

Half-Year Results 2024

Media Conference

6 August 2024



Welcome

Daniel Lack, Company Secretary

Agenda

- 1. First Half-Year 2024 at a Glance** Nicolas Vanden Abeele, CEO
- 2. Financial Update** Kalina Scott, CFO
- 3. Strategy & Business Update** Nicolas Vanden Abeele, CEO
- 4. Guidance** Nicolas Vanden Abeele, CEO
- 5. Questions & Answers**

First Half-Year 2024 at a Glance

Nicolas Vanden Abeele, CEO

First Half-Year 2024 at a Glance

First Half-Year 2024 Shows a Mixed Picture



Revenue decrease of 2.7% at constant currencies (- 5.4% at actual currencies) mainly due to shortfalls in UK, France & Spain, and OEM. H1/2023 also benefited from a high base effect due to a revenue catch-up after the component shortage.



Positive revenue development in the key markets such as DACH, Nordics and Netherlands



Incoming Orders 3.1% below previous year (-0.3% at constant currencies), however, about 13% above H2/2023



USA & Canada and Rest of World delivered strong order intake with a growth rate > 20%



EBITDA margin of 7.4% in line with previous year (H1/2023: 7.5%) despite lower revenue



Group profit of CHF 2.9 million (H1/2023: CHF 5.1 million) impacted by increased depreciation costs

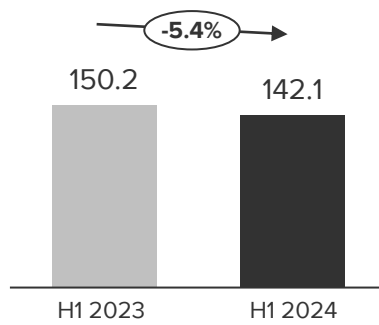


Solid balance sheet with good **net cash position** and healthy **equity ratio**

H1 2024 Development

Net Revenue

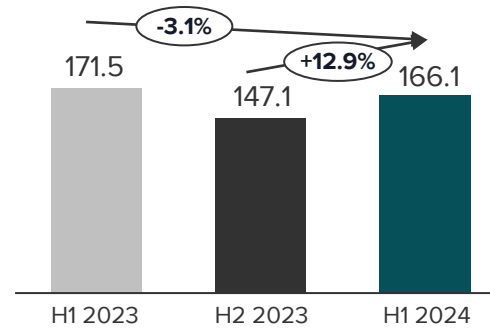
In actual currencies (CHFm)



- **-2.7% at constant currencies**
- **High base effect in H1/23** due to **revenue catch-up** after **component shortage**
- Good performance in **DACH**, **Nordics** and **Netherlands**
- **UK, France & Spain, OEM** underperformed

Incoming Orders

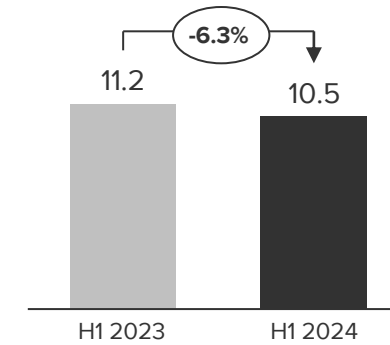
In actual currencies (CHFm)



- **-0.3% at constant currencies**
- **Strong contribution** from **USA & Canada** and **Rest of World**

EBITDA

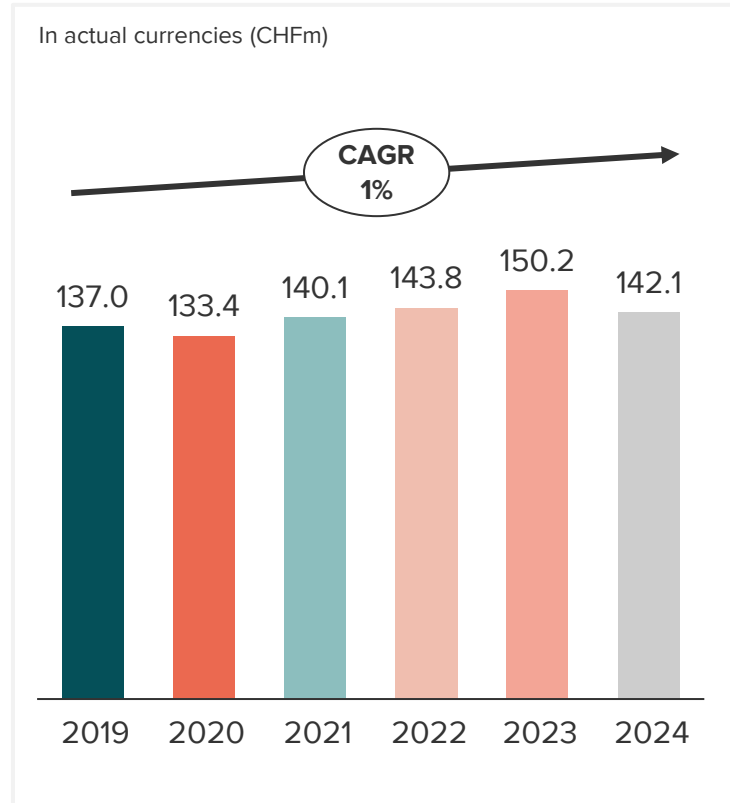
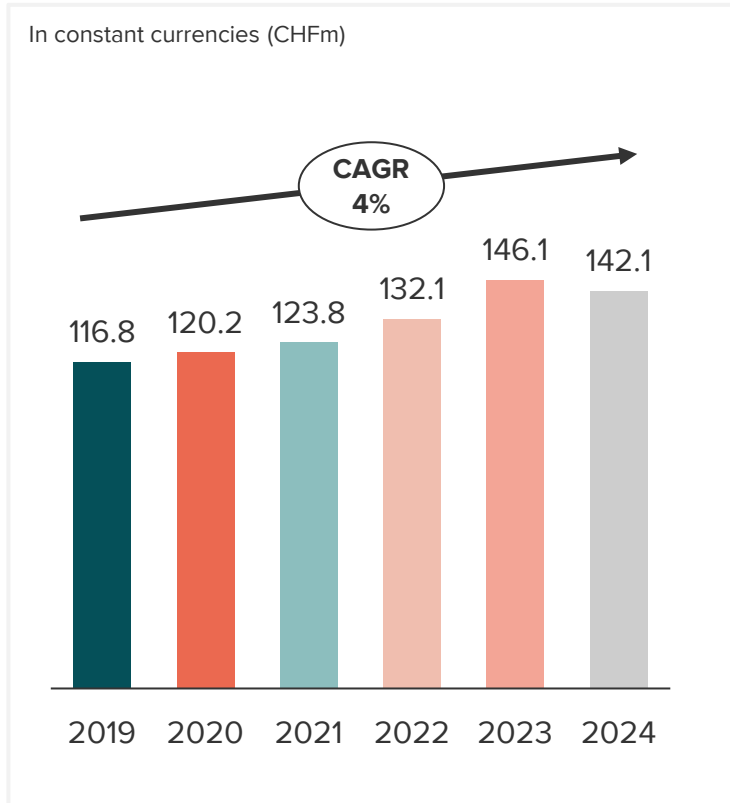
In actual currencies (CHFm)



