



Q1 | 2023 Investor & Analyst Call

Michael Rauch, Spokesman for the Managing Directors and CFO
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Our ambition

**We are the leading
Medical Software Company**

CGM confirms guidance after strong start into 2023



+16%
revenue growth



+11%
organic growth
(6% excl. TI)



+12%
growth in recurring
revenues



+16%
adjusted EBITDA
growth

Ambulatory segment with strong US business

US – excellent start into 2023

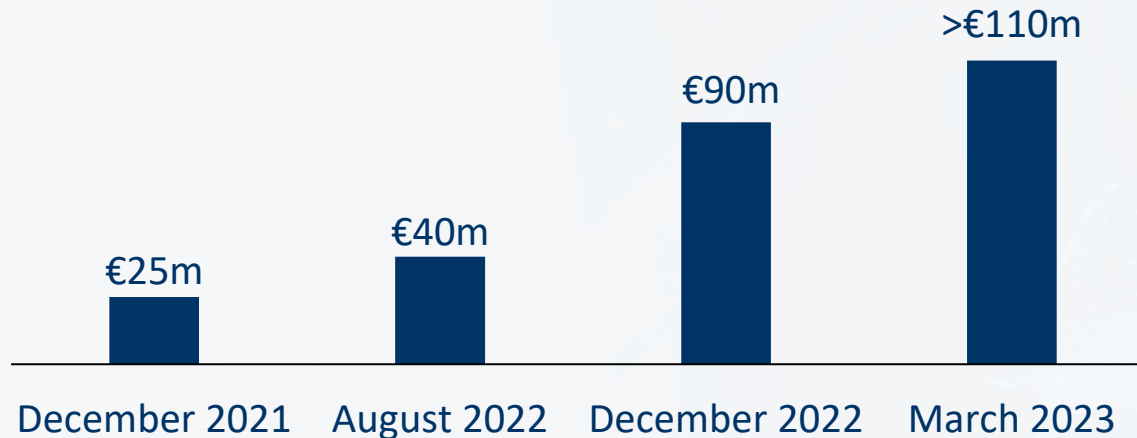
- Continued **successful rollout of eMedix** Clearinghouse to Aprima customers **in the US**
- New **partnerships**
- **Successful integration** of last year's acquisitions
- **Organic growth above** segment-average

Europe – Doctors first!

- Supporting **dental practices** in Germany with mandatory **e-billing modules**
- **Customer wins** in France, Denmark and Norway

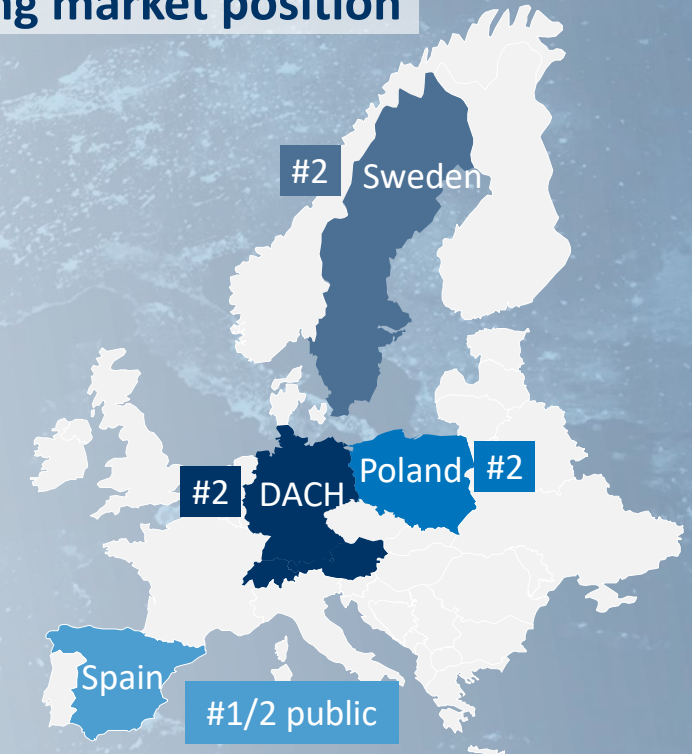
Continued strong momentum in hospital order intake

Excellent order intake continuing in Q1



Raising our revenue target to €110m – €130m over the next years (old: €90m – €110m)

