



# **CompuGroup Medical** Quarterly Report as of September 30, 2023

**Synchronizing Healthcare**  
We create the future of e-health

# FIRST THREE QUARTERS OF 2023 AT A GLANCE

Group revenues at mEUR 881, up 10 % compared to prior year

Organic revenue growth at 8 % (prior year: 2 %)

Organic revenue growth excluding Telematics Infrastructure at 6 % (prior year: 3 %)

Adjusted EBITDA at mEUR 195, up 18 % compared to prior year

Adjusted EBITDA margin of 22 % (prior year: 21 %)

Adjusted EPS at 1.50 EUR (prior year: 1.33 EUR)

Free cash flow of mEUR 90 (prior year: mEUR 24)

## Financial key figures

kEUR	Q3 2023	Q3 2022	Change	01.01.- 30.09.2023	01.01.- 30.09.2022	Change
Revenues	285,718	285,387	+ 0 %	880,739	802,083	+ 10 %
Recurring revenues in %	71 %	65 %	+ 6 ppt	68 %	68 %	+ 0 ppt
Organic growth in %	1 %	- 3 %	+ 4 ppt	8 %	2 %	+ 6 ppt
EBITDA adjusted	62,150	60,960	+ 2 %	195,243	166,071	+ 18 %
EBITDA margin adjusted	22 %	21 %	+ 1 ppt	22 %	21 %	+ 1 ppt
EPS adjusted (EUR) - diluted	0.43	0.51	- 16 %	1.50	1.33	+ 13 %
Free cash flow	7,753	- 4,554	+ 270 %	90,287	23,563	+ 283 %
Number of shares outstanding ('000)				52,235	52,235	+ 0 %

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## NOTICE

CompuGroup Medical has been reporting adjusted key figures for the operating result (EBITDA) and earnings per share since the financial year 2020. These key figures are not defined under International Financial Reporting Standards (IFRS) and should be regarded as supplementary information. Adjusted EBITDA and adjusted earnings per share exclude effects from major acquisition and disposal of subsidiaries, business units and investments (including effects from the subsequent measurement of contingent purchase price liabilities), impairment losses and write-ups on investments, effects from the acquisition, construction and disposal of real estate, impairment losses and write-ups on owner-occupied property, as well as expenses in connection with share-based payment programs for Managing Directors, taxes attributable to the above effects and other non-operating or non-periodic non-recurring effects.

Unless otherwise stated, all information and explanatory notes in this report refer to the third quarter of 2023 and 2022, i.e. the three-month period from July 1 to September 30 (Q3), and all percentage changes refer to the respective year-on-year comparison. Due to rounding, totals and percentages presented in this report may not add up precisely to the totals provided.

## EARNINGS DEVELOPMENT IN THE GROUP

kEUR	Q3 2023	Q3 2022	01.01.-30.09.2023	01.01.-30.09.2022
Revenues	285,718	285,387	880,739	802,083
Other income	4,277	2,055	19,557	9,477
Capitalized in-house services	8,456	10,964	27,381	33,749
Expenses for goods and services purchased	-53,067	-56,496	-159,106	-145,189
Personnel expenses	-139,401	-133,698	-421,154	-403,913
Other expenses	-47,627	-48,825	-152,743	-146,286
<b>EBITDA</b>	<b>58,356</b>	<b>59,387</b>	<b>194,674</b>	<b>149,921</b>
in % of revenues	20.4%	20.8%	22.1%	18.7%
<b>EBIT</b>	<b>31,602</b>	<b>31,098</b>	<b>115,506</b>	<b>68,277</b>
in % of revenues	11.1%	10.9%	13.1%	8.5%
<b>EBT</b>	<b>24,796</b>	<b>43,362</b>	<b>91,401</b>	<b>87,815</b>
in % of revenues	8.7%	15.2%	10.4%	10.9%
<b>Consolidated net income</b>	<b>16,774</b>	<b>29,460</b>	<b>62,357</b>	<b>59,814</b>
in % of revenues	5.9%	10.3%	7.1%	7.5%

Revenue increased by mEUR 79 (+ 10 %) to mEUR 881 for the **first nine months of 2023**. Organic growth in this period was 8 % year-on-year. Excluding Telematics Infrastructure, organic growth amounted to 6 %

Adjusted earnings before interest, taxes, depreciation and amortization (adjusted group EBITDA) for the first nine months of 2023 amounted to mEUR 195 (prior year: mEUR 166) with an adjusted EBITDA margin of 22 % (prior year: 21 %).

Revenue increased slightly to mEUR 286 for **the third quarter of 2023**. Organic growth in this period was 1 % year-on-year. Excluding Telematics Infrastructure, organic growth amounted to 7 %.

Adjusted earnings before interest, taxes, depreciation and amortization (adjusted group EBITDA) for the third quarter of 2023 amounted to mEUR 62 (prior year: mEUR 61) with an adjusted EBITDA margin of 22 % (prior year: 21 %).

Adjusted group EBITDA was derived from reported EBITDA as shown below:

kEUR	Q3 2023	Q3 2022	01.01.-30.09.2023	01.01.-30.09.2022
<b>EBITDA reported</b>	<b>58,356</b>	<b>59,387</b>	<b>194,674</b>	<b>149,921</b>
Adjustments:				
M&A transactions	632	729	2,919	2,168
Share-based option programs	-1,020	844	-7,357	1,799
Restructuring program expenses	0	0	0	3,401
Other non-operative, extraordinary or one-time effects	4,182	0	5,007	8,782
<b>EBITDA adjusted</b>	<b>62,150</b>	<b>60,960</b>	<b>195,243</b>	<b>166,071</b>
Adjusted EBITDA margin in %	21.8%	21.4%	22.2%	20.7%

The main developments in operating expenses were:

- In the first nine months of 2023, expenses for goods and services purchased increased from mEUR 145 to mEUR 159 compared to the reference period of last year. The gross margin (revenues less cost of purchased services/revenues) of 82 % was on the same level as in the prior year. In the third quarter of 2023, expenses for goods and services purchased decreased by mEUR 3 to mEUR 53 compared to prior year. The gross margin increased by 1 percentage point to 81 %.
- Personnel expenses increased from mEUR 404 in 2022 to mEUR 421 in the first nine months of 2023, of which mEUR 11 are due to acquisitions. Additionally, the increase in personnel expenses was due to salary increases, partially compensated by currency effects. Adjusted by acquisitions and currency effects personnel expenses increased by 2 % organically. In the third quarter, personnel expenses increased by 4 % to mEUR 139 compared to the prior year (mEUR 134), of which mEUR 3 are due to acquisitions. Adjusted by acquisitions and currency effects personnel expenses increased by 3 % organically.
- In the first nine months of 2023, other expenses including impairment losses on financial assets and contract assets increased from mEUR 146 in 2022 to mEUR 153 in 2023, mainly due to additional expenses for major projects, increased costs of software maintenance and travel expenses. In the third quarter, other expenses including impairment losses on financial assets and contract assets slightly decreased from mEUR 49 to mEUR 48.

Other income increased by mEUR 10 for the first nine months of 2023. This is mainly due to the release of provisions related to cash and equity settled share options for Managing Directors, as the vesting conditions were not fulfilled. The increase of mEUR 2 in the third quarter is mainly due to the release of provisions related to equity settled share options for Dr. Eckart Pech, as the vesting conditions were not fulfilled.

Depreciation of property, plant and equipment and of rights of use amounted to mEUR 30 in the **first nine months** of the year, a slight decrease of mEUR 1 compared to prior year. Amortization of intangible assets in the same period was also mEUR 1 lower than in the prior year at mEUR 49.

In the **third quarter of 2023**, depreciation of property, plant and equipment and right-of-use assets amounted to mEUR 11 and was at the level of the same quarter of prior year (mEUR 11). Amortization of intangible assets decreased by mEUR 2 to mEUR 16 in the same period.

Amortization of intangible assets consists of the following:

kEUR	Q3 2023	Q3 2022	01.01.- 30.09.2023	01.01.- 30.09.2022
Amortization of intangible assets	16,191	17,734	49,105	50,452
thereof from purchase price allocations for business combinations	10,677	11,587	32,425	34,731
thereof from capitalized software development costs	4,014	3,899	11,080	8,580

The financial result was structured as follows:

kEUR	Q3 2023	Q3 2022	01.01.- 30.09.2023	01.01.- 30.09.2022
Interest and other expenses on loans and financial services	- 8,699	- 3,064	- 21,234	- 7,561
Changes in purchase price liabilities	232	- 62	111	- 1,443
Capitalized interest on qualifying assets under construction (IAS 23)	717	119	1,846	617
Interest income on loans	0	80	130	238
Interest income on cash at bank	114	70	316	150
Currency losses / gains	- 718	- 396	- 2,833	987
Write-down/Write-up of derivatives without hedge accounting relationship	1,351	14,503	- 2,249	26,526
Other	197	1,014	- 192	24
<b>TOTAL</b>	<b>- 6,806</b>	<b>12,264</b>	<b>- 24,105</b>	<b>19,538</b>

Consolidated net income for the **first nine months of 2023** amounted to mEUR 62, mEUR 3 higher than in the prior year period. The Group's tax rate for the first nine months was unchanged at 32 % compared to the same period of the prior year.

In the **third quarter of 2023**, consolidated net income amounted to mEUR 17 and was thus mEUR 13 lower than in the prior year period. The Group's tax rate for the third quarter was stable at 32 % compared to the third quarter of the prior year.

Adjusted earnings per share were as follows:

kEUR	Q3 2023	Q3 2022	01.01.- 30.09.2023	01.01.- 30.09.2022
<b>Consolidated net income for the period</b>	<b>16,774</b>	<b>29,460</b>	<b>62,357</b>	<b>59,814</b>
of which: allocated to non-controlling interests	- 826	- 123	- 537	- 202
<b>Consolidated net income of the period (allocated to shareholders of the parent company)</b>	<b>15,948</b>	<b>29,337</b>	<b>61,820</b>	<b>59,612</b>
Adjustments:				
M&A transactions	6,841	7,478	21,582	22,504
Share-based option programs	- 1,020	844	- 7,357	1,799
Restructuring program expenses	0	0	0	3,401
Other non-operative, extraordinary or one-time effects	2,831	- 13,604	7,256	- 17,044
Taxes attributable to these effects	- 2,063	2,723	- 4,854	- 884
<b>Adjusted consolidated net income for the period (allocated to shareholders of the parent company)</b>	<b>22,537</b>	<b>26,778</b>	<b>78,448</b>	<b>69,388</b>
<b>Adjusted undiluted earnings per share (in EUR)</b>	<b>0.43</b>	<b>0.51</b>	<b>1.50</b>	<b>1.33</b>
<b>Adjusted diluted earnings per share (in EUR)</b>	<b>0.43</b>	<b>0.51</b>	<b>1.50</b>	<b>1.33</b>
weighted average of outstanding shares acc. to IAS 33 - undiluted ('000)	52,235	52,236	52,235	52,236
weighted average of outstanding shares acc. to IAS 33 - diluted ('000)	52,239	52,236	52,268	52,236

# EARNINGS DEVELOPMENT OF THE BUSINESS SEGMENTS

## Ambulatory Information Systems (AIS)

mEUR	Q3 2023	Q3 2022*	Change	01.01.- 30.09.2023	01.01.- 30.09.2022*	Change
Revenues to third parties	125.6	122.9	+ 2 %	377.7	365.4	+ 3 %
Share of recurring revenues	77 %	80 %	- 3 ppt	79 %	79 %	+ 0 ppt
EBITDA adjusted	29.7	33.2	- 10 %	90.4	91.0	- 1 %
in % of revenues	24 %	27 %	- 3 ppt	24 %	25 %	- 1 ppt

\* In 2023, some minor profit centers were reallocated between the AIS and CHS segments, therefore the prior year figures have been updated based on the current structure.

