



**Q3 | 2021**

**Investor/Analyst Call**  
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November 4, 2021

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# COMPUGROUP MEDICAL IS SERVING TWO MEGA TRENDS: HEALTHCARE & DIGITIZATION

## DIGITIZATION CREATES OPPORTUNITIES

- The entire patient journey is changing
- Patients take an active role
- New digital offers without physical interaction
- Emerging ecosystems
- Rise of big data/AI

# OUR CUSTOMERS' WORLD IS TRANSFORMING

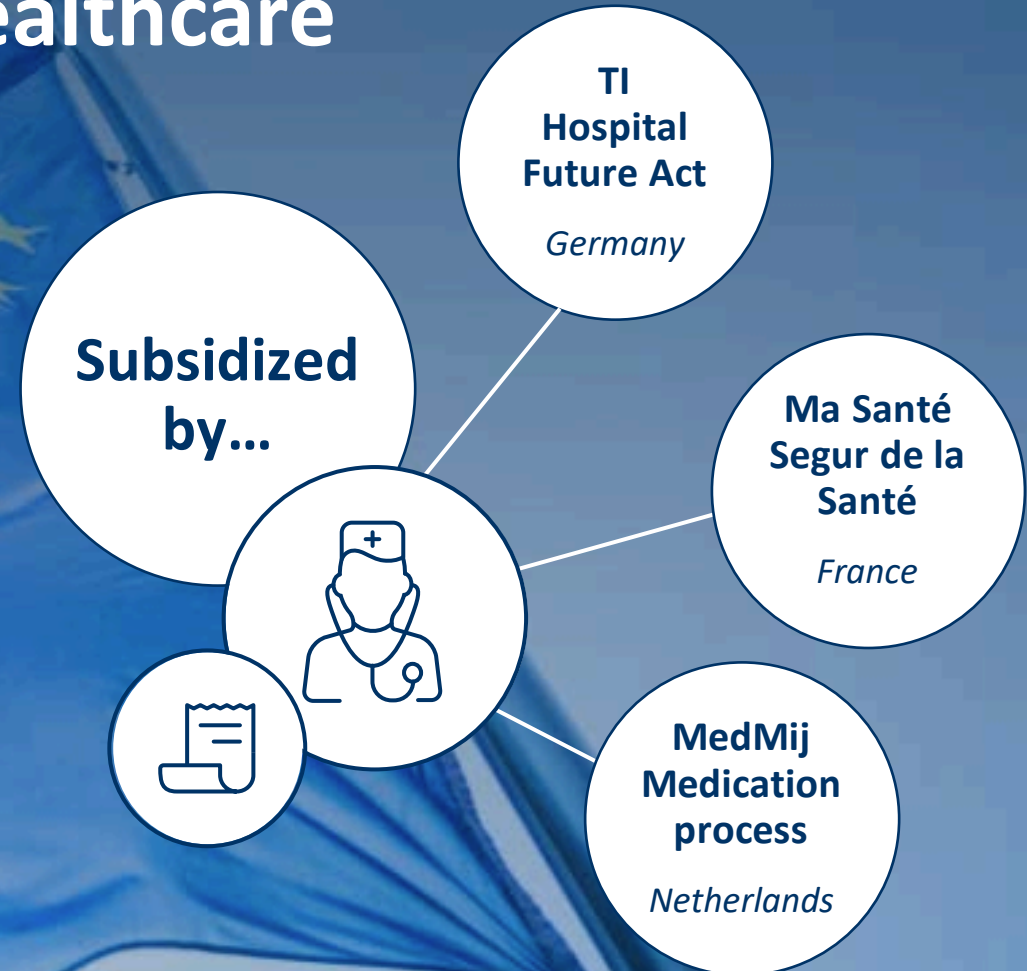











# Government programs across Europe pushing the digitization of essential parts of healthcare

It is becoming mandatory for health professionals to ...

- ... handle e-Health records & e-Prescriptions
- ... digitize medication & emergency data sets
- ... issue electronic sick notes
- ... administer risk assessment for medication
- ... virtualize and mobilize their patient communication
- ... enhance IT security



# CompuGroup Medical fully on track

							
<b>Q3</b>	<b>€276m</b> (+19%yoy)	<b>62%</b> (+4ppt)	<b>+7%</b> (-10ppt)	<b>€73m</b> (+9%yoy)	<b>26%</b> (-3ppt)	<b>€0.70</b> (PY: €0.71)	<b>€8m</b> (PY: €32m)
<b>9M</b>	<b>€746m</b> (+26%yoy)	<b>66%</b> (+2ppt)	<b>+7%</b> (+3ppt)	<b>€170m</b> (+10%yoy)	<b>23%</b> (-3ppt)	<b>€1.46</b> (PY: €1.42)	<b>€73m</b> (PY: €79m)
	Revenue	Recurring rev share	Organic growth	Adj. EBITDA	Margin	Adj. EPS	FCF

# Q3 – AIS benefits from strong DACH business & US merger

## Organic growth further picking up

- Strong organic growth of 10% yoy in Q3
- Main drivers: excellent DACH business and progress in France

## Successful rollout of modules to doctors

- TI based modules and applications gaining further traction
- e-Health record module with ~37k installations
- Communication in medicine (KIM) with ~24k installations, enabling e-Sick note
- e-Vaccination certificate with ~60k installations
- e-Prescription module certified for all relevant CGM products

