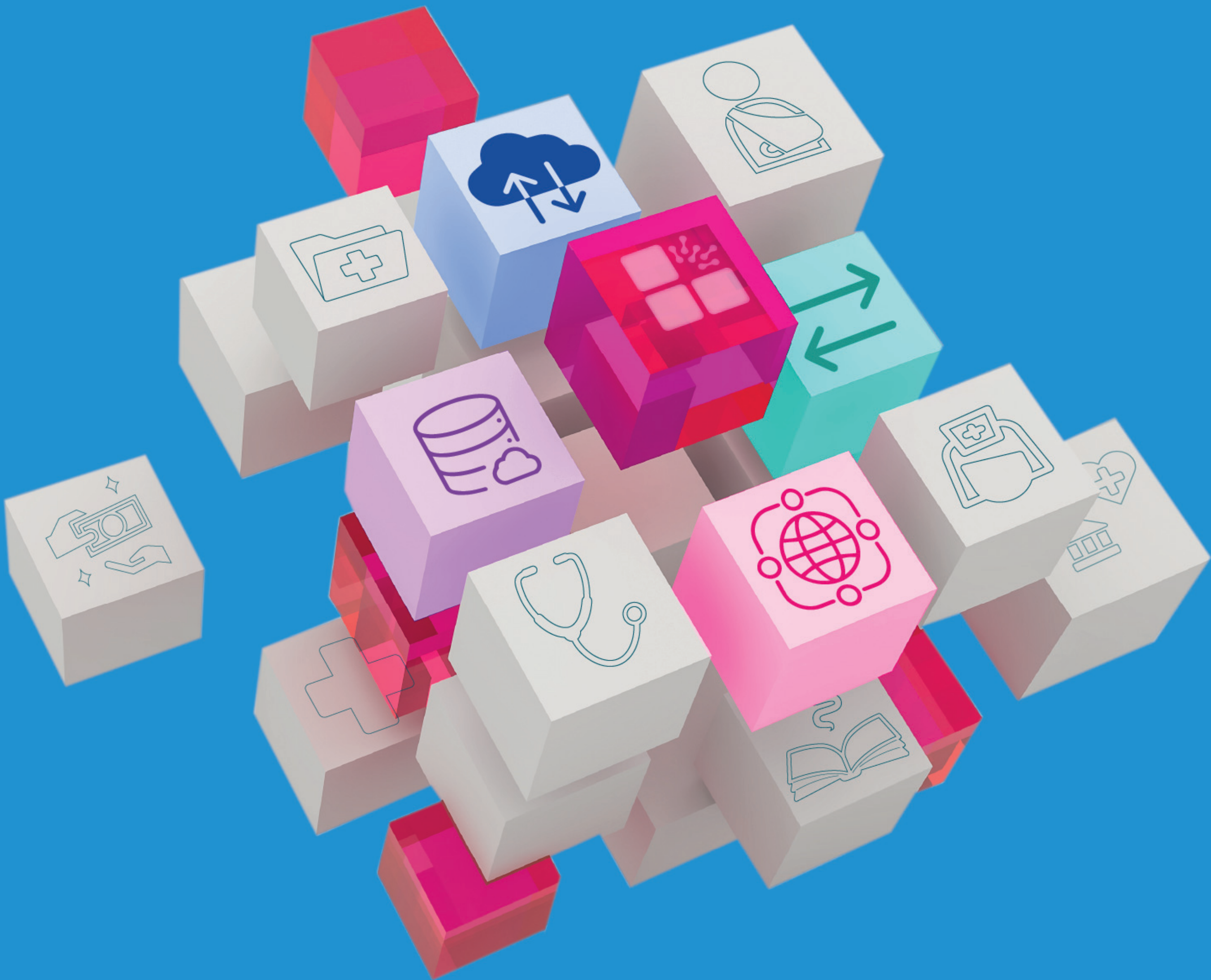
Universal Registration Document

Annual Financial Report included



2022

Universal Registration Document

Including the annual financial report

This Universal Registration Document has been filed on April 12, 2023 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 2022" 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 stadndards applicable in France.

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

Summary

01 The Group

02 Governance

03 Overview of the Financial year

04 Consolidated balance sheet

05 Parent company Financial statements

06 Sustainability Report

07 Risk management

08 Shareholder's meeting

09 Additional information

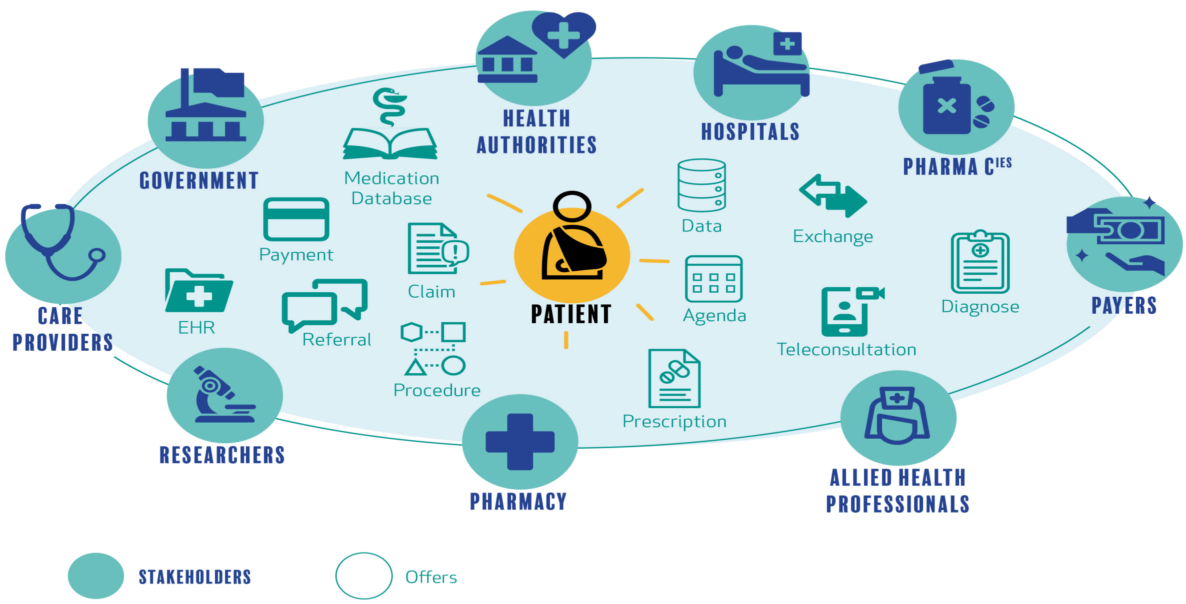
The Big Picture | This is Cegedim

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 6,000 people in more than 10 countries and generated revenue of €555.2 million in 2022.

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 2022

Software & Services

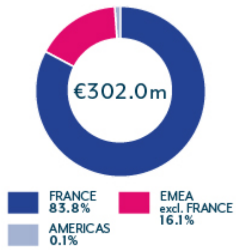
Licenses, SaaS, internet services, maintenance, integration, hosting for healthcare professionals in France, the UK, Romania, Spain, Belgium, and Italy, health insurance companies in France and the UK, and HR departments in France.

See **section 1.2**

55%
of FY 2022 Group revenue

Revenue growth
+3,4%
Reported
+2,2%
Like-for-like

€302.0m
Revenue
—
€-4.9m
REBIT(1)
—
-1.6%
REBIT margin



Geographical mix

Flow

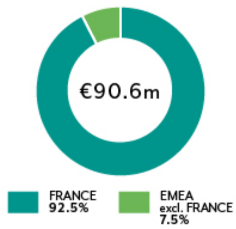
Digitalization of processes and invoices in healthcare and other sectors in France, the UK, and Germany.
Third party payment in France.

See **section 1.2**

16%
of FY 2022 Group revenue

Revenue growth
+7.5%
Reported
+7.3%
Like-for-like

€90.6m
Revenue
—
€13.1m
REBIT(1)
—
14.4%
REBIT margin



Geographical mix

Data & Marketing

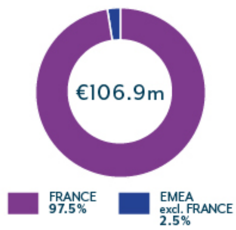
European Health database and studies used by health authorities, governments, healthcare professionals, and pharma companies in France, the UK, Romania, Spain, Italy and Germany. Digital and print marketing at pharmacies in France. Digital marketing for French doctors.

See **section 1.2**

19%
of FY 2022 Group revenue

Revenue growth
+8.6%
Reported
+7.8%
Like-for-like

€106.9m
Revenue
—
€17.9m
REBIT(1)
—
16.8%
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**

10%
of FY 2022 Group revenue

Revenue growth
+11.9%
Reported
+11.9%
Like-for-likershore

€53.0m
Revenue
—
€3.0m
REBIT(1)
—
+5.6%
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".

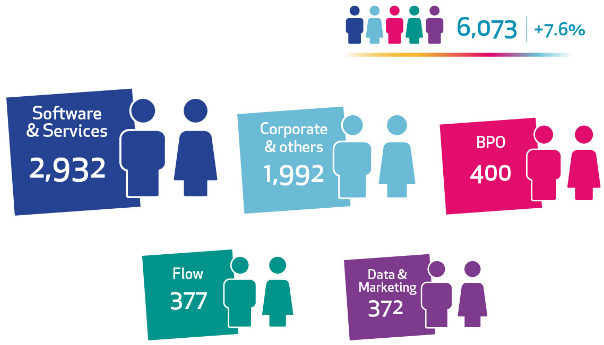
The Big Picture | Employees

6,073
Employees

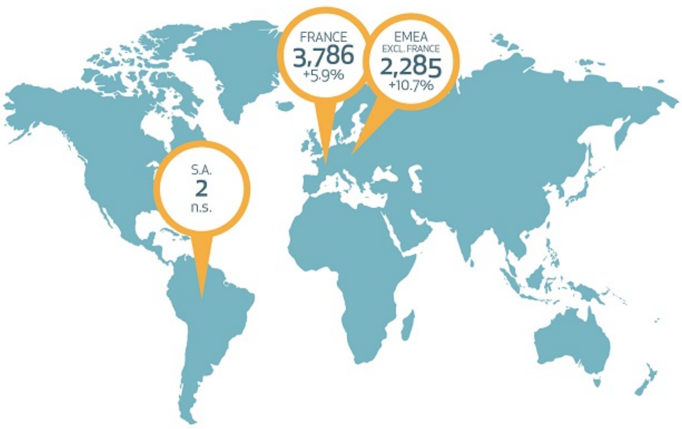
47%
of employees
are female

74%
Inshore
% of employees
inshore

26%
Offshore
% of employees
offshore



Employees by division



Employees by country

The Big Picture | ESG (2022 | 2021)

24 | 25
Datacenter GHG emissions

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

+14% | +15%
Increase in number of virtual servers
(13.8 virtual servers for every physical)

Objective: Maintain continuous growth

115 | 116
Average passenger car fleet CO2 rat

Objective: Maintain at < 120g

41% | 27%
Share of French employees regularly working from home

100% | 100%
Completion of the security checklist

Objective: Maintain 100%

92 | 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 treatment 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 will increase further in coming decades and create 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.

The Big Picture | Innovation

Innovation

14.0%
R&D effort*

€54.0m
Capitalized R&D

1,497
R&D employees

Our innovation capabilities are based on our:

Software factory

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

Quality and compliance

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

Collaboration

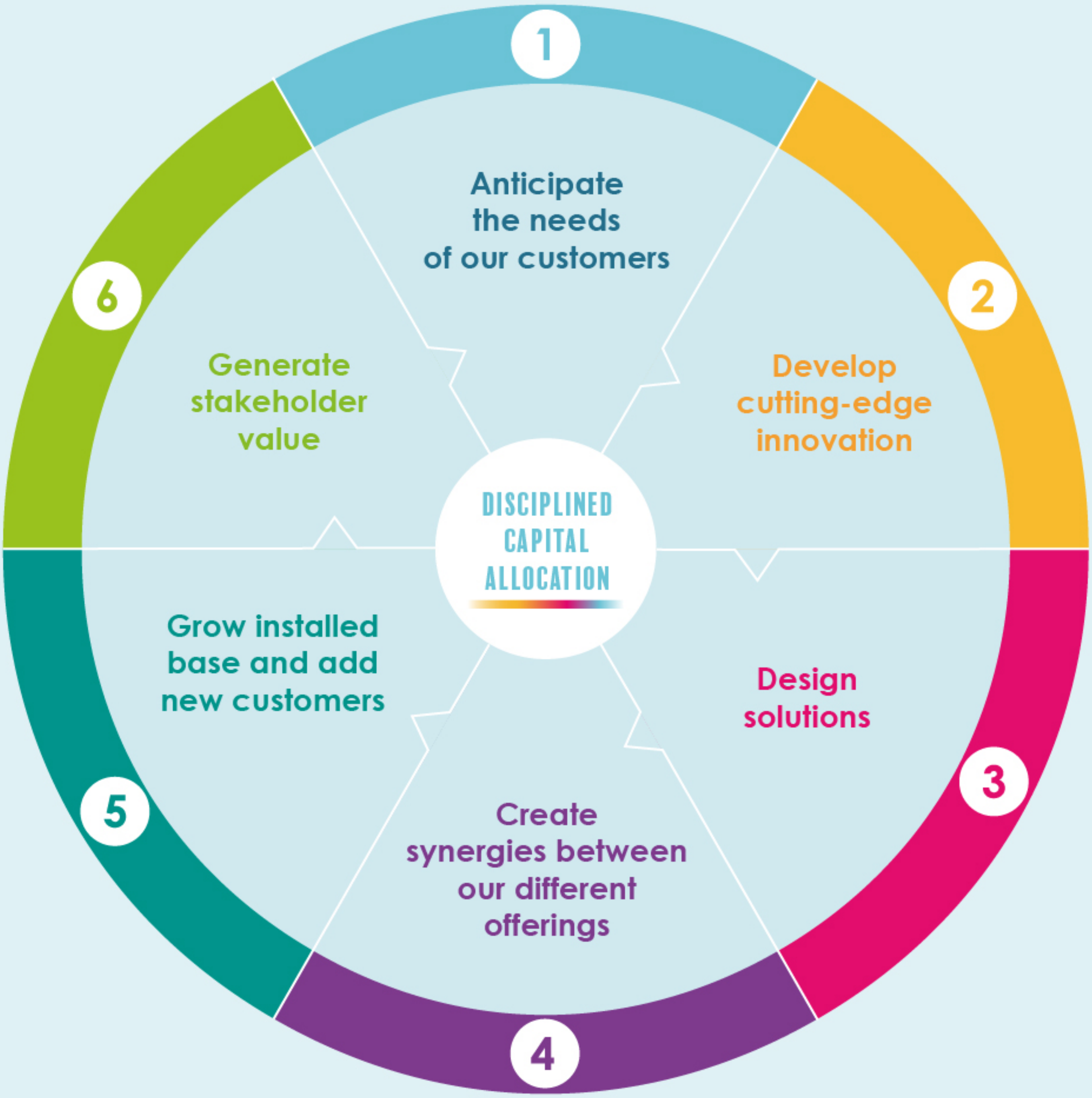
- Customer-driven products and services development

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 2022, our R&D teams reached 1,497 people, and we capitalized €54.0 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

€555.2m

FY 2022 revenue

0.1M€

Financial and other income

€555.3m

Total generated value

Distributed Value

€146.5m

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

€9.7m

In financial costs for our **capital providers**

€21.3m

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

€303.6m

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

€78.8m

Reinvested in Cegedim for future value generation

The Big Picture | A brief history of the Group structure

1969
Jean-Claude Labrune founds Cegedim[1] 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.

Events in 2022 and 2023 are presented in Chapter 4 and in the Consolidated Financial Statement Annexes, Note 3, of this document.

[1] *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 e-business,** a paperless solutions specialist since 1989, Cegedim e-business is an expert in process and invoice digitization, probative value storage, and EDI. This business unit develops and markets the following offerings: SY Business (SY Flow and electronic signature) and SY Health (Hospitalis, SY Pharma, Diagdirect, and Careweb).
- **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, organization, audit, 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.

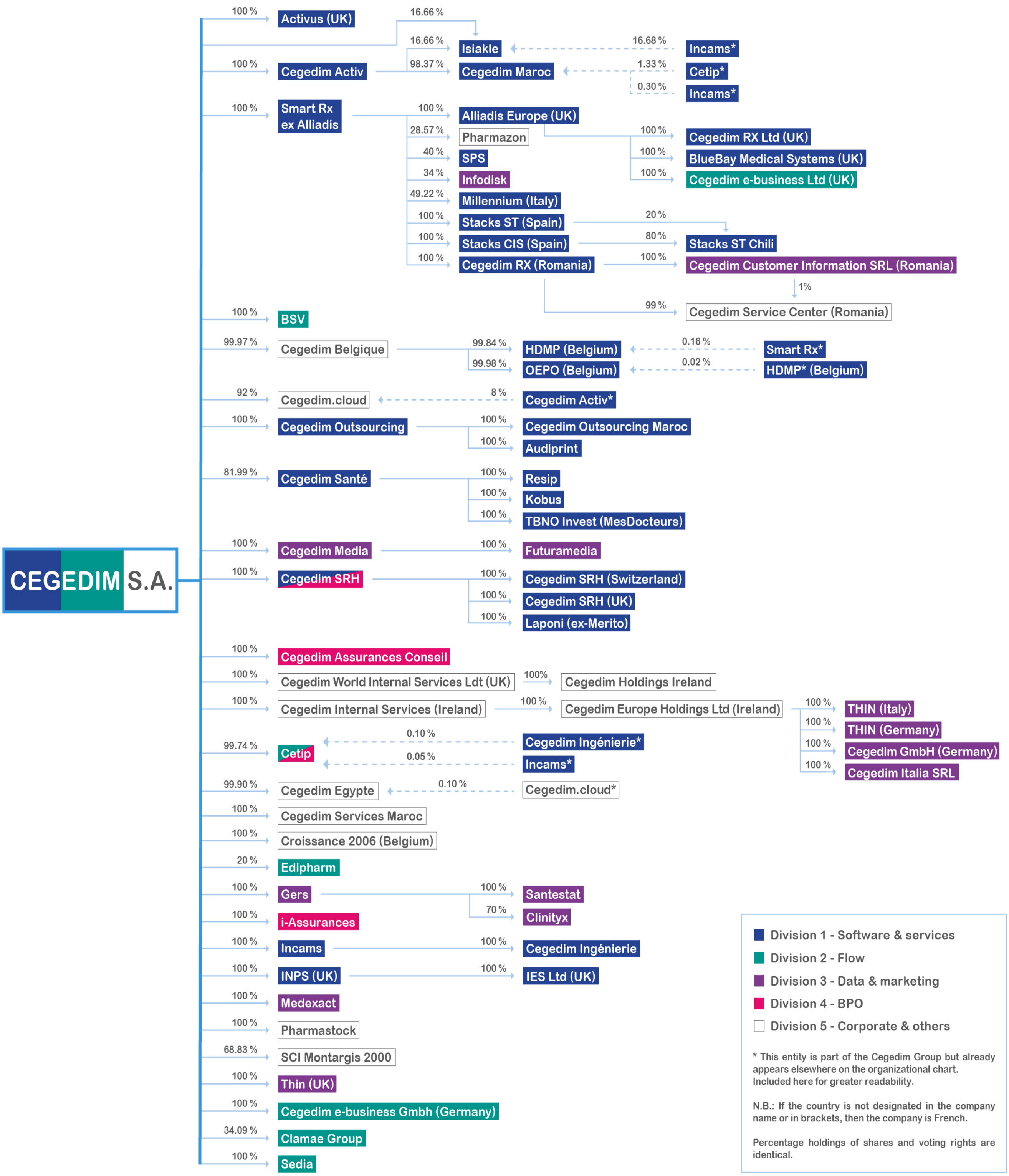
The Group's legal ownership structure is shown on the next page.

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 2022, 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, 2022



1.2 | Activities

Cegedim Group offers a wide range of solutions and services for healthcare professionals and health sector companies (pharmaceutical firms, insurers), and for businesses in all sectors interested in outsourcing, secure hosting, and digital flow solutions. 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 businesses are divided into five divisions: Software & Services, Flow, Data & Marketing, BPO, and Corporate & Others.

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:

1. Solutions for Healthcare Professionals and Patients

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

2. Solutions for pharmaceutical companies

CEGEDIM HEALTH DATA
Healthcare data (THIN Database) and analytics
Cegedim Health Data *(Germany, Belgium, Spain, Italy, UK)*
GERS Data *(France)*, Clinityx *(France)*
Cegedim Customer Information *(Romania)*

Digital displays for the health sector
C-MEDIA, Futuramedia
e-promotion
Medexact
Storage and distribution of healthcare products and promotional material
Pharmastock

3. 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
Consellium

4. Solutions for companies of all sectors

Digitization
Cegedim e-business
Software, services and BPO for HR
Cegedim SRH
IT services
Cegedim Outsourcing
Critical application and health data hosting
Cegedim.cloud
Services
Cegedim Service Center *(Romania)*
Cegedim Maroc, Cegedim Outsourcing Maroc

1.2.1 | Solutions for Healthcare Professionals and Patients

Cegedim Santé

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

Cegedim Santé offers private practionners and their employees solutions for managing patients, invoicing, calendars, online appointment scheduling, teleconsultation, tele-expertise, secure instant messaging, and remote secretarial services. It also provides consulting services and assistance in adopting digital health tools. Its products and services target doctors (GPs and specialists), pharmacists, and allied health professionals (physical therapists, nurses, midwives, speech therapists, eye doctors, and podiatrists) working in practices, multidisciplinary health centers, community health clinics, medico-social establishments (ESMS), pharmacies, hospitals, and corporations (health at work).

Cegedim Santé also provides care access solutions for patients because its ultimate goal is to improve the delivery of patient care and optimize care pathways in France.

Its Maiia suite, one of the market's key e-health support solutions, has four distinct offerings:

- A professional agenda for HCPs and online appointment scheduling platform for patients (Maiia Agenda)
- Teleconsultation, with or without an appointment, for patients who are alone or assisted (Maiia Téléconsultation)
- Secure instant messaging, tele-expertise, and doctor-to-doctor video consultancy (Maiia Connect)
- 100% online practice management for physical therapists (Maiia Gestion)

Some 29,000 doctors use Cegedim Santé's software products -MLM (MonLogicielMedical), Crossway, MédiClick, and Médimust; 52,000 allied health professionals use its practice management software products (Maiia Gestion, Simply Vitale, Série 4000), and 16,000 healthcare professionals in private practice use its Maiia suite services. Many multidisciplinary health centers, community health clinics, hospitals, EHPAD nursing homes, and occupational health and prevention services have also opted for its solutions.

Cegedim Santé is a market leader* in medical software and e-health services (number two with 18%). Its main rivals are Germany's CompuGroup (20.3%), followed in the practioner segment by Prokov Editions (acquired by Pharmagest), Weda, Sephira, Dr Santé, and Doctolib. In the multidisciplinary health centers and community health clinics segment, it competes with Weda and ICT. In the allied health professionals segment, its key competitors by end-user are Vega and Soins 2000 (physical therapists and speech therapists), CBA and Sofia Développement (nurses), and Sephira (Midwives).

In online appointment scheduling, Doctolib is the main competitor for Maiia, Cegedim Santé's appointment scheduling and teleconsultation platform. The acquisition of MesDocteurs in 2022 boosted Cegedim Santé's positions in teleconsultation by adding expertise in unscheduled care to its care pathway solutions. Supplementary health insurers typically offer their subscribers this type of service, which is included in their health coverage with no up-front payments or out-of-pocket costs.

The teleconsultation market comprises various business models:

- Hellocare, Doctolib, and Medaviz offer teleconsultation solutions that allow doctors in private practice to care for their patients remotely.
- Livi and Qare employ doctors to perform teleconsultations and have a health clinic model designed for both the general public and B2B2P customers.
- Others cater specifically for companies (Concilio), pharmacies (Medadom), EHPAD nursing homes (TooktokDoc), etc.

Healthcare professionals are facing real practice challenges, striving 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 organisation 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: the Maiia platform (appointment scheduling, secure instant messaging, teleconsultation), practice management software for doctors and allied health 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). Because these digital solutions are interoperable and compliant with the e-santé and Ségur 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. 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 user-friendly training tools (videos and webinars) and hands-on support so they can focus on what really matters-patient care.

Cegedim Santé will continue to develop and roll out solutions in 2023 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 allied health professionls, etc.). It will also continue to be a trailblazer, experimenting and rolling out new digital tools, like e-prescription and the Carte Vitale app.

Cegedim Santé will also support the increasingly mobile practices of healthcare professionals with alternative invoicing solutions to the TLA Carte Vitale reader, which is being phased out; a standardized experience with its Maiia pro app (60,000 downloads, 20% of teleconsultations); and a range of mobile communication options using Maiia Connect.

** According to our in-house estimates, in 2022 Cegedim Santé maintained the position it has held since 2019 as a leading supplier of software to healthcare professionals in terms of the number of workstations.*

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, Pharmagest and Winpharma and 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 IT tools 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.

IT 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, January 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 medication database and 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 databases) are two other databases that mainly serve hospitals and clinics. Two new competitors, Synapse Medicine and Posos, have formed a partnership with Thériaque.

The web application is currently being redesigned and will be launched in 2023. RESIP's new medical AI platform will also be enriched with innovative scientific services for healthcare professionals.

Cegedim Healthcare Solutions

Software & Services

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

UK

Cegedim Healthcare Solutions (INPS) is on a journey to become a leading supplier of interoperable apps in the primary care segment in the UK offering its new Shared Care solution, comprising Vision Anywhere, Vision Appointments and Vision Tasks.

These solutions enable collaboration across multi-disciplinary teams and other clinical systems, federations and primary care networks.

INPS is the only GP IT Supplier that operates in all 4 UK countries and works with the UK Ministry of Defence. INPS is a single supplier in Scotland after EMIS was withdrawn from the National Framework Contract in October 2022. INPS is the main supplier in Wales serving 56% of the Welsh GP practices while EMIS works with 44% of the market. INPS has 40% market share in Northern Ireland where EMIS works with 57% of the GP Practices and Merlock has just 3%. With duopoly of EMIS (60%) and TPP (39%) in England INPS has just 1%, but this situation will change as a result of the upcoming procurement.

The National Health Services (NHS) has been expanding Primary Care capacity to improve access, local health outcomes and address health inequalities. There is more focus on a Place and groups of patients with complex conditions rather than a particular disease. Reduction in NHS workforce while increasing demand from the population makes NHS provide additional funding to recruit more general practitioners to provide timely medical services and reduce waiting time. NHS's improvement budget was increased by GBP 117 million in 2022 and this will continue in the coming years. Moving from siloed data approach to shared data across care settings with one source of the truth opens new opportunity for Shared Care solutions, Public Cloud and better Interoperability.There is Increasing number of GP IT entrepreneurs developing their own solution for a niche, but the market is more open to the "all-in-one" platforms offering multiple capabilities.

Software & Services

Software and services for pharmacists (Cegedim Rx Ltd)

UK

Cegedim Healthcare Solutions (Cegedim Rx) is a leading* provider of software and IT services to UK pharmacies. The Pharmacy Business Solution with Pharmacy Manager Patient Medication Record (PMR) at its core, includes cloud-based Pharmacy Intelligence Hub, Pharmacy Services and other scalable apps, enabling more than 32,000 users in pharmacies across the UK to dispense medication and deliver healthcare services more efficiently. The pharmacy business also installs computer hardware and secure networks, provides clinical data services, supports user training, and sells consumables, supporting over 30% of the UK's pharmacies with IT or data service solutions. A new offering of digital screens including hardware and managed marketing content media, marketed as Pharmacy Display, was newly launched in the UK during 2022.

Cegedim Rx's is also one of the top three publishers with its main competitor being EMIS Health. A new market entrant, InvaTech Health, was certified in the UK in 2019 and has since garnered around 100 pharmacy clients. Cegedim Rx continues to invest in R&D and the delivery of new innovations to secure a unique market position as a trusted provider of a complete pharmacy business IT solution.

The UK pharmacy market continues to experience flat rate funding with a reduction in dispensing funding from the NHS in England, balanced with additional funding to encourage pharmacies to offer a greater range of enhanced clinical services to patients. Funding reductions in the Scottish, Welsh and Northern Irish markets have had less of an impact than expected. Markets have begun to experience an increase in pharmacy closures during 2022 and this trend is expected to continue over the next 12 months with some consolidation across mid to large size groups. It is anticipated that future years will see a lower level of closures, with some consolidation as new dispensing mechanisms, such as centralized hub & spoke dispensing and direct home delivery, become more established, giving patients greater choice.

** According to our in-house estimates.*

Cegedim Rx

Software & Services

Software and services for pharmacists and doctors
Romania

Cegedim Rx develops and markets software solutions and related services for healthcare professionals in Romania. It is one of the country's leading software providers for pharmacies, pharmacy chains, and individual practices.

Among primary care physicians, Cegedim Rx is a leading provider, with an estimated market share of 24%*. Its main competition comes from a free public software (SIUI) and private suppliers such as: Syonic, Setrio, and Softeh. Cegedim Rx is also a leader* in the market for pharmacy software, with an estimated market share of 27%. Setrio, Softeh, and HTSS (Dr. Max Group) are its main competitors.

The major market trends will continue in 2023: consolidation of pharmacy retail, growth of private healthcare services, digitalization. Cegedim will continue to invest in the pharmacy chain software Dirigent and will launch a new web-based app for doctors.

**According to our in-house estimates.*

HDMP

Software & Services

Software and services for doctors
Belgium

HDMP is the number two* player in the electronic medical record market for general practitioners in Belgium, with Health One. It is also very active in health centers, with more than 3,000 customers.

HDMP is one of four key players, along with Corilus, Compugroup Medical, and Medispring. The constraints and complexity of the 2019-2021 and 2021-2023 eSanté plan led to market concentration and the disappearance of regional players. However, there is a new player on the market: NexuzHealth Pro, a software application based on the Louvain Hospital system and developed as a joint venture with Cegeka.

The launch of HealthOne NOVA, HDMP's new fully web-based solution, should strengthen its competitive position.

HealthOne NOVA, the fully web-based solution was launched at the end of 2022. It meets the international FHIR standard and will replace HealthOne software in the long run. In 2023, HDMP will focus on developing new modules and on passing the accreditation tests so HealthOne NOVA can be approved by the CNMM (Commision Nationale Médico-Mutualiste) as a software program for general practitioners. At the same time, HDMP will continue to run mini-labs (functional and technical tests) for HealthOne, including for digital medical leave forms (Mult-eMediatt) and lab results in FHIR and LOINC format.

** According to our in-house estimates, HDMP was one of Belgium's leading players in 2022 (as in 2021) in terms of the number of customers.*

Stacks

Software & Services

Software and services for doctors
Spain and Chile

Stacks analyses, designs, and develops information systems for the healthcare sector. It is Spain's leading* doctor software publisher, with more than 40,000 users. Stacks also offers healthcare professionals consulting and technical services: identifying, adapting, and integrating solutions. This involves working with specialized firms on complex technological transformation projects.

Stacks sells its products and services to hospitals, primary care centers, insurance companies, and multidisciplinary clinics.

The company has its own sales network covering all of Spain and also operates in Chile, South America.

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

Trends observed in 2022 will continue in 2023 for Stacks with:

- Speeding up migration and roll-out of new OMI360 centers.
- Launching an e-prescription module in the second quarter. This will enable private sector doctors to send prescriptions directly to pharmacies for dispensing.
- In the first quarter, work began on merging Kiosc with OMI360 to enable private health clinics to streamline the patient onboarding process.
- Continuing the trend of supporting digital transformation in Spain in primary care centres.
- EU financing for the private sector in the commitment to digital transformation.

** According to our in-house estimates, Stacks is the market leader in Spain in 2022 (as in 2021) in numbers of users/region.*

Millennium

Software & Services

Software and services for doctors

Italy

Millennium, 49% owned by Cegedim, is Italy's leading* medical software publisher: more than 18,000 customers use its Millewin software. Millennium continues to strengthen its regional presence also via software publisher Mediatec (40%-owned subsidiary), which focuses on general practitioners. Millennium now directly or indirectly equips about 25,000 physicians and has more than 60% market share among Italian general practitioners.

Millennium and its subsidiaries have more than 60% market share and compete with: CompuGroup Medical (Profim, Phronesis, FPF, Venere, CCBasic), Koinè, Iatros, Kappamed Atlas, and other minor competitors.

The major trends observed in 2022 will continue in 2023 even if we see a costant reduction of GPs total number in the last 3 years.

** According to our in-house estimates, Millennium and its subsidiaries equipped more than 25,000 doctors in Italy in 2022, and is therefore the market leader (as in 2021).*

1.2.2 | Solutions for pharmaceutical companies

Cegedim Health Data

Data & Marketing

Data and analytics for the healthcare market

Europe

Cegedim Health Data is the umbrella entity that manages all the "Data" activities that serve health authorities, healthcare professionals, researchers, companies, and healthcare industry partners. It provides anonymized, European, real-world, patient healthcare data with its THIN® (The Health Improvement Network) database. This database, which was started in 1994, comprises more than 69 million anonymized patient records across Europe and relies on a network of partner doctors who collect and ensure the quality of the data in compliance with current regulations. THIN® is present in France, the UK, Spain, Italy, Belgium, and Romania, and will be rolled out in Germany in 2023. It is coded and structured according to a common data model, which means it is easily accessible and ready for artificial intelligence. THIN® is designed to help health authorities, scientists, and research centers advance research and thus improve the delivery and management of patient care.

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

This "Data" activity operates under the Cegedim Health Data brand in the UK, Belgium, Spain, Italy, and Germany and, for historical reasons, under the GERS Data brand in France, and the Cegedim Customer Information brand in Romania.

The acquisition in 2022 of Clinityx, an expert in administrative health data in France, strengthened Cegedim Health Data's positions in real-world data.

THIN® has anonymized records for 69 million patients, making it one of Europe's largest health databases.

Cegedim Health Data's main competitor is IQVIA in all European countries.

Real-world data will enable the global pharmaceutical industry to unlock value opportunities worth $4 billion across the entire value chain between 2021 and 2023*.

Furthermore, there is consensus in healthcare literature on the growing economic benefits of secondary use of health data. However, at this point, few quantified studies have been published:

- The Commission estimates that at the European level, the value-in-use of secondary data (research, drug development, tools for healthcare professionals) will increase from €25 billion in 2020 to €43 billion in 2028**, or 70%. Based on France's share of Europe's GDP (Eurostat, in 2019), we estimate that France stands to gain €7.3 billion.
- E&Y estimates that the UK*** stands to gain £5.0 billion for the NHS and £4.6 billion for patients. The Commission calculated similar figures for every country in Europe****. It estimates that France stands to gain €4.6 billion annually for the government and €4.2 billion for patients in the long run.
- Given these favorable conditions, in 2023 Cegedim Health Data will roll out several projects to develop and enhance its real-world data offerings. It will notably:
- Add German data to its THIN® database, which will then cover seven European countries, including the five largest
- Develop new epidemiological platforms and new services
- Convert THIN® data for Belgium and Germany into the Observational Medical Outcomes Partnership (OMOP) common data model
- Enhance data value by expanding the data and enriching the data records

These efforts will consolidate Cegedim Health Data's position as a major player in real-world data in Europe.

** Gores M. and E. Powers, 2021, Capturing Value at Scale: The $4 billion RWE Imperative*

*** Impact Assessment report Accompanying the document "PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the European Health Data Space" (1/4)*

**** E&Y, 2019, "Realising the value of heath care data: a framework for the future"*

***** Lupiáñez-Villanueva, F., Gunderson, L., Vitiello, S., Febrer, N., Folkvord, F., Chabanier, L., Filali, N., Hamonic, R., Achard, E., Couret, H., Arredondo, M. T., Cabrera, M. F., García, R., López, L., Merino, B., Fico, G. (2022). Study on Health Data, Digital Health and Artificial Intelligence in Healthcare, Publications Office of the European Union.*

Cegedim-MEDIA (C-MEDIA)

Data & Marketing

Digital displays for the health sector
France

C-MEDIA sells "point-of-sale media" ad space and consultancy services. C-MEDIA is the leader* in communications in pharmacies and health and wellness shops, and offers brands sold in pharmacies 360° solutions to create an innovative, enhanced shopping experience.

C-MEDIA's competitors in print advertising and merchandising are: Fil Rouge and Stratégo (Phenix Groupe).

Amidst the uncertainty caused by rising raw material and energy prices and advertisers' supply chain issues, C-MEDIA continues to invest heavily to strengthen its offering, set itself apart from the competition, and boost efficiency. The company is:

- Renovating its production site to prepare for the coming decade
- Redesigning its programming and digital content personalization tools
- Launching a new online appointment scheduling tool for sales teams in the field

The merger with internal supplier Futuramedia in April 2023 will also bolster innovation efforts and generate synergies.

