Board of Directors is supported by three committees: the Nomination & Compensation Committee, the Audit & Risk Committee and the Innovation & Sustainability Committee. The full Board of Directors can delegate further powers to an ad hoc Board Committee on a case-by-case basis. The committees analyse certain areas and topics in depth and report to the full Board of Directors in preparation for its resolutions or to safeguard its supervisory function. The three committees are each chaired by an independent member of the Board. The chairperson of the Board of Directors is a member of all three committees, but he does not chair any of the committees. The chairpersons of the committees each have members of the Executive Board or other persons from the company as direct contacts who also attend the committee meetings. The full Board of Directors decides on motions, proposals and recommendations of the committees.

### Nomination & Compensation Committee (NCC)

The General Assembly of Shareholders 2023 re-elected Paul Fonteyne and Gilbert Achermann as members of the Nomination & Compensation Committee (NCC). The Board of Directors appoints the chairperson of the NCC; Paul Fonteyne was appointed as chairman. Michael Zaugg, Head of Corporate Services, supports the NCC as the Executive Board member responsible for Human Resources. In his role as CEO, Simon Michel generally attends the meetings of the NCC.

The NCC supports the full Board of Directors in determining and reviewing the compensation principles and guidelines relating to the members of the Board of Directors and the Executive Board, in drafting the Remuneration Report and in preparing the proposals for the General Meeting of Shareholders with regard to the remuneration of the Board of Directors and Executive Board. The NCC supports the full Board of Directors in the selection and hiring of members of the Executive Board, the termination of employment contracts with members of the Executive Board, the selection of new members of the Board

of Directors as well as the assessment of the personnel policy and corporate culture to enable Ypsomed to position itself as an attractive employer.

### Audit & Risk Committee (ARC)

The Board of Directors appointed Dr Martin Münchbach as Chairman of the ARC and Gilbert Achermann and Simon Michel as members of the ARC. The CFO supports the ARC.

The ARC supports the full Board of Directors in assessing the cooperation between the external auditors and internal auditors as well as in assessing the functionality of the internal control system (ICS), the enterprise risk management (ERM) and the Compliance Management Systems. Furthermore, it supports the full Board of Directors in the preliminary review of both the individual and consolidated financial statements for the semi-annual and annual financial statements as well as in meetings with the CFO, with the function holder responsible for internal auditing and with the external auditors. In terms of the latter, the ARC assists the full Board of Directors in assessing their performance and remuneration, as well as in reviewing their independence. In the reporting year, the ARC also dealt with reporting in the area of non-financial matters.

### Innovation & Sustainability Committee (ISC)

The Board of Directors appointed Betül Susamis Unaran as Chairwoman of the ISC as well as Gilbert Achermann and Simon Michel as members of the ISC. The members of the Executive Board responsible for the business areas Ypsomed Diabetes Care and Ypsomed Delivery Systems, Sébastien Delarive and Ulrike Bauer, support the ISC.

The ISC supports the full Board of Directors in the assessment of marketing & sales as well as innovation strategies. Specifically, it supports the review of scenarios and the assessment of developments in the areas of product technology, digitisation, networking of intelligent platforms, data analytics, therapy management and the market. The ISC also assesses developments in the health sector, particularly with regard to medical compliance and reimbursement systems. Furthermore, it supports the full Board of Directors in setting sustainability targets and in assessing the environmental, community and social impact of Ypsomed's business activities.

### Modus operandi of the Board of Directors

The Board of Directors meets regularly four times per financial year. Here, it receives the written reports of the CEO, the business areas Ypsomed Delivery Systems and Ypsomed Diabetes Care as well as the corporate areas Finance, Operations and Corporate Services and the corresponding verbal explanations. The Board of Directors confers and decides on the proposals from the CEO as well as from the committees. The auditors participate in the May Board meeting, in which they provide information on the comprehensive report and on other questions. The Board of Directors meets regularly on one additional occasion per year for a strategy meeting with Executive Board. Occasionally, the Board of Directors also passes resolutions by means of circular letter. The items to be included in the agenda on a regular or periodic basis are defined in the Organisational Regulations, whereby each member of the Board of Directors may request that items be included in the agenda. The final agenda is determined by the Chairman. The members, as well as the CEO and CFO and the officers responsible for internal audit and risk management generally receive the agenda and the necessary documentation for decision making seven to ten days before the meeting. Any member of the Board of Directors may request information about any aspect of the Ypsomed Group's affairs. Votes and elections within the Board of Directors are passed by majority of the votes. In the event of a tied vote, the Chairman has the casting vote, in his absence, the vice chairman shall have the casting vote. Votes may not be taken by proxy. The CEO and the CFO as well as the office holders responsible for internal audit and risk management and, on a case-by-case basis, other members of Executive Board or employees with an advisory role are present at the meetings. As a rule, external consultants are not called in.

In the reporting year, the Board of Directors met five times. The meetings of the Board of Directors were held in person and lasted between 4.5 and 7 hours on four occasions and 1.15 hours on one occasion. The lead auditor took part in the Board of Directors meeting in May 2023. In addition, the Board of Directors convened for two days in March 2024 as part of the strategy meeting with Executive Board. All members of the Board of Directors attended all meetings of the Board of Directors and the strategy meeting in March 2024. Paul Fonteyne was excused for the General Meeting of Shareholders in June 2023; the other members of the Board of Directors were present at the General Meeting of Shareholders in 2023.

### Modus operandi of the committees

The chairperson of the respective committee invites the participants of the meeting in good time. He/she informs the full Board of Directors in an appropriate form about the activities and the results of the committee.

The NCC held four meetings, all of which were attended in person. The ARC also met four times in person. The ISC met once in hybrid form. The meetings lasted between one and four hours. All members of the respective committees were either present or logged in. The Head of Internal Audit was also present at each of the ARC meetings. The full Board of Directors decided on the motions put forward by the committees.

### Definition of competences

The Board of Directors is entrusted to perform the non-transferable and inalienable tasks to which it is entitled by law: it has the highest decisionmaking power in the company, under restriction of those matters on which shareholders must decide in accordance with the law. In particular, it defines company policy, the mission statement – consisting of a mission and a vision – and the strategic direction of the Ypsomed Group, sets its targets and priorities and allocates the resources for achieving the targets set. The Board of Directors defines the organisation of the Ypsomed Group, supervises operating activities, controls the finance and accounting divisions and is responsible for appointments and dismissals as well as the supervision of the individuals entrusted with management duties. It is responsible for the Annual Report and the Remuneration Report, issues the Code of Conduct, approves the budget and the mid-term planning for Executive Board and also monitors the business activities of the Group companies and it periodically assesses strategic, operational and financial risks. The Board of Directors approves individual business affairs. In particular, this includes decisions on the purchase or sale of companies and participations in companies as well as legal transactions concluded with individual members of the Board of Directors, the Executive Board or persons related with them, with the main shareholder or with members of the Michel shareholder group. The competences of the Board of Directors and of the other decision-makers within the Ypsomed Group are defined within the Organisational Regulations. The Organisational Regulations can be viewed on the company's website, [www.ypsomed.com](http://www.ypsomed.com) ([www.ypsomed.com/regulatorypolicy](http://www.ypsomed.com/regulatorypolicy)). In all other respects, the Board of Directors has delegated the management of the business to the Executive Board under the direction of the CEO.

