

September 2019



# CompuGroup Medical SE

Synchronizing Healthcare

## Roadshow Presentation

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# Disclaimer

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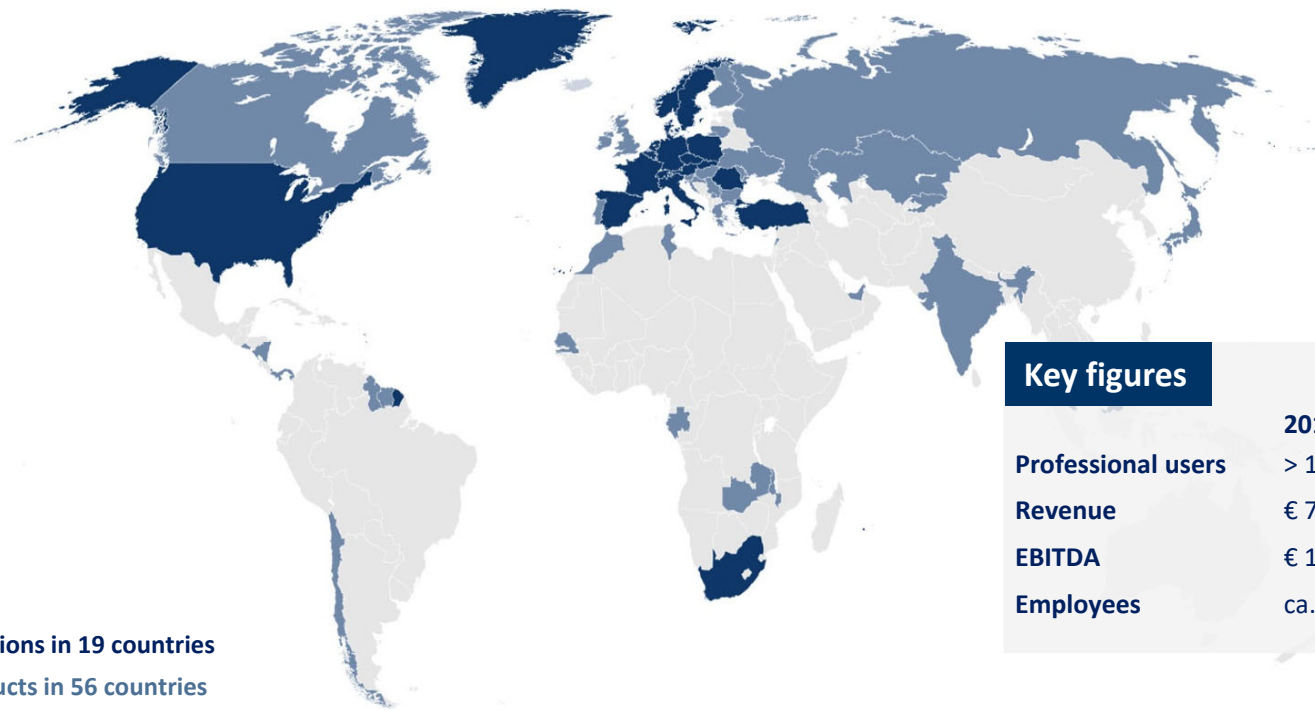
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## Our Vision

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Nobody should suffer or die because at some point medical information was missing.

