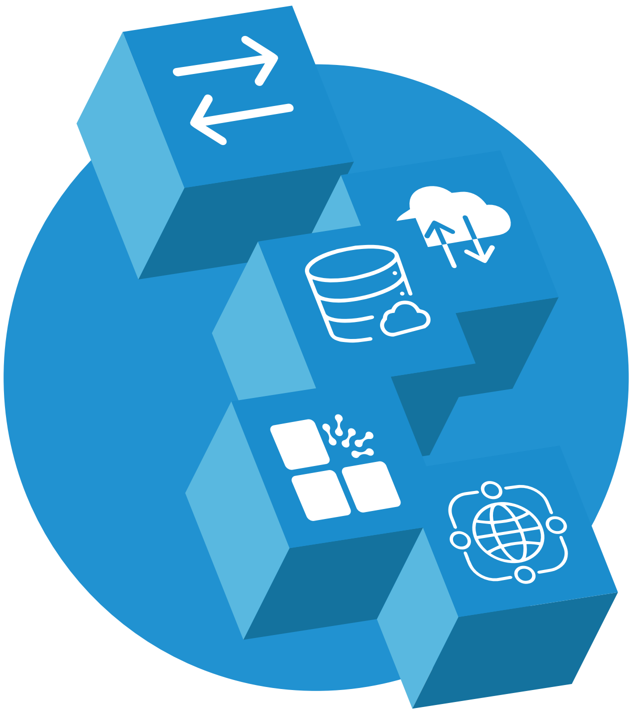
Universal Registration Document

Annual Financial Report included

2023

cegedim



Universal Registration Document

Including the annual financial report

This Universal Registration Document has been filed on April 3, 2024 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

Copies of the Universal Registration Document are available for free from Cegedim SA at 137, rue d'Aguesseau, 92100 Boulogne-Billancourt, France, and on the website: www.cegedim.com/finance.

This is a free translation into English of the "Universal Registration Document 2023" issued in French and is provided solely for the convenience of English speakers readers. This document should be read in conjunction with, and construed in accordance with, French law professional auditing standards applicable in France

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

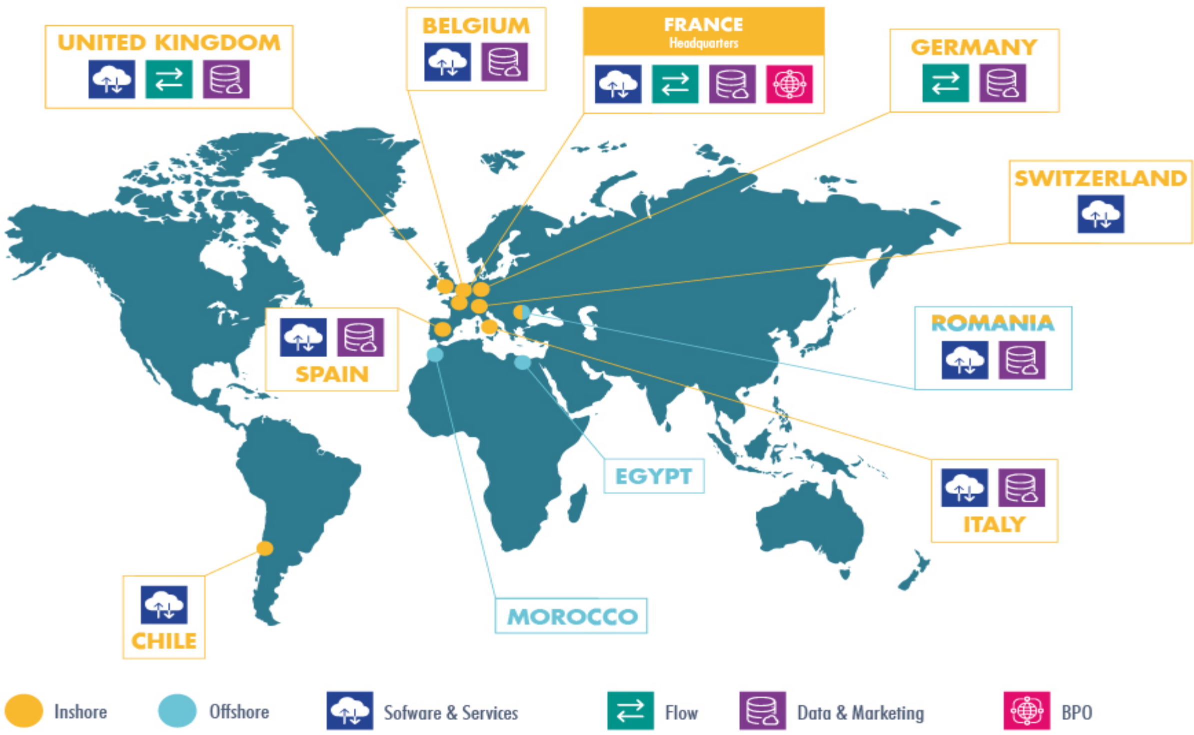
Summary

The Big Picture | This is Cegedim

Founded in 1969, Cegedim is an innovative technology and services company in the field of digital data flow management for healthcare ecosystems and B2B, and a business software publisher for healthcare and insurance professionals. Cegedim employs more than 6,500 people in more than 10 countries and generated revenue of €616 million in 2023.

Cegedim SA is listed in Paris (EURONEXT: CGM).

A strong European presence



We are the leading integrated player in healthcare, with a unique ecosystem

The Big Picture | Our core divisions in 2023

Software & Services

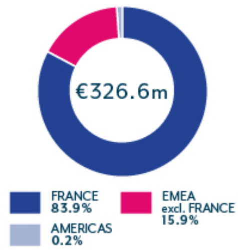
Licenses, SaaS, internet services, maintenance, integration, hosting for healthcare professionals in France, the UK, Romania, Spain, Belgium, and Italy, health insurance companies in France and the UK, and HR departments in France.

See **section 1.2**

53% of FY 2023 Group revenue

Revenue growth: +8.2% Reported; +8.0% Like-for-like

€326.6m Revenue — €4.2m REBIT[(1)] — 1.3 % REBIT margin



Geographical mix

Flow

Digitalization of processes and invoices in healthcare and other sectors in France, the UK, and Germany.

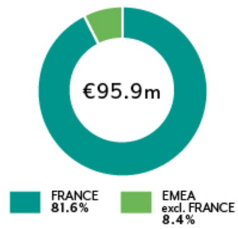
Third party payment in France.

See **section 1.2**

16% of FY 2023 Group revenue

Revenue growth: +5.9% Reported; +6.0% Like-for-like

€95.9m Revenue — €12.1m REBIT[(1)] — 12.6% REBIT margin



Geographical mix

Data & Marketing

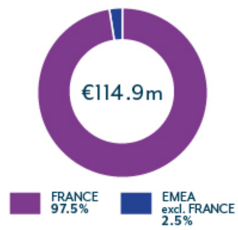
European Health database and studies used by health authorities, governments, healthcare professionals, and pharma companies in France, the UK, Romania, Spain, Italy and Germany. Digital and print marketing at pharmacies in France. Digital marketing for French doctors.

See **section 1.2**

19% of FY 2023 Group revenue

Revenue growth: +7.5% Reported; +7.0% Like-for-like

€114.9m Revenue — €15.9m REBIT[(1)] — 13.9% REBIT margin



Geographical mix

BPO

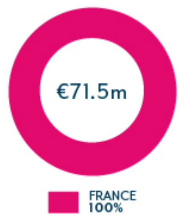
Business process outsourcing for health insurance companies, mainly claims processing, and HR departments in France, with nearshore centers in Romania and offshore centers in Morocco.

See **section 1.2**

12% of FY 2023 Group revenue

Revenue growth: +34.9% Reported; +34.9% Like-for-like

€71.5m Revenue — €4.0m REBIT[(1)] — +5.5% REBIT margin



Geographical mix

[(1)] See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

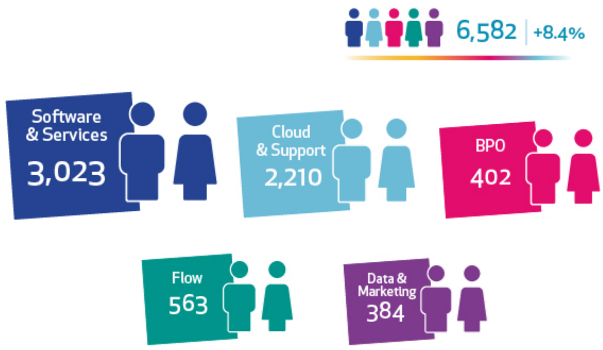
The Big Picture | Employees

6,582
Employees

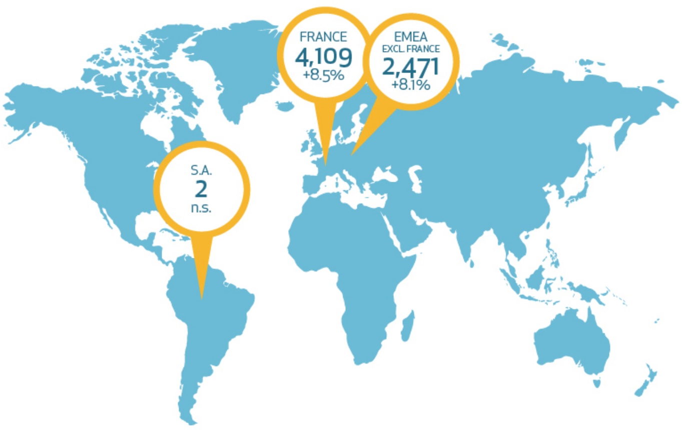
49%
of employees
are female

73%
of employees inshore

27%
of employees
offshore



Employees by division



Employees by country

The Big Picture | ESG (2023 | 2022)

35 | 24
Datacenter GHG emissions

Objective: Cut GHG emissions linked to datacenter electricity consumption, in metric tons of CO2 equivalent

+4% | +14%
Increase in number of virtual servers
(13.8 virtual servers for every physical)

Objective: Maintain continuous growth

110 | 115
Average passenger car fleet CO2 rat

Objective: Maintain at < 120g

37 % | 41 %
Share of French employees regularly working from home

100% | 100%
Completion of the security checklist

Objective: Maintain 100%

96 | 92
Equality Index in France

Objective: Maintain level above 75

40% | 40%
Women board members

30% | 30%
Independent board members

The Big Picture | Mega trends affecting our market

Ageing population & Chronic disease
Increasing demand for healthcare services driven by aging population and growth in chronic disease.

Shift towards ambulatory care
Demand is growing for treatments to occur at the patient's home rather than at expensive secondary care facilities.

Shift towards outcome-based care
Incentive to use IT to increase efficiency.

Staff shortage
The global health workforce shortage which is expected to increase further in coming decades creates medical deserts.

Fragmented care
One patient – several conditions – numerous physicians.

Cost pressure
Healthcare systems are no longer sustainable from a financial standpoint.

Greater patient engagement
Patients increasingly seek to engage about their health and select and organize their care teams.

Digitalization
- Changing the way care is delivered and payments are made;
- Big data analytics;
- Artificial intelligence.

More stringent regulation
- Quality standards are becoming more stringent due to new regulations;
- Higher investment needed to comply with new regulation;
- Software CE certified as a medical device.

Pandemics
Long-term trends accelerated by the Covid-19 pandemic.

Innovation

14.9% R&D effort*	€55.6m Capitalized R&D	1,588 R&D employees

Our innovation capabilities are based on our:

Software factory

- Streamlined and agile R&D organization
- Industrialization
- Talented people
- Offshore platform

Quality and compliance

- GDPR
- HDS
- ISO 27001, ISO 20000, ISO 27017, ISO 27018 and ISAE 3402 Type II
- Regulation

Collaboration

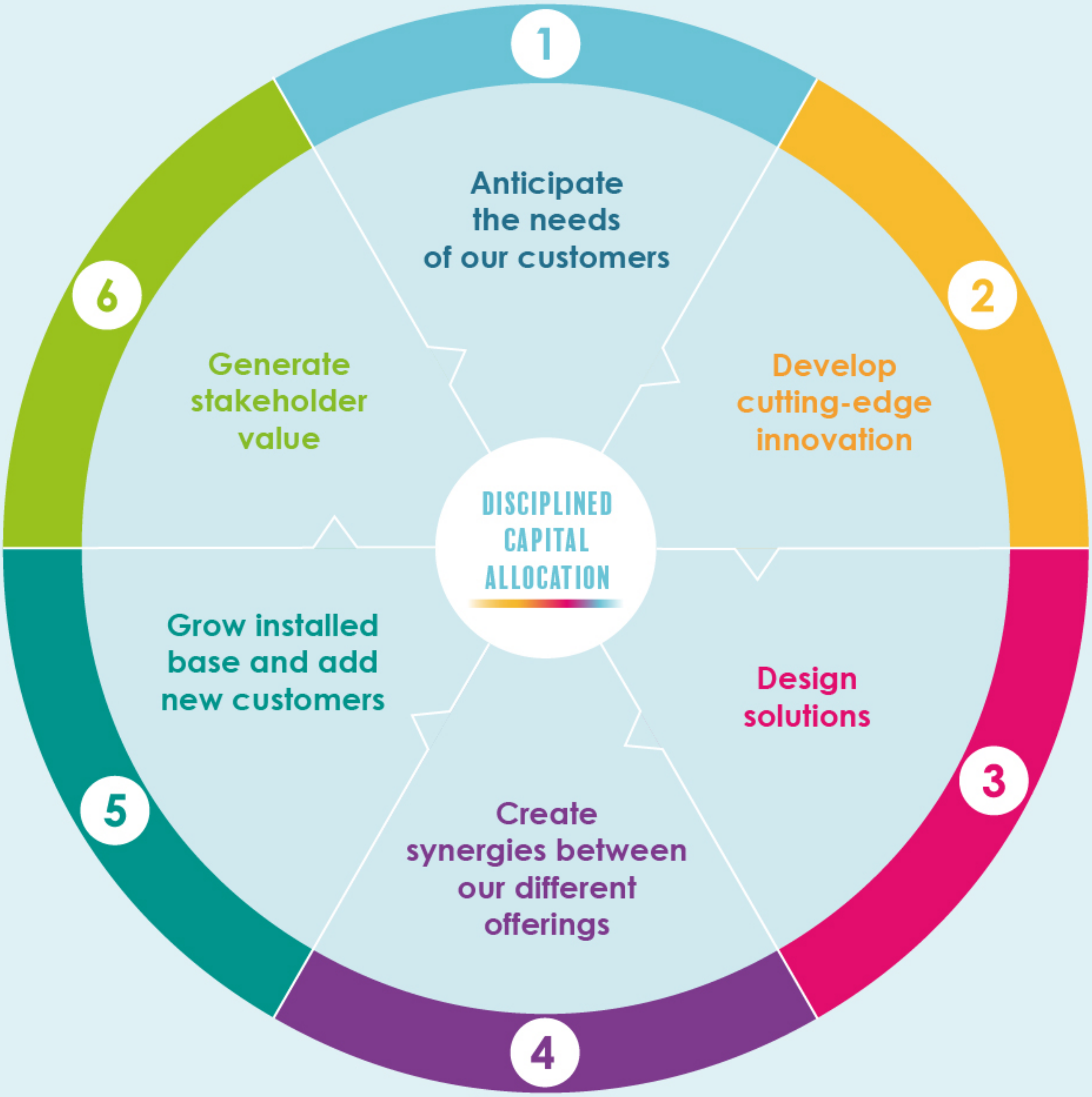
- Customer-driven products and services development

Technology platform

- Cloud enabled
- Web and mobile
- Cegedim datacenters

* *Payroll expenses for the R&D workforce as a percentage of consolidated revenue.*

The Big Picture | Our business model and growth strategy



Our competitive advantage comes from:

Innovation

See page 12

A unique integrated healthcare ecosystem

See page 7

A complete range of offerings: Software, Services, Flow, Data, Marketing and BPO

See page 8

The Big Picture | Our business model and growth strategy

1

Anticipate the needs of our customers

Due to our unique position in the healthcare ecosystem, we maintain incredibly close relationships with our customers in order to anticipate and understand the future of healthcare, process digitalization, and HR management. We have built this position through years of experience in delivering for our markets.

These specific insights allow us to match customer expectations with market insight to forecast trends, and to adapt to opportunities and threats.

2

Develop cutting-edge innovation

In 2023, our R&D teams reached 1,588 people, and we capitalized €55.6 million of R&D.
Since 2015 Cegedim has embarked on a major redevelopment program to transform its entire product suite into a series of modern SaaS products and interoperable Apps.

For more details on our innovation capacities, see chapter 1 point 1.2 "Activities" and chapter 3 point 3.3.2 "Operating investments" section "Research and development at the Cegedim Group level" and point 3.9 "Research and development at the Cegedim SA level".

3

Design solutions

From our cutting-edge technologies, we design solutions to create the greatest value for our customers. Our R&D team, software factory, market insight, and operational excellence support this activity.

4

Create synergies between our different offerings

We are unlocking the massive potential of the Group by creating synergies between our different offerings.

5

Grow installed base and add new customers

To grow our installed base, we rely on megatrends that create huge opportunities, SaaS transition, cutting edge solutions, upselling new products, modules, etc.

Acquisition also presents opportunities, among other things by giving us access to new clients, technologies or products. We can then sell our exciting products to our newly acquired customers or market the acquired technologies or products to our existing customers.

6

Generate stakeholder value

Our activities are global, complex and touch upon a wide variety of stakeholders. We aim to create trusted relationships with our investors, employees, customers, suppliers, and partners, as well as our communities, local and national authorities, and regulatory bodies.

To build a resilient business, we must understand the needs of all our stakeholders and continue to deliver value.

The Big Picture | Our economic contribution

Generated Value

€616.0m

FY 2023 revenue

0.5M€

Financial and other income

€616.5m

Total generated value

Distributed Value

€167.1m

Used to purchase goods and services from our **suppliers**

€11.9m

In financial costs for our **capital providers**

€4.2m

Returned to the **community** by paying corporation tax, other taxes, and duties

€331.7m

Used for **employee** wages, pensions, etc.

€76.5m

Reinvested in Cegedim for future value generation

The Big Picture | A brief history of the Group structure

1969
Jean-Claude Labrune founds Cegedim(*) to provide IT solutions for the healthcare sector.

1972
Creation of the first computerized database of doctors.

1979
Launch of the CRM division in France.

1990
International expansion begins.

1991
Launch of the first electronic data interchange platform.

1994
Launch of computerization solutions for doctors in France, for promotional efforts aimed at doctors and pharmacists, and for HR management.

1995
IPO on the Paris Stock Exchange's Secondary Market. Cegedim is currently listed on Euronext Paris, Compartment B.

1997
Launch of the Claude Bernard database, the first computerized drugs database.

1999
Computerization of health insurance and mutual health insurance companies.

2007
Acquisition of Dendrite International, Cegedim becomes the world leader in pharma industry CRM.

2015
Sale of CRM and Strategic Data division to IQVIA.

2015-2018
First phase of the business model transformation: Strategic repositioning by moving our offering to SaaS and developing Cloud, Digital and BPO offerings.

2018-2020
Second phase of the business model transformation: Maintain steady, sustainable, profitable growth momentum.

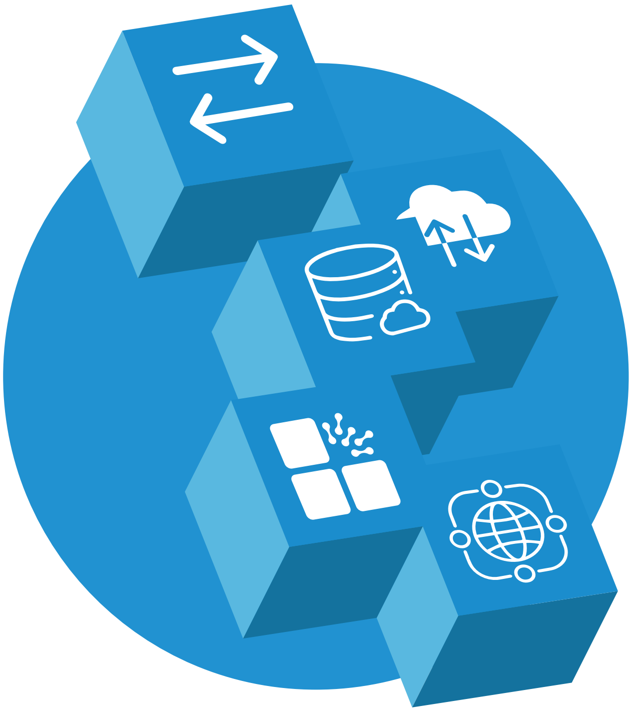
2021
Continue to innovate and focus on revenue growth, margin improvement, and cash flow generation.

2022
Strategic partnership with social protection companies VYV, Malakoff Humanis, and PRO BTP through a reserved capital increase of €65m for 18% of the shares of Cegedim Santé.

2023
Winning of a major contract in the Insurance BPO business.

Events in 2023 and 2024 are presented in Chapter 4 and in the Consolidated Financial Statement Annexes, Note 3, of this document.

* *Centre de Gestion, de Documentation, d'Informatique et de Marketing.*



01

The Group

1.1 Group Structure

Cegedim SA's place within the Group

Cegedim SA is a subsidiary of FCB, the active holding company of Cegedim Group. It is the only Group company that is listed. Cegedim SA is listed on Euronext (since 1995) and does not belong to another group.

Cegedim SA operates in the following areas:

- **Cegedim Business Services :** For over 30 years, Cegedim Business Services has been helping all types of companies, including in the healthcare sector, with their business operations. Its range of digital process optimization solutions covers invoicing, procurement, payroll, and HR performance management. Cegedim Business Services aims to be the go-to provider of digital transformation and productivity solutions for finance, procurement, and HR departments in France and internationally.
- **Information technologies and R&D:** it develops and upgrades some of the IT tools the Group's other departments and subsidiaries use to provide the services they sell.
- **Centralized services:** it handles payroll processing, employee management, billing, accounting, and monthly reporting. It does so in a manner consistent with the security, assurance, and confidentiality principles applied in IT managed services. The centralized services activity also handle tax, legal, labor, accounting, safety, risk management, internal control, compliance, organization, insurance, procurement, external communication, and copyright issues. Each month, these expenses are assigned to the Group's subsidiaries using a specific allocation formula for each family of services.

List of Cegedim subsidiaries

The Group's subsidiaries, their country of origin, and the Group's equity stake are listed in Chapter 4, Section 4.6, Note 5 "Consolidation Scope", of this Universal Registration Document.

More detailed information on the activities of the Group's main subsidiaries is provided in Section 1.2 "Activities" of this Chapter.

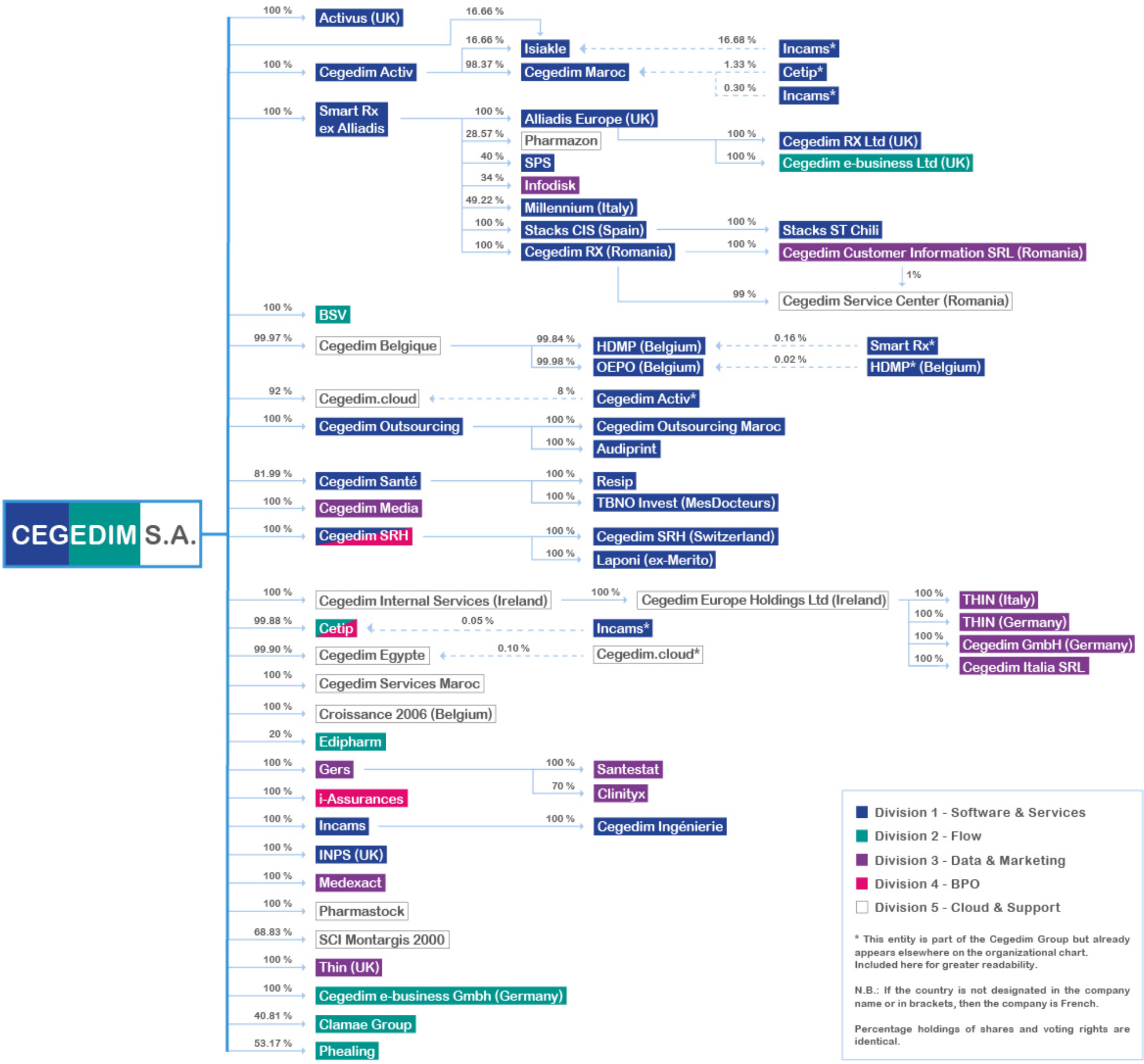
The Group's legal ownership structure is shown on the next page.

Information on major subsidiaries and affiliates

Cegedim's equity investments are presented in the organizational chart on the next page of this Universal Registration Document. They are included in the Group's consolidated financial statements in accordance with the methods presented in the accounting principles of the consolidated financial statements in Chapter 4, Section 4.6, Note 22 "Accounting principles and method".

The subsidiaries whose individual contributions to consolidated revenues exceeded €30 million at 31 December 2023, are: Cegedim Activ, Cegedim-MEDIA, Cegedim SA, Cegedim Santé, Cegedim SRH, Cetip, GERS Data and Smart Rx.

Cegedim Group ownership structure as of December 31th, 2023



On January 1, 2024, the BSV, Audiprint, Cegedim Outsourcing and Cegedim SRH entities were merged with Cegedim SA.
Similarly, Cegedim Ingénierie and i-Assurances were merged with CETIP.
These companies will be removed from the organisation chart at this date, as their activities will be continued by the merging entity.

1.2 Activities

Cegedim Group offers a wide range of innovative solutions and services for healthcare professionals, researchers, pharmaceutical companies, health authorities, and insurance companies, and for companies in all business sectors interested in outsourcing, secure hosting, and computerized exchanges.

However, to ensure clear and consistent financial communication, the Group presents its financial results by type of business rather than by type of client. Its business is divided into five divisions: Software & Services, Flow, Data & Marketing, BPO, and Cloud & Support.

Each division is represented by a pictogram (see below) which is featured at the beginning of their respective activity sections.

Group activities by type of clients:

Solutions for Healthcare Professionals

FRANCE

Patients management software, digital solutions, and remote secretarial services
Cegedim Santé - Maiia
Software and services for pharmacists
Smart Rx
Medication and health products database
RESIP - Claude Bernard

INTERNATIONAL

Software and services for doctors and pharmacists
Cegedim Healthcare Solutions *(UK)*
Cegedim Rx *(Romania)*
HDMP *(Belgium)*
Stacks *(Spain & Chile)*
Millennium *(Italy)*

Solutions for Researchers, Pharmaceutical Companies and Health Authorities

Healthcare data and analytics for the healthcare market
GERS Data *(France)*, Clinityx *(France)*
Cegedim Health Data - THIN databases *(Germany, Belgium, Spain, Italy, UK, France, Romania)*
Cegedim Customer Information *(Romania)*
Phygital Communication in healthcare
C-MEDIA
e-promotion
Medexact
Storage and Logistics of healthcare products
Pharmastock

Solutions for Health and Provident Insurers

CEGEDIM INSURANCE SOLUTIONS

Software and services for health insurance companies and mutuals
Cegedim Activ
Activus *(International)*
Flow and outsourced management services in health insurance
Cetip
Consulting
Conseilium

Solutions for Companies of all business sectors

CEGEDIM BUSINESS SERVICES

Digitization
e-Invoicing, Procurement and Healthcare Flows Practice
Software, services and BPO for HR
Human Resources Practice

IT Services
Cegedim Outsourcing
Critical application and health data hosting
Cegedim.cloud
Offshore and nearshore services
Cegedim Service Center *(Romania)*
Cegedim Maroc, Cegedim Outsourcing Maroc

1.2.1 | Solutions for Healthcare Professionals

Cegedim Santé

Software & Services

Patient management software, digital solutions, and remote secretarial services
France

Cegedim Santé is a major* digital health player in France. It helps healthcare professionals focus on caring for their patients by offering them solutions for patient management, invoicing, calendars, online appointment scheduling, teleconsultation/ telehealth, patient care coordination, and remote secretarial services. Its products and services target healthcare professionals (general practitioners, specialists, and midwives) and paramedical professionals (physical therapists, nurses, speech therapists, orthoptists, and podiatrists). They are suited to every type of practice—private medical and allied health practices, multidisciplinary health centers, community health clinics, medico-social establishments (ESMS), pharmacies, and regional communities of healthcare professionals (CPTS)—and to both independent and salaried professionals.

Cegedim Santé also supplies corporations with innovative digital health services (health at work, etc.).

The Maiia suite of online services builds on Cegedim Santé's established expertise in patient management and invoicing software. It combines several services that not only complement each other, but are also interoperable with Cegedim Santé's management software products:

- An online appointment scheduling platform for patients (Maiia Agenda);
- Teleconsultation, assisted teleconsultation, and telehealth (Maiia Téléconsultation);
- Secure instant messaging and doctor-to-doctor video consultancy (Maiia Connect).

Some 29,000 doctors use Cegedim Santé's products: MLM (MonLogicielMedical), Crossway, MédiClick, and Médimust management software; 52,000 paramedical professionals use its practice management software (Maiia Kiné, Simply Vitale, and Série 4000); and 23,000 healthcare professionals use the Maiia suite of services to care for 5 million patients. Numerous multidisciplinary health centers and community health clinics, EHPAD nursing homes, and occupational health and prevention services have opted for Cegedim Santé's solutions.

Cegedim Santé's main competitors are Germany's Compugroup, Vidal Group (which acquired Weda in 2019 and Dr Santé in 2023), Equasens Group (which absorbed Prokov Editions' Medistory in 2021), Doctolib, Sephira, CBA, Sophia Développement, and Soins 2000.

Running a practice today is a real challenge for healthcare professionals, who are constantly trying to find ever more practitioner-patient time while maintaining high care standards and continuing to offer patients an attentive ear. The decline in the number of practitioners—due to accelerate over the next ten years—and the growing demand for care due to an aging population and the rise in chronic illnesses make for a particularly challenging situation. E-health is one of the best solutions to some of these challenges. It improves access to care by simplifying practice organization for healthcare professionals, streamlining care pathways, fostering patient-centric coordination, and freeing up practitioner-patient time.

Cegedim Santé contributes significantly to e-health services with its complete ecosystem of multi-disciplinary solutions: practice management software for doctors and paramedical professionals (medical records with the French national ehealth ID number, invoicing including the Carte Vitale app, e-prescription, teleservices for the French national health service [Assurance Maladie], shared medical records [DMP], Mon Espace Santé, MSS), and the Maiia suite of online services (calendar, appointment scheduling, teleconsultation/telehealth, and secure instant messaging). Because these digital solutions are interoperable and compliant with the e-Santé, Ségur and LAP labels, the healthcare professionals who buy them are entitled to state subsidies.

Cegedim Santé constantly upgrades its solutions to ensure compliance.

The tools exist, but the crucial issue is ensuring the successful uptake of e-health, which must be driven by healthcare professionals, public authorities, and software publishers. While national frameworks for e-health tools and best practices are indispensable prerequisites, the transformation of France's healthcare system will depend on how widely they are adopted across the country. Cegedim Santé plays a key role in the development of e-health by informing its 100,000 healthcare professionnals about innovations and best practices, and by providing them with training tools (videos, webinars, DPC-certified training for health professionals), and a local presence alongside clients in every part of the country.

Cegedim Santé will continue to develop and roll out solutions in 2024 and the coming years, in step with deployment of the roadmap of France's e-health agency, the ANS (the second wave of Ségur funding for practionners, a new Ségur financing channel for paramedical professionals, etc.), and with changes in the way healthcare professionals organize and run their practices. Cegedim Santé will remain at the vanguard, experimenting with and encouraging the adoption of new digital tools.

In 2024, we also expect to see more so-called coordinated practices (a collaborative approach involving various healthcare practitioners, to ensure comprehensive and integrated patient care), with the widespread development of multidisciplinary health centers and regional communities of healthcare professionals (CPTS). Cegedim Santé will put its solutions to work supporting this trend and will help sustain the transition to a more integrated, patient-focused model of care.

Cegedim Santé will also support the increasingly mobile practices of healthcare professionals with its Maiia Pro app, an alternative invoicing solution to the TLA Carte Vitale reader, which is being phased out. It is also speeding up the launch of all-in-one online solutions (management, invoicing, services, and coordination) suited to every type of practice and every type of interface.

The acquisition of Visiodent in February 2024 strengthens Cegedim Santé's ecosystem of solutions with a product widely used by dentists in private practice and in both dental and multi-specialty health clinics.

* *Cegedim Santé is a leading supplier of software for healthcare professionals in terms of the number of electronic claim forms sent (source: GIE SESAM-Vitale, December 2023).*

Smart Rx

Software & Services

Software and services for pharmacists

France

Smart Rx, Cegedim's French pharmacy software business has over 30 years' expertise in pharmacy IT solutions. It develops and markets comprehensive and integrated software solutions and supplies specialized IT equipment. Smart Rx delivers cutting-edge technological innovations, and meets its customers' professional needs with scalable, high value-added solutions.

Smart Rx, Equasens (ex-Pharmagest) and Everys (Winpharma) are the main* players in the French pharmacy IT market.

All French pharmacies are now computerized, and the market for pharmacist software is therefore a replacement market. The growing need for efficiency in pharmacies has triggered major changes and offers attractive growth prospects.

The new challenges created by business and regulatory models like the shared medical file (Dossier Medical Partagé or DMP), the medication review, patient adherence monitoring, serialization, generic substitution goals, telemedicine, electronic drug prescriptions, and new tasks required of pharmacists under the Hospital, Patients, Health, Territories Law (HPST) are just some of the reasons why software solutions will evolve in the short or medium term. Now, more than ever, pharmacists play a key role in patient care pathways.

Retail pharmacies are having to adapt their working methods and reorganize their teams to meet several challenges: They must upskill to take on new tasks and handle the shift to e-health, and also face drug supply and recruitment difficulties.

The role of software publishers is to help them adapt to these changes and offer them innovative solutions.

Increasing competition is also forcing pharmacists to seek more advanced IT solutions to help them monitor and manage the business, optimize procurement, and improve point-of-sale marketing. At the same time, the trend towards pharmacy groupings in the market continues, with more and more independent pharmacies joining networks. This strategy creates specific new needs for pharmacies, in terms of their positioning, tasks, internal organization, product and service policy, etc.

Software solutions for pharmacists must therefore provide ever more efficient and relevant statistics, allow pharmacies to interconnect without compromising health data integrity, and offer concrete solutions for point-of-sale marketing. IT tools will evolve as a result of all these factors over the short and medium term.

** By number of electronic claims submitted (source: GIE SESAM-Vitale, December 2023).*

RESIP / Claude Bernard

Software & Services

Medication and health products database

France

RESIP provides more than 150,000 healthcare professionals access to the Claude Bernard database (formerly BCB), a scientific database of medication and health products. RESIP also publishes a SESAM-Vitale (French health scheme) invoice engine called jFSE for healthcare software publishers.

RESIP's Claude Bernard database and its rival Vidal are the historical main players in the French market for medication and medical device databases used by healthcare professionals, both in private practices and in public / private sector healthcare facilities. Thésorimed and Thériaque (public sector databases) mainly serve hospitals and clinics. Synapse Medicine and Posos are new competitors. Synapse formed a partnership with Thériaque, and Posos created its own database.

RESIP will offer its flagship services for the Claude Bernard platform as web components to make it easier for its software publisher clients to integrate them. In 2024, Claude Bernard will also add a solution for scanning prescriptions to provide an extra layer of verification for products that are prescribed and delivered. Lastly, the medical intelligence platform (PIM) built in partnership with Gustave Roussy is designed to accompany a range of medical programs and reduce misdiagnosis of targeted diseases (cancers, chronic and rare diseases, and skin diseases).

Cegedim Healthcare Solutions

Software & Services

Software and services for doctors in general practice / Primary Care (INPS Ltd)

UK

Cegedim Healthcare Solutions (INPS) is one of the main* suppliers of software for general practitioners (GPs) in the UK. Its Vision software suite enhances interoperability between multidisciplinary teams, between GPs and specialist physicians, and between health centers and care networks. The company has steadily strengthened its core software suite, Vision 3, with new functionalities and now offers a cloud version, Vision Anywhere.

IAs of end-2023, INPS is the only company that supplies key solutions for GPs in all four UK countries. It has a 10% market share in the UK, of which 58% in Scotland, 56% in Wales, 40% in Northern Ireland and less than 1% in England. In October 2022, NHS Scotland officially named INPS as the future sole operator in Scotland. To make that happen, INPS and NHS Scotland have launched a long-term plan to migrate more than 400 doctors currently served by EMIS over to INPS. The plan will ramp up in 2024.

The UK has a growing population with increasing medical needs, which has forced health authorities to free up additional funds to support its primary care network, modernize day-to-day practice management, improve patients' access to care, and alleviate the pressure on healthcare staff. The most vivid illustration of this is the PCARP stimulus plan (Plan for Recovering Access to Primary Care), which the UK government launched in May 2023. It includes a set of digital tools aimed at giving the country a modern primary care sector.

For software suppliers, NHS financing—which has paradoxically declined—is still not meeting current needs, despite the fact that improving service quality requires increasing levels of ongoing investment. NHS England's road map and the country's ever-evolving standards require publishers to implement new functionalities or adapt existing ones at an exponential rate. From 2024 on, INPS will focus its R&D investments on the projects that offer the greatest potential for growth—particularly Vision Anywhere—and a positive medium-term return. As a result, while it will fulfil its long-term obligations under existing application contracts, INPS will not take part in the upcoming framework agreements in England, Wales, or Northern Ireland. The company will focus its future investments on Scotland, whose program and compliance rules are independent of NHS England. Its client base is constantly growing in Scotland, where INPS will officially be the only operator.

Software & Services

Software and services for pharmacists (Cegedim Rx Ltd)

UK

Cegedim Rx is one of the principal* suppliers of software for pharmacists in the UK. Pharmacy Manager, the company's core Patient Medication Record (PMR) management system, is the linchpin of its product range, which also includes the cloud-based Pharmacy Intelligence Hub solution for performance analysis and decision-making assistance, Hub Fullfilment Manager for automation and smart verification of pharmacy chains' prescription allocation process, and other scalable applications that allow more than 30,000 users in pharmacies to optimize the dispensing of medications and related services. In 2022, Cegedim Rx also launched a digital point-of-sale advertising solution, Pharmacy Display.

There are 13,500 pharmacies in the four countries in the UK, of which 10,500 are in England, and that number has declined for five straight years. In 2023, the market was heavily influenced by the corporate segment, which includes Lloyds and Boots, both of which restructured to adapt to the sector's changing economics, leading to over 1,000 Lloyds pharmacies (previously 10% of the market) and 300 Boots pharmacies being either closed, sold to a competitor, or taken over by their managers. As a result of these restructurings, the Independent and Key Accounts segments gained significant ground in 2023. Among software providers, these market trends had positive impacts (to varying degrees) on EMIS Health, Titan (Invatech), Cegedim Rx, and Positive Solutions. Cegedim Rx is one of the market's top three software publishers in terms of number of sites managed and has considerable upside potential. The company continues to invest in R&D and innovation, efforts that earned it the Independent Community Pharmacists' Product of The Year award in 2023.

The government and the NHS have promised to invest GBP645 million in independent pharmacies over the next two years. Those investments—the most significant in a decade—were announced as part of the Pharmacy First plan conceived by the government and the NHS to improve access to primary care, which will notably allow patients needing prescription medications for seven common ailments to get them directly from a pharmacy without first seeing a GP. While pharmacists in England have welcomed the plan, they think it falls short of what is needed to alleviate the burdens on pharmacies' daily management and finances. Inflation, product shortages, a lack of personnel, and rising payroll costs present ongoing challenges at a time when pharmacies are being asked to deliver more and more additional services. Against this backdrop, following a restructuring launched in 2023 (which will continue in 2024), Cegedim Rx is rolling out new solutions that will help pharmacies improve their day-to-day management and profitability, regardless of which market segment they operate in.

* *According to our in-house estimates.*

Cegedim Rx

Software & Services

Software and services for pharmacists and doctors

Romania

Cegedim Rx designs and sells software for healthcare professionals in Romania.

Its market share is close to 25%*, making it one of the top suppliers for Romanian general practitioners. Its main competition comes from a public-sector software program (SIUI) and private suppliers such as: Syonic, Setrio, and Softeh. Cegedim Rx is also a leading* player in the pharmacy software segment, where it sells tailored solutions for independent pharmacies, wholesalers, and chains. Setrio, Softeh, and HTSS are the main competitors in this segment.

The main market trends were little changed in 2024: retail pharmacy consolidation, growth in private-sector health services, and digitalization. Cegedim Rx continues to develop its pharmacy solutions and has launched NOVA, the next-gen cloud version of its doctor software.

* *According to our in-house estimates.*

HDMP

Software & Services

Software and services for doctors

Belgium

With a 23% market share*, HDMP is a major player in electonic medical records solutions for general practitioners in Belgium (HealthOne solution). HDMP also has a robust presence in the health clinic segment, with more than 2,800 users.

The constraints and complexity of the 2019-2023 eSanté plan led to market concentration and the disappearance of regional players. There are four main companies driving sector consolidation: Corilus (51%), Cegedim (23%), CGM, and Medispring (12% each). New entrants NexuzHealth Pro (Cegeka) and Mediportal are still marginal players, with less than 1% market share*.

HDMP is gradually ramping up production of its next-gen solution, HealthOne NOVA, which should strengthen its competitive position. The fully web-based software meets the international FHIR standard. It was launched in mid-2023 and will eventually replace HealthOne. 2024 will be devoted to developing new modules and passing the accreditation tests so HealthOne NOVA can be approved by the CNMM (Commission Nationale Médico-Mutualiste). At the same time, HDMP will continue conducting regulatory mini-labs (functional and technical testing) for HealthOne.

* *According to our in-house estimates.*

Stacks

Software & Services

Software and services for doctors

Spain and Chile

Stacks designs and develops information systems for healthcare professionals in the public and private sectors. It is one of Spain's benchmark doctor software publishers, with more than 40,000 users. Stacks serves a wide array of clients, notably hospitals, primary care centers, insurance companies, and multidisciplinary clinics. It has its own sales network in Spain and also offers solutions in South America (Chile) and Central America (Mexico).

Stacks also offers healthcare professionals consulting and integration solutions. This involves working with specialized firms on complex technological transformation projects.

Stacks' main competitors are Dedalus and Compugroup (primary care market); Compugroup, EKON, GreenGubem, iSoft and Dedalus (hospitals market).

The trends observed at Stacks in 2023 will continue in 2024 and will include notably the roll-out of the omiAP primary care solution in the Murcia region and the launch of a new version of omi360 PRO.

Millennium

Software & Services

Software and services for doctors

Italy

Millennium, 49% owned by Cegedim, is one of Italy's major* medical software publishers: more than 17,000 customers use its Millewin and Milleweb solutions. Millennium continues to strengthen its regional presence via software publisher Mediatec (40%-owned subsidiary). Millennium now equips about 26,000 physicians and more than 60% of Italy's general practitioners either directly or indirectly via its subsidiaries.

Millennium and its subsidiaries compete with: CompuGroup Medical (Profim, Phronesis, FPF, Venere, CCBasic), Koinè, Iatros, Kappamed Atlas, E-shark, and other minor rivals.

The main trends seen in this market in 2023 will continue in 2024, notably a decrease in the number of general practitioners owing to a record number of them retiring.

* *According to our in-house estimates.*

1.2.2 | Solutions for researchers, pharmaceutical companies and health authorities

GERS Data

Data & Marketing

Data and analytics for the healthcare market

France

GERS Data is one of France's most respected suppliers of healthcare data and analytics. It delivers purchasing and inventory data, near-time sales data (available by geographic segment – from the national to the local [UGA] level). It also provides market updates and healthcare product consumption data, ad hoc market studies, and completely anonymized real-world patient data (THIN®) in the interest of public health and to suit the needs of all kinds of health ecosystem players. The reliability of GERS Data data has earned it a stellar reputation and helped it form partnerships with public health authorities and researchers. GERS Data supports public research by providing free access to its THIN® database for universities and researchers working on state-funded projects.

In 2022, GERS Data strengthened its positions in real-world data and ability to serve public health interests, with the acquisition of Clinityx, an expert in secured health data warehouses and administrative health data in France.

Cegedim Health Data

Data and analytics for the healthcare market

Europe

Data & Marketing

Cegedim Health Data is the umbrella entity that manages all "Data" activities for health authorities, healthcare professionals, researchers, the healthcare industry, and its partners. It provides access to THIN® (The Health Improvement Network), one of Europe's largest database networks of real-world, proprietary, anonymized, patient healthcare data. The THIN® databases currently comprise over 69 million anonymized Electronic Health Records and are present in seven European countries: The United Kingdom, France, Spain, Italy, Germany, Belgium and Romania. In compliance with current regulations, these anonymized data have been voluntarily transmitted since 1994 by a network of physicians who firmly believe that supporting this kind of longitudinal data observatory benefits research and medical progress.

The THIN® databases are coded and structured according to a common data model, which means they are easily accessible and ready for artificial intelligence. They are referenced by academic establishments and by health authorities in France (HAS, CEPS, and ANSM), the United Kingdom (NHS and NICE) and at the European level (EMA, ENCePP).

THIN® serves public health interests since it is used by healthcare authorities, academics, and research centers to advance research and thus improve patient care and outcomes.

Cegedim Health Data also provides data analysis and decision-aiding tools as well as research and consulting services.

The "Data" business is commercialized by GERS Data in France and by Cegedim Customer Information in Romania.

THIN® is one of Europe's largest database networks, with over 69 million anonymized Electronic Health Records in seven European countries: The world leader in this market is IQVIA.

The global real-world data (RWD) market is projected to grow at a CAGR of 14.4% from USD 1.59 billion in 2023 to USD 4.07 billion in 2030. The growing adoption of real-world data (RWD) in drug development and approval, market access, and post-market surveillance is fueling this market growth.

The global real-world data market is witnessing substantial growth due to the rising prevalence of chronic illnesses like cancer and growing demand for personalized medicine. The increasing adoption of real-world data (RWD) in the healthcare sector to aid decision-making processes, drug development, and marketing authorization is also driving market growth. The challenges facing the sector and issues that could potentially hinder market growth are: data confidentiality and safety issues, the lack of standardized data collection methods, and hyper-regulation—especially how regulations may be interpreted in some European countries, since excessive focus on privacy could hinder the efficient use and sharing of health data and stifle innovation.

Looking ahead, the market should maintain its growth trajectory, driven by technological advancements in data analytics and the increasing adoption of digital health technologies. The integration of artificial intelligence (AI) and machine learning with real-world data is also expected to fuel growth opportunities in the market.

With a market share of 28.5%, Europe is expected to become the world's second largest real-world data market in 2023. This is due to the region's strong focus on innovation and the growing use of real-world data in its healthcare sector.

Given these conditions, in 2024, Cegedim Health Data will implement several projects to develop and enhance its real-world data offering, including:

- Converting THIN® data to the OMOP common data model in France, Germany, the United Kingdom, Italy, Spain, Belgium, Romania, and having them EHDEN-certified;
- Enhancing the value and quality of data by expanding data and enriching the data history;
- Developing new services, such as access to secondary care real-world data and using real-world data to assist generative AI.

THIN® can be accessed by all researchers. In France, free access is currently being given for non-sponsored research, in a context of collaboration, to foster advancements in scientific knowledge and innovation that serve the public health interest.

Source : Coherent market insights (https://www.coherentmarketinsights.com/market-insight/real-world-data-rwd-market-6029#:~:text=The%20global%20real%20world%20data%20%28RWD%29%20market%20size,surveillance%20is%20driving%20the%20growth%20of%20the%20market)

Cegedim-MEDIA (C-MEDIA)

Data & Marketing

Phygital Communication in healthcare
France

C-MEDIA sells "point-of-sale media" ad space and consultancy services. It is a key player in phygital communication in pharmacies and health and wellness shops, and offers brands sold in pharmacies 360° solutions to create an innovative, enhanced shopping experience.

On April 1, 2023, C-MEDIA and pharmacy digital out-of-home (DOOH) specialist Futuramedia—both Cegedim Group subsidiaries—merged to generate synergies and boost growth. This merger brought together both teams' skills and know-how.

C-MEDIA's main competitors are Fil Rouge, Phenix Groupe (Stratego and Phenix Digital), Pharmaflix, and Dynamiz Pharma.

Despite the challenging landscape (including rising raw material costs, intensified competition, and demanding economic, social, and environmental conditions), C-MEDIA persevered in setting itself apart, enhancing efficiency, and ensuring strong customer satisfaction and trust. For example, it continued to invest substantially to:

- Develop innovative digital communications solutions,
- Overhaul ClipSanté, its content management and personalization platform,
- Step up CSR efforts: it collects and reuses point of sales advertising media props and has aligned/is aligning its practices with France's 2024 Climate and Resilience Law,
- Develop its AppliMedia management tool (BI).

MedExact

Data & Marketing

e-promotion
France

MedExact supplies a variety of digital marketing tools via practice management software and the internet. Its clients are pharmaceutical firms that want to communicate quality scientific and medical information effectively to healthcare professionals (HCPs), and thus help them care for their patients.

MedExact's digital activities are expected to continue expanding, notably given the strong demand for digital marketing services.

Pharmastock

Corporate & Others

Storage and logistics of healthcare products
France

Pharmastock is a pharmaceutical wholesaler specialized in the storage and logistics of health products, and promotional and institutional material (documentation). In its secure, temperature-controlled facilities, Pharmastock stores products, readies orders, dispatches B2B and B2C products using qualified carrier services in France and abroad, ensures batch traceability, and carries out One Shot operations (vignetting, preparation of display stands, etc.).

1.2.3 | Solutions for health and provident insurers

Cegedim Insurance Solutions

Cegedim Insurance Solutions is home to all the Group's solutions and services for insurance companies, mutuals, provident institutions, and intermediaries, which it markets via its Cegedim Activ, Activus, Cetip, and Conselium subsidiaries. It houses expertise across the entire chain of communication between healthcare professionals, insurance providers, the French health insurance authority (mandatory scheme) and the supplemental health insurers (complementary schemes).

Cegedim Activ

Software & Services

Software and services for health insurance companies and mutuals

France

Over 23 million people in France are covered and managed with its solutions, making Cegedim Activ a key player in personal insurance software (health and personal protection insurance). It sells its products to all kinds of market operators: insurance companies, mutuals, provident institutions, and intermediaries.

In the French market for management software for health and personal protection insurance, Cegedim Activ's chief rivals are DXC, Inetum, COOPENGO, and Wyde.

The EY Global Outlook 2023* report shows that the events of the past two years—Covid-19 pandemic, war in Ukraine, and climate change—will have lasting effects on the health insurance market. There is strong demand for highly individualized coverage and innovative, forward-looking solutions.

Insurers need to adopt digital technologies to meet these new needs and adapt their products and services.

* *https://assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/insurance/insurance-pdfs/ey-2023-global-outlook-report.pdf*

Activus

Software & Services

Software and services for health insurance companies and mutuals

International division

UK health and personal protection insurance software publisher Activus is a leader* in expatriate markets (Europe, US, AsiaPacific, Africa).

Internationally, the main competitors are FADATA, DXC, and Oracle, as well as other technology companies in specific local markets.

The EY Global Outlook 2020* report highlighted several key themes that remain relevant:

- Tighter regulations for financial disclosure, tax, money laundering, consumer protection, data confidentiality, and so on. For example, the introduct of the new IFRS 17 standard on recognizing and measuring insurance policies will have a big impact on insurance companies that report their financial statements using IFRS.
- The role of digitalization in the customer experience. This issue affects the entire value chain, from policy purchase to payouts and including claims.

* *https://assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/insurance/insurance-outlook-pdfs/ey-global-insurance-outlook.pdf*

Cetip

Flow and outsourced management services in health insurance
France

BPO Flow

Cetip is a benchmark player in third-party payments management through its brands SP Santé and iSanté. It currently processes over 400 million third-party healthcare payer invoices for more than 22 million beneficiaries and pays out over 3.2 billion benefits per year.

Under its iGestion brand, Cetip offers outsourced management services in supplemental health and personal protection insurance to insurance companies, provident institutions, mutuals, and intermediaries.

In high-added-value third party and contractual payment solutions, the main competitors of Cetip's two brands (iSanté and SP santé) are Viamedis and Almerys.

The EY Global Outlook 2020* report highlighted a number of key themes that remain relevant, including the impact that digitalization has on the client experience—the entire value chain is affected, from policy purchase to payouts and including claims. The outsourced management services market is driven by the fact that insurance companies want to control their management costs so they can focus their investments on products and services, distribution methods, and the policyholder experience.

* *https://assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/insurance/insurance-outlook-pdfs/ey-global-insurance-outlook.pdf*

Conselium

Consulting
France

BPO

This unit works with a broad array of healthcare and insurance professionals on both operational and strategic projects.

Its team of consultants comprises experts with concrete experience in both the insurance and consulting sectors.

1.2.4 | Solutions for companies in all business sectors

Cegedim Business Services

For over 30 years, Cegedim Business Services has been helping all types of companies, including in the healthcare sector, with their business operations, offering them its range of digital process optimization solutions for invoicing, procurement, payroll, and HR performance.

To clarify its portfolio of solutions, Cegedim Business Services grouped them into three areas of expertise: Human Resources, e-Invoicing & Procurement, and Healthcare Flows.

Every day, its 2,000+ employees allow clients to concentrate on their core activities. Cegedim Business Services aims to be the go-to provider of digital transformation and productivity solutions for finance, procurement, and HR departments in France and internationally.

Cegedim Business Services – e-Invoicing &Procurement, and Healthcare Flows Practice

Flow

Digitization

Europe

Cegedim Business Services is a benchmark player in digitalizing and automating B2B processes, with more than 900 million data transfers handled annually and 2 million companies connected worldwide. This business unit develops and markets the following products and services: SY Business, Hospitalis, SY Pharma, Diagdirect, and Careweb.

This business started back in 1989 with the Edipharm system for pharmacies, wholesale distributors, and pharmaceutical companies, but quickly expanded beyond the healthcare market into all business sectors. Cegedim Business Services' SY Business range helps companies achieve digital transformation with its comprehensive collaborative digitalization solution covering all areas from electronic contract signing to invoice sending and payment.

Since 2019, when it acquired Ximantix and NetEDI, Cegedim Business Services has operated in five countries (France, Germany, the United Kingdom, Belgium, and Morocco) and can help its clients digitalize processes across several countries and address their local needs. With these acquisitions, and because it boasts an interoperable solution, Cegedim Business Services has bolstered its long-standing e-invoicing services in 64 countries. Cegedim Business Services is a member of the PEPPOL (Pan European Public Procurement OnLine) network, the EESPA trade association, the FNFE-MPE (French national electronic invoicing and e-procurement forum), and the FnTC (French national federation of trusted digital third-parties). With a compliant solution, it will be able to become a registered Partner E-invoicing Platform and easily help companies comply with the French government's mandatory e-invoicing reform.

At a time when the threat of cyberattacks weighs heavily on health establishments, Cegedim Business Services' Hospitalis range includes Hospi-Secu, a business continuity solution which ensures that hospitals maintain uninterrupted supply chain operations in the event of an attack.

In this area of expertise, Cegedim Business Services chiefly operates in two markets:

- Digitalized business financial processes (Procure-to-Pay & Order-to-Cash). It is about to become a government-registered Partner E-invoicing Platform as part of France's mandatory e-invoicing reform, putting it in the company of companies like Generix, Yooz, and Edicom. Because its applications cater specifically to the health sector, Cegedim e-business is seen as a go-to player for both hospitals and private practices.
- Digital trust—notably electronic signatures and digital certificates—a market in which DocuSign, Yoosign, and Universign also operate.

The digitization market continues to expand rapidly, driven by regulations, greater appetite for productivity gains, and the rise of remote work.

Mandatory e-invoicing for all businesses in and outside France is altering the invoicing flow market and its participants. Some of them are gearing up to qualify as Partner E-invoicing Platforms (Plateformes de Dématérialisation Partenaires, or PDP) while others will simply be Digitization Operators (Opérateurs de Dématérialisation).

On January 18, 2024, Cegedim Business Services was selected by the French Public Finance Department as a candidate to become a Partner E-invoicing Platform (PDP). The PDP certification will enable it to handle the full range of obligations imposed by the new regulation on behalf of its clients.

In addition, Cegedim Business Services expects the digital trust market to accelerate with the delivery and management of digital identities for individuals and organizations, digital signatures, time stamping, and digital archiving with probative value, and is therefore investing to strengthen its presence in this sector.

Cegedim Business Services – Human Resources Practice

Software & Services BPO

Software, services, and BPO for HR

France, Switzerland, Morocco and Romania

Through its Human Resources activities, Cegedim Business Services is a go-to player in the market for payroll / HR solutions and services, with more than 11 million payslips managed annually. It has more than 25 years of expertise in HRIS in SaaS mode and HR outsourcing, and its clients include mid-market companies, large corporations, SMEs, very small businesses, and accounting firms.

Cegedim Business Services offers Human Resources departments Teams RH, a complete, modular HRIS platform in SaaS mode. The Teams RH solution can be coupled with partial processing or full business process outsourcing (BPO) services.

The market for HR solutions is split between pure players offering outsourced solutions using HRIS components (e.g. talent management) and rival ERP software publishers offering comprehensive solutions that require partnerships to consider local specificities. Cegedim Business Services is unique in that it offers both 360° coverage of HR functions and advanced service offerings in a BPO format, for example ADP, SOPRA, and SAGE.

Business development will also be driven by other factors, such as an expanded range for certified public accountants, more indirect partnerships, and international expansion.

Cegedim Business Services also continues to innovate and since 2022, has offered new clients a new, fully web-based interface and updated user experience that will help HR and payroll specialists increase their productivity. It is also developing new offerings in Talent Management and for the public sector market.

Cegedim Outsourcing

Software & Services

IT services

France

Cegedim Outsourcing specializes in IT products and services for managing workspaces, security, and ITSM (Information Technology Service Management).

Cegedim Outsourcing serves businesses of all sizes, offering IT digital workspace and cybersecurity services—dedicated technology solutions integration (centralized user management, hyperconvergence, unified collaboration), managed services, and technical assistance.

Cegedim.cloud

Cloud & Support

Critical application and health data hosting

France and UK

Cegedim.cloud has extensive experience in critical application and sensitive data hosting (health data, digitized documents, financial flows, etc.). To handle these strategic activities, the Group's teams have developed specific expertise and technical infrastructures that meet some of the highest security standards and have obtained several certifications (French Health Data Hosting, ISO 27001, IS, 20000-1, ISO 50001, ISAE 3402, ISO 27017 code of practice, and ISO 27018). Cegedim.cloud provides a full range of sovereign cloud hosting and management services designed to meet the stringent performance, integrity, and accessibility standards required for high-security applications.

Cegedim.cloud's main competitors in hosting and managed services are: Worldline, Claranet (e-Santé™ offering), OVH (OVH Healthcare offering), and ITS Integra.

In 2024, cegedim.cloud intends to continue building out its PaaS catalog while continuously improving its security solutions to counter the growing threat to clients' data. Cegedim.cloud will also seek SecNumCloud certification for its IaaS, to gain additional sovereign third-party endorsement of its solutions, and cement its ESG focus by aiming for the ISO 14001 certification for environmental management systems.

Cegedim Service Center

Cloud & Support

Nearshore services
Romania

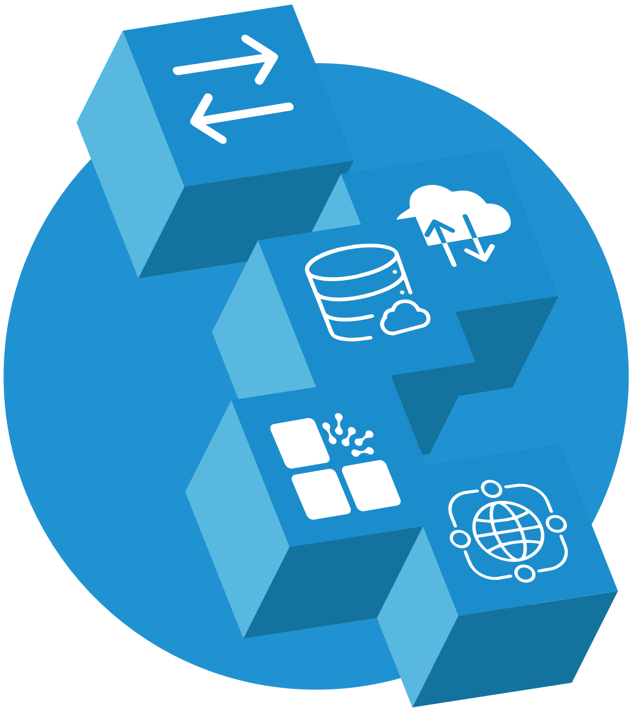
Cegedim Service Center supplements the services offered by Cegedim Group's subsidiaries with a high value-added nearshore service for BPO, customer relationship management, and IT development.

Cegedim Maroc & Cegedim Outsourcing Maroc

Cloud & Support

Offshore services
Morocco

Cegedim Maroc and Cegedim Outsourcing Maroc supplement the services offered by Cegedim Group's subsidiaries with high value-added offshore services for BPO, R&D, customer support & customer relationship management.



02

Governance

2.1 Cegedim's Corporate Governance

In accordance with Article L.225-37 of the French Commercial Code, as amended by Executive Order No. 2017-1162 dated July 12, 2017, this section constitutes an integral part of the Corporate Governance report reviewed by the Board of Directors at its meeting on March 23, 2023, after prior review by the Board Committees of the sections pertaining to their respective mandates, and submitted to the Statutory Auditors.

Reference corporate governance code

At its meeting of October 28, 2021, Cegedim's Board of Directors confirmed that Cegedim refers to the MiddleNext corporate governance code of September 2021 (available on MiddleNext's website[1] to draft the report provided for in Article L.225-37 of the French Commercial Code.

Within the framework of the "Apply or Explain" rule provided for in Article L.225-37-4 of the French Commercial Code and indicated in Point 3 entitled "The Premises of the MiddleNext Code", Cegedim considers that it complies with MiddleNext recommendations.

Summary of MiddleNext Recommendations

Recommendations	Compliant	Explanation
Code of conduct for Board members	Yes	-
Conflicts of interest	Yes	Excluding for Non-audit services
Board composition – presence of independent directors	Yes	-
Board member information	Yes	
Board member training	Yes	
Holding of Board and committee meetings	Yes	
Creation of committees	Yes	
Creation of a Corporate Social Responsability (CSR) Committee	Yes	
Existence of bylaws for the Board of Directors	Yes	
Selection of each Director	Yes	
Board members' terms of office	No	The terms of 60%, 30%, and 10% of board members expire in 2028, 2025, and 2024 respectively. In accordance with Cegedim Group's bylaws, terms of office last six years.
Remuneration of Board Members	Yes	-
Assessment of the Board's work	Yes	-
Relations with shareholders	Yes	-
Diversity and Equity Policy	Yes	-
Definition and transparency of compensation of corporate officers	Yes	-
Succession plan for corporate officers	Yes	-

(1) *http://www.middlenext.com/IMG/pdf/21_09_13_-code_de_gouvernance_middlenext_revise.pdf*

Recommendations	Compliant	Explanation
Concurrent holding of a corporate mandate and an employment contract	No	It should be observed that Jean-Claude Labrune, Laurent Labrune and Pierre Marucchi have employment contracts with FCB and Cegedim. Jean-Claude Labrune is Chairman of Cegedim's Board and Chief Executive Officer of Cegedim, Laurent Labrune and Pierre Marucchi are both Deputy Managing Directors of Cegedim. The combining of corporate office with employment contracts by the Chairman and Deputy Managing Directors is warranted by the fact that all three joined the Group as employees and then became corporate officers. Given their seniority in the Group, their employment contracts have been maintained. All their compensation is paid in respect of their employment contracts. Thus, any retirement benefits will be those defined by their employment contracts and not in respect of their position as corporate officers.
Severance benefits	Yes	-
Supplementary retirement schemes	Yes	-
Stock options and bonus shares	Yes	-
Review of watch-points	Yes	-

Unity of management

Since April 23, 2002, the Company's Board of Directors has opted for a system of governance which combines the roles of Chairman of the Board and Chief Executive Officer, with Jean-Claude Labrune serving in both positions.

The Board considers this the most suitable system of governance for Cegedim, for two reasons. On the one hand, Jean-Claude Labrune has all the skills, expertise, and other qualities needed to ably and efficiently lead the Group's management team, as witnessed by the Group's performance in recent years. And on the other hand, the Group's organization lends itself particularly well to this system of governance.

The Chairman of the Board also controls Cegedim's largest shareholder and acts in that capacity when, like any actively engaged lead shareholder, he helps define the strategic priorities that are in the Group's best interest.

One of the Group's unusual features is its particularly decentralized organization. This management approach has proven successful in businesses where decisions are best made locally. As a result, the Group has many subsidiaries (more than 58), all of which operate autonomously.

Operational and investment decisions are taken by the relevant authorized bodies in each entity, in full compliance with the Group's internal control system. This system includes arrangements to supervise and control the commitments made by these entities at different levels. Significant commitments are handled by the Group's senior management or, when required by the internal rules, by the Board itself. As well as its accounting and financial responsibilities, the Board examines and approves transactions involving strategic issues or exceeding a certain threshold. Senior management reviews these transactions before submitting them to the Board.

Consequently, Cegedim's senior management and Board of Directors play similar roles when it comes to operational and strategic management, as both are called upon to decide on the operations that the business units submit to them. Combining the roles of Chairman of the Board and Chief Executive Officer therefore makes sense. Furthermore, the Board believes that this system of governance, which has the added advantage of presenting a coherent face to third parties at the Group's highest level, is still particularly effective.

2.2 | Executives and supervisory bodies, statutory auditors

2.2.1 | The Board of Directors

The board of Directors

Board of Directors

The Board of Directors is a collegial body. Members are collectively responsible for its decisions and must keep all deliberations confidential. The Board of Directors may have a maximum of 18 members. Each member serves a six-year term.

The business address provided for the directors is the Company's registered office: c/o Cegedim, 129-137 Rue d'Aguesseau, 92100 Boulogne Billancourt, France.

As of this Universal Registration Document's publication date, the Board of Directors has ten members, including three independent directors, i.e. 30%, and has four female members (40%).

During fiscal year 2023, there was no change to the Board of Directors.

Jean-Claude Labrune is Aude Labrune's and Laurent Labrune's father.

Principles relating to the Board's composition and diversity policy

The Board of Directors regularly examines its own composition and that of its committees to ensure they are well balanced, particularly with regard to diversity (of gender, nationality, age, skills, professional experience, etc.).

In accordance with Article L.255-37-4 of the French Commercial Code, the table on the following page illustrates the Board of Directors' diversity policy, including the criteria, targets, implementation, and results for 2023.

This diversity policy is applied at Cegedim SA and has notably resulted in a balanced representation of men and women. For example, women hold 20% of the top ten highest-responsibility positions, excluding that of corporate officer.

Criterion	Results for 2023*	Target
Gender representation	40% Women	Equal representation of women and men on the Board
Independence	30% Independent directors	Compliance with the MiddleNext Code for audited companies, one-third of the Board's directors are independent.
Age	61 years Average age	No more than one-third of Board members are over 75 years old.
Average tenure	19 years Of service (average)	Stability and sustainability of the strategy

* *Result for the year*

Succession plan

The Compensation-Nomination Committee regularly examines the Group's succession plan,
and implements or updates it with a view to:

- short-term needs: unplanned absences (resignation, impediment, death);
- long-term needs: planned replacements (retirement, expiry of term of office).

The Compensation-Nomination Committee works closely with Senior Management to ensure the overall consistency of the succession plan and monitor the situation of employees in key positions. Both the Board and the Committee take special care to ensure that this information remains confidential.

Censors

Censors are appointed by the Shareholders' Meeting on the recommendation of the Board of Directors, which is advised by the Compensation-Nomination Committee. There may be no more than four censors, and they are each appointed for a maximum of two years.

Their main assignment is to attend the meetings of the Board of Directors, where necessary, and to contribute requisite information, expertise, and knowledge regarding the Group's activities. Their role is an advisory one.

The current censor, Mr. Frédéric Duschesne, sits on several Boards of Directors and Boards of Experts, and is the former Chairman and CEO of the Pharmaceutical Division of Pierre Fabre. His term of office was renewed on June 16, 2023, for a period of two years.

Internal Rules of the Board of Directors

At its Board meeting on October 28, 2021, Cegedim updated its bylaws. These bylaws primarily govern the Board's composition, missions, responsibilities, and operating procedures.

They are available on the company's website at:

https://www.cegedim.com/Communique/CEGEDIM_Reglement_Interieur_CA_10-28-2021_ENG.pdf

Frequency of meetings

Article 13 of Cegedim SA's bylaws states that the Board of Directors meets as often as the Company's interests dictate.

The Board of Directors met five times in 2023.

Board of Directors deliberations and decisions

In addition to the legally required deliberations and decisions on the agenda (principally the notice convening the Shareholders' Meeting and the preparation of the annual Management Report), the Board of Directors was mostly called upon to:

- Review its procedures;
- Approve the Group's financial statements and budget (approval of 2022 annual consolidated financial statements, 2023 interim consolidated statements, and 2023 provisional statements), the five-year business plan, and the 2022-2025 roadmap. The Board was kept informed of the Group's financial position through the Audit Committee reports and the presentations given at each meeting by the Deputy Managing Director;
- Award free shares;
- Review the share buyback program;
- Authorize the subsidiary Cegedim Santé to proceed with a capital increase;
- Authorize security interests, endorsements, and guarantees;
- Prepare the annual general meeting and extraordinary general meeting of shareholders;
- Approve revenue figures for the first and third quarters of 2023;
- Renew the tenures of the Chairman and Deputy Managing Directors.

Convening of Directors

The Directors were convened by e-mail in compliance with article 13 of Cegedim SA's bylaws.

In accordance with article L. 225-238 of the French Commercial Code, the Statutory Auditors were summoned to the Board of Directors meetings at which the annual and interim financial statements were examined and approved.

Information provided to Directors

All the documents and information required by the Directors to perform their duties were sent to them prior to each Board meeting.

The Board of Directors may perform the checks and audits it considers appropriate at any time of the year. For these purposes, each Director may request the documents needed to perform his/her duties from the Chairman of the Board of Directors

Meeting location

Meetings of the Board of Directors are held at the Company's registered office or by videoconference..

Meeting minutes

Minutes of meetings of the Board of Directors are drawn up at the end of each meeting, sent to the Directors, and approved by them at the next meeting

Assessment of the Board of Directors' operating procedures

In accordance with its bylaws, since 2010 the Board of Directors has set an agenda item at least once a year to discuss its operating procedures. The commitment and contributions of the Directors were identified as strengths, as was the trusting relationship the Board has with senior management. When debating important decisions, the Board was able to draw on the groundwork of the Audit Committee which met before every Board meeting, as well as those of the CSR Committee, which met once during the year.

After reviewing the Board's work in 2023, the Audit Committee found that the diligence of the members and frequency with which they met fulfilled the obligations set out in the Charter that the Board of Directors had approved.

Directors' attendance at Cegedim SA board meetings in 2023

Date	Rate of attendance
January 26	90%
March 23	100%
April 27	100%
September 19	90%
October 26	90%

Members are considered absent even if they have designated another director to act as their proxy.

Chairman & CEO and Deputy Managing Directors

Limitations on the powers of the Chairman & CEO and the Deputy Managing Directors

The Board of Directors has not imposed any limitations on the powers of Jean-Claude Labrune, Chairman & CEO, of Pierre Marucchi, Deputy Managing Director, or of Laurent Labrune, Deputy Managing Director.

Provisions in the articles of incorporation and bylaws concerning administrative and management bodies

The provisions in Cegedim's bylaws concerning the members of its administrative and management bodies comply with current legislation. Articles L.225-54 and L.225-48 of the French Commercial Code require companies to set an age limit in their bylaws for the positions of CEO and Chairman of the Board of Directors, barring which the age limit is set at 65 by default. Cegedim's bylaws have set this age limit at 85. If the Chairman or CEO in office exceeds this age, he is deemed to have resigned from office at the end of the next meeting of the Board of Directors.

2.2.2 | Board committee operating procedures

Composition of the Board and its committees

Director	Independent Director	First year of appointment	Term end date	Audit Committee	Compensation-Nomination Committee	CSR Committee	Strategy Committee
Jean Claude Labrune	No	1969	2028	-		-	Chairman
FCB represented by Pierre Marucchi	No	1989	2028	Member	-	Member	-
GERS, an economic interest group (GIE) represented by Nicolas Giraud	No	1995	2028	-	-	-	-
Marcel Khan	Yes	2016	2028	Chairman	Member	Chairman	
Laurent Labrune	No	2001	2025	-	-	-	Member
Aude Labrune	No	2007	2025	Member	Member	Member	-
Catherine Abiven	No	2019	2025	-	-	-	-
Sandrine Debroise	No	2016	2028	-	-	-	-
Jean Pierre Cassan	Yes	2010	2028	Member	Chairman	Member	-
Béatrice Saunier	Yes	2018	2024	-	-	-	-

The Board committees

The Board of Directors has four standing committees tasked with improving its operating procedures and facilitating its decision-making through a prior review of specific subjects in their specialized areas. These committees are:

- The Audit Committee;
- The Compensation - Nomination Committee;
- The CSR Committee;
- The Strategy Committee.

2.2.3 | Board committee operating procedures

Audit Committee

Composition :

Cegedim's Audit Committee comprises four Board members, including one independent Board member. The members of the Audit Committee are: Marcel Kahn, Chairman; Aude Labrune, FCB represented by Pierre Marucchi, and Jean-Pierre Cassan, the independent member.

In view of their current and/or previous professional responsibilities, which are described in the Universal Registration Document, the four members of the Audit Committee possess, either individually or collectively, accounting, audit, and financial expertise, in particular about the Group's sectors of activity.

Cegedim Group's Finance Director, Group management Control Director, Director of Risk & Compliance, and Statutory Auditors are invited to attend each meeting of the Audit Committee.

Assignment :

The Audit Committee helps the Board of Directors ensure that the Company's individual financial statements and related information provided are accurate and reliable.

It notably :

- Reviewed its procedures;
- Set its agenda for 2023;
- Reviewed Internal Control efforts;
- Examined the annual and interim financial statements;
- Reviewed the five-year business plan and Cegedim SA's forecast statements;
- Examined internal control efforts as they relate to the Sapin II Act and the Group risk map;
- Monitored the preparation process for financial information;
- Reviewed the Group's financial strategy;
- Ensured the statutory auditors' compliance with independence and objectivity requirements;
- Examined revenue figures for the first and third quarters;
- Examined the project to update the Board of Directors' bylaws;
- Reviewed the Group Governance Code project;
- Reviewed the Group's acquisition projects.

The Audit Committee has its own bylaws, which are updated regularly.

Meeting :

The Audit Committee meets at least twice each year, before the approval of the Company's annual and interim financial statements. The Audit Committee met five times in the past fiscal year, on January 25, March 22, April 26, September 18, and October 20, 2023.

50%	100%	5
Independence rate	Rate of attendance	# of meetings in 2023

The Compensation-Nomination Committee

Composition:

The *Compensation-Nomination Committee* comprises three Directors: Jean-Pierre Cassan (Independent Director and Committee Chairman), Aude Labrune, and Marcel Kahn (Independent Director).

Assignment:

The Compensation-Nomination Committee notably:

- Reviewed and submited proposals to the Board regarding compensation of the Company's Board Members, Chairman, CEO, and Deputy Managing Director;
- Examined free share award policies;
- Examined any proposal to launch a Company capital increase reserved for employees;
- Made suggestions regarding the selection of Board members based on the composition of and changes to the Company's shareholding structure;
- Made suggestions regarding the selection of independent Board members by carrying out its own research into potential candidates before they are approached in any way;
- Designed a succession plan for replacing executive officers so that proposals can be submitted to the Board of Directors in the event of an unforeseen vacancy.

Meetings:

The Compensation-Nomination Committee meets at least once a year, before the Board meeting that convenes the Annual General Meeting and approves the meeting agenda.

In 2022, the *Compensation-Nomination Committee* met twice, on January 26 and March 23, to approve the free share award plan and compensation for Board members, the Chairman and CEO, and the Deputy Managing Directors.

66%	100%	2
Independence rate	Rate of attendance	# of meetings in 2023

The Strategy Committee

Composition:

The Strategy Committee comprises two Directors: Jean- Claude Labrune, Chairman, and Laurent Labrune. The Chairman of the Board chairs the Strategy Committee.

Assignment:

The Strategy Committee identifies potential targets and proposes areas of development for the Company to the Board.

Meetings:

It met two times in 2023.

0%	100%	2
Independence rate	Rate of attendance	# of meetings in 2023

The CSR Committee

Composition:

Cegedim's CSR Committee comprises four Board members, including one independent Board member. The members of the CSR Committee are: Marcel Kahn, Chairman; Aude Labrune, FCB represented by Pierre Marucchi, and Jean-Pierre Cassan, the independent member. The composition of this committee is deliberately identical to that of the Audit Committee, as there is significant overlap between the subjects they handle. The board members' skills and expertise were taken into account when appointments were made to the CSR Committee.

Assignment:

The CSR Committee helps the Group design, implement, and monitor good governance to ensure that it encompasses corporate social and environmental responsibility. This reflects the Board of Directors and senior management's desire for the Group's actions to foster sustainable value creation. The committee also handles regulatory watch for the Board and monitors the Group's CSR indicators and policy.

The Committee was briefed on the CSR 2022 Review and the development of the 2022-2025 Roadmap, with a focus on the principles adopted in the implementation of CSR within the Group and the associated regulation monitoring. The general context was recalled and discussed, noting the increased regulatory pressure, particularly at European level, increased external pressure from rating agencies and investors, as well as the importance of measuring the carbon footprint of the services offered to customers in calls for tenders and requests.

Meeting:

The CSR Committee met one time in 2023, on March 22.

50%	100%	1
Independence rate	Rate of attendance	# of meetings in 2023

2.2.4 | Independent directors

Independence criteria

To gauge directors' independence and prevent potential conflicts of interest, the Board has adopted the following criteria, as defined in the MiddleNext Governance Code.

- Criterion 1 They must not be a salaried employee or corporate officer of the Group and must not have been one within the past five years.
- Criterion 2 They must not have a significant business relationship with the Group and must not have had one within the past two years.
- Criterion 3 They must not be a reference shareholder of the Group and must not hold a significant percentage of voting rights.
- Criterion 4 They must not have a close relationship or family ties with a corporate officer or a reference shareholder.
- Criterion 5 They must not have been a statutory auditor of the Group within the past six years.

Table of independence criteria

Director	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Independent
Jean Claude Labrune					✓	
FCB represented by Pierre Marucchi					✓	
GERS, an economic interest group (GIE) represented by Nicolas Giraud	✓			✓	✓	
Marcel Khan	✓	✓	✓	✓	✓	✓
Laurent Labrune					✓	
Aude Labrune					✓	
Catherine Abiven	✓		✓	✓	✓	
Sandrine Debroise	✓		✓	✓	✓	
Jean Pierre Cassan	✓	✓	✓	✓	✓	✓
Béatrice Saunier	✓	✓	✓	✓	✓	✓

Assessing independence

Every year, the Compensation-Nomination Committee assesses the independence of each board member using the criteria listed above. When determining a director's independence with respect to the direct or indirect business relationship criterion, a case by case complementary quantitative and qualitative analysis is performed to determine if any possible business relationships are material and whether or not the board member in question is, in fact, independent.

In 2023, the Board of Directors examined—as it does for the other criteria—whether any business relationships exist between Cegedim Group and the company or group to which each independent director belongs. The Board determined that, with the exception of Marcel Khan, none of the independent directors has a business relationship with Cegedim Group or its senior management.

The Board of Directors performed a quantitative and qualitative assessment of the situation of Marcel Khan, Chairman of Financière d'Argenson SAS, and of the business relationship between Financière d'Argenson SAS and Cegedim Group in 2023. From both perspectives, dealings between the two companies, all businesses included worldwide, were below the materiality threshold used by the Board of Directors (1% for Cegedim Group and 10% for the other party). Thus, the Board determined that Marcel Kahn is independent owing notably to the lack of any financial dependence.

2.2.5 | Offices and experience

Director expertise

Main expertise	Rate[1]	Main expertise	Rate[1]
Leadership	100%	Marketing	90%
Finance & accounting	90%	CSR	90%
Technology	50%	Risk management	90%
Industry	80%	Corporate Governance	90%

[1] Ratio of the number of directors with the qualified expertise to the total number of directors.

Jean-Claude Labrune

Date of first appointment
December 1, 1969
Term of office end date
AGM 2028

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries

- Chairman of the Board of Cetip since June 28, 2001
- Chairman of SASU GERS since March 30, 2010
- Manager of Cegedim Média since June 30, 2000
- Member of the Board of Cegedim since April 12, 1989
- Chairman of the Board and CEO of Cegedim since August 18, 1994

Offices held currently, other than in companies controlled by Cegedim

- Member of the Board of CLCC Gustave Roussy
- Chairman of the Gustave Roussy Foundation
- Chairman of the Supervisory Board of FCB since February 5, 2013
- Chairman of SAS Château de la Dauphine since November 26, 2015

Offices held in the past five years, other than in companies controlled by Cegedim

- Chairman of the SASU Hospitalis until July 3, 2018

Experience

Jean-Claude is a graduate of École Nationale Supérieure des Arts et Métiers. During his years as a sales engineer at IBM, he mostly canvassed the pharmaceutical industry. He was a promoter of the professional discussion groups that brought together IT Directors of pharmaceutical companies, such as Cedhys. He founded Cegedim in 1969 to provide solutions to the issues raised by the profession.

Aude Labrune

Date of first appointment

April 27, 2007

Term of office end date

AGM 2025

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries

- Member of the Board of Cegedim since April 27, 2007
- Member of the Board of Cetip since May 15, 2013
- Manager of Santestat since December 10, 2012

Offices held currently, other than in companies controlled by Cegedim

- Chairman of the Executive Board of FCB since February 5, 2013 ;
- Managing Director of Château de La Dauphine since November 26, 2015 ;
- Co-Manager of SCI Marynice since June, 26 2022.

