

# FY 2021 Earnings

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March 25, 2022

# 2022

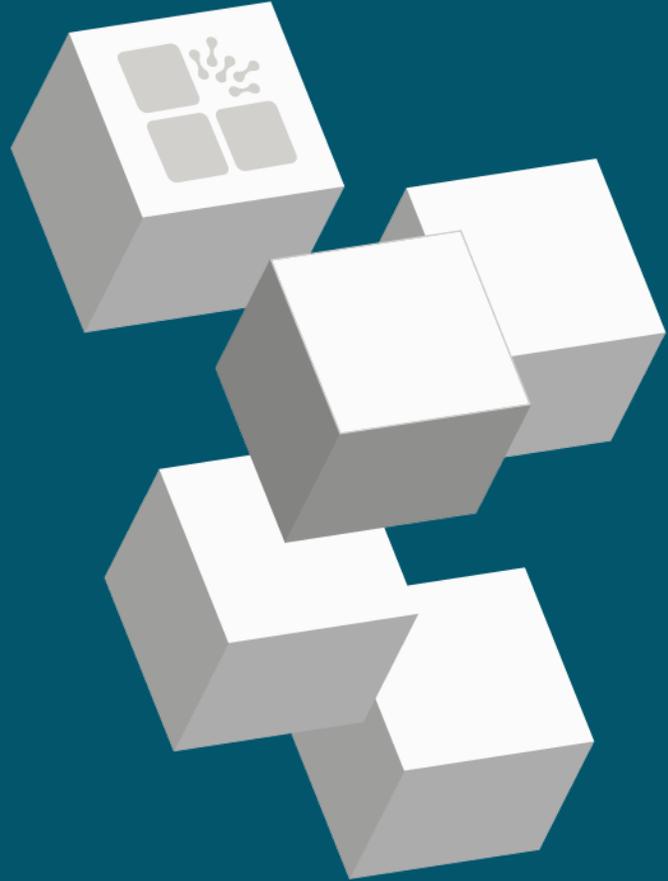


# Forward-looking statements

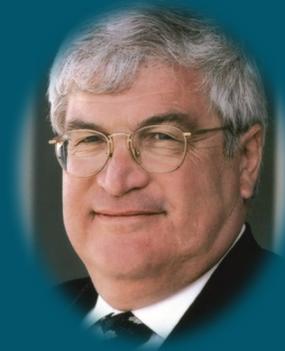
This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations and assumptions that we believe to be reasonable when made, but that may not prove to be accurate. By their nature, forward-looking statements involve risk and uncertainty. Consequently, the company cannot guarantee their accuracy and their completeness, and actual results may differ materially from those the company anticipated due to a number of uncertainties, many of which the company is not aware of.

For additional information concerning important factors that may cause the company's actual results to differ materially from expectations and underlying assumptions, please refer to the reports filed by the company with the Autorité des Marchés Financiers.

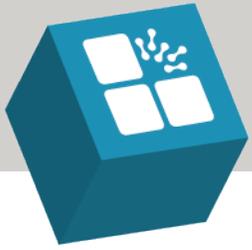
Any forward-looking statement speaks only as of the date on which it is made, and we assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.



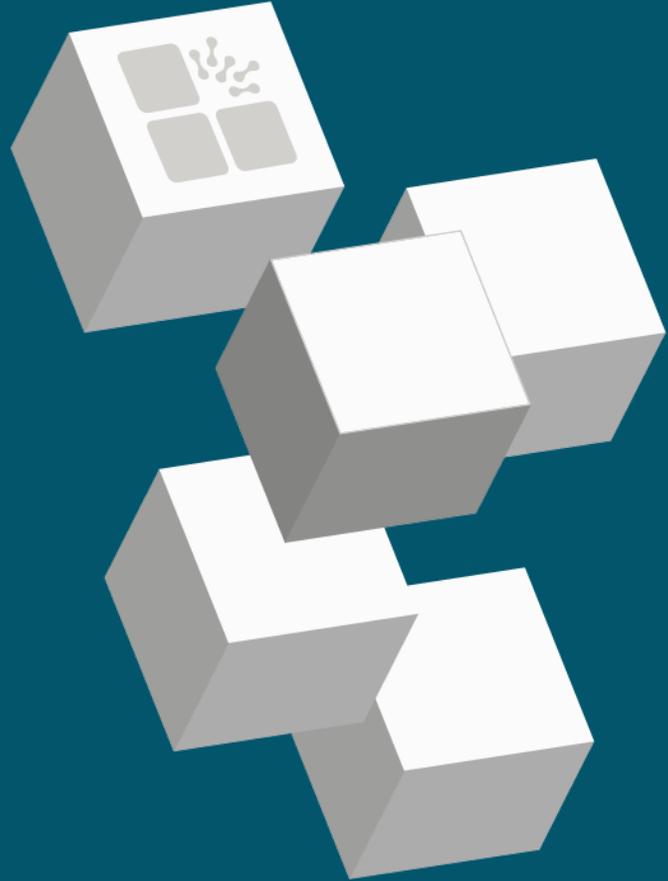
# Back to strong momentum in 2021



Jean-Claude Labrune  
Chairman & CEO



A solid foundation for future success



# Business Group review



Laurent Labrune  
Managing Director



Day after day, our more than 5,600 great employees work hard to improve the health of thousands of people every minute

Revenue  
€524.7m

+5.6%  
reported

+5.0%  
Lfl

Net Profit  
€26.3m

x 2.4 | +€15.4m

Net Debt  
excl. IFRS 16  
€165.0m

+0.5% | +€0.8m

Employees  
5,643

+6.3% | +322

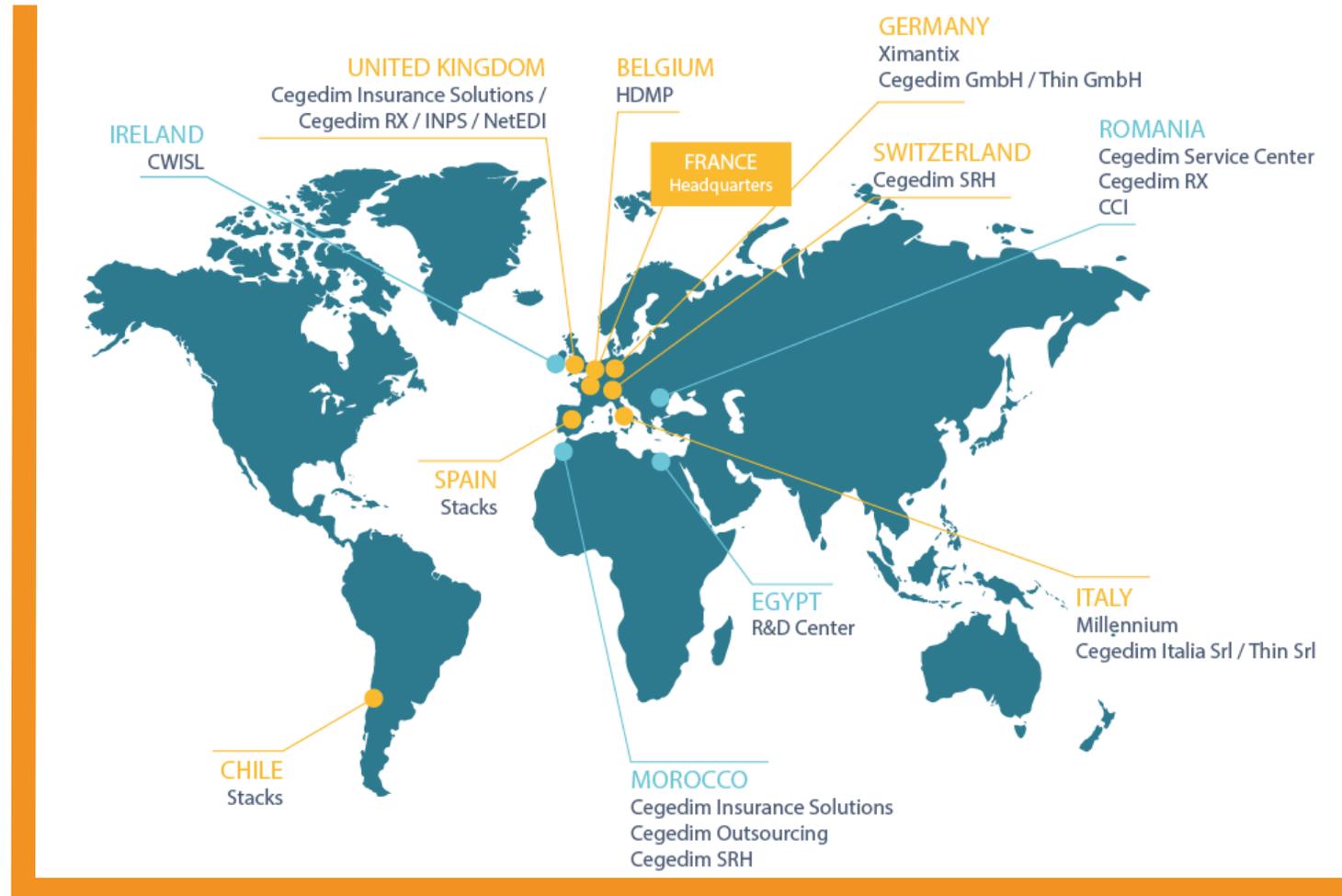
Offshoring

23%  
2020

26%  
2021



# Cegedim: A strong European presence

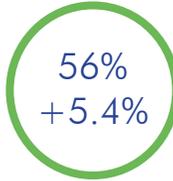




# Breakdown of business by activity



## Software & services



- Cegedim Santé – solutions for HCP in France including Maiia HCP booking platform
- CHS – Solutions for HCP in Europe
- Cegedim Insurance – Solutions for Health Insurers
- Cegedim SRH – HCM Suite