### **Instruments for information and control with regard to Executive Board**

The Ypsomed Group's information and control tools, which are at the disposal of the Board of Directors, consist of a quarterly written management report (management review, quarterly reports), and a financial report. The Chairman of the Board of Directors and the CEO have direct access at all times to the management information system (MIS).

Furthermore, the Board of Directors uses strategic planning documents as management tools for steering the company. Responsibility for risk management and monitoring rests with Executive Board, which reports on these matters periodically to the full Board of Directors, but at least once a year. In addition to these documents, further selected financial figures are available to Executive Board on a monthly basis.

Risk assessment is based on a risk inventory that encompasses the relevant risk categories such as strategic risks, management risks, general risks in the operating business, legal risks, systemic risks, financial risks, including market, credit and liquidity risks and event risks, including political, regulatory, fiscal and external risks, and assesses these with regard to probability of occurrence and impact.

The "Internal Auditing" function, for which the Board of Directors is directly responsible, is commissioned with the constant expansion of the documented, internal control system. The auditing plans are based on a risk-oriented procedure that relates to business processes and are geared towards the following goals and tasks: reviewing the fulfilment of business goals and objectives; evaluation of the effectiveness of risk management, control and corporate management processes; optimisation of business processes; improvement of controls and processes with regard to the information systems; verification of controls and processes for accounting systems and financial reporting; confirmation and guarantee of authorised business transactions; safeguarding and protection of assets; support with regard to complying with legal and regulatory requirements; reviewing significant or special business cases and transactions. The Board of Directors can determine additional areas to be reviewed. The person responsible for "Internal auditing" provides the auditors several times per year with appropriate documentation on his/her internal auditing activities and coordinates these with the auditing to be carried out by the auditors within the framework of the interim and year-end audits.



## Executive Board

The CEO, together with other members of the Executive Board is responsible for the operational management of the Ypsomed Group within the scope of the guidelines laid down by the Board of Directors.

### Members of the Executive Board

Name	Nationality	Year of birth	Position	Employed at Ypsomed (n.b. before 2003 for Disetronic) since
Simon Michel	CH	1977	Chief Executive Officer (CEO) and member of the Board of Directors	2006
Frank Mengis	DE/CH	1964	Chief Operating Officer (COO)	2015
Ulrike Bauer	DE/CH	1969	Chief Business Officer Ypsomed Delivery Systems (CBO YDS)	2001
Sébastien Delarive	CH	1969	Chief Business Officer Ypsomed Diabetes Care (CBO YDC)	2022
Michael Zaugg	CH	1972	Chief Corporate Officer (CCO)	2017
Dr Nicolas Meyer	CH	1971	Chief Legal Officer (CLO) and Secretary of the Board of Directors	2023
Niklaus Ramseier <sup>1</sup>	CH	1963	Chief Financial Officer (CFO)	2002

<sup>1</sup> Niklaus Ramseier stepped down from the Executive Board on 31 March 2024. His successor, Samuel Künzli, took up his position at Ypsomed on 01 April 2024.

#### Simon Michel

Member of the Board of Directors of Ypsomed Holding AG since 2022 and CEO of Ypsomed Holding AG and the Ypsomed Group; member of the ARC and the ISC. With Ypsomed since October 2006. Member of Executive Board since 2008 and responsible for Marketing & Sales and CEO since July 2014. From 2003 until 2006, Simon Michel worked for Orange Communications AG. Simon Michel studied economics at the University of St. Gallen and completed a Masters with a focus on media and communications management. He is a member of the Board of Directors of Unitectra AG, sitem-insel AG, Forster Rohner AG and LEM Surgical AG. Since 2017, he has been Chairman of the Board of Directors of DCB Research AG, which works closely with the University Hospital UDEM of the Insel Group in Switzerland and conducts research into new therapeutic approaches to improve the quality of life of people with diabetes. Simon Michel is on the board of the Cantonal Bernese Trade and Industry Association and the Solothurn Chamber of Commerce, has been a Board Member of Swiss Medtech since 2015 and, since 2023, has been on the Board and Board Committee of economiesuisse. Since 2021, he has also been Chairman of the Board of Ahueni AG, a company involved in the development and trading of CO<sub>2</sub> certificates in Africa. Simon Michel was a member of the Cantonal Council of the Canton of Solothurn from March 2017 to

January 2024. In autumn 2023, he was elected to the National Council of the Swiss Confederation.

#### Frank Mengis

Chief Operating Officer (COO). Joined Ypsomed in 2015 as a member of the Executive Board, responsible for the areas Production, Supply Chain and QM & RA. He comes with many years of experience in the development and production of medical devices: previously he was COO and member of the Executive Management of Nobel Biocare AG, responsible for the production plants worldwide and the global supply chain. In the years 2001 to 2012 he held various management functions in the Straumann Group in Switzerland and the USA in the areas of quality management, production and development. After graduating, he started his career at F. Hoffmann-La Roche AG in Basel in the Engineering Department (1990–1999). Of German-Swiss dual nationality, he graduated as Dipl. Ing. Mechanical Engineering from the Technical University Karlsruhe followed by further training at both the IMD Lausanne and the Harvard Business School (AMP Programme). From 2017–2021 he was a member of the Board of Directors at Qualitech AG. He has also been a member of the Board of Directors of Nemis Technologies AG since 2021.



### Sébastien Delarive

Chief Business Officer Ypsomed Diabetes Care (CBO YDC), employed at Ypsomed since 2022. From 2000–2022, he held various management positions in Switzerland, France, Scandinavia, the USA, Japan as well as Latin America with the pharmaceutical company Sanofi and was most recently responsible for the General Medicine Division as Head of Europe. Dedicated to advancing patient care globally as a source of value creation, Sébastien Delarive led global blockbuster launches in several therapy areas and turn around businesses in complex environments. After completing his studies, he started his career in sales at Astra Pharmaceutica AG, Dietikon, and Biokema SA, Crissier. Sébastien Delarive studied chemistry at the ETH Lausanne (EPFL).

