

# First half 2023 Earnings

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September 20th 2023

# 2023





# 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.

Cette présentation contient des "déclarations prospectives" au sens de la loi « Private Securities Litigation Reform Act » de 1995. Les déclarations prospectives sont fondées sur des attentes et des hypothèses que nous estimons raisonnables au moment où elles sont formulées, mais qui peuvent s'avérer inexactes. De par leur nature, les déclarations prospectives impliquent des risques et des incertitudes. Par conséquent, l'entreprise ne peut garantir leur exactitude et leur exhaustivité, et les résultats réels peuvent différer matériellement de ceux anticipés par l'entreprise en raison d'un certain nombre d'incertitudes, dont la plupart ne sont pas connues de l'entreprise.

Pour plus d'informations sur les facteurs importants susceptibles d'entraîner une différence significative entre les résultats réels de la société et les attentes et hypothèses sous-jacentes, veuillez vous référer aux rapports déposés par la société auprès de l'Autorité des Marchés Financiers.

Toute déclaration prospective n'est valable qu'à la date à laquelle elle est faite, et nous n'assumons aucune obligation de mettre à jour ou de réviser une déclaration prospective, que ce soit à la suite de nouvelles informations, d'événements futurs ou pour toute autre raison, sauf si la loi l'exige.



# Key figures – 1H 2023

## Revenue

€301.0m

+12.5%  
reported

+12.1%  
LFL<sup>(1)</sup>

Vs 1H 2022

## Recurring operating income<sup>(1)</sup>

€10.7m

+57.0%

+€3.9m

Vs 1H 2022

## EBITDA

€48.8m

+17.2%

+€7.2m

Vs 1H 2022

## Net debt<sup>(1)(2)</sup>

€166m

+7 %

+€11m

Vs 1H 2022

## Headcount

6 469

+9%

+527

Vs 1H 2022



# 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

**Smart RX** – Solutions for pharmacists in France

**Cegedim Insurance** – Solutions for Health Insurers

**Cegedim SRH** – HCM Suite



## Flow

**Cegedim e-business** - Digitalization of contract to pay process. All sectors in France, the UK, and Germany

**Cetip Tiers Payant** – third party payment management in France



## BPO

**Cetip iGestion** – BPO for Health insurance companies. claim processing and provident scheme.

**Cegedim SRH** – BPO HR departments in France



## Data & Marketing

**Cegedim Health Data** : Real World database (France, the UK, Romania, Spain, Italy, Belgium and Germany) and **Sales Audit**

**Digital and print marketing** at pharmacies in France



# Softwares & Services

**54%**  
of 1H 2023 Group revenue

**€161.5m**  
Revenue

+10.9%  
+€15.9m

**€(2.0)m** +73.5%  
Recurring Operating Income

|  | Revenue      |              | Var. 1H 2023 / 1H 2022 |              | Recurring Operating Income |              | Var. 1H 2023 / 1H 2022 |              |
|--|--------------|--------------|------------------------|--------------|----------------------------|--------------|------------------------|--------------|
| <i>In € million</i>                            | 1H 2023      | 1H 2022      | €m                     | %            | 1H 2023                    | 1H 2022      | €m                     | %            |
| <b>Total Softwares &amp; Services</b>          | <b>161.5</b> | <b>145.6</b> | <b>15.9</b>            | <b>10.9%</b> | <b>(2.0)</b>               | <b>(7.6)</b> | <b>5.6</b>             | <b>73.5%</b> |
| Cegedim Santé                                  | 39.8         | 31.8         | 8.0                    | 25.1%        | (1.4)                      | (6.3)        | 4.9                    | 77.7%        |
| Insurance. HR. Pharmacists and others services | 95.3         | 89.8         | 5.6                    | 6.2%         | 3.8                        | 5.9          | (2.2)                  | -36.6%       |
| International Activities                       | 26.3         | 24.0         | 2.4                    | 9.8%         | (4.4)                      | (7.2)        | 2.8                    | 39.4%        |

## Comments :

- Cegedim Santé : sustained business levels and tight control over recruitment led to an improvement in operating profit, despite the increase in R&D amortization associated with the developments required for the « Ségur de la Santé ».
- The good performance of HR solutions was masked by project delays in the Insurance segment and by the shift to the second half of the year of the “Ségur de la santé” revenue for the pharmacists segment.
- International activities continue to recover (ROI up by €2.8m), thanks to the rebound in sales and to an adjustment in costs structure.