## Flow



### Digitalization of contract to pay process

- Healthcare in France, third party payment
- All sectors in France, the UK, and Germany



## BPO



### Business process outsourcing for:

- Health insurance companies, mainly claims processing
  - HR departments in France
- Offshore centers in Romania and Morocco



## Data & marketing



Real World database (France, the UK, Romania, Spain, Italy and Germany) and Sales Audit

Digital and print marketing at pharmacies in France

Digital marketing for French and Belgium doctors



# Strong regulatory market drivers

## Government eHealth Programs

- Ma Santé 2022
- Ségur de la Santé

## Finance Law

- Mandatory e-invoicing by 2024/2026 in major EU countries
- Trend toward VAT Clearance (Italian model, EU scheme under preparation)

## Covid-specific measures

- New pharmacist role
- Social measures for employees and companies

## Health Insurance regulation

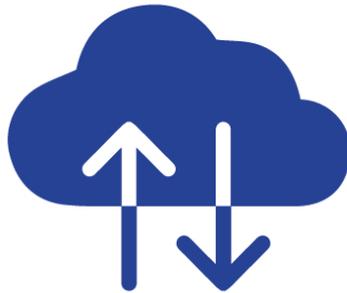
- PSC (Protection Social Complémentaire) 2025 following ANI and 100% Santé



Software  
& services

56%  
of 2021 Group revenue

+5.4%  
FY 2021 Revenue reported growth



**Cegedim Santé** – solutions for HCP in France including Maiia  
HCP booking platform

**CHS** – Solution for HCP in Europe

**Cegedim Insurance** – Solutions for Health Insurers

**Cegedim SRH** – HCM Suite



# Software & services: Cegedim Santé



Our mission:

Help healthcare professionals focus on patients care and patient pathway



# Software & services: Cegedim Santé

100,000  
HCP users  
Cegedim Santé

25 million  
Patients  
Malakoff Humanis  
VYV  
PRO BTP

## The deal

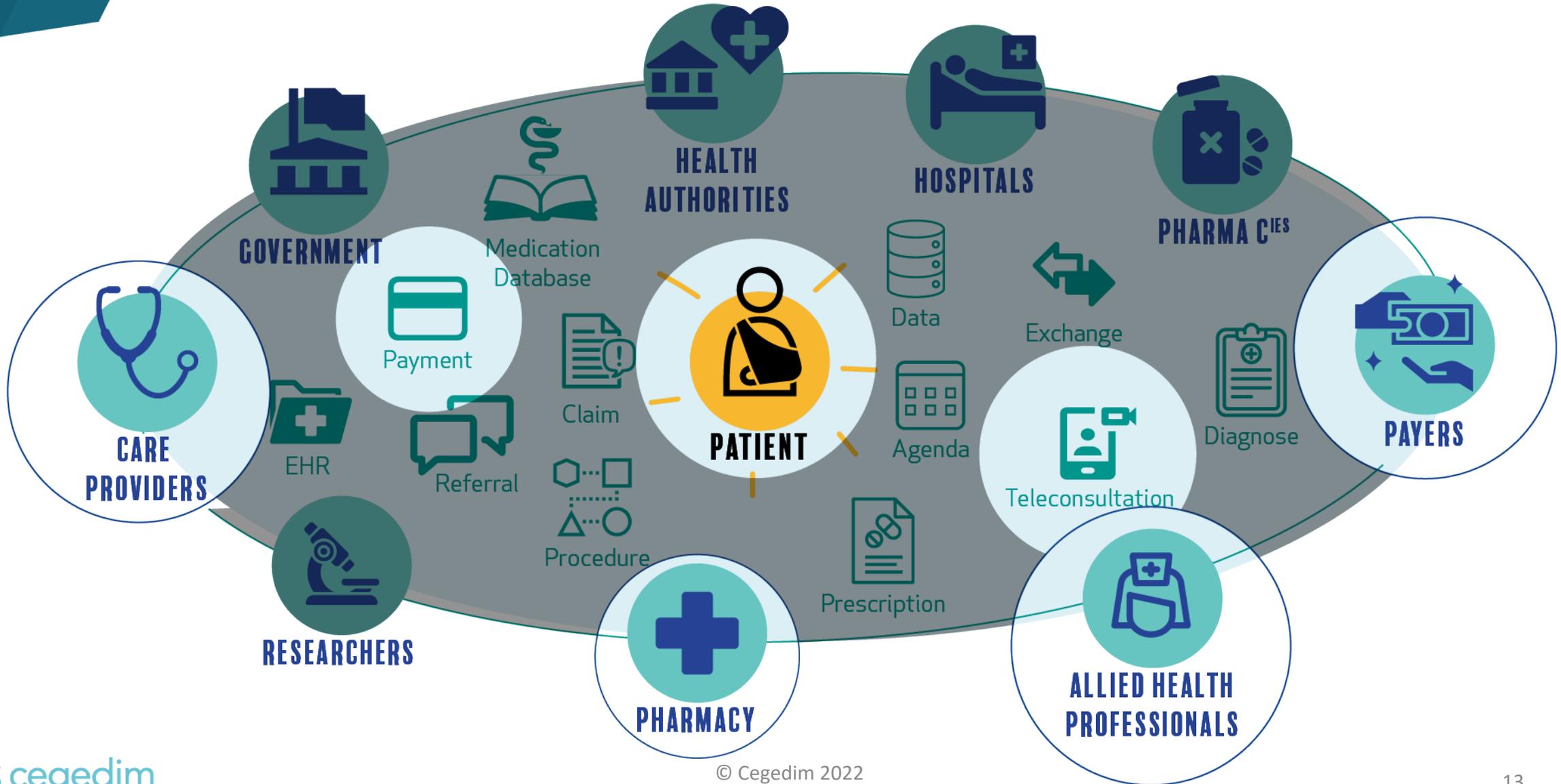
- Reserved capital increase of €65 million for 18% of Cegedim Santé equity
- Industrial partnership: Improving patient pathway
- Accelerate Cegedim Santé growth
- Cegedim Santé to simultaneously acquire MesDocteurs (Groupe VYV)

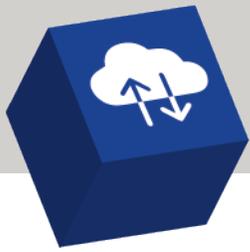
## Key metrics

- 12% of FY 2021 Group revenue
- 5% of FY 2021 operating income
- € 360.9m post-deal valuation



# Creating a unique healthcare ecosystem





# Healthcare



- Maiia doubling its revenue
- Maiia Gestion Kiné (>2,000 clients in 1 year) – dentist and doctor versions to follow mid 2022
- Smart RX NeV: next-generation solution launched
- >30 pharmacy groups signed Smart 360 BI solution
- Multi-disciplinary health centers reaching over 50% market shares



- Cegedim RX UK: Award-winning Pharmacy product of the year
- Spain: reaching over 40,000 users  
2 new regions awarded + 4 new hospitals signed
- Romania & Belgium: Cloud solution end-2022





# Cegedim Insurance



## 43 million beneficiaries managed on our solutions

- Beyond: First customer signed on our new cloud solution
- “Easy Collectif” new module under deployment for 2 large customers to address the reform of the Supplementary social protection (PSC) for civil servants
- Several delegated management (BPO) contracts signed in 2021 in the field of personal provident
- TP Santé: First deployment of this major Third Party Payment innovation  
Care items not reimbursed by social security and managed by the third-party payer
- Acceleration of Hospital Third Party Payment adoption (10 projects)



