

CompuGroup Medical

Investor Relations
May 2023



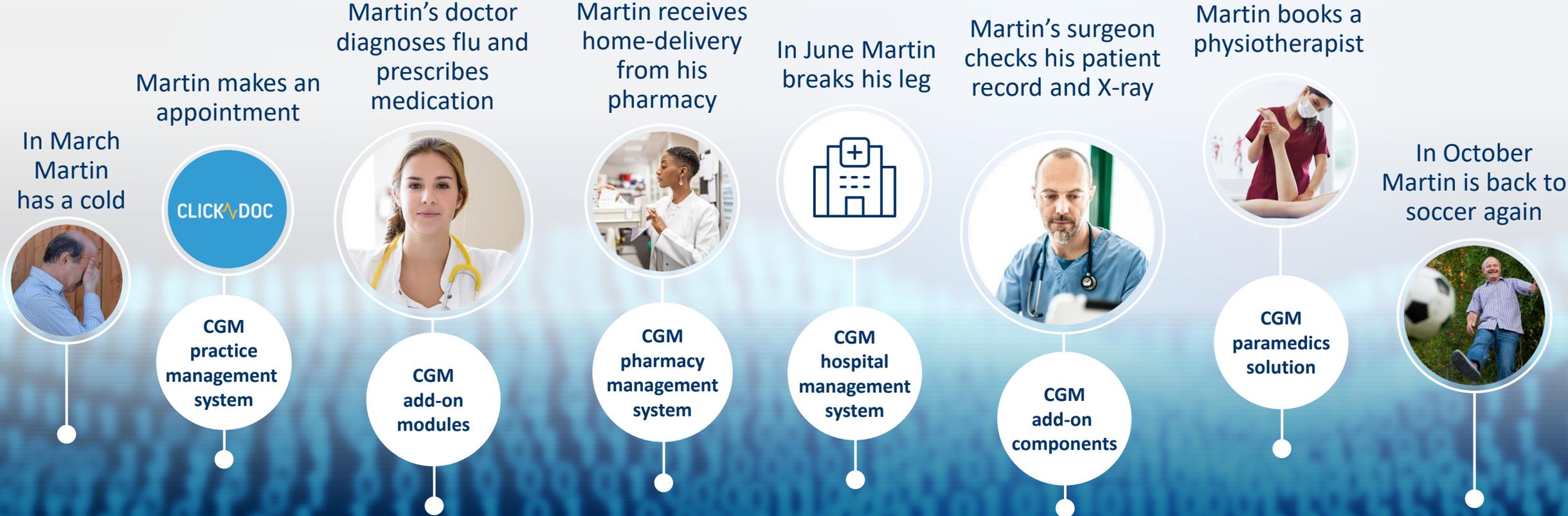
Disclaimer

The information provided in this presentation pertaining to CompuGroup Medical SE & Co. KGaA (the "Company"), comprise the written materials/slides for presentations or discussions on the occasion of an investor conference, meeting or conference call ("Meeting"). Whilst all reasonable care has been taken to ensure that the information and facts stated herein as well as oral statements made in the Meeting are accurate and that the opinions and expectations contained herein and orally received during the Meeting are fair and reasonable, no representation or warranty, express or implied, is given by or on behalf of the Company, any of its board members, or any other person as to the accuracy or completeness of the information and/or opinions and no liability as to the accuracy of such information and/or opinions is accepted. The information provided in this presentation as well as during the Meeting contain forward looking statements which involve risks and uncertainties. These forward-looking statements speak only as of the date of the documents and are based on numerous assumptions which may or may not prove to be correct. The actual performance and results of the business of the Company could differ materially from the performance and results discussed in this document or in any other information received during the Meeting. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements or other information contained herein or received during the Meeting whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Readers are cautioned not to place undue reliance on forward-looking statements or financial projections. The information contained in this presentation and/or received during the Meeting does not constitute or form any part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision in relation thereto.

Purpose

“ NOBODY SHOULD SUFFER OR DIE BECAUSE AT SOME POINT MEDICAL INFORMATION WAS MISSING.”

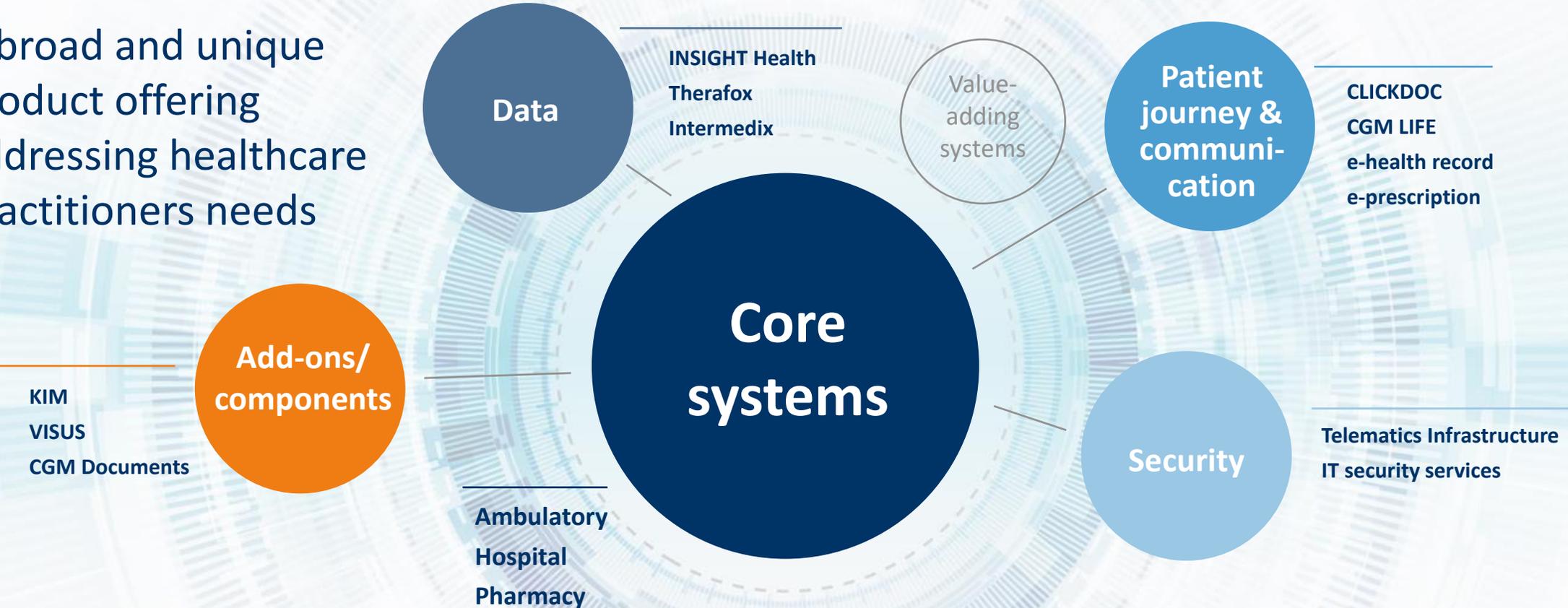
Physicians are the ultimate navigator of the patient