- The software business with physicians and dentists achieved revenues of mEUR 378 in **the first nine months of 2023**, which represents an increase of 3 % compared to prior year. Adjusted for currency effects and acquisitions, organic revenues increased by 3 % (prior year: 0 %) due to a good business performance in the United States and the rollout of modules in Germany. Recurring revenues grew by 3 %, keeping recurring share stable at 79 %. Adjusted EBITDA decreased by 1 % to mEUR 90.
- Revenues in **the third quarter 2023** increased to mEUR 126, up 2 % compared to the prior year quarter. Adjusted for acquisition and currency effects, revenues increased organically by 4 % compared to the prior year quarter, in particular due to a good business performance in the United States and the rollout of various modules in Germany. Recurring revenues in the AIS segment decreased by 2 %. At the same time, adjusted EBITDA decreased by 10 % to mEUR 30.

## Hospital Information Systems (HIS)

mEUR	Q3 2023	Q3 2022	Change	01.01.- 30.09.2023	01.01.- 30.09.2022	Change
Revenues to third parties	79.6	70.2	+ 13 %	228.8	206.8	+ 11 %
Share of recurring revenues	66 %	68 %	- 2 ppt	68 %	68 %	+ 0 ppt
EBITDA adjusted	11.7	9.2	+ 27 %	25.4	26.1	- 3 %
in % of revenues	15 %	13 %	+ 2 ppt	11 %	13 %	- 2 ppt

- **In the first nine months of 2023** revenues of the HIS segment increased by 11 % to mEUR 229. Adjusted for acquisitions and FX effects, organic growth was 12 %, mainly attributable to strong project business in Germany. Recurring revenues increased to mEUR 155, corresponding to 68 % of total revenues. Adjusted EBITDA decreased by 3 % to mEUR 25.
- **In the third quarter of 2023**, revenues increased by 13 % to mEUR 80. Organically, revenues increased by 14 % compared to the third quarter of last year due to strong project business in Germany, Spain and Poland. Recurring revenues increased by 10 % to mEUR 52. Adjusted EBITDA grew by 27 % to mEUR 12.



## Consumer and Health Management Information Systems (CHS)

mEUR	Q3 2023	Q3 2022*	Change	01.01.- 30.09.2023	01.01.- 30.09.2022*	Change
Revenues to third parties	46.1	60.4	- 24 %	170.8	136.4	+ 25 %
Share of recurring revenues	65 %	28 %	+ 37 ppt	48 %	38 %	+ 10 ppt
EBITDA adjusted	13.2	12.1	+ 9 %	56.3	26.4	+ 114 %
in % of revenues	29 %	20 %	+ 9 ppt	33 %	19 %	+ 14 ppt

\* In 2023, some minor profit centers were reallocated between the AIS and CHS segments, therefore the prior year figures have been updated based on the current structure.

- **In the first nine months of 2023**, the CHS segment generated revenues of mEUR 171. The strong revenue growth of 25 % was mainly driven by Telematics Infrastructure in the first half year, as well as consolidation effects from the INSIGHT Health acquisition. Excluding Telematics Infrastructure, organic growth was at 1 %. Recurring revenues amounted to mEUR 82 and thereby represented 48 % of the total revenues. Adjusted EBITDA was mEUR 56, up 114 % year-on-year.
- **Revenues in the third quarter** decreased by 24 % to mEUR 46 compared to the prior year quarter. The decline in revenue of 24 % was mainly attributable to a strong prior year in Telematics Infrastructure. Organically and excluding Telematics Infrastructure, revenues decreased by 3 % year-on-year. Recurring revenues amounted to mEUR 30 and represent 65 % of total CHS revenues (prior year: 28 %). Adjusted EBITDA amounted to mEUR 13 and was thus mEUR 1 higher than in the prior year.

## Pharmacy Information Systems (PCS)

mEUR	Q3 2023	Q3 2022	Change	01.01.- 30.09.2023	01.01.- 30.09.2022	Change
Revenues to third parties	34.5	32.0	+ 8 %	103.5	93.5	+ 11 %
Share of recurring revenues	67 %	68 %	- 1 ppt	66 %	67 %	- 1 ppt
EBITDA adjusted	11.1	9.5	+ 16 %	34.2	27.3	+ 25 %
in % of revenues	32 %	30 %	+ 2 ppt	33 %	29 %	+ 4 ppt

- **In the first nine months of 2023**, revenues in PCS segment increased by 11 % to mEUR 103. Organic revenue growth by 8 % which was attributable predominantly to the strong business performance in Italy. Recurring revenues in the PCS segment increased by 9 % to mEUR 69 compared to the same period of the prior year. Adjusted EBITDA was mEUR 34, up 25 % on the prior-year period.
- **Revenues in the third quarter** increased to mEUR 34, up 8 % on the prior year. Organically, the PCS segment achieved growth of 8 %, in particular due to excellent growth in Italy. Recurring revenues increased by 6 % to mEUR 23, representing 67 % of total revenues (prior year: 68 %). Adjusted EBITDA amounted to mEUR 11 and was thus 16 % above the prior year figure.

## Other segments and consolidation

mEUR	Q3 2023	Q3 2022	Change	01.01.- 30.09.2023	01.01.- 30.09.2022	Change
EBITDA adjusted	- 3.5	- 3.1	- 15 %	- 11.0	- 4.8	- 131 %

- Adjusted EBITDA in other business activities and consolidation was mEUR 6 lower than in the **first nine months** of the prior year. The adjusted special items for the first nine months of 2023 amounted to mEUR 2 and were attributable to extraordinary release effects related to stock option programs, management changes and audit charges for prior years licenses usage.
- Adjusted EBITDA **in the third quarter** was comparable to the reference period of last year. Adjusted special items amounted to mEUR 3 in the third quarter and were attributable to exceptional release effects of stock option programs, management changes and audit charges for prior years licenses usage.

## Staff development

Staff development	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
Number of employees (HC)	9,288	9,319	9,229
thereof from acquisitions as at time of acquisition	164	221	231
Full-time equivalent (FTE)*	8,904	8,926	8,833

\* FTE: Indicates for a number of real jobs with different time models the number of notional full-time jobs with the same work capacity.