## Data & marketing

19%  
of 2021 Group revenue

+12.1%  
FY 2021 Revenue reported growth



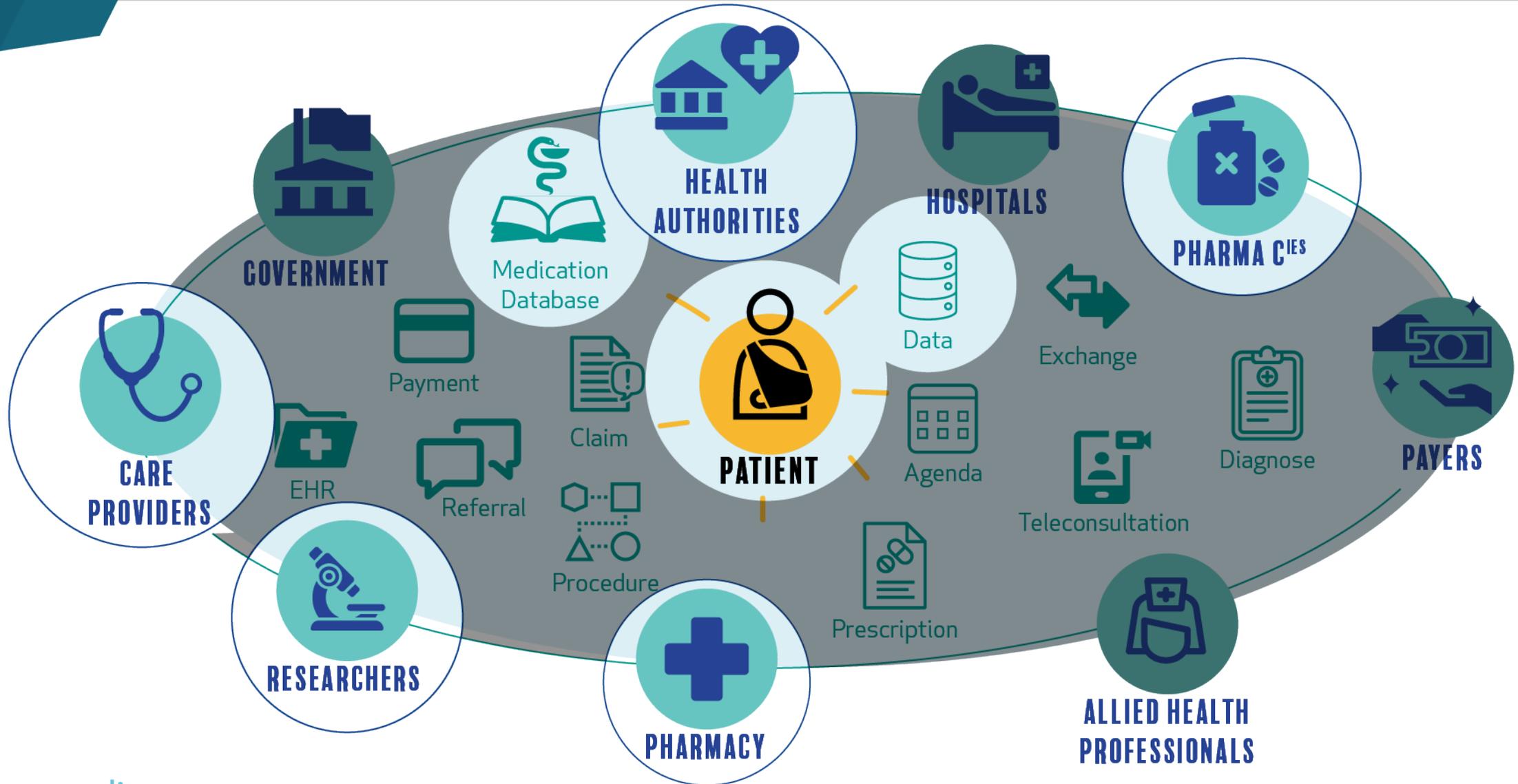
Real World database (France, the UK, Romania, Spain, Italy and Germany) and **Sales Audit**

Digital and print marketing at pharmacies in France

Digital marketing for French and Belgium doctors



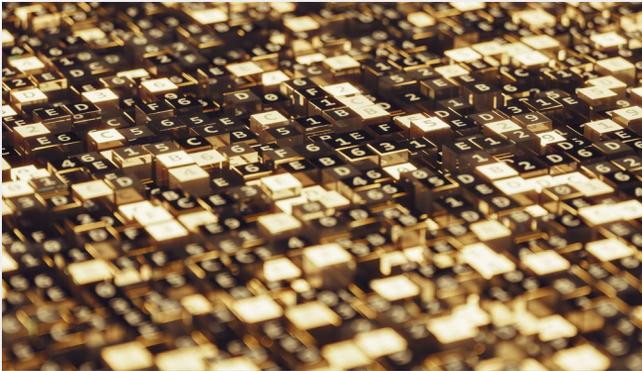
# Creating a unique healthcare ecosystem





# DATA

## GERS



- Revenue doubled in 5 years
- Increasing need for data linked to Covid
- Future development of GMS & e-commerce

## THIN RWE



- THIN now available in Italy in addition to FR, UK, SP, BE
- Germany planned end-2022
- 5-year EMA contract
- Algorithms for rare disease detection

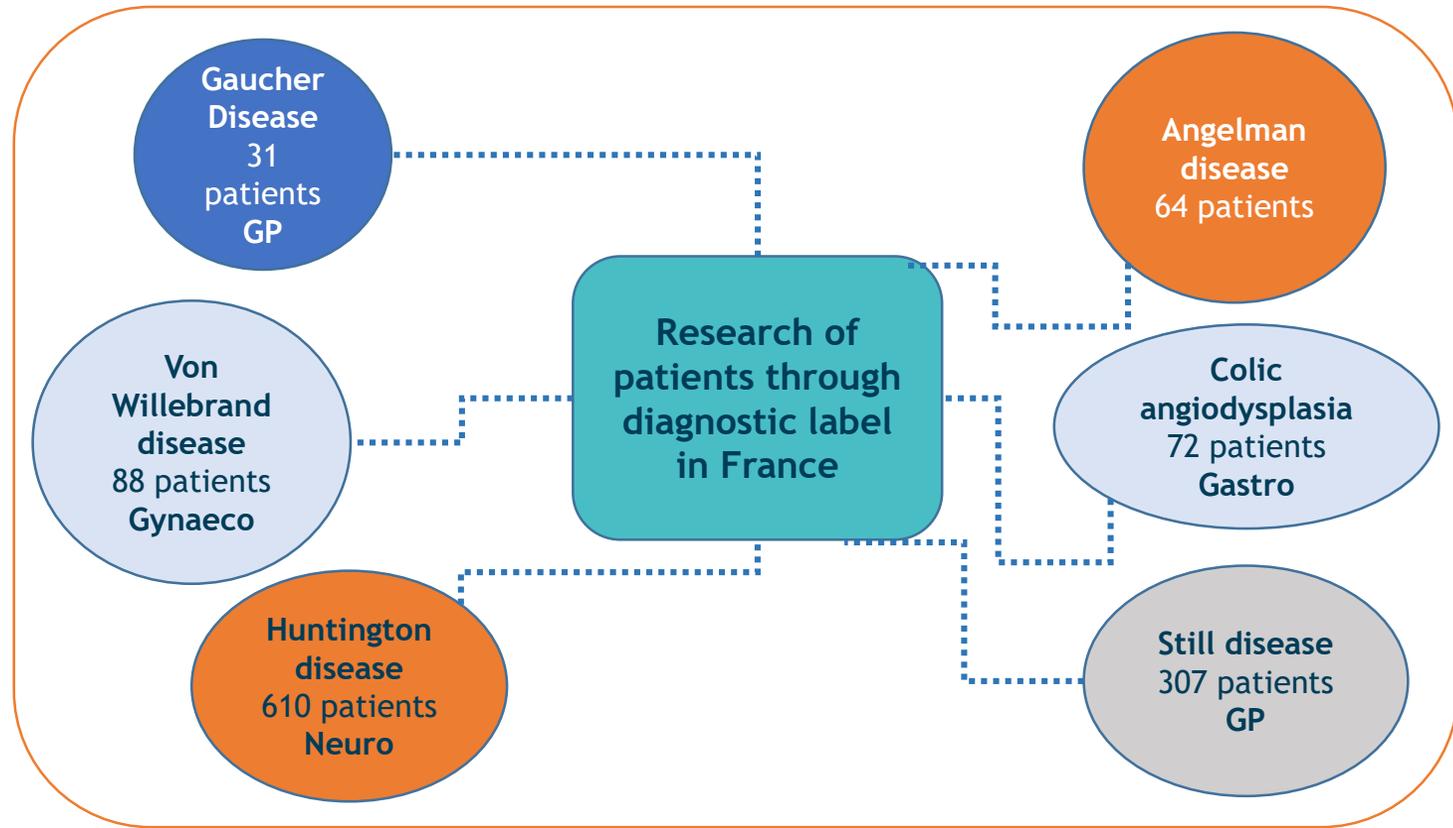
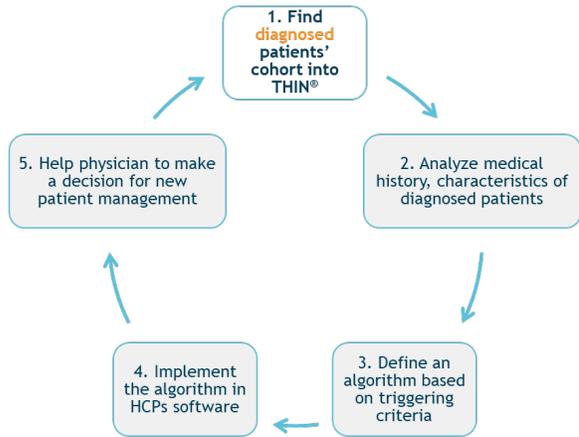
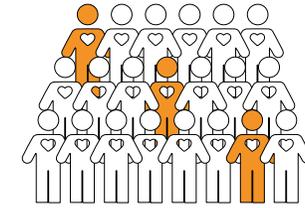


# DATA: Cycling approach for rare disease detection



Algorithm  
AI

1. Find  
diagnosed  
patients'  
cohort into THIN®



The Cegedim group databases comply with the relevant applicable data protection laws and are anonymized. THIN ® TM is a Cegedim group proprietary database and registered Trademark. Confidential / Any disclosure, reproduction, distribution or other use of this message or any attachments by an individual or entity other than the intended recipient is prohibited.



