

03/2020

Roadshow Presentation



Michael Rauch, CFO
Claudia Thomé, Head of IR

Disclaimer

The information provided in this presentation pertaining to CompuGroup Medical SE (the "Company"), comprise the written materials/slides for presentations or discussions on the occasion of an investor conference, meeting or conference call ("Meeting"). Whilst all reasonable care has been taken to ensure that the information and facts stated herein as well as oral statements made in the Meeting are accurate and that the opinions and expectations contained herein and orally received during the Meeting are fair and reasonable, no representation or warranty, express or implied, is given by or on behalf of the Company, any of its board members, or any other person as to the accuracy or completeness of the information and/or opinions and no liability as to the accuracy of such information and/or opinions is accepted. The information provided in this presentation as well as during the Meeting contain forward looking statements which involve risks and uncertainties. These forward-looking statements speak only as of the date of the documents and are based on numerous assumptions which may or may not prove to be correct. The actual performance and results of the business of the Company could differ materially from the performance and results discussed in this document or in any other information received during the Meeting. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements or other information contained herein or received during the Meeting whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Readers are cautioned not to place undue reliance on forward-looking statements or financial projections. The information contained in this presentation and/or received during the Meeting does not constitute or form any part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision in relation thereto.

**NOBODY SHOULD SUFFER OR DIE BECAUSE
AT SOME POINT MEDICAL INFORMATION
WAS MISSING**

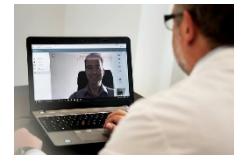
CGM takes responsibility and supports health system in COVID-19 crisis

Free video consultation solution

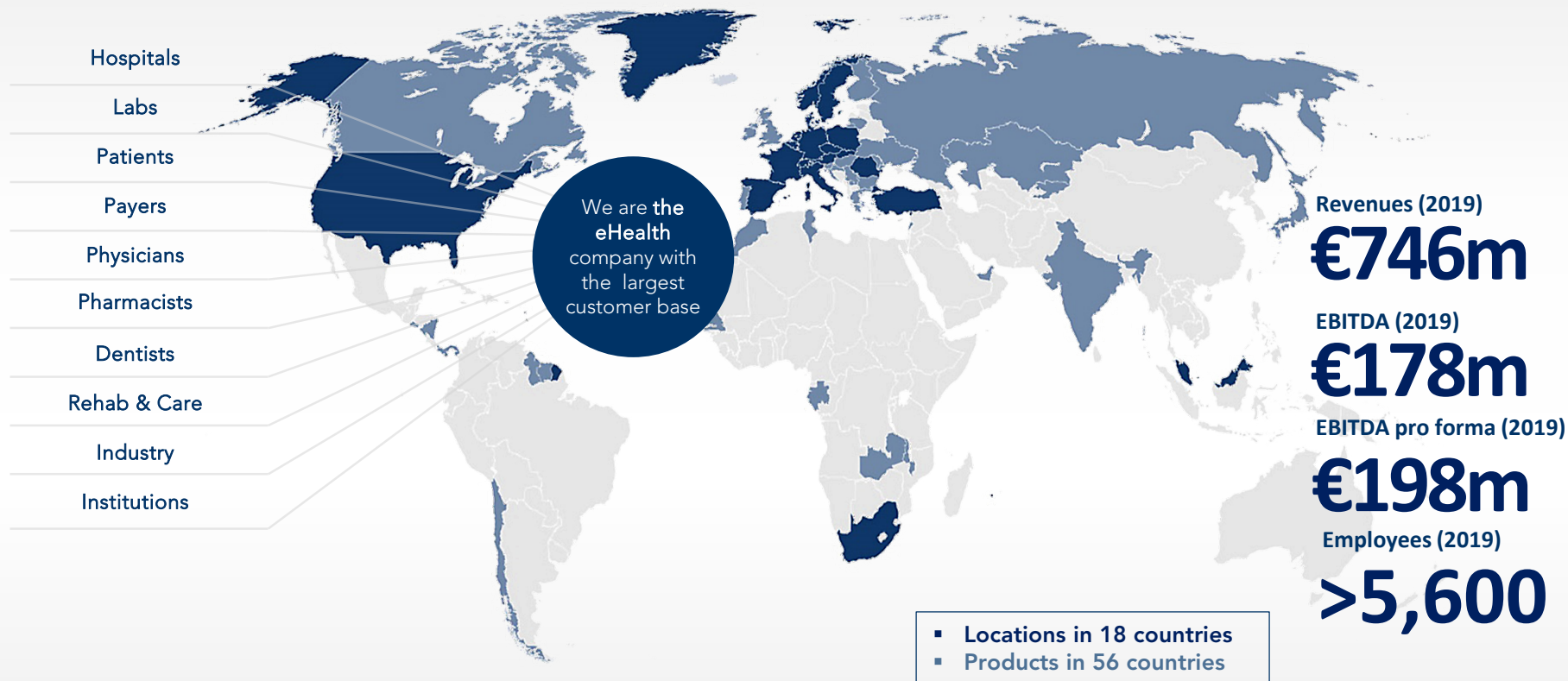
- Since mid March, CompuGroup Medical (CGM) has been providing doctors with its **video consultation solution free of charge**
- **>30,000 registrations** for CLICKDOC video consultation within weeks per March 25, 2020
- Enabling doctors, practice teams and other patients to **escape the risk of infection** by patients suspected of being infected with Covid-19

Free mobile solution

- CGM decided to offer its **TELEMED Mobile Praxis Center** solution free of charge until end of June.
- Practice teams are now able to carry out all **administrative tasks from home**, such as accounting and quarterly financial statements.
- Access to the practice IT system via the Mobile Praxis Center is secure and meets the **highest data protection requirements**.