- **EBITDA margin of 7.4% in line** with **previous year (7.5%)** despite lower revenue
- Supported by decent **cost management**

H1 Net Revenue Evolution

5-Year Revenue Growth (CAGR) of 4% at constant currencies

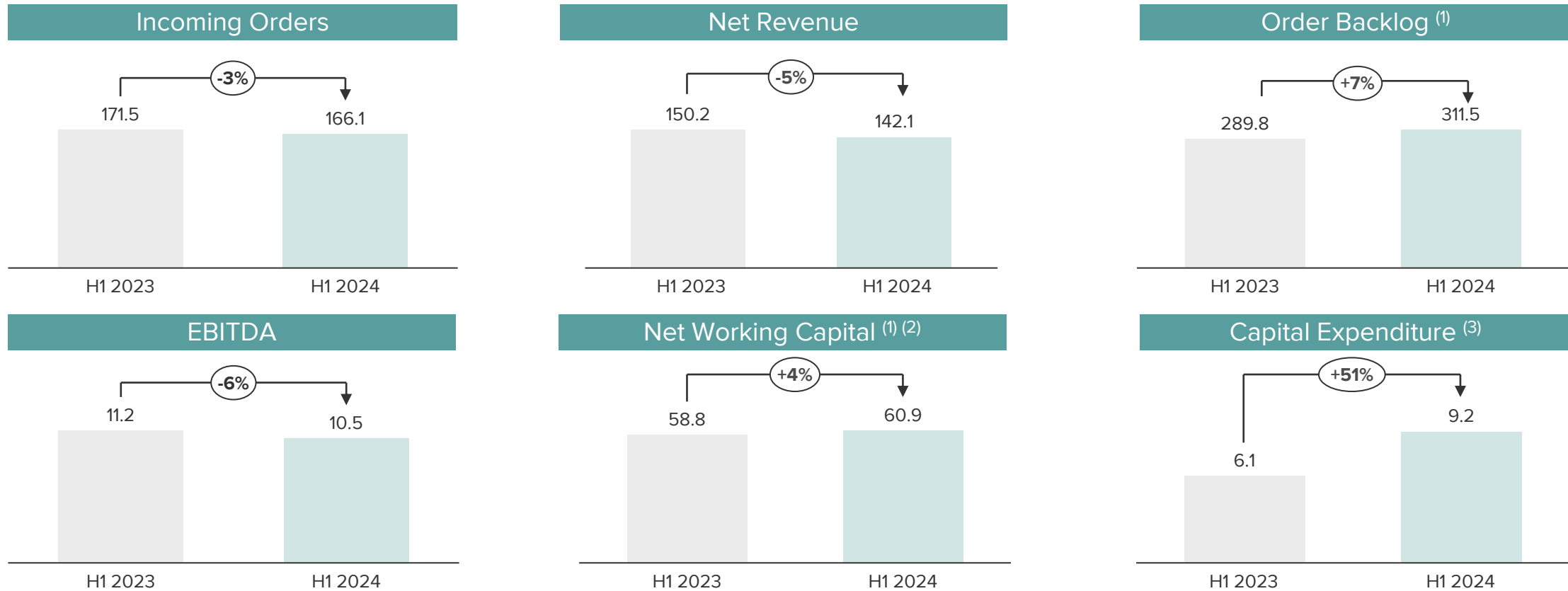


Financial Update

Kalina Scott, CFO

Key Figures H1 2024 (at actual rates, CHFm)

