

Half-Year Media Conference 2020

ascom

13 August 2020

Agenda

- **Opening Statement**
Jeannine Pilloud, CEO
- **Financial Review H1 2020**
Dominik Maurer, CFO
- **Ascom during Covid-19 crisis**
 - Jeannine Pilloud, CEO
 - 2 Representatives of Slingeland Hospitals (NL)
- **Outlook**
Jeannine Pilloud, CEO
- **Q&A**



Today's Presenters of Ascom



JEANNINE PILLOUD
CEO



DOMINIK MAURER
CFO

Our Commitment




As per Annual Media Conference 5 March 2020

Key Success Factors

1 Operational	2 Financial	3 Strategic	4 Positioned for Future Growth
<ul style="list-style-type: none"> Stabilize and transform the business Leaner organization with strong customer proximity Set up of a Clinical Solutions Team Realignment of leadership team New Head of HR appointed in February 2020 	<ul style="list-style-type: none"> Cost base to be lowered by about CHF 15m Improve financial steering End-to-end P&L responsibility in the regions 	<ul style="list-style-type: none"> Protect traditional business Develop the business around mobile workflow solutions Targeted business development process per region and market segment 	<ul style="list-style-type: none"> High-growth market Global coverage and large customer footprint Unique Healthcare and Enterprise platform Innovation pipeline Highly-skilled workforce Comprehensive ecosystem for integrated solutions

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Execution Highlights

-  Business stabilized through **lean organization** and **strong leadership team** with ambitious goals
-  **Regions with full end-to-end P&L responsibility**
-  Set up of **Clinical Solutions Team**
-  Transformation Program **SIFOX (Simplify, Focus, Execution)** to stabilize and transform the business is **advancing well** - current focus on **simplification** and **realignment of go-to-market** and **efficient delivery model**

First Half-Year 2020 at a Glance

Decent Performance in H1 Despite the Covid-19 Crisis



2.8% net revenue growth (at constant currencies)

Substantial improvement of gross profit margin (47.8%) and EBITDA (+ CHFm7.7 vs. H1 2019 at constant currencies)



Positive development in particular in **USA & Canada** as well as in **UK and Nordics**



France with a **temporary negative impact** as market has been **hit hard by severe lock-down**



Incoming orders with slight increase of 1.1% vs. H1 2019 at constant currencies in spite of Covid-19



Solid double-digit order backlog increase



Ascom **benefited from emergency activities in certain markets** during the Covid-19 crisis, which **compensated partially for Covid-related project delays**



