

First half 2022 Earnings

SFAF meeting
September 21, 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.



1H 2022 key figures

Revenue

€267.6m

+6.5% | +€16.4m reported
+6.1% LFL⁽¹⁾

Recurring operating income⁽¹⁾

€6.8m

(39.7)% | €(4.5)m
vs. 1H 2021

Consolidated net
profit, Group share

€(4.9)m

€(11.3)m
vs 1H 2021

Operating FCF⁽¹⁾

€(33.0)m

€(56.5)m
vs. 1H 2021

Net debt⁽¹⁾⁽²⁾

€155.0m

€(10.0)m
vs. Dec. 2021

Headcount

5,942

+7.7%
vs. Jun. 2021



1 H 2022 highlights

Strong commercial momentum

- **All operating divisions** contributed to growth
- Revenue growth **picked up speed** in 2Q

Negative impact on recurring operating profit

1 H 2022 results reflect **seasonal** and **market factors** and **investment** impacts:

- Continuing investment in **innovation**
- Investment in **talent**: +400 hires
- **Lag** between wage and product prices increases
- **Acquisitions**: Small bolt-on acquisitions
- **Seasonality** in Group profit favor 2H

Cegedim Santé

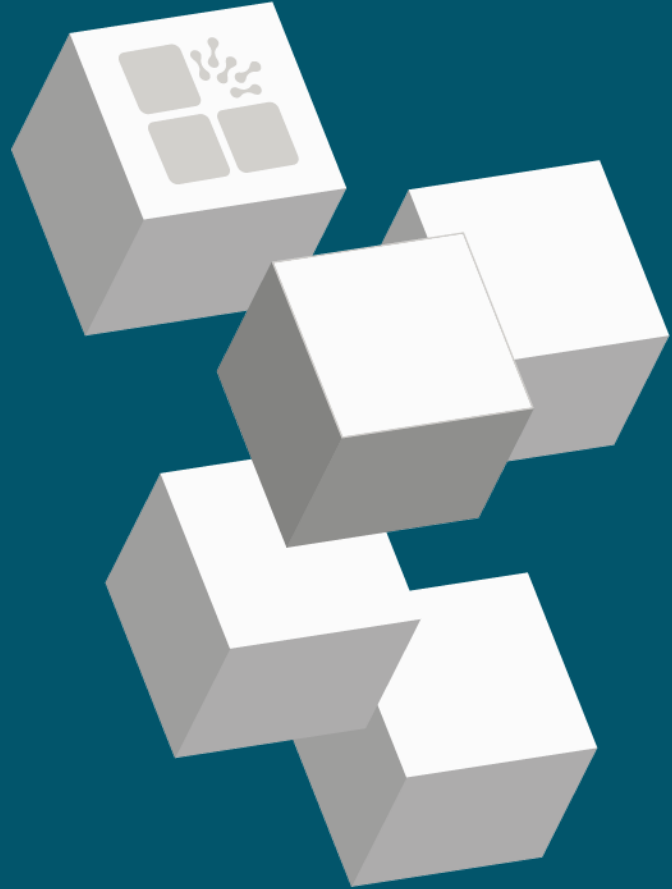
- Capital increased
- Strategic partnership

Favorable market trends

- Digitalization
- Regulation
- Covid-19
- SaaS / Cloud
- BPO

Outlook

- Increased FCF expected in 2H
- 2022 outlooks confirmed on revenue and refined on recurring operating income