# Hospital business delivers another strong quarter in Q3

## Strong revenue growth in Q3

- 17% growth yoy including acquisitions (Visus, KMS)
- 5% organic growth vs strong prior year Q3
- Drivers: G3 Germany & Spain

## Hospital Future Act

- Project funnel continues to evolve with >50% for patient portals & IT security
- Main revenue impact still expected from 2022 onwards





# Q3 – Strong connectivity (TI) business & growth in data



## Connectivity (TI)

- Next generation connector (PTv4+) successfully rolled out enabling new use cases
- Security products under the new brand CGM Protect launched
- 50% market share for KIM installations



## Growing data business

- Organic growth ex TI of 11%
- Therapy safety checks >6m/week (Therafox)
- Delivering on digital marketing trend in pharma



## Consumerization

- Optimization of CGM Life, ready for e-Health record use
- MEINE GESUNDHEIT (e-Health record for private insurances) with >800k users by end of October

# We are confirming our FY 2021 guidance

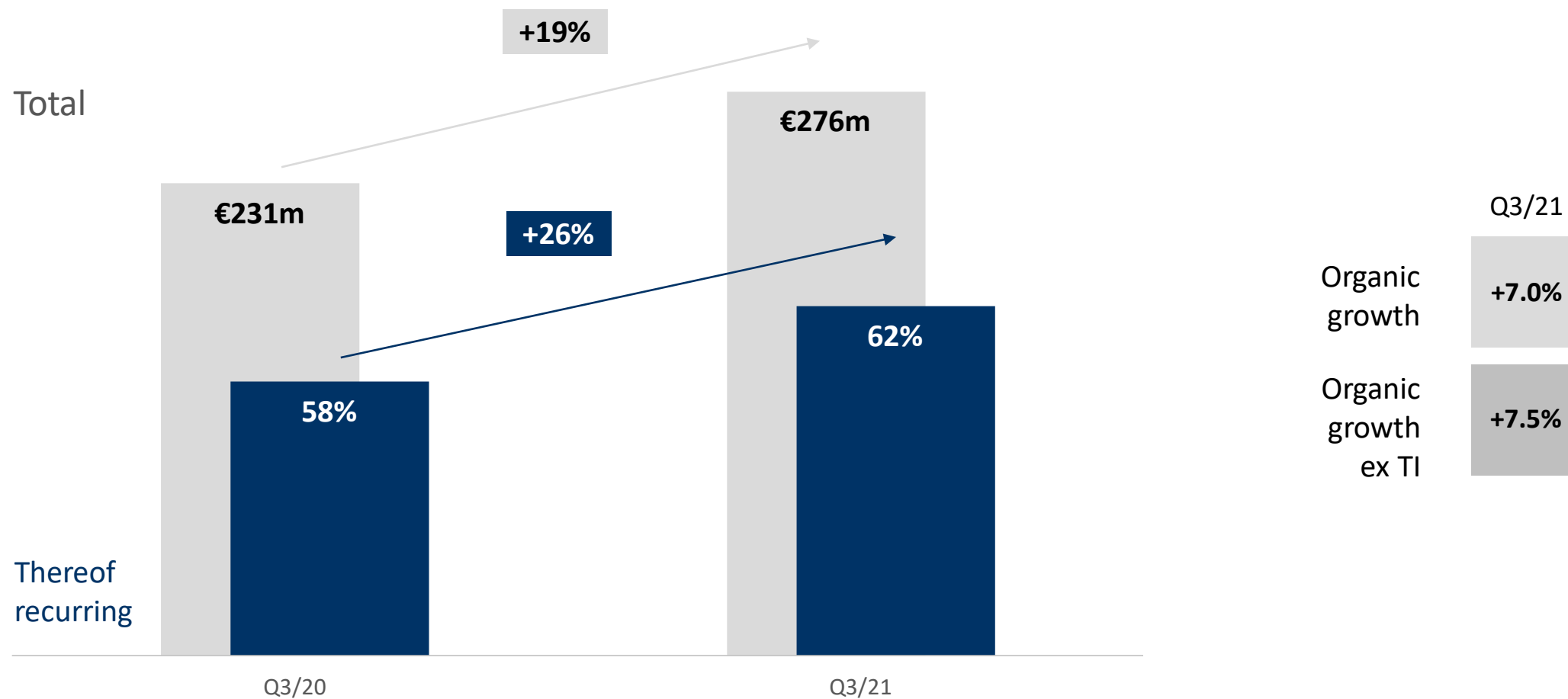




# FINANCIALS

Michael Rauch | CFO

# Q3/2021 – Strong organic revenue growth of 7% yoy





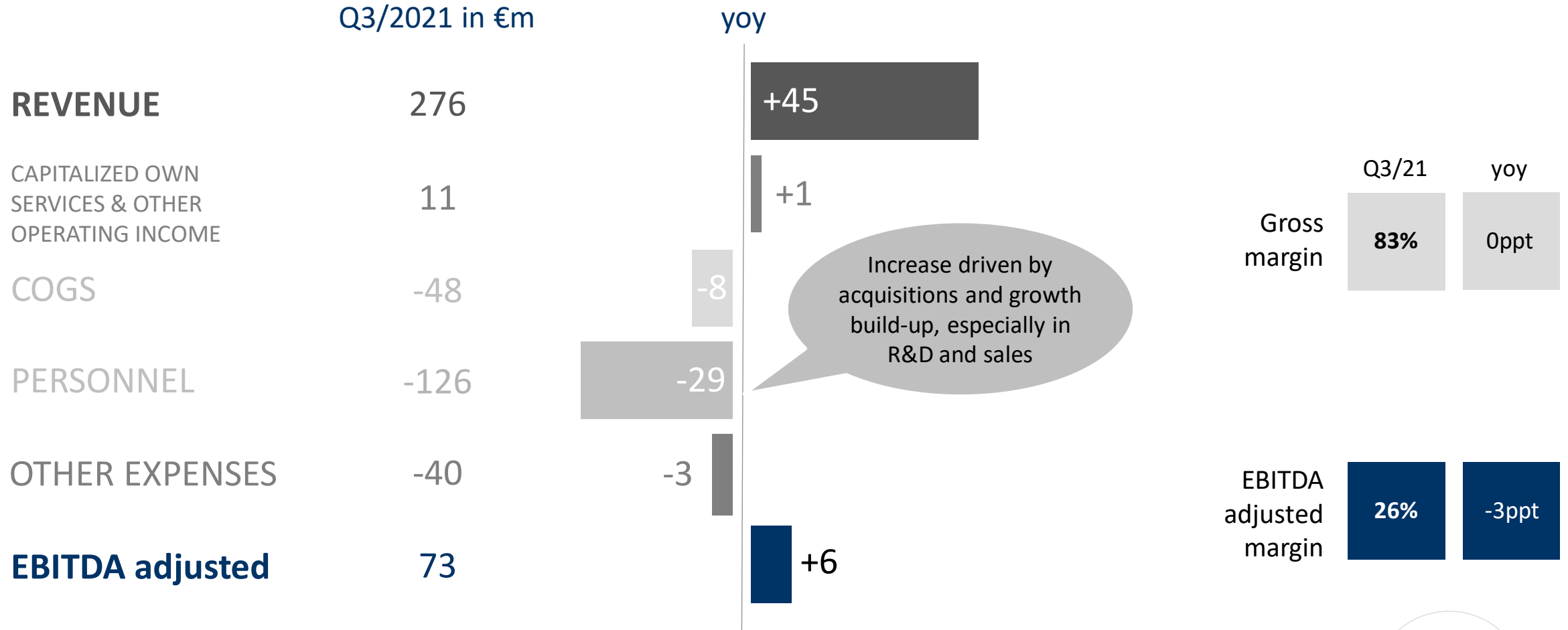
# Q3/21 – Organic growth driven mainly by AIS & CHS

Organic growth in % yoy	Q1	Q2	Q3
Group	5%	10%	7%
AIS	-1%	3%	10%
HIS	8%	15%	5%
CHS	34%	42%	7%
PCS	-3%	-1%	3%

# Q3/2021 Segment overview

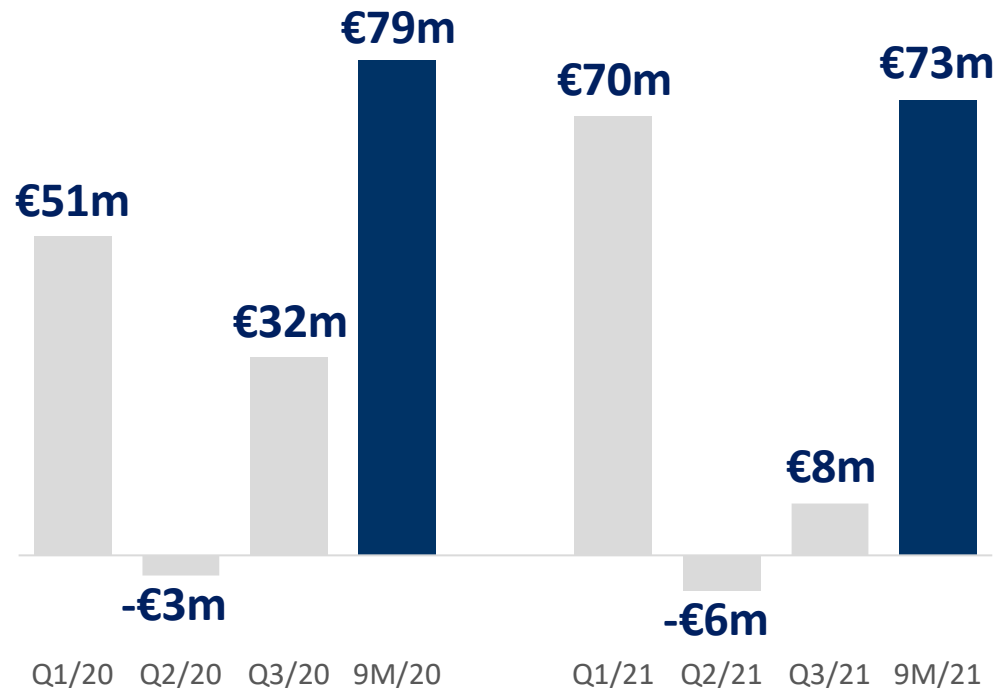
Group			AIS		HIS		CHS		PCS	
			Revenue share							
	Q3/21	yoy	Q3/21	yoy	Q3/21	yoy	Q3/21	yoy	Q3/21	yoy
Revenue (€m)	276	+19%	122	+34%	66	+17%	59	+6%	30	+3%
EBITDA adjusted (€m)	73	+9%	33	+11%	9	+22%	23	-16%	7	-4%
Margin	26%	-3ppt	27%	-6ppt	14%	+0ppt	40%	-10ppt	25%	-2ppt