Flux

**16%**  
of 1H 2023 Group revenue

**€48.2m**  
Revenue

+6.7 %  
+€3.0m

**€5.6m**  
Recurring Operating Income

(0.7)%

|                     | Revenue     |             | Var. 1H 2023 /<br>1H 2022 |             | Résultat Opérationnel<br>Courant |            | Var. 1H 2023 /<br>1H 2022 |                |
|---------------------|-------------|-------------|---------------------------|-------------|----------------------------------|------------|---------------------------|----------------|
| <i>In € million</i> | 1H 2023     | 1H 2022     | €m                        | %           | 1H 2023                          | 1H 2022    | €m                        | %              |
| <b>Total Flow</b>   | <b>48.2</b> | <b>45.2</b> | <b>3.0</b>                | <b>6.7%</b> |                                  |            |                           |                |
| e-business          | 29.3        | 27.2        | 2.0                       | 7.4%        | <b>5.6</b>                       | <b>6.3</b> | <b>(0.7)</b>              | <b>(10.8)%</b> |
| Tiers Payant        | 19.0        | 18.0        | 1.0                       | 5.5%        |                                  |            |                           |                |

## Comments :

- Cegedim e-business activities (digitisation of processes and data exchanges) in France and abroad grew by 6% and 18% respectively and made a positive contribution to operating profit.
- The decline in operating income is mainly due to the fact that the Allianz third-party payment contract has been invoiced as part of BPO services since 1 April.



# Data & marketing

**18%**  
of 1H 2023 Group revenue

**€54.9m**  
Revenue

+9.9%  
+€4.9m

**€6.6m**  
Recurring Operating Income

+8.2%

|                                   | Revenue     |             | Var. 1H 2023 / 1H 2022 |             | Recurring Operating Income |            | Var. 1H 2023 / 1H 2022 |             |
|-----------------------------------|-------------|-------------|------------------------|-------------|----------------------------|------------|------------------------|-------------|
|                                   | 1H 2023     | 1H 2022     | €m                     | %           | 1H 2023                    | 1H 2022    | €m                     | %           |
| <i>In € million</i>               |             |             |                        |             |                            |            |                        |             |
| <b>Total Data &amp; Marketing</b> | <b>54.9</b> | <b>50.0</b> | <b>4.9</b>             | <b>9.9%</b> |                            |            |                        |             |
| Data                              | 28.9        | 26.1        | 2.8                    | 10.7%       | <b>6.6</b>                 | <b>6.1</b> | <b>0.5</b>             | <b>8.2%</b> |
| Marketing                         | 26.1        | 23.9        | 2.1                    | 8.9%        |                            |            |                        |             |

## Comments :

- Marketing and Data activities contributed positively to the division's sales growth compared with 2022, by 10.7% and 8.9% respectively.
- The division's Recurring Operating Income growth was 8.2% compared with 2022, with each business line contributing to the improvement in profitability.



# BPO

**11%**  
of 1H 2023 Group revenue

**€32.8m**  
Revenue

+29.3%  
+€7.4m

**€1.4m**  
Recurring Operating Income

+34.4%

| In € million     | Revenue     |             | Var. 1H 2023 / 1H 2022 |              | Recurring Operating Income |            | Var. 1H 2023 / 1H 2022 |              |
|------------------|-------------|-------------|------------------------|--------------|----------------------------|------------|------------------------|--------------|
|                  | 1H 2023     | 1H 2022     | €m                     | %            | 1H 2023                    | 1H 2022    | €m                     | %            |
| <b>Total BPO</b> | <b>32.8</b> | <b>25.4</b> | <b>7.4</b>             | <b>29.3%</b> |                            |            |                        |              |
| BPO Insurance    | 22.2        | 15.6        | 6.5                    | 41.7%        | <b>1.4</b>                 | <b>1.0</b> | <b>0.4</b>             | <b>34.4%</b> |
| BPO HR           | 10.7        | 9.8         | 0.9                    | 9.4%         |                            |            |                        |              |

## Comments :

- Insurance BPO grew by more than 65% in the second quarter and 42% in the first half, driven by the start of the Allianz contract on April 1<sup>st</sup>.
- The Human Resources BPO business continued to expand, with sales growth of 9.4% in the first half.
- The costs generated by the start of the Allianz contract partly mask the productivity gains achieved in other activities, thanks in particular to the automation of management processes.