Offices held in the past five years, other than in companies controlled by Cegedim

- Managing Director of SCB until June 8, 2021

Experience

Aude has a master's degree in business law and a post-graduate degree in international tax law. She joined Cegedim in 1999, before heading up Rosenwald, a Cegedim subsidiary. She served as Executive General Manager in charge of legal affairs for the active holding company FCB and then as Chairman of the Executive Board of FCB. Aude also serves as Director of Communications at Cegedim.

Laurent Labrune

Date of first appointment
April 18, 2001
Term of office end date
AGM 2025

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries

- Member of the Board of Cegedim since April 18, 2001
- Deputy Managing Director of Cegedim since November 26, 2015
- Chairman of SASU Cegedim SRH
- Member of the Board of Cetip since February 26, 2015
- Director of Millenium (Italy), Alliadis Europe UK, THIN (Italy) and Cegedim Italia
- Managing Director of Cegedim Germany and THIN Germany
- Member of the Board of HDMP (Belgium) and Cegedim Belgium.

Offices held currently, other than in companies controlled by Cegedim

- Member of the Executive Board of FCB since February 5, 2013
- Managing Director at Château de La Dauphine since November 26, 2015

Offices held in the past five years, other than in companies controlled by Cegedim

- Chairman of Pulse Systems Inc (USA) until August 15, 2019
- Member of the Board of Cosytec until June 30, 2020
- Manager of Accueil Web until July 2, 2019
- Chairman of Docavenue until December 31,2021
- Director of Cegedim SRH (UK), resigned on May 2, 2021
- Chairman of SASU Futuramedia until April, 6 2023

Experience

Laurent is a graduate of École Nationale Supérieure des Arts et Métiers. In 1995 he joined Cegedim, where he notably coordinated the Group's IT development, before heading up the Cegedim SRH subsidiary and going on to become Executive Chairman of the new entity Cegedim Relationship Management. He has been Deputy Managing Director of Cegedim since November 26, 2015.

GERS, represented by Nicolas Giraud

Date of first appointment
GERS since March 6, 1995
Nicolas Giraud since April 2018
Term of office end date
AGM 2028

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries

- Representative of GERS, an economic interest group (GIE), on Cegedim's Board of Directors of since April 2018

Offices held currently, other than in companies controlled by Cegedim

- Chairman of the Board of GERS
- Member of the Board of Directors of l'AFIPA (French Association of the Pharmaceutical Industry for a Responsible self-medication) and of LEEM (French pharmaceutical company association)
- Member of the Board of Scorpius SAS and its subsidiaries

Offices held in the past five years, other than in companies controlled by Cegedim

- None

Experience

GERS is an economic interest group (GIE), a consortium of pharmaceutical companies operating in France. As such, its representative, Nicolas Giraud, has a full understanding of the industry's needs. He pays especially close attention to the type and quality of services offered by Cegedim and actively makes highly knowledgeable suggestions.

Marcel Kahn

Date of first appointment
June 14, 2016
Term of office end date
AGM 2028

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries

- Member of the Board of Cegedim since June 14, 2016

Offices held currently, other than in companies controlled by Cegedim

- Chairman of Financière d'Argenson SAS, of Hubb Real Estate Investment Managers SAS, and of Amarante SAS
- Member of the Board of Advanced Credit Solutions (ACS) in Luxembourg

Offices held in the past five years, other than in companies controlled by Cegedim

- Member of the Board of Aviva France until September 30, 2021
- Chairman of the Audit committee at Aviva France until September 30, 2021

Experience

Marcel is a graduate of ESSEC, a chartered accountant, and a member of the Institute of French Actuaries. He has more than 30 years' experience in finance and senior management as well as extensive knowledge of the insurance and mutual insurance provider sector.

After a career with AXA, PartnerRe, and Scor, he was appointed CEO of MACSF until May 2014. He currently offers consultancy and support services to senior management.

Jean-Pierre Cassan

Date of first appointment
January 8, 2010
Term of office end date
AGM 2028

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries

- Member of the Board of Cegedim since January 8, 2010

Offices held currently, other than in companies controlled by Cegedim

- None

Offices held in the past five years, other than in companies controlled by Cegedim

- Vice-President of Inserm-Transfert and of IFIS
- Member of the Board of Fondation Cœur et Recherche
- Manager of Eratos Santé

Experience

Jean-Pierre is an Independent Director and Corresponding Member of the Société Française de Cardiologie; the Honorary Chairman of LEEM (French pharmaceutical company association) and of FEFIS (the French federation of health industries); former Vice-Chairman of the Supervisory Board of Inserm-Transfert, and Chairman of its Strategic Committee. He is a former Board member of Fondation Cœur à Recherche; former Chairman & CEO of Astra France, then of Astra Zeneca France; former Member of the Board of Afssaps; former Vice-President of IFIS (the Health Industries Training Institute), and an honorary member of the CPHG (College of General Hospital Lung Specialists).

Catherine Abiven

Date of first appointment

August 30, 2019

Term of office end date

AGM 2025

Offices and positions held in any company as of December 31, 2022

Offices held at French and international Cegedim subsidiaries

- Member of the Board of Cegedim since August 30, 2019
- Member of the Board of Cetip since November 8, 2017
- Managing Director of Cetip since March 15, 2023
- Chairman of Cegedim Activ since January 2, 2023
- Chairman of ISIAKLE since May 31, 2023

Offices held currently, other than in companies controlled by Cegedim

- None

Offices held in the past five years, other than in companies controlled by Cegedim

- None

Experience

Catherine Abiven holds advanced degrees in international business management and insurance from the University of Paris Dauphine's MBA program. She is also accredited as a company director through a program run jointly by Sciences-Po and the French Institute of Directors (IFA). She began her career at AG2R, where she served as the head of information systems before taking over responsibility for management control, internal control, audit, and accounting. After AG2R, she joined D&O in 2007 as a senior executive. When D&O merged with Mornay to form KLESIA, Ms. Abiven rose to the position of Deputy CEO starting in January 2013. She joined Cegedim Group in October 2017. She became Deputy Managing Director of Cetip on October 10, 2018, Managing Director of Cegedim Activ on January 7, 2021 then Managing Director of CETIP on March 15, 2023 and Chairman of Cegedim Activ on January 2, 2023.

FCB, represented by Pierre Marucchi

Date of first appointment
April 12, 1989
Term of office end date
AGM 2028

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries[2]

- Permanent representative of FCB on Cegedim SA's Board of Directors since April 12, 1989
- Deputy Managing Director of Cegedim since April 23, 2002
- Member of the Board of Cetip since December 17, 1996
- Chairman of SASU: Cegedim Ingénierie, Incams, Cegedim.Cloud, I-Assurances, and Cegedim Assurances Conseil
- Managing Director of Cegedim SRH
- Manager of Resip
- Chairman of Croissance 2006 (Belgium), Stacks Consulting E Ingeniera de Software (Spain), Stacks Servicios Technologicos (Chile), and Cegedim SRH Switzerland
- Member of the Board of Cegedim Service Center (Romania) since June 21, 2017
- Director of Millennium (Italy), Cegedim Internal Services (Ireland), Acrossduty Ltd (UK), Pembroke Fitzwilliam Investment (Ireland), Activus Ltd (UK), Cegedim Holding Ireland Limited (Ireland) and Cegedim Europe Holding (Ireland).
- Cegedim Board director representative at OEP (Belgium).

Offices held currently, other than in companies controlled by Cegedim[2]

- Chairman of Marucchi SAS since November 22, 2018
- Vice-Chairman of the Supervisory Board of FCB since February 5, 2013
- Managing Director at Château de La Dauphine since November 26, 2015

Offices held in the past five years, other than in companies controlled by Cegedim[2]

- Chairman of SASU: Cegedim Software until December 31, 2018; Cegedim Assurances until July 1, 2017; Cegedim Dynamic Framework until July 1, 2017; Smart RX (formerly Cegedim Healthcare Software) until February 2, 2017; Laboratoire NYM until March 6, 2019; RM Ingénierie until December 31, 2021; and Les Grands Vignobles de Bordeaux until November 30, 2021
- Chairman of Stacks Servicios Technologicos (Spain) until January 1, 2023
- Member of the Board of Rue de la Paye until April 18, 2019, and Cosytec until June 30, 2020
- Director of Cegedim Healthcare Software R&D (Ireland) until 2019; Cegedim Healthcare Services (UK) until May 2, 2021; Cegedim Data Services (UK) until April 30, 2021; Cegedim SRH (UK) until Mai 2, 2021 and Cegedim World Internal Services (UK) until October 4, 2023
- Managing Director of Futuramedia until April 6, 2023
- Managing Director of Cegedim Belgium until December 23, 2020
- Manager of IRIS until March 15, 2021; Cegedim SRH Montargis until December 31, 2021; and Cegedim Holding Santé until December 13, 2021

Experience

Pierre holds degrees from École Nationale Supérieure des Télécommunications (France), Stanford University (USA), and Centre d'Études Supérieures Bancaires. He is also a member of the Institute of French Actuaries. He began his career in 1977 at Crédit Lyonnais, where he held various technical and sales positions. He joined Cegedim Group's senior management team in 1984.

(2) Offices held by Pierre Marucchi

Sandrine Debroise

Date of first appointment
June 14, 2016
Term of office end date
AGM 2028

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries

- Member of the Board of Cegedim since June 14, 2016

Offices held currently, other than in companies controlled by Cegedim

- None

Offices held in the past five years, other than in companies controlled by Cegedim

- None

Experience

Sandrine is a chartered accountant and has post-graduate degrees in Accounting and Finance and in Corporate Tax from the University of Paris, Dauphine. She began her career at KPMG Audit Paris and joined Cegedim in 1999 as a senior manager in the Finance department.

After serving there in a variety of positions, including Group CFO since 2010, she is now CFO of FCB, the family holding company.

Béatrice Saunier

Date of first appointment
Auguste 31, 2018
Term of office end date
AGM 2024

Offices and positions held in any company as of December 31, 2023

Offices held at French and international Cegedim subsidiaries

- Member of the Board of Cegedim since August 31, 2018.

Offices held currently, other than in companies controlled by Cegedim

- None

Offices held in the past five years, other than in companies controlled by Cegedim

- None

Experience

After graduating from business school, Béatrice earned a post-graduate D.E.A. degree in Foreign Affairs at the University of Paris La Sorbonne.

She began her career at M6 as a Licensed Product Manager in 1995, then served as Head of Sport and Acquisitions at Pathesport, where she was also a member of the Executive Committee. After that, she joined Canal+ as Deputy Director in Charge of Sports Rights and Acquisitions.

In 2016, she joined IMG. Today she is Director of IMG Media France, responsible for leading and growing IMG Media across France. She has also overseen rights sales for the IMG Sports Media portfolio, which includes programming from over 200 clients and events.

2.2.6 | Declaration regarding Board members

Conflicts of interest in administrative and management bodies

The Board's bylaws state that each director must notify the Board of any actual or potential conflict of interest with Cegedim SA or any other Group company, and must refrain from voting on any matter that affects them directly or indirectly, must not participate in any discussions regarding the matter, and in extreme cases must step down.

The Board of Directors evaluates each Director's situation annually to prevent conflicts of interest.

The bylaws are reviewed regularly to determine if any changes are necessary to keep pace with changes in governance rules and practices. The full text of the bylaws is available on the Company's website.

Cegedim has commercial relationships with two of its Directors and their respective groups. They are: GERS (an economic interest group (GIE) and a consortium of pharmaceutical companies) and Financière d'Argenson, whose chairman, Marcel Kahn, serves on Cegedim's Board of Directors and which supplies the Group with consulting services.

GERS ceased to be a shareholder in Cegedim on May 11, 2010, but still has a seat on the Board of Directors.

Contracts with GERS and Financière d'Argenson were entered into under normal market conditions and both represent revenues of less than 1% of the Company's 2022 consolidated revenue. The relationships between Cegedim and the above-mentioned entities do not therefore create any conflicts of interest.

Most of the companies belonging to the Cegedim Group rent the buildings they use for their businesses. Cegedim SA rents the entire premises it occupies in Boulogne-Billancourt. Some rent is paid to companies, for example the active holding company FCB and various SCIs (Société Civile Immobilière, French non-trading property companies), whose Board members also sit on Cegedim SA's Board. If these rental contracts are not customary agreements (conventions courantes), they are listed in the Statutory Auditors' Special Report provided in Chapter 8, Section 8.2 of this Universal Registration Document. In 2023, the sums involved (rent for premises and car parks) totaled €8.3 million, excluding occupancy expenses. Rents are, and will continue to be, established according to market levels, which corresponds to regulated agreements.

Statements relating to corporate governance

During the last five years and to the best of the Company's knowledge:

- No member of the administrative and management bodies has been convicted of fraud;
- No member of the administrative and management bodies has been associated with bankruptcy, receivership, or liquidation;
- No indictments and/or official public sanctions have been handed down against these persons by the statutory or regulatory authorities, or by the designated professional bodies ;
- No member of the administrative and management bodies has been prevented by a court from serving as a member of an issuer's administrative, management, or supervisory body or from participating in the management and conduct of an issuer's business dealings.

2.2.7 | Other information on board members

Corporate officers' equity interests in the Company and securities transactions by corporate officers

The statement below summarizes, to the best of the Company's knowledge, the securities transactions of corporate officers between January 1, 2023, and December 31, 2023.

	Number of shares held on 12/31/2022	Number of free shares granted during the year	Number of shares purchased	Number of shares sold	**Number of shares held on 12/31/2023**
Jean-Pierre Cassan	0	-	-	-	**0**
Sandrine Debroise	7,327	705	0	0	**8,032**
FCB	7,601,283	-	30,440	0	**7,631,723**
GIE GERS	0	-	0	0	**0**
Marcel Kahn	0	-	0	0	**0**
Aude Labrune[(1)]	36	-	0	0	**36**
Jean-Claude Labrune[(1)]	7,500	-	3,000	0	**10,500**
Laurent Labrune[(1)]	7 101	-	691	0	**7,792**
Pierre Marucchi[(2)]	6,765	-	250	0	**7,015**
Nicolas Giraud	0	-	0	0	**0**
Béatrice Saunier	0	-	0	0	**0**
Catherine Abiven	1,826	1,242	0	0	**3,068**

(1) Jean-Claude Labrune, Aude Labrune, and Laurent Labrune are shareholders of FCB, which owns 54.52% of the equity of Cegedim SA as of December 31, 2023.

(2) Shares held directly and indirectly via the company Marucchi SAS. Mr. Pierre Marucchi is also a shareholder of FCB, which owns 54.52% of the equity of Cegedim SA as of December 31, 2023.

The statement below summarizes, to the best of the Company's knowledge, the securities transactions of corporate officers between January 1, 204, and March 27, 2024. Only directors who have carried out securities transactions are indicated.

	Number of shares held on 12/31/2023	Number of free shares granted during the year	Number of shares purchased	Number of shares sold	**Number of shares held on 03/27/2024**
Sandrine Debroise	8,032	678	0	0	**8,710**
Catherine Abiven	3,068	1,584	0	0	**4,652**

2.3 | Principles governing the compensation of corporate officers

Compensation policy for corporate officers

The corporate officers, Jean-Claude Labrune, Laurent Labrune, and Pierre Marucchi, have employment contracts with FCB and Cegedim SA. All of their compensation is governed by those employment contracts. The compensation paid to Jean-Claude Labrune, Laurent Labrune, and Pierre Marucchi by FCB is not subject to any regulated agreements, because they are paid in respect of the employment contract and not in respect of their role as corporate officers.

Jean-Claude Labrune is Chairman of the FCB Supervisory Board, Laurent Labrune is a member of the FCB Executive Board, and Pierre Marucchi is Vice-Chairman of the FCB Supervisory Board.

Jean-Claude Labrune is Chairman and CEO of Cegedim SA. Laurent Labrune and Pierre Marucchi are Deputy Managing Directors of Cegedim SA.

The combining of corporate office with employment contracts by the Chairman and Deputy Managing Directors is warranted by the fact that all three joined the Group as employees and then became corporate officers. Given their seniority in the Group, their employment contracts have been maintained.

All their compensation is paid in respect of their employment contracts. Thus, any severance benefits will be those defined by their employment contracts and not in respect of their position as corporate officers.

Aude Labrune and Sandrine Debroise are employed by FCB and have employment contracts with FCB. Aude Labrune is the Chairwoman of the FCB Executive Board and Director of Communications for Cegedim Group. Sandrine Debroise is CFO of FCB and Cegedim Group.

Catherine Abiven is Managing Director of Cegedim Activ and has an employment contract with Cegedim Activ.

There is a customary agreement (convention courante) for the provision of services binding Cegedim to its holding company FCB, with which it has Board members in common. Cegedim pays quarterly installments based on the previous year's invoicing, subject to an annual correction based on actual services. In 2023, total annual retainer fees came to €1,886,632. This amount corresponds to the rebilling of salaries and consultancy fees borne by FCB and attributable to Cegedim. The consultancy fees represent less than 10% of the total. The salary portion corresponds to the pro rata rebilling of time spent by each FCB employee working on behalf of Cegedim. The contract was initiated in 2005 for a period of one year and is automatically renewable for additional one-year periods. See Chapter 8, Section 8.2 "Statutory Auditors' special report on regulated agreements", section 4 "With FCB – Contract for services".

The amount of the variable portion is based on the Group's earnings. The variable compensation of Pierre Marucchi and Laurent Labrune varies in proportion to fluctuations in the Group's Recurring Operating Income[3]. The Group's reorganization and business model transformation resulted in significant exceptional charges. As a result, the Recurring Operating Income[3] figure best reflects the Group's actual operating performance.

There are no particular supplemental retirement plans set up for specific corporate officers. All the relevant information regarding the calculation of the provision for retirement compensation is presented in the Accounting Principles and Note 18, Retirement Commitments, of the Consolidated Financial Statements in Chapter 4, Section 4.6 of this Universal Registration Document.

The Company has made no commitments to its corporate officers corresponding to remuneration, indemnities, or benefits due or likely to be due as a result of taking up, leaving, or changing functions or subsequent to holding them.

There are no stock option plans at Cegedim Group either for senior managers or for any other employee category. There are no financial instruments that entitle their holders to a share of capital, nor other optional instruments of any kind, subscribed by senior managers or employees as part of issues reserved for employees. However, the Group has set up a performance-based free share award plan. It should be noted that this plan does not concern senior management (Chairman & CEO and Deputy Managing Director).

2.3.1 | Tables required in accordance with AMF recommendations

Description

The total gross compensation amounts, including benefits of any kind paid directly or indirectly to each named corporate officer, by Cegedim or any Group company, are presented in the tables below.

(3) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on alternative performance indicators

Table n°1 – Summary of compensation, stock options and free shares granted to each executive corporate officer

In euros	2023	2022
Jean-Claude Labrune – Chairman of the Board – Chief Executive Officer		
Compensation due for the financial year (see Table 2)	274,000	274,000
Value of options granted during the financial year (see Table 4)	-	-
Value of free shares granted during the financial year (see Table 6)	-	-
Total	**274,000**	**274,000**

In euros	2023	2022
Laurent Labrune – Deputy Managing Director		
Compensation due for the financial year (see Table 2)	422,472	387,376
Value of options granted during the financial year (see Table 4)	-	-
Value of free shares granted during the financial year (see Table 6)	-	-
Total	**422,472**	**387,376**

In euros	2023	2022
Pierre Marucchi - Deputy Managing Director		
Compensation due for the financial year (see Table 2)	434,474	410,264
Value of options granted during the financial year (see Table 4)	-	-
Value of free shares granted during the financial year (see Table 6)	-	-
Total	**434,474**	**410,264**

Table n°2 – Summary of compensation paid to each executive corporate officer

Jean Claude Labrune	**Amounts for 2023**		**Amounts for 2022**	
In euros	**Payable** [(1)]	**Paid** [(2)]	**Payable** [(1)]	**Paid** [(2)]
Fixed compensation linked to the Cegedim SA employment contract	260,000	260,000	260,000	260,000
Variable compensation linked to the Cegedim employment contract[(3)]	-	-	-	-
Special payments linked to the Cegedim SA employment contract	-	-	-	-
Board member compensation[(4)]	14,000	14,000	14,000	14,000
Benefits in kind related to the employment contract[(5)]	-	-	-	-
Total	**274,000**	**274,000**	**274,000**	**274,000**

Laurent Labrune	**Amounts for 2023**		**Amounts for 2022**	
In euros	**Payable** [(1)]	**Paid** [(2)]	**Payable** [(1)]	**Paid** [(2)]
Fixed compensation linked to the Cegedim SA employment contract	120,250	120,250	120,250	120,250
Variable compensation linked to the Cegedim employment contract[(3)]	188,222	153,126	153,126	238,623
Special payments linked to the Cegedim SA employment contract	100,000	100,000	100,000	100,000
Board member compensation[(4)]	14,000	14,000	14,000	14,000
Benefits in kind related to the employment contract[(5)]	-	-	-	-
Total	**422,472**	**387,376**	**387,376**	**472,873**

For Jean-Claude Labrune and Laurent Labrune, the fixed and variable compensation and the special payments are paid by Cegedim SA.

[(1)]The variable compensation due for a given financial year is paid the following financial year

[(2)]The variable compensation paid in a given financial year is the amount owed from the previous financial year.

[(3)]The variable compensation of Laurent Labrune varies in proportion to fluctuations in the Group's EBIT before special items (see Chapter 4, "Consolidated Financial Statements", Section 4.6, Note 2 on alternative performance indicators.

[(4)]Board member compensation includes Board member compensation from all Cegedim Group companies.

[(5)]Company car.

Pierre Marucchi	Amounts for 2023		Amounts for 2022	
In euros	Payable [1]	Paid [2]	Payable [1]	Paid [2]
Fixed compensation linked to the Cegedim SA employment contract	153,801	153,801	153,801	153,801
Variable compensation linked to the Cegedim employment contract[3]	129,845	105,634	105,634	164,614
Special payments linked to the Cegedim SA employment contract	100,000	100,000	100,000	100,000
Board member compensation[4]	42,671	42,671	42,671	42,671
Benefits in kind related to the employment contract[5]	8,157	8,157	8,157	5,004
Total	**434,474**	**410,264**	**410,264**	**466,090**

For Pierre Marucchi, the fixed and variable compensation and the special payments are paid by Cegedim SA.

[1]The variable compensation due for a given financial year is paid the following financial year.

[2]The variable compensation paid in a given financial year is the amount owed from the previous financial year.

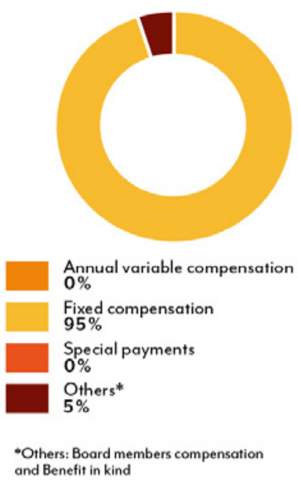
[3]The variable compensation of Pierre Marucchi varies in proportion to fluctuations in the Group's EBIT before special items (see Chapter 4, "Consolidated Financial Statements", Section 4.6, Note 2 on alternative performance indicators.

[4]Board member compensation includes Board member compensation from all Cegedim Group companies. Pierre Marucchi's payment includes Board member compensation from Cegedim SRH Switzerland.

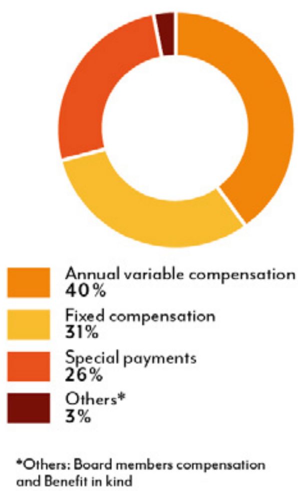
[5]Company car.

Breakdown of compensation paid in 2023

Jean-Claude Labrune



Laurent Labrune



Pierre Marucchi

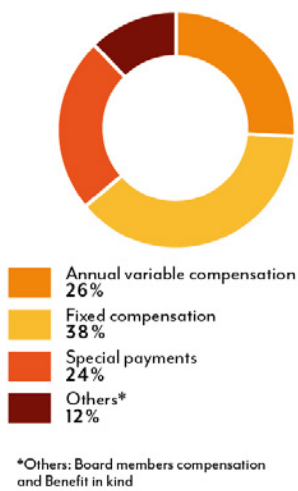


Table n°3 – Board member compensation and other compensation paid to non-executive corporate officers

Board members		Amount paid in 2023	Amount paid in 2022
Aude Labrune[1]	Board member compensation	14,000	14,000
Jean-Pierre Cassan	Board member compensation	18,000	18,000
Sandrine Debroise [2]	Board member compensation	14,000	14,000
Marcel Kahn	Board member compensation	25,000	25,000
Catherine Abiven	Board member compensation	14,000	14,000
Béatrice Saunier	Board member compensation	14,000	14,000

The censor Frédéric Duchesne received €25,000 compensation for 2023.

[1]Aude Labrune is employed by FCB and paid by FCB. She is Chairwoman of the FCB Executive Board and Director of Communications at Cegedim. Part of her compensation is rebilled to Cegedim as part of the services agreement between FCB and Cegedim. For more on this point, please see Point 2.3 "Compensation policy", Section "Compensation policy for corporate officers".

[2]Sandrine Debroise is employed by FCB and paid by FCB. She is the Chief Financial Officer of both FCB and Cegedim. Part of her compensation is rebilled to Cegedim as part of the services agreement between FCB and Cegedim. For more on this point, please see Point 2.5 "Compensation policy", Section "Compensation policy for corporate officers".

Table n°4 – Share subscription or purchase options granted to each executive corporate officer during the financial year

Name of the executive corporate officer	Plan number and date	Type of options	Value of options using the method applied in the consolidated financial statements	Number of options granted during the year	Strike price	Exercise period
None						

Table n°5 – Share subscription or purchase options exercised by each executive corporate officer during the financial year

Name of the executive corporate officer	Plan number and date	Number of options exercised during the year	Strike price	Year granted
None				

Table n°6 – Free shares granted to each executive corporate officer subject to performance conditions

Name of the executive corporate officer	Plan number and date	Number of options granted during the year	Value of shares using the method applied in the consolidated financial statements	Vesting date	Date of availability
None					

Table n°7 – Free shares that became available to each executive corporate officer during the financial year

Name of the executive corporate officer	Plan number and date	Number of shares that became available during the financial year	Vesting conditions	Year granted
None				

Table n°8 – History of share subscription or purchase options granted to each executive corporate officer

	Plan number
Date of the General Meeting	**None**
Date of the Board meeting	
Total number of shares available for subscription or purchase	
Incl. number of shares that can be subscribed or purchased by	
- Start of exercise period	
- Expiry date	
- Purchase price	
- Exercise conditions	
- Total number of shares subscribed	
- Cumulative number of share subscription or purchase options canceled or expired	
- Share subscription or purchase options outstanding at year-end	

Table n°9 – Options granted to and exercised by the ten non-officer/director employees holding the most options

Options granted to and exercised by the ten non-officer/director employees holding the most options, and options exercised by them	Total number	Strike price	Plan
None			

Table n°10 – Summary of information related to employment contracts

Executive corporate officers Cegedim SA	Employment contract		Supplementary pension plan		Compensation or benefits due or likely to be due as a result of termination or change of office		Special compensation for a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Jean Claude Labrune Chairman and CEO Start of term: 2022 End of term: 2028	✓			✓		✓		✓
Pierre Marucchi Deputy Managing Director Start of term: 2022 End of term: 2028	✓			✓		✓		✓
Laurent Labrune Deputy Managing Director Start of term: 2022 End of term: 2028	✓			✓		✓		✓

The combining of corporate office with employment contracts by the Chairman and Deputy Managing Directors is warranted by the fact that all three joined the Group as employees and then became corporate officers. Given their seniority in the Group, their employment contracts have been maintained.

All their compensation is paid in respect of their employment contracts. Thus, any severance benefits will be those defined by their employment contracts and not in respect of their position as corporate officers.

2.4 Policy toward employees

Group employees are Cegedim's most valuable asset and main resource

Payroll costs represent one of the Group's most significant expenses. Group employees are Cegedim's most valuable asset and main resource. Cegedim therefore adapts its compensation policy appropriately in order to motivate talent and ensure training and recruitment, while maintaining the increase in salary costs at a reasonable level. For 2023, salary decisions will be made individually for each employee.

Cegedim employee profit-sharing agreement

Cegedim employee profit-sharing agreement.

Employees can decide whether their share of profits is paid into a mutual fund or deposited in a frozen current account in the corporate accounts.

At December 31, 2023, the Corporate Mutual Fund consisted of 83,361 Cegedim shares, representing 0.60% of the capital.

Award of free shares

When performance conditions are met, free shares are awarded to non-executive senior managers of the Group and Cegedim Group employees. The main characteristics of the plans are as follows:

- The free shares awarded confer the right to dividends voted on or after the award date.
- The award of shares to their beneficiaries will become final after a two-year vesting period for beneficiaries whose residence for tax purposes is in France and after a three-year period for beneficiaries whose residence for tax purposes is not in France as of the award date.
- The shares will be fully allotted to the beneficiaries on one condition: no resignation, dismissal or termination.
- Starting from the final award date, beneficiaries whose residence for tax purposes is in France as of the award date must keep shares for a term of one year starting from the final award date.

The main characteristics of the plans are as follows:

Plan of	01/26/2021	01/27/2022	01/26/2023
Date of the General Meeting	06/19/2018	06/17/2021	06/17/2021
Date of the Board meeting	01/26/2021	01/27/2022	01/26/2023
Date of Date of plan opening	01/26/2021	01/27/2022	01/26/2023
Total number of shares that can be awarded	37,308	49,845	47,970
Initial subscription price	€25.00	€24.15	€18.76
Vesting date France	01/26/2023	01/27/2024	01/25/2025
Vesting date outside France	01/26/2024	01/27/2025	01/25/2026

Position of plan at December 31, 2023

Plan of	01/26/2021	01/27/2022	01/26/2023
Total number of shares awarded	30,438	29,690	47,820
Total number of shares left to be acquired	0	0	0
Adjusted acquisition price of free share award for France	€24.27	€23.44	€18.21
Adjusted acquisition price of free share award outside France	€21.25	€20.53	€15.95

For more information, see Note 8.3 "Treasury shares" in the notes to the consolidated financial statement in Chapter 4 of this Universal Registration Document

Pay ratio

Corporate officers are compensated solely for their role as directors. For the three executive corporate officers, the total compensation amounts to €71 thousands. As a result, the Group is not obligated to report pay ratios or pay ratio trends.

2.5 Factors that could affect a public tender offer

In the event of a public offering

There are no specific provisions likely to have an impact on:

- The structure of the Company's capital;
- Restrictions in the Company bylaws on exercising voting rights and transferring shares;
- Direct or indirect stakes in the Company's capital, of which it is aware, pursuant to articles L. 233-7 and L. 233-12 of the French Commercial Code;
- The rules governing the appointing and replacing of members of the Board of Directors and the amending of the Company's bylaws;
- The powers of the Board of Directors, particularly with respect to issuing or buying back shares.

Furthermore,

- The Company has no knowledge of any agreements pursuant to article L. 233-11 of the French Commercial Code;
- There are no holders of shares with special control rights (except for the double voting rights, the allotment of which is completely independent of the occurrence of a public offering);
- The employee shareholding plan makes no specific provisions for the exercise of rights not exercised by said employees;
- The Company has no knowledge of agreements between shareholders that might result in restrictions on transferring shares and exercising voting rights;
- The Company has signed relatively few agreements that would be amended or terminated in the event of a change of control of the Company, and they are confidential; there are no systematic arrangements to amend or terminate agreements, and, if such a thing were to occur, it would have a relatively immaterial impact on the Company;
- There are no agreements to compensate the members of the Board of Directors or employees if they resign, are dismissed without real and serious cause, or if their employment ends due to a public offering.

Agreements and change of control, rights, privileges and restrictions attached to shares, Threshold

Concerning agreements that could be amended or terminated in the event of a change in control of the Company.

Cegedim has no policy of engaging in agreements that could be amended or terminated in the event of a change in control of the Company. However, there are clauses protecting the Group's intellectual property.

Actions required to modify shareholder's rights.

There are no stricter conditions than those set forth by law for modifying.

Rights, privileges and restrictions attached to each class of existing shares.

All the shares making up the Company's capital are of the same class.

The Extraordinary Shareholders' Meeting held on February 8, 1995, decided that in consideration of the portion of the capital they represent, a double voting right would be allotted to all fully paid shares as long as proof of registration for at least four years in the name of the same shareholder was provided. This double voting right is reserved for shareholders who are French nationals or nationals of a Member State of the European Union.

Furthermore, in the event of a capital increase through incorporation of reserves, profit, or issue premium, the double voting right is attached, as of their issuance, to the registered shares allocated free of charge to a shareholder on the basis of the amount of shares already held that entitle him/her to this right.

The double voting right ceases for any share that has been converted into a bearer share or transferred, save in the case of a transfer of registered shares due to inheritance or family gift.

In accordance with the law, all dividends that have not been collected within five years of their payment date revert to the French State.

Treasury shares are not entitled to dividends: the related amount is recognized in "retained earnings".

Provisions of the articles of incorporation and bylaws that could delay, defer, or hinder a change of control in the Company:

None.

Threshold above which shareholder ownership must be disclosed:

The bylaws contain no special provision for declaring ownership threshold crossings.

Conditions imposed by the articles of incorporation and bylaws governing changes in the capital, where thses conditions are stricter than the law:

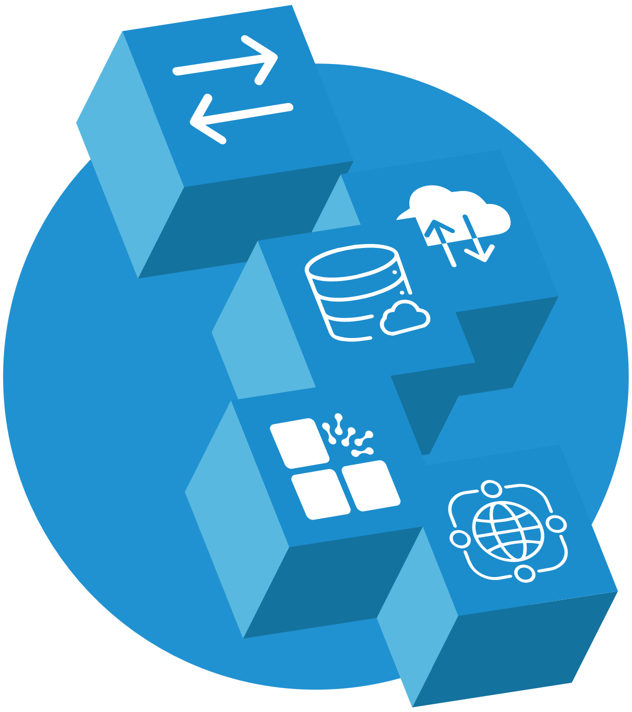
None.

2.6 General Meetings and procedures for shareholder participation

Conditions under which Annual General Meetings and Extraordinary Shareholder's Meetings are called

General Meetings are convened and transact business under the conditions set forth by law. They are held at the registered office or at any other location indicated in the notice of Meeting.

All shareholders may attend shareholders' meetings and take part in the deliberations, in person or through a proxy, regardless of the number of shares they own, as long as they provide proof of their status as shareholders at least five days prior to the meeting. However, the Board of Directors may reduce this time frame. All shareholders may vote by post.



03

Overview of the Financial year

3.1 Financial year highlights

Apart from the items cited below, to the best of the company's knowledge there were no events or changes during 2022 that would materially alter the Group's financial situation.

Landmark BPO contract

Cetip (a BPO provider) has signed a 15-year services agreement to manage supplemental health and personal protection insurance policies for Allianz IARD and Allianz Vie.

Allianz Group has entrusted Cegedim Group with the management of its three insurance portfolios: collective health, collective personal protection insurance, and individual health. Together these policies represent over 1.3 million insured individuals. This contract includes assuming responsibility for all the staff engaged in this activity in France. Initially, work will be carried out using Allianz's IT tools to facilitate a gradual transition over the next three years to Cetip's proprietary BPO solutions and processes.

This contract commenced in April 2023 and generated revenue of over €15 million in financial year 2023. Its recurrence rate is very high and its provisions were negotiated to cover the next 15 years.

Acquisition of majority stake in Phealing

On November 30, 2023, Cegedim acquired a majority stake in Phealing, a startup specializing in secure prescription drug delivery. Phealing's offer, based on its advanced artificial intelligence engine, caters to a key concern for pharmacies: double-checking prescription medication. The software helps pharmacists detect dispensing errors in real time by verifying that the medicine sold matches the patient's prescription and illness profile.

Phealing was consolidated in the Group's accounts starting on December 31, 2023, meaning only its balance sheet is reflected.

Euris litigation

Cegedim, jointly with IQVIA (formerly IMS Health), is being sued by Euris for unfair competition. Cegedim asked the court to dismiss the case against the Company. On December 17, 2018, the Paris Commercial Court granted Cegedim's request, which IQVIA then appealed. On December 8, 2021, the Court of Appeals upheld the judgement in favor of Cegedim. The case was appealed to the Supreme Court, and in a ruling on March 20, 2024, the court overturned the Court of Appeals judgement that had exonerated Cegedim. As a result, the case has been sent back to the Paris Court of Appeals, with a different set of judges. After consulting its external legal counsel, the Group decided not to set aside any provisions.

Tax

On February 21, 2018, Cegedim S.A. received official notice that the French tax authorities planned to perform an audit of its financial statements for 2015 and 2016. The audit resulted in a reassessment notice covering the use of tax-loss carryforwards, which the authorities disputed. On February 21, 2021, Cegedim S.A. received official notice that the French tax authorities planned to perform an audit of its financial statements for 2019 and 2020. That audit did not result in any additional reassessments.

After consultation with its lawyers and based on the applicable tax law and jurisprudence, Cegedim S.A. believes that the tax authorities' proposed reassessment is unwarranted. As a result, the company has appealed the decision and continues to explore its options for contesting the reassessment.

Over the period, Cegedim S.A. continued to apply the disputed tax-loss carryforwards to its taxable earnings, bringing cumulative tax savings to €27.2 million at December 31, 2023.

In the first half of 2022, tax authorities issued Cegedim S.A. with a notice of collection. In response, the Group paid a total of €12.1 million in respect of tax-loss carryforwards used through 2020, along with a €0.4 million late payment penalty. In February 2024, tax authorities also issued a notice of collection in the amount of €10.9 million in respect of tax losses used in 2021 and 2022, with no interest or penalties owing to the Company acting in good faith. The corresponding entry for these payments was not recognized in expenses, but rather in the tax receivables line of the balance sheet, as the Company expects these sums to be repaid once the dispute has been resolved in its favor.

As a result, if Cegedim S.A. ultimately loses its appeal, it would have to record a tax charge of €27.2 million in its profit and loss statement, but it would only have to make a cash payment of €4.1 million for the share of taxes not yet paid.

In addition, in accordance with IFRS, Cegedim S.A. records in its consolidated financial statements a deferred tax asset in respect of its unused tax-loss carryforwards, which represents the future tax gain the company may yet realize. Note that the accounting entries related to deferred tax have no cash impact. Through December 31, 2022, deferred tax assets were unchanged at €20 million. At December 31, 2023, those assets amounted to €7.7 million owing to a €12.3 million downward adjustment recorded in deferred tax expenses in the consolidated financial statements. In response to a tax ruling in July 2023, the Group opted for a more conservative assessment of the unrealized future gains from its remaining, disputed tax-loss carryforwards.

If the outcome goes against the Group, the entirety of the deferred tax assets in the financial statements at the closing date would have to be recorded as a €7.7 million charge in consolidated earnings, with no cash outlay.

Cegedim S.A., in consultation with its attorneys, believes that it still has a solid case for dismissal of the reassessment, as reflected in the accounting position currently recorded in its financial statements. In the fourth quarter of 2023, we therefore appealed the dispute to the administrative court, a process which could take several years. We are confident in our chances of success and have not recorded any provisions in respect of the dispute.

The Group expects the maximum amount of risk from the potential tax charges cited above to remain constant at €34.9 million, but the breakdown could change: the €7.7 million deferred tax asset would decrease as tax savings are realized, incrementally increasing the €27.2 million already used.

The maximum potential cash payment, which has decreased significantly due to the amounts collected over the past 18 months, amounted to €4.1 million at December 31, 2023. It will continue to rise as future tax savings are realized but could also decrease if the tax authorities issue additional notices of collection while the appeal is ongoing.

3.2 FY 2023 business review

Operational performance

€616.0m Revenue **2022: €555.2m** 2021: €524.7m	**+10.9%** Reported growth **+10.8%** Growth rate, like for like	**5.1%** REBIT margin[4] **2022: 4.6%** 2021: 7.6%	**+52bp** Growth rate
€31.7m Recurring operating income (REBIT)[4] **2022: €25.7m** 2021: €39.9m	**+23.4%** Growth rate	**-€0.5** EPS **2022 €1.0** 2021 €1.9	**-150%** Growth rate

Consolidated P&L

In millions of euros	12/31/2023	12/31/2022	Change, %	Change, €m
Revenue	**616.0**	**555.2**	**10.9%**	**60.8**
Purchases used	(28.5)	(26.6)	7.5%	(2.0)
External expenses	(138.5)	(119.9)	15.5%	(18.6)
Employee costs	(331.7)	(303.6)	9.1%	(28.1)
Other operating income and expenses	(8.3)	(9.0)	(7.1)%	+0.7
EBITDA[4]	**108.8**	**96.2**	**13.1%**	**+12.6**
EBITDA margin[4]	17.7%	17.3%	+34 bps	-
Depreciation & amortization	(77.2)	(70.5)	9.4%	(6.6)
REBIT[4]	**31.7**	**25.7**	**23.4%**	**+6.0**
REBIT[4] margin	5.1%	4.6%	+52 bps	-
Other non-recurring operating income and expenses[4]	(11.7)	0.8	n.m.	(12.5)
Operating income	**20.0**	**26.5**	**(24.6)%**	**(6.5)**
Operating margin	3.2%	4.8%	(153) bps	-
Financial result	(11.9)	(8.8)	35.2%	3.1
Total taxes	(14.8)	(4.6)	222%	(10.2)
Consolidated net profit	**(7.9)**	**12.1**	**(165.7)%**	**(20.0)**
Consolidated net profit attributable to the Group	**(7.4)**	**13.6**	**(154.4)%**	**(21.0)**
Recurring earnings per share (in euros)	0.1	0.9	(88.9)%	-
Earnings per share (in euros)	(0.5)	1.0	(154)%	-

(4) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

3.2.1 | Comments on the consolidated P&L

Revenue	
€616.0m	+10.9% Reported
	+10.8% Growth rate, like for like[5]

in millions of euros	
Consolidated Group revenue at 12/31/2022	**555.2**
Impact of acquisitions and disposals	+0.0
Currency impacts	(0.8)
Revenue excl. impacts at 12/31/2022	**554.4**
Impact of acquisitions and disposals	+1.7
Software & Services contribution	+24.1
Flow contribution	+5.4
Data & Marketing contribution	+7.6
BPO contribution	+18.5
Cloud & Support contribution	+4.3
Consolidated Group revenue at 12/31/2023	**616.0**

Revenue increased by €60.8 million or 10.9%, to €616.0 million in 2023 compared to €555.2 million in 2022.

The positive scope effect of €1.7 million, or 0.3%, was attributable to full-year consolidation in Cegedim's accounts of acquisitions *MesDocteurs, Laponi, Sedia,* and *Clinityx*.

The negative currency impact of €0.8 million, or 0.1%, was mainly reflecting the pound sterling appreciation against euro.

Like-for-like[5] revenue increased 10.8% over the period.

Revenue trends by division

in millions of euros	2023	2022	Change LFL	*Change Reported*
Software & Services	326.6	302.0	+8.0%	+8.2%
Flow	95.9	90.6	+6.0%	+5.9%
Data & Marketing	114.9	106.9	+7.0%	+7.5%
BPO	71.5	53.0	+34.9%	+34.9%
Cloud & Support	7.1	2.8	+154.0%	+154.0%
Cegedim	**616.0**	**555.2**	**+10.8%**	**+10.9%**

All divisions made positive contributions to reported and like-for-like growth.

Revenue breakdown

Breakdown by division

Changes in the contributions were as follows:

- The *Software & Services* division decreased 1.4 points to 53.0%.
- The *Flow* decreased 0.7 points to 15.6%.
- The *Data & Marketing* division decreased 0.6 points to 18.6%.
- The *BPO* division increased 2.1 points to 11.6%.
- The *Cloud & Support* division (formerly *Corporate & Others*) increased 0.7 points to 1.2%.

Breakdown by geographic region

The relative contribution of:

- France climbed 0.2 points to 89.7%.
- EMEA excluding France, climbed 0.3 points to 10.2%.
- The Americas were stable at 0.1%.

Breakdown by currency

The breakdown of revenue changed only marginally compared with the previous year:

- The Euro cclimbed 0.2 points to 91.8%.
- The British pound fell 0.2 points to 6.9%.
- Other currencies fell 0.1 points to 1.2%.

(5) *See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".*

Purchases used -€28.5m	As % of revenues 4.6% in 2023 4.8% in 2022

Purchases used rose €28.5 million in 2023 compared with €26.6 million in 2022. The increase was related to the purchase of goods resold to healthcare professionals or needed for C-Media's business activities. Purchases used increased at a slower rate than revenues, of which they represented 4.6% in 2023.

External expenses -€138.5m	As % of revenues 22.5 % in 2023 21.6% in 2022

External expenses increased by €18.6 million, or 15.5%, to €138.5 million in 2023. One-third of this increase is due to the launch costs of the Allianz contract (BPO activity). Greater use of outsourcing (particularly for the HR Software activities in the UK), and an increase in software license fees also contributed to the rise, although to a lesser extent.

Payroll costs -€331.7m	As % of revenues 53.9% in 2023 54.7% in 2022

Payroll costs increased €28.1 million, or 9.1%, to €331.7 million in 2023. Payroll costs represented 53.9% of revenue in 2023, compared to 54.7% in 2022. Net new hires in 2023 totaled 509. The increase in Payroll costs is largely due to the hiring of Allianz employees (BPO activity), to the robust growth of our HR Software and Flow activities, and to our offshore services centers (in Romania and Morocco).

EBITDA +€108.8m	As % of revenues 17.7 % in 2023 17.3% in 2022

EBITDA rose €12.6 million, or +13.1%, to €108.8 million in 2023. Apart from external costs, other expenses increased at a slower rate than business.

The *Software & Services, Flow, Data & Marketing, BPO*, and *Cloud & Support divisions* contributed respectively 41.1%, 19.1%, 22.2%, 5.8%, and 11.9% of consolidated Group EBITDA in 2023

(*see Financial comments by division*)

Depreciation and amortization expenses -€77.2m	As % of revenues 12.5% in 2023 12.7% in 2022

Depreciation and amortization expenses increased €6.7 million, or 9.4% to €77.2 million in 2023. Capex amortization rose €2.8 million as a result of investments in the operations of *cegedim.cloud* and *C-Media*. Amortization of R&D investments rose €2.3 million year on year. Amortization related to lease contracts (IFRS 16) was virtually stable.

Recurring operating income +€31.7m	As % of revenues 5.1% in 2023 4.6% in 2022

Recurring operating income increased by €6 million to €31.7 million in 2023. It represented 5.1% of revenue in 2023, compared with 4.6% in 2022. This growth is due to sound control of operating expenses, which was partly dampened by an increase in depreciation and amoritzation.

The *Software & Services, Flow, Data & Marketing*, and *BPO* divisions contributed respectively 13.2%, 38.2%, 50.3%, and 12.5% of consolidated recurring operating income in 2023.

(see Financial comments by division).

Other non-recurring operating income and expenses -€11.7m

Breakdown by type

In € million	12/31/2023	12/31/2022
Provisions and depreciation	(9.0)	(10.3)
Restructuring costs	(2.0)	(4.2)
Other non-recurring income and expenses	(0.7)	+15.3
Other non-recurring operating income and expenses(6)	**(11.7)**	**+0.8**

Breakdown by division

In € million	12/31/2023	12/31/2022
Software & Services	(10.9)	+2.8
Flow	(0.5)	(0.1)
Data & Marketing	+0.5	(0.5)
BPO	(0.1)	(0.1)
Cloud & Support	(0.6)	(1.4)
Other non-recurring operating income and expenses(6)	**(11.7)**	**+0.8**

Other non-recurring operating income and expenses amounted to an expense of €11.7 million in 2023 compared with an income of €0.8 million in 2022. The group wrote down nearly €9 million in assets in the UK in 2023, notably owing to its recent decision to refocus its *doctor software* business exclusively on Scotland. In 2022, this item had mostly reflected accelerated plans to amortize the oldest software versions.

Restructuring costs were related to the large-scale reorganization of the governance or running of certain activities, and they notably contributed to the recovery in margins at Cegedim Santé and in the UK.

The other non-recurring income and expenses chiefly reflect payments of fees associated with litigation or the winding up of non-recurring operations. In 2022, Cegedim Group had received proceeds from selling a minority stake.

Operating income €20.5m	As % of revenues 3.2% in 2023 4.8% in 2022

Operating income fell €6.5 million to €20.0 million in 2023 from €26.5 million in 2022. It represented 3.2% of consolidated revenue in 2023, compared with 4.8% in 2022. This decrease is mostly due to trends in non-recurring operating expenses, which primarily involve transactions with no cash impact.

Financial result -€11.9m

The financial result came to -€11.9 million, down €3.1 million compared with 2022. Interest rate charges on floating-rate debt are up €2.7 million and pertain to both loans and lease liabilities restated in accordance with IFRS 16 rules.

Total taxes -€14.8m

Total taxes came to a charge of €14.8 million in 2023, up €10.2 million compared with €4.6 million in 2022. This is notably due to a €12.3 million accounting adjustment to previously recognized deferred tax assets. The adjustment had no cash impact and was intended to reflect recent developments in legal precedent that led the Group to measure its potential unrealized gain more conservatively.

Consolidated net profit -€7.9m

Consolidated net profit was a €7.9 million loss in 2023 compared with a €12.1 million profit in 2022. This €20 million decrease reflects trends in other non-recurring operating income and expenses(6) and tax expense (as discussed above). The most significant changes in these two items (€21 million), which resulted in the net loss, are due to accounting entries unrelated to management performance and with no cash impact.

Consolidated net profit attributable to the Group -€7.4m

After taking into account minority interests, **the consolidated net profit attributable to the Group**amounted to a €7.4 million loss in 2023 compared with a €13.6 million profit in 2022.

Earnings per share came to a €0.5 loss in 2023 compared with a €1.0 gain a year earlier.

(6) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

3.2.1.1 | Software & Services division

53.0%
% Group revenue

13.2%
% Group REBIT[7]

45.9%
% Group workforce

€326.6m
Revenue
2022: €302.0m
2021: €292.0m

+8.2%
Reported growth
+8.0%
Like-for-like[7] growth

1.3%
REBIT margin[7]
2022 : -1,6 %
2021 : 4,4 %

+289bp
Growth rate

€4.2m
Recurring operating income (REBIT)[7]
2022 : -4,9 m€
2021 : 12,8m€

+185.5%
Growth rate

53.0%
% of Group revenue

3,024
Employees

In millions of euros	12/31/2023	12/31/2022	Change, %	Change, €m
Revenue	**326.6**	**302.0**	**+8.2%**	**+24.6**
Cegedim Santé:	*76.6*	69.6	+10.1%	+7.0
Insurance, HR, Pharmacies, and other services	197.6	183.5	*+7.7%*	+14.1
International businesses	52.5	48.9	*+7.2%*	+3.5
EBITDA	44.7	33.8	+32.3%	+10.9
EBITDA margin	*13.7%*	11.2%	-	-
Depreciation and amortization expenses	(40.5)	(38.7)	+4.8%	+1.9
Recurring operating income	**4.2**	**(4.9)**	**(185.5)%**	**+9.0**
Cegedim Santé	*(2.9)*	(7.8)	62.5%	+4.9
Insurance, HR, Pharmacies, and other services	14.7	14.3	+3.0%	+0.4
International businesses	(7.6)	(11.4)	*+33.1%*	+3.8
REBIT margin	+1.3%	(1.6)%	-	-
Other non-recurring operating income and expenses	(10.9)	2.8	(485.7)%	(13.8)
Operating income	**(6.8)**	**(2.0)**	**(231.0)%**	**(4.7)**
Operating margin	*(2.1)%*	(0.7)%	n.s.	-

Revenue of the **Software & Services** division rose €24.6 million to €326.6 million in 2023 vs €302.0 million in 2022.

The positive scope effect of 0.4%, or €1.3 million, was attributable to the full year consolidation in Cegedim's accounts of new acquisitions *MesDocteurs* and *Laponi*.

The unfavorable currency translation impact of €0.7 million, or -0.2% was mainly attributable to appreciation of the pound sterling, which represents 11.4% of Group revenues, against the euro.

Like-for-like revenues[7] rose 8.0% over the period.

Revenue growth was driven by good performances by*Cegedim Santé* (+10% over the FY), *HR solutions* (+19%), *pharmacy businesses in France* (+8%), and *international businesses* in the UK and Spain (+7%).

(7) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

Breakdown of revenue by geographic region

- France climbed 0.1 points to 83.9%.
- EMEA excluding France fell 0.2 points to 15.9%.
- The Americas were stable at 0.1%.

Breakdown of revenue by currency

- The euro's contribution climbed 0.2 points to 87.0%.
- The pound sterling fell 0.2 points to 11.4%.
- Other currencies were stable at 1.6 %.

Recurring operating income[8]	Margin
+€4.2m	**+1.3%** in 2023 **-1.6%** in 2022

Recurring operating income[8] at the closing date amounted to €4.2 million in 2023, a €9 million increase compared with the loss of €4.9 million in 2022.Robust business at Cegedim Santé combined with sound management of new hires—2022 had been marked by growth in the sales, operating support, and R&D teams—accounted for nearly €5 million of this €9 million increase. *International businesses* accounted for €3.8 million of the performance, boosted by a strong recovery in *Pharmacy solutions in the UK*, where restructuring efforts are starting to pay off, and very brisk business at the *Activus* subsidiary (insurance for expatriate employees). Other *Software & Services* businesses in France posted very satisfying results in *HR activities* and *pharmacist software*, although this was offset by a decline in the *Insurance* segment's project-based business.

Depreciation and amortization expenses	Growth rate
€40.5m	**+4.8%**

Depreciation and amortization expenses increased €1.8 million to €40.5 million in 2023, compared with €38.7 million in 2022. Half of this increase was attributable to the increase in the amortization of capitalized R&D expenses over the period, which amounted to €29.4 million in 2023, a €0.9 million year-on-year increase. The other half is attributable to other investments. Amortization expenses related to lease contracts (IFRS 16) remained stable compared with 2022.

Other non-recurring operating income and expenses[8]	Growth rate
-€10.9m	**n.m.**

Other non-recurring operating income and expenses[8] consist of an expense of €10.9 million in 2023, compared with an income of €2.8 million in 2022. The group wrote down nearly €9 million in assets in the UK in 2023, notably owing to its recent decision to refocus its *doctor software* business exclusively on Scotland. In 2022, Cegedim Group had mainly received proceeds from selling a minority stake.

(8) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

3.2.1.2 | Flow Division

15.6%	38.2%	8.6%
% Group revenue	% Group REBIT[9]	% Group workforce

€95.9m Revenue **2022 : 90,6 m€** 2021 : 84,2 m€	+5.9% Reported growth +6.0% Like-for-like growth	+12.6% REBIT margin[9] **2022 : 14,4 %** 2021 : 13,2 %	-180 bp Growth rate
€12.1m Recurring operating income (REBIT)[9] **2021: €13.1m** 2020: €11.1m	-7.3% Growth rate	15.6% % of Group revenue	563 Employees

In millions of euros	12/31/2023	12/31/2022	Change, %	Change, €m
Revenue	**95.9**	**90.6**	**5.9%**	**5.3**
e-business	*57.9*	53.9	7.4%	+4.0
Third-party payer	38.0	36.7	3.7%	+1.3
EBITDA[9]	20.8	20.7	+0.1%	+0.1
EBITDA margin[9]	*21.6%*	22.9%	(125) bps	-
Depreciation and amortization expenses	(8.7)	(7.7)	+12.8%	(1.0)
REBIT[9]	**12.1**	**13.1**	**(7.3)%**	**(1.0)**
REBIT[9] margin	*12.6%*	14.4%	(180) bps	-
Other non-recurring operating income and expenses[9]	(0.5)	(0.1)	(791.7)%	(0.4)
Operating income	**11.6**	**13.0**	**(10.9)%**	**(1.4)**
Operating margin	*12.1%*	14.4%	-227 bps	-

Revenue at the **Flow** division rose €5.3 million to €95.9 million in 2023. Scope and currency effects were not significant.

Revenue growth was led by *process digitalization* and electronic data flows, whose French and international businesses grew +7.4%. Over the same period, *Third-party payer systems* posted 3.7% growth.

(9) *See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".*

Breakdown by geographic region

By geographic region, France's contribution fell by 0.9 points to 91.6% and that of EMEA (excluding France) climbed 0.9 points to 8.4%.

Breakdown by currency

The euro's contribution fell by 1.1 points to 94.3% and the British pound's climbed 1.1 points to 5.7%.

Recurring operating income[10] **€12.1m**	Margin **12.6 %** in 2023 **14.4%** in 2022

Recurring operating income[10] fell €1.0 million to €12.1 million in 2023. It represented 12.6% of consolidated revenue in 2023, compared with 14.4% in 2022.

The €1 million drop in recurring operating income was due mainly to investments in earning *digitalization platform partner* (PDP) certification ahead of the electronic invoicing reform that will become mandatory in France starting in 2026. The *Third-party payer* business posted a slight increase in recurring operating income..

Depreciation and amortization expenses **€8.7m**	Growth **+12.8 %**

Depreciation and amortization expenses increased by €1.0 million to €8.7 million in 2023. The increase was mainly attributable to €0.8 million in R&D amortization, which amounted to €6.2 million in 2023. Capex-related depreciation expenses dipped €0.2 million, while IFRS-related expenses increased by €0.3 million, and expenses related to lease contracts (IFRS 16) fell slightly, by €0.2 million.

Other recurring operating income and expenses [10] **-€0.5m**	Growth rate n.s.

Other recurring operating income and expenses[10] fell €0.4 million to -€0.5 million in 2023.

(10) *See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".*

3.2.1.3 | Data & marketing division

18.6%	50.3%	5.8%
% Group revenue	% Group REBIT[11]	% Group workforce

€114.9m Revenue **2022: €106.9m** 2021: €98.4m	Growth rate +7.5% Reported +7.0% Like for like[11]	13.9% REBIT margin[11] **2022: 16.8%** 2021: 14.8%	-293 bp Growth rate
€15.9m Recurring operating income (REBIT)[11] **2022: €17.9m** 2021: €14.6m	-11.3% Growth rate	18.6% % of Group revenues	384 Employees

In millions of euros	12/31/2023	12/31/2022	Change, %	Change, €m
Revenue	**114.9**	**106.9**	**+7.5%**	**+8.0**
Data	*64.5*	61.4	+5.1%	+3.1
Marketing	50.4	45.5	+10.7%	+4.9,
EBITDA[11]	24.1	24.4	(1.1)%	(0.3)
EBITDA margin[11]	*21.0%*	22.8%	181 bps	-
Depreciation and amortization expenses	(8.2)	(6.4)	27.5%	+1.8
REBIT[11]	**15.9**	**17.9**	**(11.3)%**	**(2.0)**
REBIT[11] margin	*13.9%*	16.8%	(293) bps	-
Other non-recurring operating income and expenses[11]	+0.5	(0.5)	n.s.	+1.0
Operating income	**16.4**	**17.4**	**(5.8)%**	**2.8**
Operating margin	*14.3%*	16.3%	(202) bps	-

Revenue at the **Data & Marketing** division increased by €8.0 million to €114.9 million in 2023. The positive scope effect of +0.5% was attributable to the first-time consolidation over the full year of *Clinityx*. There was no meaningful currency impact.

Marketing and *Data* activities made positive contributions of respectively 10.7% and 5.1% to the division's revenue growth compared with 2022. Marketing activities—whose business model is largely non-recurring—saw strong +13% growth in the fourth quarter, driven by advertising in pharmacies.

(11) *See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".*

Breakdown by geographic region

By geographic region, , the contributions of France and EMEA (excluding France) were stable at respectively 97.5% and 2.5%.

Breakdown by currency

The euro contribution climbed by 0.1 points to 97.8%; other currencies' contribution fell 0.1 points to 2.2%.

Recurring operating income[12] €15.9 m	Margin 13.9% in 2023 16.8% in 2022

Recurring operating income[12] fell €2.0 million to €15.9 million in 2023 compared with €17.9 million in 2022. The division's recurring operating income[12] dropped 11.3% compared with 2022 due to *international Data businesses*, which lost ground in 2023, and the startup of *Clinityx's* new Magellan business, which is expected to generate its first revenues in 2024. The *Marketing* division saw a 4.4% increase in recurring operating income.

Depreciation and amortization expenses €8.2m	Growth rate 27.5 %

Depreciation and amortization expenses increased by €1.8 million to €8.2 million in 2023. The increase was due to a €0.3 million rise in amortization expenses for capitalized R&D costs and a €1.4 million rise in other depreciation and amortization expenses related to growth at C-Media, the leader in phygital communication in pharmacies.

Other non-recurring operating income and expenses +€0.5m	Growth rate n.m.

Other non-recurring operating income and expenses[12] came to an income of €0.5 million in 2023.

(12) *See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".*

3.2.1.4 | BPO division

11.6%	12.5%	6.1%
% Group revenue	% Group REBIT[13]	% Group workforce

€71.5m
Revenue
2022: €53.0m
2021: €47.3m

Growth rate
+34.9%
Reported
+34.9%
Like for like[13]

5.5%
REBIT margin[13]
2022: 5.6%
2021: 5.1%

-8bp
Growth rate

€4.0m
Recurring operating income (REBIT)[13]
2022: €3.0m
2021: €2.5m

+33.0%
Growth rate

11.6%
% of Group revenue

402
Employees

In millions of euros	12/31/2023	12/31/2022	Change, %	Change, €m
Revenue	**71.5**	**53.0**	**11.9%**	**18.5**
Insurance BPO	*49.9*	32.1	+55.3%	+17.8
HR BPO	21.5	20.8	+3.4%	+0.7
EBITDA[13]	6.3	5.4	+17.4%	+0.9
EBITDA margin[13]	*8.8%*	10.1%	(131) bps	-
Depreciation and amortization expenses	(2.3)	(2.4)	(2.0)%	(0.0)
REBIT[13]	**4.0**	**3.0**	**+33.0%**	**+1.0**
REBIT[13] margin	*5.5%*	5.6%	(8) bps	-
Other non-recurring operating income and expenses[13]	(0.1)	(0.1)	-	(0.0)
Operating income	**3.8**	**2.9**	**+30.9%**	**+0.9**
Operating margin	*5.4%*	5.5%	(16) bps	-

Revenue from the **BPO** division increased €18.5 million to €71.5 million in 2023. There were no divestments or acquisitions and there was no impact from foreign currency translation.

The division's revenues grew 34.9% year on year in 2023. It was particularly buoyed by services managed on behalf of *health and personal protection insurers*, which jumped more than 55.3% owing to the start of the new contract with Allianz on April 1, 2023. Revenues from services management on behalf of *HR departments* rose 3.4%.

(13) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

Breakdown by geographic region

The breakdown by geographic region did not change year on year. France was stable at 100%.

Breakdown by currency

The breakdown by currency did not change year on year. The euro accounted for 100%.

Recurring operating income[14] €4.0m	Margin 5.5% in 2023 5.6% in 2022

Recurring operating income[14] was a profit of €4.0 million in 2023, up €1 million compared with 2022. The division's recurring operating income climbed 33%, bolstered mainly by *outsourcing for HR departments*, which is riding a wave of management process automation. Sales to *insurers* posted positive recurring operating income, up slightly, despite the costs of launching the Allianz contract.

Depreciation and amortization expenses €2.3m	Growth rate -2.0%

Depreciation and amortization expenses decreased by €0.1 million, or -2%, to €2.3 million in 2023.

Other non-recurring operating income and expenses[14] -€0.1m	Growth rate n.m.

Other non-recurring operating income and expenses[14] were virtually zero in 2023.

(14) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

3.2.1.5 | Cloud & Support

1.2 %	-14.1%	33.6 %
% Group revenue	% Group REBIT[15]	% Group workforce

€7.1m Revenue **2022: €2.8m** 2021: €2.7m	Growth rate +154.0% Reported +154.0% Like for like[15]	n.m. REBIT margin[15] **2021: n.m.** 2020: n.m.	n.m. Growth rate
-€4.5m Recurring operating income (REBIT)[15] **2022: -€3.4m** 2021: -€1.1m	-30.5% Growth rate	1.2% % of Group revenue	2,210 Employees

In millions of euros	12/31/2023	12/31/2022	Change, %	Change, €m
Revenue	**7.1**	**2.8**	**+154.0%**	**4.3**
EBITDA[15]	13.0	11.9	+8.6%	+1.0
EBITDA margin[15]	n.s.	n.s.	n.s.	-
Depreciation and amortization expenses	(17.4)	(15.4)	+13.5%	(2.1)
REBIT[15]	**(4.5)**	**(3.4)**	**(30.5)%**	**(1.0)**
REBIT[15] margin	n.s.	n.s.	n.s.	-
Other non-recurring operating income and expenses[15]	(0.6)	(1.4)	+55.6%	+0.8
Operating income	**(5.1)**	**(4.8)**	**(5.6)%**	**(0.3)**
Operating margin	n.s.	n.s.	n.s.	-

Revenue for the **Cloud & Support** division increased €4.3 million to €7.1 million in 2023. The increase was chiefly because all of the Group's *cloud businesses* have been moved to this division (some were previously housed in Software & Services).

(15) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

Recurring operating income[16] -€4.5m	Margin n.m.

Recurring operating income[16] was a loss of €4.5 million, down €1.1 million compared with 2022. The decrease was notably the result of increased depreciation and amortization expenses borne by *cegedim.cloud*, which stem from the investments made in the Group's shared IT infrastructure.

Depreciation and amortization expenses -€17.4m	Growth rate +13.5 %

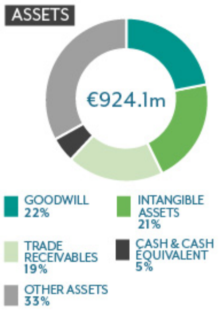
Depreciation and amortization expenses increased by €2.1 million to €17.4 million in 2023. As mentioned above, this increase is mostly due to the investments made in the Group's shared IT infrastructure at *cegedim.cloud*.

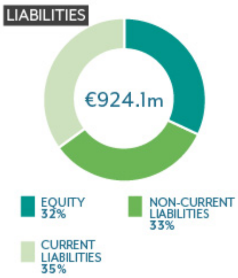
Other non-recurring income and expenses[16] -€0.6m	Growth rate +55.6%

Other non-recurring operating income and expenses[16] amounted to a charge of €0.6 million in 2023 compared with a charge of €1.4 million in 2022.

(16) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

3.2.2 | Financial structure as of December 31, 2023





In € million of euros	Note	12/31/2023	12/31/2022	Change %
Asset				
Goodwill		199.8	198.8	+0.5%
Intangible assets		194.2	188.1	+3.2%
Property, plant, and equipment	a	138.6	131.0	+5.8%
Long-term investments – excluding equity shares in equity method companies	b	20.6	20.7	(0.6)%
Other non-current assets	c	41.8	51.0	(18.0)%
Total non-current assets		**594.9**	**589.5**	**+0.9%**
Accounts receivable: short-term portion		175.2	151.8	+15.4%
Cash & cash equivalents		46.6	55.6	(16.1)%
Other current assets	d	107.3	93.1	+15.3%
Total current assets		**329.1**	**300.4**	**+9.6%**
Total assets		**924.1**	**889.9**	**+3.8%**

Liabilities		12/31/2023	12/31/2022	Change, %
Long-term financial debt	e	188.5	188.9	(0.2)%
Other non-current liabilities	f	117.9	109.8	+7.4%
Total non-current liabilities		**306.4**	**298.7**	**+2.6%**
Short-term financial debt	e	3.0	3.9	(22.0)%
Other current liabilities	d & g	320.1	283.2	+13.0%
Total current liabilities		**323.1**	**287.1**	**+12.5%**
Total liabilities excluding shareholders' equity		629.5	585.8	+7.5%
Shareholders' equity	**h**	**294.6**	**304.1**	**(3.1)%**
Total liabilities		**924.1**	**889.9**	**+3.8%**

a) including €89.7 million of right-of-use assets at December 31, 2023 and €89.0 million at December 31, 2022.

b) excluding equity shares in equity method companies.

c) including deferred tax assets of €19.7 million at December 31, 2023, and €30.4 million at December 31, 2022.

d) including amounts managed on behalf of mutuals and insurers under outsourced management contracts totaling €45 million at December 31, 2023, and €36 million at December 31, 2022.

e) long-term and short-term liabilities include liabilities under our employee profit-sharing plans in the total amount of €7.4 million at December 31, 2023, and €7.5 million at December 31, 2022.

f) including IFRS 16 liabilities of €78.8 million at December 31, 2023 and €75.9 million at December 31, 2022.

g) including "tax and social liabilities" of €121.4 million at December 31, 2023, and €112.3 million at December 31, 2022. This includes VAT, French profit-sharing schemes, provisions for paid leave, social security contributions in France, French health insurance coverage, and wage bonuses. Also including IFRS 16 liabilities for €14.8 million at December 31, 2023, and €15.9 million at December 31, 2022.

h) including minority interests of €18.4 million at December 31, 2023, and €19 million at December 31, 2022.

3.2.2.1 | Comments on the Group's financial position as of December 31, 2023

Consolidated total balance sheet **€924.1m**

The consolidated total balance sheet amounted to €924.1 million at December 31, 2023, a €34.1 million or +3.8% increase over December 31, 2022. This increase notably reflects a €13.7 million increase in intangible fixed assets and property, plant, and equipment, a €23.4 million increase in trade receivables, and the €10.7 million decrease in deferred taxes.

Goodwill **€199.8m**

Goodwill amounted to € 199.8 million at December 31, 2023, compared with €198.8 million at December 31, 2022. This virtually stable position primarily reflects a €1.2 million increase related to the acquisition of the majority stake in Phealing, and a €0.9 million decrease due to the allocation of goodwill from prior operations to identifiable assets. Goodwill represented nearly 21.6% of the total balance sheet at December 31, 2023, compared with 22.3% at December 31, 2022

Intangible fixed assets **€194.2m**

Intangible fixed assets rose €6.1 million in net value, or 3.2%, to €194.2 million at December 31, 2023, compared with €188.1 million at December 31, 2022. This principally reflects the capitalization of R&D costs and their amortization over the period. Intangible fixed assets' share of the total balance sheet was 21.0% at December 31, 2023, compared with 21.1% at December 31, 2022.

Tangible fixed assets **€138.6m**

Tangible fixed assetsincreased by €7.6 million in net value, or 5.8%, to €138.6 million at December 31, 2023, compared with €131.0 million at December 31, 2022. This increase is mostly due to investments in *cegedim.cloud*'s activities (the Group's shared IT infrastructure) and in *C-Media (network of digital displays for pharmacies). Tangible fixed assets* represented 15.0% of total assets at December 31, 2023, compared with 14.7% at December 31, 2022.

Trade receivables **€175.2m**

Trade receivables rose €23.4 million, or 19.0%, to €175.2 million at end-December 2023 compared with €151.8 million at end-December 2022. All trade receivables have maturities of less than one year. These items represented 19.0% of the total balance sheet at December 31, 2023, compared with 17.1% at December 31, 2022. The strong growth experienced by some business activities is the main reason for this increase: *Cegedim SRH* (payroll processing and HR management), *C-Media* (pharmacy digital communication network), and *Cetip* (the start of BPO activities for Allianz). A few ad hoc trading transactions at *Cegedim Outsourcing* account for the remaining trade receivables in 2023.

Deffered tax **€19.7m**

Total deferred tax assets were down €10.7 million, notably due to a €12.3 million accounting adjustment to previously recognized deferred tax assets. The adjustment had no cash impact and was intended to reflect recent developments in legal precedent that led the Group to measure its potential unrealized gain more conservatively.

Shareholders' equity **€294.6m**

Equity decreased by €9.6 million, or 3.1%, to €294.6 million at December 31, 2023, compared with €304.1 million at December 31, 2022. This was because the fiscal year's €7.9 million loss was recognized together with other comprehensive income with a direct impact on equity—these included a €2.2 million downward adjustment in the actuarial gain related to pension commitments (interest rate cut), which was not offset by the €0.8 million increase in the exchange rate gain. The change in minority interests was not significant in 2023. Equity represented 31.9% of total assets at December 31, 2023, compared with 34.1% at December 31, 2022.

3.2.2.2 | Comments on net financial debt as of December 31, 2023

Net financial debt[17]

In millions of euros	Note	12/31/2023	12/31/2022	Change, %
Long-term financial debt		188.5	188.9	(0.2)%
Short-term financial debt		3.0	3.9	(22.0)%
Gross debt		**191.6**	**192.8**	**(0.6)%**
Cash and cash equivalents		46.6	55.6	(16.1)%
Net financial debt excluding IFRS 16 debt[17]		**144.9**	**137.2**	**+5.6%**
IFRS 16 debt		93.6	91.8	+1.9%
Net financial debt[17]	**f**	**238.5**	**229.0**	**+4.1%**
Shareholders' equity	g	294.6	304.1	(3.1)%
Gearing	**h=f/g**	**0.8**	**0.8**	**-**
EBITDA[17]	i	108.8	96.2	+13.1%
Leverage ratio	**f/i**	**2.2**	**2.4**	**-**

(h) Net financial debt to total equity ratio

Cegedim's principal financing arrangements, description

Euro PP of €135.0 million at a 3.50% fixed rate maturing on October 8, 2025.

Revolving credit of €65.0 million, maturing on October 9, 2024. The one-year loan extension option was exercised on December 2019. As of December 31, 2023 the RCF was undrawn.

FCB loan of €45.1 million maturing on November 20, 2025. The FCB loan charges interest at a rate of 200 basis points above the rate applicable under the revolving credit facility agreement. The interest is payable semi-annually on June 30 and December 31 of each year.

Overdraft facilities of €24.0 million, unused as of December 31, 2023.

Cegedim's principal financing arrangements by maturity

in millions of euros	Total	Less than one year	Between 1 and 5 years	Over 5 years
Euro PP	135.0	-	135.0	-
Revolving credit facility	65.0	65.0	-	-
FCB loan	45.1	-	45.1	-
Overdraft facilities	24.0	24.0	-	-
Total	**269.1**	**89.0**	**180.1**	**0.0**

(17) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

Total financial liabilities **€191.6m**

Total financial liabilities decreased €1.2 million, or 0.6%, to €191.6 million at December 31, 2023, compared to €192.8 million at December 31, 2022. At the closing date, 98% of financial debts had a medium-term maturity.

- **Long-term financial liabilities** decreased €0.4 million to €188.5 million at December 31, 2023. They include the portion of liabilities greater than one year under Cegedim's employee profit-sharing plans in the total amount of €6.0 million at December 31, 2023, compared with €6.2 million at December 31, 2022.
- **Short-term financial liabilities** decreased by €0.8 million to €3.0 million at December 31, 2023.

Cash and equivalents **€46.6m**

Cash and equivalents came to €46.6 million at December 31, 2023, a €10.0 million decrease compared to December 31, 2022. Net investment flows in 2023 account for the bulk of this cash reduction. Cash and cash equivalents represented 5.0% of total assets at December 31, 2023, compared with 6.2% at December 31, 2022.

Net financial debt[18] **€144.9m**

Total net financial debt[18] amounted to €144.9 million, up €7.7 million compared with a year ago. That figure amounted to 49.2% of equity at December 31, 2023, compared with 45.1% at December 31, 2022. The €9 million in other financial liabilities at the close of 2023 includes employee profit sharing liabilities totaling €7.4 million (€7.5 million at the close of 2022).

Lease liabilities **€93.6m**

Lease liabilitiesrose €1.7 million, or 1.9%, to €93.6 million at December 31, 2023, compared with €91.8 million at December 31, 2022. €78.8 million was classified as non-current debt and €14.8 million, as current debt.

Off-balance sheet commitments

Cegedim SA provides guarantees and securities covering the operational or financing obligations its subsidiaries incur in the ordinary course of business. See Chapter 4, Section 4.6, Note 20.3.

(18) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

3.2.3 | Summary consolidated cash flow statement as of December 31, 2023

Cash flow statement

In millions of euros	12/31/2023	12/31/2022
Operating cash flow before cost of net financial debt and taxes	**+100.4**	**+107.3**
Tax paid	(4.3)	(21.3)
Change in working capital requirement*	+1.7	+0.5
Net cash flow from operating activities	**+97.9**	**+86.5**
Net cash flow used in investing activities	**(75.3)**	**(20.2)**
Net cash flow used in financing activities	**(31.0)**	**(33.9)**
Change in net cash excluding currency impact	**(8.4)**	**+32.4**
Change due to exchange rate movements	(0.5)	(1.0)
Change in net cash	(8.9)	+31.4
Opening cash	55.6	24.2
Closing cash	46.6	55.6

* *a "+" sign indicates a release and a "( )" sign indicates a requirement*

Free Cash flow from operation

In millions of euros	12/31/2023	12/31/2022
Cash flow from operating activities before tax and interest	+100.4	+107.3
Change in working capital requirement	+1.7	+0.5
Tax paid	(4.2)	(21.3)
Net cash from operating activities	**+97.9**	**+86.5**
Acquisitions of intangible fixed assets	(53.5)	(58.6)
Acquisitions of tangible fixed assets	(22.0)	(17.6)
Disposal of intangible assets and tangible fixed assets	+2.6	+2.1
Free cash flow from operations	**+25.0**	**+12.4**

Total capital expenditures

In millions of euros	12/31/2023	12/31/2022
Capitalized R&D	(55.5)	(54.0)
Maintenance capex	(23.0)	(24.8)
Total capital expenditures excluding acquisition / disposal and investment in discontinuing activities	**(76.5)**	**(78.8)**
Acquisition / disposal	(3.4)	52.5
Total capital expenditures	(79.9)	(26.3)
Consolidated Group revenue	616.0	555.2
Total capital expenditures excluding acquisition / disposal and investment in discontinuing activities to revenue ratio	13.0%	14.2%

3.2.3.1 | Comments on the cash flow statement as of December 2023

Net cash flow from operating activities **€100.4m**

Cash flow generated from operating activities fell €6.9 million to an inflow of €100.4 million at December 31, 2023, compared with an inflow of €107.3 million at December 31, 2022. Recurring EBITDA, excluding capitalized R&D expenses, increased €11 million in 2023 and increased the cash position. However, in 2022, non-recurring transactions included a €16.4 million cash gain from the disposal of a minority stake, which more than offset the €5.1 million outflow in restructuring costs. In contrast, in 2023, most non-recurring income did not have a cash impact, and non-recurring transactions consumed €6.8 million in cash. The year-on-year change in non-recurring items was thus a net cash outflow of €18.1 million.

Change in working capital requirement **+€1.7m**

Working capital requirement varies as a result of several factors, including seasonality and the efficacy of the receivables collection process. Historically, *Cegedim* has financed its working capital requirements with cash on hand and amounts available under the revolving credit facility and overdraft facilities.

The change in WCR amounted to a working capital release of €1.7 million at December 31, 2023, compared with a working capital release of €0.5 million at December 31, 2022.

Free cash flow from operations **+€25.0m**

Free cash flow from operations was a positive €25.0 million for financial year 2023 compared with a positive €12.4 million in 2022. This increase is due to the high levels of cash flow generated by the business after tax and change in WCR (up €11.4 million); to the drop in intangible fixed asset acquisitions (down €5.0 million), notably because there were more subscriptions for licenses in SaaS mode; and to higher property, plant, and equipment investments (up €4.4 million), primarily in *cegedim.cloud*'s and *C-Media*'s activities.

Net cash flow used in investing activities **-€75.3m**

Net cash flow used in investing activities rose sharply, to an outflow of €75.3 million at December 31, 2023, compared with an outflow of €20.2 million at December 31, 2022. This increased outflow compared with 2022 is mostly due to a €3.4 million outflow related to scope changes in 2023 following the acquisition of a stake in *Phealing* and the subscription to *Clamae*'s capital increase. By contrast, in 2022, scope changes generated a net cash inflow of €52.5 million, mostly due to the €65 million capital increase at Cegedim Santé, and after acquisitions worth €12.5 million.

Net cash flow used in financing activities **-€31.1m**

Net cash flow used in financing activities fell €2.7 million, resulting in an outflow of €31.1 million at December 31, 2023, compared with an outflow of €33.9 million at December 31, 2022. This change is largely due to the fact that no dividend was paid to shareholders in 2023 (compared with a payment of €6.9 million in 2022), which the €3 million increase in net financial costs did not offset.

Change in net cash **-€8.9m**

The change in net cash from business, investing, and financing operations was a decrease of €8.9 million at the end of December 2023, including a €0.5 million negative contribution from exchange rate movements.

3.3 | Investment policy

Investment policy

Cegedim's investment policy is designed to support and enhance the Group's growth potential in its markets and is focused on:

- financial investments (acquisitions and disposals of assets); and
- investments related to operations (organic growth).

3.3.1 | Financial investments

Financial investments

The Group implements its strategy of expanding in health and non-health markets by making financial investments. The main driver of international expansion is a desire to support its customers in their markets.

The Company regularly looks into acquisition opportunities that are consistent with this strategy. It does not actively and methodically search for targets. However, it does constantly monitor potential targets in-house so it can seize the best opportunities when they arise.

By and large, if it is acquiring a business with a revenue of under €10 million, Cegedim uses its own funds. For larger transactions, however, it examines the need for debt financing on a case-by-case basis. The Group's lenders (banks and Euro PP bondholders) must approve transactions worth over €50 million if the leverage ratio is higher than 2.00 times. The Group complied with all its covenants at December 31, 2023, and there is no foreseeable risk of default. See Section 3.7 "Major contracts" and the paragraph on "Specific clauses of the Loan and Bond agreements". Transaction prices and financial terms and conditions are protected by non-disclosure agreements. All earnouts were recorded.

Impact of changes in consolidation scope

The impact of changes in consolidation scope was an outflow of €3.4 million at December 31, 2023, compared with an inflow of €52.5 million at December 31, 2022. In 2023, the Group acquired the startup Phealing, subscribed a capital increase for Clamae (non-controlling stake consolidated using the equity method) and paid an earnout for a past acquisition. In 2022, the Group had collected €65 million from Cegedim Santé's capital increase, which was subscribed by minority shareholders, and had acquired *MesDocteurs*, *Laponi, Sedia* and *Clinityx*.

Acquisitions made in the past three years

Description of acquisitions made in 2021

April 2021: *Cegedim* acquired French startup *Kobus Tech*, which specializes in patient management for physical therapists (patient care summaries, exercise prescriptions, mail generation, etc.). Its solution has more than 4,000 users. It is perfectly compatible with *Cegedim Santé's* solutions, and their combined offering is one of the French market's most comprehensive.

May 2021: Cegedim acquired Médimust, a software publisher serving healthcare professions for 25 years that currently supplies 2,000 independent physicians. Pooling the companies' know-how and expertise aims to bolster *Cegedim Santé*'s range of solutions and improve its ability to adapt to market developments and healthcare professionals' needs. *Médimust* generated revenues of €1.3 million in 2020 and earned a profit. It began contributing to the Group's consolidation scope in May 2021.

Description of acquisitions made in 2022

May 2022: Cegedim Group and social protection companies Malakoff Humanis, Groupe VYV, and PRO BTP Groupe announced that they had finalized the strategic partnership they began negotiating on March 1, 2022.

