

# CompuGroup Medical

Investor Relations  
June 2023



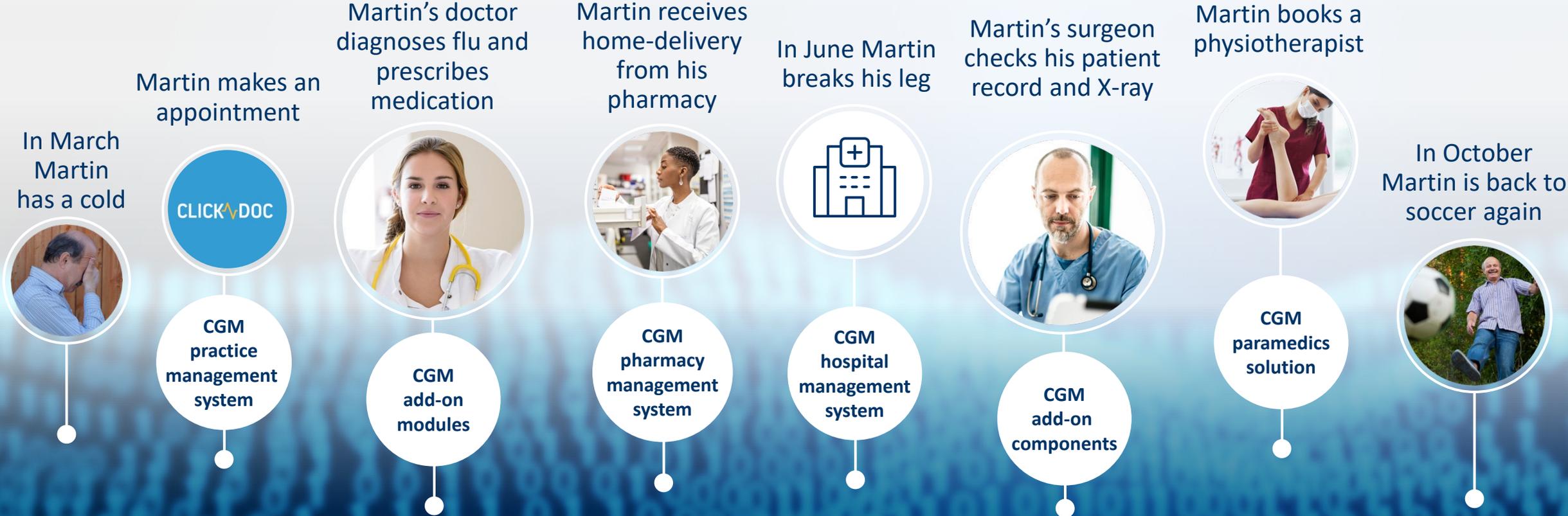
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# Purpose

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

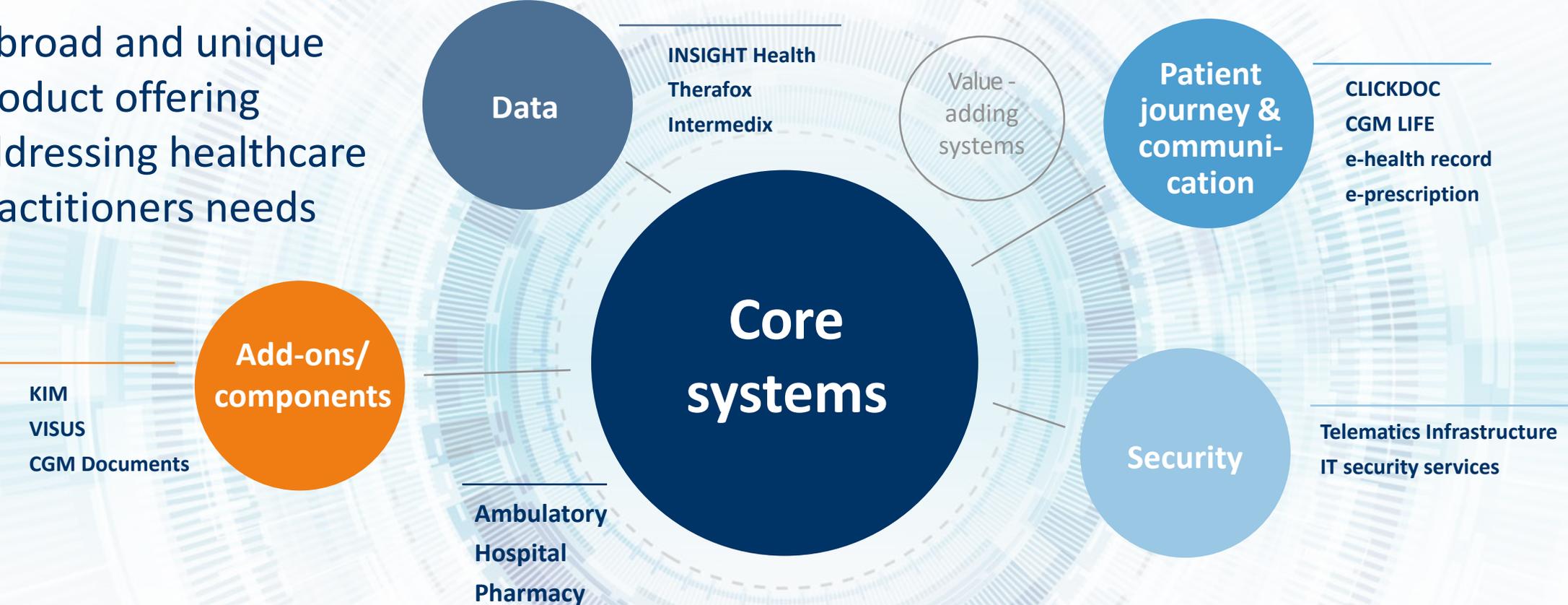
# Physicians are the ultimate navigator of the patient