# P&L reflects continued growth investments

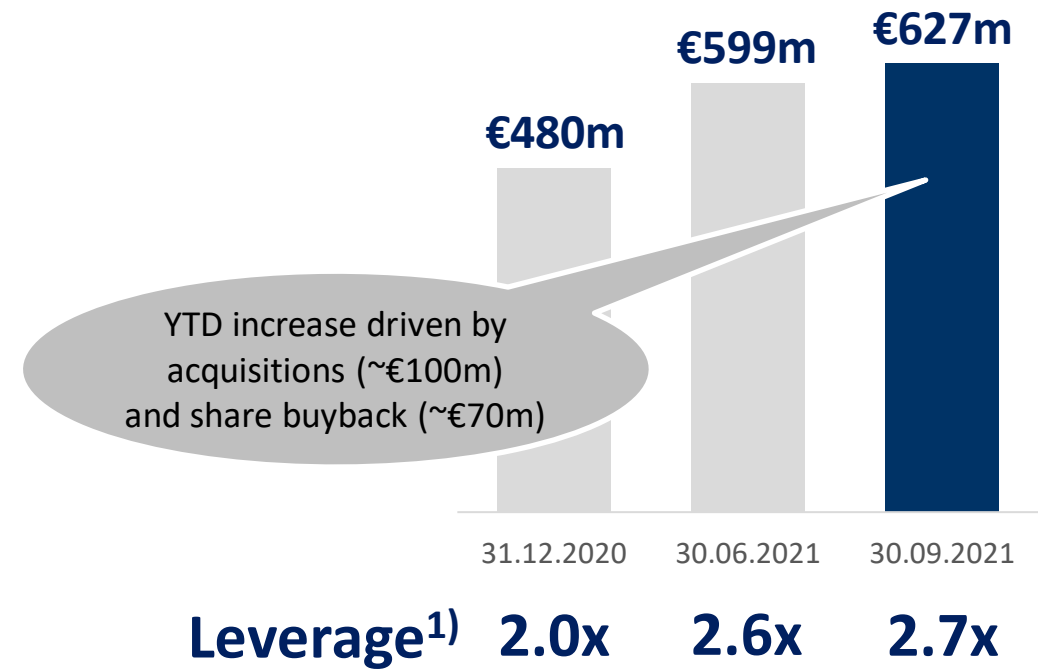


# Free cash flow shift to Q4 following TI connector upgrade

## Free cash flow



## Net debt



<sup>1)</sup> Leverage = Net debt (liabilities to banks and financial liabilities (incl. leasing liabilities according to IFRS 16) ./ cash and cash equivalents (with the exception of accounts under third-party management)) / EBITDA adjusted (LTM) plus pro rata EBITDA of newly acquired companies



# AMBULATORY INFORMATION SYSTEMS

# AIS P&L Q3/2021

Segment financials		Q3/21	yoy
	Revenue (€m)	122	+34%
	EBITDA adjusted (€m)	33	+11%
	Margin	27%	-6ppt

75% (-2ppt)

Recurring revenue share



Recurring revenue

## Q3/21 yoy

- **Revenues** up +34% due to US acquisition
- **Organic** development +10%, mostly due to additional modules (eHR, vaccination certificate) in DACH region
- **Recurring revenues** up +29%, representing 75% of total revs
- **Adjusted EBITDA** impacted by growth investments
- **EBITDA margin** additionally impacted by lower margin of acquired US business



# HOSPITAL INFORMATION SYSTEMS



CompuGroup  
Medical

# HIS P&L Q3/2021

## Segment financials

	Q3/21	yoy
Revenue (€m)	66	+17%
EBITDA adjusted (€m)	9	+22%
Margin	14%	+0ppt

68% (+8ppt)

Recurring revenue share



Recurring revenue

## Q3/21 yoy

- Strong **revenue** increase of +17%, including latest acquisitions of VISUS & KMS
- **Organic** revenue growth of +5%, driven by positive business development in Germany & Spain
- **Recurring rev share** now at 68%
- **EBITDA increase** by 22% mostly due to acquisitions





# CONSUMER & HEALTH MANAGEMENT INFORMATION SYSTEMS



# CHS P&L Q3/2021

Segment financials		Q3/21	yoy
Revenue (€m)		59	+6%
EBITDA adjusted (€m)		23	-16%
Margin		40%	-10ppt

27% (+4ppt)

Recurring revenue share



Recurring revenue

## Q3/21 yoy

- **Organic** revenue growth of +7% driven by TI rollout and data solutions
- Like Q3/20, a strong performance of TI due to connector upgrade rollout
- **Organic growth ex TI** of +11% due to excellent data business
- **Recurring revenue profile** improving mainly due to increasing TI installed base yoy
- **Adj. EBITDA margin** impacted by growth investments



# PHARMACY INFORMATION SYSTEMS

# PCS P&L Q3/2021

## Segment financials

	Q3/21	yoy
Revenue (€m)	30	+3%
EBITDA adjusted (€m)	7	-4%
Margin	25%	-2ppt

66% (+2ppt)

