



Ascom reports higher net profit in 2021 and proposes dividend payment

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- **Improved 2021 results in line with the communicated guidance:**
 - **Net revenue** of CHF 291.5 million, reflecting a growth rate of 3.7% (2.7% at constant currencies¹)
 - **EBITDA**² increased to CHF 28.7 million and **EBITDA margin** improved to 9.8%
 - **Incoming orders** of CHF 342.3 million with an increase of 6.2% (4.9% at constant currencies)
 - **Order backlog** rose significantly to CHF 256.1 million as at 31 December 2021
 - **Net profit** improved to CHF 13.5 million (2020: CHF 6.5 million)
 - **Solid balance sheet structure** with a net cash position of CHF 29.5 million and higher equity ratio of 41.1%

- **Dividend proposal**
CHF 0.20 per share, with a pay-out ratio of 53%

- **Guidance for 2022**
Ascom targets mid-single-digit revenue growth for fiscal-year 2022 and aims to achieve an improvement of the EBITDA margin of about 100 bp (basis points) compared to 2021

- **Mid-term guidance reiterated**
Ascom sees a clear path to double-digit revenue growth over the next years and expects an annual improvement of the EBITDA margin of about 100 basis points until 2025.

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

²EBITDA, earnings before interest, income tax, depreciation, and amortization, see also definition in the 2021 Annual Report on page 71.

Revenue growth in challenging environment

Ascom achieved solid revenue growth in 2021, despite the ongoing challenges related to the global Covid-19-pandemic and the world-wide shortage of components. Net revenue grew by 3.7% (2.7% at constant currencies) to CHF 291.5 million (2020: CHF 281.0 million).

In 2021, most successful areas with double-digit revenue growth (at constant currencies) were UK, France & Spain, and the OEM business. The Nordics and the Netherlands showed solid revenue growth rates as well. In the USA & Canada revenue increased slightly, while the DACH region as well as Rest of World declined mainly due to Covid-19 and component related challenges also in the Enterprise sector.

Revenue split by market segment showed a strong Healthcare sector reflecting 68% of total revenue (2020: 67%), the Enterprise sector accounted for 24% (2020: 27%) and the OEM business was at 8% (2020: 6%). Revenue from Software & Solutions increased while recurring revenue accounted for 25% of total revenue.

Strong growth in incoming orders and order backlog

In 2021, incoming orders increased by 6.2% to CHF 342.3 million (4.9% at constant currencies). The order backlog rose to CHF 256.1 million (2020: CHF 215.6 million) and includes long-term contracts in a magnitude of about 48% of the total order backlog which will be relevant to revenue in 2023 and beyond.

Improved operational profitability

In 2021, gross profit increased compared to the previous year and reached CHF 136.7 million (2020: CHF 133.3 million) with a gross margin of 46.9% (2020: 47.4%). The gross margin was affected by higher freight cost, increased prices for components on spot markets, and a different product mix due to the component shortage.

Due to the higher volume and the lower functional costs, EBITDA improved to CHF 28.7 million (2020: CHF 24.9 million), with an EBITDA margin of 9.8% (2020: 8.9%) while EBIT increased to CHF 15.8 million (2020: CHF 11.0 million). Ascom ended 2021 with a higher net profit of CHF 13.5 million (2020: CHF 6.5 million), which is mainly attributable to the improved operating results. EPS increased to CHF 0.38 (2020: CHF 0.18).

Solid balance sheet structure

As of 31 December 2021, Ascom had no outstanding borrowings and therefore its net cash position increased to CHF 29.5 million (31.12.2020: CHF 12.8 million). Shareholders' equity stood at CHF 80.0 million (31.12.2020: CHF 71.1 million), which represents an increase in the equity ratio to 41.1% (31.12.2020: 35.0%).

Ascom aims to become a global leader in Real-Time Communication and Collaboration

Ascom is in the unique position to offer a broad solutions portfolio combining devices, software, and services to tangibly address quickly evolving customer needs. Ascom aims to become a global leader in Real-Time Communication and Collaboration in the Acute Care, Long-Term Care, and Enterprise segments.

To lead and implement the next stage of Ascom's strategy, the Board of Directors has appointed Nicolas Vanden Abeele as Ascom's new CEO as of 1 February 2022. Based on his broad experience and his successful professional track record, he will continue to strengthen Ascom's market position in the areas of communication, collaboration, and workflow orchestration, while improving the Company's financial performance.

Outlook

The market environment for 2022 remains challenging, but Ascom is confident that the improvements implemented and the clear focus on revenue and backlog conversion will drive a positive business development in 2022.

Ascom targets for fiscal-year 2022 mid-single-digit revenue growth and aims to achieve an improvement of the EBITDA margin of about 100 basis points compared to 2021.

Ascom sees a clear path to double-digit revenue growth over the next years and expects an annual improvement of the EBITDA margin of about 100 basis points until 2025.

Proposals to Annual General Meeting 2022

The Board of Directors is proposing to the shareholders a dividend payment of CHF 0.20 per share, representing a pay-out ratio of 53% of the Group profit.

All current Board members will stand for re-election. The Board of Directors has also decided to re-tender the audit mandate and is proposing KPMG as the new Statutory Auditor.

Due to the expiration of the existing authorized capital, the Board of Directors will propose to the shareholders to adapt the Articles of Association in order to renew the authorization for authorized capital by another two years.

KEY FIGURES FINANCIAL YEAR 2021

In CHFm	Ascom Group			
	FY 2021	H2 2021	H1 2021	FY 2020
Incoming orders	342.3	176.1	166.2	322.4
Net revenue	291.5	151.4	140.1	281.0
Gross profit	136.7	69.3	67.4	133.3
EBIT	15.8	12.4	3.4	11.0
<i>EBIT margin in %</i>	5.4%	8.2%	2.4%	3.9%
EBITDA	28.7	18.6	10.1	24.9
<i>EBITDA margin in %</i>	9.8%	12.3%	7.2%	8.9%
Group profit	13.5			6.5
Employees (FTE) at 31.12.	1,306			1,282

The complete 2021 Annual Report of the Ascom Group and the Full-Year Results Presentation 2021 are available in English and for download online at: <https://www.ascom.com/investors/reports-and-presentations/>

The online 2021 Full-Year Results Conference starts at 10.00 a.m. CET on Tuesday 8 March 2022.

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

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

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: [Link 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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