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

Our comprehensive product portfolio serves the entire healthcare market

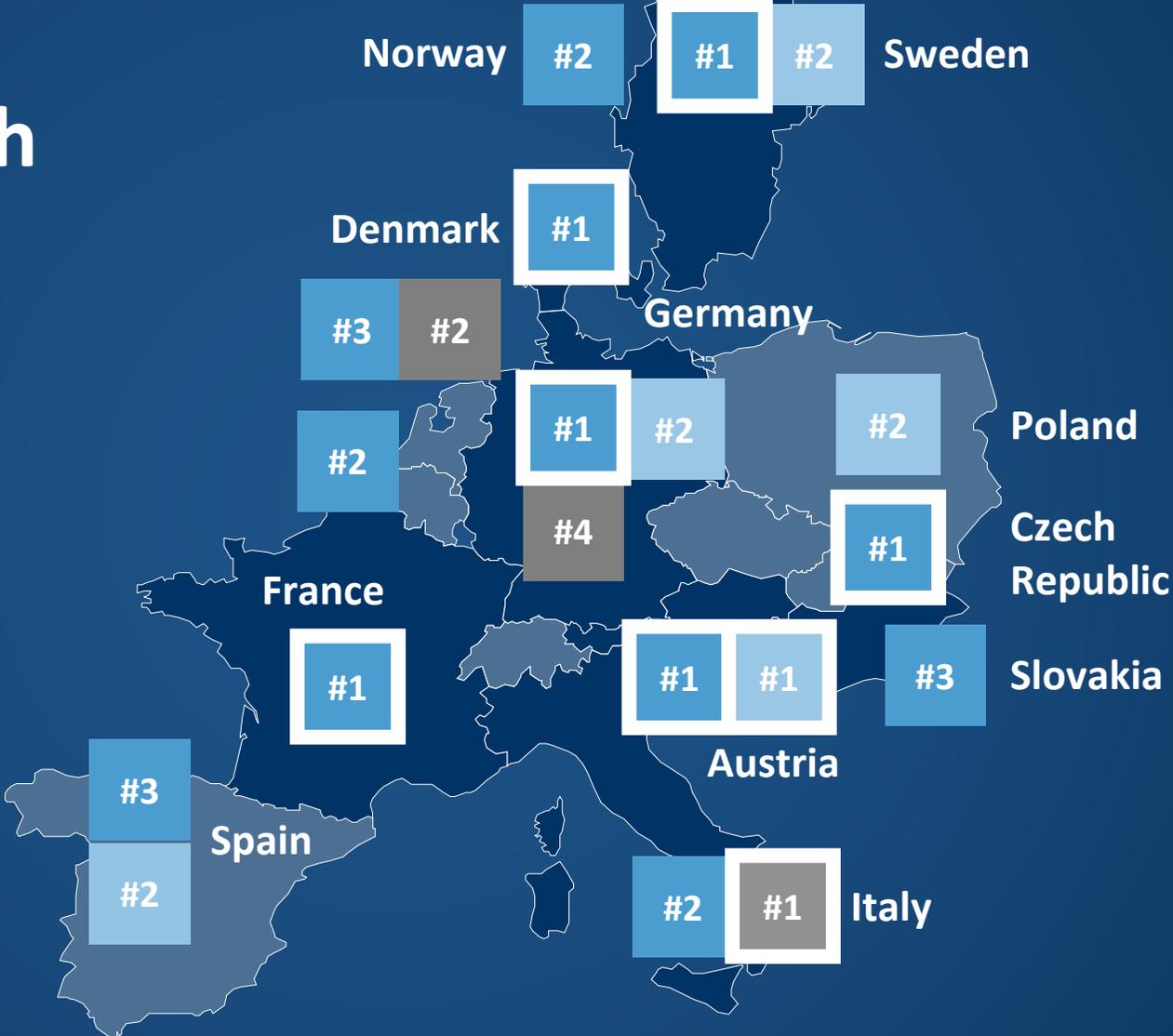
A broad and unique product offering addressing healthcare practitioners needs



Attractive growth market e-health



We operate from a position of strength



CGM with unparalleled depth of domain expertise



 **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.

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

Intelligent data solutions for the healthcare sector



Medicine increasingly complex and individualized



Physical medical care is being consistently reduced



Legally compliant support for physicians in medical decisions



New solutions through artificial intelligence

**Growing
market
potential**

Our growth drivers

01

Innovate on a
scalable platform

AIS
business

02

Transform
organization

HIS
business

03

Enable seamless patient
journeys and data flows

Telematics
Infrastructure
&
PCS business

Innovative
data services

In 2022, we delivered another record year

€1,025m
revenues

€224m
EBITDA adj.

2021

€1,130m
revenues

€234m
EBITDA adj.

