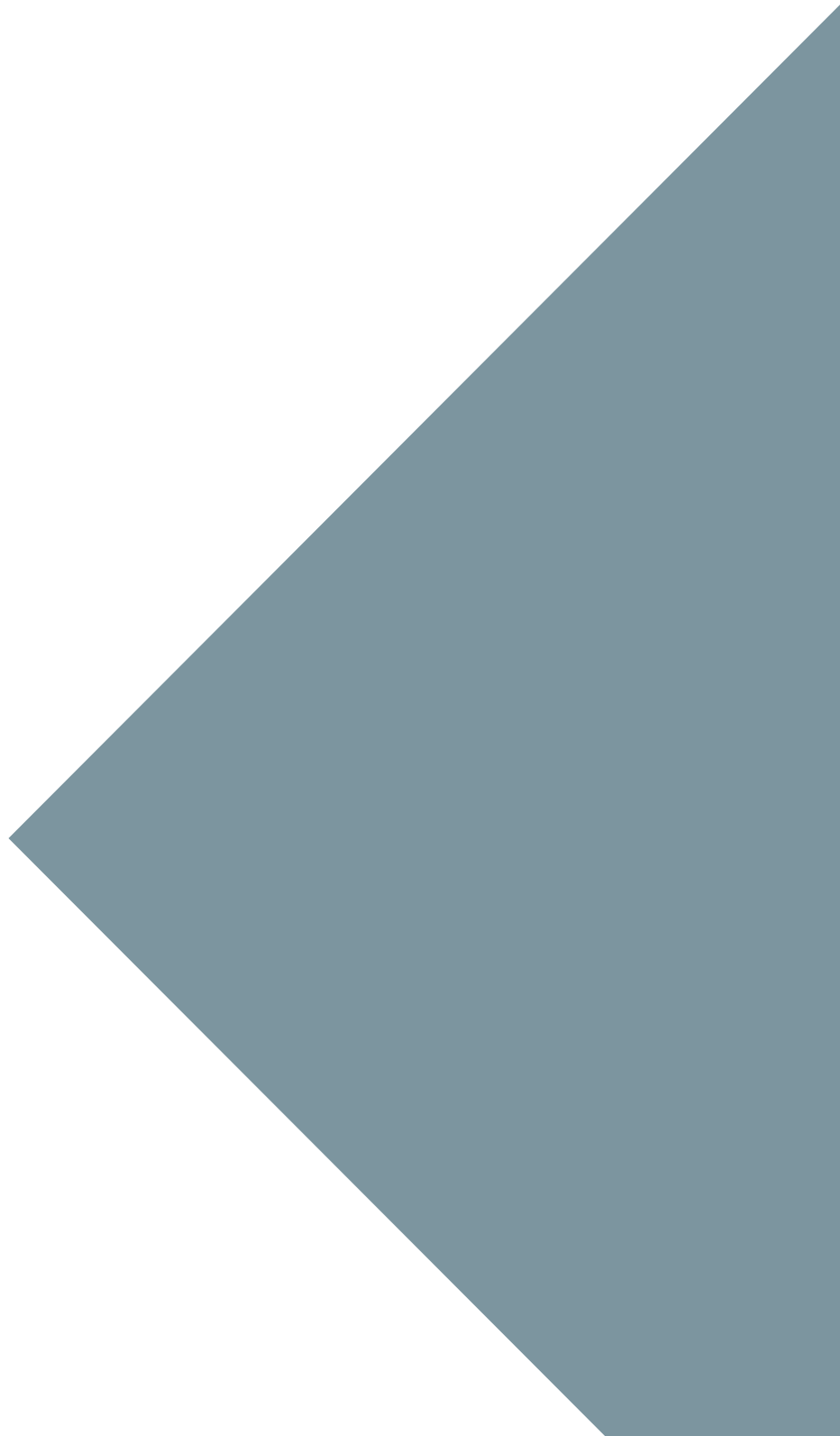


Half-Year Report 2024





Nicolas Vanden Abeele, CEO,
Dr. Valentin Chaperon Rueda,
Chairman

Letter to Shareholders

Dear Shareholders,

Ascom looks back on a mixed performance in the first half-year 2024, influenced by the current market situation and the geopolitical environment.

While incoming orders were overall in line with the previous year (at constant currencies), the revenue development suffered from a shortfall mainly in UK and France & Spain, resulting in a slight decrease on Group level (at constant currencies).

