



Shape

Focus to perform

2022 Financial Results Media Conference

March 7, 2023

ascom

Welcome

Daniel Lack, Company Secretary

ascom



Agenda

1. Full-year 2022 at a glance

Nicolas Vanden Abeele, CEO

2. Financial Review 2022

Dominik Maurer, CFO

3. Strategy & Business Update

Nicolas Vanden Abeele, CEO

4. Guidance

Nicolas Vanden Abeele, CEO

5. Questions & Answers

Full-year 2022 at a glance

Nicolas Vanden Abeele, CEO

ascom

A large orange triangle pointing to the left, located on the right side of the slide.

Full-year 2022 at a glance

Ascom made good progress on its financials and its transformation to a solutions-company



Good financial performance despite volatile macroeconomic and geopolitical environment



Net revenue growth of 7.2% at constant currencies (2.0% at actual currencies) despite continued component shortage



Strong growth in **patient systems** and positive development of **software business**



Good incoming orders and **healthy order backlog** form a good basis for 2023



Adjusted **EBITDA margin of 10.5%** at constant currencies
Strong H2 EBITDA margin close to 15%



Strong balance sheet with a solid **equity ratio** and **net cash position**

2022 Highlights

Highlights



Reinforcing our Software & Solutions base

- Launch of **Ascom Healthcare Platform**
- Acquisition & Integration of **Ofelia**



Delivering upon our Growth Strategy

- **Solid revenue growth**
- **Double-digit** in **DACH, France and RoW**
- Mid-single digit in **Nordics, USA & Canada, OEM**
- Invested in **direct touch sales power**



Shaping & Strengthening our Foundations

- **Cost base** further revisited
- **Go to market approach** improved to enhance market penetration



Profitability improvement in particular in H2,
despite cost inflation

Challenges



Macro-economics demanding and still **influenced**
by Covid pandemics and **volatile geopolitical**
environment



Component shortage leading to **substantial spot**
buys



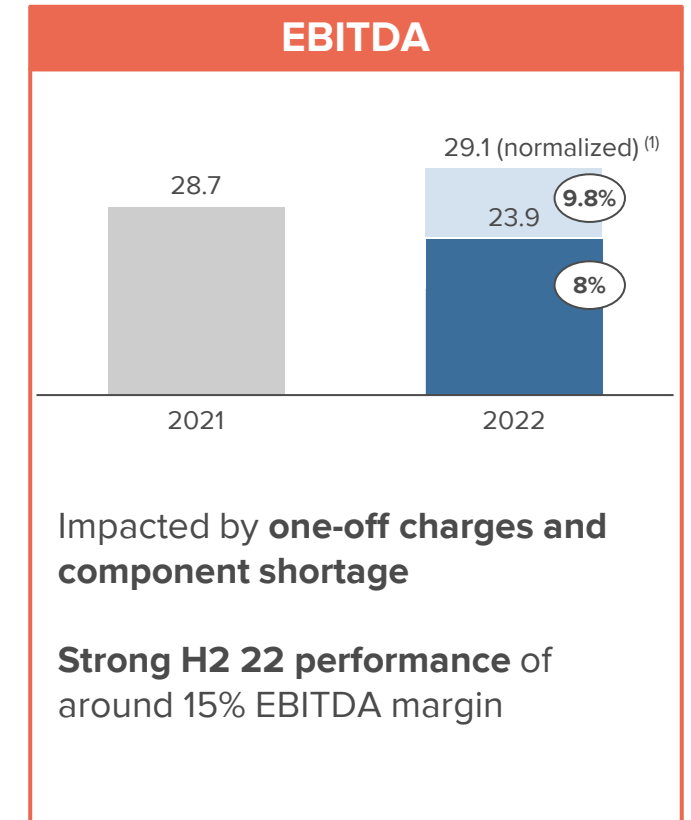
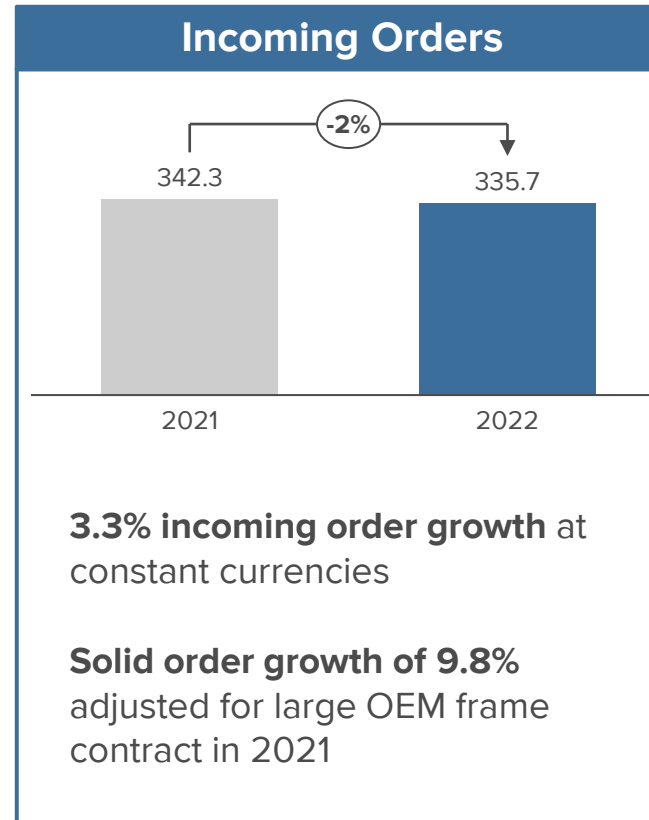
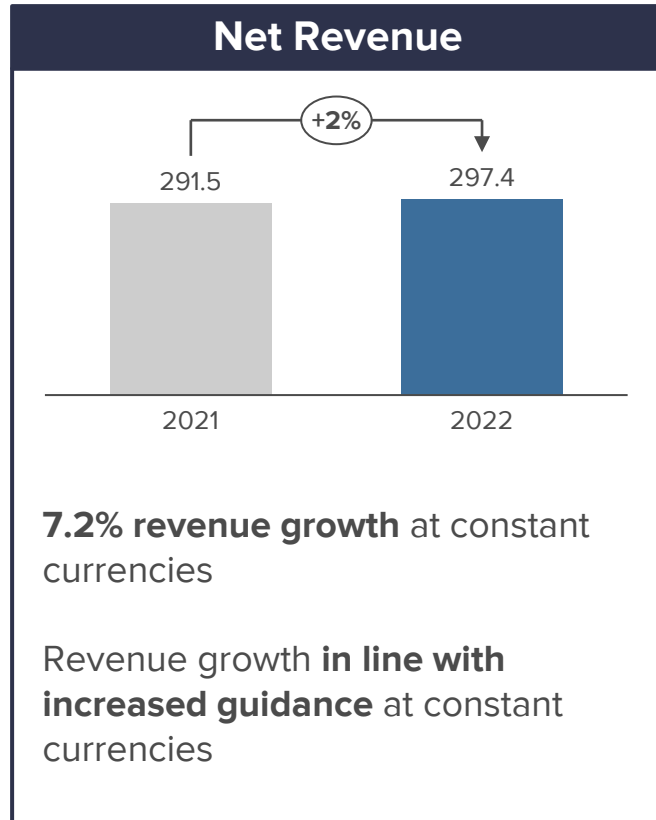
Significant impact from revaluation of **pension**
benefit plans in particular in Sweden



Cash flow development impacted by **higher**
inventories due to **supply chain situation**

