

The background features a collage of medical professionals in white coats and blue gloves. Overlaid on this is a network of white hexagons connected by thin lines, with various medical icons like a stethoscope, pills, and a hospital bed. A bright light flare is visible in the center.

# COMPUGROUP MEDICAL

Investor Relations | November 2022

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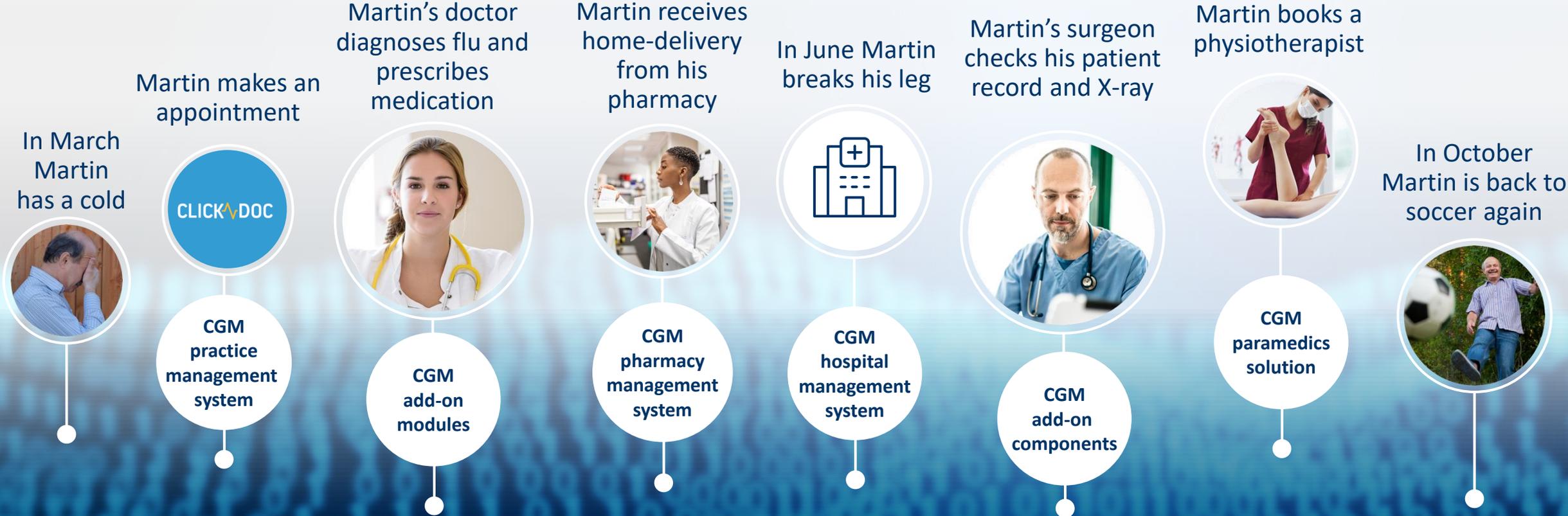
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## Vision

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

Frank Gotthardt, Founder, CompuGroup Medical SE & Co. KGaA

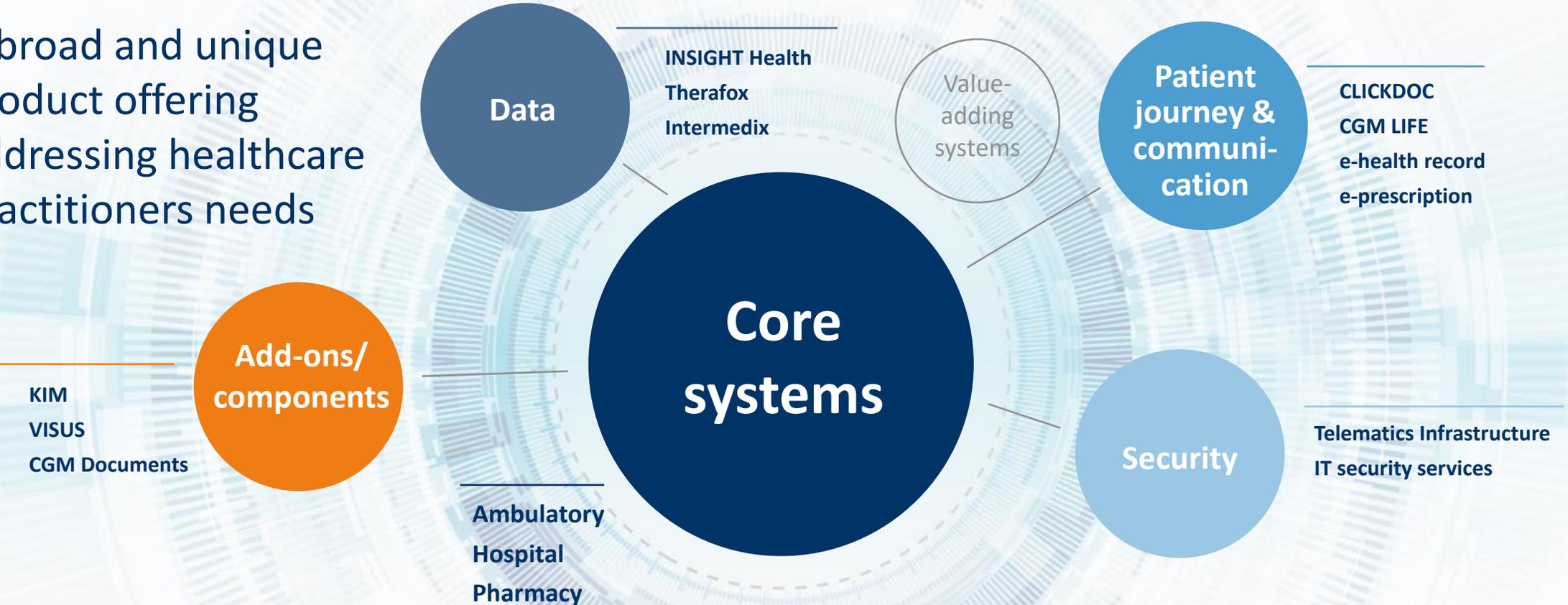
# Physicians are the ultimate navigator of the patient