The EBITDA margin of 7.4% is in line with the previous year's level despite the lower revenue due to the implemented cost measures. We achieved a Group profit of CHF 2.9 million, which was impacted by higher costs of depreciation.

We made good progress in the first half-year 2024 in the implementation of our strategy to become the key enabling platform in healthcare. Ascom will further strengthen its position in solutions and software with the launch of the new standardized and integrated Healthcare and Enterprise Platforms in 2024 and 2025.

First half-year 2024 at a glance

- **Net revenue** of CHF 142.1 million (H1/2023: CHF 150.2 million), reflecting a decrease of 5.4% (-2.7% at constant currencies). While the key markets (such as DACH region, Nordics and the Netherlands) performed in line with expectations, UK and France & Spain suffered from a shortfall. In addition, last year's reporting period benefited from a high base effect due to a revenue catch-up after the component shortage.
- **Incoming orders** were 3.1% below the previous year (-0.3% at constant currencies), but about 13% above H2/2023. USA & Canada, and Rest of World delivered a strong order intake with a growth rate of around 20%.

- **EBITDA margin** of 7.4% was in line with the previous year (H1/2023: 7.5%).
- **Group profit** amounted to CHF 2.9 million (H1/2023: CHF 5.1 million), impacted by the increased costs of depreciation.
- **Net cash position** amounted to CHF 16.5 million (H1/2023: CHF 21.2 million), with a solid equity ratio of 36.7% (H1/2023: 35.7%).

Key markets in line with expectations

Ascom generated in the first half-year 2024 a net revenue of CHF 142.1 million, representing a decrease of 2.7% at constant currencies (-5.4% at actual currencies) compared to CHF 150.2 million in H1/2023, which was positively impacted by the catch-up in revenue due to the easing of the chip supply problems.

The best performance was achieved in the key markets DACH, Nordics and the Netherlands, as well as in Italy, while UK and France & Spain markets underperformed.

Revenue split by market segment showed the Healthcare sector accounting for 64% of total revenue, the Enterprise sector developed well and increased to 31%, while the OEM business contributed 5% of total revenue for the first half-year 2024.

Strong order intake in USA & Canada

In the first half-year of 2024, incoming orders were overall in line with the previous year. The total volume of new orders decreased by 0.3% at constant currencies and amounted to CHF 166.1 million, compared to CHF 171.5 million in H1/2023 (-3.1% at actual currencies).

However, incoming orders in the first six months of 2024 were about 13% higher than in the second half-year 2023 (H2/2023: CHF 147.1 million). Robust growth was achieved

particularly in USA & Canada and Rest of World with an increase of about 20% compared to H1/2023.

The book-to-bill rate remains at healthy 1.17. Order backlog further increased to CHF 311.5 million (31.12.2023: CHF 276.4 million), representing a healthy backlog for conversion in the second half-year 2024 and beyond.

EBITDA margin in line with previous year

Gross profit in the first half-year 2024 amounted to CHF 67.2 million and the gross margin reached 47.3%, the same level as in the previous year (H1/2023: 47.5%). EBITDA came to CHF 10.5 million with an EBITDA margin of 7.4% in line with the previous year (H1/2023: CHF 11.2 million with a margin of 7.5%).

EBIT was at CHF 4.0 million (H1/2023: CHF 6.1 million), mainly due to increased costs of depreciation. As a result, Ascom closed the first half-year of 2024 with a Group profit of CHF 2.9 million (H1/2023: CHF 5.1 million).

Solid balance sheet with equity ratio of 36.7%

On 30 June 2024, cash and cash equivalents amounted to CHF 21.5 million. Ascom generated free cash flow of CHF 2.1 million in the first six months (H1/2023: CHF 12.2 million). The cash flow generation was mainly impacted by the increased dividends of CHF 10.8 million paid out in the first half-year 2024, and the investment in the refurbishing of Ascom's facility in Gothenburg.

Ascom has borrowings of CHF 5.0 million outstanding, resulting in a net cash position (cash and cash equivalents less borrowings) of CHF 16.5 million (31.12.2023: CHF 24.7 million). As of 30 June 2024, the equity ratio stood at a solid level of 36.7% (H1/2023: 35.7%).