2022 Highlights

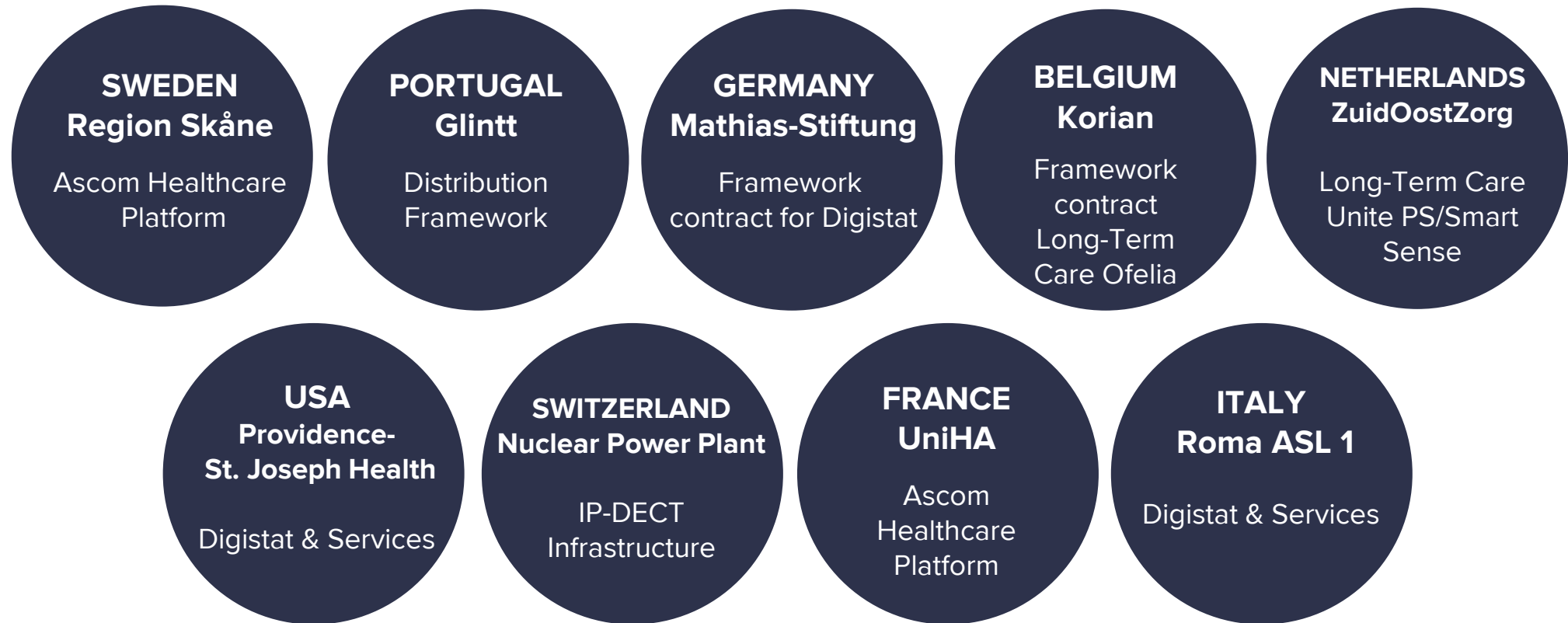
Good progress on financials



(1) Normalized EBITDA without one-off charges in a total amount of CHF 5.2 million related to required revaluation of the Swedish pension plan and the CEO change

Elevating our market impact & success in 2022

Selected project wins we are proud of



Financial Review 2022

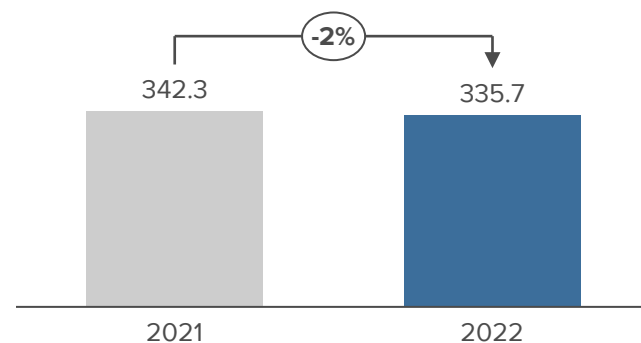
Dominik Maurer, CFO

ascom

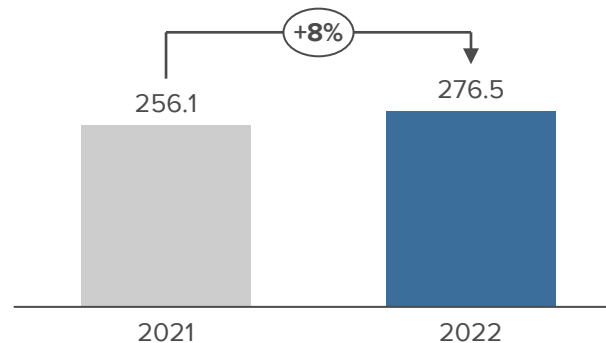


FY 2022 Key Figures (at actual rates)