This strategic partnership will advance the goals laid out by the French government in its Ma Santé 2022 plan. The partnership will draw on the recognized expertise of Cegedim, Malakoff Humanis, Groupe VYV, and PRO BTP, who all share the goal of improving patients' access to care and making the course of care as smooth as possible.

To this end, Malakoff Humanis, Groupe VYV, and PRO BTP Groupe—who together represent 25 million beneficiaries in France—subscribed a reserved capital increase of €65 million on May 24, 2022, and now own 18% of the shares of *Cegedim Santé*. As part of the deal, *Cegedim Santé* acquired Groupe VYV subsidiary *MesDocteurs,* a telehealth solution pioneer and one of the originators of 24/7 telemedicine.

June 2022: Cegedim SRH acquired Laponi, an innovative solution for managing absenteeism in real time. Laponi, a French startup founded in 2016, has successfully developed a digital SaaS platform that lets companies ask internal and external employees to cover shifts when someone is absent. The Laponi solution is easy to use and alerts employees in real time about tasks that need to be done. Employees are then free to choose tasks while boosting their income. The acquisition enhances Cegedim SRH's TeamsRH HRIS platform. As a standalone component in Cegedim SRH's portfolio, Laponi will be able to help solve absenteeism issues at the company's 400 clients, and its solution will benefit from Cegedim SRH's technical and financial resources as well as its sales force.

The company is profitable and began contributing to the Group's consolidation scope in the third quarter of 2022.

July 2022: Cegedim e-business, which is part of Cegedim SA, rounded out its Hospitalis offering by acquiring Sedia, which has specialized in software that tracks medical instrumentation usage since 1985. Thanks to this acquisition, Hospitalis now offers a medical device and implantable medical device (MD/IMD) tracking service. The service is responsible for 900,000 scans annually and has tracked more than 8 million IMDs. The newest component in the Hospitalis range, Sedia offers health, financial, and logistical tracking of MD/IMDs that are on consignment or have been lent or purchased outright.

Sedia is profitable and began contributing to the Group's consolidation scope in the third quarter of 2022.

July 2022: Cegedim strengthened its position in the real-world data sector by acquiring Clinityx.

Clinityx, a health start-up founded in 2018, aims to make real-word data research easier by providing a robust scientific, technical, and regulatory environment. Clinityx partners with academic establishments to build data warehouses paired with the SNDS, the French administrative healthcare database, enriching the health data and ensuring their good governance and security. The company also provides consulting services and manages all aspects of real-world studies from protocol design to final report, using data from its own warehouses, the SNDS, and other databases.

Clinityx is profitable and began contributing to the Group's consolidation scope in the third quarter of 2022.

Description of acquisitions made in 2023 and after the year's close

November 2023: Cegedim acquired a majority stake in Phealing, a startup specializing in secure prescription drug delivery. Phealing's offer, based on its advanced artificial intelligence engine, caters to a key concern for pharmacies: double-checking prescription medication. The software helps pharmacists detect dispensing errors in real time by verifying that the medicine sold matches the patient's prescription and illness profile.

Phealing was consolidated in the Group's accounts starting on December 31, 2023, meaning only its balance sheet is reflected.

Acquisitions carried out between December 31, 2023, and this document's filing date.

February 2024: Cegedim acquired Visiodent, a leading provider of management solutions for dental practices and health clinics in France. The deal will enable its Cegedim Santé subsidiary to strengthen its ecosystem of solutions with a product that is widely used by dentists in private practice and both dental and multi-specialty health clinics. It will also bolster the Group's leadership in software publishing for healthcare professionals. See also post-closing events below.

Description of divestments carried out over the past three years

October 2022: In Practice Systems Ltd, which is 100% owned by Cegedim SA, sold all of its shares in the UK company *Healthcare Gateway Limited (HGL)*. Prior to the sale, the 50% non-controlling stake in HGL had been consolidated using the equity method. The shares were sold to the company that owned the other 50% stake in HGL.

No divestments were carried out between December 31, 2023, and this document's filing date.

Planned investments

Planned investments to which management is already firmly committed: At the date of filing of this Universal Registration Document, no firm undertakings had been made by Cegedim Group.

Equity investments

Equity investments made this year that increased our stake to over one-twentieth, one-tenth, one-fifth, one-third, one-half, or two-thirds of the capital of a company with a registered office in the territory of the French Republic, and takeovers of any such companies (French Commercial Code, Article L. 233-6, para. 1and L.247-1,1):

In 2021: None.

In 2022: None.

In 2023: On November 30, 2023, Cegedim acquired a majority stake in Phealing, a startup specializing in secure prescription drug delivery.

3.3.2 | Operating investments

Operating investments

Operating investments are aimed at accelerating the Group's organic growth by expanding its range of products and services; launching new features, offerings, and business activities; entering new countries, etc.

Operating investments are financed with the Group's own funds.

Most investments consist of R&D expenses, part of which are capitalized.

Research and development at the Cegedim Group level **€55.6m**

Research costs are expensed in the financial year during which they were incurred. Development costs for new internal projects are capitalized if the following criteria are fully satisfied in accordance with IAS 38:

- the project is clearly identified, and the related costs are separable and tracked reliably;
- the technical feasibility of the project has been demonstrated, and the Group has the intention and the financial capacity to complete the project and use or sell the products resulting from the project;
- it is probable that the developed project will generate future economic benefits that will flow to the Group.

Otherwise, the development costs are expensed in the financial year during which they were incurred. Once in use, a project whose development is complete is transferred to the balance sheet, under the relevant asset category (generally software), and amortization is based on its estimated useful life. Development costs capitalized in the consolidated accounts in 2023 totaled €55.6 million.

The main projects are:

- Products and services for physicians and paramedical professionals in France, working in independent practices or multidisciplinary health clinics. Cegedim Santé is introducing solutions to accompany the roll-out of the Ségur de la Santé[19] program and designing other innovations, both of which will expand its portfolio of software solutions and e-health services like scheduling, teleconsulting, and telemedicine;
- Solutions for health insurance, mutual health insurance, and personal protection insurance companies with significant application upgrades designed to streamline their management tools, as well as a back-office solution in full SaaS mode;
- The development of platforms offering digitization services, notably in anticipation of the upcoming mandatory e-invoicing reform;
- The development of additional modules for HR and payroll management applications;
- The continued development of products and services for pharmacists in France and for doctors and pharmacists in Europe.

Within Cegedim Group, each operating entity designs and develops its own products, using its own internal resources: i.e. its R&D department, in-house or outsourced development teams. When outsourcing, preference is given to the Group's corporate teams. Indeed, Cegedim SA's corporate R&D department specifically assigns a research and development teams to projects that use the Group's shared IT infrastructure and endeavors to achieve optimal synergies by collaborating with subsidiary teams. Regional R&D centers (especially in Spain, Morocco, and Egypt) also support the subsidiaries' R&D teams, who issue the instructions.

These development efforts are supplemented with investment in software and hardware. Furthermore, dedicated IT teams perform daily application maintenance for all the solutions marketed by the Group's different subsidiaries (costs are expensed for the year). In all, Cegedim Group devotes about 14.9% of its annual revenue to research and development, though this figure is not an objective in itself.

(19) A series of agreements signed in July 2020 in France to enhance the healthcare system through significant investment and digital transformation.

Capital expenditures excluding acquisitions / disposals **€76.5m**

Capital expenditures excluding acquisitions and divestments have been relatively stable in recent years. Historically, the principal items have been capitalized R&D costs and maintenance costs. The capitalized R&D cost figure excludes payroll costs and external expenses. The remaining R&D costs are recorded as expenses for the period in which they were incurred. Around half of R&D spending is capitalized in accordance with IAS 38.

There are no material capital expenditure commitments. Flexibility and discretion are maintained in order to annually adjust the level of capital expenditures to the needs of Cegedim's business.

At December 31, 2023, **capital expenditures** fell by €2.2 million, or 2.8%, to €76.5 million compared with €68.0 million at December 31, 2022, and €78.8 million at December 31, 2021. The capital expenditures breakdown was as follows: €55.6 million of capitalized R&D in 2023 compared with €54.0 million in 2022 and €49.0 million in 2021, and €20.9 million in maintenance capex in 2023 compared with €24.8 million in 2022 and €19.0 million in 2021. Capital expenditures represented 12.4% of consolidated revenue in 2023, compared with 14.2% in 2022 and 13.0% in 2021.

R&D effort(*) **14.9%**

Payroll expenses for the R&D workforce tasked with innovation, R&D, and application maintenance represented 14.9% of Group revenue in 2023. Although this percentage is not a targeted figure, it has increased compared with the past several years.

(*) Payroll expenses for the R&D workforce as a percentage of consolidated revenue.

3.4 Related party transactions

Related party transactions

A description of transactions with related parties is available in Chapter 4 "Consolidated Statements", Section 4.6, Note 19.

3.5 Events after December 31, 2023

To the best of the company's knowledge, apart from those listed below, there were no post-closing events or changes that would materially alter the Group's financial situation.

Acquisition of Visiodent Group

On February 24, 2024, Cegedim announced the acquisition of Visiodent, a leading provider of management solutions for dental practices and health clinics in France.. Visiodent launched the market's first 100% SaaS solution, Veasy, at a time when the number of dental practices and health clinics in France was increasing significantly. Its users now include the country's largest nation-wide networks of health clinics, both cooperative and privately owned, as well as several thousand dental surgeons in private practice.

Visiodent generated revenue of c.€10 million in 2023 and began contributing to Cegedim Group's consolidation scope on March 1, 2024. Post the acquisition, Cegedim is in compliance with all of its covenants and financing contracts.

The war in Ukraine

The Group has no activities or exposed assets in Russia or Ukraine.

3.6 Outlook

2023 performance

The Group had set the following targets for 2023:

- in January 2023, 2023 revenue growth in the range of 6-9%;
- in March 2023, like-for-like[20] revenue growth of around 10%;
- in April 2023, like-for-like revenue[21] growth of at least 10%;
- in July 2023, like-for-like revenue[21] growth of at least 10% and an increase in recurring operating income[19];
- in September 2023, like-for-like revenue[21] growth of at least 10% and an increase in recurring operating income[19];
- in October 2023, like-for-like revenue[21] growth of 11-12% and an improvement in recurring operating income[19].

Revenues came to €616.0 million, up 10.8% like for like[21], and recurring operating income[19] came to €31.7 million, up 23.4%.

2024 outlook

Based on the currently available information, the Group expects 2024 like-for-like revenue[21] growth to be in the range of 5-8% relative to 2023. Recurring operating income should continue to improve, following a similar trajectory as in 2023.

These targets are not forecasts and may need to be revised if there is a significant worsening of geopolitical, macroeconomic, or currency risks.

Notice

The figures cited above include guidance on Cegedim's future financial performances. This forward-looking information is based on the opinions and assumptions of the Group's senior management at the time this document is issued and naturally entails risks and uncertainty. For more information on the risks facing Cegedim, please refer to Chapter 7, Section 7.2, "Risk factors".

(20) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting"

3.7 Major contracts

Major contracts

Significant contracts in the two years preceding the publication of this Universal Registration Document, other than contracts signed in the normal course of business to which Cegedim or any other member of the Group is party, related to external growth operations. They are systematically subject to confidentiality agreements.

When these transactions are concluded, if they are likely to have a significant impact on the issuer's situation, they are announced in a press release that can also be consulted on the Company's website (www.cegedim.com).

All contracts entered into by Group entities, up to the date of this Universal Registration Document, which contain provisions that impose obligations or commitments of Group-wide importance on any of the Group's entities, are mentioned in Note 20.3 of the Consolidated Financial Statements presented in Chapter 4, Section 4.6 of this Universal Registration Document.

Loan contract

On October 9, 2018, the Group arranged a bank revolving credit facility (RCF) of €65 million maturing on October 9, 2023, with a one-year extension option. The one-year loan extension option was exercised on December 2019. The RCF maturity date is now October 9, 2024.

The Loan contract contains the undertakings, guarantees, and restrictive covenants typically found in such documents, as noted below in the section "Specific clauses of the Loan and Bond agreements". The Loan contract also specifies that the FCB Loan is to remain subordinate.

Bond issue

On October 8, 2018, Cegedim issued a private placement Euro PP maturing on October 8, 2025, for an amount of €135 million.

The bond has a change of control clause that would trigger a mandatory early redemption of the Bond if requested by individual bondholders in the event that control of the Company is transferred to a person or group of persons acting in concert. In addition, as usual for these kinds of agreement, certain events of default may trigger an early redemption. The terms of the Bond also specify that the FCB Loan is to remain subordinate. Key clauses are spelled out below in the section "Specific clauses of the Loan and Bond agreements".

Specific clauses of the Loan and Bond agreements

The Euro PP and RCF are:

- governed by the standard commitment and default clauses customarily included in this type of agreement: pari passu ranking and a negative pledge clause that limits the security that can be granted to other lenders;
- subject to financial ratio covenants. Compliance with these **financial covenants** is assessed based on financial statements prepared in accordance with IFRS. The Group must ensure that, for any relevant 12-month period until the termination date, its leverage ratio is less than 2.50 and its interest cover ratio is greater than 4.50. For the purposes of the calculation, net financial debt does not include employee profit sharing liabilities, the FCB loan, and the IFRS16 debt, respectively of €7.4, €45.1, and €93.6 million. The net debt to EBITDA[21] ratio came to 1.04 (1.09 in Dec. 2022) and the EBITDA[22] to interest expense ratio came to 16.61 (14.68 in Dec. 2022).
- subject to a dividends clause, limiting distribution to a maximum of 50% of the consolidated net income if the leverage ratio is lower than 1.00 and to a maximum of 30% if the leverage ratio is greater than 1.00 and less than 2.50.
- subject to an acquisition clause limiting the aggregated enterprise value of all acquisitions made or to be made during a financial year to a maximum of €50 million if the leverage ratio is higher than 2.00. If the ratio is lower than 2.00, the enterprise value of the acquisitions is not capped.

The Group complied with all these covenants as of December 31, 2023, and there is no foreseeable risk of default.

(21) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting"

3.8 | Analysis of the financial position of Cegedim SA

3.8.1 | Rules, methods and key indicators that apply to Cegedim SA

Presentation rules and valuation methods

The annual financial statements for the financial year ended December 31, 2023, which we are submitting for the approval of the General Meeting, were prepared in accordance with the presentation rules and valuation methods set forth in current regulations.

The presentation rules and valuation methods used are identical to those used for the previous financial year.

Key financial performance indicators

The key performance indicators used to examine Cegedim SA's financial situation are:

- Revenue generated within the Group and outside the Group;
- Dividends received;
- Investments;
- Financial structure.

Detailed comments on these are provided below.

Key non-financial performance indicators

Cegedim has pooled the IT resources it makes available to its subsidiaries and their clients. It is therefore essential for Cegedim to be on the cutting edge of new technologies, to make sure that its systems are operating optimally, and to ensure that they are maintained and secure (physical security, access security, information security, administration security, and development security).

Cegedim considers employee training to be a key success factor, leading to satisfied clients and motivated employees. Cegedim's training policy focuses on continuously adapting the skills of its research and development teams and helping its employees acquire new skills necessary for their work.

The Cegedim Group's international expansion, particularly through acquisitions, depends on its ability to incorporate new activities. In this respect, Cegedim's internal control mechanism seeks to accelerate the incorporation of new businesses, control the risks inherent in these transactions, and track their performance.

Governmental, economic, budgetary, monetary, or political strategies or factors capable of influencing Cegedim's operations directly or indirectly

To the Company's knowledge, except for the developments presented in Note 30 "Highlights of the fiscal year" of Chapter 5, Section 5.3.3, there are no specific governmental, economic, budgetary, monetary, or political strategies or factors capable of influencing Cegedim's operations directly or indirectly.

3.8.2 | Comments on the P&L

Revenue **€97.5m**

Cegedim SA's **revenue** climbed 1.9%, from €95.7 million in 2022 to €97.5 million in 2023. This increase mainly reflects the growth of its e-business activities. For more information on *e-business* trends, please refer to the performance analysis of the Flow division in Section 3.2.1.2.

Operating result **-€7.0m**

The operating result for 2023 was a loss of €7 million compared with a loss of €3.7 million in 2022.

We remind the reader that Cegedim SA has two types of activity: its e-business activities for external clients (reported by the Flow division) and the support activities it provides the Group's subsidiaries. To provide these support activities, Cegedim pools several cross-divisional functions at its head office (accounting, management control, performance and internal control, human resources, legal, procurement, general services, etc.). Some of these support services are not invoiced in full (particularly if they concern general management functions, strategy, or listed company obligations). This explains why the operating result is a loss. Please note that dividends from subsidiaries represent another source of income; however, they are reported under financial income, not operating result.

Operating income remained stable at €111.6 million in 2023.

Highlights included:

- A €1.8 million increase in revenue compared with 2022;
- A €2 million decrease in 2022 reversals of amortization provisions and transfers of expenses.

Operating expenses increased 2.9%, from €115.3 million in 2022 to €118.7 million in 2023. Depreciation and amortization expenses rose €3.3 million over the full year.

Financial result **€2.9m**

The financial result was a loss of €2.9 million in 2023 compared with an income of €85.9 million in 2022. This included €13.7 million in financial income and €16.6 million in financial expenses.

- **Financial income** €84.8 million compared with 2022. Financial income from investments (chiefly dividends received) fell €13.4 million over fiscal 2023. Fiscal 2022 was marked by €74 million of reversals of provisions following the liquidation of a subsidiary (former holding company for North American activities) whose shares had been fully provisioned several years ago. There was no material change in provisions on securities in 2023.
- **Financial expenses** €4.1 million compared with 2022, mainly due to the €5.3 million increase in interest and related expenses. *Cegedim SA* bears the Group's financial debt and therefore incurs the interest expenses, 25% of which is subject to floating rates.

Recurring earnings before tax **-€10.0m**

Recurring earnings before tax amounted to a €10.0 million loss in 2023 compared with a profit of €82.2 million in 2022 (see explanation in the Financial result)

Net exceptional income **+€2.6m**

Net exceptional income in 2023 was a gain of €2.6 million compared with a loss of €73.6 million in 2022. This is due to the difference between exceptional gains and losses on equity transactions. These equity transactions are designed to reorganize the consolidation scope internally prior to the merger of some subsidiaries by transfer of all assets (namely the sale of Cegedim Assurances Conseil's shares before the transfer of all assets to Cetip).

Taxes **€10.0m**

Taxes for 2023 amounted to an income of €10.0 million, compared to an income of €8.4 million in 2022.

Net profit **€1.7m**

Net profit for 2023 amounted to a profit of €1.7 million, compared to a profit of €16.3 million in 2022.

3.9 | Research and development at the Cegedim SA level

R&D at the Cegedim SA level **€9.9m**

Cegedim SA houses the Group development teams assigned to projects that use the Group's shared IT infrastructure. Development projects completed in FY2023 were capitalized in the parent company financial statements at €9.9 million, all projects combined. This capitalization was recorded in the balance sheet, as all the conditions set forth by the French national accounting standards (Plan Comptable Général) were met.

The Company continued and stepped up the development of its SaaS platform, which digitizes and manages of all types of documents—paper, structured files, images—and processes. It also continued to develop its internal rapid application configuration platform to provide shared application bases for some software solutions. Aside from these specific developments, Cegedim handles daily application maintenance for all the Group's joint offers based on a budget that is relatively comparable each year.

3.9.1 | Information about payment data at Cegedim SA

Accounts payable are shown below based on their due dates, at the close of 2023 and 2022.

Accounts payable aging schedule

In euros	Total accounts payable at 12/31/2023	Accounts payable, not yet due	Accounts payable, current	Past due < 30 days	Past due 31 – 60 days	Past due > 60 days
Internal suppliers	4,642,211	4,562,255	79,955	30,182	49,773	-
External suppliers	4,965,299	3,688,187	1,277,112	828,535	189,497	259,080
Total accounts payable	**9,607,510**	**8,250,443**	**1,357,067**	**858,718**	**239,270**	**259,080**

In euros	Total accounts payable at 12/31/2022	Accounts payable, not yet due	Accounts payable, current[(1)]	Past due < 30 days	Past due 31 – 60 days	Past due > 60 days
Internal suppliers	6,490,671	4,965 43	1,525,241	1,052,208	24,698	448,335
External suppliers	8,890,482	8,005,594	884,888	374,307	193,807	316,775
Total accounts payable	**15,381,153**	**12,971,023**	**2,410,130**	**1,426,515**	**218,505**	**765,110**

Payment period for receivables and payables

Current payables and unpaid receivables as at the fiscal year closing date that are current or past due (table provided in accordance with Article D.441-4 of the Commercial Code)

Article D. 441 I.- 1°	Invoices **received** but unpaid and current or past due						Invoices **sent** but unpaid and current or past due					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Breakdown by number of days past due												
Number of invoices	66					496	561					1,015
Amount, all taxes included	404,565	454,153	239,270	37,104	221,976	952,503	2,308,139	1,208,240	2,446,570	1,541,548	3,129,652	8,326,010
Percentage of the total amount of purchases including tax for the year	0.63%	0.71%	0.37%	0.06%	0.35%	1.49%						
Percentage of revenue (excluding taxes) for the year							2.37%	1.24%	2.51%	1.58%	3.21%	8.54%
(B) Invoices excluded from (A) related to disputed or contentious debt and receivables												
Numbers of invoices excluded	-	-	-	-	-	-	-	-	-	-	-	-
Total amount of excluded invoices (excluding taxes)	-	-	-	-	-	-	-	-	-	-	-	-
(C) Reference payment period used (contractual or legal, Article. L. 441-6 or L.443-1 of the French Commercial Code)												
Payment deadline used for calculation	Contractual deadline: 60 days Legal deadline: 60 days						Contractual deadline: 60 days Legal deadline: 60 days					

3.10 Dividends paid in respect of the last three financial years

Dividend distribution policy

The Group paid no dividends in respect of 2020 or 2022.

A dividend of €6.8 million (i.e. €0.5 per share) in respect of fiscal year 2021 was paid on July 1, 2022.

The Group does not plan to pay regular cash dividends. Any decision to distribute and pay dividends is made at the discretion of Cegedim's Board of Directors and depends on, among other things, the results of the Group's operations, its financial position, cash requirements, contractual restrictions, and any other factors that the Board may deem relevant.

In addition, the Group's ability to pay dividends is, and may continue to be, limited by covenants on the loans that the Group or its subsidiaries have taken or may take in the future.

If the Company holds some of its own shares when a dividend is paid, the distributable earnings corresponding to the dividend not paid on the shares the Company holds will be allocated to retained earnings.

Table of dividends paid in respect of the last three financial years

In accordance with the provisions of article 243 bis of the French General Tax Code, the amounts distributed as dividends for the three previous financial years are as follows

Fiscal year	Number of shares	Income eligible for tax deduction			Income not eligible for tax deduction
		Dividend		**Other income distributed**	
		Per share	**Overall**		
2021	13,997,173	None	None	None	None
2022	13,997,173	€0.5	€6,829,744	None	None
2023	13,997,173	None	None	None	None

04

Consolidated financial statements

4.1 Consolidated balance sheet

Consolidated assets

In thousands of euros	Note	12/31/2023	12/31/2022
Goodwill	10.1	199,787	198,761
Development costs		1,562	3,081
Other intangible fixed assets		192,616	185,004
Intangible assets	10.2	194,178	188,085
Land		544	544
Buildings		1,660	1,872
Other property, plant, and equipment		45,829	39,467
Right-of-use assets		89,718	88,988
Non-current assets in progress		831	133
Property, plant, and equipment	10.3	138,582	131,004
Equity investments		0	1
Loans		15,332	15,642
Other financial assets		5,230	5,053
Financial assets – excluding investments in affiliates	10.4	20,563	20,696
Investments in affiliates	9.2	22,065	20,578
Deferred tax assets	15.1	19,747	30,385
Prepaid expenses: due in more than one year		0	0
Non-current assets		594,922	589,509
Goods held for resale	7.5	5,498	6,495
Advances and deposits received on orders		3,703	177
Trade receivables: due in less than one year	7.6	175,199	151,757
Other receivables: due in less than one year	7.7	59,563	50,497
Current tax credits		16,495	16,557
Current financial instruments		0	0
Cash equivalents		0	0
Cash		46,606	55,553
Prepaid expenses		22,082	19,370
Current Assets		329,146	300,406
Total Assets		**924,068**	**889,915**

Consolidated liabilities and shareholders' equity

In thousands of euros	Note	12/31/2023	12/31/2022
Share capital		13,337	13,337
Consolidated retained earnings		282,521	271,344
Foreign currency translation reserves		(12,275)	(13,141)
Group earnings		(7,407)	13,624
Shareholders' equity, Group share		276,175	285,164
Non-controlling interest		18,381	18,971
Shareholders' equity		294,556	304,135
Non-current financial liabilities	11.1	188,546	188,913
Non-current lease liabilities		78,761	75,907
Current financial instruments		0	0
Deferred tax liabilities	15.1	5,600	6,137
Post-employment benefit obligations	18.2	31,007	25,397
Non-current provisions	7.9	2,521	2,355
Other non-current liabilities		0	0
Non-current liabilities		306,435	298,709
Current financial liabilities	11.1	3,006	3,854
Current lease liabilities		14,789	15,916
Trade payables, current		61,734	55,709
Current tax liabilities		235	247
Tax and social security liabilities		121,371	112,341
Provisions	7.9	1,730	2,172
Other current liabilities	7.8	120,212	96,832
Current liabilities		323,077	287,071
TOTAL Liabilities		**924,068**	**889,915**

4.2 Consolidated income statements

In thousands of euros	Note	12/31/2023	12/31/2022
Revenue		**615,995**	**555,209**
Purchases used		(28,547)	(26,559)
External expenses	7.2	(138,544)	(119,913)
Taxes		(5,352)	(6,259)
Payroll costs	8.1	(331,748)	(303,577)
Impairment of trade receivables and other receivables and on contract assets		(2,444)	(1,298)
Allowances to and reversals of provisions		(2,714)	(3,609)
Other operating income and expenses		431	(8)
Share of profit (loss) from affiliates on the income statement		1,757	2,216
EBITDA		**108,834**	**96,202**
Depreciation and amortization expenses other than for right-of-use assets		(59,471)	(53,302)
Depreciation and amortization expenses for right-of-use assets		(17,693)	(17,227)
Recurring operating income		**31,670**	**25,673**
Impairment of goodwill arising on acquisitions		0	0
Non-recurring operating income and expenses		(11,687)	819
Other non-recurring operating income and expenses	**7.3**	**(11,687)**	**819**
Operating income		**19,983**	**26,492**
Income from cash and cash equivalents		475	114
Cost of gross financial debt		(11,742)	(8,949)
Other financial income and expenses		(614)	45
Financial income (expense)	**11.5**	**(11,881)**	**(8,790)**
Income taxes		(4,509)	(5,882)
Deferred income taxes		(10,336)	1,272
Tax expense	**15.1**	**(14,845)**	**(4,610)**
Share of profit (loss) for the period of equity method companies		(1,195)	(1,013)
Consolidated net profit		**(7,937)**	**12,079**
Group share	**A**	**(7,407)**	**13,624**
Non-controlling interests		(531)	(1,545)
Average number of shares excluding treasury stock	B	13,610,429	13,658,348
Recurring earnings per share (in euros)		0.1	0.9
Earnings per share (in euros)	A/B	(0.5)	1.0
Diluted earnings per share (in euros)		(0.5)	1.0

4.3 Consolidated statement of comprehensive income

In thousands of euros	Note	12/31/2023	12/31/2022
Consolidated net profit		(7,937)	12,079
Unrealized exchange gains/losses		865	(3,642)
Hedging of financial instruments			
Gross unrealized gains and losses		0	0
Tax impact		0	0
Other comprehensive income that may be reclassified subsequently to profit or loss		865	(3,642)
Actuarial gains and losses on post-employment benefit obligations			
Gross gains and losses		(2,962)	11,115
Tax impact		762	(2,871)
Other comprehensive income that may not be reclassified subsequently to profit or loss		(2,200)	8,244
Total comprehensive income		**(9,272)**	**16,681**
Non-controlling interests		(581)	(1,328)
Group share		**(8,691)**	**18,009**

4.4 Consolidated statement of changes in equity

In thousands of euros	Share capital	Conso. retained earnings and profit for year	Unrealized exchange gains/ losses	Total Group share	Non-controlling interest	Total
Equity at 01/01/2022	**13,337**	**226,940**	**(8,213)**	**232,064**	**323**	**232,387**
Profit (loss) for the period		13,624		13,624	(1,545)	12,079
- Hedging of financial instruments		0	0	0	0	0
- Unrealized exchange gains/losses		1,286	(4,928)	(3,642)	0	(3,642)
- Actuarial gains on provisions for post-employment benefit obligations		8,027	0	8,027	217	8,244
Comprehensive income for the period		**22,937**	**(4,928)**	**18,009**	**(1,328)**	**16,681**
- Securities transactions		50	0	50	(15)	35
- Distribution of dividends[1]		(6,830)	0	(6,830)	(95)	(6,925)
- Treasury shares		(1,671)	0	(1,671)	0	(1,671)
Total transactions with shareholders	**0**	**(8,451)**	**0**	**(8,451)**	**(110)**	**(8,561)**
Other movements		0	0	0	0	0
Change in consolidated scope [2])		43,542	0	43,542	20,086	63,628
Equity at 12/31/2022	**13,337**	**284,968**	**(13,141)**	**285,164**	**18,971**	**304,135**
Profit (loss) for the period		(7,407)		(7,407)	(530)	(7,937)
- Hedging of financial instruments		0	0	0	0	0
- Unrealized exchange gains (losses)		0	865	865	0	865
- Actuarial gains on provisions for post-employment benefit obligations		(2,149)	0	(2,149)	(51)	(2,200)
Comprehensive income for the period		**(9,556)**	**865**	**(8,691)**	**(581)**	**(9,272)**
- Securities transactions		111	0	111	3	114
- Distribution of dividends [1]		0	0	0	(2)	(2)
- Treasury shares		(389)	0	(389)	0	(389)
Total transactions with shareholders	**0**	**(278)**	**0**	**(278)**	**1**	**(277)**
- Other movements		(20)	0	(20)	12	(8)
- Change in consolidated scope [2]		0	0	0	(22)	(22)
Equity at 12/31/2023	**13,337**	**275,114**	**(12,276)**	**276,175**	**18,381**	**294,556**

[1]The total amount of dividends is distributed in respect of common shares. There are no other classes of shares. There were no issues, repurchases, or redemptions of equity securities in 2022 and 2023, except for the shares acquired under the free share award plan.

[2]In 2022 the increase in non-controlling interest reflects the acquisition of a shareholding in Cegedim Santé by the Malakoff Humanis group, Groupe VYV, and the PRO BTP group.

4.5 Consolidated statement of cash flows

In thousands of euros	Note	12/31/2023	12/31/2022
Consolidated profit (loss) for the period		**(7,937)**	**12,079**
Share of profit (loss) from affiliates		(561)	(1,203)
Depreciation and amortization expenses and provisions		84,010	83,090
Capital gains or losses on disposals		(1,817)	(31)
Operating cash flow after cost of net financial debt and taxes		**73,695**	**93,935**
Cost of net financial debt		11,881	8,791
Tax expenses		14,844	4,609
Operating cash flow before cost of net financial debt and taxes		**100,420**	**107,335**
Tax paid (1)		(4,233)	(21,309)
Impact of change in working capital requirements	13	1,736	450
Cash flow generated from operating activities after tax paid and change in working capital requirements	**A**	**97,923**	**86,476**
Acquisitions of intangible assets (net of change in financial liabilities)		(53,538)	(58,554)
Acquisitions of property, plant, and equipment (net of change in financial liabilities)		(21,952)	(17,582)
Acquisitions of financial assets		(1,036)	(2,619)
Disposals of property, plant, and equipment and intangible assets		2,598	2,099
Disposals of financial assets		805	1,636
Change in deposits received or paid		84	(717)
Impact of changes in consolidation scope		(3,371)	52,483
Dividends received		1,114	3,084
Other cash flows from investing activities		0	0
Net cash flows generated (used) by investing activities	**B**	**(75,296)**	**(20,170)**
Dividends paid to shareholders of the parent company		0	(6,831)
Dividends paid to minority shareholders of consolidated cos.		(2)	(95)
Capital increase		0	0
New borrowings		0	0
Repayments of borrowings		(263)	(85)
Purchases of shares by employees		(65)	81
Repayment of lease liabilities		(19,796)	(19,036)
Interest paid on loans		(5,050)	(4,949)
Other financial income received		966	1,784
Other financial expenses paid		(6,861)	(4,758)
Net cash flows generated (used) by financing activities	**C**	**(31,071)**	**(33,889)**
Change in net cash excluding currency impact	**A + B + C**	**(8,444)**	**32,417**
Impact of changes in foreign currency exchange rates		(503)	(1,024)
Change in net cash		**(8,947)**	**31,393**
Cash at beginning of fiscal year		55,553	24,159
Cash at end of fiscal year		46,606	55,553

[1] o/w advance payment linked to tax dispute in 2022

4.6 Notes to the consolidated financial statements

Note 1 | Reference and general principles

Pursuant to European Regulation No. 1606/2002 of July 19, 2002, on the application of international accounting standards, amended by EC Regulation No. 297/2008 of March 11, 2008, and subsequent European Regulations on IAS/IFRS standards, the consolidated financial statements of the Cegedim Group for the period ended December 31, 2023, have been prepared in accordance with IFRSs. International accounting standards include IFRS (International Financial Reporting Standards), IAS (International Accounting Standards), and their mandatory application interpretations on the closing date.

The currency of the consolidated accounts is the euro and the financial statements are presented in thousands of euros unless otherwise stated.

Cegedim, the Group's parent company, is a *société anonyme* (a French corporation) with a Board of Directors, incorporated under French law, whose registered office is located at 129-137 rue d'Aguesseau, 92100 Boulogne-Billancourt, France. It is registered with the Nanterre Trade and Companies Registry under reference 350 422 622 RCS Nanterre, and is listed on the Euronext Paris stock exchange. The consolidated financial statements for the year ended December 31, 2023, reflect the accounting position of Cegedim and its subsidiaries, together with its interests in affiliates and joint ventures. On March 27, 2024, the Board of Directors approved the consolidated financial statements for the year ended December 31, 2023, and authorized their publication. These consolidated financial statements will only be considered as final after their adoption by the June 14, 2024, shareholders meeting.

1.1. Valuation methods used for the consolidated financial statements

The financial statements mainly use the historical cost principle, except for derivative instruments and financial assets, which are measured at fair value. Assets and liabilities related to business combinations are also measured at fair value.

New standards and interpretations applicable as of January 1, 2023

The other IFRS standards and amendments that took effect for 2023 and had no impact on the Group's financial statements at December 31, 2023 are:

- IFRS 17 – Insurance Contracts ;
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction ;
- Amendments to IAS 8 – Definition of accounting estimates.

Standards and interpretations adopted by the IASB but not applicable at December 31, 2023

The Group has not opted for early application of the standards and interpretations cited below, which may affect it but are not mandatory as of January 1, 2023:

- Amendments to IAS 1 – Non-current Liabilities with Covenants ;
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback ;
- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements ;
- Amendments to IAS 21 – Lack of Exchangeability

1.2. Critical accounting estimates and judgments

In order to prepare the financial statements, the management of the Group or the subsidiaries must make estimates and use certain assumptions that impact the value of the assets and liabilities, the valuation of positive and negative contingencies on the closing date, as well as income and expenses for the financial year.

Due to the uncertainties inherent in any valuation process, the Group revises its estimates based on regularly updated information.

It is possible that the future results of the operations involved will differ from these estimates.

The assumptions and estimates primarily concern:

- The valuation of provisions and contingent liabilities (assumptions stated in notes 7.9 and 10.2);
- Recognition of deferred tax assets (note 15);
- The method of accounting for and measuring R&D and the cost of software developed internally (notes 7.4 and 10.2);
- Impairment tests on goodwill (note 10.1);
- Measurement of lease restatements under IFRS 16 (note 14);
- If applicable, the methods for classifying activities held for sale (in accordance with IFRS 5).

Note 2 | Alternative performance measures

To monitor and analyze the financial performance of the Group and its activities, Group management uses alternative performance measures. These financial indicators are not defined by IFRSs. This note presents a reconciliation of these indicators and the aggregates from the consolidated financial statements under IFRS.

2.1. Reported and like-for-like revenue - Definition

The Group also uses like-for-like data. Adjustments consist of:

- eliminating the portion of revenue corresponding to entities divested in 2022 and 2023 ;
- eliminating the portion of revenue corresponding to entities acquired in 2022 and 2023 ;
- recalculating 2022 revenue at 2023 exchange rates.

These adjustments give rise to comparable data at constant scope and exchange rates, which serve to measure organic growth.

2.2. Reported and like-for-like revenue - Reconciliation table

In thousands of euros		Software & services	Flow	Datas & marketing	BPO	Cloud & Support	Group
2022 Revenue	**a**	**301,975**	**90,601**	**106,864**	**52,974**	**2,795**	**555,209**
Impact of disposals		-	-	-	-	-	-
2022 revenue before impact of disposals		301,975	90,601	106,864	52,974	2,795	555,209
Impact of currency		**(698)**	**(83)**	**(7)**	**-**	**-**	**(789)**
2022 revenue at 2023 exchange rate	b	301,276	90,517	106,857	52,974	2,795	554,420
2023 revenue before impact of acquisitions	c	325,356	95,938	114,372	71,481	7,100	614,247
Revenue from acquisitions		1,256	-	493	-	-	1,749
2023 Revenue		**326,612**	**95,938**	**114,864**	**71,481**	**7,100**	**615,995**
Organic growth	**[c-b]/a**	**8,0%**	**6,0%**	**7,0%**	**34,9%**	**154,0%**	**10,8%**

2.3. Recurring operating income (REBIT)- Definition

The Group's operating income includes all revenues and expenses directly related to Group activities, whether these revenues and expenses are recurring or arise from non-recurring decisions or transactions.

"Other non-recurring operating income and expenses" consists of unusual items, notably as concerns their nature or frequency, that could distort the assessment of Group entities' financial performance. Other non-recurring operating income and expenses may include impairment of goodwill arising on acquisitions, and other intangible assets, gains or losses on disposals of non-current assets, restructuring costs, and costs relating to workforce adaptation measures.

Consequently, Cegedim monitors its operating performance using "Recurring operating income" (REBIT), defined as the difference between total operating income and other non-recurring operating income and expenses.

Recurring operating income (REBIT), an intermediate line item intended to facilitate understanding of the Group's operating performance, can be used as a yardstick for estimating recurring performance. This indicator is presented in a manner that is consistent and stable over the long term in order to ensure the continuity and relevance of financial information.

2.4. EBITDA - Definition

The Group uses EBITDA to monitor its operating performance. This financial indicator corresponds to recurring operating income plus depreciation and amortization expenses.

2.5. Recurring operating income (REBIT) and EBITDA - Reconciliation table

In thousands of euros		12/31/2023	12/31/2022
Operating income	**a**	**19,983**	**26,492**
Other non-recurring operating income and expenses	b	11,687	(820)
Amortization of goodwill	**c**	**-**	**-**
Other non-recurring operating income and expenses [1]	d=b+c	11,687	(820)
Recurring operating income	**e=a-d**	**31,670**	**25,673**
Depreciation and amortization expenses	f	77,164	70,530
EBITDA	**j=e-f**	**108,834**	**96,202**

[1] *see note 7.3*

2.6. Free cash flow from operations - Definition

The Group also uses Free cash flow from operations, an intermediate line item, to monitor its financial performance. This financial indicator measures net operating cash flow less net operating investments (defined as acquisitions and disposals of property, plant, and equipment and of intangible assets).

2.7. Free cash flow from operations - Reconciliation table

In thousands of euros		12/31/2023	12/31/2022
Cash flow generated from operating activities after tax paid and change in working capital requirements	**a**	**97,923**	**86,476**
Acquisition of intangible assets	b	(53,538)	(58,554)
Acquisition of tangible assets	c	(21,952)	(17,582)
Disposal of tangible and intangible assets	d	2,598	2,099
Free cash flow from operations	**e= a+b+c+d**	**25,031**	**12,439**

2.8. Net financial debt - Definition

Net financial debt comprises gross borrowings, including accrued interest and debt restatement at amortized cost, less cash and cash equivalents.

2.9. Net financial debt - Reconciliation table

In thousands of euros		12/31/2023	12/31/2022
Long-term financial liabilities	a	267,307	264,820
Short-term financial liabilities	b	17,796	19,770
Total financial liabilities	**c=a+b**	**285,103**	**284,590**
Cash and cash equivalents	d	46,606	55,553
Net financial debt	**e=c-d**	**238,497**	**229,037**
Non-current IFRS 16 debt	f	78,761	75,907
Current IFRS 16 debt	g	14,789	15,916
Net financial debt excluding IFRS 16 debt	**h=e-f-g**	**144,947**	**137,214**

Note 3 | Highlights of the fiscal year

To the best of the Company's knowledge, there were no events or changes during 2023 that would materially alter the Group's financial situation.

3.1. War in Ukraine

The Group has no activities or exposed assets in Russia or Ukraine.

3.2. Tax

On February 21, 2018, Cegedim S.A. received official notice that the French tax authorities planned to perform an audit of its financial statements for 2015 and 2016. The audit resulted in a reassessment notice covering the use of tax-loss carryforwards, which the authorities disputed. On February 21, 2021, Cegedim S.A. received official notice that the French tax authorities planned to perform an audit of its financial statements for 2019 and 2020. That audit did not result in any additional reassessments.

After consultation with its lawyers and based on the applicable tax law and jurisprudence, Cegedim S.A. believes that the tax authorities' proposed reassessment is unwarranted. As a result, the company has appealed the decision and continues to explore its options for contesting the reassessment.

Over the period, Cegedim S.A. continued to apply the disputed tax-loss carryforwards to its taxable earnings, bringing cumulative tax savings to €27.2 million at December 31, 2023.

In the first half of 2022, tax authorities issued Cegedim S.A. with a notice of collection. In response, the Group paid a total of €12.1 million in respect of tax-loss carryforwards used through 2020, along with a €0.4 million late payment penalty. In February 2024, tax authorities also issued a notice of collection in the amount of €10.9 million in respect of tax losses used in 2021 and 2022, with no interest or penalties owing to the Company acting in good faith. The corresponding entry for these payments was not recognized in expenses, but rather in the tax receivables line of the balance sheet, as the Company expects these sums to be repaid once the dispute has been resolved in its favor.

As a result, if Cegedim S.A. ultimately loses its appeal, it would have to record a tax charge of €27.2 million in its profit and loss statement, but it would only have to make a cash payment of €4.1 million for the share of taxes not yet paid.

In addition, in accordance with IFRS, Cegedim S.A. records in its consolidated financial statements a deferred tax asset in respect of its unused tax-loss carryforwards, which represents the future tax gain the company may yet realize. Note that the accounting entries related to deferred tax have no cash impact. Through December 31, 2022, deferred tax assets were unchanged at €20 million. At December 31, 2023, those assets amounted to €7.7 million owing to a €12.3 million downward adjustment recorded in deferred tax expenses in the consolidated financial statements. In response to a tax ruling in July 2023, the Group opted for a more conservative assessment of the unrealized future gains from its remaining, disputed tax-loss carryforwards.

If the outcome goes against the Group, the entirety of the deferred tax assets in the financial statements at the closing date would have to be recorded as a €7.7 million charge in consolidated earnings, with no cash outlay.

Cegedim S.A., in consultation with its attorneys, believes that it still has a solid case for dismissal of the reassessment, as reflected in the accounting position currently recorded in its financial statements. In the fourth quarter of 2023, we therefore appealed the dispute to the administrative court, a process which could take several years. We are confident in our chances of success and have not recorded any provisions in respect of the dispute.

The Group expects the maximum amount of risk from the potential tax charges cited above to remain constant at €34.9 million, but the breakdown could change: the €7.7 million deferred tax asset would decrease as tax savings are realized, incrementally increasing the €27.2 million already used.

The maximum potential cash payment, which has decreased significantly due to the amounts collected over the past 18 months, amounted to €4.1 million at December 31, 2023. It will continue to rise as future tax savings are realized but could also decrease if the tax authorities issue additional notices of collection while the appeal is ongoing.

3.3. Acquisition of a majority stake in Phealing

On November 30, 2023, Cegedim acquired a majority stake in Phealing, a startup specializing in secure prescription drug delivery. Phealing's offer, based on its advanced artificial intelligence engine, caters to a key concern for pharmacies: double-checking prescription medication. The software helps pharmacists detect dispensing errors in real time by verifying that the medicine sold matches the patient's prescription and illness profile.

Phealing was consolidated in the Group's accounts starting on December 31, 2023, meaning only its balance sheet is reflected

3.4. Landmark BPO contract

Cetip (a BPO provider) has signed a 15-year services agreement to manage supplemental health and personal protection insurance policies for Allianz IARD and Allianz Vie.

Allianz Group has entrusted Cegedim Group with the management of its three insurance portfolios: collective health, collective personal protection insurance, and individual health. Together these policies represent over 1.3 million insured individuals. This contract includes assuming responsibility for all the staff engaged in this activity in France. Initially, work will be carried out using Allianz's IT tools to facilitate a gradual transition over the next three years to Cetip's proprietary BPO solutions and processes.

This contract commenced in April 2023 and generated revenue of over €15 million in financial year 2023. Its recurrence rate is very high and its provisions were negotiated to cover the next 15 years.

3.5. Euris litigation

Cegedim, jointly with IQVIA (formerly IMS Health), is being sued by Euris for unfair competition. Cegedim asked the court to dismiss the case against the Company. On December 17, 2018, the Paris Commercial Court granted Cegedim's request, which IQVIA then appealed. On December 8, 2021, the Court of Appeals upheld the judgement in favor of Cegedim. The case was appealed to the Supreme Court, and in a ruling on March 20, 2024, the court overturned the Court of Appeals judgement that had exonerated Cegedim. As a result, the case has been sent back to the Paris Court of Appeals, with a different set of judges. After consulting its external legal counsel, the Group decided not to set aside any provisions.

Note 4 | Macroeconomic conditions

Current macroeconomic conditions (inflationary pressures, higher energy costs, shortages, exchange rate volatility, higher interest rates, war in Ukraine) may accentuate economic uncertainties and impact the financial statements. The Group's exposure was taken into consideration in the 2023 financial statements and in business plans.

Inflationary pressure was particularly felt in 2022 in wage costs, but could not be reflected in similar proportions in selling prices. In France, the Group's main market (accounting for 90% of consolidated sales), the majority of service contracts are index-linked, at least, to the Syntec index. In 2022, inflation reached an average of 5.2% (source: INSEE), while the Syntec index was less than 1% at the start of the financial year, creating a significant distortion on margins. Inflationary pressure continued in 2023, with average inflation at 4.9% (source: Insee). However, the resulting pressure on labour costs was better reflected in selling prices. Indeed, the The Syntec index began to catch up with inflation as the months went by, reaching almost 4% at the start of 2023 which enabled a number of contractual price adjustments to be made. The Group also engages in negotiations with its customers whenever possible, and applies measured but justified price increases which may exceed the Syntec index, since this is only a contractual minimum.

The Group has taken account of inflationary effects on these two items (revenues and salaries) in its 2024 forecasts. However, given the economic forecasts in place, the business plans do not take into account any significant inflationary effect beyond the short term.

The Group's **primary energy resource** is electricity. In France, the Group has benefited from a fixed-price supply contract covering the years 2020-2023, which has enabled it to be relatively unaffected by recent market tensions. The negotiation of new tariff conditions applicable from 2024 will result in a significant increase, partly dependent on variable parameters, which has been taken into account in budgets and business plans on the basis of estimates that may be imperfect.

The **risk of** electricity supply **shortages** has been factored into security and recovery plans for production sites. The Group believes appropriate measures have been taken to address this risk factor.

Exchange rate volatility has a limited impact on operations. The Cegedim group makes the vast majority of its purchases and sales in the local currency of the countries in which it does business. Operations outside the euro zone accounted for 8.2% of consolidated revenue in 2023.

The **rise in interest rates** had a limited impact on the Group's cost of financial debt. Fixed-rate liabilities account for 75% of the total, and its next repayment is due on October 8, 2025.

The rise in interest rates had a significant impact on the discount rate parameters used by the Group to calculate retirement indemnities and carry out impairment tests for the 2022 financial year. On the other hand, the impact was much smaller in 2023, with a slightly lower rate (for determining the actuarial difference on retirement commitments) or virtually stable rate (for discounting business plan cash flows).

Above and beyond the indirect consequences of the macroeconomic factors presented above, the Group has not been affected by the **war in Ukraine.** It does not own any assets or conduct any activities in Ukraine or Russia.!3.2

Note 5 | Scope of consolidation

5.1. List of consolidated companies at Dec. 31, 2023

French fully consolidated companies

These entities are consolidated on the basis of their individual financial statements (no grouping of entities.

Company	Corporate offices	City	Legal form	Siren #	% of control	% owned
Cegedim	137, rue d'Aguesseau	Boulogne	SA	350422622	100.00%	100.00%
Audiprint	15, rue Paul Dautier	Vélizy	SAS	811166008	100.00%	100.00%
BSV	137, rue d'Aguesseau	Boulogne	SARL	397552829	100.00%	100.00%
Cegedim Activ	114-116, rue d'Aguesseau	Boulogne	SASU	400891586	100.00%	100.00%
Cegedim Cloud	137, rue d'Aguesseau	Boulogne	SASU	790173066	100.00%	100.00%
Cegedim Ingénierie	326, rue du Gros Moulin –AMILLY	Montargis	SAS	402338719	100.00%	99.88%
Cegedim Media	17, rue de l'Ancienne Mairie	Boulogne	SARL	602006306	100.00%	100.00%
Cegedim Outsourcing	15, rue Paul Dautier	Vélizy	SAS	303529184	100.00%	100.00%
Cegedim Santé	137, rue d'Aguesseau	Boulogne	SASU	348940255	81.99%	81.99%
Cegedim SRH	137, rue d'Aguesseau	Boulogne	SAS	332665371	100.00%	100.00%
Cetip	114, rue d'Aguesseau	Boulogne	SA	410489165	99.88%	99.88%
Clinityx	137, rue d'Aguesseau	Boulogne	SAS	481094084	70.00%	70.00%
GERS	137, rue d'Aguesseau	Boulogne	SASU	521625582	100.00%	100.00%
I-Assurances	137, rue d'Aguesseau	Boulogne	SASU	790172225	100.00%	99.88%
Incams	114-116, rue d'Aguesseau	Boulogne	SASU	429216351	100.00%	100.00%
MedExact	137, rue d'Aguesseau	Boulogne	SAS	432451912	100.00%	100.00%
Merito	137, rue d'Aguesseau	Boulogne	SASU	819927757	100.00%	100.00%
Pharmastock	137, rue d'Aguesseau	Boulogne	SARL	403286446	100.00%	100.00%
Phealing	92, cours Lafayette	Lyon	SAS	879228328	53.17%	53.17%
Resip	17, rue de l'Ancienne Mairie	Boulogne	SASU	332087964	100.00%	81.99%
Santestat	137, rue d'Aguesseau	Boulogne	SARL	790172175	100.00%	100.00%
SCI Montargis 2000	137, rue d'Aguesseau	Boulogne	SCI	324215128	68.83%	68.83%
Smart RX	137, rue d'Aguesseau	Boulogne	SAS	342280609	100.00%	100.00%
Services Premium Santé (sps)	3 avenue Edouard Herriot	Limas	SAS	513188771	40.00%	40.00%
TBNO Invest	Centre d'affaires Alta Rocca	Aubagne	SASU	529134942	100.00%	81.99%

International fully consolidated companies

These entities are consolidated on the basis of their individual financial statements (no grouping of entities).

Companies	Registered offices	Country	City	Legal form	% of control	% owned
Activus Ltd	The Bread Factory 1a Broughton Street	Grande-Bretagne	Londres	PLC	100.00%	100.00%
Alliadis Europe LTD	The Bread Factory 1a Broughton Street	Grande-Bretagne	Londres	PLC	100.00%	100.00%
Cegedim Belgium	451 Route de Lennik,	Belgique	Anderlecht	SA	99.97%	99.97%
Cegedim Customer Information SRL	20 Modrogan St.	Roumanie	Bucarest	LLC	100.00%	100.00%
Cegedim E-Business GmbH	Landsberger Strabe 478	Munich	Allemagne	LLC	100.00%	100.00%
Cegedim E-Business Ltd	The Bread Factory 1 a Broughton Street	Grande-Bretagne	Londres	PLC	100.00%	100.00%
Cegedim Egypte	44, North Tesseen St., 5th settlement	Egypte	Le Caire	LLC	100.00%	100.00%
Cegedim Europe Holdings Ltd	3/4 Pembroke Street Upper	Irlande	Dublin	PLC	100.00%	100.00%
Cegedim GMBH	Carl-Reuther Str. 1	Allemagne	Mannheim	LLC	100.00%	100.00%
Cegedim Internal Services Ltd	3/4 Pembroke Street Upper	Irlande	Dublin	PLC	100.00%	100.00%
Cegedim Italia	Piazza Vetra n. 17.	Italie	Milan	LLC	100.00%	100.00%
Cegedim Maroc	Arribat Center, Av. Omar Ibn Al Khattab	Maroc	Rabat	SARL	100.00%	100.00%
Cegedim Outsourcing Maroc	36 avenue Abdelmoumen	Maroc	Rabat	SARL	100.00%	100.00%
Cegedim RX Limited	The Bread Factory 1a Broughton Street	Grande-Bretagne	Londres	PLC	100.00%	100.00%
Cegedim RX SRL	20 Modrogan St.	Roumanie	Bucarest	LLC	100.00%	100.00%
Cegedim Service Center SRL	Bucharest sector 2, Pipera Road	Roumanie	Bucarest	LLC	100.00%	100.00%
Cegedim Services Maroc	36 avenue Abdelmoumen	Maroc	Rabat	SASU	100.00%	100.00%
Cegedim SRH SA Switzerland	24 rue du cendrier	Suisse	Genève	SA	100.00%	100.00%
Croissance 2006	15, Avenue Albert	Belgique	Bruxelles	SA	100.00%	100.00%
Health Data Management Partners	451 Route de Lennik	Belgique	Anderlecht	SA	100.00%	99.97%
In Practice Systems Ltd	The Bread Factory 1a Broughton Street	Grande-Bretagne	Londres	PLC	100.00%	100.00%
OEPO	451 Route de Lennik	Belgique	Anderlecht	SA	100.00%	99.97%
Stacks Consulting e Ingeniera en Software SL	Arago 182 Entresuelo	Espagne	Barcelone	SOC	100.00%	100.00%
Stacks Servicios Technologicos SL Chile Ltda	Avenida Nueva Providencia 2353	Chili	Providencia	LLC	100.00%	100.00%
Thin GMBH	Carl-Reuther Str.	Allemagne	Mannheim	LLC	100.00%	100.00%
Thin Ltd	The Bread Factory 1a Broughton Street	Grande-Bretagne	Londres	PLC	100.00%	100.00%
Thin S.R.L	Piazza Vetra n. 17	Italie	Milan	LLC	100.00%	100.00%

LLC : Limited liability Company | PLC : Private Limited Company | SOC : Single-Owner Company.

French companies accounted for under the equity method

Companies	Corporate offices	City	Legal form	Siren #	% of control	% owned
Clamae Group	25, rue Louis Legrand	Paris	SAS	830138376	40.81%	40.81%
Edipharm	137, rue d'Aguesseau	Boulogne	EIG	381819309	20.00%	20.00%
Infodisk	Immeuble CPL – Californie 2	Le Lamentin	SAS	490029774	34.00%	34.00%
Isiakle	4 rue Georges Picquart	Paris	EIG	823272588	50.00%	50.00%
Pharmazon	101 rue de la Gare	Orléans	SCA	812610061	28.57%	28.57%

International companies accounted for using the equity method

Companies	Corporate offices	City	Legal form	% of control	% owned
Millennium	Italy	Florence	PLC	49.22%	49.22%

5.2. Changes in consolidation scope

Companies entering the consolided scope

Relevant companies	% owned at the end of the FY	% owned during the FY	% owned during the previous FY	Consolidation method during the FY	Consolidation method during previous FY	Comments
Phealing	53,17%	53,17%		IG	-	Acquisition

Creation of companies :

None

Acquisitions of companies:

None

Acquisitions of stakes in companies:

Acquisition of a majority stake in Phealing in France (see "Highlights of the fiscal year"), consolidated from 31 December 2023, i.e. for balance sheet items only.

Companies leaving the consolidated scope

Relevant companies	% owned at the end of the FY	% owned during the FY	% owned during the previous FY	Consolidation method during the FY	Comments
Cegedim Assurances Conseil			100,00%	-	TUP to Cetip
Futuramedia			100,00%	-	TUP to Cegedim Media
Kobus			100,00%	-	TUP to Cegedim Santé
Sedia			100,00%	-	TUP to Cegedim SA
Stacks ST			100,00%	-	Merger in Stacks CIS

5.3. Impact of changes in consolidation scope

On the balance sheet at the closing date

In thousands of euros	Consolidated before change at 12/31/2023	2023 change	Consolidated after change at 12/31/2023
Goodwill	198,624	1,163	199,787
Other non-current assets (excluding goodwill)	394,470	665	395,135
Current assets	328,479	667	329,146
Total assets	**921,573**	**2,495**	**924,068**

The figures used do not refer to values upon first-time consolidation, but to the values approved at December 31, 2023.

The impacts of companies consolidated for the first time at the date of acquisition are:

- On the assets side: €1.332 million;
- On the liabilities side: €1.379 million.

The €1.2 million in goodwill attributable to these changes in the scope of consolidation is a provisional amount: all or some may be allocated to identifiable assets and liabilities within 12 months of the acquisition dates of the relevant businesses.

On the income statement at the closing date

In thousands of euros	Consolidated before change at 12/31/2023	2023 change	Consolidated after change at 12/31/2023
Revenue	615,995	-	615,995
Operating income	19,983	-	19,983
Consolidated net profit	**(7,937)**	**-**	**(7,937)**

The above figures refer to the creation and acquisition of companies from the date of their first-time consolidation within the Group. Therefore, they are not representative of the full-year impact.

On the cash flow statement at the closing date

In thousands of euros	Consolidated before change at 12/31/2023	2023 change	Consolidated after change at 12/31/2023
Impact of changes in consolidation scope	(9,386)	(439)	(8,947)
Change in net cash	**(9,386)**	**(439)**	**(8,947)**

Financing of acquisitions

In 2023 the Group internally financed €698 thousands in acquisitions of companies.

Note 6 | Segment reporting

6.1. 2023 Segment reporting

The Cegedim Group's business is structured around two operating segments. This breakdown by sector matches internal management reporting, used by management teams to steer operational activities.

The **Health insurance, HR and e-services** segment serves large corporate clients. This segment:

- handles all products and services marketed to insurance companies, mutual insurers, personal protection insurers, and insurance brokers, and it covers the entire chain of interactions between these entities and healthcare professionals;
- it also targets companies in any sector interested in hosting, outsourcing (HR and payroll management, for example), electronic data exchanges (Cegedim e-business), or data processing (GERS).

The **Healthcare professionals segment** serves doctors, paramedical professionals, pharmacists, and healthcare centers. The segment sells management software, databases, and solutions that help healthcare professionals perform everyday tasks.

The **Cloud & Support** is the third segment and supports the operating segments.

Income statement items at December 31, 2023

In thousands of euros		Health insurance, HR & e-services	Healthcare professionals	Cloud & Support	Total 12/31/2023	Total France	Total rest of the world
Segment income							
A	Non-group revenue	443,877	165,018	7,100	615,995	552,578	63,417
B	Intra-Group revenue	12,516	15,886	103,661	132,064	124,180	7,884
A+B	**Total segment revenue**	**456,394**	**180,904**	**110,761**	**748,059**	**676,758**	**71,301**
Segment income							
C	**Recurring operating income**	**49,333**	**(13,193)**	**(4,469)**	**31,670**		
D	**EBITDA**	**87,874**	**8,006**	**12,953**	**108,834**		
C/A	Recurring operating margin	11.1%	(8.0)%	(62.9)%	5.1%		
D/A	EBITDA margin	19.8%	4.9%	182.4%	17.7%		
	Depreciation & amortization	38,542	21,200	17,423	77,164		

Geographical breakdown of consolidated revenue at December 31, 2023

In thousands of euros	France	Euro zone excluding France	Pound sterling zone	Rest of the world	12/31/2023
Breakdown by geographic region	552,578	13,092	42,707	7,618	615,995
%	89.7%	2.1%	6.9%	1.2%	100.0%

Balance sheet items at December 31, 2023

In thousands of euros	Health insurance, HR & e-services	Healthcare professionals	Cloud & Support	Total 12/31/2023	Total France	Total rest of the world
Segment assets						
Goodwill (note 10)	104,998	94,789	-	199,787	139,654	60,133
Intangible assets	103,101	80,374	10,702	194,178	161,327	32,851
Property, plant, and equipment	60,325	20,199	58,058	138,582	125,896	12,687
Investments in affiliates (note 9)	4,534	17,531	-	22,065	8,568	13,496
Total net	**272,959**	**212,893**	**68,761**	**554,612**	**435,445**	**119,167**
Investments during the year (gross values)						
Goodwill (note 10)	-	1,163	-	1,163	1,163	-
Intangible assets	33,325	18,760	1,453	53,538	49,660	3,878
Property, plant, and equipment	21,102	6,775	15,724	43,602	38,171	5,431
Investments in affiliates (note 9)	-	-	-	-	-	-
Total gross	**54,427**	**26,699**	**17,177**	**98,303**	**88,994**	**9,309**
Segment liabilities[(1)]						
Non-current liabilities						
Provisions for post-employment benefit obligations	20,714	8,512	1,781	31,007	31,007	-
Other provisions	490	1,337	694	2,521	1,746	775
Other liabilities	-	-	-	-	-	-
Current liabilities						
Trade payables and related accounts	40,579	12,957	8,198	61,734	51,352	10,382
Tax and social security liabilities	86,400	26,419	8,551	121,371	112,642	8,728
Provisions	795	935	-	1,730	1,730	-
Current tax liabilities	-	21	214	235	-	235
Other liabilities	94,862	24,865	485	120,212	110,816	9,396

[(1)]By default, Cegedim SA's contribution to liabilities is still allocated to the Health insurance, HR & e-services segment, with no segment breakdown

Breakdown by division of income statement items at December 31, 2023

The analysis into three segments aims to present a breakdown of businesses by major client categories. This analysis is used for internal management reporting.

It is backed up by an analysis into five divisions, which aims to present a breakdown of the businesses by the main lines of business conducted by the Group.

Software & Services division: comprises all of the Group's software offerings in all formats (licenses, SaaS, online) as well as hosting (HDS certified for health data) and IT facilities management. Cegedim targets:

- health and personal protection insurance (France and the UK),
- HR departments (France),
- independent pharmacies, as well as chains and consortiums (France, Romania, and the UK),
- doctors and health centers (France, the UK, Belgium, Spain, and Italy),
- paramedical professionals: physical therapists, nurses, speech therapists, orthoptists, podiatrists, midwives, etc. (France).

Flow division: comprises third-party health payment management (France), contract to pay and management process digitization (orders, invoices, etc.), probative value storage, and EDI (France, the UK, and Germany). This business has service centers in France, Romania and Morocco.

Data & Marketing division: comprises

- data for health authorities, healthcare professionals, researchers, the healthcare industry and its partners in France, Italy, Germany, Spain, Romania, and the UK;
- print and digital advertising in pharmacies and health & wellness shops in France;
- digital marketing to doctors;
- healthcare product distribution.

BPO division: comprises business process outsourcing activities in France for supplemental health insurers (managing reimbursement, among other things), personal protection insurers, and HR departments. This division has service centers in France and Romania.

Cloud & Support division: offers support to the operating divisions listed above.

In thousands of euros		Software & services	Flow	Data & marketing	BPO	Cloud & Support	Group
Revenue	**a**	**326,612**	**95,938**	**114,864**	**71,481**	**7,100**	**615,995**
EBITDA	**b**	**44,704**	**20,763**	**24,117**	**6,296**	**12,953**	**108,834**
EBITDA margin	b/c	13.7%	21.6%	21.0%	8.8%	182.4%	17.7%
Depreciation & amortization R&D	e	(29,353)	(6,213)	(1,648)	(1,554)	(1,185)	(39,953)
Depreciation & amortization for right-of-use assets	f	(6,534)	(1,494)	(1,046)	(392)	(8,228)	(17,693)
Depreciation & amortization others	g	(4,647)	(956)	(5,507)	(397)	(8,010)	(19,518)
Depreciation & amortization	**h=e+f+g**	**(40,534)**	**(8,663)**	**(8,201)**	**(2,343)**	**(17,423)**	**(77,164)**
Recurring operating income	**i=b+h**	**4,170**	**12,101**	**15,916**	**3,953**	**(4,469)**	**31,670**
Recurring operating margin	i/a	1.3%	12.6%	13.9%	5.5%	(62.9)%	5.1%
Impairment of goodwill	j	-	-	-	-	-	-
Non-recurring income and expenses	k	(10,930)	(511)	500	(128)	(618)	(11,687)
Other non-recurring operating income and expenses	**l=j+k**	**(10,930)**	**(511)**	**500**	**(128)**	**(618)**	**(11,687)**
Operating income	**m=i+l**	**(6,760)**	**11,590**	**16,416**	**3,825**	**(5,087)**	**19,983**
Operating margin	m/a	(2.1)%	12.1%	14.3%	5.4%	(71.7)%	3.2%

6.2. 2022 Segment reporting - Income statement items at December 31, 2022

In thousands of euros		Health insurance, HR & e-services	Healthcare professionals	Cloud & Support	Total 12/31/2022	Total France	Total rest of the world
Segment revenue							
A	Non-group revenue	400,314	152,100	2,795	555,209	496,757	58,452
B	Intra-Group revenue	16,702	17,438	93,236	127,376	119,277	8,099
A+B	**Total segment revenue**	**417,015**	**169,538**	**96,031**	**682,585**	**616,034**	**66,551**
Segment profit							
C	**Recurring operating income**	**51,496**	**(22,399)**	**(3,425)**	**25,673**		
D	**EBITDA**	**86,862**	**(2,588)**	**11,928**	**96,202**		
C/A	Recurring operating margin	12.9%	(14.7)%	(122.5)%	4.6%		
D/A	EBITDA margin	21.7%	(1.7)%	426.7%	17.3%		
	Depreciation & amortization	35,366	19,811	15,353	70,530		

Geographical breakdown of consolidated revenue at December 31, 2022

In thousands of euros	France	Euro zone excluding France	Pound sterling zone	Rest of the world	12/31/2022
Breakdown by geographic region	496,757	11,842	39,240	7,370	555,209
%	89.5%	2.1%	7.1%	1.3%	100.0%

Balance sheet items at December 31, 2022

In thousands of euros	Health insurance, HR & e-services	Healthcare professionals	Cloud & Support	Total 12/31/2022	Total France	Total rest of the world
Segment assets						
Goodwill (note 10)	105,230	93,531	-	198,761	139,461	59,300
Intangible assets	95,539	80,921	11,625	188,085	147,155	40,930
Property, plant, and equipment	53,518	19,631	57,854	131,004	117,707	13,297
Investments in affiliates (note 9)	3,715	16,864	-	20,578	7,789	12,789
Total net	**258,002**	**210,946**	**69,479**	**538,428**	**412,112**	**126,316**
Investments during the year (gross values)						
Goodwill (note 10)	11,297	4,321	-	15,618	15,618	-
Intangible assets	31,175	22,259	5,120	58,554	50,542	8,012
Property, plant, and equipment	18,324	6,392	17,439	42,156	37,496	4,660
Investments in affiliates (note 9)	-	-	-	-	-	-
Total gross	**60,796**	**32,972**	**22,559**	**116,327**	**103,655**	**12,672**
Segment liabilities[(1)]						
Non-current liabilities						
Provisions for post-employment benefit obligations	16,606	7,409	1,383	25,397	25,397	-
Other provisions	165	1,490	700	2,355	1,595	760
Other liabilities	-	-	-	-	-	-
Current liabilities						
Trade payables and related accounts	32,952	14,695	8,062	55,709	42,832	12,877
Tax and social security liabilities	77,205	28,010	7,125	112,341	104,433	7,908
Provisions	815	1,357	-	2,172	2,172	-
Tax liabilities	35	50	162	247	35	212
Other liabilities	70,921	25,541	370	96,832	89,106	7,726

[(1)]By default, Cegedim SA's contribution to liabilities is still allocated to the Health insurance, HR & e-services division, with no segment breakdown

Breakdown by division of income statement items at December 31, 2022

In thousands of euros		Software & services	Flow	Data & marketing	BPO	Cloud & Support	Group
Revenue	**a**	**301,975**	**90,601**	**106,864**	**52,974**	**2,795**	**555,209**
EBITDA	**b**	**33,798**	**20,740**	**24,375**	**5,361**	**11,928**	**96,202**
EBITDA margin	b/c	11.2%	22.9%	22.8%	10.1%	426.7%	17.3%
Depreciation & amortization R&D	e	(28,453)	(5,390)	(1,325)	(1,372)	(1,106)	(37,646)
Depreciation & amortization for right-of-use assets	f	(6,438)	(1,184)	(1,035)	(709)	(7,862)	(17,228)
Depreciation & amortization others	g	(3,784)	(1,107)	(4,071)	(308)	(6,385)	(15,655)
Depreciation & amortization	**h=e+f+g**	**(38,675)**	**(7,681)**	**(6,432)**	**(2,390)**	**(15,353)**	**(70,530)**
Recurring operating income	**i=b+h**	**(4,876)**	**13,059**	**17,943**	**2,971**	**(3,425)**	**25,673**
Recurring operating margin	i/a	(1.6)%	14.4%	16.8%	5.6%	(122.5)%	4.6%
Impairment of goodwill	j	-	-	-	-	-	-
Non-recurring income and expenses	k	2,834	(57)	(515)	(50)	(1,392)	820
Other non-recurring operating income and expenses	**l=j+k**	**2,834**	**(57)**	**(515)**	**(50)**	**(1,392)**	**820**
Operating income	**m=i+l**	**(2,042)**	**13,002**	**17,428**	**2,921**	**(4,817)**	**26,492**
Operating margin	m/a	(0.7)%	14.4%	16.3%	5.5%	(172.3)%	4.8%

Note 7 | Operating data

7.1. Revenue

Cegedim Group's revenue consists primarily of:

- sales of services delivered using software developed and hosted by the Group or based on the databases built and still owned by the Group,
- sales of software under ad hoc licenses,
- and, to a lesser extent, hardware sales.

Revenue breakdown by segment (based on client categories)

Revenues are analyzed into two main client categories and one subsidiary category.

- Services for businesses operating in the **healthcare insurance, human resources, and e-services** segment (72% of consolidated revenue in 2023). These are large corporate accounts such as insurance companies, mutual insurers, and personal protection insurers, with services covering the entire chain of interactions between these entities and healthcare professionals; and other industry partners (pharmaceutical companies, large billers in the distribution and services sectors, industrial companies, etc.), requiring hosting and outsourcing (HR, payroll, etc.), dematerialized transaction, and data processing solutions.
- Services for **healthcare professionals** (27% of consolidated revenue in 2023) : primary care physicians and specialists, and paramedical professionals (physical therapists, nurses, podiatrists, etc.) working in private practice or at multidisciplinary health centers and healthcare facilities, as well as pharmacists working either individually or in consortiums. These may be single-person or mid-sized entities. The segment sells management software, databases, and solutions that help healthcare professionals perform everyday tasks.
- Certain ancillary services, which are not material in value terms, are also delivered by entities providing support to the rest of the Group (**Cloud & Support**: 1% of consolidated revenue).

The revenue breakdown by business segment mirrors the internal reporting used by senior management to manage the operational activities. This breakdown is identical to the one provided in segment reporting, as required by the IFRS 8 (see note 6). A geographical analysis is also provided based on currencies in which the transactions are denominated.

Breakdown of revenue by division (by business line)

Since 2020, the breakdown of revenue by segment has been supplemented by a breakdown by division representing the main Group activities. This breakdown aims to improve the understanding of our business by highlighting the different activities for which well-known comparators can easily be found in the market.

- **Software & Services division** (53% of consolidated revenue in 2023): comprises all of the Group's software offerings in all formats (licenses, SaaS, online) as well as hosting (HDS certified for health data) and IT facilities management. Cegedim targets:
    - health and personal protection insurance (France and the UK),
    - HR departments (France),
    - independent pharmacies, as well as chains and consortiums (France, Romania, and the UK),
    - doctors and health centers (France, the UK, Belgium, Spain, Italy and Chile),
    - paramedical professionals: physical therapists, nurses, speech therapists, orthoptists, podiatrists, midwives, etc. (France).
- **Flow division** (15% of consolidated revenue in 2023): comprises third-party health payment management (France), contract to pay and management process digitization (orders, invoices, etc.), probative value storage, and EDI (France, the UK, and Germany). This business has service centers in France, Romania, and Morocco.
- The **Data & Marketing division** (19% of consolidated revenue in 2023) comprises:
    - data for health authorities, healthcare professionals, researchers, the healthcare industry and its partners in France, Italy, Germany, Spain, Romania, and the UK;
    - print and digital advertising in pharmacies and health & wellness shops in France;
    - digital marketing to doctors;
    - healthcare product distribution.
- The **BPO division** (12% of consolidated revenue in 2023) comprises business process outsourcing activities in France for supplemental health insurers (managing reimbursement, among other things); personal protection insurers, and HR departments. This division has service centers in France and Romania
- The **Cloud & Support division** (1% of consolidated revenue in 2023) identical to the sector of the same name.

It is this breakdown by division that is preferred in press releases and financial presentations. A reconciliation with the business segments within the meaning of IFRS 8 is systematically presented (see note 6).

Information on services

The services provided in the "**Health insurance, HR and e-services**" segment principally reflect the following performance obligations:

- **consulting and technical engineering services** intended to advise clients and support them through the change management and implementation process that their organizations and technical environments are undergoing; these services generally take place over several weeks or months and represent distinct obligations in their own right.
- **recurring services** linked to the use of data flow or exchange platforms hosted by the Group and made available to clients in SaaS mode or operated for clients on a BPO basis; these services are generally billed on a monthly basis, as and when services are delivered.
- Less commonly, ad hoc services delivered "at a specific point in time" (see examples below).

The services provided in the "**Healthcare professionals**" segment principally reflect the following performance obligations:

- **sales of packaged software solutions**, including maintenance and assistance, giving rise to a **subscription** (smoothed annual billings); this applies generally to all medical professions and pharmacies;
- services providing access to **software in SaaS mode** (monthly billing); this applies to applications hosted by Cegedim, such as the MLM or Maiia Gestion medical practice software and the telemedicine range;
- sales of software in the form of **ad hoc licenses**, firstly, and **annual maintenance and assistance agreements**, secondly (on an ad hoc basis for certain paramedical professionals or at pharmacies);
- **database subscriptions** (Claude Bernard database of medicine and healthcare products accessible on healthcare professionals' workstations) and other recurring services (backups, etc.);
- **hardware** sales (workstations, printers, cashguard, etc.);
- **installation** (per diem charge) or technical engineering services, usually never for more than a few days or weeks, at facilities where several health professionals work.

Information on revenue recognition

In most cases, the Group recognizes revenue on a **percentage of completion basis**. This applies to:

- consulting and technical engineering projects;
- subscriptions to the Group's databases;
- access to services and software sold in SaaS mode;
- digitized data and flow processing services;
- assistance and maintenance services covering the Group's solutions;
- business process outsourcing (BPO) activities.

Revenues recognized "**at a specific point in time**" consist of:

- the delivery of ad hoc research, which is recognized upon delivery;
- sales of software under ad hoc licenses, which are recognized upon delivery;
- hardware sales and installations, which are recognized once installation has been completed, generally concurrently with delivery;
- training and other ad hoc interventions, which are recognized upon completion of the service.

No material differences were identified between the approach to revenue recognition used under French GAAP financial statements and that required under IFRS 15.

Note also that the Group's activities are not affected by the principal-agent issues that can sometimes have a material impact on the consolidated financial statements.

Information on contract assets and liabilities

Contract assets reflect Cegedim's right to consideration in exchange for services in respect of which control has transferred or is being transferred to the client. They specifically arise where revenue is recognized on a percentage of completion basis without there being an immediate right to bill (when billing takes place at completion or based on contract milestones). These assets are shown under trade receivables.

Contract liabilities reflect Cegedim's obligation to perform services for which the client has already transferred consideration. They include advances and payments on account received, as well as prepaid income, including in respect of assistance and maintenance services billed in advance, for which the service delivery period extends beyond the reporting date. These amounts are shown under other liabilities.

The timing difference between performance and payment arising from contract assets and liabilities is less than 12 months in the majority of cases.

The contract assets and liabilities that arise and are settled during the same financial year are not catalogued.

In thousands of euros	At beginning of the period	settled	new	At end of the period
Contract assets	29,729	(24,818)	24,406	29,316
Contract liabilities	34,370	(28,085)	32,220	38,506

Key accounting principles and judgments

Revenue is recognized based on an analysis of contracts that entail obligations to the Group's clients, divided into five stages in accordance with IFRS 15:

- Identify the contract with a customer;
- Identify the distinct performance obligations;
- Determine the transaction price;
- Allocate the transaction price among each of the performance obligations;
- Recognize revenue when each performance obligation is satisfied.

Owing to the nature of the services performed by the Group and the typically explicit language in its contracts, this is basically a fact-based analysis and does not rely on judgments or assessments.

7.2. External expenses

In thousands of euros	12/31/2023	12/31/2022
Purchases of studies & services and consumables	(59,151)	(54,847)
External services (leasing, maintenance, insurance)	(32,420)	(27,339)
Other: advertising, seconded personnel, entertainment expenses, postal expenses, etc.	(46,973)	(37,727)
Total external expenses	**(138,544)**	**(119,913)**

7.3. Other non-recurring operating income and expenses

The breakdown of other non-recurring operating income and expenses is as follows:

In thousands of euros	12/31/2023	12/31/2022
Recurring operating income	**31,670**	**25,673**
Provisions and impairment(1)	(8,985)	(10,260)
Restructuring costs(2)	(1,952)	(4,426)
Other non-recurring income and expenses(3)	(750)	15,506
Operating income	**19,983**	**26,492**

(1) Provisions and impairment cover losses in value in individual assets or resulting from impairment tests. In 2023, the Group wrote down nearly €9 million of assets in the United Kingdom, mainly as a result of its recent decision to refocus its physicians' software business exclusively on Scotland. In 2022, this mainly concerned the acceleration of depreciation plans for the oldest functionalities of software for pharmacists in the UK, which have been replaced by developments based on new-generation technologies.

(2) Restructuring costs have to do with expenses related to the departure of senior managers and efforts to significantly reorganize the governance at certain businesses, including the closure of related sites.These costs are mainly due to the reorganisation of Cegedim Santé's activities and those carried out in the UK, which began in 2022 and has been extended to 2023.

(3) The other non-recurring income and expenses chiefly reflect payments of fees associated with litigation or the winding up of non-recurring operations. In 2022, the Group sold its shareholding in HGL in the UK, giving rise to a €16 million capital gain. It held a 50% interest without control in HGL, which was accounted for under the equity method in the operating income.

Each line is presented net of any related positive impacts: write-backs of provisions, exceptional gains, or compensation received.

7.4. Capitalized production

Capitalized production has been reclassified as a reduction of payroll costs and external expenses, as shown in the table below

In thousands of euros	12/31/2023	12/31/2022
Payroll costs	44,473	43,203
External expenses	11,118	10,801
Capitalized production	**55,592**	**54,004**

7.5. Inventories and work in progress

In thousands of euros	Gross value		Impairment		Net value	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Inventories of goods held for resale	6,939	7,547	(1,440)	(1,052)	5,498	6,495
Total inventories and work in progress	**6,939**	**7,547**	**(1,440)**	**(1,052)**	**5,498**	**6,495**

7.6. Trade receivables

A provision for impairment is recognized if the fair value, based on the probability of collection, is less than the carrying amount. Trade receivables related to customers in receivership or liquidation proceedings are routinely written down in full, and receivables more than six months past due are monitored on a case-by-case basis and, if necessary, impaired in the amount of the estimated risk of non-collection.

The Group began applying the new IFRS 9 impairment model on January 1, 2018, meaning that it immediately records expected losses for all its receivables. Given the types of clients the Group deals with, the new model has had no material impacts.

The share of past-due receivables (gross amount) was €43 million at December 31, 2023.

In thousands of euros	Current trade receivables		Non-current trade receivables		Total trade receivables	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
French companies	168,655	146,488	-	-	168,655	146,488
Foreign companies	18,026	16,215	-	-	18,026	16,215
Total gross value	**186,681**	**162,703**	**-**	**-**	**186,681**	**162,703**
Provisions	11,482	10,945	-	-	11,482	10,945
Total net value	**175,199**	**151,757**	**-**	**-**	**175,199**	**151,757**

Aged balance

In thousands of euros	Total trade receivables due	Receivables < 1 month	Receivables due in between 1 and 2 months	Receivables due in between 2 and 3 months	Receivables due in between 3 and 4 months	Receivables < 4 month
French companies	33,708	6,717	7,255	1,367	1,106	17,263
Foreign companies	8,877	2,203	326	2,118	653	3,577
Total gross value	**42,584**	**8,920**	**7,582**	**3,485**	**1,759**	**20,839**

7.7. Other receivables

In thousands of euros	Social security liabilities		Tax liabilities		Other receivables (1)		Total other receivables	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current receivables								
French companies	812	397	8,669	9,739	47,199	36,935	56,680	47,071
Foreign companies	311	489	2,741	2,067	330	1,369	3,382	3,926
Total gross value	**1,122**	**886**	**11,411**	**11,806**	**47,529**	**38,304**	**60,063**	**50,997**
Provisions	-	-	-	-	(500)	(500)	(500)	(500)
Total current receivables (net values)	**1,122**	**886**	**11,411**	**11,806**	**47,029**	**37,804**	**59,563**	**50,497**
Non-current receivables								
French companies	-	-	-	-	-	-	-	-
Foreign companies	-	-	-	-	-	-	-	-
Total gross value	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Provisions	-	-	-	-	-	-	-	-
Total non-current receivables (net value)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(1) "Other receivables" include the amounts managed on behalf of mutuals and health insurers in the context of BPO contracts entered into with the Group for €45 million at December 31, 2023, and €36 million at December 31, 2022.

7.8. Other liabilities

In thousands of euros	Current		Non-current		Total	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Advances and payment on account	**665**	**201**	**-**	**-**	**665**	**201**
Trade receivables – unissued credits	-	-	-	-	-	-
Expenses payable	-	-	-	-	-	-
Miscellaneous payables[1]	82,106	62,461	-	-	82,106	62,461
Other financial liabilities	**82,106**	**62,461**	**-**	**-**	**82,106**	**62,461**
Liabilities on acquisitions of assets	4	1	-	-	4	1
Dividends payable	0	-	-	-	0	-
Prepaid income	37,437	34,170	-	-	37,437	34,170
Total other liabilities	**120,212**	**96,832**	**-**	**-**	**120,212**	**96,832**

[1] "Miscellaneous payables" include the amounts managed on behalf of mutuals and health insurers in the context of BPO contracts entered into with the Group for €78 million at December 31, 2023, and €62 million at December 31, 2022.

7.9. Current and non-current provisions

Provisions are based on estimated future costs for the Company. These estimates are based on internal information, experience and, in some cases, discussions with consultants. They also take into account contractually defined liability limits and insurance policies. Decisions on whether to set aside a provision and, if so, for what amount are based on case-by-case risk assessments, management's view of whether the litigation will have a favorable outcome, and the Company's ability to reliably estimate the amount in question.

Current provisions pertain to employee litigation and risks expected to crystallize in the coming year. Non-current provisions include risks likely to persist beyond the coming year.

The largest provisions relate to litigation with former employees, which amounted to €2 million at the end of 2023.

The other amounts involved are non-material if taken individually.

