

## PRESS RELEASE

Quarterly financial information as of December 31, 2023  
IFRS - Regulated information - Audited

### Full year 2023 results: Revenue and recurring operating income both up

- 2023 revenues rose **10.9%** to €616.0 million
- Recurring operating income<sup>(1)</sup> rose **23.4%** to **€31.7 million**

Boulogne-Billancourt, France, March 27, 2024, after the market close

**CeGEDim** generated consolidated revenues of €616.0 million in 2023, an increase of 10.9% as reported and 10.8% like for like<sup>(2)</sup> compared with the previous year, and recurring operating income<sup>(1)</sup> came to €31.7 million, a 23.4% increase.

#### Consolidated income statement

	2023		2022		Change (in %)
	(in €m)	(in %)	(in €m)	(in %)	
<b>Revenues</b>	<b>616.0</b>	100.0%	<b>555.2</b>	100.0%	<b>10.9%</b>
EBITDA <sup>(1)</sup>	<b>108.8</b>	17.7%	<b>96.2</b>	17.3%	13.1%
Depreciation & amortization	<b>-77.2</b>	-12.5%	<b>-70.5</b>	-12.7%	9.4%
<b>Recurring operating income<sup>(1)</sup></b>	<b>31.7</b>	5.1%	<b>25.7</b>	4.6%	<b>23.4%</b>
Other non-recurring operating income and expenses <sup>(1)</sup>	<b>-11.7</b>	-1.9%	<b>0.8</b>	0.1%	-
<b>Operating income</b>	<b>20.0</b>	3.2%	<b>26.5</b>	4.8%	<b>-24.6%</b>
Financial result	<b>-11.9</b>	-1.9%	<b>-8.8</b>	-1.6%	-35.2%
Total tax	<b>-14.8</b>	-2.4%	<b>-4.6</b>	-0.8%	-222.0%
<b>Net profit attributable to owners of the parent</b>	<b>-7.4</b>	<b>-1.2%</b>	<b>13.6</b>	<b>2.5%</b>	<b>-154.4%</b>
Earnings per share (in euros)	<b>-0.5</b>	-	<b>1.0</b>	-	-150%

**Consolidated revenues:** rose €61 million, or **+10.9%**, to €616.0 million in 2023 compared with €555.2 million in 2022. The positive scope effect of €1.7 million, or 0.3%, was attributable to the full-year consolidation in **CeGEDim's** accounts of acquisitions **MesDocteurs**, **Laponi**, **Sedia**, and **Clinityx**. The positive currency impact was €0.8 million, or 0.1%. Like-for-like<sup>(2)</sup> revenue increased **10.8%** over the period.

**Recurring operating income<sup>(1)</sup>:** rose €6.0 million in 2023 to **€31.7 million** compared with €25.7 million in 2022. It amounted to 5.1% of 2023 revenue compared with 4.6% in 2022. The increase was chiefly the result of improved earnings at **CeGEDim Santé** and **international businesses**, as well as BPO offerings in insurance and the excellent performance of Human Resources activities. The foundation of our historical activities remains very solid, both in digital marketing and in **flows digitalization** for businesses and healthcare, featuring investments in innovation.

(1) Alternative performance indicator See pages 110-111 of the 2022 Universal Registration Document.

(2) At constant scope and exchange rates.

**Other non-recurring operating income and expenses<sup>(1)</sup>:** 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, Cegedim Group received proceeds from selling a minority stake.

**Depreciation and amortization expenses:** rose €6.7 million in 2023. Amortization of R&D investments rose €2.3 million year on year, and capex amortization rose €2.8 million as a result of investments in the operations of *cegedim.cloud* and *C-Media*.

**EBITDA:** the €12.6 million increase between 2022 and 2023 was the result of a stabilization in personnel costs and supplies relative to the pace of revenue growth, in spite of higher external expenses related to launching the Allianz contract.

**Financial result:** came to -€11.9 million, down €3.1 million compared with 2022 owing to higher interest expense on borrowings with floating interest rates.

**Total tax:** came to a charge of €14.8 million in 2023, up €10.2 million compared with 2022, 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 judicial precedent that led the Group to measure its potential unrealized gain more conservatively.

