Viscom SE: Persistent market weakness characterises business performance in the first nine months of 2024

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Incoming orders: € 58,076 thousand (previous year: € 90,232 thousand); -35.6 %
Order backlog: € 23,843 thousand (previous year: € 44,509 thousand); -46.4 %
Revenue: € 63,185 thousand (previous year: € 80,207 thousand); -21.2 %
EBIT: € -5,911 thousand (previous year: € 2,612 thousand)

Hanover, 14 November 2024 – The market environment in which Viscom SE (ISIN DE0007846867) operates remains challenging and the reluctance of Viscom's customers to invest, particularly in the automotive and industrial electronics sectors, continues to be noticeable. The weak demand in the markets is reflected in incoming orders. At € 58,076 thousand, customers placed around 36 % fewer orders with Viscom SE in the first nine months of 2024 than in the previous year (previous year: € 90,232 thousand). Viscom generated total revenue of € 63,185 thousand in the first three quarters of 2024, down around 21 % on the same period of the previous year (previous year: € 80,207 thousand). The result from operating activities (EBIT) was negatively impacted by the sharp reduction in total operating performance, balance sheet value adjustments on inventories and one-off effects from implemented staff reductions and amounted to amounted to € -5,911 thousand (previous year: € 2,612 thousand). This corresponded to an EBIT-Margin of -9.4 % (previous year: 3.3 %). The result for the period totalled € -4,953 thousand (previous year: € 781 thousand). The cost of materials fell by € 21,985 thousand to € 18,806 thousand (previous year: € 40,791 thousand). Personnel expenses of € 30,168 thousand were down on the previous year (previous year: € 32,291 thousand), in particular due to the lower average number of employees as a result of the personnel adjustment measures already implemented, the reduction in provisions for holiday and overtime (€ 1,098 thousand) and the introduction of short-time working at the Viscom SE site in Hanover (€ 472 thousand).

The decrease in other operating expenses (€ 10,198 thousand; previous year: € 11,339 thousand), in particular due to lower costs for administration, travel, sales and from warranties and reworking and offsetting one-off effects for restructuring measures of around € 764 thousand, had the effect of increasing earnings. The € 197 thousand increase in depreciation and amortisation to € 5,052 thousand (previous year: € 4,855 thousand) and the decline in other operating income (€ 851 thousand; previous year: € 924 thousand) had a negative impact on the quarterly result. The

reported EBIT for the third quarter of 2024 includes one-off effects for restructuring measures of around € 764 thousand and balance sheet value adjustments on inventories of € 972 thousand.

Viscom SE expects business development to remain subdued in the fourth quarter of 2024 due to the current challenging market environment. The Lower Saxony-based mechanical engineering company continues to expect incoming orders and target revenue of € 80 to 95 million for the 2024 financial year, thus confirming the forecast of 23 May 2024. The EBIT-Margin was adjusted accordingly in light of the further delays in projects and the resulting underutilisation of capacity in all divisions and companies and communicated to the capital market on 6 August 2024. In 2024, the cost base will not yet show the desired reducing effects from the efficiency and cost-cutting measures that have already been introduced. The management of Viscom SE therefore expects an EBIT-Margin before special items of between -3 % and -9 % for the 2024 financial year. This corresponds to EBIT before one-off effects of between € -2.9 million and € -7.2 million. Due to the ongoing discussions with Viscom SE's works council, it is not yet possible to make a reliable statement on the extent of the one-off effects at the end of the year. In addition, further expected write-downs on inventories cannot yet be estimated due to the current decline in business activity. However, these will lead to a further burden on earnings. Viscom SE does not expect to see a general improvement in investment decisions and order placement by Viscom customers until the first half of 2025 at the earliest. Due to the ongoing challenges, Viscom SE will continue to push ahead with the efficiency programme initiated last year with the aim of further streamlining processes and structures and thus reducing costs, always in close coordination with the Supervisory Board and the Works Council of Viscom SE.