Strong market position



CGM acquires patient portal provider m.Doc

Digital patient journey



Focus on hospitals

Joining forces
to optimize rollout of patient portals
within Hospital Future Act

- ✓ >300 m.Doc hospital customers
- ✓ Patient portal among the most significant funding areas of Hospital Future Act
- ✓ Synergies with CGM product portfolio and customer support organization

Excellent CHS growth due to TI and INSIGHT Health

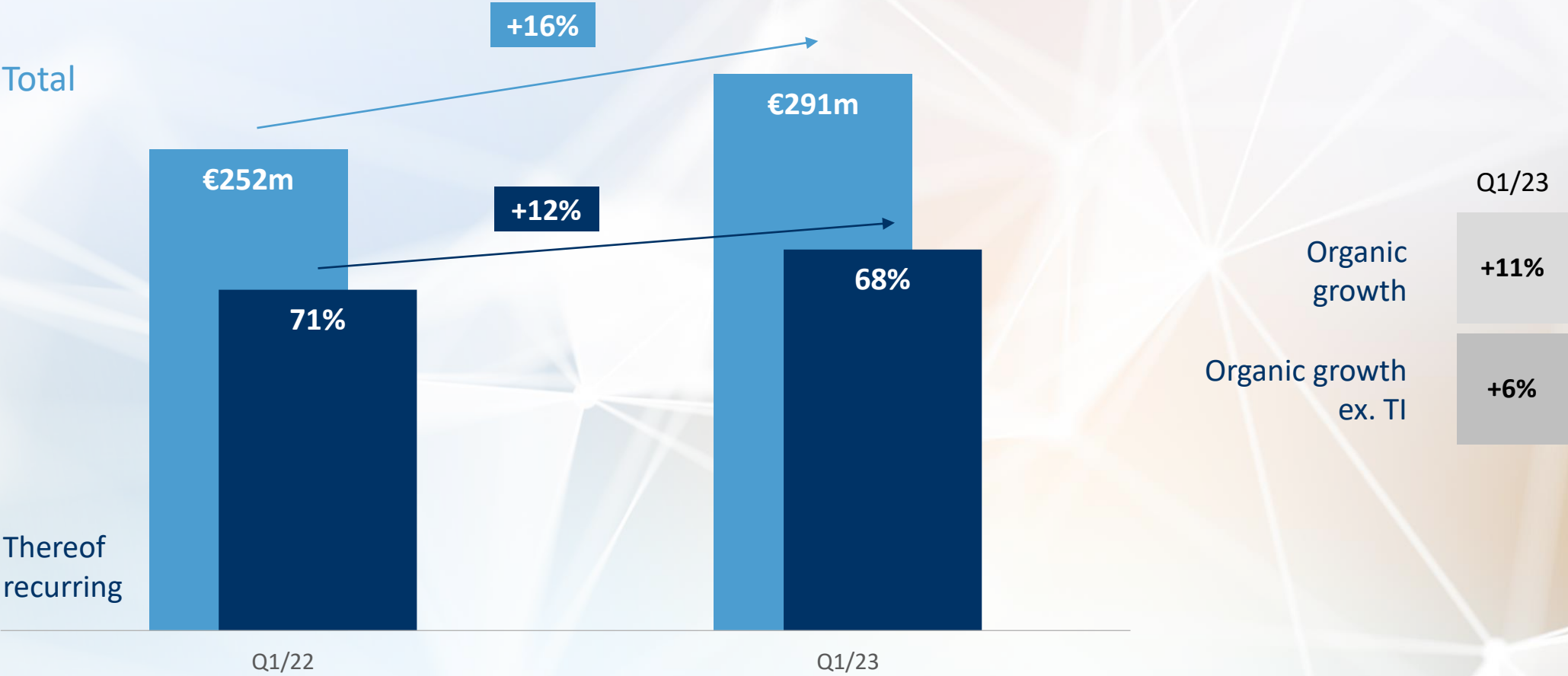
Telematics Infrastructure

- > 30,000 **hardware connectors exchanged** as planned
- **Approval** to roll out **connector software upgrade PTV5** in Q2/23
- Roadmap discussions regarding **highspeed connector** ongoing
- Development of **TI messenger** in progress