Group Business review

First half 2022



Strong commercial momentum

Organic revenue growth

+5.0%
1Q 2022

+7.0%
2Q 2022

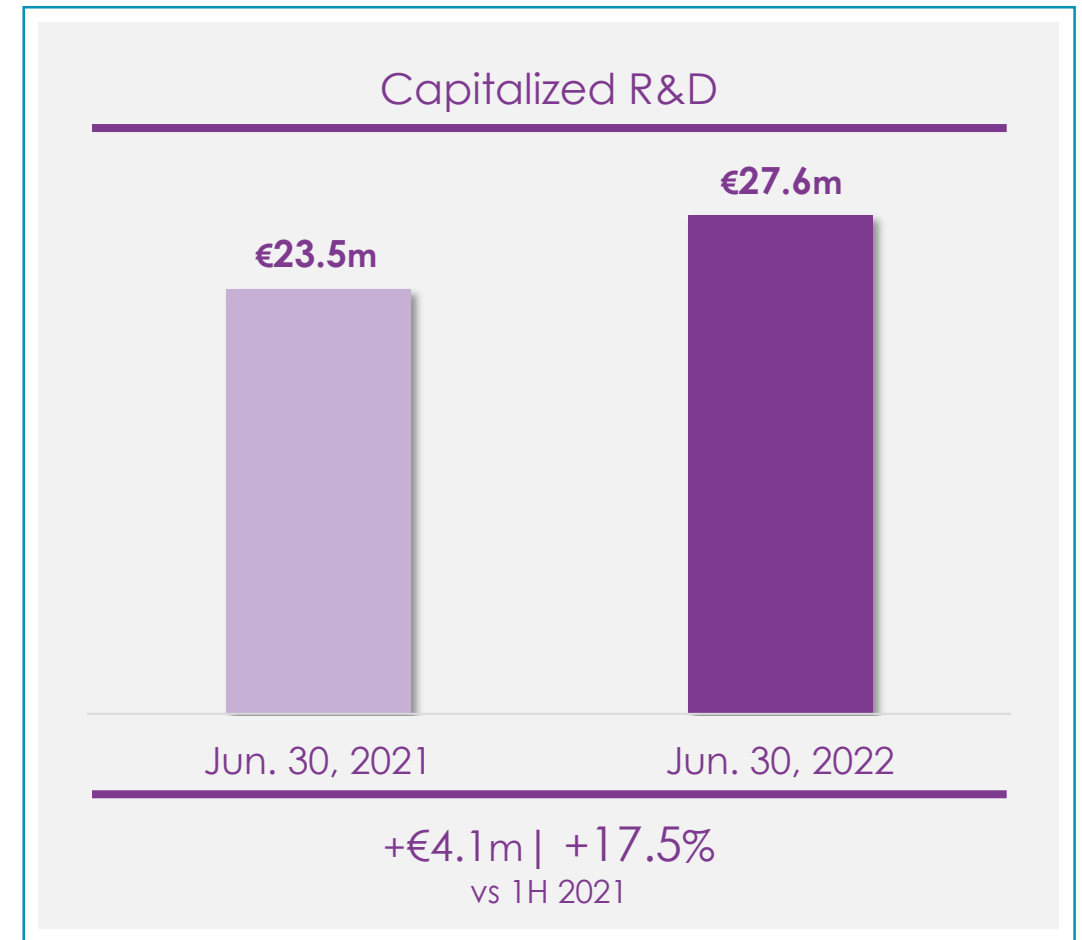
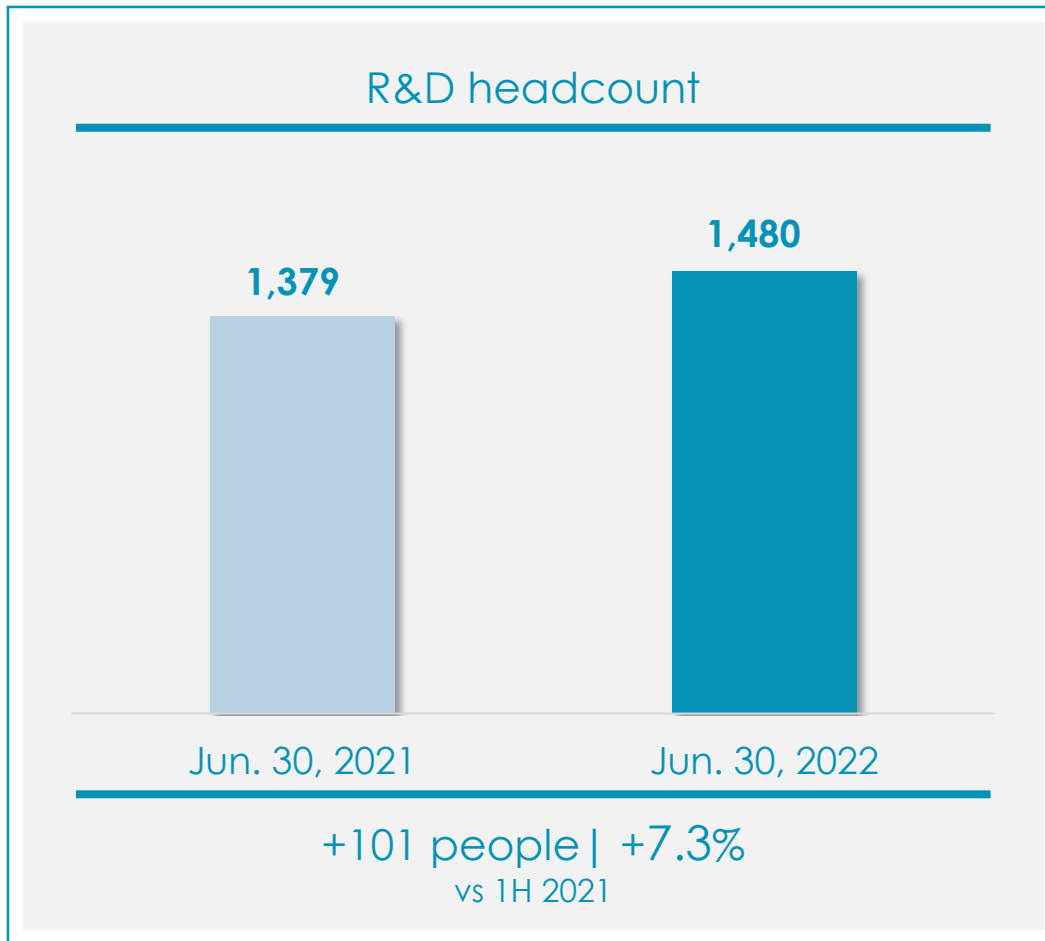
+6.1%
1H 2022

Strong commercial momentum

- **All operating divisions** contributed to 1H organic growth
- **All activities** turned in solid performances except the UK healthcare professional business