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

# Our comprehensive product portfolio serves the entire healthcare market

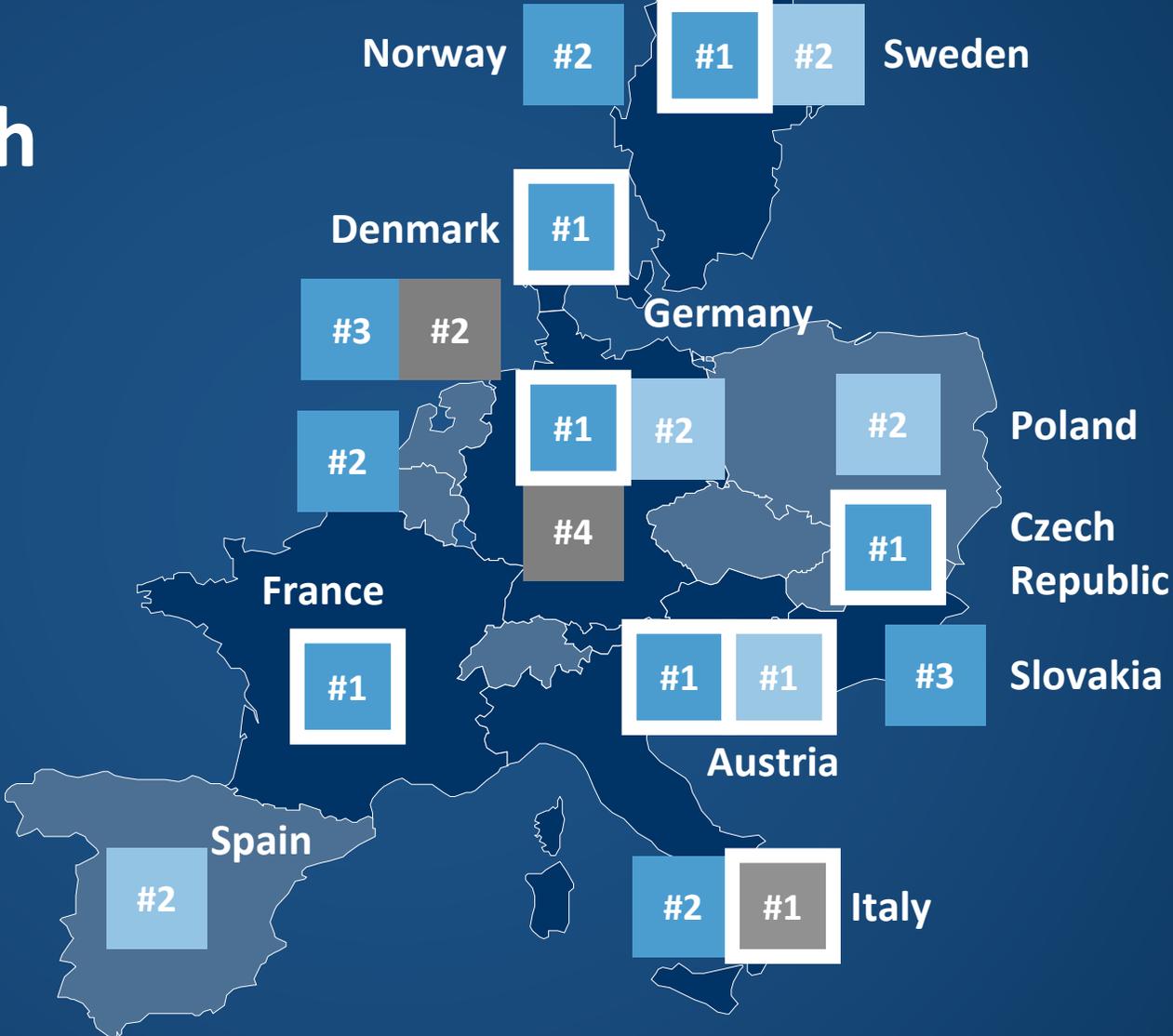
A broad and unique product offering addressing healthcare practitioners needs