# Digital advertising

**FUTURAMEDIA**  
DIGITAL HEALTH COMMUNICATION



- Launching Futuramedia in the UK
- Nice recovery after 2020 public health crisis
- Trend toward point of sale theatricalisation
- 3,100 pharmacy partners  
+19% vs. 2020



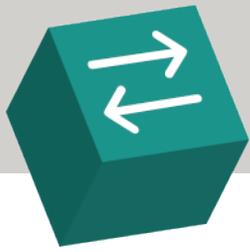


# Digitalization of key company processes



## Human Capital Management (SRH)

- New deals for a total of 200,000 employees to manage
- Public sector opening up: +10 contracts signed in 2021
- New cloud version of MyTeamsRH launched 10 customers in production
- CPAs adopting *Rue de La Paie*, powered by TeamsRH



# Digitalization of key company processes



## Contract to Pay (SY)

- Expecting to handle **1 billion** transactions in 2022 – International Network effect
- Slower growth than expected during H1 2021 linked to Covid pandemic in the UK & Germany
- Strong increase of **new orders: +30%** vs 2020
- Hospitalis : expanding coverage of our leading procurement Hub for Hospitals with major Injectable Medical Devices companies
- Our larger customers are already investing & preparing for the new mandatory e-invoicing law



# Cegedim is confident in its future growth potential

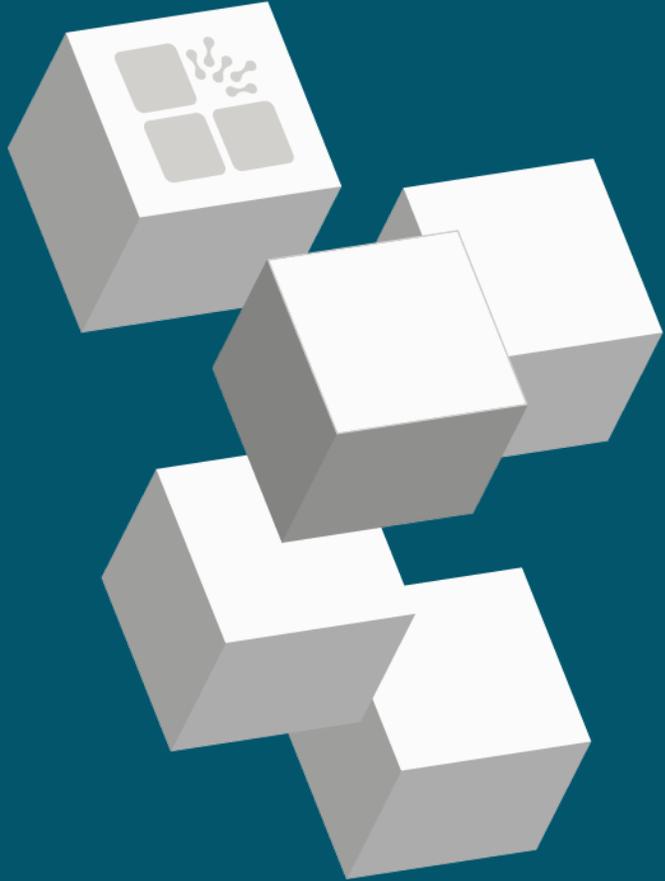
Our markets have solid growth prospects despite short-term uncertainties

Our well-positioned businesses are expanding margins

We are driving innovation

We are forming strong partnerships

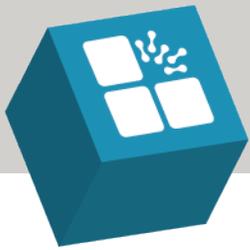
Operational and financial discipline form the foundation



# Finance



Pierre Marucchi  
Managing Director



# FY2021 The big picture

Revenue  
€524.7m

+5.6% reported | +5.0% LFL

2021 revenues at the top of the Group's estimated range

ROI\*  
€39.9m

(4.4)% | €(1.8)m

\* Recurring operating income

Exceptional items\*

€(19.9)m | €3.8m  
2020 | 2021

\* Other non-recurring operating income and expenses

Operating income  
€43.7m

+100.2% | +€21.9m  
Operating profit doubled

Net profit

€26.3m

x 2.4 | +€15.4m

Operating FCF

€31.9m

+(32.0)% | €(15.0)m

Operating FCF impacted by €14m of 2020 social charges paid in 2021

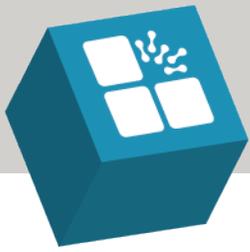
Net debt

excl. IFRS 16

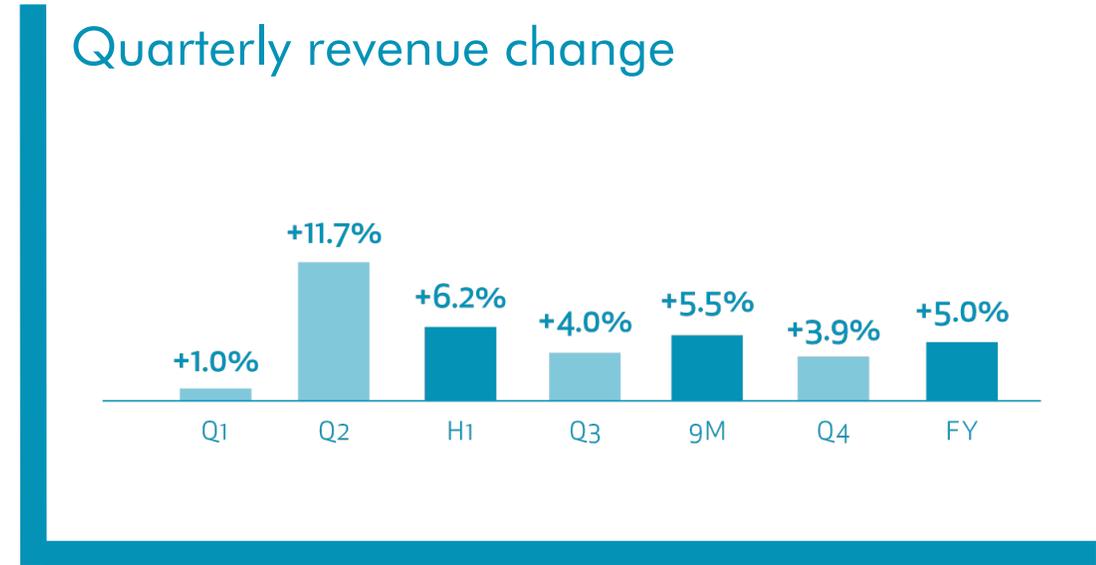
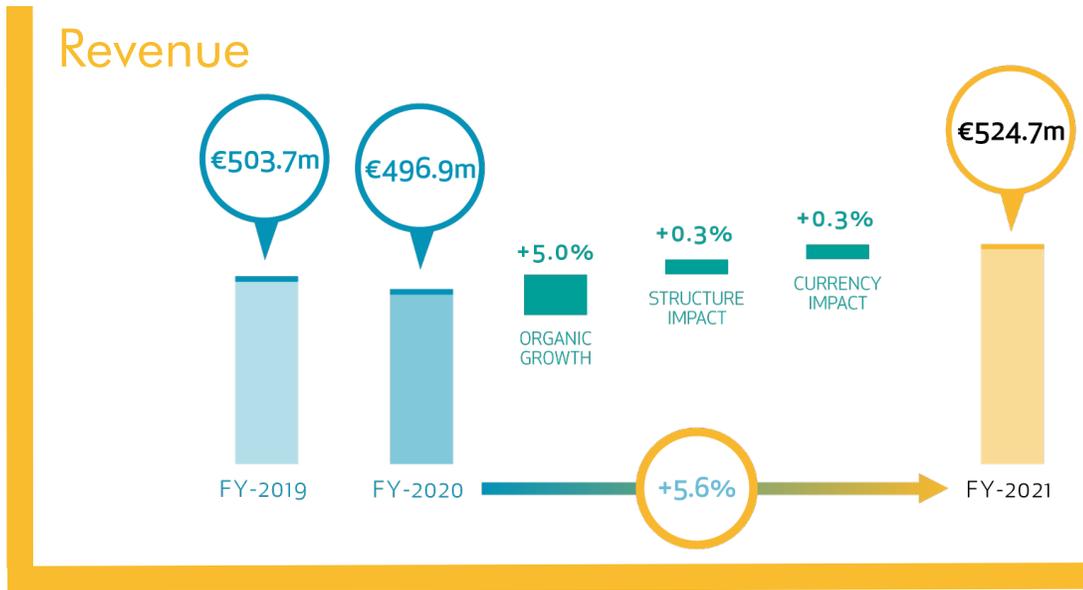
€165.0m