2022

10% revenue growth

4.1% organic growth

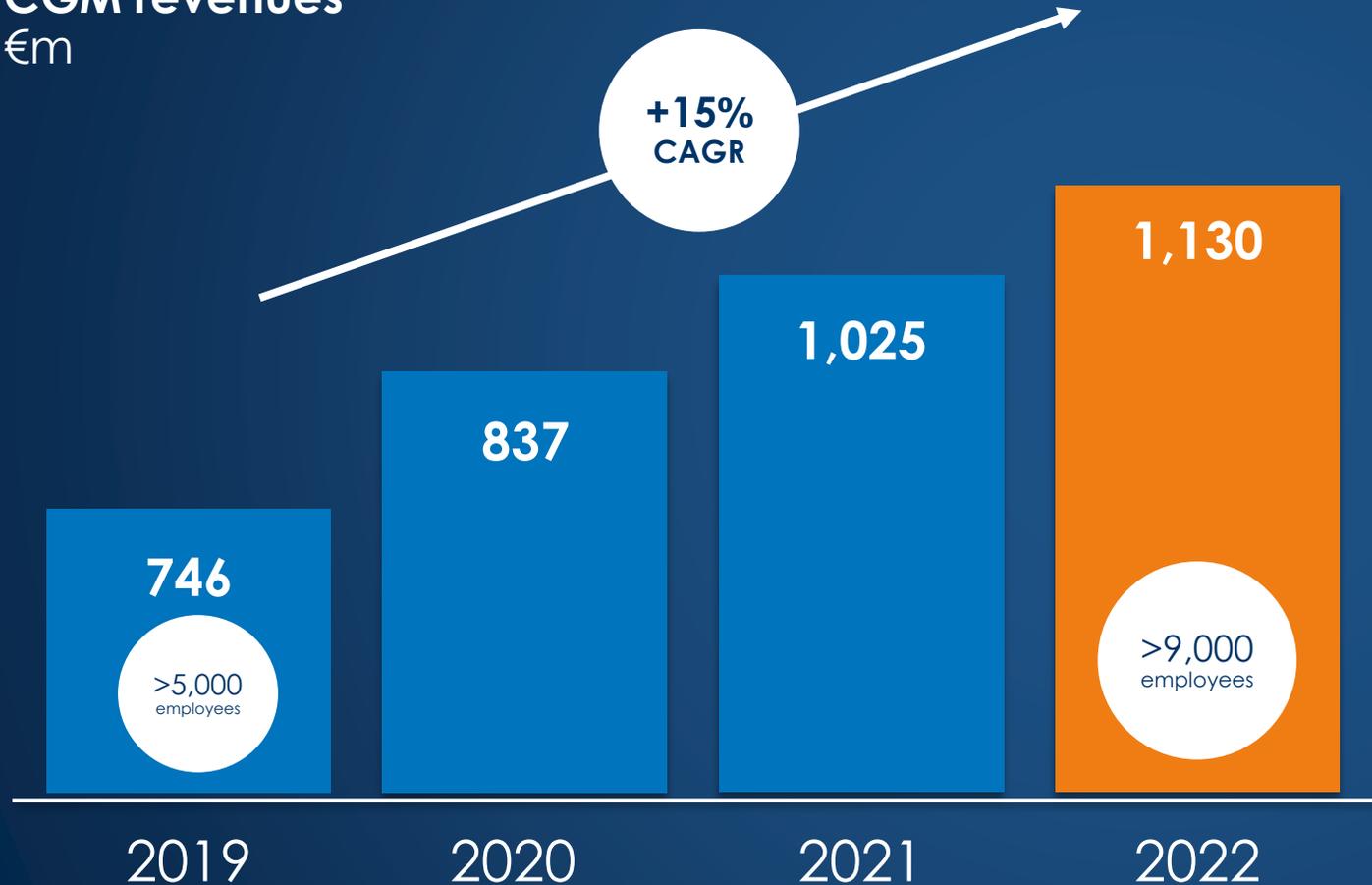
6.3% organic like-for-like*

New record EBITDA adj.

*adjusted for connector software upgrade in 2021

Long term view: We've shown what we are capable of

CGM revenues
€m



- Strong revenue growth
- Successful integrations
- 4,000 new employees
- Excellent team

And we took organic growth to a new level



We have a compelling ambition

**We are the leading
Medical Software Company**



2023 TIME TO DELIVER

GROUP guidance 2023 confirmend

	FY 2022 actuals	FY 2023 guidance
Group revenues	€1,130m	~5% organic growth
Adj. EBITDA	€234m	€260m - €300m
Recurring revenue share	65%	60% - 70%
Adj. EPS	€1.80	>10% increase
FCF	€69m	>€100m

Segment guidance 2023

	2022 actuals	2023 organic growth
AIS revenue	€502m	mid-single digit %
HIS revenue	€277m	mid- to high-single digit %
CHS revenue	€220m	low- to mid-single digit %
PCS revenue	€131m	low-single digit %

CGM on its path towards attractive mid-term targets



Our mission

**Creating the future of
e-health.**

CGM

FY 2022 – We delivered on the updated guidance



FY

€1,130m
(+10%yoy)

65%
(+0ppt)

+4.1%/6.3%
(-1.7ppt)

€234m
(+4%yoy)

21%
(-1ppt)

€1.80
(PY: €1.95)

€69m
(PY: €101m)

Revenue

Recurring
rev Share

Organic
growth /
like-for-like*

Adj. EBITDA

Margin

Adj. EPS

FCF

**Updated
guidance**

(Oct 27, 2022)