# 1H 2023 - P&L

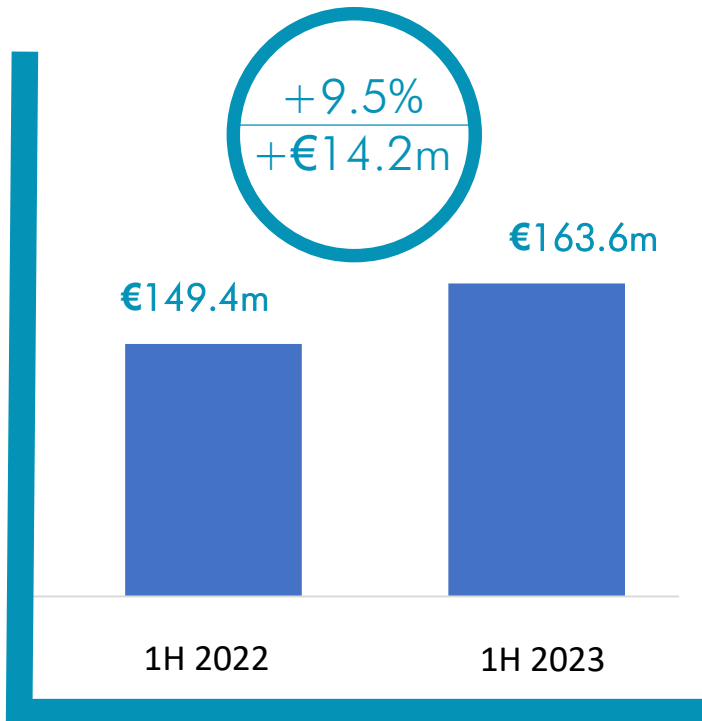
*In € million*

|  | 1H 2023      | 1H 2022      | Var %          | Var. €m      |
|--|--------------|--------------|----------------|--------------|
| <b>Revenue</b>   | <b>301.0</b> | <b>267.6</b> | <b>12.5%</b>   | <b>33.4</b>  |
| Purchase used  | (14.7)       | (13.5)       | (9.1)%         | (1.2)        |
| External expenses  | (66.4)       | (58.2)       | (14.0)%        | (8.2)        |
| Employee costs   | (163.6)      | (149.4)      | (9.5)%         | (14.2)       |
| Others   | (7.5)        | (4.7)        | (57.5)%        | (2.7)        |
| <b>EBITDA</b>  | <b>48.8</b>  | <b>41.7</b>  | <b>17.2%</b>   | <b>7.2</b>   |
| Margin EBITDA  | <b>16.2%</b> | <b>15.6%</b> |                |              |
| D&A  | (38.1)       | (34.8)       | (9.4)%         | (3.3)        |
| <b>Recurring operating income</b>                                | <b>10.7</b>  | <b>6.8</b>   | <b>57.0%</b>   | <b>3.9</b>   |
| Margin ROC   | <b>3.6%</b>  | <b>2.5%</b>  |                |              |
| Non-recurring operating income and expenses                      | (1.4)        | (4.4)        | 68.2%          | 3.0          |
| <b>Operating income</b>  | <b>9.3</b>   | <b>2.5</b>   | <b>278.8%</b>  | <b>6.9</b>   |
| Financial results  | (5.6)        | (4.4)        | (25.7)%        | (1.1)        |
| Total Tax  | (12.4)       | (3.5)        | (255.2)%       | (8.9)        |
| Share of profit (loss) for the period of equity method companies | (0.5)        | (0.7)        | 21.5%          | 0.1          |
| <b>Consolidated net profit</b>                                   | <b>(9.2)</b> | <b>(6.1)</b> | <b>(50.1)%</b> | <b>(3.1)</b> |