# More than 1 Million Professional Users of Our Products Worldwide

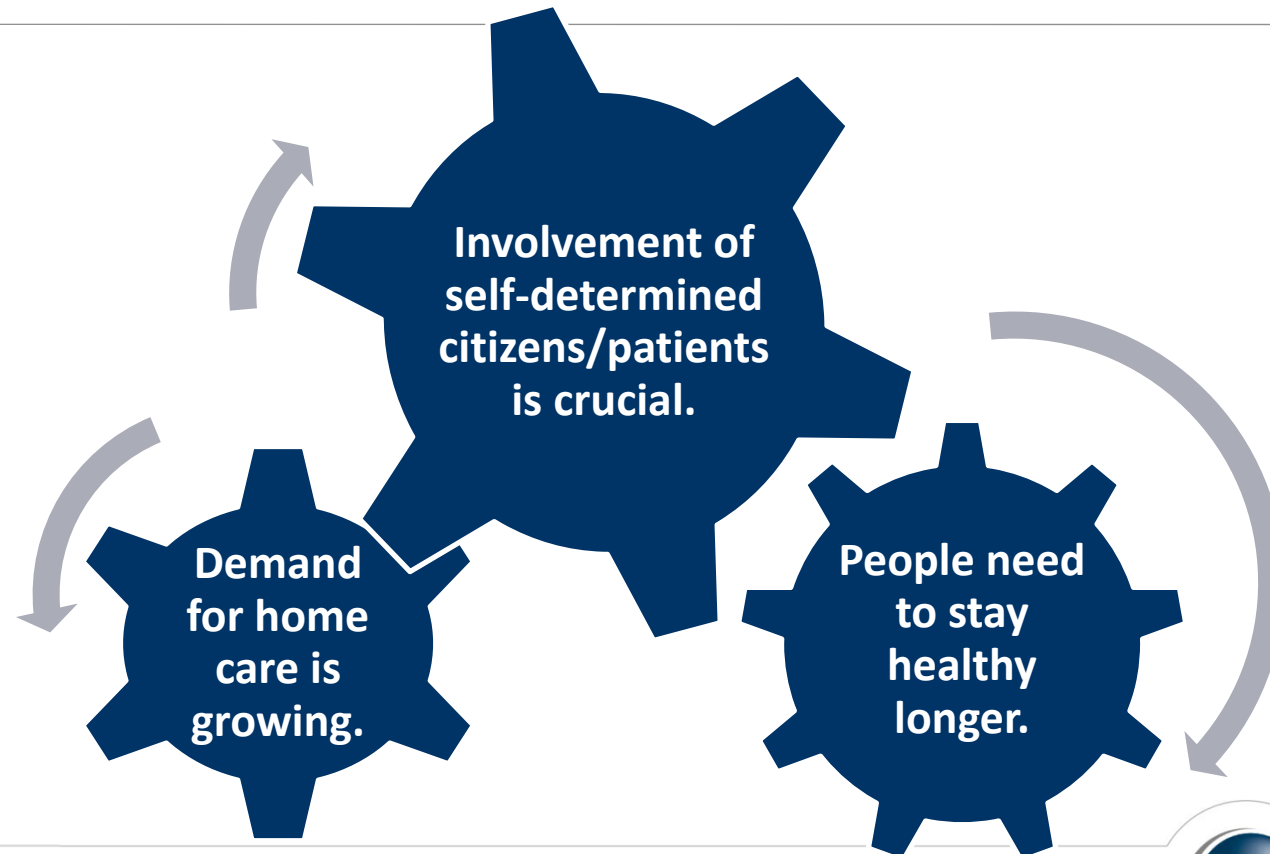


## Key figures

	2018
Professional users	> 1 Mio.
Revenue	€ 717 million
EBITDA	€ 188 million
Employees	ca. 5,000

# Digital Transformation in Health Care

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# Digital Transformation in Health Care

Involvement of self-determined citizens/patients is crucial.



# CGM Strategy

## Coverage

International corporate structure with strong regional presence and unique coverage of healthcare providers.

## Connectivity

Intelligent connectivity of all participants on the basis of structured medical information.



## Decision Support

Software Assisted Medicine (SAM) for more efficiency, for greater effectiveness and for best quality.

## Patient Empowerment

Networked health services for patients with CGM LIFE eSERVICES.

The products of CompuGroup Medical help to increase the performance of healthcare systems by approximately 15% to 20%. The potential to increase cost effectiveness in the German healthcare system amounts to approximately € 39 billion per year\*!