H1 2024 Financial Performance Below Our Expectations



Note: All values in CHFm

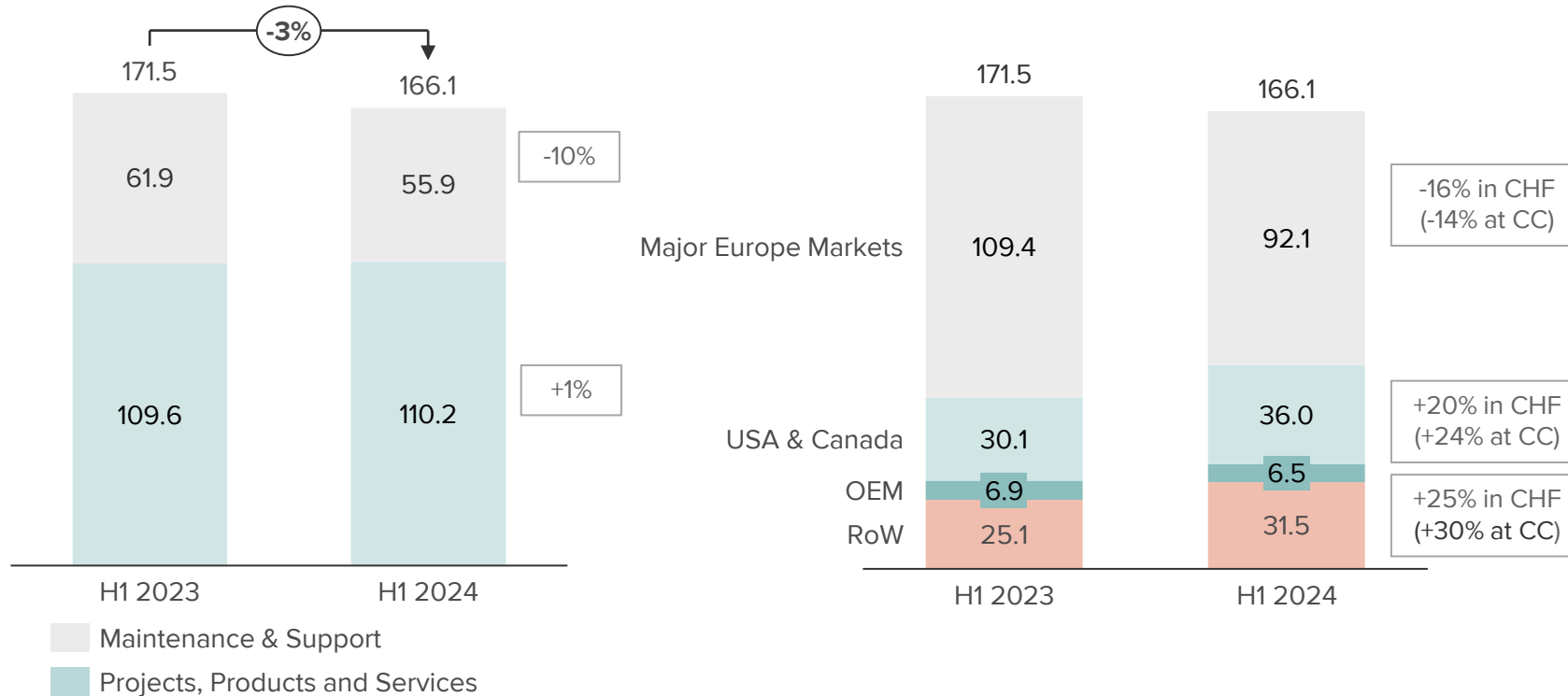
(1) At 30 June

(2) Net working capital is calculated by subtracting the sum of trade payables and liabilities from work in progress and other current liabilities (including other current liabilities, current provisions, deferred income and accrued expenses) from the sum of trade receivables, inventories, work in progress and other current assets (including other current receivables, compensation claims from work in progress and accrued income and deferred expenses).

(3) Capital expenditure is calculated as the sum of investments in tangible and intangible assets and excludes proceeds from disposals

Incoming Orders on Similar Level as H1 2023 (-0.3% at constant currencies)