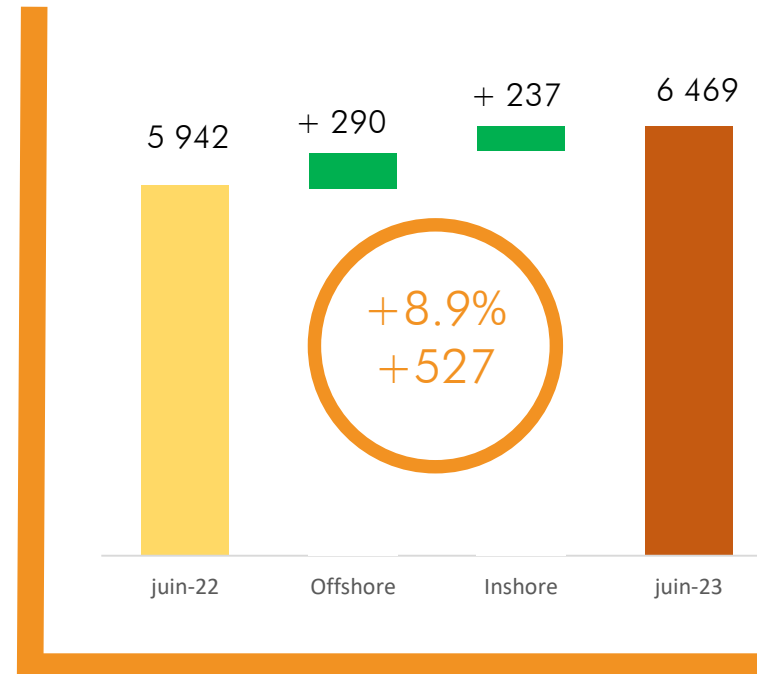


# Payroll costs - 1H 2023

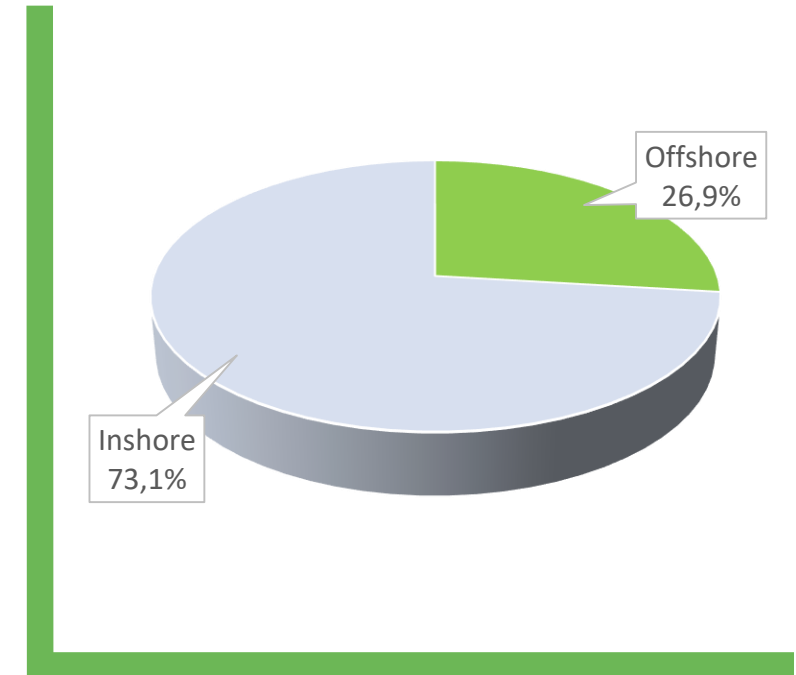
## Payroll costs



## Headcount

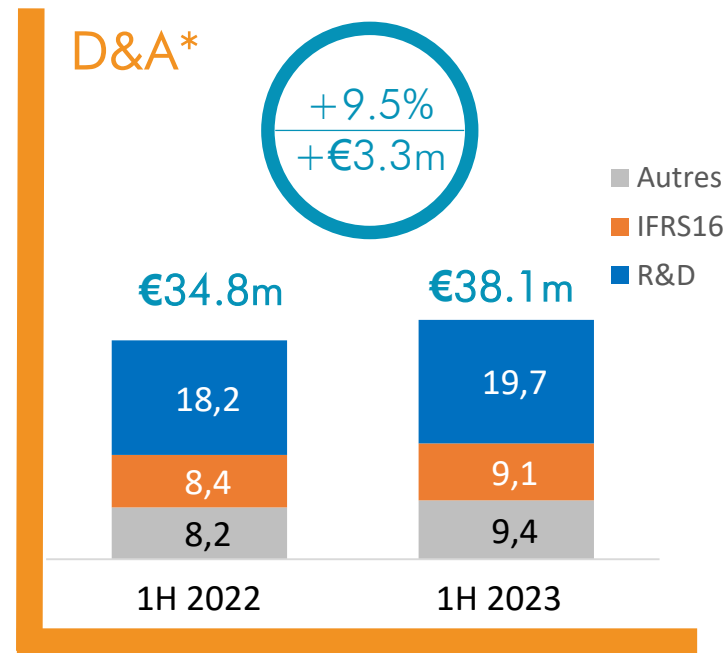
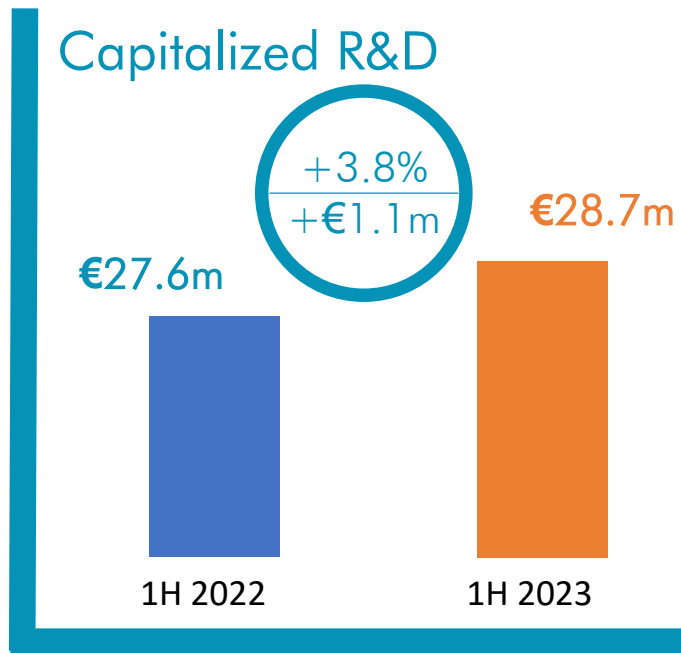


## Offshore





# R&D Investment



\*Excluding non recurring D&A

| Impact on recurring operating income |         |
|--------------------------------------|---------|
| Capitalized R&D                      | +€1.1 m |
| D&A of R&D                           | €(1.5)m |
| impact on recurring operating income | €(0.4)m |



# Free cash flow

| In € million   | 1H 2023       | 1H 2022       |
|--|---------------|---------------|
| <b>Consolidated net profit</b>   | <b>(9.2)</b>  | <b>(6.1)</b>  |
| <i>Depreciation and amortization expenses and provisions</i>           | 38.0          | 35.1          |
| <i>Cost of net financial debt</i>                                      | 5.6           | 4.4           |
| <i>Share of earnings from equity method companies ; tax expenses</i>   | 11.5          | 4.1           |
| <b>Operating Cash flow before cost of net financial debt and taxes</b> | <b>45.9</b>   | <b>37.4</b>   |
| <i>Tax paid</i>  | (0.4)         | (15.9)        |
| <i>Change in working capital requirements from operations</i>          | (18.0)        | (18.5)        |