Recurring revenue share



Recurring revenue

## Q3/21 yoy

- **Organic** revenues up by 3% mainly due to positive development in Italy
- Recurring revenues up +6% at 66% of total revs
- **Adjusted EBITDA** slightly down due to product investments



# GUIDANCE



# FY 2021 guidance confirmed

GROUP	Revenues	1,000 – 1,040	€m
	Recurring rev share	> 60	%
	Organic growth	4 – 8	%
	EBITDA	210 – 230	€m
	CAPEX	70 – 80	€m
	Adj. EPS	1.70 – 1.95	€
	FCF	> 80	€m
SEGMENT Revs	AIS	485 – 500	€m
	HIS	240 – 250	€m
	CHS	160 – 170	€m
	PCS	115 – 120	€m

# Next events 2022



# Q&A

PLEASE PRESS \*1 TO ASK QUESTIONS

# Mid-term ambitions

Our ambition to grow



Organic  
**revenue growth**  
of  $\geq 5\%$  p.a. until 2025

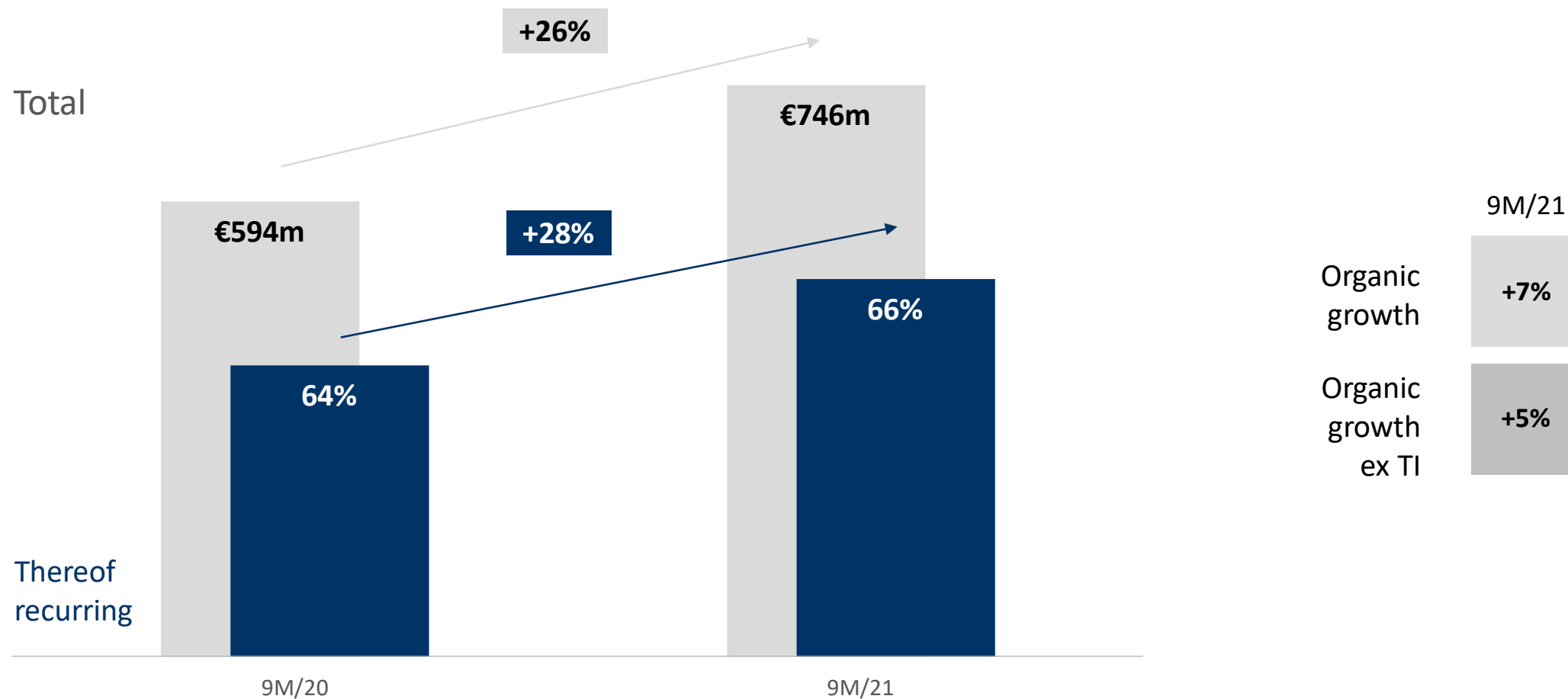


Increasing  
**adj. EBITDA margin**  
to  $\sim 25\%$  in 2023  
and  $\sim 27\%$  in 2025