### Analysis of business trends by division

<i>in millions of euros</i>	Total	Software & Services	Flow	Data & Marketing	BPO	Cloud & Support
<b>Revenue</b>						
2022	555.2	302.0	90.6	106.9	53.0	2.8
2023	<b>616.0</b>	<b>326.6</b>	<b>95.9</b>	<b>114.9</b>	<b>71.5</b>	<b>7.1</b>
Change	<b>10.9%</b>	<b>8.2%</b>	<b>5.9%</b>	<b>7.5%</b>	<b>34.9%</b>	<b>154.0%</b>
<b>Recurring operating income<sup>(1)</sup></b>						
2022	25.7	-4.9	13.1	17.9	3.0	-3.4
2023	<b>31.7</b>	<b>4.2</b>	<b>12.1</b>	<b>15.9</b>	<b>4.0</b>	<b>-4.5</b>
Change	<b>23.4%</b>	<b>185.5%</b>	<b>-7.3%</b>	<b>-11.3%</b>	<b>33.0%</b>	<b>-30.5%</b>
<b>Recurring operating margin</b>						
2022	4.6%	-1.6%	14.4%	16.8%	5.6%	-122.5%
2023	<b>5.1%</b>	<b>1.3%</b>	<b>12.6%</b>	<b>13.9%</b>	<b>5.5%</b>	<b>-62.9%</b>

- **Software & Services:** 2023 revenues rose 8.2%, driven by good performances at *Cegedim Santé* (+10% over the FY), *HR solutions* (+19%), *pharmacy solutions in France* (+8%), and *international businesses* in the UK and Spain (+7%).

Recurring operating income (REBIT) amounted to €4.2 million in 2023, a €9 million increase compared with a €4.9 million loss in 2022.

Of the increase, nearly €5 million was attributable to robust sales at *Cegedim Santé* combined with good hiring management after the company beefed up its sales, operating support, and R&D teams in 2022.

*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).

At the remaining software and services entities in France, results were very satisfactory in *HR* and *pharmacy software*, offsetting a drop in project-based business in the *Insurance* segment.

Software & Services			Change	
in millions of euros	2023	2022	2023 / 2022	
<b>Revenues</b>	<b>326.6</b>	<b>302.0</b>	<b>24.6</b>	<b>8.2%</b>
Cegedim Santé	76.6	69.6	7.0	10.1%
Insurance, HR, Pharmacies, and other services	197.6	183.5	14.1	7.7%
International businesses	52.5	48.9	3.5	7.2%
<b>Recurring operating income</b>	<b>4.2</b>	<b>-4.9</b>	<b>9.0</b>	<b>185.5%</b>
Cegedim Santé	-2.9	-7.8	4.9	62.5%
Insurance, HR, Pharmacies, and other services	14.7	14.3	0.4	3.0%
International businesses	-7.6	-11.4	3.8	33.1%

- Flow:** Revenues rose 5.9%, led by *process digitalization* in electronic data flows, whose French and international businesses grew 7.4%. Over the same period, *Third-party payer systems* posted 3.7% growth. 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.
- Data & Marketing:** *Marketing* and *Data* activities made positive contributions of respectively 10.7% and 5.1% to the division's revenue growth compared with 2022. The division's recurring operating income 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.
- BPO:** 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%. 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.
- Cloud & Support:** Revenues rose €4.3 million in 2023, chiefly because all of the Group's *cloud businesses* have been moved to this division (some were previously housed in Software & Services). 2023 recurring operating income was a €4.5 million loss, €1.1 million higher than the loss in 2022. The increase 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.

## Highlights

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.

- Acquisition of a majority stake in Phealing**

On November 30, 2023, *Cegedim* acquired a majority stake in *Phealing*, a start-up specializing in secure prescription drug delivery. *Phealing's* offer, based around its advanced artificial intelligence engine, caters to a key concern for pharmacies: double checking prescription medication, which means verifying at the time the prescription is filled that the medicine matches the patient's prescription, physical profile, and illness. *Phealing* was consolidated in the Group's accounts starting on December 31, 2023, meaning only its balance sheet is reflected.

- **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.

### **Significant transactions and events post December 31, 2023**

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

- **Acquisition of Visiodent**

On February 15, 2024, *Cegedim Santé* acquired Visiodent, a leading French publisher of management software for dental practices and health clinics. Visiodent launched the market's first 100% SaaS solution, Veasy, at a time when it was significantly expanding its organization. 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 will begin 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.

- **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 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.

- **War in Ukraine**

The Group does not do business in Russia or Ukraine and has no assets exposed to those countries.

### **Outlook**

Based on the currently available information, the Group expects 2024 like-for-like revenue<sup>(2)</sup> 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 monetary risks.

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The Audit Committee met on March 25, 2024. The Board of Directors, chaired by Jean-Claude Labrune, met on April 27, 2024. It approved the consolidated financial statements at December 31, 2023, and will ask the Shareholders' Meeting to approve the accounts for the year 2023. The consolidated accounts have been audited. The statutory auditors' report will be issued once the formalities required for submission of the Universal Registration Document have been completed.

The Universal Registration Document will be available in a few days' time, in French and in English, on our website.

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(2) At constant scope and exchange rates.

