



CompuGroup Medical SE & Co. KGaA

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CompuGroup Medical: Strong second quarter with 10 % organic growth

- **Group revenues grow significantly by 34 % in the second quarter, thereof 10 % organic growth**
- **Adjusted EBITDA grows by 14 %, operating margin of 21 %**
- **Numerous solutions across Europe support doctors and medical staff in vaccination**
- **Strong performance of hospital business with 15 % organic growth**
- **Approval of next generation connector upgrade and continued successful Telematics Infrastructure (TI) rollout**
- **Full-year 2021 guidance confirmed**

Koblenz. CompuGroup Medical SE & Co. KGaA (CGM), one of the leading e-health providers in the world, is reporting a strong second quarter. The quarterly results published today prove the growing demand for digital solutions in healthcare for various markets, as highlighted by the ongoing pandemic. Accordingly, CGM recorded significant organic growth in the second quarter of 2021, driven – among others – by a strong organic revenue growth in the Hospital

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Information Systems (HIS) and Consumer and Health Management Information Systems (CHS) segments.

“The goal of our investment initiative that we started in the beginning of 2021 is to accelerate organic growth. The second quarter is a very good milestone towards this goal with an excellent organic growth of 10 %,” said Dr. Dirk Wössner, CEO of CompuGroup Medical. “We achieved an impressive performance in the hospital business, and we also see accelerating growth in our Ambulatory Information Systems segment, mostly driven by a strong European business. In addition, the rollout of modules supporting the electronic health record in Germany is contributing to this. We expect this trend to continue and accelerate in the second half of 2021.”

Michael Rauch, CFO of CompuGroup Medical, added, “Free cashflow for the first half year of 2021 grew significantly by 35 % compared to the previous year. Also, the accelerated organic growth and a further increase of EBITDA margin throughout the year demonstrate that we are on the right track. We are confirming our full year guidance.”

Group: Well on track with organic growth picking up

CGM recorded a strong second quarter with group revenues increasing by 34 % to EUR 241 million. Organically – i.e. adjusted for consolidation and currency effects – they rose by 10 %. Adjusted EBITDA increased by 14 % to EUR 51 million (previous year: EUR 45 million). The operating margin is 21 % after 25 % in the previous year due to the announced investments into further growth. Recurring revenues now amount to 67 % of total revenues within the Group, compared to 69 % in the second quarter of 2020.

In the first half of 2021, free cashflow reached EUR 65 million (previous year: EUR 48 million) – an increase of 35 % compared to the previous year. Free cashflow in Q2 was EUR -5.8 million (previous year: EUR -3.2 million) as expected. Consolidated net income in the second quarter



was EUR 17 million (previous year: EUR 16 million). Adjusted earnings per share (diluted) amounted to EUR 0.43 (previous year: EUR 0.38).

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: Strong development across the CGM business

Revenues in the **Ambulatory Information Systems** segment benefit from the well-performing eMDs merger in the US and increased by 24 % to EUR 115 million (previous year: EUR 93 million). Organically, revenues rose by 3 % to EUR 95 million driven by a strong performance of the European business. Recurring revenues amounted to 76 % of total revenues (previous year: 76 %). With EUR 29 million, adjusted EBITDA was slightly below the previous year (EUR 31 million). CGM supported its customers with numerous solutions for vaccination management. After launching a freemium offer for vaccination management with the module ImpfdocNE, CGM successfully participated in a tender of the German Ministry of Health to roll out an add-on tool to create vaccination certificates in doctors' software. In addition, the AIS segment successfully launched software packages to enable handling electronic health records in doctors' offices.

The **Hospital Information Systems** segment showed a revenue growth of 86 % to EUR 62 million (previous year: EUR 33 million), while adjusted EBITDA grew by 145 % to EUR 13 million (previous year: EUR 5.4 million). The excellent organic revenue growth of 15 % is attributable to a strong performance in Germany, Poland and the Laboratory Information Systems business. Further growth effects are expected to result from a high number of leads related to the Hospital Future Act in Germany and from major orders including Kantonsspital Graubünden in Switzerland and the Murcia region in Spain with ten participating hospitals. In June, CGM strengthened its profile in the HIS business with the acquisition of VISUS Health IT,



one of the leading providers for Picture Archiving and Communication Systems (PACS) and Healthcare Content Management.

The **Consumer & Health Management Information Systems** segment increased revenues by 41 % to EUR 36 million (previous year: EUR 25 million). Organic revenues grew by an impressive 42 % to EUR 36 million (previous year: EUR 25 million). This development was significantly driven by Telematics Infrastructure with strong card reader sales and the continued rollout to pharmacies in Germany. After the approval from gematik for the nationwide rollout of CGM's KoCoBox MED+ as a connector for the electronic health record, further revenue growth is expected for the second half of 2021. Excluding TI growth, the organic revenue increase was 10 %, mostly driven by a strong performance in data solutions. Adjusted EBITDA amounted to EUR 5.7 million and 31 % above the previous year's figure (EUR 4.4 million).

The **Pharmacy Information Systems** segment recorded an adjusted EBITDA growth by 12 % to EUR 8.4 million (previous year: EUR 7.5 million) in the second quarter of 2021 with an operating margin of 29 % (previous year: 26 %). Both are based on revenues of EUR 28 million, slightly below the previous year (EUR 29 million). The share of recurring revenues increased from 66 % to 69 %.

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 healthcare 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 healthcare professionals. Approximately 8,500 highly qualified employees support customers with innovative solutions for the steadily growing demands of the healthcare system.

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