** According to in-house estimates, C-MEDIA is the French benchmark in point-of-sale advertising in terms of the number of pharmacies covered by its display network (in 2022 and in 2021).*

Futuramedia

Data & Marketing

Digital displays for the health sector
France

Futuramedia has been providing DOOH (Digital Out Of Home) solutions for specialist retailers since 2004. It develops digital display solutions for both consortiums and independents in the health (pharmacies, health and wellness stores, doctors, opticians, etc.) and beauty sectors (perfume shops, hairdressers, cosmetics retailers, etc.).

The main competitors in digital communication solutions for the health sector are: Dynamiz Pharma, Pharmaflix, and Phenix Digital.

MedExact

Data & Marketing

e-promotion
France

MedExact sells a variety of digital marketing tools via practice management software and the internet. Its clients are pharmaceutical firms who want to offer HCPs scientific and medical information to help care for their patients.

Digital activities are expected to continue expanding, notably given the strong demand for digital marketing tools that target HCPs via their practice management software.

Pharmastock

Corporate & Others

Storage and distribution of healthcare products and promotional material
France

Pharmastock is a pharmaceutical wholesaler and supplier of healthcare products (drugs, medical devices, skin care products, cosmetics, etc.). 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

Cegedim Activ's solutions cover more than 23 million insured individuals in France, making it the French leader* in software and services dedicated to personal insurance (health and personal protection insurance). It sells its products to all kinds of market operators: insurance companies, mutuals, provident institutions, and intermediaries.

Cegedim Activ is also the leader* in the French market for management software for health and personal protection insurance, its 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.

** According to our in-house estimates, Cegedim Activ's solutions covered more than 23 million beneficiaries in France in 2022, making it the market leader.*

*** 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, Asia-Pacific, Africa). Activus is the international division of Cegedim Activ.

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.

** Activus is one of the leading players in terms of the number of beneficiaries managed with its solutions, according to our in-house estimates.*

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

Cetip

BPO Flow

Flow and outsourced management services in health insurance

France

Cetip is the leader* 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 in 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.

** According to in-house estimates, Cetip handled more than 400 million third-party payment flows in 2022 for more than 22 million beneficiaries in France, thus maintaining its 2021 position as market leader.*

** 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 of all sector

Cegedim e-business

Digitization
Europe

Flow

Cegedim e-business is a leader in digitizing and automating B2B processes in Europe, with more than 900 million data transfers annually and 2 million companies connected worldwide. This business unit develops and markets SY Business and SY Health (Hospitalis, SY Pharma, Diagdirect, and Careweb).

This business started 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 e-business helps companies with their digital transformation through its SY by Cegedim offering: an all-inclusive collaborative solution for business digitization, from contract signing to invoice payment.

Since 2019, when it acquired Ximantix and NetEDI, Cegedim e-business has operated in five countries (France, Germany, the UK, Belgium, and Morocco) and can help its clients digitize processes between several countries and address their local needs. With these acquisitions, Cegedim e-business has bolstered its long-standing e-invoicing services in 64 countries because it offers an interoperable solution. Cegedim e-business is a member of the PEPPOL (Pan European Public Procurement OnLine) network, the EESPA trade association, and the FNFE-MPE (French national electronic invoicing and e-procurement forum). 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.

With the acquisition of Sedia in 2022, Cegedim e-business is grounded out its Hospitalis offering for the hospital network, which now includes new traceability functionalities for medical devices and implantable medical devices.

Cegedim e-business chiefly operates in two markets:

- Digitized 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 products and services 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 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. Cegedim e-business has already officially stated its intent to become a partner platform and will file its registration request when the window for applications opens in spring 2023. The PDP certification will enable the Group to handle the full range of obligations imposed by the new regulation on behalf of its clients.

In addition, Cegedim e-business 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.

Lastly, the business activities of Cegedim e-business, Cegedim SRH, and Cegedim Outsourcing have all been grouped into a single entity, which will boost the BU's growth by offering corporate clients a unique range of services to meet digital transformation needs in their HR, administrative, finance, and IT departments.

Cegedim SRH

Software & Services BPO

Software, services, and BPO for HR

France, Switzerland, Morocco and Romania

Cegedim SRH is a major player in the market for payroll / HR solutions and services, with more than 9 million payslips issued annually. It has more than 25 years of expertise in HR outsourcing and its clients include mid-market companies, large corporations, SMEs, small businesses, and accounting firms. Cegedim SRH offers Human Resources departments Teams RH, a complete, modular HRIS platform via SaaS. The Teams RH solution can be coupled with partial processing or full business process outsourcing (BPO) services.

The acquisition in 2022 of Laponi, an innovative absenteeism management solution, enabled Cegedim SRH to expand its service offering with a digital platform accessible in SaaS mode that offers in-house and external employees the possibility of making replacements in real time.

The market for HR solutions is split between pure players offering outsourced solutions using HRIS components (e.g. talent management) and ERP software publishers offering comprehensive solutions that require partnerships to consider local aspects. Cegedim SRH is unique in that it offers both 360° coverage of HR functions and advanced service offerings in a BPO format. Cegedim SRH is one of the Top 5 HRIS publishers in France

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The business activities of Cegedim e-business, Cegedim SRH, and Cegedim Outsourcing have recently been grouped into a single entity, which will boost the BU's growth by offering corporate clients a unique range of services to meet digital transformation needs in their HR, administrative, finance, and IT departments.

Business development will also be driven by other factors, such as international expansion and more dynamic indirect partnerships.

Cegedim SRH also continues to innovate. In 2023, it will offer its clients a new, fully web-based interface for MyTeamsRH and an updated user experience. 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 through its two divisions:

- IT Digital Workspace and cybersecurity: dedicated technology solutions integration (centralized user management, hyperconvergence, unified collaboration), managed services, and technical assistance services.
- BPO-Customer Relations: digitalization, contact center, and back office services.

Cegedim.cloud

Corporate & Others

Critical application and health data hosting

France and UK

Cegedim has extensive experience in managed services and hosting for healthcare professionals, pharmaceutical companies, insurers, and mutuals. It is also a specialist in the management of financial flows and digitized documents. To handle these strategic and sensitive 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, ISO 20000, ISAE3402, ISO 27017, and ISO 27018) and hosting in France.

Cegedim.cloud draws on these strengths to offer a complete range of sovereign cloud hosting and management services that meet the performance, safety, and accessibility standards required to run critical applications and process sensitive data.

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

In 2023, cegedim.cloud intends to continue building out its PaaS catalog while continuously improving and designing new security solutions to meet the growing threat to clients' data. It will seek SecNumCloud certification for its IaaS for added third-party endorsement of its solutions. It will also cement its ESG focus by aiming for the following certifications:

- In 2023: ISO 50001 / Code of Conduct for Energy Efficiency in Data Centers,
- In 2024: ISO 14001 for environmental management systems.

Cegedim Service Center

Corporate & Others

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

Corporate & Others

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, 2022, 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	-
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	-

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

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 62), 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 2022, 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 2022.

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.

The Board of Directors' diversity policy

Criterion	Results for 2022	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	60 years Average age	No more than one-third of Board members are over 75 years old.
Average tenure	18 years Of service (average)	-

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 17, 2021, 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 six times in 2022.

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 2021 annual consolidated financial statements, 2022 interim consolidated statements, and 2022 provisional statements), and the five-year business plan. 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 2022;
- 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.

After reviewing the Board's work in 2022, 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 2022

Date	Rate of attendance
January 27	90%
March 24	90%
April 28	80%
June 20	80%
September 20	80%
October 27	80%

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, 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 2022;
- 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 27, March 23, April 27, September 19, and October 26, 2022.

50%	100%	5
Independence rate	Rate of attendance	# of meetings in 2022

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:

- Reviews and submits proposals to the Board regarding compensation of the Company's Board Members, Chairman, CEO, and Deputy Managing Director;
- Examines free share award policies;
- Examines any proposal to launch a Company capital increase reserved for employees;
- Makes suggestions regarding the selection of Board members based on the composition of and changes to the Company's shareholding structure;
- Makes suggestions regarding the selection of independent Board members by carrying out its own research into potential candidates before they are approached in any way;
- Designs 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 27 and March 24, 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 2022

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 eleven times in 2022.

0%	100%	11
Independence rate	Rate of attendance	# of meetings in 2022

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, 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.

At its first meeting, the committee reviewed the major CSR topics for 2023, notably the EU Taxonomy and the CSR risks to be included in the 2022 Statement of non-financial performance (SNFP). The committee approved the methodology used for the Group's CSR risk mapping and materiality matrix. Lastly, it approved 16 Group-specific risks for 2022.

Meeting:

The CSR Committee met three times in 2022, on January 27, March 23, and April 27.

50%	100%	3
Independence rate	Rate of attendance	# of meetings in 2022

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					✓	
Catherien 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 2022, 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 2022. 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	90%	Marketing	90%
Finance & accounting	90%	CSR	100%
Technology	50%	Risk management	90%
Industry	70%	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, 2022

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, 2022

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, and of SCB since July 13, 2011

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

- None

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

CSR

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, 2022

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 and Futuramedia
- 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

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 Acceuil Web until July 2, 2019
- Chairman of Docavenue until December 31,2021
- Director of Cegedim SRH (UK), resigned on May 2, 2021

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, 2022

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, 2022

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, 2022

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
- Deputy Managing Director of Cetip since October 10, 2018
- Managing Director of Cegedim Activ since January 7, 2021

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, and Managing Director of Cegedim Activ on January 7, 2021.

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, 2022

Offices held at French and international Cegedim subsidiaries[1]

- 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 and Futuramedia
- Manager of Resip
- Chairman of Croissance 2006 (Belgium), Stacks Consulting E Ingeniera de Software (Spain), Stacks Servicios Technologicos (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), Cegedim Europe Holding (Ireland), and Cegedim World Internal Services (UK).
- Cegedim Board director representative at OEP (Belgium).

Offices held currently, other than in companies controlled by Cegedim[1]

- 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[1]

- 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
- 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; and Cegedim SRH (UK) until Mai 2, 2021
- 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.

(1) 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, 2022

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, 2022

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 2022, the sums involved (rent for premises and car parks) totaled €7.6 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, 2022, and December 31, 2022.

	Number of shares held on 12/31/2021	Number of free shares granted during the year	Number of shares purchased	Number of shares sold	**Number of shares held on 12/31/2022**
Jean-Pierre Cassan	0	-	-	-	**0**
Sandrine Debroise	6,628	699	0	0	**7,327**
FCB	7,538,639	-	62,644	0	**7,601,283**
GIE GERS	0	-	0	0	**0**
Marcel Kahn	0	-	0	0	**0**
Aude Labrune(1)	1	-	0	0	**1**
Jean-Claude Labrune(1)	0	-	7,500	0	**7,500**
Laurent Labrune(1)	1,601	-	5,500	0	**7,101**
Pierre Marucchi(2)	6,180	-	585	0	**6,765**
Nicolas Giraud	0	-	0	0	**0**
Béatrice Saunier	0	-	0	0	**0**
Catherine Abiven	1,001	825	0	0	**1,826**

(1) Jean-Claude Labrune, Aude Labrune, and Laurent Labrune are shareholders of FCB, which owns 54.31% of the equity of Cegedim SA as of December 31, 2022.

(2) Shares held directly and indirectly via the company Marucchi SAS. Mr. Pierre Marucchi is also a shareholder of FCB, which owns 54.31% of the equity of Cegedim SA as of December 31, 2022.

The statement below summarizes, to the best of the Company's knowledge, the securities transactions of corporate officers between January 1, 2023, and March 23, 2023. Only directors who have carried out securities transactions are indicated.

	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 03/24/2023**
Sandrine Debroise	7,327	705	0	0	**8,032**
Catherine Abiven	1,826	1,242	0	0	**3,068**

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 2022, total annual retainer fees came to €1,986,718. 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[1]. The Group's reorganization and business model transformation resulted in significant exceptional charges. As a result, the Recurring Operating Income[1] 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 19, 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.

(1) *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	2022	2021
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	2022	2021
Laurent Labrune – Deputy Managing Director		
Compensation due for the financial year (see Table 2)	387,376	472,873
Value of options granted during the financial year (see Table 4)	-	-
Value of free shares granted during the financial year (see Table 6)	-	-
Total	**487,376**	**472,873**

In euros	2022	2021
Pierre Marucchi - Deputy Managing Director		
Compensation due for the financial year (see Table 2)	410,264	466,090
Value of options granted during the financial year (see Table 4)	-	-
Value of free shares granted during the financial year (see Table 6)	-	-
Total	**410,264**	**466,090**

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

Jean Claude Labrune	**Amounts for 2022**		**Amounts for 2021**	
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 2022**		**Amounts for 2021**	
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)	153,126	238,623	238,623	249,610
Special payments linked to the Cegedim SA employment contract	100,000	100,000	100,000	20,000
Board member compensation(4)	14,000	14,000	14,000	14,000
Benefits in kind related to the employment contract(5)	-	-	-	-
Total	**387,376**	**472,873**	**472,873**	**403,860**

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 2022		Amounts for 2021	
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]	105,634	164,614	164,614	172,194
Special payments linked to the Cegedim SA employment contract	100,000	100,000	100,000	50,000
Board member compensation[4]	42,671	42,671	42,671	42,671
Benefits in kind related to the employment contract[5]	8,157	5,004	5,004	5,004
Total	**410,264**	**466,090**	**466,090**	**423,670**

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.

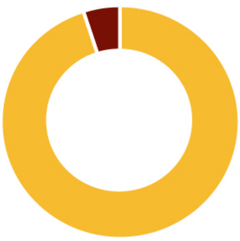
(3) The variable compensation of Pierre Marucchi varies in proportion to fluctuations in the Group's EBIT before special items (see Chapter 4, "Consolidated Financial Statements", Section 4.6, Note 2 on alternative performance indicators.

(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 2022

Jean-Claude Labrune



Annual variable compensation
0%
Fixed compensation
95%
Special payments
0%
Others*
5%

*Others: Board members compensation and Benefit in kind

Laurent Labrune

Annual variable compensation
50%
Fixed compensation
25%
Special payments
21%
Others*
3%

*Others: Board members compensation and Benefit in kind

Pierre Marucchi

Annual variable compensation
35%
Fixed compensation
33%
Special payments
21%
Others*
10%

*Others: Board members compensation and Benefit in kind

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

Board members		Amount paid in 2022	Amount paid in 2021
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 Duchesnes received €25,000 compensation for 2022.

(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 2.5 "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	
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	**None**
- 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, 2022, the Corporate Mutual Fund consisted of 88,110 Cegedim shares, representing 0.63% 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	01/27/2020	01/26/2021	01/27/2022
Date of the General Meeting	06/19/2018	06/19/2018	06/17/2021
Date of the Board meeting	01/27/2020	01/26/2021	01/27/2022
Date of Date of plan opening	01/27/2020	01/26/2021	01/27/2022
Total number of shares that can be awarded	37,308	37,308	49,845
Initial subscription price	€31.40	€25.00	€24.15
Vesting date France	01/27/2022	01/26/2023	01/27/2024
Vesting date outside France	01/27/2023	01/26/2024	01/27/2025

Position of plan at December 31, 2022

Plan of	01/27/2020	01/26/2021	01/27/2022
Total number of shares awarded	30,438	29,690	46,245
Total number of shares left to be acquired	0	0	0
Adjusted acquisition price of free share award for France	€30.48	€24.27	€23.44
Adjusted acquisition price of free share award outside France	€26.69	€21.25	€20.53

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.

Investment and strategic partnership between Cegedim and three social protection companies

On May 16, 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. Cegedim Santé houses all of Cegedim Group's software products and services for doctors and allied health professionals in France, covering the care pathway from online appointment scheduling to management of patient records, invoicing, and teleconsultation. In addition, its Resip subsidiary supplies information on medication and medical devices. The deal values Cegedim Santé at €360.9 million. 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 (housed in TBNO Invest).

Acquisition of Laponi in France

On June 21, 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 fromCegedim SRH's technical and financial resources as well as its sales force.

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

Acquisition of Sedia in France

On July 19, 2022, Cegedim e-business 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.

Acquisition of Clinityx in France

On July 28, 2022, Cegedim strengthened its position in the real-world data sector by acquiring 70% of 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.

Healthcare Gateway Limited divestment

In 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). HGL, in which Cegedim owned a 50% interest without exercising control, had been accounted for using the equity method.

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 Group. On December 17, 2018, the Paris Commercial Court granted Cegedim's request, which IQVIA then appealed. On December 8, 2021, the Court of Appeal upheld the judgement in favor of Cegedim. That ruling is currently under appeal.

After consulting its external legal counsel, the Group had decided not to set aside any provisions.

Tax

On February 21, 2018, Cegedim SA received official notice that the French tax authorities planned to perform an audit of its financial statements for the period from January 1, 2015, to December 31, 2016. After consultation with its lawyers and based on ample precedent, the Group believes that the adjustment related to the use of tax-loss carryforwards is unwarranted and continues to explore its options to appeal the decision. On October 21, 2021, Cegedim SA received official notice that the French tax authorities planned to perform an audit of its financial statements for the period from January 1, 2019, to December 31, 2020. That audit has not resulted in any adjustments other than those the Group is already appealing.

As part of this process, in the first half of 2022 Cegedim SA received a notice of collection and paid a total of €12.1 million in respect of tax-loss carryforwards used through 2020 and a €0.4 million late payment penalty. The corresponding entry for these payments is not in the taxes line of the income statement, but is accounted for as a tax receivable in the balance sheet assets, as we expect these sums to be repaid once the dispute has been resolved, if in our favor. Furthermore, as the Group's accounting method and legal arguments are sound, it continues to record €20 million in deferred tax assets on the balance sheet, relating to the disputed tax-loss carryforwards yet unused.

In the event of an unfavorable ruling, Cegedim faces a maximum risk of (1) €23 million of income taxes in the P&L based on the disputed tax-loss carryforwards already used as of December 31, 2022, (of which it has already paid €12.1 million) and (2) an additional €20 million tax impact in the P&L due to the cancellation of its deferred tax assets relating to the disputed tax-loss carryforwards yet unused (which would not entail any cash disbursement).

Cegedim believes that the risk of an unfavorable ruling is small and plans to continue using the remaining disputed tax-loss carryforwards yet unused. Thus, if the ruling is ultimately unfavorable, the maximum risk in terms of a reversing entry in the tax line of the income statement will increase, but the impact on the cash position would still be more modest, as the Group continues to make periodic payments in respect of the collection notice.

3.2 FY 2022 business review

Operational performance

€555.2m Revenue **2021: €524.7m** 2020 €496.9m	**+5.8 %** Growth rate, reported **+5.0 %** Growth rate, like for like	**+4.6%** REBIT margin **2021 7.6%** 2020 8.4%	**-298bp** Growth rate
€25.7m Recurring operating income (REBIT)[1] **2021 €39.9m** 2020 €41.7m	**-35.7%** Growth rate	**€1.4** EPS **2021 €1.9** 2020 €0.8	**-26.3%** Growth rate

Consolidated P&L

In millions of euros	12/31/2022	12/31/2021	Change, %	Change, €m
Revenue	**555.2**	**524.7**	**5.8%**	**30.5**
Purchases used	-26.6	-26.7	-0.5%	-0.1
External expenses	-119.9	-107.4	11.6%	12.5
Employee costs	-303.6	-278.8	8.9%	24.7
Other operating income and expenses	-9.0	-7.1	27.0%	1.9
EBITDA[1]	**96.2**	**104.7**	**-8.1%**	**-8.5**
EBITDA margin[1]	17.3%	20.0%	-263bp	-
Depreciation & amortization	-70.5	-64.8	8.8%	5.7
REBIT[1]	**25.7**	**39.9**	**-35.7%**	**-14.2**
REBIT[1] margin	4.6%	7.6%	-298bp	-
Other non-recurring operating income and expenses[1]	-18.0	3.8	n.m.	-21.8
Operating income	**7.7**	**43.7**	**-82.4%**	**-36.0**
Operating margin	1.4%	8.3%	-694bp	-
Financial result	7.6	-10.4	173.1%	18.0
Total taxes	-4.0	-5.8	-31.8%	-1.9
Consolidated net profit	**10.3**	**26.3**	**-60.9%**	**-16.0**
Consolidated net profit attributable to the Group	**11.8**	**26.2**	**-54.9%**	**-14.4**
Recurring earnings per share (in euros)	1.3	1.8	-27.8%	-0.5
Earnings per share (in euros)	1.4	1.9	-26.3%	-0.5

(1) 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	
€555.2m	**+5.8 %** Reported
	+5.0% Growth rate, like for like[1]

in millions of euros	
Consolidated Group revenue at 12/31/2021	**524.7**
Impact of acquisitions and disposals	-0.0
Currency impacts	+0.4
Revenue excl. impacts at 12/31/2021	**525.1**
Impact of acquisitions and disposals	+4.1
Software & Services contribution	+6.5
Flow contribution	+6.1
Data & Marketing contribution	+7.7
BPO contribution	+5.7
Corporate & Others contribution	+0.0
Consolidated Group revenue at 12/31/2021	**555.2**

Revenue increased by €30.5 million or 5.8%, to €555.2 million in 2022 compared to €524.7 million in 2021.

The positive scope effect of €4.1 million, or 0.80%, was attributable to the first-time consolidation in Cegedim's accounts of new acquisitions *Kobus Tech*, *MesDocteurs, Laponi, Sedia,* and *Clinityx*.

The positive currency impact of was €0.4 million, or 0.1%, mainly reflecting euro appreciation against the pound sterling.

Like-for-like[1] revenue increased 5.0% over the period.

Revenue trends by division

in millions of euros	2022	*2021*	Change LFL	*Change Reported*
Software & Services	302.0	292.0	+2.2%	+3.4%
Flow	90.6	84.2	+7.3%	+7.5%
Data & Marketing	106.9	98.4	+7.8%	+8.6%
BPO	53.0	47.3	+11.9%	+11.9%
Corporate & Others	2.8	2.7	+2.0%	+2.0%
Cegedim	**555.2**	**524.7**	**+5.0%**	**+5.8%**

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 1.3 points to 54.4%.
- The *Flow* division increased 0.3 point to 16.3%.
- The *Data & Marketing* division increased 0.5 point to 19.2%.
- The *BPO* division increased 0.5 point to 9.5%.
- The *Corporate & Others* division remained stable at 0.5%.

Breakdown by geographic region

The relative contribution of:

- France climbed by 0.7 point to 89.5 %
- EMEA excluding France fell by 1.2 point to 10.5 %.
- The Americas remained stable at 0.1%.

Breakdown by currency

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

- The Euro climbed by 1.2 point to 91.6 %.
- The British pound fell by 1.0 point to 7.1 %.
- Other currencies fell 0.3% to 1.3 %.

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

Purchases used -€26.6m	As % of revenues 4.8% in 2022 5.1 % in 2021

Purchases used were stable at €26.6 million in 2022 compared with €26.7 million in 2021 even though revenue increased. They represented 4.8% of revenues in 2022.

External expenses -€119.9m	As % of revenues 21.6 % in 2022 20.5 % in 2021

External expenses increased by €12.5 million, or 11.6%, to €119.9 million in 2022.Half of the increase was due to greater use of service providers in response to increased business. The remainder was attributable to business travel (no lockdowns in 2022) and software license fees.

Payroll costs -€303.6m	As % of revenues 54.7% in 2022 53.1% in 2021

Payroll costs increased €24.7 million, or 8.9%, to €303.6 million in 2022. They represented 54.7% of revenue in 2022. The increase was chiefly due to the net hiring of 430 employees. Most hires were linked to the development of Cegedim Santé, offshore R&D and service centers, and BPO offerings.

EBITDA +€96.2m	As % of revenues 17.3 % in 2022 20.0% in 2021

EBITDA fell €8.5 million, or -8.1%, to €96.2 million in 2022. The decline was caused by increased external expenses and payroll costs. The *Software & Services, Flow, Data & Marketing, BPO* and *Corporate & Others divisions* contributed respectively 35.1%, 21.6%, 25.3%, 5.6%, and 12.4% of consolidated EBITDA in 2022.

(see *Financial comments by division*)

Depreciation and amortization expenses -€70.5m	As % of revenues 12.7% in 2022 12.3% in 2021

Depreciation and amortization expenses increased €5.7 million, or 8.8% to €70.5 million in 2022.

Amortization related to lease contracts (IFRS 16) rose marginally to €17.2 million in 2022 compared to €16.5 million in 2021.

The amortization of capitalized R&D expenses increased by €4.4 million to €37.6 million in 2022.

Other depreciation and amortization expenses increased by €0.7 million to €15.7 million in 2022.

Recurring operating income +€25.7m	As % of revenues 4.6% in 2022 7.6% in 2021

Recurring operating income fell €14.6 million to €25.7 million in 2022. It represented 4.6% of consolidated revenue in 2022, compared with 7.6% in 2021. The decline was attributable to a €39 million increase in costs and a €5.7 million increase in depreciation and amortization expenses.

The *Software & Services, Flow, Data & Marketing,* and *BPO* divisions contributed respectively -19.0%, +50.9%, +69.9%, and +11.6% of consolidated recurring operating income in 2022.

(see Financial comments by division).

Other non-recurring operating income and expenses +€0.8m

Breakdown by type

In € million	12/31/2022	12/31/2021
Provisions and depreciation	-10.3	0.0
Restructuring costs	-4.2	-0.2
Other non-recurring income and expenses	+15.3	+4.0
Other non-recurring operating income and expenses(1)	**+0.8**	**+3.8**

Breakdown by division

In € million	12/31/2022	12/31/2021
Software & Services	+2.8	-0.5
Flow	-0.1	-0.2
Data & Marketing	-0.5	0.0
BPO	-0.1	0.0
Corporate & Others	-1.4	4.5
Other non-recurring operating income and expenses(1)	**+0.8**	**+3.8**

Other non-recurring operating income and expenses amounted to a product of €0.8 million in 2022 compared with a product of €3.8 million in 2021. This amount is mainly due to a product, linked to the sale of Cegedim shareholding in HGL in the UK, almost compensated by restructuring costs for €4.2 million, and impairment of intangible asset for €10.3 million.

Operating income	As % of revenues
€26.5m	4.8% in 2022 8.3% in 2021

Operating income fell €17.2 million to €26.5 million in 2022 from €43.7 million in 2021. It represented 4.8% of consolidated revenue in 2022 compared with 8.3% in 2021. The decrease reflected trends in external expenses, payroll costs, and depreciation and amortization expenses (for more details, see above).

Financial result -€8.8m

The financial result came to €18 million to -€8.8 million in 2022, including €2.0 million related to IFRS16 treatment, an increase of €1.6 million compared with 2021, benefiting mainly from a positive currency impact for €0.7 million.

Total taxes -€4.6m

Total taxes came to €4.6 million in 2022 compared with €5.8 million in 2021, a decrease of €1.2 million. This change was principally the result of a decrease in income taxes at the French companies. Deferred tax assets remained stable.

Consolidated net profit +€12.1m

Consolidated net profit came to +€12.1 million in 2022 compared with +€26.3 million in 2021. This €14.2 million decrease reflects trends in recurring operating income, other non-recurring operating income and expenses(1), cost of net financial debt, and tax expense (for more details, see above).

Consolidated net profit attributable to the Group +€13.6m

After taking into account minority interests, **the consolidated net profit attributable to the Group** amounted to +€13.6 million in 2022 compared with €26.2 million in 2021.

Earnings per share came to €1.0 in 2022 compared with €1.9 a year earlier.

Recurring earnings per share came to €0.9 in 2022 compared with €1.8 a year earlier.

(1) 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

54.4%
% Group revenue

-19.0%
% Group REBIT[1]

48.3%
% Group workforce

€302.0m
Revenue
2021 €292.0m
2020: €277.2m

+3.4%
Reported growth
+2.2%
Like-for-like[1] growth

-1.6%
REBIT margin[1]
2021: 4.4%
2020: 8.6%

-601bp
Growth rate

-€4.9m
Recurring operating income (REBIT)[1]
2021: €12.8m
2020: €23.8m

-138.0%
Growth rate

54.4%
% of Group revenue

2,932
Employees

In millions of euros	12/31/2022	12/31/2021	Change, %	Change, €m
Revenue	**302.0**	**292.0**	**3.4%**	**+10.0**
Cegedim Santé:	*69.6*	*63.1*	*+10.3%*	*+6.5*
Insurance, HR, Pharmacies, and other services	*183.5*	*175.0*	*+4.8%*	*+8.5*
International businesses	*48.9*	*53.9*	*-9.3%*	*-5.0*
EBITDA	33.8	49.0	-31.0%	+15.2
EBITDA margin	*11.2%*	*16.8%*	-559bp	-
Depreciation and amortization expenses	-38.7	-36.2	6.9%	+2.5
Recurring operating income	**-4.9**	**12.8**	**-138.0%**	**-17.7**
Cegedim Santé	*-7.8*	*2.2*	*-457.2%*	*-9.9*
Insurance, HR, Pharmacies, and other services	*14.3*	*14.0*	*+1.9%*	*+0.3*
International businesses	*-11.4*	*-3.3*	*-241.1%*	*-8.0*
REBIT margin	*-1.6%*	*4.4%*	-	-
Other non-recurring operating income and expenses	2.8	-0.5	n.m.	+3.4
Operating income	**-2.0**	**12.3**	**-116.6%**	**-14.4**
Operating margin	*-0.7%*	+4.2%	n.m.	-

Revenue of the **Software & Services** division rose €10.0 million to €302.0 million in 2022 vs €292.0 million in 2021.

The positive scope effect of 1.1%, or €3.1 million, was attributable to the consolidation in Cegedim's accounts of new acquisitions *Kobus Tech*, *MesDocteurs*, and *Laponi*.

The positive currency impact of €0.4 million or 0.1% was mainly attributable to appreciation of the euro against the pound sterling, which represents 7.1% of Group revenues.

Like-for-like[1] revenue increased 2.2% over the period.

The growth is mainly attributable to good performances by Cegedim Santé and HR solutions.

Cegedim Santé is experiencing excellent momentum, particularly in the second half of 2022 (+16%, of which +9% like for like).

(1) 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 2.3 points to 83.8%;
- EMEA excluding France fell 2.3 points to 16.1%;
- The Americas were stable at 0.1%.

Breakdown of revenue by currency

- The euro's contribution climbed 2.3 points to 86.8%;
- The pound sterling fell 1.9 points to 11.6%;
- Other currencies fell 0.3 points to 1.6%.

Recurring operating income[(1)]	Margin
-€4.9m	-1.6% in 2022 +4.4% in 2021

Recurring operating income[(1)] decreased €17.7 million, to a loss of €4.9 million in 2022, compared with a €12.8 million profit in 2021. There were two main reasons for the decline. First, *Cegedim Santé* recruited large numbers of new hires to keep pace with its growth (notably in sales, support staff, and R&D), which caused its REBIT[(1)] to fall by €9.9 million year on year. Second, *international business* REBIT(1) fell by €8.1 million year on year, hampered by the loss of Boots as a client in the pharmacy segment in the UK and the delay of the tender's window for solutions for doctors in the UK (governed by the NHS).

The other companies in the division posted 1.9% REBIT[(1)] growth compared with 2021.

Depreciation and amortization expenses	Growth rate
€38.7m	+6.9%

Depreciation and amortization expenses increased €2.5 million to €38.7 million in 2022, compared with €36.2 million in 2021.

The increase was mainly attributable to the increase in the amortization of capitalized R&D expenses over the period, which amounted to €28.4 million in 2022, a €3.3 million year-on-year increase and a reflection of the rise in R&D expense capitalization in recent years.

Amortization related to lease contracts (IFRS 16) declined by €0.4 million to €6.4 million, a 5.7% drop relative to 2021.

Other non-recurring operating income and expenses[(1)]	Growth rate
€2.8m	n.m.

Other non-recurring operating income and expenses[(1)] came to a profit of €2.8 million in 2022 compared with a charge of €0.5 million in 2021. The 2022 level was largely attributable to the product linked to the sale of shareholding in HGL in the UK, compensated by restructuring costs and an impairment for intangible assets.

(1) 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

16.3%	50.9%	6.2%
% Group revenue	% Group REBIT[(1)]	% Group workforce

€90.6m Revenue **2021: €84.2m** 2020: €79.4m	**+7.5%** Reported growth **+7.3%** Like-for-like growth	**+14.4%** REBIT margin[(1)] **2021: 13.2%** 2020: 13.4%	**+124 bp** Growth rate
€13.1m Recurring operating income (REBIT)[(1)] **2021: €11.1m** 2020: €10.6m	**+17.6%** Growth rate	**16.3%** % of Group revenue	**377** Employees

In millions of euros	12/31/2022	12/31/2021	Change, %	Change, €m
Revenue	**90.6**	**84.2**	**7.5%**	**6.4**
e-business	*53.9*	*48.7*	*10.6%*	*5.2*
Third-party payer	*36.7*	*35.5*	*3.3%*	*1.2*
EBITDA[(1)]	20.7	18.1	14.6%	2.6
EBITDA margin[(1)]	*22.9%*	*21.5%*	141bp	-
Depreciation and amortization expenses	-7.7	-7.0	9.8%	-0.7
REBIT[(1)]	**13.1**	**11.1**	**17.6%**	**2.0**
REBIT[(1)] margin	*14.4%*	*13.2%*	124bp	-
Other non-recurring operating income and expenses[(1)]	-0.1	-0.2	-74.5%	0.2
Operating income	**13.0**	**10.9**	**19.5%**	**2.1**
Operating margin	*14.4%*	*12.9%*	144bp	-

Revenue at the **Flow** division rose €6.4 million to €90.6 million in 2022. The positive scope effect of +0.2% was attributable to the first-time consolidation of Sedia. There was no meaningful currency impact.

Revenue growth was led by *Cegedim e-business* (process digitalization and electronic data flows), whose French and international businesses grew by 8.8% and 25.1% respectively. Over the same period, *Third-party payment systems* posted 3.3% growth and had a particularly strong fourth quarter owing to large invoice volumes in pharmacies and increased volumes in the hospital segment. The pandemic had a limited impact on 2022.

Breakdown by geographic region

By geographic region, France's contribution fell by 1.1 points to 92.5% and that of EMEA (excluding France) climbed 1.1 points to 7.5%.

Breakdown by currency

The euro's contribution fell by 1.2 points to 95.4% and the British pound's climbed 1.2 points to 4.6%.

Recurring operating income[1] **€13.1m**	Margin **14.4 %** in 2022 **13.2%** in 2021

Recurring operating income[1] increased by €2.0 million to €13.1 million in 2022. The 2022 figure represented 14.4% of revenue, compared with 13.2% in 2021.

Growth at the process digitalization and digital data flow business lifted REBIT. International businesses in the UK and Germany made positive contributions following two years of challenges caused by the pandemic.

Third-party payment business, which got a boost from the end of pandemic restrictions, saw its REBIT increase year on year.

Depreciation and amortization expenses **€7.7m**	Growth **9.8 %**

Depreciation and amortization expenses increased by €0.7 million to €7.7 million in 2022. The increase was mainly attributable to €0.8 million in R&D amortization, which amounted to €5.4 million in 2022. IFRS amortization expenses were stable, while other expenses dipped slightly, down €0.1 million.

Other recurring operating income and expenses [1] **-€0.1m**	Growth rate n.s.

Other recurring operating income and expenses fell €0.2 million to -€0.1 million in 2022.

3.2.1.3 | Data & marketing division

19.2%
% Group revenue

69.9%
% Group REBIT[1]

6.1%
% Group workforce

€106.9m
Revenue
2021: €98.4m
2020: €87.8m

Growth rate
+8.6%
Reported
+7.8%
Like for like[1]

16.8%
REBIT margin[1]
2021: 14.8%
2020 11.9%

+195bp
Growth rate

€17.9m
Recurring operating income (REBIT)[1]
2021: €14.6m
2020: €10.5m

+22.9%
Growth rate

19.2%
% of Group revenues

372
Employees

In millions of euros	12/31/2022	12/31/2021	Change, %	Change, €m
Revenue	**106.9**	**98.4**	**8.6%**	**8.5**
Data	*61.4*	*56.8*	*7.9%*	*4.5*
Marketing	*45.5*	*41.6*	*9.5%*	*4.0*
EBITDA[1]	24.4	20.1	21.2%	4.3
EBITDA margin[1]	*22.8%*	*20.4%*	237bp	-
Depreciation and amortization expenses	-6.4	-5.5	16.8%	-0.9
REBIT[1]	**17.9**	**14.6**	**22.9%**	**3.3**
REBIT[1] margin	*16.8%*	*14.8%*	195bp	-
Other non-recurring operating income and expenses[1]	-0.5	0.0	n.m.	-0.5
Operating income	**17.4**	**14.6**	**19.4%**	**2.8**
Operating margin	*16.3%*	*14.8%*	147bp	-

Revenue at the **Data & Marketing** division increased by €8.5 million to €106.9 million in 2022. The positive scope effect of +0.8% was attributable to the first-time consolidation of Clinityx. There was no meaningful currency impact.