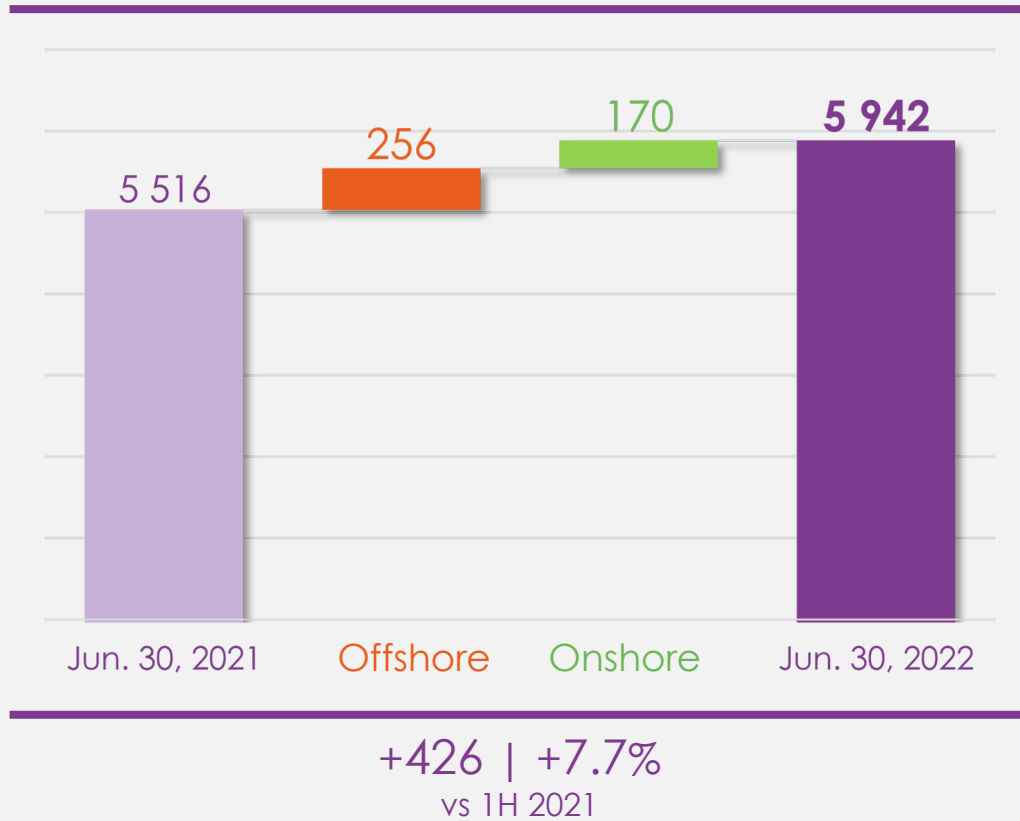
Investing in innovation





Investing in talent

Headcount trend



Offshore trend



Headcount trend





Accelerate Cegedim Santé growth

Deal completed in May 2022

- Reserved capital increase of **€65 million for 18%** of Cegedim Santé
- **Industrial partnership:** Improving patient pathways
- Deal to **play major role** in French government's **Ma Santé 2022** program
- Cegedim Santé simultaneously acquired **MesDocteurs** (Groupe VYV)

Network strength

100,000

HCP users

Cegedim Santé

25 million

Patients

Malakoff Humanis – VYV - PRO BTP

Key metrics

€360.9m

Cegedim Santé post
deal valuation

12%

% of FY 2021
Group revenue



2022 acquisitions YTD

May 2022

Mesdocteurs

A leader in telehealth and a pioneer in 24/7 telemedicine

Software & services

June 2022

Laponi

An innovative SaaS solution for managing absenteeism in real time

Software & services

July 2022

SEDIA

Tracking software for medical instrumentation since 1985

Flow

July 2022

Clinityx

Innovative models for health data valorization; unique expertise in RWD and matching them to the SNDS (French admin. healthcare database)

Data



A dynamic market driven by digitalization

Strategy



Growth



Maximize business synergies



Optimize our operating model



Sustainability

Growth drivers



Digitalization



Regulation



Covid-19



SaaS / Cloud



BPO



Strong regulatory market drivers

Government eHealth programs

- Ma Santé 2022
- Ségur de la Santé

Covid-specific measures

- New role for pharmacists
- Social measures for employees and companies

Health Insurance regulation

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

Finance law

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



Sustainability

ESG Publication

- **DPEF 2021** (SNFP 2021) includes **Taxonomy**: released in 1Q 2022



ESG Rating

- **SFDR**: integrated into our ESG roadmap
- **Gaia and CDP**
 - First year of response
 - Score in progress

SFDR: Sustainable Finance Disclosure Regulation

Gaia Research: extra-financial rating agency specializing in rating the ESG performance of SMEs and mid-cap companies listed on European markets.

CDP: Carbon Disclosure Project

ESG Committee

- Set up on **October 2021**
- **2 meetings** in 1H 2022
- Also implemented at the **management level** with an operational CSR committee



Cegedim is confident in its future growth potential



- Solid business model
- Innovation is our Motto
- Entrepreneurial culture
- Long-standing shareholder support



- Strong market position
- Strong recurring revenue base
- Stable customer base
- A unique integrated healthcare ecosystem
- Offers in SaaS mode



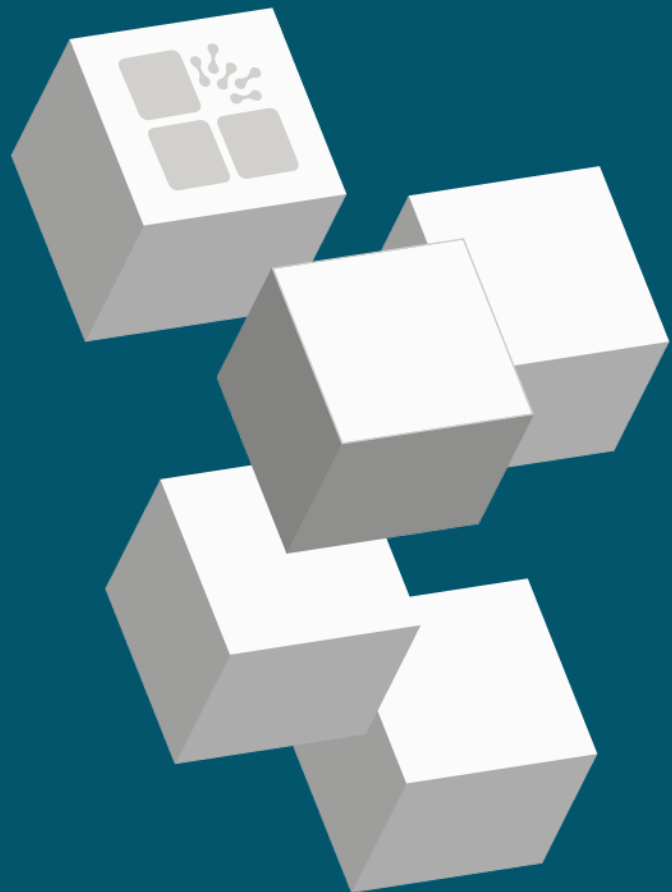
- Strengthening the synergies between our various offerings
- Operational and financial discipline



