



Preliminary FY 2023 Investor & Analyst Call

Michael Rauch, CEO
February 7, 2024



Disclaimer

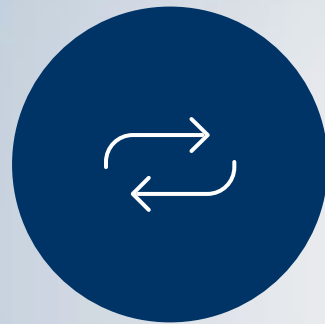
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FY 2023 with double-digit adj. EBITDA and adj. EPS growth



+5%

revenue growth
(4.3% organic
5.3% ex TI)



69%

recurring revenue
share (+4ppt)



+13%

adj. EBITDA
growth



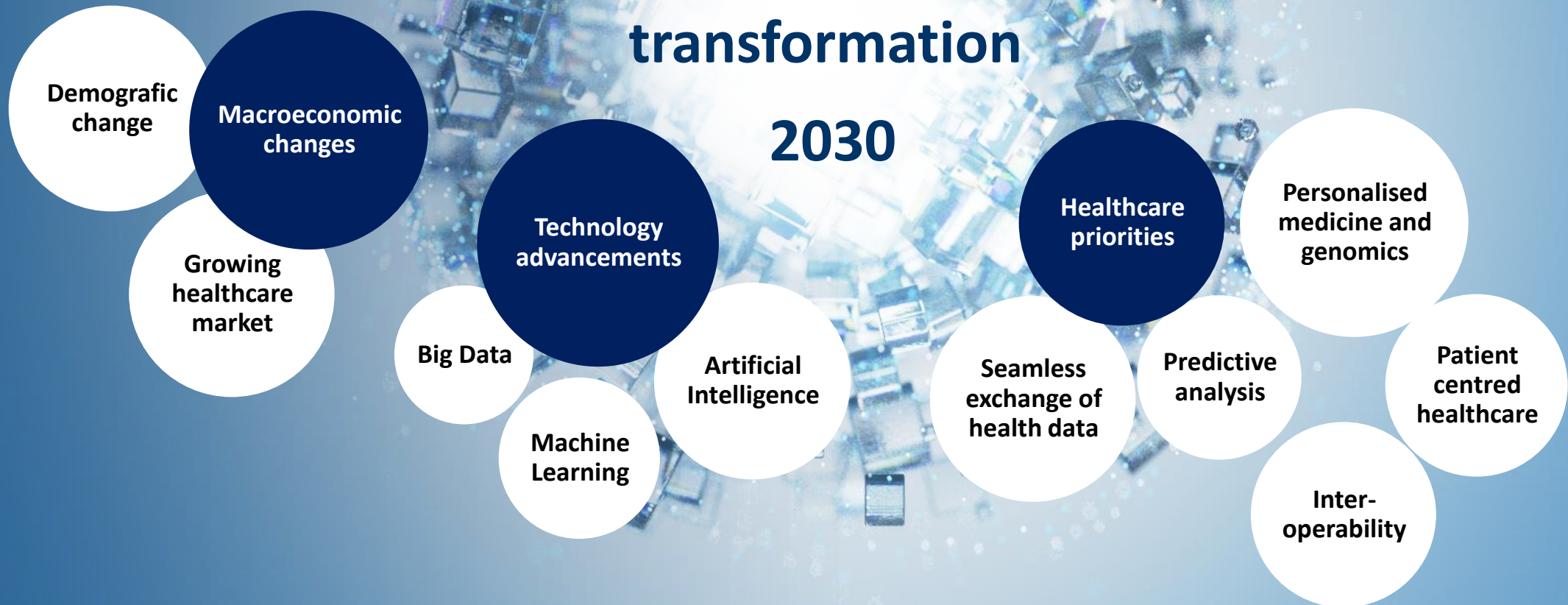
+14%

adj. EPS
growth

Living in times of great opportunities

Healthcare market transformation

2030



Technology and data revolutionizing healthcare

5
DAYS

after release ChatGPT
reached 1 million users

72
DAYS

time medical knowledge
doubles

90
PERCENT

accuracy of AI-driven
algorithms in detecting
cancer on mammograms

PURPOSE

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

Frank Gotthardt, Founder CompuGroup Medical



Driving connected healthcare – servicing the entire customer base



Fully powered by AI

Speech
navigation

Advancing
software
usability

Chatbot
for
support

Automized
image
analysis

Computer-
aided
detection &
diagnosis

Real-time
medical
decision
support

Alerts for
critical