The data business grew both in France and internationally over the period. The European real-world database, THIN, continued its development and is now present in France, the UK, Spain, Italy, Belgium, and Romania, and will be rolled out in Germany in 2023.

On the marketing side, digital advertising in pharmacies—which had suffered during the pandemic in 2020 and 2021—had a very good year, topping its pre-Covid level of revenues. Digital advertising via practice management software was affected by the level of investment at its pharmaceutical company clients, which has not yet returned to pre-Covid levels.

Breakdown by geographic region

By geographic region, the contribution of France rose 0.1 point to 97.5% and that of EMEA (excluding France) fell 0.1 point to 2.5%.

Breakdown by currency

The euro climbed by 0.3 point to 97.7%; other currencies fell 0.3 points to 2.3%.

Recurring operating income €17.9 m	Margin 16.8% in 2022 14.8% in 2021

Recurring operating income[1] rose €3.3 million to €17.9 million in 2022 compared with €14.6 million in 2021.

The Data & Marketing division's recurring operating income[1] rose 22.9% thanks to the data business and digital advertising in pharmacies.

Depreciation and amortization expenses €6.4m	Growth rate 16.8 %

Depreciation and amortization expenses increased by €0.9 million to €6.4 million in 2022. The increase was due to a €0.3 million rise in amortization expenses for capitalized R&D costs and a €0.6 million rise in other depreciation and amortization expenses related to revenue growth in digital advertising in pharmacies.

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

Other non-recurring operating income and expenses[1] came to €0.5 million in 2022. The increase was due to restructuring costs for marketing activities.

3.2.1.4 | BPO division

9.5%
% Group revenue

11.6%
% Group REBIT[1]

6.6%
% Group workforce[2]

€53.0m
Revenue
2021: €47.3m
2020: €48.9m

Growth rate
+11.9%
Reported
+11.9%
Like for like[1]

5.6%
REBIT margin[1]
2021: 5.2%
2020: -0.5%

+41bp
Growth rate

€3.0m
Recurring operating income (REBIT)[1]
2021: €2.5m
2020: -€0.2m

+20.7%
Growth rate

9.5%
% of Group revenue

400[2]
Employees

In millions of euros	12/31/2022	12/31/2021	Change, %	Change, €m
Revenue	**53.0**	**47.3**	**11.9%**	**5.7**
Insurance BPO	*32.1*	*29.2*	*10.1%*	*2.9*
HR BPO	*20.8*	*18.1*	*14.9%*	*2.7*
EBITDA[1]	5.4	5.4	0.1%	0.0
EBITDA margin[1]	*10.1%*	*11.3%*	-120bp	-
Depreciation and amortization expenses	-2.4	-2.9	-17.5%	0.5
REBIT[1]	**3.0**	**2.5**	**20.7%**	**0.5**
REBIT[1] margin	*5.6%*	*5.2%*	41bp	-
Other non-recurring operating income and expenses[1]	-0.1	0.0	-	-0.1
Operating income	**2.9**	**2.5**	**18.6%**	**0.5**
Operating margin	*5.5%*	*5.2%*	31bp	-

Revenue from the **BPO** division increased €5.7 million to €53.0 million in 2022. There were no divestments or acquisitions and there was no impact from foreign currency translation.

BPO operations continued to post double-digit growth over the full year, driven equally by services for insurance companies and mutual groups, and by services for clients' HR departments.

(1) See Chapter 4 "Consolidated financial statements", Section 4.6, Note 2 on Alternative performance indicators and Note 6 "Segment reporting".
(2) The classification of some teams was updated in 2022, explaining the drop in the total BPO workforce between 2021 and 2022.

Breakdown by geographic region

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

Recurring operating income[1] **€3.0m**	Margin **5.6%** in 2022 **5.2%** in 2021

Depreciation and amortization expenses **€2.4m**	Growth rate **-17.5%**

Other non-recurring operating income and expenses[1] **-€0.1m**	Growth rate **n.m.**

Breakdown by currency

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

Recurring operating income[1] was a profit of €3.0 million in 2022. Both businesses made positive contributions to REBIT[1], which rose 20.7% compared with 2021 on the back of productivity gains achieved during the year, notably thanks to process automation and the use of Software & Services division software.

Depreciation and amortization expenses decreased by €0.5 million to €2.4 million in 2022. The decline was chiefly due to a €0.3 million decline in HR business D&A expenses.

Other non-recurring operating income and expenses[1] were virtually zero in 2022.

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

3.2.1.5 | Corporates and others

0.5 %
% Group revenue

-13.3%
% Group REBIT[1]

32.8 %
% Group workforce

€2.8m
Revenue
2021: €2.7m
2020: €3.6m

Growth rate
+2.0%
Reported
+2.0%
Like for like[1]

n.m.
REBIT margin[1]
2021: n.m.
2020: n.m.

n.m.
Growth rate

-€3.4m
Recurring operating income (REBIT)[1]
2020: -€1.1m
2019: -€3.0m

-210.0%
Growth rate

0.5%
% of Group revenue

1,992
Employees

In millions of euros	12/31/2022	12/31/2021	Change, %	Change, €m
Revenue	2.8	2.7	2.0%	0.1
EBITDA[1]	11.9	12.1	-1.6%	-0.2
EBITDA margin[1]	n.m.	n.m.	n.m.	-
Depreciation and amortization expenses	-15.4	-13.2	16.0%	-2.1
REBIT[1]	-3.4	-1.1	-210.0%	-2.3
REBIT[1] margin	n.m.	n.m.	n.m.	-
Other non-recurring operating income and expenses[1]	-3.8	4.5	-184.4%	-8.4
Operating income	-7.2	3.4	-311.7%	-10.7
Operating margin	n.m.	n.m.	n.m.	-

Revenue for the **Corporate & Others** division increased €0.1 million to €2.8 million in 2022.

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

Recurring operating income[1] -€3.4m	Margin n.m.

Recurring operating income[1] was a loss of €3.4 million, down €2.3 million compared with 2021. The deterioration was caused by an effort to standardize methods for reinvoicing corporate office activities, notably in the areas of R&D and IT systems, as well as lower margins at the offshore corporate centers.

Depreciation and amortization expenses -€15.4m	Growth rate +16.0 %

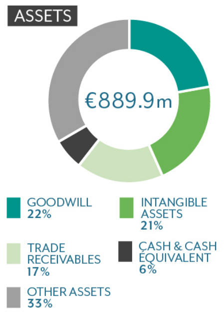
Depreciation and amortization expenses increased by €2.1 million to €15.4 million in 2022. The increase was primarily due to higher IFRS 16 amortization expenses, which came to €1.3 million.

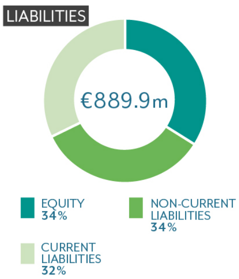
Other non-recurring income and expenses[1] -€1.4m	Growth rate n.m.

Other non-recurring operating income and expenses[1] amounted to a charge of €1.4 million in 2022. This charge is mainly due to exceptional charges on previous years and fees.

(1) 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, 2022





In € million of euros	Note	12/31/2022	12/31/2021	Change %
Asset				
Goodwill		198.8	187.1	+6.2%
Intangible assets		188.1	179.9	+4.5%
Property, plant, and equipment	a	131.0	121.7	+7.7%
Long-term investments – excluding equity shares in equity method companies	b	20.7	21.3	-2.9%
Other non-current assets	c	51.0	54.9	-7.1%
Total non-current assets		**589.5**	**564.9**	**+4.4%**
Accounts receivable: short-term portion		151.8	136.3	+11.3%
Cash & cash equivalents		55.6	24.2	+129.9%
Other current assets	d	93.1	72.2	+28.9%
Total current assets		**300.4**	**232.7**	**+29.1%**
Total assets		**889.9**	**797.6**	**+11.6%**
Liabilities		12/31/2022	12/31/2021	Change, %
Long-term financial debt	e	188.9	186.6	+1.3%
Other non-current liabilities	f	109.8	114.9	-4.4%
Total non-current liabilities		**298.7**	**301.5**	**-0.9%**
Short-term financial debt	e	3.9	2.6	+50.6%
Other current liabilities	d & g	283.2	261.2	+8.4%
Total current liabilities		**287.1**	**263.7**	**+8.8%**
Total liabilities excluding shareholders' equity		585.8	565.2	+3.6%
Shareholders' equity	**h**	**304.1**	**232.4**	**+30.9%**
Total liabilities		**889.9**	**797.6**	**+11.6%**

a) including €89.0 million of right-of-use assets at December 31, 2022 and €84.0 million at December 31, 2021.

b) excluding equity shares in equity method companies.

c) including deferred tax assets of €30.4 million at December 31, 2022, and €33.5 million at December 31, 2021.

d) including amounts managed on behalf of mutuals and insurers under outsourced management contracts totaling €36 million at December 31, 2022, and €33 million at December 31, 2021.

e) long-term and short-term liabilities include liabilities under our employee profit-sharing plans in the total amount of €7.8 million at December 31, 2022, and €7.7 million at December 31, 2021.

f) including IFRS 16 liabilities of €75.9 million at December 31, 2022 and €70.3 million at December 31, 2021.

g) including "tax and social liabilities" of €112.3 million at December 31, 2021, and €101.0 million at December 31, 2021. 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 €15.9 million at December 31, 2022, and €16.1 million at December 31, 2021.

h) including minority interests of €19.0 million at December 31, 2022, and €0.3 million at December 31, 2021.

3.2.2.1 | Comments on the Group's financial position as of December 31, 2022

Consolidated total balance sheet **€889.9m**

The consolidated total balance sheet amounted to €889.9 million at December 31, 2022, a €92.3 million or 11.6% increase over December 31, 2021. This increase is mainly attributable to the €72 million increase in reserves and the €18.6 million rise in minority interests.

Goodwill **€198.8m**

Goodwill amounted to € 198.8 million at December 31, 2022, compared with €187.1 million at December 31, 2021. The €11.7 million increase, or 6.2%, was due to a €15.6 million impact from acquisitions net of disposals made in 2022, offset by a €2.0 million positive currency impact and €2.3 million of goodwill allocation. Goodwill represented 22.3% of the total balance sheet at December 31, 2022, compared with 23.5% at December 31, 2021.

Intangible fixed assets **€188.1m**

Intangible fixed assets rose €8.2 million in net value, or 4.5%, to €188.1 million at December 31, 2022, compared with €179.9 million at December 31, 2021. 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 21.1% at December 31, 2022, compared with 22.6% at December 31, 2021.

Tangible fixed assets **€131.0m**

Tangible fixed assets increased by €9.3 million in net value, or 7.7%, to €131.0 million at December 31, 2022, compared with €121.7 million at December 31, 2021. This principally reflects the €5.0 million increase of right-of-use assets (IFRS 16), which amounted to €89.0 million as of December 31, 2022, compared to €84.0 million at December 31, 2021. Tangible fixed assets represented 14.7% of total assets at December 31, 2022, compared with 15.3% at December 31, 2021.

Trade receivables **€151.8m**

Trade receivables rose €15.4 million, or 11.3%, to €151.8 million at end-December 2022 compared with €136.3 million at end-December 2021. Virtually all trade receivables have maturities of less than one year. These items represented 17.1% of the total balance sheet at December 31, 2022, compared with 17.1% at December 31, 2021.

Shareholders' equity **€304.1m**

Equity increased by €71.7 million, or 30.9%, to €304.1 million at December 31, 2022, compared with €232.4 million at December 31, 2021. The change mainly reflects the €70.6 million increase in Group reserves and €18.6 million increase in minority interests, partially offset by a €12.6 million decrease in Group earnings. Equity represented 34.1% of total assets at December 31, 2022, compared with 29.1% at December 31, 2021.

3.2.2.2 | Comments on net financial debt as of December 31, 2022

Net financial debt[1]

In millions of euros	Note	12/31/2022	12/31/2021	Change, %
Long-term financial debt		188.9	186.6	+1.2%
Short-term financial debt		3.9	2.6	+48.2%
Gross debt		**192.8**	**189.1**	**+1.9%**
Cash and cash equivalents		55.6	24.2	+129.6%
Net financial debt excluding IFRS 16 debt[1]		**137.2**	**165.0**	**-16.8%**
IFRS 16 debt		91.8	86.4	+6.3%
Net financial debt[1]	**f**	**229.0**	**251.3**	**-8.9%**
Shareholders' equity	g	304.1	232.4	+30.9%
Gearing	h=f/g	**0.8**	**1.1**	**-**
EBITDA[1]	i	96.2	104.7	-8.1%
Leverage ratio	f/i	**2.4**	**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, 2022, 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, 2022.

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	24.0	245.1	0.0

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

Total financial liabilities €192.8m

Total financial liabilities increased €3.7 million, or 1.9%, to €192.8 million at December 31, 2022, compared to €189.1 million at December 31, 2021.

- **Long-term financial liabilities** increased €2.3 million to €188.9 million at December 31, 2022. Long-term liabilities include the portion of liabilities greater than one year under Cegedim's employee profit-sharing plans in the total amount of €6.4 million at December 31, 2022, compared with €6.3 million at December 31, 2021.
- **Short-term financial liabilities** increased by €1.3 million to €3.9 million. Short-term liabilities include the short-term portion of the employee profit-sharing plan, totaling €1.4 million at December 31, 2022, compared with €1.4 million at December 31, 2021

Cash and equivalents €55.6m

Cash and equivalents came to €55.6 million at December 31, 2022, a €31.4 million increase compared to December 31, 2021. Cash and cash equivalents represented 6.2% of total assets at December 31, 2022, compared with 3.0% at December 31, 2021. The increase was chiefly the result of the €65 million Cegedim Santé capital increase in 2022.

Net financial debt[1] €137.2m

Total net financial debt[1] amounted to €137.2 million, down €27.8 million compared with a year ago. It represented 45.1% of shareholders' equity at December 31, 2022, compared with 71.0% at December 31, 2021. Long- and short-term liabilities include €7.8 million for an employee profit-sharing plan and €3.6 million of other debt at December 31, 2022.

Lease liabilities €91.8m

Lease liabilities rose €5.4 million, or 6.3%, to €91.8 million at December 31, 2022, compared with €86.4 million at December 31, 2021. €75.9 million was classified as non-current debt and €15.9 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.

(1) 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, 2022

Cash flow statement

In millions of euros	12/31/2022	12/31/2021
Operating cash flow before cost of net financial debt and taxes	+107,3	+105,2
Tax paid	-21,3	-4,1
Change in working capital requirement*	+0,5	-5,1
Net cash flow from operating activities	+86,5	+96,0
Net cash flow used in investing activities	**-20,2**	**-70,1**
Net cash flow used in financing activities	**-33.9**	**-26.7**
Change in net cash excluding currency impact	**+32.4**	**-0.9**
Change due to exchange rate movements	-1.0	+0.3
Change in net cash	+31.4	-0.6
Opening cash	24.2	24.7
Closing cash	55.6	24.2

** a "+" sign indicates a release and a sign "-" indicates a requirement*

Free Cash flow from operation

In millions of euros	12/31/2022	12/31/2021
Cash flow from operating activities before tax and interest	+107,3	+105,2
Change in working capital requirement	+0,5	-5,1
Tax paid	-21,3	-4,1
Net cash from operating activities	**+86,5**	**+96,0**
Acquisitions of intangible fixed assets	-58,6	-50,7
Acquisitions of tangible fixed assets	-17,6	-14,0
Disposal of intangible assets and tangible fixed assets	+2,1	+0,7
Free cash flow from operations	**+12,4**	**+31,9**

Total capital expenditures

In millions of euros	12/31/2022	12/31/2021
Capitalized R&D	-54,0	-49,0
Maintenance capex	-24,8	-19,0
Total capital expenditures excluding acquisition / disposal and investment in discontinuing activities	**-78,8**	**-68,0**
Acquisition / disposal	52,5	-5,1
Total capital expenditures	**-26,3**	-73,1
Consolidated Group revenue	555,2	524,7
Total capital expenditures excluding acquisition / disposal and investment in discontinuing activities to revenue ratio	14,2%	*13,0%*

3.2.3.1 | Comments on the cash flow statement as of December 2022

Net cash flow from operating activities **€91.0m**

Cash flow generated from operating activities increase €2.2 million to an inflow of €107.3 million at December 31, 2022, compared with an inflow of €105.1 million at December 31, 2021. The increase is attributable to a €14.2 million drop in consolidated net profit, an €18.7 million increase in depreciation and amortization expenses related to higher amortization of capitalized R&D, and impairments related to certain intangible assets at software businesses, notably in the UK pharmacy segment.

Change in working capital requirement **+€0.5m**

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 €0.5 million at December 31, 2022, compared with a working capital requirement of €5.1 million at December 31, 2021.

The improvement in WCR is chiefly attributable to a basis effect related to the postponed payment of €14 million in social charges from 2020 to 2021 linked to efforts to mitigate the impacts of the Covid-19 crisis.

Net cash flow used in investing activities **-€20.2m**

Net cash flow used in investing activities fell sharply, to an outflow of €20.2 million at December 31, 2022, compared with an outflow of €70.1 million at December 31, 2021. The decrease in outflow relative to 2021 was mainly due to the €65 million Cegedim Santé capital increase. The biggest disbursements were related to the acquisitions of Laponi, MesDocteurs, Sedia, and Clinityx, and to the capitalization of R&D.

Net cash flow used in financing activities **€33.9m**

Net cash flow used in financing activities increased €7.2 million, resulting in an outflow of €33.9 million at December 31, 2022, compared with an outflow of €26.7 million at December 31, 2021. The change was principally due to €6.8 million in dividend payments made to the shareholders of the parent company in 2022.

Change in net cash **+€31.4m**

The change in net cash from operations, investment operations, and financing operations was an increase of €31.4 million at the end of December 2022, including a €1.0 million negative contribution from exchange rate movements.

Free cash flow from operations **+€12.4m**

Free cash flow from operations amounted to a €12.4 million release in 2022 compared with a release of €31.9 million in 2021. The €19.4 million decrease is the result of a €9.5 million reduction in free cash flow from operations, a €7.8 million increase in intangible fixed assets, and a €3.6 million increase in tangible fixed assets.

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 these covenants as of December 31, 2022, and there is no foreseeable risk of default. See point 3.7 "Major contracts" of the section "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 inflow of €52.5 million at December 31, 2022, compared with an outflow of €5.1 million at December 31, 2021. Inflows in 2022 included the Cegedim Santé capital increase and outflows included the acquisitions of *MesDocteurs, Laponi, Sedia,* and *Clinityx*.

Acquisitions made in the past three years

in millions of euros	Price excluding earnouts	Earnouts	Total price of acquisitions
2020	6.0	-	6.0
2021	5.5	0.0	5.5
2022	13.5	0.1	13.6

Description of acquisitions made in 2020

Octobre 2020: *Cegedim* acquired a minority 34% stake in the *Clamae* Group via a €6 million reserved capital increase. Clamae has a subsidiary that specializes in innovative payment systems made possible under the EU's PSD2 framework.

The technologies Clamae has developed will be put to good use in nearly all of Cegedim Group's products and services (health insurance products, data flow management and digitization, and apps for healthcare professionals).

Description of acquisitions made in 2021

April 2021: *Cegedim* acquired French start-up *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 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 is strengthening *Cegedim Santé's* range of solutions and improving its ability to adapt to market developments and healthcare professionals' changing 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.

No acquisitions were carried out between December 31, 2022, and this document's filing date.

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, 2022, 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 2020: Direct equity investments by Cegedim SA: *Clamae Group*, a French company held at 34%.

In 2021: None.

In 2022: None.

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 **€54.0m**

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 2022 totaled €54.0 million.

The main projects are:

- 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;
- Products and services for French and UK doctors;
- The development of platforms offering digitization services;
- The development of additional modules for HR and payroll management applications;
- The continued development of products and services for pharmacists in France and the UK and of the online appointment scheduling and telehealth platform.

Cegedim SA houses the Group research and development teams assigned to projects that use the Group's shared IT infrastructure. Some regional R&D centers (notably in Spain, Morocco, and Egypt) and subsidiaries also have their own teams and conduct their own research and development activities, which are coordinated by the head office.

These specific development efforts are supplemented with investment in software and hardware. 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% of its annual revenue to research and development, though this figure is not an objective in itself.

Capital expenditures excluding acquisitions / disposals **€78.8m**

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, 2022, **capital expenditures** increased by €10.8 million, or 15.6%, to €78.8 million compared with €68.0 million at December 31, 2021, and €75.5 million at December 31, 2020. The capital expenditures breakdown was as follows: €54.0 million of capitalized R&D in 2021 compared with €49.0 million in 2021 and €50.8 million in 2020, and €24.8 million in maintenance capex in 2022 compared with €19.0 million in 2021 and €24.7 million in 2020. Capital expenditures represented 14.2% of consolidated revenue in 2022, compared with 13.0% in 2021 and 15.2% in 2020.

R&D effort[(1)] **14.0%**

Payroll expenses for the R&D workforce represent around 14.0% of Group revenue in 2022. Although this percentage is not a targeted figure, it has increased compared with the past several years

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, 2022

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.

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

3.6 Outlook

2022 performance

The Group had set the following targets for 2022:

- in January 2022, like-for-like revenue[1] growth of c.5%;
- in March 2022, like-for-like revenue[1] growth of 5% and stable recurring operating income[1];
- in April 2022, like-for-like revenue[1] growth of 5% but a temporary suspension of communication on 2022 recurring operating profit[1];
- in July 2022, like-for-like revenue[1] growth of 5%;
- in September 2022, like-for-like revenue[1] growth of 5% and a decline in recurring operating income[1];
- in October 2022, like-for-like revenue[1] growth of 5% and a decline in recurring operating income[1]

FY 2022 revenues came to €555.2 million, up 5.0% like for like[1], and recurring operating income[1] came to €25.7 million, down 35.7%.

2023 outlook

Despite the **economic**, **geopolitical**, and **monetary** uncertainties facing the world, we are confident we will be able to grow our revenues.

The Group expects 2023 like-for-like revenue[1] growth to be around 10% relative to 2022. REBIT[1] is expected to return to growth, notably thanks to the initial returns on investments made in Cegedim Santé and international activities.

These targets may need to be revised if there is a resurgence in the Covid-19 pandemic and/or a significant worsening of geopolitical and macroeconomic risks.

The Group does not expect to make any significant acquisitions in 2023.

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".

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 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 determined according to 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 €7.8, €45.1, and €91.8 million. The net debt to EBITDA[1] ratio came to 1.09 (1.29 in Dec. 2021) and the EBITDA[1] to interest expense ratio came to 14.68 (16.89 in Dec. 2021).
- 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, 2022, and there is no foreseeable risk of default.

3.8 | Analysis of the financial position of Cegedim SA

3.8.1 | Rules, methods and key indicators

Presentation rules and valuation methods

The annual financial statements for the financial year ended December 31, 2022, 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

- 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 these 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 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 **€95.7m**

Cegedim SA's **revenue** climbed 5.1%, from €91.0 million in 2021 to €95.7 million in 2022. This increase mainly reflects the increase in e-business activities. For more information on the e-business activity trend, please refer to the performance analysis of the Flow division in Section 3.2.1.2.

Operating result **-€3.7m**

The operating result for 2022 was a loss of €3.7 million compared with a profit of €0.3 million in 2021.

Operating income increased by 10.0%, from €101.4 million in 2021 to €111.6 million in 2022. Highlights included:

- A €4.7 million increase in revenue compared with 2021;
- A €1.5 million increase in capitalized R&D compared with 2021;

Operating expenses increased 14.0%, from €101.2 million in 2021 to €115.3 million in 2022. Other external purchases and expenses rose €11.7 million over the full year.

Financial result €85.9m

The financial result was an income of €85.9 million in 2022 compared with an income of €13.3 million in 2021. This included €98.5 million in financial income and €12.6 million in financial expenses.

- **Financial income** increased by €61.5 million year on year, mainly due to the €54.0 million increase in reversals of provisions and transfers of expenses and to the €7.9 million increase in financial income from investments.
- **Financial expenses** decreased by €11.2 million compared with 2021, mainly due to the €10.4 million decrease in amortization and provision expenses.

Recurring earnings before tax €82.2m

Recurring earnings before tax amounted to an €82.2 million profit in 2022 compared with a profit of €13.6 million in 2021.

Net exceptional income -€73.6m

Net exceptional income in 2022 was a loss of €73.6 million compared with a loss of €8.5 million in 2021. This was the result of €74.3 million in exceptional expenses related to equity transactions stemming almost entirely from the liquidation of the CWISL company for €73.982 million.

Taxes €8.4m

Taxes for 2022 amounted to an income of €8.4 million, compared to an income of €10.3 million in 2021.

Net profit €16.3m

Net profit for 2022 amounted to a profit of €16.3 million, compared to a profit of €14.6 million in 2021.

3.9 | Research and development at the Cegedim SA level

R&D at the Cegedim SA level **€9.7m**

Cegedim SA houses the Group development teams assigned to projects that use the Group's shared IT infrastructure. Development projects completed in FY2022 were capitalized in the parent company financial statements at €9.7 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 | Accounts payable aging schedule

Accounts payable aging schedule

In euros	Total accounts payable at 12/31/2022	Accounts payable, not yet due	Accounts payable, current	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

In euros	Total accounts payable at 12/31/2021	Accounts payable, not yet due	Accounts payable, current[(1)]	Past due < 30 days	Past due 31 – 60 days	Past due > 60 days
Internal suppliers	**8,411,973**	2,053,823	6,358,150	6,358,150	-	-
External suppliers	**2,646,344**	2,109,185	537,159	54,543	193,795	288,822
Total accounts payable	**11,058,318**	4,163,008	6,895,309	6,412,693	193,795	288,822

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	12					464	525					822
Amount, all taxes included	43,479	1,383,035	218,505	45,612	719,497	2,366,650	1,693,937	260,414	636,062	278,877	2,465,179	3,640,532
Percentage of the total amount of purchases including tax for the year	0.06%	2.02%	0.32%	0.07%	1.05%	3.46%						
Percentage of revenue (excluding taxes) for the year							1.77%	0.27%	0.66%	0.29%	2.58%	3.81%
(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 2019 or 2020.

A dividend of €6.8 million (i.e. €0.5 per share) in respect of fiscal year 2021 was approved at the General Shareholders' Meeting on June 17, 2022, and 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**		
2019	13,997,173	None	None	None	None
2020	13,997,173	None	None	None	None
2021	13,997,173	€0.5	€6,829,744	None	None

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Consolidated financial statements

4.1 Consolidated balance sheet

Consolidated assets

In thousands of euros	Note	31.12.2022	31.12.2021
Goodwill	10.1	198,761	187,106
Development costs		3,081	8,436
Other intangible fixed assets		185,004	171,489
Intangible assets	10.2	188,085	179,925
Land		544	544
Buildings		1,872	2,088
Other property, plant, and equipment		39,467	35,033
Right-of-use assets		88,988	84,002
Non-current assets in progress		133	0
Property, plant, and equipment	10.3	131,004	121,667
Equity investments		1	314
Loans		15,642	15,223
Other financial assets		5,053	5,771
Financial assets – excluding investments in affiliates	10.4	20,696	21,308
Investments in affiliates	9.2	20,578	21,266
Deferred tax assets	15.1	30,385	33,506
Prepaid expenses: due in more than one year		0	108
Non-current assets		589,509	564,886
Goods held for resale	7.5	6,495	4,503
Advances and deposits received on orders		177	140
Trade receivables: due in less than one year	7.6	151,757	136,343
Other receivables: due in less than one year	7.7	50,497	48,743
Current tax credits		16,557	2,123
Current financial instruments		0	0
Cash equivalents		0	0
Cash		55,553	24,160
Prepaid expenses		19,370	16,688
Current Assets		300,406	232,700
Total Assets		**889,915**	**797,586**

Consolidated liabilities and shareholders' equity

In thousands of euros	Note	31.12.2022	31.12.2021
Share capital		13,337	13,337
Consolidated retained earnings		271,344	200,717
Foreign currency translation reserves		-13,141	-8,214
Group earnings		13,624	26,224
Shareholders' equity, Group share		285,164	232,064
Non-controlling interest		18,971	323
Shareholders' equity		304,135	232,387
Non-current financial liabilities	11.1	188,913	186,574
Non-current lease liabilities		75,907	70,297
Current financial instruments		0	0
Deferred tax liabilities	15.1	6,137	8,272
Post-employment benefit obligations	18.2	25,397	34,069
Non-current provisions	7.9	2,355	2,255
Other non-current liabilities		0	0
Non-current liabilities		298,709	301,467
Current financial liabilities	11.1	3,854	2,560
Current lease liabilities		15,916	16,072
Trade payables, current		55,709	48,245
Current tax liabilities		247	1,483
Tax and social security liabilities		112,341	101,003
Provisions	7.9	2,172	2,065
Other current liabilities	7.8	96,832	92,304
Current liabilities		287,071	263,732
TOTAL Liabilities		**889,915**	**797,586**

4.2 Consolidated income statements

In thousands of euros	Note	31.12.2022	31.12.2021
Revenue		**555,209**	**524,709**
Purchases used		-26,559	-26,703
External expenses	7.2	-119,913	-107,414
Taxes		-6,259	-6,782
Payroll costs	8.1	-303,577	-278,841
Impairment of trade receivables and other receivables and on contract assets		-1,298	-158
Allowances to and reversals of provisions		-3,609	-4,102
Other operating income and expenses		-8	1,161
Share of profit (loss) from affiliates on the income statement		2216	2828
EBITDA		**96,202**	**104,698**
Depreciation and amortization expenses other than for right-of-use assets		-53,302	-48,348
Depreciation and amortization expenses for right-of-use assets		-17,227	-16,453
Recurring operating income		**25,673**	**39,897**
Impairment of goodwill arising on acquisitions		0	0
Non-recurring operating income and expenses		819	3,789
Other non-recurring operating income and expenses	**7.3**	**819**	**3,789**
Operating income		**26,492**	**43,686**
Income from cash and cash equivalents		114	90
Cost of gross financial debt		-8,949	-8,357
Other financial income and expenses		45	-2,104
Financial income (expense)	**11.5**	**-8,790**	**-10,371**
Income taxes		-5,882	-7,128
Deferred income taxes		1,272	1,292
Tax expense	**15.1**	**-4,610**	**-5,836**
Share of profit (loss) for the period of equity method companies		-1,013	-1,179
Consolidated net profit		**12,079**	**26,300**
Group share	**A**	**13,624**	**26,224**
Non-controlling interests		-1,545	76
Average number of shares excluding treasury stock	B	13,658,348	13,782,436
Recurring earnings per share (in euros)		0.9	1.8
Earnings per share (in euros)	A/B	1.0	1.9
Diluted earnings per share (in euros)		1.0	1.9

4.3 Consolidated statement of comprehensive income

In thousands of euros	Note	12/31/2022	12/31/2021
Consolidated net profit		12,079	26,300
Unrealized exchange gains/losses		-3,642	-3,173
Hedging of financial instruments			
Gross unrealized gains and losses		0	427
Tax impact		0	-121
Other comprehensive income that may be reclassified subsequently to profit or loss		-3,642	-2,867
Actuarial gains and losses on post-employment benefit obligations			
Gross gains and losses		11,115	2,255
Tax impact		-2,871	-583
Other comprehensive income that may not be reclassified subsequently to profit or loss		8,244	1,672
Total comprehensive income		**16,681**	**25,105**
Non-controlling interests		-1,328	76
Group share		**18,009**	**25,029**

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 01/01/2021	13,337	199,358	-5,040	207,655	247	207,902
Profit (loss) for the period		**26,224**		**26,224**	**76**	**26,300**
- Hedging of financial instruments		306	0	306	0	306
- Unrealized exchange gains/losses			-3,173	-3,173	0	-3,173
- Actuarial gains on provisions for post-employment benefit obligations		1,672	0	1,672	0	1,672
Comprehensive income for the period		28,202	-3,173	25,029	76	25,105
· Securities transactions		300		300	0	300
· Distribution of dividends(1)		0	0	0		0
· Treasury shares		-2,399	0	-2,399		-2,399
Total transactions with shareholders	**0**	**-2,099**	**0**	**-2,099**	**0**	**-2,099**
Other movements		1,479		1,479	0	1,479
Equity at 12/31/2021	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
· Unrealized exchange gains (losses)		1,286	-4,928	-3,642	0	-3,642
· Actuarial gains on provisions for post-employment benefit obligations		8,027		8,027	217	8,244
Comprehensive income for the period		22,937	-4,928	18,009	-1,328	16,681
· Securities transactions		50		50	-15	35
· Distribution of dividends (1)		-6,830	0	-6,830	-95	-6,925
· Treasury shares		-1,671	0	-1,671		-1,671
Total transactions with shareholders	0	-8,451	0	-8,451	-110	-8,561
- Other movements				0		0
- Change in consolidated scope (2)		43,542		43,542	20,086	63,628
Equity at 12/31/2022	13,337	284,968	-13,141	285,164	18,971	304,135

(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 2021 and 2022, except for the shares acquired under the free share award plan.

(2) 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 (see note 3 – Highlights of the fiscal year).

4.5 Consolidated statement of cash flows

In thousands of euros	Note	12/31/2022	12/31/2021
Consolidated profit (loss) for the period		**12,079**	**26,300**
Share of profit (loss) from affiliates		-1,203	-1,649
Depreciation and amortization expenses and provisions		83,090	64,438
Capital gains or losses on disposals		-31	-141
Operating cash flow after cost of net financial debt and taxes		**93,935**	**88,948**
Cost of net financial debt		8,791	10,370
Tax expenses		4,609	5,837
Operating cash flow before cost of net financial debt and taxes		**107,335**	**105,155**
Tax paid (1)		-21,309	-4,119
Impact of change in working capital requirements	13	450	-5,057
Cash flow generated from operating activities after tax paid and change in working capital requirements	**A**	**86,476**	**95,979**
Acquisitions of intangible assets (net of change in financial liabilities)		-58,554	-50,748
Acquisitions of property, plant, and equipment (net of change in financial liabilities)		-17,582	-14,015
Acquisitions of financial assets		-2,619	-3,199
Disposals of property, plant, and equipment and intangible assets		2,099	668
Disposals of financial assets		1,636	2,040
Change in deposits received or paid		-717	-674
Impact of changes in consolidation scope		52,483	-5,128
Dividends received		3,084	950
Other cash flows from investing activities		0	0
Net cash flows generated (used) by investing activities	**B**	**-20,170**	**-70,106**
Dividends paid to shareholders of the parent company		-6,831	0
Dividends paid to minority shareholders of consolidated cos.		-95	-1
Capital increase		0	0
New borrowings		0	0
Repayments of borrowings		-85	-1,156
Purchases of shares by employees		81	431
Repayment of lease liabilities		-19,036	-16,808
Interest paid on loans		-4,949	-4,995
Other financial income received		1,784	369
Other financial expenses paid		-4,758	-4,576
Net cash flows generated (used) by financing activities	**C**	**-33,889**	**-26,736**
Change in net cash excluding currency impact	**A + B + C**	**32,417**	**-863**
Impact of changes in foreign currency exchange rates		-1,024	289
Change in net cash		**31,393**	**-574**
Cash at beginning of fiscal year		24,159	24,734
Cash at end of fiscal year		55,553	24,159

(1) o/w advance linked to tax dispute (see note 20.4)

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, 2022, 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.

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, 2022, reflect the accounting position of Cegedim and its subsidiaries, together with its interests in affiliates and joint ventures. On March 23, 2023, the Board of Directors approved the consolidated financial statements for the year ended December 31, 2022, and authorized their publication. These consolidated financial statements will only be considered as final after their adoption by the June 16, 2023, 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, 2022

The other IFRS standards and amendments that took effect for 2022 and had no impact on the Group's financial statements at December 31, 2022 are:

- Amendments to IAS 16 – Property, Plant, and Equipment – Proceeds before Intended Use;
- Amendments to IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets - Onerous Contracts — Cost of Fulfilling a Contract;
- Annual Improvements to IFRS published in May 2020 (2018-2020 Cycle);
- Amendments to IFRS 3 – Business Combinations – References to the Conceptual Framework;

Standards and interpretations adopted by the IASB but not applicable at December 31, 2022

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, 2022:

- Amendments to IAS 1 – Presentation of Financial Statements – Classifying Liabilities as Current or Non-current;
- Amendments to IAS 1 – Presentation of Financial Statements – Practice Statement 2 – Disclosure of Accounting Policies;
- Amendments to IAS 1 – Presentation of Financial Statements – Non-current Liabilities with Covenants;
- Amendments to IAS 8 – Definition of Accounting Estimates;
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- Amendments to IFRS 16 – Leases – COVID-19 – Related Rent Concessions beyond June 30, 2021;
- Amendments to IFRS 16 – Leases – Lease Liability in a Sale and Leaseback - IFRS 17 – Insurance Contracts.