Ascom with **improved balance sheet** and **positive net cash position**



Financial Review H1 2020

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Dominik Maurer, CFO

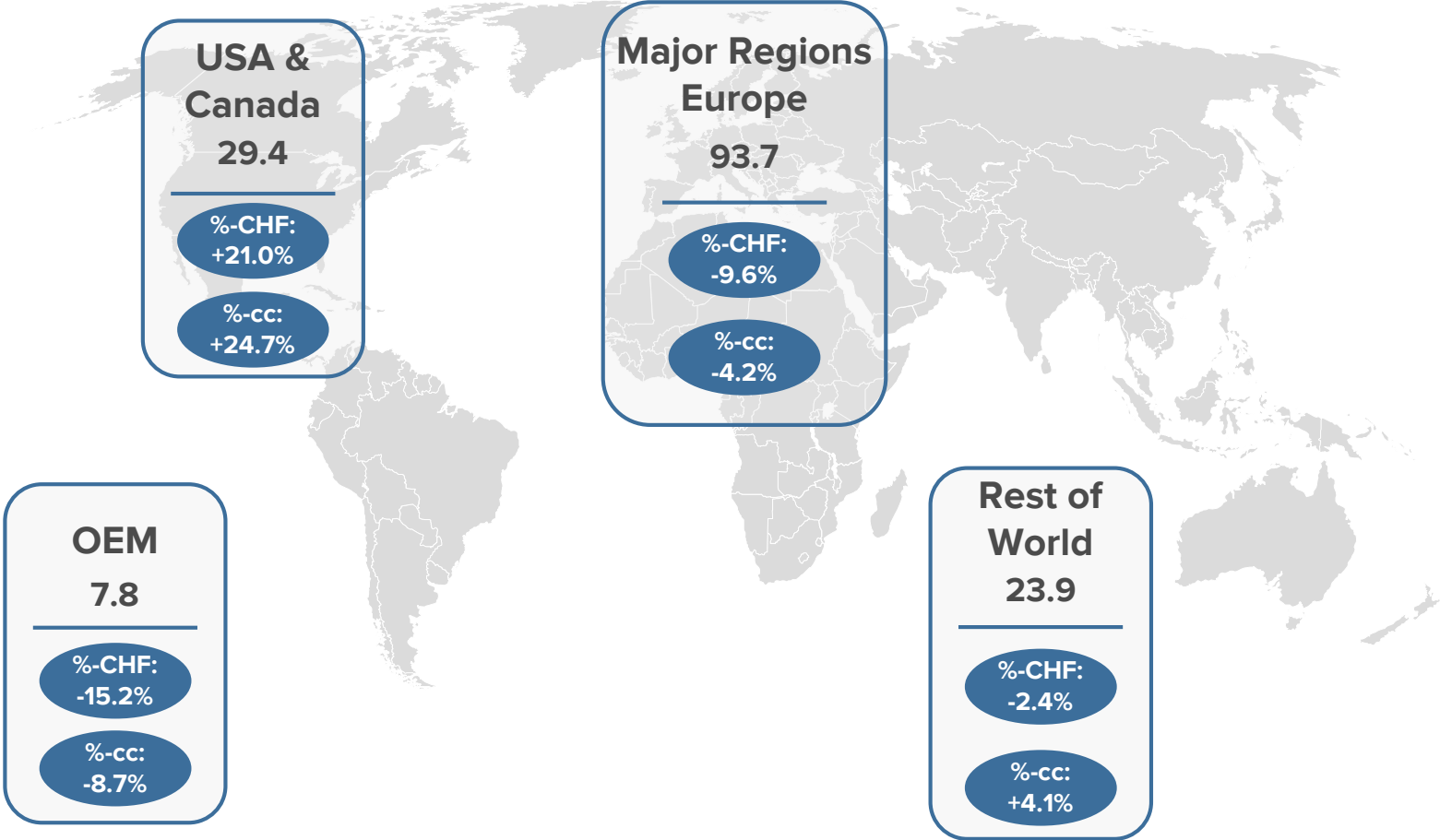
Key Figures H1 2020

At Actual Currencies

	H1 2020	H1 2019	Variance to PY	
			cc	CHF
Net revenue	133.4 CHFm	137.0 CHFm	+2.8%	-2.6%
Incoming orders	154.8 CHFm	161.7 CHFm	+1.1%	-4.3%
Order backlog	194.3 CHFm	172.1 CHFm	+17.6%	+12.9%
EBITDA	8.4 CHFm (EBITDA margin of 6.3%)	1.4 CHFm (EBITDA margin of 1.0%)	+7.7 CHFm	+7.0 CHFm
Group profit	-0.3 CHFm	6.5 CHFm*	-6.8 CHFm	-6.8 CHFm
FTE	1,269	1,306	-2.8%	-2.8%

Incoming Orders Increased by 2% (at Constant Currencies w/o OEM)