... with CGM's product world enabling the digital patient journey

# Our comprehensive product portfolio serves the entire healthcare market

A broad and unique product offering addressing healthcare practitioners needs



# CGM with unparalleled depth of domain expertise

More than  
30 years of R&D

Highest number  
of customer feedback  
integrated

Numerous specialist  
areas covered

CGM's  
PRODUCT  
WORLD

Excellent local  
regulatory  
expertise

Hundreds of device  
connections

Millions of  
lines of code  
per product

 **Focused** *on core needs*

Products allow to view patient profiles, visualize medical data, book appointments and track medical status for various disease areas.

 **Customizable**

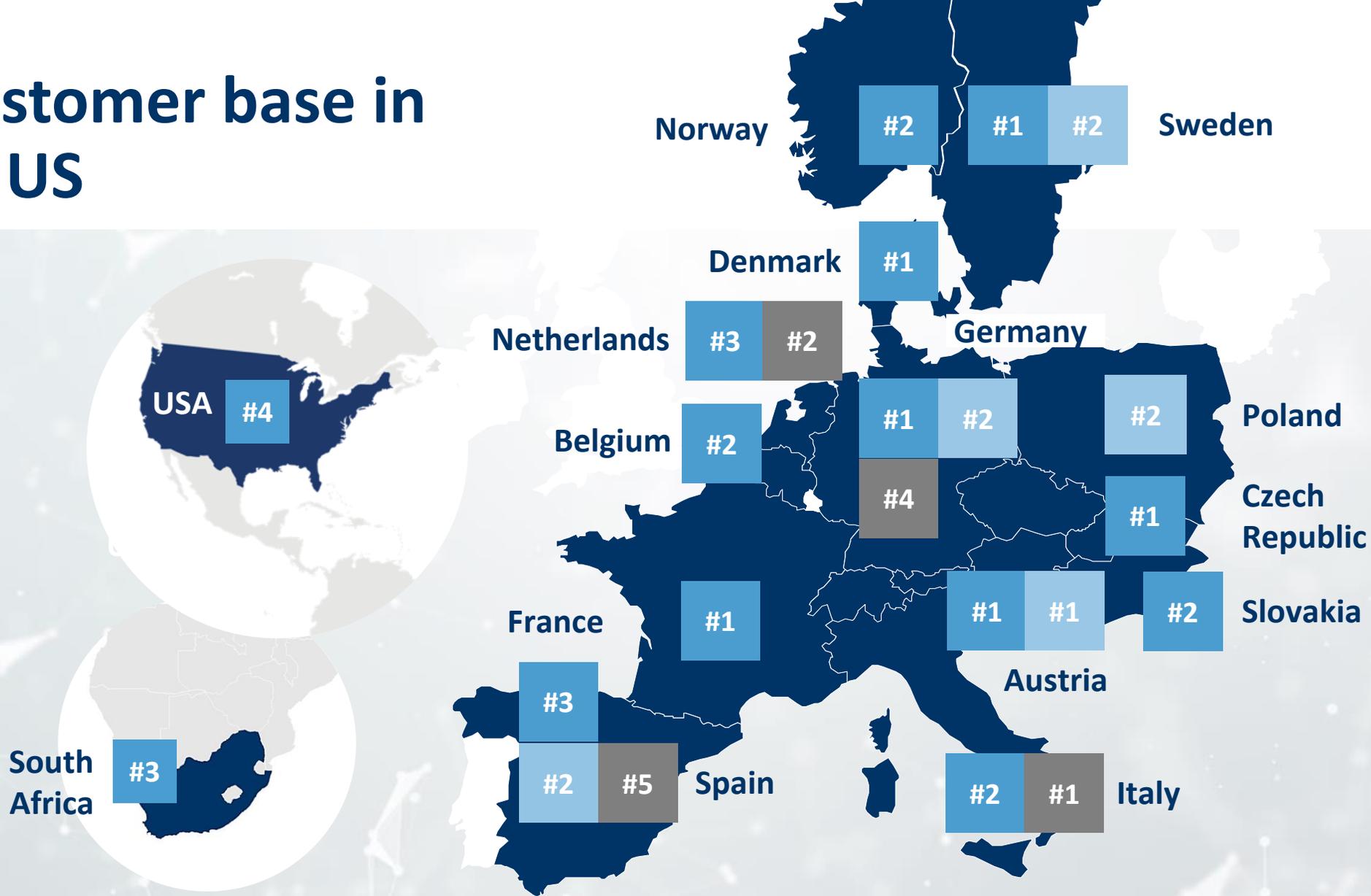
Layout can be customized to comply with individual customer needs.