Data business

- Growing **relevance and reach** in the **data sector**
- **INSIGHT Health** with excellent progress
- **Integration of GHG** started

Double-digit organic revenue growth



Delivering on organic growth targets

Organic growth in % yoy	FY2020	FY2021	FY2022	Q1 2023	Guidance 2023
Group	4%	6%	4%	11% 6% excl. TI	~5%
AIS	2%	4%	1%	2%	mid-single digit %
HIS	3%	8%	3%	11%	mid- to high-single digit %
CHS	15% 9% excl. TI	10% 9% excl. TI	12% 4% excl. TI	37% 1% excl. TI	low- to mid-single digit %
PCS	0%	1%	7%	11%	low-single digit %

Q1/23 financials



Q1

€291m
(+16%yoy)

68%
(-3ppt)

11%
(+5ppt)

€60m
(+16%yoy)

21%
(+0ppt)

€0.45
(PY: €0.41)

€79m
(PY: €65m)

Revenue

Recurring
rev. share

Organic
growth

Adj.
EBITDA

Adj. EBITDA
Margin

Adj. EPS

FCF

Ambulatory segment with strong US business

	Q1/23	yoy
Revenue (€m)	125	+4%
EBITDA adjusted (€m)	29	+12%
Margin	24%	+2ppt

79% (+1ppt)	+5% yoy
Recurring revenue share	Recurring revenue

Q1/23 yoy

- **Revenue growth** of +4% supported by acquisitions and FX (US)
- **Organic revenue** +2% driven by strong US progress (eMedix) & dental e-billing module rollout in Germany
- **Recurring revenue** share high at 79%, slightly above prior year
- **Adjusted EBITDA margin** above prior year quarter

Organic growth picking up in hospital segment

	Q1/23	yoy
Revenue (€m)	73	+10%
EBITDA adjusted (€m)	4	-40%
Margin	5%	-4ppt

70% (+0ppt)	+9% yoy
Recurring revenue share	Recurring revenue

Q1/23 yoy

- **Revenue organically** +11% due to strong project business in Germany, Spain and Poland
- **Recurring revenue** increasing by 9%, strong recurring revenue share of 70%
- **Adjusted EBITDA and margin** impacted by still high investments into G3 technology & additional expenditure for larger projects

Excellent CHS growth due to TI and INSIGHT Health

	Q1/23	yoy
Revenue (€m)	58	+63%
EBITDA adjusted (€m)	15	+56%
Margin	25%	-1ppt

46% (-1ppt)

Recurring revenue share

+58% yoy

Recurring revenue

Q1/23 yoy

- **Revenue increase** by 63% supported by the acquisition effect from INSIGHT Health
- **Excellent organic growth** (+37%) due to replacement of hardware connectors in TI
- **Organic revenue ex TI** only with slight growth (+1%) due to macro impact in pharma sector
- Strong increase in **recurring revenue** due to INSIGHT Health customer base
- **Adjusted EBITDA** increased due to TI business