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 2021 and 2022;
- eliminating the portion of revenue corresponding to entities acquired in 2021 and 2022;
- recalculating 2021 revenue at 2022 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	Corporate and others	Group
2021 Revenue	**a**	**291,995**	**84,244**	**98,406**	**47,323**	**2,741**	**524,709**
Impact of disposals		-1	-	-	-	-	-1
2021 revenue before impact of disposals		291,993	84,244	98,406	47,323	2,741	524,708
Impact of currency		**343**	**25**	**-6**	**-**	**-**	**362**
2021 revenue at 2022 exchange rate	b	292,337	84,269	98,401	47,323	2,741	525,070
2022 revenue before impact of acquisitions	c	298,848	90,401	106,069	52,974	2,795	551,087
Revenue from acquisitions		3,127	200	795	-	-	4,122
2022 Revenue		**301,975**	**90,601**	**106,864**	**52,974**	**2,795**	**555,209**
Organic growth	**[c-b]/a**	**2.2%**	**7.3%**	**7.8%**	**11.9%**	**2.0%**	**5.0%**

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		31.12.2022	31.12.2021
Operating income	**a**	**26,492**	**43 686**
Other non-recurring operating income and expenses	b	-820	-3 789
Amortization of goodwill	**c**	**-**	**-**
Other non-recurring operating income and expenses [1]	d=b+c	-820	-3 789
Recurring operating income	**e=a-d**	**25,673**	**39 897**
Depreciation and amortization expenses	f	70,530	64 801
EBITDA	**j=e-f**	**96,202**	**104 698**

[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		31.12.2022	31.12.2021
Cash flow generated from operating activities after tax paid and change in working capital requirements	**a**	**70,055**	**95 978**
Acquisition of intangible assets	b	-58,554	-50 748
Acquisition of tangible assets	c	-17,582	-14 015
Disposal of tangible and intangible assets	d	2,100	668
Free cash flow from operations	**e= a+b+c+d**	**-3,981**	**31 883**

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		31.12.2022	31.12.2021
Long-term financial liabilities	a	264,820	256 871
Short-term financial liabilities	b	19,770	18 632
Total financial liabilities	**c=a+b**	**284,590**	**275 503**
Cash and cash equivalents	d	55,553	24 160
Net financial debt	**e=c-d**	**229,037**	**251 343**
Non-current IFRS 16 debt	f	75,907	70 297
Current IFRS 16 debt	g	15,916	16 072
Net financial debt excluding IFRS 16 debt	**h=e-f-g**	**137,214**	**164 974**

Note 3 | Highlights of the fiscal year

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.

3.1. Investment and strategic partnership between Cegedim and three social protection companies

On May 16, 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 care pathway as smooth as possible.

To this end, Malakoff Humanis, Groupe VYV, and PRO BTP Groupe—who together represent 25 million beneficiaries in France—subscribed for a reserved capital increase of €65 million on May 24, 2022, and now own 18% of the shares of Cegedim Santé. Cegedim Santé houses all of Cegedim Group's software products and services for doctors and allied health professionals in France, covering the care pathway from online appointment scheduling to management of patient records, invoicing, and teleconsultation. In addition, its Resip subsidiary supplies information on medication and medical devices. The deal values Cegedim Santé at €360.9 million. Concurrently, Cegedim Santé acquired Groupe VYV subsidiary MesDocteurs, a telehealth pioneer that has developed a 24/7 telemedicine platform (housed in TBNO Invest).

3.2. Acquisition of Laponi

On June 21, 2022, Cegedim SRH acquired Laponi (formerly known as Merito) together with its innovative real-time absenteeism management solution. 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.

3.3. Acquisition of Sedia

On July 19, 2022, Cegedim e-business extended 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 almost 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.

3.4. Acquisition of Clinityx

On July 28, 2022, Cegedim strengthened its position in the real-world data sector by acquiring 70% of Clinityx.

Clinityx, a health startup founded in 2018, aims to make real-world data research easier by providing a robust scientific, technical, and regulatory environment. The company 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. It 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.

3.5. Healthcare Gateway Limited divestment

In 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). HGL, in which Cegedim owned a 50% interest without exercising control, had been accounted for using the equity method.

3.6. Tax

On February 21, 2018, Cegedim SA received official notice that the French tax authorities planned to perform an audit of its financial statements for the period from January 1, 2015, to December 31, 2016. After consultation with its lawyers and based on ample precedent, the Group believes that the adjustment related to the use of tax-loss carryforwards is unwarranted and continues to explore its options to appeal the decision. On October 21, 2021, Cegedim SA received official notice that the French tax authorities planned to perform an audit of its financial statements for the period from January 1, 2019, to December 31, 2020. That audit has not resulted in any adjustments other than those the Group is already appealing.

As part of this process, in the first half of 2022 Cegedim SA received a notice of collection and paid a total of €12.1 million in respect of tax-loss carryforwards used through 2020 and a €0.4 million late payment penalty. The corresponding entry for these payments is not in the taxes line of the income statement, but is accounted for as a tax receivable in the balance sheet assets, as we expect these sums to be repaid once the dispute has been resolved, if in our favor. Furthermore, as the Group's accounting method and legal arguments are sound, it continues to record €20 million in deferred tax assets on the balance sheet, relating to the disputed tax-loss carryforwards yet unused.

In the event of an unfavorable ruling, Cegedim faces a maximum risk of (1) €23 million of income taxes in the P&L based on the disputed tax-loss carryforwards already used as of December 31, 2022, (of which it has already paid €12.1 million) and (2) an additional €20 million tax impact in the P&L due to the cancellation of its deferred tax assets relating to the disputed tax-loss carryforwards yet unused (which would not entail any cash disbursement).

Cegedim believes that the risk of an unfavorable ruling is small and plans to continue using the remaining disputed tax-loss carryforwards yet unused. Thus, if the ruling is ultimately unfavorable, the maximum risk in terms of a reversing entry in the tax line of the income statement will increase, but the impact on the cash position would still be more modest, as the Group continues to make periodic payments in respect of the collection notice.

3.7. 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 Group. 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. That ruling is currently under appeal.

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 2022 financial statements and in business plans.

Inflationary pressure showed up clearly in salary costs during 2022, but it was not possible to pass the increases on to selling prices to the same extent. In France, the Group's main market (89.5% of consolidated revenue), inflation averaged 5.2% in 2022 (source: Insee), while the Syntec index, the basic point of reference for the majority of service agreements subject to revision at the beginning of the year, stood at less than 1% at the beginning of the year.

The Group factored the inflationary effects into both revenue and salary costs in its 2023 budgets. Conversely, business plans do not take into account substantial inflationary effects beyond the short term in view of the economic projections.

The Group's **primary energy resource** is electricity. In France, the Group is protected by a fixed-price supply contract for 2020-2023, keeping it relatively sheltered from the recent market turmoil.

The new pricing terms and conditions applicable from 2024 are likely to include a significant increase. The actual size of the increase was not known at the reporting date, and so the business plans rely on estimated figures.

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 8.4% of consolidated revenue in 2022.

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.

Conversely, the higher interest rates had a significant impact on the discount rate applicable to the retirement commitments, giving rise to an actuarial gain of €8 million (reduction in the liability, no impact on the P&L). Likewise, the discount rate used for impairment testing was significantly higher than in the previous year. Although this reduced the present value of future cash flows in business plans, no impairment was recognized. Similarly, sensitivity testing to changes in interest rates did not require any effects to be recognized.

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.

Note 5 | Scope of consolidation

5.1. List of consolidated companies at Dec. 31, 2022

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 Assurances Conseil	137, rue d'Aguesseau	Boulogne	SASU	849779210	100.00%	100.00%
Cegedim Ingénierie	326, rue du Gros Moulin – Amilly	Montargis	SAS	402338719	100.00%	100.00%
Cegedim Cloud	137, rue d'Aguesseau	Boulogne	SASU	790173066	100.00%	100.00%
Cegedim Santé	137, rue d'Aguesseau	Boulogne	SASU	348940255	100.00%	100.00%
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 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%
Futuramedia	17, rue de l'Ancienne Mairie	Boulogne	SASU	494625130	100.00%	100.00%
GERS	137, rue d'Aguesseau	Boulogne	SASU	521625582	100.00%	100.00%
I-Assurances	137, rue d'Aguesseau	Boulogne	SASU	790172225	100.00%	100.00%
Incams	114-116, rue d'Aguesseau	Boulogne	SASU	429216351	100.00%	100.00%
Kobus	137 rue d'Aguesseau	Boulogne	SAS	822111993	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%
RESIP	17, rue de l'Ancienne Mairie	Boulogne	SASU	332087964	100.00%	100.00%
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%
Sedia	137, rue d'Aguesseau	Boulogne	SASU	332866102	100.00%	100.00%
Services Premium Santé (sps)	3 avenue Edouard Herriot	Limas	SAS	513188771	40.00%	40.00%
Smart RX	137, rue d'Aguesseau	Boulogne	SAS	342280609	100.00%	100.00%
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	United Kingdom	London	PLC	100.00%	100.00%
Alliadis Europe Ltd	The Bread Factory 1a Broughton Street	United Kingdom	London	PLC	100.00%	100.00%
Cegedim Belgium	451 Route de Lennik,	Belgium	Anderlecht	SA	99.97%	99.97%
Cegedim Customer Information SRL	20 Modrogan St.	Romania	Bucharest	LLC	100.00%	100.00%
Cegedim E-Business GmbH	Landsberger Str. 478	Munich	Germany	LLC	100.00%	100.00%
Cegedim E-Business Ltd	The Bread Factory 1a Broughton Street	United Kingdom	London	PLC	100.00%	100.00%
Cegedim Egypte	44, North Tesseen St., 5th settlement	Egypt	Cairo	LLC	100.00%	100.00%
Cegedim Europe Holdings Ltd	3/4 Pembroke Street Upper	Ireland	Dublin	PLC	100.00%	100.00%
Cegedim GmbH	Carl-Reuther Str. 1	Germany	Mannheim	LLC	100.00%	100.00%
Cegedim Internal Services Ltd	3/4 Pembroke Street Upper	Ireland	Dublin	PLC	100.00%	100.00%
Cegedim Italia	Piazza Vetra n. 17.	Italy	Milan	LLC	100.00%	100.00%
Cegedim Maroc	Arribat Center, Av. Omar Ibn Al Khattab	Morocco	Rabat	SARL	100.00%	100.00%
Cegedim Outsourcing Maroc	36 avenue Abdelmoumen	Morocco	Rabat	SARL	100.00%	100.00%
Cegedim RX Limited	The Bread Factory 1a Broughton Street	United Kingdom	London	PLC	100.00%	100.00%
Cegedim RX SRL	20 Modrogan St.	Romania	Bucharest	LLC	100.00%	100.00%
Cegedim Service Center SRL	Bucharest sector 2, Pipera Road	Romania	Bucharest	LLC	100.00%	100.00%
Cegedim Services Maroc	36 avenue Abdelmoumen	Morocco	Rabat	SASU	100.00%	100.00%
Cegedim SRH SA Switzerland	24, rue du Cendrier	Switzerland	Geneva	SA	100.00%	100.00%
Croissance 2006	15, avenue Albert	Belgium	Brussels	SA	100.00%	100.00%
Health Data Management Partners	451, Route de Lennik	Belgium	Anderlecht	SA	100.00%	99.97%
In Practice Systems Ltd	The Bread Factory 1a Broughton Street	United Kingdom	London	PLC	100.00%	100.00%
OEPO	451, Route de Lennik	Belgium	Anderlecht	SA	100.00%	99.97%
Stacks Consulting e Ingeniera en Software SL	Arago 182 Entresuelo	Spain	Barcelona	SOC	100.00%	100.00%
Stacks Servicios Technologicos SL	Arago 182 Entresuelo	Spain	Barcelona	SOC	100.00%	100.00%
Stacks Servicios Technologicos SL Chile Ltda	Avenida Nueva Providencia 2353	Chile	Providencia	LLC	100.00%	100.00%
Thin GmbH	Carl-Reuther Str.	Germany	Mannheim	LLC	100.00%	100.00%
Thin Ltd	The Bread Factory 1a Broughton Street	United Kingdom	London	PLC	100.00%	100.00%
Thin SRL	Piazza Vetra n. 17	Italy	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	34.09%	34.09%
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
Cegedim Services Maroc	100.00%	100.00%		FC	-	Incorporation
Clinityx	70.00%	70.00%		FC	-	Acquisition
Merito	100.00%	100.00%		FC	-	Acquisition
Sedia	100.00%	100.00%		FC	-	Acquisition
TBNO Invest	100.00%	100.00%		FC	-	Acquisition

Creation of companies :

Cegedim Services Maroc

Cegedim Services Maroc (CSM), a Moroccan company registered as a SASU, is a subsidiary established by Cegedim SA to strengthen its presence in the high-value-added offshore location of Morocco by opening a new site in the city of Agadir.

Acquisitions of companies:

Acquisition of Laponi (formerly known as Merito) in France

On June 21, 2022, Cegedim SRH acquired Laponi (formerly known as Merito) together with its innovative real-time absenteeism management solution. 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.

Acquisition of MesDocteurs (housed in TBNO Invest) in France

On May 16, 2022, Cegedim Santé acquired Groupe VYV subsidiary MesDocteurs, a telehealth pioneer that has developed a 24/7 telemedicine platform under a strategic agreement with social protection groups Malakoff Humanis, Groupe VYV, and PRO BTP Groupe.

Acquisition of Sedia in France

On July 19, 2022, Cegedim e-business extended 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 almost 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.

Acquisition of Clinityx in France

On July 28, 2022, Cegedim strengthened its position in the real-world data sector by acquiring 70% of Clinityx.

Clinityx, a health startup founded in 2018, aims to make real-world data research easier by providing a robust scientific, technical, and regulatory environment. The company 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. It 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.

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 Holding Ireland Ltd			100.00%	-	Liquidation
Cegedim Logiciels Médicaux			100.00%	-	TUP to Cegedim Santé
Cegedim SRH Ltd			100.00%	-	Liquidation
Cegedim SRH Montargis			100.00%	-	TUP to Cegedim SRH
Cosytec			100.00%	-	TUP to Cegedim SRH
Cegedim World Internal Services Ltd			100.00%	-	Liquidation
Docavenue			100.00%	-	TUP to Cegedim Santé
Healthcare Gateway			50.00%	-	Sale
INPS Enterprise Solutions Ltd			100.00%	-	Liquidation
Medimust			100.00%	-	TUP to Cegedim Santé
RM Ingénierie			100.00%	-	TUP to Cegedim Santé
Rue de la Paye			100.00%	-	TUP to Cegedim SRH

5.3. Impact of changes in consolidation scope

On the balance sheet at the closing date

In thousands of euros	Consolidated before change at 12/31/2022	2022 change	Consolidated after change at 12/31/2022
Goodwill	183,143	15,618	198,761
Other non-current assets (excluding goodwill)	389,014	1,734	390,748
Current assets	295,218	5,189	300,407
Total assets	**867,375**	**22,540**	**889,915**

The figures used do not refer to values upon first-time consolidation, but to the values approved at December 31, 2022.

The impacts of companies consolidated for the first time at the date of acquisition are:

- On the assets side: €3.656 million;
- On the liabilities side: €6.989 million.

The €15.6 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 12/31/2022	2022 change	Consolidated after change at 12/31/2022
Revenue	551,212	3,997	555,209
Operating income	26,343	149	26,492
Consolidated net profit	**11,996**	**83**	**12,079**

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 12/31/2022	2022 change	Consolidated after change at 12/31/2022
Impact of changes in consolidation scope	28,355	-3,039	31,393
Change in net cash	**28,355**	**-3,039**	**31,393**

Financing of acquisitions

In 2022 the Group internally financed €12.453 million in acquisitions of companies.

Note 6 | Segment reporting

6.1. 2022 Segment reporting

The Cegedim Group's business is structured around two operating segments.

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, allied health professionals, pharmacists, and healthcare centers. The segment sells management software, databases, and solutions that help healthcare professionals perform everyday tasks.

The **Corporate and others** is the third segment and supports the operating segments.

Income statement items at December 31, 2022

In thousands of euros		Health insurance, HR & e-services	Healthcare professionals	Corporate and others	Total 12/31/2022	Total France	Total rest of the world
Segment income							
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 income							
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	Corporate and others	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	-
Current 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 segment, with no segment breakdown

Breakdown by division of income statement items at December 31, 2022

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),
- allied health 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.

Corporate and others division: offers support to the operating divisions listed above.

In thousands of euros		Software & services	Flow	Data & marketing	BPO	Corporate and others	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%

6.2. 2021 Segment reporting - Income statement items at December 31, 2021

In thousands of euros		Health insurance, HR & e-services	Healthcare professionals	Corporate and others	Total 12/31/2021	Total France	Total rest of the world
Segment revenue							
A	Non-group revenue	371,357	150,611	2,741	524,709	462,742	61,967
B	Intra-Group revenue	20,359	17,369	79,518	117,245	110,070	7,175
A+B	**Total segment revenue**	**391,716**	**167,980**	**82,259**	**641,954**	**572,812**	**69,142**
Segment profit							
C	**Recurring operating income**	**44,351**	**-3,350**	**-1,105**	**39,897**		
D	**EBITDA**	**78,091**	**14,479**	**12,128**	**104,698**		
C/A	Recurring operating margin	11.9%	-2.2%	-40.3%	7.6%		
D/A	EBITDA margin	21.0%	9.6%	442.5%	20.0%		
	Depreciation & amortization	33,740	17,829	13,233	64,801		

Geographical breakdown of consolidated revenue at December 31, 2021

In thousands of euros	France	Euro zone excluding France	Pound sterling zone	Rest of the world	12/31/2021
Breakdown by geographic region	462,742	11,334	42,427	8,206	524,709
%	88.2%	2.2%	8.1%	1.6%	100.0%

Balance sheet items at December 31, 2021

In thousands of euros	Health insurance, HR & e-services	Healthcare professionals	Corporate and others	Total 12/31/2021	Total France	Total rest of the world
Segment assets						
Goodwill (note 10)	94,625	92,482	-	187,107	125,634	61,472
Intangible assets	89,239	82,256	8,429	179,925	127,634	52,291
Property, plant, and equipment	48,961	19,923	52,783	121,667	105,774	15,892
Investments in affiliates (note 9)	4,716	16,550	-	21,266	8,747	12,519
Total net	**237,541**	**211,212**	**61,212**	**509,964**	**367,789**	**142,175**
Investments during the year (gross values)						
Goodwill (note 10)	-	5,570	-	5,570	5,570	-
Intangible assets	27,537	21,170	2,041	50,748	41,733	9,015
Property, plant, and equipment	12,229	8,123	18,974	39,327	30,866	8,461
Investments in affiliates (note 9)	-	-	-	-	-	-
Total gross	**39,766**	**34,863**	**21,016**	**95,645**	**78,169**	**17,476**
Segment liabilities[(1)]						
Non-current liabilities						
Provisions for post-employment benefit obligations	22,370	9,908	1,791	34,069	34,069	-
Other provisions	361	1,571	323	2,255	1,894	361
Other liabilities	-	-	-	-	-	-
Current liabilities						
Trade payables and related accounts	29,157	14,162	4,925	48,245	36,304	11,941
Tax and social security liabilities	73,946	20,924	6,134	101,004	93,737	7,266
Provisions	723	1,342	-	2,065	2,065	-
Tax liabilities	1,076	64	342	1,483	1,051	432
Other liabilities	67,103	24,646	555	92,304	82,428	9,877

[(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, 2021

In thousands of euros		Software & services	Flow	Data & marketing	BPO	Corporate and others	Group
Revenue	**a**	**291,995**	**84,244**	**98,406**	**47,323**	**2,741**	**524,709**
EBITDA	**b**	**49,008**	**18,095**	**20,109**	**5,358**	**12,128**	**104,698**
EBITDA margin	b/c	16.8%	21.5%	20.4%	11.3%	442.5%	20.0%
Depreciation & amortization R&D	e	-25,153	-4,617	-1,060	-1,470	-1,028	-33,329
Depreciation & amortization for right-of-use assets	f	-6,826	-1,220	-1,005	-857	-6,545	-16,453
Depreciation & amortization others	g	-4,192	-1,157	-3,441	-569	-5,660	-15,020
Depreciation & amortization	**h=e+f+g**	**-36,171**	**-6,995**	**-5,506**	**-2,896**	**-13,233**	**-64,801**
Recurring operating income	**i=b+h**	**12,837**	**11,100**	**14,603**	**2,462**	**-1,105**	**39,897**
Recurring operating margin	i/a	4.4%	13.2%	14.8%	5.2%	-40.3%	7.6%
Impairment of goodwill	j	-	-	-	-	-	-
Non-recurring income and expenses	k	-514	-224	-	-	4,528	3,789
Other non-recurring operating income and expenses	**l=j+k**	**-514**	**-224**	**-**	**-**	**4,528**	**3,789**
Operating income	**m=i+l**	**12,322**	**10,876**	**14,603**	**2,462**	**3,423**	**43,686**
Operating margin	m/a	4.2%	12.9%	14.8%	5.2%	124.9%	8.3%

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 (72.1% of consolidated revenue in 2022). 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** (27.4% of consolidated revenue in 2022). These services cater directly to the needs of healthcare professionals, including primary care physicians and specialists, and allied health 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 (**Corporate and others**: 0.5% 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**: 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),
    - allied health 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.
- The **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.
- The **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

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 allied health 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	23,456	-19,331	25,604	29,729
Contract liabilities	36,068	-31,324	29,627	34,370

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	12/31/2022	12/31/2021
Purchases of studies & services and consumables	-54,847	-57,642
External services (leasing, maintenance, insurance)	-27,339	-22,504
Other: advertising, seconded personnel, entertainment expenses, postal expenses, etc.	-37,727	-27,268
Total external expenses	**-119,913**	**-107,414**

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	12/31/2022	12/31/2021
Recurring operating income	**25,673**	**39,897**
Provisions and impairment(1)	-10,260	-
Restructuring costs(2)	-4,426	-196
Other non-recurring income and expenses(3)	15,506	3,985
Operating income	**26,492**	**43,686**

(1) Provisions and impairment cover losses in value in individual assets or resulting from impairment tests. In 2022, they chiefly reflect the acceleration in the amortization plans for software for pharmacists in the UK in respect of their oldest features, which have been replaced by developments built on the latest 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. In 2022, these costs arose from the reorganization of Cegedim Santé's activities and of operations in the UK.

(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 2021, the Group received compensation from a client for the early termination of a contract that was supposed to end in 2027, resulting in a non-recurring gain of €4.7 million.

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	12/31/2022	12/31/2021
Payroll costs	43,203	39,199
External expenses	10,801	9,800
Capitalized production	**54,004**	**48,999**

7.5. Inventories and work in progress

In thousands of euros	Gross value		Impairment		Net value	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Inventories of goods held for resale	7,547	5,648	-1,052	-1,145	6,495	4,503
Total inventories and work in progress	**7,547**	**5,648**	**-1,052**	**-1,145**	**6,495**	**4,503**

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 €35 million at December 31, 2022.

In thousands of euros	Current trade receivables		Non-current trade receivables		Total trade receivables	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
French companies	146,488	129,769	-	-	146,488	129,769
Foreign companies	16,215	16,884	-	-	16,215	16,884
Total gross value	**162,703**	**146,652**	**-**	**-**	**162,703**	**146,652**
Provisions	10,945	10,310	-	-	10,945	10,310
Total net value	**151,757**	**136,343**	**-**	**-**	**151,757**	**136,343**

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	26,843	5,177	5,467	3,186	1,279	11,733
Foreign companies	8,378	3,131	904	551	448	3,344
Total gross value	**35,221**	**8,309**	**6,371**	**3,736**	**1,728**	**15,077**

7.7. Other receivables

In thousands of euros	Social security liabilities		Tax liabilities		Other receivables (1)		Total other receivables	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current receivables								
French companies	397	934	9,739	9,527	36,935	34,690	47,071	45,151
Foreign companies	489	507	2,067	2,968	1,369	117	3,926	3,591
Total gross value	**886**	**1,440**	**11,806**	**12,495**	**38,304**	**34,807**	**50,997**	**48,743**
Provisions	-	-	-	-	-500	-	-500	-
Total current receivables (net values)	**886**	**1,440**	**11,806**	**12,495**	**37,804**	**34,807**	**50,497**	**48,743**
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 €36 million at December 31, 2022, and €33 million at December 31, 2021.

7.8. Other liabilities

In thousands of euros	Current		Non-current		Total	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Advances and payment on account	**201**	**282**	**-**	**-**	**201**	**282**
Trade receivables – unissued credits	-	-	-	-	-	-
Expenses payable	-	-	-	-	-	-
Miscellaneous payables(1)	62,461	55,547	-	-	62,461	55,547
Other financial liabilities	**62,461**	**55,547**	**-**	**-**	**62,461**	**55,547**
Liabilities on acquisitions of assets	1	-	-	-	1	-
Dividends payable	-	-	-	-	-	-
Prepaid income	34,170	36,475	-	-	34,170	36,475
Total other liabilities	**96,832**	**92,304**	**-**	**-**	**96,832**	**92,304**

(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 €62 million at December 31, 2022, and €55 million at December 31, 2021.

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 2022.

The other amounts involved are non-material if taken individually.

In thousands of euros	12/31/2021	Additional provision allowances	New provision allowances	Reversals of provisions used	Reversals of unused provisions	Change in consolidation scope	Unrealized exchange gains/losses	12/31/2022
Provisions for employee litigation	2,065	-	451	-240	-104	-	-	2,172
Current provisions	**2,065**	**-**	**451**	**-240**	**-104**	**-**	**-**	**2,172**
Provisions for employee litigation	-	-	-	-	-23	73	-	50
Other provisions for risks	1,166	421	105	-323	-	-	-38	1,331
Other provisions for expenses	1,089	247	6	-	-368	-	-	973
Non-current provisions	**2,255**	**668**	**111**	**-323**	**-391**	**73**	**-38**	**2,355**
Total current and non-current provisions	**4,320**	**668**	**562**	**-563**	**-495**	**73**	**-38**	**4,527**

Note 8 | Personnel costs and employee benefits

8.1. Payroll costs

In thousands of euros	12/31/2022	12/31/2021
Payroll costs	-295,033	-269,603
Profit-sharing and incentives	-8,416	-8,821
Free share award plan	-35	-300
Provisions for employee litigation	-93	-117
Payroll costs	**-303,577**	**-278,841**

8.2. Employees

In thousands of euros	12/31/2022	12/31/2021
France	3,786	3,576
International	2,287	2,067
Total employees	**6,073**	**5,643**

8.3. Award of free shares

On January 27, 2020, 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 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.

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 27, 2020 authorized a maximum award of 37,308 free shares.
- The plan dated January 26, 2022 authorized a maximum award of 37,068 free shares.
- The plan dated January 27, 2021 authorized a maximum award of 49,845 free shares.
- For the 2020, 2021, and 2022 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. 27, 2020 plan	Jan. 26, 2021 plan	Jan. 27, 2022 plan
Date of the General Meeting	06/19/2018	06/19/2018	06/17/2021
Date of the Board meeting	01/27/2020	01/26/2021	01/27/2022
Start date of plan	01/27/2020	01/26/2021	01/27/2022
Total number of shares that can be awarded	37,308 shares	37,308 shares	49,845 shares
Initial subscription price	€31.40	€25.00	€24.15
Vesting date France	01/27/2022	01/26/2023	01/27/2024
Vesting date outside France	01/27/2023	01/26/2024	01/27/2025

Position of plan as at December 31, 2022

	Jan. 27, 2020 plan	Jan. 26, 2021 plan	Jan. 27, 2022 plan
Total number of shares awarded	3,191 shares	28,311 shares	46,245 shares
Total number of shares left to be acquired	0	0	0
Adjusted acquisition price of free share award for			
France	€30.48	€24.27	€23.44
Outside France	€26.69	€21.25	€20.53

8.4. Management compensation

Directors' fees paid to Board members came to €173,000 at December 31, 2022, 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	12/31/2022	12/31/2021
Short-term benefits (wages, bonuses, etc.)	1,213	1,102
Post-employment benefits	None	None
Severance pay	None	None
Other long-term benefits	None	None
Benefits recognized	**1,213**	**1,102**
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 12/31/2022	Profit (loss) at 12/31/2022	Share of profit (loss) at 12/31/2022	Net shareholders' equity at 12/31/2022	Group share of total net shareholders' equity at 12/31/2022	Goodwill arising on acquisitions	Provision for risk	Companies no longer consolidated	Net value of investments in affiliates at 12/31/2022
Edipharm	20.00%	513	103	582	116				116
Isiakle	50.00%	-	-	50	25				25
Pharmazon	28.57%	150	43	2,670	763	3,312			4,074
Millennium	49.22%	2,922	1,438	20,177	9,931	2,859			12,789
Healthcare Gateway	50.00%	1,265	632	151	75			-75	-
Group share of investments in affiliates contributing to operating income		**4,850**	**2,216**	**23,629**	**10,910**	**6,170**	**-**	**-75**	**17,005**
Clamae Group	34.09%	-2,955	-1,007	-3,462	-1,180	4,753			3,573
Infodisk	34.00%	-18	-6	-878	-299		299		-
Total at 12/31/2022		**1,876**	**1,203**	**19,289**	**9,432**	**10,923**	**299**	**-75**	**20,578**

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 01/01/2022	21,266
Dividends paid	-1,809
Share of profit (loss) at 12/31/2022	1,203
Goodwill arising on acquisitions	-
Provisions for risk	6
Unrealized exchange gains (losses)	-12
Change in consolidation scope	-75
Total	**20,578**

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, Millennium and, until 2021, Healthcare Gateway (interest sold in 2022).

Note 10 | Non-current Assets

10.1. Goodwill

At December 31, 2022, net goodwill amounted to €199 million, compared with €187 million at December 31, 2021. Of this €12 million net increase in goodwill, €16 million reflected the acquisitions of Laponi (an absenteeism management solution rounding out Cegedim's range of HR solutions), Clinityx (research and design concerning real-world data), Sedia (specialized in traceability software for medical instrumentation usage), and MesDocteurs (24/7 telehealth solution). Currency effects (€2 million) and the allocation of a portion of the goodwill (€2.3 million) recognized on previous acquisitions to identifiable assets partly offset this increase.

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 2022 acquisitions has not yet been allocated.

CGU groups	12/31/2021	Allocation of goodwill	Deferred tax on allocation	Scope	Unrealized exchange gains/ losses and other changes	12/31/2022
Health Insurance, HR & e-services	94,625	-	-227	11,297	-464	105,230
Healthcare professionals	92,482	-2,300	575	4,321	-1,547	93,531
Corporate and others	-	-	-	-	-	-
Total goodwill	**187,107**	**-2,300**	**348**	**15,618**	**-2,011**	**198,761**

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 2022 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 (€199 million), but also that of all assets essential to the operation of the business and allocated to the groups of CGUs (i.e. €457 million tested at the end of 2022).

Firstly, the Group considered whether there were any indications of a loss of value affecting individual intangible assets.

Based on this analysis, product lines were written down where they were built on technologies considered almost obsolete and for which next-generation solutions have already been developed. This gave rise to an impairment loss of €10.3 million, with solutions for pharmacists in the UK among those most affected.

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 in 2022 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

The business plans for the **Health insurance, HR and e-services** group of CGUs were adjusted to reflect three main factors.

- Performance in 2022 was well ahead of the projections contained in previous plans, lending further weight to the bright prospects for the various businesses in this group of CGUs.
- Future cash flows reflect a significant expansion in the BPO business anticipated over several years as a result of the deal reached in September 2022 on a major partnership with Allianz France to manage its portfolio of group health, individual health, and group personal protection insurance policies covering 1.3 million people.
- The acquisitions completed in 2022 will also support the cash flows generated by this group of CGUs.

Revenue growth averaging 8% is projected over the next five years (ahead of the 6% recorded under the previous plan).

The business plans for the **Healthcare professionals** group of CGUs were reviewed over a period of time extended to 2028 to factor in the delay that showed up in the 2022 results, and the scheduling of several key events that will affect future business levels.

- Future cash flows reflect the impact of the 6-month delay to the €65 million fundraising. It was completed in May 2022, and the funds were assigned to developing Cegedim Santé's range of telemedicine and software solutions for French doctors and allied health professionals. While this transaction is still expected to have a highly positive impact in the long term, substantial recruitments and investments will be required to begin with.
- 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 the roll-out involving doctors began in late 2022. It will continue in 2023, with physical therapists, other allied health professionals, and pharmacists will then follow. Negotiations concerning the second wave of the roll-out of systems and equipment for doctors are now underway.
- For the international businesses, future cash flows will benefit from the scheduled launch of new doctor software by the entities in Belgium (2023) and Romania (2024), as well as new projects at the INPS UK subsidiary with the UK Ministry of Defence, and in the Scottish market, where it is now the only accredited provider. Conversely, as stated in previous plans, cash flows will again be affected by the cautious approach required by the situation in England's Primary Care market ahead of the orders anticipated in 2023 during the regulated period of competitive tenders.
- More generally, this group of CGUs' business plans have received a boost from strong performances in the recurring portion of all its activities that cater to healthcare professionals, where Cegedim Group traditionally has solid, well-established positions.

Revenue growth assumptions remain more or less identical to those contained in previous plans (average of around 13% over five years). In addition, incorporating an additional year in the plan (extended to 2028) captures more accurately the anticipated benefits in line with the valuation of €361 million of the Cegedim Santé businesses implied by the recent fundraising.

The perpetual growth rates used to calculate the terminal values apply 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 is 100 basis points higher than it was in the previous year. In addition, the business plans include for 2023 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) and higher payroll costs (the Group's leading expense item and the expense item with the greatest exposure to inflationary pressures). 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 190 basis points).

These sensitivity calculations would not result in any goodwill impairment in either of the groups of CGUs tested.

	12/31/2022	12/31/2021
Discount rate after tax	8.06%	7.06%
Perpetual growth rate		
- *Health insurance, HR and e-services*	1.95%	1.75%
- *Healthcare professionals*	3.50%	1.50%

10.2. Intangible asset

In thousands of euros	12/31/2021	Reclassification and correction brought forward	Acquisitions	Change in scope	Reductions	Unrealized exchange gains/losses	12/31/2022
Development costs	8,436	-7,174	1,821	-	-	-2	3,081
Internal software [1]	441,603	7,174	52,183	-	-3,786	-5,307	491,867
Other intangible assets [2]	75,996	2,294	4,550	28	-62	-622	82,185
Total gross value	**526,035**	**2,294**	**58,554**	**28**	**-3,848**	**-5,931**	**577,133**
Amortization and impairment of internal software	279,264	-	46,747	-	-3,786	-3,396	318,829
Amortization and impairment of other intangible assets	66,846	-5	3,951	25	-62	-537	70,219
Total amortization	**346,110**	**-5**	**50,698**	**25**	**-3,848**	**-3,933**	**389,048**
Total impairment	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total intangible assets, net	**179,925**	**2,300**	**7,856**	**3**	**0**	**-1,998**	**188,085**

(1) The average amortization period for software developed internally and currently in use is 5 to 15 years.