High Order Growth in the USA and RoW, Decline on Orders in Some European Markets

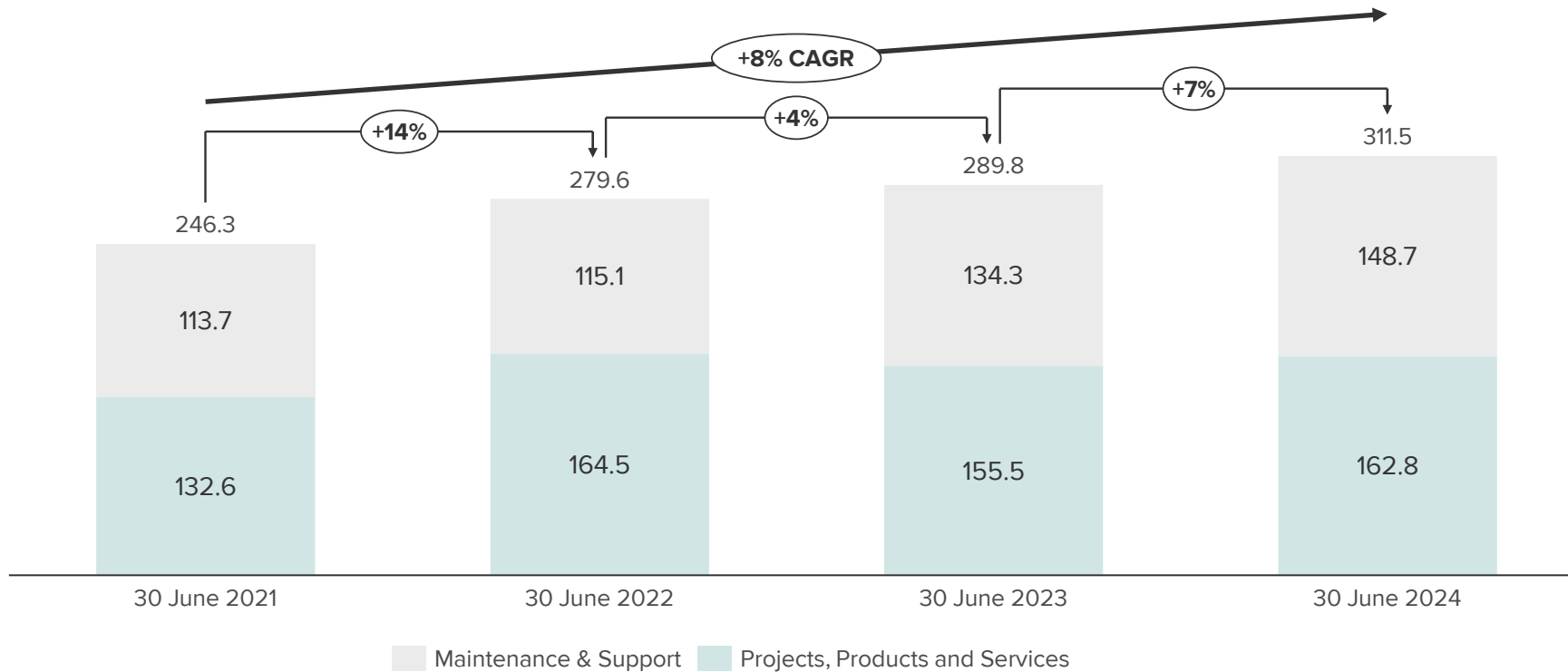


- Incoming Orders -0.3% at constant currencies (-3% in CHF)
- Increase in USA & Canada with multiple large deals closed
- Increase in Rest of World mainly from Italy, Australia and MEA
- Decline in Major Europe Markets driven by Netherlands, DACH and UK
- Book-to-bill ratio of 1.17

Note: In CHFm. All values as reported in actual currencies, when marked cc, then constant currencies, eliminating currency impacts
Major Europe Markets are DACH, France & Spain, Netherlands, Nordics and UK

Order Backlog Growth by 8% (at constant currencies)

Around 65% Converting to Revenue Beyond 2024



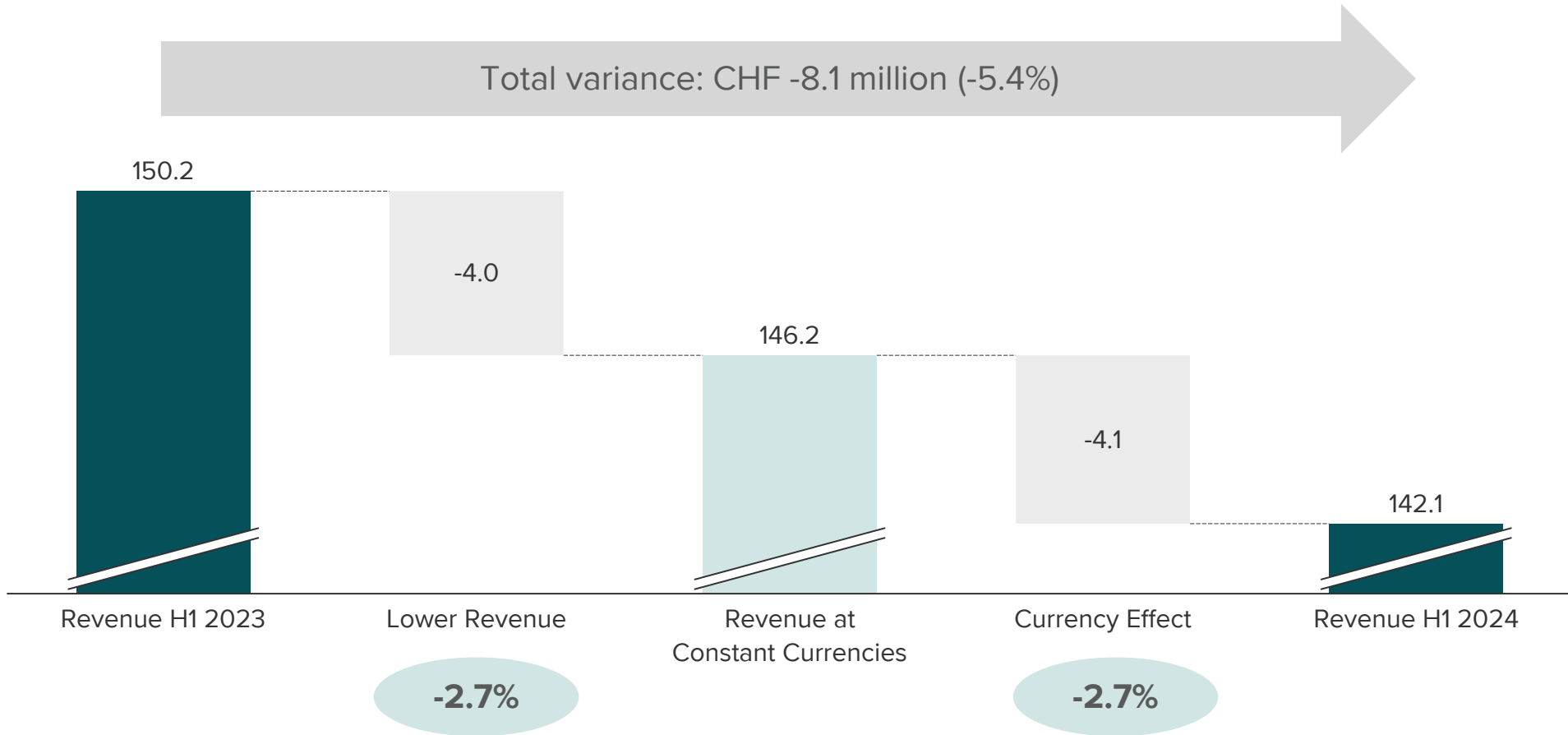
Order backlog growth YoY:

- 7% in CHF
- 8% at constant currencies

Note: All values in CHFm

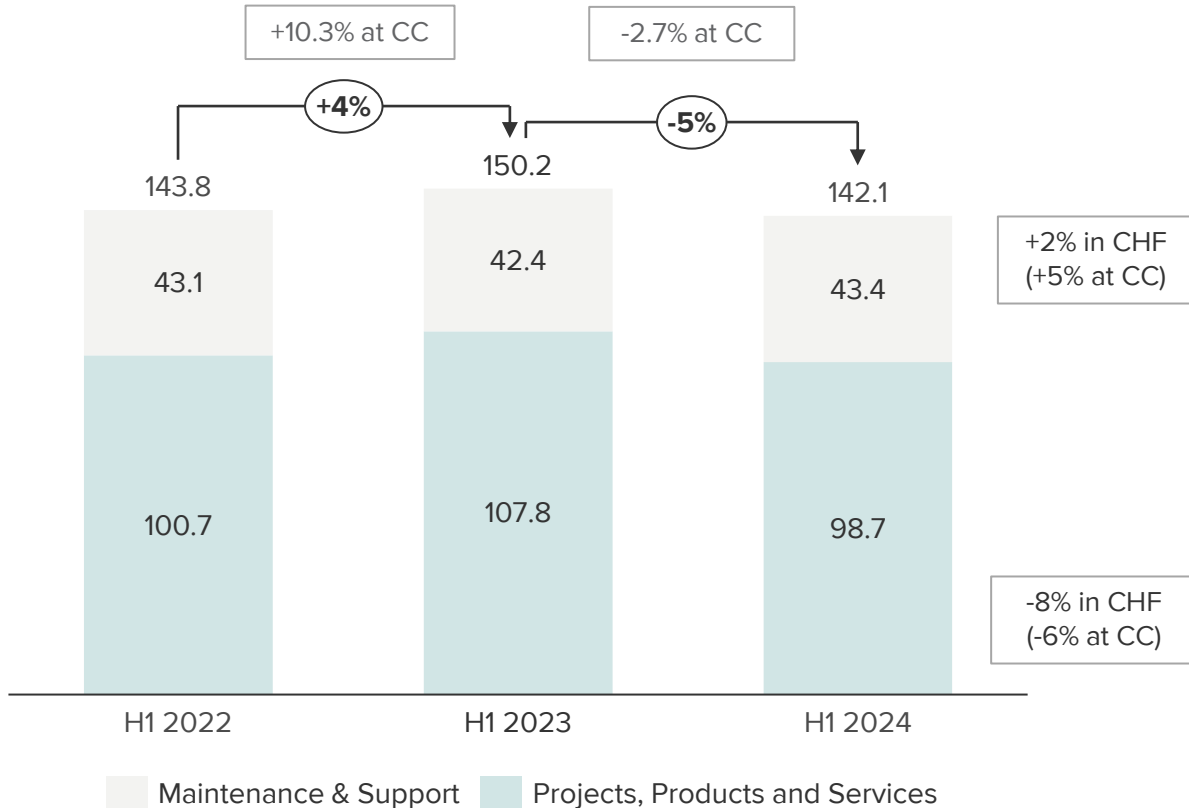
Revenue Impacted by Shortfalls in UK and France & Spain

Negative Currency Effect of -2.7%



Revenue Development

Revenue Decline from Projects, Products and Services; Higher Revenue from Maintenance & Support



- Net revenue decline of -2.7% at constant currencies (-5.4% in CHF)
- Products, Projects & Services declined -6% at constant currencies led by USA & Canada, France & Spain and UK
- Maintenance & Support growth of 5% at constant currencies shown in nearly all regions

Revenue H1 2024 – Regional Development

Best Performance Was Achieved in the Key Markets DACH, Nordics and Netherlands

Region	Revenue CHFm	Variance to PY		Comment
		%-cc	%-CHF	
USA & Canada	26.0	-5.4%	-8.5%	Incoming Order growth has been strong yet conversion to revenue has been delayed by larger orders
DACH	25.6	+0.8%	-0.8%	Growth in Enterprise segment has helped offset lower revenue in Long-term care and Acute care
Netherlands	24.4	+3.3%	+0.4%	Growth coming from Customer Support and good management of projects
Rest of World	22.1	+0.5%	-3.5%	Weakness in MEA, Australia and Central-Eastern Europe, mitigated by strong performance in Italy, specifically in Acute Care
Nordics	20.4	+6.1%	+2.5%	Growth generated in the Enterprise market
France & Spain	9.4	-17.2%	-19.7%	Decline in Elderly Care revenue
OEM	7.4	-6.9%	-8.6%	Continued contraction of the Mobility business
UK	6.8	-24.9%	-25.3%	Decline in the Mobility business, in both Healthcare and Enterprise markets

H1 2024 P&L

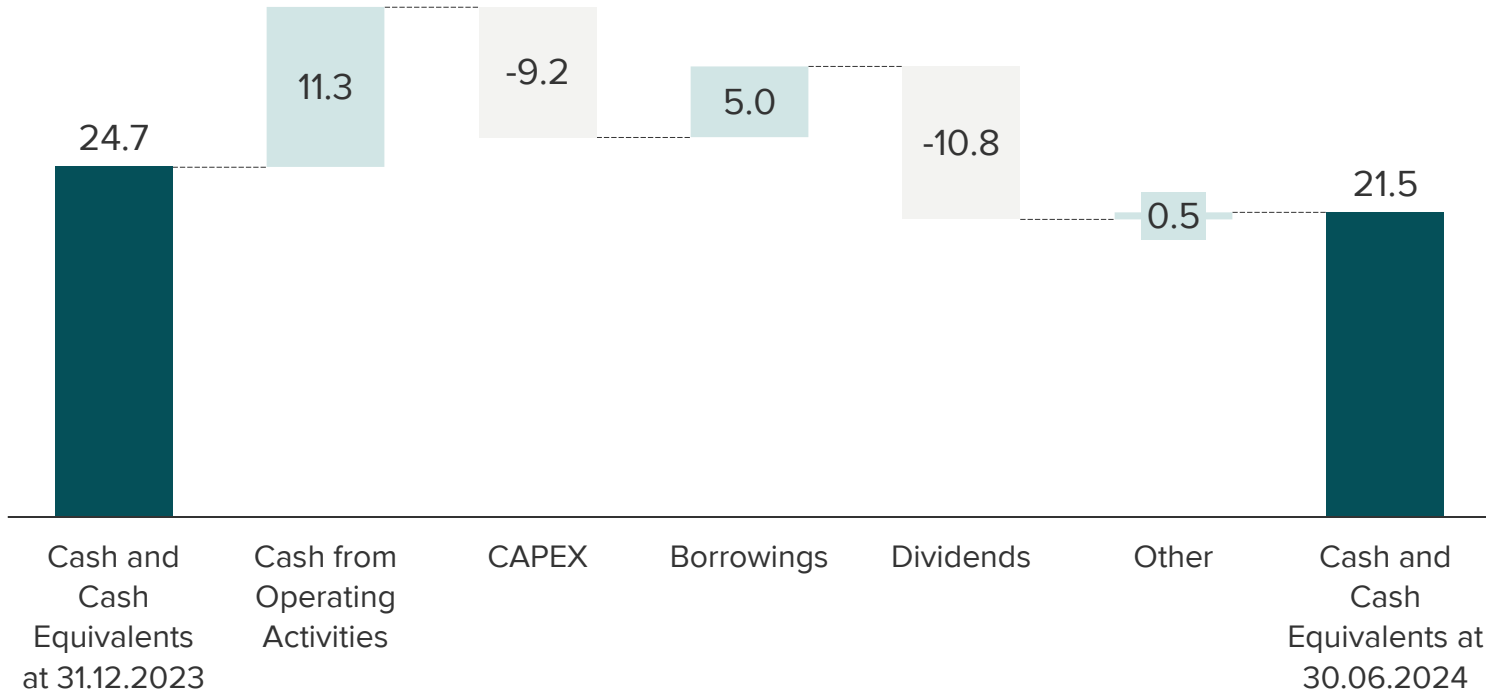
Lower Revenue, but Unchanged Gross Profit Margin