# 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

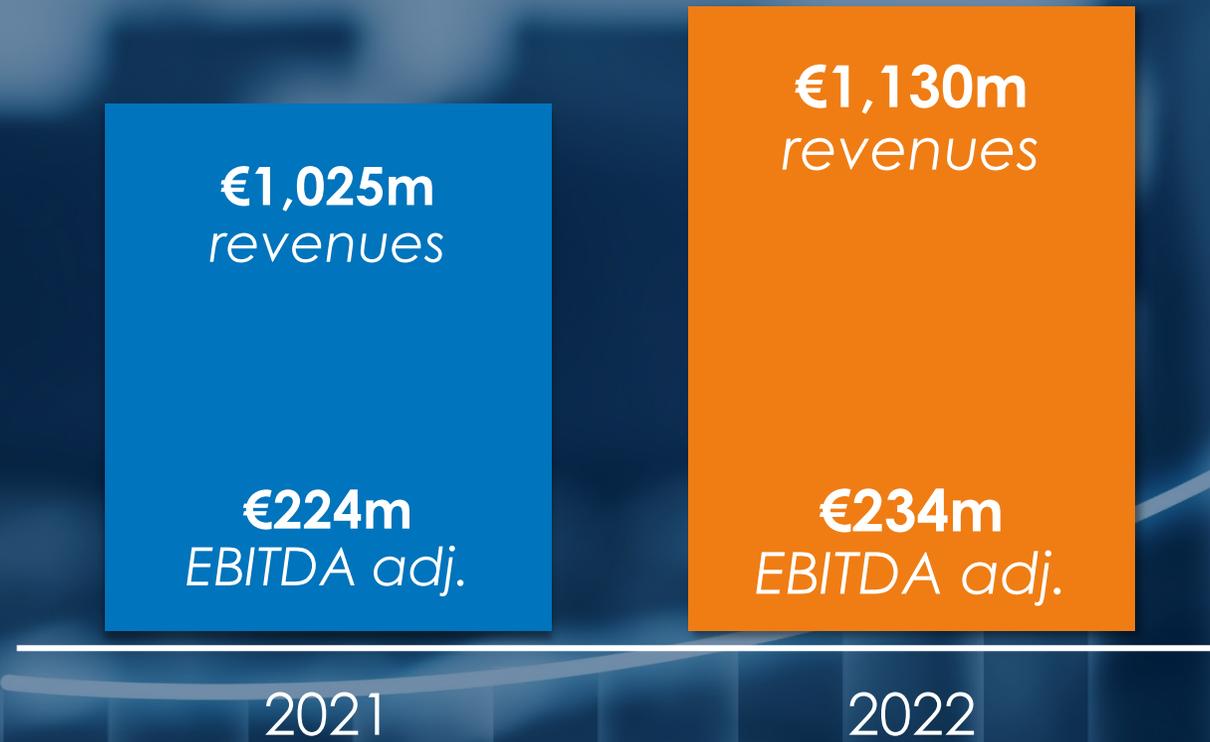
03

Enable seamless patient  
journeys and data flows

Telematics  
Infrastructure  
&  
PCS business

Innovative  
data services

# In 2022, we delivered another record year



**10% revenue growth**

4.1% organic growth

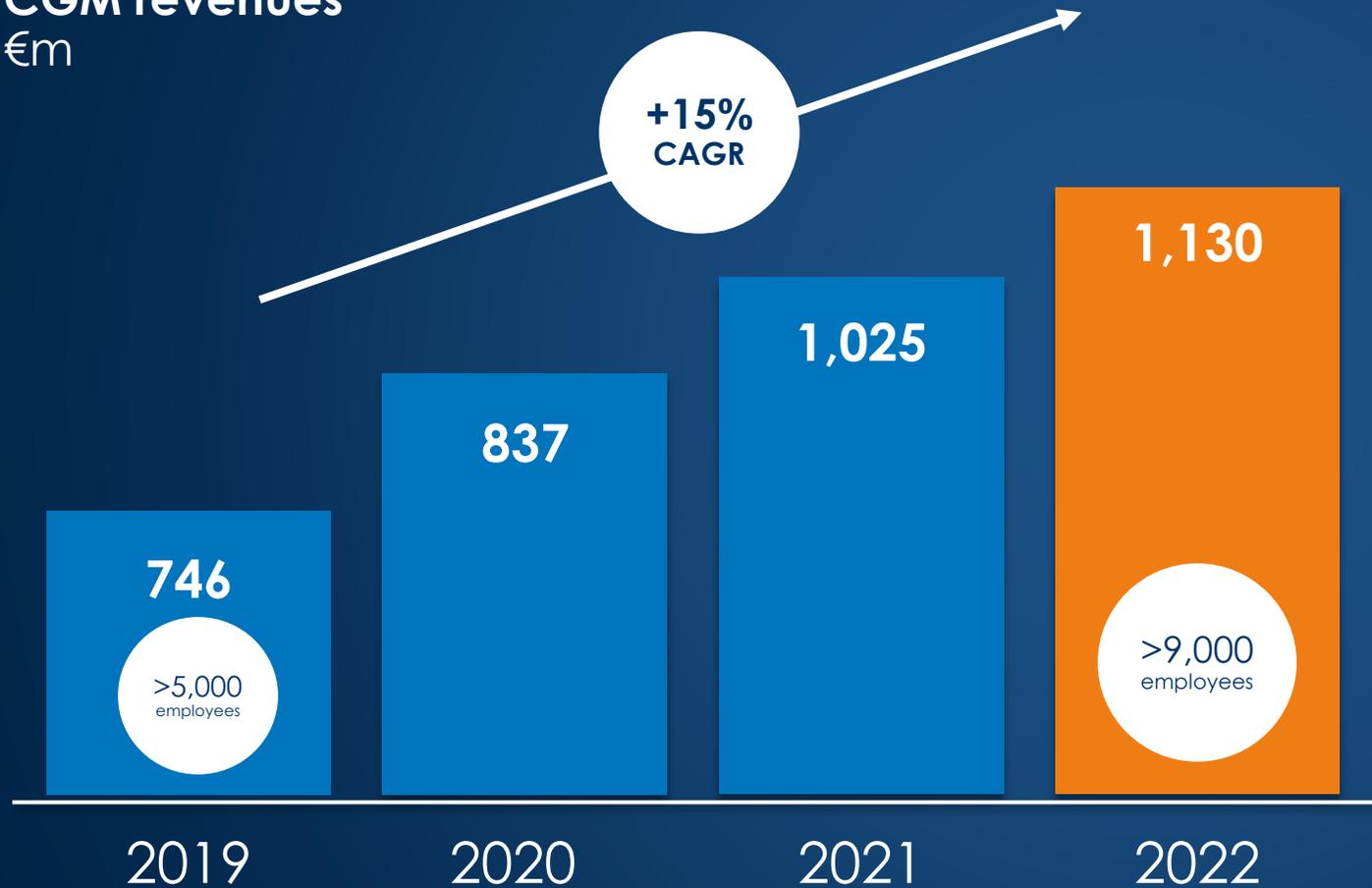
6.3% organic like-for-like\*