More than 1 million professional users of our products worldwide



Digital transformation in Healthcare

Ambulatory Information Systems

Data available anytime for a better and quicker overview, resulting in more time for the patients

62%

Pharmacy Information Systems

Enabling responsible consultations, optimal processes and economic success

16%

Mission



"More time for what is important: the patient."

Hospital Information Systems

Intelligent management for quality, efficiency and growth

16%

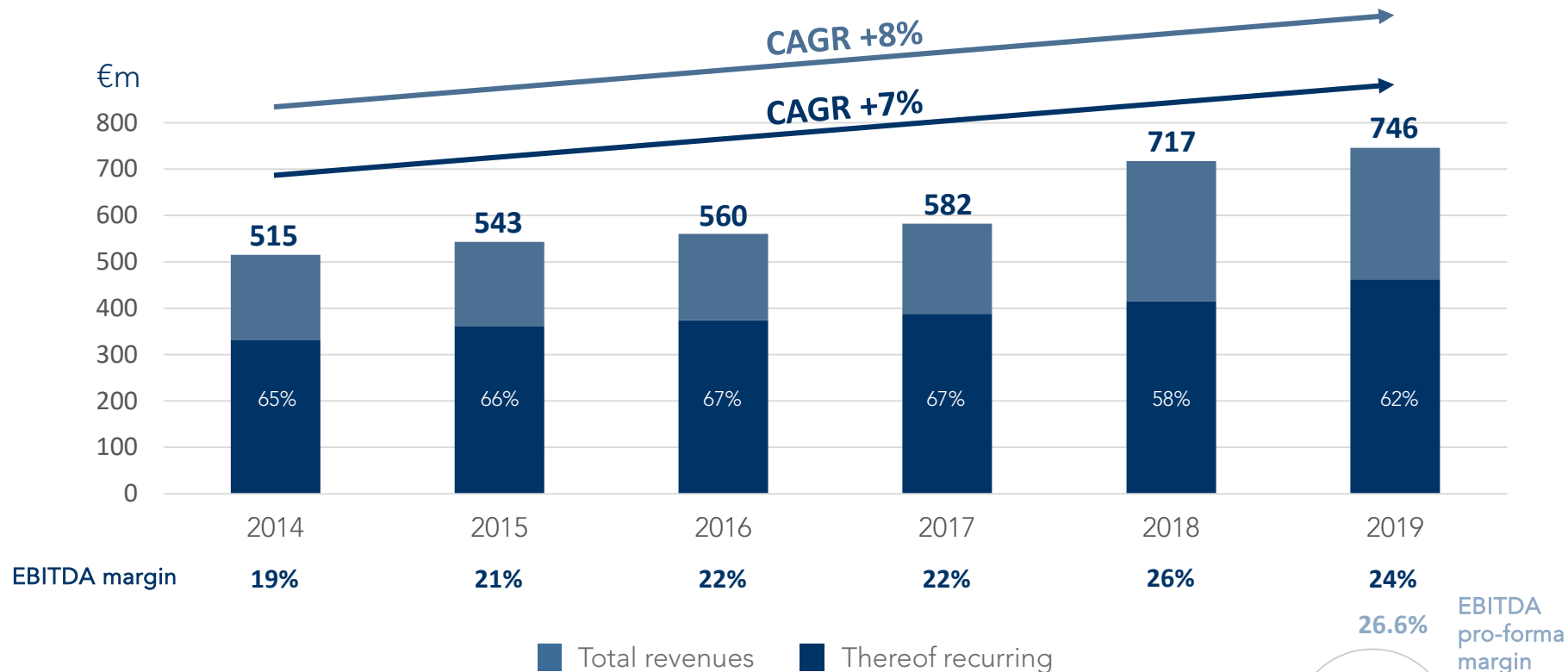
Consumer & Health Management Systems

Smart solutions for patient empowerment based on personal health record platform with high data security







6%

Paperless data management and immediate access to important information for smooth workflows resulting in more time for people