✓
€1,100m-€1,130m

—
>65%

✓
+4% to +6%

✓
€220m – €240m

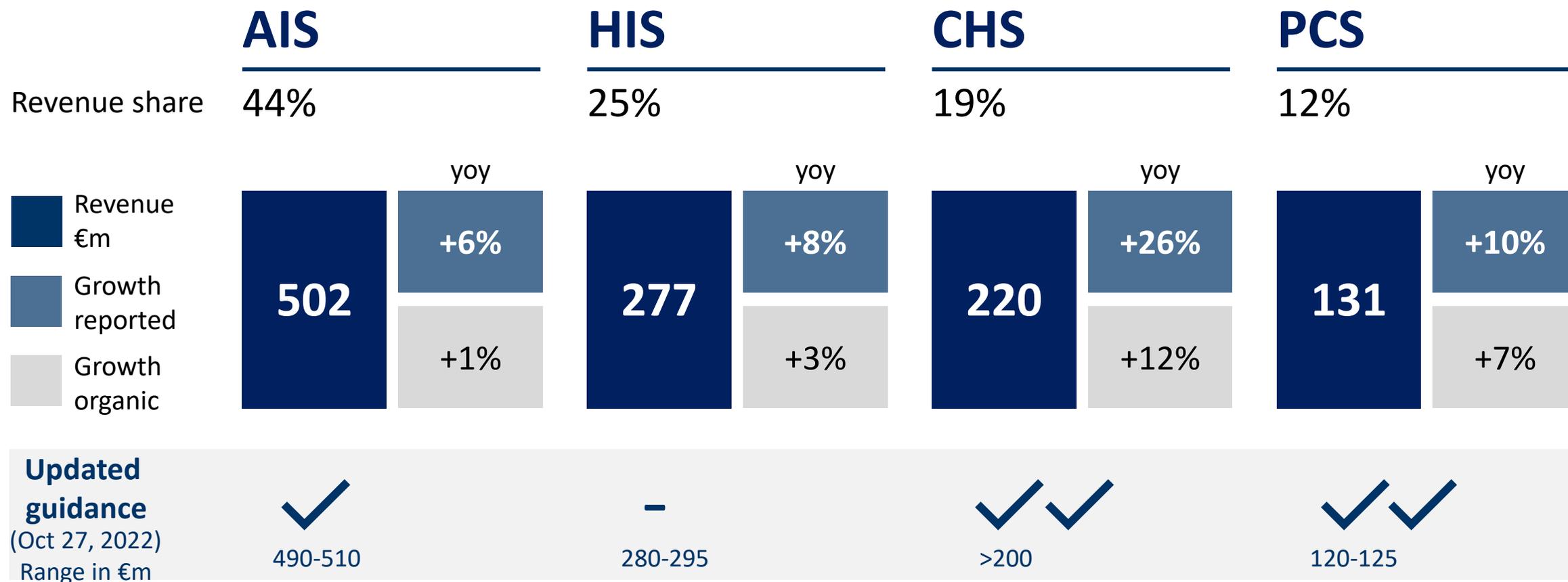
✓
21% – 24%

✓
€1.70 – €1.90

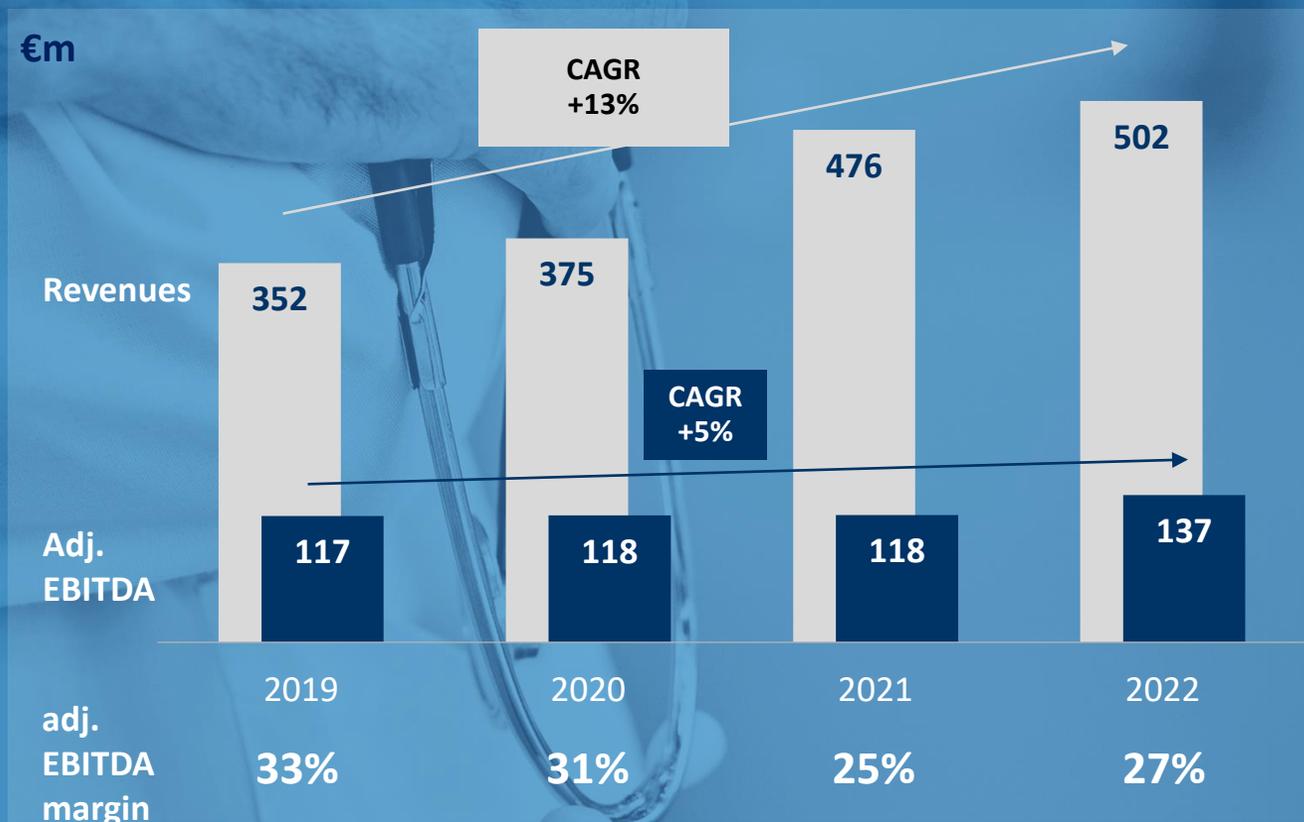
✓
€40m – €70m

*adjusted for connector software upgrade in 2021

All segments contributed to growth in 2022



Ambulatory business on continued growth path



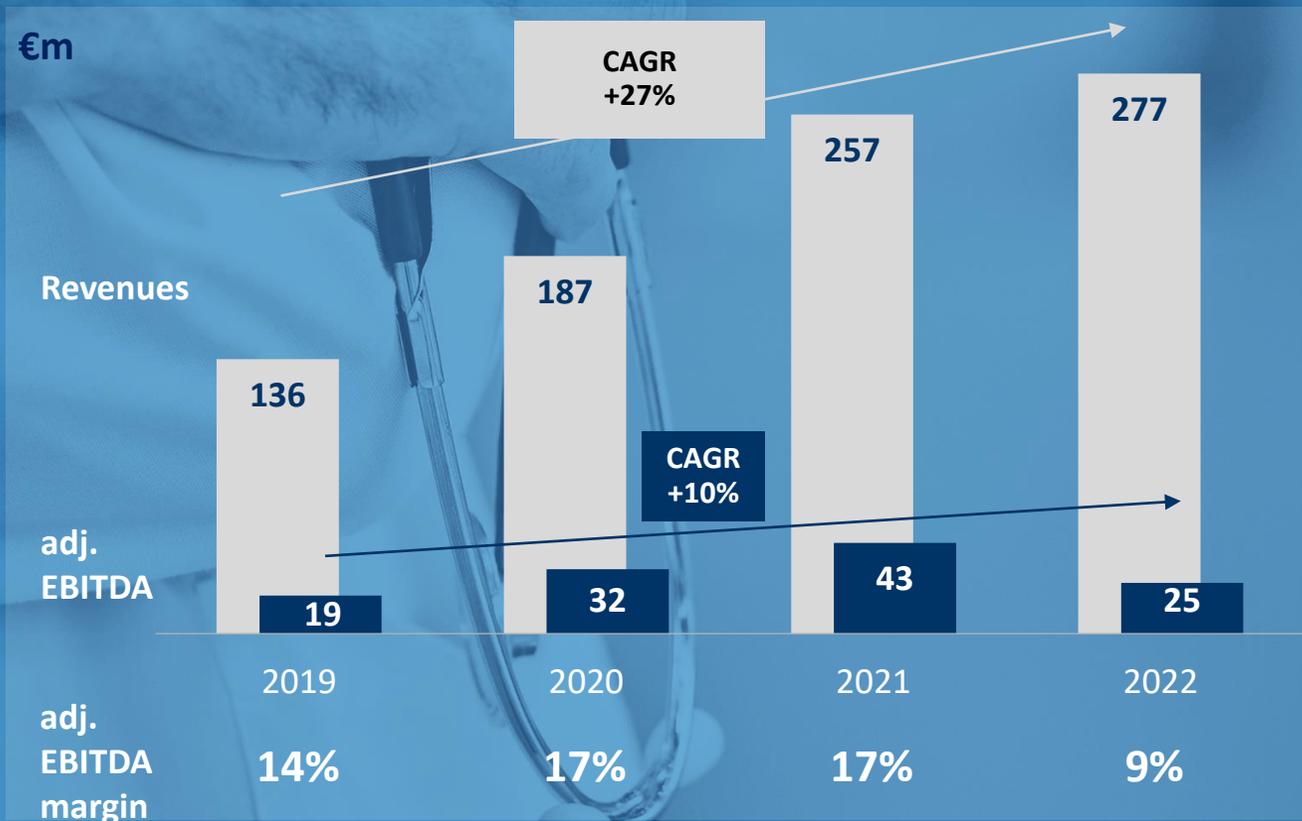
Building the basis for further growth in 2022

- **Doctors First:** focus on customer centricity