In CHFm

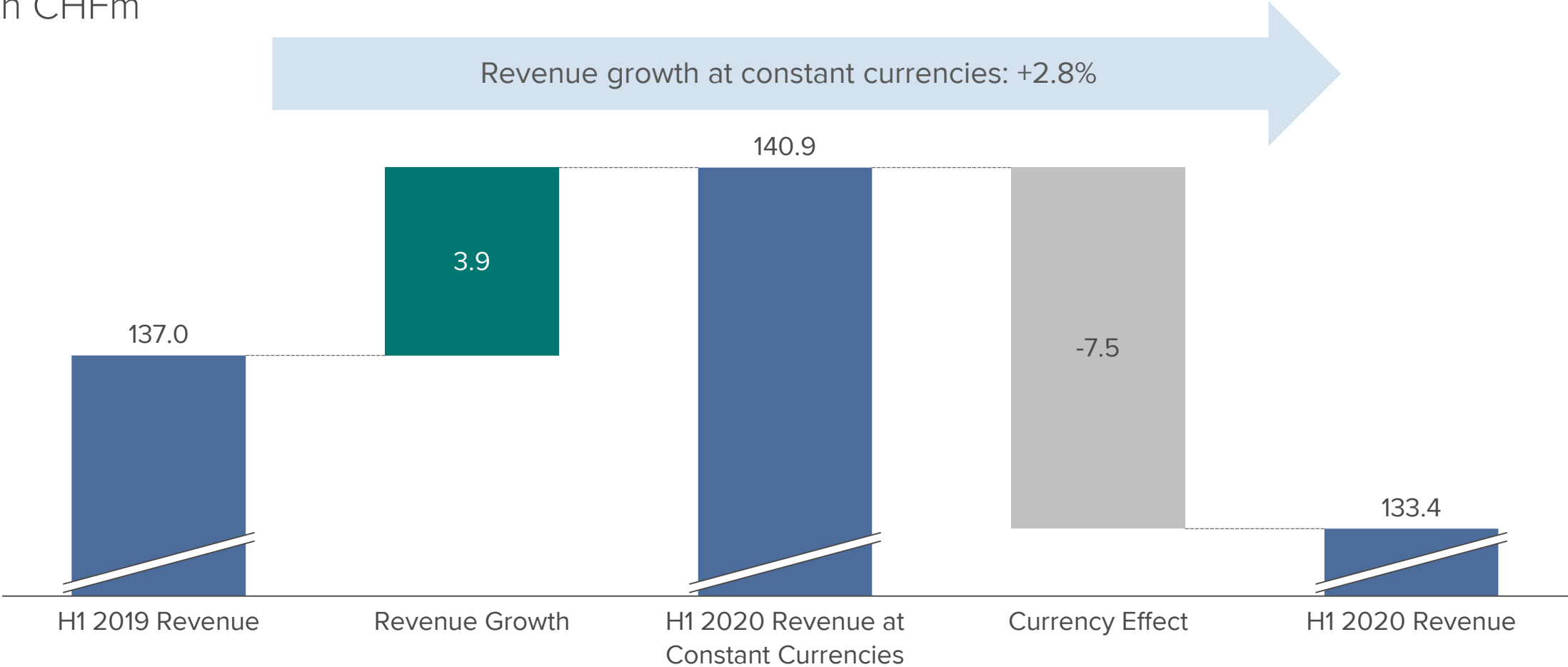


ascom Note: Regional clusters shown follows new structure valid for 2020

All values as reported = actual currencies, when marked cc=constant currencies, eliminating currency impacts

H1 2020 Revenue Development

In CHFm



Revenue H1 2020 – Regional Development

Deviations at Actual Currencies (%-CHF) and at Constant Currencies (%-cc)

Region	Revenue CHFm	Variance to PY	
		%-cc	%-CHF
DACH	22.5	+0.0%	-3.0%
France & Spain	7.6	-29.2%	-32.7%
Netherlands	24.4	-1.5%	-6.9%
Nordics	19.2	+15.3%	+4.9%
UK	6.7	+22.4%	+15.5%
USA & Canada	26.1	+13.0%	+9.7%
Rest of World	18.6	+6.4%	-0.5%
OEM	8.3	-8.2%	-14.4%