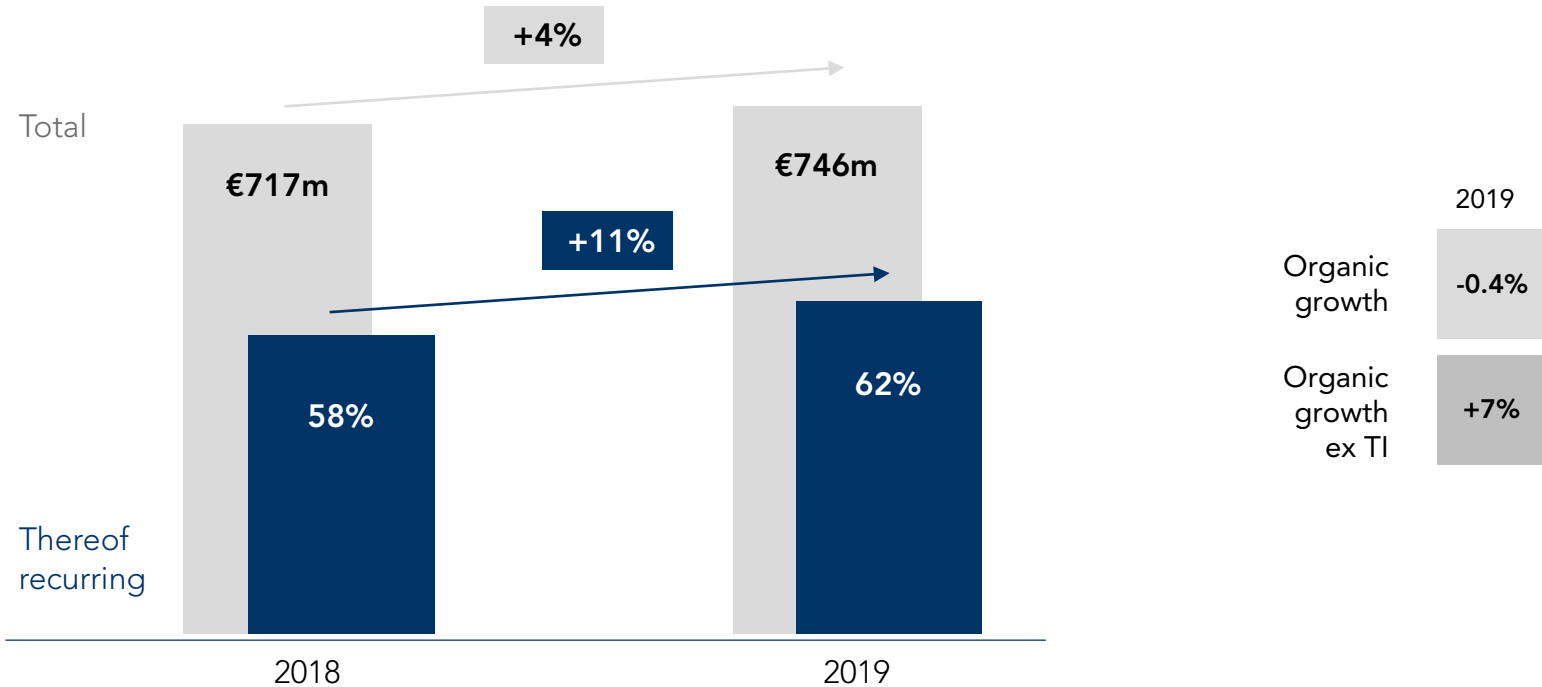
Strong recurring revenue base and high margins



Successful financial year 2019

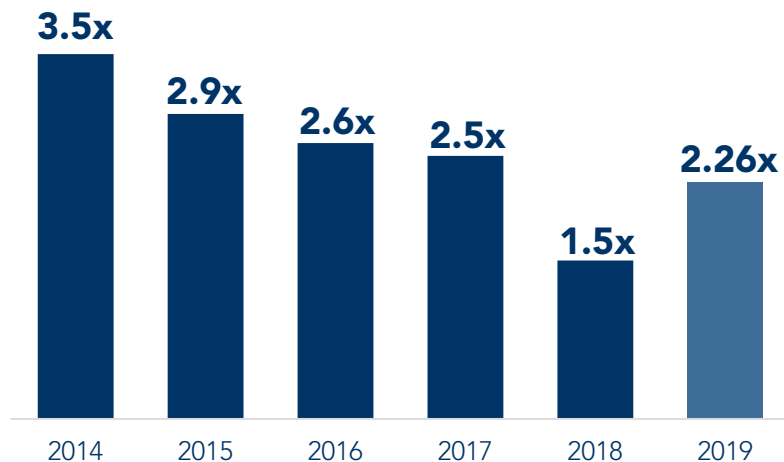
						
	€746m (+4%yoy)	€466m (+11%yoy)	€178m (-5%yoy)	24% (-2ppt)	€1.33 (-31%yoy)	€1.98 (-21%yoy)
	Revenue	Recurring Revenue	EBITDA	Margin	EPS	CNI per Share
(Adj.) guidance Feb (Sept) 2019	✓	✓	✓	✓	✓	✓
Guidance range	€720m - €750m		€175m - €190m		(pro forma)	

Recurring revenue base continues to grow



Significant financing volume increase at favourable conditions

Leverage



New syndicated loan

- Financing volume up from €400m to €1bn (€600m revolving credit line, €400m term loan) with a duration of > 5 years
- Leverage only covenant (maximum of 4.0x with an acquisition spike of up to 4.5x)
- Average interest rate currently ~1%

2019 – Adjusted segment revenue guidance achieved/exceeded

Group		Ambulatory Information Systems		Pharmacy Information Systems		Hospital Information Systems		Consumer & Health Management Information Systems	
		Revenue Share							
		2019	yoy	2019	yoy	2019	yoy	2019	yoy
Revenue (€m)		745.8	+4%	461.4	0%	119.8	+6%	116.3	+15%
EBITDA* (€m)		178.1	-5%	158.4	0%	36.0	+7%	14.7	+27%
Margin		24%	-2ppt	34%	0ppt	30%	+1ppt	13%	+1ppt