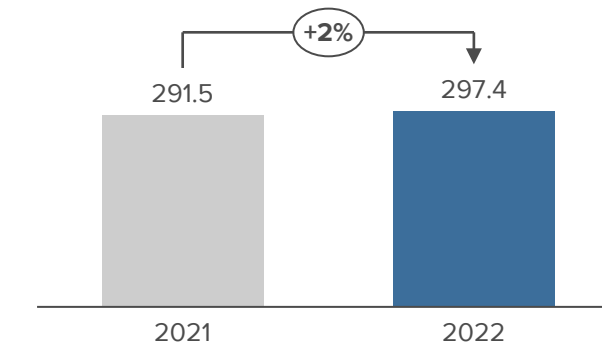
Incoming Orders



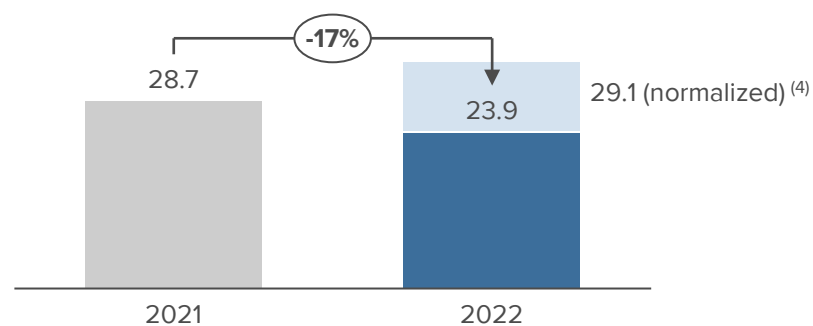
Order Backlog ⁽¹⁾



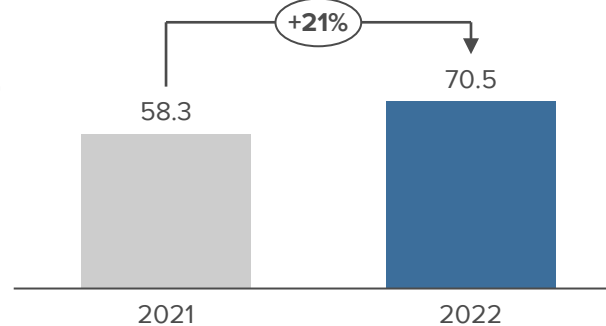
Net Revenue



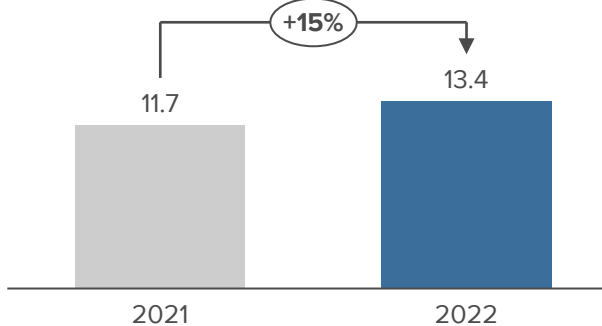
EBITDA



Net Working Capital ^{(1) (2)}



Capital Expenditure ⁽³⁾



(1) At 31 December

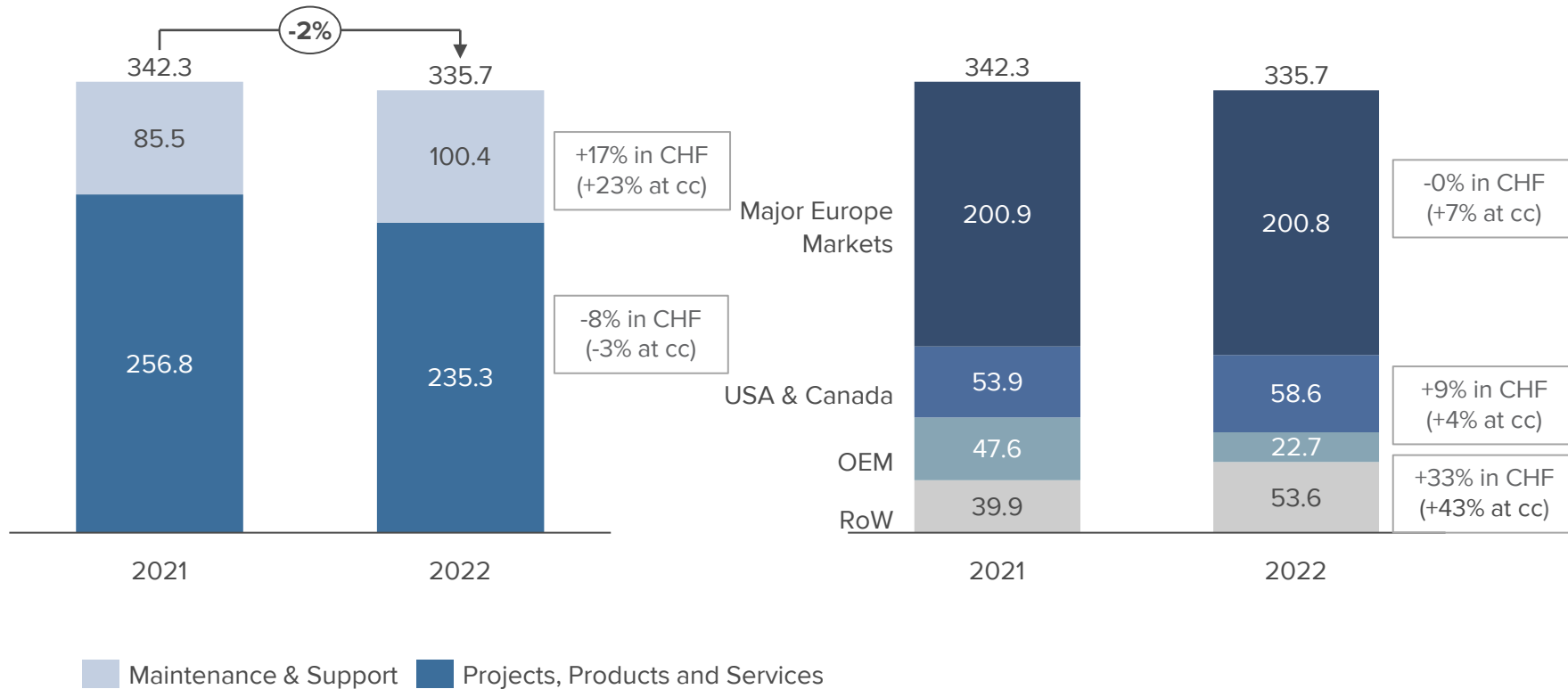
(2) Net working capital is calculated by subtracting the sum of trade payables and liabilities from work in progress and other current liabilities (including other current liabilities, current provisions, deferred income and accrued expenses) from the sum of trade receivables, inventories, work in progress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

(4) Normalized EBITDA without one-off charges in a total amount of CHF 5.2 million related to required revaluation of the Swedish pension plan and the CEO change

Incoming Orders increased by 3.3% (at constant currencies)

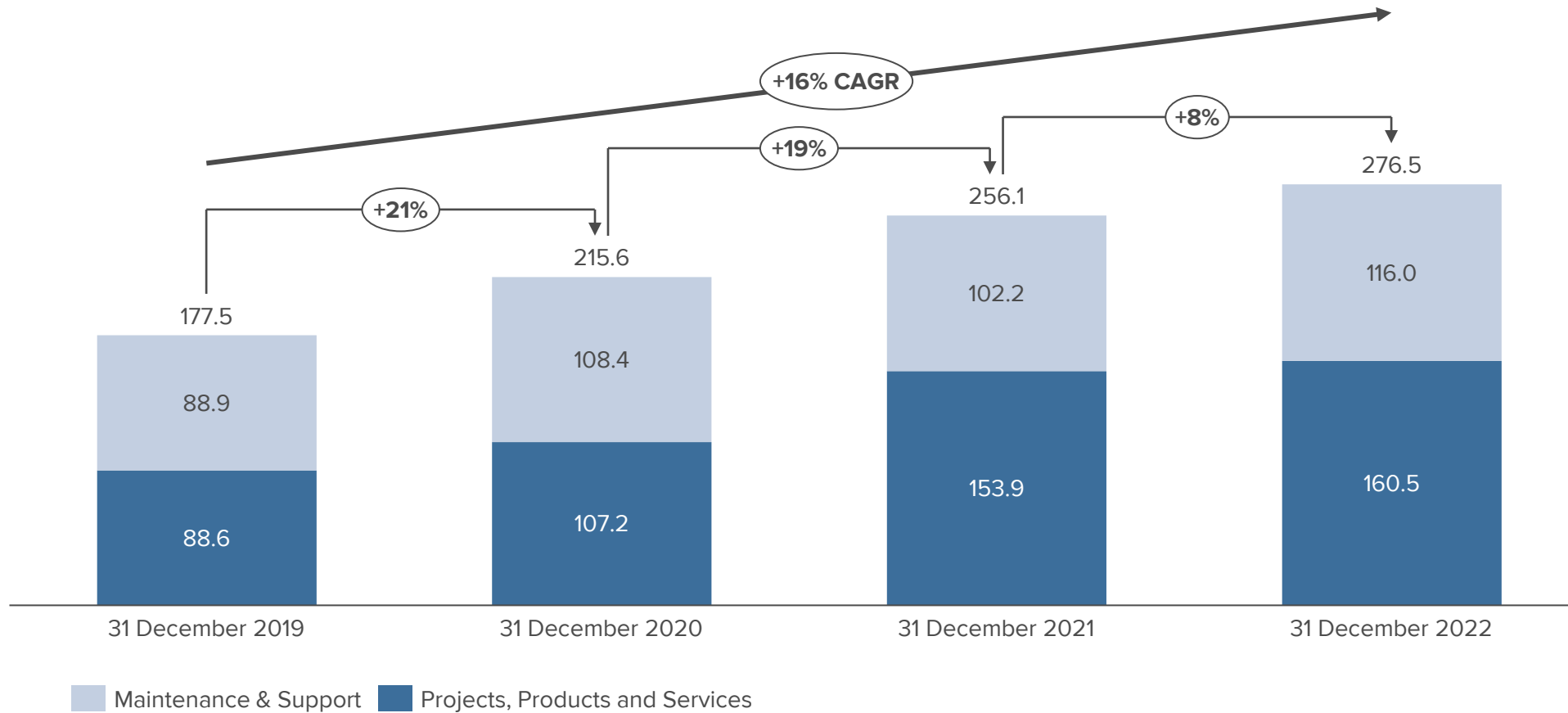
Solid growth in orders for Maintenance & Support