### Ulrike Bauer

Chief Business Officer Ypsomed Delivery Systems (CBO YDS), employed at Ypsomed (resp. Disetronic before 2003) since 2001 in various marketing and sales functions and since 2014 is a member of the Executive Board and responsible for the Delivery Systems Business Unit. Previously she was Product Manager with Mettler Toledo (1996–2001) among other things. She has a degree (Dipl. Ing.) in chemical engineering and biotechnology at the University of Aachen as well as a postgraduate diploma in International Management at the Kalaidos University of Applied Sciences in Zurich.

### Michael Zaugg

Chief Corporate Officer (CCO), has been with Ypsomed since 2017. Since 2020 also Chairman of the Board of Trustees of the Ypsomed Group Pension Fund Foundation. From 2011 to 2017 he was employed as Head of Talent Europe at ABB. Previously he worked in HR at Credit Suisse (1997 to 2004), was Consultant and Executive Board member at schärpartners ag (2004 to 2007), Head of HR Services at Valiant Holding (2007 to 2008) and Head of HR Recruiting at BKW FMB AG (2008 to 2011). Michael Zaugg studied economics at the University of Basle (degree: lic.rer.pol), specialising in human resources management, marketing and environmental economics. He also holds a degree from the university's crossfaculty accompanying study programme Man – Society – Environment (MSE) and an Executive Master of Human Resources Management from the Institute of Applied Psychology in Zurich.

### Dr. Nicolas Meyer

Chief Legal Officer (CLO) and Secretary of the Board of Directors of Ypsomed Holding AG, with Ypsomed since 2023. Previously, Nicolas Meyer was General Counsel and Secretary General at RUAG for three years and was involved in the splitup of the Group, among other things. From 2010 to 2018, he was General Counsel at the EMS Group and previously worked as a lawyer at Lenz Caemmerer in Basle for close to seven years. Nicolas Meyer received his doctorate in IP law in 2004, was admitted to the bar in 2001 and gained a Master of Law from the University of Basle in 1997.

### Niklaus Ramseier

Chief Financial Officer (CFO), with Ypsomed (pre-2003 with Disetronic) since 2002 and member of the Board of Trustees of the Ypsomed Group Pension Fund Foundation. Prior to that he was Head of Finance and Controlling for the Industrial Services product line of the Von Roll Group (from 1995 until 2002) and he had various advisory and accounting functions within a trust and auditing company (1983 to 1995). Education: Swiss certified expert in accounting and controlling. Niklaus Ramseier stepped down from the Executive Board on 31 March 2024.

### Other activities and vested interests

There are no other activities or vested interests apart from those already mentioned.

### Number of permissible mandates

Ypsomed Holding AG's Articles of Association prevent the members of the Executive Board from accepting more than seven additional mandates as members of the Board of Directors, Executive Board or in comparable functions in other companies with an economic purpose, and limit such outside activity to two mandates in listed companies.

This limitation does not apply to mandates in businesses that are controlled either directly or indirectly by Ypsomed Holding AG or which control Ypsomed Holding AG. Mandates with different legal entities that are under joint control are deemed as being one mandate. Mandates in associations, foundations, trusts, pension funds, organisations and legal entities without an economic purpose are not subject to the restriction on permissible mandates.

### Management contracts

There are no management contracts.





Simon Michel – Chief Executive Officer (CEO)



Frank Mengis – Chief Operating Officer (COO)



Sébastien Delarive – Chief Business Officer Ypsomed  
Diabetes Care (CBO YDC)



Ulrike Bauer – Chief Business Officer Ypsomed Delivery Systems (CBO YDS)



Michael Zaugg – Chief Corporate Officer (CCO)



Dr. Nicolas Meyer – Chief Legal Officer (CLO)



Niklaus Ramseier – Chief Financial Officer (CFO)





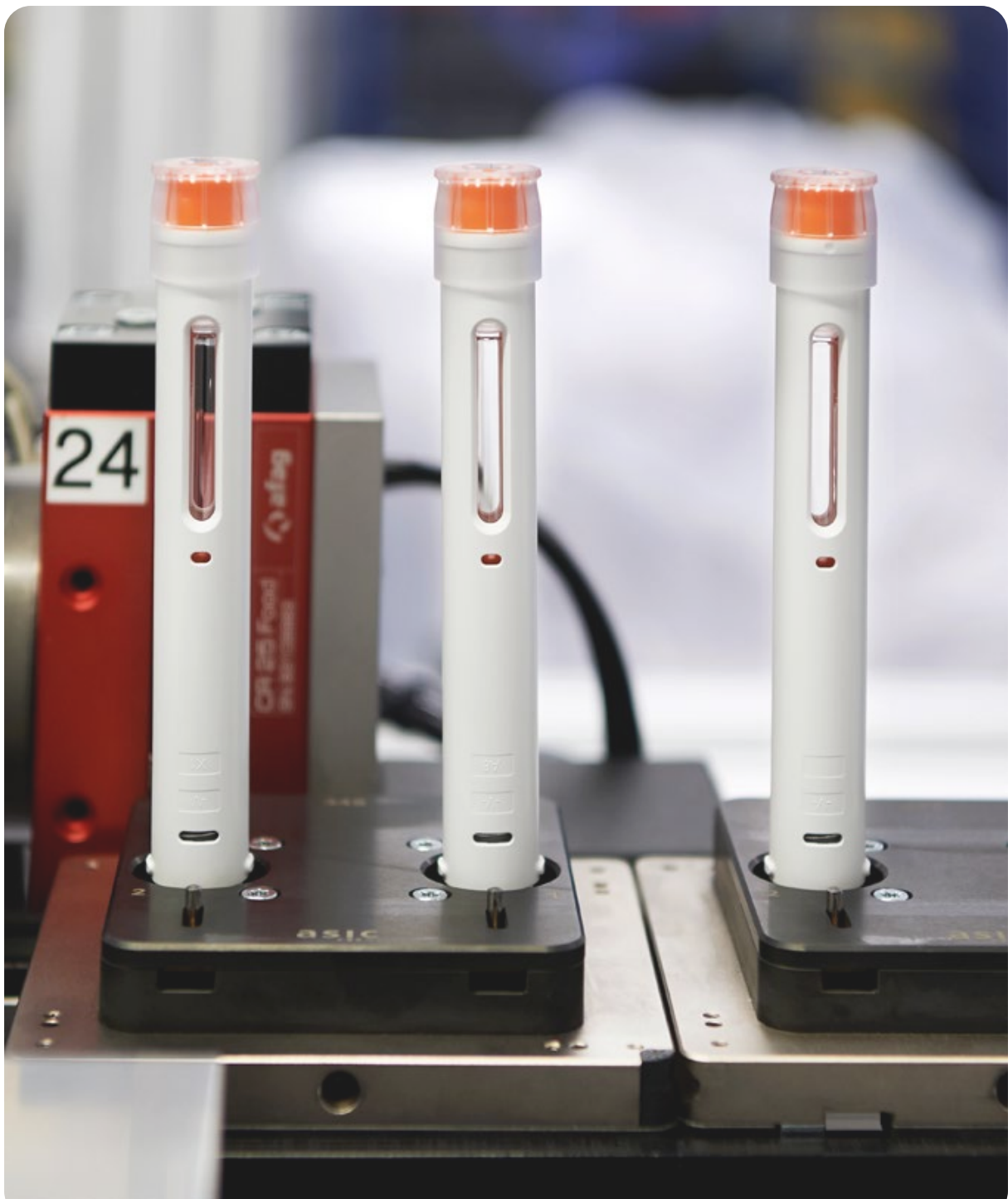
## Remuneration, participations and loans