In thousands of euros	12/31/2022	Additional provision allowances	New provision allowances	Reversals of provisions used	Reversals of unused provisions	Unrealized exchange gains/losses	Reclassification	12/31/2023
Provisions for employee litigation	2,172	177	419	(1,074)	(15)	-	50	1,730
Current provisions	**2,172**	**177**	**419**	**(1,074)**	**(15)**	**-**	**50**	**1,730**
Provisions for employee litigation	50	-	-	-	-	-	(50)	-
Other provisions for risks	1,331	9	568	(204)	(120)	14	-	1,597
Other provisions for expenses	973	297	0	-	(347)	-	-	924
Non-current provisions	**2,355**	**306**	**568**	**(204)**	**(468)**	**14**	**(50)**	**2,521**
Total current and non-current provisions	**4,527**	**483**	**987**	**(1,278)**	**(482)**	**14**	**-**	**4,251**

Note 8 | Personnel costs and employee benefits

8.1. Payroll costs

In thousands of euros	12/31/2023	12/31/2022
Payroll costs	(323,011)	(295,033)
Profit-sharing and incentives	(8,240)	(8,416)
Free share award plan	(115)	(35)
Provisions for employee litigation	(382)	(93)
Payroll costs	**(331,748)**	**(303,577)**

8.2. Employees

In thousands of euros	12/31/2023	12/31/2022
France	4,109	3,786
International	2,473	2,287
Total employees	**6,582**	**6,073**

8.3. Award of free shares

On January 26, 2021, the Board of Directors, acting on the authorization given by the Extraordinary Shareholders' Meeting of June 19, 2018, issued a total number of shares not exceeding 10% of the total number making up the share capital to Cegedim Group's managers and employees at no cost.

On January 27, 2022, the Board of Directors, acting on the authorization given by the Extraordinary Shareholders' Meeting of June 17, 2021, issued a total number of shares not exceeding 10% of the total number making up the share capital to Cegedim Group's managers and employees at no cost.

On January 26, 2023 and September 19 2023, the Board of Directors, acting on the authorization given by the Extraordinary Shareholders' Meeting of June 17, 2021, issued a total number of shares not exceeding 10% of the total number making up the share capital to Cegedim Group's managers and employees at no cost.

The main characteristics of the plans are as follows:

- The free shares awarded confer the right to dividends voted on or after the award date.
- The plan dated January 26, 2021 authorized a maximum award of 37,068 free shares.
- The plan dated January 27, 2022 authorized a maximum award of 49,845 free shares.
- The plan dated January 26, 2023 authorized a maximum award of 47,970 free shares.
- For the 2021, 2022, and 2023 plans, the award of these shares to grantees will become final after a vesting period of two years for grantees whose residence for tax purposes is in France at the award date, and of three years for grantees whose residence for tax purposes is not in France at the award date.
- The shares will be fully allotted to the beneficiaries on one condition: no resignation, dismissal, or termination.
- Starting from the final award date, beneficiaries whose residence for tax purposes is in France as of the award date must keep shares for a term of one year starting from the final award date.

In application of IFRS 2, the expense measuring "the benefit" offered to employees is deferred on a straight-line basis over the beneficiaries' vesting period.

The main characteristics of the plans are as follows:

	Jan. 26, 2021 plan	Jan. 27, 2022 plan	Jan. 26, 2023 plan
Date of the General Meeting	06/19/2018	06/17/2021	06/17/2021
Date of the Board meeting	01/26/2021	01/27/2022	01/26/2023 and 09/19/2023
Start date of plan	01/26/2021	01/27/2022	01/26/2023
Total number of shares that can be awarded	37,308 shares	49,845 shares	47,970 shares
Initial subscription price	€25.00	€24.15	€18.76
Vesting date France	01/26/2023	01/27/2024	01/26/2025
Vesting date outside France	01/26/2024	01/27/2025	01/26/2026

Position of plan as at December 31, 2023

	Jan. 26, 2021 plan	Jan. 27, 2022 plan	Jan. 26, 2023 plan
Total number of shares awarded	3,391 shares	40,172 shares	47,820 shares
Total number of shares left to be acquired	0	0	0
Adjusted acquisition price of free share award for			
France	€24.27	€23.44	€18.21
Outside France	€21.25	€20.53	€15.95

8.4. Management compensation

Directors' fees paid to Board members came to €173,000 at December 31, 2023, and are recorded in the "Other operating income and expenses" line of the income statement. In compliance with the IAS 24 standard, Cegedim's "key managers" are members of the Board of Directors with direct or indirect authority and responsibility for planning, managing, and controlling Cegedim's activities, and those of any of the Group's companies. In accordance with IAS 24.17, in-kind benefits are recorded on the "Short-term benefits" line.

In thousands of euros – gross amount	12/31/2023	12/31/2022
Short-term benefits (wages, bonuses, etc.)	1,072	1,213
Post-employment benefits	None	None
Severance pay	None	None
Other long-term benefits	None	None
Benefits recognized	**1,072**	**1,213**
Termination benefits	None	None
Benefits not recognized	**None**	**None**

The short-term benefits include the variable and fixed portions of managers' compensation.

Note 9 | Investments in affiliates

9.1. Value of investments in affiliates

Entity	% interest at 12/31/2023	Profit (loss) at 12/31/2023	Share of profit (loss) at 12/31/2023	Net shareholders' equity at 12/31/2023	Group share of total net shareholders' equity at 12/31/2023	Goodwill arising on acquisitions	Provision for risk	Companies no longer consolidated	Net value of investments in affiliates at 12/31/2023
Edipharm	20.00%	526	105	611	122				122
Isiakle	50.00%	-	-	50	25				25
Pharmazon	28.57%	(139)	(40)	2,531	723	3,312			4,035
Millennium	49.22%	3,436	1,691	21,613	10,638	2,859			13,496
Group share of investments in affiliates contributing to operating income		**3,823**	**1,757**	**24,805**	**11,508**	**6,170**			**17,678**
Clamae Group	40.81%	(2,907)	(1,186)	(4,369)	(1,783)	6,170			4,387
Infodisk	34.00%	(26)	(9)	(905)	(308)		308		-
Total at 12/31/2023		**889**	**561**	**19,531**	**9,417**	**12,340**	**308**		**22,065**

9.2. Change in the value of investments in affiliates

The change in value of investments in affiliates was as follows:

In thousands of euros	
Investments in affiliates at 01/01/2023	20,578
Dividends paid	(1,084)
Capital increase	583
Share of profit (loss) at 12/31/2023	561
Goodwill arising on acquisitions	1,417
Provisions for risk	9
Unrealized exchange gains (losses)	-
Change in consolidation scope	-
Total	**22,065**

The share of profit (loss) from affiliates contributed by division to operating income and expenses as follows:

- Software & Services Division: Edipharm and Isiakle,
- Flow Division: Pharmazon and Millennium.

Note 10 | Non-current Assets

10.1. Goodwill

At December 31, 2023, net goodwill amounted to €200 million, compared with €199 million at December 31, 2022. This near stability includes an increase of €1.2m, linked to the acquisition of a majority stake in Phealing, and a decrease of €0.9m due to the allocation of goodwill to identifiable assets arising from to identifiable assets.

The Group allocates goodwill from acquisitions within a 12-month period, taking care to gain the proper perspective needed before making evaluations. In practice, allocations are made close to the final deadline. Goodwill from the 2023 acquisition has not yet been allocated.

CGU groups	12/31/2022	Allocation of goodwill	Deferred tax on allocation	Scope	Unrealized exchange gains/losses and other changes	12/31/2023
Health Insurance, HR & e-services	105,230	(600)	196	-	172	104,998
Healthcare professionals	93,531	(700)	222	1,163	573	94,789
Cloud & Support	-					-
Total goodwill	**198,761**	**(1,300)**	**418**	**1,163**	**746**	**199,787**

Impairment tests

IAS 36.90 states that a group of CGUs (cash-generating units) to which goodwill has been allocated must be tested for impairment at least once every year and whenever there is an indication of a loss of value likely to give rise to impairment. Impairment is defined as the difference between the group of CGUs' recoverable amount and its carrying amount. IAS 36.18 defines recoverable amount as the higher of the asset's fair value less costs of disposal and its value in use (the present value of the cash flows the company expects the asset to generate).

The impairment tests aim to ensure that the carrying amount of the assets needed for business operations and assigned to each CGU (including acquisition goodwill) does not exceed their recoverable amount. The recoverable amount adopted is the value in use of the assets tested.

Impairment tests were carried out as part of the preparation of the 2023 financial statements at both of the Group's groups of operational CGUs, as at the end of the previous financial year.

The tests consisted in updating the main assumptions used to measure the assets allocated to the Group's groups of CGUs. These tests verify not only the evidence supporting the value of the goodwill (€200 million), but also that of all assets essential to the operation of the business and allocated to the groups of CGUs (i.e. €472 million tested at the end of 2023).

Firstly, the Group considered whether there were any indications of a loss of value affecting individual intangible assets.

As a result of this analysis, nearly €9 million worth of assets in the UK were written down in 2023. The Group recently decided to refocus its medical software activities exclusively on Scotland, where it is the only supplier approved by the health authorities. Activities in England, Wales and Northern Ireland will continue to be operated during the transition to a new provider. During this transitional period, which is expected to last until mid-2026, the Group will continue to depreciate the solutions still in use at a rate of around €2 million a year. In addition, in line with the valuation work carried out at the end of 2022, the capitalisation of R&D projects for UK pharmacists has been reduced by around a third compared with the levels usually observed.

Secondly, the Group updated calculations of the recoverable amount of the assets belonging to each group of CGUs, based on the business plans.

The tests carried out since 2023 now take into account the impact of IFRS 16: the assets tested at group of CGU level include the amount of right-of-use assets, and the operating cash flows projected in business plans do not take lease expenses corresponding to these rights-of-use into account.

As every year, the Group has retained the services of an independent firm to calculate the discount rate that should be applied to the business plans. This rate takes into account application of IFRS 16. The operating cash flows in the business plans are discounted at an after-tax rate, which is applied to cash flows after tax.

These tests did not require any impairment losses to be recognized.

Trends factored into the units' business plans

Cash flow performance for 2023 in the **Health Insurance, HR and e-services** CGU group is in line with forecasts and continues to offer very dynamic growth prospects. However the business plans have been adjusted slightly downwards to take account of the following factors :

- Cegedim Outsourcing's activities will be reclassified within the Cloud & Services CGU group from 2024 onwards, because of their proximity to the business, which justifies their inclusion under a common management structure. The cash flows in the business plan have therefore been reduced accordingly.
- The postponement announced by the French authorities of the date of implementation of the reform on electronic invoicing, pushed back to 2026, has led to the postponement of activity projections for e-business activities. The prospects offered by this reform remain very promising and will be addressed by Cegedim as a Partner Dematerialization Platform.
- Future cash flows reflect, as expected, a significant increase in BPO business over several years due to the start-up, in April 2023, of a major contract with the Allianz group for the management of its group health, individual health and group personal protection insurance policies, covering 1.3 million people. The resulting start-up costs have been assessed in greater detail, with an impact over the first three years of the plan.

Revenue growth averaging 6,5% is projected over the next five years (compared with 8% recorded under the previous plan).

Cash flow performance in 2023 for the **Healthcare Professionals** CGU group is in line with forecasts, despite the fact that sales are almost €7 million below budget. They continue to offer very dynamic growth prospects. However, business plans have been adjusted downwards to take account of the timing of several key events impacting future business.

- The Ségur plan for the entire healthcare sector in France is another very powerful driver, providing a major incentive for healthcare professionals to upgrade management software. By gaining accreditation for all its software, the Cegedim group has established itself as a key partner supporting this large-scale plan to digitalize healthcare. The first wave of rollout to doctors ended in 2023, as did the rollout to pharmacists. However, the start-up dates for the subsequent waves have now been set for 2025, rather than 2024, which means that the plans have been postponed. The expected effects remain unchanged and will be very significant, since they concern Cegedim Santé's most numerous customer base: paramedical professionals, and will extend over the period 2025-2027. The second wave of Ségur for doctors and pharmacists is also expected in 2025.
- For the international activities, future flows will benefit from the scheduled launch of new medical software for the Belgian entity (first contracts signed at the end of 2023, with wider deployment planned in 2024) and the Romanian entity (during 2024). The Spanish business has achieved commercial success, generating additional recurring business. Software for pharmacists in the UK started to see a significant recovery in margins in 2023, which should continue. However, the Group has decided to change its development strategy for its doctors' software business in the UK, with the aim of refocusing exclusively on the Scottish market, where it is the sole approved supplier and can reasonably expect to double its customer base. The activities carried out in England, Wales and Northern Ireland are due to be phased out by the end of 2026, to allow time for the transition to competing providers. This decision will enable the Group to achieve economies of scale, by only having to maintain a single platform, and will therefore lead to a resizing of its R&D and operations from 2024 onwards.
- Note that since the 2022 closing, the business plans for this group of CGUs extend over 6 years. This timeframe makes it possible to better reflect the expected results and to ensure that they are in line with the €361 million valuation retained for the fund-raising subscribed to in May 2022 by the minority investors in Cegedim Santé's capital.

Sales growth assumptions take all these factors into account, and average 10% over 5 years (compared with 13% previously).

Economic data

The perpetual growth rates used to calculate the terminal values take into account a two-thirds discount to the growth rate observed in the final year of the business plans.

The current inflationary environment is captured by the discount rate, which increased by 100 basis points at the 2022 closing and remains relatively stable at the 2023 closing. In addition, the business plans include for 2024 an increase in revenue under the clauses providing for a contractual review of selling prices (increased by the Syntec cost of services index at the very least), as well as higher payroll costs (the Group's leading expense item and the expense item with the greatest exposure to inflationary pressures) and energy costs. The business plans do not take into account substantial inflationary effects beyond the short term.

The **sensitivity of tests** was measured for both groups of CGUs by studying the impact of changes in all the key financial (discount rate, growth rate) and operational parameters (uncertainties concerning achievement of margins, tested over different time horizons). In particular:

- a change in the discount rate of +/- 50 basis points;
- a change in the perpetual growth rate of +/- 50 basis points and test of the rate adopted at the previous year-end, if lower;
- the possibility of a temporary margin reduction during the second and third years of the plan (50% reduction in margins);
- the possibility of a prolonged margin contraction (terminal margin lowered by roughly 225 basis points).

These sensitivity calculations would not result in any goodwill impairment in either of the groups of CGUs tested.

	12/31/2022	12/31/2023
Discount rate after tax	8.06%	8.05%
Perpetual growth rate		
- *Health insurance, HR and e-services*	1.95%	1.75%
- *Healthcare professionals*	3.50%	2.00%

10.2. Intangible asset

In thousands of euros	12/31/2022	Reclassification and correction brought forward	Acquisitions	Change in scope	Reductions	Unrealized exchange gains/losses	12/31/2023
Development costs	3,081	(2,582)	657	404	-	1	1,562
Internal software [(1)]	491,867	3,307	51,679	360	(44,938)	1,943	504,218
Other intangible assets [(2)]	82,185	800	1,201	(5)	(461)	218	83,938
Total gross value	**577,133**	**1,525**	**53,538**	**759**	**(45,399)**	**2,161**	**589,718**
Amortization and impairment of internal software	318,829	225	45,683	114	(44,938)	1,303	321,216
Amortization and impairment of other intangible assets	70,220	-	4,383	-	(465)	187	74,325
Total amortization	**389,048**	**225**	**50,066**	**114**	**(45,403)**	**1,490**	**395,540**
Total impairment	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total intangible assets, net	**188,085**	**1,300**	**3,472**	**645**	**5**	**671**	**194,178**

[(1)] *The average amortization period for software developed internally and currently in use is 5 to 10 years.*

[(2)] *This line mainly consists of acquired software*

10.3. Property, plant, and equipment

In thousands of euros	12/31/2022	Reclassification and correction brought forward	Acquisitions	Change in scope	Reductions	Unrealized exchange gains/losses	12/31/2023
Land	544	-	-	-	-	-	544
Buildings	9,347	-	-	-	-	-	9,347
Other property, plant, and equipment	**110,686**	**14**	**21,390**	**39**	**(2,018)**	**(9)**	**130,102**
Tech installations, equipment and tools	94,840	120	19,453	13	(1,586)	23	112,863
Others	15,846	(107)	1,937	26	(432)	(31)	17,239
Right-of-use assets	**141,919**	**0**	**21,499**	**0**	**(7,513)**	**(254)**	**155,651**
Buildings	132,946	14	20,418	-	(6,344)	(257)	146,777
Other property, plant, and equipment	8,972	(14)	1,081	-	(1,169)	3	8,874
Non-current assets in & Advances and deposits on property, plant, and equipment	133	(14)	712	-	-	-	831
Total gross value	**262,629**	**0**	**43,602**	**39**	**(9,531)**	**(262)**	**296,476**
Impairment of land	0	-	-	-	-	-	0
Depreciation of buildings	7,476	-	212	-	-	-	7,687
Depreciation of other property, plant, and equipment:	**71,219**	**-**	**14,922**	**29**	**(1,961)**	**64**	**84,273**
Depreciation of tech installations, equipment, and tools	59,704	36	13,122	6	(1,540)	39	71,367
Other depreciation	11,515	(36)	1,800	23	(420)	25	12,906
Depreciation of right-of-use assets:	**52,931**	**-**	**17,693**	**0**	**(4,537)**	**(154)**	**65,933**
Buildings	47,520	-	15,364	-	(3,609)	(157)	59,118
Other property, plant, and equipment	5,411	-	2,330	-	(928)	3	6,815
Total amortization	**131,625**	**-**	**32,827**	**29**	**(6,498)**	**(90)**	**157,894**
Total property, plant, and equipment, net	**131,004**	**0**	**10,774**	**10**	**(3,033)**	**(172)**	**138,582**

10.4. Financial assets (excluding investments in affiliates)

In thousands of euros	12/31/2022	Acquisitions Allowances	Change in scope	Reductions and reversals	Unrealized exchange gains/ losses	12/31/2023
Equity investments	1			(1)		0
Loans	15,642	1,733		(2,043)		15,332
Security deposits	5,052	545	5	(359)	(14)	5,230
Total gross value	**20,696**	**2,279**	**5**	**(2,403)**	**(14)**	**20,563**
Provisions on other financial assets	-					-
Total provisions	**-**					**-**
Total financial assets, net	**20,696**	**2,279**	**5**	**(2,403)**	**(14)**	**20,563**

Note 11 | Financing and financial instruments

11.1. Net financial debt

In thousands of euros	12/31/2023			12/31/2022		
	Financial	Miscellaneous[1]	Total	Financial	Miscellaneous[1]	Total
Long-term financial borrowings and financial liabilities (> 5 years)	-	-	-	-	-	-
Medium-term borrowings and financial liabilities (> 1 year, < 5 years)	181,218	7,328	188,546	180,173	8,740	188,913
Financial liabilities excluding non-current IFRS 16 lease liabilities	181,218	7,328	188,546	180,173	8,740	188,913
Short-term borrowings and financial liabilities (< 1 year)	1,361	1,645	3,006	1,312	2,542	3,854
Current bank loans	-	-	-	-	-	-
Current financial liabilities excluding IFRS 16 lease liabilities	1,361	1,645	3,006	1,312	2,542	3,854
Total financial liabilities	182,579	8,973	191,553	181,484	11,283	192,767
Cash	46,606	-	46,606	55,553	-	55,553
Net financial debt excluding IFRS 16 lease liabilities	135,973	8,973	144,947	125,931	11,283	137,214
Non-current IFRS 16 lease liabilities	78,761	-	78,761	75,907	-	75,907
Current IFRS 16 lease liabilities	14,789	-	14,789	15,916	-	15,916
Net financial debt	**229,523**	**8,973**	**238,497**	**217,754**	**11,283**	**229,037**

[1] Miscellaneous mainly includes the profit-sharing of 7.435 million euros at 31 December 2023 and 7.500 million euros at 31 December 2022.

11.2. Net cash

In thousands of euros	12/31/2023	12/31/2022
Current bank loans	0	-
Cash	46,606	55,553
Net cash	**46,606**	**55,553**

11.3. IFRS 16 lease liabilities

In thousands of euros	< 1 year	> 1 year < 5 years	Over 5 years
IFRS 16 lease liabilities	14,789	46,020	32,741
Total	**14,789**	**46,020**	**32,741**

IFRS 16 debt amounted to €94 million at December 31, 2023.

11.4. Statement of changes in net debt

In thousands of euros		12/31/2023	12/31/2022
Net debt at beginning of fiscal year	**A**	**229,037**	**251,343**
Operating cash flow before cost of net financial debt and taxes		(100,420)	(107,335)
Tax paid		4,233	21,309
Change in working capital requirement		(1,736)	(450)
Net cash flow from operating activities		**(97,923)**	**(86,476)**
Net cash flow from investing activities		73,040	75,736
Impact of changes in consolidation scope		3,371	(52,483)
Dividend payments		(1,112)	3,842
Capital increase in cash		-	-
Impact of changes in foreign currency exchange rates		503	1,024
Interest paid on loans		5,050	4,949
Other financial income and expenses paid or received and interest on lease obligations		5,895	2,974
IFRS 16		21,522	24,492
Other movements		(2,087)	2,920
Total net change in fiscal year	**B**	**8,259**	**(23,022)**
Impact of companies acquired	C	1,200	716
Net debt at the end of fiscal year	**A+B+C**	**238,497**	**229,037**

11.5. Cost of net debt

In thousands of euros	12/31/2023	12/31/2022
Income or cash equivalent	**475**	**114**
Interest paid on borrowings	(5,050)	(4,949)
Accrued interest on borrowings	-	-
Interest paid on financial liabilities	**(5,050)**	**(4,949)**
Other interest and financial expenses(1)	(3,412)	(1,960)
Interest expense on lease liabilities	(3,280)	(2,040)
Cost of gross financial debt	**(11,742)**	**(8,949)**
Net foreign exchange gains and losses	(414)	(370)
Valuation of financial instruments	-	-
Others	(200)	415
Other financial income and expenses	**(614)**	**(8,904)**
Financial income (expense)	**(11,881)**	**(8,790)**

In thousands of euros	12/31/2023	12/31/2022
(1) o/w FCB interest	(2,683)	(1,184)
Interest on equity investments	(450)	(450)
Total	**(3,134)**	**(1,634)**

Bank loan terms

The bank loans have the following terms:

In thousands of euros	< 1 year	> 1 year < 5 years	Over 5 years
Euribor 1-month rate	1,361	181,218	-
Total	**1,361**	**181,218**	**-**

11.6. Financing

In May 2007, Cegedim borrowed the €50.0 million FCB Loan from FCB, its largest shareholder. When the December 2009 capital increase went ahead, FCB subscribed for €4.9 million in shares by converting a portion of the FCB Loan, which decreased the outstanding balance of the FCB Loan to €45.1 million. On October 9, 2018, the FCB Loan was amended in order to subordinate it to the €135 million Euro PP bond and to the €65 million bank revolving credit, and to extend the maturity date and modify the applicable interest rate.

On October 8, 2018, Cegedim issued a €135 million private placement Euro PP maturing on October 8, 2025.

On October 9, 2018, the Group arranged with its banking partners a €65.0 million revolving credit facility (RCF) maturing on October 9, 2023, with a one-year extension option. Cegedim asked to exercise the extension option in December 2019 and the banks agreed. The RCF maturity date is now October 9, 2024.

At December 31, 2022, the debt was structured as follows:

- €135.0 million Euro PP maturing on October 8, 2025;
- €65.0 million revolving credit, undrawn, maturing on October 9, 2024;
- €45.1 million FCB Loan maturing on November 20, 2025;
- €24.0 million overdraft facility, undrawn.

It is worth noting that cash includes €33.4 million of commitments related to the health insurance BPO business (BPO of health benefit payments).

At December 31, 2023, no interest-rate hedges were in place, but most of the debt carried a fixed rate. The portion of debt subject to interest rate fluctuations at December 31, 2023, was €45 million.

Interest expense on bank loans and bonds, premiums, and commissions totaled €5 million at December 31, 2023.

Interest on the shareholder loan at December 31, 2023, amounted to €2.7 million.

At December 31, 2023, Cegedim complied with all its covenants.

11.7. Risk management

The main financial risks identified are interest rate, foreign exchange, and liquidity risks.

Interest rate risk

The amount of borrowings exposed to interest rate risk was €45.1 million at December 31, 2023. Only the revolving credit facility and the FCB Loan carry floating interest rates. Since the revolving credit facility was not drawn down, the nominal amount concerned was €45.1 million.

Foreign exchange risk

The pound sterling is the only significant foreign currency (representing 6.9% of consolidated revenue). The Group does not have an established policy for currency hedging. This leaves the Group potentially exposed to a more or less significant exchange rate risk depending on the year. The table below shows the balance sheet's sensitivity to exchange rate risk:

In thousands of euros	GBP
Total assets	858
Off-balance-sheet position -	-
Net position after hedging	858

This table shows the calculation of the risk of a loss on the net global foreign currency position assuming a uniformly adverse change of 1% in the currency used to prepare financial statements against all other foreign currencies involved. For illustration purposes, a uniformly adverse change of 1% in the euro-pound sterling exchange rate on the financial statements of subsidiaries whose functional currency for financial statements is the GBP would have a negative impact of approximately €382,000 on Group shareholders' equity.

Should the revenue/costs structure remain similar, any appreciation of the euro against the pound sterling would reduce earnings stated in euros. Based on the 2023 fiscal year, if all other currencies remained at the same level against the pound sterling, a theoretical 1% appreciation in the euro against the pound sterling would have a negative impact of €423,000 on Cegedim's revenue and a positive impact of €74,000 on its recurring operating income.

Currency effects had a total positive impact of €0.4 million on revenue in 2023. Of this amount, €0.4 million was due to the pound sterling.

Liquidity risk

The Group has carried out a specific review of its liquidity risk and considers that it is able to meet its future maturities.

Contractual cash flows are not discounted.

When the rate is fixed, the rate is used to calculate future interest payments.

Cash flow

In thousands of euros	< 1 month	> 1 month < 6 months	> 6 month < 1 year	> 1 year < 5 years	Over 5 years
Bank loans and interest	694	3,304	5,040	188,807	
Hedging instruments				(245)	
Current bank loans					
Leasing	1	5	6	31	
Earn-out		106		625	
Equity investments			1,528	6,169	
Financial liabilities related to equity investments					
Miscellaneous including security deposits				503	

Note 12 | Trade payables and related accounts

Trade payable aging schedule

In thousands of euros	Trade payables past due 12/31/2023	Past due < 30 days	Past due 31 – 60 days	Past due > 60 days
French companies	4,848	2,649	253	1,946
Foreign companies	1,325	884	256	186
Total	**6,173**	**3,532**	**509**	**2,132**

In thousands of euros	Trade payables past due 12/31/2022	Past due < 30 days	Past due 31 – 60 days	Past due > 60 days
French companies	3,197	2,539	126	532
Foreign companies	2,544	1,683	226	635
Total	**5,741**	**4,221**	**352**	**1,167**

Note 13 | Change in working capital requirement

Change in working capital requirement

In thousands of euros	12/31/2023	12/31/2022
Inventories	888	(2,028)
Trade receivables and payments on account	(26,627)	(14,292)
Social security contributions and tax receivable	209	1,385
BPO business advances	6,792	4,948
Others	(2,732)	(3,651)
Impact of the change in trade receivables and other debtors	**(21,470)**	**(13,638)**
Trade payables and advances received	(6,254)	(7,113)
Social security contributions and tax liabilities	(9,010)	(11,043)
Others	(7,942)	4,068
Impact of the change in trade payables and other creditors	**(23,206)**	**(14,088)**
Net	**1,736**	**450**

Note 14 | Leases

The Group has applied the IFRS 16 exemption permitting it not to recognize right-of-use assets and lease liabilities on the balance sheet for certain short-term leases (i.e. leases with a term of 12 months or less at their date of inception, with no extension option) and leases covering low-value assets. The corresponding lease payments amounted to €1.4 million at December 31, 2023, and were recognized in external expenses.

The trend in right-of-use assets and lease liabilities in 2023 was as follows:

14.1. Right-of-use assets related to leases

In thousands of euros	Real estate	Equipment	Total
Gross value			
At 12/31/2022	132,946	8,972	141,919
At 12/31/2023	**146,777**	**8,874**	**155,651**
Depreciation & amortization			
At 12/31/2022	(47,520)	(5,411)	(52,931)
At 12/31/2023	**(59,118)**	**(6,815)**	**(65,933)**
Net value			
At 12/31/2022	85,426	3,561	88,988
At 12/31/2023	**87,659**	**2,059**	**89,718**

14.2. Current lease liabilities

As of December 31, 2023, lease liabilities amounted to €93.550 million of which €78.761 million were due in more than one year and €14.789 million in less than one year.

The change in the liabilities can be explained as follows:

In thousands of euros	
Liabilities at 12/31/2022	**91,823**
New leases	21,499
Repayment of lease liabilities	(19,796)
Others	24
Liabilities at 12/31/2023	**93,550**

Note 15 | Income tax

15.1. Deferred tax

Tax breakdown

The tax expense recognized in income was €14.845 million at December 31, 2023, compared with €4.610 million at December 31, 2022. This comprised:

In thousands of euros	12/31/2023	12/31/2022
Tax due		
France	(3,682)	(5,345)
Outside France	(827)	(537)
Total tax due	**(4,509)**	**(5,882)**
Deferred tax		
France	(10,943)	(338)
Outside France	607	1,610
Total deferred tax	**(10,336)**	**1,272**
Total tax income recognized in the income statement	**(14,845)**	**(4,610)**

Theoretical tax expense and actual tax expense

The reconciliation between the theoretical tax expense for the Group and actual tax expense is presented in the following table:

In thousands of euros		12/31/2023	12/31/2022
Consolidated net profit		(7,937)	12,079
Share of profit (loss) of affiliates		(561)	(1,203)
Income taxes		14,845	4,609
Income before tax of consolidated companies	**(a)**	**6,346**	**15,486**
of which French consolidated companies		24,014	22,783
of which non-French consolidated companies		(17,668)	(7,297)
Standard tax rate in France	(b)	25.83%	25.83%
Theoretical tax expense	**(c) = (a) x (b)**	**(1,639)**	**(4,000)**
Reversal of capitalisation of deficit		(12,254)	
Impact of permanent differences		(900)	(1,390)
Impact of differences in tax rates on profits		286	2,925
Impact of differences in tax rates on temporary differences		-	(484)
Capitalized tax loss carryforwards		4,111	4,270
Uncapitalized tax on losses		(5,119)	(6,405)
Impact of tax credit		671	475
Tax expenses recognized in the income statement		**(14,845)**	**(4,609)**
Effective tax rate		**NA**	**29.76%**

Calculation of the standard tax rate in France

Base	25.00%
Contribution of 3.3% (Corporate tax above €763,000)	0.83%
Standard tax rate in France	25.83%

The main countries contributing to the line “Impact of differences in tax rates on profits” are:

In thousands of euros	12/31/2023
Ireland	
Morocco	170
France (companies not in the tax consolidation group)	49
Others	67
Total	**286**

Deferred tax assets and liabilities

Analysis by category of the change over time of the net deferred tax position recognized in the balance sheet (before offsetting by fiscal entities with deferred tax assets and liabilities).

In thousands of euros	12/31/2022	Reclassification and correction brought forward	Profit (loss)	Change in consolidation scope	Other change in equity	Change in Unrealized exchange gains/losses	12/31/2023
Tax loss carryforwards	20,000		(12,254)				7,746
Post-employment benefit obligations	6,129		498		762		7,389
Non-deductible provisions	3,319		579				3,898
Fair value adjustment to financial instruments	-						-
IFRIC	(515)						(515)
Lease accounting	699		135				834
Elimination of internal capital gains	145		(6)				139
Restatement of R&D margin	1,636		258				1,894
Cancellation of expenses linked to capital transactions	-						-
Others	218		(59)				160
Total deferred tax assets	**63,633**	**-**	**(10,849)**	**-**	**762**	**0**	**21,545**
Unrealized exchange gains/losses	-		111			(111)	-
Capitalization of R&D expenses	(5,472)		136				(5,337)
Restatement of the allowance for the R&D margin	(586)		(215)				(802)
Intangible assets	(1,039)	(418)	428				(1,029)
Others	(286)		55				(231)
Total deferred tax liabilities	**(7,384)**	**(418)**	**513**	**-**	**-**	**(111)**	**(7,399)**
Deferred tax, net	**24,249**	**(418)**	**(10,336)**	**-**	**762**	**(111)**	**14,146**

The deferred tax assets capitalized in respect of tax-loss carryforwards amounted to €7.7 million. We estimate that it will take an average of 4 years for the fully consolidated French companies to recover those assets.

Until 31 December 2022, the deferred tax asset was unchanged at €20 million. At 31 December 2023, this asset stood at 7.7 million euros, due to a downward adjustment of 12.3 million euros recognised in deferred tax expenses in the consolidated income statement. The company has taken note of a recent development in case law, published in July 2023, which has led it to make a more cautious assessment of the future unrealised gain still realisable in respect of the remaining disputed tax losses.

The table below illustrates the change in deferred taxes recognized on the consolidated balance sheet after offsetting by fiscal entities for deferred tax assets and liabilities:

In thousands of euros	Assets	Liabilities	Net
As of December 31, 2022	**30,386**	**(6,138)**	**24,248**
Impact on profit (loss) for the period	(10,849)	513	(10,336)
Impact on shareholders' equity	762	(111)	652
Impact of net reporting by tax entity	(552)	552	0
Reclassification		(418)	(418)
As of December 31, 2023	**19,747**	**(5,600)**	**14,146**

Tax corresponding to tax loss carryforwards not recognized at December 31, 2023, amounts to €329,000 for French companies and €13.794 million for foreign companies.

Note 16 | Equity and earnings per share

16.1. Share capital

At December 31, 2023, the share capital was made up of 13,997,173 shares (including 419,618 treasury shares), each with a nominal value of €0.9528, i.e. total share capital of €13,336,506.

16.2. Earnings per share

Earnings per share are calculated by dividing the Group share of earnings by the total number of shares minus treasury shares.

The number of shares must be the weighted average number of outstanding ordinary shares during the period (i.e. 13,610,429 shares at December 31, 2023, and 13,658,348 shares at December 31, 2022).

Earnings per share amounted to €-0.5 in respect of fiscal year 2023.

	12/31/2023	12/31/2022
Weighted average number of outstanding ordinary shares	13,997,173	13,997,173
Less average number of treasury shares	(386,744)	(338,825)
Number of shares used to calculate earnings per share	**13,610,429**	**13,658,348**

	12/31/2023	12/31/2022
Net income, group share (in thousands euros)	(7,407)	13,624
Average number of shares excluding treasury stock	13,610,429	13,658,348
Earnings per share (in euros)	**(0.5)**	**1.0**

Note 17 | Dividend

The resolution for presentation at the Shareholders' Meeting to be called in the first half of 2024 to approve the 2023 financial statements does not provide for a dividend to be paid out in respect of 2023.

Note 18 | Retirement commitments

18.1. Retirement commitments:

1 | French companies

In thousands of euros	Through an insurance fund	Through a provision for charges
Post-employment benefit obligations	2,610	31,007

When employees retire, they receive a retirement benefit as defined in the collective bargaining agreement.

An actuarial valuation plan has been set up to calculate funding for benefit commitments. The total commitment came to €33.617 million, including €2.610 million paid to an insurance company.

The amount of retirement contributions provisioned as expenses during the financial year was €2.464 million.

The Cegedim Group decided to apply the option under IAS 19, as amended, which allows the actuarial gains and losses resulting from changes in the assumptions used to calculate liabilities to be recognized directly in other comprehensive income.

The actuarial assumptions used are as follows:

Economic assumptions	2023	2022
Net interest rate	3.17%	3.76%
Expected return on plan assets	3.17%	3.76%
Wage increases (including inflation)	2.50%	2.50%

The discount rate applied for 2023 is 3.17% (Iboxx Corporate AA 10+) versus 3.76% in 2021.

Demographic assumptions

Mortality: Insee 2019-2017, M/W tables

Turnover rate:

- 7.5% per year up to the age of 35
- 4.0% up to the age of 45;
- 1.8% up to the age of 55;
- 0.5% up to the age of 60;
- 0.0% for ages 61 and above.

Retirement age: voluntary retirement at age 65

Sensitivity to the discount rate	2,92 %	3,17 %	3,42 %
	34 782	33 617	32 746

The Group's collective bargaining agreements are as follows:

- National collective bargaining agreement for insurance companies;
- National collective bargaining agreement for the advertising industry;
- National collective bargaining agreement for the pharmaceutical industry;
- Syntec national collective bargaining agreement for the software, technology, engineering, and consulting industries;
- French Labor Code.

2 | Foreign companies

The amount of retirement contributions reported as expenses and paid during the financial year was €105,000.

18.2. Comparison of actuarial liabilities and plan assets

In thousands of euros	2023	2022
Actuarial liabilities	33,617	27,938
Plan assets	(2,610)	(2,541)
Unrecognized past service cost	-	-
Liabilities recognized	**31,007**	**25,397**

Change in service cost and the fair value of plan assets

In thousands of euros		12/31/2023			12/31/2022		
		French companies	Foreign companies	Total	French companies	Foreign companies	Total
Actuarial liabilities at beginning of fiscal year	**1**	**27,938**	**-**	**27,938**	**36,569**	**-**	**36,569**
Service cost during the fiscal year		1,532	-	1,532	3,397	-	3,397
Interest cost during the fiscal year		1,027	-	1,027	353	-	353
Unrecognized past service cost		-	-	-	-	-	-
Costs for the period	**2**	**2,559**	**-**	**2,559**	**3,750**	**-**	**3,750**
Benefits paid	3	(1,138)	-	(1,138)	(1,282)	-	(1,282)
Actuarial losses (gains) generated during the fiscal year in respect of liabilities	4	2,943	-	2,943	(11,099)	-	(11,099)
Newly consolidated companies	5	1,314	-	1,314	-	-	-
Companies no longer consolidated	6	-	-	-	-	-	-
Reclassification	7	-	-	-	-	-	-
Changes in exchange rates	8	-	-	-	-	-	-
Actuarial liabilities at end of fiscal year	**1+2+3+4+5+6 +7+8**	**33,617**	**-**	**33,617**	**27,938**	**-**	**27,938**
Value of plan assets			**-**				
Fair value of plan assets at beginning of fiscal year		2,541	-	2,541	2,501	-	2,501
Expected return on plan assets		96	-	96	25	-	25
Contributions		-	-	-	-	-	-
Benefits paid out		-	-	-	-	-	-
Actuarial gains (losses) for the fiscal year generated on assets		(26)	-	(26)	16	-	16
Newly consolidated companies		-	-	-	-	-	-
Companies no longer consolidated		-	-	-	-	-	-
Fair value of plan assets at end of fiscal year		**2,610**	**-**	**2,610**	**2,541**	**-**	**2,541**

Amounts recorded in the balance sheet and income statement

In thousands of euros	12/31/2023			12/31/2022		
	French companies	Foreign companies	Total	French companies	Foreign companies	Total
Service cost at the end of the fiscal year	33,617	-	33,617	27,938	-	27,938
Fair value of plan assets	(2,610)	-	(2,610)	(2,541)	-	(2,541)
Sub-total	31,007	-	31,007	25,397	-	25,397
Unrecognized past service cost	-	-	-	-	-	-
Liabilities recognized on the balance sheet	**31,007**	**-**	**31,007**	**25,397**	**-**	**25,397**
Service cost during the fiscal year	1,532	-	1,532	3,397	-	3,397
Interest cost during the fiscal year	1,027	-	1,027	353	-	353
Expected return on plan assets	(96)	-	(96)	(25)	-	(25)
Effect of plan curtailment or settlement	-	-	-	-	-	-
Expenses recognized in the income statement	**2,464**	**-**	**2,464**	**3,725**	**-**	**3,725**

Change in liabilities recognized on the balance sheet

In thousands of euros	12/31/2023			12/31/2022		
	French companies	Foreign companies	Total	French companies	Foreign companies	Total
Net liabilities at beginning of fiscal year	**25,397**	**-**	**25,397**	**34,069**	**-**	**34,069**
Actuarial losses (gains)	2,970	-	2,970	(11,115)	-	(11,115)
Reclassification of recognized past service costs – vested rights	-	-	-	-	-	-
Expenses recognized in the income statement	2,464	-	2,464	3,725	-	3,725
Benefits paid	(1,138)	-	(1,138)	(1,282)	-	(1,282)
Contributions paid	-	-	-	-	-	-
Newly consolidated companies	1,314	-	1,314	-	-	-
Companies no longer consolidated	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
Change in exchange rates	-	-	-	-	-	-
Net liabilities at end of fiscal year	**31,007**	**-**	**31,007**	**25,397**	**-**	**25,397**

Note 19 | Related parties

19.1. Related parties

This note presents the transactions between the Group and its related parties. The compensation of key management personnel is presented in note 8.4.

Profile of Cegedim's parent company: FCB

FCB is a limited company held mainly by Jean-Claude Labrune, Chairman and Chief Executive Officer of Cegedim SA, his family, and certain members of the Board of Directors of Cegedim SA.

Transactions with related parties :

Certain transactions were carried out with companies that have a Director in common with Cegedim SA.

The main subsidiaries (fully consolidated companies) are listed in note 5. Only the significant transactions are described below: Charges of €11.985 million in 2023, compared with €9.531 million in 2022, essentially comprised the following:

- FCB re-invoiced €3.727 million in rent to companies in the Cegedim Group, compared with €3.057 million in 2022;
- FCB invoiced €2.621 million for car leases in 2023, compared with €2.466 million in 2022, and €509,000 in fleet management fees, compared with €408,000 in 2022;
- FCB reinvoiced €1.887 million for the contract for services in strategic consulting, human resources, marketing, finance, budget, and internal information systems in 2023, compared with €1.987 million in 2022;

Interest on the FCB loan amounted to €2.683 million in 2023, compared with €1.184 million in 2022. FCB granted a €50 million loan to Cegedim SA in 2007. At the time of the Cegedim capital increase in 2009, FCB subscribed for €4.906 million in shares by offsetting the debt it already held. As a result, the amount owed decreased from €50 million to €45.094 million.

The Group has ongoing but insignificant commercial relations with companies whose managers or directors are members of Cegedim's Board of Directors or their close family. Financial information on companies consolidated using the equity method is provided in note 9.

In thousands of euros	FCB		Family-owned SCI property investment companies		Other companies	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Income	247	247	-	-	22,256	99
Expenses	11,985	9,531	6,397	6,141	1,852	210
FCB Loans	45,094	45,094	-	-	7,757	-
Security deposits granted	786	754	1,487	1,470	-	-
Security deposits received	9	9	-	-	-	-
Receivables	1	1	-	-	7,608	58
Provisions for receivables	-	-	-	-	-	-
Liabilities	1,853	1,579	67	0	2,508	62
Commitments given	-	-	-	-	-	-
Commitments received	-	-	-	-	-	-

Note 20 | Other information

20.1. Seasonality

The business activities of the Group are somewhat seasonal due to its software publishing activity.

Over the year, the Group generates slightly more revenue in the second half than in the first half.

Quarterly % of reported revenue	2023	2022
Q1	23.7%	23.3%
Q2	25.2%	24.9%
Q3	24.1%	24.0%
Q4	27.0%	27.8%
Year	100.0%	100.0%

The proportion of EBITDA[1] generated in the second half of the year is generally higher than the EBITDA generated during the first half of the year.

Half-yearly % of reported EBITDA	2023	2022
First half	44.9%	43.3%
Second half	55.1%	56.7%
Year	100%	100.0%

This is largely due to the seasonal nature of Cegedim clients' decision-making processes. In particular, the *Health insurance, HR & e-services* and *Healthcare professionals* divisions are characterized by a certain seasonality effect, as some customers buy the Group's products and services at the end of the year to ensure they can rely on a complete renage for their next year budget.

(1) see note 2 on alternative performance measures and note 6 on "Segment reporting".

20.2. Statutory Auditors' fees

In thousands of euros	12/31/2023				12/31/2022			
	Mazars	%	KPMG	%	Mazars	%	KPMG	%
Auditing, certification, review of individual and consolidated financial statements								
Cegedim SA	144	66.9%	147	82.3%	140	42.5%	146	82.7%
Fully consolidated subsidiaries	71	33.1%	32	17.7%	189	57.5%	31	17.3%
Non-audit services								
Cegedim SA	-	-	-	-	-	-	-	-
Fully consolidated subsidiaries	-	-	-	-	-	-	-	-
Audit, sub-total	**215**	**100.0%**	**179**	**100.0%**	**328**	**100.0%**	**177**	**100.0%**
Legal, tax, social	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Subtotal of other services provided by the networks to the fully consolidated subsidiaries	-	-	-	-	-	-	-	-
Total fees	**215**	**100.0%**	**179**	**100.0%**	**328**	**100.0%**	**177**	**100.0%**

20.3. Off-balance sheet commitments

Guarantees given by Cegedim to its subsidiaries

All subsidiaries

- One-year authorization to provide securities, endorsements, and other guarantees for a total amount of €20 million, provided no single commitment exceeds €6 million (authorized by the Board of Directors on March 23, 2023).

GERS subsidiary

- Cegedim has undertaken jointly and severally with its subsidiary GERS SAS to guarantee, without any upper limit, the GERS EIG for the payment of all sums of an indemnity nature (penalties, indemnities, default interest, etc.) claimed from the GERS EIG by Datapharm in respect of contractual commitments and / or any compensation due to the provision by the GERS GIE for the benefit of the future GERS SAS of data provided by Datapharm (meeting of June 17, 2020).

Cetip subsidiary

- Guarantee given to Cetip in connection with the long-term BPO agreement for the Allianz IARD and Allianz Vie health and personal protection policies. Cegedim SA has undertaken to provide its Cetip subsidiary with the requisite resources to provide the services it will offer under the partnership and to cover the financial implications arising from any failings by Cetip in its performance of the commitments given thereby in connection with the partnership (authorization given by the Board of Directors on September 20, 2022).

Subsidiary guarantees

Cegedim Activ subsidiary

- MAD450,000 and €305,000 guarantee to CNOPS;
- €185,000 guarantee to Office National de l'Electricité;
- Guarantees to ANAM Maroc for MAD20,000 and €8,000;
- MAD60,000 guarantee to the Kingdom of Morocco;
- Guarantees to Caisse Nationale de Sécurité Sociale du Maroc for MAD45,000 and €39,000;
- MAD100,000 guarantee to Mutuelle Général du Personnel.

Cetip subsidiary

- €80,000 guarantee to La Poste.

20.4. Litigation

Euris litigation

Cegedim, jointly with IQVIA (formerly IMS Health), is being sued by Euris for unfair competition. Cegedim has asked the court to dismiss the case against it. On December 17, 2018, the Paris Commercial Court granted Cegedim's request, which IQVIA then appealed. On December 8, 2021, the Court of Appeals upheld the judgement in favor of Cegedim. The case was appealed to the Supreme Court, and in a ruling on March 20, 2024, the court overturned the Court of Appeals judgement that had exonerated Cegedim. As a result, the case has been sent back to the Paris Court of Appeals, with a different set of judges. After consulting its external legal counsel, the Group decided not to set aside any provisions.

Tax

Cegedim S.A. has been audited twice since 2018, giving rise to reassessments of the company's use of tax loss carryforwards disputed by the tax authorities. After consultation with its lawyers and based on the applicable tax law and ample precedent, Cegedim S.A. believes that the tax authorities' proposed reassessment is unwarranted. As a result, the company has appealed the decision and continues to explore its options for contesting the reassessment.

To be in full compliance, Cegedim S.A. has already paid a total of €23 million (incl. €10.9 million in February 2024) to cover reassessments of tax losses used up to 2022. The corresponding entry for these payments is not the taxes line of the income statement, but rather the tax receivables line of the balance sheet, as we expect these sums to be repaid once the dispute has been favorably resolved. Furthermore the Company continues to recognize a deferred tax asset for the remaining disputed tax losses that it believes it will still be able to use, i.e. €7.7 million on the consolidated balance sheet at December 31, 2023 (a decrease of €12.3 million year on year after taking into account recent judicial precedent, which led to a more conservative measurement of unrealized potential gains).

Cegedim S.A. continues to use the remaining disputed tax loss carryforwards. In the event of an unfavorable ruling, based on the tax losses used until December 31, 2023, Cegedim S.A. would have to book a tax loss of €27 million in its P&L, of which it has already paid €23 million, and to cancel €7.7 million in deferred tax assets, a P&L loss which would not entail any cash outflow.

In the fourth quarter of 2023, Cegedim S.A. appealed the dispute to the administrative court, an effort which could take several years.

Note 21 | Significant post-closing transactions and events (post December 31, 2022)

On February 15, 2024 Cegedim acquired Visiodent, a leading provider of management solutions for dental practices and health clinics in France. Visiodent launched the market's first 100% SaaS solution, Veasy, at a time when the number of dental practices and health clinics in France was increasing significantly. Its users now include the country's largest nation-wide networks of health clinics, both cooperative and privately owned, as well as several thousand dental surgeons in private practice. Visiodent generated revenue of c.€10 million in 2023 and began contributing to Cegedim Group's consolidation scope on March 1, 2024. Post the acquisition, Cegedim is in compliance with all of its covenants and financing contracts.

Note 22 | Accounting principles and method

22.1. Accounting principles and methods

Subsidiaries and equity investments are included in the consolidation scope on the date on which control effectively transfers to the Group, while subsidiaries and equity investments that are sold are excluded from the consolidation scope on the date on which control is lost.

In accordance with IFRS 10, an investor is said to have control when the facts and circumstances show that the Group:

- has power over the subsidiary, giving it the ability to direct relevant activities;
- is exposed or has rights to variable returns from its involvement with the subsidiary;
- has the ability to use its power over the subsidiary to influence the amounts of returns it receives.

Subsidiaries thus controlled are consolidated by incorporating their financial statements, even if the percentage held is less than 50%.

When the Group acts in concert with one or more other investors to direct the subsidiary's relevant activities, the parties have collective control. In these cases, the Group accounts for its stake in the subsidiary using the equity method. This is notably the case for subsidiaries in which the Group holds a percentage of voting rights greater than or equal to 20%.

According to this method, the Group records the "share of profit (loss) from affiliates" on a specific line of the consolidated net income statement

The list of consolidated companies is set out in note 5.

22.2. Business combinations (IFRS 3)

Business combinations are accounted for using the acquisition method in accordance with the provisions of IFRS 3 - Business Combinations.

The identifiable assets, liabilities, and contingent liabilities of the entity acquired are accounted for at their fair value.

The difference between the acquisition price and the Group's interest in the net fair value of assets, liabilities, and contingent liabilities of the acquired entity at the acquisition date is recorded as goodwill. In general, the Group typically makes acquisitions to gain market share, so it records little acquisition goodwill. If the acquisition price is less than the fair value of the identified assets, liabilities, and contingent liabilities acquired, the difference is immediately recognized in the income statement as a gain from a bargain purchase.

Goodwill is recorded in the functional currency of the acquired entity. IAS 21 (paragraph 47) requires that goodwill in foreign currencies be recognized at the closing rate on each accounting closing date and not at the historical exchange rate.

Goodwill is not amortized but is subject, in accordance with revised standard IAS 36, to impairment testing when an impairment indicator is identified and at least once a year (see "Impairment of Assets").

If the recoverable amount of goodwill is less than the net carrying amount, the difference in value is recorded on the income statement.

The recoverable amount is defined as the higher of fair value of assets less costs of disposal and value in use of the assets (the sum of discounted cash flows expected by the company for the asset estimated based on the present and future profitability of the division in question).

If necessary, impairments are recorded as "Other non-recurring operating income and expenses".

22.3. Intangible assets (IAS 38)

Intangible assets acquired separately or through a business combination

Intangible assets acquired separately (primarily software) are recorded initially at cost. They are recognized as assets when (i) it is probable that future economic benefits attributable to them will go to the Group and (ii) their cost can be measured reliably.

Intangible assets acquired in connection with business combinations are recorded at their fair value on the acquisition date.

Intangible assets with a finite useful life are assessed and recognized according to the cost model.

Intangible assets are amortized using the straight-line method over their useful life (excluding goods with an indefinite life). The useful life of intangible assets is reviewed periodically. If necessary, resulting changes are recognized.

The value of amortized intangible assets is tested if an impairment indicator is identified.

Research and development / Internally developed software

Research costs are expensed in the financial year during which they were incurred.

Development costs for new internal projects are capitalized if the following criteria are fully satisfied in accordance with IAS 38:

- the project is clearly identified, and the related costs are separable and tracked reliably;
- the technical feasibility of the project has been demonstrated, and the Group has the intention and the financial capacity to complete the project and use or sell the products resulting from the project;
- it is probable that the developed project will generate future economic benefits that will flow to the Group.

Otherwise, the development costs are expensed in the financial year during which they were incurred.

Once in use, assets whose development is complete are removed from the development costs item and recognized under the corresponding asset item (generally software).

Amortization is calculated as of the moment the asset is ready to be used and is calculated over its foreseeable useful life. Projects are classified based on their life cycles, as follows:

Project type	Length	Mode	Number of projects
Core projects	11-12 years	Straight-line	Very select number of projects
Strategic projects	8-10 years	Straight-line	Select number
Routine developments	5 years	Straight-line	Covers most Group projects
Targeted projects	2-4 years	Straight-line	Select number

The Group regularly performs impairment tests on key internally developed software, even when there is no impairment indicator, to ensure that the software still meets the IAS 38 definition of an asset and that amortization schedules are consistent with assets' useful lives. When necessary, impairment may be recorded for a specific software program. Changes that may result from a revision to a program's useful life are recognized.

This test is based on projections of future cash flows estimated according to the project's expected productivity and market potential. Discount rate assumptions are identical to those used for asset impairment (see below), except for the fact that this discount rate is expressed "before" tax when it is applied for the purposes of this specific test, to operating cash flows before tax.

22.4. Property, plant, and equipment (IAS 16)

Property, plant, and equipment consist primarily of computer hardware and industrial equipment and are recorded at their acquisition cost, less accumulated depreciation and impairment losses.

Property, plant, and equipment are depreciated straight-line over their useful life, the depreciable basis used being cost less any estimated residual value, if applicable.

The useful lives of the property, plant, and equipment are revised periodically. If necessary, resulting changes are recognized.

Property, plant, and equipment are subject to impairment testing if an impairment indicator is identified.

If necessary, additional impairment is recorded in the income statement as "Other non-recurring operating income and expenses".

The following depreciation periods and methods are used:

Project type	Length	Mode
IT Equipment		
PCs for office use	3-4 years	Straight-line
Server systems	5 years	Straight-line
Industrial equipment		
Printing equipment	8-10 years	Straight-line
Industrial equipment and machinery	5-8 years	Straight-line
Fixtures and fittings	**8 years**	**Straight-line**
Vehicles	**4 years**	**Straight-line**
Office equipment	**4 years**	**Straight-line**

22.5. Lease accounting

The Group has applied IFRS 16 to leases effective January 1, 2019. When Cegedim enters into a lease agreement providing for fixed payments, the standard requires it to recognize a lease liability reflecting the discounted value of future payments it will make, with a corresponding right-of-use asset amortized over the lease term.

The Group has decided not to restate leases with an initial term of less of 12 months or those for low-value assets.

The lease term is the reasonably certain period until the end of the lease.

The discount rates applied, which are calculated at the commencement of each lease, reflect the lessee's marginal borrowing rate. For euro rates, they are based on the euro swap curve, plus the financing component. For rates applied to foreign-currency leases, they are based on the swap curve for the relevant currency, plus the financing component for the same currency.

Contract amendments and re-estimates

In the event of a reduction in the duration of a contract or in the surface area leased, the right of use of the asset and the lease liability are reduced by the same proportion, with a corresponding gain or loss on contract amendment in the income statement. The residual lease liability is then adjusted against the right of use, after discounting at the new rate for the period.

Increases in the length of time or surface area leased do not generate gains or losses on contract amendments, but a revaluation of the lease liability using the new discount rate for the period, with a corresponding adjustment to the right of use.

Lastly, changes in the amount of rent provided for in the contract, without adjustments to surface area or duration, will result in a revaluation of the rental liability without revision of the discount rate, in return for an adjustment to the right of use.

22.6. Impairment of assets (IAS 36)

Cash Generating Units (CGU)

The CGU is the smallest identifiable group of assets that generates cash flows which are largely independent of the cash inflows generated by other assets or groups of assets. CGUs generally correspond to a set of entities contributing to the same sector of activity (type of services) and using the same tools.

Since the transition to IFRS, the Group has revised the dividing lines for its CGUs three times with the assistance of an independent consulting firm to more accurately reflect changes at its businesses and thus on internal reporting. The current separation of CGUs dates to 2015.

The Cegedim Group has two groups of CGUs, corresponding to its two operating segments (and to the segment reporting presented in note 6):

The **Health insurance, HR and e-services** segment serves large corporate clients. The segment handles all products and services marketed to insurance companies, mutual insurers, personal protection insurers, and insurance brokers, and it covers the entire chain of interactions between these entities and healthcare professionals;

It also targets companies in any sector interested in hosting, outsourcing (HR and payroll management, for example), electronic data exchange (Cegedim e-business) or data processing (GERS) solutions.

The **Healthcare professionals** segment serves doctors, paramedical professionals, pharmacists, and healthcare facilities. The segment sells management software, databases, and solutions that help healthcare professionals perform everyday tasks.

For impairment testing purposes, as of the acquisition date, goodwill acquired as part of a business combination is allocated to the two groups of CGUs that are likely to benefit from the resulting synergies. This approach is also consistent with the way the Group's management monitors business performance.

Impairment testing

When impairment is indicated, or at least once a year, the Group performs impairment tests to assess the possible loss of value for its operating assets.

Impairment tests are performed on the CGU to which the assets are assigned.

The recoverable amount of a CGU is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognized if the recoverable amount of an asset or of a CGU is less than its carrying amount.

If the CGU tested includes goodwill, the impairment is first allocated to this goodwill.

Impairment is recognized under "Other non-recurring operating income and expenses" and is clearly explained in the notes to the consolidated financial statements.

Sensitivity tests are conducted on various parameters, namely by varying the assumptions used for the discount rate, the perpetual growth rate, and the performances in terms of EBITDA margin and free cash flow.

Value in use

The value in use of a group of CGUs is determined using the discounted cash flow (DCF) method. Business plans are constructed by making forecasts over a period of at least five years under the assumptions used by the Group's different operating managers in their strategic plans. These are reviewed by the Audit Committee and approved by the Board of Directors. The expected cash flows beyond the final year of the plan are represented by a terminal value, which is determined using a margin projected from the average margin appearing in the business plans.

Discount rate

The Group uses a single discount rate for all groups of CGUs. The skills center, R&D developments, and databases used to support Group services are centralized, and products and services are distributed locally.

In accordance with IAS 36, the discount rate is calculated from a business segment's weighted average cost of capital after tax. The rate is applied to operating cash flows after tax.

The Group hires independent experts to calculate this discount rate. The calculations use a sample of listed peers and benchmark indexes to determine Cegedim's specific risk premium and beta coefficient, as well as a target debt ratio applicable to the industry in which the Group competes. The formula is updated as market conditions require and at least once per year.

Perpetual growth rate

The perpetual growth rate is based on economic data that is weighted to reflect the specificities of the Cegedim Group. A specific perpetual growth rate is applied to each of the two groups of CGUs.

22.7. Financial assets

How financial assets are classified and measured depends on the business model and contractual characteristics of the financial instruments. Upon their initial recognition, financial assets are classified under IFRS 9 as being held either at amortized cost, at fair value through equity, or at fair value through profit or loss.

Within the Group, financial assets include equity securities (including unconsolidated equity investments), loans and deposits, and security deposits.

22.8. Deferred taxes

Deferred taxes are calculated using the liability method for all temporary differences between the carrying amount entered in the consolidated financial statements and the tax base of the Group's assets and liabilities. Deferred tax assets and liabilities are valued at the tax rate expected to be applied for the financial year during which the asset will be realized or the liability paid, based on the tax rates enacted at the closing date.

Deferred tax assets on deductible temporary differences and on unused tax losses carried forward are recognized to the extent that it is likely that future taxable profits will be offset by as yet unused tax losses.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the transaction date, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are not discounted. They are offset when (1) the entity has a legally enforceable right to offset tax assets and liabilities, and (2) they relate to income taxes levied by the same tax authority on the same taxable entity.

22.9. Inventories of goods held for resale and services in progress

Inventories of goods held for resale

Inventories of goods held for resale are valued using the weighted average cost method. The gross value of goods held for resale and supplies includes the purchase price and ancillary expenses.

Impairment is recorded if the carrying amount is less than the current fair value (net realizable value).

Services in progress

The current fair value consists solely of the direct costs recorded on contracts in progress. An impairment is recorded when future billings for work in progress will not cover the corresponding direct costs.

22.10. Trade receivables and other operating receivables

Trade receivables

Trade receivables are initially valued at fair value then at amortized cost and are individually monitored. An impairment is recorded when the current fair value is less than the carrying value given the probability of recovery.

Other receivables

Receivables are accounted for at their discounted amount if they are due in more than one year and if the effects of discounting are significant.

Classification of financial assets

IFRS 9 introduces a new approach to classifying and measuring financial assets. The standard classifies financial assets into three categories: those measured at amortized cost, those measured at fair value through other comprehensive income, and those measured at fair value through profit or loss.

Impairment – Financial assets and contract assets (IFRS 9)

For trade receivables including contract assets, the Group measured losses actually incurred by its client portfolio over recent years and concluded that the new arrangements for the impairment of contract assets do not have a material impact on the Group's financial statements.

22.11. Cash and cash equivalents

Cash equivalents are valued at their market value on the closing date. Changes in value are recorded in financial income (expense).

22.12. Treasury shares (IAS 32)

In accordance with IAS 32, treasury shares are accounted for at cost and their value is deducted from consolidated shareholders' equity.

Gains (losses) arising from sales of treasury shares are added to (deducted from) consolidated reserves at their amount net of tax effects.

Sales of treasury shares are accounted for using the FIFO method.

22.13. Free share award plan (IFRS 2)

The fair value of the bonus shares awarded is recognized in payroll costs over the vesting period of the rights with a corresponding adjustment to the Group's shareholders' equity. It is calculated by an independent expert and reflects the market price of the share at the award date adjusted to factor in the probability of an employee still being on the payroll at the end of the vesting period.

22.14. Provisions and contingent liabilities (IAS 37)

A provision is recorded if the Group has an obligation resulting from past events, where it is probable that an outflow of economic resources will be required to settle the obligation and its amount can be reasonably measured. An obligation is classified as a provision where there is uncertainty regarding the timing and amount of the outflow of resources.

Provisions are estimated on a case-by-case basis or statistically when they include a large number of items. They are discounted when they are due in more than one year. Cegedim Group's main commitments are intended to cover employee, client, and supplier litigation.

22.15. Post-employment benefit obligations (IAS 19)

Defined-contribution plans

Defined-contribution plans are post-employment benefit plans under which an entity makes defined contributions to a separate entity (a fund) and has no legal or constructive obligation to pay additional contributions if the fund has insufficient assets to provide all the benefits corresponding to the services rendered by employees during current and prior periods. These contributions are recorded as payroll cost for the period in which they are due, with no liability recognized in the balance sheet.

Defined-benefit plan

Defined-benefit plans refer to post-employment benefits other than defined-contribution plans.

They primarily involve post-employment benefit obligations. If these obligations are assumed directly by the Group's companies, the corresponding actuarial liabilities are covered by a provision in the balance sheet.

Since 2011, the Group has applied IAS 19, as amended, under which it can recognize directly in equity the actuarial gains and losses arising from changes in the assumptions used to calculate the liabilities.

Cegedim SA applies the arrangements laid out in ANC recommendation No. 2013-02 dated November 7, 2013, on the measurement of post-employment benefit obligations and similar benefits.

In accordance with this recommendation, the unrecognized past service cost unamortized at December 31, 2012, was recorded as a reduction in shareholders' equity at January 1, 2014.

Actuarial liabilities are calculated using the projected unit credit method and are based on valuations specific to each company of the Group; these valuations include assumptions concerning, for example, wage increases, inflation, life expectancy, and employee turnover. The discount rate applied to post-employment benefit obligations is determined using high quality bond yields at the end of the fiscal year. For countries that lack an active market in top-rated corporate bonds, the Group uses government bond yields at the end of the fiscal year.

Additionally, the impact that changes to pension plans resulting from amendments to collective bargaining agreements have on the valuation of the provision for retirement benefits is spread over employees' remaining years of service.

Lastly, if this obligation is partially or completely covered by funds paid by Group companies to financial institutions, the amounts of these dedicated investments are deducted from the liability on the balance sheet.

22.16. Financial liabilities (IAS 32/IFRS 9)

Issue premiums and issue costs impact the initial recognized value (fair value) of financial liabilities and are included in the calculation of the EIR (Effective Interest Rate) in compliance with IAS 32 and IFRS 9. Borrowings and other interest-bearing financial liabilities are valued according to the amortized cost method using the effective interest rate for the loan. The costs are deferred over the borrowing's life via the EIR.

For financial liabilities arising from finance leases, the financial liability recorded to match the non-current asset is initially recorded at the lower of the fair value of the leased asset or the present value of the minimum lease payments.

22.17. Revenue recognition (IFRS 15)

Since January 1, 2018, Group revenue has been recognized using the modified retrospective method in accordance with IFRS 15. The revenue recognition model has five steps:

- Identify the contract with a customer;
- Identify the distinct performance obligations;
- Determine the transaction price;
- Allocate the transaction price among each of the performance obligations;
- Recognize revenue when each performance obligation is satisfied.

Cegedim Group's revenue consists primarily of services, software sales and, to a lesser extent, hardware sales.

Note 7 more specifically details the conditions for revenue recognition and application of IFRS 15.

22.18. Foreign currency translation (IAS 21)

Transactions in foreign currencies

Transactions in foreign currencies are recorded using the exchange rate on the date the transactions are recorded. On the closing date, accounts payable or receivable denominated in foreign currencies are converted into euros at the closing exchange rate.

Foreign currency translation differences for transactions in foreign currencies are recognized in financial income (expense). Such transactions are very limited in number. Therefore, the Group does not specifically manage the exchange risk.

Financial statements of foreign entities

The currency used to prepare consolidated financial statements is the euro.

The financial statements of foreign entities using a different functional currency are converted into euros using:

The official closing rate for assets and liabilities;

The average of monthly average rates for the financial year ended for income statement and cash flow statement items;

The historical rate for shareholders' equity.

Translation gains or losses resulting from this treatment and those resulting from the translation of the shareholders' equity of subsidiaries at the beginning of the financial year based on the closing rates are included in "Group unrealized exchange gains/losses" under consolidated shareholders' equity.

Translation gains or losses on intra-Group loans are eliminated via Group Unrealized exchange gains/losses (in reserves) in order to smooth out fluctuations in exchange rates because these loans are long term (their settlement is neither planned nor likely in the foreseeable future) and in some cases may be converted into capital increases.

22.19. Cash flow statement (IAS 7)

In accordance with the option offered by IAS 7 "Statement of cash flows", the consolidated cash flow statement is prepared using the indirect method.

This method shows the reconciliation of the net profit (loss) with the net cash generated by operating activities in the financial year. The opening and closing cash positions include cash and cash equivalents, which are made up of investment instruments less overdrafts.

22.20. Segment reporting (IFRS 8)

Segment reporting is prepared according to the accounting methods used for the preparation and presentation of consolidated financial statements.

Segment reporting corresponds to the way the Group's internal reporting is organized, which is the basis for the management tools used by the Group's management. It is also the main way financial performance is communicated.

The Group's activities are divided into two operating segments and a "Cloud & Support" segment:

The **Health insurance, HR and e-services division** serves large corporate clients. It handles all products and services marketed to insurance companies, mutual insurers, personal protection insurers, and insurance brokers, and it covers the entire chain of interactions between these entities and healthcare professionals;

It also targets companies in any sector interested in hosting, outsourcing (HR and payroll management, for example), or electronic data exchange (Cegedim e-business) solutions.

The **Healthcare professionals segment** serves doctors, paramedical professionals, pharmacists, and healthcare facilities. The segment sells management software, databases, and solutions that help healthcare professionals perform everyday tasks.

The **Cloud & Support segment** is the third division and supports the operating divisions.

Intra-Group transfer prices are based on standard agreements entered into on an arm's length basis.

The Group publishes information by geographic area, which shows the dichotomy between France and international. When there is a material exposure to foreign currencies, consolidated revenue performances are further broken down according to currency.

The Group also provides information by business activity: Software & services, Flow, Data and marketing, and BPO. For more information refer to note 6 "Segment reporting".

4.7 | Statutory Auditors' report on the consolidated financial statements

Cegedim

Fiscal year ended December 31, 2023

To Cegedim SA's Shareholders' Meeting,

Opinion

In carrying out the task entrusted to us by your Shareholders' Meeting, we have audited the consolidated financial statements of Cegedim SA for the financial year ended December 31, 2023, as appended to this report.

We certify, in accordance with the IFRS as adopted by the European Union, that the consolidated financial statements are fairly presented and give a true and fair view of the results of the operations of the past financial year, as well as the financial situation and the assets, at the end of the year, of all of the persons and entities included in the consolidation scope.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis of our opinion

Audit standards

We conducted our audit in accordance with generally accepted professional standards in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the "Auditors' responsibilities relating to the consolidated financial statements" section of this report.

Independence

We performed our audit from January 1, 2023, to the date of issue of our report, in compliance with the independence rules under the French Commercial Code and the French Code of Ethics for Statutory Auditor. We did not provide any of the services prohibited under Article 5, paragraph 1 of EU regulation No. 537/2014.

Justification of our assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most important for the audit of the consolidated financial statements for the year, as well as the responses we have given to these risks. These assessments were made in the context of our audit of the consolidated financial statements taken as a whole and the formation of our audit opinion expressed above. We do not express an opinion on the individual components of the consolidated financial statements.

Valuation of goodwill

(Notes 10.1 and 22.6 to the consolidated financial statements)

Identified risk :

As of December 31, 2023, the net book value of goodwill amounted to 200 million euro in relation to a balance sheet total of 924 million euro.

At least once a year, and whenever indicators of impairment are identified, Management performs impairment tests at the level of the two groups of Cash Generating Units (CGU) to which the goodwill arising on acquisitions has been allocated. An impairment loss is recognized when the recoverable amount of the group of CGUs is lower than its net carrying amount, provided that:

- The recoverable amount of a group of CGUs is the higher of its fair value less costs to sell and its value in use;
- The value in use of a group of CGUs is the sum of the discounted cash flows expected by the Group for the group.

We have considered the valuation of goodwill as a key audit matter, given its importance to the consolidated balance sheet and the estimates and assumptions used by Management to determine their recoverable amount, which is mostly based on projections of discounted cash flows, the realization of which is inherently uncertain.

Our response

Our work involved:

- confirming that the latest strategic plans established by Management and the impairment tests for each of the two groups of CGUs are consistent with the business projections that underlie the cash flow projections, in particular by interviewing Management and by comparing past estimates and performance achieved;
- assessing the soundness of the key assumptions used for:
  - Determination of cash flows in relation to the underlying operational data;
  - The long-term growth rate of these cash flows based on the Group's economic outlook;
  - The discount rates applied in relation to market conditions.
- obtaining and reviewing the sensitivity analyzes performed by Management. We also performed our own sensitivity calculations to appreciate that only an unreasonable change in assumptions could result in the recognition of a significant impairment of goodwill.
- assessing the appropriateness of the information supplied in notes 10.1 and 22.6 to the consolidated financial statements

Evaluation of development costs and internal software recorded as assets

(Notes 10.2 and 22.3 to the consolidated financial statements)

Risk identified :

As of December 31, 2023, the net book value of development costs and internal software amounted to 186 million euro, compared with a balance sheet total of 924 million euro.

These intangible assets correspond to development costs for new internal projects, which are capitalized when the criteria set out in note 22.3 to the consolidated financial statements are met. Amortization is calculated on a straight-line basis from the date of commissioning of the underlying asset over its estimated useful life.

The Group regularly performs impairment tests on its main internally developed software products, even when there is no indication of impairment, to ensure that the net book value of these assets does not exceed their recoverable value. To this end, the Group performs impairment tests on internal development projects to which a significant asset is attached. The methods and details of the assumptions used for these tests are presented in note 22.3 to the consolidated financial statements.

We considered the measurement of internal development costs and software as a key point in our audit given their importance in the consolidated balance sheet and the estimates and assumptions used by management to determine their recoverable amount, which is most often based on discounted cash flow forecasts, the realization of which is by nature uncertain.

Our response :

Our work involved:

- familiarizing ourselves with and assessing the reasonableness of the data and assumptions used by management to establish the cash flow forecasts on a selection of projects, including, but not limited to, the commercial life, depreciation period, sales, profit margin, and discount rate, by holding discussions with management and by comparing future parent company financial statements;
- performing our own sensitivity calculations;
- examining the appropriateness of the information supplied in notes 10.2 and 22.3 to the consolidated financial statements.

Specific verifications

In accordance with the professional standards applicable in France, we have also performed the specific verification required by legal and regulatory texts of the information relating to the Group that is provided in the Board of Directors' management report.

We have no comments to make as to its fairness and consistency with the consolidated financial statements.

We attest that the consolidated statement of non-financial performance required by Article L. 225-102-1 of the French Commercial Code is included in the Group's management report. Note that, in accordance with the provisions of Article L. 823-10 of the Code, we have not verified that the information contained therein is fairly presented and consistent with the consolidated financial statements. This should be reported on by an independent third party.

Other verifications or disclosures required by law and the regulations

Presentation format of the annual financial statements included in the annual financial report

In accordance with the professional standards applicable in France, we also performed the Statutory Auditor's procedures for annual and consolidated financial statements presented in the European single electronic reporting format, verified compliance with this format as laid down in Commission Delegated Regulation no. 2019/815 of December 17, 2018, on the presentation of consolidated financial statements included in the annual financial statements as stated in Article L. 451-1-2(I) of the French Commercial Code, which the Chairman and Chief Executive Officer is responsible for preparing. For the consolidated financial statements, our work included checking the conformity of the tagging of these financial statements in the format in the aforementioned regulation.

Based on the procedures performed, our opinion is that the presentation of the annual financial statements intended for inclusion in the annual financial report complies in all material respects with the European single reporting format.

Appointment of auditors

Mazars were appointed auditors of Cegedim SA by the General Meeting of April 23, 2002, and KPMG by the General Meeting of June 18, 2019.

At December 31, 2023, Mazars was in its 22nd consecutive year as Statutory Auditor, and KPMG was in its fifth year.

Responsibilities of Management and Those Charged with Governance with regard to the consolidated financial statements

Management is responsible for preparing consolidated financial statements that present a true and fair view in accordance with IFRS as adopted in the European Union, and for designing and implementing the internal controls that it deems necessary for the preparation of consolidated financial statements without material misstatements, whether due to fraud or error.

When it prepares the consolidated financial statements, management is responsible for evaluating the company's ability to continue as a going concern, to present in these accounts, where appropriate, the necessary information relating to the continuity of operations and apply the going concern accounting policy, unless there are plans to liquidate the company or discontinue its activity.

The Audit Committee is responsible for monitoring the process of preparing financial information and for monitoring the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, in regards to procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

Responsibilities of the auditors relating to the audit of the consolidated financial statements

Audit objective and procedure :

It is our duty to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements taken as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit performed in accordance with the standards of professional practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual financial statements.

As specified by Article L. 821-55 of the French Commercial Code, our engagement to audit the financial statements is not a guarantee of the viability or the quality of the management of your company.

As part of an audit conducted in accordance with the professional standards applicable in France, the audit must exercise professional judgment throughout an audit. Furthermore:

- the auditor identifies and assesses the risks that the consolidated financial statements contain material misstatements, whether from fraud or error, and defines and implements audit procedures to address such risks, and collects the information they consider sufficient and appropriate to act as a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- the auditor obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- the auditor assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the information concerning them provided in the consolidated financial statements;
- the auditor assesses the appropriateness of management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. The auditor's conclusions are based on the audit evidence obtained up to the date of the Statutory Auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. If the auditor concludes that there is significant uncertainty, they draw the attention of readers of their report to the information provided in the consolidated financial statements about this uncertainty, or, if this information is not provided or is not relevant, they draw up a qualified certification or a refusal to certify;
- the auditor assesses the overall presentation of the consolidated financial statements and assesses whether the consolidated financial statements reflect the underlying transactions and events so as to give a true and fair view of them;
- with regard to the financial information of the persons or entities included in the scope of consolidation, the auditor collects information they consider sufficient and appropriate to express an opinion on the consolidated financial statements. The auditor is responsible for the management, supervision, and execution of the audit of the consolidated financial statements as well as for the opinion expressed on these accounts.

Report to the Audit Committee :

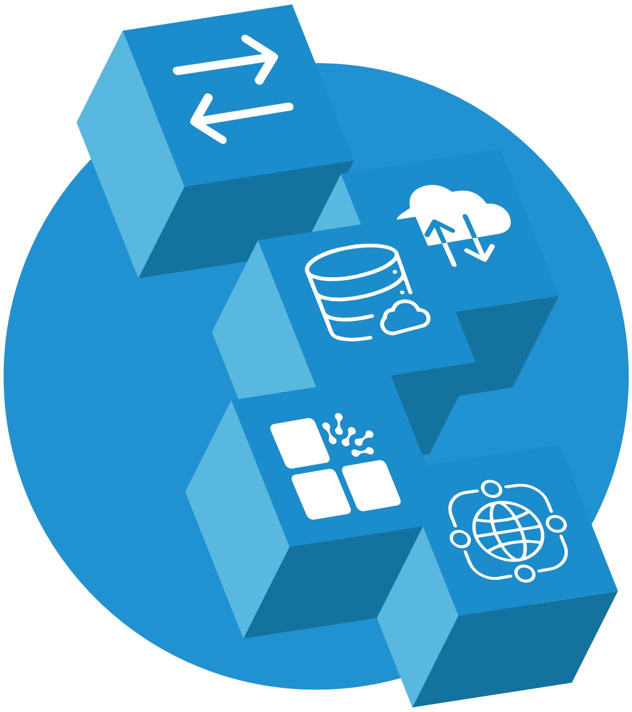
We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report to it, if necessary, on any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Among the information disclosed in the report to the Audit Committee are the risks of material misstatements that we consider to have been the most important for the audit of the consolidated financial statements for the financial year and which therefore constitute the key audit matters, which it is our responsibility to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of the (EU) Regulation No. 537-2014 confirming our independence within the meaning of the regulations applicable in France as laid down in particular by Articles L. 821 -27 to L. 821-34 of the French Commercial Code and in the auditors' professional code of ethics. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

KPMG SA	Mazars
Paris La Défense, April 2, 2024	Paris La Défense, April 2, 2024
Vincent de Becquevort	Jérôme de Pastors
Partner	*Partner*



05

Parent company Financial statements

5.1 Balance sheet

Assets

In thousands of euros	Gross	Depreciation, amortization, and impairment	12/31/2023 Net	12/31/2022 Net
Intangible assets				
Development costs	9,888	-	9,888	9,698
Concessions, patents, and similar rights	497	483	14	25
Commercial goodwill	7,699	160	7,539	4,911
Other intangible assets	63,225	43,734	19,491	15,513
Property, plant, and equipment				
Buildings	3,197	3,197	-	-
Plant, and equipment	6,403	4,268	2,135	2,300
Other property, plant, and equipment	1,061	477	584	324
Non-current assets in progress				-
Financial assets				
Other investments	417,255	86,495	330,760	336,153
Accrued interest on investments	-	-	-	-
Loans	22,984	-	22,984	18,504
Other financial assets	2,234	-	2,234	2,277
Non-current assets	534,444	138,814	395,630	389,705
Inventories and work in progress				
Inventories of goods held for resale and raw materials	-	-	-	-
Production of services in progress	-	-	-	-
Goods held for resale	-	-	-	-
Advances and deposits paid on orders	20	-	20	9
Receivables				
Trade receivables and related accounts	25,254	613	24,741	26,396
Other receivables	22,533	-	22,533	18,146
Capital called but not paid-up				-
Short-term investments	9,571	1,368	8,203	6,550
Cash and cash equivalents	8	-	8	23
Accruals				
Prepaid expenses	1,197	-	1,197	1,274
Current assets	58,683	1,981	56,701	52,398
Deferred bond issue expenses	214	-	214	444
Unrealized exchange losses	26	-	26	3
Total assets	**593,367**	140,795	452,572	**442,551**

Liabilities and shareholders' equity

In thousands of euros	12/31/2023	12/31/2022
Share capital	13,336	13,336
Merger and contribution share premiums	29,992	29,992
Statutory reserve	1,334	1,334
Tax-regulated reserves	9,071	8,682
Other reserves	28,358	28,746
Retained earnings	17,505	1,207
Profit (loss) for the period	1,697	16,298
Tax-regulated provisions	-	-
Shareholders' equity	101,292	99,595
Provisions for liabilities	1,254	778
Provisions for charges	3,976	3,247
Non-controlling interest		-
Provisions for liabilities and charges	5,230	4,025
Financial liabilities		
Other bonds		-
Borrowings from financial institutions	248,502	225,406
Miscellaneous borrowings and financial liabilities	47,372	47,323
Advances & payments on account received on orders in progress	15	64
Trade payables		
Trade payables and related accounts	13,134	19,823
Tax and social security liabilities	15,394	14,589
Miscellaneous payables		
Amounts due on non-current assets and related accounts		-
Other financial liabilities	20,964	31,047
Prepaid income	669	675
Liabilities	**346,050**	**338,928**
Unrealized exchange gains	0	3
Total liabilities	452,572	**442,551**

5.2 | Income statement

Part 1

In thousands of euros	**12/31/2023**	12/31/2022
Sales of goods held for resale, France	51	-
Sales of goods held for resale, outside France	-	-
Production of goods sold, France	-	-
Production of goods sold, outside France	-	-
Production of services sold, France	94,115	92,711
Production of services sold, outside France	3,342	2,949
Net revenue	**97,508**	95,660
Production transferred to inventory		-
Capitalized production	9,888	9,698
Reversals of depreciation, amortization, and provisions, and transfers of expenses	3,259	5,242
Other income	974	959
Operating income (expense), net	**111,629**	111,559
Purchases of goods held for resale	(36)	-
Variations in inventories of goods held for resale and raw materials	-	-
Purchases of raw materials and supplies	-	-
Other external purchases and expenses	(63,898)	(68,483)
Taxes, duties, and similar levies other than on income	(949)	(503)
Wages and salaries	(29,011)	(27,128)
Payroll taxes	(13,842)	(12,556)
Depreciation and amortization of non-current assets	(6,647)	(5,742)
Allowances to provisions for current assets	(405)	(316)
Allowances to provisions for liabilities and charges	(1,881)	(333)
Other expenses	(2,006)	(221)
Operating expenses	(118,675)	(115,282)
Operating income (expense), net	**(7,046)**	(3,723)

Partie 2

In thousands of euros	**12/31/2023**	12/31/2022
Financial income from investments	8,103	21,512
Other interest and related income	1,069	291
Reversals of provisions and transfers of expenses	4,576	76,705
Foreign exchange gains	5	9
Net gains on disposals of short-term investments	-	-
Financial income	13,753	**98,517**
Depreciation and allowances to provisions for financial items	(3,932)	(5,032)
Interest and related expenses	(12,723)	(7,496)
Foreign exchange losses	(11)	(44)
Financial expenses	**(16,666)**	(12,572)
Net financial income (expense)	(2,913)	85,945
Income before non-recurring items and tax	(9,959)	82,222
Non-recurring income on management operations	-	-
Non-recurring income on capital transactions	8,099	688
Reversals of provisions and transfers of expenses	-	-
Non-recurring income	**8,099**	**688**
Non-recurring expenses on management operations	-	-
Non-recurring expenses on capital transactions	(5,516)	(74,296)
Non-recurring expenses from depreciation, amortization, and allowances to provisions	-	-
Non-recurring expenses	**(5,516)**	**(74,296)**
Non-recurring items	**2,583**	**(73,608)**
Employee profit-sharing	(880)	(737)
Income taxes	9,953	8,421
Total income	**133,482**	**211,436**
Total expenses	**(131,785)**	**(195,138)**
Profit (loss)	**1,697**	**16,298**
Earnings per share (in euros)	0.12	1.16
Income before tax per share (in euros)	(0.59)	0.56
Income before non-recurring items and tax per share (in euros)	(0.71)	5.87

5.3 | Notes to the parent company financial statements

5.3.1 | Basis of accounting

The annual financial statements have been prepared in accordance with the provisions of French law and regulations.