- Increase of Incoming Orders: 3.3% at constant currencies (-1.9% in CHF)
- Growth of +9.8% excluding large one-off OEM deal not repeated in 2022
- Strong growth in all markets except OEM
- Substantial growth in Rest of World (RoW) driven by Belgium, MEA and Australia

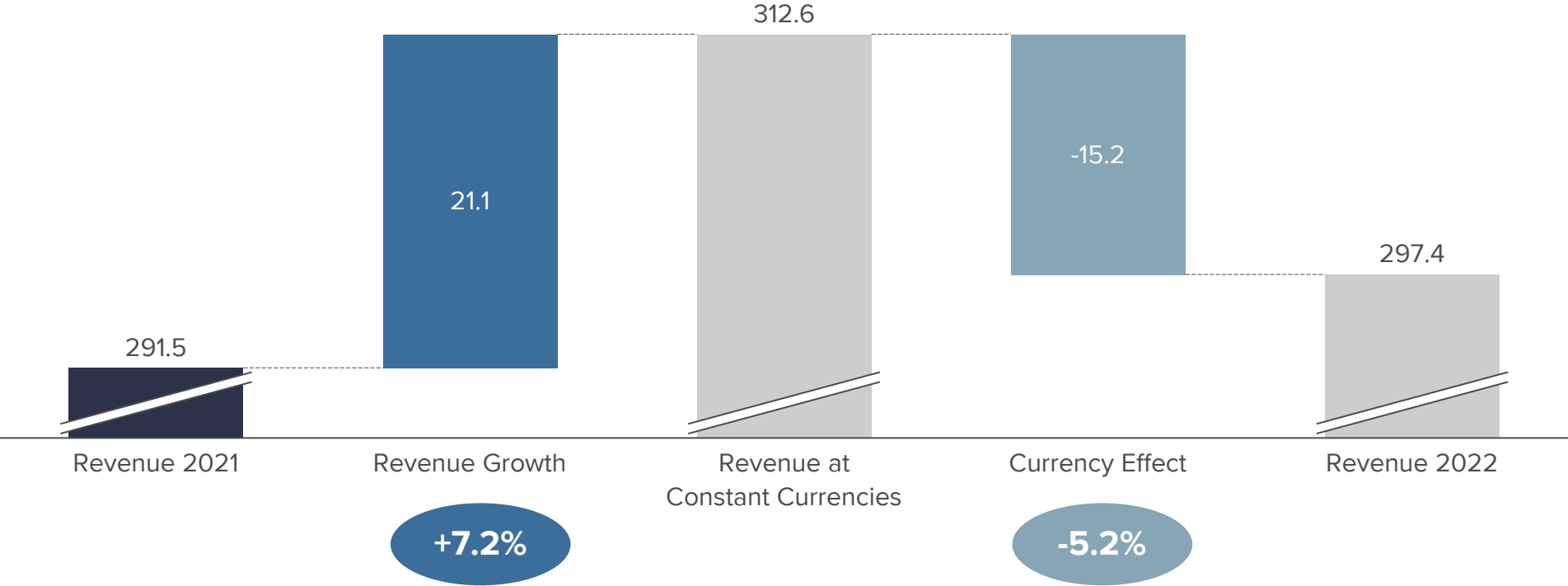
Continued Order Backlog Growth by 14% (at constant currencies)

About 60% of Order Backlog converting to revenue in 2023



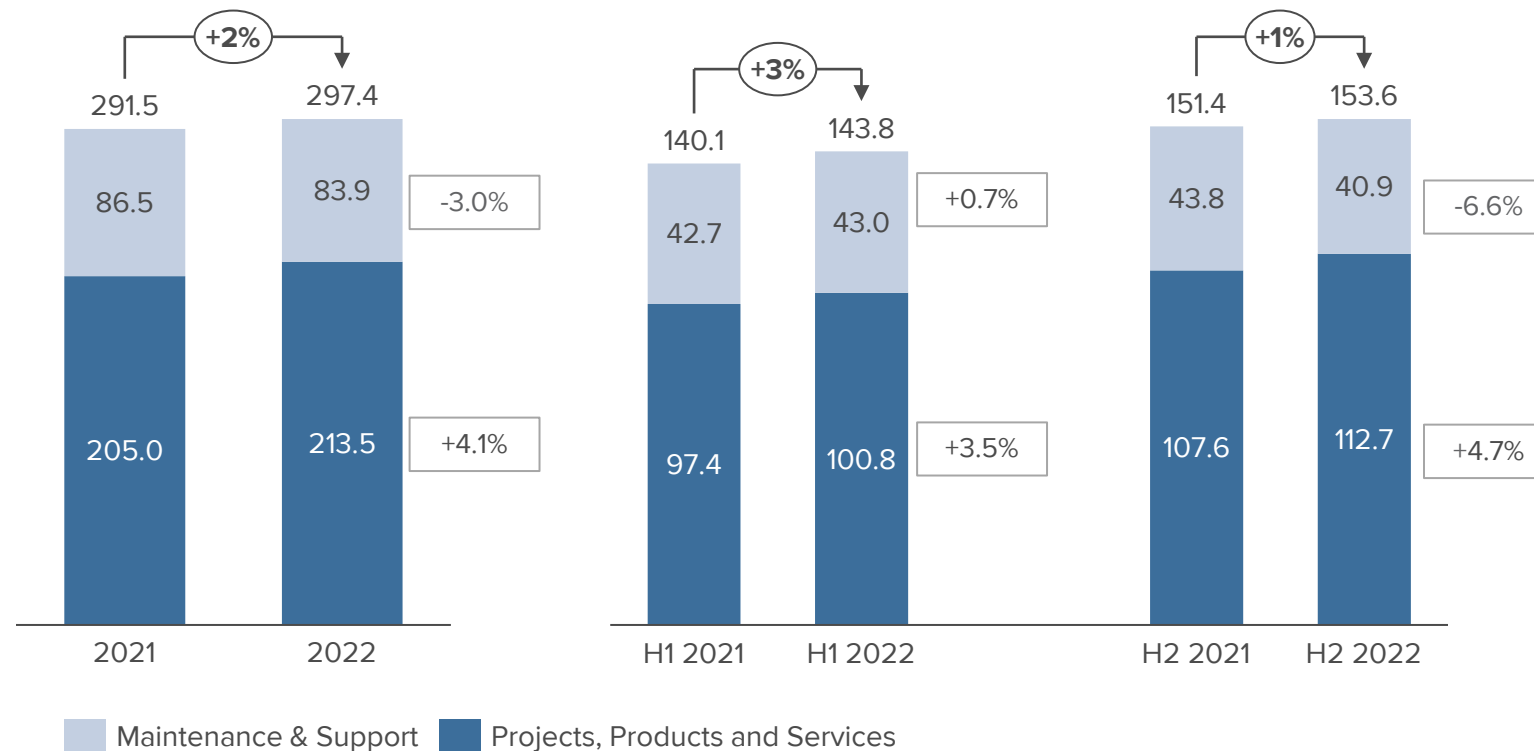
Strong Revenue Growth of 7.2% (at constant currencies)

Revenue growth at actual rates impacted by significant currency effect



Net Revenue Development

Higher Growth due to Projects, Products and Services



- Net revenue growth of 7.2% at constant currencies (2.0% in CHF)
- Maintenance & Support with moderate growth of 1.7% at constant currencies
- Strong growth in projects, products and services despite component shortage challenges
- Software sales growth of 12.3% driven by software recurring revenue growth of 30.6%

Revenue FY 2022 – Regional Development (I)