- CGM at the forefront of market **trend towards larger practices** with successful tender projects
- Successful rollout of **Ségur in France**
- **Replacement of 3rd party provider in the US** with eMEDIX started

Growing relevance of CGM network

- ~30m e-sick notes and ~35m KIM messages processed, representing a ~40% market share
- ~140k e-prescriptions processed

Hospital business well prepared for growth acceleration and margin rebound in 2023



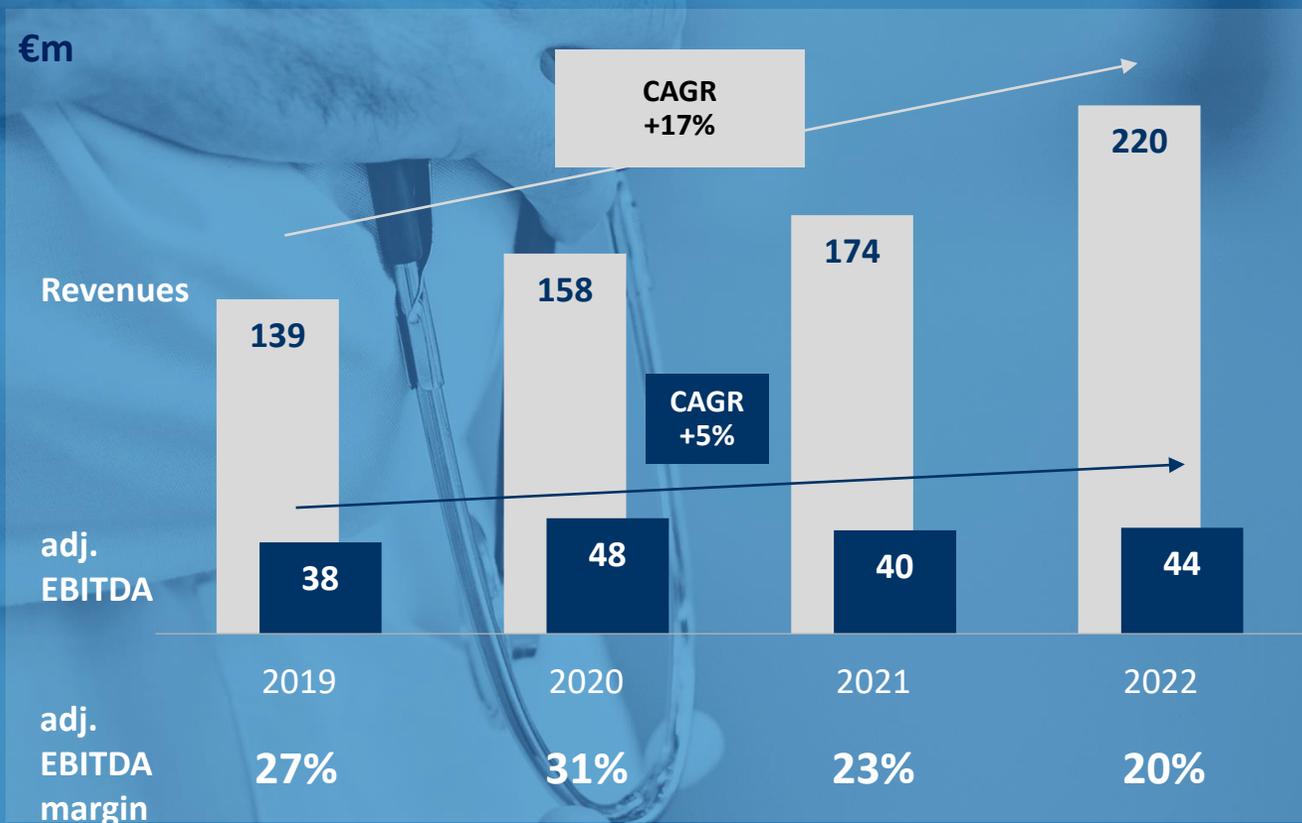
Hospital Future Act projects well on track