 **Efficient**

Productivity gain for health care professional as data flow and processes are automated.

# Excellent customer base in Europe and US

AIS HIS PCS

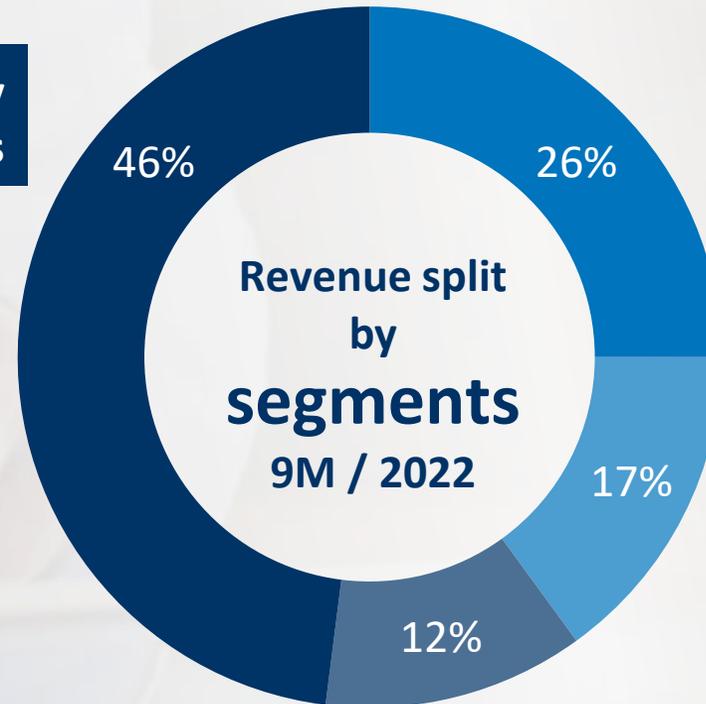


# Servicing the entire healthcare ecosystem, we are ideally set up for growth



## AIS – Ambulatory Information Systems

Doctors  
(GPs, specialists),  
therapists, nurses...



## HIS – Hospital Information Systems

Hospitals  
(acute, post-acute),  
laboratories



## CHS – Consumer & Health Management

All healthcare professionals,  
pharma & insurance companies, patients



## PCS – Pharmacy Information Systems

Pharmacies



# Our customers' world is transforming

**Larger practices**

**Data access**

**Digital patient interaction**

**AI enhanced**

**Mobile work**

**IT security**

**Efficiency increase**

**Digital workflow**

**Decision support**

**Connected to  
larger network**

# Significant catch-up potential in digitization in healthcare



**60%**

of doctors think that Germany is lagging behind in digitization



**55%**

of German hospitals consider their degree of digitization rather low

# We support our customers on their path into a digital world



## Regulation driven demand

Governments across Europe have initiated programs to accelerate healthcare digitization leading to tailwind for further growth



## Expansion to value-adding modules

As a response to changing customer needs, we offer new modules as add-ons



## Enable doctor-patient journey

CGM leverages its unique position across the patient journey to deeply integrate its own products as well as enable other players

# Strategy and growth drivers

## Strategic priorities

**01** 

Innovate on a scalable platform

**02** 

Transform organization to deliver great customer experience and scale

**03** 

Enable distinctive patient journeys and seamless data flows

## Growth drivers

 **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** and **electronic data interchange**

 **HIS business**

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

 **Telematics infrastructure**

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

 **Innovative data services**

Fast-tracking our **data growth** ambition with the Insight Health acquisition. Further evolution of medical decision support portfolio