Overview of Performance by Region

Region	Revenue CHFm	Variance to PY		Comment
		%-cc	%-CHF	
DACH	48.6	+19.7%	+15.2%	<ul style="list-style-type: none"> Strong growth in Acute segment building on from key projects won that were able to be delivered
France & Spain	20.9	+14.8%	+6.6%	<ul style="list-style-type: none"> Strong growth driven by Nurse Call devices and projects sold into the Long-term Care segment combined with increased Software sales
RoW	44.1	+14.9%	+7.8%	<ul style="list-style-type: none"> Largest share of absolute growth from Belgium. Italy, Asia and Australia also grew at double digit rates reflecting a strong bounce back post Covid-19
Nordics	43.4	+6.3%	-2.5%	<ul style="list-style-type: none"> Growth driven by Mobility sales into Healthcare and Enterprise

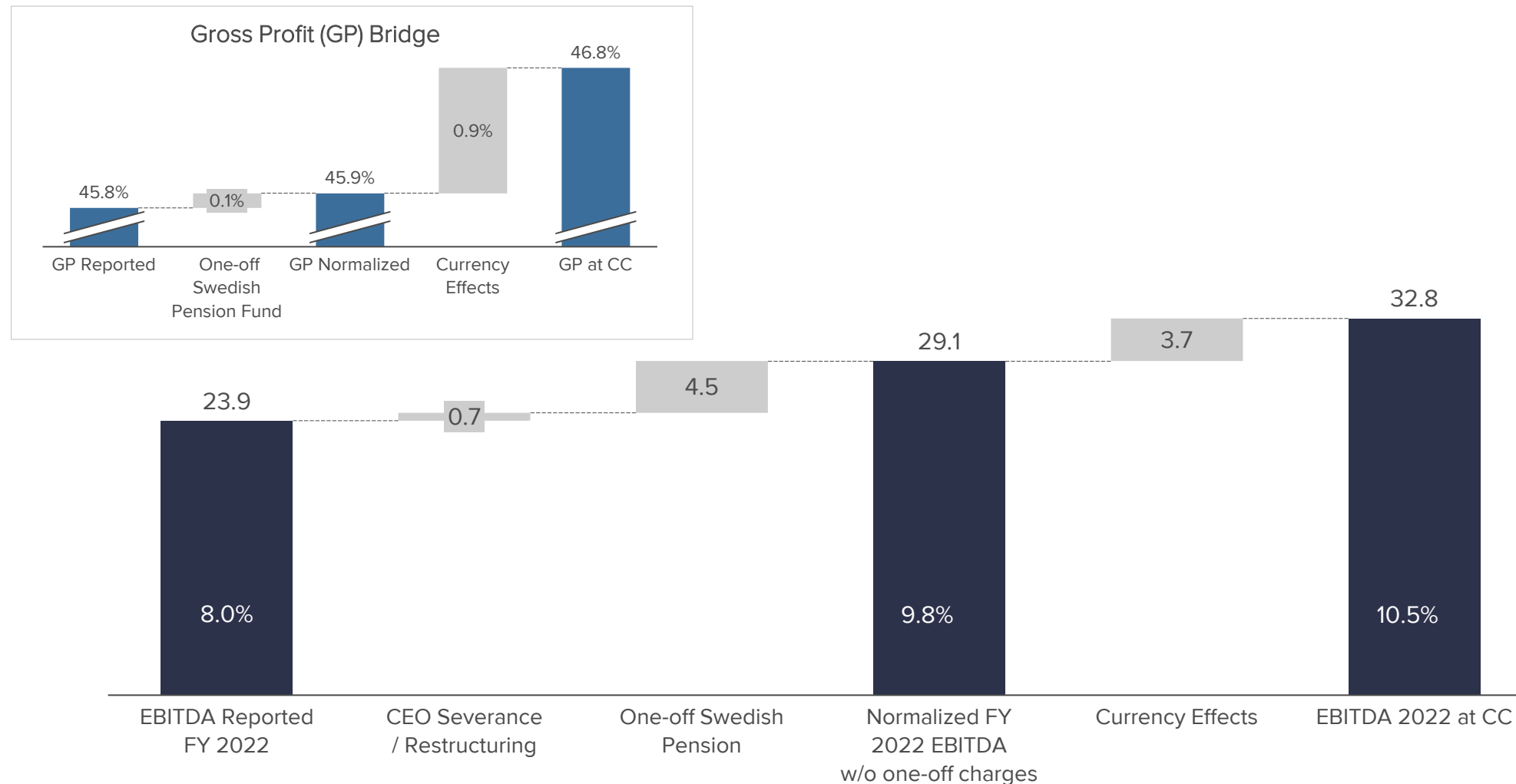
Revenue FY 2022 – Regional Development (II)

Overview of Performance by Region

Region	Revenue CHFm	Variance to PY		Comment
		%-cc	%-CHF	
USA & Canada	54.8	+5.6%	+10.3%	<ul style="list-style-type: none"> ▪ Growth of 6% driven by Nurse Call in Acute Care ▪ Focus on Software sales: Double digit growth
OEM	20.5	+5.5%	-6.0%	<ul style="list-style-type: none"> ▪ Growth driven by healthy backlog carried over from 2021
UK	16.0	-2.9%	-8.6%	<ul style="list-style-type: none"> ▪ Growth in Acute Care and Enterprise segment could not offset decline in Long-term Care ▪ Strong growth in Software sales in Acute Care
Netherlands	49.1	-4.5%	-11.2%	<ul style="list-style-type: none"> ▪ Customer readiness challenges and delays in customer acceptance slowing down project revenue

EBITDA and Gross Profit Bridge

EBITDA impacted by one-off charges and component shortage



FY 2022 P&L

Solid EBITDA Margin of 9.8% despite challenging market conditions

	2022	%	2021	%	Variance %-cc	Variance %-CHF
Net Revenue	297.4	100.0%	291.5	100.0%	7.3%	2.0%
Cost of Sales	(161.3)	-54.2%	(154.9)	-53.1%	7.7%	4.1%
Gross Profit	136.1	45.8%	136.6	46.9%	6.7%	-0.3%
Marketing & Sales	(73.7)	-24.8%	(70.9)	-24.3%	8.6%	4.0%
Research & Development	(26.7)	-9.0%	(29.2)	-10.0%	-1.5%	-8.5%
Administration	(20.8)	-7.0%	(19.7)	-6.8%	11.3%	5.7%
Other Operating Expense/Income	(0.9)	-0.3%	(1.1)	-0.4%	39.0%	-16.4%
EBIT	14.0	4.7%	15.8	5.4%	5.3%	-11.4%
EBITDA	23.9	8.0%	28.7	9.8%	-3.7%	-16.7%
EBITDA w/o one-off charges	29.1	9.8%	28.7	9.8%	14.4%	1.4%
Net Profit	11.0	3.7%	13.5	4.6%	-10.1%	-18.5%
Net Profit w/o one-off charges	14.9	5.0%	13.5	4.6%	18.8%	10.5%