conditions

Detection
of rare
diseases

Instant
documentation &
automated
re-imbursement

Interconnected
live
background
documentation
of patient visit

Optimization
of billing
process



We have unparalleled strengths

**We have superior market and
R&D expertise**

**We have a unique
data base and
e-health ecosystem**

**We follow a full
service approach**

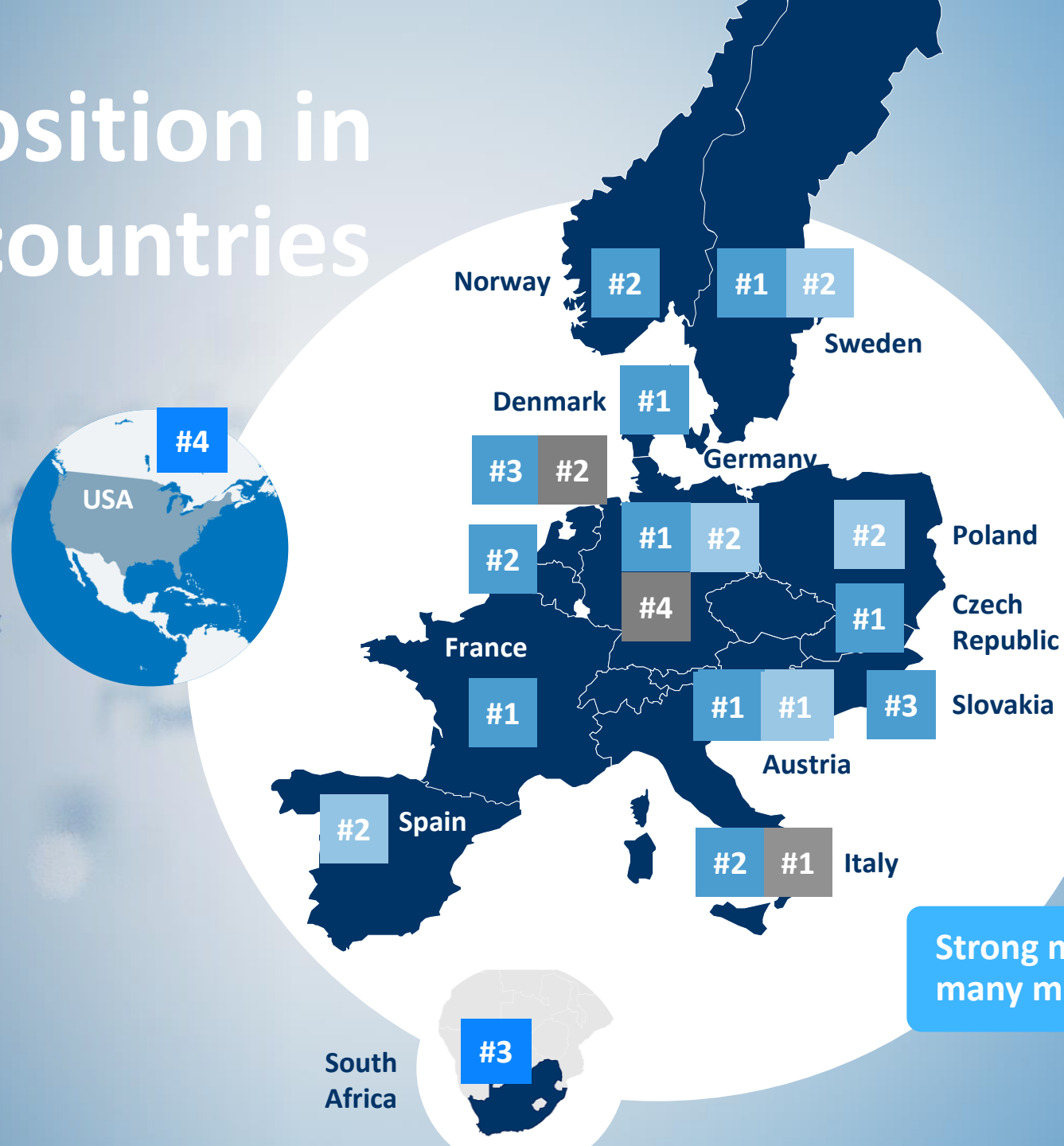


**We cover the full
value chain**

**We have excellent customer
relationships and are a
partner for decades**

**World class, next-generation
medical software and services**

Excellent position in numerous countries



Strong momentum in many markets

Accelerating our performance



Excellence in:

People

Technology

Quality

Performance

Fully **embracing AI opportunities** to improve the way our customers work and the way we work

Unleashing the **full potential** of next generation **technology** by continuously investing into future-proof **team skills, people development and tools**

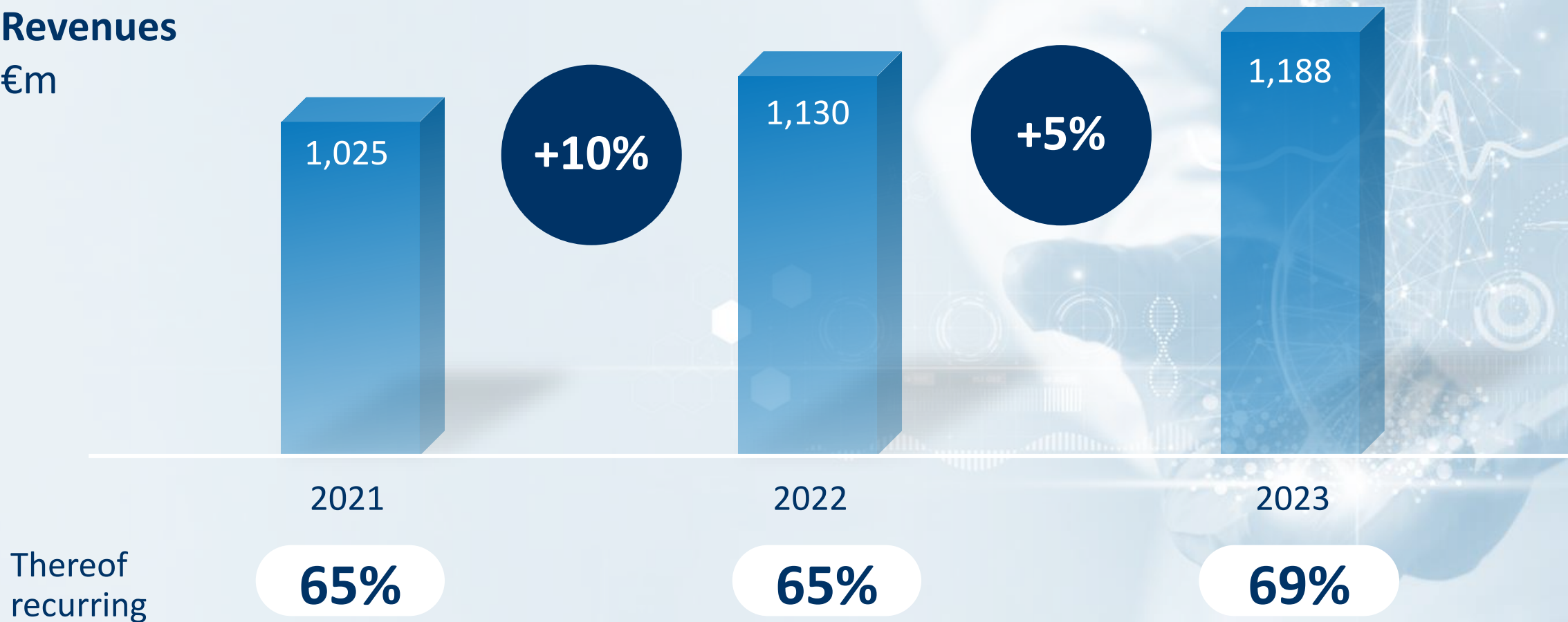
Driving efficiencies through laser-sharp **focus on quality and performance excellence**