General accounting principles have been applied in accordance with the principle of conservatism and the following principles:

- A going concern basis;
- The consistency of accounting methods from one fiscal year to another;
- The accrual principle.

Cost is the method used by default to measure items in the financial statements.

5.3.2 | Methods applied

Intangible assets

Cegedim SA's intangible assets mainly consist of commercial goodwill, development costs, and software purchases.

Commercial goodwill

Commercial goodwill is recorded at cost and tested annually for impairment.

Development costs

Cegedim incurs costs in connection with development of software and services platforms that either make up the offerings it markets to its clients or fill an internal need.

Development costs for new projects are capitalized where the following criteria are fully satisfied (CRC Regulation No. 2004-06):

The technical feasibility necessary to complete the intangible asset in order to use it or sell it;

The intention to complete the intangible asset and to use or sell it;

The ability to use or sell the intangible asset;

The way in which the intangible asset will generate future economic benefits;

The availability of appropriate resources (technical, financial, and other) to complete development and use or sell the intangible asset;

The ability to reliably measure the costs related to the intangible asset during its development.

If one of these criteria is not satisfied, development costs are expensed in the fiscal year during which they are incurred.

Development costs include all expenses that can be directly related to the intangible asset (notably wages, outsourcing, and other directly related costs) that are necessary to create it, produce it, and prepare it so that it operates in accordance with the use planned by Management. These costs are recorded in the relevant expense account during the year. At the year-end, they are transferred to development costs and an adjusting entry is made in the capitalized production account.

Amortization is calculated using the straight-line method from the date of initial use of the relevant asset and is calculated over its expected useful life.

Acquired assets

Acquired intangible assets are measured at cost and amortized using the straight-line method over their expected useful life.

They comprise intangible assets (such as software purchased from outside companies) and property, plant, and equipment (mainly technical equipment and IT equipment).

Impairment testing

Although these intangible assets are amortized, their value is also monitored on an individual basis. This monitoring is based on indications of a possible loss in value, for example, in the expected productivity of the asset or commercial markets. If there is any indication of a loss in value, Cegedim SA performs an impairment test that may lead to recognition of an additional impairment loss. This test is based on assumptions concerning discount rates and future cash flows estimated based on the expected productivity of projects and their commercial markets.

Property, plant, and equipments

Property, plant, and equipment acquired are measured at cost and depreciated over their expected useful life. Cost is the basis used for computing depreciation. The useful life of these assets is reviewed periodically and may be adjusted prospectively as circumstances require.

Cegedim SA's property, plant, and equipment chiefly consist of IT equipment, fixtures, and fittings.

The depreciation periods and methods applied are generally as follows:

IT equipment

Desktop PCs: between three and four years; straight-line method.

Server systems: between five and fifteen years; straight-line method.

Fixtures and fittings

Fixtures and fittings have a useful life of 8 to 15 years (8 years in most cases). Depreciation is calculated on a straight-line basis.

Investments and other securities

Investments are accounted for at their gross value. It reflects their cost, excluding incidental acquisition expenses. Investments are tested for impairment when events occur that could cause a prolonged reduction in their value. The goal of this test is to identify situations where their recoverable amount falls below their carrying amount. In this case, an impairment loss is recognized for the value of the difference.

Recoverable amount is defined as the higher of an asset's fair value less costs to sell and its value in use.

- An asset's value in use is calculated using either the share of the net position held in these investments or estimates of the present value of future cash inflows and outflows from the activities carried out by these investments, or as one year of revenue.
- An asset's fair value is calculated by reference to stock market peers or the results of recent transactions involving comparable companies operating in the same business sector.

Treasury shares

Treasury shares held pursuant to authorization granted by the General Meeting are measured at cost and recognized as financial assets or short-term investments, depending on their nature. An impairment loss is recognized if the average price over the last month of the fiscal year is lower than their purchase cost. The impairment loss reflects this difference.

All the treasury shares held at December 31, 2023, are treasury shares intended for Cegedim Group's employees (see note 23) and have thus been accounted for as short-term investments.

Even so, a €1.155 million impairment loss was recognized at December 31, 2023, to cover treasury shares not yet allocated to plans.

Trade receivables

Receivables are stated at their nominal value.

An impairment loss is recognized when the fair value, based on the probability of collection, is lower than the carrying amount. Receivables due from clients in administration or court-ordered liquidation are thus systematically fully impaired, and those more than six months past due are monitored on a case-by-case basis and, if necessary, impaired to reflect the estimated collection risk.

Provisions and contingent liabilities

A provision is recorded where the Company has a present obligation as a result of past events, it is probable that an outflow of cash or other economic resources will be required to settle the provision, and the amount of the provision can be estimated reasonably. An obligation is classified as a provision where there is uncertainty regarding the timing and amount of the outflow of resources.

Provisions are estimated on a case-by-case basis or statistically when they include a large number of items. Cegedim's main provisions (excluding payments due upon retirement) have been set aside to cover employee, client, and supplier litigation.

Pension obligations

Cegedim SA applies the arrangements laid out in ANC recommendation No. 2013-02 dated November 7, 2013, on the measurement of pension obligations and similar benefits.

The Company's actuarial liabilities are calculated using the projected credit unit method on the basis of measurements that include assumptions concerning wage increases, inflation, life expectancy, employee turnover, and returns on the corresponding investments. Changes resulting from periodic adjustments to the actuarial assumptions listed above to reflect general financial and economic or demographic conditions are recognized in the income statement.

Pension obligations are recognized as a provision for charges, and Cegedim SA has elected to recognize actuarial gains and losses in the income statement.

Cegedim SA's obligations are partially covered by funds paid to an external financial partner; the value of these dedicated investments is therefore deducted from the total obligation on the liabilities side of the balance sheet.

Revenue recognition

Cegedim SA's revenue consists primarily of services, plus any sales of software and hardware.

Software and equipment sales

Revenue arising from new unlimited or time-limited software licenses are recognized (provided that Cegedim does not have any other obligations) (1) when an agreement has been reached with the client, (2) delivery and acceptance have been completed, (3) the amount of the revenue and related expenses can be measured reliably, and (4) the economic benefits resulting from the transaction will flow to Cegedim. If one of these four criteria is not met, the recognition of revenue from the software license is deferred until all the criteria are met.

Service revenue

The main categories of services and methods of revenue recognition are as follows:

Subscription payments generally have to be made for access to Cegedim databases, with charges billed periodically (monthly, quarterly or annually); revenue is then recognized on a linear basis over the considered period;

Standard and specific studies provided by Cegedim are recognized upon delivery to clients;

Data processing (projects) performed for clients is recorded on a pro rata temporis basis when the service is provided;

Support services (assistance, maintenance, etc.) are generally provided under an annual contract on a flat-rate basis reflecting the costs incurred and resources actually deployed by Cegedim to deliver these services. Income from these contracts is recorded on a pro rata temporis basis over the term of the relevant contract, with prepaid income recognized, where appropriate.

Foreign currency transactions

Income and expenses denominated in foreign currencies are recorded at their euro-equivalent value on the date of the transaction.

Assets and liabilities denominated in foreign currencies appear on the balance sheet at their euro-equivalent value at the end of the financial year. Gains and losses resulting from the translation of foreign currency assets and liabilities at the year-end exchange rate are shown in the balance sheet under "unrealized currency gains or losses". Unrealized, unhedged exchange losses are covered by a provision for risks.

Bond issue expenses

In 2016, issue expenses related to the €200 million RCF, i.e. €1.422 million, were deferred over the remaining maturity of the loan to reflect the arrangements for its redemption (i.e., through to its maturity date on March 30, 2021).

In 2018, all issue expenses related to the €200 million RCF, i.e. €922,000, were written back.

Issue expenses related to the new €135 million and €65 million RCF loans, i.e. €1.549 million, are deferred appropriately over the remaining maturity of the loans to reflect the arrangements for their repayment.

The deferred amount in fiscal year 2023 was €229,000.

Statutory Auditors' fees (Decree no. 2008-1487 dated December 30, 2008)

Information about the fees paid to the Statutory Auditors is disclosed in the notes to Cegedim SA's consolidated financial statements.

5.3.3 | Additional information

Note 1 | Non-current assets

In thousands of euros	12/31/2022	Item-to-item reclassifications	Acquisitions/ Contributions	Disposals Exits	12/31/2023
Development costs[1]	9,698	(9,698)	9,888	-	9,888
Other intangible assets[2]	59,090	9,698	2,638	(5)	71,421
Other intangible assets in progress	-			-	-
Intangible assets, gross	**68,788**	-	12,525	(5)	81,309
Buildings on land owned by third parties	-	-	-	-	-
Buildings & general installations	3,197	-	-	-	3,197
Plant, and equipment	6,384	-	457	(438)	6,403
Office and IT equipment, furniture	723	-	342	(4)	1,061
Property, plant, and equipment in progress	-	-	-	-	-
Property, plant, and equipment, gross	**10,304**	-	799	(442)	10,661
Other investments	421,383	-	4,377	(8,505)	417,255
Loans and other financial assets[3]	21,531	-	14,398	(10,711)	25,218
Financial assets, gross	**442,914**	-	18,775	(19,216)	442,474
Total non-current assets, gross	**522,006**	**-**	**32,099**	**(19,662)**	**534,444**

1) Over the course of 2023, Cegedim SA implemented internal development projects worth €9.888 million and at the closing recorded a total of €9.698 million of capitalized development costs for the period. The main commercial project was the digitization platforms that underpin the e-business division’s offering. The average amortization period for projects developed for this division is five years.
2) The “Other intangible assets” account consists mainly of:
   - €7.699 million in commercial goodwill carried at cost and tested annually for impairment;
   - €59.434 million in internally developed software;
   - €3.791 million in externally developed software.
3) The “Loans, other financial assets” account holds €2.234 million in security deposits, €20.756 million in loans to subsidiaries, and €2.228 million in construction loans. The standard characteristics of the loans granted to subsidiaries are:
   - An annual interest rate of 2.58% for new loans to subsidiaries in and outside France;
   - Various different terms (durations);
   - No automatic renewal clause or other specific clauses.

Note 2 | Depreciation and amortization

In thousands of euros	12/31/2022	Contribution	Allowances	Reversals	12/31/2023
Development costs	-		-	-	-
Other intangible assets [1]	38,641		5,741	(5)	44,377
Other intangible assets in progress	-		-	-	-
Amortization of intangible assets	**38,641**		**5,741**	**(5)**	**44,377**
Buildings on land owned by third parties	-		-	-	-
Buildings & general installations	3,197		-	-	3,197
Plant, and equipment	4,084	6	604	(426)	4,268
Office and computer equipment	399	9	73	(4)	477
Depreciation of property, plant, and equipment	**7,680**	**15**	**677**	**(430)**	**7,942**
Total depreciation and amortization	**46,321**	**15**	**6,418**	**(435)**	**52,319**

In thousands of euros	Straight-line	Declining balance	Accelerated allowances	Accelerated reversals
Development costs				
Other intangible assets	5 741			
Other intangible assets in progress				
Intangible assets	**5 741**			
Buildings on land owned by third parties				
Buildings & general installations				
Plant, and equipment	604			
Office and computer equipment	73			
Property, plant, and equipment	**677**			
Total allowances	**6 418**			

[1] Amortization of internally developed software totaled €39,978,000 at 12/31/2023

Note 3 | Provisions

In thousands of euros	**12/31/2022**	Allowances	Reversals used	Reversals not used	**12/31/2023**
Accelerated depreciation	-				-
Tax-regulated provisions	**-**				**-**
Provisions for litigation	66	68			134
Provision for currency losses	3	26		(3)	26
Provisions for pensions and related obligations	2,021	383	(54)		2,349
Provisions for shares awarded to employees	1,226	1,022	(621)		1,628
Other provisions for liabilities and charges	105	408	(105)		408
Provisions for risks on investments	604	511		(430)	685
Provisions for liabilities and charges	**4,025**	**2,419**	**(780)**	**(433)**	**5,230**
Investments	85,230	2,026	- 43	(718)	86,495
Other financial assets	750			(750)	-
Provisions for inventories and work in progress	-				-
Provisions for impairment of trade receivables	2,423	405	(1,500)	(716)	613
Other impairment losses	2,632	1,368		(2,632)	1,368
Impairment losses on internally developed software	-				-
Impairment losses	**91,035**	**3,799**	**(1,543)**	**(4,816)**	**88,476**
Total provisions	**95,060**	**6,218**	**(2,323)**	**(5,249)**	**93,706**
Allowances to and reversals of provisions for operating items		2,286	(2,280)	(716)	
Allowances to and reversals of provisions for financial items		3,932	(43)	(4,533)	
Allowances to and reversals of provisions for non-recurring items					

Note 4 | Maturity of assets and liabilities

In thousands of euros	Gross	Up to one year	Over one year
Accrued interest on investments			
Loans	22,984		22,984
Other financial assets	2,234		2,234
Doubtful or disputed trade receivables	88	88	
Other trade receivables	25,266	25,266	
Employees and related	50	50	
Social security and other social agencies	68	68	
Government: corporate income taxes	14,779	2,318	12,461
Government: value added tax	1,047	1,047	
Government: miscellaneous receivables	0		
Group and shareholders	6,515	6,515	
Miscellaneous receivables	75	75	
Prepaid expenses	1,197	1,197	
Total receivables	**74,303**	**36,624**	**37,679**
Loans granted during the fiscal year	14,307		
Repayments received during the fiscal year	10,576		

In thousands of euros	Gross	Up to one year	Between one and five years	Over five years
Other bonds				
Current bank loans	112,389	112,389		
Loans with an initial maturity of over 1 year	136,113	1,113	135,000	
Miscellaneous borrowings and financial liabilities	47,372	270	47,102	
Trade payables and related accounts	13,134	13,134		
Employees and related	8,240	8,240		
Social security and other social agencies	2,704	2,704		
Government: corporate income taxes				
Government: value added tax	4,097	4,097		
Government: other income tax, and other related taxes	353	353		
Group and shareholders	20,742	20,742		
Other financial liabilities	222	222		
Prepaid income	669	669		
Total financial liabilities	**346,035**	**163,933**	**182,102**	
Borrowings arranged during the fiscal year	1,644			
Borrowings repaid during the fiscal year	1,595			

Note 5 | Financial debt

In thousands of euros	12/31/2023	12/31/2022
Long-term borrowings and financial liabilities (> 5 years)		
Medium-term borrowings and financial liabilities (> 1 year, < 5 years)	182 102	182 091
Short-term borrowings and financial liabilities (> 6 months, < 1 year)	1 113	1 113
Short-term borrowings and financial liabilities (> 1 month, < 6 months)	270	232
Short-term borrowings and financial liabilities (< 1 month)		
Current bank loans	112 389	89 293
Total financial liabilities.	**295 874**	
Cash	8	23
Net financial debt	**295 866**	

Financing

In May 2007, Cegedim borrowed €50.0 million, known as the FCB Loan, from its largest shareholder, FCB. During the December 2009 capital increase, FCB subscribed for €4.9 million in shares by converting a portion of the FCB Loan, which cut its outstanding balance to €45.1 million. On October 9, 2018, the FCB Loan was amended in order to subordinate it to the €135 million Euro PP bond and to the €65 million bank revolving credit, and to extend the maturity date and modify the applicable interest rate.

On October 8, 2018, Cegedim issued a €135 million private placement Euro PP, maturing on October 8, 2025.

On October 9, 2018, the Group arranged a bank revolving credit facility (RCF) of €65.0 million maturing on October 9, 2023 with a one-year extension option. Cegedim asked to exercise the extension option in December 2019 and the banks agreed. The RCF maturity date is now October 9, 2024.

At December 31, 2023, the debt was structured in the following manner:

- €135 million Euro PP maturing on October 8, 2025;
- €65.0 million revolving credit, undrawn, maturing on October 9, 2024;
- €45.1 million FCB Loan maturing on November 20, 2025;
- €24.0 million overdraft facility, undrawn.

At December 31, 2023, no interest-rate hedges were in place but most of the debt carried a fixed rate. The portion of debt subject to interest rate fluctuations at December 31, 2023, was €45 million.

Interest expense on bank loans, bonds, charges, and commissions totaled €4.9 million at December 31, 2023.

In accordance with the ANC 2015-05 regulation of July 2, 2015, hedging gains and losses are recognized under financial expenses in the same period and manner as interest on the hedged bonds.

Note 6 | Bond issue costs

In thousands of euros	12/31/2022	Increase	Allowances	12/31/2023
Bond issue expenses	444		229	214

In 2016, issue expenses related to the €200 million RCF, i.e. €1.422 million, were deferred over the remaining maturity of the loan to reflect the arrangements for its redemption (i.e., through to its maturity date on March 30, 2021).

In 2018, all issue expenses related to the €200 million RCF loans, i.e. €922,000, were written back.

Issue expenses related to the new €135 million Euro PP and €65 million RCF loans, i.e. €1.549 million, are deferred appropriately over the remaining maturity of the loans to reflect the arrangements for their repayment.

The deferred amount in fiscal year 2023 was €229,000.

Note 7 | Pension obligations

In thousands of euros	**Through an insurance fund**	Through a provision for charges
Post-employment benefit obligations covered	1,997	2,349

When employees retire, they receive a retirement benefit as specified in the collective bargaining agreements.

An actuarial plan has been set up to fund the obligations arising from these benefits. The total obligation stands at €4,345,974, of which €1,997,006 is covered by payments to an insurance company.

The actuarial assumptions used are as follows:

Economic assumptions

Net interest rate: 3.17%

Rate of salary inflation: 2.5% including inflation.

Demographic assumptions

Mortality: Insee 2019–2017 tables for males/females

Turnover rate:

- 7.5% per year up to the age of 35
- 4% up to the age of 45
- 1.8% up to the age of 55
- 0.5% up to the age of 60
- 0% for employees aged 61 or over

Retirement age: voluntary retirement at 65 years of age for non-management grade employees and voluntary retirement at 65 years of age for management-grade employees.

Collective bargaining agreement

Cegedim falls under the purview of the national collective bargaining agreement for the pharmaceutical industry until December 31, 2023. From 1 January 2024, Cegedim will be covered by the Syntec collective bargaining agreement.

Note 8 | Statement of changes in equity

In thousands of euros	Share capital	Premiums	Statutory reserve	Regulated reserves	Other reserves	Retained earnings	Profit (loss) for the period	Tax-regulated provisions	**Total**
At 12/31/2020	**13,337**	**29,992**	**1,334**	**4,612**	**19,652**	**0**	**5,567**	**0**	**74,494**
Capital increase									0
Reduction in capital									0
2020 profit (loss)					5,567		(5,567)		0
Dividends									0
Retained earnings									0
Reclassification of reserves				2,399	(2,399)				0
Unrecognized past service cost						1,038			1,038
Tax-regulated provisions									0
2021 profit (loss)							14,594		14,594
At 12/31/2021	**13,337**	**29,992**	**1,334**	**7,011**	**22,820**	**1,038**	**14,594**	**0**	**90,127**
Capital increase									0
Reduction in capital									0
2020 profit (loss)					14,426	168	(14,594)		0
Dividends					(6,830)				(6,830)
Retained earnings									0
Reclassification of reserves				1,671	(1,671)				0
Impact of IFRIC									0
Tax-regulated provisions									0
2022 profit (loss)							16,298		16,298
At 12/31/2022	**13,337**	**29,992**	**1,334**	**8,682**	**28,746**	**1,206**	**16,298**	**0**	**99,595**
Capital increase									0
Reduction in capital									0
2022 profit (loss)						16,298	(16,298)		0
Dividends									0
Retained earnings									0
Reclassification of reserves				389	(389)				0
Impact of IFRIC									0
Tax-regulated provisions									0
2023 profit (loss)							1,697		1,697
At 12/31/2023	**13,337**	**29,992**	**1,334**	**9,071**	**28,357**	**17,504**	**1,697**	**0**	**101,292**

Note 9 | Items recognized under several balance sheet and income statement items

In thousands of euros	Consolidated companies	Investments	Affiliates
Non-current assets			
Dividends due			
Investments	417,255		
Loans	20,756		
Current assets			
Trade receivables and related accounts	3,364	6,099	28
Other receivables	6,515	63	
Liabilities			
Financial liabilities	(1,141)		(45,103)
Trade payables and related accounts	(4,829)	(1,923)	(1,389)
Other financial liabilities	(20,815)		
Financial			
Financial expenses	(4,922)	(43)	(2,683)
Financial income	1,069		
Operating			
Management fees			(2,004)
Rent	(117)		(8,265)

Note 10 | Revenue breakdown

In thousands of euros	Revenue, France	Revenue, outside France	**Total revenue at 12/31/2023**
Sales of goods held for resale	51	-	51
Production of goods	-	-	-
Production of services	94,115	3,342	97,457
Total revenue	**94,166**	**3,342**	**97,508**

Note 11 | Breakdown of accrued income

In thousands of euros	12/31/2023
Dividends due	-
Accrued interest on investments	**-**
Trade receivables, unbilled receivables	3,826
Trade receivables and related accounts	**3,826**
Suppliers, credit notes due	3
Amounts due from employees	-
VAT and amounts due from government	-
Subsidiaries, repayment of capital due	-
Other receivables	**3**
Total accrued income	**3,829**

Note 12 | Breakdown of accrued expenses

In thousands of euros	12/31/2023
Accrued interest payable on borrowings	1 113
Accrued interest payable on investments	38
Borrowings and financial liabilities	**1 151**
Suppliers, accruals for goods and services received but not invoiced	3 506
Trade payables and related accounts	**3 506**
Provision for paid leave	2 860
Reduced work time provision	700
Provision for CET leave	194
Other accrued personnel expenses	3 270
Government, VAT, and accrued expenses	281
Tax and social security liabilities	**7 305**
Subsidiaries, capital repayment due	-
Accrued expenses	78
Trade receivables, credit notes due	59
Total	**12 099**

Note 13 | Breakdown of prepaid expenses and income

In thousands of euros	12/31/2023
Tolling	37
Rent & rental expenses	256
Software royalties	256
Software maintenance	83
Insurance	-
Subscriptions	21
Advertising	35
Rental of equipment	28
Employee costs	64
Recruitment expenses	335
Others	82
Total prepaid expenses	**1 197**
Service revenue	669
Financial income	**-**
Total prepaid income	**669**

Note 14 | Non-recurring expenses and income

In thousands of euros	12/31/2023
Penalties, tax, and criminal fines	-
Carrying amount of intangible assets sold	-
Carrying amount of property, plant, and equipment sold	-11
Carrying amount of financial assets sold[1]	-5 505
Other non-recurring charges	-
Accelerated depreciation and amortization	-
Total non-recurring expenses	**-5 516**
Gain on disposal of intangible assets	-
Gain on disposal of property, plant, and equipment	-
Gain on disposal of financial assets	8 099
Other non-recurring income	-
Reversal of accelerated depreciation	-
Reversal of non-recurring impairment losses	-
Reversal of impairment of investments and related risks	-
Total non-recurring income	**8 099**
Non-recurring items	**2 583**

[1]Mainly related to the liquidation of CWISL, a subsidiary that accounted for €2,637,000.

Note 15 | Net financial income (expense)

In thousands of euros	12/31/2023	12/31/2022
Allowances/reversals for financial items [1]	644	71,673
Interest expense and income	(11,654)	- 7,205
Dividends received	8,103	21,512
Other financial income and expense (incl. foreign exchange gains and losses)	(6)	(35)
Net financial income (expense)	**(2,913)**	**85,945**

[1]Mainly comprises impairment losses and reversals of impairment losses on investments as stated in note 3

Note 16 | Tax consolidation group

Cegedim SA is the ultimate controlling party of the Group.

The following companies are members of Cegedim SA's tax consolidation group:

- Smart RX, Cegedim Activ, Cegedim Cloud, Cegedim Ingénierie, Cegedim Outsourcing, Cegedim SRH, Cetip, GERS SAS, Incams, Medexact, Pharmastock, CMedia, I Assurances, Santestat, BSV, Audiprint.

The tax consolidation group generated total taxable income of €14.914 million at December 31, 2023.

The taxable expenses totaled €13.224 million and consist of those incurred by the tax consolidation group's companies in profit.

Cegedim, the parent company, recorded a taxable income of €13.224 million, corresponding to the tax benefit arising from the loss-making consolidated subsidiaries, capped at the amount of the income tax expense.

Note 17 | Analysis of income taxes

In thousands of euros	Profit before tax	Tax due	Net profit after tax
Income before non-recurring items	(9,959)	(3,189)	(13,148)
Tax benefit		13,224	13,224
Non-recurring items	2,583	(82)	2,501
Employee profit-sharing	(880)		(880)
Tax related to past fiscal years			
Withholding tax			
Book profit	**(8,256)**	**9,953**	**1,697**

Note 18 | Deferred taxes

The following expenses deductible for tax purposes in future fiscal years were incurred in the 2022 fiscal year:

- Organic levy: €127,000;
- Investments: €880,000;
- Provision for retirement: €382,000;
- Other provisions not deductible for tax purposes: €398,000.

Deferred taxes corresponding to €2461,000 (with an income tax rate of 25.83%).

Note 19 | Expenses not deductible for tax purposes

Pursuant to the provisions of articles 223 quater and 223 quinquies of the French General Tax Code, it should be noted that the financial statements for the year ended include €599,187 of expenses not deductible for tax purposes. The tax corresponding to said expenses and charges amounted to €154,770.

Note 20 | Advances paid to senior executives

Pursuant to article L. 225-43 of the French Commercial Code, no advances or loans were granted to the Company's senior executives.

Note 21 | Remuneration of senior executives and directors

Directors' fees paid to Board members came to €173,000 in 2023 and are recorded under "Other expenses" in the income statement.

In thousands of euros	**12/31/2023**	12/31/2022
Short-term benefits (wages, bonuses, etc.)	**(1,072)**	(1,213)
Post-employment benefits	None	None
Severance pay	None	None
Benefits recognized	**(1,072)**	(1213)
Termination benefits	**None**	**None**
Benefits not recognized	None	None

Note 22 | Breakdown of share capital

Shareholders	Number of shares held	% held	No. of single votes	No. of shares with double voting rights	No. of votes counting double	Total votes	% of voting rights
FCB	7,631,723	54.52%	201,355	7,430,368	14,860,736	15,062,091	69.10%
Bpifrance (formerly known as FSI)	287,221	2.05%	0	287,221	574,442	574,442	2.63%
Free float	5,658,611	40.43%	5,576,366	82,245	164,490	5,740,856	26.34%
Cegedim[1]	419,618	3.00%	0	0	0	0	1.93%
Total	**13,997,173**	**100.00%**	**5,777,721**	**7,799,834**	**15,599,668**	**21,377,389**	**100.00%**

[1] *Including the liquidity contract*

Class of shares	Number of shares				Nominal value	
	At end of fiscal year	Issued during the fiscal year	Issued through stock split	At beginning of fiscal year	At end of fiscal year	At beginning of fiscal year
Common shares	13,997,173			13,997,173	0.9528	0.9528

Note 23 | Treasury shares

24,920 treasury shares with a value of €573,000 were definitively awarded in January 2022 under the plan dated January 26, 2021.
3,191 treasury shares with a value of €74,000 were definitively awarded in January 2023 under the plan dated January 29, 2020.

Note 24 | Profile of Cegedim's parent company: FCB

137 rue d'Aguesseau 92100 Boulogne Billancourt, Siren 340 651 132

A corporation (SA) held primarily by Mr. Labrune, his family, and by certain members of the Board of Directors of Cegedim SA.

Note 25 | Free share awards

On January 26, 2021, the Board of Directors, acting on the authorization given by the Extraordinary Shareholders' Meeting of June 19, 2018, issued a total number of shares not exceeding 10% of the total number making up the share capital to Cegedim Group's managers and employees at no cost.

On January 27, 2022, the Board of Directors, acting on the authorization given by the Extraordinary Shareholders' Meeting of June 17, 2021, issued a total number of shares not exceeding 10% of the total number making up the share capital to Cegedim Group's managers and employees at no cost.

On January 26, 2023 and September 19,2023, the Board of Directors, acting on the authorization given by the Extraordinary Shareholders' Meeting of June 17, 2021, issued a total number of shares not exceeding 10% of the total number making up the share capital to Cegedim Group's managers and employees at no cost.

The main characteristics of these plans are as follows:

- The free shares awarded will carry the right to receive dividends, payment of which has been decided upon at their date of grant.
- The plan dated January 26, 2021 authorized a maximum award of 37,068 free shares.
- The plan dated January 27, 2022 authorized a maximum award of 49,845 free shares.
- The plan dated January 26, 2023 authorized a maximum award of 47,970 free shares.
- For the 2021, 2022, and 2023 plans, the award of these shares to grantees will become final after a vesting period of two years for grantees whose residence for tax purposes is in France at the award date, and of three years for grantees whose residence for tax purposes is not in France at the award date.
- The shares will be fully allotted to the beneficiaries on one condition: no resignation, dismissal, or termination.
- Effective the final award date, grantees whose residence for tax purposes is in France at the award date must hold their shares for a lock-up period of one year.

The expense measuring the benefit granted to employees is recognized on a straight-line basis over the vesting period.

At the year-end date of December 31, 2023, Cegedim SA recognized a provision of €1.627 million in its financial statements.

Note 26 | Workforce

	12/31/2023
Management	326
Non-management	99
Trainees	22
Corporate officers	3
Total salaried staff	**450**

Note 27 | Off-balance sheet commitments

Guarantees given by Cegedim to its subsidiaries

All subsidiaries

- On March 23, 2023, the Board of Directors authorized Cegedim for a period one year to provide security deposits, endorsements, and other guarantees for an overall amount of €20 million, with no single commitment exceeding €6 million.

GERS subsidiary

- Cegedim has undertaken jointly and severally with its subsidiary GERS SAS to indemnify GERS EIG, for an unlimited amount, for the payment of all sums of a compensatory nature (such as penalties, indemnities, interest on late payments, etc.) claimed from GERS EIG by Datapharm under agreed contractual obligations and / or any compensation arising from the supply by the GERS EIG to the future GERS SAS of data provided by Datapharm (General meeting of 06/17/2020).

Cetip subsidiary

- Guarantee given to subsidiary Cetip in connection with long-term BPO agreement for the Allianz IARD and Allianz Vie health and personal protection policies. Cegedim has undertaken to entrust its Cetip subsidiary with the requisite resources to provide the services it will offer under the partnership and to cover the financial implications arising from any deficiencies by Cetip in the performance of the commitments given thereby under the partnership (Board of Directors' meeting on September 20, 2022).

Earn-out payments

The acquisitions completed in 2022 carry earn-out clauses, potentially leading to earn-out payments in 2024 and 2025 totaling €0.7 million, provided that certain contractually agreed provisions are satisfied.

Note 28 | Other income

Other income consists of €856,000 recharged to subsidiaries in relation to the free shares plan, €50,000 in subsidies and €68,000 in miscellaneous current income.

Note 29 | Transfers of expenses

The €263,000 in transfers of expenses consist mainly of expenses recharged to subsidiaries.

Note 30 | Highlights of the fiscal year

To the best of the company's knowledge, apart from the items cited below, there were no events or changes during 2023 that would materially alter the Group's financial situation.

Tax

On February 21, 2018, Cegedim S.A. received official notice that the French tax authorities planned to perform an audit of its financial statements for 2015 and 2016. The audit resulted in a reassessment notice covering the use of tax-loss carryforwards, which the authorities disputed. On February 21, 2021, Cegedim S.A. received official notice that the French tax authorities planned to perform an audit of its financial statements for 2019 and 2020. That audit did not result in any additional reassessments.

After consultation with its lawyers and based on the applicable tax law and jurisprudence, Cegedim S.A. believes that the tax authorities' proposed reassessment is unwarranted. As a result, the company has appealed the decision and continues to explore its options for contesting the reassessment.

Over the period, Cegedim S.A. continued to apply the disputed tax-loss carryforwards to its taxable earnings, bringing cumulative tax savings to €27.2 million at December 31, 2023.

In the first half of 2022, tax authorities issued Cegedim S.A. with a notice of collection. In response, the Group paid a total of €12.1 million in respect of tax-loss carryforwards used through 2020, along with a €0.4 million late payment penalty. In February 2024, tax authorities also issued a notice of collection in the amount of €10.9 million in respect of tax losses used in 2021 and 2022, with no interest or penalties owing to the Company acting in good faith. The corresponding entry for these payments was not recognized in expenses, but rather in the tax receivable line of the balance sheet, as the Company expects these sums to be repaid once the dispute has been resolved in its favor.

As a result, if Cegedim S.A. ultimately loses its appeal, it would have to record a tax charge of €27.2 million in its profit and loss statement, but it would only have to make a cash payment of €4.1 million for the share of taxes not yet paid.

In addition, in accordance with IFRS, Cegedim S.A. records in its consolidated financial statements a deferred tax asset in respect of its unused tax-loss carryforwards, which represents the future tax gain the company may yet realize.

Note that the accounting entries related to deferred tax have no cash impact. Through December 31, 2022, deferred tax assets were unchanged at €20 million. At December 31, 2023, those assets amounted to €7.7 million owing to a €12.3 million downward adjustment recorded in deferred tax expenses in the consolidated financial statements. In response to a tax ruling in July 2023, the Group opted for a more conservative assessment of the unrealized future gains from its remaining, disputed tax-loss carryforwards.

If the outcome goes against the Group, the entirety of the deferred tax assets in the financial statements at the closing date would have to be recorded as a €7.7 million charge in consolidated earnings, with no cash outlay.

Cegedim S.A., in consultation with its attorneys, believes that it still has a solid case for dismissal of the reassessment, as reflected in the accounting position currently recorded in its financial statements. In the fourth quarter of 2023, we therefore appealed the dispute to the administrative court, a process which could take several years. We are confident in our chances of success and have not recorded any provisions in respect of the dispute.

The Group expects the maximum amount of risk from the potential tax charges cited above to remain constant at €34.9 million, but the breakdown could change: the €7.7 million deferred tax asset would decrease as tax savings are realized, incrementally increasing the €27.2 million already used.

The maximum potential cash payment, which has decreased significantly due to the amounts collected over the past 18 months, amounted to €4.1 million at December 31, 2023. It will continue to rise as future tax savings are realized but could also decrease if the tax authorities issue additional notices of collection while the appeal is ongoing.

Acquisition of a majority stake in Phealing

On November 30, 2023, Cegedim acquired a majority stake in Phealing, a startup specializing in secure prescription drug delivery. Phealing's offer, based on its advanced artificial intelligence engine, caters to a key concern for pharmacies: double-checking prescription medication. The software helps pharmacists detect dispensing errors in real time by verifying that the medicine sold matches the patient's prescription and illness profile.

Phealing was consolidated in the Group's accounts starting on December 31, 2023, meaning only its balance sheet is reflected.

Euris litigation

egedim, jointly with IQVIA (formerly IMS Health), is being sued by Euris for unfair competition. Cegedim asked the court to dismiss the case against the Company. On December 17, 2018, the Paris Commercial Court granted Cegedim's request, which IQVIA then appealed. On December 8, 2021, the Court of Appeals upheld the judgement in favor of Cegedim. The case was appealed to the Supreme Court, and in a ruling on March 20, 2024, the court overturned the Court of Appeals judgement that had exonerated Cegedim. As a result, the case has been sent back to the Paris Court of Appeals, with a different set of judges. After consulting its external legal counsel, the Group decided not to set aside any provisions.

Note 31 | Post-closing events

To the best of the Company's knowledge, apart from those listed below, there were no post-closing events or changes that would materially alter the Group's financial situation.

The war in Ukraine

The Group has no activities or exposed assets in Russia or Ukraine.

Universal Asset Transfer transactions

On 1 January 2024, Cegedim SRH, Cegedim Outsourcing, Audiprint and BSV will be transferred to CEGEDIM SA.

5.3.4 | List of shareholdings as of December 31, 2023

Company	Total number of shares	% owned	Net value
Investments French companies			
Smart RX	8,161	100.00%	44,168,377
BSV	1,000	100.00%	539,119
Cegedim Activ	873,900	100.00%	48,366,000
Cegedim Cloud	799,276	92.00%	7,000,100
Cegedim Outsourcing	25,000	100.00%	5,553,319
Cegedim SRH	9,776,601	100.00%	22,450,632
Cetip	39,340	99.74%	1,288,404
Edipharm	200	20.00%	3,049
Gers SAS	50	100.00%	1,871,428
Incams	2,500	100.00%	8,276,328
Isiakle GIE	833	16.66%	8,330
Medexact	6,549	100.00%	654,900
Pharmastock	5,000	100.00%	371,114
C-Media	26,000	100.00%	29,964,694
Cegedim Santé	11,000,000	81.99%	78,291,650
SCI 2000	159	68.83%	846,739
Clamae	7,255	40.80%	819,809
Phealing	10,000	53.17%	1,137,750
Investments Companies outside France			**79,148,328**
Activus (United Kingdom)	300	100.00%	8,963,597
In Practice Systems (United Kingdom)	14,000,000	100.00%	3,570,240
Thin (United Kingdom)	100	100.00%	13,564
Cegedim Internal Services Ltd (Ireland)	60,000,000	100.00%	59,353,459
Croissance 2006 (Belgium)	13,781	100.00%	6,242,793
Cegedim Belgique	2,999	99.97%	999,768
Cegedim Outsourcing Maroc	1	0%	100
Cegedim Egypte	999	99.90%	4,807
Cegedim Ebusiness GmbH (formerly known as Ximantix Software GmbH)	150,000	100.00%	-
Cegedim Services Maroc	10,000	100.00%	-
Total net value of investments			**330,760,070**

Company		Number of shares	% owned	Net value
Total net value of investments (in euros)	**I**			**330,760,070**
Other long-term securities	II			
French companies				
Listed securities				Néant
Companies outside France				**Néant**
Short-term investments	III			
Shares allocated to employees				7,915,623
Kepler Cheuvreux liquidity contract				287,144
Total *(in euros)*	**I + II + III**			**338,962,837**

5.3.5 | Table of subsidiaries and investments over 50%-owned

Subsidiary	Share capital[1]	Equity other than share capital[1]	% of control	Carrying amount of shares owned, gross value	Provision for impairment in securities	Net value of shares owned	Loans and advances granted but not repaid, net	Provision for liabilities	Revenue excluding VAT[2]	Profit (loss)[2]	Dividends received
Cegedim Outsourcing	2,500	3,370	100.00	5,553	0	5,553			35,370	1,104	
Gers SAS	50	16,734	100.00	1,871	0	1,871			62,745	8,496	5,500
Cetip	749	42,683	99.74	1,288	0	1,288			87,808	7,174	1,573
SCI 2000	4	1,115	68.83	847	0	847			535	268	
Incams	8,038	238	100.00	10,626	2,349	8,276			-	478	
Pharmastock	576	(205)	100.00	576	205	371			1,212	5	
Cegedim SRH	17,000	43,179	100.00	22,451	0	22,451			104,420	11,274	
C-Media	28,030	12,408	100.00	29,965	0	29,965			44,767	3,421	
Cegedm Santé	94,317	35,830	81.99	78,292	0	78,292			71,343	(3,689)	
Medexact	37	3,030	100.00	655	0	655			5,815	725	900
Cegedim Activ	31,689	37,463	100.00	48,366	0	48,366			65,576	241	
Smart RX	46,436	(41,525)	100.00	102,113	57,945	44,168	14,000		49,982	(3,498)	
Cegedim Cloud	8,688	4,850	92.00	7,000	0	7,000	3,650		48,723	(84)	
BSV	125	144	100.00	1,889	1,350	539			1,139	199	
Phealing	19	(67)	53.17	1,138		1,138			-	-	
Activus	4,948	(4,452)	100.00	16,373	7,409	8,964			8,017	516	
Cegedim Belgique	1,000	270	99.97	1,000	0	1,000			12	(226)	
Croissance 2006 Belgique	1,378	106	100.00	6,243	0	6,243			-	(32)	
Cegedim Internal Services Ltd	60,000	2,953	100.00	60,000	647	59,353			-	1,175	
Thin	881	(867)	100.00	1,097	1,084	13			1,111	-	
INPS	19,562	7,015	100.00	3,570	0	3,570			17,469	(8,178)	
Cegedim Egypte	3	1,474	99.90	5	0	5	1,356		6,450	550	
Cegedim Services Maroc	91	(594)	100.00	100	100	0		503	-	(412)	
Ximantix	150	(332)	100.00	8,226	8,226	0		182	2,612	(98)	
Total, subsidiaries more than 50%-owned				**409,245**	**79,315**	**329,930**	**19,006**	**685**	**615,106**	**19,409**	**7,973**

[1] *The share capital and equity of subsidiaries not located in the euro zone are stated at their equivalent value in thousands of euros at the 2023 closing rates.*

[2] *Revenues and earnings for subsidiaries not located in the euro zone are stated at their equivalent value in thousands of euros at the annual average exchange rate for 2023.*

5.3.6 | Table of subsidiaries and investments less than 50%-owned

Subsidiary	Share capital[1]	Equity other than share capital[1]	% of control	Carrying amount of shares owned, gross value	Provision for impairment in securities	Net value of shares owned	Provision for loans and advances granted, but not repaid	Provision for risk	Revenue excluding VAT[2]	Profit (loss)[2]	Dividends received
Edipharm	15	580	20.00	3	0	3			15,401	526	99
Cegedim Outsourcing Maroc	210	708	0	0	0	0			8,033	191	
ISIAKLE	50	0	16.66	8	0	8			0	0	
Clamae	18	(4,387)	40.80	8,000	7,180	820	1,750		12,343	(2,981)	
Total subsidiaries less than 50%-owned				**8,011**	**7,180**	**831**	**1,750**		**35,777**	**(2,264)**	**99**
Total				**417,255**	**86,495**	**330,760**	**20,756**	**685**	**650,883**	**17,145**	**8,072**

[1] *The share capital and equity of subsidiaries not located in the euro zone are stated at their equivalent value in thousands of euros at the 2023 closing rates.*

[2] *Revenues and earnings for subsidiaries not located in the euro zone are stated at their equivalent value in thousands of euros at the annual average exchange rate for 2023.*

5.4 Statutory Auditors' report on the annual financial statements

CEGEDIM

Fscal year ended Decembre 31, 2023

To Cegedim's General Meeting,

Opinion

In compliance with the assignment entrusted to us by your General Meeting, we have audited the accompanying annual financial statements of Cegedim SA for the fiscal year ended on December 31, 2023.

In our opinion, the annual financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2022, and of the results of its operations for the year then ended in accordance with French generally accepted accounting principles.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis of our opinion

Audit standards

We conducted our audit in accordance with generally accepted professional standards in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the "Auditors' responsibilities for the audit of the annual financial statements" section of this report

Independence

We performed our audit from January 1, 2023, to the date of issue of our report, in compliance with the independence rules under the French Commercial Code and the French Code of Ethics for Statutory Auditor. We did not provide any of the services prohibited under article 5, paragraph 1 of EU regulation No. 537/2014.

Justification of our assessments

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most important for the audit of the financial statements for the year, as well as the responses we have given to these risks.

These assessments were made in the context of our audit of the financial statements taken as a whole and the formation of our audit opinion expressed above. We do not express an opinion on any individual component of these financial statements.

Measurement of investments

(Sections 5.3.2 and 5.3.3 - Notes 1 and 3 to the annual financial statements)

Risk identified

As of December 31, 2023, the net book value of the company's financial assets amounted to 357 million euro out of a balance sheet total of 453 million euro, including 332 million euros of other investments and 25 million euros of loans and other financial assets.

As stated in section 5.3.2 of the notes to the financial statements, investments are recognized at cost less incidental acquisition expenses, and an impairment loss is recognized if their recoverable amount falls below their carrying amount. The recoverable amount is defined as the higher of fair value less costs to sell and value in use:

- An asset's value in use is calculated using either the share of the net position held in these investments or estimates of the present value of future cash inflows and outflows from the activities carried out by these investments, or on the basis of one year's sales;
- An asset's fair value is calculated by reference to stock market peers or the results of recent transactions involving comparable companies operating in the same business sector.

Given the high percentage of total assets accounted for by financial assets and the judgment used by management to assess the recoverable amount, we considered the measurement of financial assets to be a key audit matter.

Our response

Our work involved:

- comparing the value of financial assets with their recoverable amount;
- assessing the reasonableness of the key assumptions used for the determination of the estimated recoverable amount among which the growth of the activity, the cash flows forecasts and the discount rate ;
- assessing the fairness of the information provided in sections 5.3.2 and 5.3.3 – Notes 1 and 3 to the annual financial statements.

Measurement and recognition of development costs and internal software recognized as assets

(Sections 5.3.2 and 5.3.3 – Notes 1, 2, and 3 to the annual financial statements)

Risk identified

As of December 31, 2023, the net value of development costs and in-house software amounted to 29 million euros out of a balance sheet total of 453 million euros.

The development costs for new projects are capitalized only when the criteria laid down in the French Accounting Regulation Committee's regulation no. 2004-06 and stated in section 5.3.2 of the notes to the financial statements are met. Amortization is calculated using the straight-line method from the date of initial use of the relevant asset and is calculated over its expected useful life.

The Company ensures, either at the end of each fiscal year or whenever an indication of impairment has been identified, that the carrying amount of these assets does not exceed their recoverable amount.

We have considered the measurement and recognition of development costs as assets to be a key audit matter given the degree of judgment required by Management to determine their recoverable amount, invariably based on discounted cash flow forecasts, the realization of which is by nature uncertain.

Our response

Our work involved:

- assessing the compliance of procedures for examining the criteria for capitalizing development costs with the accounting standards in force;
- familiarizing ourselves with and testing using sampling techniques the key controls put in place by the Company to cover the internal control process for the capitalization and monitoring of development costs and internal software;
- Review the useful lives used;
- confirming, using sampling techniques, that the amounts of development costs capitalized over the fiscal year are consistent with the supporting accounting evidence;
- familiarizing ourselves with and assessing the reasonableness of the data and assumptions used by management to establish the cash flow forecasts on a selection of projects, including, but not limited to, the commercial life, depreciation period, sales, profit margin, and discount rate, by holding discussions with management and by comparing future cash flows with past levels;
- performing our own sensitivity calculations;
- assessing the fairness of the information provided in sections 5.3.2 and 5.3.3 - Notes 1, 2, and 3 to the annual financial statements.

Specific verifications

We also performed the specific verifications required by legal and regulatory texts in accordance with generally accepted professional standards in France.

Information provided in the Management Report and in the other documents sent to shareholders on the financial position and the annual financial statements

We have no matters to report as to the fair presentation and consistency with the annual financial statements of the information provided in the Board of Directors' management report and in the other documents sent to shareholders on the financial position and the annual financial statements.

We attest that the information regarding payment terms cited in article D. 441-6 of the French Commercial Code is fairly presented and consistent with the annual financial statements.

We attest that the declaration of non-financial performance required by Article L.225-102-1 of the French Commercial Code is included in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of the said Code, the information contained in this declaration has not been verified by us as to its fair presentation or consistency with the annual financial statements and must be the subject of a report by an independent third-party organisation.

Corporate governance report

We confirm that the Board of Directors' report on corporate governance contains the information required pursuant to article L. 225-37-4 of the French Commercial Code.

We verified that the information provided pursuant to article L. 22-10-9 of the French Commercial Code on the compensation and benefits paid or awarded to corporate officers and the commitments given to them is consistent with the financial statements and / or with the data used to prepare them and also, where appropriate, with the information obtained by our Company from companies controlled by it, that are included in the consolidated scope. Based on this work, we can confirm the accuracy and fair presentation of this information.

Other disclosures

In accordance with the law, we have verified that the requisite disclosures concerning acquisitions of shareholdings and controlling interests are provided in the management report.

Other verifications or disclosures required by law and the regulations

Presentation format of the annual financial statements included in the annual financial report

In accordance with the professional standards applicable in France, we also performed the Statutory Auditor's procedures for annual and consolidated financial statements presented in the European single electronic reporting format, verified compliance with this format as laid down in Commission Delegated Regulation no. 2019/815 of December 17, 2018, on the presentation of annual financial statements intended for inclusion in the annual financial statements as stated in article L. 451-1-2 of the French Commercial Code, which the Chief Executive Officer is responsible for preparing.

Based on the procedures performed, our opinion is that the presentation of the annual financial statements intended for inclusion in the annual financial report complies in all material respects with the European single reporting format.

It is not our responsibility to verify that the annual financial statements actually included by Cegedim in the annual financial report filed with the AMF are indeed those on which we performed our procedures.

Appointment of auditors

Mazars were appointed auditors of Cegedim SA by the General Meeting of April 23, 2002, and KPMG by the General Meeting of June 18, 2019.

At December 31, 2023, Mazars was in its 22nd consecutive year as Statutory Auditor, and KPMG was in its fifth year.

Responsibilities of management and those charged with governance for the annual financial statements

Management is responsible for the preparation of annual financial statements that give a true and fair view in accordance with French generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the company's ability to continue as a going concern, for disclosing matters related to the going concern, and for the appropriate application of the going concern basis of accounting, unless the plan is to liquidate the company or to cease trading.

The Audit Committee is responsible for monitoring the process of preparing financial information and for monitoring the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit of procedures related to the preparation and processing of accounting and financial information.

The annual financial statements have been approved by the Board of Directors.

Responsibilities of the Statutory Auditors for the audit of the annual financial statements

It is our duty to prepare a report on the annual financial statements. Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit performed in accordance with the standards of professional practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual financial statements.

As specified by article L. 821-55 of the French Commercial Code, our engagement to audit the financial statements is not a guarantee of the viability or the quality of the management of your company.

As part of an audit conducted in accordance with the professional standards applicable in France, we exercise our professional judgment throughout an audit. Furthermore:

- the auditor identifies and assesses the risks that the consolidated financial statements contain material misstatements, whether from fraud or error, and defines and implements audit procedures to address such risks, and collects the information they consider sufficient and appropriate to act as a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- the auditor obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- the auditor assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the information concerning them provided in the consolidated financial statements;
- the auditor assesses the appropriateness of management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. The auditor's conclusions are based on the audit evidence obtained up to the date of the Statutory Auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. If the auditor concludes that there is significant uncertainty, they draw the attention of readers of their report to the information provided in the consolidated financial statements about this uncertainty, or, if this information is not provided or is not relevant, they draw up a qualified certification or a refusal to certify;
- the auditor assesses the overall presentation of the consolidated financial statements and assesses whether the consolidated financial statements reflect the underlying transactions and events so as to give a true and fair view of them;

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report to it, if necessary, on any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the annual financial statements of the financial year and which are therefore the key audit matters. We describe these matters in this audit report.

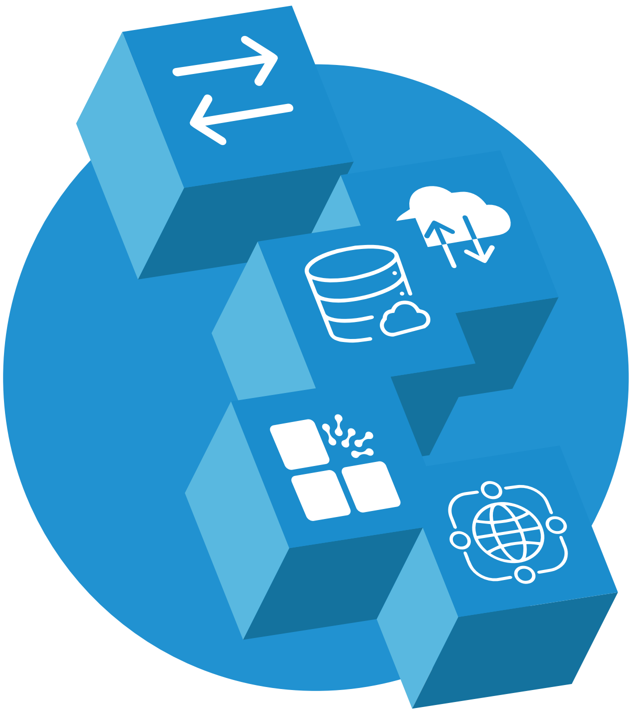
We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set forth in particular by articles L. 822-10 to L. 822-14 of the French Commercial Code and the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

Paris La Défense, April 2, 2024	Paris La Défense, April 2, 2024
Mazars	KPMG SA
Jérôme de Pastors	Vincent de Becquevort
Partner	*Partner*

5.5 Five-year financial summary

Reporting date	12/31/2023	12/31/2022	12/31/2021	12/31/2010	12/31/2019
Duration of the fiscal year (months)	**12**	12	12	12	12
Share capital at the end of fiscal year					
Share capital	**13,336,506**	13,336,506	13,336,506	13,336,506	13,336,506
Number of common					
shares	**13,997,173**	13,997,173	13,997,173	13,997,173	13,997,173
preferred shares				-	-
Maximum number of shares to be issued				-	-
through bond conversions				-	-
through subscription rights				-	-
Operations and earnings					
Revenue excluding VAT	**97,508,439**	95,659,937	90,983,440	79,942,170	75,880,873
Earnings before tax, profit sharing, and allowances to depreciation, amortization, and provisions	**(2,083,240)**	(58,175,352)	2,376,251	505,412	19,493,059
Income taxes	**(9,952,599)**	(8,410,898)	(10,343,521)	(9,308,723)	(9,859,189)
Employee profit sharing	**880,213**	736,820	828,715	683,948	726,824
Allowances to depreciation, amortization, and provisions	**5,292,630**	(66,789,259)	(2,703,439)	3,562,846	37,706,316
Profit (loss)	**1,696,515**	16,297,984	14,594,496	5,567,341	(9,080,892)
Distributed earnings					-
Earnings per share					
Earnings after tax, profit sharing, and before allowances to depreciation, amortization, and provisions	**0.50**	(4.22)	0.49	0.65	2.05
Earnings after tax, profit sharing, and allowances to depreciation, amortization, and provisions	**0.12**	1.16	1.04	0.40	(0.65)
Dividend					-
Employees					
Number of employees at December 31	**448**	432	356	370	343
Payroll	**29,010,503**	27,127,819	24,728,301	22,302,978	21,915,011
Employee benefits (social security, welfare institutions, etc.)	**13,842,198**	12,555,586	11,660,143	10,277,275	10,123,648



06

Sustainability Report

6.1 | Cegedim Group's business activities, business model, and value chain

6.1.1 | Our business activities

Founded in 1969, Cegedim is an innovative technology and services company in the field of digital data flow management for healthcare ecosystems and B2B, and a business software publisher for healthcare and insurance professionals. The Group is also active in human resources management and digitization services for all types of industries.

For more than 50 years, we have forged rich, fruitful relationships with our partners, customers and employees, and developed a host of technological ventures prompted by society's digital transformation. What drives us is the satisfaction we get from designing and creating new services and products.

Cegedim employs over 6,500 people in more than 10 countries and generated revenue of €616 million in 2023. Cegedim SA is listed in Paris (EURONEXT : CGM).

*% of revenue generated in the healthcare space

6.1.2 | Our organization and business model

Cegedim Group is organized into business units that focus on technological excellence in sectors with strong growth potential. We offer a wide range of innovative solutions and services for healthcare professionals, researchers, healthcare companies and authorities, insurance companies, and companies in any industry interested in outsourcing, secure data hosting, and digitized flows and processes.

We leverage the growth opportunities that arise from factors like changing regulations, the growing complexity of the French healthcare system, an aging population, etc.

Cegedim is active in ever-evolving markets and boasts solid fundamentals, a well-rounded portfolio, a varied customer base, and broad geographic reach. We want to have a positive impact on people's health, well-being, and quality of life by helping improve the quality of healthcare and facilitating access to it.

In this report, see:

- Chapters "The Big Picture – This is Cegedim" and "The Group" of the Universal Registration Document for more about our business model, growth strategy, organization structure, markets and the key trends affecting them;
- Chapter "Overview of the Financial Year" for more about the fiscal year's highlights.

6.1.3 | Our core values

Cegedim, a Group with **Values**

This need for innovation, quality and investment for the future is the core of the Group's strategy for growth and is based on strongly-held values.

Innovation

Cegedim is dedicated to creating products using the most advanced technologies and to spurring its talented employees to develop innovative products and services.

Ethics

Respecting current regulations and acting ethically are integral to the development of the company and all of its individuals.

Customer satisfaction

Our company is highly nimble and quick to adapt to changes because of its efficient communication channels and rapid decision-making.

Synergy

The Group encourages the share of skills, experiences, knowledge, expertise and resources between its activities.

Personal and professional Development

Cegedim's management style is based on measuring individual and group performances, dynamic and personalized career management, an active training policy, and potential for mobility both in France and abroad.

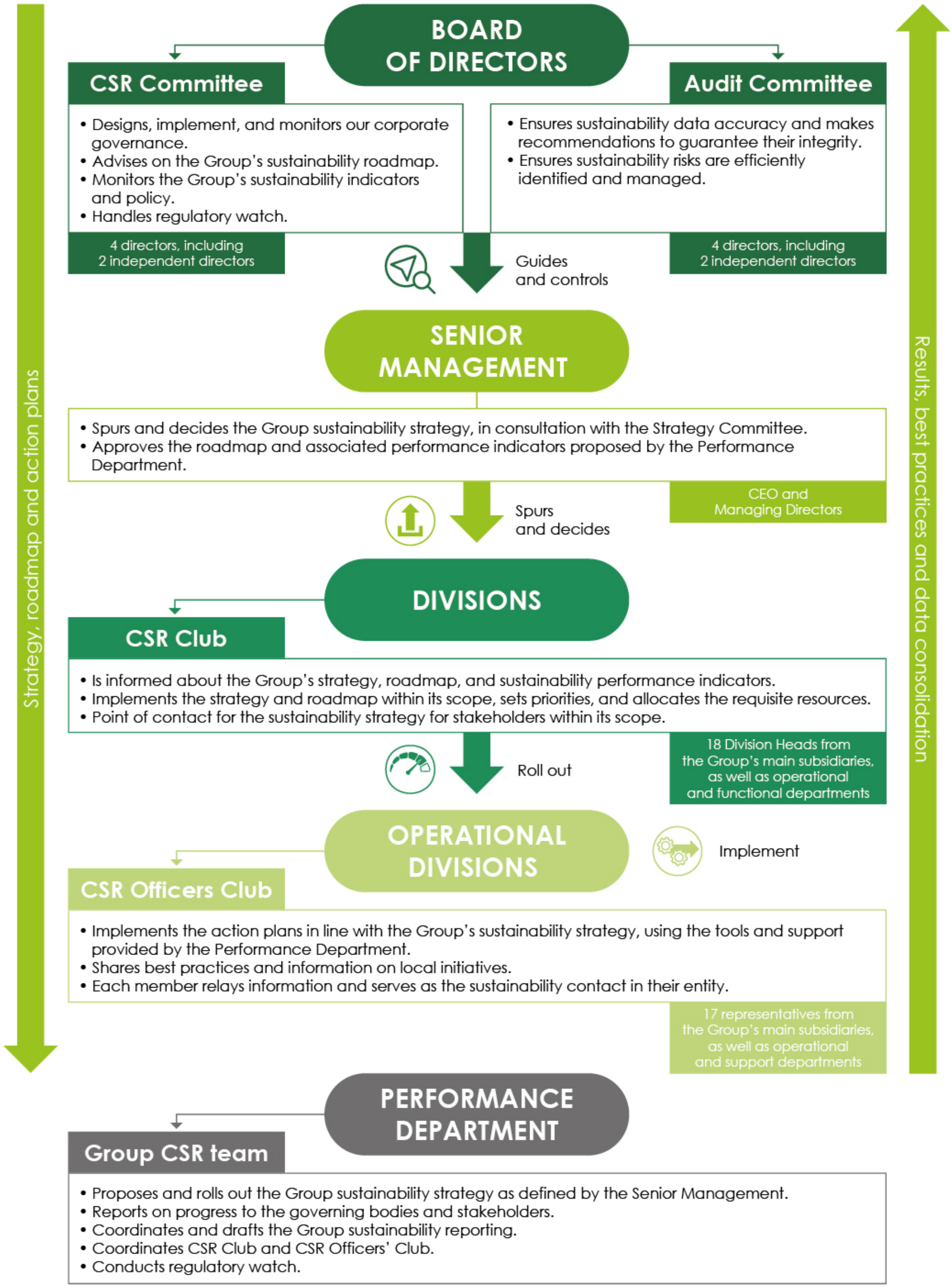
Respect

Cegedim employees work in an atmosphere of kindness, mutual respect, equality and recognition, caring for each other and the environment.

6.1.4 | CSR governance

Our corporate governance is described in the "Governance" chapter of the Universal Registration Document.

From 2021, the Group's governance has evolved with the creation of its CSR Committee, in order to meet the challenges of sustainable value creation. Cegedim's CSR strategy and roadmap are developed and implemented throughout all levels of the Group.



6.1.5 | Our stakeholders

Our stakeholders consist of all the people, partners, entities, and communities whose interests could affect or be affected by our activities and decisions.

We engage regularly with all our stakeholders, both internal and external. We engage with them at various times and in a variety of ways, including, for example, through exchanges with clients and partners, user clubs, local and global sales and marketing events, investor meetings and roadshows, social dialogue, etc. An in-house representative is responsible for each type of stakeholder interaction, based on the subject and mode of engagement.

Updating our stakeholder map

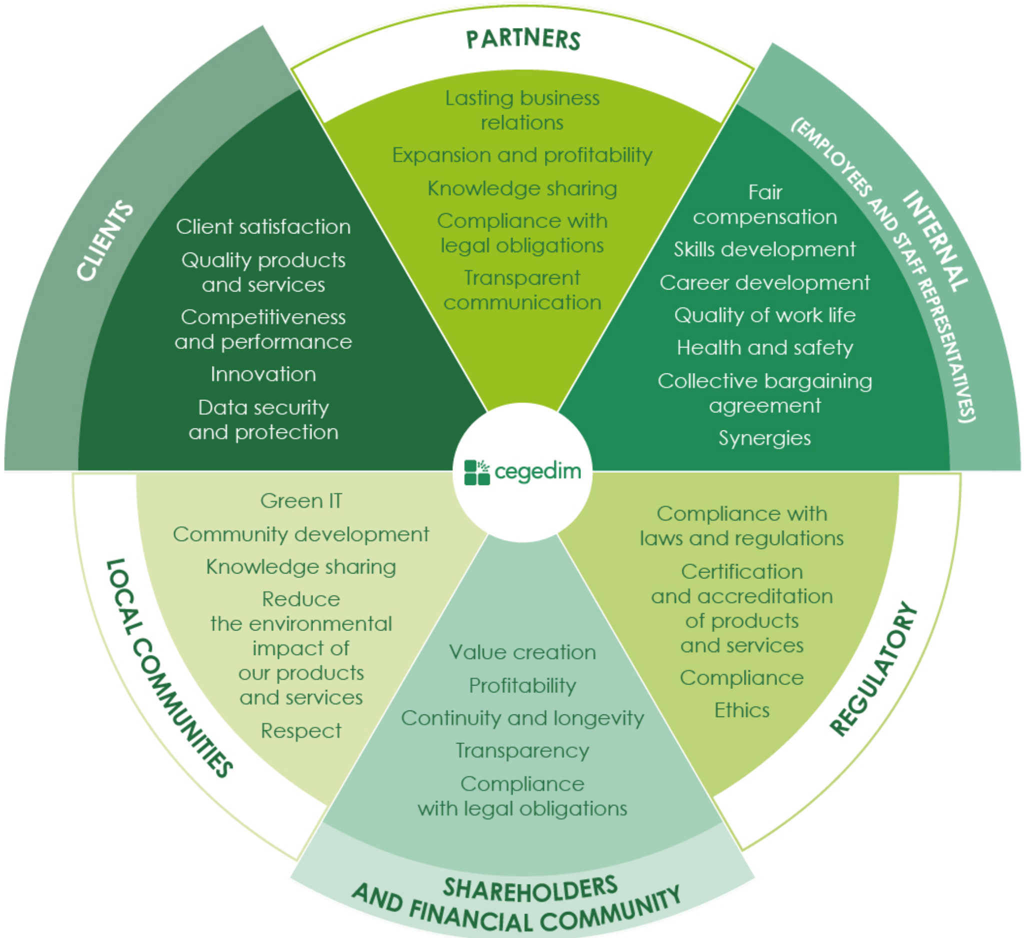
In 2023, we updated our stakeholder map together with all our business units and subsidiaries and from our ESG Officers so we could have the most accurate view possible of our activities.

Stakeholder mapping allows us to better understand our ecosystem and the people and groups linked to our activities, and to ensure that we fully comprehend and factor in their expectations. We updated our stakeholder map by following ISO 26000 guidelines, industry best practices, and the Corporate Sustainability Reporting Directive (CSRD) ahead of its implementation.

First, each Group entity compiled the following information for all its stakeholders:

- The stakeholders it engages with;
- Their in-house contacts;
- The subjects discussed, modes of engagement, and frequency of interaction;
- How their expectations are accounted for in the decision-making process.

Once we had compiled our lists, we grouped our stakeholders into six categories and examined the importance and influence of each category on Group decisions. The summary of this analysis, presented in the following infographic and table, was approved by the CSR Club and presented to the CSR Committee.



Our business model and strategy always account for our stakeholders' expectations. We have transparent and regular exchanges with our stakeholders, and can therefore rapidly understand their expectations, identify major challenges, anticipate risks, and improve the quality of our services by ensuring that our innovations meet these expectations and by adapting to ever-evolving business and regulatory environments.

CEGEDIM STAKEHOLDER MAP			
Type of stakeholder	**Stakeholder expectations**	**Our responses**	**Mode of engagement**
Internal	Employees: Equitable remuneration Skills development Career development opportunities Quality of work life Health and safety at work Value creation for the company and its employees Employee representatives: Negotiate and sign company agreements that ensure employee satisfaction and development Create value for the company and its workforce	Compensation Policy Company agreements Work groups HR management tools Training Internal mobility Works Council OHS Commission and initiatives Growth strategy involving employees and their representatives CSR Strategy and roadmap	Information Communication Consultation Dialogue Negotiation
Shareholders and Financial Community	Value creation, profitability Growth and continuity Transparency and reliability of disclosures Compliance with regulations and contractual obligations	Quarterly results and annual URD publications Information meetings, financial communication Growth strategy Innovation and R&D Regulatory watch Compliance monitoring by the Audit Committee and Internal Control The Code of Ethics CSR Policy	Information Communication Consultation Dialogue* Joint decisions*
Clients	High-quality, innovative products and services User-friendly products and solutions Certified, accredited, and compliant products and services Competitive, efficient products and services Development of new products and solutions to digitize and optimize processes Information about the company's new solutions High-level data security and protection Customer satisfaction Compliance with legal and contractual obligations	Innovation and R&D Certified, accredited products and services Information about products and services Assistance with roll-out, after-sales service Integrated Information Security Management System Client surveys Industry events Regulatory watch CSR Policy	Information Communication Consultation Negotiation Cooperation
Local communities	Support communities' development while accounting for social, and environmental issues Foster advancements and improvements in health services through new technological tools Share knowledge and create partnerships Innovation Foster more sustainable digital solutions Reduce the environmental impact of our products and services	Get involved in the communities where we operate Get involved in local or industry organizations and nonprofits Green IT Policy Environmental Policy and ecological transition Ethics and regions Policy	Information Communication

CEGEDIM STAKEHOLDER MAP			
Type of stakeholder	**Stakeholder expectations**	**Our responses**	**Mode of engagement**
Business Partners	Long-lasting business relations Business growth and profitable contracts Knowledge sharing Compliance with legal and contractual obligations Transparent communication	Fair and profitable contracts for all parties Sustainable Purchasing Charter The Code of Ethics Sharing information on markets	Information Communication Consultation Negotiation Cooperation
Regulatory	Compliance with relevant laws and regulations Mandatory and voluntary certifications Compliant Group products and services Compliant Group processes and documents	Regulatory watch Accredited and/or certified company products and services The Code of Ethics Financial and regulatory communication	Information Communication

* *For majority shareholders*

6.1.6 | Our business and value creation model

Our divisions

Corporate & others

Support to other divisions

SOFTWARE & SERVICES €326.6m

FLOW €95.9m

BPO €71.5m

DATA & MARKETING €114.9m

Our resources

Stakeholders

- Internal (Employees ans employee representatives)
- Shareholders and financial institutions
- Clients
- Local communities
- Partners
- Regulatory

Human resources

+ 6,500 employees
1,588 employees dedicated to R&D

Financial assets

€301.4m of shareholders' equity
Long-standing shareholder support
Strong recurring revenue base

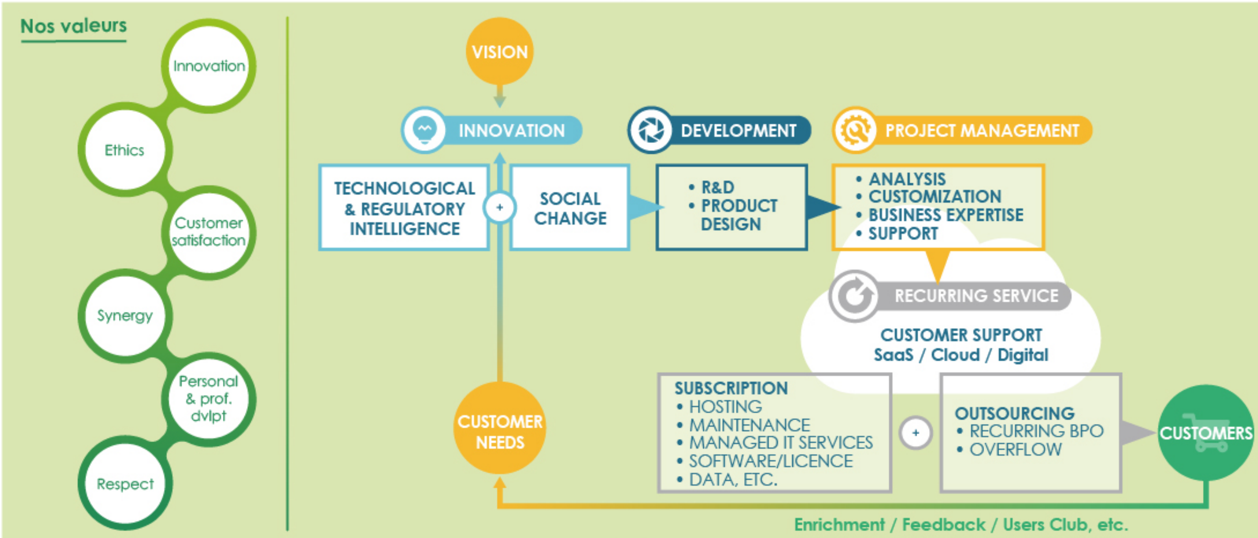
Technical resources

4 Datacenters
67 sites
Capital expenditure: **€78.8m**
14,9 % of revenue goes to R&D

Natural resources

78 % of energy is renewable[1]

[1] Group Energy Contract in France



Our value creation model

Clients

- Health Authorities
- Pharmaceutical Companies
- Researchers

69m anonymised data lines

- Pharmacies
- Care Providers
- Health and welfare insurance Cies
- Patients
- Allied Health Professionals
- Government
- Hospitals
- Businesses (payroll)
- Corporates (electronic flows)

Employees

1,413 new hires on permanent contracts
€332m used to pay employees: salaries, pensions, etc.

Society and community

76% of revenue from healthcare space
€4,2m paid back to society in the form of various taxes and duties

Local presence

11 countries
517 mobile workers

Capital providers

€616m: Cegedim Group revenue
€11,9m in financial costs paid to our capital providers

Suppliers

€167m used to purchase goods and services from our suppliers

Reinvested in Cegedim

79,6 M€ reinvested in Cegedim for future value creation

6.2 | CSR risk management

6.2.1 | Organization and management of CSR risks

Cegedim's human and technological capital are the cornerstone of its contribution to the healthcare ecosystem.

These resources are at the heart of our CSR strategy.

We create and sell products and services we consider to be of the highest standard to our clients in healthcare and other sectors so that, in turn, they can deliver the best products and services to their patients or clients. Cegedim is socially responsible by design: our business activities and decision-making processes have inherently workforce-related, social, environmental, and ethical dimensions.

Our products and services—whether they concern healthcare, the management of digitalized flows and processes, or data—make a lasting contribution to the overall wellbeing of society, and we endeavor to minimize their environmental footprint while maximizing their positive societal impacts.

We aim to positively impact both the environment and our internal and external stakeholders and contribute, at our level, to the United Nations Sustainable Development Goals (SDGs). However, some of these goals are further removed from our core activities. The SDG wheel seen here shows the goals we contribute to (highlighted in green) using the same scale as the materiality matrix (in this case, crucial). The ones that do not apply to our activities or business model are in gray.

Cegedim offers solutions to all these current fundamental societal issues.

CSR risks

Cegedim takes an integrated approach to risk management: CSR, risks, and compliance are all covered by the Performance Department, which reports to senior management, the Audit Committee and the CSR Committee. This allows us to handle these issues centrally and ensures that business challenges and risks—financial or non-financial—are dealt with consistently across the Group.

Looking at the Group as a whole and its main business models, we have identified and analyzed our material non-financial risks and their workforce-related, social, environmental, and ethical aspects. The Compliance Department led this group exercise, whose approach and results were approved by our governing bodies.

We referred to the following:

- The provisions of the Grenelle II Act as laid out in Article L225-102-1 of the French Commercial Code;
- The United Nations Sustainable Development Goals;
- The International Labor Organization (ILO) Conventions, notably the eight Fundamental Conventions:
  - The Forced Labor Convention (#29);
  - The Freedom of Association and Protection of the Right to Organize Convention (#87);
  - The Right to Organize and Collective Bargaining Convention (#98);
  - The Equal Remuneration Convention (#100);
  - The Abolition of Forced Labor Convention (#105);
  - The Discrimination Convention (#111);
  - The Minimum Age Convention (#138);
  - The Worst Forms of Child Labor Convention (#182);
- The United Nations Global Compact;
- The framework of the Paris Agreement;
- The disclosure recommendations of the TCFD;
- The requirements of the 2014/95/EU Non-financial Reporting Directive transposed into national law, notably the anti-corruption and tax evasion measures;
- The provisions of the Sapin II Act and the Cegedim Group Code of Ethics, Sustainable Purchasing Charter, and Information System Security Policy.

The risks identified by Cegedim are listed and detailed in the "Risk Management" chapter of the Universal Registration Document.

Our activities are typical of the tertiary sector. Our technological infrastructures include powerful data centers, and their energy consumption is a key environmental concern for our activities. We limit the potential negative impact of these activities and minimize their footprint with our infrastructure energy efficiency and continuous improvement policies, and through targeted measures aimed at our employees, within our premises and when they travel for business. Protecting the environment is also one of our business model's key CSR issues. Our top six non-financial risks are:

- Failure to attract and retain suitable human resources;
- Deterioration of our infrastructure and data;
- Negative environmental impact of our activities;
- Failure to live up to our quality standards;
- Unethical behavior;
- Some territories not being covered.

To address these challenges in a meaningful way, Cegedim Group implements policies and due diligence that help improve its non-financial performance and achieve its objectives. These objectives and their performance are set out in our roadmap and are monitored and measured by the relevant results and key indicators presented in this annual report.

6.2.2 | Materiality matrix estimated at March 25, 2024

We assess the major issues facing Cegedim based on the CSR risks we have identified and position them in a materiality matrix. For each issue, we roll out policies and action plans commensurate with their materiality. In 2021, we evolved our governance structure and set up a CSR Committee so we could address the challenges of sustainable value creation and handle these issues at the highest levels of the company (see "Governance" chapter of the URD).

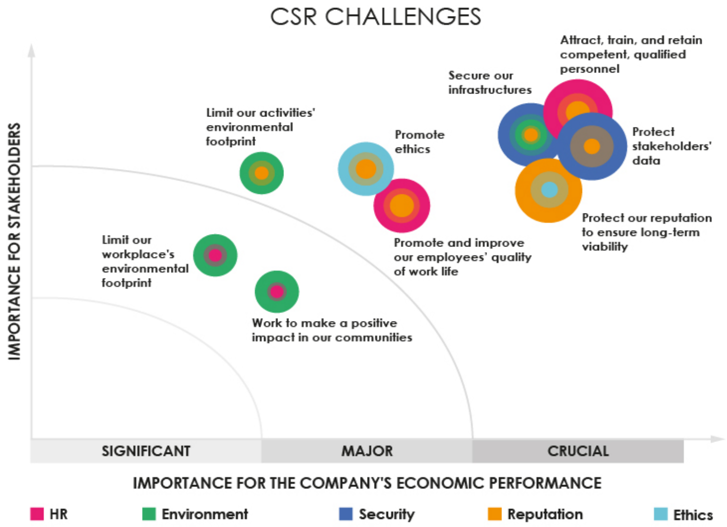
Cegedim has defined its 2022-2025 CSR strategy and roadmap and rolled it out across all levels of the Group, mostly through the CSR Club and the CSR Officers Club. These were set up to implement the strategy and roadmap at the operational level and to organize ESG awareness-raising initiatives for all our employees. Accordingly, in 2023, Cegedim initiated a project to calculate its full carbon footprint and establish a decarbonization trajectory between 2024 and 2030.

Once a year, our CSR risks and issues are reviewed and approved by senior management, the Audit Committee, and the CSR Committee. The Internal Control Department regularly monitors Cegedim Group's risk map and helps propose changes to the materiality matrix.

Cegedim Group's CSR issues are ranked in the materiality matrix based on their importance, both internally and for our external stakeholders. The importance of each type of risk (HR, Environmental, Safety, Reputation, Ethics) is visually represented in the chart. The size of the dots reflects the full importance of the issue to the Group and its stakeholders.

The Group's CSR policies have always taken climate risks into account and reflect the launch of the EU's Green Deal and Fit for 55 plans, as well as regulatory developments. Regulatory pressure will ramp up in the coming years in order to meet the Paris Agreement's targets.

To comply with the Corporate Sustainability Reporting Directive (CSRD), which came into force on January 1, 2024, Cegedim will review its materiality matrix to factor in the new requirements, particularly regarding the double materiality assessment.



6.2.3 | Summary of Cegedim Group's main CSR challenges and risks

CSR CHALLENGES	RISKS	IMPORTANCE*	POLICIES	KEY INDICATORS	RELATED SDG
Attract, train, and retain competent, qualified personnel	Failure to attract and retain suitable human resources	Crucial	§6.3 Developing our Human Resources: a pillar of our success		1, 2, 3, 4, 5, 8, 10, 17
Promote and improve our employees quality of worklife	Failure to attract and retain suitable human resources	Crucial	§6.3 Developing our Human Resources: a pillar of our success		1, 3, 5, 2, 8, 10
Limit our activities' environmental footprint	Negative environmental impacts from our activities	Crucial	§6.4 Reducing our environmental footprint		6, 7, 12, 13
Limit our workplace's environmental footprint	Negative environmental impacts from our activities	Major	§6.4 Reducing our environmental footprint		7, 12, 13
Protect our reputation to ensure long-term viability	Failure to live up to our quality standards	Crucial	§6.5 Ensuring data quality and security		4, 8, 9
Secure our infrastructures Protect stakeholders' data	Deterioration of our infrastructure and data	Crucial	§6.5 Ensuring data quality and security		8, 9
Promote ethics	Unethical behavior	Crucial	§6.6 Developing our business activities ethically and fairly		3, 10, 5, 12, 16
Work to make a positive impact in our communities	Some territories are not covered	Major	§6.7 Contributing to regional development		4, 8, 11

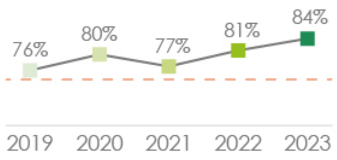
*Degree of importance according to the materiality matrix scale, in ascending order: significant, major, crucial

6.2.4 | An overview of our CSR Key performance indicators

Developing our Human Resources: a pillar of our success

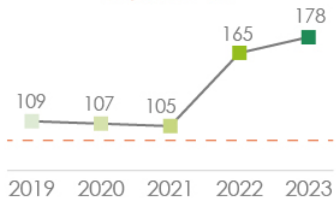
Trial periods converted into permanent contracts in France

Objective: >75%



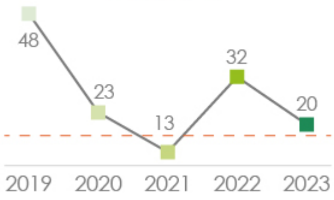
Employee referral hires in France

Objective: >100

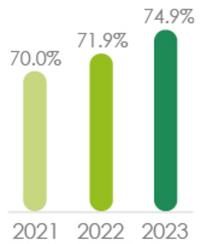


Recruiting events in France

Objective: >18

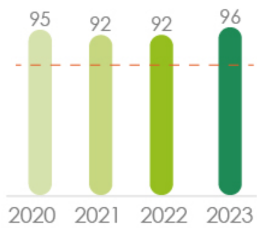


Share of teleworkable jobs in France



Workplace gender equality index in France

Objective: >75



Reducing our environmental footprint

Datacenter GHG emissions

Objective: control emissions

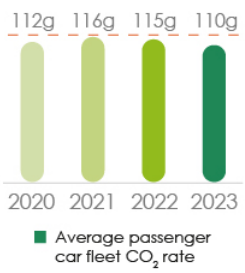
In t CO_2e

Increase in server virtualization

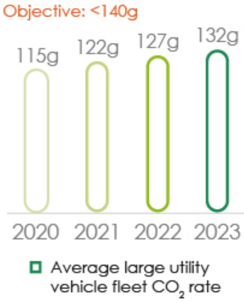
Objective: increase

Composition of the Group vehicle fleet

Objective: <120g



Objective: <140g

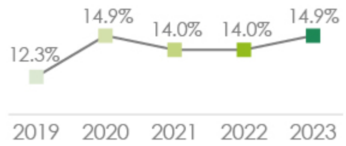


Ensuring data quality and security

Completion of the security checklist

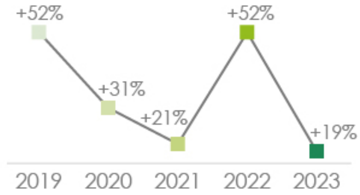
Objective: 100%

Group R&D effort relative to revenues



Increase in hosted data volumes in GB

Objective: contain increase



Expanding our business fairly and ethically and contributing to regional development

Ethics Committee meetings

Objective: ≥2

2019	2020	2021	2022	2023
2	2	2	2	1

Code of Ethics and Code of Ethics e-learning course

Objective: parity

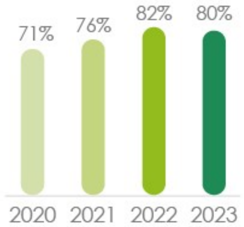
	2019	2020	2021	2022	2023
No. of translations of the Code of Ethics	6	7	7	8	8
No. of language versions of the Code of Ethics e-learning course	1	6	6	6	6

Code of Ethics e-learning course success rate by language

Objective: >90%

	German	English	Spanish	French	Dutch	Romanian
2020	100%	100%	100%	99.6%	100%	99.3%
2021	100%	99.5%	100%	99.5%	100%	99.5%
2022	100%	100%	100%	99.4%	100%	99.0%
2023	100%	100%	100%	99.4%	100%	98.2%

Share of French sites outside Paris region



Percentage of French territory* covered by sales force

*Metropolitan France and overseas departments

6.3 | Developing our Human Resources: a pillar of our success

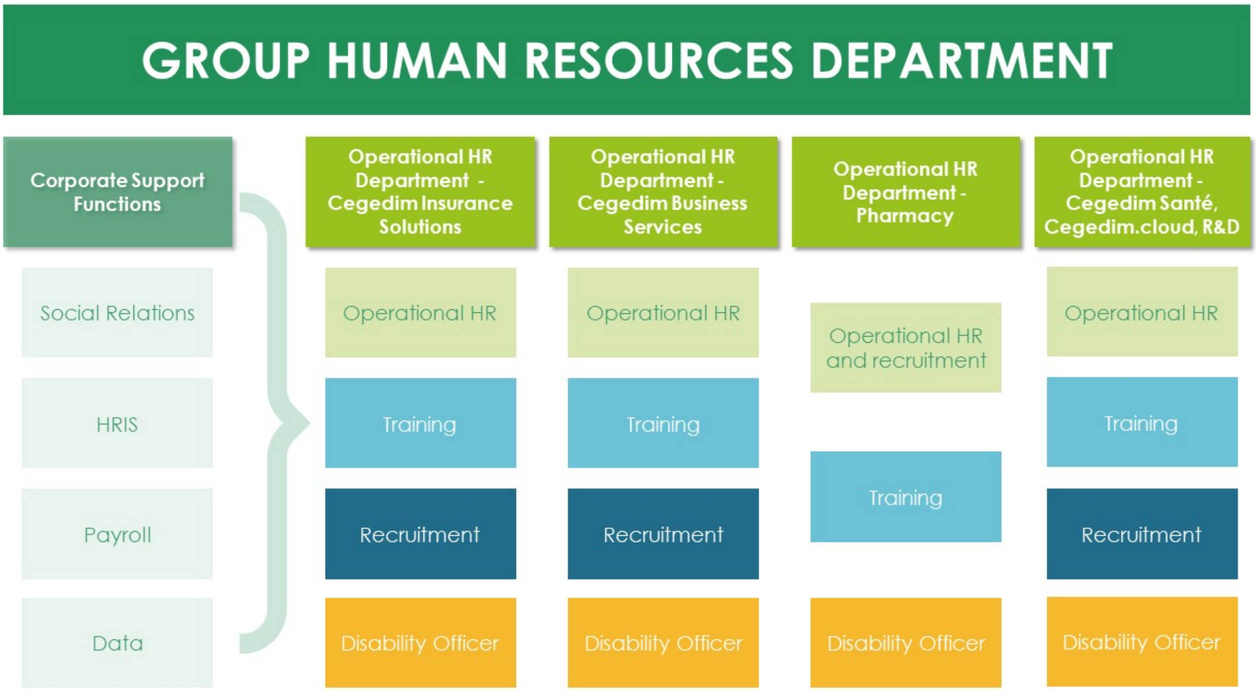
6.3.1 | Our Human Resources policy and organization

How we organize our Human Resources

Our Human Resources Department endeavors to function as a business partner for our entities, defining the HR and social strategy to help them address operational issues. The HR Department is aware of social and inclusion issues and makes every effort to closely observe and encourage employees' progress, while supporting Cegedim's continuous improvement and growth.