\*According to the study "Efficiency Potentials through eHealth" by Strategy&

## Excellent Customer Base





# Our segments

## Mission

**“More time for what is important:  
the patient.”**

### **Ambulatory Information Systems**

All data is available at any time for a better and quicker overview, resulting in more time for the patients.



### **Hospital Information Systems**

Intelligent management for quality, efficiency and growth.



### **Pharmacy Information Systems**

The basis for responsible consultations, optimal processes and economic success.

### **Health Connectivity Systems.**

Smart solutions for patient empowerment and holistic treatments based on high secure personal health record platform.

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

## Excellent financial performance



### Sustainable growth

Revenues	EBITDA	EPS
18%	17%	19%
CAGR 2002-2018		



### High shareholder return

Average annual TSR of 22%  
from 2007-2018



### Upgraded listing

Moving up to Germany's midcap index  
MDAX in 09/2019 –  
Listed in TecDax since 2013



### Long-standing track record of value-adding M&A

M&A spend ~€500m, reducing  
EBITDA multiple from ~13x to ~5x



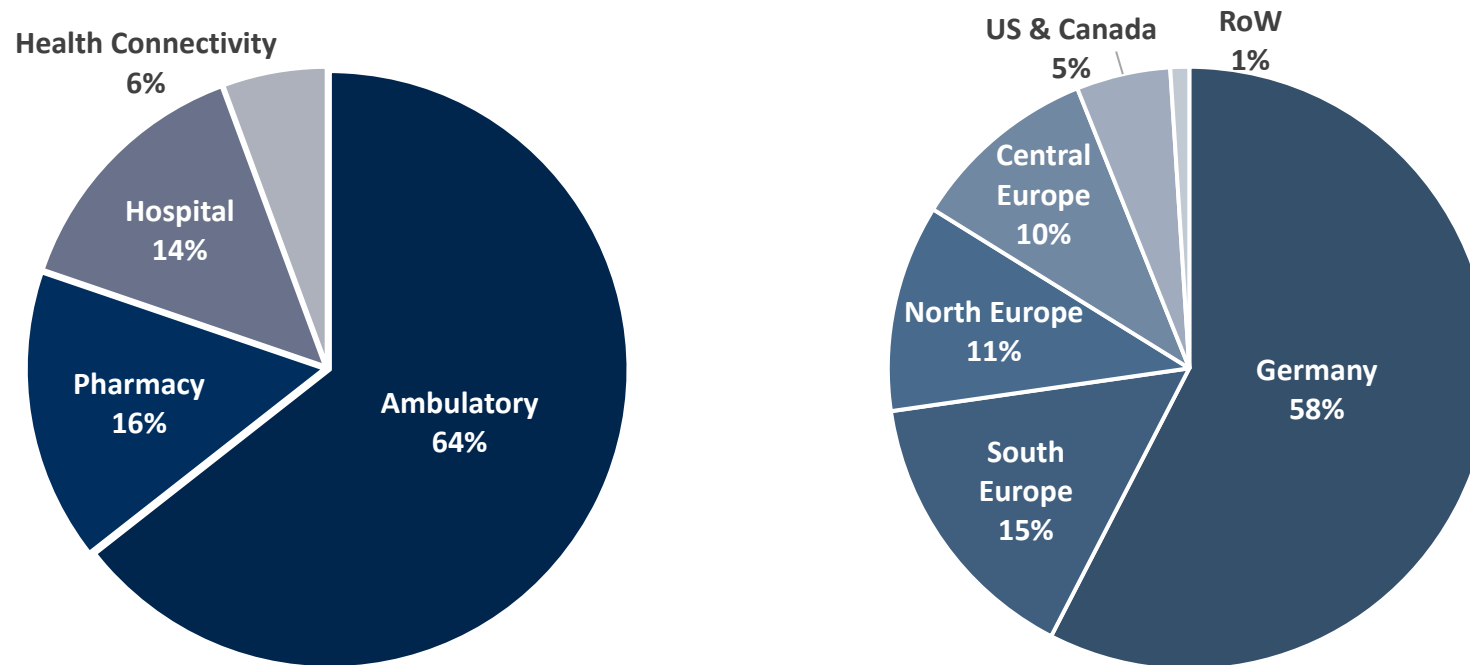
### Highly cashflow generative due to strong recurring revenues and high profitability