AMBITION

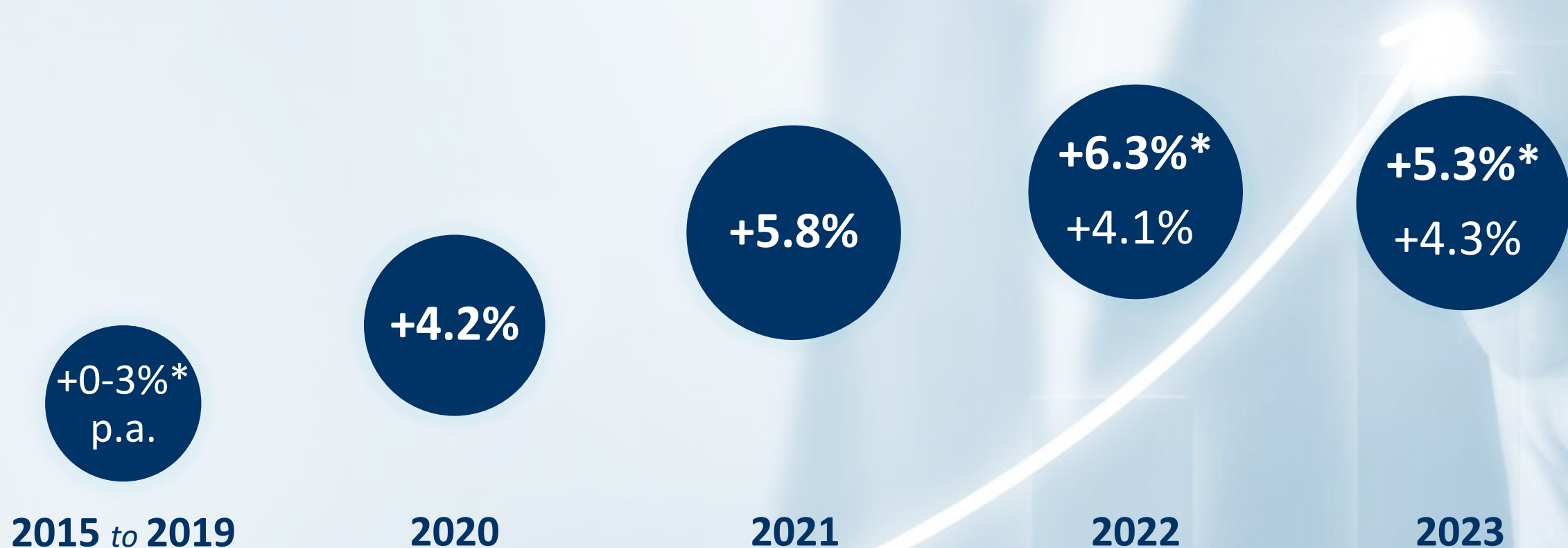
**WE ARE
THE LEADING
MEDICAL SOFTWARE
COMPANY**

Excellent top line growth and high recurring revenue share

Revenues
€m



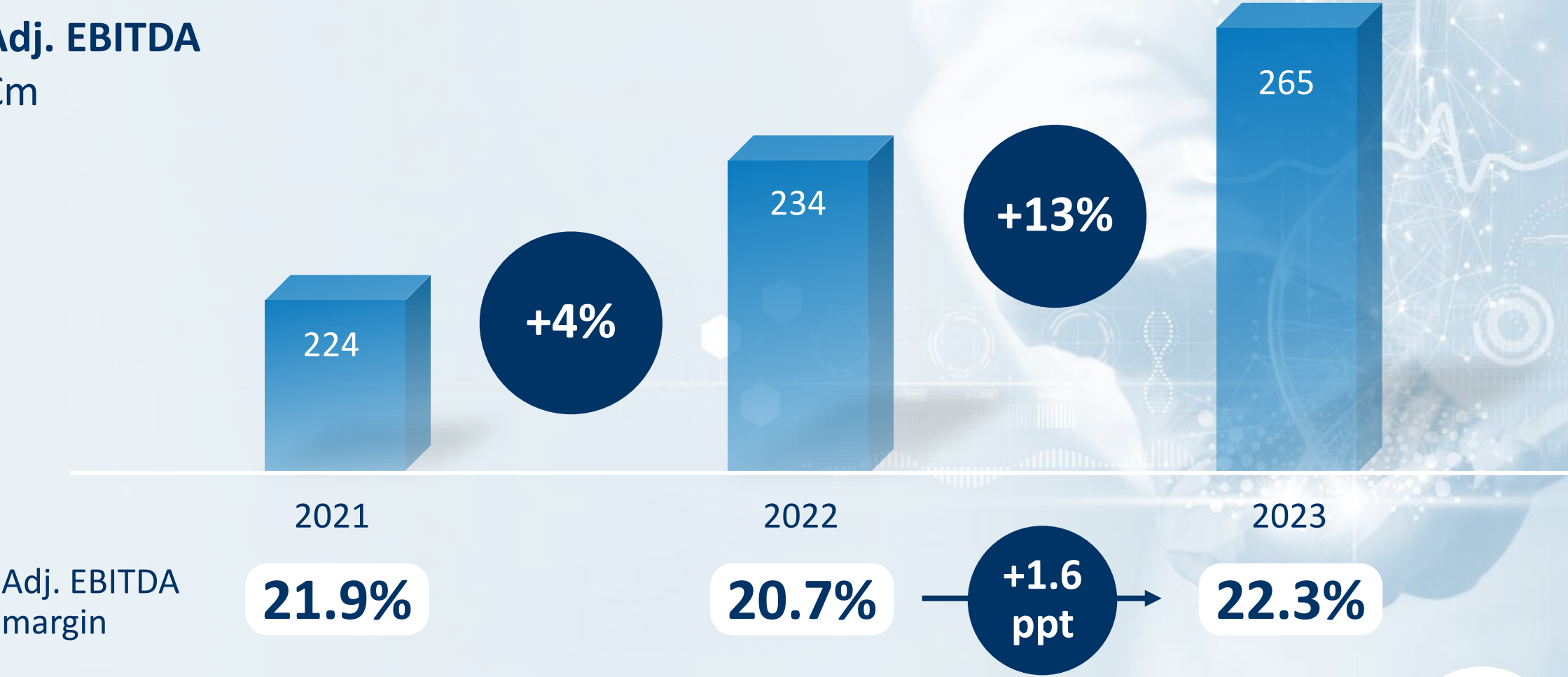
Organic growth sustainably on a new level