(2) This line mainly consists of acquired software

10.3. Property, plant, and equipment

In thousands of euros	12/31/2021	Reclassification and correction brought forward	Acquisitions	Change in scope	Reductions	Unrealized exchange gains/losses	12/31/2022
Land	544	-	-	-	-	-	544
Buildings	9,347	-	-	-	-	-	9,347
Other property, plant, and equipment	**103,318**	**14**	**17,461**	**300**	**-9,237**	**-1,171**	**110,686**
Tech installations, equipment and tools	83,827	301	15,994	2	-4,679	-605	94,840
Others	19,492	-287	1,467	298	-4,558	-566	15,846
Right-of-use assets	**124,059**	**-**	**24,562**	**828**	**-6,373**	**-1,158**	**141,918**
Buildings	115,887	-	23,370	363	-5,527	-1,147	132,946
Other property, plant, and equipment	8,172	-	1,192	465	-846	-11	8,972
Non-current assets in & Advances and deposits on property, plant, and equipment	1	-	133	-	-	-	134
Total gross value	**237,269**	**14**	**42,156**	**1,128**	**-15,610**	**-2,329**	**262,629**
Impairment of land	-	-	-	-	-	-	-
Depreciation of buildings	7,259	-	216	-	-	-	7,475
Depreciation of other property, plant, and equipment:	**68,286**	**15**	**12,646**	**163**	**-9,196**	**-696**	**71,219**
Depreciation of tech installations, equipment, and tools	53,739	280	10,711	1	-4,655	-372	59,703
Other depreciation	14,547	-264	1,935	163	-4,541	-324	11,515
Depreciation of right-of-use assets:	**40,057**	**-**	**17,228**	**166**	**-3,978**	**-542**	**52,931**
Buildings	36,263	-	14,850	101	-3,161	-533	47,520
Other property, plant, and equipment	3,794	-	2,378	65	-817	-9	5,411
Total amortization	**115,602**	**15**	**30,090**	**330**	**-13,174**	**-1,238**	**131,625**
Total property, plant, and equipment, net	**121,667**	**-1**	**12,065**	**798**	**-2,435**	**-1,090**	**131,004**

10.4. Financial assets (excluding investments in affiliates)

In thousands of euros	12/31/2021	Acquisitions Allowances	Change in scope	Reductions and reversals	Reclassification	Unrealized exchange gains/losses	12/31/2022
Equity investments (1)	315	-	-	-314	-	-0	1
Loans (2)	15,223	626	-	-1,000	793	-	15,642
Security deposits	4,786	527	93	-323	-	-32	5,052
Other financial assets	984	984	-0	-1,969	-	-	-
Total gross value	**21,308**	**2,138**	**93**	**-3,605**	**793**	**-32**	**20,696**
Provisions on other financial assets	-	-	-	-	-	-	-
Total provisions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total financial assets, net	**21,308**	**2,138**	**93**	**-3,605**	**793**	**-32**	**20,696**

(1) *Information on unconsolidated subsidiaries*

(2) *including a loan of €8 million to Isiaklé as part of a BPO contract*

Subsidiary	Share capital	Shareholders' equity other than share capital	% of control	Carrying amount of shares held, gross value	Provision for impairment in securities	Net value of shares held	Revenue excluding tax	Net profit	Dividends received
Resodom	10	nc	10.00%	1	0	1	nc	nc	nc
Total unconsolidated equity investments				**1**	**0**	**1**			

These are shares in unlisted companies which the Group doesn't control.

Note 11 | Financing and financial instruments

11.1. Net financial debt

In thousands of euros	12/31/2022			12/31/2021		
	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)	180,173	8,740	188,913	179,609	6,965	186,574
Financial liabilities excluding non-current IFRS 16 lease liabilities	**180,173**	**8,740**	**188,913**	**179,609**	**6,965**	**186,574**
Short-term borrowings and financial liabilities (< 1 year)	1,312	2,542	3,854	1,115	1,444	2,560
Current bank loans	-	-	-	-	-	-
Current financial liabilities excluding IFRS 16 lease liabilities	**1,312**	**2,542**	**3,854**	**1,115**	**1,444**	**2,560**
Total financial liabilities	**181,484**	**11,283**	**192,767**	**180,725**	**8,409**	**189,134**
Cash	55,553	-	55,553	24,160	-	24,160
Net financial debt excluding IFRS 16 lease liabilities	**125,931**	**11,283**	**137,214**	**156,565**	**8,409**	**164,974**
Non-current IFRS 16 lease liabilities	75,907	-	75,907	70,297	-	70,297
Current IFRS 16 lease liabilities	15,916	-	15,916	16,072	-	16,072
Net financial debt	**217,754**	**11,283**	**229,037**	**242,934**	**8,409**	**251,343**

(1) Miscellaneous mainly includes the profit-sharing of 7.500 million euros at 31 December 2022 and 7.419 million euros at 31 December 2021.

11.2. Net cash

In thousands of euros	12/31/2022	12/31/2021
Current bank loans	-	-
Cash	55,553	24,160
Net cash	**55,553**	**24,160**

11.3. IFRS 16 lease liabilities

In thousands of euros	< 1 year	> 1 year < 5 years	Over 5 years
IFRS 16 lease liabilities	15,916	48,318	27,589
Total	**15,916**	**48,318**	**27,589**

IFRS 16 debt amounted to €92 million at December 31, 2022.

11.4. Statement of changes in net debt

In thousands of euros		12/31/2022	12/31/2021
Net debt at beginning of fiscal year	**A**	**251,343**	**241,725**
Operating cash flow before cost of net financial debt and taxes		-107,335	-105,155
Tax paid		21,309	4,119
Change in working capital requirement		-450	5,057
Net cash flow from operating activities		**-86,476**	**-95,978**
Net cash flow from investing activities		75,736	65,928
Impact of changes in consolidation scope		-52,483	5,128
Dividend payments		3,842	-950
Capital increase in cash		-	-
Impact of changes in foreign currency exchange rates		1,024	-289
Interest paid on loans		4,949	4,995
Other financial income and expenses paid or received and interest on lease obligations		2,974	4,207
IFRS 16		24,492	25,602
Other movements		2,920	447
Total net change in fiscal year	**B**	**-23,022**	**9,090**
Impact of companies acquired	C	716	527
Net debt at the end of fiscal year	**A+B+C+D**	**229,037**	**251,343**

11.5. Cost of net debt

In thousands of euros	12/31/2022	12/31/2021
Income or cash equivalent	**114**	**90**
Interest paid on borrowings	-4,949	-4,995
Accrued interest on borrowings	-	-
Interest paid on financial liabilities	**-4,949**	**-4,995**
Other interest and financial expenses(1)	-1,960	-1,823
Interest expense on lease liabilities	-2,040	-1,539
Cost of gross financial debt	**-8,949**	**-8,357**
Net foreign exchange gains and losses	-370	-1,099
Valuation of financial instruments	-	-407
Others	415	-598
Other financial income and expenses	**-8,904**	**-2,103**
Cost of net financial debt	**-8,790**	**-10,370**

In thousands of euros	12/31/2022	12/31/2021
(1) o/w FCB interest	-1,184	-1,223
Interest on equity investments	-450	-437
Total	**-1,634**	**-1,660**

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	1,312	180,173	-
Total	**1,312**	**180,173**	**-**

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.

At December 31, 2022, the Group cash position was impacted by a change of around €9.5 million in client advances at the health insurance BPO business. It is worth noting that cash includes €26.4 million of commitments related to the health insurance BPO business (BPO of health benefit payments).

At December 31, 2022, 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, 2022, was €45 million.

Interest expense on bank loans and bonds, premiums, and commissions totaled €5 million at December 31, 2022.

Interest on the shareholder loan at December 31, 2022, amounted to €1.2 million.

At December 31, 2022, 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, 2022. 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 hedged was €45.1 million.

Foreign exchange risk

The pound sterling is the only significant foreign currency (representing 7.1% 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	877
Off-balance-sheet position -	-
Net position after hedging	877

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 €527 million 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 2022 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 €389,000 on Cegedim's revenue and a positive impact of €110,000 on its recurring operating income.

Currency effects had a total positive impact of €0.4 million on revenue in 2022. Of this amount, €0.4 million was due to the pound sterling.

The amount of unrealized exchange gains or losses on revenue is determined by recalculating 2021 revenue based on the 2022 exchange rate. The currency exchange rates used are the average rates over the financial year.

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	552	2,552	4,148	191,215	
Hedging instruments				-367	
Current bank loans					
Leasing	1	4	5	42	
Earn-out	40	1,132		1,750	
Equity investments			1,359	6,405	
Financial liabilities related to equity investments					
Miscellaneous including security deposits				543	

Note 12 | Trade payables and related accounts

Trade payable aging schedule

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**

In thousands of euros	Trade payables past due 12/31/2021	Past due < 30 days	Past due 31 – 60 days	Past due > 60 days
French companies	-78	-1,524	512	933
Foreign companies	3,264	2,482	573	208
Total	3,185	958	1,086	1,141

Note 13 | Change in working capital requirement

Change in working capital requirement

In thousands of euros	12/31/2022	12/31/2021
Inventories	-2,028	-661
Trade receivables and payments on account	-14,292	-263
Social security contributions and tax receivable	1,385	2,780
BPO business advances	4,948	-34,477
Others	-3,651	30,668
Impact of the change in trade receivables and other debtors	**-13,638**	**-1,952**
Trade payables and advances received	-7,113	-4,454
Social security contributions and tax liabilities	-11,043	7,634
Others	4,068	-76
Impact of the change in trade payables and other creditors	**-14,088**	**3,104**
Net	**450**	**-5,056**

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 €0.7 million at December 31, 2022, and were recognized in external expenses.

The trend in right-of-use assets and lease liabilities in 2022 was as follows:

14.1. Right-of-use assets related to leases

In thousands of euros	Real estate	Equipment	Total
Gross value			
At 12/31/2021	115,887	8,172	124,059
At 12/31/2022	**132,946**	**8,972**	**141,919**
Depreciation & amortization			
At 12/31/2021	-36,263	-3,794	-40,057
At 12/31/2022	**-47,520**	**-5,411**	**-52,931**
Net value			
At 12/31/2021	79,624	4,377	84,002
At 12/31/2022	**85,426**	**3,561**	**88,988**

14.2. Current lease liabilities

As of December 31, 2022, lease liabilities amounted to €91.823 million of which €75.907 million were due in more than one year and €15.916 million in less than one year.

The change in the liabilities can be explained as follows:

In thousands of euros	
Liabilities at 12/31/2021	**86,369**
New leases	25,195
Repayment of lease liabilities	-19,089
Others	-651
Liabilities at 12/31/2022	**91,823**

Note 15 | Income tax

15.1. Deferred tax

Tax breakdown

The tax expense recognized in income was €4.610 million at December 31, 2022, compared with €5.836 million at December 31, 2021. This comprised:

In thousands of euros	12/31/2022	12/31/2021
Tax due		
France	-5,345	-6,294
Outside France	-537	-834
Total tax due	**-5,882**	**-7,128**
Deferred tax		
France	-338	1,719
Outside France	1,610	-427
Total deferred tax	**1,272**	**1,292**
Total tax income recognized in the income statement	**-4,610**	**-5,836**

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		12/31/2022	12/31/2021
Consolidated net profit		12,079	26,300
Share of profit (loss) of affiliates		-1,203	-1,649
Income taxes		4,609	5,836
Income before tax of consolidated companies	**(a)**	**15,486**	**30,488**
of which French consolidated companies		22,783	37,675
of which non-French consolidated companies		-7,297	-7,188
Standard tax rate in France	(b)	25.83%	28.41%
Theoretical tax expense	**(c) = (a) x (b)**	**-4,000**	**-8,662**
Impact of permanent differences		-1,390	-1,080
Impact of differences in tax rates on profits		2,925	340
Impact of differences in tax rates on temporary differences		-484	76
Capitalized tax loss carryforwards		4,270	6,632
Uncapitalized tax on losses		-6,405	-3,822
Impact of tax credit		475	681
Tax expenses recognized in the income statement		**-4,609**	**-5,836**
Effective tax rate		**29.76%**	**19.14%**

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	12/31/2022
United Kingdom	2,392
France (companies not in the tax consolidation group)	242
Others	29
Total	**2,925**

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	12/31/2021	Reclassification and correction brought forward	Profit (loss)	Change in consolidation scope	Other change in equity	Change in Unrealized exchange gains/losses	12/31/2022
Tax loss carryforwards	20,000						20,000
Post-employment benefit obligations	8,515		486		-2,872		6,129
Non-deductible provisions	4,025		-706				3,319
Fair value adjustment to financial instruments	- 0						0
IFRIC	-515						-515
Lease accounting	630		69	0			699
Elimination of internal capital gains	144		1				145
Restatement of R&D margin	1,319		317				1,636
Cancellation of expenses linked to capital transactions	0		-628	628			0
Others	127		91				218
Total deferred tax assets	**34,246**	**0**	**-370**	**628**	**-2,872**	**0**	**31,633**
Unrealized exchange gains/losses	0		-333			333	0
Capitalization of R&D expenses	-7,217		1,744				-5,472
Restatement of the allowance for the R&D margin	-473		-113				-586
Intangible assets	-957	-348	265				-1,039
Others	-364		79				-286
Total deferred tax liabilities	**-9,012**	**-348**	**1,643**	**0**	**0**	**333**	**-7,384**
Deferred tax, net	**25,234**	**-348**	**1,273**	**628**	**-2,872**	**333**	**24,249**

The deferred tax assets capitalized in respect of tax-loss carryforwards amounted to €20 million. We estimate that it will take an average of 4 years for the fully consolidated French companies to recover those assets.

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, 2021	**33,506**	**-8,273**	**25,234**
Impact on profit (loss) for the period	-370	1,643	1,274
Impact on shareholders' equity	-2,242	333	-1,910
Impact of net reporting by tax entity	-508	507	-2
Reclassification	0	-348	-348
As of December 31, 2022	**30,386**	**-6,138**	**24,249**

Tax corresponding to tax loss carryforwards not recognized at December 31, 2022, amounts to €15.109 million for French companies and €13.907 million for foreign companies.

Note 16 | Equity and earnings per share

16.1. Share capital

At December 31, 2021, the share capital was made up of 13,997,173 shares (including 389,067 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. 13,658,348 shares at December 31, 2022, and 13,782,436 shares at December 31, 2021).

Earnings per share before non-recurring income and expenses amounted to €0.9 in respect of fiscal year 2022.

Earnings per share amounted to €1.0 in respect of fiscal year 2022.

Cegedim SA	12/31/2022	12/31/2021
Weighted average number of outstanding ordinary shares	13,997,173	13,997,173
Less average number of treasury shares	-338,825	-214,737
Number of shares used to calculate earnings per share	**13,658,348**	**13,782,436**

Note 17 | Dividend

A dividend of €0.50 per share, representing a total payout of €6.830 million, was paid in respect of 2021 in July 2022, in accordance with the decision of the Ordinary General Shareholders' Meeting held on June 17, 2022.

The resolution for presentation at the Shareholders' Meeting to be called in the first half of 2023 to approve the 2022 financial statements does not provide for a dividend to be paid out in respect of 2022.

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	2,541	25,397

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 €27.938 million, including €2.541 million paid to an insurance company.

The amount of retirement contributions provisioned as expenses during the financial year was €3.725 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	2022	2021
Net interest rate	3.76%	0.98%
Expected return on plan assets	3.76%	0.98%
Wage increases (including inflation)	2.50%	2.50%

The discount rate applied for 2022 is 3.76% (Iboxx Corporate AA 10+) versus 0.98% in 2021.

Demographic assumptions

Mortality: Insee 2019-2017, M/W tables

Turnover rate:

- 7.0% 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	3.51%	3.76%	4.01%
	27,380	27,938	29,023

The Group's collective bargaining agreements are as follows:

- National collective bargaining agreement for traveling sales staff, representatives, ushers;
- 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 €61,000.

18.2. Comparison of actuarial liabilities and plan assets

In thousands of euros	2022	2021
Actuarial liabilities	27,938	36,569
Plan assets	-2,541	-2,501
Unrecognized past service cost	-	-
Liabilities recognized	**25,397**	**34,069**

Change in service cost and the fair value of plan assets

In thousands of euros		12/31/2022			12/31/2021		
		French companies	Foreign companies	Total	French companies	Foreign companies	Total
Actuarial liabilities at beginning of fiscal year	**1**	**36,569**	**-**	**36,569**	**37,781**	**-**	**37,781**
Service cost during the fiscal year		3,397	-	3,397	3,387	-	3,387
Interest cost during the fiscal year		353	-	353	121	-	121
Unrecognized past service cost		-	-	-	-	-	-
Impact of IFRIC		-	-	-	-1,994	-	-1,994
Costs for the period	**2**	**3,750**	**-**	**3,750**	**1,514**	**-**	**1,514**
Benefits paid	3	-1,282	-	-1,282	-564	-	-564
Actuarial losses (gains) generated during the fiscal year in respect of liabilities	4	-11,099	-	-11,099	-2,263	-	-2,263
Newly consolidated companies	5	-	-	-	-	-	-
Companies no longer consolidated	6	-	-	-	102	-	102
Reclassification	7	-	-	-	-	-	-
Changes in exchange rates	8	-	-	-	-	-	-
Actuarial liabilities at end of fiscal year	**1+2+3+4+5+6+7+8**	**27,938**	**-**	**27,938**	**36,569**	**-**	**36,569**
Value of plan assets							
Fair value of plan assets at beginning of fiscal year		2,501	-	2,501	2,499	-	2,499
Expected return on plan assets		25	-	25	8	-	8
Contributions		-	-	-	-	-	-
Benefits paid out		-	-	-	-	-	-
Actuarial gains (losses) for the fiscal year generated on assets		16	-	16	-7	-	-7
Newly consolidated companies		-	-	-	-	-	-
Companies no longer consolidated		-	-	-	-	-	-
Fair value of plan assets at end of fiscal year		**2,541**	**-**	**2,541**	**2,501**	**-**	**2,501**

Amounts recorded in the balance sheet and income statement

In thousands of euros	12/31/2022			12/31/2021		
	French companies	Foreign companies	Total	French companies	Foreign companies	Total
Service cost at the end of the fiscal year	27,938	-	27,938	36,569	-	36,569
Fair value of plan assets	-2,541	-	-2,541	-2,501	-	-2,501
Sub-total	25,397	-	25,397	34,069	-	34,069
Unrecognized past service cost	-	-	-	-	-	-
Liabilities recognized on the balance sheet	**25,397**	**-**	**25,397**	**34,069**	**-**	**34,069**
Service cost during the fiscal year	3,397	-	3,397	3,387	-	3,387
Interest cost during the fiscal year	353	-	353	121	-	121
Expected return on plan assets	-25	-	-25	-8	-	-8
Effect of plan curtailment or settlement	-	-	-	-	-	-
Expenses recognized in the income statement	**3,725**	**-**	**3,725**	**3,500**	**-**	**3,500**

Change in liabilities recognized on the balance sheet

In thousands of euros	12/31/2022			12/31/2021		
	French companies	Foreign companies	Total	French companies	Foreign companies	Total
Net liabilities at beginning of fiscal year	**34,069**	**-**	**34,069**	**35,281**	**-**	**35,281**
Actuarial losses (gains)	-11,115	-	-11,115	-2,255	-	-2,255
Reclassification of recognized past service costs – vested rights	-	-	-	-	-	-
Expenses recognized in the income statement	3,725	-	3,725	3,500	-	3,500
Impact of IFRIC	-	-	-	-1,994	-	-1,994
Benefits paid	-1,282	-	-1,282	-564	-	-564
Contributions paid	-	-	-	-	-	-
Newly consolidated companies	-	-	-	-	-	-
Companies no longer consolidated	-	-	-	102	-	102
Reclassification	-	-	-	-	-	-
Change in exchange rates	-	-	-	-	-	-
Net liabilities at end of fiscal year	**25,397**	**-**	**25,397**	**34,069**	**-**	**34,069**

In 2022, the increase in the discount rate led to a reduction in post-employment benefit obligations, and this gave rise to the significant decrease reported at December 31, 2022.

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 4. Only the significant transactions are described below: Charges of €9.531 million in 2022, compared with €8.587 million in 2021, essentially comprised the following:

- FCB re-invoiced €3.057 million in rent to companies in the Cegedim Group, compared with €2.453 million in 2021;
- FCB invoiced €2.466 million for car leases in 2022, compared with €2.244 million in 2021, and €488,000 in fleet management fees, compared with €439,000 in 2021;
- FCB reinvoiced €1.987 million for the contract for services in strategic consulting, human resources, marketing, finance, budget, and internal information systems in 2022, compared with €1.906 million in 2021;

Interest on the FCB loan amounted to €1.184 million in 2022, compared with €1.223 million in 2021. 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.

In thousands of euros	FCB		Family-owned SCI property investment companies		Other companies	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Income	247	251	-	-	99	68
Expenses	9,531	8,587	6,141	5,983	210	85
FCB Loans	45,094	45,094	-	-	-	-
Security deposits granted	754	603	1,470	1,402	-	-
Security deposits received	9	9	-	-	-	-
Receivables	1	121	-	-	58	17
Provisions for receivables	-	-	-	-	-	-
Liabilities	1,579	376	-0	1	62	23
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	2022	2021
Q1	23.3%	23.3%
Q2	24.9%	24.5%
Q3	24.0%	23.8%
Q4	27.8%	28.3%
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	2022	2021
First half	43.3%	40.7%
Second half	56.7%	59.3%
Year	100.0%	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	12/31/2022				12/31/2021			
	Mazars	%	KPMG	%	Mazars	%	KPMG	%
Auditing, certification, review of individual and consolidated financial statements								
Cegedim SA	140	42.5%	146	82.7%	128	29.4%	134	89.7%
Fully consolidated subsidiaries	189	57.5%	31	17.3%	199	45.6%	15	10.3%
Non-audit services								
Cegedim SA	-	-	-	-	-	-	-	-
Fully consolidated subsidiaries	-	-	-	-	109	25.0%	-	-
Audit, sub-total	**328**	**100.0%**	**177**	**100.0%**	**436**	**100.0%**	**149**	**100.0%**
Legal, tax, social	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Subtotal of other services provided by the networks to the fully consolidated subsidiaries	-	-	-	-	-	-	-	-
Total fees	**328**	**100.0%**	**177**	**100.0%**	**436**	**100.0%**	**149**	**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 24, 2022).

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;
- €183,000 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. That ruling is currently under appeal.

After consulting its external legal counsel, the Group decided not to set aside any provisions.

Tax

On February 21, 2018, Cegedim SA received official notice that the French tax authorities planned to perform an audit of its financial statements for the period from January 1, 2015, to December 31, 2016. After consultation with its lawyers and based on ample precedent, the Group believes that the adjustment related to the use of tax-loss carryforwards is unwarranted and continues to explore its options to appeal the decision. On October 21, 2021, Cegedim SA received official notice that the French tax authorities planned to perform an audit of its financial statements for the period from January 1, 2019, to December 31, 2020. That audit has not resulted in any adjustments other than those the Group is already appealing.

As part of this process, in the first half of 2022 Cegedim SA received a notice of collection and paid a total of €12.1 million in respect of tax-loss carryforwards used through 2020 and a €0.4 million late payment penalty. The corresponding entry for these payments is not in the taxes line of the income statement, but is accounted for as a tax receivable in the balance sheet assets, as we expect these sums to be repaid once the dispute has been resolved, if in our favor. Furthermore, as the Group's accounting method and legal arguments are sound, it continues to record €20 million in deferred tax assets on the balance sheet, relating to the disputed tax-loss carryforwards yet unused.

In the event of an unfavorable ruling, Cegedim faces a maximum risk of (1) €23 million of income taxes in the P&L based on the disputed tax-loss carryforwards already used as of December 31, 2022, (of which it has already paid €12.1 million) and (2) an additional €20 million tax impact in the P&L due to the cancellation of its deferred tax assets relating to the disputed tax-loss carryforwards yet unused (which would not entail any cash disbursement).

Cegedim believes that the risk of an unfavorable ruling is small and plans to continue using the remaining disputed tax-loss carryforwards yet unused. Thus, if the ruling is ultimately unfavorable, the maximum risk in terms of a reversing entry in the tax line of the income statement will increase, but the impact on the cash position would still be more modest, as the Group continues to make periodic payments in respect of the collection notice

Note 21 | Significant post-closing transactions and events (post December 31, 2022)

No material events occurred between the December 31, 2022, year-end and March 23, 2023, the date on which the financial statements were approved by the Board of Directors.

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	11-15 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**

Additionally, IAS 16 prescribes the separate component approach for assets that can be broken down into elements that each have different uses or offer economic benefits at a different rate. In the Cegedim Group, this involves buildings consisting of administrative offices and industrial facilities (workshops, warehouses, storage areas, etc.), for which separate depreciation schedules have been established based on the useful life of the various components (structure, facades and weatherproofing, general and technical facilities, and fixtures).

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.

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, allied health 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 (IAS 12)

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 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 (IAS 2)

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. Derivatives and hedging instruments

Financial instruments are recognized at fair value and subsequent changes in the fair value of the instrument are recognized according to whether or not the instrument is a hedging instrument and, if so, the nature of the item hedged.

The Group's use of derivatives such as interest rate swaps, caps, or other equivalent term contracts is intended to hedge risks associated with interest rate fluctuations.

These derivative instruments are recorded in the balance sheet at market value. Changes in market value are recognized in the income statement in "Other operating income and expenses", except for transactions that qualify as cash flow hedges (flows related to a variable interest rate debt), for which changes in value are recorded under equity.

From the outset of the transaction, the Group documents the relationship between the hedging instrument and the hedged item, as well as its risk management objectives and hedging policy.

The financial elements covered by derivatives follow one of two types of hedge accounting:

- fair value hedges;
- cash flow hedges.

For fair value hedges, the value of the financial liability underlying the derivative is adjusted in the balance sheet under the hedged risk (risk relating to interest rate fluctuations). Changes in value are recorded in the income statement (as financial expenses) and offset changes in the value of the derivative allocated to the underlying for the hedged portion.

For cash flow hedges, the financial liability is recorded in the balance sheet at amortized cost. Changes in the value of the derivative are recorded in shareholders' equity. To the extent that the financial expense or income of the hedged item impact the income statement for a given period, the financial expense or income recorded under shareholders' equity in respect of the derivative for the same period is transferred to the income statement.

When a derivative does not meet the criteria for hedge accounting, changes in fair value are recognized in the income statement under other operating income and expenses.

Hedge accounting (IFRS 9)

The Group has decided to recognize forward points separately under "hedging costs". They are now recognized under other comprehensive income in hedging reserves, a separate component of equity, before being reclassified subsequently as accumulated gains and losses in the cash flow hedging reserve.

22.18. 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.

22.19. 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.

22.20. 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.

22.21. 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 "Corporate and others" 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, allied health professionals, pharmacists, and healthcare facilities. The segment sells management software, databases, and solutions that help healthcare professionals perform everyday tasks.

The **Corporate and others 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, 2022

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, 2022, 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, 2022, 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.823-9 and R.823-7 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, 2022, the net book value of goodwill amounted to 199 million euro in relation to a balance sheet total of 890 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

Recognition and 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, 2022, the net book value of development costs and internal software amounted to 185 million euro, compared with a balance sheet total of 890 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 recognition and 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:

- assessing the compliance of procedures for examining the criteria for capitalizing development costs with the accounting standards in force;
- cataloging and testing a sample of the key controls the Group has set up as part of its internal control process for the capitalization and monitoring of development costs and internal software;
- 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 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 intended for inclusion 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 intended for inclusion 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.

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, 2022, Mazars was in its 21st consecutive year as Statutory Auditor, and KPMG was in its forth 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. 823-10-1 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. 822 -10 to L. 822-14 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
Paris La Défense, April 11, 2023

Vincent de Becquevort
Partner

Mazars
Courbevoie, April 11, 2023

Jean-Philippe Mathorez
Partner

05

Parent company Financial statements

5.1 Balance sheet

Assets

In thousands of euros	Gross	Depreciation, amortization, and impairment	12/31/2022 Net	12/31/2021 Net
Intangible assets				
Development costs	9,698	-	9,698	8,217
Concessions, patents, and similar rights	495	470	25	37
Commercial goodwill	5,071	160	4,911	4,911
Other intangible assets	53,524	38,011	15,513	12,126
Property, plant, and equipment				
Buildings	3,197	3,197	-	-
Plant, and equipment	6,384	4,084	2,300	1,762
Other property, plant, and equipment	723	399	324	315
Non-current assets in progress				-
Financial assets				
Other investments	421,383	85,230	336,153	332,015
Accrued interest on investments	-	-	-	-
Loans	19,254	750	18,504	38,174
Other financial assets	2,277	-	2,277	2,053
Non-current assets	**522,006**	**132,301**	**389,705**	**399,611**
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	9	-	9	19
Receivables				
Trade receivables and related accounts	28,820	2,424	26,396	18,078
Other receivables	18,146	-	18,146	5,390
Capital called but not paid-up				-
Short-term investments	9,182	2,632	6,550	7,366
Cash and cash equivalents	23	-	23	20
Accruals				
Prepaid expenses	1,274	-	1,274	934
Current assets	**57,454**	**5,056**	**52,398**	**31,808**
Deferred bond issue expenses	444	-	444	705
Unrealized exchange losses	3	-	3	11
Total assets	**579,908**	**137,357**	**442,551**	**432,135**

Liabilities and shareholders' equity

In thousands of euros	12/31/2022	12/31/2021
Share capital	13,336	13,336
Merger and contribution share premiums	29,992	29,992
Statutory reserve	1,334	1,334
Tax-regulated reserves	8,682	7,011
Other reserves	28,746	22,821
Retained earnings	1,207	1,038
Profit (loss) for the period	16,298	14,594
Tax-regulated provisions	-	-
Shareholders' equity	**99,595**	**90,127**
Provisions for liabilities	778	248
Provisions for charges	3,247	4,411
Non-controlling interest		-
Provisions for liabilities and charges	**4,025**	**4,659**
Financial liabilities		
Other bonds		-
Borrowings from financial institutions	225,406	230,942
Miscellaneous borrowings and financial liabilities	47,323	47,278
Advances & payments on account received on orders in progress	64	74
Trade payables		
Trade payables and related accounts	19,823	14,708
Tax and social security liabilities	14,589	13,923
Miscellaneous payables		
Amounts due on non-current assets and related accounts		-
Other financial liabilities	31,047	29,923
Prepaid income	675	499
Liabilities	**338,928**	**337,347**
Unrealized exchange gains	3	2
Total liabilities	**442,551**	**432,135**

5.2 Income statement

Part 1

In thousands of euros	12/31/2022	12/31/2021
Sales of goods held for resale, France	-	-
Sales of goods held for resale, outside France	-	-
Production of goods sold, France	-	-
Production of goods sold, outside France	-	-
Production of services sold, France	92,711	88,011
Production of services sold, outside France	2,949	2,972
Net revenue	**95,660**	**90,983**
Production transferred to inventory		-
Capitalized production	9,698	8,217
Reversals of depreciation, amortization, and provisions, and transfers of expenses	5,242	1,460
Other income	959	743
Operating income (expense), net	**111,559**	**101,403**
Purchases of goods held for resale	-	-
Variations in inventories of goods held for resale and raw materials	-	-
Purchases of raw materials and supplies	-	-
Other external purchases and expenses	-68,483	-56,809
Taxes, duties, and similar levies other than on income	-503	-1,042
Wages and salaries	-27,128	-24,728
Payroll taxes	-12,556	-11,660
Depreciation and amortization of non-current assets	-5,742	-4,700
Allowances to provisions for current assets	-316	-134
Allowances to provisions for liabilities and charges	-333	-1,215
Other expenses	-261	-863
Operating expenses	-115,282	-101,151
Operating income (expense), net	**-3,723**	**252**

Partie 2

In thousands of euros	12/31/2022	12/31/2021
Financial income from investments	21,512	13,603
Other interest and related income	291	756
Reversals of provisions and transfers of expenses	76,705	22,676
Foreign exchange gains	9	19
Net gains on disposals of short-term investments	-	-
Financial income	**98,517**	**37,055**
Depreciation and allowances to provisions for financial items	-5,032	-15,453
Interest and related expenses	-7,496	-8,103
Foreign exchange losses	-44	-170
Financial expenses	**-12,572**	**-23,726**
Net financial income (expense)	**85,945**	**13,329**
Income before non-recurring items and tax	**82,222**	**13,581**
Non-recurring income on management operations	**-**	-
Non-recurring income on capital transactions	688	77,917
Reversals of provisions and transfers of expenses	-	-
Non-recurring income	**688**	**77,917**
Non-recurring expenses on management operations	-	-
Non-recurring expenses on capital transactions	-74,296	-86,419
Non-recurring expenses from depreciation, amortization, and allowances to provisions	-	-
Non-recurring expenses	**-74,296**	**-86,419**
Non-recurring items	**-73,608**	**-8,502**
Employee profit-sharing	-737	-829
Income taxes	8,421	10,343
Total income	**211,436**	**216,375**
Total expenses	**-195,138**	**-201,781**
Profit (loss)	**16,298**	**14,594**
Earnings per share (in euros)	1.16	1.04
Income before tax per share (in euros)	0.56	0.30
Income before non-recurring items and tax per share (in euros)	5.87	0.97

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, 2022, 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 €2.377 million impairment loss was recognized at December 31, 2022, 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 2022 was €261,000.

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	12/31/2021	Item-to-item reclassifications	Acquisitions/ Contributions	Disposals Exits	12/31/2022
Development costs[1]	8,217	-8,217	9,698	-	9,698
Other intangible assets[2]	50,847	8,217	26		59,090
Other intangible assets in progress	-			-	-
Intangible assets, gross	**59,064**	**-**	**9,724**	**-**	**68,788**
Buildings on land owned by third parties	-	-	-	-	-
Buildings & general installations	3,197	-	-	-	3,197
Plant, and equipment	5,395	-	1,091	-102	6,384
Office and IT equipment, furniture	655	-	68	-	723
Property, plant, and equipment in progress	-	-	-	-	-
Property, plant, and equipment, gross	**9,247**	**-**	**1,159**	**-102**	**10,304**
Other investments[3]	492,578	-	3,100	-74,295	421,383
Loans and other financial assets[4]	40,228	-	25,107	-43,804	21,531
Financial assets, gross	**532,806**	**-**	**28,207**	**-118,099**	**442,914**
Total non-current assets, gross	**601,117**	**-**	**39,090**	**-118,201**	**522,006**

1) Over the course of 2022, Cegedim SA implemented internal development projects worth €8.217 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:

- €5.071 million in commercial goodwill carried at cost and tested annually for impairment;
- €49.736 million in internally developed software;
- €3.738 million in externally developed software.

3) Of the €74.295 million decrease in investments, the liquidation of CWISL accounted for €73.982 million.

4) The "Loans, other financial assets" account holds €2.277 million in security deposits, €17.145 million in loans to subsidiaries, and €2.109 million in construction loans. The standard characteristics of the loans granted to subsidiaries are:

- An annual interest rate of 1.15% 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	12/31/2021	Allowances	Reversals	12/31/2022
Development costs	-	-	-	-
Other intangible assets [(1)]	33,774	4,867	-	38,641
Other intangible assets in progress	-	-	-	-
Amortization of intangible assets	**33,774**	**4,867**	**-**	**38,641**
Buildings on land owned by third parties	-	-	-	-
Buildings & general installations	3,197	-	-	3,197
Plant, and equipment	3,632	554	-102	4,084
Office and computer equipment	339	60	-	399
Depreciation of property, plant, and equipment	**7,169**	**614**	**-102**	**7,680**
Total depreciation and amortization	**40,943**	**5,481**	**-102**	**46,321**

In thousands of euros	Straight-line	Declining balance	Accelerated allowances	Accelerated reversals
Development costs				
Other intangible assets	4,867			
Other intangible assets in progress				
Intangible assets	**4,867**			
Buildings on land owned by third parties				
Buildings & general installations				
Plant, and equipment	554			
Office and computer equipment	60			
Property, plant, and equipment	**614**			
Total allowances	**5,481**			

(1) Amortization of internally developed software totaled €34,318,000 at 12/31/2022

Note 3 | Provisions

In thousands of euros	12/31/2021	Allowances	Reversals used	Reversals not used	12/31/2022
Accelerated depreciation	-				-
Tax-regulated provisions	**-**				**-**
Provisions for litigation	65	21		-20	66
Provision for currency losses	10	3		-10	3
Provisions for pensions and related obligations	3,156		-462	-673	2,021
Provisions for shares awarded to employees	1,256	880	-909		1,226
Other provisions for liabilities and charges	-	105			105
Provisions for risks on investments	173	431			604
Provisions for liabilities and charges	**4,659**	**1,440**	**-1,371**	**-703**	**4,025**
Investments	160,563	1,216	-73,982	-2,567	85,230
Other financial assets	-	750			750
Provisions for inventories and work in progress	-				-
Provisions for impairment of trade receivables	2,224	316		-117	2,423
Other impairment losses	145	2,632		-145	2,632
Impairment losses on internally developed software	-				-
Impairment losses	**162,932**	**4,914**	**-73,982**	**-2,829**	**91,035**
Total provisions	**167,592**	**6,354**	**-75,353**	**-3,532**	**95,060**
Allowances to and reversals of provisions for operating items		1,322	-1,371	-810	
Allowances to and reversals of provisions for financial items		5,032	-73,982	-2,722	
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	19,254		19,254
Other financial assets	2,277		2,277
Doubtful or disputed trade receivables	959	959	
Other trade receivables	27,861	27,861	
Employees and related	44	44	
Social security and other social agencies	2	2	
Government: corporate income taxes	14,874	2,413	12,461
Government: value added tax	1,922	1,922	
Government: miscellaneous receivables	10	10	
Group and shareholders	1,060	1,060	
Miscellaneous receivables	233	233	
Prepaid expenses	1,274	1,274	
Total receivables	**69,771**	**35,779**	**33,992**
Loans granted during the fiscal year	24,882		
Repayments received during the fiscal year	43,802		

In thousands of euros	Gross	Up to one year	Between one and five years	Over five years
Other bonds				
Current bank loans	89,293	89,293		
Loans with an initial maturity of over 1 year	136,113	1,113	135,000	
Miscellaneous borrowings and financial liabilities	47,323	232	47,091	
Trade payables and related accounts	19,823	19,823		
Employees and related	6,825	6,825		
Social security and other social agencies	2,386	2,386		
Government: corporate income taxes				
Government: value added tax	5,070	5,070		
Government: other income tax, and other related taxes	308	308		
Group and shareholders	30,226	30,226		
Other financial liabilities	821	821		
Prepaid income	675	675		
Total financial liabilities	**338,864**	**156,773**	**182,091**	
Borrowings arranged during the fiscal year	16,550			
Borrowings repaid during the fiscal year	16,494			

Note 5 | Financial debt

In thousands of euros	12/31/2022	12/31/2021
Long-term borrowings and financial liabilities (> 5 years)		
Medium-term borrowings and financial liabilities (> 1 year, < 5 years)	182,091	182,085
Short-term borrowings and financial liabilities (> 6 months, < 1 year)	1,113	1,102
Short-term borrowings and financial liabilities (> 1 month, < 6 months)	232	193
Short-term borrowings and financial liabilities (< 1 month)		
Current bank loans	89,293	94,840
Total financial liabilities.	**272,729**	**278,220**
Cash	23	20
Net financial debt	**272,706**	**278,200**

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, 2022, 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, 2022, 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, 2022, was €45 million.

