



CompuGroup Medical SE & Co. KGaA

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CompuGroup Medical benefits from digitization in healthcare with dynamic growth in the first quarter

- **Strong growth of group revenues with +25 %, organic growth accelerates to +5 %**
- **Adjusted EBITDA increased by 7 % with simultaneous launch of investment program**
- **CGM supports customers in their courageous fight against COVID-19 with numerous initiatives**
- **Hospital Information Systems (HIS) business in excellent shape**
- **Successful continued rollout of Telematics Infrastructure to pharmacies**
- **Dynamic growth in data-based business**
- **Recurring revenues now 69 % of total revenues**
- **Strong free cashflow despite increased investments for further growth**

Koblenz. CompuGroup Medical SE & Co. KGaA (CGM) is reporting a strong start to the year 2021. Especially against the background of the COVID-19 pandemic, the Koblenz-based company – one of the leading e-health providers in the world – is fully on track based on the first quarter results published today. The demand for solutions that help healthcare providers, governments and citizens cope with the ongoing pandemic remains high, especially since most

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countries have started providing vaccinations to their citizens. The provision of a vaccination module for doctors' software in Germany, the support of electronic documentation of vaccinations in Austria and a platform for online appointments in Italy are only some of the solutions that CGM is providing in this area.

CGM also announced a cooperation with Universitätsklinikum Hamburg-Eppendorf (UKE), one of Europe's leading university clinics and a pioneer in the digitization of healthcare, who will take a step forward by using the Hospital Information System (HIS) CGM CLINICAL. In addition, there was a promising start with regard to the Hospital Future Act with intense discussions with customers and a high number of leads.

“For the first quarter, we are completely on track, while we are investing into research and development, sales and distribution capabilities to enable further growth. Digitization is becoming an indispensable part of healthcare and CGM is a crucial contributor to this,” said Dr. Dirk Wössner, CEO of CompuGroup Medical, and added, “Our deep gratitude goes to the frontline fighters in this pandemic. We are passionately supporting our customers: doctors, nurses and all healthcare professionals in their courageous fight against COVID-19, for example supporting the vaccination process.”

Michael Rauch, CFO of CompuGroup Medical, added, “The first quarter showed dynamic growth with margins below the prior year in line with our planned growth investments. We are very happy with our free cashflow development which has been significantly better than prior year and also benefitted from one-time effects.”

Dynamic growth in the first quarter

Overall, CGM recorded a strong first quarter with group revenues increasing by 25 % to EUR 229 million (previous year: EUR 183 million). Organically – i.e. adjusted for consolidation and currency effects – it rose by 5 %. Recurring revenues account for 69 % of total revenue



compared to previous year's 67 % within the Group. Adjusted EBITDA increased by 7 % from EUR 43 million in the first quarter of 2020 to EUR 47 million.

Below the line, CGM generated a consolidated profit of EUR 11 million in the first quarter (previous year: EUR 13 million). Adjusted earnings per share (diluted) amounted to EUR 0.33 (previous year: EUR 0.34), while free cashflow reached EUR 70 million (previous year: EUR 51 million).

CGM confirms its guidance for the full year. For 2021, revenues in the range of EUR 1 billion to EUR 1.04 billion are expected. The adjusted EBITDA for 2021 is expected to be between EUR 210 million and EUR 230 million.

Segments: Recurring revenue growth across all segments

The **Ambulatory Information Systems (AIS)** segment increased revenues by 18 % to EUR 112 million (previous year: EUR 95 million). The share of recurring revenues increased from 73 % in the prior-year quarter to 77 %. Due to a strong business with the rollout of Windows 10 in the first quarter of 2020, revenues were organically slightly below the prior year's level. The segment generated an adjusted EBITDA of EUR 30 million (previous year: EUR 27 million). Operating margin was 26 %, compared to the 29 % in the same quarter of the previous year, impacted by increased investments into R&D, sales, and distribution and by the lower margin of the newly consolidated US business.

The **Hospital Information Systems (HIS)** segment showed strong revenue growth of 64 % to EUR 55 million (previous year: EUR 34 million) due to the acquisition of parts of the Cerner portfolio in 2020. The organic revenue growth of 8 % is based on a very good business development in Germany. The adjusted EBITDA amounted to EUR 7.6 million (previous year: EUR 4.2 million) with an operating margin of 14 % slightly above the previous year (13 %) despite additional investments.



The **Consumer & Health Management Information Systems (CHS)** segment increased revenues significantly by 33 % to EUR 34 million (previous year: EUR 25 million), among other things driven by the ongoing rollout of the Telematics Infrastructure (TI) to pharmacies. Excluding TI, the organic revenue increase was +9 %, mostly driven by a strong growth of the German data business. The adjusted EBITDA amounted to EUR 5.2 million and 6 % above the previous year's figure (EUR 4.9 million). The margin was down due to a higher share of TI hardware revenues and growth investments.

The **Pharmacy Information Systems (PCS)** segment posted revenues of EUR 28 million, slightly below the previous year (EUR 29 million) which had benefitted still from the Windows 10 rollout. Adjusted EBITDA decreased by EUR 0,9 million to EUR 8.0 million (previous year: EUR 8.9 million), due to higher investments.

The full quarterly report is available on the company's website at www.cgm.com/ir-publications.

About CompuGroup Medical SE & Co. KGaA

CompuGroup Medical is one of the leading e-health companies in the world. With a revenue base of EUR 837 million in 2020, its software products are designed to support all medical and organizational activities in doctors' offices, pharmacies, laboratories and hospitals. Its information services for all parties involved in the healthcare system and its web-based personal health records contribute towards safer and more efficient healthcare. CompuGroup Medical's services are based on a unique customer base of more than 1.6 million users, including doctors, dentists, pharmacists and other health professionals in inpatient and outpatient facilities. With locations in 18 countries and products in 56 countries worldwide, CompuGroup Medical is the e-health company with one of the highest coverages among e-health service providers. Approximately 8,000 highly qualified employees support customers with innovative solutions for the steadily growing demands of the healthcare system.