The headcount increased by 59 employees compared to end of 2022. 164 employees joined the Group as part of acquisitions. The number of FTEs increased by 71 compared to the end of last year.

## NET ASSETS OF THE GROUP

kEUR	Sep 30, 2023		Dec 31, 2022		Change	
Non-current assets	1,557,898	80 %	1,523,631	78 %	+ 34,267	+ 2 %
Current assets	378,327	20 %	420,807	22 %	- 42,480	- 10 %
<b>Total assets</b>	<b>1,936,225</b>	<b>100 %</b>	<b>1,944,438</b>	<b>100 %</b>	<b>- 8,213</b>	<b>- 0 %</b>

kEUR	Sep 30, 2023		Dec 31, 2022		Change	
Equity	701,087	36 %	673,823	35 %	+ 27,264	+ 4 %
Non-current liabilities	895,468	46 %	895,141	46 %	+ 327	+ 0 %
Current liabilities	339,670	18 %	375,474	19 %	- 35,804	- 10 %
<b>Total Liabilities</b>	<b>1,936,225</b>	<b>100 %</b>	<b>1,944,438</b>	<b>100 %</b>	<b>- 8,213</b>	<b>- 0 %</b>

CGM's total assets decreased by mEUR 8 as of September 30, 2023, which corresponds to a decrease from mEUR 1,944 to mEUR 1,936.

The largest changes in assets were as follows:

- Increase in intangible assets by mEUR 38 to mEUR 1,332 mainly due to acquisitions and the capitalization of software development costs.
- Decrease of cash and cash equivalents by mEUR 24 to mEUR 67, mainly due to repayments of loans.
- Reduction of outstanding trade receivables.

All other assets were subject to minor changes in absolute figures in the first nine months of 2023.

Group equity increased from mEUR 674 as at December 31, 2022 to mEUR 701 as at September 30, 2023. This increase is mainly due to the consolidated net profit for the period, which more than compensates for other negative effects such as those related to the dividend payment.

The following significant changes occurred in current and non-current liabilities compared to year-end 2022:

- Decrease in current and non-current liabilities to banks of mEUR 14 to mEUR 714, due to repayments of loans.
- Decrease in trade payables by mEUR 25 to mEUR 88.
- Increase of current and non-current contract liabilities by mEUR 24 to mEUR 106, mainly due to advance payments for software maintenance contracts.

All other current and non-current liabilities were subject to minor changes in absolute figures in the first nine months of 2023.

## FINANCIAL POSITION OF THE GROUP

The liquidity situation and financial position of CGM are shown in the following condensed cash flow statement and key figures on debt:

kEUR	Q3 2023	Q3 2022	Change	01.01.- 30.09.2023	01.01.- 30.09.2022	Change
Operating cash flow	21,804	13,558	+ 8,246	136,222	80,114	+ 56,108
Cash flow from investing activities	- 15,497	- 23,394	+ 7,897	- 87,527	- 116,108	+ 28,581
Cash flow from investing activities w/o acquisitions and disposals of subsidiaries	- 14,051	- 18,112	+ 4,061	- 45,935	- 56,551	+ 10,616
Free cash flow	7,753	- 4,554	+ 12,307	90,287	23,563	+ 66,724
Cash flow from investing activities for acquisitions	- 1,446	- 5,282	+ 3,836	- 41,592	- 59,557	+ 17,965
Cash flow from financing activities	1,874	- 25,371	+ 27,245	- 71,553	13,482	- 85,035
Change in cash and cash equivalents	8,181	- 35,207	+ 43,388	- 22,858	- 22,512	- 346
Changes due to exchange rate fluctuations	361	974	- 613	- 1,073	1,002	- 2,075
Cash and cash equivalents at the beginning of the period	58,044	120,066	- 62,022	90,517	107,343	- 16,826
Cash and cash equivalents at the end of the period	66,586	85,833	- 19,247	66,586	85,833	- 19,247
Net Debt*				697,678	724,566	- 26,888
Leverage (LTM)**				2.68	3.24	- 0.56

\* Liabilities to banks (incl. leasing liabilities according to IFRS 16) ./ cash and cash equivalents (with the exception of accounts under third-party management)

\*\* Net debt / EBITDA (LTM) adjusted for restructuring program expenses plus pro rata EBITDA of newly acquired companies

At mEUR 90, free cash flow **in the first nine months** was mEUR 67 higher than in the same period last year.

The increase resulted mainly from improved working capital management, particularly due to a reduction in inventories, receivables and a positive development of income tax receivables.

In the **third quarter of 2023**, free cash flow amounted to mEUR 8 compared to mEUR - 5 in the same period of the prior year.

The derivation of free cash flow is shown below:

kEUR	Q3 2023	Q3 2022	01.01.- 30.09.2023	01.01.- 30.09.2022
Operating cash flow	21,804	13,558	136,222	80,114
Cash flow from investing activities	- 15,497	- 23,394	- 87,527	- 116,108
./ Net cash outflow for company acquisitions (less acquired cash and cash equivalents and prepayments in prior periods)	- 1,266	- 2,547	- 28,719	- 54,097
./ Cash outflow for acquisitions from prior periods	0	- 2,778	- 12,693	- 4,903
./ Cash inflow from the disposal of subsidiaries and business units	0	43	0	43
./ Cash outflow for capital expenditures in joint ventures and other equity investments	- 180	0	- 180	- 600
<b>Free cash flow</b>	<b>7,753</b>	<b>- 4,554</b>	<b>90,287</b>	<b>23,563</b>

For the **first nine months of 2023** the cash flow from investing activities was mEUR - 88 (prior year: mEUR - 116).

Cash flow from investing activities amounted to mEUR - 15 in the **third quarter of 2023**, compared to mEUR - 23 in the same period in prior year.