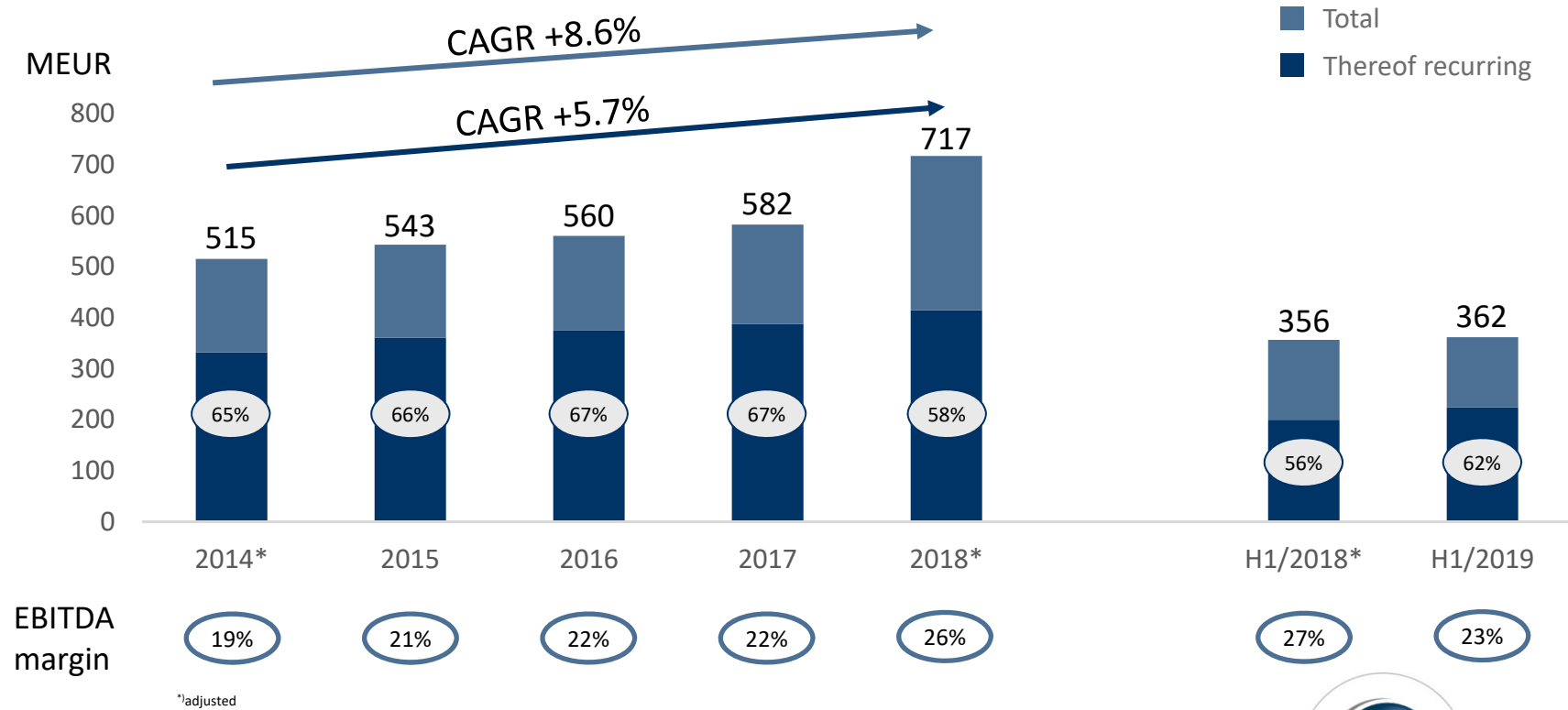
### Deleveraging quickly post acquisitions