	2024	%	2023	%	Variance %-cc	Variance %-CHF
Net Revenue	142.1	100.0%	150.2	100.0%	(2.7%)	(5.4%)
Cost of Sales	(74.9)	(52.7%)	(78.9)	(52.5%)	(2.3%)	(5.1%)
Gross Profit	67.2	47.3%	71.3	47.5%	(3.1%)	(5.8%)
Marketing & Sales	(38.4)	(27.0%)	(40.0)	(26.6%)	(1.3%)	(4.0%)
Research & Development	(13.5)	(9.5%)	(13.8)	(9.2%)	0.6%	(2.2%)
Administration	(11.2)	(7.9%)	(11.2)	(7.5%)	1.4%	(0.2%)
Other Operating Expenses	(0.1)	(0.1%)	(0.2)	(0.1%)	41.1%	(57.8%)
EBIT	4.0	2.8%	6.1	4.1%	(32.8%)	(34.4%)
EBITDA	10.5	7.4%	11.2	7.5%	(4.5%)	(6.2%)
Net Profit	2.9	2.0%	5.1	3.4%	(60.8%)	(43.1%)

- Largely unchanged Gross Profit Margin
- Savings in Marketing & Sales
- Substantial increase in depreciation and amortization due to higher capitalization in 2023 of
 - R&D projects,
 - the new ERP system and
 - refurbishment of the building in Gothenburg.

Cash Flow Development

Steady Operating Cashflow Mitigated by Higher CAPEX and Dividend Payment



- Ascom generated free cash flow of CHF 2.1 million in the first six months (H1/2023: CHF 12.2 million)
- Increased dividend payments of CHF 10.8 million (2023: CHF 7.2 million)
- Capitalization of major R&D projects, migration to a new ERP system and a refurbishment of the building in Gothenburg

Balance Sheet as of 30 June 2024

Continued Solid Balance Sheet with Positive Net Cash Position

	2024 30-Jun	2023 31-Dec	2023 30-Jun	2022 31-Dec
Cash & Cash Equivalents	21.5	24.7	21.2	26.6
Borrowings	(5.0)	-	-	(10.0)
Net Cash	16.5	24.7	21.2	16.6
Net Working Capital	60.9	60.9	58.8	70.5
Total Assets	200.2	197.2	191.2	201.8
Total Equity	73.5	78.7	68.2	73.4
Equity Ratio	36.7%	39.9%	35.7%	36.4%

- Net Cash position of CHF 16.5 million
- NWC stable since December 2023
- Healthy equity ratio of 36.7%