Pharmacy segment delivering strong growth and margin

	Q1/23	yoy
Revenue (€m)	35	+17%
EBITDA adjusted (€m)	12	+56%
Margin	34%	+9ppt

66% (-4ppt)	+11% yoy
Recurring revenue share	Recurring revenue

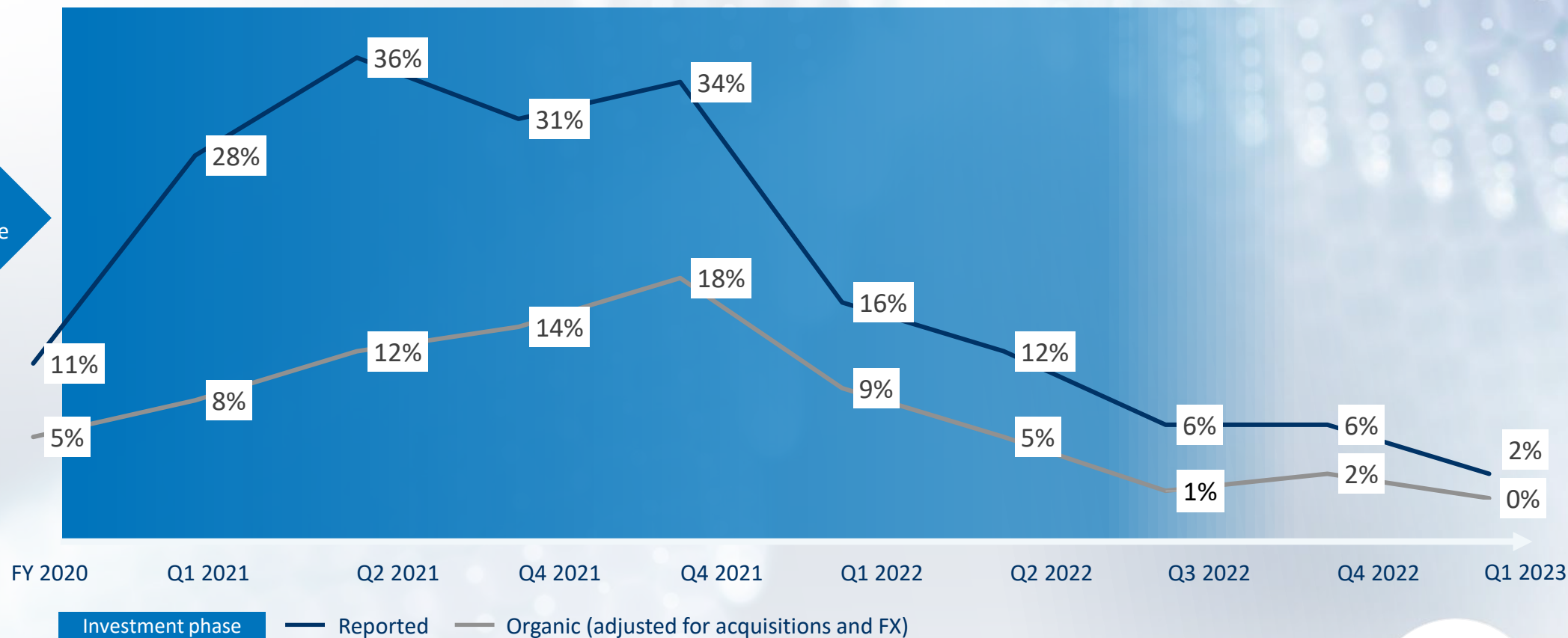
Q1/23 yoy

- **Revenues up 17%**, supported by acquisition effects in Italy
- **Organic revenue** growth of 11%, mainly driven by continued excellent growth in Italy
- **Recurring revenues up 11%**
- **Adjusted EBITDA** with strong growth due to efficient cost management in Germany and Italy

Personnel expenses stabilizing

Increase of personnel expenses yoy

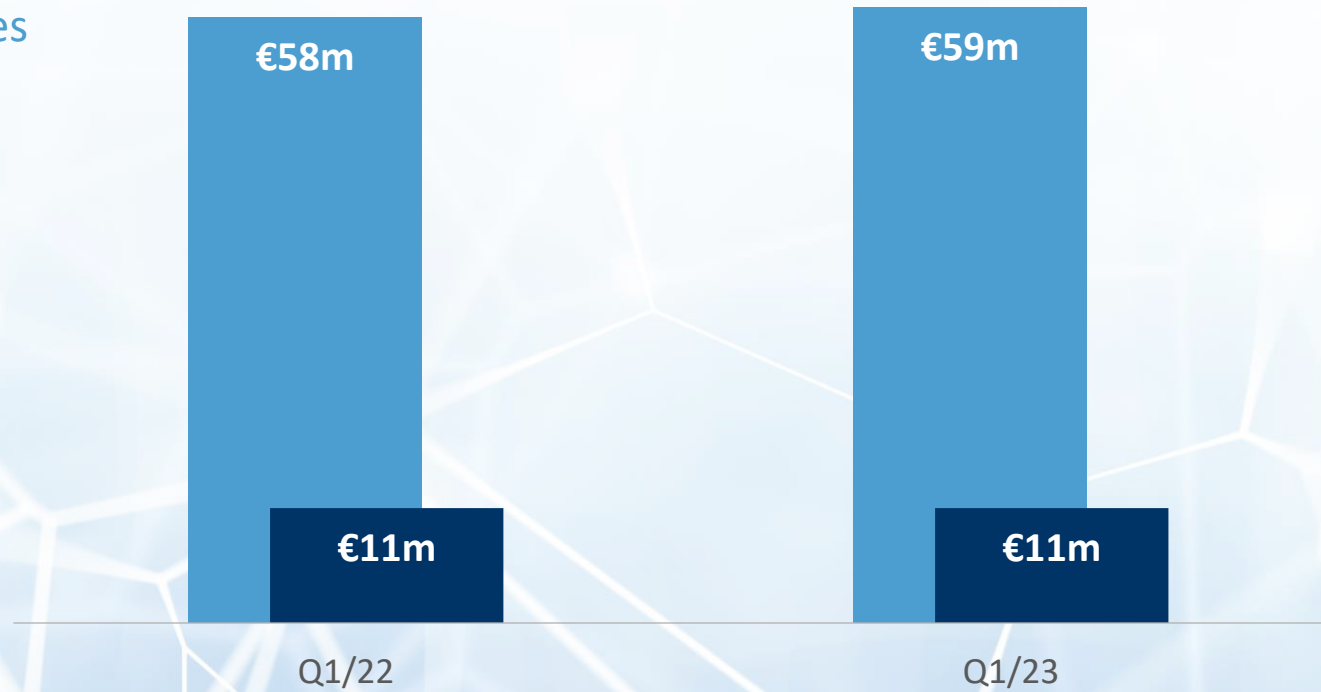
December 2020:
start of investment
initiative to accelerate
organic growth