H1 2020 – Income Statement

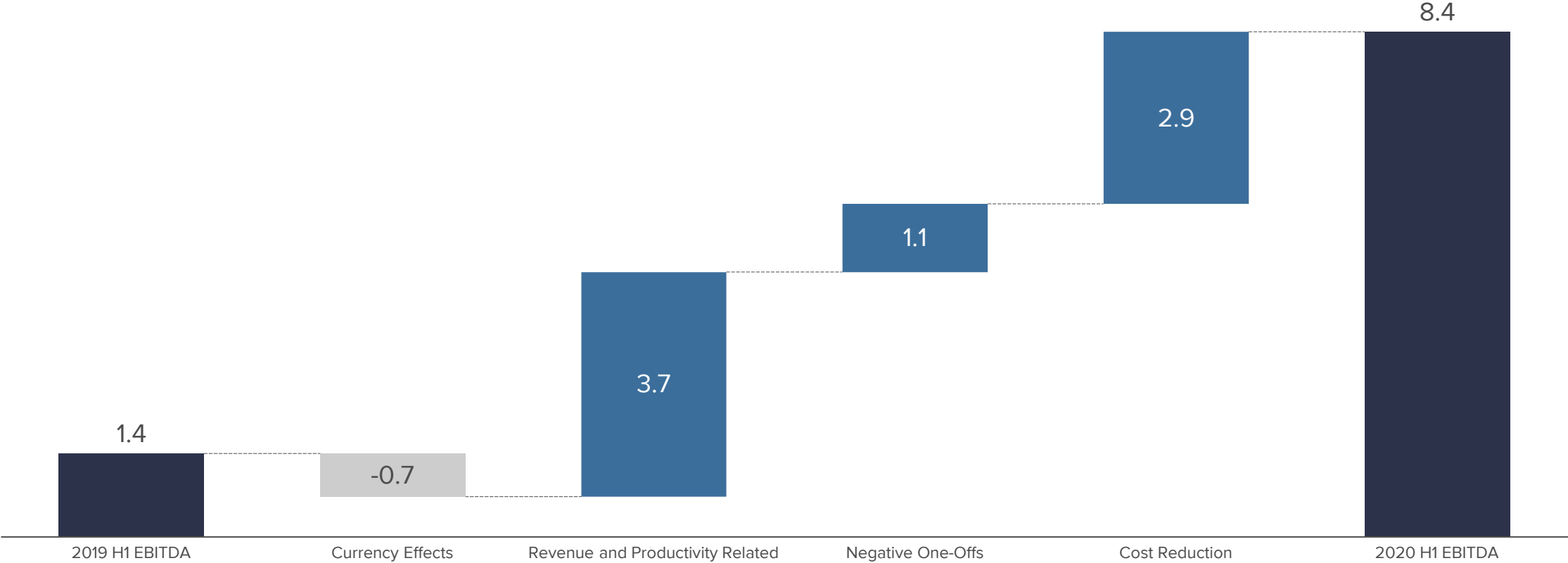
In CHFm	2020	%	2019	%	Variance %-cc	Variance %-CHF
Net Revenue	133.4	100.0%	137.0	100.0%	2.8%	(2.6%)
Cost of Sales	(69.7)	(52.2%)	(75.7)	(55.3%)	(3.2%)	(7.9%)
Gross Profit	63.7	47.8%	61.3	44.7%	10.3%	3.9%
Marketing and Sales	(33.9)	(25.4%)	(40.7)	(29.7%)	(12.3%)	(16.7%)
Research and Development	(17.9)	(13.4%)	(15.8)	(11.5%)	20.3%	13.3%
Administration	(10.4)	(7.8%)	(9.4)	(6.9%)	14.9%	10.6%
Other Operating Expenses	(0.5)	(0.4%)	(0.8)	(0.6%)	12.5%	(37.5%)
EBIT	1.0	0.7%	(5.4)	(3.9%)		
EBITDA	8.4	6.3%	1.4	1.0%		
Group Profit for the Period	(0.3)	(0.2%)	6.5*	4.7%		

ascom Note: All values as reported = actual currencies, when marked cc=constant currencies, eliminating currency impact
*incl. positive one-off effects of CHFm 8.3, mainly due to the sales of the Technologiepark Teningen (Germany)

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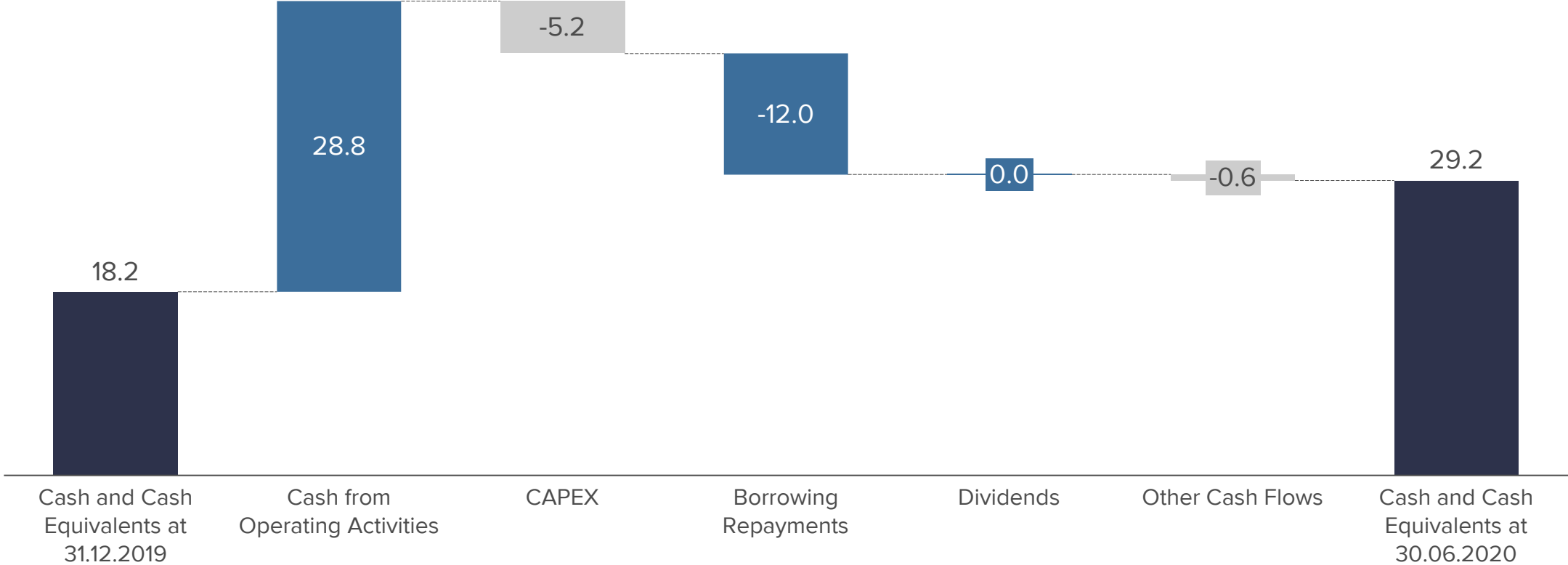
EBITDA Development