| <b>Cash flow generated from operating activities (A)</b>               | <b>27.5</b>   | <b>3.0</b>    |
| <i>Acquisition of intangible assets</i>                                | (29.5)        | (28.0)        |
| <i>Acquisition of tangible assets</i>                                  | (11.8)        | (8.1)         |
| <i>Impact of changes in consolidation scope</i>                        | (2.2)         | 58.3          |
| <i>Others</i>  | 3.2           | 0.6           |
| <b>Net Cash flow generated by investment operations (B)</b>            | <b>(40.3)</b> | <b>22.9</b>   |
| <i>Repayment of lease liabilities</i>                                  | (11.4)        | (9.8)         |
| <i>Dividends</i>   | 0.0           | 0.0           |
| <i>Others</i>  | (3.1)         | (1.0)         |
| <b>Net cash flow generated by financing operations (C)</b>             | <b>(14.4)</b> | <b>(10.9)</b> |
| <b>Change in cash (A+B+C)</b>  | <b>(27.2)</b> | <b>15.0</b>   |

## Net Debt





# 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 | -       | €27.9m  | -             |

30 june 2023

## Debt Covenant

|   | Status | Limit  |
|---|--------|--------|
| Leverage<br>(Debt/Ebitda)                 | 1.37   | < 2.50 |
| Interest cover<br>(Ebitda/ interest debt) | 15.78  | > 4.50 |