Interest expense on bank loans, bonds, charges, and commissions totaled €4.9 million at December 31, 2022.

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	12/31/2021	Increase	Allowances	12/31/2022
Bond issue expenses	705		261	444

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 2022 was €261,000.

Note 7 | Pension obligations

In thousands of euros	**Through an insurance fund**	Through a provision for charges
Post-employment benefit obligations covered	1,934	2,021

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 €3,955,092, of which €1,934,357 is covered by payments to an insurance company.

The actuarial assumptions used are as follows:

Economic assumptions

Net interest rate: 3.76%

Rate of salary inflation: 2.5% including inflation.

Demographic assumptions

Mortality: Insee 2019–2017 tables for males/females

Turnover rate: 7% 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.

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 12/31/2019	**13,337**	**29,992**	**1,334**	**3,632**	**29,713**	**0**	**-9,081**	**2**	**68,929**
Capital increase									0
Reduction in capital									0
2019 profit (loss)					-9,081		9,081		0
Dividends									0
Retained earnings									0
Reclassification of reserves				980	-980				0
Unrecognized past service cost									0
Tax-regulated provisions								-2	-2
2020 profit (loss)							5,567		5,567
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
Impact of IFRIC						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
2021 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**

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	421,383		
Loans	17,145		
Current assets			
Trade receivables and related accounts	7,339	5,683	7
Other receivables	1,090		
Liabilities			
Financial liabilities	-1,078		-45,103
Trade payables and related accounts	-7,856	-1,756	-1,056
Other financial liabilities	-30,789		
Financial			
Financial expenses	-1,339	-8	-1,184
Financial income	288		
Operating			
Management fees			-2,079
Rent	-86		-7,539

Note 10 | Revenue breakdown

In thousands of euros	Revenue, France	Revenue, outside France	**Total revenue at 12/31/ 2022**
Sales of goods held for resale	-	-	-
Production of goods	-	-	-
Production of services	92,711	2,949	95,660
Total revenue	**92,711**	**2,949**	**95,660**

Note 11 | Breakdown of accrued income

In thousands of euros	12/31/2022
Dividends due	-
Accrued interest on investments	**-**
Trade receivables, unbilled receivables	3,904
Trade receivables and related accounts	**3,904**
Suppliers, credit notes due	46
Amounts due from employees	-
VAT and amounts due from government	10
Subsidiaries, repayment of capital due	-
Other receivables	**56**
Total accrued income	**3,960**

Note 12 | Breakdown of accrued expenses

In thousands of euros	12/31/2022
Accrued interest payable on borrowings	1,113
Accrued interest payable on investments	39
Borrowings and financial liabilities	**1,152**
Suppliers, accruals for goods and services received but not invoiced	4,403
Trade payables and related accounts	**4,403**
Provision for paid leave	2,677
Reduced work time provision	621
Provision for CET leave	140
Other accrued personnel expenses	2,545
Government, VAT, and accrued expenses	241
Tax and social security liabilities	**6,224**
Subsidiaries, capital repayment due	-
Accrued expenses	6
Trade receivables, credit notes due	26
Total	**11,811**

Note 13 | Breakdown of prepaid expenses and income

In thousands of euros	12/31/2022
Tolling	33
Rent & rental expenses	375
Software royalties	309
Software maintenance	46
Insurance	138
Subscriptions	33
Advertising	76
Rental of equipment	26
Employee costs	64
Recruitment expenses	125
Others	49
Total prepaid expenses	**1,274**
Service revenue	675
Financial income	-
Total prepaid income	**675**

Note 14 | Non-recurring expenses and income

In thousands of euros	12/31/2022
Penalties, tax, and criminal fines	-
Carrying amount of intangible assets sold	-
Carrying amount of property, plant, and equipment sold	-
Carrying amount of financial assets sold[1]	74,296
Other non-recurring charges	-
Accelerated depreciation and amortization	-
Total non-recurring expenses	**74,296**
Gain on disposal of intangible assets	-
Gain on disposal of property, plant, and equipment	-
Gain on disposal of financial assets	688
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	**688**

(1) Mainly related to the liquidation of CWISL, a subsidiary that accounted for €73,982,000.

Note 15 | Net financial income (expense)

In thousands of euros	12/31/2022	12/31/2021
Allowances/reversals for financial items [1]	71,673	7,223
Interest expense and income	-7,205	-5,821
Dividends received	21,512	13,603
Other financial income and expense (incl. foreign exchange gains and losses)	-35	-1,676
Net financial income (expense)	**85,945**	**13,329**

(1) Mainly comprises impairment losses and reversals of impairment losses on investments as stated in note 3 (including the reversal of the provision for the CWISL shares following the subsidiary's liquidation for €73,982,000).

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, Futuramedia Group, GERS SAS, Incams, Medexact, Pharmastock, CMedia, I Assurances, Santestat, BSV, Cegedim Assurance Conseil, Audiprint.

The tax consolidation group generated total taxable income of €15.532 million at December 31, 2022.

The taxable expenses totaled €12.256 million and consist of those incurred by the tax consolidation group's companies in profit.

Cegedim, the parent company, recorded a taxable income of €12.256 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	82,222	-3,823	78,399
Tax benefit		12,256	12,256
Non-recurring items	-73,608	-12	-73,620
Employee profit-sharing	-737		-737
Tax related to past fiscal years			
Withholding tax			
Book profit	**7,877**	**8,421**	**16,298**

Note 18 | Deferred taxes

The following expenses deductible for tax purposes in future fiscal years were incurred in the 2022 fiscal year:

- Organic levy: €116,000;
- Investments: €745,000;
- Other provisions not deductible for tax purposes: €279,000.

Deferred taxes corresponding to €294,000 (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 €449,681 of expenses not deductible for tax purposes. The tax corresponding to said expenses and charges amounted to €116,153.

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 2022 and are recorded under "Other expenses" in the income statement.

In thousands of euros	12/31/2022	12/31/2021
Short-term benefits (wages, bonuses, etc.)	**-1,213**	-1,102
Post-employment benefits	None	None
Severance pay	None	None
Benefits recognized	**-1,213**	-1,102
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	7,601,283	54.31%	193,872	7,407,411	14,814,822	15,008,694	68.95%
Bpifrance (formerly known as FSI)	287,221	2.05%	0	287,221	574,442	574,442	2.64%
Free float	5,719,602	40.86%	5,643,638	75,964	151,928	5,795,566	26.62%
Cegedim[1]	389,067	2.78%	0	0	0	0	1.79%
Total	**13,997,173**	**100.00%**	**5,837,510**	**7,770,596**	**15,541,192**	**21,378,702**	**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

27,250 treasury shares with a value of €860,000 were definitively awarded in January 2022 under the plan dated January 27, 2020.

2,519 treasury shares with a value of €88,000 were definitively awarded in January 2022 under the plan dated January 29, 2019.

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 27, 2020, 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 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.

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 27, 2020 authorized a maximum award of 37,308 free shares.
- 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.
- For the 2020, 2021, and 2022 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, 2022, Cegedim SA recognized a provision of €1.227 million in its financial statements.

Note 26 | Workforce

	12/31/2022
Management	319
Non-management	90
Trainees	17
Corporate officers	3
Total salaried staff	

Note 27 | Off-balance sheet commitments

Guarantees given by Cegedim to its subsidiaries

All subsidiaries

- On March 24, 2022, 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 €1.3 million, provided that certain contractually agreed provisions are satisfied.

Note 28 | Other income

Other income consists of €743,000 recharged to subsidiaries in relation to the free shares plan, €185,000 in subsidies and €31,000 in miscellaneous current income.

Note 29 | Transfers of expenses

The €3.733 million 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 2022 that would materially alter the Group's financial situation.

Investment and strategic partnership between Cegedim and three social protection companies

On May 16, 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 care pathway as smooth as possible.

To this end, Malakoff Humanis, Groupe VYV, and PRO BTP Groupe—who together represent 25 million beneficiaries in France—subscribed for a reserved capital increase of €65 million on May 24, 2022, and now own 18% of the shares of Cegedim Santé. Cegedim Santé houses all of Cegedim Group's software products and services for doctors and allied health professionals in France, covering the care pathway from online appointment scheduling to management of patient records, invoicing, and teleconsultation. In addition, its Resip subsidiary supplies information on medication and medical devices. The deal values Cegedim Santé at €360.9 million. 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.

Tax

On February 21, 2018, Cegedim SA received official notice that the French tax authorities planned to perform an audit of its financial statements for the period from January 1, 2015, to December 31, 2016. After consultation with its lawyers and based on ample precedent, the Group believes that the adjustment related to the use of tax-loss carryforwards is unwarranted and continues to explore its options to appeal the decision. On October 21, 2021, Cegedim SA received official notice that the French tax authorities planned to perform an audit of its financial statements for the period from January 1, 2019, to December 31, 2020. That audit has not resulted in any adjustments other than those the Group is already appealing.

As part of this process, in the first half of 2022 Cegedim SA received a notice of collection and paid a total of €12.1 million in respect of tax-loss carryforwards used through 2020 and a €0.4 million late payment penalty. The corresponding entry for these payments is not in the taxes line of the income statement, but is accounted for as a tax receivable in the balance sheet assets, as we expect these sums to be repaid once the dispute has been resolved, if in our favor. Furthermore, as the Group's accounting method and legal arguments are sound, it continues to record €20 million in deferred tax assets on the balance sheet, relating to the disputed tax-loss carryforwards yet unused.

In the event of an unfavorable ruling, Cegedim faces a maximum risk of (1) €23 million of income taxes in the P&L based on the disputed tax-loss carryforwards already used as of December 31, 2022, (of which it has already paid €12.1 million) and (2) an additional €20 million tax impact in the P&L due to the cancellation of its deferred tax assets relating to the disputed tax-loss carryforwards yet unused (which would not entail any cash disbursement).

Cegedim believes that the risk of an unfavorable ruling is small and plans to continue using the remaining disputed tax-loss carryforwards yet unused. Thus, if the ruling is ultimately unfavorable, the maximum risk in terms of a reversing entry in the tax line of the income statement will increase, but the impact on the cash position would still be more modest, as the Group continues to make periodic payments in respect of the collection notice.

Acquisition of Sedia

On July 19, 2022, Cegedim e-business 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.

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. That ruling is currently under appeal.

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.

5.3.4 | List of shareholdings as of December 31, 2022

Company	Total number of shares	% owned	Net value
Investments French companies			**258,295,375**
Smart RX	8,161	100.00%	45,014,239
BSV	1,000	100.00%	428,091
Cegedim Activ	873,900	100.00%	48,366,000
Cegedim Assurances Conseil	10,000	100.00%	5,000,000
Cegedim Cloud	799,276	92%	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%	1,215,767
Edipharm	200	20.00%	3,049
Gers SAS	50	100.00%	1,871,428
I-assurances	10	100.00%	461,822
Incams	2,500	100.00%	7,798,152
Isiakle EIG	833	16.66%	8,330
MedExact	6,549	100.00%	654,900
Pharmastock	5,000	100.00%	366,463
C-Media	26,000	100.00%	29,964,694
Cegedim Santé:	1,000	81.99%	78,291,650
SCI 2000	159	68.83%	846,739
Clamae	5,441	34.09%	-
Sedia	500	100.00%	3,000,000
Investments Companies outside France			**77,857,722**
Activus (United Kingdom)	300	100.00%	7,797,049
In Practice Systems (United Kingdom)	14,000,000	100.00%	3,570,240
Thin (United Kingdom)	100	100.00%	13,441
Cegedim Internal Services Ltd (Ireland)	60,000,000	100.00%	59,229,524
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			**336,153,097**

Company		Number of shares	% owned	Net value
Total net value of investments	**I**			**336,153,097**
Other long-term securities	II			
French companies				
Listed securities				None
Companies outside France				**None**
Short-term investments	III			
Shares allocated to employees				6,304,811
Kepler Cheuvreux liquidity contract				245,584
Total	**I + II + III**			**342,703,492**

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	2,266	100.00	5,553	0	5,553			29,084	1,366	895
GERS SAS	50	13,738	100.00	1,871	0	1,871			60,318	8,695	5,500
Cetip	749	37,087	99.74	1,216	0	1,216			65,948	7,258	1,377
SCI 2000	4	834	68.83	847	0	847	200		467	265	206
Incams	8,038	-240	100.00	10,626	2,828	7,798			-	-18	
Pharmastock	576	-210	100.00	576	210	366			1,377	57	
Cegedim SRH	17,000	31,905	100.00	22,451	0	22,451			89,895	11,662	2,151
C-Media	28,030	8,987	100.00	29,965	0	29,965	5,850		37,978	4,056	
Cegedim Santé	94,317	39,519	81.99	78,292	0	78,292			66,766	-12,244	
MedExact	37	3,206	100.00	655	0	655			6,297	986	1,000
Cegedim Activ	31,689	37,222	100.00	48,366	0	48,366			68,208	4,688	
Smart RX	46,436	-38,028	100.00	102,113	57,099	45,014	9,000		46,708	-15,765	
I-Assurances	505	-43	100.00	505	43	462			2,341	118	
Cegedim Cloud	8,688	4,934	92.00	7,000	0	7,000			41,906	1,748	1,599
Cegedim Assurances Conseil	5,000	2,637	100.00	5,000	0	5,000			5,036	1,252	
BSV	125	-54	100.00	1,889	1,461	428			1,080	87	
Clamae	16	-3,478	34.09	6,000	6,000	-		430	12,035	-2,620	
Sedia	8	364	100.00	3,000	0	3,000			937	90	
Activus	3,721	-4,969	100.00	15,206	7,409	7,797			7,320	-1,692	
Cegedim Belgium	1,000	497	99.97	1,000	0	1,000			14	-113	
Croissance 2006 Belgique	1,378	138	100.00	6,243	0	6,243			0	33	8,397
Cegedim Internal Services Ltd	60,000	1,778	100.00	60,000	770	59,230			0	429	
Thin	863	-850	100.00	1,097	1,084	13			1,117	13	
INPS	19,167	14,894	100.00	3,570	0	3,570			16,443	9,615	
Cegedim Egypte	4	1,218	99.90	5	0	5	1,345		7,744	927	
Cegedim Services Maroc	90	-179	100.00	100	100	0		90	0	-188	
Ximantix	150	-234	100.00	8,226	8,226	0		84	2,662	-94	
Total, subsidiaries more than 50%-owned				**421,372**	**85,230**	**336,142**	**16,395**	**604**	**571,681**	**20,611**	**21,125**

(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 2022 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 2022.

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)	Résultat net(2)	Dividendes reçus
Edipharm	15	563	20.00	3	0	3			14,020	497	96
Cegedim Outsourcing Maroc	206	653	0	0	0	0			6,467	219	
Isiakle	50	0	16.66	8	0	8			0	0	
Total subsidiaries less than 50%-owned				**324**	**0**	**324**			**22 888**	**860**	**104**

(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 2022 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 2022.

5.4 | Statutory Auditors' report on the annual financial statements

Société CEGEDIM

Exercice clos le 31 décembre 2022

A l'Assemblée générale de la société CEGEDIM S.A.,

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, 2022.

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, 2021, 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.823-9 and R.823-7 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, 2022, the net book value of the company's financial assets amounted to 357 million euro out of a balance sheet total of 427 million euro, including 335 million euros of other investments and 22 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;
- 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:
  - 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.
- confirming that the latest strategic plans established by Management and the impairment tests are consistent with the business projections that underlie the cash flow projections, in particular by interviewing Management and by comparing past estimates and actual performance;
- 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.

<u>Measurement and recognition of development costs and internal software recognized as assets</u>

(Section 5.3.2 and 5.3.3 – Notes 1, 2, and 3 to the annual financial statements)

Risk identified

As of December 31, 2022, the net value of development costs and in-house software amounted to 25 million euros out of a balance sheet total of 427 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;
- 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.

Corporate governance report

We confirm that the Board of Directors' report on corporate governance contains the information required pursuant to articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 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 intended for inclusion 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(I) 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, 2021, Mazars was in its 21st consecutive year as Statutory Auditor, and KPMG was in its forth 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

Audit objective and procedure

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. 823-10-1 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:

we identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error; we design and perform audit procedures responsive to those risks; we obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 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 11, 2023
KPMG SA
Vincent de Becquevort
Partner

Courbevoie, April 11, 2023
Mazars
Jean-Philippe Mathorez
Partner

5.5 Five-year financial summary

Reporting date	**12/31/2022**	12/31/2021	12/31/2020	12/31/2019	12/31/2018
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	**95,659,937**	90,983,440	79,942,170	75,880,873	67,898,751
Earnings before tax, profit sharing, and allowances to depreciation, amortization, and provisions	**-58,175,352**	2,376,251	505,412	19,493,059	-24,192,248
Income taxes	**-8,410,898**	-10,343,521	-9,308,723	-9,859,189	-9,473,969
Employee profit sharing	**736,820**	828,715	683,948	726,824	555,579
Allowances to depreciation, amortization, and provisions	**-66,789,259**	-2,703,439	3,562,846	37,706,316	-39,996,965
Profit (loss)	**16,297,984**	14,594,496	5,567,341	-9,080,892	24,723,107
Distributed earnings					-
Earnings per share					
Earnings after tax, profit sharing, and before allowances to depreciation, amortization, and provisions	**-4.22**	0.49	0.65	2.05	1,09
Earnings after tax, profit sharing, and allowances to depreciation, amortization, and provisions	**1.16**	1.04	0.40	-0.65	1.77
Dividend					-
Employees					
Number of employees at December 31	**432**	356	370	343	336
Payroll	**27,127,819**	24,728,301	22,302,978	21,915,011	20,388,715
Employee benefits (social security, welfare institutions, etc.)	**12,555,586**	11,660,143	10,277,275	10,123,648	9,171,033

06

Sustainability Report

6.1 | Cegedim Group overview and core values

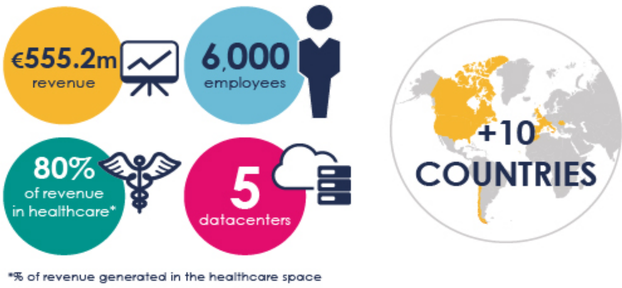
About us

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 our pleasure in designing and creating new services and products.

As the world emerges from the public health crisis, we are confident that we can continue to grow sustainably while strengthening our CSR strategy by following through on investments that respond to the growing need for digitalization in healthcare and business processes. We continue to invest to ensure long-term profitable growth, most notably in Cegedim Santé, which allows us to respond to new public health issues.

Our CSR Committee, created in 2021, is one way we are adapting our governance to the challenges of long-term value creation.



Our values

Cegedim Group's sustainable growth strategy is based on a high standard of innovation, quality, and investment and on strong core values that start with the men and women who drive it. We believe in fairness, respect for others, environmental protection, and business efficiency, and these values help us achieve one of our top goals—delivering strong added value to our clients, partners, shareholders, and employees while making a sustained contribution to our ecosystem.

Our values below unite all our stakeholders.

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 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 its businesses to share their skills, experiences, knowledge, expertise, and resources.

Respect

Cegedim employees work in an atmosphere of mutual respect, equality, and recognition, caring for each other and the environment.

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.

6.1.1 | Synthesis of Cegedim Group 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	§6.5 Mobilizing our Human Resources		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	§6.5 Mobilizing our Human Resources		1, 3, 5, 2, 8, 10
Limit our activities' environmental footprint	Negative environmental impacts from our activities	Crucial	§6.6 Limiting our environmental footprint		6, 7, 12, 13
Limit our workplace's environmental footprint	Negative environmental impacts from our activities	Major	§6.6 Limiting our environmental footprint		7, 12, 13
Protect our reputation to ensure long-term viability	Failure to live up to our quality standards	Crucial	§6.7.1 Quality		4, 8, 9
Secure our infrastructures Protect stakeholders' data	Deterioration of our infrastructure and data	Crucial	§6.7.2 Protecting stakeholders data		8, 9
Promote ethics	Unethical behavior	Crucial	§6.8.1 Ethics		3, 10, 5, 12, 16
Work to make a positive impact in our communities	Some territories are not covered	Major	§6.8.2 Contributing to regional development		4, 8, 11

*Degree of importance according to the materiality matrix scale, in ascending order: significant, major, crucial

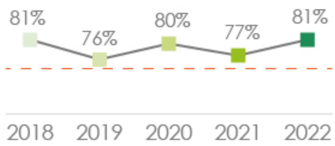
6.1.2 | An overview of our CSR key performance indicators

Mobilizing our Human Resources

See Section 6.5

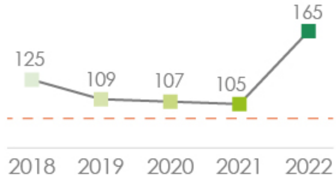
Trial periods converted into permanent contracts in France

Objective: >75%



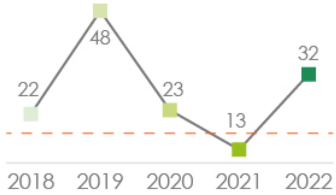
Employee referral hires in France

Objective: >100



Recruiting events in France

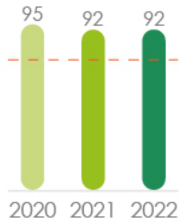
Objective: >18



Share of teleworkable jobs in France

Workplace gender equality index in France

Objective: >75

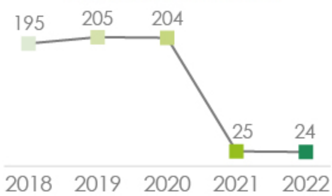


Limiting our environmental footprint

See Section 6.6

Datacenter GHG emissions

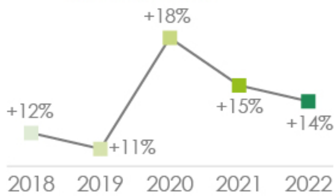
Objective: control emissions



In MT CO2e

Increase in server virtualization

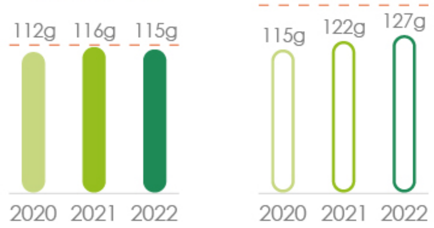
Objective: increase



Composition of the Group vehicle fleet

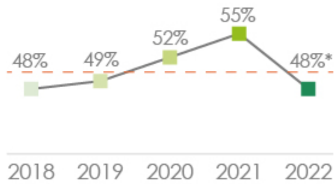
Objective: <120g

Objective: <140g



Share of eco-certified office supply purchases in France

Objective: >50%



*Variation due to a change in methodology (see methodological note)

Upholding our reputation for quality and safety

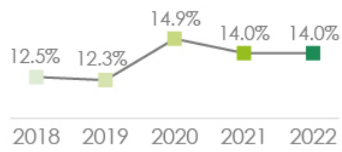
See Section 6.7

Completion of the security checklist

Objective: 100%

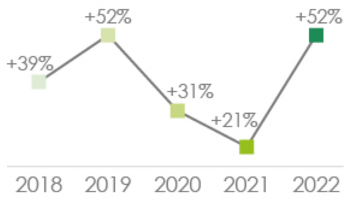
100%	100%	100%	100%	100%
2018	2019	2020	2021	2022

Group R&D effort relative to revenues



Increase in hosted data volumes in GB

Objective: contain increase



Behaving ethically as we help regions develop

See Section 6.8

Ethics Committee meetings

Objective: ≥2

2018	2019	2020	2021	2022
2	2	2	2	2

Code of Ethics and Code of Ethics e-learning course

Objective: parity

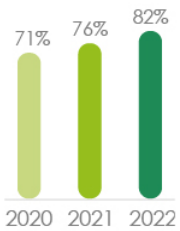
	2018	2019	2020	2021	2022
No. of translations of the Code of Ethics	4	6	7	7	8
No. of language versions of the Code of Ethics e-learning course	0	1	6	6	6

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%

Share of French sites outside Paris region



Percentage of French territory covered by sales force

*Metropolitan France and overseas departments

6.2 Business model, activities and value chain

Business model: the Cegedim ecosystem

Cegedim Group is organized into business units comprised of companies led by responsible entrepreneurs who successfully convey and promote their products' technological excellence in sectors with strong growth potential.

Our ecosystem is structured around activities that for the most part involve selling products and services for the healthcare industry.

On the one hand, we cater to our clients in the healthcare industry—doctors, allied health professionals, pharmacists, insurers, and public health authorities—and their interactions with patients, offering a unique platform that supplies the tools they need to deliver excellent services.

On the other, we offer a range of complementary software services and solutions to all economic players, both in and outside the healthcare sector, in the areas of human resources management, digitalization, data and marketing, and BPO.

The strength of this business model lies in the fact that all these companies co-exist within the Cegedim ecosystem, communicating and interacting around our products and services.

Growth strategy

In 2022, Cegedim has found resources to invest in tomorrow's technologies, as witnessed by several recent acquisitions: Clinityx is an expert in healthcare administration data and will reinforce the Group's positions in real-world data; Sedia builds on Cegedim e-business' Hospitalis offering; and Laponi expands Cegedim SRH's portfolio with a real-time absenteeism management solution.

At a time when caregiver and patient behaviors are changing, Cegedim Santé is bringing together health sector products and services under a single roof, offering its users—healthcare professionals and patients—integral experience, and finding ever-better ways to adapt to an evolving market.

The outlook for Cegedim's markets is one of solid growth. Key growth drivers are:

- Significant regulatory changes that benefit our activities (health, payroll, data flow digitization, etc.);
- Increasingly complex healthcare systems that need to be made more efficient;
- An aging population and the growing prevalence of chronic diseases;
- The shortage of doctors in rural areas;
- The push to boost patient engagement.

All these factors are feeding the need for more innovation and technology—including SaaS, the cloud, and artificial intelligence—and more health data. Cegedim invests heavily in innovation and in 2022 devoted around 14.0% of its revenue to paying its R&D staff.

The need to digitize the economy, services, and the health sector (patient medical records, prescription and diagnosis aids, remote consultations, and third-party payment—to name only the most high profile issues), and the need for health data (for example to help diagnose rare diseases) are all factors that will ensure the Group's future profitable growth. At the same time, there is a growing need for outsourcing—both for outsourced payroll and human resources management, and for outsourced health and personal protection insurance management services.

Cegedim, which operates in constantly evolving markets and has refocused on its strategic activities, boasts solid fundamentals, a balanced portfolio of complementary services, a diversified customer base, wide geographic coverage, and the clout that comes from being an integrated Group. The synergies generated by our comprehensive offerings, as well as our innovative tools, cut costs and improve the quality and accessibility of care.

Our strategy will benefit society since it contributes to the overall improvement in everyone's health, well-being, and quality of life.

Our activities

Our main operating divisions share:

- A healthcare ecosystem,
- Strict regulatory frameworks,
- Aspirations of market leadership.

To offer a diverse portfolio of suitable products and services catering to healthcare professionals, the business model of the Software and Services division is based on:

- Packaged product and service offerings for professionals, clinics, and pharmacy chains,
- Management software designed for use in individual practice or clinics,
- Client support based on a dense nationwide network of local representatives, a helpline, and maintenance services.

To offer a diverse portfolio of suitable products and services catering to other professionals, the business models of the Flow, Data & Marketing, BPO, and Software and Services divisions are based on:

- Tailored products and services for large corporate clients,
- A project-by-project approach that requires lead time to design and execute solutions suited to the complexity of each client's needs,
- The option of SaaS or hosted management formats, plus BPO.

To focus on developing cloud-based solutions, we rely on a nimble R&D organization, highly skilled employees, and process standardization. We make sure we comply with all applicable regulations, notably General Data Protection Regulation (GDPR), and the quality of our services is attested by our product and infrastructure certifications. We take a collaborative approach and develop products according to the needs of our clients as well as efficient technological platforms.

Software & Services
€302.0m | 55%
of FY 2022 Revenue

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.

Flow
€90.6m | 16%
of FY 2022 Revenue

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

BPO
€53.0m | 10%
of FY 2022 Revenue

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

Data & Marketing
€106.9m | 19%
of FY 2022 Revenue

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.

Our business model

Our divisions

Corporate & others

Support to other divisions

Our resources

Stakeholders

Clients
Partners
Suppliers
Investors
Shareholders
Employees
Schools
Certification agencies
Governance

Human resources

+ 6,000 employees
1,497 employees dedicated to R&D

Financial assets

€304.1m of shareholders' equity
Long-standing shareholder support
Strong recurring revenue base

Technical resources

5 Datacenters
63 sites
Capital expenditure: **€78.8m** in 2022
14% of revenue goes to R&D[1]

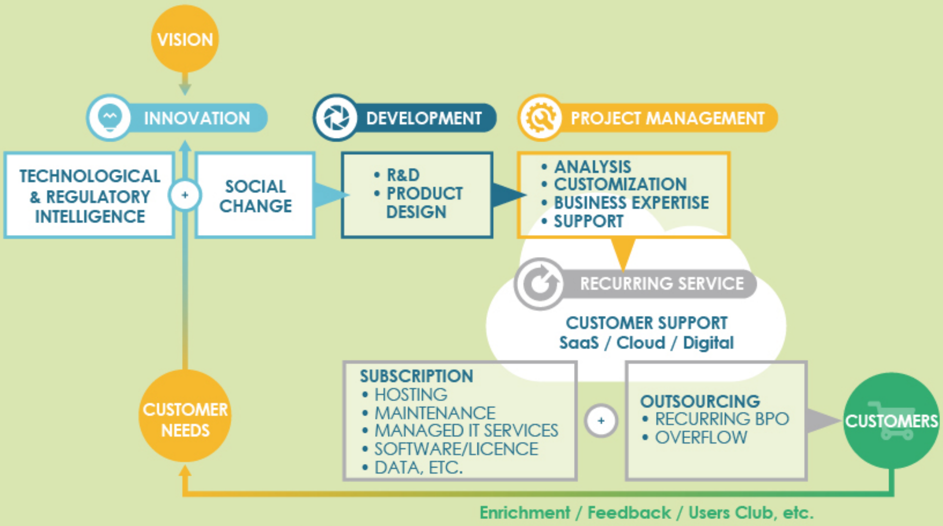
Natural resources

100% of energy is renewable[1]
284 tons of paper, of which **82%** are eco-certified

[1] Group Energy Contract in France

Our values

Customer satisfaction
Synergy
Innovation
Personal & professional development
Ethics
Respect



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

1,489 new hires on permanent contracts
€303.6m used to pay employees: salaries, pensions, etc.

Society and community

+80% of revenue from healthcare space
€21.3m paid back to society in the form of various taxes and duties

Local presence

12 countries
+500 mobile workers

Capital providers

€555.2m: Cegedim Group revenue
€9.7m in financial costs paid to our capital providers

Suppliers

€146.5m used to purchase goods and services from our suppliers
+150 critical suppliers reviewed

Reinvested in Cegedim

€78.8m reinvested in Cegedim for future value creation

6.3 | Group CSR risks, challenges, and goals

CSR Strategy

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 healthcare and other professionals, who can then, in turn, 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 not relevant to our core activities. The SDG wheel seen here shows the goals we contribute to, highlighted in green according to the importance of the goal 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.

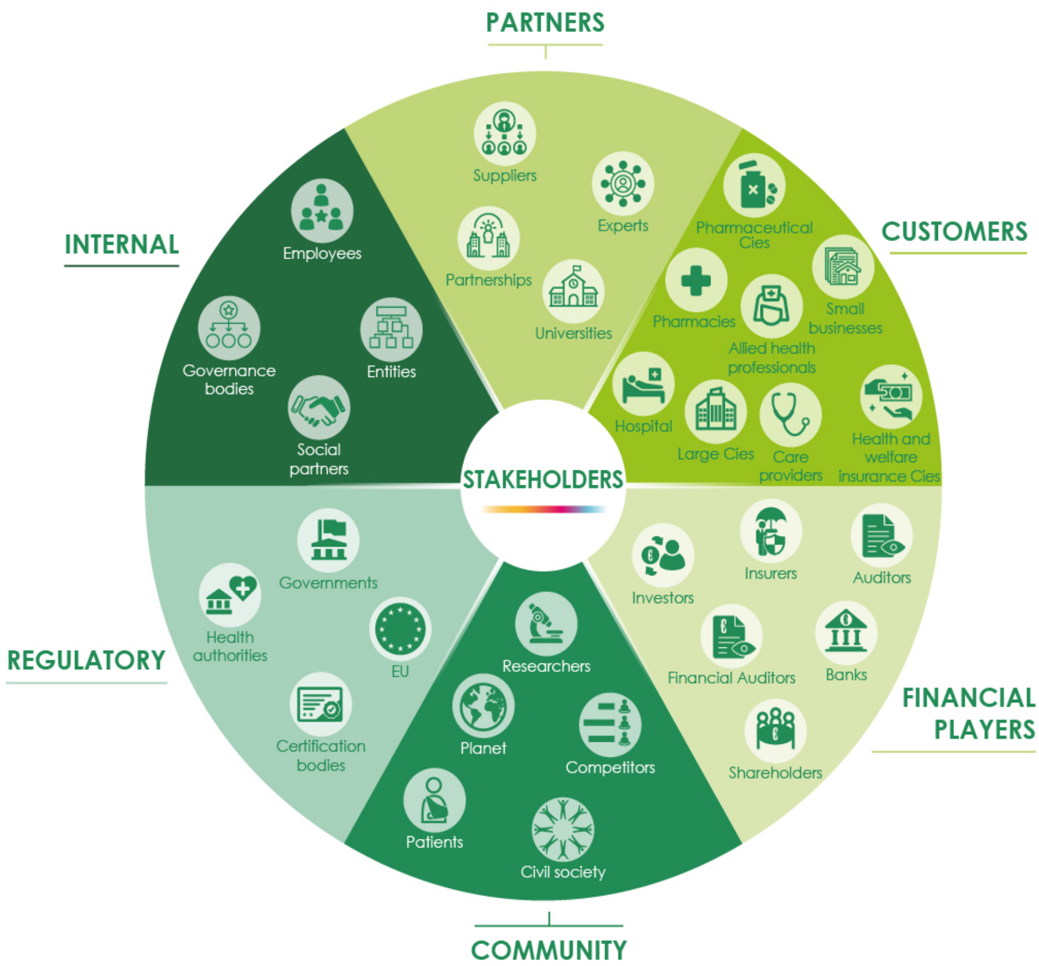
Cegedim offers solutions to all these current fundamental societal issues.

Our stakeholders and how we consult them

As a committed long-term player in the regions where it operates, Cegedim Group has dealings with all its stakeholders, both internal and external. We build and maintain ongoing relationships with our stakeholders and engage with them regularly in a wide range of ways. Examples include: frequent exchanges with clients and suppliers, customer satisfaction surveys, customer relations management and user clubs, public relations and periodic local and global events, partnerships, social dialogue, investor meetings and roadshows, responses to ratings agencies, dialogue with local decision-makers and legislators, market intelligence, and social network monitoring.

Our business model and strategy always account for our stakeholders. By establishing ongoing dialogue and regular exchanges, both formal and informal, we identify and analyze major risks. With the backing of its stakeholders, Cegedim is both stronger and more efficient.