# Q3 HIGHLIGHTS



# Ambulatory business fully prepared for strong Q4

## Accelerating delivery of CGM growth initiatives

- ~14m e-sick notes and ~16m KIM messages processed within CGM network, each representing a >35% market share
- ~60k e-prescriptions processed within CGM network by end of September
- First stage of Ségur (>7m order volume) now in rollout
- Replacement of 3rd party provider in the US with eMEDIX started

## CGM at the forefront of market trend towards larger practices

- Successful tender project in Germany
- 90 emergency practices won
- To be fully equipped with CGM M1 PRO
- Connected to the Telematics Infrastructure
- CGM M1 PRO allows uniform workflow for cross-practice use

# Continued strong momentum in hospital order intake

Strong order intake continuing in Q3, e.g. University of Zurich  
Initial Hospital Future Act projects have started with ramp up anticipated from Q4 onwards

## Growing order intake



Confirming our revenue target of €50 – 80m over the next years

## Strong market position



# INSIGHT Health with strong product evolution

Leading position in solutions for healthcare practitioners

Offer excellent market insights



INSIGHT HEALTH



**DARWIN<sup>NG</sup>: new product offering for pharma companies**

**New joint product with CGM ready within only 8 weeks**

Excellent progress as of Q3 2022:



Product design & setup



Launch marketing roadshow



First strategic customer win

# Guidance 2022 adjusted in October

## Guidance FY 2022

as of March 10

### Group revenues

€1,075m – €1,125m

### Organic growth yoy

+3% to +8%

### Adj. EBITDA

€235m – €260m

## Guidance FY 2022

as of August 04

### Group revenues

€1,100m – €1,150m

### Organic growth yoy

+4% to +8%

### Adj. EBITDA

€240m – €260m

## Guidance FY 2022

as of October 27

### Group revenues

€1,100m – €1,130m

### Organic growth yoy

+4% to +6%

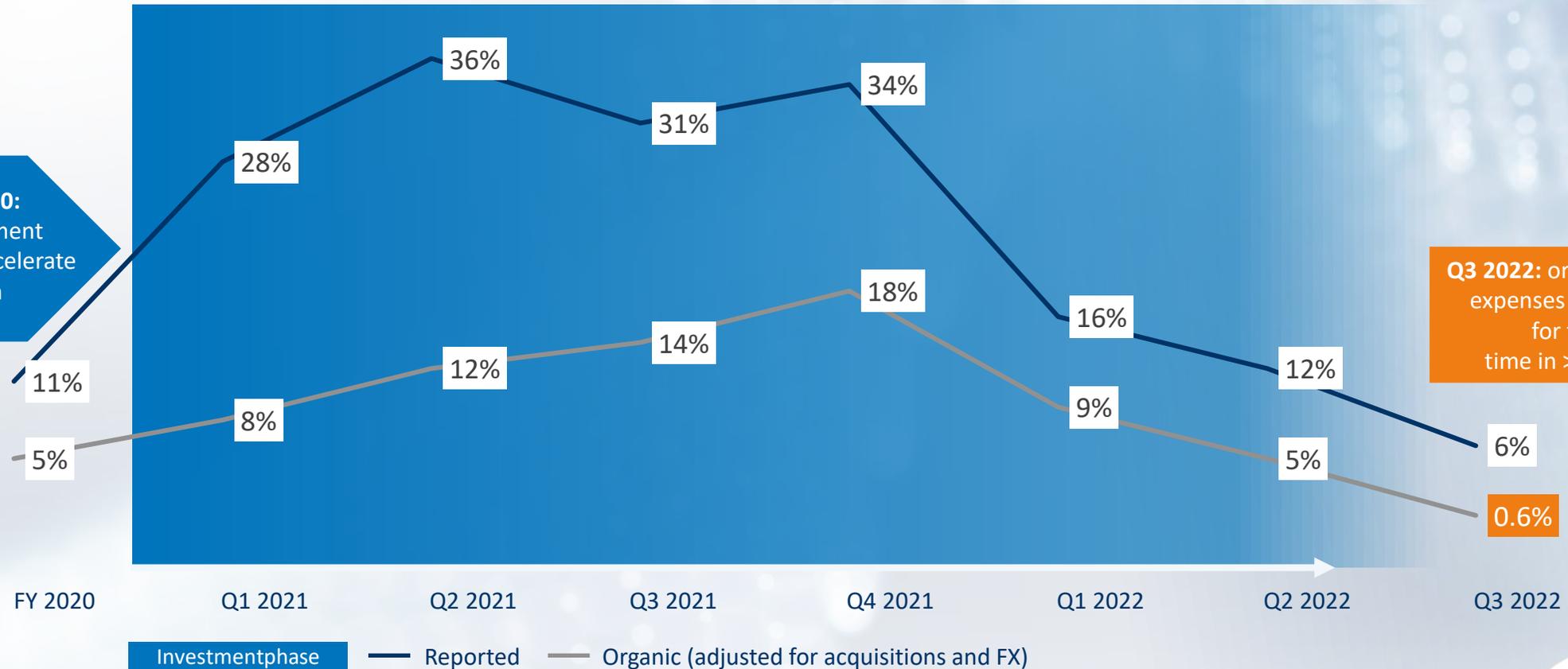
### Adj. EBITDA

€220m – €240m

# Shifting gears towards margin expansion in 2023 – Q3 as the first proof point

Increase of personnel expense yoy

December 2020:  
start of investment  
initiative to accelerate  
organic growth



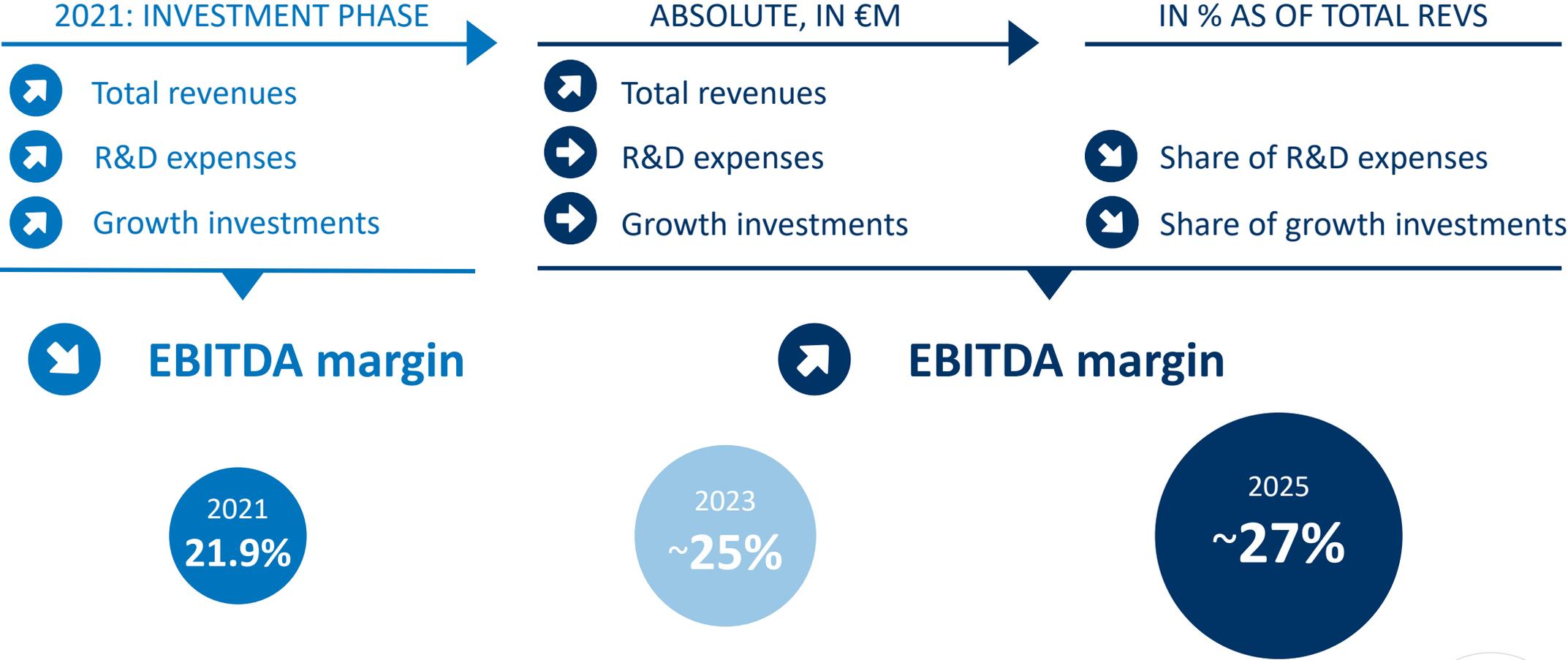
Q3 2022: organic personnel expenses almost stable for the first time in >10 quarters