R&D intensity normalizing after investment phase

Total R&D expenses

Thereof capex



In % of revenues

Q1/23

20%

Q1/22

23%

Strong free cash flow in Q1 2023

Free cash flow



Effects and drivers

- Free cash flow **catching up in 2023**
- **Working Capital** was elevated in Q1/22 due to ransomware attack and TI inventory build-up

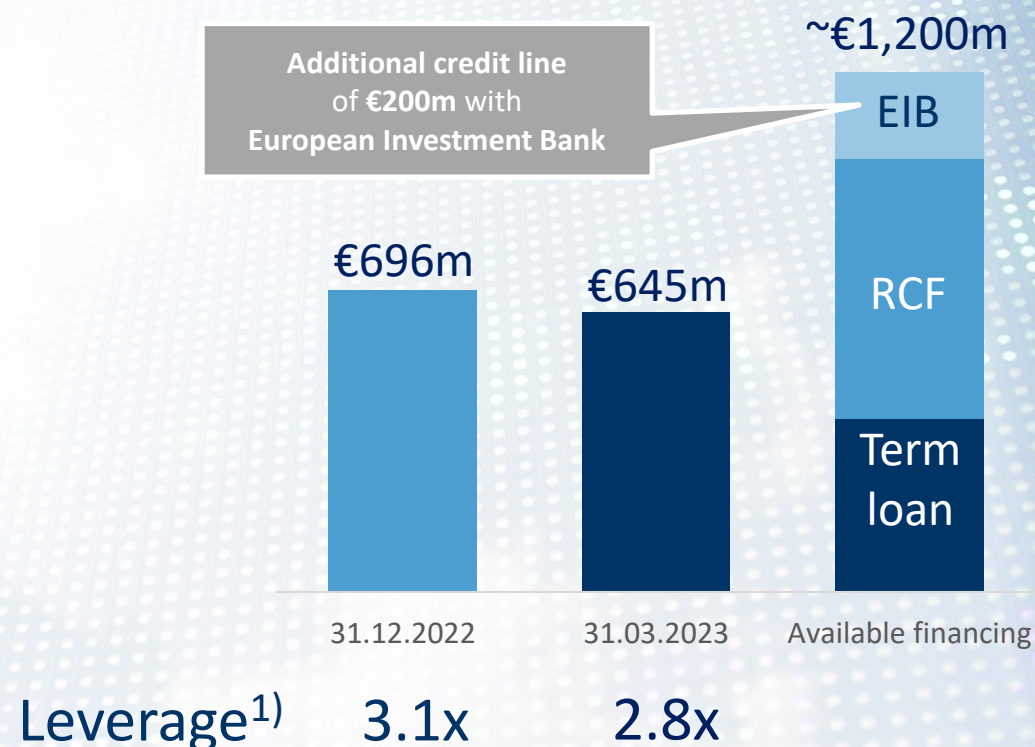
Free cash flow FY 2023 expected >€100m

Crisis resilient financing in place

Strong financing secured at attractive conditions

- **>80% of net debt protected against interest hike** with derivatives such as caps and swaps
- Weighted average **maturity of credit lines slightly below 3 years**
- Selected **financing institutions with strong ratings and low risk profile**