The derivation of investments is shown below:

kEUR	Q3 2023	Q3 2022	01.01.- 30.09.2023	01.01.- 30.09.2022
Company acquisitions	- 1,266	- 2,547	- 28,719	- 54,097
Purchase of minority interest and past acquisitions	0	- 2,778	- 12,693	- 4,903
Joint ventures and other equity investments	- 180	0	- 180	- 600
	0	43	0	43
<b>CAPEX</b>	<b>- 14,051</b>	<b>- 18,112</b>	<b>- 45,935</b>	<b>- 56,551</b>
Capitalized in-house services and other intangible assets	- 10,310	- 11,630	- 32,373	- 37,017
Office buildings and property	- 253	- 2,732	- 780	- 6,605
Other property and equipment	- 3,488	- 3,750	- 12,782	- 12,929
<b>Total</b>	<b>- 15,497</b>	<b>- 23,394</b>	<b>- 87,527</b>	<b>- 116,108</b>

In the **first nine months of 2023**, financing activities generated cash outflows of mEUR - 72 (prior year: mEUR 13).

Cash flow from financing activities amounted to mEUR 2 in the **third quarter of 2023** (prior year: mEUR - 25). The cash flow from financing activities was influenced by the exercise of a call option for the acquisition of further 20 % of the shares in 4K S.r.l. and the acquisition of further 49 % of the shares in m.Doc GmbH.

As of September 30, 2023, cash and cash equivalents amounted to MEUR 67 (prior year: mEUR 86). The reported cash and cash equivalents also include restricted cash.

Net debt as at September 30, 2023 was mEUR 698, mEUR 2 higher than the net debt of mEUR 696 as at December 31, 2022. Leverage was 2.68 (December 31, 2022: 3.12) and thus met the requirements of the existing credit agreement.

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## GUIDANCE

The guidance for the financial year 2023 remains unchanged.

### Group

For 2023, CompuGroup Medical SE & Co. KGaA continues to expect:

- An organic revenue growth (adjusted for acquisitions and currency effects) of approximately 5 %
- The share of recurring revenues in total revenues is expected to be between 60 % and 70 %.
- Adjusted EBITDA is expected to range between mEUR 260 and mEUR 300.
- Adjusted earnings per share (diluted) are expected to increase by at least 10 %.
- Free cash flow is expected to be at least mEUR 100.

### Segments

The following unchanged performance is expected for the reporting segments in financial year 2023:

- In the AIS segment, organic revenue growth is expected in the mid-single digit percentage range.
- The HIS segment is expected to generate organic revenue growth in the mid- to high-single digit percentage range.
- In the CHS segment, organic revenue growth is expected in the low to mid-single digit percentage range.
- The PCS segment is expected to generate organic revenue growth in the lower-single digit percentage range.

The above guidance for the current financial year does not take into account any effects from company acquisitions not yet completed or potential transactions to be carried out in the course of financial year 2023. The guidance is based on the management's best estimate of future market conditions and the development of the business segments of CompuGroup Medical in this environment; it may be influenced by delays or changes in the implementation of the Telematics Infrastructure that are beyond the control of the company. Moreover, uncertainty remains with regard to the further impact of the global economic environment and the Russia-Ukraine war. The guidance may also be influenced by foreign exchange effects (especially changes in the USD/EUR conversion rate).

# Interim Statement of Financial Position

as of September 30, 2023

## Assets

kEUR	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
<b>Non-current assets</b>			
Intangible assets	1,332,168	1,320,272	1,293,910
Property, plant and equipment	108,272	106,336	107,478
Right-of-use assets	49,151	58,040	53,411
Investments in associates and joint ventures (valued at-equity)	7,479	3,013	7,300
Other investments	3,163	3,124	3,158
Finance lease receivables	14,605	16,181	15,984
Other financial assets*	3,626	7,956	2,111
Derivative financial instruments*	35,881	41,762	36,560
Other non-financial assets	1,200	1,200	1,200
Deferred taxes	2,353	5,633	2,519
	<b>1,557,898</b>	<b>1,563,517</b>	<b>1,523,631</b>
<b>Current assets</b>			
Inventories	21,196	34,819	29,438
Trade receivables	176,512	169,425	189,439
Finance lease receivables	8,591	9,185	9,152
Contract assets	32,713	29,718	23,282
Other financial assets	3,223	4,491	2,842
Derivative financial instruments	804	0	574
Other non-financial assets	33,471	31,669	27,003
Income tax receivables	35,231	30,579	48,560
Cash & cash equivalents	66,586	85,833	90,517
	<b>378,327</b>	<b>395,719</b>	<b>420,807</b>
	<b>1,936,225</b>	<b>1,959,236</b>	<b>1,944,438</b>

\* Reporting of derivative financial instruments previously under other financial assets.



# Interim Statement of Financial Position

as of September 30, 2023

## Shareholder's Equity and Liabilities

kEUR	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022
<b>Equity</b>			
Subscribed capital	53,735	53,735	53,735
Treasury shares	- 105,205	- 105,205	- 105,205
Reserves	751,382	729,475	723,890
<b>Capital and reserves allocated to the shareholders of the parent company</b>	<b>699,912</b>	<b>678,005</b>	<b>672,420</b>
Non-controlling interests	1,175	899	1,403
	<b>701,087</b>	<b>678,904</b>	<b>673,823</b>
<b>Non-current liabilities</b>			
Provisions for post-employment benefits and other non-current provisions	33,852	41,443	32,656
Liabilities to banks	689,202	739,979	699,371
Contract liabilities	15,033	7,644	15,529
Purchase price liabilities	10,800	6,924	5,539
Lease liabilities	34,205	35,917	33,741
Other financial liabilities	200	1,254	53
Other non-financial liabilities	47	42	42
Deferred taxes	112,129	110,683	108,210
	<b>895,468</b>	<b>943,886</b>	<b>895,141</b>
<b>Current liabilities</b>			
Liabilities to banks	25,116	6,031	29,104
Contract liabilities	91,070	104,233	66,898
Purchase price liabilities	6,434	16,490	16,046
Trade payables	87,782	90,188	112,613
Income tax liabilities	30,518	11,108	32,316
Other provisions	56,269	48,176	60,920
Derivative financial instruments	487	910	901
Lease liabilities	14,532	22,685	19,603
Other financial liabilities	4,674	9,528	8,478
Other non-financial liabilities	22,788	27,097	28,595
	<b>339,670</b>	<b>336,446</b>	<b>375,474</b>
	<b>1,936,225</b>	<b>1,959,236</b>	<b>1,944,438</b>