As a driver of innovation, Viscom SE is working intensively on new and further developments to its inspection systems and is a technological leader in the use of inspection solutions with 100 per cent fault detection. Interest in Viscom's inspection systems is high, even in the current difficult market environment. The customer and demo centre at the Hanover site is experiencing high capacity utilisation. Many very specific projects are already being discussed with Viscom customers in all regions worldwide. Viscom SE is confident that as soon as the weak sales in the automotive industry and the effects on its supplier industry are overcome and customers' willingness to invest increases again, more orders from this high-volume sector will be placed with Viscom SE. Viscom SE is seeing a lot of activity in the area of battery cell inspection at its subsidiary, Exacom GmbH. With Viscom technology, Exacom is the technology leader in the automated 100 % X-ray inspection of battery cells. Market expectations are positive based on the growing demand for energy storage systems, although there are also delays in the construction of new gigafactories in Europe in the area of electromobility. There are underutilised production capacities in China and Asia on the one hand and cost pressure for setting up European production lines on the other. The reliability and safety of battery cells must be guaranteed in every production line through quality control. Viscom SE sees great potential for its technology and outstanding inline inspection solutions in this area, but the extent of its success is also linked to developments in the establishment of European battery cell production. The company is currently working on complex projects with longer lead times. In order to further reduce its dependence on the automotive industry, Viscom is also positioning itself in other future markets such as battery production in consumer electronics, data processing, the security and aerospace sectors and the back-end of semiconductor production. Megatrends such as electrification, automation and digitalisation offer good opportunities for recovery and growth for Viscom in new areas over the next few years.

The Group Interim Report as at 30 September 2024 is now available to download in the Company/ Investor Relations section of the company’s website at www.viscom.com.

OPERATING FIGURES

Consolidated statement of comprehensive income		**01.01.-30.09.2024**	**01.01.-30.09.2023**
Revenue	K€	63,185	80,207
EBIT	K€	-5,911	2,612
EBIT-Margin	%	-9.4	3.3
Net profit for the period	K€	-4,953	781
Earnings per share	€	-0.57	0.11
Employees as of 30.09.		540	595
Consolidated statement of financial position		**30.09.2024**	**31.12.2023**
Assets			
Current assets	K€	70,890	94,276
Non-current assets	K€	30,466	31,736
Total assets	K€	101,356	126,012
Equity and liabilities			
Current liabilities	K€	37,106	51,454
Non-current liabilities	K€	9,487	14,305
Equity	K€	54,763	60,253
Total shareholders' equity and liabilities	K€	101,356	126,012
Equity ratio	%	54.0	47.8
Consolidated statement of cash flows		**01.01.-30.09.2024**	**01.01.-30.09.2023**
Cash flow from operating activities	K€	17,447	-366
Cash flow from investing activities	K€	-3,024	-3,548
Cash flow from financing activities	K€	-4,560	-6,525
Cash and cash equivalents End of period	K€	-15,249	-28,369

SEGMENT INFORMATION

		01.01.-30.09.2024	**01.01.-30.09.2023**
EUROPE			
Revenue	K€	39,757	47,805
EBIT	K€	-5,952	2,597
EBIT-Margin	%	-15.0	5.4
AMERICAS			
Revenue	K€	9,444	11,345
EBIT	K€	201	264
EBIT-Margin	%	2.1	2.3
ASIA			
Revenue	K€	13,984	21,057
EBIT	K€	-609	599
EBIT-Margin	%	-4.4	2.8
EBIT consolidation differences	K€	449	-848

About Viscom

Viscom SE develops, manufactures and sells high-quality inspection systems. Its product range covers the full range of optical inspection and X-ray inspection. The company is a leading global provider in the field of assembly inspection for electronics manufacturing. Viscom's systems can be configured for each individual customer and networked. Its headquarters and manufacturing site are in Hanover. With a large network of branches, application centres, service centres and representatives, Viscom is represented all over the world. Established in 1984, Viscom SE has been listed on the Frankfurt Stock Exchange since 2006 (ISIN: DE0007846867). Further information can be found at www.viscom.com.

Any forecasts, expectations or statements concerning the future included in this release may be subject to risk or uncertainty. We therefore cannot guarantee that the expectations will prove correct. Actual results and developments may differ significantly from the expectations and assumptions expressed. The factors that could cause such deviations include changes in the general economic and competitive situation, exchange rate and interest rate fluctuations and changes in national and international law. The company assumes no obligation to update the forward-looking statements in this release.

Contact:
Viscom SE
Investor Relations
Sandra M. Liedtke
Carl-Buderus-Str. 9-15
30455 Hannover
Tel.: +49-511-94996-791
Fax: +49-511-94996-555
investor.relations@viscom.de

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Company:	Viscom SE Carl-Buderus-Str. 9-15 30455 Hannover Germany
Phone:	+49 (0) 511 94 996 791
Fax:	+49 (0) 511 94 996 555
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Internet:	www.viscom.com
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