# We remain committed to achieve 2023 margin expansion despite increasing headwinds



# We are confirming our mid-term margin targets

until 2025



# Value creation based on higher growth and profits



**Delivering best-in-class solutions along the patient journey**



**Enabling next level digitization & connectivity for doctors**



**Introducing a new level of customer centricity**



**High resilience due to strong recurring revenue base**



**Organic growth accelerated to new level of 5% and more**



**Overproportionate EBITDA increase post R&D investment phase leveraging operational efficiencies**

# Strong and experienced leadership team



**Michael Rauch**

Spokesman for the  
Managing Directors

Chief Financial Officer  
(CFO)



**Angela Mazza  
Teufer**

Managing Director  
Ambulatory  
Information Systems  
DACH



**Dr. Eckart Pech**

Managing Director  
Consumer and Health  
Management  
Information Systems



**Emanuele Mugnani**

Managing Director  
Ambulatory Information  
Systems Europe



**Hannes Reichl**

Managing Director  
Inpatient and Social  
Care



# FINANCIALS

# 9M / Q3 financials reflect phasing in 2022



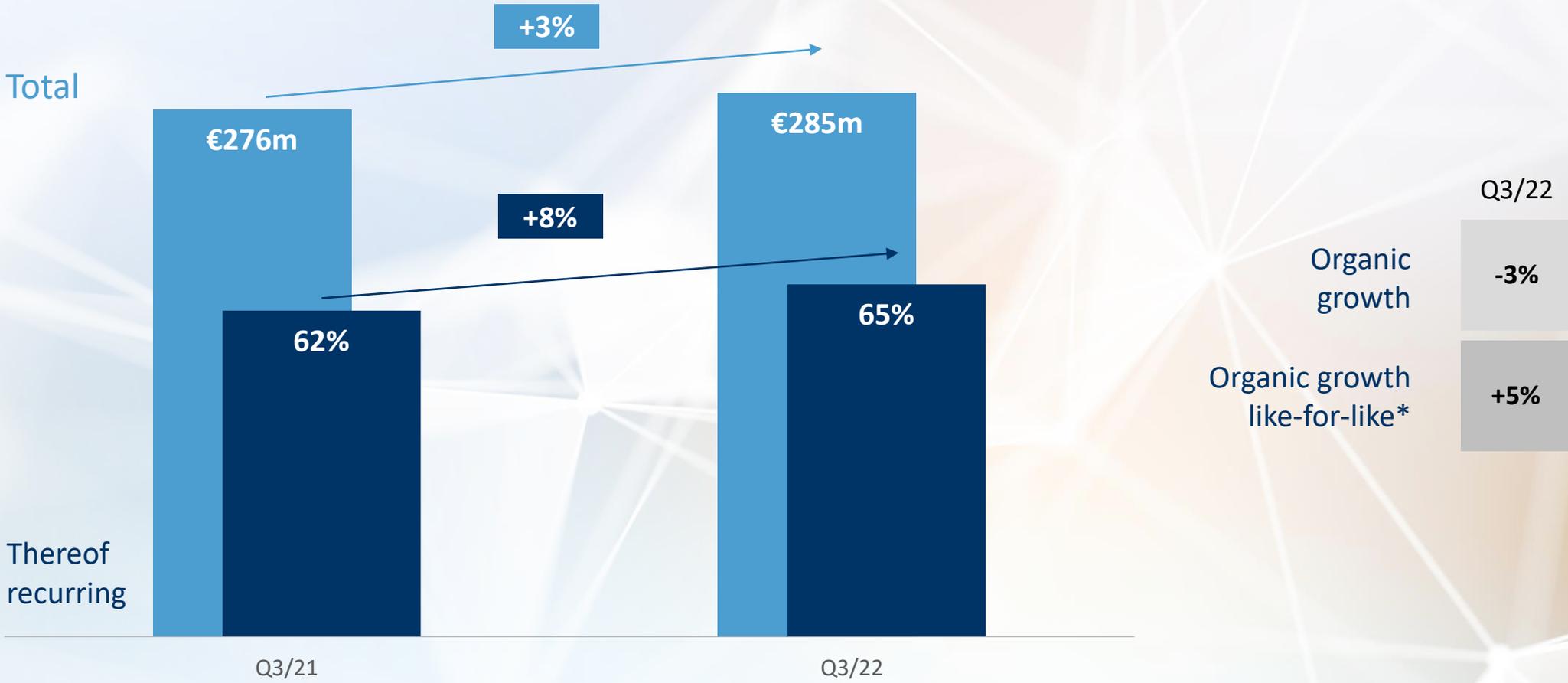
<b>9M</b>	<b>€802m</b> (+8%yoy)	<b>68%</b> (+2ppt)	<b>+1.5%/+4.5%</b> (-6ppt/-3ppt)	<b>€166m</b> (-3%yoy)	<b>21%</b> (-2ppt)	<b>€1.33</b> (PY: €1.46)	<b>€24m</b> (PY: €73m)
<b>Q3</b>	<b>€285m</b> (+3%yoy)	<b>65%</b> (+3ppt)	<b>-3%/+5%</b> (-10ppt/-2ppt)	<b>€61m</b> (-16%yoy)	<b>21%</b> (-5ppt)	<b>€0.51</b> (PY: €0.70)	<b>-€5m</b> (PY: €8m)
	Revenue	Recurring rev share	Organic growth / like-for-like*	Adj. EBITDA	Margin	Adj. EPS	FCF