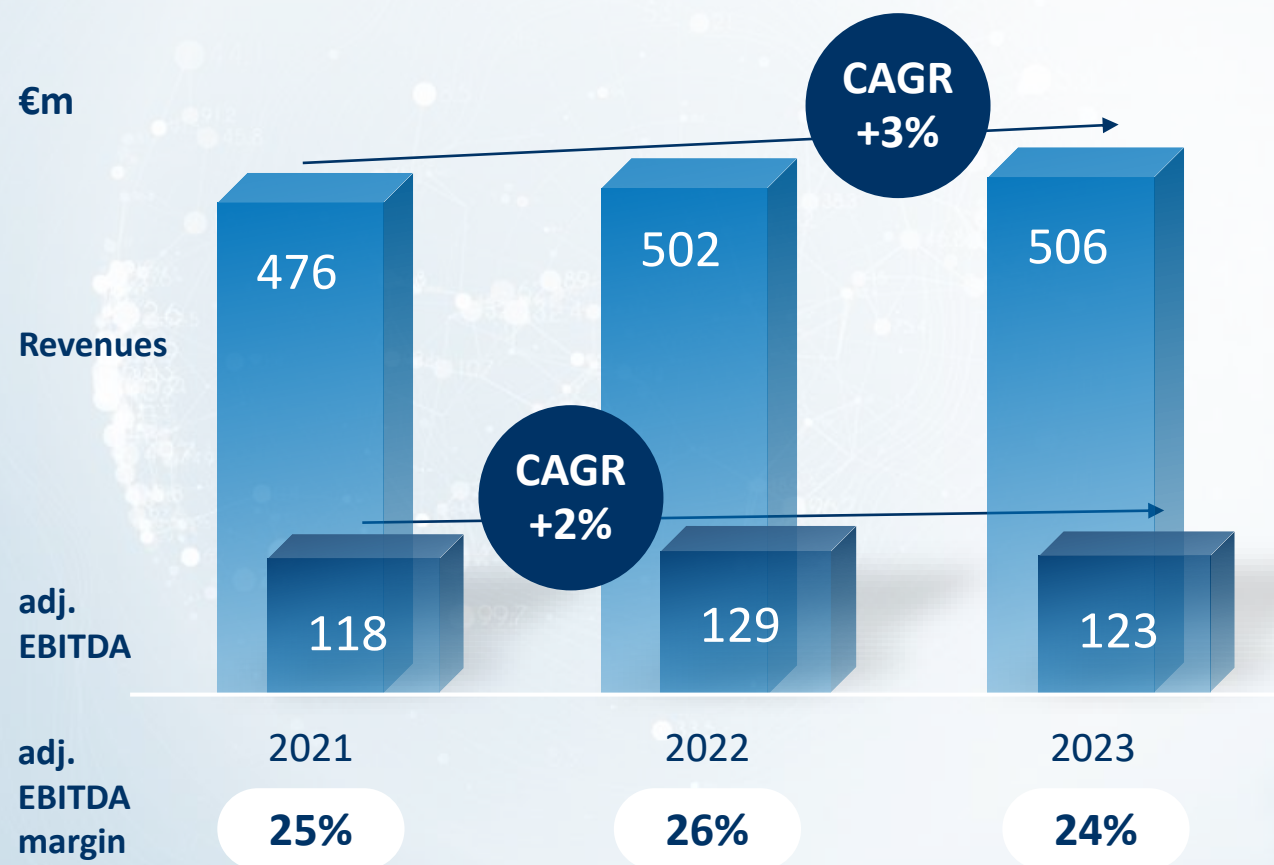
*incl. TI adjustments

Progressing with margin uplift

Adj. EBITDA
€m



Ambulatory business drives digitization further



Excellent performance of US business

- Organic growth above segment average
- RCM with excellent customer ratings

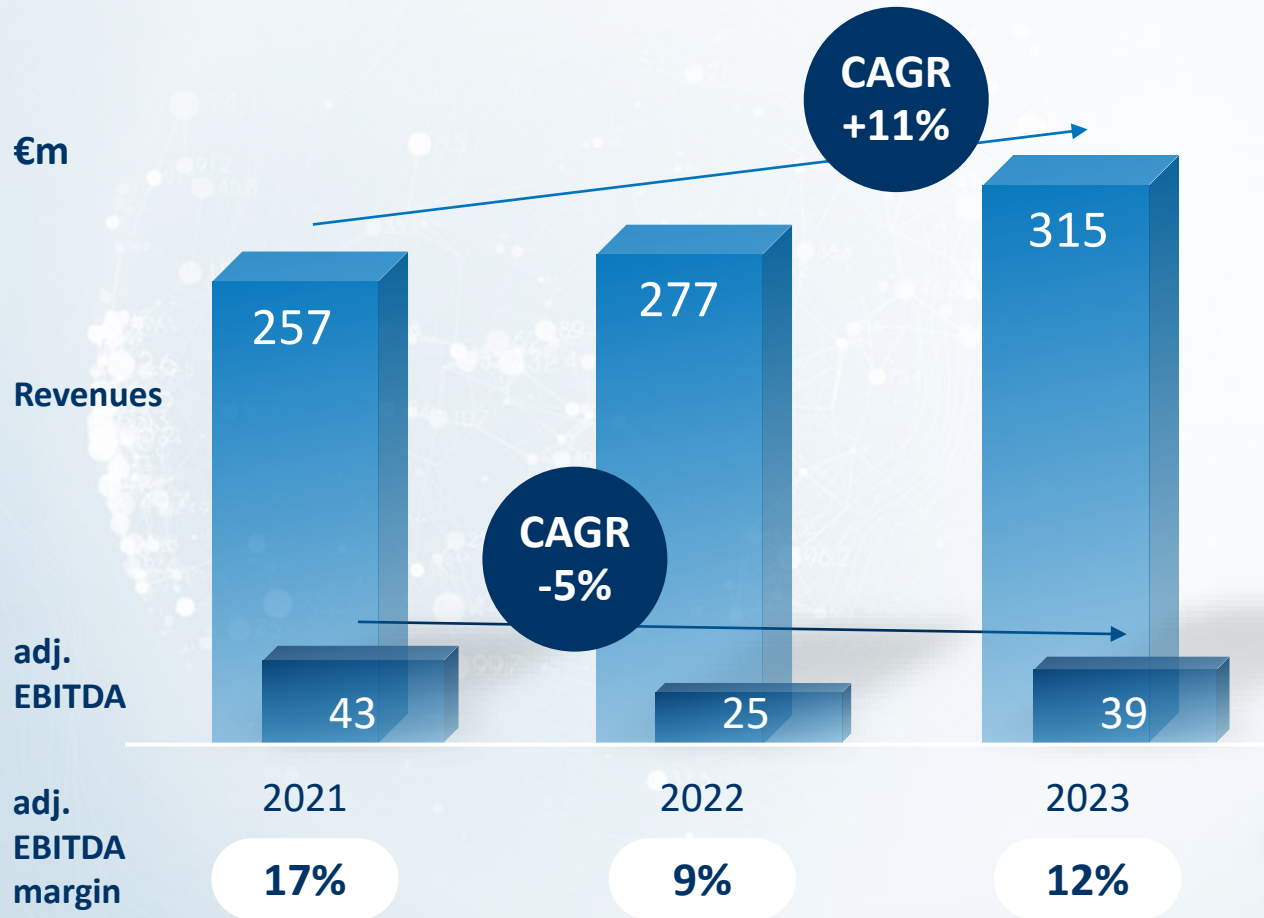
Germany with increasing module demand

- Billing modules driving growth in dental
- Accelerating TI module rollout in practices

Growing relevance of CGM network

- More than 15m e-prescriptions processed in 2024 within CGM's AIS
- Transmission of eRX via CLICKDOC doubles within 4 weeks