**New record EBITDA adj.**

\*adjusted for connector software upgrade in 2021

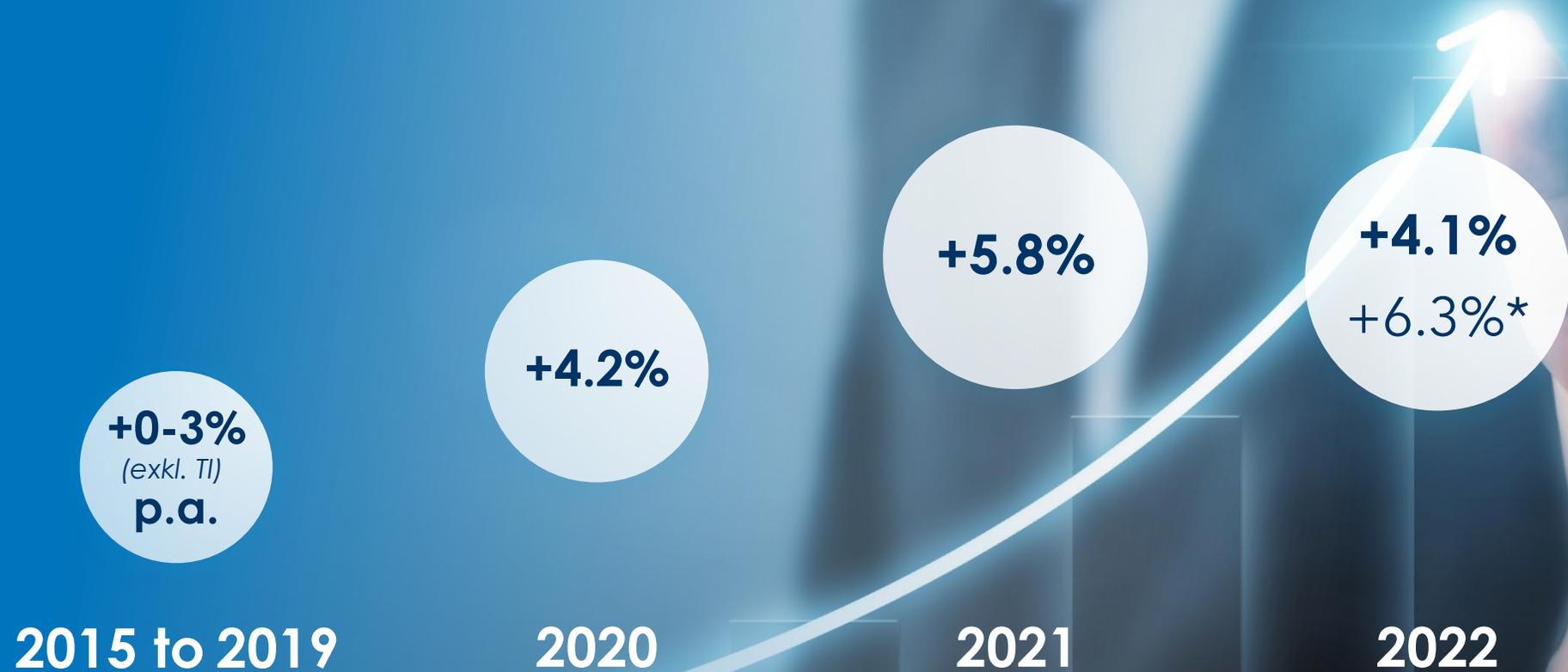
# Long term view: We've shown what we are capable of

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
<b>Group revenues</b>	<b>€1,130m</b>	<b>~5% organic growth</b>
<b>Adj. EBITDA</b>	<b>€234m</b>	<b>€260m - €300m</b>
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.**