The HR team consists of about 40 people. It is headed by the Director of Group Human Resources who is assisted by four Operational Human Resources Managers in each of our five business units: Cegedim Insurance Solutions; Cegedim Business Services; Pharmacy; and Cegedim Santé, cegedim.cloud, and R&D.

Each business unit's team comprises a local HR Manager, a Recruiter, a Training Manager, and a Disability Coordinator, all of them experts in their own business sectors:



The corporate HR teams provide group-wide shared resources and tools and support the operational HR teams with their expertise in HRIS, payroll management, data handling, and social relations.

The HR teams work together on group-wide projects (training catalogue, quality of work life, recruitment events, team transformation, etc.) and share best practices. The teams frequently take part in thematic workshops, especially on HRIS, to learn about new features and review processes.

Every day, the HR teams use the solutions developed by our Cegedim SRH subsidiary, which specializes in outsourced HR management and offers a range of tools and services, from payroll management to employee management, notably with its Smart RH offer. Its Teams RH platform is a complete, modular tool with a wide range of functions that meet the needs of every organization: payroll and administrative management; HR portal; HR management and decision-making; training, time and activity management; etc. The SRH and Cegedim e-business subsidiaries also offer digitalization and e-signature solutions, which are widely used within the Group.

Our Human Resources Policy

The Human Resources Department is responsible for rolling out a policy that is aligned with the Group's strategy, addresses the business units' needs, complies with regulations, and accounts for the Group's specificities.

In addition to expanding organically, Cegedim Group grows through acquisitions, which can involve integrating staff from external companies. Our HR teams have developed a wide range of expertise at all levels (HR, HRIS, workforce relations, senior management) so they can assist our business units from the earliest phases and seamlessly integrate new employees in this type of situation.

Despite the challenges of a tight job market over the last three years, our priorities are still: recruiting new employees, upskilling current employees, and retaining talent. At Cegedim, the challenges of growth and the inevitable restructuring that comes with it, mean our employees must be particularly flexible and adaptable—and those are qualities our HR department is keen to nurture.

In 2023, the Human Resources Department worked on a standard group-wide employee status that guarantees all employees the same benefits. This status came into effect on January 1, 2024.

6.3.2 | Key performance indicators and results

Trial periods converted to permanent contracts	Attract employees	Achieved	Objective
	Employees on permanent contracts in 2023 in France, whose trial periods were confirmed by December 31; does not include employees still on trial period at that date.	2023 | 2022 84% | 81%	Maintain at ≥ 75%

Confirmed employee referral hires	Promote employee referrals	Achieved	Objective
	We frequently organize employee referral contests for high-skill positions that are hard to fill.	2023 | 2022 178 | 165	Result ≥ 100 employee referral hires a year

Recruiting events in France	Maintain a visible presence through recruiting events	Achieved	Objective
	These events consist of speed interviews, job fairs, and student recruitment events. We also held employee referral events that are not counted here. The number refers to events held in France.	2023 | 2022 20 | 32	Result ≥ 18 events per year

Workplace gender equality index in France	Fighting gender inequality	Achieved	Objective
	The Group's score in 2023 demonstrates the effectiveness of its ongoing efforts to improve equality in the workplace.	2023 | 2022 96 | 92	Score >75

Share of "teleworkable" jobs in France	Enhance the quality of work life	Achieved
	Apart from certain jobs, such as IT production or operations, sales, and field work, most of the Group's jobs are workable from home because it is a service provider and its infrastructure enables flexible working arrangements. The group does not have targets in this respect, but the percentage of work-from-home jobs is likely to remain stable at constant scope.	2023 | 2022 74.8% | 71.9%

6.3.3 | Recruiting and retaining talent

Cegedim employer brand

The Group has an active HR policy and has redoubled its efforts in recent years to build employee loyalty. Since many of the Group's jobs are hard to fill or in niche markets (R&D teams, payroll and insurance experts, etc.), HR teams work closely with the recruitment teams to identify the right profiles (they are constantly looking for new ways of recruiting) and successfully onboard the candidates with the profiles that meet the subsidiaries' performance expectations in terms of both quality and quantity.

In 2023, Cegedim's human resources policy continued to help expand its business activities. The policy fosters an environment in which employees can cultivate their skills to the fullest while also actively contributing to the company's performance. Cegedim adapts its compensation policy to attract and retain talented individuals and has a proactive training policy, while at the same time keeping payroll growth at a reasonable level.

Our HR teams are purposely human-sized and work in close proximity with the teams (see "Our Human Resources policy and organization" section) so they can support each employee's personal development. They focus on communicating, imparting skills, and sharing experiences. We also have a proximity management policy which fosters rapid, efficient decision-making and nimble responses. Employees are appraised regularly and receive training as well as mobility and advancement opportunities. This allows them to enrich their skills and personal experience, giving them the prospect of taking on new responsibilities. The experience they gain at Cegedim Group boosts their employability.

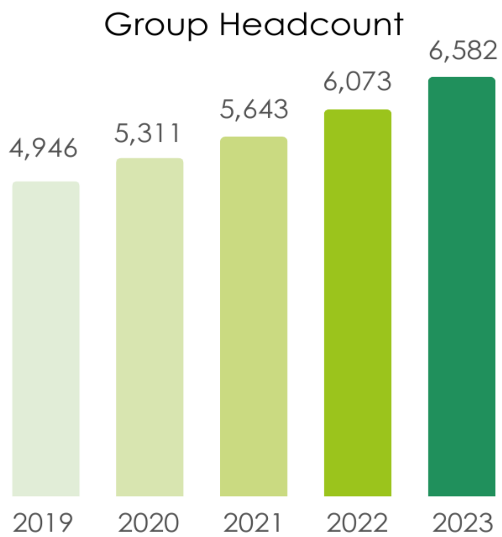
Recruitment

Employees

With 1,906 new hires in 2023, including about 1,000 in France, Cegedim has succeeded in deploying an effective recruitment policy and making its employer brand attractive.

At end-2023, the headcount had increased to 6,582, with 94.8% of the workforce on permanent contracts. The year also saw Cegedim ramp up its policy of work-study programs in France.

The workforce increased across all the Group's business sectors, in particular in the development, roll-out, and BPO teams.



Recruitment

The Group intends to develop its human capital, which is a prime asset for its business activities. Recruiting qualified employees suited to current needs is a critical issue for Cegedim Group (see "Summary of Cegedim Group's main CSR challenges and risks" section), because, as a B2B company, applicants and future employees may not know our products. Developing a strong presence on professional social media sites is one way to increase our visibility, and we actively use these channels to recruit.

In order to meet our business units' ambitious recruitment needs, the Group Human Resources Department has implemented a strategy based on:

- A dedicated HR unit that tests new solutions and partnerships across the Group. Examples include: more job-boards, partnerships to fill R&D positions, new recruitment systems using artificial intelligence, monitoring and searching for innovative solutions, for example to encourage employee referrals;
- Welcoming more young people for internships, apprenticeships, and work-study programs;
- Continuing to promote diversity in the workforce and provide employment for persons with disabilities;
- International expansion, via our operations in over ten countries.

In addition, since 2020, an offshore sourcing unit in Morocco and another which opened more recently in Romania have been shoring up the HR teams in France, helping mostly to headhunt and screen applicants. Tools and processes are shared with the recruitment teams in France.

Lastly, Cegedim frequently participates in job fairs and student recruitment events and organizes job dating sessions.

Employee referal program

Cegedim Group created its employee referral program in France in 2011 and expanded it in 2018. The program rewards employees who refer job candidates whose qualities match the Group's operational needs and values.

In 2023, the referral bonus was increased from €800 to €1,000 and even as much as €2,000 for some profiles. A partnership was also sealed to roll out a new referral tool which will:

- Make it easier for employees to refer candidates for both existing vacancies and unsolicited applications;
- Help the HR team monitor the number of employee referrals made within the Group and their progress, so it can encourage referrals by organizing specific contests.

Alongside this ongoing program, we held two specific referral campaigns in 2023:

- In the spring, we offered a higher referral bonus for some vacancies;
- In October, the Group matched the referral bonus with a donation to the Gustave Roussy Institute as part of its Pink October events.

This has been an effective approach, increasing the number of employee referral hires by 8% in a year.

University partnerships

To enhance our visibility, promote the Cegedim employer brand, and make it easier to welcome and train students, the Group and its subsidiaries have developed partnerships with several universities and organizations:

- Cegedim Insurance Solutions continues its partnership with engineering school ISIS to train engineers specialized in e-health;
- Cegedim Santé works regularly with OpenClassroom, Wild Code School, MBway, Ynov, and ENi Ecole Informatique;
- Cegedim Egypt has a partnership with a governmental organization that trains recent graduates with the aim of offering them a job;
- Cegedim Morocco has signed three partnerships with Faculté des Sciences de Gestion ISIAM-Agadir and Ecole Polytechnique in Agadir to recruit in the fields of IT development and security, and with EMAA Business School in Agadir to recruit insurance managers;
- Cegedim Business Services continued its partnerships IGS and ECE to recruit consultants and development engineers and signed two new partnerships with IUT Nanterre and IAE Montpellier;
- cegedim.cloud's continued partnership with Filament'or, allowing students to work on CSR issues of partner companies.

In addition, Group employees work with students at the universities of Poitiers, Lyon 2, and the Sorbonne.

Retaining talent

Welcoming and Onboarding interns

We offer students and recent graduates internships in France and abroad. These internships put participants on a fast track to employment and often turn into permanent positions within Group companies. The number of interns we welcome increased by 14.5% in 2023. Some of our subsidiaries have annual internship programs to help students prepare research projects for their master's thesis and encourage them to join the company.

Every year, we offer students summer internships so they can gain first-hand experience of the professional world.

Students and recent graduates

Most of our employees have a scientific or business educational background. Cegedim Group set up a work-study community in France in 2020 to encourage interaction. Year-round, our HR team organizes events; moderates chats, games, and contests; holds picnics and afterwork functions; etc. In June, each work-study employee meets their manager and the HR team for an annual review and to discuss their expectations for the coming year. In 2023, thanks to these initiatives, we recruited 3% more people in work-study programs.

Some of our subsidiaries, such as Cegedim Insurance Solutions, offer a special training module reserved for their work-study employees to enable them to fill positions traditionally held by more experienced employees.

Some subsidiaries have developed in-house training courses to onboard recent graduate recruits on permanent contracts. New hires receive support in the form of a half-yearly development plan that includes qualitative indicators and quantitative objectives.

Onboarding

Prior to a new recruit's arrival, the HR department goes over a list of best practices with the employee's future manager to make sure everything is ready for day one.

In France and internationally, the HR teams have designed an onboarding program to welcome new hires with a presentation that explains how the HR tools, the company, and the relevant business unit work. Once a month, our Chief Human Resources Officer introduces new employees to the Group's different activities and business vision in a videoconference attended by employees from different sites in France.

The Human Resources teams have developed a number of job-specific training modules of varying durations for each business unit's specific areas of expertise: C-Media Academy, SRH School, Cegedim Santé onboarding (especially the Sales Excellence program), insurance industry track (PIMs), and C-media or e-business mentor. In Romania, the Cegedim Service Center subsidiary organizes an onboarding day to introduce new hires to its activities, followed by an induction period comprising business-specific or more general training sessions.Each business unit has a Training Coordinator, who is responsible for the initial and ongoing training given to every new hire so they can acquire more advanced skills and learn new operating procedures. Some of the BUs periodically hold 'job swap' style programs to supplement the onboarding experience and assign mentors to the new hires. The Human Resources Department supports new hires and offers customized onboarding programs for some profiles.

The onboarding process includes a review with the HR coordinator and the manager at the end of the trial period.

6.3.4 | Training and upskilling our workforce

We operate in a variety of businesses and can help our employees enrich their skills and gain new experiences so they can take on new responsibilities. The Group's HR policy is based on training and internal mobility, because we believe that professional development is a major factor in motivating employees to achieve success.

Training

Training is a cornerstone of Cegedim's HR strategy, and we devote more resources than legally required so that our employees can develop their skills, realize their fullest potential, and increase their employability.

The Group's training policy combines a focus on individual progress, skills development, and company performance in order to keep pace with strategic projects and changes affecting our businesses, especially in the healthcare sector.

Training programs are devised annually for each Business Unit based on their priorities, strategic objectives, and employees' skills development needs. In France, a review of our training efforts is presented to the Social and Economic Committees every year.

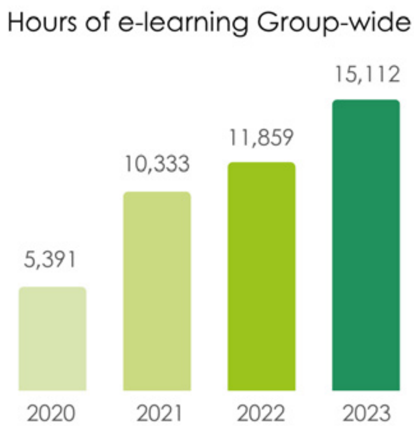
As soon as they join us, new hires receive initial training as part of their onboarding process. Thereafter, the entities also provide continuous specialized training for some of the Group's very specific professions throughout their careers—these can be internal, external, inter- and intra-company training programs. In 2023, most of the training courses focused on IT, office automation tools, personal development, and management. Employee evaluations and annual performance reviews are valuable moments spent with each employee in which we assess their training needs and career development paths. In 2023, we conducted 619 employee evaluations and 3,948 annual performance reviews.

As well as professional training, some subsidiaries also offer optional first-aid courses, for example Cegedim Santé.

E-learning

Cegedim has developed an internal e-learning platform that gives employees access to a wide range of training programs specific to the Group and its business activities. This platform was very popular in 2023 since the number of training hours per subscriber increased by 27%. This was mostly because new entities adopted the platform and new modules were launched for the latest software and project versions. In 2023, HR also focused on mandatory training for new hires.

It introduced new Group e-learning modules, notably on cybersecurity, fire safety procedures, and the Group intranet.



Lastly, our employees also use an external digital platform, mostly for its technical training modules, to stay abreast of developments and new technologies in their professions.

Skills development

Skills sharing

Skills sharing is a key challenge for Cegedim Group that ensures our teams have the necessary knowledge and expertise. Some of our business units set up tailored training sessions provided by their own employees. These initiatives allow us to meet the specific needs of our business lines, share best practice, and pass on expertise. Mentoring arrangements are also used to foster internal mobility and integrate new recruits. The mentees are taught the skills needed for a given position (processes, procedures, tools, organization, etc.) or for specific jobs.

Some subsidiaries, like Cegedim Santé and Cegedim Insurance Solutions, also offer close managerial monitoring for junior employees, mentoring schemes, buddy systems with more senior colleagues, and even advisors for employees who need assistance. For example, Cegedim Business Services offers a paid two-month formal mentorship program for each new hire, combined with a one-month onboarding scheme alternating training sessions and practical application, as well as courses to raise employee awareness of specific themes, such as payroll configuration. Outside France, Cegedim e-business (UK), INPS (UK), Cegedim Rx (UK), and THIN (UK) also have a mentoring system for new hires, while Cegedim Customer Information (Romania) and Cegedim Service Center (Romania) have mentoring schemes for employees recruited internally.

Professional development and internal mobility

Cegedim believes that professional development is a major factor in motivating employees to achieve success. When a vacancy arises, priority is given to internal candidates. Internal mobility opportunities, whether they are moves to different geographic regions, business units, or vertical promotions, allow employees to develop their skills and experience while fostering the transfer of knowledge between Group entities. A mobility commission within the HR Management Committee promotes career development and reviews mobility requests for moves within the Group. Cegedim Insurance Solutions regularly hosts breakfast events where it showcases mobility opportunities. In 2023, 578 employees transitioned to other jobs within the Group in France, an increase of 14% compared to 2022. We frequently spotlight our employees' professions and career paths on social media.

6.3.5 | Diversity, inclusion, and equal opportunities

Cegedim believes that diversity in all its forms is a source of enrichment. It therefore promotes fairness and equal opportunities and strives to bring together the different perspectives and experiences that spawn innovation and creativity.

Diversity and equal opportunities

Diversity

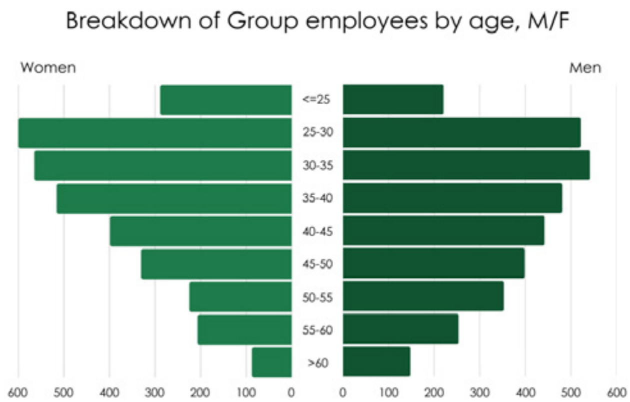
In France, since 2019, companies with more than 50 employees are required to publish their gender equality index. A company's score, calculated out of a possible 100 points, is based on five criteria:

- Pay gap;
- Raise rate gap;
- Promotion rate gap;
- The percentage of employees given a pay rise when they return from maternity leave;
- The number of employees of the underrepresented sex among the top 10 highest earners.

Entity	*2023 Index*
Cegedim Activ	84
Cegedim Business Services	86
C-Media	92
Cegedim Santé	87
Cetip	88
SmartRx	89
Boulogne social and economic unit (UES)	91
Group in France	**96**

Since 2021, this has been one of our key performance indicators. Cegedim has systematically obtained a score of over 75—the minimum legal threshold.

The Group's workforce breakdown by age group and gender reflects an active HR policy of recruitment, diversity, and career management. Cegedim's workforce is nearly gender-balanced since 49% are women and 51% men. It actively hires young people, since nearly 8% of its workforce is aged 25 or under, while also ensuring that it retains its most experienced employees—over 10% of its workforce is aged 55 or older.



Equal opportunities

The Group has a fair recruitment policy, which leaves no room for discrimination: when we offer a job, the salary is based solely on skills and experience. Thereafter, pay-raises are determined by objective criteria based on each individual's performance and expertise.

In France, a company agreement on support for employee representatives establishes guarantees for their pay raises. Cegedim also ensures that women employees returning to work after maternity leave receive a pay raise that corresponds to the average for their position.

Preparing for retirement(22)

We stand by our employees throughout their careers with us, and if they so wish, we also help them prepare for retirement.

We have created a collective pension plan (PERCOL) that allows employees to build up their own individual pension plan. We organize information sessions with the pension plan administrator.

In 2023, we organized a dozen information meetings with the national pension fund (Caisse Nationale d'Assurance Vieillesse - CNAV) for employees over the age of 57 to help them prepare their retirement. Certain subsidiaries, such as Cegedim Insurance Solutions, also provide employees with manuals on how to prepare for retirement.

To achieve a work-life balance and support employees nearing the end of their careers, we drew up a Seniors Plan in 2023 for employees over 45, which notably ensures:

- Equal opportunities for employment, fair treatment, and job retention;
- **Preventive** measures against occupational risks;
- Special **medical surveillance**: a mid-career health screening the year employees turn 45 and check-ups every two years for employees aged over 57 working in the most hazardous professions;
- Priority eligibility for **part-time** positions to employees aged over 57.
- A **second phase career review** for employees aged over 45, either with their HR representative or their manager, to assess their career and determine what kind of tailored support they need—training, mobility, etc.

Lastly, employees aged **over 60** can receive special support. If they want, they can **meet with** the HR representative to discuss voluntary early retirement. During this meeting they might also discuss:

- Taking part in an information session on **preparing for retirement;**
- Transitioning to a **part-time** position with pension contributions paid by the employee;
- Phased **retirement, or** combined work **and retirement schemes;**
- Setting up a skills **transfer scheme;**
- Granting a regular third day of **teleworking** a week;
- Continued payment by Cegedim of the management fees related to **retirement savings** and the pension plan (PERCOL) for employees with under one year of service when they retire.

Whistleblowing

Any person who is a victim of or witness to possible discrimination has several means of reporting it. They may discuss it with their manager or HR representative or contact a moderator via the whistleblowing email hotline (see Section "Ethics, preventing and fighting corruption" of the Sustainability Report), contact the Group Ethics Committee, the harassment representatives, or any other employee representative body, all of which will act with complete independence.

(22) Measures only implemented in France.

Inclusion

Disabled workers

Cegedim Group combats all forms of discrimination and aims to facilitate the integration of workers with disabilities.

In France, we have set up a Disability Unit that includes a member of each Business Unit's HR team to handle disability issues as closely as possible with the employee concerned. The Disability Unit assists employees who are legally recognized as persons with disabilities, regularly monitors their administrative paperwork, and makes any necessary accommodations to their workstation. For this, we work closely with French organizations that promote the employment of people with disabilities: the Association de Gestion du Fonds pour l'Insertion des Personnes Handicapées (Agefiph, a French nonprofit that promotes the employment of people with disabilities) and Cap Emploi. Cegedim grants employees with disabilities five days of extra paid leave to attend medical appointments and deal with administrative formalities. They also have priority access to parking spaces and nursery spots.

In 2023, the Disability Unit produced and distributed a booklet containing all the essential information about the assistance provided by Cegedim. In 2023, as in previous years, we celebrated Disability Week with a communication campaign. For the second year running, we took part in Duoday, which means we hosted a person with a disability for the day so they could learn about a profession. We created five duos with employees working as Developers, Administrative Managers, and Pharmacist/ Librarians, and our disabled guests shadowed them for the day on November 23, 2023.

Also during Disability Week:

- Cegedim Santé published the testimonial of a disabled employee and organized a panel discussion with "Le fil d'Elena", a nonprofit that works to improve the quality of life of people with disabilities.
- Cegedim Business Services organized an online game on the topic of disability for about 50 employees run by an external facilitator.
- Smart RX provided an in-person event on disability at some of its sites.

Several partnerships and contracts with inclusive suppliers favoring the employment of disabled people were also set up:

- Cegedim Santé has coffee machines and coffee from Café Joyeux, a company that trains and employs people with mental and cognitive disabilities.
- Cegedim Business Services orders savory and sweet buffet meals from ESAT Malécot and ESAT Creuzier, two supported employment services.
- In Stains, C-Media has a partnership with ESAT Marville, which helps young people with disabilities develop professional skills and facilitates their access to work.
- Since 2023, office waste from our Boulogne-Billancourt sites is collected and sorted by Cèdre, an inclusive supplier favoring the employment of disabled people.

6.3.6 | Health, safety, and quality of work life

The health, safety, and well-being of our employees is one of our top priorities, and we are committed to maintaining a safe, healthy, and respectful working environment which complies with current health and safety regulations in all our entities.

Ensuring a healthy and safe workplace

Accident prevention

Each year, Cegedim updates the occupational risk assessments (Document Unique d'Évaluation des Risques or DUER) for all its sites in France. An HR working group was set up to monitor the roll-out of measures and action plans. Employees have access to fact sheets on best practices in open-plan workspaces, on gestures and posture, remote working, and road safety. Defibrillators have now been installed at all sites with more than 100 employees, except for Boulogne Billancourt, which has a fire safety and first responder service (SSIAP).

For the 2023 edition of *Octobre Rose*, to raise awareness of breast cancer among our employees, Cegedim organized a webinar on prevention, and Cegedim Santé published the testimonial of a female employee who had battled the disease. To support employees facing difficult times, the HR team provides an assistance hotline with counseling by professionals.

Healthcare coverage

In most of the countries Cegedim operates in, employees have health insurance coverage and optional supplemental insurance plans.

In France, all employees have supplemental death, incapacity, and disability coverage, and retired former employees can prolong their supplemental health coverage.

In 2023, the Group decided to increase sick leave indemnities beyond the minimum required by the collective agreement for staff in France and now offers non-managerial staff the same health coverage as managerial staff.

The Group is endeavoring to gradually expand this kind of health and protection benefit and supplemental pension plan to all staff worldwide, including in countries where it is not required by law.

Concrete action to enhance the quality of work life

In France, we have a Quality of Work Life (QWL) policy with dedicated working groups, whose initiatives are presented to the Occupational Health and Safety Conditions Commission (CSSCT). At some subsidiaries, like Smart Rx and Cegedim Santé, Quality of Work Life ambassadors have been appointed to assist employees, organize events, and create a new communication channel alongside the regular exchanges with management and HR staff.

The Group also organizes an annual QWL event. For the 2023 Quality of Work Life Week, we gave employees access to a platform to watch well-being and preventive health education classes.

Other initiatives implemented by the Group and its subsidiaries include:

- Relaxation areas for employees at several sites—for example at C-Media's Boulogne site and at its Stains site, where employees have access to both a break room and a stretching room.
- Since 2018, employees in France have also been offered spots in nurseries: in 2023 a total of 32 spots have been provided, including 17 new allocations.
- All our Social and Economic Committees (CSE) subscribed to an online learning and entertainment platform, to which employees and their families have free access. The platform has 120,000 hours of digital content on topics like well-being, sport, etc.
- Cegedim e-business UK's employees have a well-being room and access to Help@Hand, a health and well-being app that provides remote GP consultations, mental health consultations, physiotherapy sessions, financial and legal guidance, and much more.
- In the United Kingdom, INPS, Cegedim Rx, and THIN all provide employee well-being services, which include support from a mental health specialist, a bi-monthly newsletter, events, and training sessions every quarter run by external instructors. Every year these subsidiaries observe Mental Health Week and offer employees who are interested access to a support program. In addition, employees can take part in various well-being activities like retirement conferences, social events, for one hour every month.
- In Romania, Cegedim Service Center has set up a Well-being Committee, which consists of a volunteer from each department and is supervised by an HR manager. This committee organizes various well-being events for employees.

Internal communication

The MyCegedim Group intranet gives employees access to the latest Group news, HR policies and information, Group websites, in-house tools, and business unit intranets.

We also have CG Live screens installed at all Group sites with 50-plus employees in France, which display the latest Group news, and the "CSR Minute", which informs employees about both Group-wide and local CSR initiatives. This information is also available on the intranet and can be accessed by employees working from home. In addition, we publish regular internal newsletters and communications, including an CSR newsletter, and several BUs hold in-person and virtual reviews to share information about the business and encourage upward and downward communication.

Fostering ties between employees

We organize gatherings throughout the year, for example to mark the holiday season and other occasions, offering employees opportunities for more informal interactions with their colleagues.

Frequent breakfasts, afterwork functions, events, seminars, and in-house team-building sessions also help create ties between employees. Cegedim is sensitive to the fact that the workplace environment is key to its employees' well-being and regularly upgrades its office facilities. Cafeterias and break rooms are also available at most sites, so employees can meet for business discussions in an informal setting.

Promoting physical exercise and sport

In France, our employees regularly take part in charity runs: the Boulogne half-marathon, Foulées de l'Assurance, La Parisienne, Trail de La Sans Raison, the Course des Lumières in Lyon, and the Imagine For Margo Association run. Some social and economic committees (CSE) also offer online exercise classes and contribute part of employees' sport club membership fees. During the 2023 edition of Quality of Work Life Week, several of our sites organized mediation and Pilates classes.

Our subsidiaries outside France have also taken several initiatives to encourage employees to exercise and practice sports. For example, Cegedim Egypt organizes workouts in outdoor fitness parks during team-building sessions, and Cegedim e-business UK gives employees £400 a year to fund their sport and physical activities.

Leave sharing

Cegedim has introduced the leave sharing program for all employees in France so they may help colleagues experiencing personal challenges. A collective bargaining agreement enables as many people as possible to benefit from this initiative and allows donations to be supplemented by a contribution from the employer.

Organizing work: achieving work-life balance

The right to disconnect

France's Labor Act enshrined the right to disconnect. However, we have not implemented any measures to block IT communication devices. This is because we cannot shut down servers or other IT infrastructure equipment during non-working hours, owing to continuity of service requirements and the resulting need for staff to be on duty. Cegedim meets the law on the right to disconnect's requirements by using tools to report time off and by creating an HR hotline that employees can call if they require a meeting to discuss their workload. Their situation is then analyzed and a remediation action plan drawn up with their manager. We reminded employees of their right to disconnect in the fact sheet on remote working.

Organization of working hours

We observe the International Labor Organization conventions and local working time regulations in all the countries where we operate.

In response to changes in the way work is organized, we signed new remote working agreements in France and abroad to increase the possible number of work-from-home days. For example, in France, the new agreement reached in 2022 allows employees up to two and a half work-from-home days a week compared with two previously. These arrangements give employees greater flexibility to manage their time and travel. The collective bargaining agreement for mobile workers rolled out in 2018 and 2019 accounts for the particular circumstances of employees who travel a lot for work and adapts the way travel time is accounted for mobile workers. In 2022, an amendment was adopted to increase overnight stay compensation by 10%.

6.3.7 | Compensation and value sharing

Compensation policy

The Group's compensation policy aims to recognize talent by rewarding both individual and group-wide performance, with individual performance particularly encouraged through variable compensation based on individual goals. Each year, Cegedim Group managers meet with their team members one-on-one, notably for a review of annual targets. In addition, we use yearly remuneration studies to verify that our compensation policy is in line with the market.

The Compensation and Appointments Committee is composed of three directors. It sets the policy for awarding free shares and variable compensation and to create a succession plan for corporate officers in the event of an unplanned vacancy.

In 2023, in response to inflationary conditions, we rescheduled our wage increase campaign in France, bringing it forward to January instead of April so we could proactively reassess the wages of employees whose pay had fallen below a specified compensation threshold. On January 1, 2023, we also increased the face value of meal vouchers by €1, bringing it to €10—Cegedim covers 60% of this amount.

Value sharing

Cegedim has introduced Group-wide, activity-based, and business unit profit-sharing agreements. Profit-sharing agreements are discussed and updated every year.

Our investment instruments include several SII (social impact investing) options and our employees can also invest in an FCPE (a French employee shareholding vehicle) which is 90% made up of Cegedim shares. In 2023, over €8.4 million were paid to Cegedim France employees as part of the employee savings plan.

6.3.8 | Our workforce in figures

Indicator or datapoint	2023	2022	2021	GRI
Group headcount				
Total headcount at 31/12/2023	6,582	6,073	5,643	2-7-a
Headcount by region				
Headcount France	62.4%	62.3%	63.4%	2-7-a
Headcount International	37.6%	37.7%	36.6%	2-7-a
Diversity, inclusion and equal opportunity				
Percentage of female employees	49%	47%	46%	405-1-b-i
Percentage of male employees	51%	53%	54%	405-1-b-i
Percentage of female board members	40%	40%	40%	405-1-a-i
Percentage of male board members	60%	60%	60%	405-1-a-i
Headcount by type of contract				
Percentage of employees on permanent contracts	94.8%	93.7%	91.9%	2-7-b-i
Percentage of employees on temporary contracts	5.2%	6.3%	8.1%	2-7-b-ii
Average age	39.2	39	39.3	405-1-b-iii
Average seniority	7.1	-	-	
Percentage of disabled employees in France	3.4%	-	-	
Employee movements				
New hires				
Group new hires	1,906	1,990	1,514	401-1-a
New hires by gender				
New hires men	47.5%	-	-	401-1-a
New hires women	52.5%	-	-	401-1-a
New hires by region				
New hires France	58%	-	-	401-1-a
New hires International	42%	-	-	401-1-a
New hires by type of contract				
New hires on permanent contracts	74.1%	74.8%	67.2%	401-1-a
New hires on temporary contracts	25.9%	25.2%	32.8%	401-1-a
Departures				
Group departures	1,385	1,542	1,178	401-1-b
Departures by gender				
Departures men	54.7%	-	-	401-1-b
Departures women	45.3%	-	-	401-1-b
Departures by region				
Departures France	56.7%	-	-	401-1-b
Departures International	43.3%	-	-	401-1-b
Breakdown of departures by motive				
Voluntary departures	39%	-	-	
Involuntary departures	5,9%	-	-	
Group Turnover	18.8%	23.4%	18.1%	401-1-b
Social dialogue				
Percentage of employees covered by a collective bargaining agreement in France	100%	-	-	2-30-a
Percentage of employees covered by a collective bargaining agreement outside of France	4.9%	-	-	2-30-a
Training, skills management and mobility				
Training (France only)				
Number of training hours	21,456	17,189	22,199	404-1-a
Number of employees trained	2,056	1,255	1,422	404-1-a
Number of training hours per employee trained	10.4	13.7	15.6	404-1-a
Percentage of employees having participated in at least one training course	50%	33%	40%	404-1-a

Indicator or datapoint	2023	2022	2021	GRI
E-learning				
Number of Group e-learning courses	842	915	787	
Employees signed up for Group e-learning sessions	6,878	6,438	5,817	
Assessment and career development interviews	4,567	-	-	404-3-a
Interns and apprenticeships				
Number of interns in France	64	61	72	
Number of interns outside of France	141	118	44	
Number of apprenticeships in France	157	152	146	
Work-study contracts and internships converted to permanent contracts	108	34	20	
Health and safety				
Workplace accidents in France				
Number of accidents	26	30	35	403-9-a
Frequency rate	4%	-	-	
Severity rate	0.2%	-	-	
Absenteeism				
Average rate of absenteeism, Group	3.8%	-	-	403-9-b-ii
Average rate of absenteeism in France	3.9%	4.3%	4.4%	403-9-b-ii
Quality of work life				
Percentage of part-time employees	4.2%	5.2%	5.2%	2-7-b-v
Percentage of employees with access to a health insurance plan	99.7%	-	-	

French Law No. 2023-703 of August 1, 2023, which aims to strengthen the bond between the Nation and its armed forces and promote national defense, requires companies to disclose figures regarding their reservists. Cegedim Group's information systems were not able to collect this data for 2023.

6.3.9 | Social dialogue and collective bargaining agreements

Social dialogue

In 2023, we maintained close social dialogue and introduced several local social initiatives, primarily housing benefits, subsidies for sports and leisure activities, holiday allowances, etc.

Numerous collective bargaining agreements apply to the French subsidiaries and the Group as a whole, and we therefore cannot provide a detailed review of them all. To date, none of the agreements reached in France has been opposed by employee or union representatives, which illustrates the success of the social dialogue.

Collective bargaining agreements

The new collective bargaining agreements signed in 2023 in France concerned the following:

- A Seniors Plan, to support employees nearing the end of their careers and help them achieve a work-life balance;
- Amendments to profit-sharing agreements;
- An agreement regarding the employee savings plan;
- An agreement to transfer the employee savings plan to a new account holder;
- An amendment to the collective pension plan (PERCOL).

6.4 | Reducing our environmental footprint

6.4.1 | Our environmental policy

In 2023, Cegedim put into writing its Environmental Policy, which aims to reduce its activities' footprint not only within its own operations, but also across its entire value chain. This policy defines the Group's priority action areas and explains which operations have the greatest impact on the environment and what key measures we are taking to mitigate them, namely:

- Incorporating eco-design principles into the development phase of our solutions;
- Enhancing our infrastructures' energy efficiency;
- Preventing air, water, and soil pollution from our operations.

6.4.2 | Key performance indicators and results

Data center GHG emissions	Green IT, energy-efficient computing	Achieved	Objective
	IT energy consumption only includes power used to run servers, not air conditioning or lighting. Our GHG emissions increased in 2023, partly due to the 62.5% rise in the emission factor communicated by our energy provider.	2023 | 2022 35 | 24	Cut GHG emissions linked to data center electricity consumption, in metric tons of CO_2 equivalent.

Increase in number of virtual servers	Server virtualization	Achieved	Objective
	We continued to virtualize servers and now have 20 virtual servers for every 1 physical server. At the same time, we use containerization, which allows us to increase density and maximize the use of our physical equipment.	2023 | 2022 +3.7% | +14%	Continue to increase the number of virtual servers

Average passenger car fleet CO_2 rate	Group utility vehicle fleet	Achieved	Objective
	In 2023, the passenger car fleet, which makes up 72.6% of the overall fleet, saw the share of hybrid and electric vehicles rise by a significant 57%.	2023 | 2022 110 | 115	Level below < 120g

Average utility vehicle fleet CO_2 rate	Group utility vehicle fleet	Achieved	Objective
	For the utility vehicle fleet (27.4% of the overall fleet), whenever possible we favor gasoline-powered over diesel-powered vehicles. In 2023, our emissions increased because we had to replace our old vans with new ones, which have a higher carbon footprint than smaller utility vehicles.	2023 | 2022 132 | 127	Level below < 140g

6.4.3 | Energy

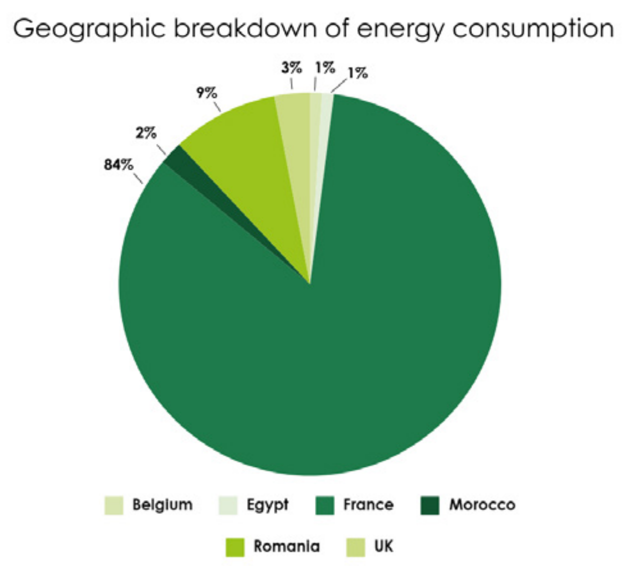
Summary of our energy consumption

Energy consumption of Cegedim Group sites (scopes 1 and 2)

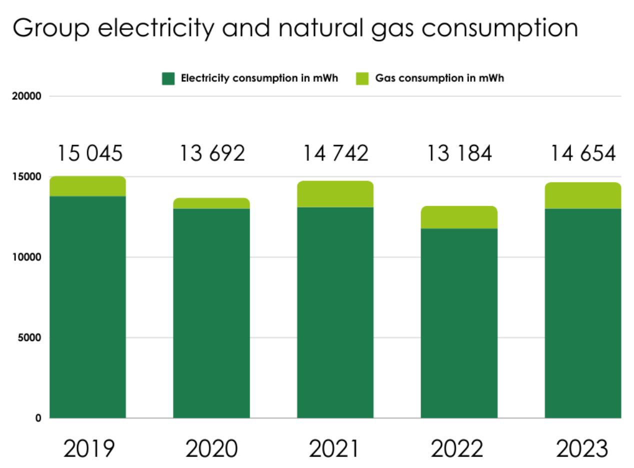
Since 2021, the Cegedim Group has set up a contract to supply its sites in France with electricity generated 100% from renewable sources.

Categories	Amount in kWh	Scopes
Off-road diesel	36,327	1
Diesel fuel for mobile sources	7,355,525	1
Gasoline fuel for mobile sources	767,818	1
E85	5,264	1
Electricity for mobile sources	6,029	2
City natural gas for heating	1,631,022	2
Electricity	13,023,612	2
Incl. share of renewable electricity	8,329,081	2

In 2023, Cegedim Group's total energy consumption including all Scope 1 and 2 energies came to 22,825,596 kWh. The consumption breakdown by geographic region is shown below(23):



Energy consumption in France includes energy consumed by the data centers, which are all located in France. That is why France's share of the Group's energy consumption is greater than its share of the Group's total headcount.



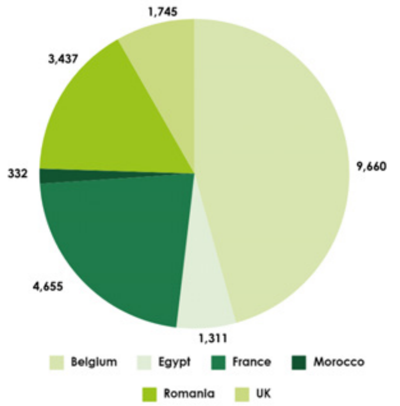
Since 2021, Cegedim Group has a contract for its French sites, guaranteeing that all their electricity comes from renewable sources.

(23) Since the energy consumption of the other countries is not significant compared with the Group's, it is not shown in this chart.

Internal energy-intensity rate

The internal energy-intensity rate, i.e. relative to Scopes 1 and 2 only, expresses our total energy consumption vs the number of employees over the period. For 2023, Cegedim's internal energy-intensity rate is 3,437 kWh per employee, and breaks down geographically as follows:

Internal energy-intensity rate by country (in kWh / employee)



Morocco has the lowest energy-intensity rate, due to its low electricity consumption per employee and small number of company vehicles, since it is a service center. In Belgium, the internal energy-intensity rate is higher than in other countries due to its vehicle fleet, while in Romania, natural gas consumption is the main energy source.

Energy saving and efficiency

For several years now, Cegedim Group has been refurbishing its buildings and office spaces in order to reduce its energy consumption. Efforts have focused on improving thermal insulation and installing heat pumps. Refurbishment has been carried out partly within the framework of France's *Décret Tertiaire* (or French tertiary sector decree, which requires service industry buildings to gradually reduce their energy consumption). To comply with this decree, we are using the services of an energy savings consultant to define our energy-efficiency action plans.

Since a large share of our activities are typical of the tertiary sector, we are constantly introducing energy-saving measures. For example, we have installed time switches and occupancy sensors that automatically turn off the lights and air conditioning; water fountains and coffee machines; automated hand-driers; and LED lighting. Other energy-saving measures include automatic shutdown systems for air conditioners when windows or warehouse loading bays are opened.

More responsible business travel

Fleet management

Our company car policy specifies what type of cars our employees may use and who is eligible for one. It takes into consideration vehicle age and changes in pollution standards, and respects official and industry recommendations. We want to reduce our passenger car fleet's environmental impact by replacing older vehicles with electric or hybrid models when this is compatible with the professional use of the vehicle. For the utility vehicle fleet (26% of the overall fleet), whenever possible we favor gasoline-powered over diesel-powered vehicles. That said, depending on where they are located and their layout, some Group sites encourage the use of alternative energies and transport methods. For example, they have EV, e-bicycle, and e-scooter parking spaces with charging stations where site access security conditions allow it.

Limiting business travel

We are particularly careful about business travel because it is a large source of carbon emissions. Our travel policy defines the rules and best practices for meetings and related business travel and encourages employees to cut back on their travel and use alternative, less polluting solutions without reducing the quality of the services offered to customers. Travelling to attend in-house meetings is limited, and any exemption requires prior approval by management. We introduced remote work technology as early as 2007 and encourage our employees to reduce short-distance travel and instead use videoconferencing, telephone conferencing, instant messaging, and document exchange platforms.

Work-from-home and the company-wide agreements that govern it also help limit employees' travel.

6.4.4 | Water

Water consumption

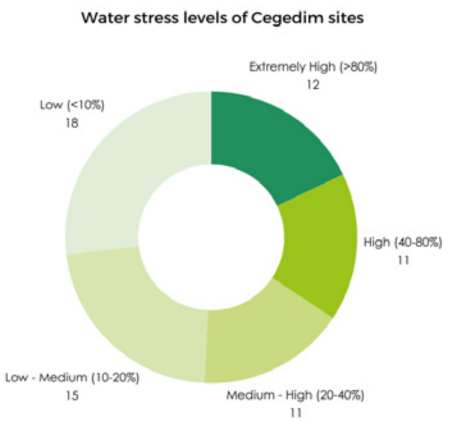
Cegedim Group's total water consumption for the 2023 consolidation scope came to 27,644 m^3.

For some sites, especially if they are outside France or in rented premises, we cannot obtain precise water consumption data from landlords or have leases that bundle various services, including water supply, under a price per square meter. We have therefore extrapolated their consumption based on the actual usage data from sites for which we do have this information. As most of our activities are typical of the tertiary sector, our water withdrawals are relatively modest. Furthermore, the only wastewater produced by our activities is domestic. We use closed-loop water systems to cool our data centers.

Mapping water stress

Cegedim has taken a proactive approach to preserving water resources and anticipating associated risks by mapping the water risks of sites that fall within the reporting scope of the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI). This analysis revealed that 23 of our sites are in water risk zones according to the Baseline Water Stress indicator: 12 are in "Extremely High Water Stress" zones and 11 are in "High Water Stress" zones. These sites are located in Morocco, Egypt, Romania, Spain, and southern and northern France.

We conducted this analysis in compliance with requirements outlined in the CSRD and the specific definition of "Area subject to high water stress", as featured in Annex 2 of the European Commission's delegated act 2023-5053.



Since Cegedim's activities are not very water-intensive and we rent most of the sites located in high or very high water stress zones, there is only a limited amount we can do to substantially reduce our water consumption. However, Cegedim will endeavor to take steps that help efforts to preserve water resources. We have already started work to reduce our water consumption; for example, we have installed automatic taps.

6.4.5 | Using less resources: reduce, reuse, recycle

Waste

Since a very large portion of our activities are typical of the tertiary sector, most of the waste we produce is non-hazardous and is either sorted on-site and sent to specialized recycling companies, or collected as household waste by the local authorities. Given that in some countries municipal waste collection services do not include weighing and that some of our leases bundle various services, including waste collection, we have estimated the tertiary waste generated by the business activities of Cegedim Group sites at 120 kg a year per employee—half of which is paper and cardboard[24].

We closely monitor the disposal of hazardous waste in accordance with the relevant local regulations. In France, this type of waste is handled exclusively by certified waste management companies and tracked using a special tracking slip.

We make every effort to sort our waste so it can be recycled or reused as long as this is an option provided by local waste management companies.

Waste type	*2023 results*
Tertiary waste	**(in tons)**
Paper/cardboard	394.9
Household waste	394.2
Industrial waste	
Paper/cardboard	265.6
Of which 35.2% is recycled	
Plastic	71.7
Of which 49% is recycled	
WEEE	13.7
Of which 100% is recycled	
Hazardous industrial waste (HIW)	0.12

(24) Source: Guide Eco-responsable au bureau (Guide to eco-responsible practices in the workplace), ADEME (French Agency for Ecological Transition), September 2022.

Reduce and recycle

Consuming less resources

C-Media is a key player in communications equipment for pharmacies and health and wellness shops. It designs and produces merchandising, print and digital display campaigns. Its production site in Stains makes and dispatches print items (prepress, printing, cutting, storage, and shipping of POS advertising).

To reduce its environmental footprint, C-Media redesigned its manufacturing process and invested in more energy-efficient printing machines that no longer use water and that use eco-solvent ink, UltraDrop technology to conserve ink, and LED curing.

To cut down on plastic and virgin raw materials , C-Media uses a mix of non-organic and recycled materials instead of PVC and shipped 4,000 pallets without shrink wrap in 2023. Considering that the company handles nearly 1,500,000 pieces of POS advertising and ships and receives 13,000 pallets annually, these initiatives have a major impact on C-Media's environmental footprint and enable the company to favor circular economy initiatives over the consumption of virgin raw materials.

C-Media's efforts to cut its raw material consumption also include optimizing paper sizes in its manufacturing process and developing the Optimum Shop Window Display Plan for its clients—in 2023, this plan reduced printed surfaces in shop windows by 30% and saved 6 metric tons of printable raw materials.

Waste sorting and recycling

Most Cegedim sites have adopted tertiary waste prevention and management practices, and the Group is currently working to standardize and spread best practices, such as waste collection, sorting, and recycling contracts with an inclusive supplier favoring the employment of disabled people. Some of our sites have also got rid of drinking cups and now provide reusable containers for employees and visitors.

In 2023, C-Media also launched a new initiative to collect and recycle end-of-life equipment. After just one year, thanks to this initiative, we were able to collect and recycle 38% of POS advertising pieces.

Telephone policy

Our telephone policy also factors in sustainability concerns. We purchase double-SIM mobile phones—so our employees can use the same device for both personal and professional purposes—with low SARs. We also plan to gradually replace our landlines with VoIP solutions. All our telephones are recycled at the end of their lives.

Sourcing responsibly and limiting the environmental impact of printing

We have a modern, efficient in-house print and copy center that handles bulk printing for our Boulogne-Billancourt sites. It uses eco-labelled paper from sustainably managed plantations and modern, efficient equipment. We have installed more resource-efficient shared printing stations in all the countries where we operate and also encourage our employees every day to print less and only when necessary.

When a printing project is unavoidable, or for promotional items, we prefer to work with inclusive suppliers favoring the employment of disabled people, or with suppliers committed to sustainable sourcing. We also prefer to source our office materials from referenced suppliers and have compiled a catalogue of recommended supplies that meet ISO certification standards and respect ethical, environmental, and traceability standards.

Digitized administrative processes

We decided early on to digitize administrative processes for new recruits. All contractual documents (letter of appointment, work contract, bylaws, charters, onboarding materials, mutual health and personal protection insurance policies, etc.) are sent by email and signed electronically by both parties. We also provide e-meal vouchers, which avoids printing and handling paper ones. These initiatives cannot always be implemented outside France, and depend on each country's local regulations.

Digital vault and drive

In France, Cegedim offers employees a secure digital vault service so they can store personal documents and reduce paper print-outs. Payslips in particular can be deposited automatically in a digital vault and the vast majority of employees choose this solution. In 2021, we also introduced our own drive, which allows employees to share large files with both internal and external contacts and limit the risk of data leakage by providing a secure alternative to third-party file hosting platforms.

Reuse: prolonging life cycles and the circular economy

Extending the end of life of IT hardware

We have various IT hardware recycling programs. When computer equipment in our data centers reaches the end of its life, we ensure backups are complete, erase data, and then dispose of it in an eco-friendly way. This type of waste is usually collected by the supplier providing the new hardware. Otherwise, it is given to a specialized recycling company. We also sometimes decide to keep equipment for spare parts, thus optimizing the life cycle of hardware. Old computers are cleaned and reformatted before being replaced and are sometimes sold to employees for a nominal €15 fee which is donated to a nonprofit.

Reusing to extend life cycles

C-Media has established a return cycle with its paper roll manufacturer to reduce its use of virgin raw materials and minimize waste, and now sends back the plastic flanges and carboard tubes used in the packaging. In 2023, it was therefore able to reuse one metric ton of polypropylene and two metric tons of cardboard, thus saving and avoiding equivalent amounts of resources and waste. To reuse and recycle its obsolete advertising banners, C-Media has partnered with EcoPack Solutions , an inclusive supplier favoring the employment of disabled people which helps create jobs in rural areas. C-Media sends the polyester banners to EcoPack, which gives them a second life by upcycling them into reusable ‘boomerang’ e-commerce packaging. In 2023, 300 kg of polyester canvas was reused to create boomerang parcels, once again saving resources and avoiding waste.

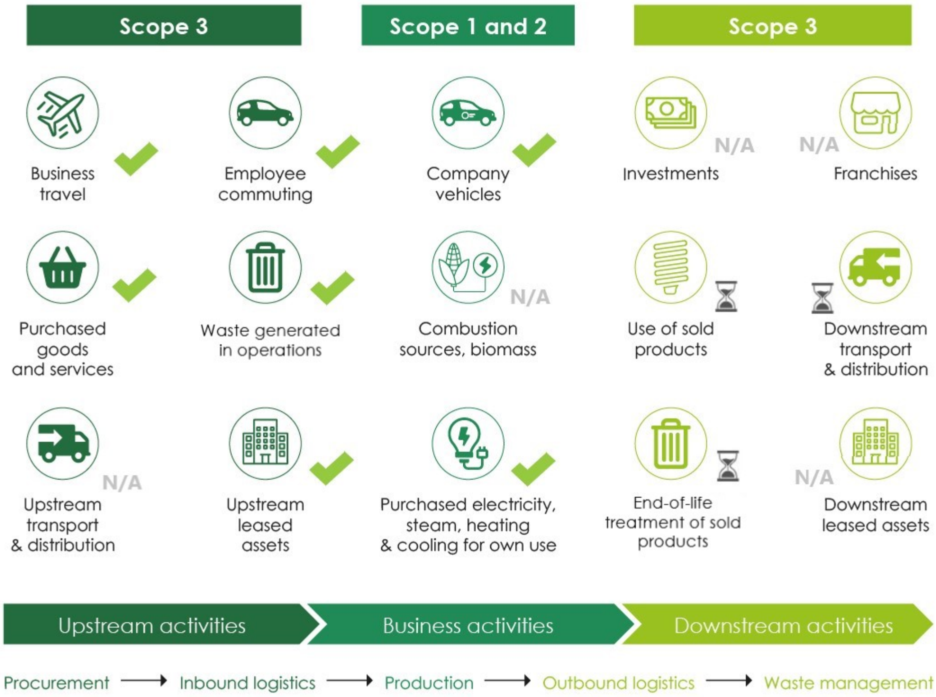
6.4.6 | Our carbon footprint

Cegedim Group's carbon footprint

In 2023, Cegedim Group's consolidated greenhouse gas (GHG) emissions, within the scope reported in this Universal Registration Document, totaled 47,987 tons of carbon equivalent, based on the GHG Protocol's calculation standard and after accounting for the limitations described below.

Emissions categories	Numbers	Emission sources	GHG Emissions CO_2 (t CO_2e)	CH_4 (t CO_2e)	N_2O (t CO_2e)	HFCs (t CO_2e)	PFCs (t CO_2e)	SF_6 (t CO_2e)	Other gases (t CO_2e)	**Total (t CO_2e)**	CO_2 b (t CO_2e)	Uncertainty (t CO_2e)
Scope 1	1-1	Direct emissions from stationary combustion sources	339	1	3	0	0	0	0	**343**	0	76
	1-2	Direct emissions from mobile combustion sources	2,688	0	0	0	0	0	0	**2,688**	0	1,469
	1-3	Direct non-energy process emissions	0	0	0	0	0	0	0	**0**	0	0
	1-4	Direct fugitive emissions	0	0	0	90	0	0	0	**90**	0	24
	Total Scope 1		**3 027**	**1**	**3**	**90**	**0**	**0**	**0**	**3 121**	**0**	**1 472**
Scope 2	2-1	Indirect emissions from purchased electricity	940	0	0	0	0	0	0	**940**	0	104
	2-2	Indirect emissions from purchased steam, heat, or cooling	0	0	0	0	0	0	0	**0**	0	0
	Total Scope 2		**940**	**0**	**0**	**0**	**0**	**0**	**0**	**940**	**0**	**104**
Scope 3	**Scope 3 - Upstream emissions**											
	3-1	Purchased goods and services	33,214	0	0	0	0	0	0	**33,214**	0	22,037
	3-2	Capital goods	2,404	0	0	0	0	0	0	**2,404**	0	1,674
	3-3	Fuel and energy-related activities (not included in scope 1 or scope 2)	951	15	0	0	0	0	0	**966**	0	391
	3-4	Upstream transportation and distribution	0	0	0	0	0	0	0	**0**	0	0
	3-5	Waste generated in operations	829	0	4	482	0	0	23	**1,339**	0	198
	3-6	Business travel	1,169	0	0	0	0	0	0	**1,169**	0	155
	3-7	Employee commuting	4,749	0	0	0	0	0	0	**4,749**	0	1,685
	3-8	Upstream leased assets	62	0	0	0	0	0	21	**83**	0	15
		Other indirect upstream emissions	0	0	0	0	0	0	0	**0**	0	0
	Scope 3 - Downstream emissions											
	3-9	Downstream transportation and distribution	0	0	0	0	0	0	0	**0**	0	0
	3-10	Processing of sold products	0	0	0	0	0	0	0	**0**	0	0
	3-11	Use of sold products	0	0	0	0	0	0	0	**0**	0	0
	3-12	End-of-life treatment of sold products	0	0	0	0	0	0	0	**0**	0	0
	3-13	Downstream leased assets	0	0	0	0	0	0	0	**0**	0	0
	3-14	Franchises	0	0	0	0	0	0	0	**0**	0	0
	3-15	Investments	0	0	0	0	0	0	0	**0**	0	0
		Other indirect downstream emissions	0	0	0	0	0	0	0	**0**	0	0
	Total Scope 3		**43,380**	**15**	**4**	**482**	**0**	**0**	**44**	**43,926**	**0**	**22,169**
		Total	**47,348**	**16**	**7**	**573**	**0**	**0**	**44**	**47,987**	**0**	**22,218**

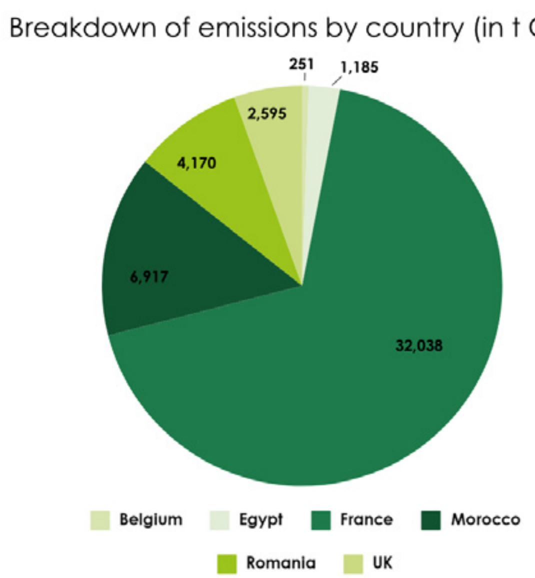
As we do not control Scope 3 information, we have launched a specific project to collect this data in 2023, which will continue in 2024. As a result, the tables below show the Scope 3 categories taken into account for this report, the calculation methods we used, and the categories that are still being documented.



Categories		Accounted	Comments
Scope 1			
1	Direct emissions from stationary combustion sources	YES	Gas meter readings, extrapolated for 8% of the workforce
2	Direct emissions from mobile combustion sources	YES	Extrapolation of kilometers covered in 2023 based on the distance covered since the vehicles' initial registration
3	Direct non-energy process emissions	YES	No direct emissions for our processes
4	Direct fugitive emissions	YES	Estimated leaks based on kg of fluid recharges for data centers in 2023
5	Direct emissions from biomass (soil and forests)	NO	Not applicable
Scope 2			
6	Indirect emissions from purchased electricity	YES	Electricity meter readings for 89% of consumption, then extrapolated for the remaining 11% based on surface areas (emissions calculated using the market-based approach for France and the location-based approach for other countries)
7	Indirect emissions from purchased steam, heat, or cooling	YES	No consumption of steam, heat, or cooling
Scope 3			
8	Emissions from energy that are not accounted for in the "direct GHG emissions" or "indirect emissions from energy" categories	YES	Measured automatically by the ADEME (French Agency for Ecological Transition) calculator based on energy data
9	Purchased goods or services	YES	We used monetary ratios based on Group financial data
10	Capital goods	YES	Not applicable for real estate: no purchases in 2023. We only included the 8 vehicles purchased by Cegedim SA in 2023. We used mass ratios, and for IT equipment we used monetary ratios based on equipment purchasing data.

11	Waste generated in operations	YES	We used data from service providers for the Boulogne site's electronic and industrial waste and extrapolated them for the other sites. For tertiary waste, we used the ADEME (French Agency for Ecological Transition) survey hypothesis of 120 kg / person, of which 60 kg is paper. For our Stains site, the Group's only production site, we extrapolated available data to the entire year.
12	Upstream transportation	NO	Not applicable to most subsidiaries, we are conducting a survey for three of them
13	Business travel	YES	Our emissions are calculated by the service provider for train and air travel and for hotels, using emission factors similar to those of Base Carbone
14	Upstream leased assets	YES	Including energy consumption and fugitive emissions from our owned servers. External data center energy consumption calculated using the service provider's Power Usage Effectiveness or PUE data (precise value). We extrapolated fugitive emissions from external servers based on our own servers and on the servers' energy consumption (assumption: fluid consumption is directly proportional to electricity consumption).
15	Investments	NO	Not applicable
16	Transportation of visitors and clients	NO	Not accounted for
17	Downstream transportation of goods	NO	Not applicable
18	Use of sold products	NO	Not accounted for, we are conducting a study
19	End-of-life treatment of sold products	NO	Not accounted for, we are conducting a study
20	Franchises	NO	Not applicable
21	Downstream leased assets	NO	Not accounted for, we are conducting a study
22	Employee commuting	YES	We used assumptions for average distance and transport mode to calculate the number of kilometers commuted per employee, with two working-from-home days a week
23	Other indirect emissions	YES	No other indirect emissions

It should be noted that in the future the "Use of sold products" category will represent the major part of the Group's carbon footprint. Calculating emissions for this category is crucial given Cegedim's activities but requires a very detailed analytical approach. We are therefore using the services of a specialized engineering firm. Its work was not finished at the time of the writing this report, and we will publish a full, up-to-date carbon footprint once its findings are complete.



To calculate our greenhouse gas emissions:

- We included the following greenhouse gases, converted into tons of CO_2 equivalent (or t CO_2e) based on their Global Warming Potential: CO_2, CH_4, N_2O, HFC, SF_6, PFC, NF_3, and CFC.
- We calculated the Group's carbon footprint using the ADEME-Association Bilan Carbone (ABC) tool, specifically version v.8.91 of May 2023, following the GHG Protocol rules, and factoring in a confidence interval for each category. This tool displays the results in several standard formats, including the GHG Protocol format.
- We used the ADEME database's emission factors, except for electricity in France, for which we used the emission factor communicated by our energy provider for our guaranteed 100% renewable energy supply contract.

GHG emission intensity ratio

For the scope of this report, we calculated the following greenhouse gas emission intensity ratios for both headcount and revenue:

Greenhouse gas emission intensity ratios	Scopes 1 and 2 GHG intensity per employee: 0.62 t CO_2e
	Scopes 1 and 2 GHG intensity relative to revenue: 6.59 t CO_2e /€m

Since we were still calculating some important Scope 3 emissions at the date of writing this report, our complete carbon intensity ratios are not yet available.

6.4.7 | Green IT: developing more responsible products and services

For over 30 years, Cegedim has endeavored to manage its IT equipment responsibly on a daily basis. Through its subsidiary cegedim.cloud, which is in charge of building and operating the Group's IT infrastructure, Cegedim creates a responsible, sustainable, and innovative digital offering that is the linchpin of its CSR strategy. Cegedim designs, builds, and runs its data centers and technological platforms with a focus on maximum energy efficiency and minimum CO_2 emissions. This approach makes both financial sense—it's a highly competitive market—and environmental sense— sustainability and climate change objectives must be met. Since 2018, Cegedim has been able to measure its data centers' carbon footprint, which it monitors and manages as part of an effort to continuously improve its energy efficiency.

Since 2022, the Group has earned the Green Web Foundation label for its commitment to eco-friendly digital services run only on green energy. We pledge to minimize our environmental impact by cutting energy consumption and thus greenhouse gas emissions by using renewable sources whenever possible.

In 2022, as a complement to the work already under way in response to the *Décret Tertiaire* (or French tertiary sector decree, which requires service industry buildings to gradually reduce their energy consumption), we devised an energy sobriety plan ("sobriety" is a term coined in France to mean more mindful energy use) that will be implemented in stages. The goal is to reduce our energy consumption 10% by 2024 at constant scope. In 2023, cegedim.cloud earned the "EU Code of Conduct for Energy Efficiency in Data Centers" designation and ISO 50001 certification for the data centers it owns, thus demonstrating its commitment to reducing its energy consumption.

The ISO 50001 certification is tangible proof that cegedim.cloud regularly assesses its environmental performance with the help of key indicators and is committed to continuously improving its practices so it can meet its sustainability targets. We strive to optimize our data centers' energy efficiency by adopting innovative technologies and practices such as virtual servers, dynamic power management, and energy-efficient cooling systems.

We also supplement our fleet of data centers with colocation data centers that are managed according to the same high standards as our own. The strict standards that cegedim.cloud follows and demands have earned its colocation sites ISO 14001 and 50001 certifications. cegedim.cloud is also working to develop an in-house application, Enercare, to calculate the individual carbon footprint of each of its clients so that they can optimize the way they use its services. The app will be launched in 2024.

We have pledged to minimize our water consumption, produce less electronic waste, and promote reuse and recycling of IT equipment at the end of its life. cegedim.cloud has raised awareness among all of its employees about the environmental challenges related to data centers through The Digital Collage workshops. We have drawn up an action plan in response to employee feedback that will be launched in 2024 as best practice in the areas of Green IT and environmental responsibility. We also work with our suppliers and partners to promote sustainable practices and encourage them to adopt high environmental standards.

cegedim.cloud is now aiming to earn ISO 14001 certification for all of its activities and is studying how to build a new data center whose design meets four major criteria:

- A Power Usage Effectiveness (PUE) of less than 1.2;
- Responsible drinking water consumption, only in cases of extreme emergency;
- Uptime Institute Tier IV Build certification;
- Ranking as one of France's most eco-friendly data centers.

This Green IT Policy reflects our commitment to environmental sustainability and responsible innovation. We pledge to implement and adhere to this policy at every level of our organization, and to actively help protect the environment.

6.4.8 | Informing and raising awareness among teams on CSR issues

Cegedim believes that employees need to be informed and educated about CSR if they are to understand the topic, buy in to the changes the Group is making, and find the motivation to do their part.

To this end, we have implemented a number of initiatives:

- Our CSR Club, which brings together senior management and directors representing the various subsidiaries, operational entities, and support functions—Its work is based on the Group's CSR strategy and roadmap, which it rolls out and represents for the stakeholders in its scope;
- The network of CSR Officers, which is made up of representatives from the Group's main subsidiaries, operational entities, and support functions—They implement action plans in line with the Group's CSR strategy, share best practices and local initiatives, and relay information and act as the CSR representative within their organizations;
- The Group's monthly CSR newsletter, which all employees can read to learn about CSR highlights, news, and regulatory developments;
- The Digital Collage, which all cegedim.cloud teams completed in 2023, as part of the ISO 50001 certification process, to learn about the environmental impacts of digital operations.

6.4.9 | Biodiversity

In 2024, Cegedim Group will assess all of its sites' biodiversity impact and draw up an action plan.

6.4.10 | EU Green Taxonomy

Background

Since January 1, 2022, Cegedim Group has been subject to Article 8 of Regulation (EU) 2020/852, the Taxonomy Regulation, which applies to public interest entities (PIE) that have more than 500 employees and more than €20 million on the balance sheet or €40 million in revenues, and that already publish a Sustainability report.

The Taxonomy Regulation is part of the European Green Deal's Sustainable Finance Action Plan and sets out six environmental and climate objectives:

1) Climate change mitigation;
2) Climate change adaptation;
3) Sustainable use and protection of water and marine resources;
4) Transition to a circular economy;
5) Pollution prevention and control;
6) Protection and restoration of biodiversity and ecosystems.

It aims to encourage companies to develop sustainable activities that address European environmental challenges and investors to finance this type of long-term sustainable project. To that end, it establishes a classification system for identifying economic activities that are considered environmentally sustainable, and defines indicators for assessing the extent to which companies companies are contributing to that goal.

Activities are classified using a five-step process:

- Identify the so-called Taxonomy-eligible activities using the delegated acts (EU) 2021/2139 of June 4, 2021, (EU) 2023/2485 of June 27, 2023, and (EU) 2023/2486 of June 27, 2023;
- Measure the activity's substantial contribution to the environmental objectives;
- Verify that the activity does not significantly harm any of the six specified climate environmental objectives;
- Verify that the activity aligns with the OECD and UN guiding principles for corporations, particularly with respect to fundamental labor rights and human rights;
- Calculate the indicator by comparing the performance of aligned activities with the total for all activities.

The percentage of alignment is measured according to the following three indicators:

- Revenues;
- Capital expenses (CapEx);
- Operating expenses (OpEx).

Analyzing eligibility

We checked our activities for eligibility by comparing them with the descriptions in the list of Taxonomy-eligible activities to determine those likely to make a significant contribution to the environmental objectives. The analysis of Cegedim Group's business activities covered the entire consolidated scope apart from associate companies in which Cegedim Group does not have control. It was carried out by working groups, which notably involved the Group Performance department—which is responsible for the annual Sustainability Report— the CFO, the Director of Financial Communication, and the heads of R&D and cegedim.cloud.

We conducted a new review of eligible activities in 2023 in order to ensure that the conclusions of previous years remained valid under the new delegated acts published in 2023 regarding the climate mitigation and adaptation objectives. It also integrated four environmental objectives into the analysis: water, pollution, circular economy and biodiversity. The conclusions of the new review are as follows:

- With regard to Delegated Regulation (EU) 2023/2485 of June 27, 2023, Cegedim Group's eligible scope is unchanged for Objective 1, Climate change mitigation, and Objective 2, Climate change adaptation;
- With regard to Annex II of Delegated Regulation (EU) 2023/2486 of June 27, 2023, Cegedim is eligible for Objective 4, Transition to a circular economy.

Based on this analysis, three of Cegedim's business activities qualify as eligible under the Taxonomy Regulation:

- "Data processing, hosting, and related activities", for Objectives 1 and 2, Climate change mitigation and Climate change adaptation (activity 8.1 in Annexes I and II of the Delegated Regulation EU 2023/2485);
- "Computer programming, consultancy, and related activities", for Objective 2, Climate change adaptation (activity 8.2 in Annex II of the Delegated Regulation EU 2023/2485);
- "Provision of IT/OT data-driven solutions", for Objective 4, Transition to a circular economy (activity 4.1 in Annex II of the Delegated Regulation EU 2023/2486).

The eligible portion of the Group's activities are housed in cegedim.cloud, the centralized entity that 'powers' the IT activities of all Cegedim's subsidiaries, enabling them to carry out data processing (8.1), programming (8.2), and data-driven IT solutions (4.1). By measuring the performance of this upstream central unit, we can calculate the indicators required to report eligibility and alignment.

For the data-driven IT solutions activity, we determined that cegedim.cloud's data hosting services include a remote maintenance system designed to:

- Prevent operational failures;
- Keep infrastructure in optimal operating conditions;
- Extend their useful life;
- Use less resources.

Because these functions are included in cegedim.cloud's data hosting offer, the indicators for revenues, CapEx, and OpEx must be limited to this specific service. In this regard, for 2023, the share of revenues, CapEx, and OpEx for this specific service was estimated to be insignificant relative to the scale of the Group. As a result, they were not taken into account when calculating eligibility in the consolidation tables presented in this report.

Alignment of activities

The activities identified as eligible were then subjected to a second round of analysis to determine if they are aligned. We examined them to see if, in accordance with the sustainability criteria specified in Article 3 of the Regulation, they:

- Contribute substantially to one or more environmental objectives set out in Article 9, in accordance with Articles 10 to 16;
- Do not significantly harm any of the environmental objectives set out in Article 9, in accordance with Article 17;
- Are carried out in a manner that respects the minimum safeguards set out in Article 18;
- Respect the technical screening criteria the Commission set out in Article 10, Section 3; Article 11, Section 3; Article 12, Section 2; Article 13, Section 2; Article 14, Section 2; or Article 15, Section 2.

Analyzing alignment

Objective 1: Climate change mitigation

Cegedim Group data centers are 100% operated by cegedim.cloud, which is working on a continuous improvement program. In 2023, cegedim.cloud obtained the "EU Code of Conduct for Energy Efficiency in Data Centers" label and the ISO 50001 certification for its own data centers, attesting to its commitment to effectively reducing its energy consumption. One of the technical criteria for alignment with Objective 1 concerns the refrigerant fluids used in the data center cooling system. While the refrigerants cegedim.cloud uses meet current European guidelines, their global warming potential (GWP) exceeds the maximum level of 675 specified in the alignment criteria. This is typical for the sector due to the unavailability of cooling equipment that is both fit for purpose and has a GWP less than or equal to the cap. For this reason, in order to minimize energy needs at a constant scale of IT activity and thereby deal with climate risks on a ten-year horizon—notably heatwaves—cegedim.cloud will continue to use the refrigerant gases. We are monitoring the issue and aim to achieve alignment as soon as a solution becomes available.

As it does not meet that criteria, activity “8.1 Data processing, hosting, and related activities” cannot be considered in alignment with Objective 1: climate change mitigation.

Current regulations do not require an analysis of whether activity “8.2 Computer programming, consultancy, and related activities” is aligned with objective 1.

Objective 2: Climate change adaptation

We conducted an analysis of the technical criteria to determine the substantial contribution for activities “8.1 Hosting and data processing” and “8.2 Computer programming, consultancy, and related activities” with respect to Objective 2. To that end, we examined our sites’ resilience to climate and natural risks over timeframe of up to ten years.

- To confront medium-term risks, we have implemented climate change adaptation solutions based on data for historical patterns. The activities' solutions adequately mitigated the known climate and natural risks experienced by Cegedim and can be used for learning and continuous improvement.
- An analysis of risks beyond the ten-year horizon, based on the IPCC’s scenarios, is currently underway. As a result, activities 8.1 and 8.2 cannot be considered aligned as of this report’s publication date. Existing data centers, nevertheless, are evolving to take account of climate risks beyond 10 years, particularly in terms of the sizing and operating conditions of cooling production systems, which will continue to be optimized when they are renewed to take advantage of technical advances in energy efficiency and cooling performance.

As part of its alignment strategy, the Group is working on the creation of a future data center, sovereign like its existing data centers and fully owned by the Group, designed to be sustainable, responsible and resilient to climate change. Production is scheduled to start in 2025. Long-term climate risks are fully factored into its design. Investments committed to this project in 2023 are included in the aligned CapEx indicator.

Objective 4: Transition to a circular economy

In accordance with the Taxonomy regulations applicable in 2023 as described in the "Background" chapter, alignment analysis to technical criteria is not expected for activities contributing to the four environmental objectives: water, pollution, circular economy and biodiversity. An analysis of the alignment of the activity "4.1 Provision of IT/OT data-driven solutions", which contributes to objective 4 on the circular economy, will be carried out in 2024.

Alignement analysis summary

Activities	Type of contribution	Technical screening for substantial contribution	Do no significant harm (DNSH) criteria
Objective 1: Climate change mitigation			
8.1 Data processing, hosting, and related activities	Transitional	**No** Does not meet one of the technical screening criteria.	**Yes** Does no significant harm to the other environmental objectives.
Objective 2: Climate change adaptation			
8.1 Data processing, hosting, and related activities	Non-enabling	**No** We analyzed ten-year climate risks and the associated adaptation solutions, but the lack of a projection beyond the 10-year time frame constitutes non-compliance with the technical review criteria.	**Yes** Does no significant harm to the other environmental objectives.
8.2 Computer programming, consultancy, and related activities	Non-enabling	**No** We analyzed ten-year climate risks and the associated adaptation solutions, but the lack of a projection beyond the 10-year time frame constitutes non-compliance with the technical review criteria.	**Yes** No DNSH criteria for this activity.

The alignment analysis then involved checking that activities "8.1 Data processing, hosting, and related activities" and "8.2 Computer programming, consultancy, and related activities":

- Comply with the minimum guarantees set out in Article 18 of the Regulation;
- Do not cause significant harm to the other objectives.

Respect for minimum safeguards

Cegedim Group respects minimum safeguards by implementing policies, codes, procedures, and best practices that adhere to the relevant principles and regulations, notably:

- All the laws of the countries in which Cegedim and its suppliers operate, as well as European Directives on social and environmental issues;
- The 1948 Universal Declaration of Human Rights;
- The principles of the UN Global Compact;
- The core principles of the OECD;
- The international Convention on the Rights of the Child;
- The Convention on the Elimination of All Forms of Discrimination against Women;
- The International Labor Organization (ILO) Conventions, notably the eight Fundamental Conventions:
  - The Forced Labor Convention (#29);
  - The Freedom of Association and Protection of the Right to Organize Convention (#87);
  - The Right to Organize and Collective Bargaining Convention (#98);
  - The Equal Remuneration Convention (#100);
  - The Abolition of Forced Labor Convention (#105);
  - The Discrimination Convention (#111);
  - The Minimum Age Convention (#138);
  - The Worst Forms of Child Labor Convention (#182).

Minimum safeguards	
Issue	Cegedim: Adherence and implementation
Human rights	- Code of Ethics - Whistleblowing system / hotline - Sustainable Purchasing Charter and Policy - Compliance representatives - Regulatory watch
Corruption	- Code of Ethics - Sapin II Act risk mapping - Employee Code of Ethics training - Whistleblowing system in compliance with Act 2022-401 of March 21, 2022, to improve whistleblower protection - Control mechanism in accordance with Act 2016-1691 of December 9, 2016, on transparency, fighting corruption, and the modernization of economic life, known as the Sapin II Act - Sustainable Purchasing Charter and Policy - Compliance representatives - Regulatory watch
Tax	- Code of Ethics - Training for employees responsible for tax transactions - External experts on retainer and ad-hoc contracts - Regulatory watch - The Group pays tax in the country where its activities are based and value is created
Fair competition	- Code of Ethics - Employee training on competition issues - Compliance representatives - Regulatory watch

Cegedim has not faced serious condemnation for infringing any of the Taxonomy Regulation's minimum safeguards. For information on material disputes and litigation, please see Chapter 3 "Overview of the Financial Year" Section 3.1 "Financial year highlights" of the Universal Registration Document.

In the June 16, 2023 publication of the Communication on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and its links with the Regulation on sustainability reporting in the financial services sector (2023/C 211/01), the Commission instructed companies to take into consideration "the indicators relating to the main negative impacts provided for by the SFDR" with regard to social and workforce issues, respect for human rights and the fight against corruption and bribery.

As of the date of publication of this report, the Cegedim Group is able to report on the main indicators required, and is working on a limited number that remain to be completed.

Eligibility and alignment indicators

The Finance Department has created a methodology for calculating and disclosing eligibility and alignment indicators in collaboration with the experts who audit its financial information.

Eligible revenue

The eligible revenue indicator is defined as the ratio of all eligible business revenues to net total revenue as presented in the financial statements.

Eligibility KPI = eligible revenue / net total revenue = 7.9%. This figure remains stable compared with the previous year (7.5 % in 2022).

The share of eligible revenue is low because the Group's business model is unlikely to have a significant environmental impact. As noted previously, eligibility is measured upstream at cegedim.cloud, since this is the unit that 'powers' all Cegedim's subsidiaries' IT activities, enabling them to carry out data processing (8.1), programming activities (8.2), and the provision of IT / OT data-driven solutions (4.1). For fiscal 2023, we considered that the share of revenues related to this last criterion was not significant.

Aligned revenue

The indicator for aligned activities uses the same definition, i.e. the ratio of aligned activities to the same total figure. As noted above, because the eligible activities did not meet all of the alignment criteria in 2023, the revenue from these activities is reported under eligible, non-aligned activities in the summary table below.

The breakdown of the revenue indicators between activities 8.1 and 8.2 reflects the final destination of the services performed by the Group subsidiaries that use the resources provided by cegedim.cloud.

Taxonomy - Revenue indicator

Economic activity	Code	Absolute turnover (m$)	Proportion of turnover 2023 %	Substantial contribution criteria						DNSH - Does Not Significantly Harm						Minimum safeguards	Percentage of turnover aligned (A.1) or eligible (A.2) year 2022 %	Enabling activity (E)	Transitional activity (T)
				Climate change						Climate change									
				Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity				
A. Taxonomy-eligible activities																			
A.1. Taxonomy-aligned activities																			
8.1 Data processing, hosting, and related activities	8.1	0	0.0%	NONE	NONE	N/EL	N/EL	N/EL	N/EL	YES	YES	N/EL	N/EL	N/EL	N/EL	YES	0.0%		T
8.2 Computer programming, consultancy, and related activities	8.2	0	0.0%	N/EL	NONE	N/EL	N/EL	N/EL	N/EL	N/EL	YES	N/EL	N/EL	N/EL	N/EL	YES	0.0%	NONE	
Total A.1/ Turnover of aligned activities		**0**	0.0%														0.0%		
Including enabling activities		0	0.0%														0.0%	E	
Including transitional activities		0	0.0%														0.0%		T
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
8.1 Data processing, hosting, and related activities	8.1	9,168	1.5%	NONE	NONE	N/EL	N/EL	N/EL	N/EL								1.5%		
8.2 Computer programming, consultancy, and related activities	8.2	39,433	6.4%	N/EL	NONE	N/EL	N/EL	N/EL	N/EL								6.1%		
4.1 Provision of IT/OT data-driven solutions	4.1	0	0.0%	N/EL	N/EL	N/EL	N/EL	NON	N/EL								N/EL		
Total A.2/ Non-aligned turnover		**48,601**	**7.9%**														**7.5%**		
Total A (A.1 + A.2)/ Eligible turnover		**48,601**	**7.9%**														**7.5%**		
B. Ineligible activities																			
Total B. Revenue from Taxonomy-ineligible activities		**567,394**	**92.1%**														**92.5%**		
Total (A+B)		**615,995**	**100.0%**														**100%**		

	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM : Climate change mitigation	0%	1.5%
CCA : Climate change adaptation	0%	7.9%
WTR : Water and marine resources	0%	0%
CE : Circular economy	0%	0%
PPC : Pollution prevention and contro	0%	0%
BIO : Biodiversity and ecosystems	0%	0%

Eligible investments (CapEx)

Aligned capital expenses are those that:

- Relate to sustainable activities;
- Are part of a plan to make an activity sustainable or expand an existing one;
- Relate to so-called eligible individual measures aimed at reducing the company's environmental footprint, such as spending on premises, vehicles, or data hosting.

The CapEx figure corresponds to new purchases of property, plant, and equipment and intangible fixed assets during the fiscal year, before depreciation, amortization, or restatements of fair value. Thus, it includes new right-of-use assets pertaining to leases from the time the lease contract is signed, but not the financing terms. CapEx also includes new assets created by business combinations carried out during the fiscal year.

Eligibility KPI = eligible activities' CapEx / total CapEx = 9.3%. This figure is stable compared with the previous year (9.4% in 2022).