30 june 2023



# Sound financial structure

## Assets

| In € million                          | 30.06.2023   | 31.12.2022   |
|---------------------------------------|--------------|--------------|
| Goodwill                              | 199.6        | 198.8        |
| Intangible assets                     | 197.6        | 188.1        |
| Tangible assets                       | 134.8        | 131.0        |
| Financial assets                      | 21.9         | 20.7         |
| Other non-current assets              | 42.5         | 51.0         |
| Cash & cash equivalents               | 27.9         | 55.6         |
| Trade receivables, short-term portion | 169.7        | 151.8        |
| Other current assets                  | 106.0        | 93.1         |
| <b>Total assets</b>                   | <b>900.1</b> | <b>889.9</b> |

## Shareholders equity & liabilities

| In € million                        | 30.06.2023   | 31.12.2022   |
|-------------------------------------|--------------|--------------|
| Shareholder equity                  | 296.7        | 304.1        |
| Long-term financial debt            | 186.8        | 188.9        |
| Other non-current liabilities       | 113.0        | 109.8        |
| Short-term financial debt           | 7.4          | 3.9          |
| Other current liabilities           | 296.1        | 283.2        |
| <b>Total equity and liabilities</b> | <b>900.1</b> | <b>889.9</b> |



# CSR - Governance

## Organisation

Published since 2012

Steered by the General Management / Finance

- Group CSR Department
- CSR representatives in subsidiaries
- Quarterly CSR clubs (BU GMs)
- CSR Committee (Board)

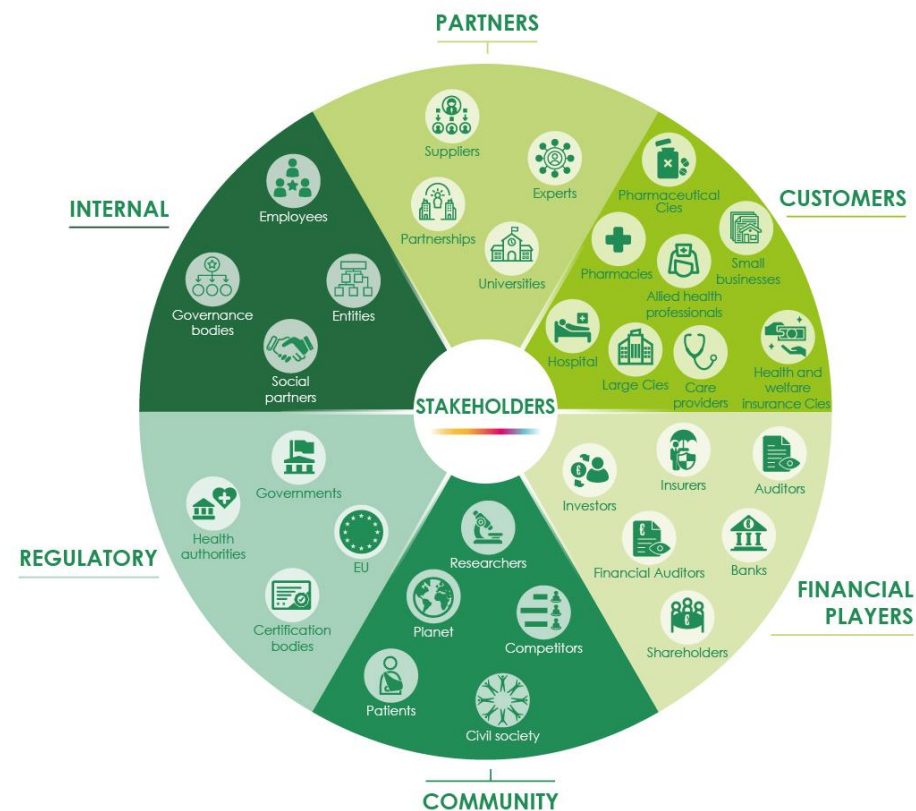
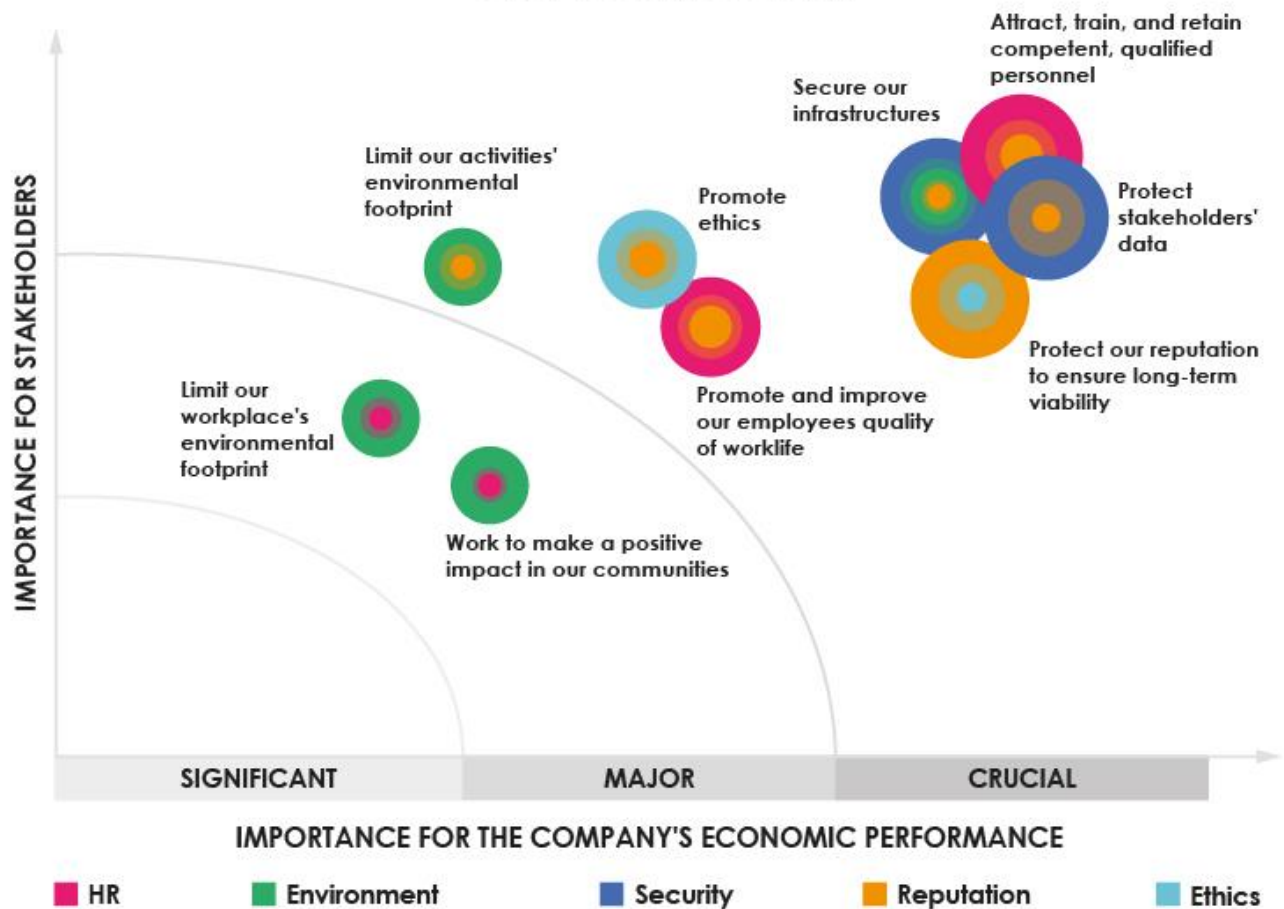
## Roadmap 2022-2025