In CHFm



Cash Flow Development

In CHFm



Balance Sheet

In CHFm

	2020 30-Jun	2019 31-Dec	2019 30-Jun	2018 31-Dec
Cash & Cash Equivalents	29.2	18.2	14.2	21.2
Borrowings	28.0	40.0	25.0	20.0
Net Cash	1.2	(21.8)	(10.8)	1.2
Net Working Capital	44.2	68.2	61.3	74.5
Total Assets	200.6	214.2	198.6	218.4
Total Equity	61.2	63.2	70.0	83.2
Equity Ratio	30.5%	29.5%	35.2%	38.1%



Ascom During Covid-19 Crisis

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Jeannine Pilloud, CEO & 2 Representatives of Slingeland Hospital (NL)

Highlights and Lowlights During Covid-19 Crisis

Highlights



Win of several deals in both, Healthcare and Enterprise sector



Ascom revenue benefited from emergency activities in **certain markets** compensating some Covid-19 related project delays



Good staff morale and **team spirit** during the Covid-19 crisis



Very few employees infected by Covid-19

Lowlights



Covid-19 crisis hit in particular the French market hard – considerable impact on French business

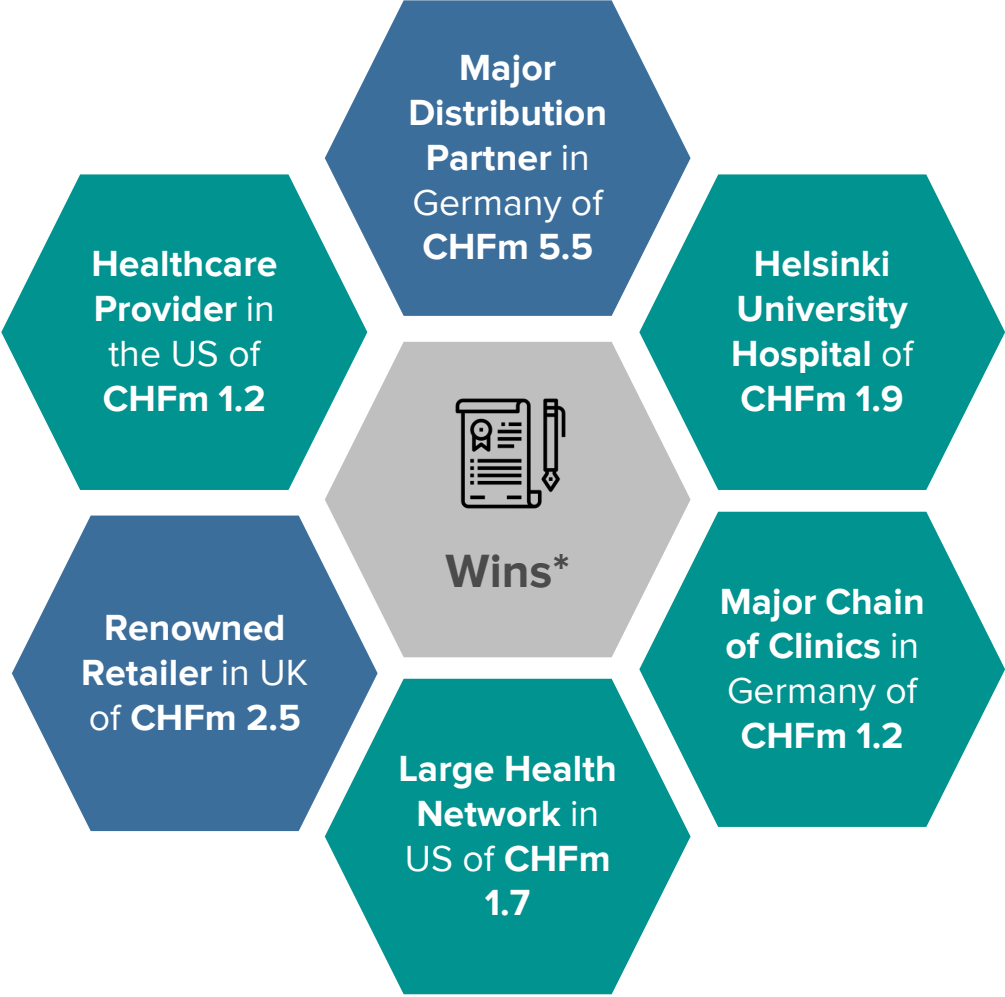


Some **projects** were **delayed into H2**



International collaboration and support will be impacted for longer period; **no prognosis possible at today's state**

Selection of Substantial Wins in H1 2020



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- = Healthcare
- = Enterprise

*total contract value

Showcase Slingeland Hospital

Slingeland Project



GABY PONS VAN DIJK
PHD, MD, NEUROLOGIST
SLINGELAND HOSPITAL



NICK SCHOENAKER
MSC, NURSE SPECIALIST NEUROLOGY
SLINGELAND HOSPITAL



MARIO DE LIJSTER
PROJECT LEAD
ASCOM NETHERLANDS



Smart Monitoring:

Improving the quality of care through continuous monitoring of vital signs

August 2020