Information on the remuneration and participations of members of the Board of Directors and the Executive Board, the contents and determination procedure as well as the statutory rules governing the principles, loans, credits and insurance benefits and the principles governing the votes of the Annual General Meeting of Share-

holders regarding remuneration as well as the actual remuneration paid to current and former members of the Board of Directors and the Executive Board in 2023/24 can be found in the Remuneration Report 2023/24, as of page 122.

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Automatic production of our YpsoMate autoinjector in Burgdorf





## Shareholders' rights of participation

### Voting right restrictions and representation

All shareholders who are entered in the Share Register with voting rights by the book closure are entitled to vote at the General Meeting of Shareholders. The date of book closure is approximately one week before the Annual General Meeting and is determined together with the share register. Shareholders may arrange to be represented at the General Meeting of Shareholders by written proxy. In exercising their voting rights, no shareholder may directly or indirectly amalgamate more than 5 % of the total voting rights in the form of their own shares and those they are representing. Legal entities and partnerships that are related to one another through capital ownership or voting rights or by virtue of a common management or otherwise as well as natural persons, legal entities or partnerships that adopt a coordinated approach in order to circumvent the restrictions on voting rights will be considered as one person. However, the restriction on voting rights does not apply to the exercise of voting rights by the independent proxy. It does also not apply to Willy Michel, his legal successors due to inheritance, estate distribution, anticipatory successions or matrimonial property rights as well as to natural or legal persons and partnerships which directly or indirectly or in mutual agreement with Willy Michel form a group in the meaning of art. 120 of the Financial Market Infrastructure Act and disclose the same, as he was registered with more than 5 % of all voting rights on 18 September 2004 (art. 13 Ypsomed Holding AG's Articles of Association, [www.ypsomed.com/articlesofassociation](http://www.ypsomed.com/articlesofassociation)). Furthermore, the Board of Directors may decide on exceptions to the restriction of voting rights in justified cases. The Board of Directors did not decide to make any exceptions during the reporting year. There are no rules governing the annulment of statutory voting right restrictions.

### Independent proxy

The Annual General Meeting of Shareholders 2023 elected Dr. Peter Stähli, attorney-at-law and notary, Burgdorf, as the independent proxy for the period up to the conclusion of the Annual General Meeting of Shareholders 2024. According to the Articles of Association, the Board of Directors can issue a directive governing the independent proxy and determine the requirements under which valid instructions may be issued to the independent proxy. Shareholders may give their proxies and instructions to the independent proxy in writing or in an electronic form determined by the Board of Directors. The details regarding the electronic issuance of powers of attorney and instructions to the independent proxy are explained in the invitation to the Annual General Meeting.

### Statutory quorums

Unless otherwise stipulated by law or by the Articles of Association, the General Meeting of Shareholders shall adopt resolutions and conduct votes on the basis of an absolute majority of the votes cast, excluding blank and invalid votes. The Chairman of the Board of Directors shall also vote and, if the vote is tied, he shall have the casting vote.

### Convening the General Meeting of Shareholders

The invitation to the General Meeting will be sent either by letter, e-mail or other electronic media to the shareholders registered in the Share Register at least 20 days before the date of the meeting and by one-time publication in the Swiss Official Gazette of Commerce (SHAB).

### Agenda items

Shareholders who together hold at least 0.5 % of the share capital or votes may request that an item be placed on the agenda, stating the subject matter to be discussed and the proposal. Such requests must be submitted in writing to the Chairman of the Board of Directors at least 45 days before the meeting.

### Entries in the Share Register

All shareholders entered in the share register with voting rights up to the close of the register are entitled to vote at the Annual General Meeting. The date of book closure is approximately one week before the Annual General Meeting and is determined together with the share register. There are no rules governing the granting of exceptions.



## Change of control and blocking mechanisms

In the event of a public takeover offer, the bidder is required pursuant to art. 135 of the Financial Market Infrastructure Act to make an offer for all of the company's listed shares as soon as they acquire shares in the company directly, indirectly or in concert with third parties, which along with the shares already held exceed the

threshold of 49.0 % of the voting rights of the company, whether exercisable or not (art. 7 Articles of Association, [www.ypsomed.com/articlesofassociation](http://www.ypsomed.com/articlesofassociation)).

There are no change-of-control clauses with members of the Board of Directors, Executive Board and/or other management personnel.



## Auditors

### Term of mandate of auditors and term of the lead auditor

On 01 July 2020, the General Meeting of Shareholders of Ypsomed Holding AG selected PwC/PricewaterhouseCoopers AG, Berne, as auditors for the first time. The auditors are each appointed for a period of office of one year by the General Meeting of Shareholders, the last time being on the occasion of the 2023 General Meeting of Shareholders. At the 2023 General Meeting of Shareholders, PwC/PricewaterhouseCoopers AG, Berne, was re-elected as auditors. Oliver Kuntze has been the lead auditor for Ypsomed Holding AG since the 2020/2021 financial year.

### Instruments for supervision and control with regard to auditing

The full Board of Directors undertakes the supervision and control of the auditor and is supported by the ARC in the process. The lead auditor is in attendance during the discussion and acceptance of the consolidated and annual financial statements by the full Board of Directors. The auditor compiles a comprehensive report annually for the attention of the Board of Directors and this is discussed by the Board of Directors with the lead auditor in attendance.

### Auditing fees

The total auditing fees invoiced by the auditors PwC to Ypsomed Holding AG and its group companies during the reporting year amounted to CHF 389'384. During the reported year, the PwC auditors provided and charged additional, so-called non-auditing services to Ypsomed Holding AG and its group companies totalling CHF 332'282.