- Formalize :
  - Corpus of sustainable development policies
  - CSR Clubs and CSR Committee
- Deploy :
  - Objectives associated with sustainable development policies
  - Regulatory obligations: SFDR, Taxinomie, CSRD, « Décret tertiaire », etc.
  - Decarbonization trajectory
  - Raising employee awareness
  - Valuing actions already taken
  - Green IT and Digital Responsibility
- Evaluate et measure :
  - Bilan carbone scopes 1,2 et 3
  - AFNOR ISO 26000 Social Responsibility certification
  - Setting up and monitoring indicators for contribution to the SDGs
  - Climate risk analysis
  - ISO 50001 Certification - Energy management
  - ISO 14001 Certification – Environmental management



# CSR Challenge













## CSR CHALLENGES







# CSR – External Rating

|   | Provider             |   | Rating   |
|---|----------------------|---|--|
|    | Ecovadis             |    | Silver medal<br>70% percentile<br>top 19% of the evaluated companies |
|    | Gaïa                 |    | 59 / 100   |
|    | Vigeo Eiris          |    | 52 / 100   |
|   | CDP                  |   | Rate D ( <i>Incomplete data</i> )                                    |
|  | Score carbone Axylia |  | Rate A   |
|  | Label ISO 26000 RSE  |  | On-going 2H 2023   |



# Outlook



Revenue

> 10%  
Like for Like



Recurring  
Operating Income

Increase Vs 2022

**Disclosure :** Based on currently available information.  
The Group does not expect to make any significant acquisitions in 2023.  
And lastly, the Group does not provide earnings estimates or forecasts.