+0.5% | +€0.8m

Stable net debt despite €14m of social charges paid in 2021, postponed from 2020

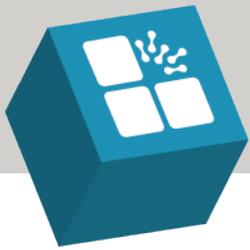


# FY2021: Accelerating top line

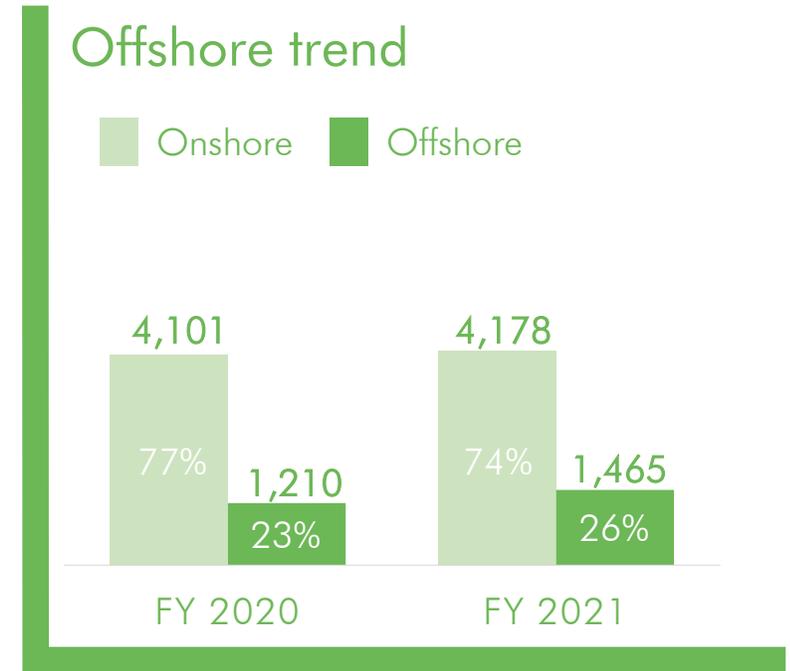
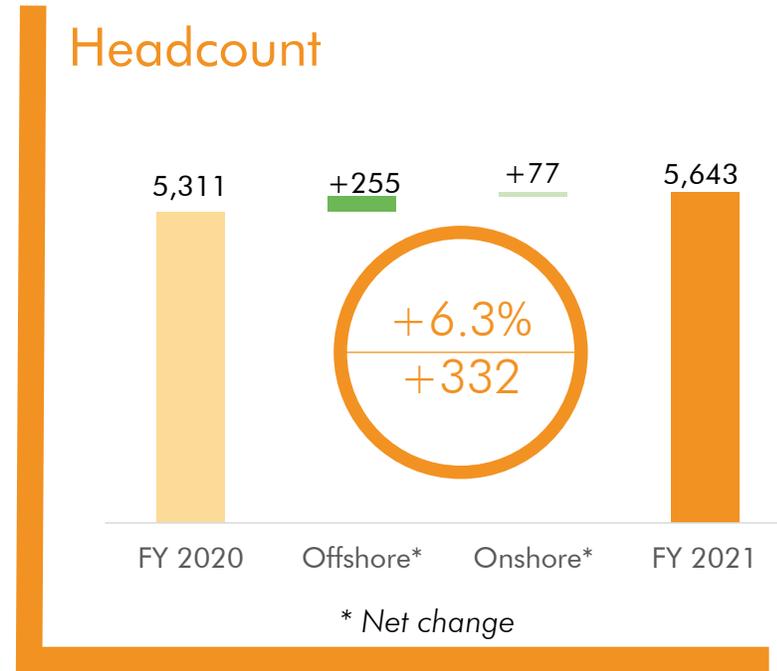
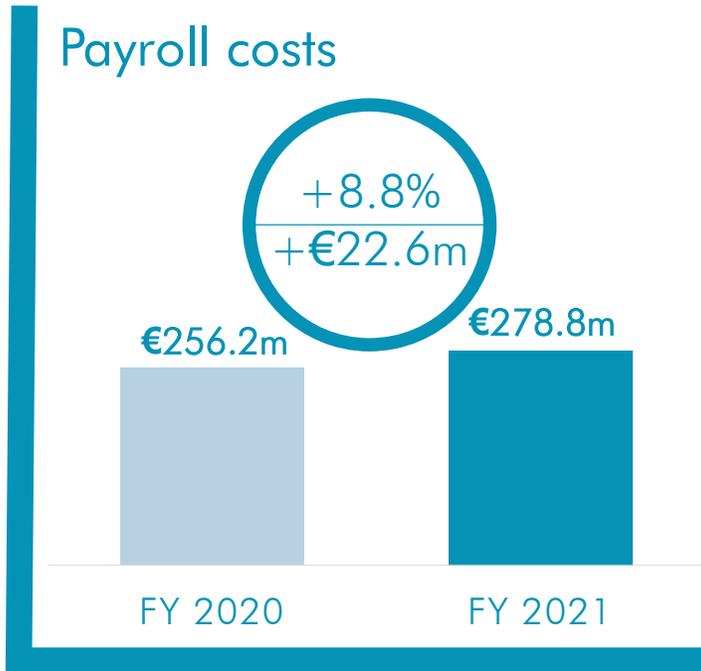


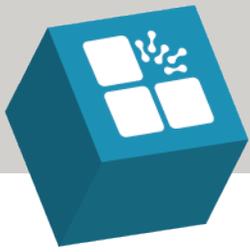
## Comments

- High share of recurring revenue
- 90.4% generated in euros
- Acquisition of Medimust and Kobus in Q2 2021

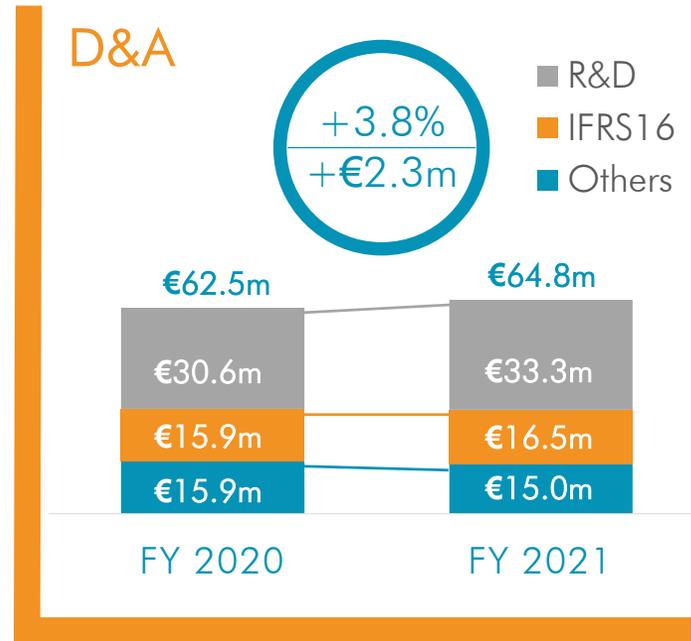
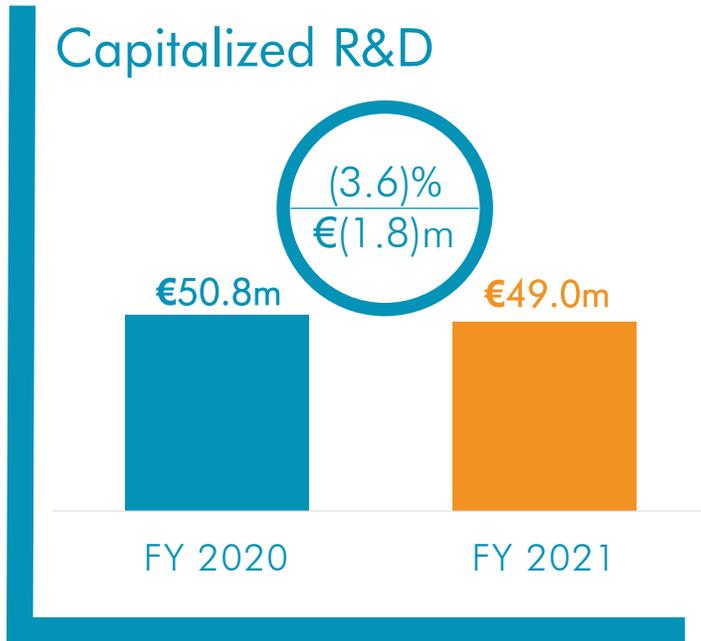