Strategy execution on track

Ascom is delivering upon its strategic plan to

- become the key enabling platform for Healthcare and Enterprise;
- step up growth in the next couple of years;
- strengthen Ascom's position in solutions and software with the launch of its new standardized and integrated Healthcare and Enterprise Platforms in 2024 and 2025. The platform convergence will be completed by mid-2025;
- enhance the gross margin and operational efficiency, enabling an EBITDA accretion over the next couple of years.

Next to its strategic transformation, Ascom is taking cost measures in 2024 to further improve its efficiency and cost base. This will result in additional run rate savings in 2025 and beyond.

Guidance and targets for fiscal year 2024

Ascom is on track with its plan to execute its strategy and expects the second half-year 2024 to develop significantly better than the first half-year 2024 as well as the second half-year 2023.

However, taking into account the slower start of the year, as well as the current market and geopolitical environment, Ascom expects for fiscal year 2024 a revenue development in line with the previous year at constant currencies, and an EBITDA margin of 9–10%.

Changes in the Management

The Board of Directors of Ascom Holding AG appointed Kalina Scott as the new CFO of Ascom Group. As a proven financial expert, Kalina Scott has a strong track record in international management and corporate finance and held group CFO positions in the technology and healthcare sectors. She assumed responsibility as of 25 March 2024, succeeding Dominik Maurer who left the Company.

A word of thanks

On behalf of the Board of Directors and the Executive Committee, we would like to thank all employees for their hard work and strong commitment. We also thank our customers, suppliers and business partners for their support. Finally, we would like to thank you, our valued shareholders, for your loyalty to Ascom.

Sincerely,



Dr. Valentin Chaperero Rueda
Chairman of the Board



Nicolas Vanden Abeele
CEO

Consolidated balance sheet

Assets

CHFm	Note	30.6.2024	%	31.12.2023	%
Cash and cash equivalents		21.5		24.7	
Trade receivables		56.8		55.2	
Other short-term receivables		7.2		4.4	
Inventories and work in progress		38.4		39.0	
Prepayments and accrued income		19.5		22.2	
Current assets		143.4	71.6	145.5	73.8
Property, plant and equipment		10.6		8.8	
Intangible assets		33.6		31.7	
Financial assets		12.6		11.2	
Non-current assets		56.8	28.4	51.7	26.2
Total assets		200.2	100.0	197.2	100.0

Liabilities and shareholders' equity

CHFm	Note	30.6.2024	%	31.12.2023	%
Borrowings	5	5.0		–	
Trade payables		13.1		16.5	
Other liabilities		16.3		15.5	
Provisions		3.3		1.7	
Customer prepayments and deferred revenue		36.3		33.8	
Accrued liabilities		22.7		22.7	
Current liabilities		96.7	48.3	90.2	45.7
Provisions		30.0		28.3	
Non-current liabilities		30.0	15.0	28.3	14.4
Total liabilities		126.7	63.3	118.5	60.1
Share capital		18.0		18.0	
Capital reserves		16.5		16.1	
Own shares		(0.7)		(0.7)	
Retained earnings		39.7		45.3	
Shareholders' equity		73.5	36.7	78.7	39.9
Total liabilities and shareholders' equity		200.2	100.0	197.2	100.0

The notes on pages 8 to 11 are an integral part of the consolidated interim financial statements.

Consolidated income statement

CHFm	Note	1 st half-year 2024	%	1 st half-year 2023	%
Net revenue		142.1	100.0	150.2	100.0
Cost of sales		(74.9)		(78.9)	
Gross profit		67.2	47.3	71.3	47.5
Marketing and sales		(38.4)		(40.0)	
Research and development		(13.5)		(13.8)	
Administration		(11.2)		(11.2)	
Other operating expenses		(0.1)		(0.2)	
Operating result (EBIT)		4.0	2.8	6.1	4.1
Financial income		0.9		1.6	
Financial expenses		(0.7)		(0.6)	
Profit before income tax		4.2	3.0	7.1	4.7
Income tax		(1.3)		(2.0)	
Group profit for the period¹		2.9	2.0	5.1	3.4

¹ Attributable to the owners of the parent.

Earnings per share

CHF	1 st half-year 2024	1 st half-year 2023
Basic	0.08	0.14
Diluted	0.08	0.14

Additional information – non-GAAP measures

CHFm	1 st half-year 2024	%	1 st half-year 2023	%
EBITDA ¹	10.5	7.4	11.2	7.5

¹ Earnings before interest, income tax, depreciation and amortization (EBITDA) as a subtotal includes the operating result (EBIT) before deduction of depreciation and impairment of property, plant and equipment as well as amortization and impairment of intangible assets. As defined, EBIT and EBITDA do not include the impact of non-operating or extraordinary results. In the first half-year 2024, operating depreciation and amortization amounted to CHF 6.5 million (previous year: CHF 5.1 million).