*Including IFRS 16 effect of €17.3m (thereof €6.7m in AIS, €2.0m in PCS, €2.8m in HIS and €0.7m in CHS)

Adj. revenue
guidance
Aug 2019



2019 segments pro forma (per new structure, as communicated on Nov. 7)

Group		Ambulatory Information Systems		Pharmacy Information Systems		Hospital Information Systems		Consumer & Health Management Systems			
		Revenue Share									
		2019	yoy	2019	yoy	2019	yoy	2019	yoy		
Revenue (€m)		745.8	+4%	444.6	-1%	119.4	+8%	135.9	+13%	45.7	+20%
EBITDA (€m)		178.1	-5%	161.1	-1%	31.9	+10%	19.3	+37%	11.2	+95%
Margin		24%	-2ppt	36%	0ppt	27%	+1ppt	14%	+2ppt	25%	+9ppt

Introducing adjusted earnings KPIs for more transparency

DEFINITION ADJUSTED EBITDA AND EPS (from 2020 onwards)

- **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 allocation*
- **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**

*Adjusting for PPA effects only for the first 12 months post first-time consolidation, mainly for PPA depreciation and amortization as well as corresponding tax effects

Recent M&A projects (included in 2020 guidance)



DECEMBER 2019

Acquisition of 100% of France based software provider EPSILOG

- Key product: VEGA, a leading **ambulatory information system for physiotherapists and nurses in France**
- Complementary product and thereby access to new partners
- Consolidated in **AIS segment**
- **Financial impact** of ~€15m revenues and mid single-digit million EBITDA



JANUARY 2020

Acquisition of 100% of Italian based software provider H&S

- Provider of **telemedicine solutions** and **ICT services** for **domiciliary care providers**
- Expanding the CGM product portfolio to include powerful solutions for health and social-care providers
- Consolidated in **HIS segment**
- **Financial impact** on revenues and EBITDA in the low single-digit million range

2020 Guidance

- **Revenues** in the range of €765m to €815m
 - **Adjusted EBITDA** in the range of €195m to €215m
-
- The 2020 guidance represents management's current best estimate of market conditions that will exist in 2020 and how the business segments of CGM will perform in this environment
 - The guidance does not include P&L impact associated with potential further acquisitions which have not been closed as of Feb 5, 2020
 - This outlook reflects all currently available information and management's forecasts regarding the further roll-out of the Telematics Infrastructure in Germany in 2020

2020 Revenue segment guidance*

- **AIS (now excl. lab outside US and incl. drug data base business): €453m - €485m**
 - Acquisition in France contributing ~€15m in 2020
 - TI expected below prior year level due to strong non-recurring revenues in 2019
- **PCS: €124m – €134m**
 - Revenues ex TI with strong prior year comps due to another exceptional performance in 2019
 - Low double-digit million € impact expected from TI rollout
- **HIS (now incl. lab business): €142m – €148m**
 - Low single-digit million € impact expected from TI and acquisition in Italy
- **New CHS segment (excl. drug data base business): €46m – €48m**

*based on new structure communicated Nov 7, 2019

2020 quarterly phasing

- Strong H1 prior year comps due to AIS TI installations
- Timing for software upgrade for TI connector and TI rollout to pharmacies dependent on regulatory approval and market dynamics
- Front-loaded cost impact of development activities



Softer Q1 EBITDA margin and ramp-up of anticipated revenues and EBITDA throughout the year

Strategic acquisition of Cerner assets

medico®

Selene®

Soarian® Health Archive

Soarian® Integrated Care



CGM CLINICAL

Clinical Workflow System

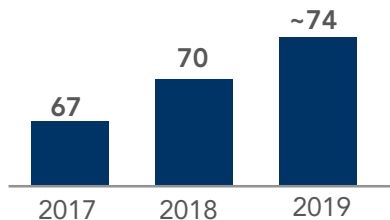
COMPELLING STRATEGIC RATIONALE

- Acquisition of one of the leading providers for hospital information systems in Germany and Spain
- Increases scale in hospital information systems and creating a European leader
- Highly complementary product offerings
- Strengthening presence in Germany and expanding portfolio in Spain
- Potential to further increase reach of innovative G3 platform
- Ideally positioned to benefit from increasing demand for integrated players providing services to hospital and ambulatory sector

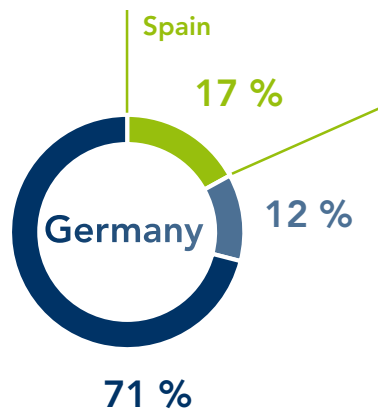
Attractive financial profile

Revenue (m€)

CAGR: ~5%



Revenue Split (2018)