Reduced leverage from 3.5x to  
1.5x within 4 years (2014-18)

## Diversified revenue base by product and regions – FY 2018

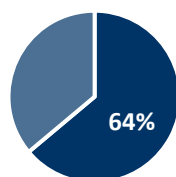


## Strong recurring revenue base and high margins



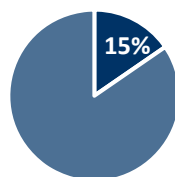
# Attractive growth and margins across the segments

## Ambulatory Information Systems



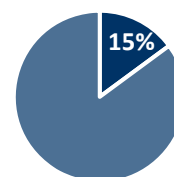
Revenue share<sup>1)</sup>

## Pharmacy Information Systems



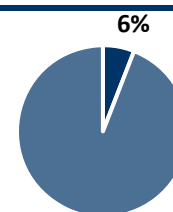
Revenue share<sup>1)</sup>

## Hospital Information Systems



Revenue share<sup>1)</sup>

## Health Connectivity Services



Revenue share<sup>1)</sup>

in EUR	H1/2019	yoy	H1/2019	yoy	H1/2019	yoy	H1/2019	yoy
Revenue	231m	-2%	56m	+5%	54m	12%	21m	+9%
EBITDA	79m	-6%	17m	20%	5m	+18%	8m	+18%
Margin	34%	-1ppt	30%	+4ppts	10%	+1ppt	37%	+3ppts

<sup>1)</sup> Of total revenues

# Telematics Infrastructure Orders & Installations

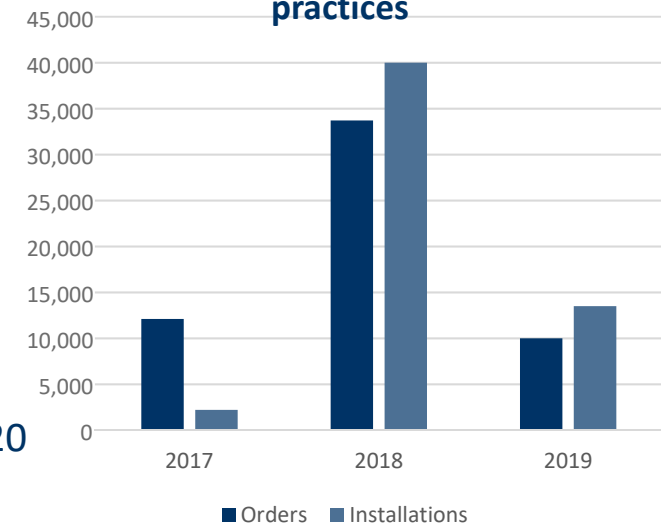
## Doctors & Dental Practices

- Rollout deadline 06/19 passed, usually one Connector per practice
- ~120k orders and ~100k installations **overall** by 06/19
  - 15-20% of practices without IT access
- ~54 orders and ~52k installations **at CGM** by 06/19
  - 75% of orders from our customers, 25% from others
  - <10% of our total customer base without TI access
- ~56k installations by the end of 2019 expected
- eHealth Connector extra one-time revenue potential for AIS in 2020

## Hospitals & Pharmacies

- Health Connector as a precondition, usually one Connector per entity
- Rollout deadline for pharmacies 09/20 and for hospitals 01/22