# Interim Income Statement

for the reporting period of January 1 - September 30, 2023

	Q3 2023	Q3 2022	01.01.-30.09.2023	01.01.-30.09.2022	2022
Revenues	285,718	285,387	880,739	802,083	1,129,739
Capitalized inhouse services	8,456	10,964	27,381	33,749	44,819
Other income	4,277	2,055	19,557	9,477	19,396
Expenses for goods and services purchased	-53,067	-56,496	-159,106	-145,189	-216,397
Personnel expenses	-139,401	-133,698	-421,154	-403,913	-546,704
Net impairment losses on financial and contract assets	-1,696	-683	-5,400	-1,009	-4,961
Other expenses	-45,931	-48,142	-147,343	-145,277	-209,541
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b>	<b>58,356</b>	<b>59,387</b>	<b>194,674</b>	<b>149,921</b>	<b>216,351</b>
Depreciation of property, plant and equipment and right-of-use assets	-10,563	-10,555	-30,063	-31,192	-42,770
<b>Earnings before interest, taxes and amortization (EBITA)</b>	<b>47,793</b>	<b>48,832</b>	<b>164,611</b>	<b>118,729</b>	<b>173,581</b>
Amortization of intangible assets	-16,191	-17,734	-49,105	-50,452	-69,551
thereof from purchase price allocations	-10,677	-11,587	-32,425	-34,731	-45,882
<b>Earnings before interest and taxes (EBIT)</b>	<b>31,602</b>	<b>31,098</b>	<b>115,506</b>	<b>68,277</b>	<b>104,030</b>
Result from companies accounted for using the equity method	0	0	0	0	-99
Financial income	33	14,420	529	28,278	22,719
Financial expenses	-6,839	-2,156	-24,634	-8,740	-14,584
Net impairment losses on financial assets*	0	0	0	0	-5,250
<b>Earnings before taxes (EBT)</b>	<b>24,796</b>	<b>43,362</b>	<b>91,401</b>	<b>87,815</b>	<b>106,816</b>
Income taxes for the period	-8,022	-13,902	-29,044	-28,001	-32,699
<b>Consolidated net income for the period</b>	<b>16,774</b>	<b>29,460</b>	<b>62,357</b>	<b>59,814</b>	<b>74,117</b>
of which: allocated to shareholders of the parent company	15,948	29,337	61,820	59,612	73,411
of which: allocated to non-controlling interests	826	123	537	202	706
<b>Earnings per share</b>					
undiluted (EUR)	0.31	0.56	1.18	1.14	1.41
diluted (EUR)	0.31	0.56	1.18	1.14	1.40

\* Reporting of net impairment losses on financial assets previously under financial expenses.

# Cash Flow Statement

as of September 30, 2023

kEUR	Q3 2023	Q3 2022	01.01.- 30.09.2023	01.01.- 30.09.2022	2022
Consolidated net income for the period	16,774	29,460	62,357	59,814	74,117
Depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets	26,754	28,290	79,168	81,644	112,321
Earnings on sale of fixed assets	-73	-43	-25	-187	-163
Change in provisions (including income tax liabilities)	4,014	-3,057	-4,856	-14,082	15,882
Change in derivative financial instruments*	-889	-15,661	1,983	-34,273	-18,871
Deferred tax income/expense	20	3,094	6	6,186	352
Other non-cash earnings/ expenditures	-3,943	16,278	-5,094	4,212	4,561
	<b>42,657</b>	<b>58,361</b>	<b>133,539</b>	<b>103,314</b>	<b>188,199</b>
Change in inventories	898	-5,435	8,247	-14,155	-8,788
Change in trade receivables and other receivables	-5,409	-15,119	6,835	-12,075	-28,761
Change in income tax receivables	8,024	919	13,342	162	-17,819
Change in other receivables*	8,155	-4,391	-7,946	-3,364	8,419
Change in trade payables	2,240	7,035	-34,763	-8,901	15,565
Change in contract liabilities	-26,785	-27,430	23,765	17,247	-10,377
Change in other liabilities	-7,976	-382	-6,797	-2,114	-1,411
<b>Operating cash flow</b>	<b>21,804</b>	<b>13,558</b>	<b>136,222</b>	<b>80,114</b>	<b>145,027</b>
Cash outflow for capital expenditure for intangible assets	-10,310	-11,630	-32,373	-37,017	-50,560
Cash inflow from disposals of property, plant and equipment	68	-14	312	279	349
Cash outflow for capital expenditure for property, plant and equipment	-3,809	-6,468	-13,874	-19,813	-25,847
Net cash outflow for company acquisitions (less acquired cash and cash equivalents and prepayments in prior periods)	-1,266	-2,547	-28,719	-54,097	-57,881
Cash outflow for acquisitions from prior periods	0	-2,778	-12,693	-4,903	-6,887
Cash inflow from the disposal of subsidiaries and business units	0	43	0	43	43
Cash outflow for capital expenditures for joint ventures and other equity investments	-180	0	-180	-600	-4,631
<b>Cash flow from investing activities</b>	<b>-15,497</b>	<b>-23,394</b>	<b>-87,527</b>	<b>-116,108</b>	<b>-145,414</b>
Buyback of treasury shares	0	0	0	-9,109	-9,109
Dividend paid	0	0	-26,117	-26,117	-26,117
Capital paid to non-controlling interests	-211	-175	-211	-175	-175
Acquisition of additional shares from non-controlling interests	-4,500	0	-8,875	-17	-17
Downpayment of lease liabilities	-6,589	-6,451	-18,886	-17,856	-25,530
Cash inflow from borrowing of loans	-33,981	248,768	10,021	595,215	340,000
Cash outflow from the repayment of loans	47,155	-267,513	-27,485	-528,459	-295,411
<b>Cash flow from financing activities</b>	<b>1,874</b>	<b>-25,371</b>	<b>-71,553</b>	<b>13,482</b>	<b>-16,359</b>
Cash and cash equivalents at the beginning of the period	58,044	120,066	90,517	107,343	107,343
<b>Change in cash and cash equivalents</b>	<b>8,181</b>	<b>-35,207</b>	<b>-22,858</b>	<b>-22,512</b>	<b>-16,746</b>
Changes due to exchange rate fluctuations	361	974	-1,073	1,002	-80
<b>Cash and cash equivalents at the end of the period</b>	<b>66,586</b>	<b>85,833</b>	<b>66,586</b>	<b>85,833</b>	<b>90,517</b>
Interest paid	7,005	2,430	20,482	5,402	6,157
Interest received	119	22	442	346	687
Income taxes paid	11,311	7,490	23,271	32,681	39,034