Net debt



¹⁾ 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 (LTM) adjusted for restructuring expenses plus pro rata EBITDA of newly acquired companies (Leverage 2021: EBITDA adjusted (LTM) plus pro rata EBITDA of newly acquired companies)

Guidance 2023 confirmed

	FY 2022 actuals	FY 2023 guidance*
Group revenues	€1,130m	~5% organic growth
Adj. EBITDA	€234m	€260m - €300m
Recurring revenue share	65%	60% - 70%
Adj. EPS	€1.80	>10% increase
FCF	€69m	>€100m

*2023 planning assumption of USD/EUR of 1.02

CGM on its path towards attractive mid-term targets



Next events 2023



Our mission

**Creating the future of
e-health.**

CGM



Q&A

PLEASE PRESS *1 TO ASK QUESTIONS

Segment guidance 2023

	FY 2022 actuals	FY 2023 organic growth
AIS revenue	€502m	mid-single digit %
HIS revenue	€277m	mid- to high-single digit %
CHS revenue	€220m	low- to mid-single digit %
PCS revenue	€131m	low-single digit %

Q1/2023 P&L Group

€m	Q1/23	Q1/22
Revenues	290.8	251.6
Capitalized own services / other operating income	11.9	12.0
Expenses for goods & services purchased	-54.7	-39.8
Personnel expenses	-135.5	-133.1
Other operating expenses	-53.8	-44.1
EBITDA reported	58.7	46.6
Depreciation & amortization	-26.3	-27.2
EBIT	32.4	19.4
Financial result	-11.5	6.9
EBT	20.9	26.3
Income taxes	-6.4	-8.1
Net income	14.5	18.2
Non-controlling interest	0.1	0.0
EPS reported, diluted (€)	0.28	0.35

Adjustment principles for EBITDA and EPS (since January 2020)

- **M&A/Transactions** (for M&A since Jan 2020 and >€50m transaction volume)
 - Financial impact from major 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
- **Share-based option programs**
 - Accounting impacts of share-based option programs for managing directors
- **Restructuring program expenses**
- **Tax impacts on above mentioned adjustment effects**
- **Other non-operative, extraordinary or prior period one-time effects**

Q1/2023 Net income adjustments

€m	Q1/23	Q1/22
EBITDA adjusted	59.9	51.5
Depreciation & amortization (incl. PPA)	-26.3	-27.2
PPA effects on depreciation & amortization (for M&A since Jan 1, 2020 & >50m transaction volume)	6.3	6.5
EBIT adjusted	39.9	30.8
Financial result	-7.3	-1.8
Income taxes	-9.0	-7.3
Net income adjusted	23.6	21.7
Depreciation & amortization of PPA (for M&A since Jan 1, 2020 & >50m transaction volume)	-6.3	-6.5
M&A related adjustments	-0.6	-1.4
Share-based option programs	-0.6	-1.6
Restructuring expenses	-0.0	-
Other non-operative, extraordinary or prior period one-time effects*	-4.2	6.8
Taxes attributable to these effects	2.6	-0.8
Net income	14.5	18.2

*Interest cap effect

Q1/2023 EBITDA bridges to adjusted EBITDA (non-IFRS) and EBIT

€m	Q1/23	Q1/22
EBITDA reported	58.7	46.6
M&A transactions	0.6	1.4
Share-based option programs	0.6	1.6
Restructuring program expenses	0.0	-
Other non-operative, extraordinary or prior period one-time effects	0.0	1.9
EBITDA adjusted	59.9	51.5

€m	Q1/23	Q1/22
EBITDA reported	58.7	46.6
Depreciation & amortization (ex PPA)	-15.4	-15.9
PPA effects on depreciation & amortization	-10.9	-11.3
<i>Thereof PPA adjustments (for M&A since Jan 1, 2020 & >50m transaction volume)</i>	-6.3	-6.5
EBIT reported	32.4	19.4

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