The notes on pages 8 to 11 are an integral part of the consolidated interim financial statements.

Consolidated statement of changes in equity

CHFm	Attributable to owners of the parent							Total shareholders' equity
	Capital reserves ¹				Retained earnings			
	Share capital	Own shares	Share premium	Other capital reserves	Currency translation adjustments	Goodwill offset	Other retained earnings	
Balance at 1.1.2023	18.0	(0.7)	1.1	14.7	(25.5)	(56.5)	122.3	73.4
Group profit for the period	-	-	-	-	-	-	5.1	5.1
Currency translation adjustments	-	-	-	-	(3.5)	-	-	(3.5)
Share-based payments	-	-	-	0.4	-	-	-	0.4
Dividends paid ²	-	-	-	-	-	-	(7.2)	(7.2)
Balance at 30.6.2023	18.0	(0.7)	1.1	15.1	(29.0)	(56.5)	120.2	68.2
Balance at 1.1.2024	18.0	(0.7)	1.1	15.0	(31.3)	(55.9)	132.5	78.7
Group profit for the period	-	-	-	-	-	-	2.9	2.9
Currency translation adjustments	-	-	-	-	2.3	-	-	2.3
Share-based payments	-	-	-	0.4	-	-	-	0.4
Dividends paid ²	-	-	-	-	-	-	(10.8)	(10.8)
Balance at 30.6.2024	18.0	(0.7)	1.1	15.4	(29.0)	(55.9)	124.6	73.5

¹ Non-distributable statutory and legal reserves of Ascom Holding AG: CHF 3.6 million (previous year: CHF 3.6 million).

² Refer to note 4.

The notes on pages 8 to 11 are an integral part of the consolidated interim financial statements.

Consolidated statement of cash flows

CHFm	Note	1 st half-year 2024	1 st half-year 2023
Group profit for the period		2.9	5.1
+ Depreciation of property, plant and equipment		1.0	0.8
+ Amortization of intangible assets		5.5	4.3
+ Share-based payments		0.4	0.4
+/- Addition/(release) of provisions		2.8	1.9
+/- Adjustment for other non-cash items		(0.2)	(0.5)
+/- Change in inventory and work in progress		1.4	(7.3)
+/- Change in trade receivables		0.8	16.0
+/- Change in trade payables		(3.7)	(1.2)
+/- Change in other receivables and prepayments		2.5	(8.1)
+/- Change in accrued and other short-term liabilities and deferred income		1.2	6.1
- Interest income		(0.1)	(0.1)
+ Interest expenses		0.4	0.3
+ Interest received		0.1	0.1
- Interest paid		(0.1)	-
+ Income tax expenses		1.3	2.0
- Income tax paid		(4.9)	(1.6)
Cash flow from operating activities		11.3	18.2
- Purchase of property, plant and equipment		(2.5)	(0.8)
- Purchase of intangible assets		(6.7)	(5.3)
+/- Change in financial assets and other non-current assets		-	0.1
Cash flow from investing activities		(9.2)	(6.0)
+/- Proceeds from/(repayment of) short-term borrowings	5	5.0	-
+/- Proceeds from/(repayment of) long-term borrowings	5	-	(10.0)
- Dividends paid	4	(10.8)	(7.2)
Cash flow from financing activities		(5.8)	(17.2)
+/- Foreign currency translation differences on cash and cash equivalents		0.5	(0.4)
Increase/(decrease) in cash and cash equivalents		(3.2)	(5.4)
+ Cash and cash equivalents at 1.1.		24.7	26.6
Cash and cash equivalents at 30.6.		21.5	21.2

The notes on pages 8 to 11 are an integral part of the consolidated interim financial statements.

Notes to the consolidated interim financial statements

1. GENERAL INFORMATION AND BASIS FOR PREPARATION

These unaudited consolidated interim financial statements of Ascom Holding AG and its subsidiaries cover the period from 1 January to 30 June 2024 and are prepared in accordance with Swiss GAAP FER 31 (“Complementary recommendation for listed companies”). These consolidated interim financial statements contain an update of information already published and must therefore be read in conjunction with the year-end financial statements dated 31 December 2023, which were prepared in conformity with the entire existing guidelines of Swiss GAAP FER (Generally Accepted Accounting Principles FER/ FER = Fachempfehlungen zur Rechnungslegung = Accounting and reporting recommendations). The accounting policies have been applied consistently by Group companies. Furthermore, applied accounting and disclosure policies comply with the provisions of the listing rules of the SIX Swiss Exchange and the Swiss company law.