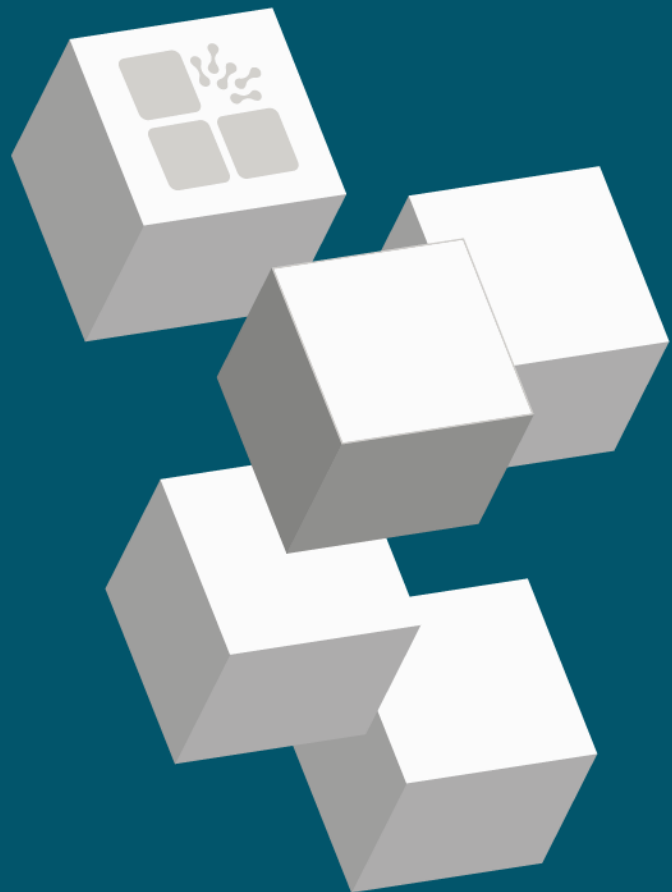
# 2023 – Financial Agenda

October 26

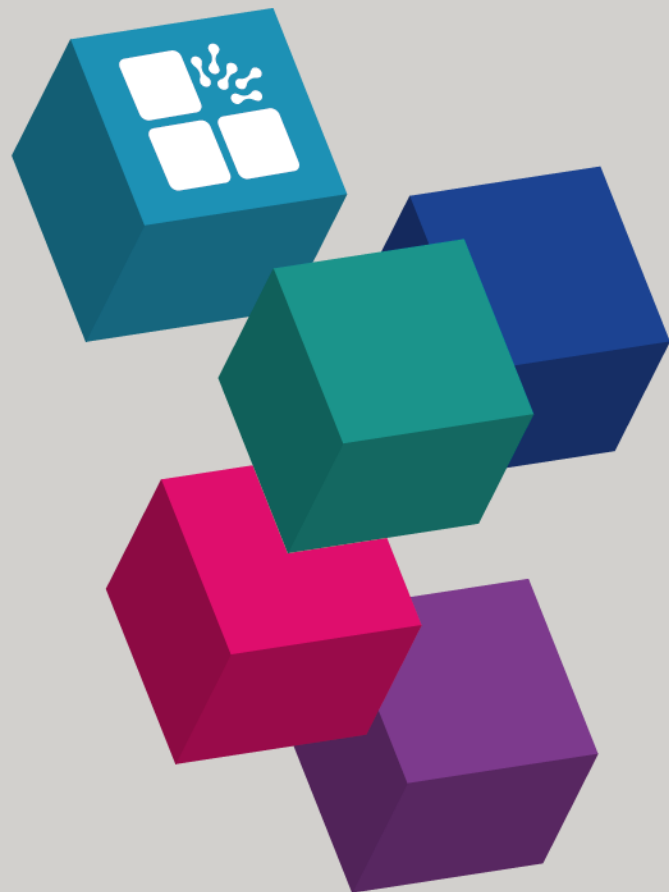
After the market closes

Revenue 3rd  
Quarter

2023



## **Q&A session**



# Thank you for your attention

For any additional information  
[Investor.relations@cegedim.com](mailto:Investor.relations@cegedim.com)

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

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