## Material changes since the balance sheet date

Niklaus Ramseier, CFO until 31 March 2024, stepped down from the Executive Board on 31 March 2024. His successor, Samuel Künzli, took up his position at Ypsomed on 01 April 2024.

Based on the Board of Directors decision on 21 May 2024 Ypsomed intends to separate its Business Areas Ypsomed Delivery Systems and Ypsomed Diabetes Care into two independent entities. Further information can be found in the financial report 2023/24 on pages 82 and 92.



## 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, semi-annual report, presentation of the annual results to the media and financial analysts ahead of the Annual General Meeting of Shareholders, as well as media briefings and company publications that have potential relevance to the share price. The CEO and the Head of Investor Relations are responsible for communication with investors.

### The following research banks monitor the development of the Ypsomed Group

**Zürcher Kantonalbank, Zurich:** Edouard Riva  
**BNP PARIBAS, London:** Curtis Moiles  
**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 identified as ad hoc announcements and usually communicated after the close of the trading day. 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

### Blackout Periods

During the blackout periods (no-trade periods), the following persons are not permitted to trade in shares or place orders to trade Ypsomed Holding AG shares. Affected are:

- Employees of Ypsomed AG and other companies belonging to the Ypsomed Group, who have access to the financial statements, as well as persons closely associated with them,
- Members of the Board of Directors of all companies of the Ypsomed Group and persons closely associated with them.

The blackout periods in the reporting year were:

- from 01 October until the publication of the semi-annual figures
- from 01 April until the publication of the annual financial statement.

The Board of Directors of Ypsomed Holding AG or the Executive Board can also, in special situations, specify ad hoc blackout periods for individual groups of persons, who have access to price-sensitive information. Ad hoc blackout periods end with the notification of the persons concerned or immediately after publication of the price-sensitive information.

### Important dates

**26 June 2024:** Annual General Meeting of Shareholders, Burgdorf

**13 November 2024:** Publication of semi-annual report and media conference and analysts' presentation of the semi-annual figures 2024/25, online

**21 May 2025:** Publication of annual report and media conference and analysts' presentation of the annual figures 2024/25, Zurich

### Contact

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 Telefon +41 34 424 35 55







**We disclose the remuneration of the Board of Directors and the Executive Board in accordance with the legal and statutory requirements.**



# Remuneration Report

The Remuneration Report for Ypsomed Holding AG for the financial year 2023/2024 sets out the remuneration principles, the remuneration system as well as the actual remuneration for the Board of Directors and Executive Board in accordance with legal provisions and those of the Articles of Association ([www.ypsomed.com/article-sofassociation](http://www.ypsomed.com/article-sofassociation)).

The overall responsibility for the definition of the remuneration principles is held by the Board of Directors. The Nomination & Compensation Committee (NCC) supports the Board of Directors in determining and reviewing the remuneration principles, in drafting the Remuneration Report and in preparing the proposals for the Annual General Meeting with regard to the remuneration of the Board of Directors and Executive Board. The members of the Board of Directors and the members of the Executive Board present at the relevant meeting of the Board of Directors have the right of participation and the right to comment if their remuneration is being decided by the committee responsible.

At the Annual General Meeting on 28 June 2023, the Annual General Meeting approved the introduction of a share-based long-term remuneration element, the Long-Term Incentive Plan (LTIP). The LTIP provides for an annual allocation of performance share units (PSUs), which are subject to a three-year performance period (vesting period). The number of allocated PSUs per annum is calculated on the basis of an allocation amount individually determined by the Board of Directors divided by the price per PSU; the price per PSU corresponds to the volume-weighted average of the daily closing prices of the share over 20 trading days prior to the start of the vesting period. The performance and service conditions defined for the respective vesting period determine the realisation of the PSUs.

The performance conditions for the LTIP include:

- Total Shareholder Return with a weighting of 50 % to promote long-term corporate value creation;
- cumulative EBIT with a weighting of 50 % to support sustainable growth in profitability.

The targets for each performance condition are defined annually by the Board of Directors for the respective three-year vesting period. Depending on the target achievement, the PSUs will be converted into shares after the three-year vesting period in a possible ratio of 0.0 to 2.0, rounded up to the nearest whole share in each case; in case of a target achievement of 100 %, the conversion will be one-to-one, i.e. each PSU will be converted into one share. In this context, future share price volatility will affect the equivalent value that the entitled persons will receive. The shares are not blocked.

The service condition is reflected by the requirement of an existing employment or mandate relationship at the end of the respective vesting period. Termination of the employment or mandate relationship generally leads either to a reduction in the number of granted PSUs or to their forfeiture; in certain constellations, early vesting is provided for.

At the Annual General Meeting of Shareholders of Ypsomed Holding AG of 26 June 2024, the General Meeting of Shareholders shall decide with binding effect and in separate votes on the maximum total amount of fixed remuneration and the maximum total amount of share-based long-term remuneration for the members of the Board of Directors for the period until the next ordinary General Meeting of Shareholders in 2025. In addition, the Annual General Meeting will vote on the maximum total amount of performance-related remuneration for the members of the Executive Board for the financial year preceding the Annual General Meeting, ending on 31 March 2024. An amendment to the Articles of Association relating to the fixed remuneration and the share-based long-term remuneration of the members of the Executive Board is put on the agenda for the Annual General Meeting on 26 June 2024. It is proposed that the relevant time periods for these two remuneration elements be set for the period from 01 July of the year in which the Board of Directors requests the approval until 30 June of the following year. Insofar as the 2024 Annual General Meeting approves the corresponding amendments to the Articles of Association, the Annual General Meeting on 26 June 2024 will decide on the maximum total amount of fixed remuneration and the maximum total amount of share-based long-term remuneration for members of the Executive Board for the period from 01 July 2024 to 30 June 2025.

The respective total amounts shall include employer contributions to the social insurance, insofar as such contributions are granted. No credits, loans or insurance benefits apart from those from the occupational insurance were granted to the members of the Board of Directors and the Executive Board.

Fees and expenses that are paid in compliance with the regulations approved by the authorities are not deemed to be remuneration subject to authorisation.

## Board of Directors remuneration

The principles and elements of the Board of Directors' remuneration, consisting of a fixed remuneration and further benefits as well as a performance-related, share-based long-term remuneration, are discussed and examined annually by the NCC and presented to the full Board of Directors for a decision. The full Board of Directors reviews the remuneration annually and determines any adjustments at its own discretion and without consulting external advisors.

The fixed remuneration in the period from the Annual General Meeting 2023 to the Annual General Meeting 2024 is CHF 180 000 (previous year: CHF 150 000) for the Chairman of the Board of Directors and CHF 110 000 (previous year: CHF 90 000) for each non-executive member of the Board of Directors. These amounts include CHF 20 000

for each committee chair and CHF 10 000 respectively for each committee member in the reporting year paid for the first time. Participation in the meetings of the Board of Directors and the committees as well as participation in the strategy meeting and the Annual General Meeting are not remunerated separately.