# Organic growth impacted by intra-year phasing effects

Organic growth in % yoy	FY2020	Mid-term ambitions	FY2021	9M2022	Comments
<b>Group</b>	<b>4%</b>	<b>&gt;5%</b>	<b>6%</b>	<b>1.5%</b>	<b>4.5% adjusted for PY connector upgrade</b>
AIS	2%	3 – 6%	4%	0%	Strong PY comps with 10% organic growth in Q3 2021
HIS	3%	6 – 8%	8%	6%	Strong performance pre Hospital Future Act
CHS	15%	6 – 9%	10%	-5%	14% adjusted for PY connector upgrade
PCS	0%	0 – 2%	1%	7%	Continued strong performance

**Organic growth of 4 – 6% now expected for FY 2022**

# Revenue growth supported by acquisitions



\*adjusted for connector upgrade in Q3 2021



# Ambulatory segment with strong prior year comps

	Q3/22	yoy
Revenue (€m)	<b>123</b>	+1%
EBITDA adjusted (€m)	<b>35</b>	+5%
Margin	<b>28%</b>	+1ppt

80% (+5ppt)

Recurring revenue share



Recurring revenue

## Q3/22 yoy

- **Revenue growth** of +1% supported by FX tailwind (US)
- **Organic revenues below strong PY (-4%)**, mostly due to additional modules (eHR, vaccination certificate) in DACH region in Q3 2021
- Continued strength and underlying business trend reflected by +8% increase of **recurring revenues**, now representing 80% of total revenues
- **Adjusted EBITDA margin slightly** above prior year quarter

# Hospital segment with continued strong growth

	Q3/22	yoy
Revenue (€m)	70	+7%
EBITDA adjusted (€m)	9	-2%
Margin	13%	-1ppt

## Q3/22 yoy

- **Organic revenue growth** of +6%, due to continued strong performance in the German business
- **Recurring rev share** of 68%
- **Adjusted EBITDA and margin** impacted by investments in next generation technology

68% (+0ppt)

Recurring revenue share



Recurring revenue

# Consumer Health segment with strong prior year comps

	Q3/22	yoy
Revenue (€m)	60	+2%
EBITDA adjusted (€m)	10	-56%
Margin	17%	-23ppt

28% (+1ppt)

Recurring revenue share



Recurring revenue

## Q3/22 yoy

- **Organic revenues** like-for-like (adjusted for PY connector upgrade) increased by 5%, mainly due to beginning TI connector exchange
- **Organic revenues ex TI stable** due to macro-crisis-related headwinds in the pharma industry
- **Recurring revenue** profile slightly improving
- **Adjusted EBITDA** significantly below PY due to connector upgrade in Q3/21 and increased investments in data solutions

# Pharmacy segment delivering growth and strong margin

	Q3/22	yoy
Revenue (€m)	<b>32</b>	+8%
EBITDA adjusted (€m)	<b>10</b>	+29%
Margin	<b>30%</b>	+5ppt

## Q3/22 yoy

- **Revenues up 8%**, partly driven by acquisitions in Italy
- **Organic revenue** growth of 4% due to continued strong business performance in Italy
- **Recurring revenues** up +11%, at 68% of total revenues
- **Adjusted EBITDA** with strong growth due to efficient cost management

68% (+2ppt)