Preparation of the consolidated interim financial statements demands certain estimates and assumptions that affect the reported assets, liabilities, income and expenses and contingent liabilities at the time the accounts are prepared. If, at a later point in time, variations should occur to such estimates and assumptions, which were decided upon by the management in good faith at the time the accounts were prepared, the original estimates and assumptions are adapted accordingly in the accounting period in which the data changes.

Ascom Group’s business activities are not subject to pronounced seasonal fluctuations. However, experience has shown that, factoring out economic influences, higher sales and therefore higher profitability are usually generated in the second half of the year, largely following the investment spending patterns of Ascom’s customers.

Ascom Holding AG, the parent company of the Group, is a publicly listed limited liability company, domiciled in Baar, Switzerland.

2. ACCOUNTING PRINCIPLES

The consolidated interim financial statements were prepared according to the same accounting principles as those applied for the consolidated financial statements for the year ended 31 December 2023.

Ascom is exposed to translational and transactional effects of foreign currency fluctuations, in particular to the currencies below:

CHF	ISO code	Unit	30.6.2024	Average 1 st half-year 2024	31.12.2023	Average 1 st half-year 2023
Euro	EUR	1	0.963	0.959	0.926	0.988
US dollar	USD	1	0.900	0.886	0.838	0.916
Swedish krona	SEK	1	0.085	0.084	0.084	0.087
Pound sterling	GBP	1	1.138	1.121	1.066	1.129

3. SEGMENT INFORMATION

Due to the unity and strategic focus of the business on Healthcare ICT, the top management (Group Executive Board) and the management structure of the Ascom Group are organized by functions. The allocation of financial resources of the Group by the Board of Directors and the Group Executive Board is decided centrally and by function. Research and development of the whole range of products and solutions is carried out centrally, while sales are carried out regionally with central support. Distribution and services are managed within central global functions. Accordingly, regional sales subsidiaries are responsible for the sale and delivery of the whole range of products, services and solutions in their sales area, supported by global R&D, global Supply Chain and global Services, as well as central marketing and administrative functions. The Company's risks and opportunities vary by region and are impacted and supported by local regulatory requirements, most notably in healthcare. Accordingly, the financial management and allocation of Company resources by the Group Executive Board is primarily based on regional market and net revenue developments.

Segment reporting therefore reflects Ascom's business as one single reportable segment. The allocation of incoming orders and net revenue is disclosed below based on the regional sales structure.

Allocation of incoming orders and net revenue

CHFm	Incoming orders		Net revenue	
	1 st half-year 2024	1 st half-year 2023	1 st half-year 2024	1 st half-year 2023
DACH	30.2	36.1	25.6	25.8
France & Spain	8.6	9.3	9.4	11.7
Netherlands	21.0	28.9	24.4	24.3
Nordics	24.4	23.4	20.4	19.9
UK	7.9	11.7	6.8	9.1
USA & Canada	36.0	30.1	26.0	28.4
Rest of World	31.5	25.1	22.1	22.9
OEM (Original Equipment Manufacturer)	6.5	6.9	7.4	8.1
Total	166.1	171.5	142.1	150.2

4. DIVIDENDS PAID, OWN SHARES

On 16 April 2024, the Annual General Meeting of Ascom Holding AG approved a dividend of CHF 0.30 per share entitled to dividends. The total payout amounted to CHF 10.8 million (previous year: CHF 7.2 million).

In the period under review, Ascom acquired 10 own shares (previous year: nil shares).

5. BORROWINGS

The Group has syndicated revolving credit facilities in the amount of CHF 30.0 million with four Swiss banks at variable interest rates with an option to fix the interest rate monthly for a maximum period of 12 months. Additionally, the Group has a CHF 20.0 million credit facility with the same bank consortium to finance large projects. The Group also has an uncommitted guarantee line of CHF 5.0 million with a Swiss bank. At 30 June 2024, Ascom used the cash lines as shown in the table below (borrowings denominated in CHF):

CHFm	30.6.2024	31.12.2023
Current	5.0	–
Non-current	–	–
Total borrowings	5.0	–

The credit facility includes two financial covenants: a debt service ratio (calculated as the ratio of net debt and outstanding bank guarantees to EBITDA) and an equity ratio (calculated as the ratio of shareholders' equity to total assets). The financial covenants are fully complied with.