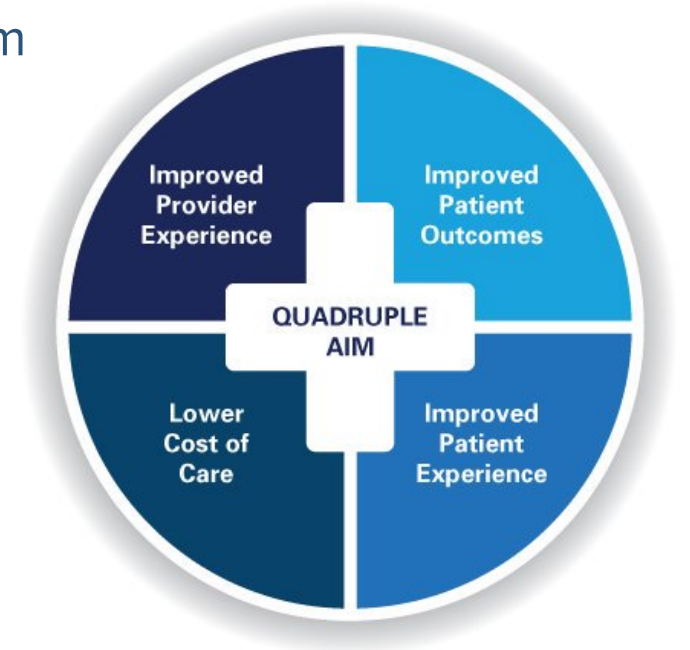
Slingeland Hospital

Gaby Pons van Dijk, PhD, MD, Neurologist

Nick Schoenaker Msc, Nurse Specialist Neurology

Slingeland Hospital

The challenge:	Aging population, migration of youth
The Goal:	“Achterhoek” the healthiest region in the Netherlands
Thus:	Relieving pressure on the healthcare system
The method:	Quadruple aim Generating and using data Communication
Inside Slingeland:	Smart monitoring



Success Factors for Better Patient Outcome

Continuous measurement of vital signs

Early detection of changing condition




Decision support via artificial intelligence /
clinical decision support system

Treat before actual incident happens

- ✓ **Shorter length of stay**
+
- ✓ **Better patient outcome**



Continuous Vital Sign Measurements

Area	Components	Requirements	Ascom Solution
 <p>Measure</p>	<ul style="list-style-type: none"> Heart rate Respiratory rate Blood pressure Oxygen saturation 	<ul style="list-style-type: none"> Free choice in sensors Data integration 	<p>Digistat (Software & Services)</p>
 <p>Analyze</p>	<ul style="list-style-type: none"> Early Warning Score 	<ul style="list-style-type: none"> Hospitals “own” algorithms Medical device direction / Medical device regulation certification 	<p>Digistat (Software & Services)</p>
 <p>Communicate</p>	<ul style="list-style-type: none"> With caregiver Central control room 	<ul style="list-style-type: none"> Integration with Nurse call Clinical workflow knowledge 	<p>Unite Myco 3 Consultancy</p>



And then Covid-19 hit us...



Project Sensing Clinic in Covid-19 Positive Patients

“In my 25 years as a pulmonologist, I've never seen people deteriorate as quickly with a viral infection as I did with corona..”