Strategy & Business Update

Nicolas Vanden Abeele, CEO

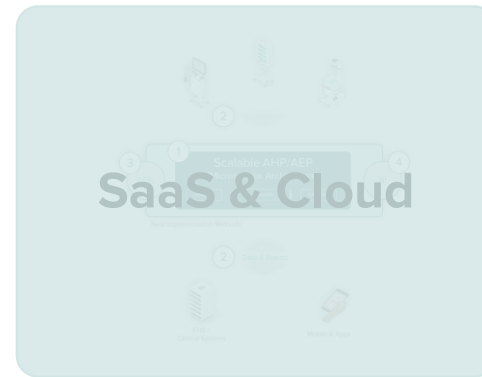
Delivering Upon Ascom's Strategy



Becoming the key enabling platform in Healthcare and Enterprise



Sustainable growth in key regions and by leveraging solution synergies



Scalable solutions driving better revenue mix and gross margin improvements



Continued operational excellence and efficiency improvements

Becoming the Key Enabling Platform in Healthcare and Enterprise

Bringing Data to Life and Delivering Better Outcomes

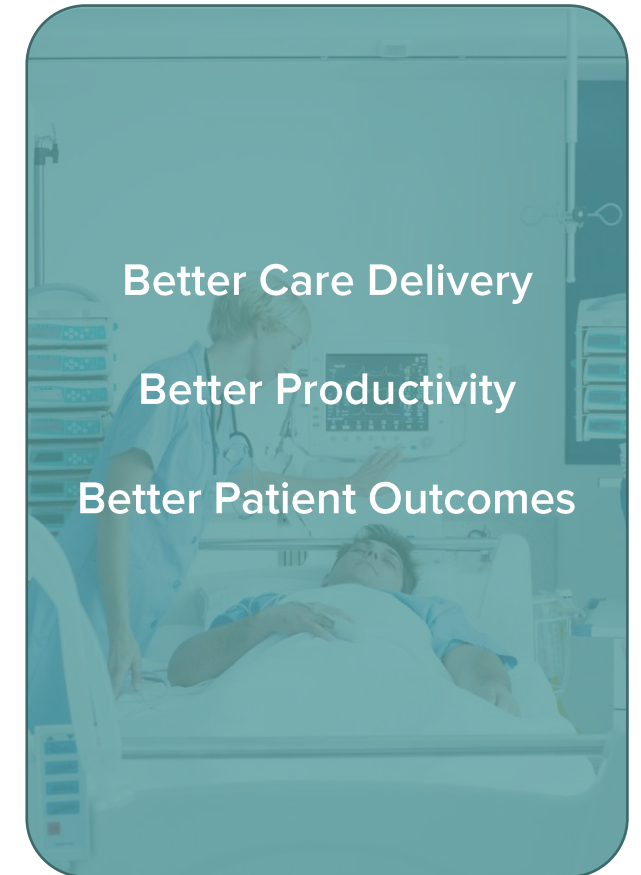
Our Ambition



Products/Solutions

- 1 **Mobile (digital) way of working**
- 2 **Alarm management & orchestration**
 - Alerts
 - Alarms
 - Personal Safety
- 3 **Patient-centric care**
 - Nurse Call
 - Sensors (SmartSense, 3rd party)
 - MDI
 - Clinical Surveillance
 - PDMS
- 4 **Operational and logistical workflows**

Delivering



Ascom Healthcare & Enterprise Platforms

Becoming the Key Enabling Platform



Nurse Call



Digistat



SmartSense



Unite/Ofelia



Mobility

Ascom Drives Digitalization Across All Care Pathways

Transforming Healthcare Through an All-Encompassing Platform

Hospital Care Pathways

Ascom Healthcare Platform & Solutions

Emergency room

General ward

Central Monitoring station

Operation room

ICU

Rehab center

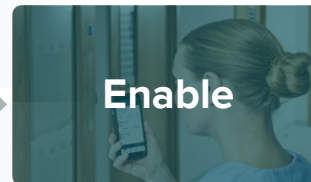
Care@Home



Collect and integrate critical information.



Analyze, visualize and prioritize data-driven alarms



Provide mission-critical information, at the right time to the right person



Delivering Upon Ascom's Strategy



Becoming the key enabling platform in Healthcare and Enterprise



Sustainable growth in key regions and by leveraging solution synergies



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Continued operational excellence and efficiency improvements

Growth Drivers for H2/2024 and beyond

Good Basis for a Stronger H2/2024



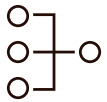
Increased order backlog

- Order backlog at CHF 311.5 million (31.12.2023: CHF 276.4 million)
- About 35% converting still in 2024



Strong order intake in key regions

- USA & Canada: + 23.7% compared to H1/2023
- Rest of World: + 28.6% compared to H1/2023



New business model due to platform convergence

- Platform convergence leads to more scalability
- Adapted delivery model is more cost-efficient



Innovation

- Myco 4 smartphone successfully launched
- More SaaS and Software offerings

Delivering Upon Ascom's Strategy



Becoming the key enabling platform in Healthcare and Enterprise



Sustainable growth in key regions and by leveraging solution synergies



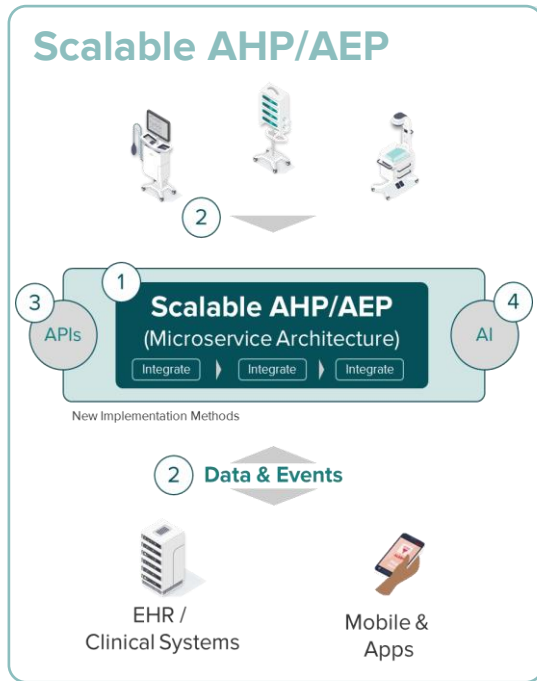
Scalable solutions driving better revenue mix and gross margin improvements



Continued operational excellence and efficiency improvements

SaaS and Cloud Offerings

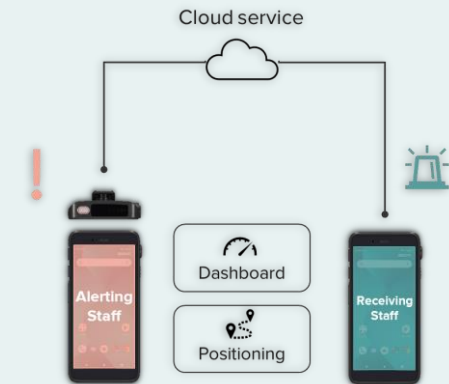
Leveraging Scalable Ascom Healthcare & Enterprise Platforms (AHP/AEP)



Introduction of **new fully integrated** and **converged platform**, enabling:

- Better **scalability** and **efficiency**
- **Increased availability** and safer transmission
- **Easy integration of 3rd party applications** via standardized interfaces and open APIs
- **AI based services**

F.ex.: SaaS Staff Safety Solutions



- Cloud-based solutions, further **driving recurring and software revenue**
- State-of-the-art platform based on “**containerized microservices**”
- Fully scalable and **easy to configure/operate**