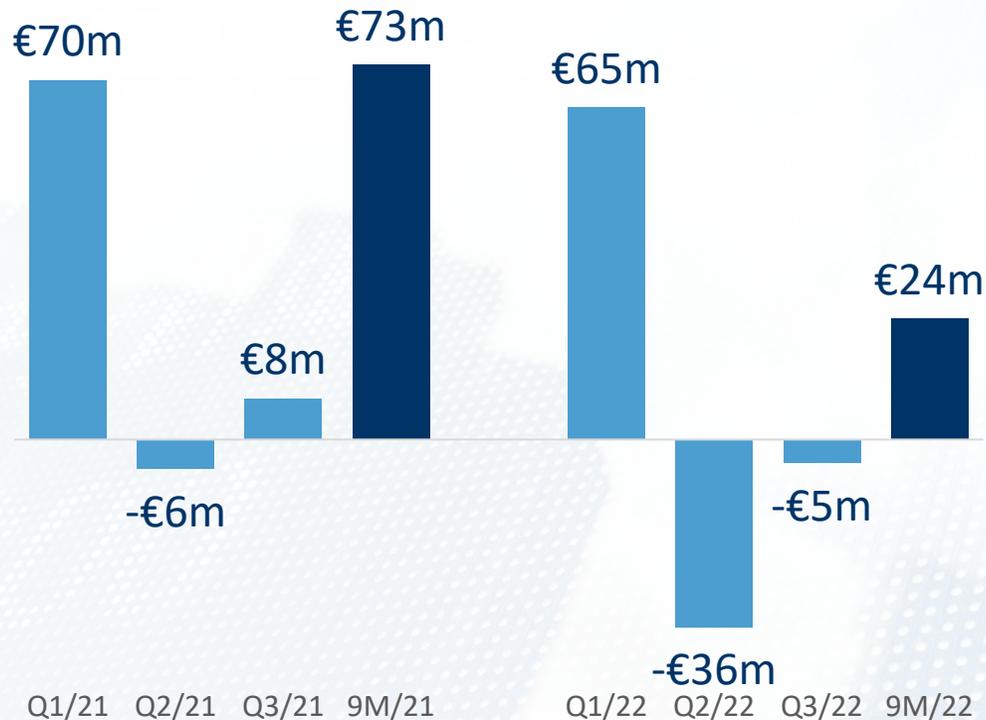
Recurring revenue share



Recurring revenue

# Free cashflow 2022 impacted by phasing

## Free cashflow



## Phasing effects and drivers

- Q2/22 impacted by **purchase of connectors for exchange beginning in H2**
- Q3/22 impacted by payments resulting from **management changes and restructuring**
- Q4/22 cash inflow depending on **timing of significant revenue contributions** from growth initiatives (TI, Hospital Future Act, Ségur)

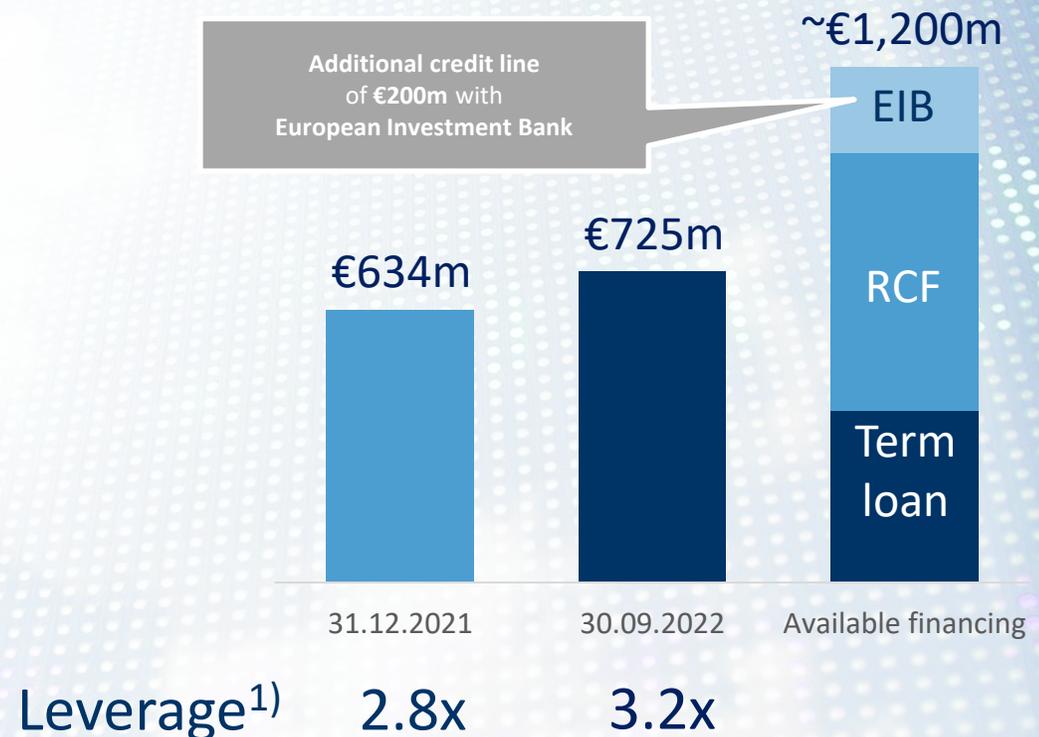
**Free cashflow 2022 now expected in a range of €40m – €70m**

# Crisis resilient financing in place

## Strong financing secured at attractive conditions

- **Largely protected** against rising interest rates **with derivatives as caps and swaps**
- Weighted average **maturity of credit lines almost 4 years**
- Selected **financing institutions with strong ratings and low risk profile**

## 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

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