CGI

# 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

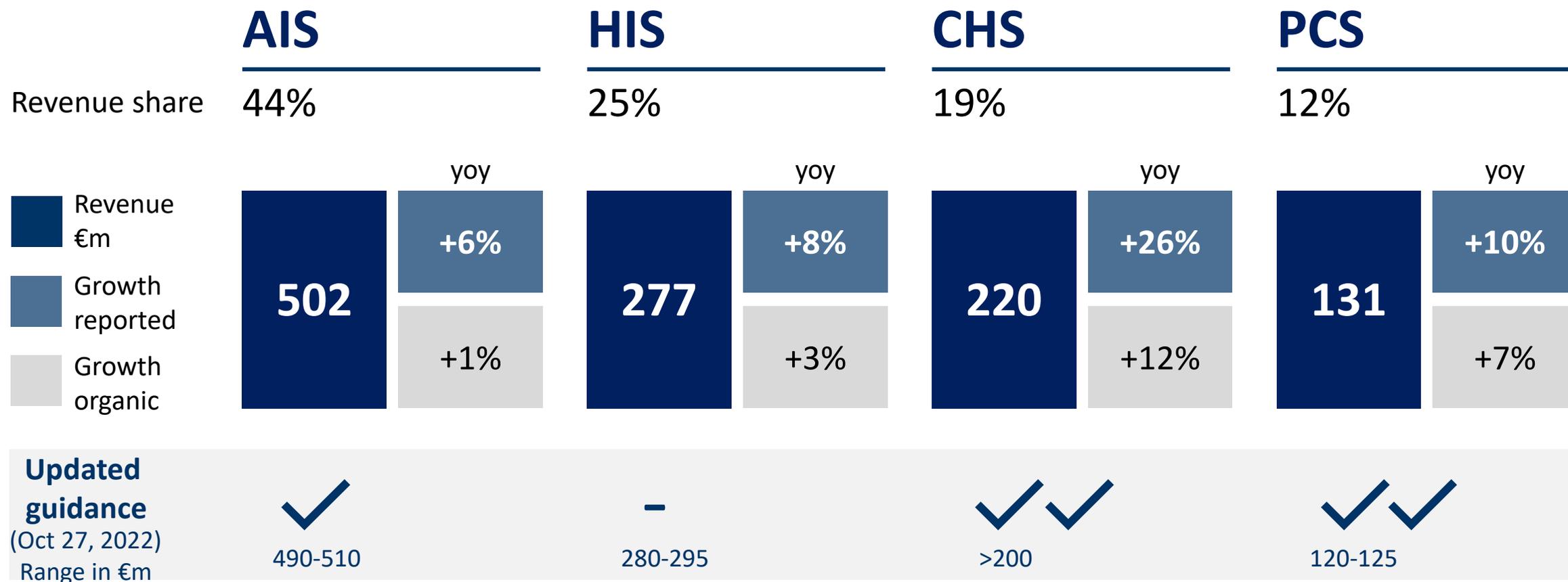
✓  
21% – 24%

✓  
€1.70 – €1.90

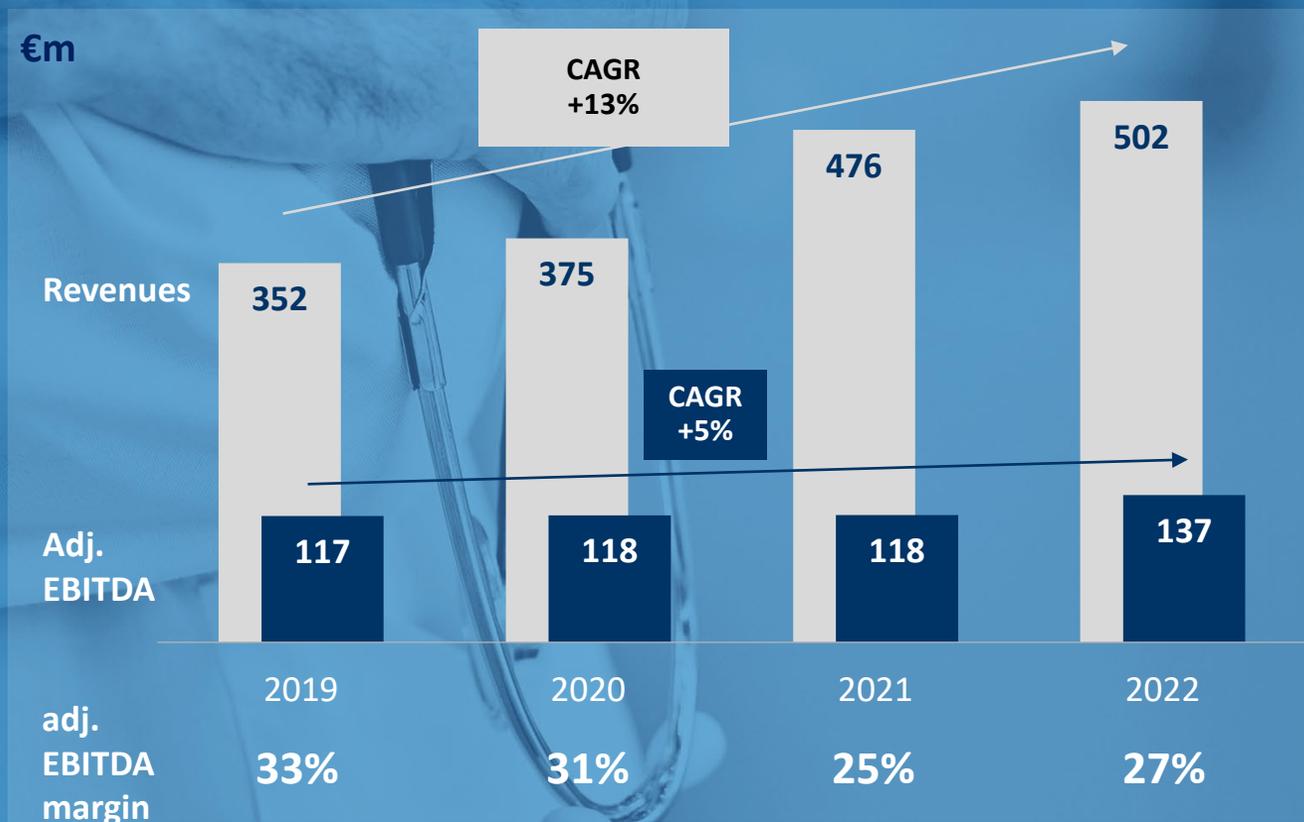
✓  
€40m – €70m

\*adjusted for connector software upgrade in 2021

# All segments contributed to growth in 2022



# Ambulatory business on continued growth path



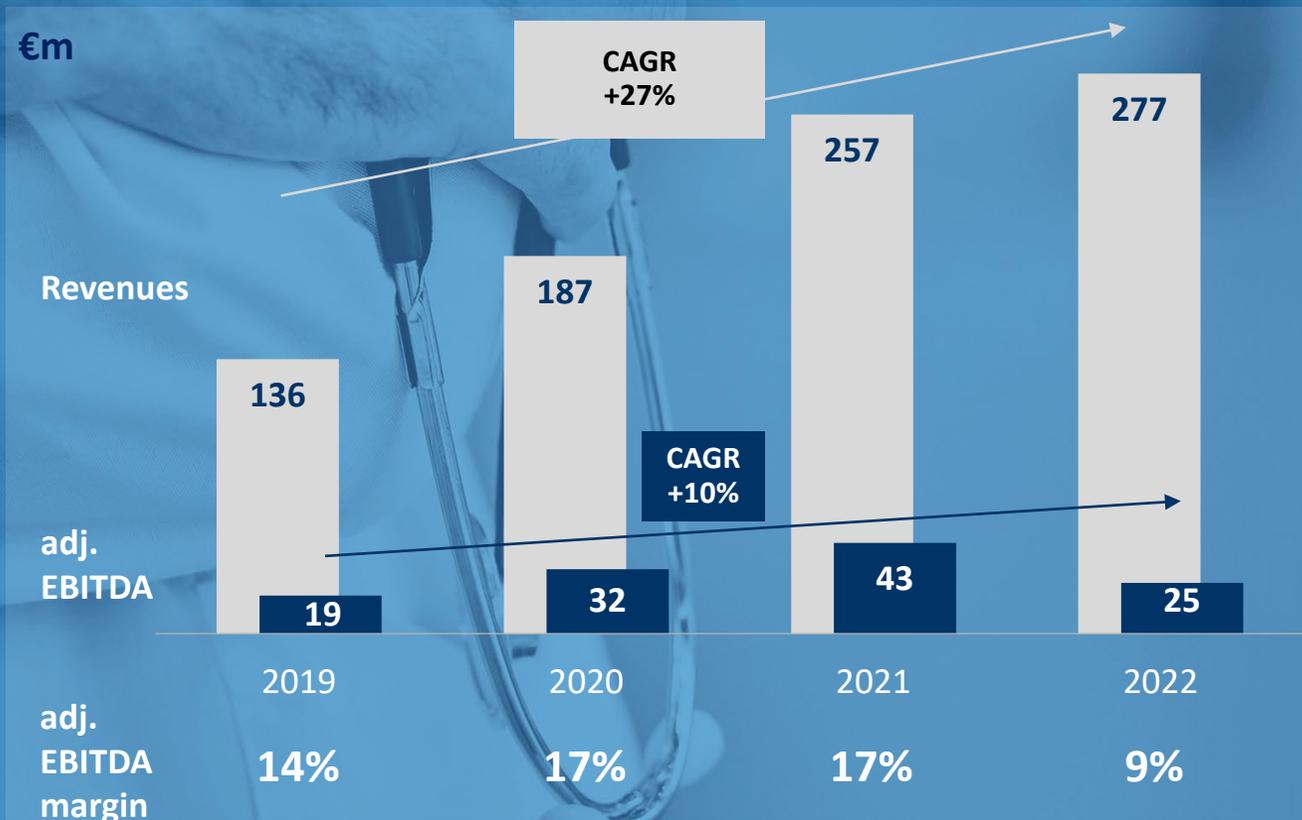
## Building the basis for further growth in 2022