Our stakeholders



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 and the Audit Committee and the CSR Committee. This enables centralized handling of these issues 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 material non-financial risks, taking into account their workforce-related, social, environmental, and ethical aspects. This exercise was conducted collectively and led by the Internal Control Department. The 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 United Nations Global Compact,
- The framework of the Paris Agreement,
- 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 Chapter 7 "Risk Management" of the Universal Registration Document.

Our activities are typical of the tertiary sector. Our technological infrastructures include powerful datacenters, 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. We also take specific measures to reduce our employees' environmental footprint both on our premises and when travelling 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 are not covered.

To meet 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 its roadmap and are monitored and measured by the relevant results and key indicators presented in this annual report.

Materiality Assessment *estimated at 3/23/2023*

We assess the major issues facing Cegedim in terms compatible with the CSR risks we have identified and position them in a materiality matrix. The policies and action plans we deploy are commensurate with the importance of each issue and are described in the various chapters of this document.

In 2021, Cegedim created an CSR Committee made up of four directors, two of whom are independent. They verify that the Group:

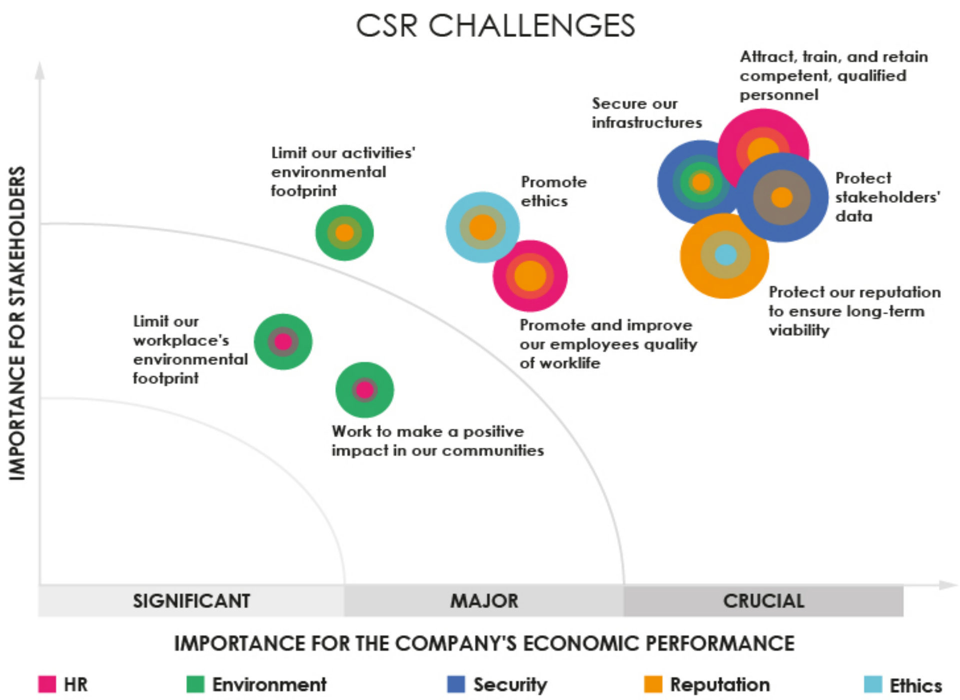
- takes corporate social, workforce-related, environmental, and ethical responsibility into account when crafting its strategy;
- acts in a way that creates value sustainably;
- takes the lead on CSR issues within the Board of Directors.

Some highlights of the Group's 2022 - 2025 CSR roadmap include a path to net zero emissions and a calculation of our carbon footprint. We also created a CSR Club to help implement the strategy operationally. We regularly carry out campaigns to raise employee awareness of sustainability issues.

Once a year, our CSR risks and issues are reviewed and approved by senior management, the Group 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 stakeholders. The weighted 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 external stakeholders.

The Group's CSR policies have always taken climate risks into account. This reflects the launch of the EU's Fit for 55 plan and regulatory developments. Regulatory pressure will ramp up in the coming years in order to meet the Paris Agreement's targets. These factors led to a reassessment of these issues in the Group's materiality matrix in 2022.



6.4 | Implementation of EU Taxonomy Regulation

Analyzing eligibility

Overview

Cegedim Group markets products and services including IT tools, specialized software, data flow management, and databases to healthcare professionals, the healthcare industry, pharmaceutical companies, and insurance companies. The company is listed on the Euronext market in Paris, has more than 6,000 employees in more than ten countries, and generated revenues of €555.2 million in 2022.

As of January 1, 2022, Cegedim Group is 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 statement of non-financial performance (SNPF).

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, and (6) Protection and restoration of biodiversity and ecosystems.

It aims to encourage companies to develop sustainable activities that address European environmental challenges and encourage investors to finance this type of long-term sustainable project. To that end, the regulation creates a single EU classification system to help companies identify which economic activities are considered sustainable and evaluate how and to what extent they are contributing to those activities.

Only two of the six objectives have been translated into Delegated Acts: (1) Climate change mitigation and (2) Climate change adaptation. This section lays out the Group's approach to those two objectives in detail.

Determining eligibility

We checked our activities for eligibility by comparing them with the descriptions in the list of Taxonomy-eligible activities the European Commission released at the end of fiscal 2021 and published our results in 2022. Eligible activities are those likely to make a significant contribution to climate goals, and the definitions take into account AMF guidelines, notably for the formulae used to calculate indicators.

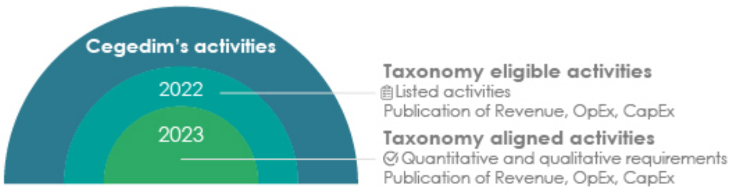
The eligibility analysis of Cegedim Group's economic activities covered the entire consolidated scope apart from associate companies in which Cegedim Group does not have a controlling interest. It was carried out by working groups, which notably involved the Internal Control Department—which is responsible for the SNFP—the CFO, the Director of Financial Communication, and the Deputy Managing Director. They reviewed the Group's business activities side by side with the text of the Climate Delegated Act, including Annex I (Mitigation targets) and Annex II (Adaptation targets).

Two of Cegedim's business activities qualify as eligible under the Taxonomy Regulation:

- Data processing, hosting, and related activities (8.1 in Annex I and Annex II),
- Computer programming, consultancy and related activities (8.2 in Annex II).

We conducted another review of eligibility criteria for the report published in 2023 to ensure that the conclusions reached in 2022 are still valid with a year of hindsight and in light of the experience gained by various stakeholders (peer companies, regulators, and inspectors). We concluded that the scope of eligibility is unchanged.

Eligible Group activities are housed within cegedim.cloud, which is part of the Group's centralized corporate activities. This centralized entity "powers" the IT activities of all Cegedim's subsidiaries, enabling them to carry out data processing (8.1) and programming (8.2). By measuring the performance of this upstream central unit, we can calculate the indicators required to report eligibility and alignment.



Analyzing alignment

In 2022, we analyzed our EU Taxonomy-eligible activities to determine if their alignment meets the definition in Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020. 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;
- adhere to 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.

Determining alignment

Objective 1: Climate change mitigation

Activity 8.1 Hosting and data processing is eligible under **objective 1** but does not meet all the Taxonomy Regulation's substantial contribution criteria for alignment. As part of the continuous improvement program for its datacenters—which are all operated by cegedim.cloud—Cegedim is actively working to bring its datacenters in France into compliance with the Code of Conduct for Energy Efficiency. We expect to obtain an initial qualification in the first half of 2023 and will submit our application for ISO 50001 certification before summer 2023. One of the alignment criteria concerns the refrigerant gases used in the datacenter cooling systems. 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 owing to a scarcity of cooling equipment that is both fit for purpose and has a GWP less than or equal to the cap. We are monitoring the issue and aim to achieve alignment as soon as a solution becomes available. However, 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.

As of the 2023 alignment analysis publication date, activity 8.1 cannot be considered in alignment with **objective 1**.

Current regulations do not require an analysis of whether activity 8.2 Computer programming, consultancy and related activities is aligned with **objective 1**, as described in Annex II of the Delegated Act.

Objective 2: Climate change adaptation

We conducted an alignment analysis for activities 8.1 Hosting and data processing and 8.2 Computer programming, consultancy and related activities with respect to **objective 2** using the screening criteria laid out in the Taxonomy Regulation.

Cegedim examined eligible entities and tested their sites' resilience to climate and natural risks over a ten-year period.

- To confront medium-term risks, these activities have implemented climate change adaptation solutions based on data for historical patterns. The activities' solutions adequately mitigate the known climate and natural risks Cegedim has experienced and can be used for learning and continuous improvement.
- An analysis of long-term 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 document's publication date. That said, existing datacenters are working to incorporate ten-year-plus climate risks, notably with respect to the size and efficiency of their cooling systems, which will continue to be upgraded as they are replaced.

While not all of its eligible activities are currently aligned, it is important to note that the Group is working on a new datacenter. It will be sovereign, like the existing datacenters, fully owned by the Group and designed to be sustainable, responsible, and resilient to climate change. It is expected to come on stream in 2025. Long-term climate risks are being fully factored into its design. Spending commitments made in 2022 related to this project are reflected in the Taxonomy-aligned CapEx and OpEx indicators.

Alignment analysis summary

Activities	Type of contribution	Technical screening for substantial contribution	"Do no significant harm" (DNSH) criteria	Minimum safeguards
Objective 1: Climate change mitigation				**Yes** see table below
8.1 Data processing, hosting, and related activities	Transitional	**Partial** Meets all but one of the technical screening criteria in Annex I of the Delegated Act supplementing the EC Regulation.	**Yes** Does no significant harm to any of the environmental objectives in meeting the technical screening criteria in Annex I of the Delegated Act supplementing the European Commission's Regulation.	
Objective 2: Climate change adaptation				
8.1 Data processing, hosting, and related activities	Non-enabling	**Partial** We analyzed ten-year climate risks and the associated adaptation solutions. A longer-term analysis is underway, and a new datacenter is being designed to incorporate sustainability and climate change resilience. Due to the lack of data beyond ten years, the activity partially meets the technical screening criteria in Annex II of the Delegated Act supplementing the European Commission's Regulation.	**Yes** Does no significant harm to any of the environmental objectives in meeting the technical screening criteria in Annex II of the Delegated Act supplementing the European Commission's Regulation.	
8.2 Computer programming, consultancy and related activities	Non-enabling	**Partial** We analyzed ten-year climate risks and the associated adaptation solutions. A longer-term analysis is underway, and a new datacenter is being designed to incorporate sustainability and climate change resilience. Due to the lack of data beyond ten years, the activity partially meets the technical screening criteria in Annex II of the Delegated Act supplementing the European Commission's Regulation.	No DNSH criteria for this activity.	

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).

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 the Universal Registration Document, Chapter 3 "Overview of the financial year".

Minimum safeguards	
Issue	Cegedim: Adherence and implementation
Human rights	- Code of Ethics - Whistleblowing system / hotline - Responsible purchasing charter - 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 - Responsible purchasing charter - Compliance representatives - Regulatory watch
Tax	- Code of Ethics - Training for employees responsible for transactions involving tax - 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

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 KPI for eligible revenue is defined as the ratio between:

- total revenue from eligible economic activities
- net total revenue as presented in the financial statements

Eligibility KPI = eligible revenue / net total revenue = 7.5%

The share of eligible revenue is low because the Group's business model is unlikely to have a significant environmental impact or seriously undermine objectives 1 and 2. As noted previously, eligibility is measured upstream at cegedim.cloud, which is part of the Group's central corporate activities, since this is the unit that "powers" all Cegedim's subsidiaries' IT activities, enabling them to carry out data processing (8.1) and programming activities (8.2).

Aligned revenue

The KPI for aligned activities uses the same definition, i.e. the ratio of aligned activities to the same total revenue figure.

As noted earlier, as of 2022, none of the eligible activities meets the full definition for alignment. Thus, the revenue from these activities is reported under eligible, non-aligned activities in the summary table below.

The breakdown of the revenue KPI 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	Proportion of turnover	Substantial contribution criteria						DNSH - Do No Significant Harm criteria						Minimum safeguards	Taxonomy aligned proportion of turnover year 2022	Taxonomy aligned proportion of turnover year 2021	Category enabling (E) or transitional (T)
				Climate change						Climate change									
				Mitigation	Adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Mitigation	Adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity				
A. Taxonomy-eligible activities																			
A.1. Taxonomy-aligned activities																			
8.1 Hosting and data processing	8.1	0	0.0%	0.0%	0.0%	na	na	na	na	Yes	Partial	Yes	Yes	None	None	Yes	+0%	na	T
8.2 Computer programming, consultancy and related activities	8.2	0	0.0%	na	na	na	na	na	na	None	None	None	None	None	None	Yes	+0%	na	
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
8.1 Hosting and data processing	8.1	8,107	1.5%							Yes	Partial	Yes	Yes	None	None	Yes			
8.2 Computer programming, consultancy and related activities	8.2	33,799	6.1%							None	None	None	None	None	None	Yes			
Total A (A.1 + A.2)		**41,906**	**7.5%**																
B. Ineligible activities																			
Revenue from Taxonomy-ineligible activities (B)		513,303	92.5%																
Total (A+B)		**555,209**	**100.0%**																

Eligible investments (CapEx)

The CapEx KPI for eligible activities shows the eligible share of total investments, i.e. those that meet the following definition:

- acquisitions of property, plant, and equipment during the fiscal year,
- before depreciation, amortization, and restatements of fair value,
- including acquisitions resulting from business combinations
- including right-of-use assets pertaining to leases.

Eligibility KPI = eligible activities' CapEx / total CapEx = 9.4%

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 KPI for aligned activities uses the same definition, i.e. the ratio of aligned activities to the same total revenue figure.

As noted earlier, as of 2022, none of the eligible activities meets the full definition for alignment. Thus, virtually all the 2022 CapEx from these activities is shown as eligible, non-aligned activities in the summary table below.

The CapEx shown for eligible aligned activities refers to investment in the Group's future datacenter, which is being designed to be as aligned as possible with the climate change mitigation and adaptation objectives. It includes preliminary work, topographic surveys, and geotechnical engineering. The aligned portion is small because the project was launched only recently.

The breakdown of the CapEx KPI 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	Proportion of CapEx	Substantial contribution criteria						DNSH - Do No Significant Harm criteria						Minimum safeguards	Taxonomy aligned proportion of CapEx year 2022	Taxonomy aligned proportion of CapEx year 2021	Category enabling (E) or transitional (T)
				Climate change						Climate change									
				Mitigation	Adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Mitigation	Adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity				
A. Taxonomy-eligible activities																			
A.1. Taxonomy-aligned activities																			
8.1 Hosting and data processing	8.1	22	0.02%	0.0%	100%	na	na	na	na	Yes	Yes	Yes	Yes	None	None	Yes	+0%	na	T
8.2 Computer programming, consultancy and related activities	8.2	92	0.1%	0.0%	100%	na	na	na	na	None	None	None	None	None	None	Yes	+0%	na	
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
8.1 Hosting and data processing	8.1	1,826	1.8%							Yes	Partial	Yes	Yes	None	None	Yes			
8.2 Computer programming, consultancy and related activities	8.2	7,612	7.5%							None	None	None	None	None	None	Yes			
Total A (A.1 + A.2)		**9,552**	**9.4%**																
B. Ineligible activities																			
CapEx, Taxonomy-ineligible activities (B)		92,181	90.6%																
Total (A+B)		**101,733**	**100.0%**																

Taxonomy-eligible share of operating expenses (OpEx)

The OpEx KPI for eligible activities shows the eligible share of total direct, non-capitalized costs related to:

- research and development, building renovation, short-term leases, maintenance, and repair
- other direct costs related to standard maintenance of property, plant, and equipment necessary for them to function properly

Eligibility KPI = OpEx of eligible activities / total OpEx = 6.6%

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 KPI for aligned activities uses the same definition, i.e. the ratio of aligned activities to the same total OpEx figure.

As noted earlier, as of 2022, none of the eligible activities meets the full definition for alignment. Thus, the 2022 OpEx of these activities is virtually all shown as eligible, non-aligned activities in the summary table below.

The share shown as OpEx for aligned activities refers to direct costs related to the new cegedim.cloud datacenter, which is being designed to be as aligned as possible with the objectives of climate change mitigation and adaptation. These costs comprise external services and hours worked by cegedim.cloud's teams. They are valued using the full-cost method. The aligned portion is small because the project was launched only recently.

The breakdown of the OpEx KPI 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	Proportion of OpEx	Substantial contribution criteria						DNSH - Do No Significant Harm criteria						Minimum safeguards	Taxonomy aligned proportion of OpEx year 2022	Taxonomy aligned proportion of OpEx year 2021	Category enabling (E) or transitional (T)
				Climate change						Climate change									
				Mitigation	Adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Mitigation	Adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity				
A. Taxonomy-eligible activities																			
A.1. Taxonomy-aligned activities																			
8.1 Hosting and data processing	8.1	23	0.01%	0.0%	100%	na	na	na	na	Yes	Yes	Yes	Yes	None	None	Yes	+0%	na	T
8.2 Computer programming, consultancy and related activities	8.2	96	0.02%	0.0%	100%	na	na	na	na	None	None	None	None	None	None	Yes	+0%	na	
A.2. Taxonomy-eligible but not Taxonomy-aligned activities																			
8.1 Hosting and data processing	8.1	5,328	1.27%							Yes	Partial	Yes	Yes	None	None	Yes			
8.2 Computer programming, consultancy and related activities	8.2	22,213	5.28%							None	None	None	None	None	None	Yes			
Total A (A.1 + A.2)		**27,660**	**6.6%**																
B. Ineligible activities																			
OpEx, Taxonomy-ineligible activities (B)		392,660	93.4%																
Total (A+B)		**420,320**	**100.0%**																

6.5 | Mobilizing our Human Resources

Results

Group Headcount
2022 | 2021

6,073 | 5,643 Total headcount	3,786 | 3,576 Headcount France	2,287 | 2,067 Headcount International	1,990 | 1,514 New hires [1]
1,489 | 1,017 New hires on permanent contracts	501 | 497 New hires on temporary contracts	1,542 | 1,178 Departures	23.4% | 18.1% Turnover (rate of departures)
5,691 | 5,186 Employees on permanent contracts	382 | 457 Employees on temporary contracts	39,0 | 39,3 Average age	

[1] More than half of the increase in hiring was driven by the offshore entities, which are experiencing strong growth (client services, BPO and R&D), as well as by Cegedim Santé's investments.

Group gender equality
2022 | 2021

47% | 46% of employees are female	53% | 54% of employees are male	40% | 40% Percentage of female board members	60% | 60% Percentage of male board members

Training and mobility
2022 | 2021

17,189 | 22,199 Hours of training in France [2]	13.7 | 15.6 Hours of training per trained employee in France	1,255 | 1,422 Employees trained in France	33% | 40% Percentage of employees in France who received at least some training
915 | 787 Number of Group e-learning courses	6,439 | 5,817 Employees signed up for Group e-learning sessions	11,859 | 10,333 Hours of e-learning, Group-wide	505 | 511 Internal mobility transfers in France [3]

[2] In 2021, training was strongly encouraged, particularly through e-learning during the Covid-19 period, which explains the peak observed in 2021. In 2022, the Group has returned to pre-crisis standards.

[3] Job changes and transfers between entities apart from internal reorganization.

Employer brand and university partnerships in France

2022 | 2021

22 | 6
Speed interview sessions [1]

2 | 0
Job fairs in France

8 | 7
Student recruitment events in France

37 | 35
Hires from these events in France

61 | 72
Number of interns in France

34% | 20%
Work-study contracts and student internships converted to permanent contracts

139 | 113
Apprenticeships in France

13 | 33
Work-study contracts in France

179 | 116
Number of interns Group-wide

[1] *The significant increase in job dating reflects the Group's strong recruitment challenges and the end of health constraints.*

Health and safety in France

2022 | 2021

30 | 35
Workplace accidents in France

65,230 | 49,154
Days of absenteeism (ex. Covid-19), Group level [2]

38,702 | 32,813
Days of absenteeism (ex. Covid-19), France [2]

5,038 | 9,384
Days of absenteeism due to Covid-19, France [3]

10.74 | 8.72
Avg. number of days absent per employee (ex. paid leave & Covid-19), Group level

10.22 | 9.18
Avg. number of days absent per employee (ex. paid leave & Covid-19), France

4.27% | 4.40%
Avg. rate of absenteeism, France

[2] *The increase in the number of employees has mechanically increased absenteeism. The Romanian subsidiaries have also experienced a sharp increase in maternity leave. In 2022, the use of the Covid-19 sick leave heading is hardly used anymore, resulting in a shift to traditional sick leave.*

[3] *Sick leave, leave to look after children when remote working impossible.*

Quality of life at work

2022 | 2021

1,560 | 950
French employees regularly [4] working from home

41.20% | 26.57%
Share of French employees regularly working from home[4]

319 | 298
Part-time Group employees

5.25% | 5.28%
Share of Group employees working part time

[4] *Regular remote working within the framework of the Group agreement in France, excluding employees working from home occasionally or due to health and safety measures. In 2022, regular telecommuting continues to be deployed for existing employees and is a sought-after benefit for new recruits.*

Key Performance Indicators and Objectives

Trial periods converted to permanent contracts	Attract employees	Achieved	Objective
	Employees on permanent contracts in 2022 in France, whose trial periods were confirmed by December 31; does not include employees still on trial period at that date.	2022 | 2021 81% | 77%	Maintain at ≥ 75%

Number of confirmed employee referral hires	Promote employee referrals	Achieved	Objective
	The criteria for employee referrals in France in 2022 are exactly the same as in 2021, and exclude certain cases, as detailed in this chapter. We organized employee referral challenges for high-skill positions where qualified applicants are hard to find.	2022 | 2021 165 | 105	Maintain at ≥ 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. Public health conditions enabled us to resume recruiting events in 2022.	2022 | 2021 32 | 13	Maintain at ≥ 1.5 events per month, or 18 per year

Workplace gender equality index in France	Fighting gender inequality	Achieved	Objective
	The Group's score in 2022 demonstrates the effectiveness of its ongoing efforts to improve equality in the workplace.	2022 | 2021 92 | 92	Maintain a level of >75

Share of jobs that are workable from home	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.	2022 | 2021 71.9% | 70.0%

HR policy

The Group has an active HR policy in support of its employer brand and has redoubled its efforts in recent years to build employee loyalty. There is generally a higher employee turnover rate within the specialized account manager teams of some of our activities, which is typical of these professions.

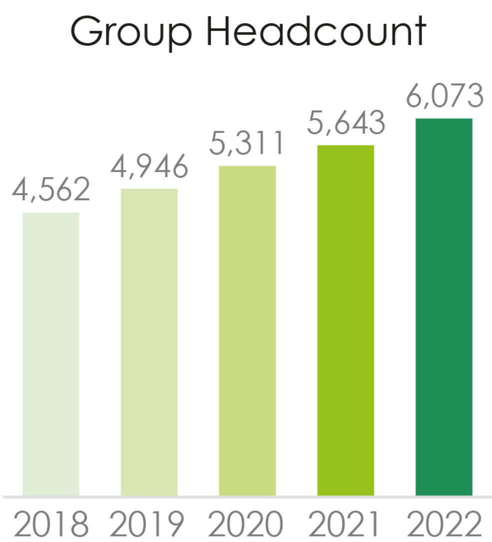
In 2022, Cegedim's human resources policy continued to help advance its business activities. The policy fosters an environment in which employees can cultivate their skills to the fullest while also actively contributing to the company's performance. Cegedim adapts its compensation policy to motivate talented individuals and ensure training and recruitment, while at the same time keeping growth in payroll to a reasonable level.

Cegedim Group's human resources policy reflects its keen interest in social equality. Our human-sized HR teams focus on communicating, imparting skills, and sharing experiences, which are critical ingredients for continuous personal development. We also have a proximity management policy which fosters rapid, efficient decision-making and nimble responses. Employees are appraised regularly and receive training and advancement opportunities. This allows them to enrich their skills and personal experience, giving them the prospect of taking on new responsibilities. Experience gained at Cegedim Group, a benchmark employer, boosts their employability.

Recruitment

Employees

The Group is committed to strengthening its human capital, which is a prime asset. Recruiting qualified employees suited to current needs is a critical and ongoing issue for Cegedim Group as a B2B company, because applicants and future employees may not have access to or know about our corporate communication and products. Our strong presence on professional social media sites gives us a high profile in France, and we actively use these sites to recruit.



Recruitment

To ensure we have the personnel needed for our business development, every year Cegedim recruits:

- Several hundred employees in France, with a sustained focus on promoting diversity in the workforce and providing employment for persons with disabilities,
- A growing number of interns and young recruits under work-study contracts,
- Internationally, via the Group's operations in over ten countries.

In 2022, to help us meet recruitment objectives, we created or strengthened the following partnerships:

- A partnership with Rocket School business school that enabled us to hire around 20 work-study sales assistants at Cegedim Santé, mostly as part of a vocational retraining program;
- A partnership with consulting firm BPI Groupe;
- A Préparation Opérationnelle à l'Emploi Individuelle (POEI) reskilling program at Cegedim SRH—this agreement enables us to recruit unemployed people after they have completed a training program.

Some subsidiaries use an onboarding scheme to boost retention of new hires in positions with long learning curves so they can capitalize on their investment in initial in-house training. New hires receive support in the form of a half-yearly development plan that includes qualitative indicators and quantitative objectives.

A dedicated HR unit was created to set and steer recruitment policy at the Group level. The unit consists of the Group Head of Human Resources, an expert in recruitment tools, and an expert in our professions. Its goal is to optimize recruitment tools and share best practices. It will be testing new solutions and new partnerships:

- A partnership to fill R&D positions;
- Using more job-boards, such as specialized platforms to access candidate CV libraries;
- Devising new recruitment methods, notably Boolean searches and sales representation partnerships to handle large hiring needs;
- Continuing to develop our partnership with a professional social network of reference;
- Monitoring and searching for innovative solutions, for example to coordinate employee referrals.

In addition, since the end of 2020 an offshore sourcing unit in Morocco has been shoring up the HR teams in France, helping mostly to headhunt and screen French applicants. Tools and training are shared with the recruitment teams in France. At our Boulogne-Billancourt, Rabat, and Bucharest offices, we have created an area dubbed Recrutlab, with booths specifically designed for recruitment efforts and applicant interviews.

Speed interview sessions

We regularly hold in-person and remote speed interviewing sessions at our French sites for applicants responding to Group ads or selected by recruiters. The sessions consist of a series of rapid interviews of around ten candidates by HR teams and relevant managers, who may then offer jobs to some candidates. Events like these complement traditional job ads and are promoted at schools in regions where Cegedim is looking to recruit.

Recent graduates

Most of our employees have a scientific or business educational background. The Group makes a concerted effort to recruit graduates through work-study programs in partnership with higher education establishments and universities. We make our work-study students feel welcome all year long by providing opportunities for discussion, organizing contests, games, picnics, etc. Since 2020, we have rolled out additional support for work-study students, coordinated by the HR team, in order to foster more exchanges. We created three communities—sales & marketing, support, and IT and development—to round out their integration. In June, each work-study employee meets their manager and the HR team for an annual review and to discuss their hopes for the coming year. In 2022, the HR team continued to encourage work-study hires, which rose 4%.

Cegedim participates in job fairs and student forums.

Some of our subsidiaries, such as Cegedim Insurance Solutions, offer a BU training module reserved for their work-study employees and are opening up positions traditionally held by experienced employees to recent graduates.

We offer students and recent graduates internships in France and abroad. These internships, which have increased 54% in 2022, put participants on a fast track to employment and often turn into permanent positions with Group companies. Some of our subsidiaries have annual internship programs to help students prepare research projects for their master's thesis and encourage young graduates to join the company.

Every year, we offer students summer internships so they can gain first-hand experience of the world of business. Cegedim Service Center, a Romanian-based subsidiary, took part in four job fairs: an Open Doors event held in May 2022.

University partnerships

We have partnerships in France with the Simplon school of digital technology in Paris. Group employees work with students at the University of Poitiers, Lyon 2 University, and the Sorbonne. Cegedim is also the proud sponsor of France's first master's degree in HRIS (human resources information systems), which admitted its first students at the University of Paris I Sorbonne in September 2018 and is taught by Cegedim employees. We also offer some students apprenticeships with the Group's teams. Cegedim initiated a partnership with HEC business school designed to forge strong links with its students, especially those in the MBA program, which is a pool of potential hires. In 2021 Cegedim Insurance Solutions formed a partnership with engineering school ISIS to train engineers specialized in e-health. Cegedim SRH also resumed its partnerships with three schools—IGS, ECE, and IAE Montpellier—to recruit consultants and development engineers. Cegedim's subsidiary in Egypt is a partner of a government agency that provides training to young graduates in order to offer them employment.

In 2022 cegedim.cloud set up a Filament'or partnership within the AFNOR Association to allow students to work on CSR issues at partner companies.

Onboarding

In France, we have designed an onboarding program to help the HR teams in each of our subsidiaries welcome new hires with a presentation of the business unit (BU), HR tools, etc. Once a month, our Group 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 at corporate headquarters or in the business units (BU): C-Media Academy, School SRH, Cegedim Santé onboarding within the Sales Excellence program, insurance industry track, and C-media or e-business mentor. Some of the BUs periodically hold "job swap" style programs to deepen the onboarding experience and assign mentors to the new hires. Some jobs may require more specialized training on arrival because of the nature of the business (e.g. drug safety, pharmaceutical depository, forklift operation, legal framework for e-invoicing, etc.). New arrivals receive welcome packets as well as office supplies and accessories with the Group's logo. Cegedim Service Center in Romania holds an onboarding day to explain its activities to new hires, who then take part in an orientation period consisting of training sessions on business-specific skills and more general topics.

Prior to a new recruit's arrival, the HR department goes over a checklist with the employee's future manager to make sure everything is ready for day one. The onboarding process includes a review with HR halfway through the trial period and a review with the manager at the end of the trial period. The results are analysed by the HRD for the implementation of corrective actions if necessary.

Employee referral 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 2022 we signed a partnership with Basile, a digital referral recruitment specialist, to implement a new employee referral tool with a variety of aims:

- Employees can refer candidates for current openings or speculative applications more easily;
- HR teams can monitor the number of employee referrals made Group-wide and track their progress, and can also encourage referrals through targeted campaigns during the year.

In 2022 we held two referral campaigns—one in the summer and one in November. The three winners won prizes on top of the usual referral bonus. This policy has been particularly effective, increasing the number of employee referral hires by 57% in a year.

Compensation policy

Cegedim has introduced both Group-wide and BU profit-sharing agreements entered into force in 2022—with the latter designed to incentivize employees at the local level. The Group's compensation policy aims to recognize talent by rewarding both individual and group-wide performance, with stronger emphasis placed on individual performance through variable compensation based on individual goals. Each year, Cegedim Group line managers meet with their team members one-on-one for a performance appraisal and review of annual targets. Every year, we use 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 implements succession plans for corporate officers in the event of a vacancy.

Health and quality of life in the workplace

Internal communication

The MyCegedim Group intranet informs employees about the latest Group news, puts HR politics at their fingertips, and includes links to other Group websites and tools. It also offers access to BU intranets, as well as Group information and documentation.

The Group has installed around 20 screens, called CG Live, displaying Group news and information related to HR, legal affairs, the industry, training, and so on. The screens, which can also display information tailored to each BU and entity, are at all sites with 50-plus employees in France. The information is also available in video format on MyCegedim, which employees can access when working remotely. Individual Group entities have also taken a variety of local initiatives.

In France, the BUs hold regular meetings to bring their teams together and convey the latest company news. HR and internal communications newsletters are sent regularly to employees. In addition, several BUs have developed in-person and remote annual reviews to share information about the business and encourage upward and downward communication. When travelling abroad for roadshows, the Head of Investor Relations takes the opportunity to visit local subsidiaries and present the Group's results to employees. This year, these events were held mainly in virtual format (available as a video) with interactive Q&A sessions. We also organize get-togethers all year round to celebrate the holiday season and other events which are an opportunity for less formal professional sharing.

Forging ties between employees

After-work events for several BUs help create ties between employees from different departments working at the same location. Each entity organizes get-togethers at important times of the year or to mark important occasions (year-end party, team meals, etc.) and organizes retreats for teams or specific units as and when necessary. We hold events like photo contests with themes like "crazy summer" or "Christmas spirit", and we held a contest for employees to pick the winners of World Cup matches. We have developed new communication channels to facilitate regular exchanges amongst managers.

Cegedim is sensitive to the fact that the workplace environment is key to its employees' wellbeing and regularly upgrades its office facilities. Cafeterias and break rooms are also available at some sites, so employees can meet for business discussions in an informal setting over the weekly fruit baskets.

Accident prevention

At least each year, Cegedim updates the occupational risk assessments (Document Unique d'Évaluation des Risques or DUER) for all its sites. An HR working group monitors the roll-out of measures and action plans. Employees have access to a guide to good practices in open-plan workspaces and fact sheets on gestures and posture, remote working, and road safety. In 2022, we offered all employees information on best practices to protect the environment. 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).

During Pink October, we held information sessions to raise employee awareness of breast cancer. We offer yoga and meditation classes during the Quality of Life at Work Week and Pink October.

Quality of life at work

We have a Quality of life at work (QVT) policy that includes dedicated working groups so employees can help improve the quality of their life in the workplace. The results of these initiatives were presented to the Occupational Health and Safety Conditions Commission (CSSCT). Quality of life at work ambassadors are appointed to assist employees and create a new communication channel alongside the regular exchanges with management and HR staff.

The Social and Economic Committee (CSE) subscribes to an online learning and entertainment platform, to which employees and their families have unlimited free access. The platform has 120,000 hours of digital content on topics like wellness, sport, and desktop tools.

For the 2022 Quality of Life At Work Week, we gave employees access to a platform for watching health and wellness classes and offered in-person Zen meditation classes at our main sites.

At some sites, employees also have access to relaxation spaces.

Since 2018, employees in France have also been offered spots in the company nursery, which is operated in partnership with a leading provider. In 2022, Cegedim offered its employees 31 nursery spots. The program has been so popular that management added another 7 nursery spots in 2022.

Healthcare coverage

At Cegedim, all our employees have provident insurance coverage for their out-of-pocket medical costs. We also offer optional supplemental insurance plans. In France, all employees have supplemental death, incapacity, and disability coverage, and former employees can continue their supplemental health coverage. The Group is endeavoring to gradually expand this kind of health and protection benefit to countries where it is not required by law. In fact, nearly all the Group's employees have been offered health insurance and a supplemental pension plan. We have amended our health coverage agreements to comply with the French government's "100% santé" reform of 2020.

Since February 1, 2021, Cegedim has adjusted its healthcare coverage and now offers TP Santé, a new reimbursement scheme that covers 50% of the average retail price of certain products, up to an annual limit of €50 per family. This scheme is entirely paid for by Cegedim.

Preparing for retirement

Cegedim's collective pension plan (PERCOL) lets employees build their own individual retirement savings. We have invited employees to information sessions with the pension plan administrator to educate them about the new scheme.

In 2022, we also organized new meetings with the national pension fund (Caisse Nationale d'Assurance Vieillesse - CNAV) for employees over age 55 to provide information on how they should prepare their retirement. Certain subsidiaries, such as Cegedim Insurance Solutions, provide employees with retirement planning guides.

Sport and wellness

Our employees regularly take part in charity runs: the Boulogne half-marathon, Foulées de l'Assurance, Medical Run, La Parisienne, Trail de La Sans Raison, and the Imagine For Margo Association run.

Some CSEs also offer online exercise classes and help employees pay for gym memberships.

Leave sharing

Cegedim has introduced a leave sharing program for all employees in France so they can help colleagues experiencing personal challenges. A collective bargaining agreement was reached that allows as many people as possible to benefit from this initiative and lets the employer contribute as well.

Collective bargaining agreements

Numerous collective bargaining agreements apply to the French subsidiaries and the Group as a whole. We 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 our social dialogue.

In 2022, collective agreements notably covered:

- Gender parity in the workplace,
- Amendments to profit-sharing agreements,
- Remote working,
- Mobile workers,
- Part-time work,
- Converting unused RTT paid leave into cash.

Organizing work and fighting discrimination

The right to disconnect

France's Labor Act of January 1, 2017, enshrined the right to disconnect. However, we have not implemented any measures to block IT communication. 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'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.