TI roll out doctors & dental practices



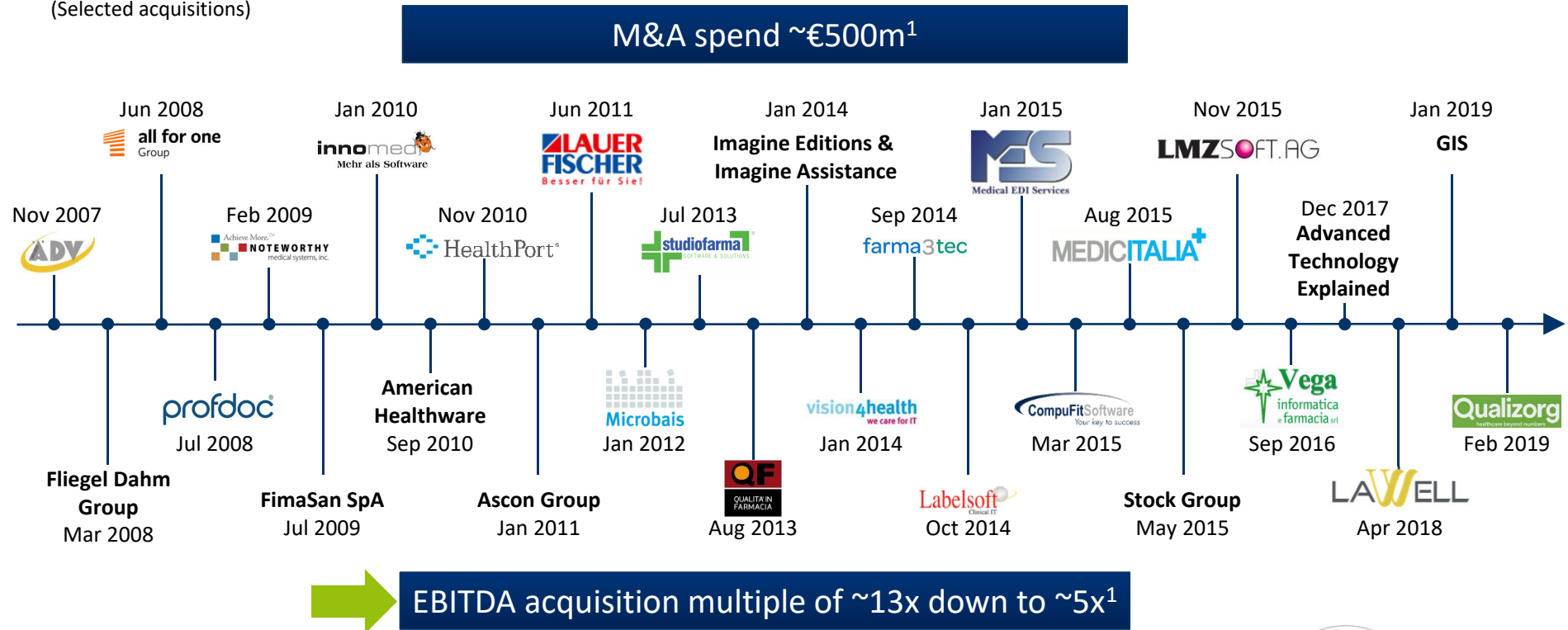
## M&A criteria

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- **Strategic fit**
  - **Core business** segments
  - **High recurring revenue** potential
  - **Innovative** and **complementary** product features
- **Market leading** position or **complementary add-on**
- **High profitability** and/or path to substantial **synergy realization**
- Strong and sustainable **cash generating profile**
- **Adequate valuation** based on growth assumptions

# Strong M&A track record with proven integration capabilities

(Selected acquisitions)