Accentuate our commitment to environmental protection, ethics and social responsibility



Our markets have solid growth prospects owing to, among other things, the digitalization of the economy



Analysis of results

First half 2022



Consolidated net profit impacted by investments

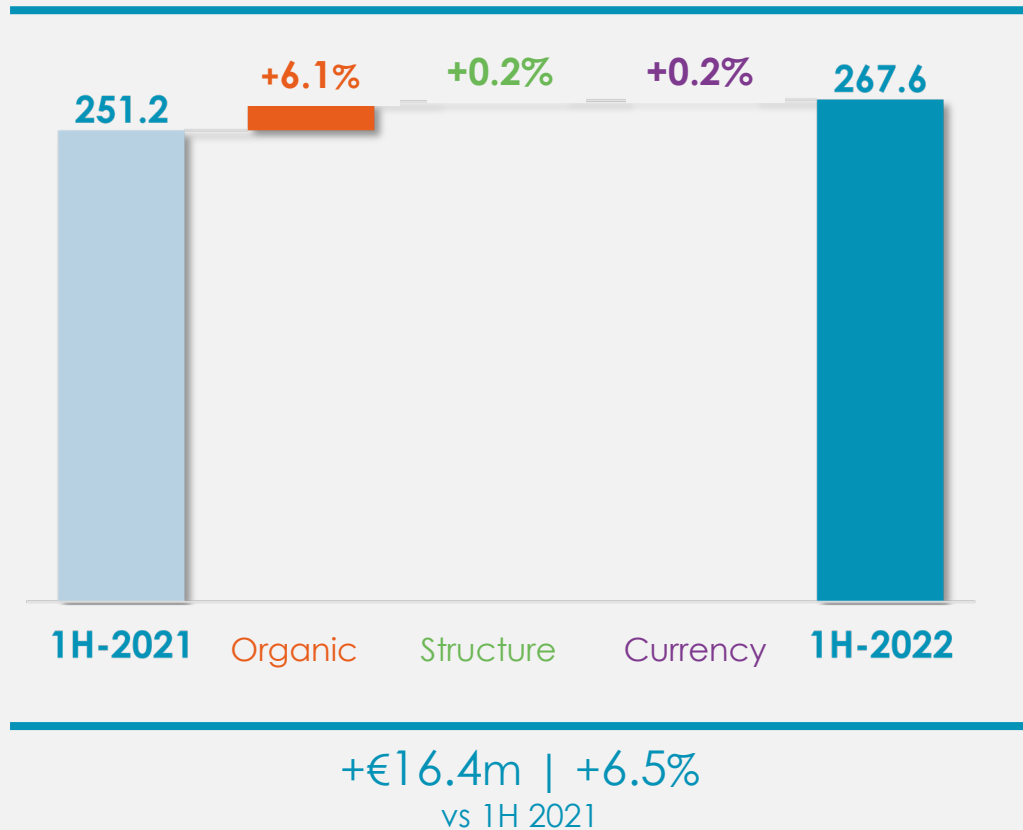
Summary income statement

<i>in € million</i>	1H 2021	1H 2022	% change	€m change
Revenue	251.2	267.6	+6.5%	+16.4
Payroll cost	(139.4)	(149.4)	+7.2%	+10.0
External expenses	(49.8)	(58.2)	+16.9%	+8.4
Purchases used	(13.0)	(13.5)	+4.0%	+0.5
Others	(5.9)	(4.7)	(19.2)%	+1.1
D&A	(31.8)	(34.8)	+9.5%	+3.0
Recurring operating income	11.3	6.8	(39.7)%	(4.5)
Margin	4.5%	2.5%	(195)	-
Other non-recurring income and expenses	4.1	(4.4)	n.m.	+8.5
Operating income	15.4	2.5	(84.0)%	(12.9)
Margin	6.1%	0.9%	(521)bps	-
Financial result	(5.5)	(4.4)	(19.3)%	(1.1)
Total tax	(2.8)	(3.5)	+23.7%	+0.7
Consolidated net profit	6.5	(6.1)	n.m.	(12.6)