- Orders of ~€90 million relating to Hospital Future Act
- Raising our revenue target to €90m - €110m (old: €50m - €80m) over the next years

Continued execution in 2022

- Strong business development in Spain and Poland
- Partnership with SAP planned on revenue cycle management solution
- Margin impacted by higher investments into G3 technology & additional expenditure for larger projects

CHS: 2022 an excellent year in data solutions and TI



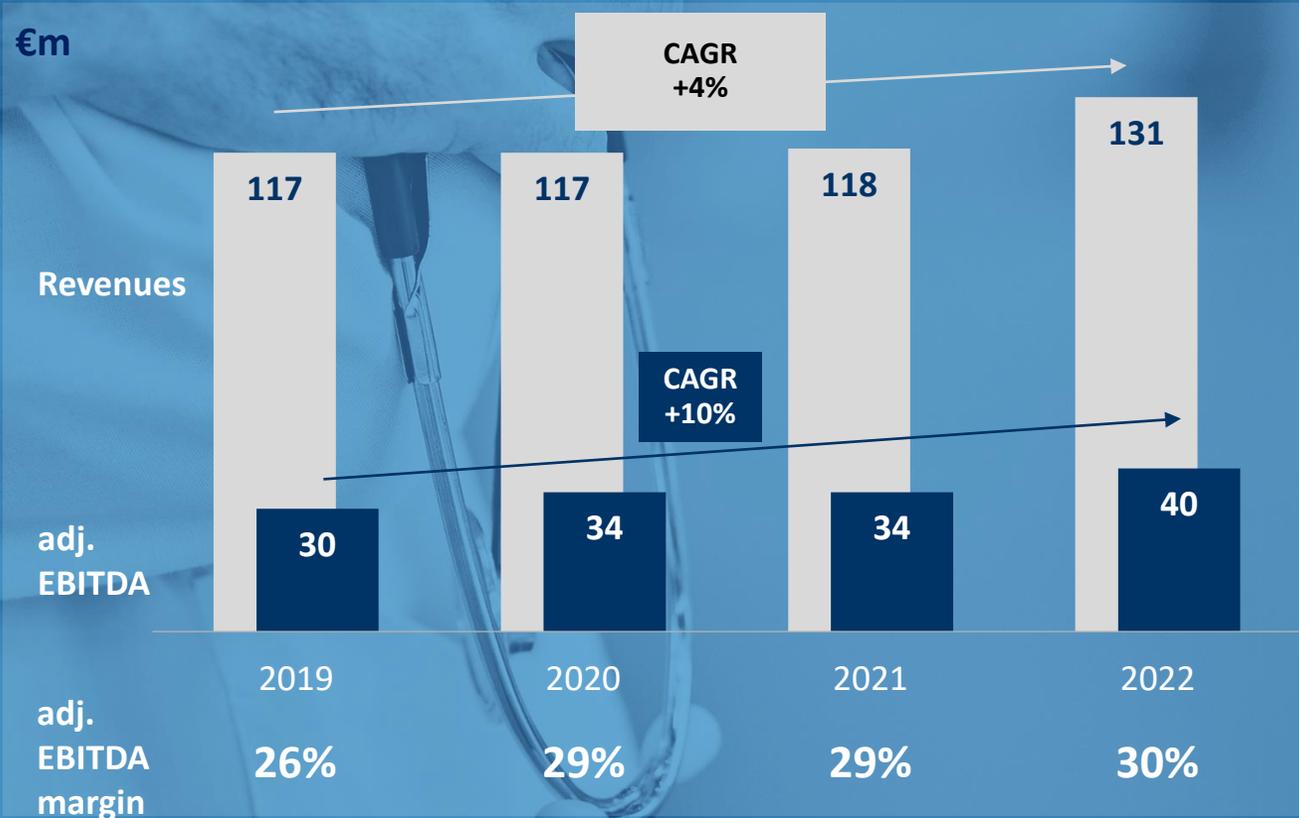
Expanding data-based solutions in 2022

- Major milestones towards goal of **pan-European health data intelligence suite**
- **Acquisition of INSIGHT Health** and immediate joint product launch
- **Internationalization started** with new market entry in Italy (acquiring 20% stake in New Line)

Telematics Infrastructure

- **Strong performance in 2022** despite delayed connector software upgrade (now in H1/23)
- **~30k connectors to be exchanged** until spring 2023

PCS with strong performance and high profitability



Excellent operative performance in 2022

- Enabling next level digitization in Italy and Germany
- Strong revenue growth in Italy
- Efficient cost management in Germany & Italy drives margin

Above-average growth & strong margin

- Revenues up by 10% yoy
- Strong margin at 30%

Q1/23 – CGM confirms guidance after strong start into 2023



+16%
revenue growth



+11%
organic growth
(6% excl. TI)



+12%
growth in recurring
revenues



+16%
adjusted EBITDA
growth

Q1/23 – Delivering on organic growth targets

Organic growth in % yoy	FY2020	FY2021	FY2022	Q1 2023	Guidance 2023
Group	4%	6%	4%	11% 6% excl. TI	~5%
AIS	2%	4%	1%	2%	mid-single digit %
HIS	3%	8%	3%	11%	mid- to high-single digit %
CHS	15% 9% excl. TI	10% 9% excl. TI	12% 4% excl. TI	37% 1% excl. TI	low- to mid-single digit %
PCS	0%	1%	7%	11%	low-single digit %

Q1/23 financials



Q1

€291m
(+16%yoy)

68%
(-3ppt)

11%
(+5ppt)

€60m
(+16%yoy)

21%
(+0ppt)

€0.45
(PY: €0.41)

€79m
(PY: €65m)