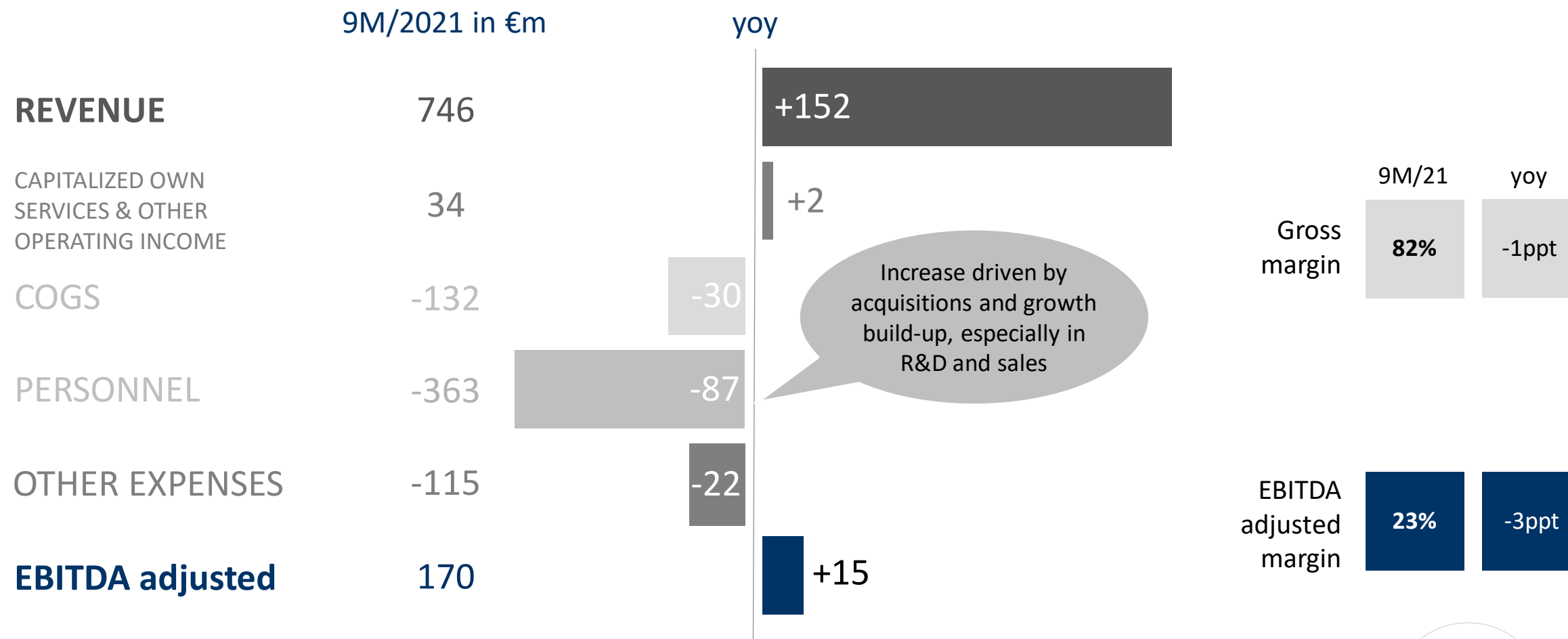
Increasing **share of**  
**recurring revenues**  
to  $> 70\%$

# 9M/2021 – Double-digit revenue growth driven by acquisitions





# Significant ramp-up in R&D, sales & distribution investing into further growth



# Invest to grow 2021 – Good progress in Q3

## MILESTONES Q3/2021

- User experience & platform features
- ✓ **CLICKDOC functionalities continuously improving**
- Modularization & interoperability
- ✓ **TI connector rolled out in Q3/2021**
- IT offerings
- ✓ **eHealth record module with good momentum**
- Next generation G3
- ✓ **Successful rollout in AIS Italy in Q3/2021**

## Q3/2021

R&D expenses up yoy

from **€40m**

to **€52m**

at **~19%** of revs

# INVEST 2021 – Accelerating organic growth to drive digitization momentum



## AIS (ex US)

Enhancing existing services for physicians with new modules and functionalities, as well as new revenues from patient portals such as CLICKDOC



## US business

After the merger with eMDs – synergistic growth from our strong position revenue cycle management (RCM) and electronic data interchange (EDI)



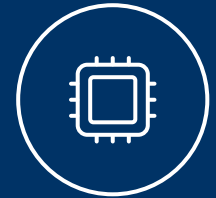
## HIS business

Market penetration of our G3 platform as well as business from government digitization programs for hospitals



## TI

Expansion of user groups, extension of existing licenses (connector upgrade) and the introduction of additional application modules



## Data

i.e., "Therafox" and real-time evaluation for diagnostics, therapy and medication

# 9M/2021 Segments

Group			AIS		HIS		CHS		PCS	
			Revenue share							
	9M/21	yoy	9M/21	yoy	9M/21	yoy	9M/21	yoy	9M/21	yoy
Revenue (€m)	746	+26%	349	+25%	183	+48%	128	+21%	86	0%
EBITDA adjusted (€m)	170	+10%	92	+4%	30	+74%	34	-7%	24	-1%
Margin	23%	-3ppt	26%	-6ppt	17%	+3ppt	27%	-8ppt	28%	0ppt

# AIS P&L 9M/2021

Segment financials		9M/21	yoy
Revenue (€m)		349	+25%
EBITDA adjusted (€m)		92	+4%
Margin		26%	-6ppt

76% (+3ppt)

Recurring revenue share



Recurring revenue

## 9M/21 yoy

- **Revenues** up +25% due to US acquisition
- **Organic** growth of +4%, mostly due to additional modules in Q3
- Acquisition strengthens **recurring revenue** profile, now 76% of total revs and up +26% yoy
- **Adjusted EBITDA** impacted by growth investments
- **EBITDA margin** additionally impacted by lower margin of newly consolidated US business

# HIS P&L 9M/2021

Segment financials		9M/21	yoy
Revenue (€m)		183	+48%
EBITDA adjusted (€m)		30	+74%
Margin		17%	+2ppt