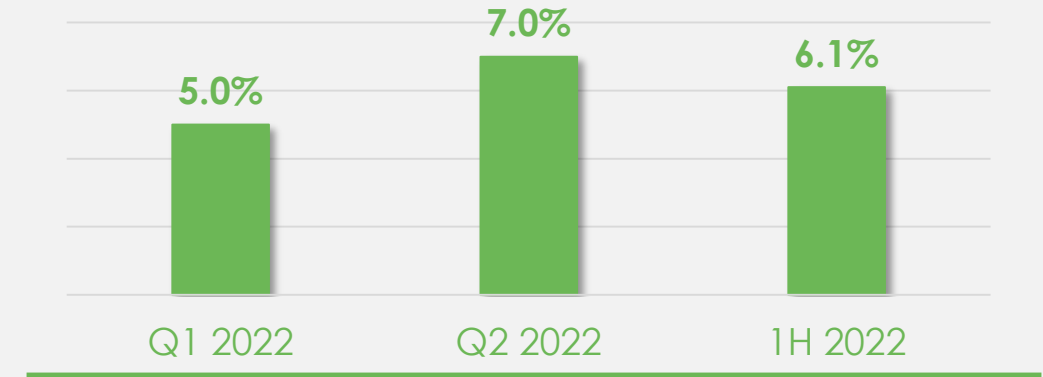


1H 2022 revenue up 6.1% LFL

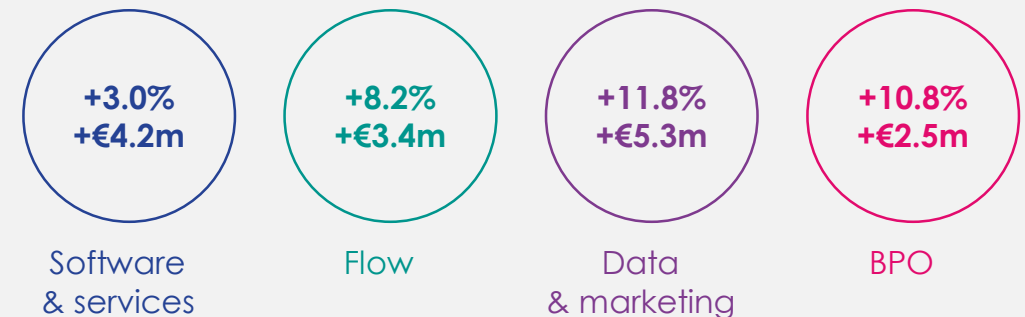
Revenue growth



Organic revenue growth by quarter



1H 2022 organic revenue growth by division





Recurring operating income analysis (1/2)

Payroll cost

€(149.4)m
+€10.0m | +7.2%

- **Full year impact** of hiring done in 1H 2021
- Impact from hiring done in 2H 2021 and 1H 2022
- Impact from **salary increases**

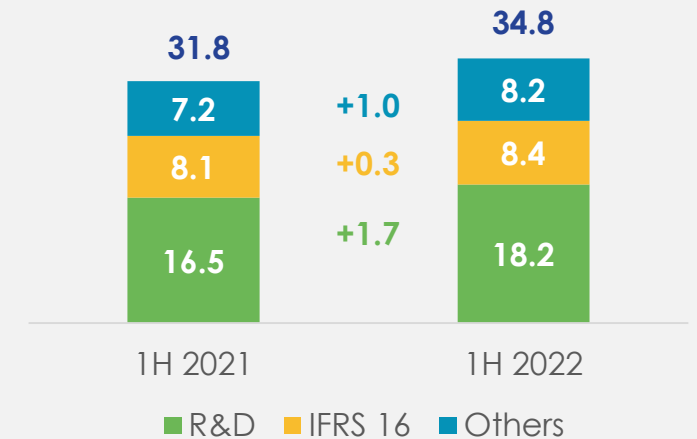
External expenses

€(58.2)m
+€8.4m | +16.9%

- Approximately half of this increase is due to the increased use of **external service providers**
- Slightly more than a quarter is due to the **resumption of travel**, events and advertising costs after the Covid period

D&A

€(34.8)m
+€3.0m | +9.5%





Recurring operating income analysis (2/2)

Recurring operating income

€6.8m
€(4.5)m | (39.7)%

- Impact from **increase in payroll cost** and in **external expenses**.
- Impact from **delay** between wages increase and indexed prices increase.

Change by division in € million

1H 2021 Group	11.3
Software & Services	(9.6)
Flow	+1.9
Data & Marketing	+0.8
BPO	+2.7
Corporate & Others	(0.2)
1H 2022 Group	6.8

- **All operating divisions** posted recurring operating income growth except the *Software & Services* division

Margin trend by division

	1H 21	1H 22	
Software & Services	1.4%	(5.2)%	↓
Flow	10.5%	14.0%	↑
Data & Marketing	11.8%	12.1%	↑
BPO	(7.2)%	4.0%	↑
Cegedim Group	4.5%	2.5%	

- **All operating divisions** posted margin improvement except the *Software & Services* division



Division highlights

Software & Services



54.4%

of 1H 2022
Group revenue

Cegedim Santé: Solutions for HCP in France including the Maïia HCP booking platform

Smart RX: Solutions for French pharmacists

CHS: Solutions for HCP in Europe

Cegedim Insurance: Solutions for health insurers

Cegedim SRH: HCM Suite

Revenue

€145.6m	+3.8% reported
↗ +€5.4m	+3.0% LFL

All of the division's activities turned in solid performances except the healthcare professional computerization business which, as expected, is still gearing up for recovery.

Recurring operating income

€(7.6)m	(5.2)% 1H 2022 margin
↘ €(9.6)m n.m.%	1.4% 1H 2021

Recurring operating income was hurt by increased hiring for sales teams assigned to Cegedim Santé's latest offerings and for innovation-focused development teams that do not meet the criteria for capitalized costs.



Division highlights

Flow



16.9%

of 1H 2022
Group revenue

Digitalization of contract-to-pay process

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

Revenue

€45.2m

↗ +€3.5m

+8.3%
reported

+8.2%
LFL

- The process digitalization and digital data flow business experienced **strong growth** in France.
- The **clear recovery** seen in Germany and the UK in the first quarter continued in the second.
- The healthcare flow business related to healthcare reimbursements in France also **grew** over the first half.