\* Change in derivative financial instruments previously reported under changes in other receivables

# Segment Report

as of September 30, 2023

kEUR	Segment AIS Ambulatory Information Systems			Segment HIS Hospital Information Systems			Segment CHS Consumer and Health Management Information Systems			Segment PCS Pharmacy Information Systems		
	2023	2022*	2022*	2023	2022	2022	2023	2022*	2022*	2023	2022	2022
	01.01 - 30.09.	01.01 - 30.09.	01.01 - 31.12.	01.01 - 30.09.	01.01 - 30.09.	01.01 - 31.12.	01.01 - 30.09.	01.01 - 30.09.	01.01 - 31.12.	01.01 - 30.09.	01.01 - 30.09.	01.01 - 31.12.
<b>Revenues to third parties</b>	<b>377,651</b>	<b>365,364</b>	<b>502,287</b>	<b>228,848</b>	<b>206,780</b>	<b>277,217</b>	<b>170,752</b>	<b>136,366</b>	<b>219,594</b>	<b>103,474</b>	<b>93,525</b>	<b>130,547</b>
thereof Software license	34,967	30,786	45,756	25,744	23,912	29,910	827	799	1,044	4,586	3,690	5,685
thereof Hardware	13,330	15,196	19,612	5,909	6,102	9,583	41,157	23,726	53,327	20,117	18,109	27,484
thereof Professional Services	23,193	25,039	41,409	42,012	35,622	47,358	15,769	13,070	22,897	9,018	7,940	12,228
thereof Software Maintenance & hotline	212,694	208,151	278,491	116,352	104,328	140,137	12,323	10,459	14,096	34,415	31,383	42,185
thereof Other recurring revenues	84,344	79,116	107,206	38,782	36,482	49,795	69,675	41,298	56,180	34,238	31,639	41,787
thereof Advertising, eDetailing and Data	477	506	682	5	0	0	29,309	45,298	69,039	409	341	490
thereof Other revenues	8,646	6,571	9,131	44	333	434	1,690	1,716	3,011	692	423	688
<b>Point in time of revenue recognition</b>												
at a specific point in time	25,297	24,316	35,858	11,261	10,146	14,880	42,917	25,533	56,463	22,024	19,657	29,812
over a period of time	352,354	341,048	466,429	217,587	196,634	262,337	127,835	110,833	163,131	81,450	73,868	100,735
	<b>377,651</b>	<b>365,364</b>	<b>502,287</b>	<b>228,848</b>	<b>206,780</b>	<b>277,217</b>	<b>170,752</b>	<b>136,366</b>	<b>219,594</b>	<b>103,474</b>	<b>93,525</b>	<b>130,547</b>
thereof recurring revenues	297,038	287,267	385,697	155,134	140,811	189,932	81,999	51,757	70,276	68,653	63,022	83,972
Revenues between segments	46,853	50,138	84,008	4,183	4,031	5,347	23,412	26,957	47,089	3,384	2,637	4,160
<b>Segment Revenues</b>	<b>424,504</b>	<b>415,502</b>	<b>586,295</b>	<b>233,031</b>	<b>210,811</b>	<b>282,564</b>	<b>194,164</b>	<b>163,324</b>	<b>266,683</b>	<b>106,858</b>	<b>96,162</b>	<b>134,707</b>
Capitalized inhouse services	4,787	9,625	11,322	10,777	13,571	18,491	6,807	7,318	10,791	4,323	3,235	4,216
Other income	6,106	9,821	11,349	5,261	3,555	6,197	1,783	695	1,254	1,148	1,745	2,823
Expenses for goods and services purchased	-93,489	-98,931	-145,521	-39,336	-33,604	-48,077	-79,976	-76,196	-133,798	-27,740	-24,250	-35,242
Personnel costs	-172,574	-164,848	-223,641	-129,653	-120,193	-161,768	-44,365	-42,822	-58,196	-35,163	-34,301	-46,375
Other expenses	-78,974	-84,909	-115,282	-54,712	-48,791	-72,927	-25,015	-28,097	-38,124	-15,220	-15,706	-20,776
<b>EBITDA</b>	<b>90,360</b>	<b>86,260</b>	<b>124,522</b>	<b>25,368</b>	<b>25,349</b>	<b>24,480</b>	<b>53,398</b>	<b>24,222</b>	<b>48,610</b>	<b>34,206</b>	<b>26,885</b>	<b>39,353</b>
in % of revenues	23.9%	23.6%	24.8%	11.1%	12.3%	8.8%	31.3%	17.8%	22.1%	33.1%	28.7%	30.1%
Depreciation of property, plant and equipment and right of use assets												
Amortization of intangible assets												
<b>EBIT</b>												
Result from companies accounted for using the equity method												
Financial income												
Financial expenses												
Net impairment losses on financial assets												
<b>EBT</b>												
Income taxes for the period												
<b>Consolidated net income for the period</b>												
in % of revenues												

\* In 2023, some minor profit centers were reallocated between the AIS and CHS segments, therefore the prior year figures have been updated based on the current structure