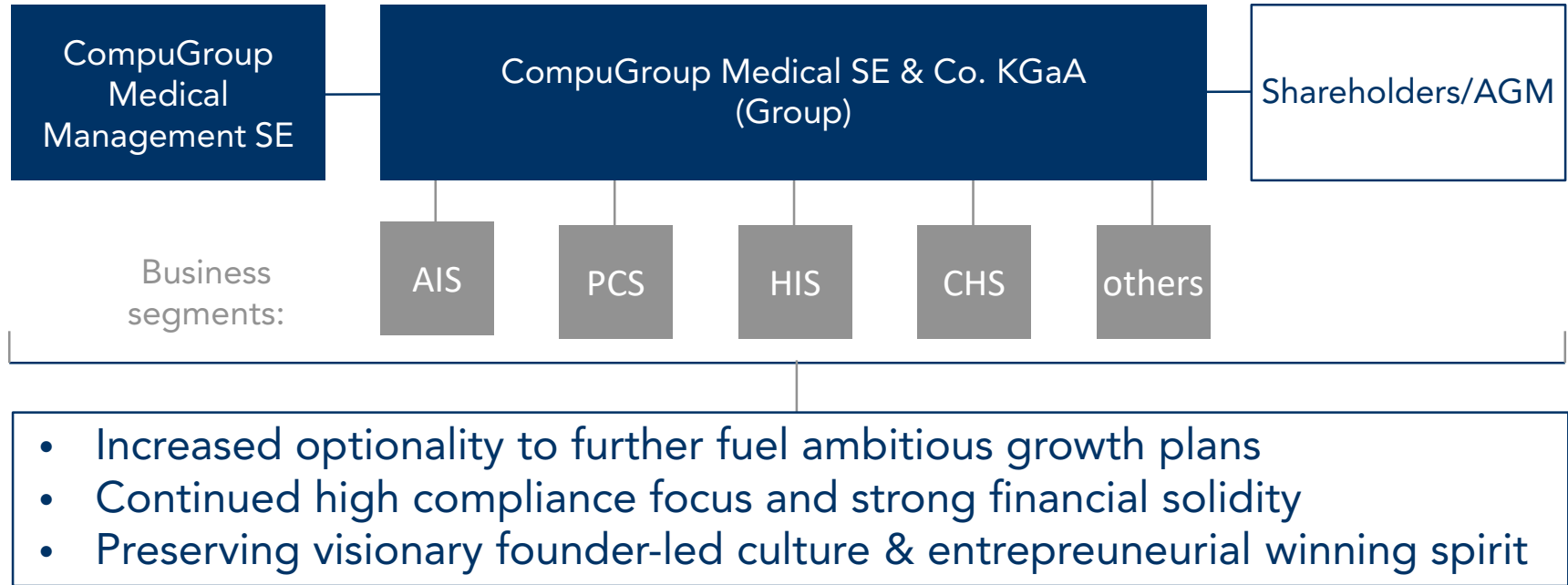
Medico – fully featured HIS with an installed base in both public and private hospitals in Germany

SHA – document archiving solution for healthcare providers

Selene – integrated HIS developed for Spanish customers covering public hospitals

- Combined #2 in Germany and one of the leading players in Spain
- 2019 revenues of ~€74m, EBITDA of ~€13m
- Enterprise value of €225m before purchase price adjustments
- Accretive in year one on a pro forma basis
- Closing expected for 3rd quarter of 2020 (subject to regulatory approvals)
- Acquisition not included in guidance