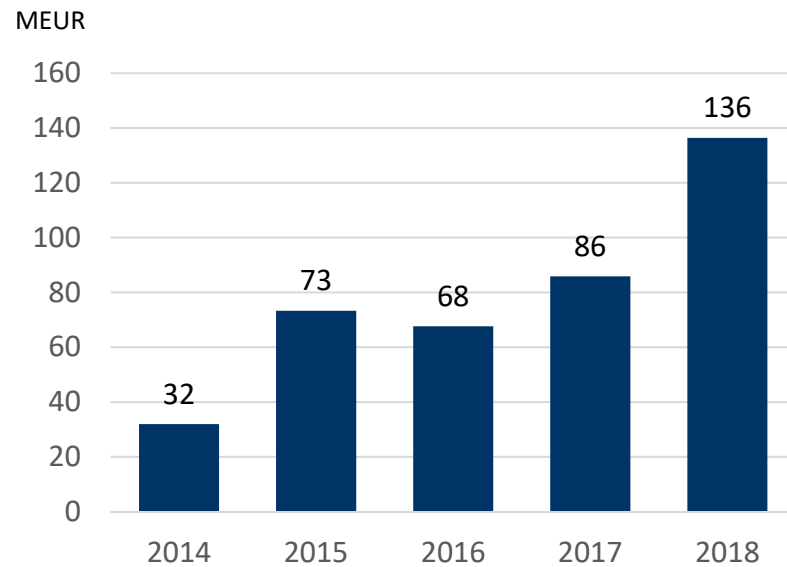


<sup>1</sup> M&A spend for transactions since 2007, EBITDA multiple for the most relevant transactions at time of transaction and FY2018.