Main negative drivers

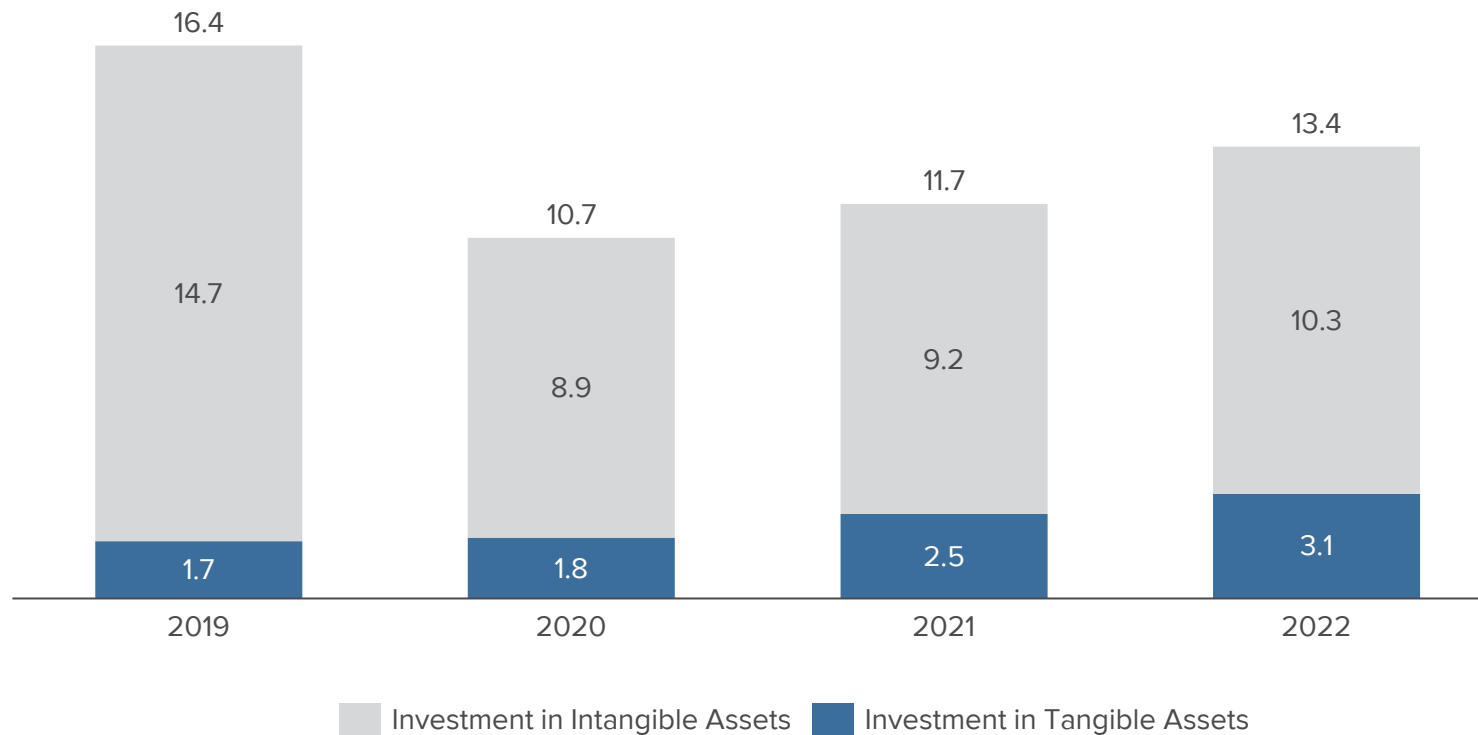
- Cost of Sales increase mainly due to spot buys, which should be of temporary nature
- Price increase was not effective in all of the backlog
- Negative currency effect
- One-off effects due to pension fund revaluation and CEO change of CHF 5.2m

Main positive drivers

- Higher prices built into most new orders
- Gross Profit Margin without one-off charges impact would be at 46.8% at constant currencies

CAPEX

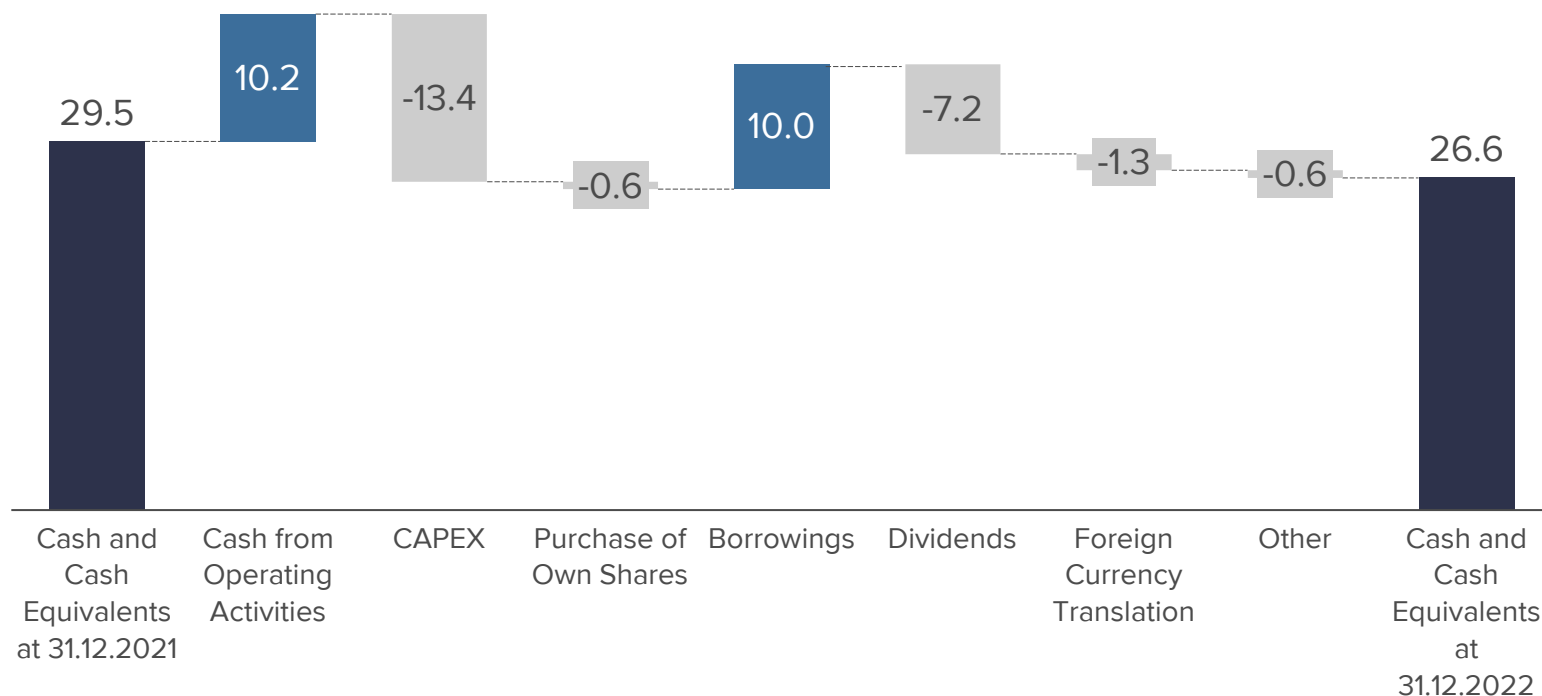
Stable CAPEX Profile



- Continued product development driving investment in intangible assets
- Tangible assets remain in line with prior year

Cash Development

Lower operating cash flow due to spot buys cost and higher working capital



- Operating cash flow lower than 2021 due to spot buys and higher working capital from receivables associated with increased revenue
- CAPEX CHF 1.7m higher than previous year

Balance Sheet

Solid Balance Sheet with positive Net Cash position

	2022 31-Dec	2022 30-Jun	2021 31-Dec	2021 30-Jun
Cash & Cash Equivalents	26.6	14.1	29.5	33.0
Borrowings	10.0	-	-	-
Net Cash	16.6	14.1	29.5	33.0
Net Working Capital	70.5	58.1	58.3	45.2
Total Assets	201.8	178.2	194.7	192.6
Total Equity	73.4	65.2	80.0	75.3
Equity Ratio	36.4%	36.6%	41.1%	39.1%