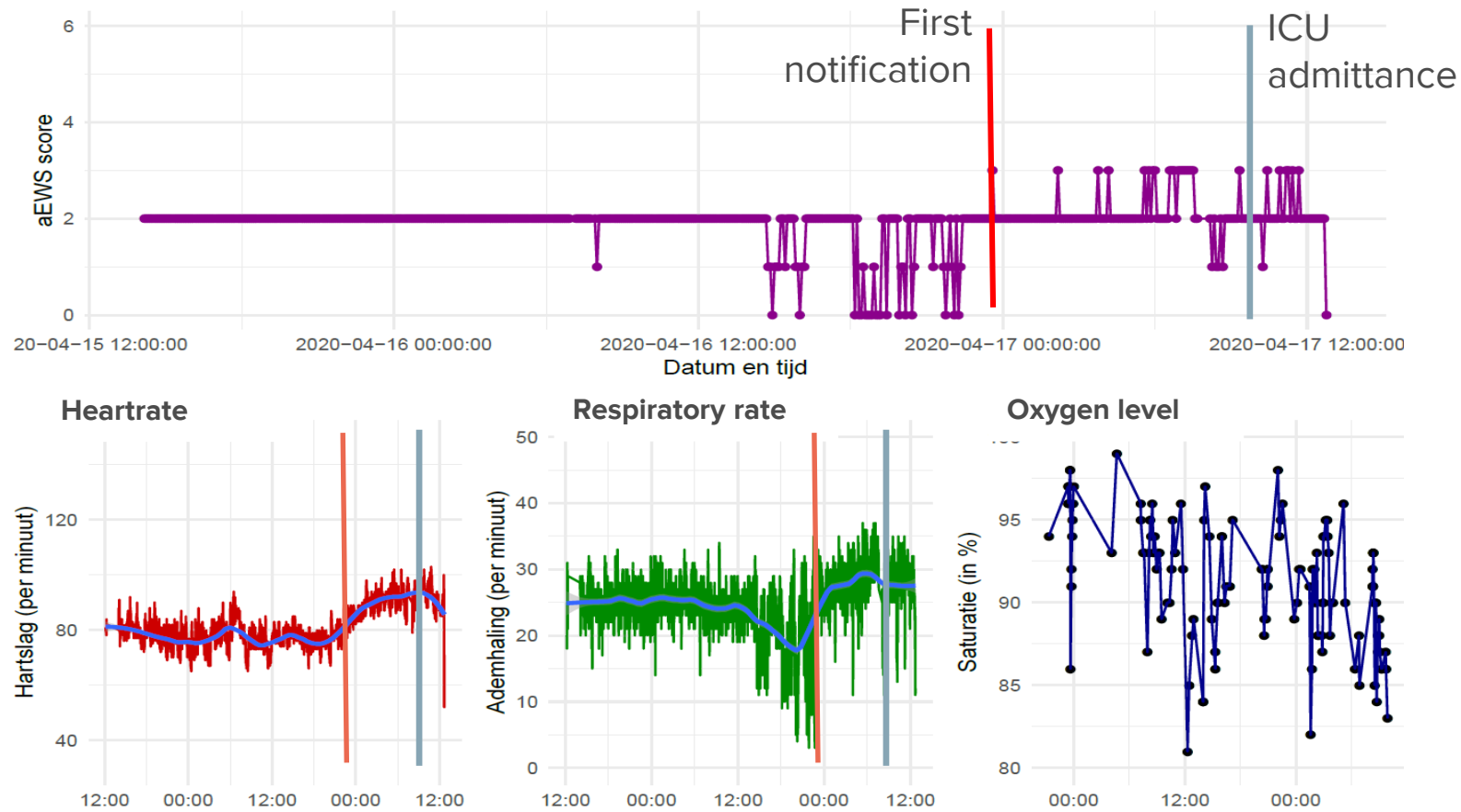
“We sometimes get people in who say: I don't really feel that distressed at all', says pulmonologist Pascal Wielders of the Catharina Hospital in Eindhoven. But in the meantime, we see from the oxygen value in their blood, that they are. What's more, we see that they're starting to turn blue..”