Hospital business delivered growth and margin rebound



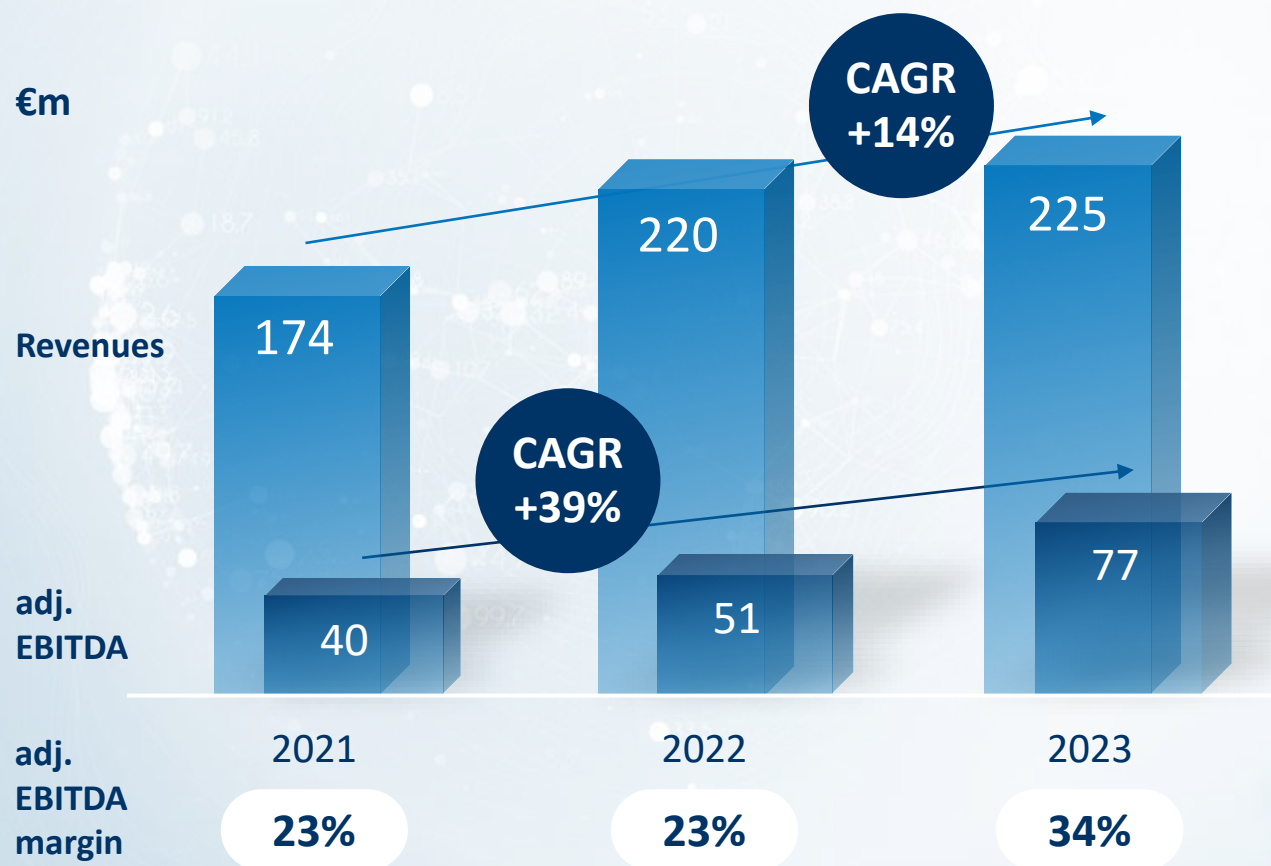
Hospital Future Act projects well on track

- Project application phase **successfully** completed
- Revenue recognition is speeding up

Strong execution in 2023

- Organic growth of 14% yoy
- Clear **margin rebound** in H2
- **Customer wins** across all regions
- Strong position to execute on **additional growth opportunities**

CHS: profitable growth and step-up in recurring revenue



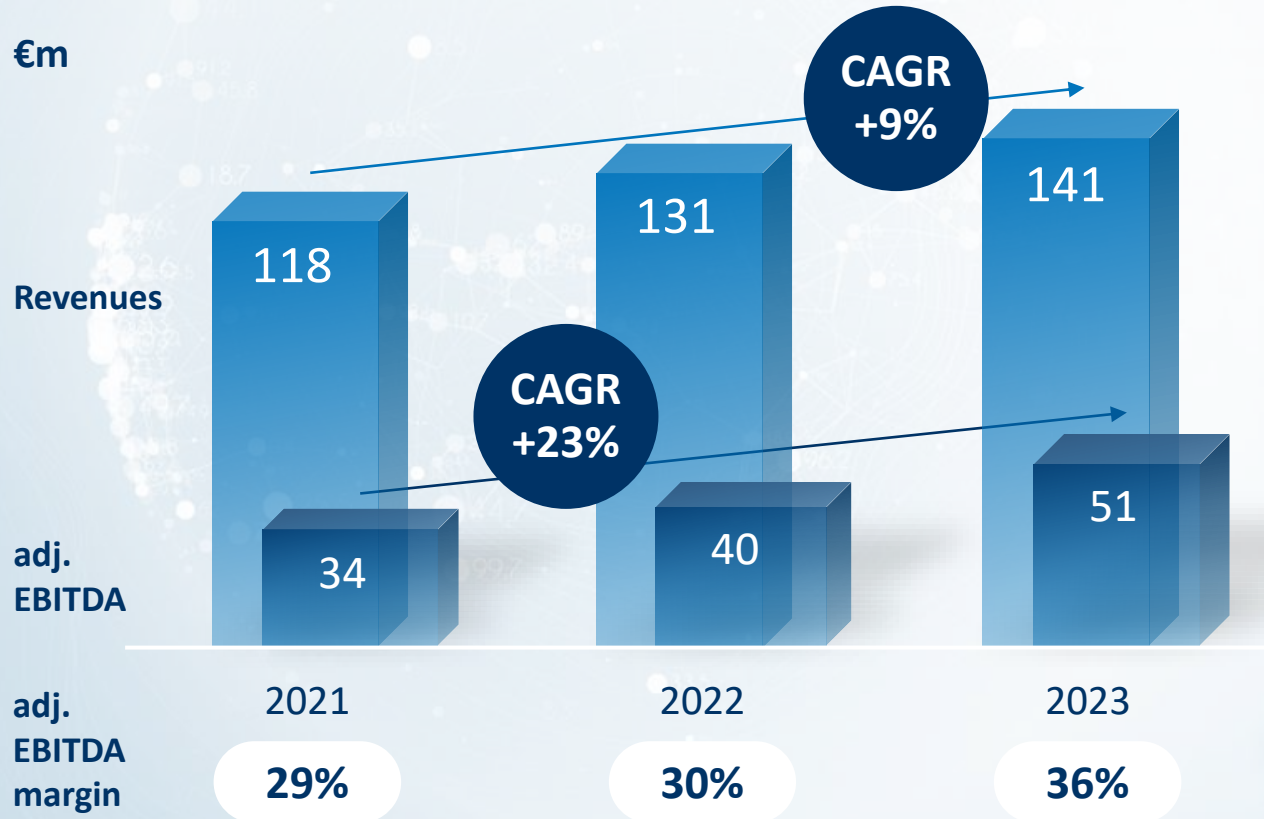
Telematics Infrastructure

- Successful implementation of **TI flat rate** boosting recurring revenue share from 32% to 51%
- **Margin improvement** supported by one-time TI upgrade in Q2