**WEBCAST ON MARCH 27, 2024, AT 6:15 PM (PARIS TIME)**  
 The webcast is available at: [www.cegedim.fr/webcast](http://www.cegedim.fr/webcast)

The fiscal 2023 results presentation is available on the website:

<https://www.cegedim.fr/finance/documentation/Pages/presentations.aspx>

2024 financial calendar

<b>2024</b>	<b>March 28</b> at 10:00 am	SFAF meeting - Cegedim auditorium in Boulogne Billancourt
	<b>April 25</b> after the close	Q1 2024 revenues
	<b>June 14</b> at 9:30 am	Shareholders' meeting
	<b>July 25</b> after the close	H1 2024 revenues
	<b>September 26</b> after the close	First-half 2024 results

Financial calendar: <https://www.cegedim.fr/finance/agenda/Pages/default.aspx>

**Disclaimer**

This press release is available in French and in English. In the event of any difference between the two versions, the original French version takes precedence. This press release may contain inside information. It was sent to Cegedim's authorized distributor on March 27, 2024, no earlier than 5:45 pm Paris time.

The figures cited in this press release include guidance on Cegedim's future financial performance targets. This forward-looking information is based on the opinions and assumptions of the Group's senior management at the time this press release is issued and naturally entails risks and uncertainty. For more information on the risks facing Cegedim, please refer to Chapter 7, "Risk management", section 7.2, "Risk factors and insurance", and Chapter 3, "Overview of the financial year", section 3.6, "Outlook", of the 2022 Universal Registration Document filled with the AMF on April 12, 2023.

About Cegedim:

Founded in 1969, Cegedim is an innovative technology and services group 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).

To learn more please visit: [www.cegedim.fr](http://www.cegedim.fr)

And follow Cegedim on Twitter @CegedimGroup, LinkedIn, and Facebook.

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**Annexes**
**Consolidated financial statements at December 31, 2023**

- **Assets at December 31, 2023**

<i>In thousands of euros</i>	<b>12/31/2023</b>	<b>12/31/2022</b>
<b>Goodwill</b>	<b>199,787</b>	<b>198,761</b>
Development costs	1,562	3,081
Other intangible fixed assets	192,616	185,004
<b>Intangible non-current assets</b>	<b>194,178</b>	<b>188,085</b>
Land	544	544
Buildings	1,660	1,872
Other property, plant, and equipment	45,829	39,467
Advances and non-current assets in progress	831	133
Rights of use	89,718	88,988
<b>Tangible fixed assets</b>	<b>138,582</b>	<b>131,004</b>
Equity investments	0	1
Loans	15,332	15,642
Other long-term investments	5,230	5,053
<b>Long-term investments – excluding equity shares in equity method companies</b>	<b>20,563</b>	<b>20,696</b>
Equity shares in equity method companies	9,725	9,655
Deferred tax assets	19,747	30,385
Prepaid expenses: long-term portion	-	0
<b>Non-current assets</b>	<b>594,922</b>	<b>589,509</b>
Goods	5,498	6,495
Advances and deposits received on orders	3,703	177
Accounts receivables: short-term portion	175,199	151,757
Other receivables: short-term portion	59,563	50,497
Current tax credits	16,495	16,557
Cash equivalents	0	0
Cash	46,606	55,553
Prepaid expenses: short-term portion	22,082	19,370
<b>Current assets</b>	<b>329,146</b>	<b>300,406</b>
<b>Total assets</b>	<b>924,068</b>	<b>889,915</b>

- **Liabilities and equity at December 31, 2023**

<i>In thousands of euros</i>	<b>12/31/2023</b>	<b>12/31/2022</b>
Share capital	13,337	13,337
Consolidated retained earnings	282,521	271,344
Group exchange gains/losses	-12,275	-13,141
Group earnings	-7,407	13,624
<b>Shareholders' equity, Group share</b>	<b>276,175</b>	<b>285,164</b>
Minority interest	18,381	18,971
<b>Shareholders' equity</b>	<b>294,556</b>	<b>304,135</b>
Short-term financial liabilities	188,546	188,913
Current lease liabilities	78,761	75,907
Deferred tax liabilities	5,600	6,137
Post-employment benefit obligations	31,007	25,397
Non-current provisions	2,521	2,355
<b>Non-current liabilities</b>	<b>306,435</b>	<b>298,709</b>
Short-term financial liabilities	3,006	3,854
Current lease liabilities	14,789	15,916
Trade payables and related accounts	61,734	55,709
Current tax liabilities	235	247
Tax and social security liabilities	121,371	112,341
Non-current provisions	1,730	2,172
Other current liabilities	120,212	96,832
<b>Current liabilities</b>	<b>323,077</b>	<b>287,071</b>
<b>Total liabilities</b>	<b>924,068</b>	<b>889,915</b>

