



CompuGroup Medical SE & Co. KGaA

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Press release, February 09, 2023

CGM in 2022 with double-digit revenue growth – strong 2023 guidance underlines mid-term ambitions

- **10 % growth in 2022 with revenues of EUR 1,130 million**
- **Organic growth of 4.1 % against strong prior year, like-for-like organic growth of 6.3 %**
- **Recurring revenue increase of 10 % reflects resilience of business model**
- **Strong execution in ambulatory business and excellent order intake in hospital segment**
- **Foundation laid for further growth in data solutions**
- **2023 guidance shows significant progress towards mid-term ambitions**

Koblenz. CompuGroup Medical SE & Co. KGaA (CGM), one of the world's leading e-health providers, is looking back on a successful year 2022. The positive development across all segments has been the result of a strong execution on the attractive growth opportunities and investments in the healthcare sector due to ongoing digitization initiatives. Group revenues grew by 10 % to EUR 1,130 million in 2022. This development underlines the strategic path taken towards sustainable, profitable growth with investments paying off. The adjusted EBITDA margin in 2022 is still impacted by the strategic investments to accelerate digitization in healthcare, while the

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Chairman: Frank Gotthardt

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adjusted EBITDA grew by 4 % to a new record level. The quality of revenues, reflected by the share of recurring revenues, stood strong at 65 %. Recurring revenues grew by 10 %, underlining the robustness of CGM's business model.

CGM meets strategic milestones in 2022

In 2022 CGM delivered in several strategic areas and set the course for further growth and a substantial profit increase.

The ambulatory segment showed a strong execution on the governmental initiatives in Europe. In France, the first wave of the program Ségur has been successfully rolled out and in Germany, where large tender projects have been won, CGM is at the forefront of the market trend towards larger practices. In the US market, CGM took the first step towards the anticipated margin expansion. The rollout of eMEDIX successfully started during the second half of 2022, replacing third party providers.

In Germany, the Hospital Future Act is accelerating. At the beginning of 2022 CGM's order intake related to this governmental initiative for the modernization and digitization of hospitals stood at EUR 25 million. Over the year this number grew to around EUR 90 million. CGM raised the revenue target relating to the Hospital Future Act to a range of EUR 90 million to EUR 110 million, a strong proof point of the high market relevance of CGM's product portfolio.

In the Consumer & Health Management Information Systems segment, 2022 has been a year with numerous strategic milestones. After the acquisition and successful integration of INSIGHT Health and the launch of a joint product offering for pharma companies within only eight weeks, CGM prepared the entry of a new market. With the new acquisition of a 20 percent stake in New Line based in Italy, CGM underpins its ambition to become a leading pan-European health data intelligence suite.



“Despite 2022 having been a challenging year, CompuGroup Medical delivered another record performance, both in terms of revenues and operating profit. We are well on track towards our mid-term ambitions, helping our customers benefitting from digitization opportunities in the e-health sector”, said Michael Rauch, Spokesman for the Managing Directors and CFO of CompuGroup Medical. “All segments delivered a strong full year 2022 performance, which underlines the attractiveness of our e-health solutions and the customer dedication of our team. For 2023 we expect ongoing growth and over-proportionate bottom line contribution.”

Group: Revenues and adjusted EBITDA with attractive development in 2022

Group revenues increased by 10 % to a new record level of EUR 1,130 million (previous year: EUR 1,025 million). Organic revenue growth – i.e. adjusted for consolidation and currency effects – stood at 4.1 %. Adjusted for the 2021 TI connector software upgrade, organic revenue growth amounted to 6.3 %. Adjusted EBITDA reached EUR 234 million, representing a growth of 4 % year-on-year, and reflecting an adjusted EBITDA margin of 20.7 % (FY 2021: 21.9 %). Throughout the year 2022, the quality of revenues, reflected by the share of recurring revenues, has been impacted by larger one-time effects and stood solid with 65 % at the prior year level. Adjusted earnings per share (diluted) amounted to EUR 1.80 (FY 2021: EUR 1.95). With EUR 69 million, free cash flow is at the upper end of the updated full year guidance of EUR 40 million to EUR 70 million.

Guidance for 2023

CompuGroup Medical expects a year with swift execution on numerous digitization projects and attractive organic growth driven by the investment initiative. For 2023, the company anticipates group revenues to grow by around 5 % organically. CGM expects an adjusted EBITDA in the range of EUR 260 million to EUR 300 million.

Development 2022: All segments delivered growth in 2022



In 2022, revenues in the **Ambulatory Information Systems** segment rose by 6 % to EUR 502 million (previous year: EUR 476 million). Organically, revenues grew by 1 % against a strong prior year with additional rollouts of new modules like the e-health record and vaccination certificates in the DACH region during H2 2021. Recurring revenues amounted to 77 % of segment revenues, representing 7 % growth compared to the previous year, underlining the continued strength of the segment. For 2023, CGM expects organic revenue growth in the mid-single digit percentage area.

In the **Hospital Information Systems** segment, revenues increased by 8 % to EUR 277 million (previous year: EUR 257 million) in 2022. Organic growth stood at 3 %, against higher prior year comps. In addition to continued demand for innovative technologies like the G3 platform, CGM recorded great business progress in Spain and Poland. Recurring revenues grew by 15 % leading to a share of 69 % compared to total revenues. For 2023, CGM expects organic revenue growth in the mid- to high-single digit percentage area.

Again, a strong development has been recorded in the **Consumer & Health Management Information Systems** segment, where revenues increased by 26 % to EUR 220 million, representing an organic growth of 12 % compared to 2021. Adjusted for TI, organic revenues grew 4 %, impacted by macro-crisis-related headwinds in the pharma industry. Recurring revenues rose by 13 % resulting in a share of recurring revenues of 32 %. For CHS, organic revenue growth is expected in a low- to mid-single digit percentage area for 2023.

The **Pharmacy Information Systems** segment recorded a very strong revenue growth of 10 % to EUR 131 million (previous year: EUR 118 million), partly driven by acquisition effects in Italy. The segment also showed an excellent organic growth of 7 % mainly due to great business performance in Italy. Recurring revenues in the PCS segment increased by 7 %, resulting in a share of 64 % compared to total revenues. For 2023, CGM expects organic revenue growth in the low-single digit percentage area.



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

The full annual report will be published March 24th, 2023.

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 1.130 billion in 2022, its software products are designed to support all medical and organizational activities in doctors' offices, pharmacies, laboratories, hospitals and social welfare institutions. 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 20 countries and products in 60 countries worldwide, CompuGroup Medical is the e-health company with one of the highest coverages among healthcare professionals. More than 9,200 highly qualified employees support customers with innovative solutions for the steadily growing demands of the healthcare system.