Volkskrant: 27-03-2020

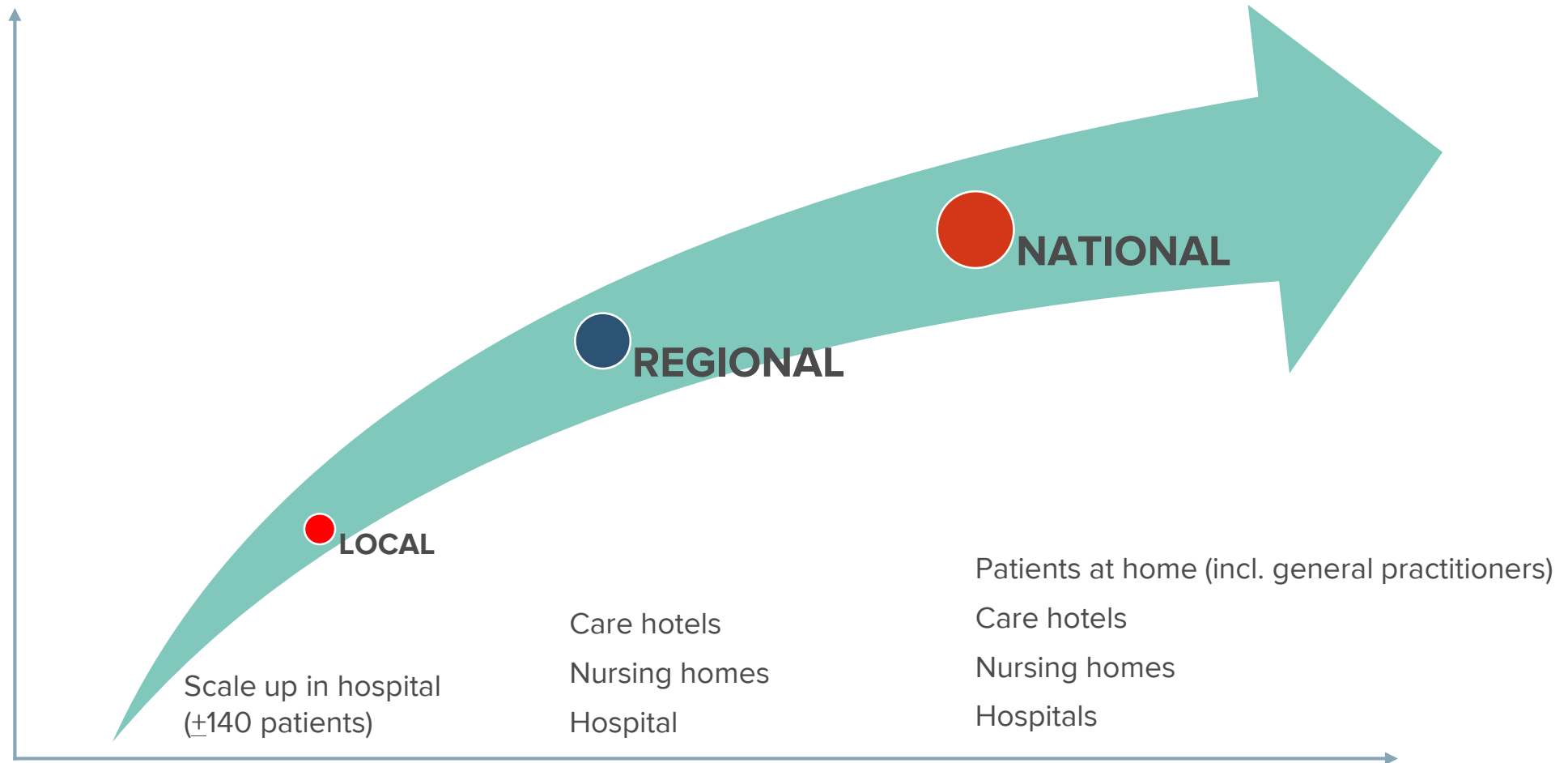
Ascom changed the setup and algorithm, we changed workflow:

First inclusion of Covid-19 patients on 1 April 2020

Trends of Vital Signs During Covid-19 Outbreak (Patient Admitted to ICU)



Next Steps With Our Partners: Rollout From a Local Setup to a National Standard





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Outlook

Jeannine Pilloud, CEO

Outlook 2020 Reiterated

As per Annual Media Conference 5 March 2020

Outlook

Priorities 2020	Outlook 2020
1 Transformation incl. cost savings	Net revenue <i>Low single digit growth at constant currencies</i>
2 Streamline innovation model	EBITDA margin <i>High single digit margin at constant currencies</i>
3 Shape Ascom for future growth	

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This is based on the assumption that the **Covid-19 crisis will not worsen again**



Q&A

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Next Event – Annual Media Conference on 11 March 2021

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Restaurant Metropol, Zurich

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