- **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



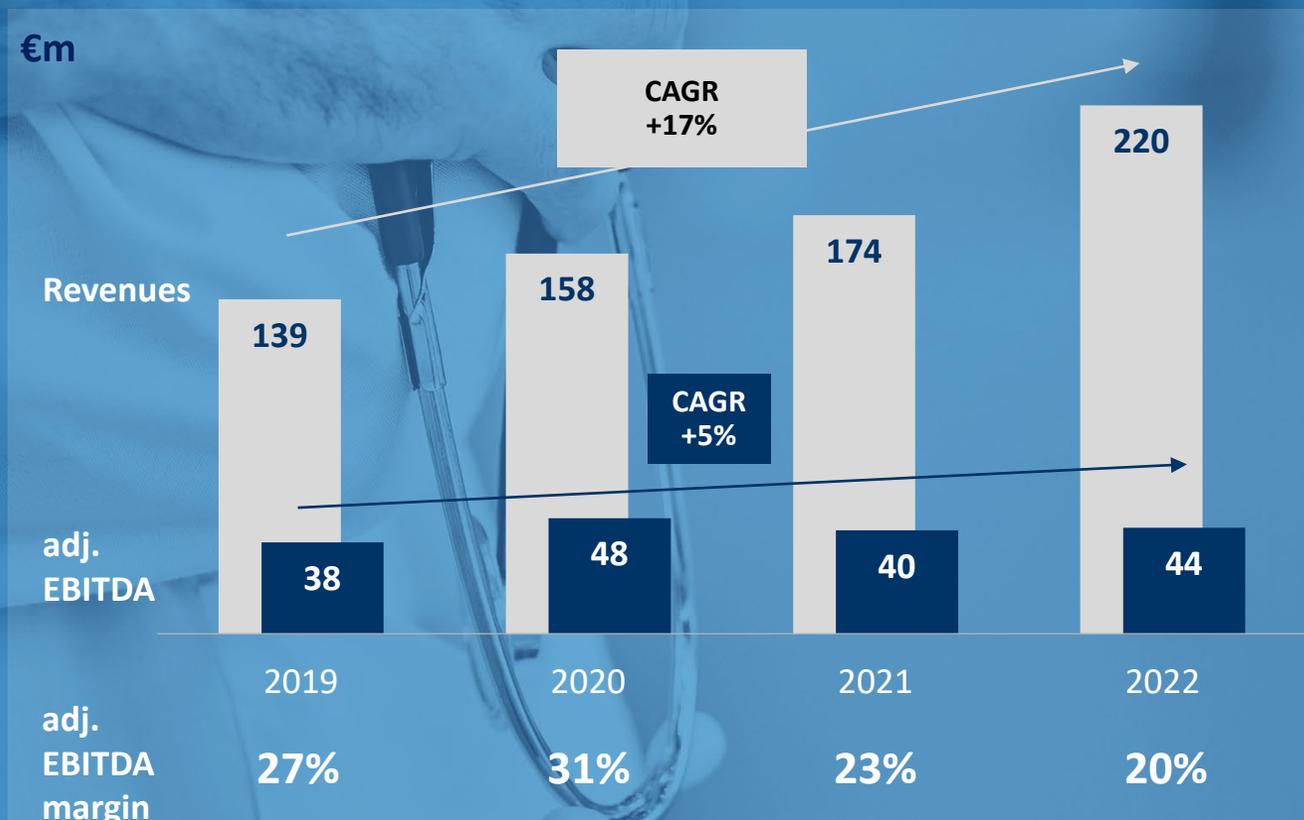
## Hospital Future Act projects well on track