Intended change of legal form to enable further growth of CGM



Management Board – CompuGroup Medical SE



Frank Gotthardt
Founder and CEO



Frank Brecher
Chief Process Officer



Dr. Ralph Körfgen
Ambulatory & Pharmacy
Information Systems



Dr. Eckart Pech
Consumer & Health
Information Systems



Michael Rauch
CFO

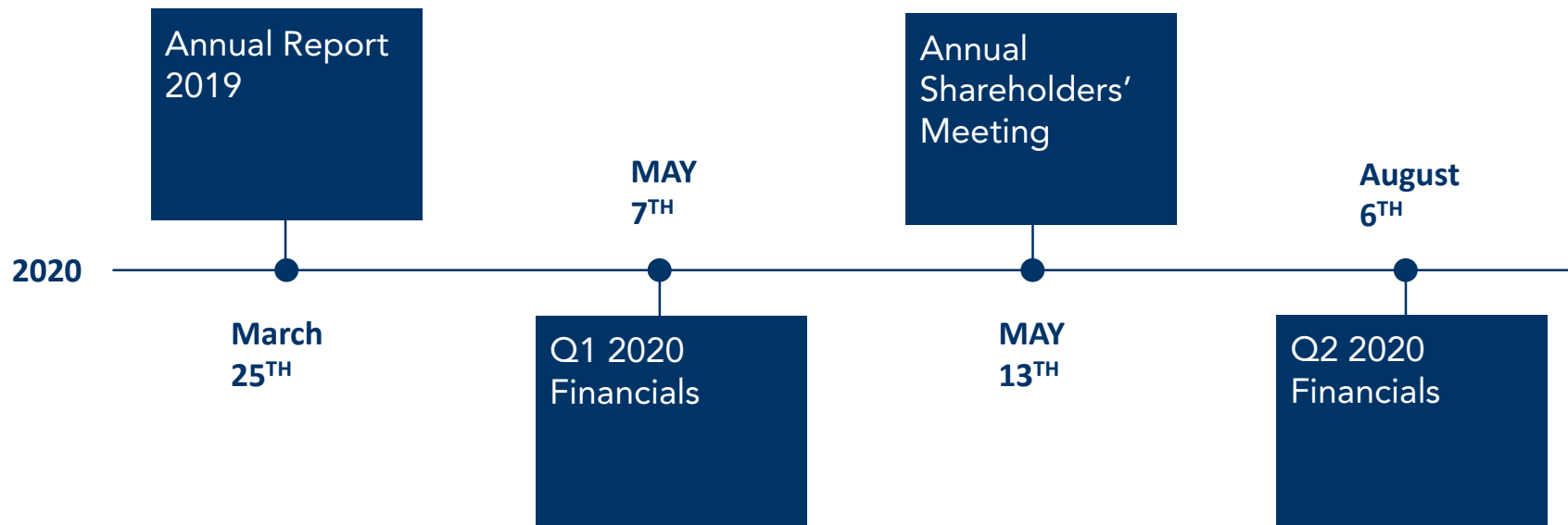


Hannes Reichl
Clinical & Social Care

CGM well positioned for further growth in 2020 and beyond

- Strong market positions across the business segments and regions
- Reliable business model with > 60% of revenues recurring
- Driving digitization in Healthcare
- Sustainable EBITDA on a high level with strong cash-flow profile
- Long-standing track record of value enhancing M&A
- Determined to further enhance value generation and shareholder return

Next events 2020



Appendix



Key figures 2019

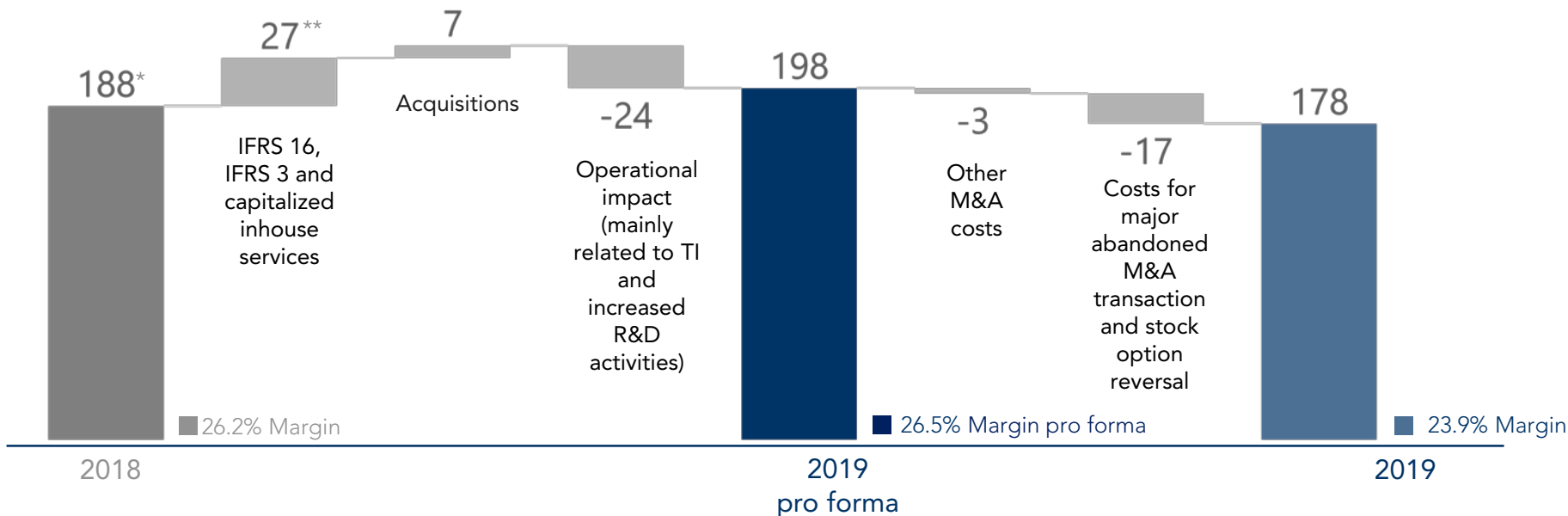
in €m	Reported		Pro forma ²⁾	
	2019	yoy	2019	yoy
Revenue	745.8	+4%	745.8	+4%
EBITDA	178.1	-5%	198.1	+9%
EBIT	115.3	-20%	135.3	-2%
Net income	66.2	-31%	85.8	-7%
EPS (€)	1.33	-31%	1.74	-6%
Cash net income ¹⁾	96.4	-23%	116.4	-4%
CNI per share (€) ¹⁾	1.98	-21%	2.39	-2%

¹⁾ Net income before minority interest plus amortization of intangible assets less amortization on in-house capitalized software

²⁾ Adjusted for non-recurring one-time stock-based compensation benefit and costs for major abandoned transaction and other M&A costs