On 22 July 2024, Ascom Holding AG, the parent company of the Group, signed a bilateral credit facility agreement with UBS Switzerland AG for the amount of CHF 30.0 million, to replace the syndicated revolving credit facilities with final maturity date 19 November 2024. The bilateral credit facility agreement has a term of three years, with the possibility to extend it twice for a period of 12 months each.

The new credit facility contains three financial covenants: an equity ratio (calculated as the ratio of shareholders' equity to total assets), a total net debt ratio (calculated as the ratio of net debt to EBITDA), and a positive EBITDA on a 12-month rolling basis.

6. EVENTS AFTER THE BALANCE SHEET DATE

In July 2024, Ascom signed a bilateral credit facility agreement with UBS Switzerland AG; further details can be found in note 5 of the consolidated interim financial statements.

The Board of Directors and the Executive Management are not aware of any other significant events occurring up to the date of approval of the consolidated interim financial statements that would cause an adjustment of the carrying amounts of the Group's assets and liabilities.

7. TIME OF RELEASE FOR PUBLICATION

The Board of Directors approved the 2024 consolidated interim financial statements on 5 August 2024 and gave permission for publication at the media conference on 6 August 2024.

8. SHARE INFORMATION

	1 st half-year 2024	1 st half-year 2023
Number of registered shares nom. CHF 0.50 ¹	36,000,000	36,000,000
Share price per registered share in CHF (high/low of the period under review) ²	8.25/7.03	11.20/7.56
Share price per registered share in CHF ¹	7.65	10.92
Market capitalization in CHFm ¹	275.4	393.1

¹ At the end of the period.

² Closing price.

Summary of key financial data

CHFm	1 st half-year 2024	1 st half-year 2023
Incoming orders	166.1	171.5
Order backlog ¹	311.5	289.8
Net revenue	142.1	150.2
EBITDA	10.5	11.2
EBITDA in % of net revenue	7.4	7.5
Operating result (EBIT)	4.0	6.1
EBIT in % of net revenue	2.8	4.1
Personnel expenses	(77.7)	(77.9)
Depreciation, amortization and impairment	(6.5)	(5.1)
Group profit for the period	2.9	5.1
Net cash flow from operating activities	11.3	18.2
Capital expenditures on property, plant and equipment	2.5	0.8
Capital expenditures on intangible assets	6.7	5.3
Research and development expenditures ²	(14.2)	(14.7)
Balance sheet total ¹	200.2	191.2
Shareholders' equity ¹	73.5	68.2
Shareholders' equity in % of balance sheet total ¹	36.7	35.7
Net cash or (net debt) ^{1,3}	16.5	21.2
Gearing in % ⁴	6.8	–
Dividends paid/distribution of share premium	10.8	7.2
Number of employees (FTE) ¹	1,433	1,368

¹ At the end of the period.

² Research and development costs excluding depreciation, amortization, impairment and capitalized costs.

³ Cash and cash equivalents less borrowings.

⁴ Borrowings/shareholders' equity.

Dates and contacts

Important dates

12 March 2025

2024 Full-Year Results Conference
Restaurant Metropol, Zurich

16 April 2025

Annual General Meeting
Theater Casino, Zug

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Declaration of forward-looking statements

This Half-Year Report contains forward-looking statements relating to Ascom. Because these forward-looking statements are subject to risks and uncertainties, the reader is cautioned that actual future results may differ from those expressed in or implied by the statements, which constitute projections of possible developments. All forward-looking statements are based only on data available to Ascom at the time of preparing this Half-Year Report.

The complete Half-Year Report 2024 of the Ascom Group is available in English only and can be viewed online at: <https://www.ascom.com/Investor-Relations/Financial-information/Reports-and-presentations.html>

Publishing details

Publisher Ascom Holding AG, Baar

Financial Statements Ascom Group Finance, Baar

Consulting Tolxdorff Eicher, Horgen

Photo Severin Jakob, Zurich

Concept, Design & Production Linkgroup AG, Zurich

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Print product with financial

climate contribution

ClimatePartner.com/11665-1602-1008