- 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



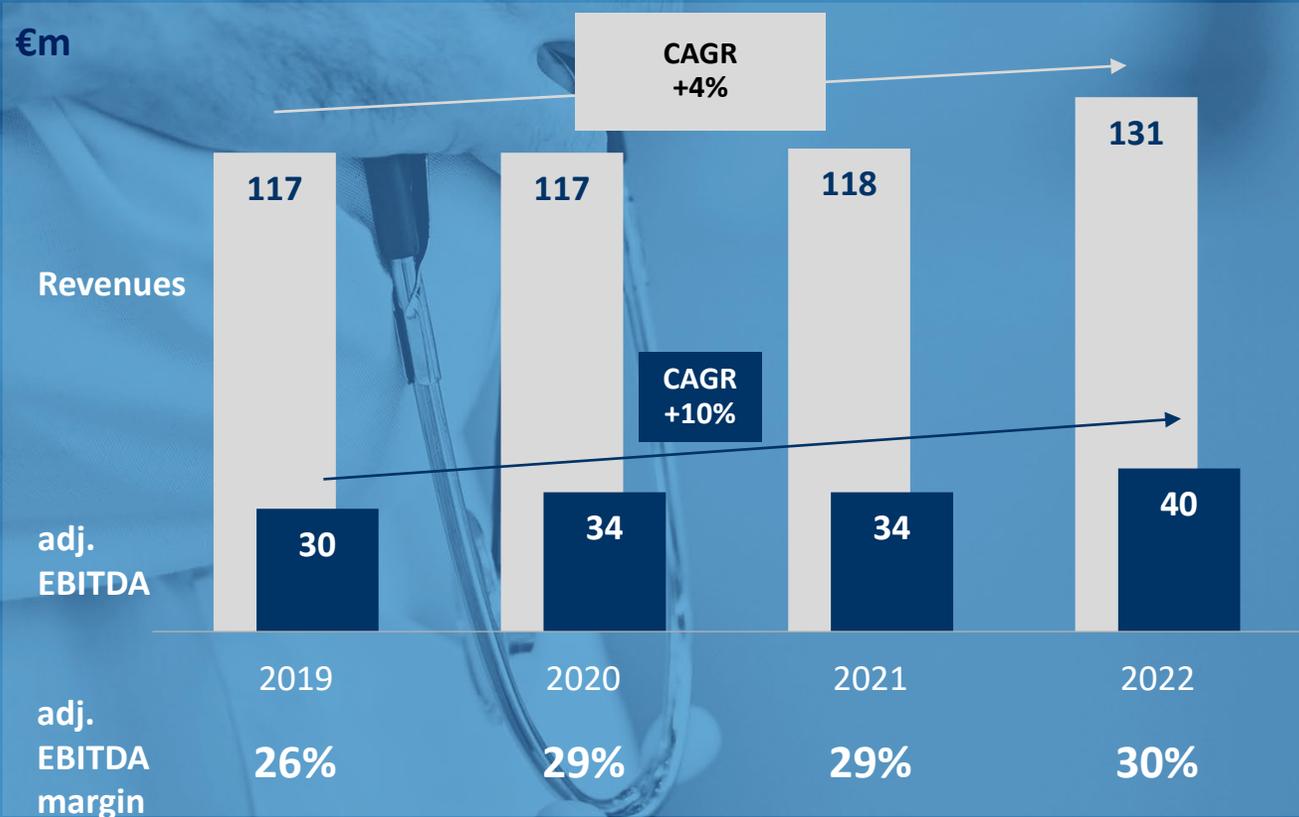
## Expanding data-based solutions in 2022

- 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



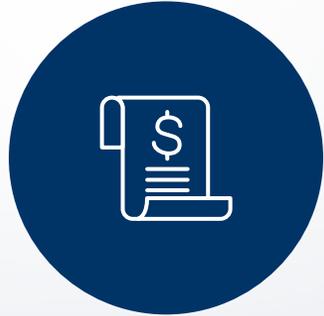
## Excellent operative performance in 2022

- 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%	<b>11%</b> 6% excl. TI	<b>~5%</b>
AIS	2%	4%	1%	<b>2%</b>	mid-single digit %
HIS	3%	8%	3%	<b>11%</b>	mid- to high-single digit %
CHS	<b>15%</b> 9% excl. TI	<b>10%</b> 9% excl. TI	<b>12%</b> 4% excl. TI	<b>37%</b> 1% excl. TI	low- to mid-single digit %
PCS	0%	1%	7%	<b>11%</b>	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