66% (+3ppt)

Recurring revenue share



Recurring  
revenue

## 9M/21 yoy

- Strong **revenue** increase of +48% due to acquisitions (Cerner, Visus, KMS)
- **Organic** revenues +9% mainly driven by positive business development in G3 Germany, Poland & Spain
- **Recurring revenues** up +57% due to acquisition, representing 66% of total revs
- **EBITDA margin** at 17% above PY margin despite increasing growth investments



# CHS P&L 9M/2021

Segment financials		9M/21	yoy
	Revenue (€m)	128	+21%
	EBITDA adjusted (€m)	34	-7%
	Margin	27%	-8ppt

35% (-1ppt)

Recurring revenue share



Recurring revenue

## 9M/21 yoy

- **Organic** revenue growth of +21% driven by TI rollout and data solutions
- TI revenues driven by connector upgrade, pharmacy rollout and card reader sales
- **Recurring revenues +17% yoy**
- **Adj. EBITDA margin** impacted by growth investments and higher hardware revs (TI)

# PCS P&L 9M/2021

## Segment financials

	9M/21	yoy
Revenue (€m)	86	0%
EBITDA adjusted (€m)	24	-1%
Margin	28%	0ppt

68% (+2ppt)

Recurring revenue share



Recurring  
revenue

## 9M/21 yoy

- **Organic** revenues stable against strong first half in the prior year (Win 10 & 2019 backlog)
- Recurring revenues up +4% and now 68% of total revs (+2ppt due to less hardware sales)
- **Adjusted EBITDA and margin** roughly stable despite increased investments (mostly G3)

# Q3/2021 P&L Group

€m	Q3/21	Q3/20
<b>Revenues</b>	<b>276.4</b>	<b>231.3</b>
Capitalized own services /other operating income	10.9	10.3
Expenses for goods & services purchased	-47.7	-40.1
Personnel expenses	-126.3	-96.7
Other operating expenses	-43.7	-38.4
<b>EBITDA reported</b>	<b>69.5</b>	<b>66.4</b>
Depreciation & amortization	-27.5	-18.4
<b>EBIT</b>	<b>42.0</b>	<b>48.0</b>
Financial result	-2.2	1.3
Income from at-equity participations	0.0	0.0
<b>EBT</b>	<b>39.8</b>	<b>49.3</b>
Income taxes	-11.4	-14.4
<b>Net income</b>	<b>28.4</b>	<b>34.9</b>
Non-controlling interest	0.0	0.1
<b>EPS reported, diluted (€)</b>	<b>0.51</b>	<b>0.66</b>

# 9M/2021 P&L Group

€m	9M/21	9M/20
<b>Revenues</b>	<b>746.1</b>	<b>594.3</b>
Capitalized own services /other operating income	34.5	32.3
Expenses for goods & services purchased	-132.2	-102.2
Personnel expenses	-363.1	-276.3
Other operating expenses	-120.7	-98.8
<b>EBITDA reported</b>	<b>164.6</b>	<b>149.3</b>
Depreciation & amortization	-78.8	-52.3
<b>EBIT</b>	<b>85.8</b>	<b>97.0</b>
Financial result	-5.0	-4.8
Income from at-equity participations	0.0	-0.8
<b>EBT</b>	<b>80.8</b>	<b>91.4</b>
Income taxes	-24.2	-27.4
<b>Net income</b>	<b>56.6</b>	<b>64.0</b>
Non-controlling interest	0.0	0.2
<b>EPS reported, diluted (€)</b>	<b>1.02</b>	<b>1.24</b>

# Adjustment principles for EBITDA and EPS (since January 2020)

- **M&A/Transactions**
  - Financial impact from acquisitions & divestitures of legal entities and/or essential PPE/material assets
  - Amortization/depreciation as well as write-up of investments
  - M&A transaction costs
  - Effects from purchase price allocations (for M&A since Jan 2020 and > €50m transaction volume)
- **Share-based option programs**
  - Accounting impacts of share-based option programs for executive management
- **Restructuring program expenses**
- **Tax impacts on above mentioned adjustment effects**
- **Other non-operative, extraordinary or prior period one-time effects**

# Q3/2021 Net income adjustments

€m	Q3/21	Q3/20
<b>EBITDA adjusted</b>	<b>72.8</b>	<b>67.1</b>
Depreciation & amortization (incl. PPA)	-27.5	-18.4
PPA effects on depreciation & amortization (for M&A since Jan 1, 2020 & >50m transaction volume)	9.2	3.1
<b>EBIT adjusted</b>	<b>54.5</b>	<b>51.8</b>
Financial result	-2.2	1.3
Income taxes	-13.2	-15.5
<b>Net income adjusted</b>	<b>39.1</b>	<b>37.6</b>
Depreciation & amortization of PPA (for M&A since Jan 1, 2020 & >50m transaction volume)	-9.2	-3.1
M&A related adjustments	-8.4	-2.2
Share-based option programs	-2.3	-0.4
Restructuring expenses	0.0	0.0
Other non-operative, extraordinary or prior period one-time effects	0.0	-0.1
Taxes attributable to these effects	1.8	1.1
<b>Net income</b>	<b>28.4</b>	<b>34.9</b>