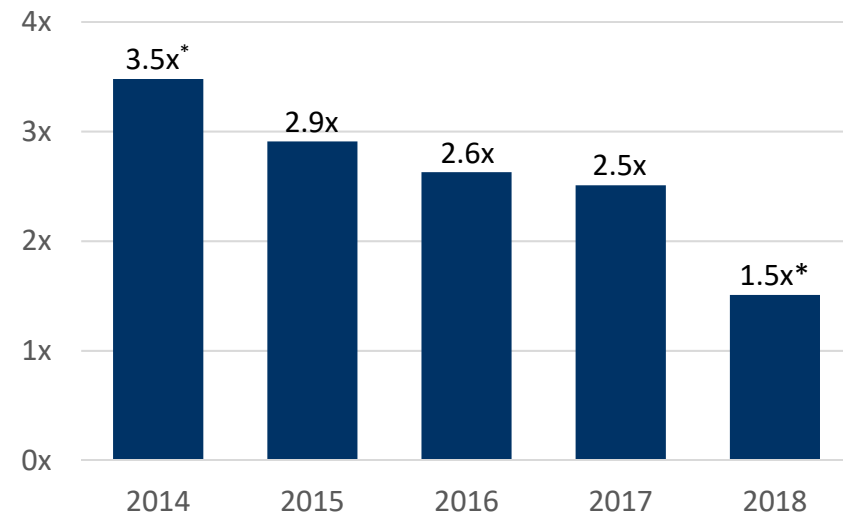


# Strong operating cash flow and fast deleveraging post acquisitions

## Operating cash flow



## Leverage



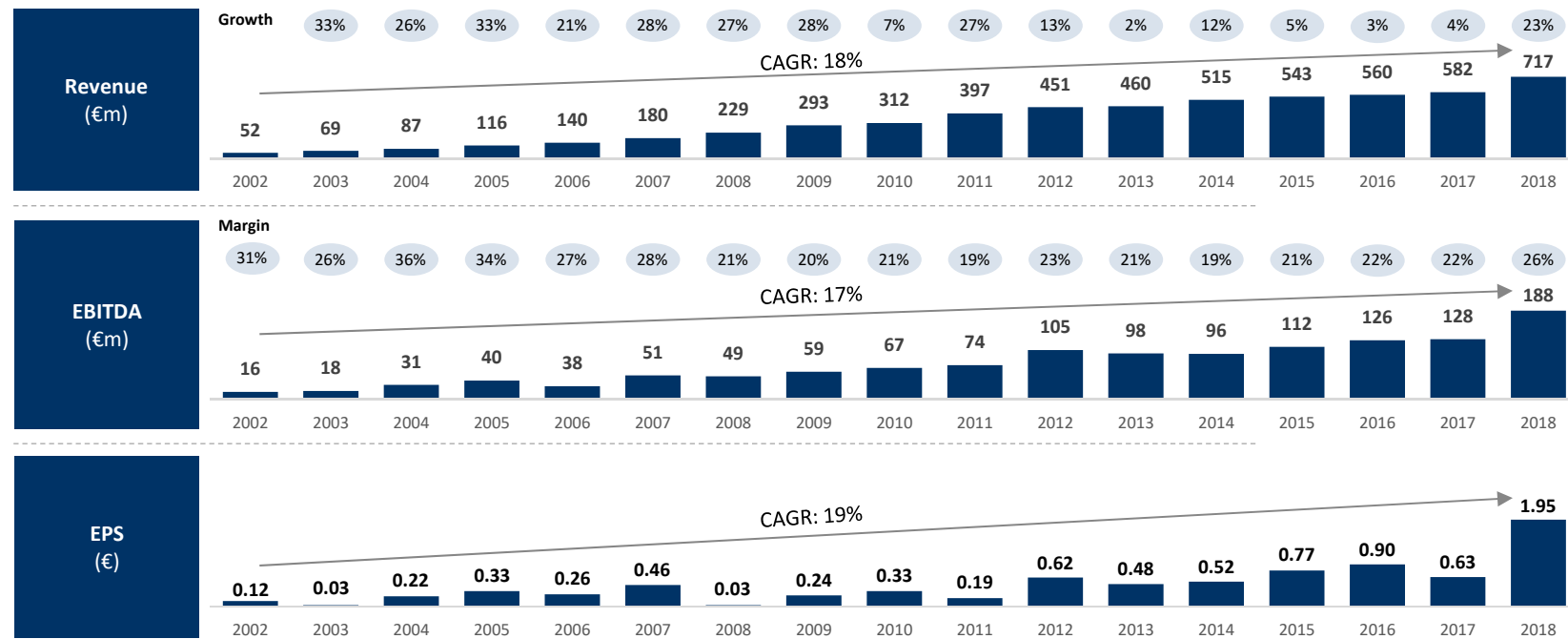
\*adjusted

## Guidance 2019 unchanged excluding M&A

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- CGM guidance for 2019 (as of September 15, 2019):
  - **Unchanged revenue guidance** expected to be in the range of 720 MEUR to 750 MEUR
  - **Operating income (EBITDA)** is expected to be in the range of 190 MEUR to 205 MEUR, including costs for abandoned major M&A transaction in the range of 175 MEUR to 190 MEUR
- This outlook reflects all currently available information and management's forecasts regarding speed of market penetration, market share developments and price evolution related to the further roll-out of the Telematics Infrastructure in Germany in 2019
- The guidance does not include revenue and costs associated with potential and currently undetermined further acquisitions during 2019
- The guidance for the 2019 financial year represents management's current best estimate of the market conditions that will exist in 2019 and how the business segments of CGM will perform in this environment

# Excellent long-term financial track record



EBITDA and eps adjusted for 2011, 2014 and 2018.

## Investment Highlights - Well positioned for future growth

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- Strong and **leading market positions** across the business areas and regions
- Reliable business model with **> 60% of revenues recurring**
- **Major beneficiary from digitization** in Healthcare
- Sustainable **EBITDA margins on a high level**
- Long-standing track record of **value enhancing M&A**
- **Sufficient headroom** for further growth
- **Strong free cashflow** enabling **fast deleveraging** and established **dividend payout**

## Management Board – CompuGroup Medical SE

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**Frank Gotthardt**  
Founder and Chief Executive  
Officer



**Frank Brecher**  
Chief Process Officer



**Uwe Eibich**  
Executive Vice President,  
Telematics & eHealth Platforms



**Dr. Ralph Körfggen**  
Board Member Ambulatory &  
Pharmacy Information Systems



**Michael Rauch**  
Chief Financial Officer



**Hannes Reichl**  
Board Member Clinical &  
Social Care

## Next events

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- November 7<sup>th</sup>, 2019: Q3 Financials
- February 5<sup>th</sup>, 2020: Preliminary FY 2019 and Q4 Financials
- March 25<sup>th</sup>, 2020: Annual Report 2019
- May 7<sup>th</sup>, 2020: Q1 Financials
- May 13<sup>th</sup>, 2020: Annual Shareholders' Meeting

# Investor Relations Contact

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