Recurring operating income

€6.3m

↗ +€1.9m
+43.8%

14.0%
1H 2022
margin
10.5%
1H 2021

- Healthcare flow and Cegedim e-business' international activities made the biggest contributions to this **growth**



Division highlights

Data & Marketing



18.7%

of 1H 2022
Group revenue

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

Revenue

€50.0m

↗ +€5.3m

+11.8%
reported

+11.8%
LFL

Data and digital communication solutions for French pharmacies still have **good momentum**

Recurring operating income

€6.1m

↗ +€0.8m
+14.9%

12.1%
1H 2022
margin

11.8%
1H 2021

Digital communication activities in pharmacies in France had a **very positive impact** on recurring operating income



Division highlights

BPO



9.5%

of 1H 2022
Group revenue

Business process outsourcing for:

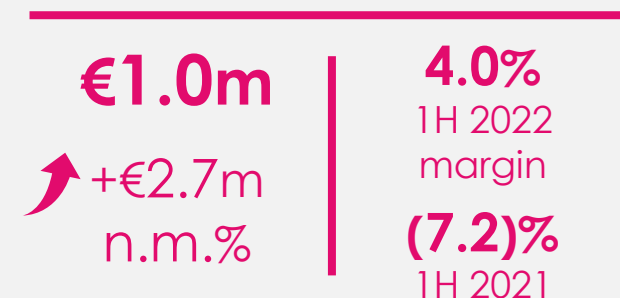
- Health insurance companies, mainly claims processing
- HR departments in France
- Offshore centers in Romania and Morocco

Revenue



- The business of providing services for insurance companies and mutual insurance providers **was stable** in the first quarter and posted **double-digit growth** in the second quarter.
- Growth in BPO services for HR departments--already in double digits in 1Q--**ramped up** in the second quarter.

Recurring operating income



- The increase in revenues and process improvements have enabled recurring operating income to **rise significantly** and to **show a profit**, compared with a loss a year ago.
- The business of providing services for insurance companies and mutual insurance providers and BPO for HR both **contributed to this improvement**.



Operating income analysis

Recurring operating income

€6.8m

€(4.5)m | (39.7)%

- Impact from **increase in payroll cost** and in **external expenses**.
- Impact from **the lag** between wage increases and indexed prices increases.

Other non-recurring income and expenses

€(4.4)m

+€8.5m

- **In 1H 2021:** income of €4.1m , partly resulting from a €4.7m payment by a client as part of the early termination of a services contract.
- **In 1H 2022:** a charge of €4.4m mainly attributable to €2.4m in fees related to the Cegedim Santé deal.

Operating income

€2.5m

€(12.9)m
(84.0)%

0.9%
1H 2022
margin
6.1%
1H 2021



Net profit analysis

Summary income statement				
<i>in € million</i>	1H 2021	1H 2022	% change	€m change
Operating income	15.4	2.5	(84.0)%	(12.9)
Financial result	(5.5)	(4.4)	(19.3)%	(1.1)
Total tax	(2.8)	(3.5)	+23.7%	+0.7
Consolidated net profit	6.5	(6.1)	n.m.	(12.6)
Non-controlling interest	0.0	(1.3)	n.m.	(1.3)
Group share	6.5	(4.9)	n.m.	(11.3)
Recurring earnings per share (in euros)	0.4	(0.4)	n.m.	(0.8)
Earnings per share (in euros)	0.5	(0.4)	n.m.	(0.8)



