



## *Ascom achieved solid results in 2020 with a considerable growth rate in the Healthcare sector*

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### ▪ **Financial year 2020 with solid results**

- **Net revenue** of CHF 281.0 million, growth rate of 3.6% at constant currencies<sup>1</sup>
- **Incoming orders** of CHF 322.4 million, increase of 6.6% at constant currencies
- **Order backlog** as of 31 December 2020 at CHF 215.6 million, increase of 24% at constant currencies
- **EBITDA**<sup>2</sup> substantially improved to CHF 24.9 million, with an **EBITDA margin** of 8.9%
- **Group profit** increased to CHF 6.5 million (2019: CHF 0.5 million)
- **Balance sheet structure improved** with a positive net cash position of CHF 12.8 million and improved equity ratio of 35.0%

### ▪ **Outlook for 2021**

Ascom targets low single-digit revenue growth for fiscal-year 2021 and strives to achieve a double-digit EBITDA margin.<sup>3</sup>

<sup>1</sup> Constant currencies are calculated by converting numbers using the prior year's average exchange rate.

<sup>2</sup> EBITDA, earnings before interest, income tax, depreciation and amortization, see also definition in the 2020 Annual Report on page 67.

<sup>3</sup> at constant currencies and given a stable economic development.

### **Healthcare sector grew by 9.1%**

2020 was, due to the Covid-19 pandemic, an unprecedented year for companies and economies globally. Ascom's swift implementation of its new Group structure focused on a leaner organization and stronger customer proximity has proven to be effective, improving the processes and allowing to better handle the challenges of the Covid-19 pandemic.

After an already solid first half-year, the Company experienced a traditionally stronger second half-year, and closed fiscal year 2020 with total net revenue of CHF 281.0 million. Including a negative currency impact of about CHF 12 million, revenue grew by 3.6% (at constant currencies<sup>1</sup>) compared to the prior year (2019: CHF 282.9 million).

Most successful regions in 2020 with double-digit revenue growth (at constant currencies) were the Nordics, UK, and Rest of World. Moreover, USA & Canada as well as the Netherlands also showed solid revenue growth rates. The markets in France and Spain were hit hard by the severe governmental measures due to the Covid-19 pandemic. In the DACH region, revenue declined mainly due to a weaker performance in the Enterprise sector, which suffered heavily from the Covid-19 crisis. The OEM business showed a positive development in the second half-year and could be stabilized after a difficult first half-year.

In 2020, revenue by market segment showed a continuing shift to the Healthcare sector that grew by 9.1% and accounted for 67% of total revenue (2019: 64%). The Enterprise sector reflected 27% (2019: 29%), and the OEM business was at 6% (2019: 7%). Ascom also made further progress in increasing its share of recurring revenue, which increased to 25% (2019: 24%). The service business increased its share of revenue to 41% (2019: 38%).

### **Substantial increase of order backlog**

In 2020, incoming orders were strong and grew by 6.6% (at constant currencies) to CHF 322.4 million (2019: CHF 315.5 million). The order backlog rose by about 24% (at constant currencies) and amounted to CHF 215.6 million at the end of 2020 (end of 2019: CHF 177.5 million), which provides a comfortable basis for further revenue growth in 2021.

### **Improved profitability and increase in Group profit**

During 2020, Ascom improved its profitability substantially. Gross margin increased to 47.4% (2019: 43.7%) due to efficiency gains and a significant cost reduction. EBITDA increased to CHF 24.9 million (2019: CHF 0.8 million) with an EBITDA margin of 8.9% (2019: 0.3%), and EBIT came to CHF 11.0 million (2019: CHF -13.4 million).

Ascom closed fiscal year 2020 with a Group profit of CHF 6.5 million (2019: CHF 0.5 million, including positive one-off effects of CHF 8.3 million, mainly resulting from the sale of the Technologiepark Teningen).

Because of the on-going transformation and the uncertainties in the current year due to the Covid-19 pandemic, the Board of Directors will propose to the Annual General Meeting to carry forward the retained earnings and to abstain from a dividend payment.

### **Solid balance sheet**

In 2020, Ascom's net cash position improved substantially to CHF 12.8 million (31.12.2019: net debt of CHF 21.8 million). Shareholders' equity was at CHF 71.1 million (31.12.2019: CHF 63.2 million), and the equity ratio increased to 35.0% (31.12.2019: 29.5%). These solid balance sheet ratios, the existing availability of financing facilities, and the increase in operating cash flow form a strong basis for future profitable growth.

### **Outlook 2021**

Ascom expects the year 2021 to become another year with many uncertainties, including a possible component shortage in the entire industry. In 2020, Ascom has laid the foundations for further profitable growth. The optimization and further improvement of the margin and cost structure will continue to be an important focus in 2021.

Ascom targets for fiscal-year 2021 low single-digit revenue growth and strives to achieve a double-digit EBITDA margin.

## KEY FIGURES FINANCIAL YEAR 2020

In CHFm	Ascom Group			
	FY 2020	H2 2020	H1 2020	FY 2019
<b>Incoming orders</b>	322.4	167.6	154.8	315.5
<b>Net revenue</b>	<b>281.0</b>	147.6	133.4	<b>282.9</b>
<b>Gross profit</b>	<b>133.3</b>	69.6	63.7	<b>123.7</b>
<b>EBIT</b>	<b>11.0</b>	10.0	1.0	<b>(13.4)</b>
<i>EBIT margin in %</i>	3.9%	6.8%	0.7%	(4.7)%
<b>EBITDA</b>	<b>24.9</b>	16.5	8.4	<b>0.8</b>
<i>EBITDA margin in %</i>	8.9%	11.2%	6.3%	0.3%
<b>Group profit</b>	<b>6.5</b>			<b>0.5</b>
Employees (FTE) at 31.12.	1,282			1,292

The complete 2020 Annual Report of the Ascom Group and the Full-Year Results Presentation 2020 are available in English only and can be downloaded online at: <http://www.ascom.com/corp/investor-relations/reports-presentation.html>

**The full-year media conference starts at 10.00 a.m. CET on Thursday 11 March 2021.**

Financial analysts and media representatives can join our **conference call** in which questions can be asked during the Q&A session after the presentation.

**Dial In Conference Call:** [Conference Call](#)  
(only for financial analysts & media representatives)

Additionally, a **live audio webcast** will be provided. This is a non-interactive live audio webcast showing the presentation slides. However, the webcast does not allow posing questions. The Q&A session will be broadcasted.

**Webcast:** [Live Audio Webcast](#)

## About Ascom

[Ascom](#) is a global solutions provider focused on healthcare ICT and mobile workflow solutions. The vision of Ascom is to close digital information gaps allowing for the best possible decisions – anytime and anywhere. Ascom's mission is to provide mission-critical, real-time solutions for highly mobile, ad hoc, and time-sensitive environments. Ascom uses its unique product and solutions portfolio and software architecture capabilities to devise integration and mobilization solutions that provide truly smooth, complete, and efficient workflows for healthcare as well as for industry and retail sectors.

Ascom is headquartered in Baar (Switzerland), has operating businesses in 18 countries and employs around 1,300 people worldwide. Ascom registered shares (ASCN) are listed on the SIX Swiss Exchange in Zurich.

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