2019 EBITDA impacted by one-offs and strong prior year TI comps

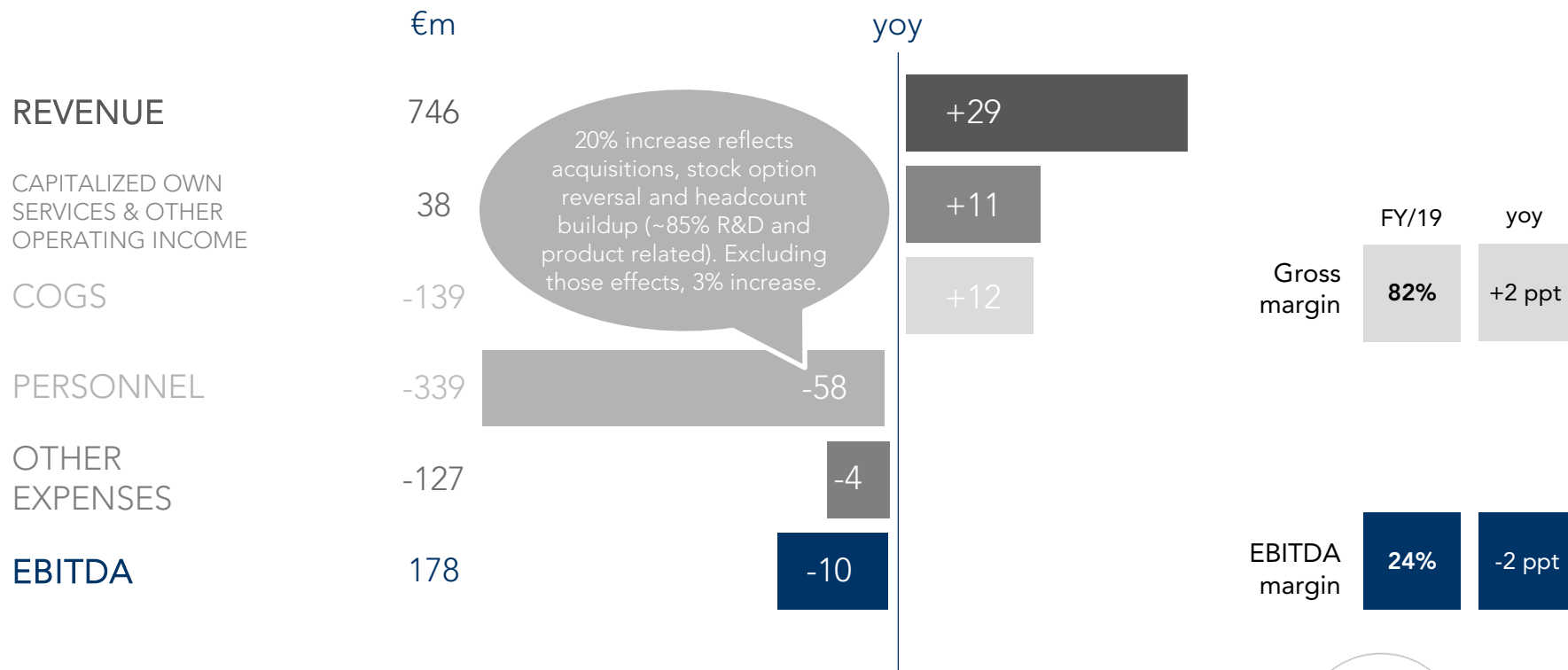
€m



*Adjusted for stock option reversal for former board member, reported EBITDA 2018: €182m

**Including €17m from IFRS 16, €4m from IFRS 3 and €6m due to capitalization of inhouse services

Continued investment in 2019 impacting margins



2020 additionally guided KPIs

- Organic revenue growth 0 – 6 % for the group
- Recurring revenue > 60% of total revenues
- Adjusted* EPS in the range of €1.70 – €1.95
- Capex expected in the range of €70m – €80m
- Adjusted* Free Cash Flow (operating cashflow incl. interest less capex) > €80m anticipated

* adjusted for M&A, restructuring, option programs and other non-operative major one-off effects




**SEGMENTS
Q4/19**

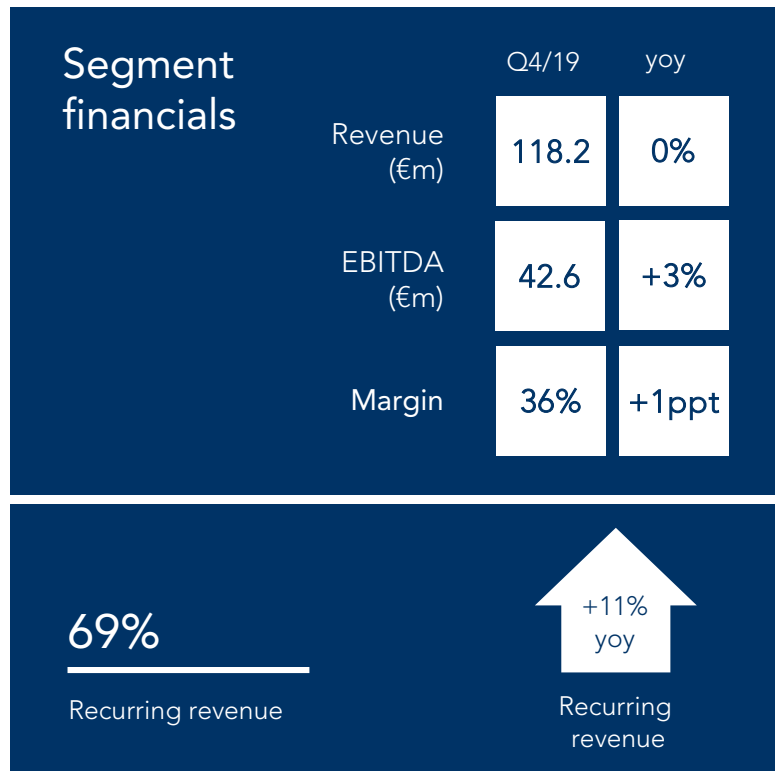


Q4 with excellent revenue performance in all segments (old structure)