Eligible CapEx comprises capacity investments by cegedim.cloud designed to keep pace with the Group's changing needs in terms of hosting and data processing, and to provide subsidiaries with the IT tools they need for programming and related IT activities.

Aligned investments (CapEx)

The indicator for aligned activities uses the same definition, i.e. the ratio of aligned activities to the same total figure.

As noted above, because the eligible activities did not meet all of the alignment criteria in 2023, the 2023 CapEx from these activities is reported almost entirely under eligible, non-aligned activities in the summary table below.

Nevertheless, the Group has made an inventory of capital expenditure relating to individual measures aimed at developing sustainable activities that respect European environmental issues, and has transferred these to the aligned activities. These include investments relating to the creation of the Group's future fully-owned data center, designed to be sustainable, responsible and resilient to climate change, and scheduled to go into production in 2025. Work carried out in 2023 amounts to 733 K€, and mainly concerns the continuation of the diagnostics required for the project's prime contracting.

The breakdown of the CapEx indicators between activities 8.1 and 8.2 reflects the final destination of the services performed by the Group subsidiaries that use the resources provided by cegedim.cloud.

Taxonomy - CapEx indicator

Economic activity	Code	Absolute CapEx (m$)	Proportion of CapEx 2023 %	Substantial contribution criteria						DNSH - Does Not Significantly Harm						Minimum safeguards	Percentage of CapEx aligned (A.1) or eligible (A.2) year 2022 %	Enabling activity (E)	Transitional activity (T)
				Climate change						Climate change									
				Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity				
A. Taxonomy-eligible activities																			
A.1. Taxonomy-aligned activities																			
8.1 Data processing, hosting, and related activities	8.1	138	0.2%	NONE	NONE	N/EL	N/EL	N/EL	N/EL	YES	YES	N/EL	N/EL	N/EL	N/EL	YES	0.0%		T
8.2 Computer programming, consultancy, and related activities	8.2	595	0.6%	N/EL	NONE	N/EL	N/EL	N/EL	N/EL	N/EL	YES	N/EL	N/EL	N/EL	N/EL	YES	0.1%	NONE	
Total A.1/ CapEx of aligned activities		**733**	**0.8%**														**0.1%**		
Including enabling activities		0	0.0%														0.0%	E	
Including transitional activities		138	0.2%														0.0%		T
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
8.1 Data processing, hosting, and related activities	8.1	1,566	1.6%	NONE	NONE	N/EL	N/EL	N/EL	N/EL								1.8%		
8.2 Computer programming, consultancy, and related activities	8.2	6,734	6.9%	N/EL	NONE	N/EL	N/EL	N/EL	N/EL								7.5%		
4.1 Provision of IT/OT data-driven solutions	4.1	0	0.0%	N/EL	N/EL	N/EL	N/EL	NON	N/EL								N/EL		
Total A.2/ Non-aligned CapEx		**8,299**	**8.5%**														**9.3%**		
Total A (A.1 + A.2)/ Eligible CapEx		**9,033**	**9.3%**														**9.4%**		
B. Ineligible activities																			
Total B. CapEx from Taxonomy-ineligible activities		**88,192**	**90.7%**														90.6%		
Total (A+B)		**97,225**	**100.0%**														**100%**		

	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM : Climate change mitigation	0.2%	1.6%
CCA : Climate change adaptation	0.8%	8.5%
WTR : Water and marine resources	0%	0%
CE : Circular economy	0%	0%
PPC : Pollution prevention and contro	0%	0%
BIO : Biodiversity and ecosystems	0%	0%

Taxonomy-eligible share of operating expenses (OpEx)

Eligible operating expenses are those that:

- Relate to sustainable activities;
- Are part of a plan to make an activity sustainable or expand an existing one;
- Relate to so-called eligible individual measures aimed at reducing the company's environmental footprint.

The OpEx indicator for eligible activities is defined as the ratio between the sum of operating expenses for eligible economic activities and total operating expenses as presented in the financial statements. Not all OpEx is taken into account: we only consider R&D costs, building renovation costs, expenses on short-term leases, asset maintenance, upkeep and repair costs, and any other direct expense related to the routine maintenance of property, plant, and equipment necessary to keep them in good working order.

Eligibility KPI = OpEx of eligible activities / total OpEx = 7.2%. This figure is virtually stable compared with the previous year (6.6% in 2022).

The OpEx of eligible activities refers to the share of direct, non-capitalized costs stemming from the IT operations of cegedim.cloud.

Taxonomy-aligned share of operating expenses (OpEx)

The indicator for aligned activities uses the same definition, i.e. the ratio of aligned activities to the same total figure. As noted above, because the eligible activities did not meet all of the alignment criteria in 2023, the 2023 OpEx from these activities is reported almost entirely under eligible, non-aligned activities in the summary table below.

The breakdown of the OpEx indicators between activities 8.1 and 8.2 reflects the final destination of the services performed by the Group subsidiaries that use the resources provided by cegedim.cloud.

Taxonomy - OpEx indicator

Economic activity	Code	Absolute OpEx (m$)	Proportion of OpEx 2023 %	Substantial contribution criteria						DNSH - Does Not Significantly Harm						Minimum safeguards	Percentage of OpEx aligned (A.1) or eligible (A.2) year 2022 %	Enabling activity (E)	Transitional activity (T)
				Climate change						Climate change									
				Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity				
A. Taxonomy-eligible activities																			
A.1. Taxonomy-aligned activities																			
8.1 Data processing, hosting, and related activities	8.1	0	0.0%	NONE	NONE	N/EL	N/EL	N/EL	N/EL	YES	YES	N/EL	N/EL	N/EL	N/EL	YES	0.0%		T
8.2 Computer programming, consultancy, and related activities	8.2	0	0.0%	N/EL	NONE	N/EL	N/EL	N/EL	N/EL	N/EL	YES	N/EL	N/EL	N/EL	N/EL	YES	0.0%	NONE	
Total A.1/ OpEx of aligned activities		**0**	0.0%														0.0%		
Including enabling activities		0	0.0%														0.0%	E	
Including transitional activities		0	0.0%														0.0%		T
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
8.1 Data processing, hosting, and related activities	8.1	6,258	1.4%	NONE	NONE	N/EL	N/EL	N/EL	N/EL								1.3%		
8.2 Computer programming, consultancy, and related activities	8.2	26,915	5.9%	N/EL	NONE	N/EL	N/EL	N/EL	N/EL								5.3%		
4.1 Provision of IT/OT data-driven solutions	4.1	0	0.0%	N/EL	N/EL	N/EL	N/EL	NON	N/EL								N/EL		
Total A.2/ Non-aligned OpEx		**33,173**	**7.2%**														**6.6%**		
Total A (A.1 + A.2)/ Eligible OpEx		**33,173**	**7.2%**														**6.6%**		
B. Ineligible activities																			
Total B. OpEx from Taxonomy-ineligible activities		**425,475**	**92.8%**														**93.4%**		
Total (A+B)		**458,648**	**100.0%**														**100%**		

	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM : Climate change mitigation	0%	1.4%
CCA : Climate change adaptation	0%	7.2%
WTR : Water and marine resources	0%	0%
CE : Circular economy	0%	0%
PPC : Pollution prevention and contro	0%	0%
BIO : Biodiversity and ecosystems	0%	0%

6.5 | Ensuring data quality and safety

6.5.1 | Information system organizational structure and security policy

The management of Cegedim Group's information system is based on:

- The Information System Security Policy (ISSP), which lays out the security rules that must be followed within the Group to meet its IS security goals.
- The Information System Security Charter, which recaps the practical steps to take when using IS resources.

These documents—which apply to every entity within Cegedim Group regardless of its business activity, geographic location, employees, assets, or information handled—must be signed by all users and appended to their job contract. The roles and responsibilities related to IS security are set at the Group and business line level, documented, and shared with all relevant users.

6.5.2 | Key performance indicators and results

R&D effort relative to revenues	Group research and development	Achieved	
	The R&D effort refers to payroll expenses for R&D staff as a percentage of revenues over the past 12 months. This percentage, while not a targeted figure, was stable compared with previous years.	2023 | 2022 14.9% | 14.0%	

Completion of the security checklist	Securing our information systems	Achieved	Objective
	We completed all of the items on the security checklist.	2023 | 2022 100% | 100%	Maintain 100%

Increase in the volume of hosted data in gigabytes	French data centers	Achieved	Objective
	Data volumes grew because existing clients experienced organic growth and because we acquired new clients.	2023 | 2022 +19% | +52%	Contain the growth in volumes vs the growth in the amount of data.

6.5.3 | Information security system management

An integrated system

Cegedim has obtained certifications guaranteeing the quality of its security management expertise and upgrades. cegedim.cloud, a Cegedim group subsidiary that houses all the Group's IT resources (both human and material resources), rolled out and operates an ISO 27001:2017-certified Integrated Security Management System that covers information security for our data centers in France, our data and app hosting activities, and our managed services. Our HDS certification shows that cegedim.cloud is committed to solid oversight of its IS security, with advanced protocols for risk management, access control, and traceability. In 2023, cegedim.cloud was audited and is awaiting its ANSSI SecNumCloud certification, demonstrating that it has one of the highest levels of security in the sector.

Providing top quality products and services to our clients and partners is a cornerstone of our strategy. To maintain this level of excellence, Cegedim Group is committed to a continuous improvement policy. To meet its high quality standards, cegedim.cloud takes a process-based approach using an Integrated Management System covering quality, security, and energy use. This approach is based on the ISO 20000-1 standard, which is in turn based on the ITIL (Information Technology Infrastructure Library) best practice framework—widely known in IS management circles. The system covers data and application hosting services, and infrastructure management services for data centers in France. It is run according to the principle of continuous improvement.

In the project phase, we identify and incorporate security requirements as each new IT, business line, or software development project is launched. If these requirements are not formally defined in writing by the customer, or in the project specifications, we apply the standard security requirements of the Group or subsidiary concerned.

Risk analysis

We base our risk analysis strategies on recognized methodologies and benchmarks (EBIOS Risk Manager or COSO ERM, depending on the business), on Business Impact Analyses (BIA) for continuity, and on Privacy Impact Assessments for GDPR. These risk analyses help us identify and assess the security risks to the availability, integrity, confidentiality, and auditability of the data. They also help us draw up a risk treatment plan for the subsidiary concerned. Our subsidiaries also conduct security risk analyses as part of their own projects. The level of detail and the methods they employ in these assessments depend on the project's sensitivity and the security requirements expressed at its onset.

Internal control and supplier management

Since 2012, Cegedim Group has implemented internal control procedures in accordance with the ISAE 3402 (International Standard on Assurance Engagements) Type II standard. This standard, which stems from the United States' Sarbanes-Oxley Act (SOX), requires the suppliers of companies applying it to be audited for financial risks too. The examination is carried out annually by a third-party auditor recognized by the Auditing Standards Board of the American Institute of Certified Public Accountants.

The following companies and activities have earned the ISAE 3402 Type II standard:

Auditing standard	Company and scope of activity
ISAE 3402 Type II	cegedim.cloud for all its activities Cegedim SRH for all its activities CETIP for all its activities Igestion for all its activities Cegedim e-business for all its activities Cegedim Activ' for its SaaS, managed services, and technical hosting activities

The IT supplier management process is part of cegedim.cloud's Integrated Management System, which is designed to manage the supplier relationship, measure supplier performance, and ensure that contracts between the parties adequately meet cegedim.cloud's security requirements for the entire life cycle of the relationship. Suppliers are assessed according to the quality, innovation, security, and cost of the service they provide.

Information system security audits

Every year, the Group's Head of Information Systems Security defines the security objectives for the Group and its subsidiaries, in agreement with senior management. Monthly Group Security Committee meetings, which are attended by each entity's security representative, track the implementation of measures required to meet the security objectives. They also draw up an annual schedule of regular IS security audits, which consist of audits carried out by first, second, and third parties; vulnerability scans; and cyberattack simulations.

Certifications, labels, and statements of compliance

Company	Scope	Certification
cegedim.cloud (FR)	Physical and virtual managed hosting services and Related managed services	ISO 20000-1:2018 ISO 27001:2017 ISO 50001:2018
	Physical infrastructure hosting and Managed services hosting, covering activities 1 to 6 1. Providing the physical sites used to host the material infrastructure of the information system used to process health data and keeping them in working order. 2. Supplying the material infrastructure of the information system used to process health data and keeping it in working order. 3. Supplying the platform for hosting IS applications and keeping it in working conditions. 4. Supplying the virtual infrastructure of the information system used to process health data and keeping it in working conditions. 5. Managing and operating the information system containing the health data. 6. Securely storing health data.	HDS V1.1 – May 2018
Cegedim Activ (FR)	Providing services in SaaS, managed services, or technical hosting format	ISO 20000-1:2018 ISO 27001:2017
Cegedim Rx (UK)	Providing pharmacy IT support and maintenance services, as well as Cyber Essentials+	ISO 27001:2017
INPS (UK)	Providing health industry IT support and maintenance services, as well as Cyber Essentials+	ISO 27001:2017
RESIP (FR)	Implementing the Claude Bernard database's Quality Management System in the "research and development, design, and manufacturing of medication prescribing and dispensing software" category.	ISO 13485
Company	**Scope**	**Statement of compliance**
cegedim.cloud (FR)	Physical and virtual managed hosting services and Related managed services	ISO 27017:2015 ISO 27018:2019
Company	**Label**	
RESIP (FR)	Accreditation by the Haute Autorité de Santé (HAS), France's national authority for health, and CE Marking approval for Class 1 medical devices for the Claude Bernard database	

6.5.4 | Information system security

A secure, resilient, durable infrastructure

We strive to build robust security for our sites and data centers. Cegedim Group supplies technology and services related to information, so one of our top priorities is ensuring that our clients and partners are entirely comfortable with the level of data and system security. Security is an ongoing, vital concern, and the Group does all it can to limit the impact of events that might damage its assets, products, or infrastructure. Its on-site risk-control policy focuses notably on physical risks such as fire, flooding, or other natural disasters, as well as power outages, and on cyberattacks, such as ransomware or penetration.

High availability architecture

The Group has substantial expertise in managed services and in the management of financial flows and digitalized documents. The highly strategic and sensitive nature of these activities led the Group's IT teams to design and build equipment and architecture with a very high degree of availability. These resources meet the most demanding security requirements, notably for hosting personal health data. For example, we offer our clients a comprehensive private cloud service, available in either IaaS (Infrastructure as a Service), PaaS (Platform as a Service), or SaaS (Software as a Service) mode. To do so, we draw on our hosting capacities and implement Business Continuity Plans (BCP) and Disaster Recovery Plans (DRP).

Business and service continuity

The Group spreads out its data centers geographically and uses state-of-the-art information technologies to execute its business and service continuity strategies. It also has appropriate insurance policies covering certain industrial risks. Despite the increased threat of cybercrime, we have managed to maintain a high level of service quality for our clients. A dedicated security team with experience in critical data hosting oversees operating security, in conjunction with a 24/7 Security Operations Center (SOC). Each Cegedim Group subsidiary has its own internal security organization with a central coordination. As part of our policy of continuously improving information systems security, Cegedim pledges to investigate any weakness in the system reported by employees, clients, or third parties via the dedicated email address: security@cegedim.com.

Data confidentiality, integrity, and protection

The Information System Security Policy developed by the Group covers IT and data security and is supplemented by an Information System Security Charter included in every employee's job contract. Anyone who uses the Cegedim Group information system is regularly informed of security best practices and the regulations that apply to their business activities. Information sessions devoted to security may take place in person or remotely via e-learning courses or webinars. Subsidiaries raise awareness of issues specific to their activities, in addition to the actions carried out at the Group level.

The security policy rules and recommendations aim to protect data in all its forms—spoken, paper, or electronic—and respect its confidentiality, integrity, availability, and non-repudiation. They cover the Group's information systems (networks, computers, software, data, and communication and copying resources), information shared orally or in writing, and the physical protection of these systems and information both on and off the company's premises. Cegedim Group subsidiaries set out and clarify the rules governing IT policy in a body of documentation covering security within the scope of their business activities. The Group IS Security Policy serves as a mandatory baseline of rules to apply. Specific clauses have been added to the job contracts of employees whose responsibilities expose them to data, confidentiality, and intellectual property issues.

The Group has specific measures governing equipment disposal to ensure that data cannot be recovered. These measures also apply to any equipment that might contain confidential information. Old equipment that is not going to be physically destroyed must undergo high security formatting before it is reused or returned. Paper documents that are confidential or classified for internal use only are destroyed by shredding.

Product certification

These certifications and accreditations—which are regularly renewed—demonstrate that our high-quality products and solutions meet the strictest standards.

France	Belgium	United Kingdom
SesamVitale	Ehealth	NHS
HAS	MyCareNet	EMIS
DMP	Hub et coffre-fort	TPP
LAP	Recip-e	MHRA
TLSi	VIDIS	Research Ethics Approval
e-santé (CDS/MSP)	SAM V2	
e-Prescription	BelRAI	
e-Carte Vitale		
ANSM		
Ségur		
Certification Système de caisse (cash register system)		

6.5.5 | Securing stakeholders' data

Protecting personal data is a key and ongoing concern for Cegedim. Our data protection policy reflects the Group's commitment to respecting these principles, and we regularly raise employee awareness of the issue, notably through:

- Training sessions on data protection and security;
- The Information Systems Security Charter;
- The Group Code of Ethics.

Cegedim sets rules and devotes adequate resources to ensure that equipment and information are handled in a manner consistent with their level of sensitivity. For example, equipment used to host confidential data is subject to heightened security measures, such as restricted access and data encryption. All users must apply the security rules suited to the category of information that they handle as part of their job.

Healthcare: a sensitive industry

The Group is well aware of the responsibility that comes from operating in the sensitive healthcare sector. It does everything necessary to minimize and/or anonymize the data it collects, particularly health data, to host this data securely, and to ensure that studies are conducted according to ethical standards that are frequently monitored by its clients.

Implementation at GERS Data

Data accuracy and quality are key as Cegedim wants to continue to deliver tools and services that meet our clients' needs, and thereby help healthcare systems run in the countries where we operate. Apart from the quality of the data, Cegedim Group is also keenly aware of its societal value, given that its databases are used by healthcare professionals to help them diagnose patients and provide them with the correct medicines.

THIN® can be accessed by all researchers. In France, free access is currently being given for non-sponsored research, in a spirit of collaboration, to foster advancements in scientific knowledge and innovation that serve the public health interest.

Databases

Our patient and prescription real-world databases cover seven European countries and provide anonymized real-world data (RWD) and evidence (RWE) to further research and improve the quality of patient care in the interests of public health. With a data history of over 25 years and millions of anonymized patient records, our databases are used across the entire healthcare value chain, from research to product development—by researchers, health authorities, healthcare professionals, pharmaceutical companies, and medical device firms.

The Claude Bernard Database of over 300,000 medicine and healthcare products helps secure the entire medication chain to the point of fulfillment and allows users to offer patients high-quality advice. The database is used daily by some 150,000 healthcare professionals in France and around the world.

THIN® France(*The Health Improvement Network*), which is offered by ***GERS Data,*** is one of Europe's largest database networks, with over 69 million anonymized* Electronic Health Records in seven European countries: the United Kingdom, France, Germany, Italy, Spain, Belgium, and Romania. The ***THIN®*** databases are used by academic establishments and by health authorities in France (HAS, CEPS, and ANSM), the United Kingdom (NHS and NICE) and at the European level (EMA, ENCePP).

THIN® is also available in the Observational Medical Outcomes Partnership (OMOP) common data model format, certified by the European Health Data & Evidence Network (EHDEN). This format is organized according to standardized vocabularies compiled using the medical terminology most widely used by the scientific community. Data are updated several times a day, and the Health Data Lab visualization platform makes them easy to use and compare. The platform lets users create dashboards and perform customizable dynamic analysis, as well as run real-time feasibility tests.

Because it is highly representative, ***THIN®*** is an ideal database for developing and training artificial intelligence systems. **GERS Data makes the database accessible to academic researchers, offering them a powerful, accurate 'sandbox' for training, validating, and testing models.** The goal is to reduce misdiagnoses and foster progress in research into new treatments and patient care.

The ***THIN®*** real world databases are increasingly used as a basis for many scientific research projects, and are behind over 2,000 scientific publications aimed at improving the quality of healthcare in the interests of public health.

Personal data protection policy

Cegedim Group always makes sure it complies with all applicable laws and regulations in the area of personal data protection, particularly the General Data Protection Regulation (EU) 2016/679.

In the course of our business activities, we may collect individuals' personal data. We implement all necessary security measures to ensure they are adequately protected. We collect data in compliance with all the legal and regulatory requirements of the countries we operate in, and with the contractual specifications agreed upon with our partners and clients.

All data is hosted in mainland France by cegedim.cloud, whose hosting services are ISO 27001:2017, ISO 20000-1:2018, HDS V1.1, ISO 27017:2015, and ISO 27018:2019 certified. Depending on their business, several of our entities are also ISO 27001 and/or ISAE3402 certified.

Organization

The Personal Data Protection Policy describes the general measures Cegedim Group takes to ensure adequate protection of the personal data it processes, either directly or through its outsourcing activities. The policy applies to all Group subsidiaries in France and internationally, and to all the data processing activities in which it engages. It lays out the guiding principles with respect to data processing:

- Adhering to stated goals;
- Proportionality and fairness;
- Relevance and minimization;
- Storage;
- Security;
- Accountability;
- Rights of access and correction;
- Respecting the legal data processing regulations.

To ensure that all of these principles are understood and respected, we train all our employees using an e-learning module including a test to check their understanding. We have also developed an e-learning program on specific data protection topics to supplement the initial training.

Considering the diversity of its business activities, Cegedim Group has decided to appoint Data Protection Officers (DPO) for every entity and business unit so they are in close proximity to the business. Their assignment consists of:

- Informing and advising the head of processing or service provider, as well as any employees who process data;
- Verifying compliance with GDPR and internal rules;
- Advising teams on impact analyses and checking to make sure they are implemented correctly;
- Acting as a point of contact for and cooperating with the National Commission for Computing and Civil Liberties (CNIL), France's GDPR supervisory authority.

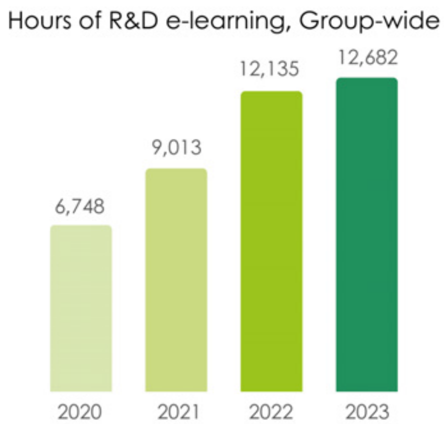
Ensuring respect of copyright laws and intellectual property rights

Our internal procedures aim to ensure that the Group and its employees do not break any laws regarding the copyrights of other companies, organizations, or individuals (patents, licenses, copyrights, trademarks, etc.). Management of intellectual property rights is governed by the Information Systems Security Policy, contracts, and the Information Systems Security Charter. Cegedim regularly informs its information system users about the rules that apply to intellectual property, notably via in-person and remote training sessions. Licenses are monitored as part of the configuration management process.

6.5.6 | R&D: aiming for operational excellence through innovation and continuous improvement

To remain at the forefront of innovation in markets governed by a strict and ever-evolving regulatory framework, Cegedim devotes around 14.9% of its revenues to Research & Development, which is comparable to the biggest players in the sector. For the past 50 years, this proactive policy has allowed us to tout the technological excellence of our products, attract motivated talent to work on innovative projects and services, and offer products and infrastructures that meet the highest quality, security, and environmental standards and requirements.

Our commitment was recognized in the fourth edition of the Choiseul Conquérants ranking of France's top intermediate-sized companies for 2023, which placed us in the "Outstanding Innovators" category. Every year, the Choiseul Conquérants ranking highlights 200 intermediate-sized companies that are regionally important key players in certain strategic industries and are helping make our economy more resilient.



Organization

To stay in close contact with its markets while also capitalizing on synergies between its businesses, Cegedim Group has created a two-tier organization for its R&D operations.

The Group R&D Department makes sure that we have the right in-house R&D and compliance expertise. To this end, it:

- Monitors regulations and technology;
- Verifies that our technological choices are consistent and convergent;
- Cooperates with the operational entities to assess and select technology partners with an eye to possible synergies and resource pooling;
- Sets and disseminates best practices for development, notably sustainable digital practices, and supplies the entities with the tools they need to perform at a high level, thus fostering internal mobility;
- Helps review projects and product portfolios to ensure that the human and financial resources being invested create value for the Group.

At the operational level, we have R&D teams at virtually all our subsidiaries so they understand each subsidiary's markets and clients, and we have created dedicated service centers in Morocco and Egypt.

Challenges

The main challenges the R&D teams face are:

- Ensuring the Group's products and solutions comply with regulations, which is critical for them to earn the certifications and accreditations they need in the marketplace;
- Factoring in security and data protection requirements from the moment a project is launched;
- Minimizing products' and solutions' environmental impact;
- Pursuing continuous improvement, which notably requires substantial investment in training;
- Managing project timelines and budgets.

R&D: the key to a successful Green IT program

Our Green IT program reflects our full commitment to reducing the environmental impact of our products and solutions. R&D teams factor in digital sobriety ("*sobriété*" is a term coined in France to mean more mindful digital practices) from the beginning of the design phase and throughout a product's life-cycle, taking into account a solution's impacts on data storage and energy consumption in particular. We are currently working to measure the energy consumption and carbon footprint of the Group's products and solutions. We will use the findings to draft a guide to best practices for sobriety when developing new tools.

Cegedim's digital sobriety goals add a layer of technological challenges for R&D teams, given:

- Growth in the Group's businesses, which are driving up the instances and volume of data processing, and in turn the Group's storage capacity needs ;
- The increasing use of AI, which is energy intensive ;
- The need to find a balance between digital sobriety and user experience.

R&D teams' ongoing efforts have helped limit the increase in environmental impact from rising data processing volumes and client usage, thereby contributing to Cegedim Group's environmental transition and that of its stakeholders.

6.6 | Expanding our business fairly and ethically

6.6.1 | Compliance policies, governance, and organization

Our commitment

Jean-Claude Labrune, Chairman and CEO of Cegedim, firmly believes that to ensure sustainable growth and harmonious development, everyone must commit to behaving ethically. Cegedim Group has committed to respecting the ten principles of the UN Global Compact, the principles of the 1948 Universal Declaration of Human Rights, and the International Labor Organization's fundamental conventions. Cegedim complies with business laws and regulations and conducts all its activities honestly and fairly, in accordance with the highest ethical standards.

We apply local laws in all the countries where we operate and have taken steps to ensure that we comply with their requirements, particularly regarding corporate social responsibility. In all our host countries, we respect the principles of the International Labor Organization's conventions (29, 100, 105, 131, 111 & 138). Management applies these principles and the Human Resources department teams enforce them.

6.6.2 | Key performance indicators and results

Number of Ethics Committee meetings	The Ethics Committee	Achieved	Objective
	The Ethics Committee met in October in 2023.	2023 | 2022 1 | 2	Although meeting frequency depends on the topics on the agenda, the aim is to meet at least once every six months.

Number of translations of the Code of Ethics	The Code of Ethics	Achieved	Objective
	The Code of Ethics must be available in all the official languages of the Group's entities.	2023 | 2022 8 | 8	To have translations in all the languages of the countries where we operate, i.e. 100%.

Number of languages available in the Code of Ethics e-learning course	The Code of Ethics e-learning course	Achieved	Objective
	The Code of Ethics e-learning course must be available in all the languages the Code has been translated into.	2023 | 2022 6 | 6	The goal is to offer as many e-learning language options as there are translations of the Code of Ethics.

Success rate of the Code of Ethics e-learning course	The Code of Ethics e-learning course	Achieved	Objective
	The course is divided into a theory section and an assessment quiz with five hypothetical situations. The success rate shown here is the quiz participants' success rate from the launch of the course through December 31, 2023.	see below	The goal is a success rate of over 90%

	2023	2022
German	100%	100%
English	100%	99.5%
Spanish	100%	100%
French	99.4%	99.4%
Dutch	100%	100%
Romanian	98%	99%

6.6.3 | Ethics, preventing and fighting corruption

Our principles

For us, complying with the law goes beyond observing regulatory requirements and avoiding legal sanctions—it is about ethical behavior and concerns all Cegedim Group employees, without exception, wherever they are in the world, and whatever their level in the company. It also concerns the behavior of all corporate officers and members of the executive and management committees of Cegedim Group and its subsidiaries worldwide.

Cegedim has a whistleblowing system to handle these issues. Employees, contractors, and stakeholders can report irregularities in good faith, and their concerns are treated confidentially. The whistleblowing system supplements other existing channels, and whistleblowers can choose which procedure to follow. They can alert Cegedim Group:

- Directly, by reporting the concern to one or several members of the Ethics Committee by email, phone call, letter, or in person;
- Indirectly, by reporting the concern to the moderator, who is responsible for collecting and qualifying all reports of irregularities.

The whistleblowing hotline email address is ethics@cegedim.com.

The Ethics Committee

The Ethics Committee comprises five permanent members who meet as often as necessary:

- The Director of Group Communication and Chairwoman of the Committee;
- The Director of Group Human Resources;
- The Group Chief Financial Officer;
- The Group General Counsel;
- The Head of Group Financial Communication.

In 2023 it met on October 11. It dealt with the one issue reported to the hotline and decided to make the email address easier to find by including it on the “Values” page of the Group website. It received an update on the latest regulatory developments and reviewed the ethics-related topics brought to its attention.

The Code of Ethics

The Group’s Code of Ethics is available in its eight spoken languages: French, English, Spanish, Romanian, Dutch, German, Italian, and Arabic. It is intended to be as educational and pragmatic as possible, giving concrete examples. The Code aims to inform and protect Cegedim’s employees by setting out the Group's ethical standards and related codes of conduct. It reaffirms our ethical commitment and factors in new laws and regulations on business conduct. It is also available to the general public and stakeholders on the Group’s website.

The Code of Ethics is given to all new recruits and signed by them. When it is updated, the latest version is emailed to every employee and a hard copy is sent to Cegedim Group’s Business Directors, Board members, and senior executives, all of whom promote the values and commitments of this Charter among their employees and ensure that they are upheld. An e-learning program was created with specific modules to train employees in the Code of Ethics. The first module, launched in 2019 for employees in France, and in 2020 for employees outside France, covers topics from the Sapin II Act—confidential information and equal treatment of suppliers. All new hires take this e-learning course as part of their onboarding process.

Fighting corruption

We are committed to fighting corruption in all its forms and actively apply the relevant provisions of France’s Sapin II Act. Bribery is forbidden in all the countries where we operate, and extra precaution is used when representatives of public authorities are involved. We have a zero-tolerance policy on corruption, and this includes facilitating payments, i.e. payments made to complete or expedite certain administrative formalities. We regularly organize activities to raise awareness of these issues amongst top management and our teams on the ground. In 2021, the senior management of each entity appointed one or more compliance representatives to lead Group actions at the local level on a day-to-day basis and continue rolling out the scheme. France’s whistleblower protection Law of March 21, 2022, which transposes the EU Directive 2019/1937 of the European Parliament and the Council of October 23, 2019, on the protection of persons who report breaches of Union law, provided the compliance representatives and top management with another opportunity to repeat the message.

Furthermore, in accordance with current regulations—notably the Sapin II Act—the Group Procurement department conducts annual reviews of critical suppliers, which include both central and Group entity suppliers.

Fair trade practice

We place great importance on choosing our suppliers fairly. They must comply with the principles stipulated in our Code of Ethics and Sustainable Purchasing Charter, and make sure they respect the same principles with their own suppliers and subcontractors. If they do not, we reserve the right to re-examine and possibly terminate the relationship, in accordance with the law. We have created an e-learning module on competition law and the fair treatment of third parties in our commercial relationships. These issues are part of the e-learning course developed by our Legal Department and help advance our employee ethics training and awareness raising program.

6.6.4 | Sustainable purchasing

In 2021, we adopted a Sustainable Purchasing Charter that reflects our environmental, social, workforce-related, and ethical commitments. This charter details the minimum standards to which we adhere and which we in turn expect of our commercial partners at every level. These standards are based on international treaties and agreements: the Universal Declaration of Human Rights, and the International Labor Organization Conventions on the Rights of the Child and on the Elimination of All Forms of Discrimination. The Charter explicitly states that we strive for a balanced working relationship with our suppliers. It is appended to all contracts as a complement to the main contractual clauses and is provided to all suppliers and service providers. It is also available on the Group's website. In 2023, we also asked our key suppliers to fill out an ESG self-evaluation form and tell us their carbon footprint.

Alongside our efforts to engage with and evaluate our suppliers, in 2023 we formally documented our Sustainable Purchasing Policy. Combined with the provisions in the Charter, the Policy specifically states our commitments and forms the overall framework for our Purchasing operations.

6.6.5 | Respecting human rights and due diligence

Cegedim Group operates in a variety of countries, but most of its businesses are in Europe, where the risk of human rights violations is lower than in other regions, especially considering the Group mainly provides intellectual services.

Being present in many different countries, we are attentive to local conditions, particularly regarding respect for human rights and corruption. We pay close attention to the reports published by organizations like Transparency International and Human Rights Watch, so we can identify risks and potentially sensitive issues, which are then reviewed as part of our risk management process (see Chapter 7 "Risk Management" of the Universal Registration Document). In every country where we operate, we endeavor to defend and respect local laws, fundamental human rights, and all local charters and policies pertaining to those rights. All Group employees and external stakeholders, including those in the countries most at risk, may use the ethics whistleblowing hotline to confidentially report any irregularities, both inside and outside the company.

6.6.6 | Transparency and fighting tax evasion

Cegedim faithfully reflects its operations in its accounts and communicates independently and in full transparence about its performance. The Group is committed to ensuring the simultaneous, effective, and complete dissemination of financial information that is relevant, accurate, detailed, and truthful in a manner that is timely and consistent with previous publications. We have implemented internal procedures to ensure that we work with clients, partners, and suppliers that are lawful businesses with no financial links to criminal or illegal activities. We also hire a French tax specialist that systematically verifies sensitive operations, and our OECD-compliant price transfer and margin rate policy, to ensure that we respect best practices and current French tax regulations. At December 31, 2023, Cegedim Group does not have any legal entities (companies, subsidiaries, or representative offices) in countries on the list of Non-Cooperative States published by the French Ministry of the Economy, Finances, Action, and Public Accounts.

6.7 | Contributing to regional development

6.7.1 | Key performance indicators and results

Share of French sites outside Paris region	Revitalizing the French territory	Achieved
	With roughly 50 Cegedim sites located in 12 of France's 13 regions, we help boost local employment across a large part the country.	2023 | 2022 80% | 82%
Share of French territory covered by our sales force	**Territory coverage**	**Achieved**
	The Group's sales force covers the whole of metropolitan France and its overseas territories, helping combat medical deserts and maintain the vitality of rural regions.	2023 | 2022 100% | 100%

6.7.2 | Local presence

Local impact

We are present in around a dozen countries, and we take our businesses' local impact into account in the areas of employment and regional development. New employees are typically hired locally, which helps to boost the local economy and involves the Group in local communities. Some of our entities work with local authorities and employment agencies. In addition, Cegedim organizes corporate sponsorships and social initiatives at both its headquarters and all of its French and international sites (see Section "Local involvement and outreach").

Local jobs

Cegedim's compensation policy is fair and equitable, and we aim to pay our employees competitive wages in all the labor markets of the countries where we operate. Employees are typically hired locally, and we make sure that our operations make a positive contribution to the countries where we are present. We also comply with all local legislation, including laws governing compensation, and respect ILO conventions 100 and 131. The Human Resources department ensures that these principles are applied in each country. Our international mobility policy ensures that employees retain their health and personal protection benefits while on assignment abroad and includes the necessary provisions for their return or repatriation.

Subcontracting

In France, subcontracting is regulated by centralized agreements, while in other countries, subcontracting agreements are managed locally. Cegedim also subcontracts part of its activities to its own subsidiaries to ensure that the Group meets its quality and safety standards. For example, some specific IT support or back-office services are provided by its subsidiaries in Morocco and Romania.

Committed to revitalizing regions

Some of the solutions Cegedim offers in France are intended to help solve regional development—or desertification—issues, and digitization is an eco-friendly solution. For example, the following solutions aim to improve coverage in regions where medical personnel are in short supply while also reducing the environmental impact of our clients' business operations:

- Cegedim is the French leader in Sesam-Vitale electronic care sheet transmission tools;
- Maiia develops medical teleconsultation services;
- We are developing strategies for convergent, integrated, European electronic patient records.

According to 2021 data from the regional health agencies in France (ARS), medical deserts are growing and nearly a quarter of French people live in a "Zone d'intervention prioritaire" or area of prime concern, where there is a critical shortage of doctors. A report by the French Senate's Sustainable Development, Spatial and Regional Planning Committee, presented in March 2022, found that over 30% of French people live in medical deserts; 1.6 million forgo healthcare every year; 11% of those over age 17 do not have a registered GP; the number of GPs is dropping; and 45% of GPs are suffering from burnout. Medical density, which varies significantly from one French department to another, is declining in 75% of France's departments, at a time when the country's growing and aging population is compounding the need for healthcare. The Directorate of Research, Studies, Evaluation and Statistics (DREES), a department of France's Ministry of Labor, Health, and Solidarity, published a study in August 2023 confirming that between 2022 and 2023, the number of practicing GPs continued to decline.

In the face of this critical social concern, Cegedim intends to be one of the major players providing suitable, high-quality solutions to national healthcare issues and for the French government's healthcare system reform, dubbed Ma Santé 2022.

6.7.3 | Local involvement and outreach

We encourage giving back to our local communities in all the countries we operate in. Cegedim organizes initiatives at the Group level and at our regional offices and subsidiaries, giving all employees a chance to get involved with their community.

Local outreach

- In 2023, the **Galerie d'Aguesseau**, the **art gallery** in our head office building in Boulogne-Billancourt, exhibited the work of about ten artists, including local artists;
- Cegedim renewed its sponsorship of the **LOU Rugby team** for another three seasons in 2023;
- For several years now, C-Media has been lending its support to the **Paris Fire Brigade** station near its production and shipping site, printing banners for special events free of charge;
- CSC Romania and a local NGO organize charity initiatives for disabled and underprivileged children in Bucharest, including **a Christmas gift drive;**
- We held a **food drive** in our Boulogne-Billancourt offices in November and donated what we collected to a local food bank to help fight food insecurity;
- CSC Romania collaborated with student associations from the Politehnica University of Bucharest and the Agence Universitaire de la Francophonie, and took part in several career fairs where university and high school students met with working professionals to help school leavers and young graduates **get a first job;**
- CSC Romania also **donated IT equipment** to an NGO that employs disadvantaged people trying to re-enter the workforce to repair and recycle the equipment;
- In April 2023, Cegedim Santé partnered with Project Rescue Ocean to organize an afternoon **clean-up of the banks of the Seine River** and raise employee awareness of environmental issues at the Boulogne-Billancourt headquarters;
- Cegedim's Moroccan subsidiaries **donated to people suffering** in the wake of the September 2023 Al Haouz earthquake.

Actions in the health sector

- Since 2016, Cegedim Insurance Solutions has sponsored **"Les Foulées de l'Assurance"**, charitable races (5 and 10 km runs, walks, and virtual options) which raise funds for the **prevention of cardiovascular diseases.** 165 participants from Cegedim took part in 2023;
- In 2022 and 2023, Cegedim supported **Imagine for Margo**, a nonprofit that combats childhood cancers, by covering the subscription fees and €200 participation fees of employees and their family members taking part in its "**End Childhood Cancer**" race;
- Collections were held locally to help underprivileged kids and vulnerable populations. Cegedim Santé led a drive and collected nearly 70 new books and toys, which it donated to kids at the **Necker Children's Hospital** for Christmas 2023;

- Twice a year, HDMP in Belgium sponsors charities like **CliniClowns, bednet, and Kinderkankerfonds** to **help children with chronic diseases**, to entertain them in hospital and allow them to continue their schooling in hospital or at home;
- C-Media also supports a variety of good causes by displaying public service announcements and prevention campaigns on its screens free of charge. Some examples include the French Muscular Dystrophy Association's **Telethon**, **Pink October** (in partnership with **Ruban Rose**), and cancer awareness (with **Gustave Roussy**);
- We held a **blood donation awareness** campaign and a donation drive at our site in Rodez;

- For breast cancer awareness and prevention month, **Pink October**, Cegedim held an employee referral challenge: for each new hire, the company matched the referral bonus with a donation to its longtime partner, Gustave Roussy.

Quality of work life

- During Quality of Work Life Week, in June 2023, the Group organized a company-wide fund raiser for the **Premiers de Cordée** nonprofit. It included an online group contest , individual challenges related to the Quality of Work Life theme, and preventative health webinars, as well as meditation and Pilates classes at its 10 main sites.
- At our Labège, Nantes, and Lyon sites, Cegedim Insurance Solutions supports **three local associations** (ASCALA, ASCAGO, and ASCALP), notably by letting them use its meeting rooms and communication outlets. The associations encourage employees to take part in exercise and cultural activities and organize fun events and sports contests like yoga classes and pétanque competitions.

Purchasing with a purpose

- Since 2023, Cegedim's sites in Boulogne-Billancourt, Labège, and Mérignac have installed coffee machines and served coffee from the **Café Joyeux** company. All profits go towards training and employing persons with disabilities in Joyeux cafes and restaurants.
- In 2023, waste at Cegedim Santé's Boulogne-Billancourt offices was collected by **Les Joyeux Recycleurs**, a social enterprise that has a partnership with the ARES Atelier Association to help the long-term unemployed re-enter the workforce.
- Since 2023, waste collection and treatment services at Cegedim's Boulogne-Billancourt site have been performed by **Cèdre, an inclusive supplier favoring the employment of disabled people,** where persons with disabilities make up more than half of the employees.

In 2023, our contracts with companies helping the disabled and long-term unemployed join the workforce amounted to €50,000.

6.8 | Methodological note

6.8.1 | Scope of consolidation

The information contained in this report concerns the whole of Cegedim Group, i.e. the parent company and all its fully consolidated subsidiaries, unless a different scope is expressly stipulated. In general, the comments are more detailed and the illustrations more numerous for the French companies, which represent 89,7% of total Group revenues. To ensure consistency with the other chapters of the URD, unless otherwise specified, the human resources figures are for all the fully consolidated companies, i.e. 59 companies in 11 countries.

6.8.2 | Methodological information on indicators

Information sources

In order to ensure the consistency and reliability of the indicators monitored in all its entities, the Group has developed shared workforce and environmental reporting tools. They include methodological instructions and definitions to ensure that the questions are clear and the answers comparable.

The human resources figures were collected using the Teams RH database developed by the Group. This database enables workforce data as well as other human resources information to be monitored in each country. It meets the security and confidentiality requirements and is compliant with the data collection and processing laws of each country, which are strictly observed. It is updated daily by the Human Resources teams in the Group's various subsidiaries.

Quantitative data regarding IT infrastructure, servers, and data centers are collected from cegedim.cloud, which compiles them using its monitoring and network management tools.

Data relating to external suppliers are also used, notably reporting from travel agencies relating to CO_2 emissions, and invoices and annual reviews prepared by power, water, and waste management companies, etc.

The qualitative information in this report is based on interviews with managers from the relevant departments, both at the Group's head office and at the subsidiaries (notably the Human Resources, R&D, Information Technology, Finance, Communication, and Administrative departments).

A questionnaire is sent to each country in which the Group operates and completed under the responsibility of the local Financial or HR Director at each of the consolidated subsidiaries. The questionnaire aims to assess how much is known about the Group charters and whether their key measures are applied. It is also used to obtain qualitative feedback from our international subsidiaries on their best practices and initiatives regarding workforce-related, environmental, social, and ethical issues.

Reporting period

The information in this report covers a 12-month period from January to December 2023. The only exceptions are figures that have been extrapolated when the available data did not cover the entire period.

Methodological explanations and limitations

The methods used for some of the indicators may have limitations due to:

- The lack of nationally and/or internationally recognized definitions (for example, for the different types of employment contract);
- The need to use estimates when the data needed for calculations were not available;
- The practical and legal parameters for collecting and entering data.

Where necessary, the reporting scope and completeness of the measurements for some indicators have been adjusted. This is indicated in the report. Notably:

- The information needed to calculate the frequency and severity of work-related accidents could not be collected across the Group. The number of work accidents in France, which represents 62.4% of the workforce, is nonetheless provided;
- The success rate of the Code of Ethics e-learning course is the number of participants who have successfully completed the course, out of the total number of participants. Participants who answered 80% of questions correctly earned a passing grade. The indicator takes into account all participants as of December 31, 2023, including those who took the e-learning course in previous years.

With respect to environmental data, we note the following:

- Data centers' greenhouse gas emissions are calculated based on servers' energy consumption excluding cooling and lighting, using the 2022 emissions factor communicated by EDF for the supply of renewable energy (market-based method);
- The "Increase in the volume of hosted data" and "Increase in number of virtual servers" indicators refer to French operations;
- For its fleet of vehicles, Cegedim's calculations for greenhouse gas emissions include the environmental footprint of all vehicles used in its operations, most of which are leased;

- Average CO_2 indicators refer to the average rate of CO_2 indicated in the vehicle's technical data sheet and not to the number of kilometers driven;
- Greenhouse gas emissions from vehicle usage were calculated based on the number of kilometers driven and the CO_2 per kilometer indicated in the technical data sheet. Because the number of kilometers at end-2022 is unknown, the number of kilometers in 2023 was extrapolated from the total number since entry into service. When the number of kilometers is not recorded, it is calculated based on 10,000 km / year for gasoline-powered vehicles and 15,000 km / year for diesel-powered vehicles;
- Fuel consumption was calculated based on the number of kilometers driven and the fuel economy indicated in the technical data sheet;
- CO_2 emissions from business travel are based on information from the Group's travel agent and only concern the Group's French entities, or 62.4% of the total workforce. In our entities outside France, business travel using transportation other than company vehicles is rare. As a result, such travel does not warrant contracts with travel agencies, so we are unable to collect that data;
- For commuting, emissions are calculated based on the average daily distance traveled and the breakdown of transportation methods in France, factoring in two days a week of working from home. The emissions of our French employees (62.4%) have been extrapolated to our employees abroad;
- Given that in some countries municipal waste collection services do not include weighing and that some of our leases bundle various services, including waste collection, under a price per square meter, we have estimated the tertiary waste generated by the business activities of Cegedim Group sites at 120 kg a year per employee—half of which is paper and cardboard, based on the *Guide Eco-responsable au bureau* (Guide to eco-responsible practices in the workplace) published by ADEME (French Agency for Ecological Transition) in September 2022;
- The type and volume of other waste was determined based on statements provided by our waste collection and treatment providers. Volumes for contracts signed during the year were calculated on a pro rata basis;
- We took the following greenhouse gases into account by converting them into metric tons of CO_2 equivalent (or t CO_2e) depending on their Global Warming Potential: CO_2, CH_4, N_2O, HFC, SF_6, PFC, NF_3, and CFC;
- We calculated the Group's carbon footprint using the ADEME-Association Bilan Carbone (ABC) tool, specifically version v.8.91 of May 2023, following the GHG Protocol rules, and factoring in a confidence level for each category. This tool displays the results in several standard formats, including the GHG Protocol format;
- Emissions factors are taken from the ADEME (French Agency for Ecological Transition) database, except for electricity in France, for which we use the emissions factor communicated by EDF specifically for our guaranteed 100% renewable energy supply contract;
- Water consumption was calculated by extrapolating actual consumption at sites representing 35% of the workforce, based on the observed average of 4.2m^3 per employee.

Whenever possible, the indicators and information in this report were compiled in accordance with Global Reporting Initiative (GRI) guidelines as they appear in the most recent available standards as of October 31, 2023. Use of the GRI framework is indicated by "GRI-XX". All other indicators and information are specific to the Group, either because they deal with topics that only apply to Cegedim or because they are intended to comply with articles L.225-102-1, R225-105, and L. 22-10-36 of the French Commercial Code.

Non-applicable indicators

Given the nature of the Group's business operations, the fight against food insecurity, respect for animal welfare, and ensuring fair, responsible, and sustainable food sources are considered inapplicable.

Consolidation and internal controls

The Human Resources and Performance departments at the head office of the consolidating entity are responsible for consolidating the data. An initial validation of the data is carried out by the persons responsible for collecting it. Those departments then check the data for consistency during the consolidation process. These checks include comparisons with data from previous fiscal years. Any differences considered to be significant are analyzed. Checks also include ratio analysis when data can be related to the workforce, to a business activity, or to another relevant indicator used to compare entities.

External audits

In order to obtain an external opinion on the reliability of the data and the soundness of the reporting process, an independent third party was asked to give a reasoned opinion on this Statement's conformity with the provisions of article R. 225-105 of the French Commercial Code and issue an opinion as to the accuracy of the information provided, i.e. policies, actions, and results, including key performance indicators relating to the main risks. Therefore, the independent third party conducted specific checks regarding the information in this report, such as key indicators used in the Group's Sustainability Report. The independent third party's Assurance Report explaining the verification procedure, together with the auditor's comments and conclusions, are included in this Report and in the Group's Universal Registration Document (URD).

The Statutory Auditors reviewed the consistency of the elements relating to EU Taxonomy.

6.9 | Cross-reference tables DPEF/ GRI/ SDGs

Cross-reference table - Statement of Extra-Financial Performance		
Business and value creation model		
Business model of all consolidated companies of the Cegedim Group		6.1.6. Our business and value creation model
Risks and opportunities		
Main risks and opportunities arising from the Group's activities, including its business relationships, products and services		7. Risk management
Addressing the social and environmental consequences of the Group's actibities		
Main risks from the materiality matrix	**Policies and due diligence procedures**	**Key performance indicators and results**
Attract, train, and retain competent, qualified personnel	6.3.3. Recruiting and retaining talent 6.3.4. Training and upskilling our workforce	Trial periods converted into permanent contracts Confirmed employee referral hires in France Recruiting events in France
Protect stakeholders' data	6.5.5. Securing stakeholders' data	Completion of the security checklist
Secure our infrastructures	6.5.3. Information security system management 6.5.4. Information security system	Completion of the security checklist
Protect our reputation to ensure long-term viability	6.5.6. R&D : aiming for operational excellence through innovation and continuous improvement	R&D effort relative to revenues
Promote ethics	6.6. Expanding our business fairly and ethically	Number of Ethics Committee meetings Number of translations of the Ethics Charter Number of languages available in the Code of Ethics e-learning course Success rate of the Code of Ethics e-learning course
Promote and improve our employees quality of work life	6.3.5. Diversity, inclusion, and equal opportunities 6.3.6. Health, safety, and quality of work life	Workplace gender equality index in France Share of teleworkable jobs in France
Limit our activities' environmental footprint	6.4. Reducing our environmental footprint	Data center greenhouse gas emissions Increase in number of virtual servers Average passenger car fleet CO_2 rate Average utility vehicle fleet CO_2 rate
Work to make a positive impact in our communities	6.7. Contributing to regional development	Share of French sites outside Paris region Share of French territory covered by our sales force
Limit our workplaces' environmental footprint	6.4. Reducing our environmental footprint	GHG emissions (scope 1) Waste generated
Effects of the Group's activities :		
Regarding the respect for human rights	6.6.5. Respecting human rights and due diligence	
Regarding the fight against corruption	6.6.3. Ethics, preventing and fighting corruption	
Regarding the fight against tax evasion	6.6.6. Transparency and fighting tax evasion	
Consequences on climate change	6.4.3. Energy 6.4.6. Our carbon footprint	

Societal commitments in favor of:	
Sustainable development	6.2.3. Summary of Cegedim Group's main CSR challenges and risks
Circular economy	6.4.5. Using less resources : reduce, reuse, recycle
Fight against food waste	*Given the Group's activities, this indicator is deemed not applicable.*
Fight against food insecurity	6.7.3. Local involvment and solidarity
Respect for animal welfare	*Given the Group's activities, this indicator is deemed not applicable.*
Responsible, fair and sustainable food	*Given the Group's activities, this indicator is deemed not applicable.*
Collective bargaining agreements and their impact on the company's economic performance	6.3.9. Social dialogue and collective bargaining agreements
Employee working conditions	6.3.6. Health, safety, and quality of work life
Actions to fight discrimination and promote diversity	6.3.5. Diversity, inclusion and equal opportunity
Actions to strengthen the bond between the Nation and its armed forces, and support reservists	6.3.8. Our workforce in figures
Actions to promote physical activity and sport	6.3.6. Health, safety, and quality of work life
Measures taken in favor of people with disabilities	6.3.5. Diversity, inclusion and equal opportunity

Cross-reference table - GRI		
GRI	Title	Chapter
GRI 2 - General disclosures		
1. The organization and its reporting practices		
2-1	Organizational details	The Big Picture 1.1. Group Structure (URD)
2-2	Entities included in the organization's sustainability reporting	6.8. Methodological note
2-3	Reporting period, frequency and contact point	6.8. Methodological note
2-4	Restatements of information	6.8. Methodological note
2-5	External assurance	6.10. Audit report by an independent third party
2. Activities and workers		
2-6	Activities, value chain and other business relationships	6.1. Cegedim Group's business activities, business model, and value chain
2-7	Employees	6.3. Developing our Human Resources: a pillar of our success
3. Governance		
2-9	Governance structure and composition	2.1. Cegedim's Corporate Governance(URD) 2.2. Executives and supervisory bodies, statutory auditors (URD)
2-10	Nomination and selection of the highest governance body	2.2.3. Board committee operating procedures: The Compensation-Nomination Committee (URD)
2-11	Chair of the highest governance body	2.2.1. The Board of Directors (URD) 2.2.6. Declaration regarding Board members (URD)
2-12	Role of the highest governance body in overseeing the management of impacts	2.2.3. Board committee operating procedures: The CSR Committee (URD)
2-14	Role of the highest governance body in sustainability reporting	2.2.3. Board committee operating procedures: The CSR Committee (URD)
2-15	Conflicts of interest	2.2.6. Declaration regarding Board members - Conflicts of interest in administrative and management bodies (URD)
2-17	Collective knowledge of the highest governance body	2.2.5. Offices and experience (URD)
2-19	Remuneration policies	2.3. Principles governing the compensation of corporate officers (URD)
2-20	Process to determine remuneration	2.2.3. Board committee operating procedures: The Compensation-Nomination Committee (URD)
4. Strategy, policies and practices		
2-26	Mechanisms for seeking advice and raising concerns	6.6.3. Ethics, preventing and fighting corruption
5. Engagement des parties prenantes		
2-29	Approach to stakeholder engagement	6.1.5. Stakeholders
2-30	Collective bargaining agreements	6.3.9. Social dialogue and collective bargaining agreements

GRI 3 - Material topics		
3-1	Process to determine material topics	6.2.2. Materiality matrix
3-2	List of material topics	6.2.3. Summary of Cegedim Group's main CSR challenges and risks
3-32	Management of material topics	6.3. Mobilizing our Human Resources 6.4. Reducing our environmental footprint 6.5. Upholding our reputation for quality and safety 6.6. Expanding our business fairly and ethically 6.7. Contributing to regional development
GRI 201 - Economic Performance		
201-1	Direct economic value generated and distributed	4.2. Consolidated income statements (URD)
201-2	Financial implications and other risks and opportunities due to climate change	7.2.1. Strategic risks (URD)
GRI 302 - Energy		
302-1	Energy consumption within the organization	6.4.3. Energy
GRI 305 - Emissions		
305-1	Direct (Scope 1) GHG emissions	6.4.6. Our carbon footprint
305-2	Energy indirect (Scope 2) GHG emissions	6.4.6. Our carbon footprint
305-3	Other indirect (Scope 3) GHG emissions	6.4.6. Our carbon footprint
305-4	GHG emissions intensity	6.4.6. Our carbon footprint
GRI 306 - Waste		
306-2	Management of significant wasterelated impacts	6.4.5. Using less resources: reduce, reuse, recycle
306-3	Waste generated	6.4.5. Using less resources: reduce, reuse, recycle
GRI 401 - Employment		
401-1	New employee hires and employee turnover	6.3.8. Our workforce in figures
GRI 403 - Health and safety		
403-6	Promotion of worker health	6.3.6. Health, safety, and quality of work life
403-9	Work-related injuries	6.3.8. Our workforce in figures
GRI 404 - Training and education		
404-1	Average hours of training per year per employee	6.3.8. Our workforce in figures
404-2	Programs for upgrading employee skills and transition assistance programs	6.3.4. Training and upskilling our workforce
GRI 405 - Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	6.3.8. Our workforce in figures

Cross-reference table - Sustainable Development Goals			
SDG	**URD chapter**	**SDG**	**URD chapter**
1 NO POVERTY	6.3.3 Recruiting and retaining talent 6.3.4 Training and upskilling our workforce 6.3.7 Compensation and value sharing	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	6.4.7 Green IT : developing more responsible products and services 6.5 Ensuring data quality and safety
2 ZERO HUNGER	6.3.3 Recruiting and retaining talent 6.3.4 Training and upskilling our workforce	10 REDUCED INEQUALITIES	6.3.3 Recruiting and retaining talent 6.3.4 Training and upskilling our workforce 6.3.5 Diversity, inclusion, and equal opportunities 6.3.7 Compensation and value sharing 6.6 Expanding our business fairly and ethically
3 GOOD HEALTH AND WELL-BEING	6.3.6 Health, safety, and quality of work life	11 SUSTAINABLE CITIES AND COMMUNITIES	6.7 Contributing to regional development
4 QUALITY EDUCATION	6.3.4 Training and upskilling our workforce 6.5 Ensuring data quality and safety 6.7 Contributing to regional development	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	6.4.5 Using less resources: reduce, reuse, recycle 6.6 Expanding our business fairly and ethically
5 GENDER EQUALITY	6.3.5 Diversity, inclusion, and equal opportunities 6.6 Expanding our business fairly and ethically	13 CLIMATE ACTION	6.4.3 Energy 6.4.6 Our carbon footprint 6.4.7 Green IT : developing more responsible products and services
6 CLEAN WATER AND SANITATION	6.4.4 Water	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	6.6 Expanding our business fairly and ethically
7 AFFORDABLE AND CLEAN ENERGY	6.4.3 Energy 6.4.7 Green IT : developing more responsible products and services	17 PARTNERSHIPS FOR THE GOALS	6.3 Developing our Human Resources: a pillar of our success 6.7 Contributing to regional development
8 DECENT WORK AND ECONOMIC GROWTH	6.3.3 Recruiting and retaining talent 6.3.4 Training and upskilling our workforce 6.3.7 Compensation and value sharing 6.5 Ensuring data quality and safety 6.7 Contributing to regional development		

6.10 | Audit report by an independent third party

For the year ended December 31, 2023

To the shareholders,

In our capacity as an independent third party, member of the Mazars network, and Cegedim S.A.'s Statutory Auditors accredited by COFRAC, Inspection under number 3-1895 (the list of sites and scope of accreditation are available at www.cofrac.fr), we have conducted work in order to formulate a reasoned opinion expressing a limited assurance conclusion about the historical information (observed or extrapolated) provided in the consolidated Sustainability Report (hereinafter respectively the "Information" and the "Report"), prepared in accordance with the entity's procedures (hereinafter the "Guidelines") for the fiscal year ended December 31, 2023 , presented in the CEGEDIM S.A. management report pursuant to the provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

Based on the procedures we implemented, as described below in the section "Nature and scope of work", and on the information collected, we did not identify any material misstatement that causes us to believe that the Sustainability report is not in accordance with the regulatory provisions nor that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Preparation of the consolidated Sustainability Report

As there is neither a generally accepted and commonly used reference framework, nor a set of established practices for assessing and measuring the Information, we have used different but acceptable measuring methods, that may affect comparisons between entities and over time.

The Information should therefore be read and understood in reference to the Guidelines, the significant elements of which are set out in the Report.

Inherent limitations to preparing the Information

As shown in the Report, information may be subject to inherent uncertainties pertaining to the level of scientific or economic knowledge and the quality of the external data used. Some information can be affected by the choices of methodology, assumptions, and/or estimates used to prepare it and present it in the Report.

The Company's responsibility

The Board of Directors is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Information;
- preparing the Report, in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the principal sustainability risks, a presentation of the policies implemented in respect of those risks, and the outcomes of said policies, including key performance indicators and the information referred to in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation);
- implementing such internal control as it determines is necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

The Report has been prepared in accordance with the aforementioned entity's Guidelines.

The independent third-party auditor's responsibility

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Report with the provisions of Article R 225-105 of the French Commercial Code (*Code de commerce*).
- the truthfulness of the historical information (observed or extrapolated) provided in accordance with Point 3 of Paragraphs I and II of Article R. 225-105 of the French Commercial Code, i.e., the outcomes of the policies, including key performance indicators, and the measures implemented with respect to the principal risks.

As it is our duty to formulate an independent conclusion on the Information as prepared by management, we are not authorized to be involved in preparing this Information, as this could compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions, in particular regarding the information required under Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), the French duty of care law, and anti-corruption and tax evasion legislation;
- the truthfulness of the information provided under Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation);
- the compliance of products and services with applicable regulations.

Regulatory requirements and applicable professional standards

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, with the professional guidelines of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements in lieu of a verification program, and with ISAE 3000 (revised).

Independence and quality control

Our independence is enshrined in the provisions of Article L. 822-11 of the French Commercial Code and in the Code of Ethics (*Code de déontologie*) of French Statutory Auditors. In addition, we have implemented a system of quality control that includes documented policies and procedures designed to ensure compliance with applicable legal and regulatory requirements, ethics rules, and the professional guidelines of the French Institute of Statutory Auditors ("CNCC") for this type of engagement.

Means and resources

Our work was carried out by a team of three people[25] in February and March 2024 and took a total of three weeks.

We conducted about ten interviews with the people responsible for preparing the Report, notably representing the Departments of Sustainable Development, Internal Control, Human Resources, Health and Safety, Environment, and Purchasing.

Nature and scope of work

We planned and performed our work taking into account the risk of material misstatement with regard to the Information.

We believe that the procedures carried out, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities and the description of the main risks;
- we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality, and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Report covers every social and environmental information category required under Article L. 225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax evasion legislation;
- we verified that the Report provides the principal risks required under Article R. 225-105 II and includes, if relevant, an explanation for the absence of the information required under Paragraph 2 of Article L. 225-102-1 III.
- we verified that the Report presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate the risks associated with their business relationships, their products or services, as well as their policies, measures, and the outcomes thereof, including key performance indicators related to the main risks;
- we referred to documentary sources and conducted interviews to:
  - review the process used to select and approve the principal risks, as well as the consistency of the outcomes and the key performance indicators used with respect to the principal risks and policies presented;
  - corroborate the qualitative information (actions and outcomes) that we considered to be the most important presented in Annex 1. Our work concerning all the risks presented in this Report was conducted at the parent company level.
- we verified that the Report covers the scope of consolidation, i.e. all the entities included in the scope of consolidation in accordance with article L. 233-16, within the limits specified in the Report;
- we became acquainted with the internal control and risk management procedures implemented by the entity and assessed the collection process designed to ensure the completeness and truthfulness of all information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important, we implemented and presented in Annex 1:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - substantive tests, using sampling techniques or other selection methods, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out at group level and with a selection of contributing entities and covered between 60% and 100% of the consolidated data relating to these tests;
- we assessed the overall consistency of the Report based on our knowledge of all the consolidated entities.

(25) *Signatory included and participant(s) significantly involved*

The procedures implemented for a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in compliance with the professional guidelines of the French Institute of Statutory Auditors ("CNCC"). A higher level of assurance would have required more extensive verifications.

The independent third-party auditor.
MAZARS SAS

Paris La Défense, April 02, 2024

Emmanuel Thierry
Associé RSE & Développement Durable

Annex 1: Information deemed the most important

Quantitative indicators including key performance indicators

- Workforce;
- Trial periods converted to permanent contracts;
- Confirmed employee referral hires;
- Share of "teleworkable" jobs;
- Average passenger car fleet CO_2 rate;
- Average utility vehicle fleet CO_2 rate;
- Data center GHG emissions in France (teqCO_2);
- Increase in number of virtual servers;
- R&D effort relative to revenues;
- Completion of the security checklist;
- Increase in the volume of hosted data in gigabytes;
- Number of Ethics Committee meetings;
- Success rate of the Code of Ethics e-learning course;
- Share of French territory covered by our sales force.

07

Risk management

7.1 Risk management policy

At Cegedim, we understand that in doing business we face a wide range of ever-evolving risks. We have to take risks to maintain sustained profitability. Our success and that of our partners, depend on identifying and mitigating these risks as early as possible and on seizing the related opportunities. Our risk management framework aims to reduce uncertainty and put us in a position to achieve our ambitions and deliver value to all our stakeholders.

Defining risk

We define risks as possible events that could affect the company's people, assets, environment, objectives, or reputation. Risk stems from the uncertainty regarding the likelihood of such an event occurring and its impact. Uncertainty can result from events around the world, affect industries and markets, and thus have an impact on the organization's aspirations, vision, and forecasts. These uncertainties can also represent opportunities, which the Group will seize and factor into its strategy. In some cases, the organization can influence the likelihood of a risk-related event occurring. In other cases, when such events are beyond the organization's control, it strives to minimize their impact.

Structuring risk management

Cegedim's operations expose it to risks which, if they materialize, could have a negative impact on its business, development, financial discipline, stakeholders, and reputation. We divide them into Strategic risks, which are exogenous, and Business risks detailed in this chapter, which are endogenous. Strategic risks are related to the Group's strategy and are induced by external factors, as well as Financial risks detailed in this chapter, while Business risks include Operational risks internal to the company's activities. Active risk management is essential to Cegedim's success, and we therefore monitor and mitigate the potential impacts of key risks in a structured and proactive manner.

Through our comprehensive risk management policy we identify, assess, and manage every kind of risk. We analyze the causes, consequences, impact, and likelihood of the risks we face and assess the existing risk monitoring system. Senior Management and the Audit and Risk Committee use that analysis to establish priorities based how acceptable they deem each risk to be. Then, we define appropriate action plans to control these risks.

We regularly review the risks Cegedim is exposed to, assess them, and update our risk map. This allows us to identify and rank the major risks specific to Cegedim Group, and describe them in the Universal Registration Document in compliance with AMF guidelines pursuant to Regulation (EU) 2017/1129 of June 14, 2017 on the presentation of risk factors.

Identifying and managing our risks

The Performance department, which is responsible for risks and compliance, maps the risks using a repeatable, comprehensive Group-wide process comprising several stages. Its team:

- Identifies major risks with the business units' and subsidiaries' senior management teams. It then creates a comprehensive synthesis allowing an overview of Group-wide risks that is linked to annual strategic plans and factors in the previous year retroactively, future years proactively, and any expected market developments.
- Catalogues and maps the Group's regulatory, operating, and business-specific risks in detail every year. To do this, it assesses strategic, regulatory, operating, and financial risks with the risk managers and risk sponsors using the criteria explained in this chapter.
- The senior management teams approve and prioritize the results of this exhaustive process. The consolidated overview allows us to describe our principal risks, as we have done below. Risks are assessed based on a two-dimensional heat map rating system that estimates what kind of impact the risk would have, including on financials or reputation, and the likelihood of that risk materializing.
- The most significant risks are reviewed and assessed by the Audit Committee, the CSR Committee and the Board of Directors, and they are also shown a summary of the complete Group-wide risk map as well as the materiality matrix.
- Cegedim's Chief Compliance & Risk Officer is responsible for the process. She also ensures that senior managers promote risk awareness, involvement, and ownership across the Group.
- Climatic risks assessment, required by Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, called Taxonomy Regulation, was implemented for fiscal years 2022 and 2023 and will be included in the annuel process described here.

The Group's risk management is consistent with the framework recommended by the AMF. This section includes a description of the risks adopted for the Group's Statement of Non-Financial Performance, prepared pursuant to Article R.225-105 I ° of the French Commercial Code. These risks are formally identified by a logo with the acronym "SNFP", and the management policies for these risks are described in Chapter 6 of this document.

Assessing and ranking our risks

We use a three-dimensional risk assessment method: a risk heat map with the two axes for impact and likelihood, comprising four levels each, weighted by the level of control provided by the mitigation system we have implemented.

The impact axis (Low, Moderate, High, Critical) reflects the level of severity and nature of the risk consequences, namely whether they are Financial, Operational, Regulatory, Reputational, or Human.

The likelihood axis (Very Rare, Rare, Likely, Very Likely) reflects the probability based on a number of previous events, the likelihood of future occurrences, or the duration of the risk exposure.

The level of control measures the device in place and how action mitigates the potential impact of the risk event and / or reduces the likelihood of it occurring.

As far as climatic risks are concerned, a scenario approach is used as per the TCFD recommendations and the methodology required by Regulation Taxonomy. Requirements from the Corporate Sustainability Reporting Directive (CSRD) are being analyzed and will be integrated into our works along the delivery of the delegated acts annexes as well as EFRAG's norms.

In this section, we present the major and specific risks identified by the Group and rank them according to their level of criticality. The level of criticality is based on their likelihood and potential net negative impact, i.e. their impact after the implementation of control action plans by Cegedim. In each category, only the top three risks are ranked in descending order, from 1 to 3, as the other risks are less critical (-):

Strategic risks

1. The regulatory environment
2. Competition and market consolidation
3. Climate change, natural and public health risks

Operational risks

1. Dependence on IT systems and cybersecurity
2. Data protection
3. Human Resources: attracting, retaining, and developing talent

- Commercial appeal
- Acquisitions, divestments, and investments
- Litigation
- Compliance with national and international tax standards
- Business ethics

Financial risks

1. Goodwill and intangible asset impairment
2. Inflation
3. Interest rates

- Liquidity
- Foreign exchange

Cegedim could also be exposed to other non-specific risks that it is unaware of or does not consider significant at the date of this Universal Registration Document, which could also affect its activities, financial situation, objectives, or reputation.

7.2 | Risk factors

7.2.1 | Strategic risks

STRATEGIC RISKS
The regulatory environment

SNFP

What is the risk?

Cegedim must comply with a multitude of national and international laws as well as more specific regulations. These include product and service certification requirements; data protection and security—notably personal data; competition, anti-bribery, and anti-money laundering laws; Solvency II; intelligence; and economic sanctions.

The Group's businesses are subject to a growing number of regulations, specifically in the healthcare space as well as CSR. Changing regulations and legal decisions could materially and adversely affect our businesses, operations, procedures, and profitability. Such changes may not be anticipated or, where they are anticipated, our assessment of their impact on us and our business may not be accurate.

The regulatory environment governing healthcare—and more specifically health insurance and health data—regularly undergoes large-scale, restrictive changes. For example, the recent strengthening of personal data protection regulations, including the General Data Protection Regulation (GDPR), increases the risks associated with regulatory non-compliance. See Chapter 1, Point 1.2.3 "Data & Marketing" as well as the "Data protection" risk in this chapter.

The dense and rapid evolution of European CSR or ESG regulation as part of the European Green Deal, and particularly the series of delegated regulation (EU) 2021/2139 of 4 June 2021, (UE) 2023/2485 of 27 June 2023 and (UE) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 Taxonomy , Regulation on the publication of sustainability information in the financial services sector (2023/C 211/01), Directive (EU) 2022/2464 on the publication of sustainability information by companies, known as the Corporate Sustainability Reporting Directive (CSRD) and the communication of CSRD standards and European FAQs, with immediate applicability, could increase the risk.

Changes to our regulatory framework could increase the cost of updating or developing a new service, restrict or impede the way we provide our services—including the way we manage our datacenters—or alter customer perceptions of our operations.

A significant majority of Cegedim's revenue is generated from the sale of its products and services to healthcare companies and healthcare professionals. Additionally, through Maiia, Cegedim Santé is entering into new areas such as teleconsultation, where regulatory changes are less predictable. These market segments may be regulated differently in certain countries, and may be subject to political intervention.

How we manage it

- We make sure we comply with applicable laws and regulations in all our markets. See "Business ethics" risk.
- We staff subject-matter experts on our legal and regulatory teams, both locally and at the Group level, and a robust compliance policy.
- Cegedim actively participates in discussions by presenting its positions and solutions to the industry and other stakeholders, be they local decision-makers or lawmakers.
- We ensure that we process personal data honestly, ethically, with integrity, and always in compliance with applicable laws and our values. See "Data protection" and "Business ethics" risk.
- Our activities, products, and solutions are certified to ensure they respect standards and quality in execution (for more detail, see Chapter 6 "SNFP").
- Our awareness program trains employees in all aspects of good business conduct through a special training program. This program helps spread our ethical culture across the organization in order to ensure employees understand their role related compliance.

STRATEGIC RISKS
Competition and market consolidation

What is the risk?

The markets Cegedim operates in are sensitive to factors such as regulatory changes and technology or business model disruptions. There is no assurance that our current or future competitors will not provide services that are superior to ours or at lower prices, adapt more quickly to evolving industry trends and customer needs or changing market requirements, enter markets in which we operate, or introduce competing services. Any of these factors could increase or introduce churn, or reduce our business market share or revenue.

Consolidation among competitors and customers has the potential to make the market more stable. That could increase our competitors' and customers' financial strength and bargaining power.

Lastly, although digitalization is a key growth lever for the Group, it might cause market disruptions or business model changes in all Cegedim's business activities. The developments in the teleconsultation markets are an illustration of this.

How we manage it

- We monitor the competitive landscape in all markets to assess risks.
- We continuously invest in innovation to ensure that our product portfolio contains the latest concepts and applications.
- We boost our ability to adapt to market changes through our diverse range of business activities, extensive technology portfolio, and openness to innovation.
- We select and invest in new technologies at all times. However, as with any company, Cegedim has limited resources, so we choose the technologies we believe provide the best potential for our customers.

STRATEGIC RISKS
Climate change, natural and public health risks

DPEF

What is the risk?

Environmental risks—particularly effects of climate change—may negatively affect the Group's businesses. The Group may not fully anticipate these risks, and it may lack resilience or fail to act when they occur.

The Group may have difficulty securing supplies and obtaining the equipment it needs to operate, and its clients may face similar challenges —increasingly unpredictable weather events may disrupt supply chains; prices may rise; and raw materials may be lacking, particularly for IT equipment.

Premises, equipment and employees could suffer from the materialisation of increased natural risks due to climate change, such as drought, heat waves, floods or other extreme weather events.

Furthermore, climate change or natural disasters may severely undermine social stability in certain countries.

Efforts to fight climate change with stricter regulations and environmental standards may affect our businesses with respect to production costs and operational flexibility. In addition, many climate change regulations—namely the European Green Deal's Fit for 55 package—are still in the draft stages, which means the Group can only make the necessary adjustments by installments as the regulations come into force.

Public health crises, which may or may not be linked to climate change, could affect the business activities of the Group and its clients. For example, in 2020 and 2021, Cegedim's activities were affected by the Covid-19 worldwide pandemic and its repercussions.

How we manage it

- We have carried out an analysis of the climate risks to which the Group is exposed, both through its activities and its multiple geographical locations, reported in the context of the application of Regulation Taxonomy (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and the continuous effort will be pursued in 2023. Cegedim will be subject to Directive (EU) 2022/2464 Corporate Sustainability Reporting Directive (CSRD), and is already preparing for the implementation of a carbon neutral path as required by regulation and climate challenges.
- We measure our greenhouse gas footprint mainly in terms of the electricity we need to run our businesses efficiently. As a service provider, Cegedim's activities are office-based. Our CO2 emissions are typical for office-based activities. Moreover, Cegedim's activities are not subject to carbon emissions trading regulations.
- Our Scope 1 CO2 emissions are principally generated by company cars. Our Scope 2 emissions are principally generated by energy consumption, and our Scope 3 emissions, by business travel.

- We own our own datacenters in France account for a significant share of the Group's electricity consumption. Since 2018, Cegedim has been able to measure its datacenters' carbon footprint, which it monitors and manages as part of an effort to continuously improve its energy efficiency.
- We demonstrated in 2020 and 2021, a good resilience to the severe economic disruption caused by the major global health crisis. The Group's activities have been little impacted in 2022.
- We have carried out a postmortem analysis in the aftermath of the Covid-19 pandemic—and its impact on the European economy—learning source for the Group which keeps vigilant as to possible similar events arising.
- Cegedim maintains and monitors and ensures its business continuity plans, by pursuing a nimble management style amidst uncertainty and rapidly evolving circumstances.Cegedim supports its clients, partners and employees, taking care to protect the health and safety of its employees by rigorously implementing all the recommendations of local authorities and the World Health Organization (partially suspending operations, allowing widespread work-from-home, working in shifts, etc.);
- Lastly, Cegedim created an ESG Committee in late 2021 to oversee regulatory watch, apply the double materiality principles of its Group-wide risk impact analysis, implement ESG indicators and policies, and ensure that ESG subjects are factored into Group strategy. Since 2022, this Committee is declined into operational CSR Clubs, involving the Group's various functions and activities, in order to accelerate the deployment of its CSR roadmap and its alignment strategy for the 2030 and 2050 deadlines.

7.2.2 | Business risks

7.2.2.1 | Operational risks

OPERATIONAL RISKS
Dependence on IT systems and cybersecurity

SNFP

What is the risk?

The Group operates complex IT systems and infrastructures that are essential to the smooth running of its operational, commercial, and financial processes. These information systems include management, development, and engineering systems, as well as platforms operated on behalf of its customers and datacenters that must be protected against malfunctions, malicious acts, human error, or cyberattack.

A disruption of our systems, networks, and infrastructure may prevent us from maintaining our quality of service; impact our activities, software, and web services; or lead to the unauthorized interception, destruction, use, or dissemination of our data or customer information, with the resulting chain of potential repercussions. Such disruption or unauthorized access to data and information could cause us to lose customers or revenue, incur expenses, and also damage our reputation. It could also expose us to lawsuits, investigations, or sanctions. The costs of such events may include liability for information loss, the costs of repairs to infrastructure and systems, and any retention incentives offered to customers and business partners. Our insurance may not cover, or fully reimburse us for these costs and losses.

If our networks or key network components fail, it could, in some circumstances, result in a loss of service for our customers for certain periods and have an adverse effect on our results and our financial position.

How we manage it

- We aim to provide a secure digital framework for our customers: the Group and its entities have business continuity and disaster recovery plans so they can respond to incidents quickly and continue to perform critical activities, both internally and externally.
- We strive to strengthen the security of the Group's infrastructure, software and services, websites, and networks. We constantly monitor and manage our infrastructure. We perform IT and security audits to assess whether the level of security is adequate; they provide a good overview of our IT systems' reliability. We regularly conduct awareness-raising campaigns. Lastly, we carry out simulation exercises and tests on how to recover Group IT systems after a hypothetical cyberattack, and have designed a plan to recover data as efficiently as possible.

- Our quality approach relies on several international standards, like ISO 27001, the information security standard and ISO 20000/ ITIL, the IT service management standard. The following companies and activities earned certifications:
  - ISO 27001, ISO 20000, ISO 27017, and ISO 27018 for Cegedim.cloud's hosting and managed services at the datacenters based in France,
  - ISO 27001 and ISO 20000 for Cegedim Activ's SaaS, managed services, and technical hosting activities (France),
  - ISO 27001 for pharmacy IT supply, support, and maintenance services and Cyber Essentials+ at Cegedim Rx (UK);
  - ISO 27001 for healthcare industry IT supply, support, and maintenance services and Cyber Essentials+ at INPS (UK).
  - ISO 13485 in the "research and development, design, and manufacturing of medication prescribing and dispensing software" category for the implementation of the Claude Bernard database's Quality Management System at RESIP (France).
- Cegedim has also obtained the following accreditations and certifications to host personal health records:
  - HDS certification—certified to host personal health records in France. Cegedim.cloud is certified to host personal health records in France (HDS certification). The certification covers "Physical Infrastructure Hosting" and "Managed Hosting" activities, i.e. all activities 1 through 6 of the HDS reference guide.
  - In France, RESIP's Claude Bernard database is accredited by the Haute Autorité de Santé (HAS), France's national authority for health, and has received CE Marking approval for Class 1 medical devices.
- Cegedim has also taken out an insurance policy with a company known to be solvent for "intangible computer damage" that covers operating losses and computer data resulting from an insured event. Cegedim also has insurance specifically covering cyber risks.

OPERATIONAL RISKS
Data protection

SNFP

What is the risk?

We operate datacenters and collect and manage data in our business and on behalf of our customers (including sensitive health information). Cegedim or its partners may be subject to software, equipment, or other system malfunctions, or thefts or other unlawful acts that result in unauthorized access to data, or the change, loss, or destruction of our data. There is a risk that such malfunctions or unlawful acts may compromise the privacy of individuals, including our customers, employees, and suppliers.

Despite our best efforts to implement controls in our operations and at our partners' operations, unauthorized access to data could lead to data being lost, compromised, or used for inappropriate purposes. This could in turn result in financial loss (loss of customers or damage to our ability to attract new ones), harm our reputation and brand, expose us to claims of damages by customers and employees, and impact our customers' ability to maintain normal business operations and deliver critical services.

Lastly, the General Data Protection Regulation (GDPR) gives the frame for handling of personal data, and failure to comply may result in substantial fines.

How we manage it

- We have certifications and high quality standards, and are notably certified to host personal health records (HDS certification) in France.
- We constantly increase IT security and step up employee awareness initiatives by implementing a large number of control and protection measures, establishing processes and procedures, and developing targeted IT security systems. For more details, see "Dependence on IT systems and Cybersecurity" risk.
- We have rolled out the requisite governance and organization systems to ensure GDPR compliance, which are supervised by the Legal Department in very close collaboration with the IS Security Department.
- We have created a network of Data Protection Officers (DPOs) across all the Group entities that is coordinated by the Legal Department, as well as a network of Security officers coordinated and animated by the IS Security Department.
- We train all our employees (mostly via e-learning courses) as part of their onboarding process and continuing education programs.
- We provide data protection advice and expertise, legal watch, newsletters, etc. through our DPOs, security representatives, and Legal Department.

OPERATIONAL RISKS
Human Resources: attracting, retaining, and developing talent

SNFP

What is the risk?

The Group may be unable to identify, attract, motivate, or retain staff, or be able to nurture their skills. This would mean a loss of know-how and agility among its teams, as well as difficulties supporting business growth with the appropriate human resources.

Cegedim must be able to recruit skilled, motivated employees in a timely manner and safeguard the availability of competent managers to achieve its strategic and operational objectives.

It may be difficult to hire or to fill vacancies with qualified personnel in certain specialty fields. This in turn leads to risks such as a lack of knowledge transfer. At the same time, Cegedim has a relatively high annual need for new employees. This talent market tension is heightened by the Group's need for scarce or cutting-edge skills (e.g. software programmers, digital jobs), and by changes in the aspirations of new generations.

How we manage it

- Our employees are our most valuable asset. As an international technology company, we need loyal, highly qualified employees around the world—now and in the future. We mitigate these risks by developing an active human resources management policy that makes our jobs more attractive, fosters employee integration, and develops talent.
- Our new hires create diversity in the workforce, which can lead to more creativity and productivity if there is an extensive transfer of knowledge and good management of their multiple skills and profiles. Young employees bring new ideas and concepts into the working routine. Older employees have varied and extensive experience and pass on their knowledge to new groups of employees. In addition, in mixed teams, new perspectives and viewpoints contribute to the solution-finding process. In the long term, and in an appropriate corporate culture, we are targeting a positive impact on Cegedim Group's innovation capacity and performance.
- We aim to attract and retain key employees through both salary and non-salary policies. Our compensation and benefits program is designed to support our high-performance culture and is both market-driven and performance-based.
- We implement targeted retention solutions for employees with talents that are scarce in the marketplace where required. We also have a succession planning process to identify and develop employees for key management positions. Additionally, we strive to continuously bolster our employee engagement and developed our cooptation program.
- The Group has also established an ambitious skills development policy that facilitates dynamic career management. For this purpose, it has developed shared processes and tools so all affiliates can optimize their skills and performance assessments, take concrete steps to detect employees with potential, and encourage internal mobility. Lastly, Cegedim facilitates working from home and encourages quality of work initiatives and modern workspaces.

OPERATIONAL RISKS
Attractive offerings

SNFP

What is the risk?