The allocation amount for the share-based long-term remuneration of the four non-executive members of the Board of Directors for the period from the 2023 Annual General Meeting to the 2024 Annual General Meeting is approximately CHF 40 578 or 8.0 % of the fixed remuneration and results in an allocation of 584 PSUs for the four non-executive members of the Board of Directors combined.

## Remuneration approval process

	Type of remuneration	Nomination & Compensation Committee	Full Board of Directors	Annual General Meeting of Shareholders
<b>Board of Directors Fixed remuneration</b>	Maximum amount of fixed remuneration for members of the Board of Directors for the period from 26 June 2024 until the next Annual General Meeting in 2025	Review of the principles and recommendation to the Board of Directors	Proposal to AGM	Approval at the AGM of 26 June 2024
	Individual remuneration to the Chairman and the members of the Board of Directors	Proposal to Board of Directors	Approval	
<b>Board of Directors Share-based long-term remuneration</b>	Total amount of the allocation for the share-based long-term remuneration to the members of the Board of Directors for the period from 26 June 2024 until the next Annual General Meeting in 2025	Recommendation	Proposal to AGM	Approval at the AGM of 26 June 2024
	Individual remuneration to the members of the Board of Directors	Proposal to Board of Directors	Approval	
<b>Executive Board Fixed remuneration</b>	Maximum amount of fixed remuneration for members of the Executive Board for the period from 01 July 2024 to 30 June 2025	Review of the principles and recommendation to the Board of Directors	Proposal to AGM	Approval at the AGM of 26 June 2024
	Individual remuneration to the members of the Executive Board	Proposal to Board of Directors	Approval	
<b>Executive Board Performance-related remuneration</b>	Total amount of performance-related remuneration to the members of the Executive Board for the financial year 2023/24	Recommendation	Proposal to AGM	Approval at the AGM of 26 June 2024
	Individual remuneration to the members of the Executive Board	Proposal to Board of Directors	Approval	
<b>Executive Board Share-based long-term remuneration</b>	Total amount allocated for share-based long-term remuneration to members of the Executive Board for the period from 01 July 2024 to 30 June 2025	Recommendation	Proposal to AGM	Approval at the AGM of 26 June 2024
	Individual remuneration to the members of the Executive Board	Proposal to Board of Directors	Approval	

The remuneration of Simon Michel as a member of the Board of Directors and two committees is included in his remuneration as CEO, he will not receive any additional remuneration for the mandate as a member of the Board of Directors.

The Board of Directors' fees will be paid to the members of the Board of Directors after the Annual General Meeting in July 2024.

Depending on the situation, VAT or statutory social insurance is to be paid on remuneration to the Board of Directors. The members of the Board of Directors were granted occupational benefits for the first time, depending on the specific circumstances.

Information on all actual remuneration paid to the current members of the Board of Directors in the financial year 2023/24 is given in the table on page 125. In the reporting year, no remuneration was paid to former members of the Board of Directors in connection with their former activities as a member of the company's governing body. In addition, no remuneration not consistent with customary market conditions was paid to persons related to current or former members of the Board of Directors.

#### Executive Board remuneration

The elements of the remuneration granted to the Executive Board comprise a fixed remuneration, further benefits (e.g. service years award), a performance-related, short-term remuneration and a performance-related, share-based long-term remuneration. The NCC assesses the performance and the remuneration of the members of Executive Board every year and recommends any adjustments to the Board of Directors to decide on at its own discretion and without consulting external advisors.

The fixed remuneration is dependent on the function, the skills, the professional experience and the performance of the relevant person. The performance-related, short-term remuneration for the CEO amounts to between 0 % and a maximum of 60 % and for the other members of the Executive Board between 0 % and a maximum of 30 % of the annual fixed remuneration (gross) of the individual member of the Executive Board. According to the remuneration principles, the performance-related, short-term remuneration is dependent on the targets achieved vis-à-vis the set targets, based two-thirds on the consolidated EBIT margin and one-third on consolidated sales. The amount of the performance-related, short-term remuneration for the CEO in the reporting year amounted to approximately CHF 247 000 resp. 38 % of the fixed remuneration, based on a target attainment level of 95 %. If target attainment had been 100 %, the performance-related remuneration would have been around CHF 13 000 higher. The amount of the performance-related, short-term remuneration for the other members of the Executive Board in the reporting year amounted to CHF 440 065 resp. 19.6 % of the fixed remuneration, based on a target

attainment level of approximately 95 %. If target attainment had been 100 %, the performance-related remuneration would have been around CHF 23 161 higher.

The allocation amount for the share-based long-term remuneration to the CEO in the reporting year is approximately CHF 52 597 resp. 8.1 % of the fixed remuneration, resulting in an allocation of 757 PSUs to the CEO. The allocation amount for the share-based long-term remuneration to the other members of the Executive Board in the reporting year is approximately CHF 92 700 resp. 4.1 % of the fixed remuneration and results in an allocation of 1 335 PSUs to the other members of the Executive Board.

The Board of Directors is entitled to pay all types of permissible remuneration from the fixed compensation amounts authorised by the Annual General Meeting or the additional amounts. Members of Executive Board are granted insurance benefits from the occupational insurance within the framework of the statutory provisions and the provisions according to the regulations including extra-mandatory benefits and in the case of illness or accident their remuneration continues to be paid and/or is paid as insurance and bridging benefits within the framework of the statutory provisions and the provisions according to the regulations.

No severance pay and no notice periods of more than six months have been agreed with any members of Executive Board. In the reporting year, no severance pay was paid to former members of executive bodies. Information on the actual remuneration paid directly and indirectly to members of the Executive Board in the financial year 2023/24 is given in the table on page 126. In the reporting year, no remuneration was paid to former members of the Executive Board in connection with their former activities as members of the company's governing body. In addition, no remuneration not consistent with customary market conditions was paid to persons related to current or former members of the Executive Board.