Expanding data-based solutions in 2023

- Driving progress in **data-based solutions** for practices
- **AI initiative** enhancing data portfolio
- Integration of CHS into AIS segment drives **digitization** even further

PCS with outstanding performance and record profitability



Excellent performance

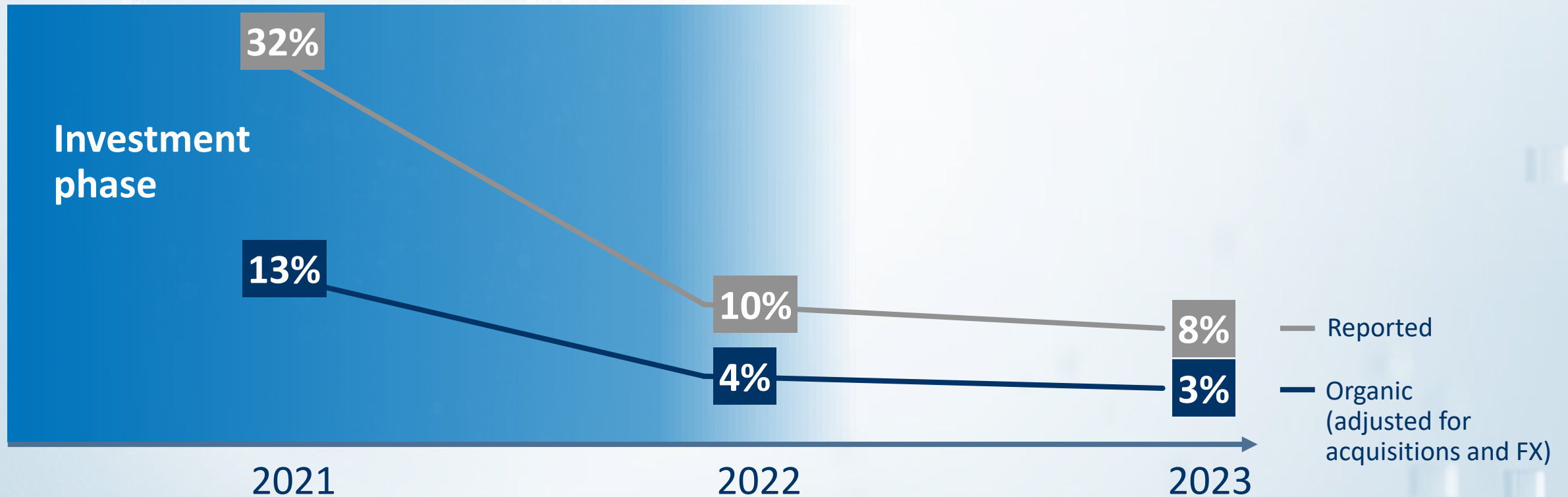
- Enabling **next level digitization** in Italy and Germany
- **Strong development** in Italy and additional hardware business in Germany
- **Around 6m e-prescriptions processed** in January 2024 within CGM's PCS

Above-average growth & record margin

- **Revenues** up by 8% yoy
- **Record margin** of 36% supported by value-based sales and ongoing cost efficiencies

Personnel expenses contained post investment phase

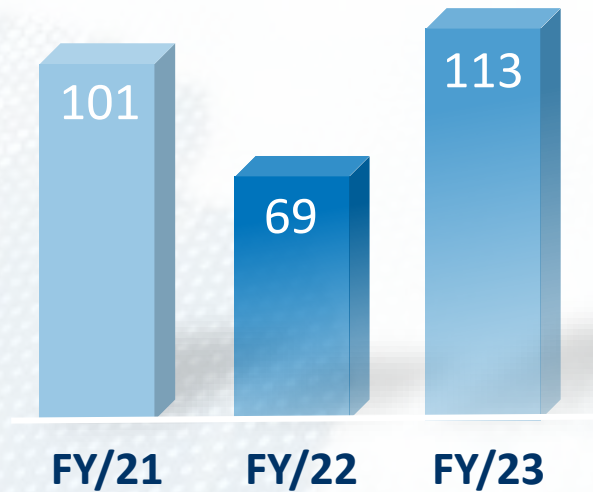
Increase of personnel expenses yoy



Return to free cash flow above €100m

Free cash flow

€m



- **Free cash flow fully restored** after inventory-to-cash progress
- Improved **working capital management**

Significant reduction of leverage from 3.1x to 2.8x in 2023

New CFO Daniela Hommel started February 1, 2024



Focus areas

Cash management

- Working Capital management & debt reduction

Cost focus

- R&D efficiency

ESG

- Path towards Carbon Net Zero

Best in class finance processes powered by AI

- Finance, reporting & backbone functions

Group guidance 2024

	FY 2023 actuals	Guidance 2024*
Organic growth yoy	4.3% / 5.3% ex TI ✓	4% - 6%
Adj. EBITDA	€265m ✓	€270m - €310m
Recurring revenue share	69% ✓	65% - 70%
Adj. EPS	€2.06 ✓	~+10% yoy
FCF	€113m ✓	€70m - €100m

Guidance 2023 achieved

*2024 planning assumption of USD/EUR of 1.11

Segment guidance 2024 - Organic revenue growth

	FY 2023 revenue ACT	FY 2024 organic growth guidance
AIS	€732m	low to mid-single digit %
HIS	€315m	mid to high-single digit %
PCS	€141m	low to mid-single digit %