Revenue

Recurring
rev. share

Organic
growth

Adj.
EBITDA

Adj. EBITDA
Margin

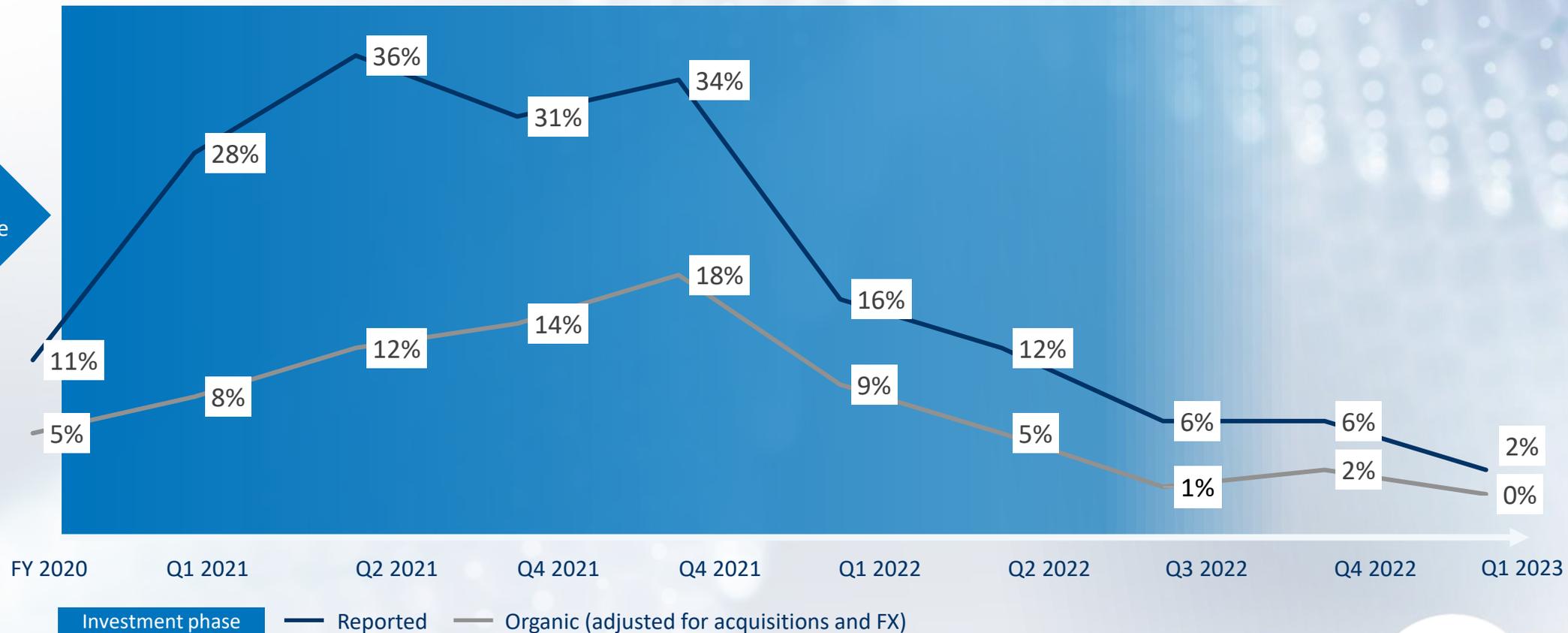
Adj. EPS

FCF

Personnel expenses stabilizing

Increase of personnel expenses yoy

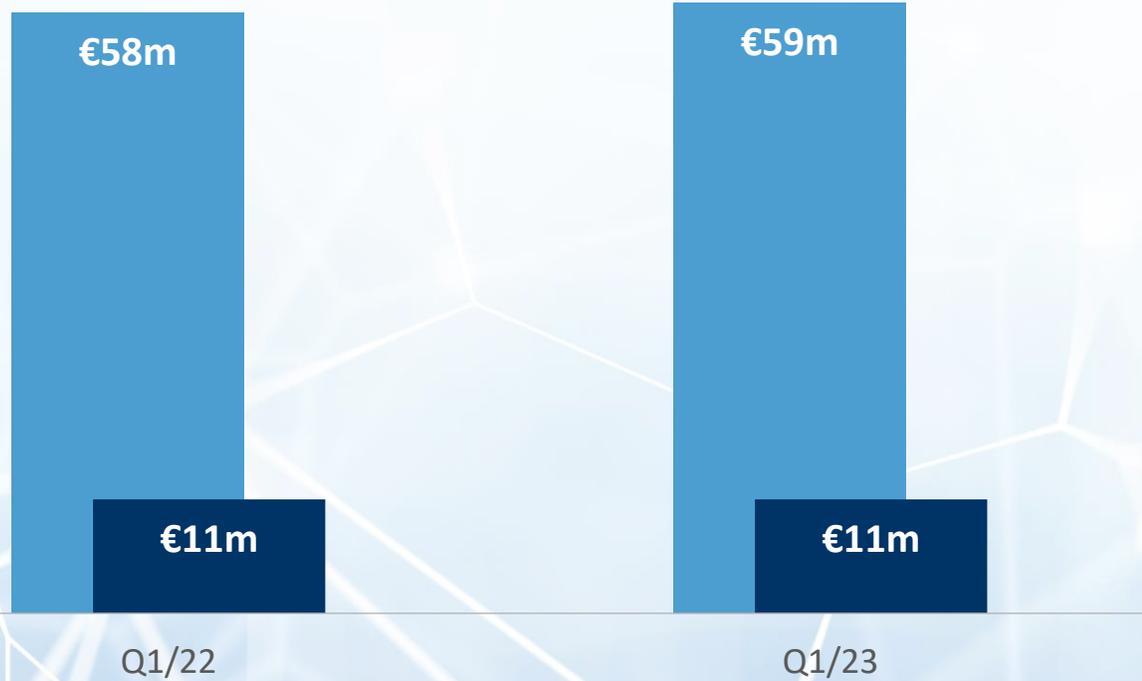
December 2020:
start of investment
initiative to accelerate
organic growth