- Net Cash lower due to spot buys and dividend payments
- **Positive Net Cash** position in challenging environment
- NWC increase driven by higher receivables and inventory (compared to December 2021)
- Total assets decreased due to lower cash and full amortization of some non-current assets

Strategy & Business Update

Nicolas Vanden Abeele, CEO

ascom

Ascom delivers Better Outcomes

For our customers, patients and people

We have an appealing Offer

Orchestrating mission-critical events and providing an optimal response and workflow

Increasing situational awareness and allowing for optimal priority setting

Offering mobile workflow orchestration solutions for mission-critical challenges

We deliver Value

We **enable medical staff** to provide **better medical care**

We **improve overall efficiency**, productivity and costs

We create a lasting Impact

We create **better outcomes**

Enabling real-time communication and collaboration in mission-critical environments

Mega-trends reshaping the Healthcare Industry



1 Changing Demographics

Aging population with increased acuity

Staffing shortages is leading to outages, burnout

Evolution to **single patient bedrooms**



2 Consumer Patient

Healthcare becomes a **continuous engagement**

The patient = consumer and **actively demands and receives healthcare**



3 Care Anywhere, Anytime

Consumer Patient demanding care anywhere & everywhere

From **hospital setting** to **ambulatory** and **care at-home**



4 The Rise of Digital Health

Digital Health has now become a **priority**

Used to **continuously generate insights**

It powers the **expansion of services and products**



5 New Regulatory Pathways

Healthcare is impacted by several **(new) regulatory and legal frameworks**

Companies **need to address the new legal and regulatory challenges**

Ascom helps solve real customer pain-points

Our customers are facing workforce, communication and data related challenges



Workforce

- **Shortage** of qualified staff
- **High workload & stress** levels → burnout
- **Staff safety** in critical environments



Reporting & Efficiency

- Increased **KPI** measurements
- Implementation of **benchmarking**
- Efficient **staff planning**
- Optimized **asset utilization**



Communication & Collaboration

- Managing **critical workflows** (e.g. sepsis)
- **Lack of information across different roles**
- **Information gap** at point of care

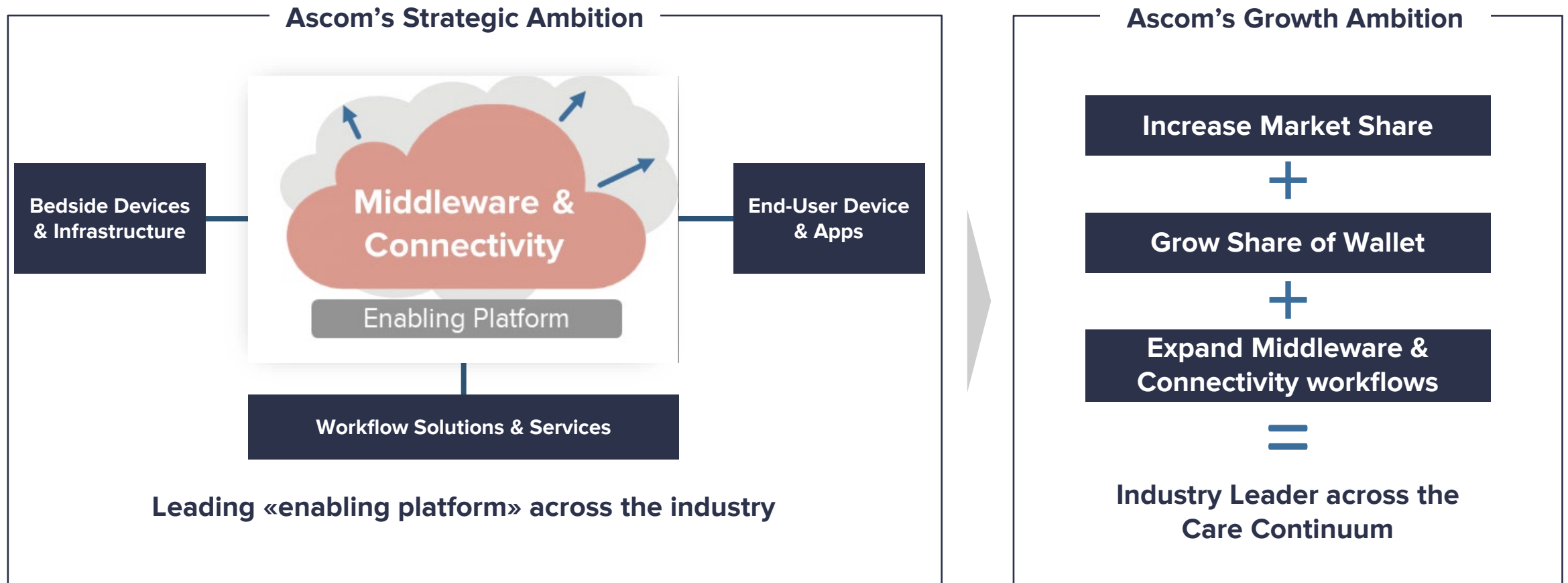


Data Aggregation & Management

- Lack of **real time data** insights
- **No integrated data platform** within care
- Need of increased **monitoring** capabilities for preventive action

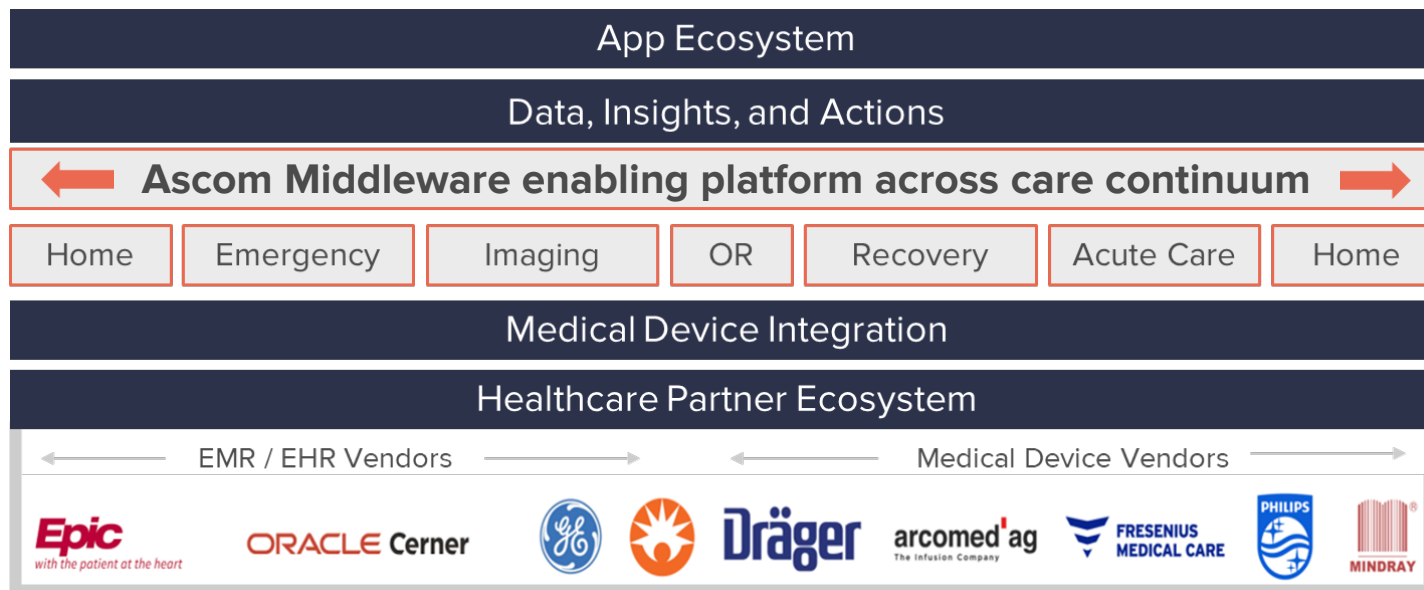
Ambition to become the leading «enabling platform»