# FY2021: Payroll costs



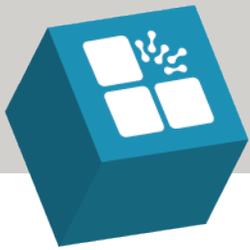


# Significant R&D investment impacts the P&L



### Impact on recurring operating income

Capitalized R&D	€(1.8)m
D&A of R&D	+€2.7m
<b>Net negative impact on recurring operating income</b>	<b>€(4.5)m</b>



# FY 2021 P&L: Reflects continued investments

## P&L

*in € million*

	FY 2020	FY 2021	% change	€m change
<b>Revenue</b>	<b>496.9</b>	<b>524.7</b>	<b>+5.6%</b>	<b>+27.8</b>
EBITDA	104.2	104.7	+0.5%	+0.5
Margin	21.0%	20.0%	(101) bps	
D&A	(62.5)	(64.8)	+3.8%	+2.3
<b>Recurring operating income</b>	<b>41.7</b>	<b>39.9</b>	<b>(4.4)%</b>	<b>(1.8)</b>
Margin	8.4%	7.6%	(79)	
Other non-recurring income and expenses	(19.9)	3.8	n.m.	+23,7
<b>Operating income</b>	<b>21.8</b>	<b>43.7</b>	<b>+100.2%</b>	<b>+21.9</b>
Margin	4.4%	8.3%	+393 bps	
Financial result	(8.6)	(10.4)	20.0%	+1.7
Total tax	(2.0)	(5.8)	+196.8%	+3.9
<b>Net earnings</b>	<b>10.9</b>	<b>26.3</b>	<b>+140.9%</b>	<b>+15.4</b>
Earnings per share in €	0.8	1.9	+137.5%	+1.1



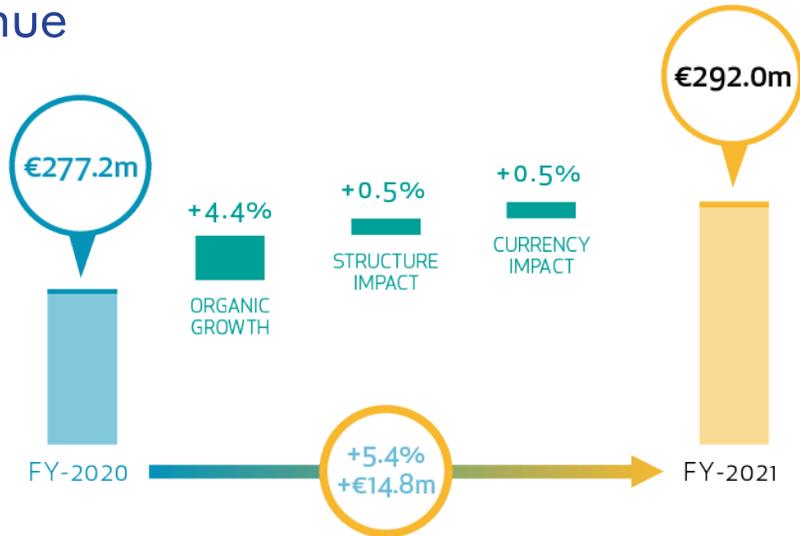
# Software & services

56%  
of 2021 Group revenue

€292.0m +5.4%  
Revenue

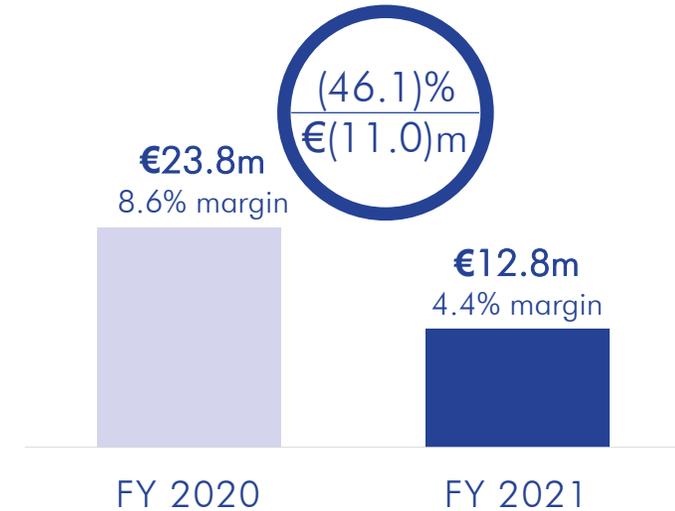
€12.8m (46.1)%  
Recurring Operating Income

## Revenue

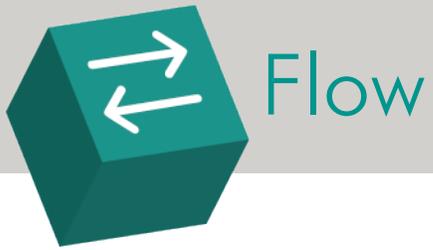


- “Project-based” business recovering, mainly in the health insurance segment
- Excellent performances in HR management outsourcing activities
- Maiia revenues more than doubled, as predicted
- Significant trading operations in Q4

## Recurring operating income



- Recurring operating income margin decreased by 418 bp
- Negative impact from UK and Cegedim Santé partly offset by health insurance activities in France and the UK and software for care providers in Spain
- Maiia still loss making



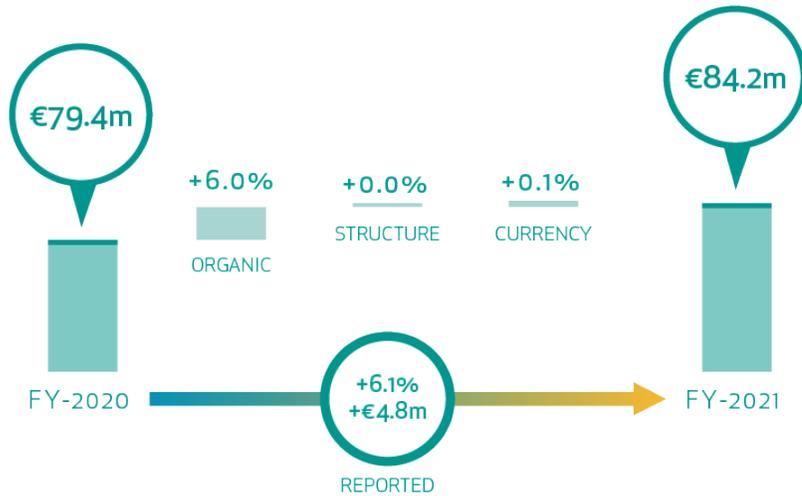
Flow

16%  
of 2021 Group revenue

€84.2m +6.1%  
Revenue

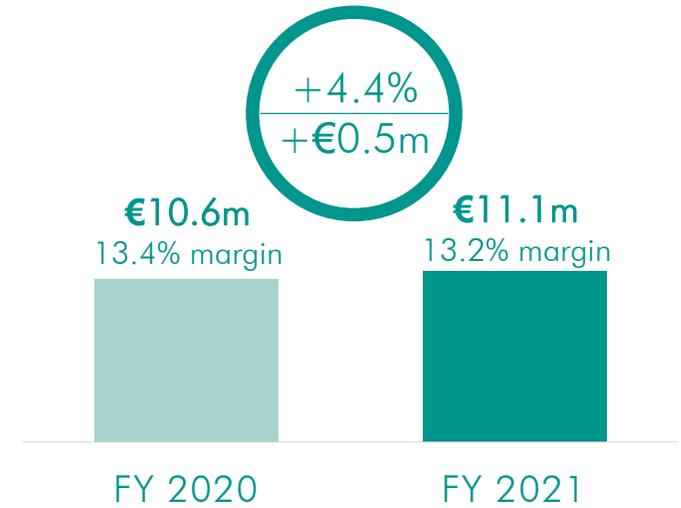
€11.1m +4.4%  
Recurring operating income

## Revenue



- Excellent performance despite the pandemic's impact

## Recurring operating income



- Recurring operating income margin virtually stable
- Third-party payment management margin affected by Covid-19
- Cegedim e-business margin increased in France; UK and German margins hurt by the Covid-19 pandemic