# Segment Report

as of September 30, 2023

kEUR	All other segments			Sum Segments			Consolidation			CGM Group		
	2023	2022	2022	2023	2022*	2022*	2023	2022*	2022*	2023	2022	2022
	01.01 - 30.09.	01.01 - 30.09.	01.01 - 31.12.	01.01 - 30.09.	01.01 - 30.09.	01.01 - 31.12.	01.01 - 30.09.	01.01 - 30.09.	01.01 - 31.12.	01.01 - 30.09.	01.01 - 30.09.	01.01 - 31.12.
<b>Revenues to third parties</b>	<b>14</b>	<b>48</b>	<b>94</b>	<b>880,739</b>	<b>802,083</b>	<b>1,129,739</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>880,739</b>	<b>802,083</b>	<b>1,129,739</b>
thereof Software license	0	0	0	66,124	59,187	82,395	0	0	0	66,124	59,187	82,395
thereof Hardware	0	0	0	80,513	63,133	110,006	0	0	0	80,513	63,133	110,006
thereof Professional Services	6	48	94	89,998	81,719	123,986	0	0	0	89,998	81,719	123,986
thereof Software Maintenance & hotline	0	0	0	375,784	354,321	474,909	0	0	0	375,784	354,321	474,909
thereof Other recurring revenues	0	0	0	227,039	188,535	254,968	0	0	0	227,039	188,535	254,968
thereof Advertising, eDetailing and Data	0	0	0	30,200	46,145	70,211	0	0	0	30,200	46,145	70,211
thereof Other revenues	9	0	0	11,081	9,043	13,264	0	0	0	11,081	9,043	13,264
<b>Point in time of revenue recognition</b>												
at a specific point in time	9	0	0	101,508	79,652	137,013	0	0	0	101,508	79,652	137,013
over a period of time	5	48	94	779,231	722,431	992,726	0	0	0	779,231	722,431	992,726
	<b>14</b>	<b>48</b>	<b>94</b>	<b>880,739</b>	<b>802,083</b>	<b>1,129,739</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>880,739</b>	<b>802,083</b>	<b>1,129,739</b>
thereof recurring revenues	0	0	0	602,824	542,857	729,877	0	0	0	602,824	542,857	729,877
Revenues between segments	10,300	11,244	10,247	88,132	95,007	150,851	-88,133	-95,007	-150,851	-1	0	0
<b>Segment Revenues</b>	<b>10,315</b>	<b>11,292</b>	<b>10,341</b>	<b>968,872</b>	<b>897,091</b>	<b>1,280,590</b>	<b>-88,133</b>	<b>-95,007</b>	<b>-150,851</b>	<b>880,739</b>	<b>802,084</b>	<b>1,129,739</b>
Capitalized inhouse services	687	0	0	27,381	33,749	44,820	0	0	0	27,381	33,749	44,820
Other income	71,622	66,528	96,853	85,920	82,344	118,476	-66,363	-72,867	-99,080	19,557	9,477	19,396
Expenses for goods and services purchased	-5,580	-5,940	-3,172	-246,121	-238,921	-365,810	87,015	93,732	149,413	-159,106	-145,189	-216,397
Personnel costs	-39,805	-42,533	-57,572	-421,560	-404,697	-547,552	406	784	848	-421,154	-403,913	-546,704
Other expenses	-45,669	-42,083	-67,020	-219,590	-219,586	-314,129	66,847	73,299	99,625	-152,743	-146,287	-214,504
<b>EBITDA</b>	<b>-8,430</b>	<b>-12,736</b>	<b>-20,570</b>	<b>194,902</b>	<b>149,980</b>	<b>216,395</b>	<b>-228</b>	<b>-59</b>	<b>-45</b>	<b>194,674</b>	<b>149,921</b>	<b>216,350</b>
in % of revenues				22.1%	18.7%	19.2%				22.1%	0	19.2%
Depreciation of property, plant and equipment and right of use assets										-30,063	-31,192	-42,770
Amortization of intangible assets										-49,105	-50,452	-69,551
<b>EBIT</b>										<b>115,506</b>	<b>68,277</b>	<b>104,029</b>
Result from companies accounted for using the equity method										0	0	-99
Financial income										529	28,278	22,719
Financial expenses										-24,634	-8,740	-14,584
Net impairment losses on financial assets										0	0	-5,250
<b>EBT</b>										<b>91,401</b>	<b>87,815</b>	<b>106,815</b>
Taxes on income for the period										-29,044	-28,001	-32,699
<b>Consolidated net income for the period</b>										<b>62,357</b>	<b>59,814</b>	<b>74,116</b>
in % of revenues										7.1%	7.5%	6.6%

\* In 2023, some minor profit centers were reallocated between the AIS and CHS segments, therefore the prior year figures have been updated based on the current structure

# ADDITIONAL INFORMATION

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## Financial calendar

Date	Event
February 8, 2024	Preliminary Figures Q4 / FY 2023
March 28, 2024	Annual Report 2023
May 8, 2024	Quarterly Statement Q1 2024
May 22, 2024	Annual General Meeting
August 8, 2024	Interim Report Q2 2024
September 5, 2024	Capital Markets Day
November 7, 2024	Quarterly Statement Q3 2024

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# Management Responsibility Statement

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To the best of our knowledge and in accordance with the applicable accounting principles for interim financial reporting, the consolidated interim financial statements give a true and fair view of the net assets, financial position, and results of operations of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group over the remainder of the financial year.

Koblenz, November 9, 2023

**CompuGroup Medical SE & Co. KGaA**  
**Represented by the Managing Directors**  
**of CompuGroup Medical Management SE**



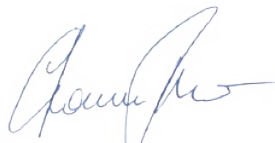
Michael Rauch



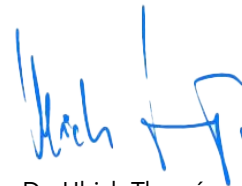
Emanuele Mugnani



Dr. Eckart Pech



Hannes Reichl



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