Free cash flow from operations

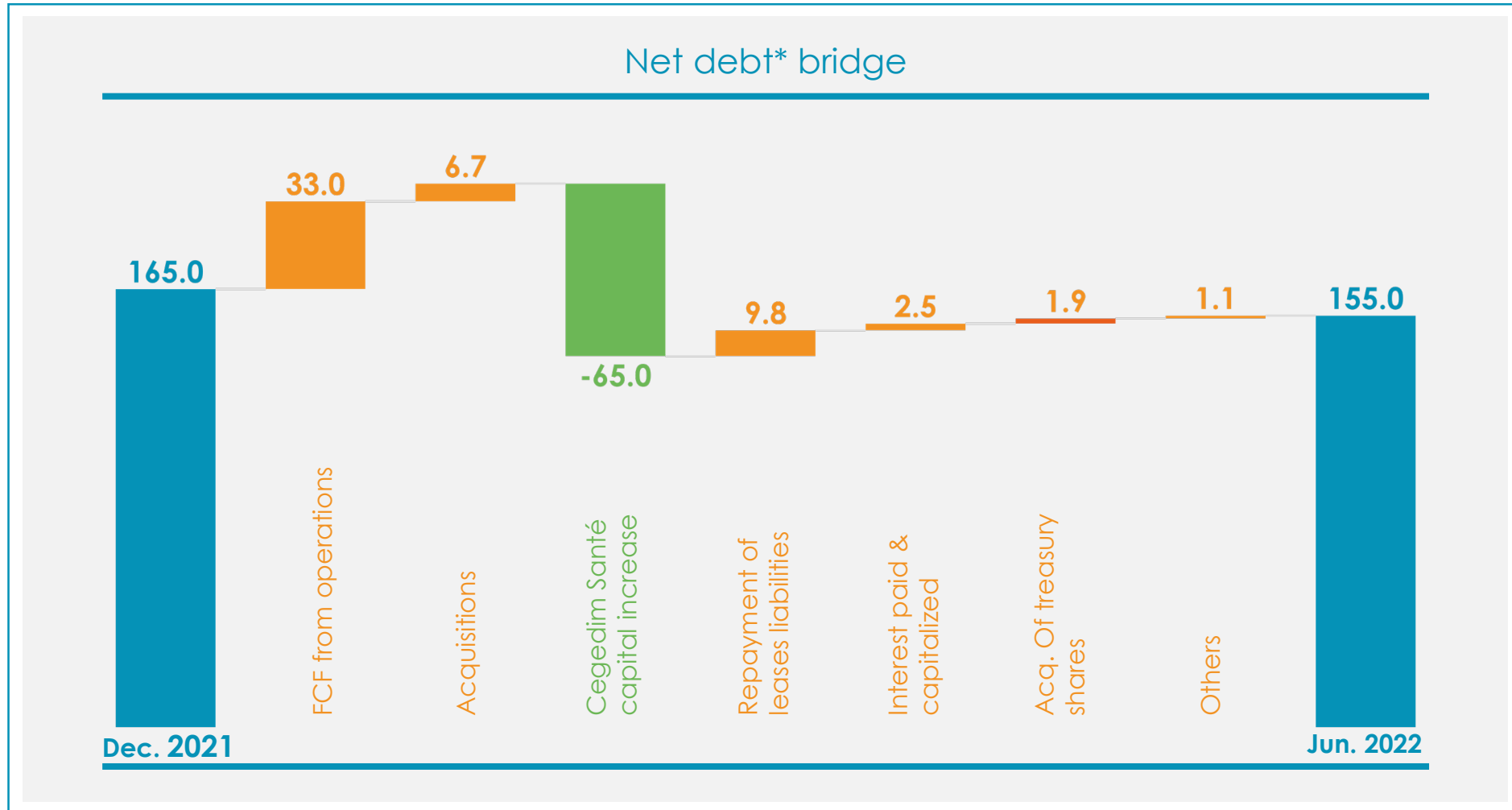
Free cash flow from operation

in € million	1 H 2021	1 H 2022
Cash flow before taxes and interest	47.0	37.4
Change in working capital	9.0	(18.5)
Corporate tax paid	0.6	(15.9)
Net cash flow from operating activities	56.6	3.0
Acquisition of intangible assets	(25.3)	(28.0)
Acquisition of tangible assets	(7.9)	(8.1)
Disposal of tangible and intangible assets	0.0	0.0
Free cash flow from operations	23.4	(33.0)
<i>Impact of changes in consolidation scope</i>	(5.1)	58.3
<i>Repayment of lease liabilities</i>	(8.7)	(9.8)
<i>Others</i>	(1.4)	(0.5)
Free Cash Flow	8.2	14.9

- 1 - In 1H 2021 working capital was **positively** impacted by the postponement of **€9m** of social charges to 2H 2021
 - In 1H 2022 organizational changes at Cegedim Santé and Cegedim Media caused **temporarily billing delays of c. €14m**
- 2 **Negative** impact of tax recovery in 1H 2022: **€12.5m**; **refund** expected at the end of the litigation.
- 3 Includes **€65m** from the Cegedim Santé **capital increase**



Net debt* decreased by €10.0m



* Excluding IFRS 16 debt



Financing: No debt repayment before October 2024

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	-	€39.0m	-

as of end-June 2022

Debt covenant

	Statuts	Limit
Leverage	1.19	< 2.50
Interest cover	16.84	> 4.50

as of end-June 2022



Sound financial structure

Assets

<i>In € million</i>	12/31/2021	06/30/2022
Goodwill	187.1	189.9
Intangible assets	179.9	192.1
Tangible assets	121.7	116.8
Financial assets	21.3	21.6
Other non-current assets	54.9	50.3
Cash & cash equivalents	24.2	39.0
Trade receivables, short-term portion	136.3	153.2 ¹
Other current assets	72.2	97.0 ²
Total assets	797.6	859.9

Equity & liabilities

<i>In € million</i>	12/31/2021	06/30/2022
Shareholders' equity	232.4	288.5
Long-term financial debt	186.6	188.8
Other non-current liabilities	114.9	99.6
Short-term financial debt	2.6	5.2
Other current liabilities	261.2	277.9 ³
Total equity and liabilities	797.6	859.9

- ¹ Temporally billing delays due to new organization; negative impact of c. €14.0m.
- ² Includes amounts generated on behalf of mutuals and insurers under BPO contracts totaling €40m in June 2022, and €33m in December 2021.
- ³ Includes amounts generated on behalf of mutuals and insurers under BPO contracts totaling €63m in June 2022, and €55m in December 2021, and the dividend of €6.9m



Dividend approved on June 17, paid on July 1st

Dividend

Dividend per share ⁽¹⁾	€0.50
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Dividend payout

% of net income, Group share ⁽²⁾	c.26%
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% of free cash flow from operations ⁽²⁾	c.22%
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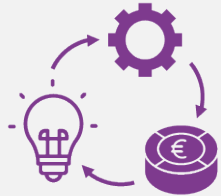
(1) Dividend approved at the June 17, 2022, General Meeting

(2) Based on FY 2021 earnings



Disciplined capital allocation

Invest in growth



- Strategy-led investment in innovation and the sales force
- Bolt-on acquisition to add scale, speed, and capability

Maintain a solid balance sheet



- Ample liquidity
- Financial flexibility

Return capital to shareholders



- **Dividend** of €0.50 per share paid on July 1st
- **Shares repurchased** totaled €1.9m as of June 30, 2022



Outlook

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

FY 2022 Outlook



Revenue

+ 5 % LFL



Recurring operating income ⁽¹⁾

The percentage decline in 2022 recurring operating income⁽¹⁾ is not expected to exceed the decline in 1H

Due to the economic condition, the lag between sales price increases and salary increases, and the acceleration of investments in R&D and sales forces.