MISSION

WE CREATE THE FUTURE OF E-HEALTH



Q&A

PLEASE PRESS *1 TO ASK QUESTIONS

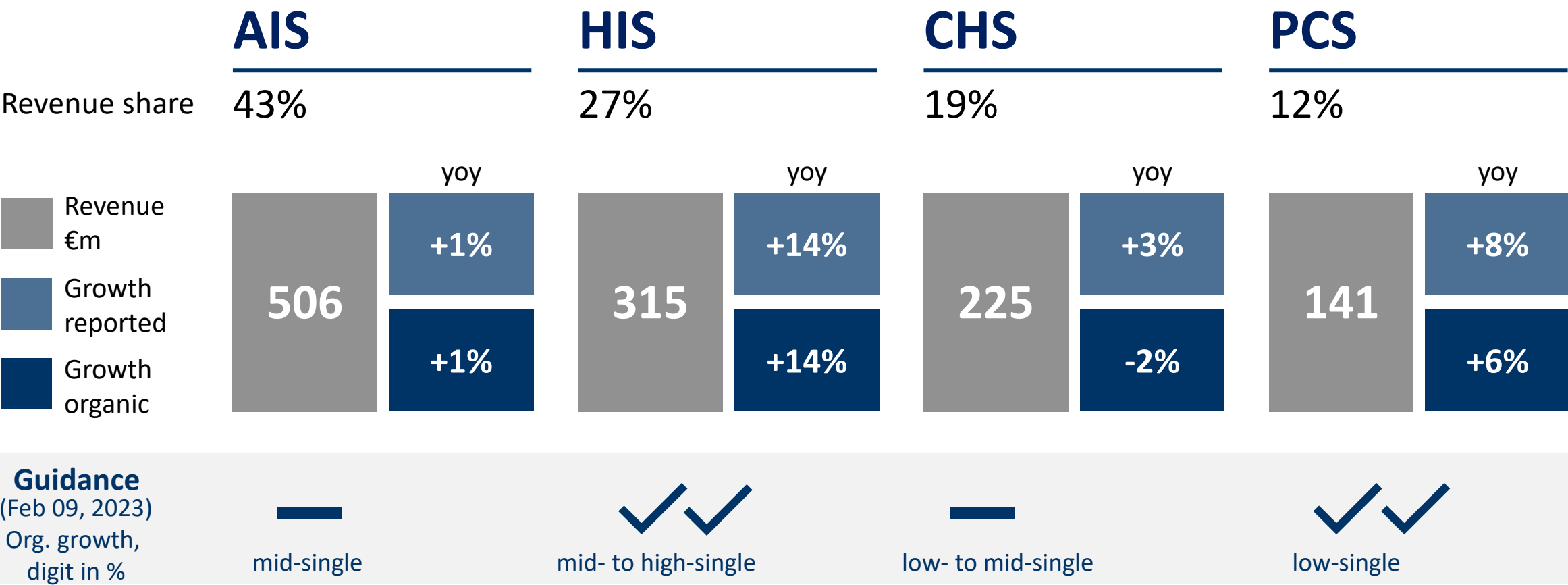


Strong financial performance in Q4 and FY 2023



FY	€1,188m (+5%yoy)	69% (+4ppt)	+4.3% (+0.2ppt)	€265m (+13%yoy)	22% (+1ppt)	€2.06 (PY: €1.80)	€113m (PY: €69m)
Q4	€307m (-6%yoy)	69% (+12ppt)	-5.2% (-16ppt)	€69m (+2%yoy)	23% (+2ppt)	€0.56 (PY: €0.47)	€23m (PY: €45m)
	Revenue	Recurring rev share	Organic growth	Adj. EBITDA	Margin	Adj. EPS	FCF

HIS and PCS with outstanding performance



Organic growth – 2023 in quarters

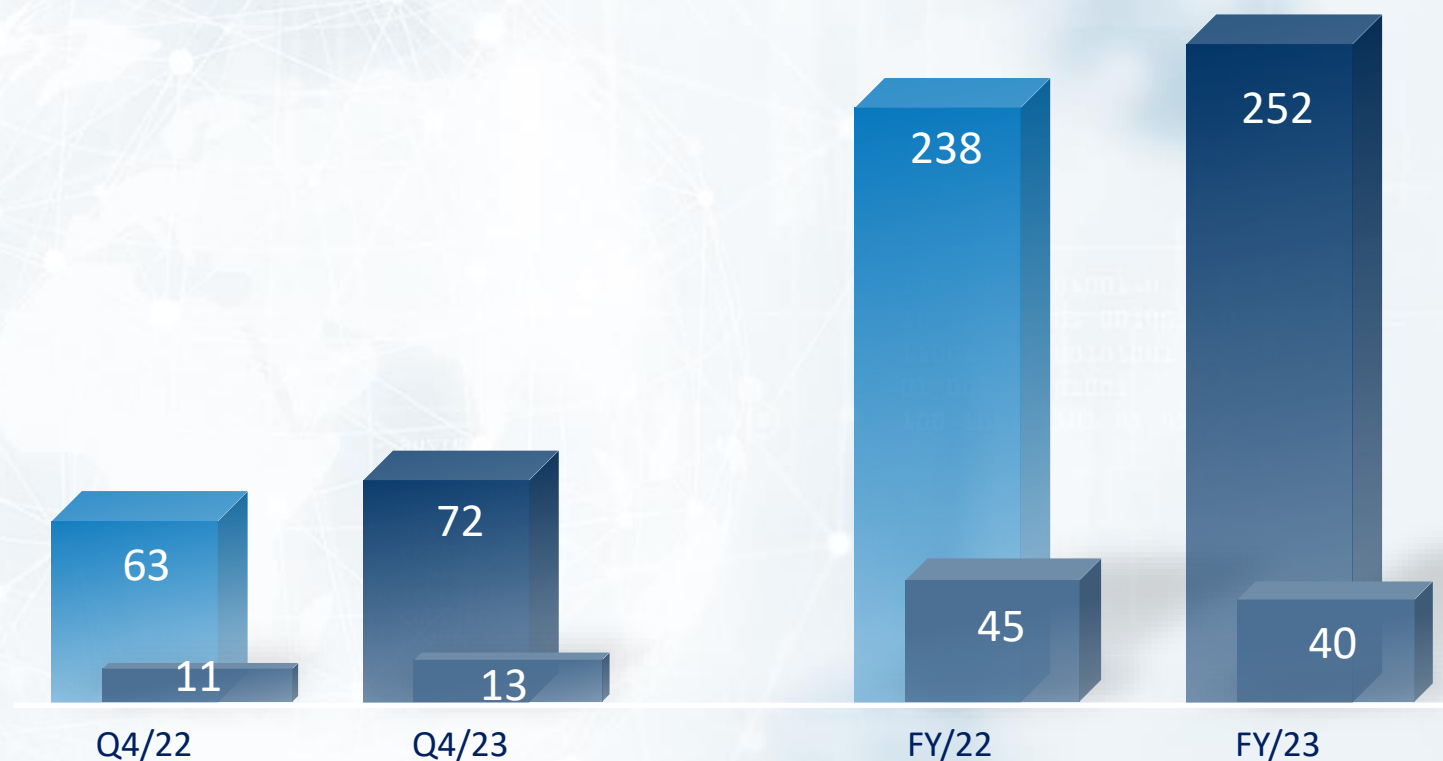
Org. growth in % yoy	FY2021	FY2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Group	6%	4%	11% 6% ex TI	13% 5% ex TI	1.5% 7% ex TI	-5% 4% ex TI	4.3% 5.3 ex TI
AIS	4%	1%	2%	2%	4%	-4%	1%
HIS	8%	3%	11%	10%	14%	22%	14%
CHS	10% 9% excl. TI	12% 4% excl. TI	37% 1% excl. TI	59% 5% excl. TI	-22% -3% excl. TI	-33% -1% excl. TI	-2%
PCS	1%	7%	11%	5%	8%	1%	6%

R&D intensity stable after investment phase

In €m

Total R&D expenses

Thereof capex



In % of revenues

Q4

FY

2023

23%

21%

2022

19%

21%

R&D amortization: €15.4m in Q4/2023 and €4.1m in Q4/2022
€26.5m in 2023 and €12.6m in 2022