Q1/23 – R&D intensity normalizing after investment phase

Total R&D expenses

Thereof capex



In % of revenues

Q1/23

20%

Q1/22

23%

Strong free cash flow in Q1 2023

Free cash flow



Free cash flow FY 2023 expected >€100m

Effects and drivers

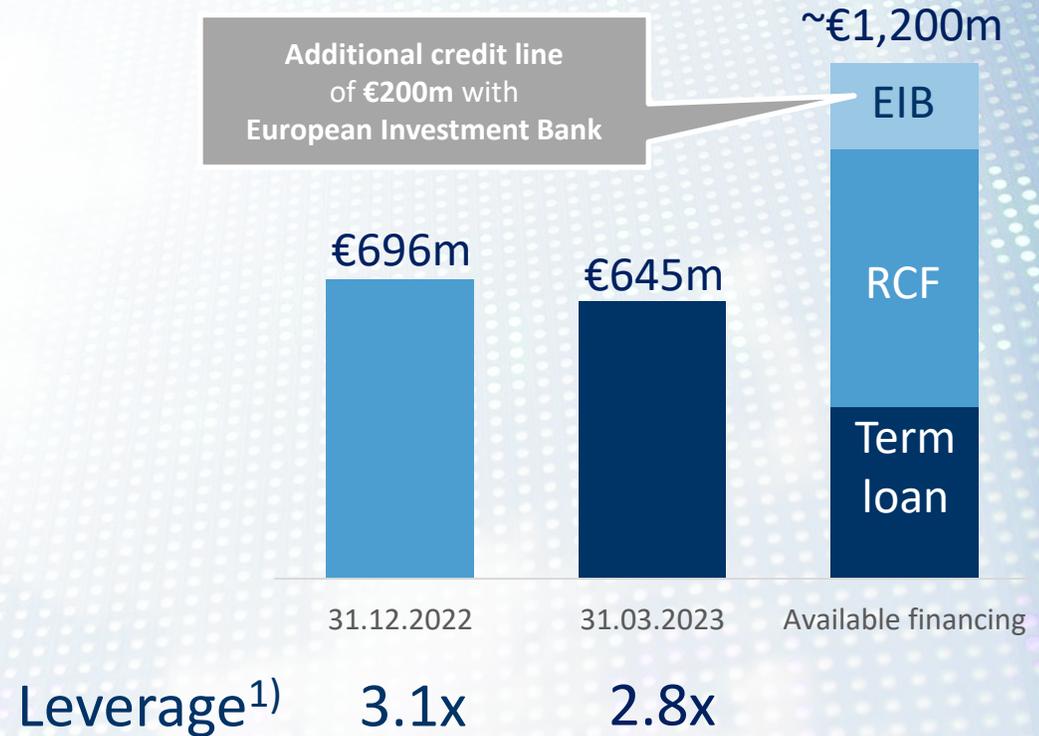
- Free cash flow **catching up in 2023**
- **Working Capital** was elevated in Q1/22 due to ransomware attack and TI inventory build-up

Crisis resilient financing in place

Strong financing secured at attractive conditions

- **>80% of net debt protected against interest hike** with derivatives such as caps and swaps
- Weighted average **maturity of credit lines slightly below 3 years**
- Selected **financing institutions with strong ratings and low risk profile**

Net debt



¹⁾ 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 (LTM) adjusted for restructuring expenses plus pro rata EBITDA of newly acquired companies (Leverage 2021: EBITDA adjusted (LTM) plus pro rata EBITDA of newly acquired companies)

Q1/23 – Ambulatory segment with strong US business

	Q1/23	yoy
Revenue (€m)	125	+4%
EBITDA adjusted (€m)	29	+12%
Margin	24%	+2ppt

Q1/23 yoy

- **Revenue growth** of +4% supported by acquisitions and FX (US)
- **Organic revenue** +2% driven by strong US progress (eMedix) & dental e-billing module rollout in Germany
- **Recurring revenue** share high at 79%, slightly above prior year
- **Adjusted EBITDA margin** above prior year quarter

79% (+1ppt)

Recurring revenue share



Recurring revenue

Q1/23 – Organic growth picking up in hospital segment

	Q1/23	yoy
Revenue (€m)	73	+10%
EBITDA adjusted (€m)	4	-40%
Margin	5%	-4ppt

Q1/23 yoy

- **Revenue organically** +11% due to strong project business in Germany, Spain and Poland
- **Recurring revenue** increasing by 9%, strong recurring revenue share of 70%
- **Adjusted EBITDA and margin** impacted by still high investments into G3 technology & additional expenditure for larger projects

70% (+0ppt)

Recurring revenue share



Recurring revenue

Q1/23 – Excellent CHS growth due to TI and INSIGHT Health

	Q1/23	yoy
Revenue (€m)	58	+63%
EBITDA adjusted (€m)	15	+56%
Margin	25%	-1ppt

Q1/23 yoy

- **Revenue increase** by 63% supported by the acquisition effect from INSIGHT Health
- **Excellent organic growth** (+37%) due to replacement of hardware connectors in TI
- **Organic revenue ex TI** only with slight growth (+1%) due to macro impact in pharma sector
- Strong increase in **recurring revenue** due to INSIGHT Health customer base
- **Adjusted EBITDA** increased due to TI business

46% (-1ppt)

Recurring revenue share



Recurring revenue

Q1/23 – Pharmacy segment delivering strong growth and margin

	Q1/23	yoy
Revenue (€m)	35	+17%
EBITDA adjusted (€m)	12	+56%
Margin	34%	+9ppt

Q1/23 yoy

- **Revenues up 17%**, supported by acquisition effects in Italy
- **Organic revenue** growth of 11%, mainly driven by continued excellent growth in Italy
- **Recurring revenues up 11%**
- **Adjusted EBITDA** with strong growth due to efficient cost management in Germany and Italy

66% (-4ppt)
 Recurring revenue share

+11%
 yoy
 Recurring revenue



Focus on ESG



Achievements 2022

- Increasing transparency
- Developed concept to carbon neutrality
- Management Board more international and diverse
- Share of women in corporate leadership positions from 22% to 27%
- Tool to regularly measure employee satisfaction and feedback

MSCI ESG rating (BBB)	Industry average	CGM score	Trend	Explanation
Carbon emissions	7.0	7.7	→	100% of revenues from less carbon-intensive business lines relative to peers Carbon intensity and/or trend is strong relative to peers
Privacy & Data Security	5.0	3.3	↘	100% of revenues in regions where data protection regulations are strict
Human capital development	1.0	2.2	→	Relatively low proportion of operations reliant on highly skilled workers compared to peers and / or the company has not had recent restructuring or major layoffs
Corporate Governance	5.5	7.2	↗	The company falls into the average scoring range relative to global peers, reflecting relatively few areas of concern.
Corporate behavior	7.3	6.2	↗	No evidence of oversight of ethics and corruption issues

Investor Relations contact

For further information please contact

Claudia Thomé

Corporate 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

Frankfurt Stock

Exchange

SDAX / TecDAX