(1) See 2021 Universal Registration Document Chapter 4 "Consolidated Financial Statements" section 4.6 Note 2 on Alternative performance indicators.



1 H 2022 summary

1 H 2022 results

- **Strong commercial momentum**
- **Revenue** increased by €16.4m or 6.1% LFL
- **Recurring operating income** decrease by €4.5m or 39.7%, reflecting current investments and the impact of the lag between wages increasing and indexed prices increasing.
- **All operating divisions** posted **recurring operating growth** and margin improvement except for the Software & Services division
- **FCF from operations** decreased €56.5m to €33.0m
- **Net debt*** decrease by €10.0m to €155.0m

* Excluding IFRS 16 debt

Cegedim Santé

- **Strategic partnership** with 3 social protection groups representing 25 million beneficiaries in France
- Reserved capital increase of **€65 million for 18%** of Cegedim Santé

4 Bolt-on acquisitions

- **Mesdocteurs** – May
- **Laponi** – July
- **SEDIA** – July
- **Clinigrid & Clinityx** - July

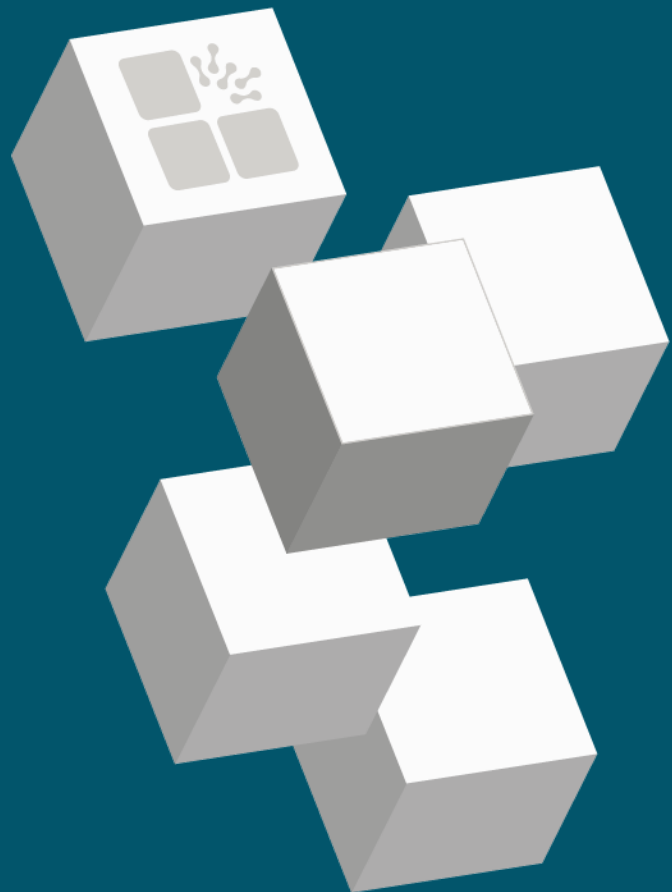
FY 2022 Outlook

+5.0%

FY 2022 LFL revenue increase

The percentage decline in 2022 recurring operating income⁽¹⁾ is not expected to exceed the decline in 1H

FY 2021 recurring operating decline



Q&A session

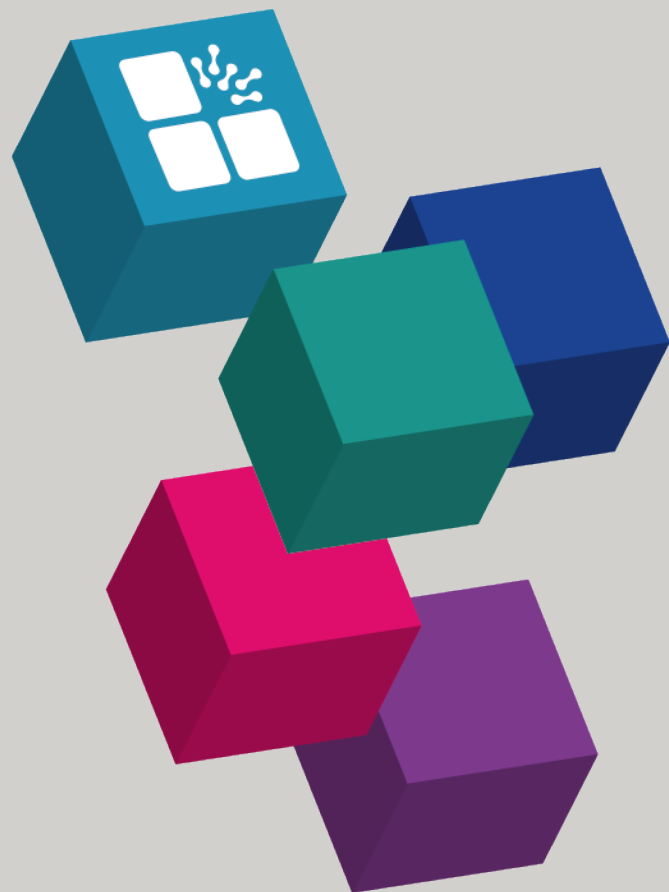


2022 Financial agenda

October 27

after the market closes

Q3 2022
REVENUES



Thank you for your attention

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