## Board of Directors remuneration (certified by auditor)

Gross, in thousand CHF	Fixed remuneration		Performance-related remuneration <sup>1</sup>		Employer contribution to social insurance		Total PSU value according to LTI plan as per details <sup>3</sup>		Total	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Gilbert Achermann, Chairman since 29.06.2022	180	150	0.0	55.8	31.9	16.2	16.2	n/a	228.1	222.1
Paul Fonteyne	110	90	0.0	33.5	0.0	0.0	7.5	n/a	117.5	123.5
Martin Münchbach	110	90	0.0	33.5	19.7	9.7	8.2	n/a	137.9	133.2
Betül Susamis Unaran	110	90	0.0	33.5	18.5	9.7	8.2	n/a	136.7	133.2
Simon Michel, Member since 29.06.2022	0.0	0.0	0.0	0.0	0.0	0.0	0.0	n/a	0	
<b>Total Board of Directors remuneration</b>	<b>510</b>	<b>420</b>	<b>0.0</b>	<b>156.3</b>	<b>70.1</b>	<b>35.7</b>	<b>40.1</b>	<b>n/a</b>	<b>620.2</b>	<b>612.1</b>
Highest remuneration to Gilbert Achermann									<b>228.1</b>	222.1

**Further remuneration to persons related to Willy Michel, Chairman until 29.06.2022:**

Techpharma Management AG: for loans (Interest 01.04.–23.06.2022 until transfer to Willy Michel)	n/a	128.3
Dr. h.c. Willy Michel: for loans (Interest 24.06.–03.10.2022 until prepayment of the loan)	n/a	49.6
Techpharma Management AG: for rented business premises and services provided <sup>2</sup>	n/a	840.0

No further benefits.

- 1** The whole performance-related remuneration of the Board of Directors was replaced by the LTI program during the financial year 2023/24.  
**2** Willy Michel was no member of a company's governing body anymore in the financial year 2023/24, therefore the rent lease is not disclosed any more.  
**3** Encompasses nine earned months of the overall 36 months lasting LTI plan.

The maximum total amount of fixed remuneration of kCHF 620 which was approved at the AGM on 28 June 2023 was not utilised by kCHF 110 (without employer contribution to social security). The remuneration of Simon Michel as a member of the Board of Directors and two committees is included in his remuneration as CEO, he will not receive any additional remuneration for the mandate as a member of the Board of Directors.

## LTI Plan – allocation of PSU to the Board of Directors

Gross, in thousand CHF	Number of allocated PSU		Value of the allocated PSU		Employer contribution to social security		Total	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Gilbert Achermann, Chairman since 29.06.2022	233	n/a	14.9	n/a	1.3	n/a	16.2	n/a
Paul Fonteyne	117	n/a	7.5	n/a	0.0	n/a	7.5	n/a
Martin Münchbach	117	n/a	7.5	n/a	0.7	n/a	8.2	n/a
Betül Susamis Unaran	117	n/a	7.5	n/a	0.7	n/a	8.2	n/a
Simon Michel, Member since 29.06.2022	0.0	n/a	0.0	n/a	0.0	n/a	0.0	n/a
<b>Board of Directors LTI remuneration</b>	<b>584</b>		<b>37.4</b>		<b>2.7</b>		<b>40.1</b>	
Highest remuneration to Gilbert Achermann							<b>16.2</b>	n/a

	Allocated PSU	Prematurely forfeited PSU	Prematurely vested PSU	Remaining PSU as per 31.03.2024
Board of Directors	584	0	0	584

The allocation of PSU according to the LTI plan to Simon Michel as a member of the Board of Directors is included in his allocation of PSU as CEO; he does not receive an additional allocation of PSU as a member of the Board of Directors.



## Executive Board remuneration (certified by auditor)

Gross, in thousand CHF	Fixed remuneration		Other remuneration		Performance-related remuneration		Employer contribution to social insurance		Total PSU value according to LTI plan as per details <sup>1</sup>		Total	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Simon Michel, CEO	650.0	650.0	0.0	25.7	247.0	353.4	95.0	108.9	52.6	n/a	<b>1 044.6</b>	1 138.0
Add. members Executive Board	2 244.7	2 284.6	0.0	60.3	440.1	626.2	401.2	451.0	92.7	n/a	<b>3 178.7</b>	3 422.1
Subtotal	<b>2 894.7</b>	2 934.6	<b>0.0</b>	86.0	<b>687.1</b>	979.6	<b>496.2</b>	559.9	145.3			
<b>Total Executive Board remuneration</b>											<b>4 223.3</b>	4 560.1

Highest remuneration to Simon Michel **1 044.6** 1 138.0

The net fixed remuneration of kCHF 2 894.7 (previous year: kCHF 2 934.6) plus employer contributions to social security of kCHF 438.7 (previous year: kCHF 475.9) totalled kCHF 3 333.4 (previous year: kCHF 3 410.5). This means that the maximum total amount of fixed remuneration for the 2023/24 financial year of kCHF 4 200.0 which was approved at the AGM on 29 June 2022 was not utilised by kCHF 866.6.

The total performance-related remuneration paid to the Executive Board amounts to kCHF 744.6 (previous year: kCHF 1 063.5) – the performance-related remuneration amounts to kCHF 687.1 (previous year: kCHF 979.6) plus corresponding employer contributions to social security kCHF 57.5 (previous year: kCHF 83.9).

<sup>1</sup> Encompasses nine earned months of the overall 36 months lasting LTI plan.

## LTI Plan – allocation of PSU to the Executive Board

Gross, in thousand CHF	Number of allocated PSU		Value of the allocated PSU		Employer contribution to social security		Total	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Simon Michel, CEO	<b>757</b>	n/a	<b>48.4</b>	n/a	<b>4.2</b>	n/a	<b>52.6</b>	n/a
Add. members Executive Board	<b>1 335</b>	n/a	<b>85.3</b>	n/a	<b>7.4</b>	n/a	<b>92.7</b>	n/a
Subtotal	<b>2 092</b>	n/a	<b>133.7</b>	n/a	<b>11.6</b>	n/a	<b>145.3</b>	n/a
<b>Executive Board LTI remuneration</b>							<b>145.3</b>	
Highest remuneration to Simon Michel							<b>52.6</b>	n/a

	Allocated PSU	Prematurely forfeited PSU	Prematurely vested PSU	Remaining PSU as per 31.03.2024
Executive Board	2 092	<b>0</b>	<b>0</b>	2 092

## No loans and credits

No loans or credits were granted to current or former members of the Board of Directors and the Executive Board or persons close to them during the reporting year. No such loans or credits were outstanding as of 31 March 2024.

