



# Ascom achieves in first half-year 2023 double-digit revenue growth at constant currencies

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## First half-year 2023 at a glance:

- **Net revenue** of CHF 150.2 million, reflecting a growth rate of 4.5% (10.3% at constant currencies<sup>1</sup>)
- **EBITDA**<sup>2</sup> increased to CHF 11.2 million with an EBITDA margin of 7.5% (H1/2022: CHF 1.7 million with a margin of 1.2%, adjusted for one-off charges: CHF 6.9 million with a margin of 4.8%)
- **Group profit** of CHF 5.1 million (H1/2022: loss of CHF -2.3 million)
- **Incoming orders** of CHF 171.5 million, an increase of 0.7% at constant currencies
- **Order backlog** at CHF 289.8 million as of 30 June 2023 (31 December 2022: CHF 276.5 million)
- **Solid structured balance sheet** with a net cash position of CHF 21.2 million, and an equity ratio of 35.7%

## Targets 2023 confirmed

Ascom reconfirms its target revenue growth of around 10% at constant currencies and an EBITDA margin of around 11% for the fiscal year 2023.

## Mid-term guidance confirmed

Ascom confirms the mid-term guidance of an expected annual double-digit revenue growth and EBITDA margin improvement of about 100 basis points until 2025<sup>3</sup> compared to fiscal year 2021.

<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 2023 Half-year Report on page 5.

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

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## Double-digit revenue growth at constant currencies

Ascom generated in H1/2023 a net revenue of CHF 150.2 million, representing a strong increase of 10.3% at constant currencies (4.5% at actual currencies) compared to CHF 143.8 million in H1/2022. The strongest performance has been achieved in the regions DACH, France & Spain, and the UK with revenue growth of more than 20% at constant currencies. USA & Canada as well as the region Rest of World showed solid double-digit growth, while the regions Nordics and Netherlands were in line with the previous year. Revenue split by market segment showed the Healthcare sector accounting for 67% of revenue, the Enterprise sector came to 28% and the OEM business contributed 5% of total revenue for the first half-year 2023.

## Incoming orders remain strong

Ascom achieved in H1/2023 a total volume of new orders of CHF 171.5 million, representing an increase of 0.7% at constant currencies (-4.5% at actual currencies) compared to CHF 179.5 million in H1/2022. Moreover, incoming orders in the first six months of 2023 were about 10% higher than in the

second half-year 2022 (H2/2022: CHF 156.2 million). Robust growth was achieved particularly in the regions of DACH, the UK, and the Netherlands. The book-to-bill ratio remains healthy at 1.14, supporting further revenue growth in the second half-year and beyond. Order backlog further increased to CHF 289.8 million (31.12.2022: CHF 276.5 million).

### **Good improvement in profitability**

Gross profit in the first half-year 2023 was at CHF 71.3 million with an improved gross margin of 47.5% (H1/2022: 42.7%). This positive development is a result of higher revenue volume combined with lower cost of sales and product cost improvements.

EBITDA increased to CHF 11.2 million with an EBITDA margin of 7.5% (H1/2022: CHF 1.7 million with a margin of 1.2%, adjusted for one-off charges: CHF 6.9 million with a margin of 4.8%).

EBIT amounted to CHF 6.1 million (H1/2022: CHF -3.5 million, adjusted for one-off charges: CHF 1.7 million).

Ascom closed the first half of 2023 with a Group profit of CHF 5.1 million (H1/2022: loss of CHF -2.3 million).

### **Solid balance sheet**

At 30 June 2023, cash and cash equivalents amounted to CHF 21.2 million. Ascom improved its cash flow generation substantially and generated free cash flow of CHF 12.2 million in the first six months (H1/2022 CHF -7.1 million). In the first half-year 2023, Ascom paid out dividends of CHF 7.2 million and repaid outstanding borrowings of CHF 10 million. Ascom has no borrowings outstanding, resulting in a net cash position (cash and cash equivalents less borrowings) of CHF 21.2 million (31.12.2022: CHF 16.6 million). As of 30 June 2023, the equity ratio stood at a solid level of 35.7% (31.12.2022: 36.4%).

### **Strategy execution on track**

Ascom is delivering upon its communicated strategic plan, with:

- Growth acceleration as planned to double-digit revenue growth at constant currencies in the first half year.
- Strengthening Ascom's position in solutions and software with the launch of the new Healthcare Platform and standardized value propositions.
- Driving further the portfolio and platform convergence and enriching Ascom's key customer use cases with best-in-class ROI.
- Strengthening the go-to-market and sales excellence efforts.
- Targeting a lower cost base and a further increase in efficiency.

Major steps have been initiated in the first six months, with full run-rate benefits expected in 2024.

### **Launch of new Myco 4 smartphone**

In August 2023, Ascom will launch the new Myco 4 smartphone, a purpose-built professional smartphone for critical environments such as hospitals and enterprises. This state-of-the-art smartphone is a new milestone in Ascom's end-to-end solution offering and is fully integrated with the Ascom Healthcare Platform.

### **Guidance and targets reconfirmed**

Given the positive development during the first half-year 2023, Ascom is well on track with its plan and reconfirms its growth and value-creation ambitions for 2023. Ascom targets revenue growth of around 10% at constant currencies and an EBITDA margin of around 11% for the fiscal year 2023.

Moreover, Ascom confirms its mid-term guidance of an expected annual double-digit revenue growth and EBITDA margin improvement of about 100 basis points until 2025 compared to fiscal year 2021.

## KEY FIGURES HALF-YEAR 2023

In CHFm, except %

	H1 2023	H1 2022
<b>Incoming orders</b>	171.5	179.5
<b>Order backlog (at the end of the period)</b>	289.8	279.6
<b>Net revenue</b>	<b>150.2</b>	<b>143.8</b>
<b>Gross profit</b>	<b>71.3</b>	<b>61.4</b>
<b>EBIT</b>	<b>6.1</b>	<b>(3.5)</b>
<b>EBIT margin in %</b>	4.1%	(2.4)%
<b>EBITDA<sup>1</sup></b>	<b>11.2</b>	<b>1.7</b>
<b>EBITDA margin in %</b>	7.5%	1.2%
<b>Group profit / (loss)</b>	<b>5.1</b>	<b>(2.3)</b>
<b>Number of employees (FTE) at 30.06.</b>	1,368	1,326

<sup>1</sup>EBITDA, earnings before interest, income tax, depreciation, and amortization, see also definition in the 2023 Half-year Report on page 5.

The Half-Year Report 2023 of the Ascom Group and the Half-Year Results Presentation 2023 are available in English on

<https://www.ascom.com/investors/reports-and-presentations/>

**The Half-Year Results Conference Webcast 2023 starts on**

**Tuesday, 8 August 2023 at 10.00 a.m. CEST.**

The conference can be joined via **live audio webcast** with synchronized presentation slides, including Q&A or via **conference call**, where participants can ask questions after the presentation.

- Live Webcast: [Link Live Audio Webcast](#)
- Dial-In Conference Call: [Link Conference Call](#)

#### About Ascom

Ascom is a global solution provider focused on healthcare ICT and mobile workflow solutions. Ascom's vision is to bridge digital information gaps to ensure the best possible decisions - anytime, anywhere. Providing mission-critical, real-time solutions for highly mobile, ad hoc, and time-sensitive environments defines Ascom's mission. Ascom leverages its unique product and solution portfolio and excellent software architecture skills to develop integration and mobility solutions that enable smooth, complete, and efficient workflows for the healthcare, industrial and retail sectors.

Ascom, headquartered in Baar (Switzerland), is represented by operating companies in 19 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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