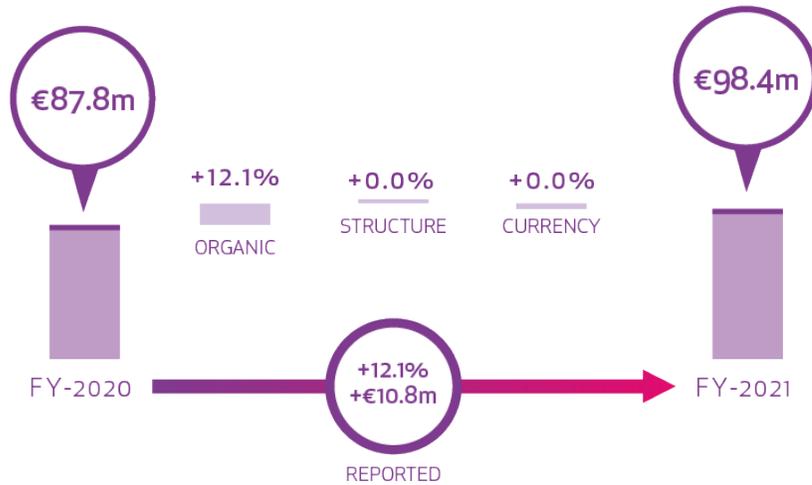
## Data & marketing

19%  
of 2021 Group revenue

€98.4m +12.1%  
Revenue

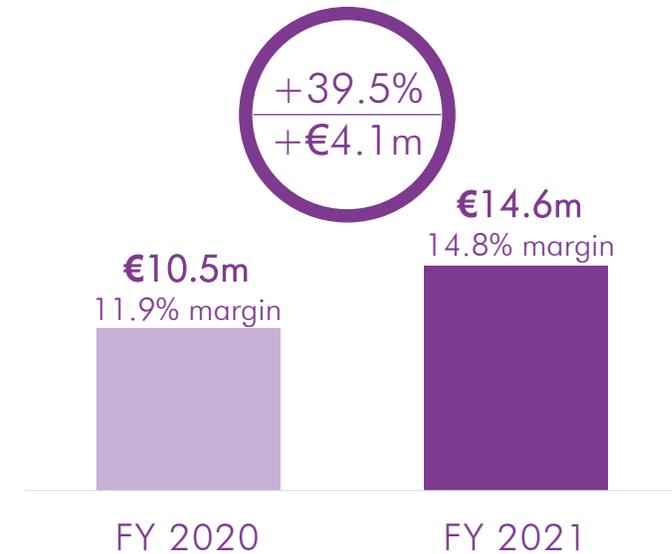
€14.6m +39.5%  
Recurring operating income

### Revenue



- Data activities up strongly
- Solid performance in marketing activities

### Recurring operating income



- Profitability increased at the French data activity
- C-Media: 2021 was one of its most profitable years yet

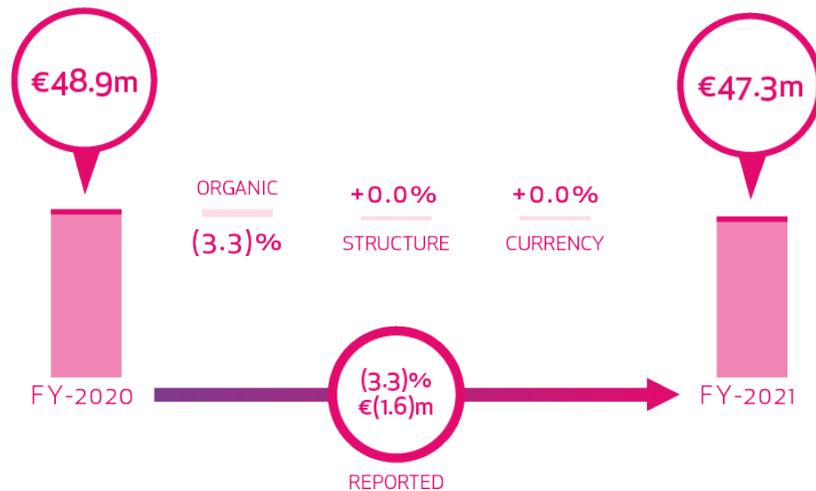


9%  
of 2021 Group revenue

€47.3m (3.3)%  
Revenue

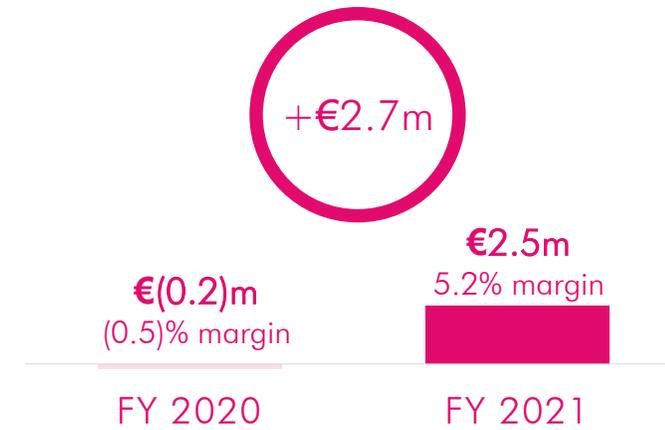
€2.5m n.m.  
Recurring operating income

## Revenue



- This business, which largely involves managing services on behalf of insurance companies and mutual health insurers, was hurt by a decrease in unit prices now that the implementation phase is complete, and by less so-called overflow business
- Strong growth in BPO activities for HR departments

## Recurring operating income



- Recurring operating income now in positive territory
- First positive year for health insurance BPO despite a negative impact from Covid-19 at the start of the year
- Good improvement in HR BPO profitability



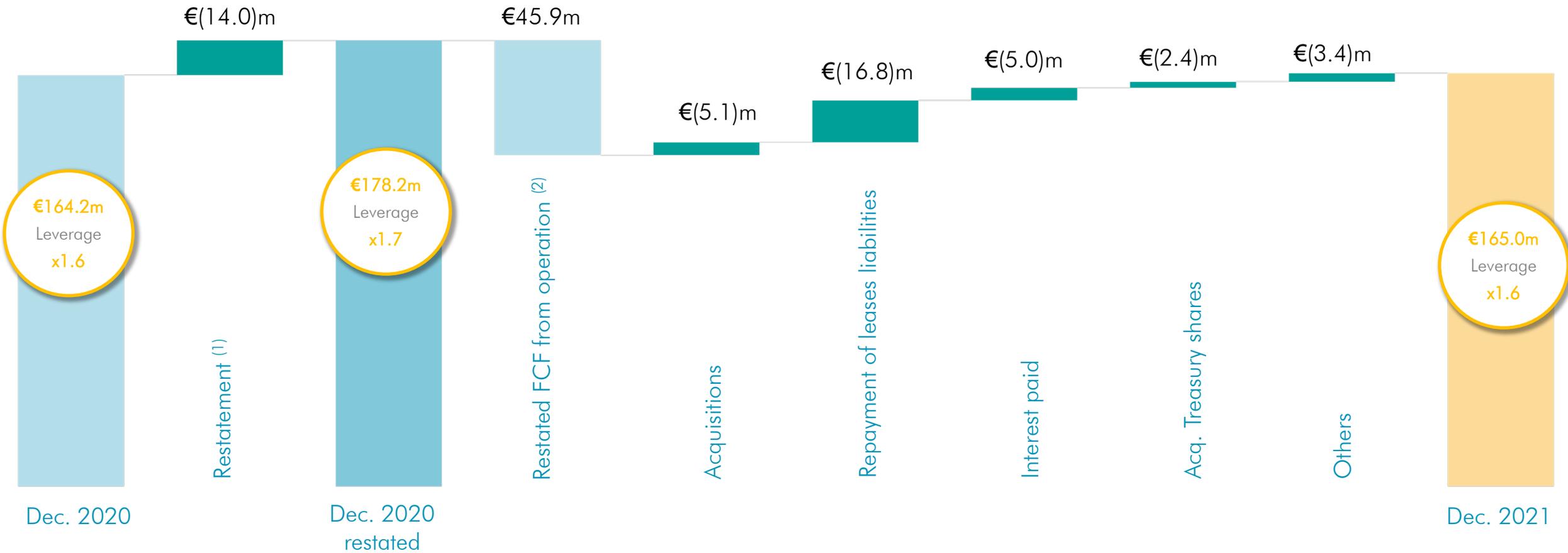
# Free cash flow from operations

## FCF from operations

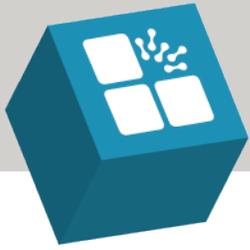
In € million	FY-2020	FY 2021	
Cash flow before taxes and interest	98.2	105.2	
Change in working capital	18.5	(5.1)	① Working capital impacted by postponement of €14m of 2020 social charges to 2021
Corporate tax paid	(6.3)	(4.1)	
<b>Net cash flow from operating activities</b>	<b>110.4</b>	<b>96.0</b>	
Acquisition of intangible assets	(54.6)	(50.7)	
Acquisition of tangible assets	(19.9)	(14.0)	
Disposal of tangible and intangible assets	11.0	0.7	
<b>Free cash flow from operations</b>	<b>46.9</b>	<b>31.9</b>	(32.0)% €(15.0)m
<i>WCR restated for 2020 social charges paid in 2021</i>	4.5	8.9	
<b>Restated cash flow from operations</b>	<b>32.9</b>	<b>45.9</b>	+39.4% €13.0m



# Net debt trend



(1) WCR restated for €14m of 2020 social charges paid in 2021  
(2) 2021 FCF restated for the 2020 social charges paid in 2021