## Statutory rules governing the principles of remuneration

The General Meeting of Shareholders on 28 June 2023 approved amendments to the Articles of Association. The Articles of Association of Ypsomed Holding AG provide for the following remuneration principles since the General Meeting of Shareholders on 28 June 2023:

- The General Meeting of Shareholders approves annually on a binding basis and upon the proposal of the Board of Directors the total amounts of the fixed remuneration for the following approval periods:
  - for the Board of Directors until the next Annual General Meeting of Shareholders.
  - for the Executive Board for the financial year following the Annual General Meeting of Shareholders.
- The General Meeting of Shareholders approves annually on a binding basis the amount of the short-term performance-related remuneration for the members of the Executive Board for the financial year preceding the General Meeting of Shareholders.
- In addition, the General Meeting of Shareholders approves annually the overall amount for the share-based long-term remuneration elements for the members of the Board of Directors and the total amount for the share-based long-term remuneration elements for the members of the Executive Board for the current financial year.
- If the General Meeting of Shareholders refuses to approve a total amount, the Board of Directors is authorized to submit new proposals at the same General Meeting of Shareholders or defer the vote on approval of the remuneration until an extraordinary General Meeting of Shareholders or until the next Annual General Meeting of Shareholders. Until the fixed remuneration have been approved by the General Meeting of Shareholders the remuneration can be paid subject to approval.
- Subject to the provisions of the Code of Obligations, the Board of Directors is entitled to pay all types of remuneration from the approved remuneration amounts.
- Remuneration may be paid in cash, in contributions in kind and in rights to acquire equity securities and in rights to the allocation of equity securities. In particular, the Board of Directors determines the subscription as well as allocation conditions, vesting conditions, exercise conditions and periods, any vesting periods and forfeiture conditions.
- The amounts of remuneration approved by the General Meeting of Shareholders can be paid by the company itself or by a company that it controls.
- If new members are elected to the Executive Board following the resolution of the General Meeting of Shareholders, an additional amount of a maximum of 25 % of the previous total of the approved fixed remuneration amounts for the approval period shall be made available to the company.
- The company can conclude temporary and permanent contracts with members of the Board of Directors governing their remuneration. Temporary contracts have a maximum period of one year, but they may be renewed more than once. Permanent contracts have a maximum notice period of twelve months.
- The company can conclude temporary and permanent contracts with members of Executive Board governing their remuneration. Temporary contracts have a maximum period of six months, but they may be renewed more than once. Permanent contracts have a maximum notice period of six months.
- The remuneration for non-competition agreements concluded with members of the Executive Board may be paid for a maximum of twelve months and must not exceed the average remuneration for the last three financial years. The non-competition clause must also be justified on business grounds.

## Investments held by the Board of Directors and Executive Board

See notes on the annual financial statement 2023/24 of the Ypsomed Holding AG, page 92.

## Activities in other undertakings

Pursuant to Art. 734e of the Swiss Code of Obligations, the table below states the comparable positions of the members of the Board of Directors and the Executive Board in other undertakings with commercial objectives. Mandates in undertakings that are controlled either di-

rectly or indirectly by Ypsomed Holding AG are not listed. More information about the members of the Board of Directors and the Executive Board can be found in the Corporate Governance report 2023/24 on pages 105 f. and 112 f.

## Mandates members of the Board of Directors (certified by auditor)

Name	Mandate	Company	Exchange listed
<b>Gilbert Achermann</b>	Chairman of the Board of Directors	Straumann Holding AG (until April 2024)	yes
	Board of Directors	Julius Bär Group AG (until April 2024)	yes
	Chairman of the Board of Directors	Unilabs AB	no
	Board of Directors	greenTeg AG	no
	Member	Aufsichtsrat des IMD	no
<b>Paul Fonteyne</b>	Board of Directors	Amylyx Pharmaceuticals Inc.	yes
	Board of Directors	Apellis Pharmaceuticals Inc.	yes
	Board of Directors	Gelesis Inc. (until 2023)	yes
	Board of Directors	DalCor Inc.	no
	Board of Directors	Apnimed Inc.	no
	Executive in Residence	Canaan Partners	no
<b>Dr. Martin Münchbach</b>	Managing Partner	Pureos Partners AG	no
	Board of Directors	Ariceum Therapeutics GmbH	no
	Board of Directors	Alentis Therapeutics AG	no
	Board of Directors	River Renal Inc.	no
<b>Betül Susamis Unaran</b>	Board of Directors	Brain+ A/S (until November 2023)	yes
	Chief Commercial Officer	Unilabs AB	no
	Board of Directors	DSS Sustainable Solutions Holding SA (until June 2023)	no
	Member Impact Advisory Board	DSS Sustainable Solutions Holding SA (since October 2023)	no
	Member Advisory Board	Luminaty	no
<b>Simon Michel</b>	Chairman of the Board of Directors	DCB Research AG	no
	Chairman of the Board of Directors	Ahueni AG	no
	Board of Directors	Unitectra AG (until June 2024)	no
	Board of Directors	sitem Insel AG (until June 2024)	no
	Board of Directors	Forster Rohner AG	no
	Board of Directors	LEM Surgical AG	no
	Board of Directors	MV Capital AG	no

## Mandates members of the Executive Board (certified by auditor)

Name	Mandate	Company	Exchange listed
<b>Simon Michel</b>	Chairman of the Board of Directors	DCB Research AG	no
	Chairman of the Board of Directors	Ahueni AG	no
	Board of Directors	Unitectra AG (until June 2024)	no
	Board of Directors	sitem Insel AG (until June 2024)	no
	Board of Directors	Forster Rohner AG	no
	Board of Directors	LEM Surgical AG	no
	Board of Directors	MV Capital AG	no
<b>Frank Mengis</b>	Member of the Board of Directors	Nemis Technologies AG	no

The other members of the Executive Board have no corresponding mandates.



# Auditor report on the remuneration report

## Report of the statutory auditor

to the General Meeting of Ypsomed Holding AG

Burgdorf

### Report on the audit of the remuneration report

#### Opinion

We have audited the remuneration report of Ypsomed Holding AG (the Company) for the year ended 31 March 2024. The audit was limited to the information pursuant to article 734a-734f CO in the tables marked 'certified by auditor' on pages 125, 126 and 128 of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the remuneration report (pages 125, 126 and 128) complies with Swiss law and the Company's articles of incorporation.

#### Basis for opinion

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

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

#### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'certified by auditor' in the remuneration report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

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

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

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

#### Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.

#### Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or

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error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

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

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

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

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

PricewaterhouseCoopers AG

Oliver Kuntze  
Licensed audit expert  
Auditor in charge

Astrit Mehmeti  
Licensed audit expert

Bern, 21 May 2024

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This annual report contains certain forward-looking statements. These can be identified by terms such as “should”, “accept”, “expect”, “anticipate”, “intend”, “target”, “ambition” or similar terms and phrases. The actual future results may differ materially from the forward-looking statements in this annual report, due to various factors such as legal and regulatory developments, exchange rate fluctuations, changes in market conditions, as well as the activities of competitors, the non-introduction or delayed introduction of new products for various reasons, risks in the development of new products, interruptions to production, the loss of or inability to obtain intellectual property, litigation and administrative proceedings, adverse publicity and news coverage.

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