We operate across markets that are at different stages of market development and which have different levels of attractiveness. Our Company must be sufficiently agile to develop and deliver products and services that meet local market needs, or we risk ceding advantage to our competitors and failing to meet our growth, profitability, and revenue targets.

If we are not flexible, agile, or innovative enough to adapt to our clients' needs, they may choose not to renew contracts, or seek price reductions, all of which may negatively impact our ability to maintain or increase margins and cash flow.

How we manage it

- In 2023, Cegedim spent around 14.9% of its revenue on payroll expenses for the R&D workforce.
- We invest in SaaS platforms for our existing businesses and in new digital services.
- We regularly enrich and improve our offering to avoid commoditization.
- Whenever possible, we group our products and services into a single platform to help improve visibility, customer satisfaction, and operating efficiency.
- We acquire companies that have a strong cultural fit with our strategy and service model and assist our growth.
- We exit businesses that are unprofitable and / or non-core, e.g. Pulse in 2019 and Cegelease in 2018.

- We make targeted investments in innovation to back high value-added novel concepts that help us meet market and regulatory needs and prevent commoditization.
- We reorganize our sales teams to clarify our brands and provide our clients with better quality services.
- We bring together businesses with strong complementarities and synergies in order to pool expertise and contribute to innovation in an agile organization promoting entrepreneurship and offering a global approach to clients (creation of Cegedim Santé in 2021 and Cegedim Business Services in 2023).

OPERATIONAL RISKS
Acquisitions, divestments and investments

What is the risk?

The Group may develop strategic alliances and sell businesses to optimize its strategy.

Acquisitions involve risks related to the selection and valuation of the potential target as well as the acquisition process itself.

In addition, integrating newly acquired businesses can be a complex and demanding process. Sometimes, we may not be successful in finding synergies and transforming the company. We may fail to effectively integrate key services, technologies, or personnel; or to comply with regulatory standards; and we may not be able to incorporate the companies we acquire into our business or service offerings. Our alliances may not be successful. All of these things can adversely affect our growth, profitability, and cash flow.

The financial performance of the acquired companies might not be in line with the assumptions upon which their valuation and the investment decision were based. Significant variance could lead to the impairment of goodwill and other intangible assets, thereby negatively impacting Cegedim's results and balance sheet.

Some areas of our businesses are subject to rapid shifts in technologies, consumer practices, and customer demands. It is possible that we may misforecast consumer demands or underestimate the risk presented by competing technologies. This could result in higher valuations for the companies we acquire or in missed opportunities. We may also be unable to complete certain divestitures on satisfactory terms, if at all. For more information, see Chapter 3, Section 3.3.1 "Financial Investments".

Lastly, changing regulatory environments and international contexts may lead to sanctions or embargoes, which could compromise an operation or lead to an inaccurate estimate of the risks related to these criteria.

How we manage it

- We conduct audits and due diligence before contemplating any acquisition, by the Group's management, FInance and Investment Department, and Legal Department in order to analyze the target company's fundamentals and assess the risks involved. Furthermore, we employ specialized advisers when needed. For larger acquisitions and demergers, the Group establishes a dedicated project team. Due to the applicable regulations, these due diligence procedures are more limited when the target company is listed.
- We also conduct a review at each key stage of the acquisition process to confirm that it is in Cegedim's interest and set the conditions and parameters to ensure a successful outcome. The Group may use deferred consideration to mitigate deal risk.
- We carry out annual impairment tests on acquired goodwill, once the acquisition is done. For more detail, see "Goodwill impairment" risk.

OPERATIONAL RISKS
Litigation

What is the risk?

Cegedim's business operations are affected by numerous laws and regulations; by commercial and financial agreements with customers, suppliers, and other counterparties; and by licenses, patents, and other intangible and intellectual property rights.

As a result, we are subject to legal proceedings, investigations, and legal compliance risks. Major litigation of any type could adversely impact the Group's financial position (in the event of sanctions or damages), image and reputation (unfavorable media coverage and / or social media posts), which may result in loss of revenue.

Cegedim is involved in some disputes related to the normal conduct of business. To the best of the Company's knowledge, as of this document's publication date, no litigation is sufficiently important to have a significant impact on the Company's financial situation or profitability.

How we manage it

- We identify all significant litigations and legal risks for each of the Group's companies (types, amounts involved, proceedings, levels of risk). Our Legal Department tracks and monitors these on a regular basis to ensure that they match the Group Finance Department's information. It reports back to the Executive Board, the Audit Committee, and the Statutory Auditors twice a year.
- Our legal policy aims at preventing disputes or limit their impact, including means as follows:
  - We systematically seek alternative dispute resolution mechanisms, such as mediation and transaction.
  - We have implemented preventive measures: our marketing and operational teams are made aware of legal issues on an ongoing basis, model agreements are made available to them, and the legal teams are involved right from the very early stages of projects;
  - Our legal teams provide Senior Management with a weekly report.
- We set aside adequate provisions where necessary to cover risks on general or specific disputes to which the Group could be exposed.
- We have implemented a Group policy to prevent the risk of non-compliance arising from being unaware of legislative or regulatory changes, we have a regulatory intelligence service that our subsidiaries can turn to for advice on laws and regulations—particularly compliance—and we provide support with drawing up contracts.

See also Chapter 3, Section 3.1 “Activity report”, Point entitled “Financial year highlights”.

OPERATIONAL RISKS
Compliance with national and international tax standards

SNFP

What is the risk?

The Company operates across many different tax jurisdictions and is subject to periodic tax audits which sometimes challenge the basis on which local tax has been calculated or withheld. Successful tax reassessments by local tax authorities may have an adverse impact on profitability and cash flow.

Non-compliance with the national tax laws and international standards applicable to Group entities may lead to tax investigations and disputes arising out of the normal course of business.

How we manage it

- We strongly commit, as a responsible corporate citizen, to complying with—and ensuring that all Group entities worldwide comply with—applicable national tax laws and international standards. Cegedim is also committed to ensuring that all Group entities pay all the taxes due in each of the countries where they operate.
- We may enlist when necessary the help of well-regarded tax advisers for specific, particularly complex topics.
- We actively monitor regulatory changes in all of national and international fiscal norms.
- We provide transparent and detailed information on any ongoing tax disputes. For more information, see the key events reported in chapters 3 and 4.

OPERATIONAL RISKS
Business ethics

SNFP

What is the risk?

Cegedim's businesses cover a variety of sectors, and it is present in more than ten countries where anti-bribery laws may apply with extraterritorial effect. Examples include the Bribery Act in the UK, the Sapin II law in France, and FCPA in the US. Failure to comply with the laws and regulations applicable to ethical business conduct and, in particular, the fight against corruption and influence peddling, may have serious legal and financial consequences for the Group and severely damage its reputation.

The Group may fail to comply with rules of ethical business conduct (particularly anti-corruption and influence peddling). See also Chapter 6 “SNFP” of this document.

How we manage it

- Our Legal, IS Security, and Internal Control Departments conduct regulatory watch, and we also disseminate information about developments and changes, good practices, and obligations via our community of business ethics representatives. Thematic periodical newsletters are also issued to top managers as well as representatives.

- Our Code of Ethics accounts for recent legislative and regulatory changes, especially those stemming from France's Sapin II law and its provisions on whistleblower protection. It is circulated to all employees and includes a statement from the Chairman and recommendations from the Ethics Committee. It is available on our website and has been translated into all the languages spoken within the Group.
- We involve the Group Legal Department in all acquisitions, including advising on risk and regulatory issues.
- Our Ethics Committee meets at least twice a year and actively reviews all ethical issues.
- We append the Code of Ethics to all employment contracts. It must be signed by all employees, who must also take an e-learning course designed to foster an ethical culture and behaviors, and in particular the fight against corruption.
- We have a zero-tolerance policy on bribery and corruption, including facilitation payments.
- We support fair competition, and the Group forbids discussions or agreements with competitors concerning pricing or market sharing.
- We map and assess the risks of corruption and influence peddling. Our Sapin II risks map covers all Group activities and has helped us develop appropriate action plans. The results of the mapping process and a progress report on action plans are presented annually to Senior Management, the Audit Committee, and the ESG Committee by the Group Chief Compliance and Risk Officer.
- We have set up an enhanced whistleblowing procedure that can be used to report wrongdoing, and notably any breach of the Code of Ethics.
- We have a responsible purchasing charter that we share widely in-house and with our suppliers. It is also available on our website.

7.2.2.2 | Financial risks

FINANCIAL RISKS
Goodwill impairment

What is the risk?

The Group's main activities are in the services sector and require few tangible assets. In external growth operations, a significant portion of acquisition prices are recorded as goodwill, which notably includes the parts of a business' value that cannot be assigned, and whose valuation relies on appraisals and forecasts.

Goodwill represented 21.6% of total assets at December 31, 2023, compared with 22.3% in 2022.

Goodwill is not amortized. It is subject to impairment tests to determine if a reduction in value might have occurred. These impairment tests are carried out on cash-generating units (CGUs), which are identifiable groups of assets operating in synergy in the same sector of activity. These CGUs include not only goodwill but also all the operating assets required to conduct business in the CGU. The tests are designed to ensure that future cash flows more than cover all the assets tested.

An unfavorable change in the business forecasts and assumptions used to project cash flows could result in the recognition of impairment charges, which are first charged against goodwill. These charges could have significant impacts on the Group's results.

A significant portion of the acquisition prices of past and future acquisitions has been and may continue to be allocated to goodwill.

How we manage it

- Every year, or more frequently if necessary, we verify the value of goodwill and assets required to operate our CGUs;
- If there is any indication of impairment or a significant revision to business plans, impairment tests are updated;
- We supplement these tests with sensitivity analyses, the parameters of which are defined on the basis of the likely risks to which the Group is exposed, particularly with regard to the realisation of business plans.

For more information, please see Chapter 4 "Consolidated financial statements", Section 4.6 "Notes to the consolidated financial statements", Notes 7.3 "Other non-recurring operating income and expenses" ; and the Statutory Auditor's Report on the consolidated financial statements in Chapter 4, Section 4.7.

FINANCIAL RISKS
Impairment of intangible assets

What is the risk?

Cegedim Group's business requires it to regularly launch innovative products at the cutting edge of technology. The Group designs all of the products it markets, which are capitalized as intangible assets (chiefly software), and every year invests significant sums in research and development.

Intangible fixed assets represented 21.0% of the total balance sheet at December 31, 2023, compared with 21.1% in 2022.

These intangible assets are amortized from the time the product is launched and over the foreseeable duration of their commercial life.

An unfavorable change in our business forecasts and assumptions for these products may cause us to accelerate our initial amortization schedule or recognize impairment for technologies that become obsolete sooner than expected. The accelerated amortization or impairment could have a significant impact on the Group's results.

How we manage it

- Every year, or more frequently if necessary, we make sure the value of Cegedim Group's R&D assets is justified with regards to expected cash flow over the likely commercial life of the products;
- Every year we review the length of the amortization schedules in order to align them with the expected commercial horizon, if necessary, and ensure an appropriate pace of obsolescence.

For more information, please see in Chapter 4 "Consolidated financial statements", Section 4.6 "Notes to the consolidated financial statements", Notes 7.3 "Other non-recurring operating income and expenses" and 10.2 "Intangible assets" as well as Chapter 3 "Overview of the financial year", section 3.2 "FY 2023 business review".

FINANCIAL RISKS
Inflation

What is the risk?

The beginning of 2021 was marked by the return of high inflation, which amplified in 2022 and grew at a slower pace in 2023. Central banks see the surge as temporary, but are unable to say how long "temporary" might be. This situation is largely due to the strong economic recovery at the end of the Covid-19 health crisis and to economic tensions caused by the war in Ukraine, in particular its impact on the cost of energy.

According to the European Central Bank (ECB), inflation should decelerate over the next few years, but at a slower pace than in 2023. Thanks to the easing of cost pressures and the effects of the ECB's monetary policy, headline inflation should fall from 5.4% in 2023 to 2.3% in 2024, 2.0% in 2025 and 1.9% in 2026.

At the same time, employees are in their best bargaining position in a while owing to a tight labor market, with a historically relatively low unemployment rate and recruiting challenges for highly sought-after profiles.

The Group may not be able to pass on increased production costs—which by definition are mostly linked to labor and energy costs—to its clients, resulting in a lower margin. The Group may also lose clients or have difficulty increasing its market share if it significantly increases its prices to offset higher production costs.

How we manage it

- In 2022, we felt the inflationary pressure especially in our wage costs, but were unable to pass it on fully to our sales prices. In France, which contributes 89.5% of consolidated revenue and as such is the Group's primary market, most of our service contracts are, at the very least, indexed to the Syntec index. However, in 2022, the average inflation rate was 5.2% (source: Insee), yet the Syntec index at the beginning of the financial year was fixed at less than 1%, which significantly distorted our margins. Inflationary pressure continued in 2023, with average inflation at 4.9% (source: Insee). However, the pressure on labour costs was better reflected in selling prices. The Syntec index began to catch up with inflation over the months, reaching almost 4% at the beginning of 2023, making it possible to carry out a number of contractual price revaluations. We also renegotiate our rates with clients whenever the opportunity arises and apply moderate, but justified price increases, which may be higher than the Syntec index if the contract states that the indexing merely constitutes a floor.
- Electricity is the Group's main energy source. In France, the Group had a fixed-rate electricity supply contract for the period 2020-23, which means it had not really been affected by recent market tensions. The negotiation of new tariff conditions applicable from 2024 results in a significant increase, partly dependent on variable parameters, which has been taken into account in the budgets and business plans on the basis of estimates that may be imperfect.

FINANCIAL RISKS
Interest rates

What is the risk?

Interest-rate risk refers to the adverse effects of changes in interest rates on the Group's income.

The Group's exposure to interest rate risk may be assessed on the basis of the amount of its consolidated net financial debt, which totaled €145 million at December 31, 2023, compared with €137 million euros at December 31, 2022. Seventy-five percent of the Group's financial debt is fixed-rate external financing (Euro PP) and matures on October 8, 2025. Consequently, only its shareholder loan—25% of debt at December 31, 2023—is exposed to interest rate risks. The share of variable rate debt could increase if the Group draws on its RCF or overdraft facility.

An analysis of borrowings by maturity and type of rate is presented in Chapter 3, Section 3.2.2.2. "Comments on net financial debt at December 31, 2023", and in Chapter 4, Section 4.6, Note 11 "Financing and financial instruments".

As well as increasing the cost of debt, rising interest rates could impact the discount rates used to assess certain balance sheet items. In particular, an interest rate hike would automatically result in a reduction in the Group's commitment to retirement benefits (with an actuarial gain recorded in consolidated shareholders' equity and no immediate impact on results). Conversely, an interest hike would automatically be reflected in the discount rate applied to impairment tests, decreasing the discounted flows of the business plans and therefore reducing the recoverable value of the assets tested. The intangible assets in the balance sheet (goodwill, development costs, and software) and the assets required to operate the CGUs might no longer be completely covered and require depreciation (see " Goodwill impairment" above).

How we manage it

- Our financial debt is incurred at the parent company level—Cegedim SA—and passed on to subsidiaries in need for cash through internal loans or capital injections. As much as possible, Cegedim Group's available cash is pooled and invested centrally by Cegedim SA;
- Our financial policy is designed to limit Cegedim's interest rate risk by focusing on fixed-rate funding for a significant portion of its financial debt. In addition, derivatives, such as interest-rate swap agreements, can be used to manage interest rate risk by changing the interest from floating to fixed. This was not deemed necessary for the financing currently in place;
- We made a conscious decision to take out part of the loans at a variable interest rate in order to profit from the low euro interest rate environment. The RCF, which is undrawn as of the closing date, and the shareholder loan are at floating interest rates. As of December 31, 2023, the Group does not have a hedging strategy in place. We may review this position in the future if need be;
- A rise or fall of 50 basis points in interest rates would result in an increase or decrease of €0.2 million in the cost of net financial debt over 12 months, based on an unchanged financing structure (undrawn RCF);
- We use sensitivity tests to assess the impact of interest rate variations on the valuation of Group commitments or assets. The sensitivity tests we conducted at the close of the 2023 financial year showed that the impact of a rise or fall of 50 basis points in interest rates on impairment calculations would not lead to depreciation. However, the €8 million actuarial gain recorded at the close of the 2022 financial year regarding retirement benefits has been reversed to the extent of €2 million at the close of the 2023 financial year as a result of the fall in interest rates. It may continue to need to be adjusted in whole or in part in the future, or even become unfavourable in the event of a reversal in interest rates (with an impact on equity but no impact on results).

FINANCIAL RISKS
Liquidity

What is the risk?

The Group's liquidity risk corresponds to the risk that it will be unable to use its financial resources to meet its financial commitments and thus ensure business continuity. It depends on the Group's level of exposure to market trends likely to induce higher credit costs or temporarily restrict access to external sources of funding.

How we manage it

- We closely monitor and periodically assess the liquidity risk for the Group and each of its subsidiaries, based on financial reporting. Cegedim tries to anticipate its cash needs by ensuring that these are covered over the short and long term by its financial resources, cash flow, equity, and external funds.
- Our financing policy is geared towards optimizing the Group's maturity schedule and cost of debt in order to manage the liquidity risk that may arise when its financial liabilities fall due. Cegedim also seeks to diversify sources of funding and limit reliance on individual lenders. We also pay special attention to our bank counterparties' exposure to financial and sovereign credit risks, and to their credit ratings, which must always be in the top-level categories.

- The Group has a €135 million Euro PP, a €65 million RCF, a €45 million shareholder loan, and €24 million of overdraft facilities. As of December 31, 2023, Cegedim's RCF and overdraft were undrawn. See Chapter 4, Section 4.6, Note 11 "Financing and financial instruments" for details on debt structure and breakdown by maturities, and Chapter 3, Section 3.7 "Major contracts".
- The Euro PP and RCF are:
  - governed by the standard commitment and default clauses customarily included in this type of agreement: pari passu ranking and a negative pledge clause that limits the security that can be granted to other lenders;
  - subject to financial ratio covenants. Compliance with these financial covenants is measured by referring to our consolidated accounts which are balanced half yearly according to IFRS standards. The Group must ensure that, for any relevant 12-month period until the end of the loan period, its leverage ratio is less than 2.50 and its interest cover ratio is greater than 4.50. For the purposes of the calculation, net financial debt does not include employee profit sharing liabilities or the shareholder loan. The net debt to EBITDA ratio came to 1.04 (1.09 in December 2022) and the EBITDA to interest expense ratio came to 16.61 (14.68 in December 2022);
  - subject to a dividends clause limiting its distribution to a maximum of 50% of the consolidated net income if the leverage ratio is lower than 1.00 and to a maximum of 30% if the leverage ratio is greater than 1.00 and less than 2.50;
  - subject to an acquisition clause limiting the aggregated enterprise value of all acquisitions made or to be made during a financial year to a maximum of €50 million if the leverage ratio is higher than 2.00. If the ratio is lower than 2.00, the enterprise value of the acquisitions is not capped;
- We complied with all these covenants as of December 31, 2023, and there is no foreseeable risk of default. The Group has also ensured that it will continue to comply with its covenants following the acquisition of the Visiodent Group in February 2024 ;
- The Group's exposure to liquidity risk can also be assessed in relation to the amount of its gross short-term borrowings excluding derivatives, i.e. €3.0 million, which is entirely covered by the balance of €46.6 million in cash and cash equivalents at December 31, 2023.
- In view of the forthcoming maturities of its financial commitments, the Group initiated a dialogue with its financial partners at the end of 2023 and will work to secure the refinancing of its positions as soon as the annual accounts are closed. The aim is to fix the terms of its future commitments well in advance of maturity, so as to be able to renegotiate the terms without time pressure and with sufficient flexibility to mitigate any macroeconomic or geopolitical uncertainties as far as possible;
- In view of its available cash, confirmed credit lines not drawn at the reporting date, and funding, Cegedim has sufficient financial resources to honor its commitments for the next 12 months.

FINANCIAL RISKS
Exchange rates

What is the risk?

The expansion of our international business entails currency risks for activities conducted by Cegedim subsidiaries outside the euro zone. However, this risk is limited because only a small share of consolidated revenue is generated in non-euro currencies—8.2% in 2023. Furthermore, the Group's foreign subsidiaries operate mostly in their local currencies (costs and revenue in the same currency), which means their operating margins are not very exposed to exchange rate fluctuations.

Currency effects had a limited negative impact on 2023 revenue of 0.1%. This was chiefly due to the negative impact of €0.8 million from the pound sterling, which represents 6.9% of Group revenues.

Exchange rate risk is therefore largely limited to so-called translation risk, which occurs when subsidiaries' accounts are converted so they can be consolidated in the reporting currency, the euro.

The breakdown of the Group's consolidated balance sheet by functional currency of the subsidiaries in the consolidated scope at December 31, 2023, is as follows:

Consolidated Balance Sheet at 12/31/2023	EUR	GBP	Other	Total
Amount (in millions of euros)	837.9	70.9	15.3	924.1
Share (%)	90.7%	7.7%	1.6%	100.0%

The table below shows the calculation of the risk of loss, in the 2023 consolidated balance sheet, on the net global foreign currency position. Assuming a uniformly unfavorable currency movement of 1% by the euro (Cegedim's reporting currency) against all the functional currencies of the subsidiaries operating outside the euro zone, the consolidated balance sheet total would be reduced by €858,000. The pound sterling (the main currency after the euro) accounts for €382,000 of this decrease.

In thousands of euros	Total currencies	of which GBP
Balance sheet total	924,068	70,920
Unfavorable currency movement of 1%	(858)	(382)
Net position after 1% currency movement	923,210	70,538

As far as consolidated earnings are concerned, should the revenue/costs structure remain similar, any appreciation of the euro against the pound sterling would reduce earnings expressed in euros. Based on the 2023 fiscal year, if all other currencies remain at the same level against the pound sterling, a theoretical 1% appreciation in the euro against the pound sterling would have a negative impact of €423,000 on Cegedim's revenue and a positive impact of €74,000 on its operating income (reduction of losses in 2023).

The exchange rates used are the year-end exchange rates for the balance sheet and the average exchange rates for earnings.

How we manage it

Because this risk is currently minimal, the Group does not have a policy for exchange rate hedging. We may review this position in the future if need be.

7.2.3 | Specific risks

The Group has identified a certain number of risks considered to have very minimal impact. However, it seems necessary for readers to be aware of them. They include potential impacts of war in Ukraine, seasonality, a controlling shareholder, and non-controlling investments, as detailed below.

The war in Ukraine

The Group has no activities or exposed assets in Russia or Ukraine.

Seasonality

What is the risk?

The Group's business is somewhat seasonal, which is common for companies that sell software and supply data. This is largely due to the seasonal nature of Cegedim clients' decision-making processes. Some clients invest in the Group's products at the end of the year so that they will get the full benefit when they make their annual budget, or to have a complete view of past activity, or so that recurring services are available for the start of the following year.

Over the year, the Group generates slightly more revenue in the second half than in the first half.

% of reported revenues	2023	2022	2021
First quarter	23.7%	23.3%	23.3%
Second quarter	25.2%	24.9%	24.5%
Third quarter	24.1%	24.0%	23.8%
Fourth quarter	27.0%	27.8%	28.3%
Total	**100.0%**	**100.0%**	**100.0%**

The proportion of EBITDA[26] generated in the second half of the year is generally much higher than the EBITDA generated during the first half of the year.

% of reported EBITDA	2023	2022	2021
First half	44.9%	43.3%	41.2%
Second half	55.1%	56.7%	58.8%
Total	**100.0%**	**100.0%**	**100.0%**

How we manage it

- Budgets and monthly reports take seasonality into account. Management takes seasonality into account throughout the year and in its full-year estimates.
- We systematically report seasonality over the past two years in financial publications to ensure investors have pertinent information.

(26) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

Controlling shareholder

What is the risk?

Cegedim is a family-controlled company. Voting control of Cegedim is held by FCB. It is owned by a small group of individuals who are members of the Labrune family, several of whom are also Board members).

As at December 31, 2023, FCB owned approximately 54.52% of our outstanding shares (2022 : 54.31%) and 69.10% of voting rights (2022 : 68.95%). As a result, FCB is able to elect all members of the Board and to control the vote on most matters submitted to a shareholder vote.

How we manage it

- On March 19, 2020, the Group adopted the Middlenext Governance Code, and its September 2021 update was adopted by the Group on October 28, 2021.
- The Board of Directors has three independent directors.
- The Board of Directors has four standing committees, including the Compensation and Appointments Committee. This committee's chief tasks are to review and make proposals to the Board of Directors regarding the creation of a succession plan for corporate officers, including in the event of an unplanned vacancy.

Non-controlling investments

What is the risk?

Cegedim carries out some of its business through companies in which control is shared with, or exercised by, other partners. In 2023, the Group's share in the net income of non-controlling investments accounted for around 5% of group operating income[27] (8% in 2022). A deterioration in the performance of these companies may impact the Group's results and financial position. Cegedim could be subject to decisions which are harmful to its interests. Furthermore, the application of management rules and principles in these entities may differ from those adopted by Cegedim for entities over which it exerts exclusive control. Access to financial or operational data could be more limited than in the entities where Cegedim exercises exclusive control.

How we manage it

- The Group aims to define appropriate governance methods by seeking to be represented on the Board of Directors (or a similar decision-making body), and more generally, to negotiate contractual or governance provisions that are in Cegedim's best interests.
- When it deems appropriate, the Group may decide to divest itself of these investments, as it did in October 2022 with the sale of Healthcare Gateway Limited (HGL) in England.

7.3 Insurance and risk coverage

Insurance policy

The Group's policy of transferring significant risks to insurance companies is based on:

- achieving the best economic balance between risk coverage and premiums.
- the insurance available, insurance market constraints, and local regulations.

Insurance coverage is estimated by assessing the level of coverage necessary to face potential occurrences of diverse risks.

Uninsured risks are exposures for which there is no insurance coverage offered on the insurance market, or for which the cost of available insurance is disproportionate compared to the potential benefits of the coverage.

We regularly review our insurance programs and sometimes adjust them to account for developments in our businesses, our consolidation scope, or changes to the risk coverage of the Group's different entities.

Insurance

Cegedim and all the Group companies are insured against the professional and civil liability risks inherent to its operations.

Cegedim has also taken out a policy with a company known to be solvent for "intangible computer damage" that covers operating losses and computer data resulting from an insured event.

Cegedim took out a specific policy that covers cyber risks.

Cegedim also took out specific coverage to meet the specific requirements of certain risks or projects.

(27) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".

7.4 Internal control

Objectives

Internal control aims to provide reasonable assurance that the Group's strategic and financial objectives will be achieved and to faithfully and accurately reflect events in the reported figures. The Group creates the conditions necessary for effective internal control, notably by ensuring that management actions, business execution, and employee conduct are within the bounds of all applicable laws and regulations and adhere to the values described in the Code of Conduct and the Group's bylaws. Furthermore, the internal control system ensures that accounting and financial information is regular and compiled according to current standards and regulations.

Internal control challenges for Cegedim

The key aspects of internal control are:

Coordination of business activities

For Cegedim to grow, it must be able to anticipate its clients' needs and satisfy them by coordinating a large number of job-specific technical skills.

For this model to succeed, there must be synchronicity between management actions and employee behavior. This means employees must follow the business framework and guidelines provided by the Group's corporate bodies and internal rules, and by current laws and regulations.

Control and transparency of accounting and financial information

Internal control procedures govern the preparation and disclosure of the Group's accounting and financial information. They are designed to guarantee the information's availability, integrity, conformity, and auditability.

In January 2021, the French Anticorruption Agency updated its guidelines regarding the Sapin II Law. Its changes to anti-corruption accounting controls were incorporated into our internal control system. They were added to our own teams' standard accounting controls and are also included in the statutory auditors' annual financial and IT audit procedures.

Support for growth

To expand, particularly through acquisitions, the Group needs to be able to identify external growth opportunities. In this respect, Cegedim's internal control mechanism seeks to accelerate the incorporation of new businesses, control the risks inherent in these transactions, and track their performance.

In early 2008, the Group's Senior management created an OPEX (Operational Excellence) unit, which became Quality in 2019, and is part of the Information Systems Security Department. In 2018, they created an Internal Control Department responsible for compliance and risks, for optimizing the way information is organized and shared, and for reinforcing the Group's customer-focused culture. The aim is to make savings by generating synergies, streamlining tools and processes, and improving team productivity. In 2022, this department also took on responsibility for corporate, ERP, and CRM tools and was renamed the Group Performance Department. By grouping all our internal projects, tools, and processes under the same roof, we can now offer a one-stop-shop service to all our departments and subsidiaries and improve efficiency. Some of our subsidiaries also have their own internal and quality control teams, which are coordinated by cross-departmental committees. These committees share good practices and suggest ways to improve internal control and financial control by systematically providing an industry-specific perspective.

Data processing security

As a leader in the medical data technologies and services sector, Cegedim Group's priority is to provide its clients and partners with complete peace of mind concerning data security. Cegedim Group complies with data protection and privacy laws in all of the countries where it operates.

Acquiring cutting-edge skills

Cegedim Group considers employee training to be a key success factor, leading to satisfied clients and motivated employees.

Cegedim's training policy focuses on continuously adapting the skills of its research and development teams as well as its operations and support functions, and helping its employees acquire new skills necessary for their work.

Ethical commitment

Cegedim's fundamental values of fairness, respect for others, environmental protection, and business efficiency are the guiding principles behind the actions of the women and men who work for our Group, and are described in detail in our Code of Ethics. Cegedim Group has committed to respecting the ten principles of the UN Global Compact, the principles of the 1948 Universal Declaration of Human Rights, and the International Labor Organization's fundamental conventions, notably regarding the elimination of child labor and forced labor, workplace health and safety, the fight against discrimination and harassment, gender equality and diversity, and the integration and support of disabled workers. Cegedim complies with business laws and regulations and conducts all its activities honestly and fairly, in accordance with the highest ethical standards.

Jean-Claude Labrune, Chairman and CEO of Cegedim, firmly believes that to ensure sustainable growth and harmonious development, everyone must commit to behaving ethically.

How Cegedim's internal control system is organized and who is involved

Cegedim's internal control system involves a high level of interaction between the Board of Directors, Senior Management, and the heads of business units, which promotes transparency regarding the Group's strategies, risks, and actions. In their respective fields, these management and control bodies oversee Group operations and also use their specialized skills to support business operations.

The Group has consistently sought to strengthen the teams that control and coordinate its international operations. The IS Security Department, the Legal Department, and the Internal Control and Risk Department—which report to Senior Management—formalize and roll out shared procedures Group-wide to ensure that work methods are consistent across all our subsidiaries. Our internal control system also makes the heads of business units accountable by delegating authority to the appropriate people.

General Management

Cegedim's Senior and General Management has central management and control bodies that include the Group's functional departments: the Finance and Investment, Accounting and Management Control, Human Resources, Legal, Communications, IS Security, Performance, and Internal Control departments. Our operational entities' senior management also apply the Group's internal control and risk management policy, adapting it to their business' specificities.

Audit Committee

In 2010, Cegedim's Board of Directors set up an Audit Committee to ensure that the accounts are accurate and prepared in good faith, and that the information provided is of the highest quality. The Audit Committee also monitors the efficacy of the internal control systems and procedures, arranges audits or ad hoc inspections, ensures that risk management processes are reliable, notably by helping Senior Management prioritize risk mitigation plans.

Internal Control Department

In 2018, the Group created an Internal Control Department in charge of compliance and risk management. It is tasked with setting up an internal control mechanism and optimizing operations based on the COSO Framework. It reports to Senior Management and the Audit Committee, whose strategy it executes and which it regularly updates on its activities. It also works closely with the Ethics Committee, the top management of operational subsidiaries, and all the departments involved in internal control, and has set up a network of compliance representatives within the operational departments. In 2022, the Internal Control Department was expanded into the Group Performance Department, bringing all internal systems together under one roof to oversee them and ensure that they function efficiently.

Information Systems Security Department

Likewise, the IS Security Department, which was created at the beginning of 2021, has reinforced a network of IT officers and security representatives in all the Group's entities, to help the Group and its subsidiaries meet information safety objectives and bolster Cegedim's internal control system. Referents already existed before the creation of this department, in the form of a network of compliance correspondents led by the OPEX department, and of security referents led by the IT Security Manager.

Legal Department

Cegedim Group procedures require prior review by the Legal Department of all contracts with third parties with respect to their purpose, the representations and warranties therein, and, where relevant, the transnational nature of the transactions they govern. The Legal Department also aggregates information on certain key contracts and ensures that operations are conducted in compliance with the regulations the Group is subject to.

The Legal Department develops and operates a compliance program designed to protect personal data in accordance with the General Data Protection Regulation (GDPR). It coordinates a cross-business team of Data protection officers (DPOs) in all the Group's entities, who are responsible for ensuring compliance with legal requirements on personal data protection for the Group's employees and also for its external stakeholders, partners, and clients.

The Legal Department uses delegations of authority for its formal procedures, thus defining precisely the decision-making power and liability of the Operational Directors, starting with the authority delegated to the Chairman and Deputy Managing Directors.

Finance Department

A network of financial officers, managers or controllers in each country or region applies corporate policies at the local level. They verify that financial controls of operations are part of routine management at the local level or are implemented during the operational restructuring processes decided by the corporate office, as well as any more specific situations, in order to integrate the financial component as closely as possible with the conduct of business. See also point 7.5 below.

Ad hoc inspections

Senior Management decides when ad hoc inspections will be made. Other control bodies help determine which entities to inspect and what areas to cover. They also help conduct the inspections. The Internal Control, Internal Audit, Management Control, or IS Security departments typically carry out these assignments. The inspections cover all areas relating to internal audit or control and are part of a continuous improvement policy and of the action plans that help maintain the desired high internal control standards.

Control of internal security

Cegedim has a governance system for security issues. This means that it takes into account the security of all Group businesses and implements all appropriate protection measures.

The IS Security Department reports directly to Senior Management. It defines the Group's security policy using risk analysis. It also ensures that the policy is applied in a manner consistent with the security levels and requirements identified by management through regular internal audits.

The Director of Information Systems verifies that decisions to roll out IT systems and resources related to data security in particular, reflect Cegedim's strategic priorities.

The IT Operations Manager, the IS Security Department Manager, and the Physical Security Manager (Corporate Services) implement the Company's strategy. They are responsible for putting technical security procedures in place.

The Operations Director ensures that all activities provide the appropriate level of security for Cegedim's strategic decisions through daily monitoring.

Internal security policy for information systems

Senior Management coordinates the internal security policy for information systems, which notably covers:

- Employee security (reducing the risks of human error, theft, fraud, or unauthorized use of equipment);
- Physical security (controlling access, damage, and disruptions to Group assets);
- IT access security (controlling access to information);
- Data security and cyber security of information systems (ensuring adequate data and infrastructure protection);
- Systems administration and network security (ensuring that data processing infrastructures operate correctly and securely);
- IT development security (incorporating security into development efforts and ensuring the secure execution of support activities);
- Crisis prevention, detection, and management;
- Business Continuity Plans;
- Legal compliance (conducting legal and regulatory watch and deploying the requisite procedures).

Cegedim Group's main clients adhere to recognized international standards, adopting the most stringent requirements in terms of IT system audit and control.

Since 2012, Cegedim has employed quality and internal control procedures in accordance with the ISAE 3402 Type II standard (International Standard on Assurance Engagements), which is reviewed annually. This standard, which stemmed from the United States' Sarbanes-Oxley Act (SOX), requires the suppliers of companies applying it to be audited for financial risks too. The examination is carried out annually by a third-party auditor recognized by the Auditing Standards Board of the American Institute of Certified Public Accountants.

The following companies and activities have earned the ISAE 3402 Type II standard:

- cegedim.cloud.
- Cegedim SRH.
- CETIP.
- iGestion.
- Cegedim e-business.
- Cegedim Activ' for its Saas, managed services, and technical hosting activities;

Cegedim also applies several international standards, like ISO 27001, the information security standard; and ISO 20000/ ITIL, the IT service management standard. The following companies and activities have earned certifications:

- ISO 27001:2017, ISO 20000-1:2018 for cegedim.cloud's hosting and managed services at the datacenters based in France, as well as ISO 27017:2015 et ISO 27018:2019.
- ISO 27001:2017 et ISO 20000-1:2018 for Cegedim Activ's SaaS, managed services, and technical hosting activities (France),
- ISO 27001:2017 for pharmacy IT supply, support, and maintenance services and Cyber Essentials+ at Cegedim Rx (UK);
- ISO 27001:2017 for healthcare industry IT supply, support, and maintenance services and Cyber Essentials+ at INPS (UK).
- ISO 13485 in the "Research and development, design, and manufacturing of medication prescribing and dispensing software" category for the implementation of the Claude Bernard database's Quality Management System at RESIP (France).

Cegedim has obtained the following certifications and agreements to host personal health records:

- HDS certification for cegedim.cloud to host personal health records in France : "Physical Infrastructure Hosting" and "Managed Services Hosting", covering activities 1 to 6 of the HDS reference guide.
- Approval from the Haute Autorité de Santé (HAS) and CE class I device marking for RESIP's Claude Bernard database (France).

7.5 Key processes for financial and accounting information

Preparation of Group financial statements

Centralized accounting of the companies of the Cegedim Group

The Cegedim Accounting Department prepares the company financial statements of subsidiaries in the French scope of the Group and oversees the entire process of preparing the consolidated financial statements. For the financial statements of foreign subsidiaries, the Accounting Department relies on the subsidiaries' local teams or external service providers. For newly acquired companies, either the existing accounting teams are integrated into the organization described above or the accounting function is taken over by Cegedim's teams.

The Group created a unit in 2005 dedicated specifically to international consolidation. The unit helps the Company ensure that the financial information from foreign subsidiaries is reliable and helps it adapt to new accounting regulations. Furthermore, this centralized consolidation process has made it possible to considerably reduce the time necessary to report international information. A standardized procedure for collecting consolidation packages is carried out quarterly.

Review of key financial information

The processes listed below help strengthen internal controls related to processing the financial and accounting information reported by the Cegedim Group or used as a basis for business management and strategy decisions.

***Consolidation and half-year / full-year Financial reports*:** The Group's consolidated financial statements and financial reporting are prepared in accordance with International Financial Reporting Standards (IFRS) and based on the accounting data compiled under the responsibility of the Accounting Department and the Finance Department. The IFRS Standards and IFRIC interpretations used are those adopted in the European Union. The main points of attention requiring judgement in the Financial Report are the subject of specific procedures. These notably include annual impairment tests of Company assets, the assessment of the financial liquidity risk, the measurement of employee benefits, taxes, and commitments not recorded in the balance sheet. The consolidated financial statements are reviewed by the Audit Committee and approved by the Board. The Group's accounts are published semiannually, and consolidated revenue is published quarterly. The accounts are subject to an annual audit and a limited half-year review by the Statutory Auditors of the Group.

Budget, Management control: Every year, each operating unit submits its strategy and annual budget for the upcoming year, along with a three-year forecast, to Senior Management. Once validated, this information is integrated into the business plan submitted to the Audit Committee and the Group's Senior Management. Quantitative and qualitative objectives are then assigned to the operating unit managers as a basis for assessing their annual performance. The budget is monitored regularly.

Investments/Disposals: All investments and disposals (equity investments, launch of new business activities, as well as any other financial commitment, rights purchases, real estate contracts, etc.) are subject to Senior Management's prior authorization. Transactions exceeding €20 million are submitted to the Audit Committee. The Finance Department and the Legal Department examine case files and prepare reports.

IT tools used to prepare financial and accounting information

Cegedim has a policy of upgrading its IT tools to ensure optimum availability, integrity, conformity, and auditability of its financial and accounting data.

Cegedim regularly acquires new tools to ensure necessary internal consistency and give management exactly the information they need to steer the Group. This process is directly overseen by the Deputy Managing Director, assisted by a project manager who liaises with the Accounting Department and the persons in charge of the Control Department. The statutory consolidation tool and the international reporting tool are common to all Group entities. They are supplemented by a business intelligence tool allowing more detailed analysis of analytic information.

The accounting tool and any changes to it are subject to controls and regular reviews by the Internal Control Department, a task it shares with the Financial Department and the Technical Department. This approach is based on SOX principles, particularly with respect to general controls (ITGC) and application controls (ITAC). An annual external audit ensures these standards are met.

Links with Control of Legal Affairs

Main disputes are directly handled by the Group's Legal Department. Senior Management also monitors the most sensitive disputes and is kept informed at all times by the Group's Legal Department of the status of the dispute. The Accounting Department is regularly updated to ensure disputes are accurately reflected in the financial statements.

The Audit Committee is regularly kept informed.

The Administrative Department and the Legal Department handle the central oversight of authorizations and delegations of authority and make sure, as soon as they are established, that they are limited in accordance with the Group's internal rules regarding commitments.

Operational management control

Decentralized Management Control, coordinated by the corporate office

Management Control is performed as close as possible to the operational level, with dedicated teams in every business segment.

Control of the Group's operations management covers multiple areas:

- The annual budgeting process;
- The monthly management reports and updates to annual forecasts;
- The implementation of targeted strategic indicators for each business segment, designed around the specific needs expressed by operational staff, and daily support for operational staff in financial matters;
- Inspections carried out periodically within the Group's subsidiaries at the request of operational staff, the central Management Control Department, the Financial Department, or the Internal Control Department.

The central Management Control Department, based at the corporate office, verifies that processes and tools are standardized across subsidiaries, and that key financial and operational data are reported monthly. It also coordinates the budgeting process.

It publishes a consolidated monthly report for the Group's Senior Management. These reports help identify underlying performance trends for each entity and recommend any corrective measures if need be.

The annual budgeting process

Each year, the business unit directors present the annual budget for the activities under their responsibility to Senior Management. To prepare these budgets, Management Control provides any assistance the operational managers might need, guides their work to ensure overall consistency, and records the key assumptions so they can be tracked during the year.

Reliable and consistent information

The data supplied by the Accounting Department are systematically reconciled with the work done by the Management Control Department, whether through regular analytical monitoring of the activities, budgetary control, or inspection reports. This information forms the basis for the operating reports prepared by Management Control, allowing for regular tracking of key indicators.

Furthermore, when new acquisitions are made, Cegedim has an integration process to ensure that operational synergies and the reporting necessary for management and Management Control in accordance with the applicable standards are implemented as quickly as possible.

08

Shareholder's meeting

8.1 | Draft resolutions

8.1.1 | Annual Ordinary General Meeting of June 14, 2024

First resolution

The General Meeting, after hearing the Board of Directors' management report and the Statutory Auditors' report on the annual financial statements, approves the annual financial statements for the fiscal year ended December 31, 2023, as presented. It also approves the transactions evidenced by those financial statements or summarized in those reports.

Accordingly, it fully and unreservedly discharges the directors from liability for the performance of their duties for said fiscal year.

The General Meeting approves the expenses not deductible for tax purposes covered by Article 39-4 of the French General Tax Code amounting to €599,187 as well as the corresponding tax amounting to €154,770.

Second resolution

The General Meeting decides to allocate net income for the fiscal year of ended December 31, 2023, of €1,696,514.97 to "Retained earnings".

The General Meeting notes that dividends were paid in the three previous fiscal years.

For the year ended	Income eligible for tax deduction		Income not eligible for tax deduction
	Dividends	Other income distributed	
12/31/2020	None	None	None
12/31/2021	€6,829,743.50	None	None
12/31/2022	None	None	None

Third resolution

The General Meeting, after hearing the Statutory Auditors' report on the consolidated financial statements for the fiscal year ended December 31, 2023, approves the consolidated financial statements for said fiscal year. It also approves the transactions evidenced by those financial statements or summarized in the report on the Group's management included in the management report.

Fourth resolution

The officers of the meeting then note that, for the purpose of approving agreements referred to by Article L. 225-38 et seq. of the French Commercial Code, the General Meeting satisfies the quorum requirement of more than one-fifth of the shares with voting rights being present or represented, it being specified that the shares of the persons with an interest in these agreements are excluded from the calculation of the quorum and majority voting requirements.

The shareholders may consider the application of these agreements on that basis.

Fifth resolution

The General Meeting decides to appoint Philippe Simon as a non-voting board advisor ("censor") for a further term of office of two years expiring at the close of the General Meeting to be called to approve the financial statements for the 2025 fiscal year.

Sixth resolution

With the term of office of Béatrice Saunier nearing its end, the General Meeting decides to reappoint her for a term of office of six years expiring at the close of the General Meeting to be called in 2030 to approve the financial statements for the 2029 fiscal year.

Seventh resolution

The General Meeting sets the annual amount of fees to be apportioned between the directors for 2024 at €173,000.

Eighth resolution

The General Meeting, having reviewed the Board of Directors' report, authorizes the Board of Directors, in accordance with the provisions of Articles L. 22-10-62 et seq. of the French Commercial Code, to buy back the Company's shares.

The share repurchases, which may not represent more than 10% of the Company's share capital, may be made at any time and by all available means, either on or off-market, in private transactions, or through the use of options, or, if applicable, by any third party acting on behalf of the Company, including by an investment service provider acting under a liquidity agreement in accordance with a code of conduct recognized by the Autorité des Marchés Financiers (French financial markets authority), in accordance with the provisions of the last subsection of Article L. 225-206 of the French Commercial Code.

This authorization would make it possible to allot Company shares to salaried employees of Cegedim Group in accordance with Articles L. 225-197-1 to L. 225-197-3 of the French Commercial Code. The Company must, in accordance with the provisions of law, have reserves not available for distribution, other than the legal reserves, amounting to at least the value of all the shares that it owns directly. The maximum purchase price is set at €75 per share.

This authorization is given for a period of eighteen (18) months expiring on December 15, 2025. It cancels and replaces the authorization granted by shareholders at the Ordinary General Meeting of June 16, 2023, and shall become null and void during the period of a public offer.

The General Meeting grants full powers to the Board of Directors, which it may delegate, to implement this authorization, approve any stock market order, enter into any agreement, including an AFEI liquidity agreement, carry out all formalities and declarations vis-à-vis all bodies and, generally, do whatever is necessary to execute the decisions made pursuant to this authorization.

Ninth resolution

The General Meeting, duly noting the compensation policy for corporate officers proposed by the Compensation-Nomination Committee to the Board of Directors, which has submitted it unamended for shareholders' approval, approves the policy as it appears in Chapter 2, Section 2.3 "the Compensation-Nomination Committee".

Tenth resolution

The General Meeting, duly noting the compensation and benefits in kind paid to the corporate officers proposed the Compensation-Nomination Committee to the Board of Directors, which has submitted them unamended for shareholders' approval, approves said compensation and benefits as they appear in Chapter 2, Section 2.3 "the Compensation-Nomination Committee" of the Universal Registration Document. As a reminder, the only compensation paid to corporate officers for performing their duties is the Directors' fees allocated to the Board of Directors, which totaled €71,000.

Thereafter, the Chairman puts the resolutions listed in the agenda for the Extraordinary General Meeting to a vote by the shareholders, after checking with the officers of the meeting that the quorum requirement of one-quarter of shares with voting rights established at the start of the meeting is still met.

Eleventh resolution

The General Meeting, after reviewing the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Article L. 225-197-1 of the French Commercial Code, and duly noting that the authorization given at the Extraordinary General Meeting of the shareholders on June 17, 2021, will expire on August 6, 2024, decides to renew the authorization given to the Board of Directors for the purposes of:

1. Making free awards of the Company's existing shares, to be acquired pursuant to the authorization to repurchase its own shares.
2. Deciding, without prejudice to the possible impact of the adjustments stated hereinafter, that the total number of shares to be awarded pursuant to this authorization may not represent more than 1,399,713 shares, and may not exceed the caps set in Article L. 225-197-1 of the French Commercial Code, it being specified that the number of shares awarded to executive officers may not exceed 20% of the total number of shares awarded.
3. Deciding that the allottees of the free share awards will continue to be salaried employees and/or executive officers referred to in Article L. 225-197-1, II of the French Commercial Code, both of the Company and of companies or groupings directly or indirectly affiliated with it, as provided for in Article L. 225-197-1 and Article L. 225-197-2 of said Code
   - or certain categories among them.
4. Duly noting that all the terms and conditions of this renewal of the authorization to make free share awards will be strictly identical to those laid down by the Board of Directors at its meeting of January 28, 2016, and specifically those:
   - determining the list or lists of allottees of the free share awards
   - setting the requirements, including concerning continuing service and performance levels, and, where appropriate, the share allotment criteria
   - setting the holding period for the shares, it being stated that it will be incumbent on the Board of Directors with regard to the shares to be allotted to executive officers as defined in Article L. 225-197-1, II subsection 4 of the French Commercial Code, either to decide that such shares may not be sold by the relevant parties until they leave office, or to set the quantity of such shares that they will be required to hold in registered form until they leave office

- drawing up regulations for a free share award plan
- deciding whether, in the event of transactions affecting the share capital that occur during the vesting period of the shares allotted, to adjust the number of shares allotted for the purpose of protecting allottees' rights and, if so, determining the arrangements for this adjustment
- assessing, upon expiration of the vesting period, whether the conditions for the definitive allotment and criteria for allotment of the shares have been met
- making a determination, upon expiration of the vesting period, as to whether the allotments made previously have become definitive
- more generally, completing all the relevant formalities and doing everything useful and required pursuant to law and regulations in force.

5. Deciding that all the arrangements laid down in the regulations for the Company's free share award plan established by the Board of Directors on January 28, 2016, will continue to apply, including definitive allotment upon expiration of the vesting period, subject to the following requirements: no resignation, termination or dismissal of the allottee for gross or willful misconduct, where such concepts are to be assessed with regard to French labor case law.
6. Noting that, were the Board of Directors to make use of this authorization, it would inform the Ordinary General Meeting every year of the transactions effected pursuant to the arrangements set forth in Articles L. 225-197-1 to L. 225-197-3 of the French Commercial Code as provided for in Article L. 225-197-4 of the Code.
7. Deciding that this authorization is given for a period of thirty-eight (38) months from today's date.

Twelfth resolution

In accordance with the provisions of Paragraph 2 of Article L. 225-129-2 of the French Commercial Code, the delegations of authority granted under the abovementioned resolutions, cancel with effect from this day, any prior delegations having the same purpose.

Thirteenth resolution

The Board of Directors is required to inform the General Meeting of how it has used the delegations of authority in a report annexed to the annual management report. Its report must include the requisite regulatory disclosures and a table listing all outstanding delegations of authority and what they have been used for.

Fourteenth resolution

The General Meeting gives full powers to the bearer of an original, copy, or excerpt of the minutes of this Meeting to carry out all necessary formalities.

8.2 | Statutory Auditors' special report on related-party agreements and commitments

General Meeting for the approval of the accounts for the year ended December 31, 2023

To Cegedim SA's General Meeting,

In our capacity as Statutory Auditors of the Company, we hereby report to you on related-party agreements and commitments.

The terms of our engagement do not require us to identify such agreements and commitments, if any, but to inform you, based on the information provided to us, of the principal terms and conditions, as well as the purposes demonstrating the benefit to the Company of those agreements and commitments brought to our attention or that we came across during our assignment, without expressing an opinion on their appropriateness or relevance. Pursuant to Article R.225-31 of the French Commercial Code, it is your responsibility to assess the benefits of having entered into these agreements and commitments, before you approve them.

In addition, we are also required, as appropriate, to provide you with the disclosures provided for in Article R.225-31 of the French Commercial Code relating to application of agreements and commitments during the past financial year, previously approved by the General Meeting.

We carried out the procedures that we deemed necessary in accordance with the professional standards of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) regarding this assignment. These procedures consisted in verifying the consistency of the information provided to us with the source documents from which it was extracted.

Agreements and commitments submitted to the General Meeting for approval

Agreements and commitments authorized and entered into during the fiscal year now ended

Pursuant to Article L.225-40 of the French Commercial Code, we were not informed of any agreement nore commitment concluded during the fiscal year now ended after prior authorization by your Board of Directors.

Agreements and commitments previously approved by the General Meeting

Agreements and commitments approved in past fiscal years

Agreements and commitments still in force in the fiscal year now ended

Pursuant to Article R.225-30 of the French Commercial Code, we have been informed that the following agreements and commitments, already approved by the General Meeting in past fiscal years, remained in force in the fiscal year now ended.

1. **With Aude Labrune (director of Cegedim), and Laurent Labrune (Deputy Managing Director and director of Cegedim)**

Nature, purposes, and terms:

Temporary transfer to Cegedim SA of a beneficial interest in the shares of SCI du 114 rue d'Aguesseau Bureau:

- 198 shares whose beneficial and legal ownership is separated, with Aude Labrune and Laurent Labrune holding equal interests,
- Duration of the transfer of the beneficial interest: 18 years, from October 9, 2006, until October 8, 2024.

Persons concerned:

Laurent Labrune (Deputy Managing Director and director of Cegedim) and Aude Labrune (director of Cegedim).

2. **With GERS SAS**

Nature, purpose, and terms:

Cegedim has undertaken jointly and severally with its subsidiary GERS SAS to indemnify GIE GERS, for an unlimited amount, for the payment of all sums of a compensatory nature (such as penalties, indemnities, interest on late payments, etc.) claimed from GIE GERS by Datapharm under agreed contractual obligations and/or any compensation arising from the supply by GIE GERS of data provided by Datapharm for the benefit of GERS SAS.

Person concerned:

Jean-Claude Labrune (Chairman of GERS SAS, and Chairman & CEO and director of Cegedim)

3. **With FCB SA – Subordination agreement**

Nature and terms:

Subordination agreement limiting the repayment to FCB SA of the principal due under the Subordinated Shareholder Loan following the arrangement of a revolving credit facility.

Persons concerned:

Jean-Claude Labrune (Chairman and CEO of Cegedim and Chairman of FCB SA's Supervisory Board), Aude Labrune (director of Cegedim, Chairwoman of the Executive Board of FCB and shareholder of FCB SA), Laurent Labrune (Deputy Managing Director and director of Cegedim, Member of FCB SA's Executive Board and shareholder of FCB SA), and Pierre Marucchi (Deputy Managing Director of Cegedim, and representative of FCB SA, of which he is Vice-Chairman of the Supervisory Board).

Reason:

Agreement between FCB and Cegedim SA limiting the repayment to FCB SA of the principal owed by Cegedim under the Subordinated Shareholder Loan in order to improve the borrowing terms applicable under the revolving credit facility arranged in 2018.

4. **With Cetip**

Nature, purpose, and terms:

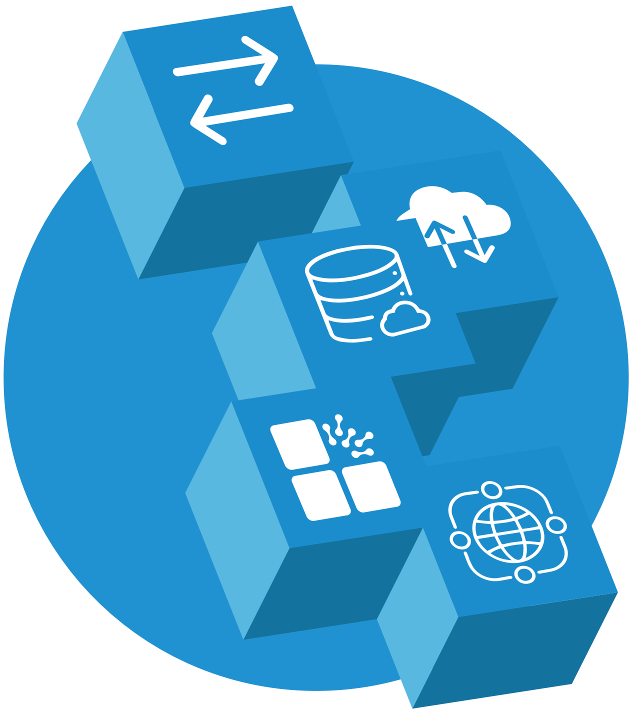
Cegedim SA has committed to providing its subsidiary Cetip with the resources it needs to deliver the services pertaining to its partnership with Allianz IARD and Allianz Vie and to covering the financial impact of any failure by Cetip to fulfil its commitments regarding this partnership.

Persons concerned:

Jean-Claude Labrune (Chairman of Cetip and Chairman and CEO of Cegedim), Aude Labrune (director of Cetip and of Cegedim), Laurent Labrune (Deputy Managing Director of Cegedim and director of Cetip), and Pierre Marucchi (director of Cetip and Deputy Managing Director of Cegedim).

The Statutory Auditors

Mazars	KPMG S.A.
Paris La Defense, April 2, 2024	Paris La Defense, April 2, 2024
Jérôme de Pastors	Vincent de Becquevort
Associé	*Associé*



09

Additional information

9.1 General information about Cegedim

Registered company name and trade name of the issuer

The issuer's registered name is: Cegedim.

Issuer's place of registration and number

Identified in the Nanterre Trade and Companies Register under number: 350 422 622, code APE 6311Z.

Legal entity identifier (LEI): 9695002XQWX9TKCOZT86

Date of incorporation and length of life of the issuer

Cegedim SA was incorporated on August 27, 1969.

On April 18, 1989, FCB was incorporated for a term of 99 years.

On December 26, 1994, the holding company at that time merged with Cegedim SA and took on its corporate name.

Registered office and legal form of the issuer, legislation governing Cegedim business activities

Cegedim SA is a société anonyme (a French corporation) with a Board of Directors and share capital of €13,336,506.43. Since November 29, 2016, its registered office has been located at 129-137, rue d'Aguesseau, 92100 Boulogne-Billancourt, France. Its previous registered office was at 127, rue d'Aguesseau, 92100 Boulogne-Billancourt, France.

Its telephone number is + 33 (0)1 49 09 22 00, and its fax number is + 33 (0)1 46 03 45 95. The company website can be found at www.cegedim.com. Its country of incorporation is France. The business activities of Cegedim SA are governed by the French law.

Corporate documents

All documents pertaining to the Company, in particular its bylaws, financial statements, and the reports presented at its Shareholders' Meetings by the Board of Directors or the Statutory Auditors, may be viewed at the Company's registered office.

Cegedim's corporate purpose

According to article 2 of the bylaws, the Company's corporate purpose is:

- The acquisition of stakes or equity interests in companies or enterprises with activities involving data processing, studies, and marketing;
- The provision of various services in various fields;
- Economic and social studies of all kinds in various fields, particularly statistical, financial, commercial and legal studies, market research, opinion polls, surveys of all kinds and in all fields, the creation and use of panels, public relations, advertising, and calculations of all kinds;
- The organization and management of companies and their data by the most diverse means;
- Documentation using all means and in all fields, notably science, the economy, society, and statistics, etc.;
- Marketing, particularly the penetration of various markets, including all the activities required for this kind of market penetration;
- All activities involving information and its processing, information technologies and machine processing, and all aspects of their design and use in various fields;
- All administrative, financial, accounting, and management services for the Company's subsidiaries, affiliates and any third-party firm;
- The acquisition, subscription, and management of all securities;
- All industrial, commercial and financial, securities and real estate operations that may be directly or indirectly related to the corporate purpose and all similar or related purposes;

The acquisition by the Company, by all means, of equity interests in all enterprises or companies created or to be created related to the corporate purpose, particularly through the creation of new companies, equity contributions, general partnerships, the subscription or acquisition of securities or corporate rights, mergers, alliances or joint ventures or economic interest groups or lease management systems.

Principal Statutory Auditors

Mazars

Represented by Mr. Jérôme de Pastors,

Exaltis, 61, rue Henri-Regnault – 92400 Courbevoie.

Reappointment during the 2019 General Meeting held to approve the 2018 financial statements for a term of six years until the 2025 General Meeting held to approve the 2024 financial statements.

KPMG,

Represented by Mr. Vincent de Becquevort,

Tour EQHO – 2, avenue Gambetta 92066 Paris La Défense.

Appointment during the 2019 General Meeting held to approve the 2018 financial statements for a term of six years until the 2025 General Meeting held to approve the 2024 financial statements.

9.2 | Information regarding share capital

9.2.1 | Share capital

Number of shares

Share capital as of December 31, 2023.

The Company has a share capital of €13,336,506.43, comprising 13,997,173 fully paid shares. The shares have a par value of €0.9528.

Modification of capital and rights attached to shares

Shares not representing capital.

There are no shares not representing capital.

Total convertible or exchangeable securities or securities with warrants.

There are no convertible or exchangeable bonds or bonds redeemable for shares or warrants or any other securities likely to increase the share capital.

Terms governing any right of acquisition and/or any obligation attached to the capital subscribed but not paid up or any undertaking to increase share capital.

None.

Information about the capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option.

None.

Control of Cegedim

Cegedim is controlled by FCB and Jean-Claude Labrune, as indicated in the Universal Registration Document.

The following mechanisms are in place to ensure that control is not exercised in an abusive manner: see “Internal control contributors” in Chapter 7 “Risk management”, section 7.4 “Internal control”; in Chapter 2 “Governance”, section 2.2.4 “Independent directors” and 2.2.2 “Board committee operating procedures” on the Audit, Strategy and Remuneration - Nomination committees.

Change of Control

Agreements which may at a subsequent date result in a change of control

At the date of filing of this Registration Document and to the best of the Company’s knowledge, there are no agreements which, when implemented, could, at a subsequent date, result in a change in its control.

Shareholders’ agreements

There are no shareholder agreements.

9.2.2 | Share capital history

Date	Transaction	Number of shares		Premiums (in euros)	Capital (in euros)	Par value (in euros)
		Created	After transactions			
	Initial number of shares	488,300	-	-	-	15.24
Dec. 1994	Takeover of Cegedim [1]	6,594	494,894	3,308,684.72	7,544,610.39	15.24
	Four-for-one stock split	1,484,682	1,979,576	-	7,544,610.39	3.81
	Capital increase	120,000	2,099,576	7,090,892.39[2]	8,001,957.45	3.81
Apr. 1998	Four-for-one stock split	6,298,728	8,398,304	-	8,001,957.45	0.9528063
Dec. 2000	Conversion of capital into euros [3]	-	8,398,304	-	8,001,904.05	0.9528
Dec. 2000	Capital increase through contribution in kind	891,112	9,9289,416	70,900,927.60[4]	8,891,004.61	0.9528
Dec. 2000	Capital increase through cash contribution	42,033	9,331,449	73,910,793.03[5]	8,891,004.61	0.9528
Dec. 2009	Capital increase through cash contribution	4,665,724	13,997,173	-	13,336,506.34	0.9528

[1]FCB, which, since it was founded in 1989, has held 98.61% of Cegedim, merged with Cegedim on December 26, 1994, and took over its name. This internal operation was carried out on the basis of the companies' book value.

[2]Cumulative 1994 merger premium, and €3,782,207.67 in issue premium.

[3]When the share capital was converted into euros, the par value of the share was set at €0.9528. The conversion rounding based on 8,398,304 shares (i.e. €53.40) resulted in a capital reduction allocated to the non-distributable reserves.

[4]The cumulative premiums mentioned in (2) are increased by the contribution premium of €63,810,035.2.

[5]The cumulative premiums mentioned in (3) are increased by the issue premium of €3,009,865.44.

Shareholders owning more than 5% of capital or voting rights

To the best of the Company's knowledge,

- **at the date of filing this Registration Document,** the shareholders owning more than 5% of capital or voting rights are FCB and Amiral Gestion. FCB holds 54.52% of Cegedim shares and 69.10% of voting rights. Amiral Gestion's actual holding is not known at this date.
- **at December 31, 2023**, the shareholders owning more than 5% of capital or voting rights are FCB and Amiral Gestion. FCB holds 54.52% of Cegedim shares and 69.10% of voting rights. Amiral Gestion's actual holding is not known at this date.

FCB is a French public limited company (société anonyme or SA) with a Supervisory Board and a Management Board with capital of €475,560 (registered in the Trade and Companies Register of Nanterre under number 340 651 132). The majority of its capital is held by Jean-Claude, Laurent and Aude Labrune. It is an active holding company.

Amiral Gestionis an independent asset management company headquartered at 103 rue de Grenelle, Paris. It has a capital of €629,983, is registered with the Paris Trade and companies Registry under number B 445 224 090, and is chaired by Mr. Julien Lepage.

The latest reported changes in beneficial ownership are as follows:

March 7, 2022, Amiral Gestion (103 rue de Grenelle, 75007 Paris, France)

Amiral Gestion, acting on behalf of the fund it manages, reported crossing the threshold of 5% of voting rights. At this date, it held 1,063,525 Cegedim shares on behalf of the fund it manages, or 7.60% of capital and 5.04% of voting rights.

It crossed above this threshold after buying Cegedim shares on the market.

May 3, 2021, La Caisse des dépôts et Consignations (CDC) (56 rue de Lille, 75007 Paris, France)

Caisse des dépôts et Consignations (CDC), through CDC Croissance and Bpifrance Participations SA crossed the 5% threshold of capital, and owening 698 290 Cegedim shares or 4,99% of capital and 4,53% of voting rights, The shares and voting rights are distributed as follows:

	% of shares	% of voting rights
CDC directly	0.00%	0.00%
Bpifrance Participations	2.05%	2.64%
CDC Croissance	2.94%	1.89%
Total CDC	**4.99%**	**4.53%**

April 28, 2021, Amiral Gestion (103 rue de Grenelle, 75007 Paris, France)

Amiral Gestion, acting on behalf of the fund it manages, reported crossing the threshold of 5% of equity capital. At this date, it held 712,089 Cegedim shares on behalf of the fund it manages, or 5.09% of capital and 3.28% of voting rights.

It crossed above this threshold after buying Cegedim shares on the market.

February 19, 2021, FMR LLC (Wilmington, Delaware, United States)

FMR LLC reported indirectly crossing below the 5% threshold of capital via Fidelity Management & Research Company LLC. It holds 635,696 Cegedim shares indirectly, or 4.54% of capital and 2.92% of voting rights.

It crossed below this threshold after selling Cegedim shares on the market.

On this occasion, Fidelity Management & Research Company LLC separately crossed beneath the same threshold.

November 9, 2021, FMR LLC (Willmington, Delaware, United States)

FMR LLC reported indirectly crossing below the 5% threshold of capital via Fidelity Management & Research Company LLC, which it controls. At this date, it held 1, 070,555 Cegedim shares, or 7.65% of capital and 4.92% of voting rights.

It crossed below this threshold after selling Cegedim shares on the market.

On this occasion, Fidelity Management & Research Company LLC separately crossed beneath the same threshold.

February 6, 2020, Fidelity Management & Research Company LLC (Wilmington, Delaware, United States), controlled by FMR LLC

Fidelity Management & Research Company LLC (Wilmington, Delaware, United States), which is controlled by FMR LLC, reported crossing above the 5% threshold of voting rights and separately owning 1,101,749 Cegedim shares, or 7.87% of capital and 5.04% of voting rights. It crossed above this threshold after buying Cegedim shares on the market.

On this occasion, FMR LLC (Wilmington, Delaware, United States) did not cross any thresholds and at February 6, 2020, owned 1,232,432 Cegedim shares indirectly via the companies it controls, representing the same number of voting rights, or 8.80% of shares and 5.64% of voting rights.

September 13, 2019, Caisse des dépôts et Consignations (CDC), through CDC Croissance (ex CDC EVM)

Caisse des dépôts (CDC), through CDC Croissance (ex CDC EVM) crossed the 5% threshold of capital and voting rights, with 5.01% of shares and 5.12% of voting rights, after acquisition of shares on the market by CDC Croissance and indirectly through the shareholding by Bpifrance participations[(1)]. The shares and voting rights are distributed as follows:

	% of shares	% of voting rights
CDC directly	0.00%	0.00%
Bpifrance Participations	2.99%	3.84%
CDC Croissance	2.02%	1.28%
Total CDC	**5.01%**	**5.12%**

September 10, 2019, Caisse des dépôts et Consignations (CDC), through CDC Croissance (ex CDC EVM)

Caisse des dépôts (CDC), through CDC Croissance (ex CDC EVM) crossed the 5% threshold of voting rights, with 4.85% of shares and 5.03% of voting rights, after acquisition of shares on the market by CDC Croissance and indirectly through the shareholding by Bpifrance participations[(1)]. The shares and voting rights are distributed as follows:

	% of shares	% of voting rights
CDC directly	0.00%	0.00%
Bpifrance Participations	2.99%	3.84%
CDC Croissance	1.86%	1.19%
Total CDC	**4.85%**	**5.03%**

March 22, 2019: DNCA Investments

DNCA Investments declared that it crossed below the 5% threshold of capital following the off-market sale of its shares. DNCA Investments reported that it owns 4.99% of shares and 3.2% of voting rights.

May 24, 2018: DNCA Investments

DNCA Investments declared that it crossed below the 6% threshold of capital following the off-market sale of its shares. DNCA Investments reported that it owns 5.8% of shares.

February 15, 2018: Bpifrance Participations

Bpifrance Participations reported that it had crossed below the thresholds of 15%, 10%, and 5% of shares, and of 15%, 10%, and 5% of voting rights as a result of the operation to sell a portion of its Cegedim shares on February 13, 2018. Bpifrance Participations reported that it owns 3.0% of shares and 3.85% of voting rights. Bpifrance Participations has committed to retaining a 3% stake in Cegedim until October 28, 2019.

February 15, 2018: The parties to the shareholders' agreement–FCB, Jean-Claude Labrune and Bpifrance Participations

The parties to the shareholders' agreement–FCB, Jean-Claude Labrune and Bpifrance Participations–reported that they had crossed below the threshold of 2/3 of shares and had dissolved the agreement of October 28, 2009, following Bpifrance Participations' sale of 12% of Cegedim's shares as part of an accelerated bookbuilding process on February 13, 2018.

February 15, 2018: FCB

FCB reported crossing the threshold of 66% of voting rights. FCB did not alter its stake, but it did report that due to the cancellation of double voting rights attached to the shares sold by Bpifrance Participations on February 13, 2018, the shareholders' agreement had crossed below the threshold of individual voting rights, while its own holding had crossed above the threshold. In other words, the percentage of voting rights rose automatically. After the operation, FCB held 52.7% of shares and 67.5% of voting rights.

February 14, 2018: DNCA Investments

DNCA Investments reported crossing the threshold of 5% of shares and 3% of voting rights after Bpifrance Participations sold a block of shares via an accelerated bookbuilding process on February 13, 2018. DNCA Investments reported that it owns 6.1% of shares and 3.9% of voting rights.

9.2.3 | Ownership structure

Shareholders

In accordance with article L. 233-13 of the French Commercial Code, and given the information and notifications received pursuant to articles L. 233-7 and L. 233-12 of this Code, the table below shows the capital and voting rights of the shareholders (individuals or legal entities) who directly or indirectly hold more than one-twentieth, one-tenth, three-twentieths, one-fifth, one-quarter, one-third, one-half, two-thirds, eighteen-twentieths, or nineteen-twentieths of the share capital or voting rights at December 31, 2020 and at the date of filing this Registration Document.

As of February 29, 2024

There was no significant change in the ownership structure between 29 February, 2024, and the date of publication of this Universal Registration Document.

Shareholders	Number of shares held	% held	Number of single votes	Number of double votes		Total votes	% of voting rights
				Shares	Votes		
FCB	7,631,723	54.52%	201,355	7,430,368	14,860,736	15,062,774	69.10%
Bpifrance participations	287,221	2.05%	0	287,221	574,442	574,442	2.64%
Free Float [(1)]	5,698,713	40.71%	5,616,468	82,245	164,490	5,780,958	26.52%
Cegedim[(2)]	379,516	2.71%	-	-	-	-	0.0%
Total	**13,997,173**	**100.00%**	**5,817,823**	**7,799,834**	**15,599,668**	**21,417,491**	**98.26%**

[(1)]The free float includes the shares held by corporate officers and Board director (Jean-Pierre Cassan, Sandrine Debroise, Marcel Kahn, Aude Labrune, Jean-Claude Labrune, Laurent Labrune, Pierre Marucchi, Nicolas Giraud, Béatrice Saunier et Catherine Abiven), i.e. 42,646 shares or 0.30%. The detail of the corporate officers' and Board directors' holdings is presented in Chapter 2 section 2.2 "Other information on board members" of this document.

[(2)]Including the liquidity contract

As of December 31, 2023

Shareholders	Number of shares held	% held	Number of single votes	Number of double votes		Total votes	% of voting rights
				Shares	Votes		
FCB	7,631,723	54.52%	201,355	7,430,368	14,860,736	15,062,091	69.10%
Bpifrance participations	287,221	2.05%	0	287,221	574,442	574,442	2.64%
Free Float [1]	5,658,611	40.43%	5,576,366	82,245	164,490	5,740,856	26.34%
Cegedim[2]	419,618	3.00%	-	-	-	-	0.0%
Total	**13,997,173**	**100.00%**	**5,777,721**	**7,799,834**	**15,599,668**	**21,377,389**	**98.07%**

[1]*The free float includes the shares held by corporate officers and Board director (Jean-Pierre Cassan, Sandrine Debroise, Marcel Kahn, Aude Labrune, Jean-Claude Labrune, Laurent Labrune, Pierre Marucchi, Nicolas Giraud, Béatrice Saunier et Catherine Abiven), i.e. 36,443 shares or 0.26%. The detail of the corporate officers' and Board directors' holdings is presented in Chapter 2 section 2.2 "Other information on board members" of this document.*

[2]*Including the liquidity contract*

As of December 31, 2022

Shareholders	Number of shares held	% held	Number of single votes	Number of double votes		Total votes	% of voting rights
				Shares	Votes		
FCB	7,601,283	54.31%	193,872	7,407,411	14,814,822	15,008,694	68.95%
Bpifrance participations	287,221	2.05%	0	287,221	574,442	574,442	2.64%
Free Float [1]	5,719,602	40.86%	5,643,638	75,964	151,928	5,795,566	26.62%
Cegedim[2]	389,067	2.78%	-	-	-	-	0.0%
Total	**13,997,173**	**100.00%**	**5,837,510**	**7,770,596**	**15,541,192**	**21,378,702**	**98.21%**

[1]*The free float includes the shares held by corporate officers and Board director (Jean-Pierre Cassan, Sandrine Debroise, Marcel Kahn, Aude Labrune, Jean-Claude Labrune, Laurent Labrune, Pierre Marucchi, Nicolas Giraud, Béatrice Saunier et Catherine Abiven), i.e. 30,520 shares or 0.22%. The detail of the corporate officers' and Board directors' holdings is presented in Chapter 2 section 2.2 "Other information on board members" of this document.*

[2]*Including the liquidity contract*

As of December 31, 2021

Shareholders	Number of shares held	% held	Number of single votes	Number of double votes		Total votes	% of voting rights
				Shares	Votes		
FCB	7,538,639	53.86%	153,050	7,385,589	14,771,178	14,924,228	68.66%
Bpifrance participations	287,221	2.05%	0	287,221	574,442	574,442	2.64%
Free Float [1]	5,885,125	42.05%	5,820,190	64,935	129,870	5,999,768	27.6%
Cegedim[2]	286,188	2.04%	0	0	0	0	1.32%
Total	**13,997,173**	**100.00%**	**5,973,240**	**7,737,745**	**15,475,490**	**21,448,730**	**98.9%**

[1]*The free float includes the shares held by corporate officers and Board director (Jean-Pierre Cassan, Sandrine Debroise, Marcel Kahn, Aude Labrune, Jean-Claude Labrune, Laurent Labrune, Pierre Marucchi, Nicolas Giraud, Béatrice Saunier et Catherine Abiven), i.e. 15,411 shares or 0.11%. The detail of the corporate officers' and Board directors' holdings is presented in Chapter 2 section 2.2 "Other information on board members" of this document.*

[2]*Including the liquidity contract*

Treasury shares

At the end of 2023, the Company owned 419,618 treasury shares. During that financial year, excluding operations within the framework of the liquidity contract, Cegedim acquired 56,223 shares on the market as part of its free share award plan. This involved the transfer by the Company of 28,110 treasury shares. The Company did not proceed with any transactions for the sale or cancellation of treasury shares in 2023.

The Company has set up a €500,000 liquidity contract with Kepler Cheuvreux. As of December 31, 2023, the contract involved 15,642 Cegedim shares and €10,992.62 in cash.

The Company transferred, on january 26th 2023, 40,131 treasury shares as part of its free share program. The Company did not proceed with any transaction for the sale or cancellation of treasury shares during this period.

9.2.4 | Stock market information

Stock market indicators

Cegedim shares

Cegedim is listed on Euronext Paris, compartment B.
ISIN code: FR0000053506
Reuters ticker: CGDM.PA
Bloomberg ticker: CGM
Cegedim's share price is available on the Company's website: Cegedim.com, subject to a short time delay.

Stock market performance as of December 31, 2023

Cegedim shares performed positively 22.7% in 2023.
The closing price at the end of December 2023 was €17.86.
During 2023, the lowest price was €14.82 on January 2, 2023, and the highest price was €23,55 on July 6, 2023.

Stock market performance over the past four years

January - December		2020	2021	2022	2023
Closing price	€	25,5	24,0	14,6	17,9
Average for the period	€	27,0	25,2	20,9	19,0
High for the period	€	33,2	29,8	28,5	23,6
Low for the period	€	19,1	21,4	13,9	14,8
Market capitalization	m€	357,0	335,9	203,8	250,0
Outstanding shares	m	14,0m	14,0m	14,0m	14,0m

Shareholder contacts

Damien Buffet
Head of financial communication
Tel : + 33 (0) 7 64 63 55 73
Email : damien.buffet@cegedim.com
Financial Community Relations

Cegedim's financial communication policy is to deliver rapid, relevant, and timely information on the company's performance to investors and the market.

One key element of communication with the market is the publication of financial results, for example the annual and semester reports.

Cegedim organizes webcasts to coincide with its financial press releases. It has regular contact with institutional investors through meetings and roadshows, either face-to-face or virtually depending on the health conditions..

Financial reporting policy
Straightforward, transparent, and clear.

2024 Financial calendar

April 25 after the close: Q1 2024 revenues
June 14: Shareholders' meeting
July 25 after the close: Q2 2024 revenues
September 26 after the close: H1 2024 results
October 24 after the close: Q3 2024 revenues

9.2.5 | Related-party transactions

Regulated agreements

The regulated agreements that were submitted to the Board of Directors for prior approval are set forth in the Statutory Auditors' Special Report included in Chapter 8 of this Universal Registration Document.

Note 19 to Section 4.6 of Chapter 4 of this Universal Registration Document provides a detailed breakdown of transactions with related parties.

To date, no new agreements have been authorized.

9.3 | Persons responsible

Person responsible for the Universal Registration Document

Jean-Claude Labrune
Chairman & CEO of Cegedim S.A.

Person responsible for the information

Damien Buffet,
Head of financial communication

Statement of the person responsible for the Universal Registration Document

I hereby certify, that to the best of my knowledge, the information contained in this Universal Registration Document is true and fair and contains no omissions likely to alter its scope.

I hereby certify that, to the best of my knowledge, the consolidated and annual financial statements of Cegedim SA for the year ended December 31, 2023 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and of all the companies included in the consolidation, and that the management report (in section 9.6.2 of this chapter) presents a true and fair view of the development of the business, results and financial position of the Company and of all the companies included in the consolidation, and describes the main risks and uncertainties that they are facing.

I have obtained a letter from the statutory auditors, KPMG and Mazars, indicating that they have verified the information concerning the financial position and the accounts given in this document and that they have read the entire document.

Boulogne-Billancourt, April 3 2024.

Jean-Claude Labrune | Chairman & CEO | Cegedim SA

9.4 Documents on display

Documents on display

Corporate documents (financial statements, minutes of Shareholders' Meetings, attendance registers for Shareholders' Meetings, list of Directors, Statutory Auditors' reports, bylaws, etc.) for the last three financial years may be consulted at Cegedim Headquarters at 129-137 rue d'Aguesseau, 92100, Boulogne-Billancourt.

The "Regulatory information" section of the Company's website is available at the following URL:

https://www.cegedim.com/finance/documentation/regulated_information/Pages/default.aspx

This area of the website contains all the regulatory information provided by Cegedim pursuant to the provisions of articles 221-1 et seq. of the French Financial Markets Authority (AMF) General Regulation.

Procedures for communicating regulatory

Pursuant to obligations, applicable since January 20, 2007, to disclose regulatory information resulting from the implementation of the Transparency Directive in the AMF's General Regulations, Cegedim's Financial Communications Department oversees the proper and full disclosure of regulatory information. This information is filed with the AMF at the time of its disclosure and stored on the Cegedim website.

Full and effective communication is carried out electronically in compliance with the criteria defined by the AMF's General Regulations, which require communication to a wide audience within the European Union and under conditions guaranteeing the security of the communication and information. Accordingly, Cegedim's Financial Communications Department has chosen to work with a professional communications agency satisfying the communication criteria set by EU Regulation No. 596/2014 on market abuse and the AMF's General Regulations. The communications agency is included on the list published by the AMF, thus benefiting from a presumption of full and effective communication.

9.5 Historical Financial Information

2023 Statutory Auditors' reports

The parent company financial statements for the year ended December 31, 2023 (and their comparative financial statements), and the consolidated financial statements for the year ended December 31, 2023 (and their comparative financial statements drawn up in accordance with IFRS), were audited by the Statutory Auditors. The Statutory Auditors' reports concerning the 2023 financial year are presented respectively in Chapter 5, Section 5.4 and Chapter 4, Section 4.7 of this Universal Registration Document.

2022 Statutory Auditors' reports

The reports for the 2022 financial year are presented in the Universal Registration Document filed with the Autorité des Marchés Financiers on April 12, 2023, under number D.23-0266.

2021 Statutory Auditors' reports

The reports for the 2021 financial year are presented in the Universal Registration Document filed with the Autorité des Marchés Financiers on April 1, 2022, under number D.22-0232.

The 2021 and 2022 reports and the accompanying financial statements are incorporated by reference in this Universal Registration Document.

9.6 | Reference table

9.6.1 | Universal Registration Document

This reference table is based on the headings set out in Annex I and II of Delegated Regulation (EU) 2019/980 of the Commission of 14 March 2019 and refers to the pages of this universal registration document on which the relevant information can be found.

Chapter number and headings	Section
1. Persons responsible, third party information, experts' reports and competent authority approval	**9.3**
2. Statutory auditors	**9.1**
3. Risk factors	**3.1 / 3.6 / 4.6 note 3, 4, 8.1, 8.2,8.3, 12 / 5.3.3 note 30 / 6.2 / 7.2**
4. Information about the issuer	**9.1**
5. Business overview	
5.1 Principal activities	Big Picture / 1.2 / 6.2
5.2 Principal market	1.2
5.3 he important events in the development of the issuer's business	1.2 / 3.6 / 3.7 / 4.6 note 3 & 4 & 20.4
5.4 Strategy and objectives	Big Picture / 1.2 / 3.6 / 6.2
5.5 Dependence on patents, licenses, contracts or new manufacturing processes	N/A
5.6 Basis for any statements made by the Group regarding its competitive position	1.2
5.7 Investments	3.3 / 4.6 note 5.2, 5.3, 10.1, 10.2, 10.3 & 10.4 / 5.3.3 note 1
6. Organizational structure	
6.1 1 Brief description of the group	1.1 / 1.2
6.2 List of significant subsidiaries	1.1 / 1.2 /5.3.4 / 5.3.5 / 5.3.6
7. Operating and financial review	
7.1 Financial condition	Big Picture / 3.2 / Chapter 4 & 5
7.2 Operating results	Big Picture / 3.2 / Chapter 4 & 5
8. Capital resource	
8.1 Information on Issuer's capital resources	3.2.2 / 4.1 / 4.4
8.2 Sources and amounts of cash flows	3.2.3 / 4.5 /4.6
8.3 Information on borrowing requirements and funding structure	3.2.2.2 / 3.3 /4.6 note 11
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This Universal Registration Document contains all elements of the management report as required by articles L. 225-100 et seq., L. 232-1, II and R. 225-102 et seq. of the French Commercial Code.

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9.6.3 | Corporate governance report

This Universal Registration Document contains contains all elements of the corporate governance report as required by articles L. 225-37 et seq. of the French Commercial Code.

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9.6.4 | Annual Financial Report

This Universal Registration Document includes all elements of the financial report asset forth in articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF General Regulation.

Information	Section
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