- Income statement as of December 31, 2023

In thousands of euros	12/31/2023	12/31/2022
<b>Revenues</b>	<b>615,995</b>	<b>555,209</b>
Purchases used	-28,547	-26,559
External expenses	-138,544	-119,913
Taxes	-5,352	-6,259
Payroll costs	-331,748	-303,577
Impairment of trade receivables and other receivables and on contract assets	-2,444	-298
Allowances to and reversals of provisions	-2,714	-4,609
Other operating expenses	431	-8
Share of profit (loss) from affiliates on the income statement	1,757	2,216
<b>EBITDA<sup>(1)</sup></b>	<b>108,834</b>	<b>96,202</b>
Depreciation expenses other than right-of-use assets	-59,471	-53,302
Depreciation expenses of right-of-use assets	-17,693	-17,228
<b>Recurring operating income<sup>(1)</sup></b>	<b>31,670</b>	<b>25,673</b>
Non-recurring operating income and expenses	-11,687	820
<b>Other non-recurring operating income and expenses<sup>(1)</sup></b>	<b>-11,687</b>	<b>820</b>
<b>Operating income</b>	<b>19,983</b>	<b>26,492</b>
Income from cash and cash equivalents	475	114
Cost of gross financial debt	-11,742	-8,949
Other financial income and expenses	-614	45
<b>Net financial income (expense)</b>	<b>-11,881</b>	<b>-8,790</b>
Income taxes	-4,509	-5,882
Deferred tax	-10,336	1,272
<b>Tax</b>	<b>-14,845</b>	<b>-4,610</b>
Share of profit (loss) from affiliates	-1,195	-1,013
Consolidated net profit	-7,937	12,079
<b>Group share</b>	<b>-7,407</b>	<b>13,624</b>
Income from equity-accounted affiliates	531	-1,545
Average number of shares excluding treasury stock	13,610,429	13,658,348
<b>Earnings per share (in euros)</b>	<b>-0.5</b>	<b>1.0</b>

(1) Alternative performance indicator



- **Cash flow statement as of December 31, 2023**

<i>In thousands of euros</i>	<b>12/31/2023</b>	12/31/2022
Consolidated net profit	<b>-7,937</b>	<b>12,079</b>
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 of operating assets	-1,817	-31
<b>Cash flow after cost of net financial debt and taxes</b>	<b>73,695</b>	<b>93,935</b>
Cost of net financial debt	11,881	8,791
Tax expenses	14,844	4,609
<b>Operating cash flow before cost of net financial debt and taxes</b>	<b>100,420</b>	<b>107,335</b>
Tax paid	-4,233	-21,309
Change in working capital requirement: Requirement	0	0
Change in working capital requirement: Release	1,736	450
<b>Cash flow generated from operating activities after tax paid and change in working capital requirements</b>	<b>97,923</b>	<b>86,476</b>
Acquisitions of intangible fixed assets	-53,538	-58,554
Acquisitions of tangible fixed assets	-21,952	-17,582
Acquisitions of long-term investments	-1,036	-2,619
Disposals of property, plant, and equipment and of intangible assets	2,598	2,099
Disposals of long-term investments	805	1,636
Change in deposits received or paid	84	-717
Impact of changes in consolidation scope	-3,371	52,483
Dividends received from outside the Group	1,114	3,084
<b>Net cash flow used in investing activities</b>	<b>-75,296</b>	<b>-20,170</b>
Capital increase	0	0
Dividends paid to minority shareholders of consolidated cos.	-2	-95
Dividends paid to shareholders of the parent company	-0	-6,831
Debt issuance	0	0
Debt repayments	-263	-85
Employee profit sharing	-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
<b>Net cash flow used in financing activities</b>	<b>-31,071</b>	<b>-33,889</b>
<b>Change in net cash excluding currency impact</b>	<b>-8,444</b>	<b>32,417</b>
Impact of changes in foreign currency exchange rates	-503	-1,024
<b>Change in net cash</b>	<b>-8,947</b>	<b>31,393</b>
Opening cash	55,553	24,159
Closing cash	46,606	55,553

- **Financial covenants**

<i>In thousands of euros</i>	12/31/2023	Criterion
Net debt <sup>(*)</sup>	92,156	
EBITDA	88,479	
<b>Leverage ratio</b>	<b>1.04</b>	<b>&lt; 2.5</b>

<i>In thousands of euros</i>	12/31/2023	Criterion
Interest expense	5,328	
EBITDA	88,479	
<b>Interest cover ratio</b>	<b>16.61</b>	<b>&gt; 4.5</b>

(\*) excluding employee profit sharing liabilities, the FCB loan, and IFRS 16 liabilities

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