Adjustment principles for EBITDA and EPS (since January 2020)

- **M&A/Transactions** (for M&A since Jan 2020 and >€50m transaction volume)
 - Financial impact from major 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 allocations
- **Share-based option programs**
 - Accounting impacts of share-based option programs for managing directors
- **Restructuring expenses**
- **Tax impacts on above mentioned adjustment effects**
- **Other non-operative, extraordinary or prior period one-time effects**

Q4/2023 Net income adjustments

€m	Q4/23	Q4/22
EBITDA adjusted	69.5	67.9
Depreciation & amortization (incl. PPA)	-36.6	-30.7
PPA effects on depreciation & amortization (for M&A since Jan 1, 2020 & >50m transaction volume)	6.2	6.5
Other non-operative, extraordinary or prior period one-time effects	11,5	0,0
EBIT adjusted	50.6	43.7
Financial result	-6.7	-10.5
Income taxes	-14.1	-7.9
Net income adjusted	29.8	25.3
EPS adjusted, diluted (€)	0.56	0.47
Depreciation & amortization of PPA (for M&A since Jan 1, 2020 & >50m transaction volume)	-6.2	-6.5
M&A related adjustments	-0.6	-0.7
Share-based option programs	-0.3	-0.8
Restructuring expenses	-26.1	0.0
Other non-operative, extraordinary or prior period one-time effects*	-29.4	-6.2
Taxes attributable to these effects	17.3	3.2
Net income	-15.5	14.3

*including interest cap effect

Q4/2023 EBITDA bridges to adjusted EBITDA (non-IFRS) and EBIT

€m	Q4/23	Q4/22
EBITDA reported	35.1	66.4
M&A transactions	0.6	0.7
Share-based option programs	0.3	0.8
Restructuring expenses	26.1	0.0
Other non-operative, extraordinary or prior period one-time effects	7.4	0.0
EBITDA adjusted	69.5	67.9

€m	Q4/23	Q4/22
EBITDA reported	35.1	66.4
Depreciation & amortization (ex PPA)	-25.5	-19.4
PPA effects on depreciation & amortization	-11.1	-11.2
<i>Thereof PPA adjustments (for M&A since Jan 1, 2020 & >50m transaction volume)</i>	-6.2	-6.5
EBIT reported	-1.5	35.8

Q4/2023 P&L Group

€m	Q4/23	Q4/22
Revenues	306.9	327.7
Capitalized own services / other operating income	22.1	21.0
Expenses for goods & services purchased	-63.6	-71.2
Personnel expenses	-169.3	-142.8
Other operating expenses	-61.0	-68.3
EBITDA reported	35.1	66.4
Depreciation & amortization	-36.6	-30.6
EBIT	-1.5	35.8
Financial result	-17.2	-16.8
EBT	-18.7	19.0
Income taxes	3.2	-4.7
Net income	-15.5	14.3
Non-controlling interest	0.4	0.5
EPS reported, diluted (€)	-0.30	0.26

FY/2023 Net income adjustments

€m	FY/23	FY/22
EBITDA adjusted	264.7	234.0
Depreciation & amortization (incl. PPA)	-115.8	-112.3
PPA effects on depreciation & amortization (for M&A since Jan 1, 2020 & >50m transaction volume)	24.9	26.8
Other non-operative, extraordinary or prior period one-time effects	11.5	0.0
EBIT adjusted	185.3	148.5
Financial result	-28.5	-16.8
Income taxes	-48.0	-36.8
Net income adjusted	108.8	94.9
EPS adjusted, diluted (€)	2.06	1.80
Depreciation & amortization of PPA (for M&A since Jan 1, 2020 & >50m transaction volume)	-24.9	-26.8
M&A related adjustments	-3.5	-2.8
Share-based option programs	7.0	-2.7
Restructuring expenses	-26.0	-3.4
Other non-operative, extraordinary or prior period one-time effects*	-36.5	10.8
Taxes attributable to these effects	22.2	4.1
Net income	46.9	74.1

*Including interest cap effect



FY/2023 EBITDA bridges to adjusted EBITDA (non-IFRS) and EBIT

€m	FY/23	FY/22
EBITDA reported	229.8	216.4
M&A transactions	3.5	2.8
Share-based option programs	-7.0	2.7
Restructuring expenses	26.0	3.4
Other non-operative, extraordinary or prior period one-time effects	12.4	8.7
EBITDA adjusted	264.7	234.0

€m	FY/23	FY/22
EBITDA reported	229.8	216.4
Depreciation & amortization (ex PPA)	-72.3	-66.4
PPA effects on depreciation & amortization	-43.5	-46.0
<i>Thereof PPA adjustments (for M&A since Jan 1, 2020 & >50m transaction volume)</i>	-24.9	-26.8
EBIT reported	114.0	104.0

FY/2023 P&L Group

€m	FY/23	FY/22
Revenues	1,187.7	1,129.7
Capitalized own services / other operating income	69.0	64.2
Expenses for goods & services purchased	-222.7	-216.4
Personnel expenses	-590.4	-546.7
Other operating expenses	-213.8	-214.5
EBITDA reported	229.8	216.4
Depreciation & amortization	-115.8	-112.4
EBIT	114.0	104.0
Financial result	-41.3	2.8
EBT	72.7	106.8
Income taxes	-25.8	-32.7
Net income	46.9	74.1
Non-controlling interest	1.0	0.7
EPS reported, diluted (€)	0.88	1.40

New AIS segment reporting 2024 (based on FY 23 numbers)

FY 2023 based on old segment structure

Segment	Revenue	adj. EBITDA	Margin
AIS	€506m	€123m	24%
CHS	€225m	€77m	34%

as of
financial
year 2023

FY 2023 based on new segment structure

Segment	Revenue	adj. EBITDA	Margin
New AIS	€732m	€196*	27%

*including minor reclassifications between Other and the new AIS segment

Segment reporting as of 2024 – pro forma 2023

	AIS FY/2023 new*				
	Revenues (€m)	Recurring revenue (%)	Organic growth	EBITDA adj. (€m)	EBITDA adj. margin
FY	732	70%	0%	196	27%
Q1	183	68%	10%	43	24%
Q2	194	66%	16%	59	30%
Q3	172	74%	-5%	42	24%
Q4	183	73%	-15%	52	28%

New segment structure

*including minor reclassifications between Other and the new AIS segment

Investor Relations contact

For further information please contact

Claudia Thomé

Senior Vice President Investor Relations

T: +49 (0) 160 3630362

claudia.thome@cgm.com

Frederic Freichel

Senior Manager Investor Relations

T: +49 (0) 170 3759834

frederic.freichel@cgm.com

CompuGroup Medical SE & Co. KGaA

Maria Trost 21

56070 Koblenz

Germany

E-Mail: investor@cgm.com

ISIN DE000A288904

WKN A28890

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