Clinical “platform of action” to which everyone & everything connects



Ambition to become the leading «enabling platform»

Clinical “platform of action” to which everyone & everything connects



Ascom's Growth Ambition & Key Differentiators

- **Real-time platform of action** vs platform of registration
- **Orchestrating data → insights → actions**
- **“Platform” company** focusing on **clinical outcomes and care orchestration**
- Becoming the **vendor-agnostic backbone of hospitals**

Executing on our Transformation Journey

Shape

Focus to Perform

- Strengthen competitive capabilities
- Operational excellence
- Improved financial performance

Expand

Accelerating Growth

- Increase profitability
- Improved innovation speed
- Customer-centric solutions

Exceed

Sustained Performance

- Sustainable impact
- Enriched workflows
- Sustained growth

Our 4 strategic growth pillars

Delivering upon Ascom's equity story



Growth Acceleration



**Operational
Excellence**



**Outcome - based
Solutions & Platforms**



**People
&
Environment**

Growth Acceleration



- **First growth step up done** in 2022
- Pursuing **further growth acceleration** in 2023 and beyond
- Across **all 3 market segments** as delivering synergies
- Clear focus on **key growth Regions**
- Stepping up efforts on **becoming the “enabling” backbone**

Growth Acceleration

Stepping up growth & performance in 2023

Our strategy is clear...

- Accelerated growth in **workflow solutions and software**, in addition to patient systems and mobility
- **Leveraging our solutions across Healthcare & Enterprise**, with clear synergies
- **Accelerating growth overall** with special focus on USA & Canada, DACH, France & Spain, UK & Italy

We have a **good basis for 2023**, but are facing a continued **volatile environment**...

- Sizeable **order backlog** (276.5m CHF) with about **60%** deliverable in **2023**
- **Supply** challenges **easing over H1 23** (supply & design effort)
- **Continued pricing effort** to off-set cost inflation

Driving Operational Excellence



Continued focus in 2023 – 2024 on:

- **Lowering Ascom's cost base** and break-even point
- **Stepping up efficiency** and quality in everything we do

Driving Operational Excellence

Launched “Shape Up” initiative, resetting our cost base and stepping up efficiency

Planned productivity & cost improvements



Delivering significant cost savings

Resetting cost base by

- **Lowering our break-even point**
- Driving efficiency and productivity gains

Material run-rate savings

- 10+ m CHF in 2024
- Initial savings realized in 2022

Net positive contribution in 2023

Strengthening our Position in Solutions & Software



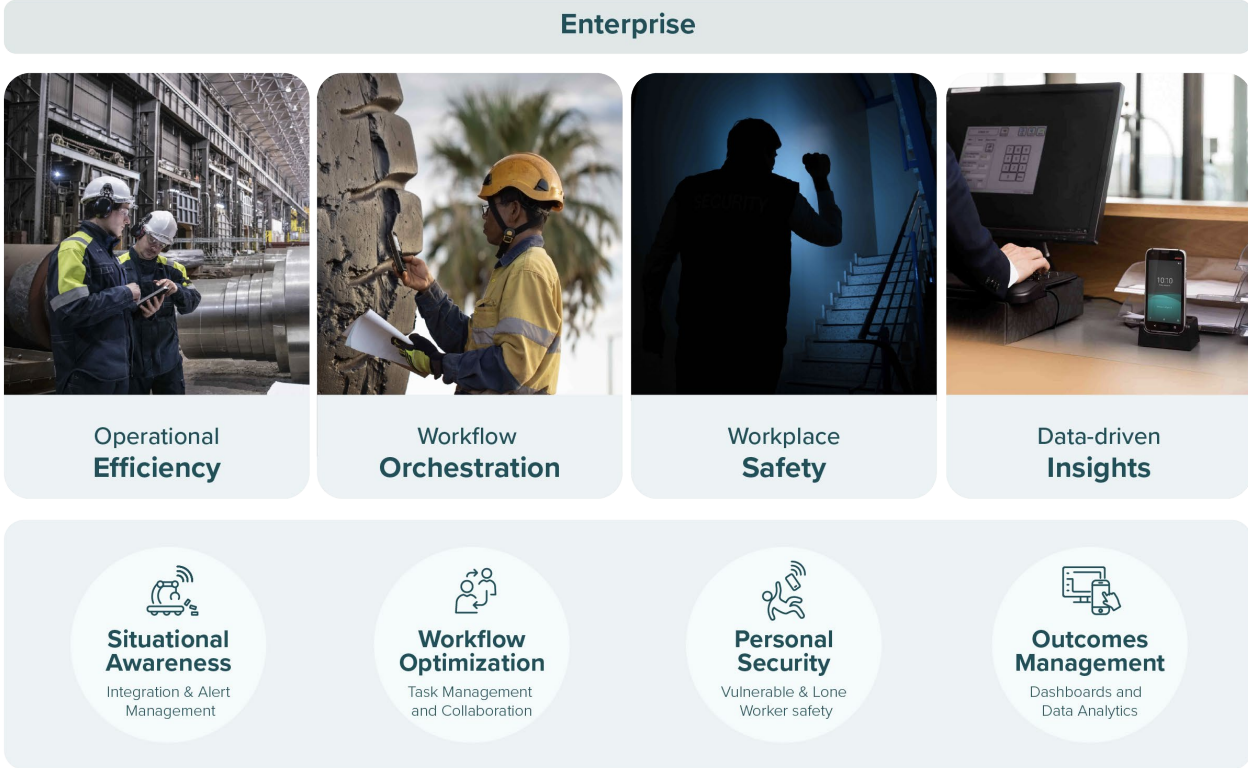
Building further on 2022 achievements

- **Launch** of new **Ascom Healthcare & Enterprise platforms**
 - Standardized **value propositions** with clear ROI
 - **Integrated platforms**
- **Acquisition of Ofelia**, enriching our solution suite for Long Term Care and Enterprise
- Generating **good market traction**

Ascom's integrated platforms strengthen our position



Ascom's integrated platforms strengthen our position



Ambitious Targets for Sustainability



Our ESG ambitions

- **Strive for fully carbon neutrality by 2040**
- **Top-tier ESG industry rating by 2030**

Clear ESG roadmap going forward

Environment

- Products
- Manufacturing
- Logistics
- Transportation
- Facilities
- IT infrastructure

Social

- Diversity & Inclusion
- Working Environment
- Learning & Development
- Talent Management
- Employee Engagement
- Health & Safety

Governance

- Policies
- Information Security
- Brand & Culture

Guidance

ascom



Guidance 2023

Ascom targets for fiscal year 2023*:

- **Revenue growth of around 10%**
- **EBITDA margin of around 11%**

* Ascom's 2023 guidance is based on the current market and economic environment, current visibility and at constant currencies

Mid-term Guidance

- Ascom sees a **clear path to double-digit growth** over the next years
- Ascom expects an **annual improvement of the EBITDA-margin of about 100 bp** (basis points) until 2025

*Ascom's mid-term guidance is based on the current market and economic environment, current visibility and at constant currencies

Proposal to Shareholders for Annual General Meeting 2023

- **Dividend** proposal of **CHF 20 ct** per share
- **All Board members** stand for re-election

Delivering growth & value creation

- Ascom is active in **markets** with secular **growth trends**
- **2022** delivered good **progress** on our growth & performance ambitions
- We are confident to deliver the **next step in 2023**
 - Clear **growth** strategy
 - Incremental **cost** & efficiency gains
 - Increased **operating leverage**
- We remain cautious given the **volatile environment**

Thank you for your attention

Q&A