# Q3/21 EBITDA bridges to adjusted EBITDA (non-IFRS) and EBIT

€m	Q3/21	Q3/20
<b>EBITDA reported</b>	69.5	66.4
M&A transactions	0.5	-
Share-based option programs	2.8	0.6
Restructuring program expenses	-	-
Other non-operative, extraordinary or prior period one-time effects	-	0.1
<b>EBITDA adjusted</b>	72.8	67.1

€m	Q3/21	Q3/20
<b>EBITDA reported</b>	69.5	66.4
Depreciation & amortization (ex PPA)	-12.6	-9.3
PPA effects on depreciation & amortization	-14.9	-9.1
<i>Thereof PPA adjustments (for M&amp;A since Jan 1, 2020 &amp; &gt;50m transaction volume)</i>	-9.1	-3.1
<b>EBIT reported</b>	42.0	48.0

# 9M/2021 Net income adjustments

€m	9M/21	9M/20
<b>EBITDA adjusted</b>	<b>170.4</b>	<b>155.2</b>
Depreciation & amortization (incl. PPA)	-78.8	-52.2
PPA effects on depreciation & amortization (for M&A since Jan 1, 2020 & >50m transaction volume)	22.2	6.0
<b>EBIT adjusted</b>	<b>113.8</b>	<b>109.9</b>
Financial result	-5.0	-4.5
Income taxes	-27.6	-31.2
<b>Net income adjusted</b>	<b>81.3</b>	<b>73.3</b>
Depreciation & amortization of PPA (for M&A since Jan 1, 2020 & >50m transaction volume)	-22.2	-6.0
M&A related adjustments	-1.3	-3.8
Share-based option programs	-4.5	-1.5
Restructuring expenses	0.0	0.0
Other non-operative, extraordinary or prior period one-time effects	0.0	-1.8
Taxes attributable to these effects	3.3	3.8
<b>Net income</b>	<b>56.6</b>	<b>64.0</b>

# 9M/21 EBITDA bridges to adjusted EBITDA (non-IFRS) and EBIT

€m	9M/21	9M/20
<b>EBITDA reported</b>	164.6	149.3
M&A transactions	1.3	3.8
Share-based option programs	4.5	1.5
Restructuring program expenses	-	-
Other non-operative, extraordinary or prior period one-time effects	-	0.7
<b>EBITDA adjusted</b>	170.4	155.2

€m	9M/21	9M/20
<b>EBITDA reported</b>	164.6	149.3
Depreciation & amortization (ex PPA)	-40.7	-31.9
PPA effects on depreciation & amortization	38.1	-20.4
<i>Thereof PPA adjustments (for M&amp;A since Jan 1, 2020 &amp; &gt;50m transaction volume)</i>	22.2	6.0
<b>EBIT reported</b>	85.8	97.0

# FY/2020 Net income adjustments

€m	FY/20	FY/19 (Pro-forma)
<b>EBITDA adjusted</b>	<b>214.9</b>	<b>198.1</b>
Depreciation & amortization (ex PPA)	-75.7	-62.8
PPA effects on depreciation & amortization (for M&A since Jan 1, 2020 & >50m transaction volume)	11.9	0
<b>EBIT adjusted</b>	<b>151.1</b>	<b>135.3</b>
Financial result	-10.3	-7.5
Income taxes	-41.1	41.6
<b>Net income adjusted</b>	<b>99.7</b>	<b>86.2</b>
Depreciation & amortization of PPA (for M&A since Jan 1, 2020 & >50m transaction volume)	-11.9	0.0
M&A related adjustments	-10.8	-16.1
Share-based option programs	-5.9	-3.9
Restructuring expenses	0.0	0.0
Other non-operative, extraordinary or prior period one-time effects	-1.8	0.0
Taxes attributable to these effects	4.1	0.0
<b>Net income</b>	<b>73.4</b>	<b>66.2</b>

# FY/2020 EBITDA bridges to adjusted EBITDA (non-IFRS) and EBIT

€m	FY/20	FY/19 (Pro-forma)
<b>EBITDA reported</b>	197.5	178.1
M&A transactions	10.8	16.1
Share-based option programs	5.9	3.9
Restructuring program expenses	-	-
Other non-operative, extraordinary or prior period one-time effects	0.7	-
<b>EBITDA adjusted</b>	214.9	198.1

€m	FY/20	FY/19 (Pro-forma)
<b>EBITDA reported</b>	197.5	178.1
Depreciation & amortization (ex PPA)	-44.7	-41.8
PPA effects on depreciation & amortization	-31.0	-21.0
<i>Thereof PPA adjustments (for M&amp;A since Jan 1, 2020 &amp; &gt;50m transaction volume)</i>	-11.9	-
<b>EBIT reported</b>	121.8	115.3

# 2020 segments pro forma (per new structure, as communicated on Nov. 5)

	Q1/20	Q2/20	Q3/20	Q4/20	FY/20	
Ambulatory Information Systems	95.1	92.5	90.9	96.7	375.2	Revenues
	27.2	30.8	30.0	29.8	117.8	Adjusted EBITDA
Pharmacy Information Systems	28.8	28.8	28.8	30.4	116.8	
	8.9	7.5	7.7	9.5	33.6	
Hospital Information Systems	33.7	33.4	56.1	63.4	186.6	
	4.2	5.4	7.8	14.4	31.8	
Consumer & Health Management Information Systems	25.4	25.2	55.5	52.3	158.4	
	4.9	4.4	27.9	11.2	48.4	



# Investor Relations contact

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