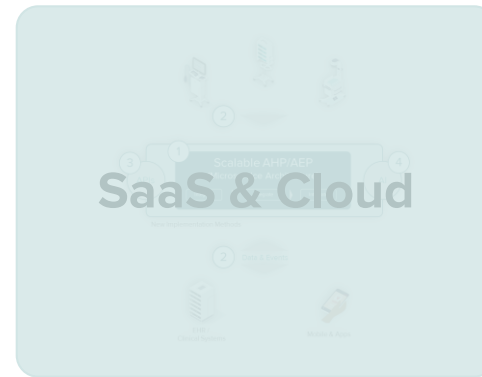
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Becoming the key enabling platform in Healthcare and Enterprise



Sustainable growth in key regions and by leveraging solution synergies



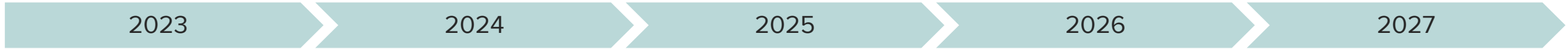
Scalable solutions driving better revenue mix and gross margin improvements



Continued operational excellence and efficiency improvements

Operational Efficiency

Sustained Cost and Efficiency Measures to Support Profitability Increase



Implementation of efficiency plan to reduce functional costs

- **Additional cost measures** implemented in **2024** to **further improve efficiency** and **cost base** resulting in **additional run-rate savings** in **2025** and **beyond**
- **Optimization of company structure**

- **Efficiency and productivity gains** across **all functions**
- **Platform convergence** with **simplified deployment**
- **Remote monitoring** of installed base

Customer References

Partnership Agreement: Almaviva – Italy

Ascom selected for Strategic Collaboration with Global Player to Drive Digitalization in Italian Healthcare

About the Partner

- Leading provider of mission-critical IT-services
- Operates globally with 45'000 employees (6'000 in Italy)
- Third largest privately-owned ICT group in Italy
- € 1.156 billion turnover in 2023



Collaboration Objective

- Advance digitalization in healthcare delivery in Italy
- Consolidate and optimize patient data collection and analysis
- Enable more informed clinical decision-making
- Improve efficiency in day-to-day care delivery and achieve cost savings
- Enhance patient safety, satisfaction, and overall health outcome

Our Solution

Ascom Digistat Software Suite:

- Comprehensive suite of clinical workflow software
- Enabling critical alarm management, intensive care, and perioperative workflow management
- Fully customizable and integrable with over 350 medical devices through modular design

Customer Case: Bowling Green Veterans Administration – USA

Important Milestone for Further Business Development with US Veteran Hospitals

About the Customer

- Part of Veterans Administration Integrated Delivery Network (largest IDN in the US)
- 1225 health care facilities serving 9 million veterans each year
- Specializing in post-traumatic stress and substance abuse disorder recovery

VA



U.S. Department of Veterans Affairs

Customer Objective

- Modernize existing systems for improved efficiency
- Standardize infrastructure among their 2 facilities in Kentucky
- Acquire devices and systems which require minimal staff training

Our Solution

A wide portfolio of Ascom products and services:

- Healthcare Platform System
- Telligence 6.1 Nurse Call upgrades
- DECT/WiFi Myco 3 Handsets
- Unite Software
- Support Agreement

Customer Case: Helse Sør-Øst (HSØ) – Norway

Flagship win in largest Norwegian Hospital Region

About the Customer

- South-Eastern Norway Regional Health Authority
- Serving a population of 3.1 million (= 57% of total population in Norway) within Acute Care
- 11 trusts, 33 hospitals, 60 locations and a staff of 83,000

Customer Objective

- Digitalization of clinical workflows
- Further digitize the integration of medical devices (MDI)
- Enhanced patient privacy and safety
- Mobile communication and collaboration, with smart mobile devices



Our Solution

Ascom Digistat Software Suite:

- Comprehensive suite of clinical workflow software
- Enabling critical alarm management, intensive care, and perioperative workflow management
- Fully customizable and integrable with over 350 medical devices through modular design

Customer Case: New Childrens Hospital – Ireland

Five-year contract with Children's Health Ireland to drive the digitalization in Irish hospitals

About the Customer

- Largest healthcare project in Ireland
- Leading on the clinical and operational transformation of acute pediatric healthcare through integrated services, education and research and innovation
- 4,109 episodes of care staff working in 39 clinical specialties and serving 25% of the Irish population

Customer Objective

- Digital transformation initiative towards a fully digital, paperless hospital environment.
- Modern infrastructure to ensure staff safety
- Efficiency gains and cost savings in day-to-day care delivery
- Increasing patient safety and patient experience



Our Solution

Ascom Alert and Notification Management System (ANMS)

- Built on the Ascom Healthcare Platform
- Connecting staff to various alert sources within the hospital
- Ensuring efficient delivery of critical information
- Enabling critical response management capabilities

Guidance

Nicolas Vanden Abeele, CEO

FY2024 Guidance

- Ascom is **active in attractive markets** with continued **need for digitalization**
 - We are confident to **further strengthen our competitiveness, grow our business and benefit from the significant opportunities ahead.**
-

Guidance 2024*:

Given the slower start of the year, and the current market and geopolitical environment, Ascom expects for fiscal year 2024:

- **Net revenue in line with the previous year at constant currencies**
- **EBITDA margin of 9-10%**

*Ascom's 2024 guidance and mid-term guidance is based on the current market and economic environment and current visibility

Questions & Answers

Legal Disclaimer

This document contains specific forward-looking statements, e.g. statements including terms like “believe”, “expect” or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties, and other factors which may result in a substantial divergence between the actual results, financial situation, development, or performance of Ascom and those explicitly presumed in these statements.

Against the background of these uncertainties, readers should not rely on forward-looking statements. Ascom assumes no responsibility to update forward-looking statements or adapt them to future events or developments.