Group			Ambulatory Information Systems		Pharmacy Information Systems		Hospital Information Systems		Consumer & Health Management Information Systems	
			Revenue Share							
			Q4/19	yoy	Q4/19	yoy	Q4/19	yoy	Q4/19	yoy
Revenue (€m)	206.1	+6%	118.2	0%	36.4	+6%	36.0	+21%	15.4	+30%
EBITDA* (€m)	52.1	-5%	42.6	+3%	10.4	-15%	7.4	+25%	5.7	+27%
Margin	25%	-3ppt	36%	+1ppt	29%	-7ppt	21%	+1ppt	37%	-1ppt



AMBULATORY INFORMATION SYSTEMS



Q4/19 yoy

- **Revenues** stable including effects from acquisitions (GIS, Qualizorg)
- Significant growth in TI services drove 11% growth in **recurring revenues**
- **EBITDA margin** slightly up with positive impact from acquisitions and IFRS 16 offsetting increased R&D spend

AIS Operational

- Organic revenue growth ex TI of 4%
 - Germany and Netherlands benefitting from Windows 10 implementation and hardware sales
 - US with strong performance in lab business
- Telematics Infrastructure update
 - installed base of > 54k going into 2020
 - CGM first to have received Gematik approval for TI connector software upgrade, subject to field tests



A female pharmacist with short, dark, curly hair is shown in profile, looking towards the right. She is wearing a white lab coat over a dark top and is holding a tablet computer with both hands. The background is a blurred pharmacy setting with shelves and equipment. A large white rectangular box with rounded corners is positioned on the right side of the image, containing the title text.

PHARMACY INFORMATION SYSTEMS

Segment financials

	Q4/19	yoy
Revenue (€m)	36.4	+6%
EBITDA (€m)	10.4	-15%
Margin	29%	-7ppt

52%

Recurring revenue

Recurring revenue

+7%
yoy

Q4/19 yoy

- **Revenue** growth of 6% mostly organic with minor acquisition impact in Spain (Eurosof2000 in 04/19) against already strong prior year
- **EBITDA and EBITDA margin** significantly down due to strong prior year comps in Germany and additional investment into G3 technology

PCS Operational

- Organic revenue growth of 5%
 - Italy with double-digit growth, supported by Windows 10 migration, hardware sales and government incentivized investments
 - Germany with revenues below an exceptional prior year Q4
- TI update
 - Financing agreement in place
 - Rollout for pharmacies expected to start in 2020, subject to field tests
 - Initial orders for TI connection packages of ~800 by 12/19 to be delivered in 2020



A photograph of two male doctors in a hospital hallway. The doctor on the right is wearing a white lab coat over blue scrubs, has a stethoscope around his neck, and is holding a tablet. He is looking towards the other doctor. The doctor on the left is seen from the back, wearing a light blue button-down shirt. The background shows a modern hospital corridor with large windows and doors.

HOSPITAL INFORMATION SYSTEMS

Segment financials

	Q4/19	yoy
Revenue (€m)	36.0	+21%
EBITDA (€m)	7.4	+25%
Margin	21%	+1ppt

43%

Recurring revenue



Recurring revenue

Q4/19 yoy

- 21% **organic** revenue growth mainly driven by one-time impact from hardware sales in NÖKIS project
- **EBITDA** increase following one-time sales impact and IFRS 16 benefit against increased R&D investments

A person wearing a white lab coat is shown from the chest down, applying a small white strip to the screen of a smartphone. The person's hands are visible, and the lab coat has a white cuff. A white marker is lying on the surface next to the phone. The background is a plain, light-colored surface.

CONSUMER & HEALTH MANAGEMENT INFORMATION SYSTEMS

CHS P&L / Operational

Segment financials

	Q4/19	yoy
Revenue (€m)	15.4	+30%
EBITDA (€m)	5.7	+27%
Margin	37%	-1ppt

14%

Recurring revenue



Recurring revenue

Q4/19 yoy

- Excellent **organic** revenue growth of 29% driven by projects with pharmaceutical and insurance companies
- **EBITDA** improvement in line with revenue development

Investor Relations contact

Claudia Thomé

Head of Investor Relations

T: +49 (0) 261 8000-7030

claudia.thome@cgm.com

CompuGroup Medical SE

Maria Trost 21

56070 Koblenz

Germany

Phone: +49 (0) 261 8000-6200

E-Mail: investor@cgm.com

ISIN DE 0005437305

WKN 543730

Frankfurter Wertpapierbörse

Prime Standard

TecDAX / MDAX