# Financing

## Principal financing

	Status	Amount	Maturity
Euro PP	-	€135.0m	October 2025
Shareholder loan	-	€45.1m	November 2025
RCF	Undrawn	€65.0m	October 2024
Overdraft	Unused	€24.0m	-
Cash & cash equivalents	-	€24.2m	-

as of December 2021

## Debt covenant

	Statut	Limit
Leverage	1.29	< 2.50
Interest cover	16.89	> 4.50

as of December 2021



# Sound financial structure

## Assets

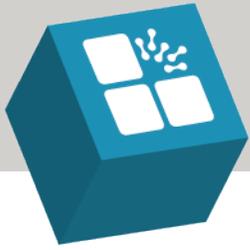
In € million	FY-2020	FY 2021
Goodwill	186.0	187.1
Intangible assets	163.0	179.9
Tangible assets	110.3	121.7 <sup>1</sup>
Financial assets	20.5	21.3
Other non-current assets	55.0	54.9
Cash & cash equivalents	24.7	24.2
Trade receivables, short-term portion	134.7	136.3
Other current assets	211.1	72.2 <sup>2</sup>
<b>Total assets</b>	<b>905.4</b>	<b>797.6</b>

- <sup>1</sup> Impact of right-of-use assets, IFRS 16
- <sup>2</sup> Includes amounts generated on behalf of mutuals and insurers under BPO contracts totaling €3 million at December 31, 2021, and €171 million in December 2020

## Shareholders equity & Liabilities

In € million	FY-2020	FY 2021
Shareholder equity	207.9	232.4
Long-term financial debt	186.3	186.6
Other non-current liabilities	107.9	114.9
Short-term financial debt	2.6	2.6
Other current liabilities	400.7	261.2 <sup>3</sup>
<b>Total equity and liabilities</b>	<b>905.4</b>	<b>797.6</b>

- <sup>3</sup> Includes amounts generated on behalf of mutuals and insurers under BPO contracts totaling €55 million at December 31, 2021, and €194 million in December 2020.



# Dividend

## Dividend

Dividend per share <sup>(1)</sup>	€0.50
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### Dividend payout

% of net income, Group share <sup>(2)</sup>	c.26%
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% of free cash flow from operations <sup>(2)</sup>	c.22%
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*(1) Dividend proposed for shareholders' approval at the June 17, 2022, General Meeting*

*(2) Estimated as of March 24, 2022*



# M&A strategy

## Policy

- Opportunistic approach
- Small bolt-on acquisitions
- Complementary to our activities
- Market share or technology

## 2022 Operation

- Cegedim Santé <sup>(3)</sup>

## 2021 Acquisition

- Medimust <sup>(1)</sup>
- Kobus Tech <sup>(2)</sup>

*(1) Initially consolidated on May 31, 2021*

*(2) Initially consolidated on June 30, 2021*

## 2022 Acquisition

- MesDocteurs <sup>(3)</sup>

*(3) Not finalized*



# Outlook

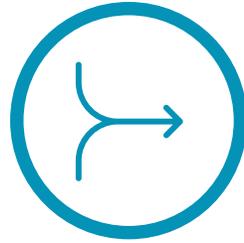
## Cegedim's 3 pillars



Innovation



Financial Discipline



M&A

## Priorities for 2022

- Continue to reinforce Cegedim's global leadership position
- Continue R&D investment
- Increase customer loyalty
- Develop business synergies
- Expand margins
- Make small bolt-on acquisitions



# Outlook

## Outlook

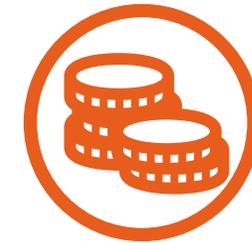
- For 2022, the impacts of the Covid-19 pandemic are still difficult to assess
- Despite the **economic, geopolitical** and **monetary** uncertainties around the world, the Group is confident it can achieve revenue growth and a stable recurring operating income margin

## 2022 Outlook



Revenue

+ 5 % LFL vs FY 2021



Recurring  
operating income  
Stable vs. FY 2021

*Disclosure:* Based on currently available information.  
The Group does not expect to make any significant acquisitions in 2022.  
And lastly, the Group does not provide earnings estimates or forecasts.



# 2022 Financial agenda

April 28

after the market closes

**Q1 2022  
REVENUES**

June 17

**SHAREHOLDERS'  
MEETING**

July 28

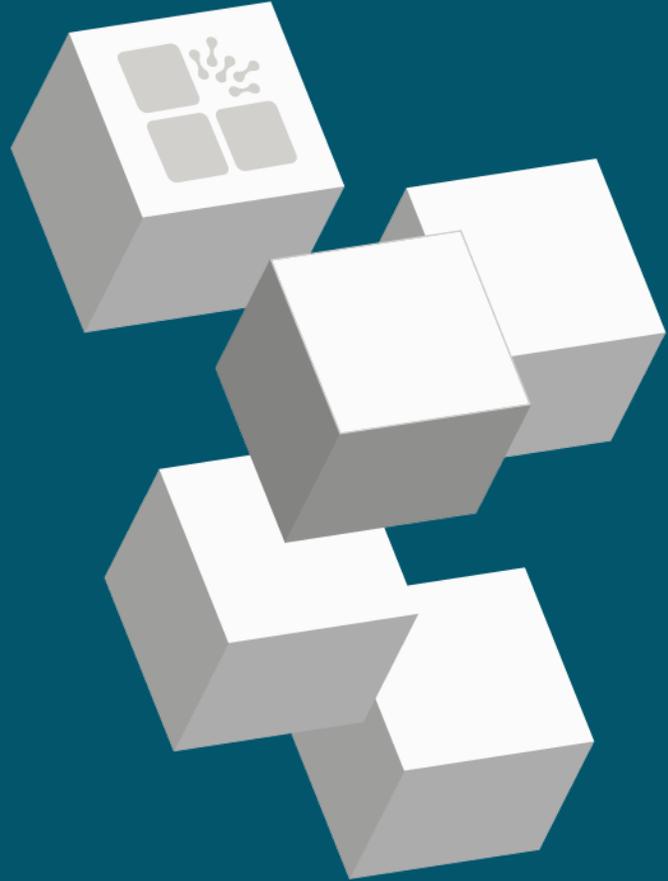
after the market closes

**H1 2022  
REVENUES**

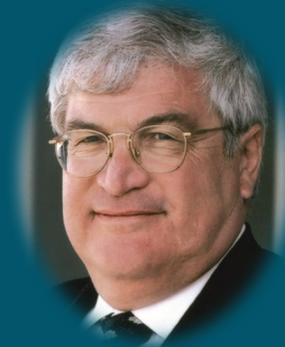
September 20

after the market closes

**H1 2022  
EARNINGS**



## Q&A session



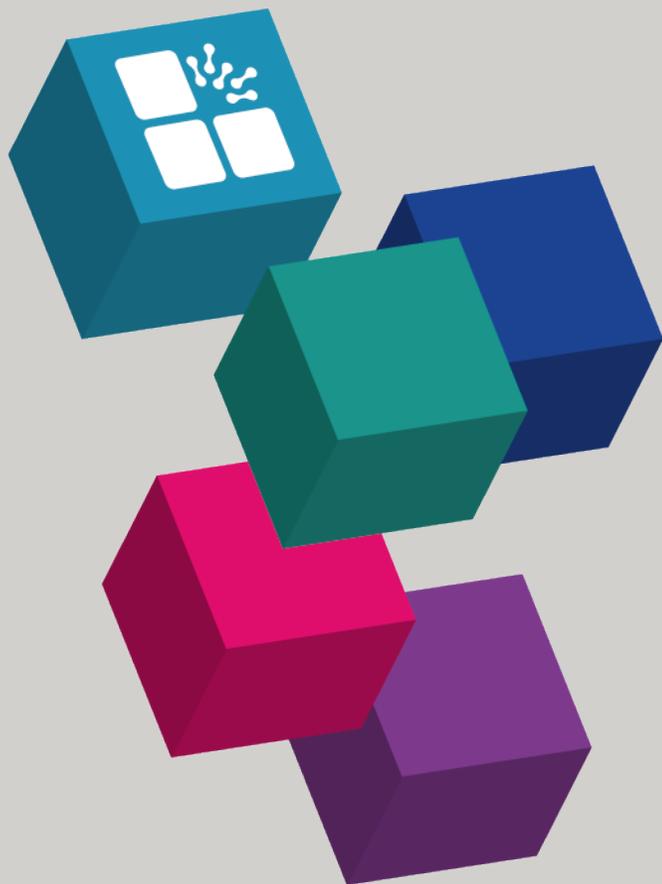
Jean-Claude  
Labrune



Laurent  
Labrune



Pierre  
Marucchi



# Thank you for your attention

For any additional information:  
[janeryk.umiestowski@cegedim.com](mailto:janeryk.umiestowski@cegedim.com)

[www.cegedim.com/finance](http://www.cegedim.com/finance)

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Public company with share capital of 13,336,506.43€ | 137 rue d'Aguesseau 92100 Boulogne-Billancourt