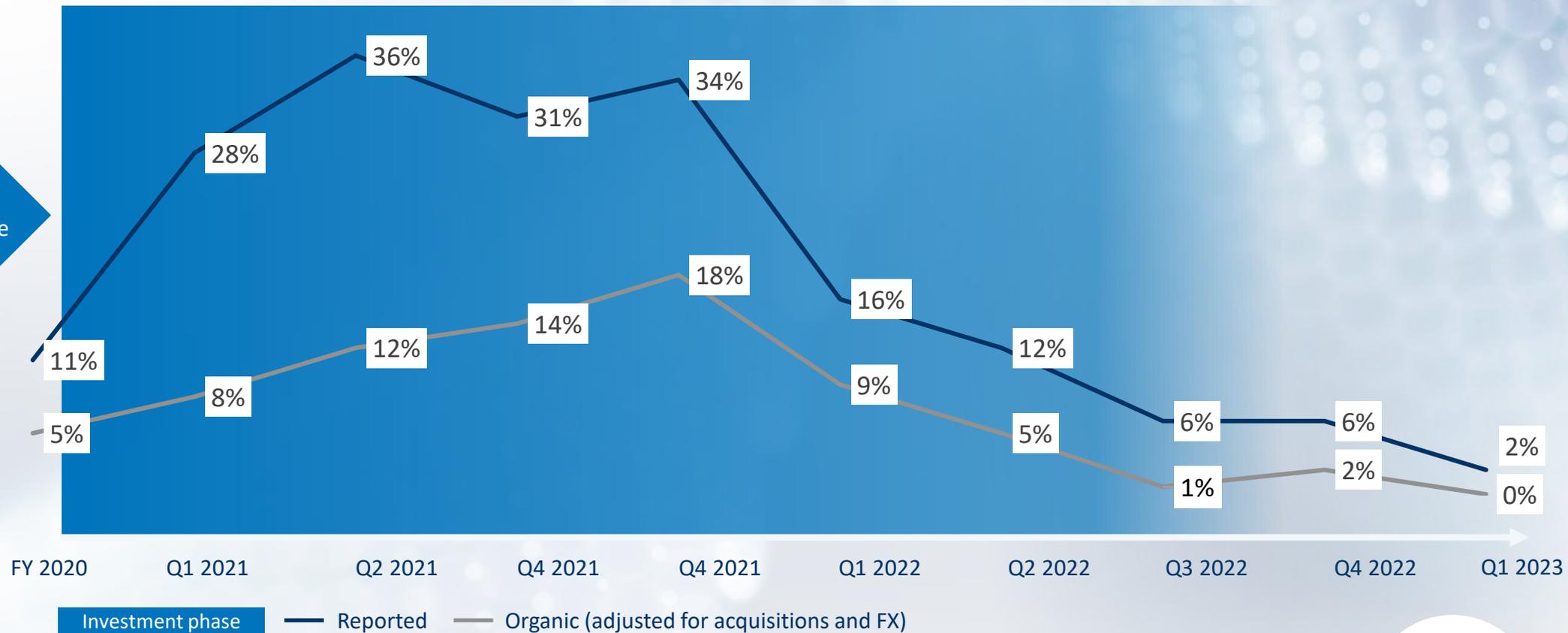
Adj. EPS

FCF

# Personnel expenses stabilizing

Increase of personnel expenses yoy

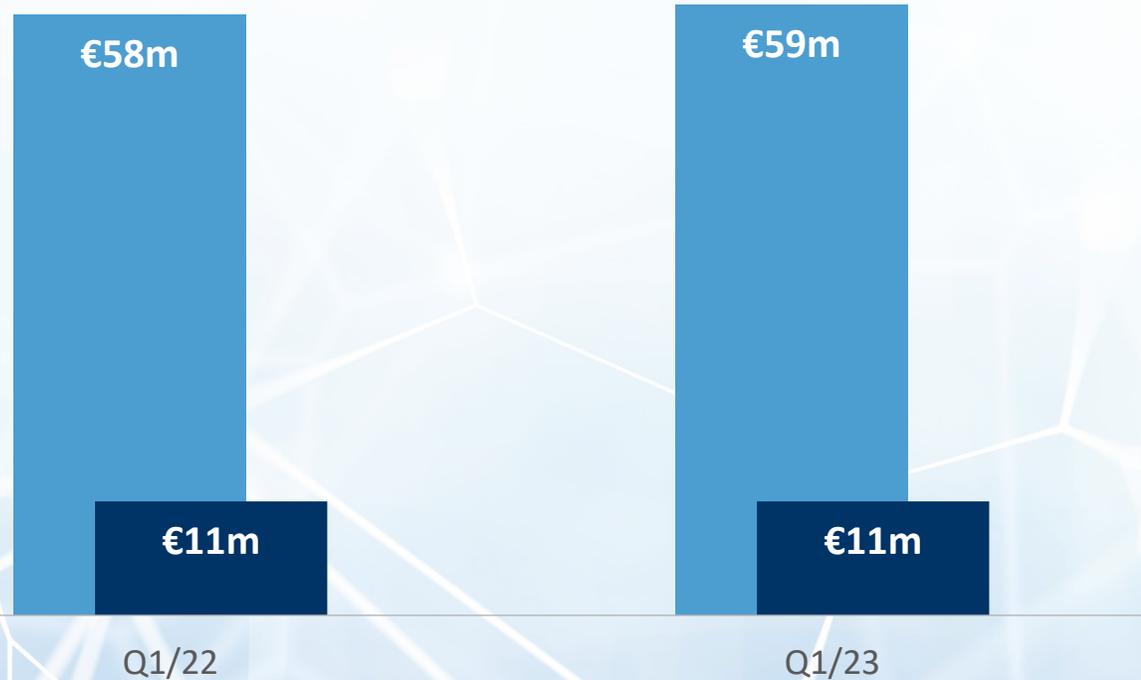
December 2020:  
start of investment  
initiative to accelerate  
organic growth



# 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

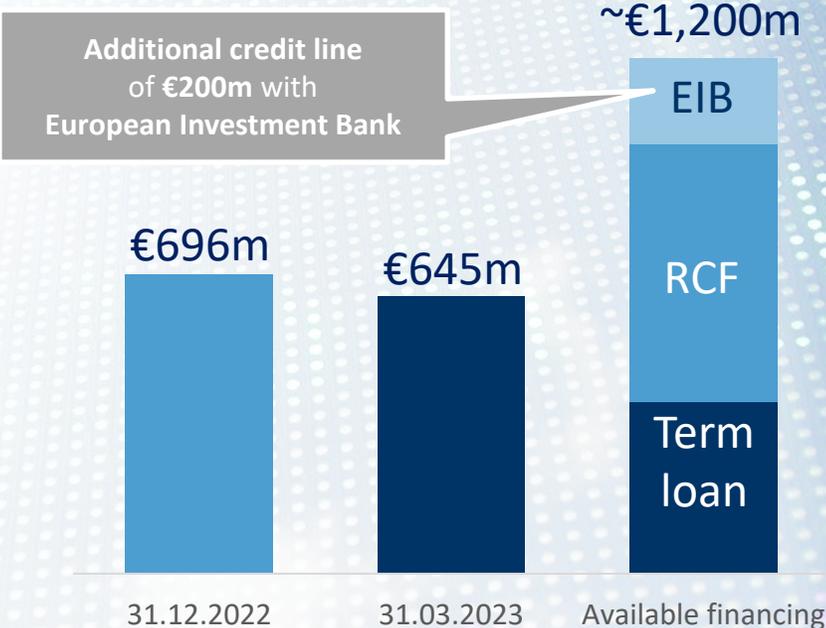
- Free cash flow **catching up in 2023**
- **Working Capital** was elevated in Q1/22 due to ransomware attack and TI inventory build-up

# 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



Leverage<sup>1)</sup>      3.1x      2.8x

<sup>1)</sup> 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)	<b>125</b>	+4%
EBITDA adjusted (€m)	<b>29</b>	+12%
Margin	<b>24%</b>	+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

46% (-1ppt)

Recurring revenue share



Recurring revenue

## 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

# Q1/23 – Pharmacy segment delivering strong growth and margin

	Q1/23	yoy
Revenue (€m)	<b>35</b>	+17%
EBITDA adjusted (€m)	<b>12</b>	+56%
Margin	<b>34%</b>	+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



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

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