Social and economic committees (CSE)

We maintained close social dialogue in 2022. We cannot provide a detailed review of the activities of all the Group's social and economic committees in this report. We can, however, note that they provide numerous employee perks, in keeping with local practices, for example housing benefits, discounts on leisure activities (sports, entertainment, culture, travel, and CESU home help vouchers), as well as support with year-end holidays (gift vouchers, Christmas trees, etc.), school holidays (vacation vouchers), and other significant life events. The social and economic committee of the Boulogne economic and social unit (UES) and Cegedim Santé have set up a website so employees can purchase these services remotely. In 2022, we continued supporting the CSE and created a CSE for Cegedim Santé.

Organization of working hours

We observe the International Labor Organization conventions in all the countries where we operate. The working hours of employees in France—more than 60% of the Group's total workforce—are based on a statutory annual total of 216 working days or 1,607 hours, and a contractual working week of 37 hours and 10 minutes. This entitles employees to extra paid leave for overtime work, known as RTT ("Réduction du Temps de Travail", or reduced working hours). Outside of France, local working hour legislation is observed in each country.

In response to changes in the way work is organized, we adopted new remote working agreements in France and abroad to increase the standard number of work-from-home days. For example, in France, the new agreement reached in 2022 allows employees up to three regular and emergency work-from-home days compared with two previously. These arrangements give employees real flexibility to manage their time and travel.

A collective bargaining agreement for mobile workers was rolled out in 2018 and 2019. It takes into account the particular circumstances of employees who travel a lot for work and counting travel time as working time for more than 500 mobile workers. In 2022, an amendment was adopted to increase overnight stay compensation by 10%.

Equitable career advancement

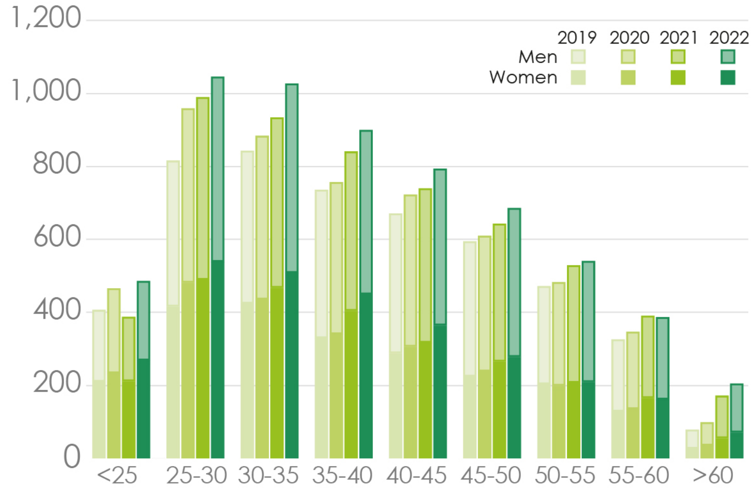
The Group does not discriminate when hiring and assigning positions. Job offers provide for wages without discrimination, and raises are based on each employee's performance and experience. Any person who is a victim of or witness to discrimination has several means of reporting it. They may contact the Group Ethics Committee or an employee representative body, both of which will act with complete independence. An employee representative support agreement was concluded to implement wage growth guarantees.

Cegedim ensures that women employees returning to work after maternity leave receive a pay raise.

Companies with more than 50 employees are required to apply the equality index created in 2019 by the Act for the Freedom to Choose One's Career Future. A company's score, calculated out of a possible 100, is based on five criteria and must be reported on the company's website and to the Labor Ministry no later than March 1. Since 2021, this has been a key performance indicator for the Group. Cegedim has set the score of 75—the minimum threshold defined in the law—as its target for the early years of implementation.

The Group's age distribution trend reflects an HR policy of active recruitment and career management within the Group which respects gender and age diversity at both ends of the age pyramid.

Group employee age breakdown by gender



Disabled workers

Cegedim Group combats all forms of discrimination and aims to facilitate the integration of workers with disabilities. We are endeavoring to improve access to our buildings for the disabled. The Group complies with local regulations governing the employment of people with disabilities in all the countries where it operates.

Our disability unit assists employees known to have disabilities, regularly monitors their administrative paperwork, and makes any necessary accommodations to their workstation and schedule. For this, we work closely with the "Association de Gestion du Fonds pour l'Insertion des Personnes Handicapée"s (AGEFIPH, a French non-profit that promotes the employment of people with disabilities) and Cap Emploi, a government agency. In France, Cegedim grants employees with disabilities five days extra paid leave to attend to their medical and administrative formalities, and priority access to parking spaces and childcare services.

In 2019, our disability unit's remit was enlarged and bolstered—an external six-month assessment including over 30 interviews with a representative sample of employees was conducted. The unit's make-up was changed in 2020 to include a member of each BU's HR team, which enables us to handle disability issues as close as possible to the level where the employee works.

In 2022, as in previous years, we celebrated Disability Week with a communication campaign. For the first time, we took part in Duoday, which means we hosted a person with a disability for the day so they could learn about a profession. The two individuals we hosted in 2022 shadowed employees in software development in Labège and Niort on November 16. Some of our subsidiaries have formed partnerships with ESAT companies (who hire only individuals with disabilities) for catering, prepared meals, Café Joyeux-brand coffee, and more.

Managing qualifications and skills

Skills

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. Joining Cegedim means seizing the opportunity to work in a high-tech environment where teams tackle a variety of interesting and challenging projects, all while continuously developing professionally. Some subsidiaries offer managerial skills development training for employees promoted to team management positions.

Training

Training is a cornerstone of Cegedim's HR strategy, and we devote more resources than we are legally obligated to so that employees can realize their fullest potential. 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 in the healthcare profession, among others. New hires receive initial training as part of their onboarding process. In addition to the standard internal, external, inter- and intra-company training programs, the entities also provide continuous specialized training for some of the Group's very specific professions throughout their careers. Most job performance interviews are conducted with the HR officer and focus on training needs, employability, and joint efforts to foster career development.

As well as professional training, we provide first-aid courses.

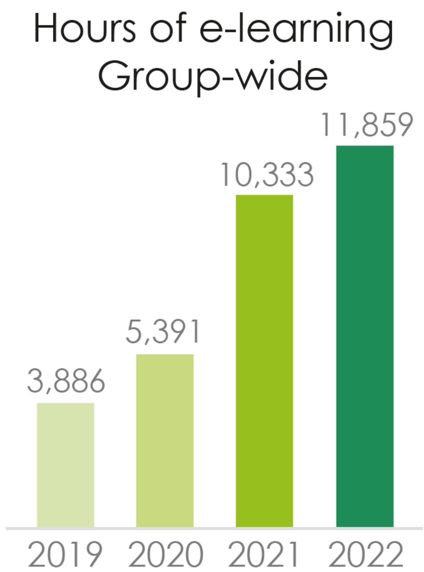
Skills sharing

Skills sharing is a key challenge for Cegedim Group that ensures our teams have the necessary knowledge and expertise. Our business units set up tailored training sessions by calling upon resources within their own teams. These initiatives allow us to meet the specific needs of our business lines, impart our culture, and pass on our expertise. Mentoring arrangements—which are required for vocational training or work-study contracts—are also used in some subsidiaries to foster the internal mobility of employees and integrate new recruits. The mentees are taught what they need to know for a given position (processes, procedures, tools, organization, etc.) or shown the skills required for specific jobs within the Group. Some subsidiaries also offer close managerial monitoring for junior employees, mentoring schemes with more senior colleagues, and even advisors for employees who need assistance. We have strengthened mentorship schemes at all our subsidiaries. For example, Cegedim SRH has a paid two-month mentorship program for each new hire, combined with a one-month onboarding scheme alternating training sessions and practicums, as well as campaigns to raise employee awareness about specific topics, such as payroll configuration.

E-learning

Cegedim has created an internal e-learning platform so employees can complete a series of courses during work hours by selecting from a wide range of training programs specific to the Group or its activities. This platform was used extensively in 2022 for both Group-wide training programs and specialized training courses for specific entity activities and professions. The number of hours of training per enrollee increased by 4% in 2022. The increase was attributable to new Group entities adding the e-learning platform and new training sessions on new software versions and projects. In 2022, we created a new course covering the ISO 27001 standard.

Our Research & Development teams also use an external digital platform to keep up to speed on the latest developments and technologies in their professions.



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 recruitment. Horizontal and vertical internal mobility opportunities, with moves to different geographic regions, allow employees to develop their skills and experience of the business and also help the Group ensure the transfer of knowledge between its entities. To this end, we have an international mobility service for salespeople, technicians, and managers to handle requests for expatriate postings. These typically involve three-year assignments, transfers, and short-term assignments from France to another country, from an international office to France, or between different international locations outside of France. Certain entities have a mobility commission with representatives from Group HR, local HR, and local management whose purpose is to promote career development and review mobility requests for moves within the Group or entity. Cegedim Insurance Solutions regularly hosts breakfast events where it showcases mobility opportunities. At the same time, we are planning exchanges between BUs to codify professional and geographic mobility across Group entities. We have strengthened our internal mobility policies to promote the in-house career paths and support employees throughout their careers within Cegedim Group.

6.6 | Limiting our environmental footprint

Limiting our environmental footprint

Greenhouse gas emissions

2022 | 2021

826 | 651
metric tons of CO_2 equivalent generated by our electricity consumption [1]

296 | 346
metric tons of CO2 equivalent generated by our gas consumption

797 | 304
metric tons of CO2 equivalent generated by air travel in France (2)

7 | 3
metric tons of CO2 equivalent generated by train travel in France

29
metric tons of CO2 equivalent generated by vehicle rental in France

3.14 | 2.71
average age of our French car fleet

3.08 | 2.69
average age of our Group car fleet

115 | 116
Average passenger car fleet CO2 rate in France in g per kilometer

€0 | €0
Provisions and guarantees for environmental risks

[1] The increase in CO2 emissions related to electricity consumption is explained by an increase in consumption in foreign subsidiaries whose energy mix is more emissive.

[2] The increase in air travel emissions is due to a resumption of travel following the health crisis.

Use of resources

2022 | 2021

11,789 | 13,112
of electricity consumed in MWh

1,395 | 1,630
of gas consumed in MWh

Sustainable procurement

2022 | 2021

88% | 98%
of the paper and envelope products listed in the Group catalogue in France, copy center, and mandatory regulatory information are eco-certified

The deterioration in 2022 is essentially due to a change in methodology (see methodology note) and the erroneous use of a non-eco-labelled paper reference.

Digitalization

2022 | 2021

90% | 86%
of employees in France receive digital payslips

Key Performance Indicators and Objectives

Datacenter GHG emissions	Green IT, energy-efficient computing	Achieved	Objective
	IT energy consumption only includes power used to run servers, not air conditioning or lighting.	2022 | 2021 24 | 25	Cut GHG emissions linked to datacenter electricity consumption, in metric tons of CO2 equivalent.

Increase in number of virtual servers	Server virtualization	Achieved	Objective
	We continued to replace physical servers with virtual machines in 2022, and now have 13.8 virtual servers for every 1 physical server.	2022 | 2021 +14% | +15%	Maintain continuous growth

Average passenger car fleet CO2 rate	Group utility vehicle fleet	Achieved	Objective
	Group policy favors electric and hybrid vehicles when vehicles in its passenger car fleet are replaced.	2022 | 2021 115 | 116	Maintain at < 120g

Average utility vehicle fleet CO2 rate	Group utility vehicle fleet	Achieved	Objective
	Because we anticipated the phase-out of diesel-powered vehicles, we have relied more on gasoline-powered utility vehicles principally because of the lack of electric options for large utility vehicles. These gasoline-powered vehicles do not perform well in terms of CO2 emissions. However, the utility vehicle fleet represents only 28% of the total Group fleet.	2022 | 2021 127 | 122	Maintain at < 140g

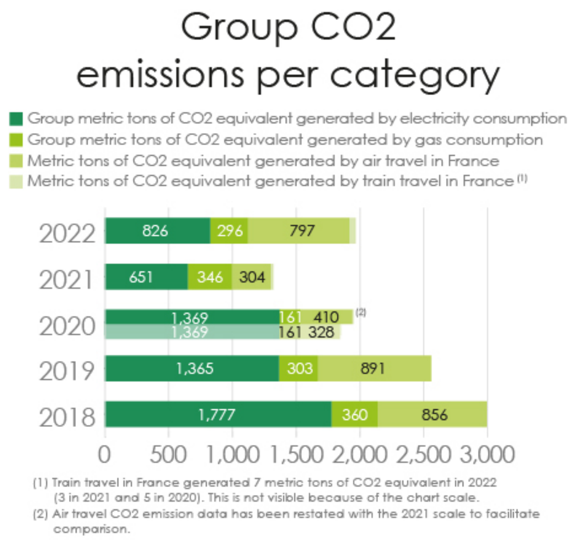
% eco-certified purchases	Office supplies in France	Achieved	Objective
	Purchases of office supplies in France are centralized in a Group catalog that highlights eco-friendly products from a supplier with a sustainability policy. The decrease in 2022 is due to a methodology change (see methodological note) and the accidental use of a supplier whose paper was not certified sustainable.	2022 | 2021 48% | 55%	Aim at over 50% of certified eco-friendly purchases

Reducing our environmental footprint

Cegedim has always believed in innovation as a way to improve the service it provides its stakeholders and as such, also sees it as the concrete reflection of its efforts to be a responsible company.

Carbon footprint

Cegedim's carbon footprint in terms of greenhouse gases is mainly measured by the consumption of electricity required for the proper functioning of its activities. As providers of services, our activities are office-based. 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. Our datacenters in France account for a significant share of our electricity consumption. Since 2018, the Group has been able to measure, monitor, and manage the carbon footprint of its hosting centers as part of its program to continuously improve energy efficiency.



Fleet management

Our company car policy specifies what type of cars our employees may use and who is eligible for one, and provides a code of conduct for drivers in France. Fleet management takes into consideration vehicle age and changes in pollution standards, and respects official and industry recommendations. We plan to reduce our passenger car fleet's environmental impact by buying only electric or hybrid models when replacing older vehicles in France. As for utility vehicles which represent nearly one third of the global fleet, we anticipated the phase-out of diesel-powered vehicles and have relied more on gasoline-powered vehicles in France, principally because of the lack of electric options for large utility vehicles. Some sites encourage the use of alternative energies and transport methods over internal combustion vehicles, for example with EV-only parking spaces with charging stations, bicycle and kick scooter parking facilities with charging stations, and solar-powered parking lighting.

Limit 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 in 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.

Waste management

Cegedim Group has no industrial activities and does not produce toxic waste. Paper, cardboard, and computer equipment make up the bulk of our waste. The only hazardous and dangerous substances we use are:

- IT hardware (screens, batteries, printers, and photocopier ink cartridges),
- Car equipment (batteries, engine oil),
- Cleaning products.

Several of our subsidiaries have already introduced recycling programs for printers, photocopier ink cartridges, and computer hardware. When computer equipment in our datacenters 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 replacement 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 certain components which are recycled on-site. In France, Cegedim outsources the management of all its waste electrical and electronic equipment (WEEE) to ensure that the materials are recycled and the toxic components are correctly disposed of.

Employees' old PCs are cleaned and set up for reuse. Some CSEs collect them and offer them to employees in exchange for a €15 charitable donation.

The only wastewater produced by our activities is domestic and is used for closed-loop cooling of datacenters.

Saving paper

Limiting the environmental impact of printing

We have a modern, efficient print and copy center that handles bulk printing for our Boulogne-Billancourt sites. Monitoring our printing activities responsibly is a key issue as we also print documents for our clients (pay-slips, third-party payment cards, correspondence, training materials, etc.).

In all countries, teams are routinely encouraged to consider whether they truly need to print their documents or whether there are simple alternatives at their disposal (e.g. projecting information for a meeting on a screen rather than printing it out, only printing out when necessary, two-sided printing, printing in black and white, etc.). Employees have fewer individual printers and instead send their documents to a shared printing station. In addition, in 2018, we switched to sending electronic rather than paper greeting cards to our clients and suppliers.

C-Media, the leader in communications equipment for pharmacies and health and wellness shops, designs and produces merchandising, print and digital display campaigns. Its 4,500 m² production site in Stains makes and dispatches print items (prepress, printing, cutting, storage, and shipping of POS advertising). The site no longer uses any water for production and has invested in more energy-efficient printing machines that use eco-solvent ink, UltraDrop technology to conserve ink, and LED curing. To cut down on plastic, C-Media uses a mix of non-organic and recycled materials instead of PVC and shipped 4,000 pallets without shrink wrap. It has also introduced a circular economy initiative with its raw materials selection plan and uses appropriate paper sizes to cut waste. Considering that the company handles nearly 1,500,000 pieces of POS advertising and ships and receives 13,000 pallets annually, this is a major part of C-Media's CSR policy.

Printed distribution of mandatory regulatory information

In 2007, we decided to distribute our mandatory regulatory information electronically. Between 2010 and 2022, we also reduced the number of printed copies of our Universal Registration Document, cutting the French version more than tenfold (50 printed copies in 2022) and the English version more than fivefold (40 printed copies in 2022). For the last ten years, this document has been printed on 100%-recycled paper.

Digitized administrative processes

We decided early on to digitize administrative processes for new recruits in France and no longer send out mass mailings of paper documents. All contractual documents (letter of appointment, work contract, bylaws, charters, mutual health and personal protection insurance policies, etc.) are sent by email and signed electronically by both parties. The Group-wide agreement allowing staff representatives to sign collective bargaining agreements electronically has also significantly reduced the amount of documents we print. We also now provide meal smart cards, which avoids printing and handling vouchers. This is not possible outside France, however, due to regulatory constraints.

Digital vault and drive

In a bid to reduce printing, we also offer our employees in France a secure digital vault where they can store private, sensitive e-documents. For example, in France, employees can have their monthly pay-slip deposited automatically in a digital vault for storage, and the vast majority of them choose this solution. In 2021, we also introduced Cegedim Drive, which allows employees to share large files with both internal and external contacts (current and prospective clients, suppliers, etc.). The main goal of this tool is to limit the risk of data leakage by providing a secure alternative to third-party file hosting platforms. The drive includes document collaboration software.

Saving energy

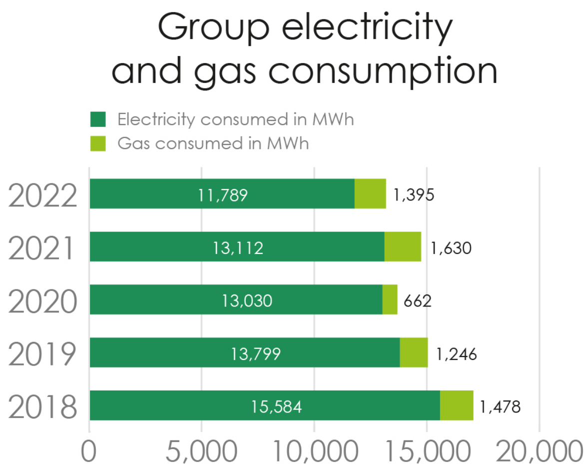
Energy spending and energy efficiency in the workplace

The Group reduces its energy consumption in large part by refurbishing its buildings and office spaces. In recent years, our efforts have focused on insulation and heat pumps at certain sites. We use the services of an energy savings consultant to define our energy efficiency action plans, particularly within the framework of France's *Décret Tertiaire* (or French tertiary sector decree which requires service industry buildings to gradually reduce their energy consumption).

We have introduced ways of reducing workspace energy costs on a case-by-case basis. For example, we have installed time switches and occupancy sensors that automatically turn off the lights and air conditioning after hours; water fountains and coffee machines with inline water filters; automated hand-driers; and LED lighting. We also encourage car-pooling and the use of shuttle services, etc.

We also have maintenance contracts for our air-conditioning systems to ensure they function as efficiently as possible. Most systems can shut off automatically when windows or loading dock doors are opened.

Since 2021, thanks to Cegedim Group's new contract, we receive all our electricity from renewable sources.



The Green IT program and Datacenters

For over thirty 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 datacenters and technological platforms with a focus on maximum energy efficiency and minimum CO2 emissions. This approach makes both financial sense—it's a highly competitive market—and environmental sense— sustainability and climate change goals must be met. In 2022, the Group was awarded The Green Web Foundation label for its commitment to eco-friendly digital services run on renewable energy.

Environmental, energy, and financial concerns are factored in at every stage of a datacenter's creation—in its design, deployment, and operation. These issues are incorporated into every aspect of information systems hosting. We create and design our datacenters using concepts and techniques that are known to improve energy-efficiency:

- Improved air flow with hot-aisle / cold-aisle containment
- Free cooling
- Waste heat capture and reuse to heat offices in the winter
- The American Society of Heating, Refrigerating and Air Conditioning Engineers' (ASHRAE) recommended high air inlet temperature ranges

We also supplement our fleet of datacenters with colocation datacenters that are managed according to the same high standards as our own. These standards are monitored and applied by cegedim.cloud and recognized by our colocation providers' ISO 14001 and 50001 certifications.

Our entire energy chain is equipped with measuring devices, and the macro data they collect enables us to continuously improve our energy efficiency and calculate our main datacenters' PUE (Power Usage Effectiveness). We also collect micro data, gathering information on our IT equipment's energy consumption, which we then correlate with the equipment's usage. This helps us confirm our equipment configuration choices and categorize our services to optimize our energy consumption:

- High-performance computing server farms or standard server farms that are less energy-intensive
- Consume-as-you-go systems that, for example, enable us to turn off non-production environments when they are not in use.

In 2022, we drew up an energy-saving plan that will be phased in and aims to cut our energy consumption 10% by 2024, at constant scope. In the first quarter of 2022, as part of the process to achieve ISO 50001 certification, we commissioned an energy audit of two of our datacenters to:

- Verify our practices and define ways to improve how we manage and design our datacenters' security and energy efficiency.
- Replace end-of-life equipment (dry coolers, closed-loop coolers) with more energy-efficient alternatives.
- Have a third party corroborate our datacenters' energy efficiency indicator calculations.

This audit is part of the process to obtain the "Code of Conduct for Energy Efficiency in Data Centers" label, itself a component of the ISO 50001 certification, which is due to be included in cegedim.cloud's Integrated Management System (IMS) in 2023. cegedim.cloud is working on calculating the individual carbon footprint of each of its clients so that they can optimize the way they use its services.

The inclusion of the ISO 14001 certification in cegedim.cloud's IMS, expected in 2024, will coincide with the commissioning of a new datacenter in 2025 which has been designed to meet four priorities:

- A Power Usage Effectiveness (PUE) of less than 1.2
- Responsible and limited drinking water consumption
- Tier IV Build certification
- Ranking as one of France's most eco-friendly datacenters

Through its Green IT program, Cegedim is ensuring the long-term energy efficiency of its installations.

Sustainable procurement and consumption

Sustainable Purchasing Charter

In 2021, we adopted a Responsible Purchasing Charter that reflects our environmental, social, workforce-related, and ethical commitments. This charter reiterates and 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 internationally recognized treaties and agreements: the Universal Declaration of Human Rights, the International Labor Organization conventions, the Convention on the Rights of the Child, and the International Convention 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.

Office supplies

We have streamlined our purchases and prefer to source our office materials from referenced suppliers who offer a catalogue of selected supplies. These suppliers must meet ISO certification standards and respect our ethical, environmental, and traceability commitments. We encourage our employees to purchase eco-friendly office supplies, as long as they are good value for money. We only use eco-labelled paper or paper from sustainably managed forests for bulk printouts. We purchase our business cards from an ISO 14001 and Imprim'Vert certified supplier that uses eco-labelled paper. We take care to buy our promotional items and branded merchandise from suppliers that are also committed to sustainable sourcing and work with certified companies and manufacturers, particularly for clothing items. When a printing project is unavoidable, or for promotional items, we prefer to work with social enterprises that employ people with disabilities. We only purchase food for our meeting and break rooms and do so occasionally and in very small quantities. We avoid food waste by consistently ordering limited amounts (of water and food) in individual portions and by carefully managing our stocks.

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 replace our landlines with VoIP solutions. All our telephones are recycled at the end of their lives.

Waste management and Recycling

Most sites have adopted waste prevention and management practices, notably for paper, cardboard, plastic bottles, and coffee pods. Cegedim Group is currently working to standardize best practices, especially for sorting and collecting recyclables from offices. In 2020, these best practices were adopted by all the Boulogne-Billancourt sites which work with an Entreprise Adaptée (adapted business) that helps people with disabilities find employment. Local teams responsible for general services also encourage more responsible behavior and initiatives. Ink cartridge, battery, and light bulb recycling systems are in place throughout the Group. Drink dispensers use recyclable cups, and new hires receive a reusable mug when they join us. Filtered water fountains that help employees limit their use of disposable bottles are increasingly common at Group sites.

6.7 | Upholding our reputation for quality and safety

6.7.1 | Quality

Results

Certifications
2022 | 2021

111 | 91
Group products with certifications

Continuous improvement
2022 | 2021

644 | 473
R&D e-learning licenses

12 135 | 9 013
Hours of R&D e-learning

(1) The Group's R&D strategy encourages employees to train throughout their careers in current technologies, in particular via the R&D e-learning platform to which Cegedim offers access to all members of the Group's R&D teams and subsidiaries who wish to train in this way. The number of users has risen sharply, which also explains the significant increase in the number of hours.

Key Performance Indicators and Objectives

R&D effort relative to revenues	Group research and development	Achieved
R&D	The R&D effort refers to payroll expenses for R&D staff as a percentage of revenues over the past 12 months. Although this percentage is not a targeted figure, it is stable compared with previous years.	2022 | 2021 14.0% | 14.0%

Certified expertise

Security management

At Cegedim Group we closely monitor and upgrade our security management systems, and our high quality standards have been recognized by certifications. cegedim.cloud, a subsidiary that houses all the Group's IT resources (both human and material resources), has rolled out and operates an ISO 27001-certified Integrated Security Management System—which includes information security—for our datacenters in France, our data and app hosting activities, and our managed IT services. cegedim.cloud has submitted the form requesting the SecNumCloud certification from ANSSI, France's national cybersecurity agency, and has completed step J0. It is therefore eligible for this certification, which proves its security levels are among the industry's highest.

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. They help us identify and assess the security risks to the availability, integrity, confidentiality, and auditability of a subsidiary's information, and if required, 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.

Integrated Security Management System

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. Its subsidiary, cegedim.cloud, takes a process-based approach using an Integrated Management System (quality and security) to meet these high standards. This approach is based on the ISO 20000 standard, which is in turn based on the ITIL best practice framework. The system covers data and application hosting services, and infrastructure management services for datacenters in France, and is run according to the principle of continuous improvement. We account for security right from the start of every type of project (IT, business, or software development). We identify security requirements when projects are initiated. 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 subsidiary or organization concerned.

Standards and Certifications

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 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 obtained the following accreditations to host personal health records:

- 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.
- 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 (France).

In 2022, the following Group subsidiaries started the ISO 27001 process and carried out internal audits and compliance upgrades with a view to achieving certification in 2023:

- Cegedim Santé;
- Cegedim SRH;
- Cegedim e-business;
- Cegedim Outsourcing.

Quality and internal control – ISAE 3402

Since 2012, Cegedim Group has implemented quality and internal control procedures in accordance with the ISAE 3402 (International Standard on Assurance Engagements) Type II standard, 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 assessment 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 for all its activities;
- Cegedim Activ' for its SaaS, managed services, and technical hosting activities;
- Cegedim SRH for all its activities;
- CETIP for all its activities;
- iGestion for all its activities;
- Cegedim e-business for all its activities.

Product certification

Cegedim Group products enjoy a variety of certifications and accreditations specific to the countries, regions, and industries in which they are sold. In France, these include Sesam-Vitale, HAS, DMP, ADRi, LAP, TLSi, e-santé (CDS/MSP), e-Prescription, e-Carte Vitale, ANSM, Addendum and the CE mark, Ségur MDV, ISO 13485, cash register system certification. In Belgium, they include Ehealth, MyCareNet, Hub et coffre-fort, Recip-e, VIDIS, SAM V2, and BelRAI. In the UK, they include NHS, EMIS, TPP, MHRA, and Research Ethics Approval. These certifications and accreditations—which are regularly renewed—demonstrate that our high-quality products and solutions meet the strictest standards.

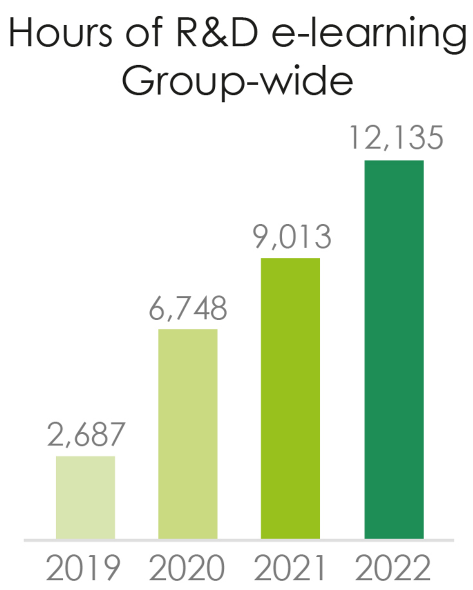
Aiming for operational excellence with continuous improvement

Research and development

Cegedim devotes a large share of its resources to innovation and Research & Development. Our efforts in this area represent a significant share of both revenue and human resources. This proactive policy allows us to offer products and infrastructures that meet the latest quality, security, and environmental standards and requirements.

We verify our technological developments using a process security policy, change control procedures, a technical review of applications after the changes, acceptance procedures, and tests. Our environments undergo security and engineering checks that meet the highest standards and best practices.

In our pursuit of operational excellence—particularly with respect to user experience—we have launched a dedicated program for our solutions. Led by cegedim.cloud and the R&D department, it draws on internal synergies, subsidiaries' business line expertise, and substantial investments with our technology partners. This program sets clear responsibilities for all internal stakeholders and prerequisites with respect to knowledge of business practices, suitable technological expertise, and alignment with Group strategy and capabilities. Its key design principles are resilience and security so as to optimize our solutions' user experience and ensure best practices.



Information systems security audits

Every year, the Group's Head of Information Systems Security defines the general security objectives for the Group and its subsidiaries, in agreement with senior management. It monitors the implementation of measures required to meet the security objectives monthly at Group Security Committee meetings attended by the safety representatives of each subsidiary. Cegedim routinely audits the security of its information systems. Independent assessments are carried out regularly within the group: internal and external audits, certification and customer audits, vulnerability checks, and penetration tests. These audits are conducted in such a way as to safeguard the independence of both the auditors and their findings.

Managing suppliers

The IT supplier management process is part of cegedim.cloud's Integrated Management System. It guides relations with suppliers and monitors their performance for the duration of the relationship. Suppliers are assessed according to the quality, innovation, security, and cost of the service they provide. In compliance with current regulations, notably the Sapin II Act, we also assess our non-IT suppliers. The Group Procurement department conducts annual reviews of critical suppliers, which include both central and Group entity suppliers.

Continuous improvement

Because our business is growing, there has been a significant increase in the amount of data hosted and processed, which has inflated volumes and increased storage capacity needs. Apart from financial considerations, the Group's R&D efforts focus on how it can responsibly manage this growth while minimizing its resource usage and environmental impact. As a result, while the amount of data hosting and processing will increase, growth in data volumes can be expected to slow as the Group finds ways to better compress and manage these volumes.

Internal synergies

In addition to cegedim.cloud, the subsidiary that houses all the Group's IT resources, at Cegedim, we use our own human resources and skills management tools and services to manage our workforce. Our SRH subsidiary, which specializes in outsourced HR management, offers a range of solutions and services, from payroll management to employee management, with its Smart RH offer. Its TeamsRH platform is a complete, modular tool with a wide range of functions that meet the needs of every organization: payroll and personnel administration, HR portal, HR monitoring and decision-making, career and skills management, 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.

Reputation and external communication

We care deeply about our image and reputation. Only employees with delegated authority may communicate on the Group's behalf about its activities, products, partners, and suppliers. This applies to both traditional media (press, websites, radio stations, etc.) and social media. This issue is covered in full in the Code of Ethics, which also informs our employees about the need to use social media responsibly and respectfully in particular through a dedicated e-learning module.

6.7.2 | Protecting stakeholders data

Results

Processed data [1]
2022 | 2021

31,171 | 24,490
Volumes of health data processed in gigabytes

cegedim.cloud information systems security checklist	2022
Raise awareness (training, e-learning, anti-phishing campaigns, etc.)	☑
Regular security committee meetings	☑
Internal audits	☑
External audits	☑
Risk analysis	☑
Vulnerability audits	☑
Penetration tests	☑
DRP tests	☑
Information System Security Policy review	☑
Information System Security Charter signed by new employees	☑
Maintaining certifications	☑

[1] Data is processed in accordance with applicable regulations, notably those covering personal data and health data, and as defined by the GDPR.

Key Performance Indicators and Objectives

Completion of the security checklist	Securing our information systems	Achieved	Objective
	We completed all of the items on the security checklist below.	2022 | 2021 100% | 100%	Maintain at 100%

Increase in the volume of hosted data in gigabytes[1]	French datacenters	Achieved	Objective
	Data volumes grew because existing clients experienced organic growth and because we acquired new clients. *[1] Hosted data refers to the data stored in our datacenters and may include both processed data and raw, unprocessed data.*	2022 | 2021 +52% | +21%	Contain the growth in volumes vs the growth in the amount of data.

Information system security

A secure, resilient, durable infrastructure

Cegedim strives to build robust security for its sites and datacenters. Cegedim Group supplies technology and services related to information, so one of our top priorities is ensuring that our clients and partners are entirely satisfied 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 covering fire, flooding, or other natural disasters, as well as power outages and 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 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 Covid-19 pandemic and increased threats of cybercrime, we managed to maintain the same high standards of service 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 and centrally coordinated security organization. As part of its 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.

System and data security

The Information System Security Policy developed by the Group covers system and data security and is supplemented by an Information System Security Charter included in every employee's job contract, as well as a guide to data security available on the Group intranet. 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 an e-learning course or webinar. Subsidiaries raise awareness of issues specific to their activities, in addition to the actions carried out at the Group level.

Data protection

The 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 physical protection both on and off the company's premises. Cegedim Group subsidiaries lay out specific rules for this security policy in a set of documents governing security within the scope of their business activities, using the Group IS Security Policy as a mandatory baseline for which 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.

Equipment end of life

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 shredded.

Secure data collection and protection

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.

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 commercialization—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.

Personal data

In the course of our business activities, we collect individuals' personal data. Cegedim implements state-of-the-art security measures to ensure an adequate level of protection. We collect data in a manner consistent 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. Cegedim Group has always made sure it complies with all applicable personal data protection laws and regulations. As soon as the General Data Protection Regulation (EU) 2016/679 was made public, Cegedim began the work needed to ensure compliance.

Data accuracy and quality

Data accuracy and quality are indispensable if Cegedim Group wants to continue to deliver tools and services that meet our clients' needs, thereby contributing to the healthcare systems of the countries in which we operate. The Group's GERS Data subsidiary supplies data and analysis through a unique anonymized data collection system. The data's representativeness is achieved by collecting from a variety of sector players. The R&D teams dedicated to this activity make it possible to collect, structure, and generate databases that can be used immediately, contain quality data, and comply with all personal data protection regulatory requirements. Apart from the quality of the data, Cegedim Group is also keenly aware of its social benefit, given that its databases are used by healthcare professionals to help them diagnose patients and provide them with the correct medicines.

Data hosting

cegedim.cloud is responsible for hosting the data and has the ISO 27001, ISO 20000, HDS, ISO 27017, and ISO 27018 certifications. Data are hosted exclusively in mainland France. Depending on their business, several of our entities are also ISO 27001 and/or ISAE3402 certified.

Data protection

Protecting data has always been a key 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 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 that correspond to the category of information—published or not—that they handle as part of their job.

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.). These measures also ensure respect for data confidentiality and integrity. Management of intellectual property rights is governed by the IS 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 e-learning training sessions. Licenses are monitored as part of the configuration management process.

Personal data protection policy

The personal data protection policy was updated in 2018 when the General Data Protection Regulation (GDPR) came into force. It 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 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, and respecting the legal data processing regulations. Before the GDPR took effect in May 2018, the Group trained all its employees using an e-learning module and then tested them on what they had learned. We are currently developing 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. They also monitor compliance with GDPR and bylaws, guide the actions of the head of processing, provide advice when asked about impact analyses, and verify that these are conducted. DPOs also act as the point of contact for and cooperate with the National Commission for Computing and Civil Liberties (CNIL), France's GDPR supervisory authority.

6.8 | Making an ethical contribution to regional development

6.8.1 | Ethics

Results

The Ethics Committee
2022 | 2021

100% | 100%
Participation in Ethics Committee meetings

Key Performance Indicators and Objectives

Number of Ethics Committee meetings	The Ethics Committee	Achieved	Objective
	The Ethics Committee met in February and October 2022.	2022 | 2021 2 | 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.	2022 | 2021 8 | 7	To have translations in all the languages of the countries where we operate.

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.	2022 | 2021 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, 2022.	See table below	To maintain a success rate of over 90%

	2022	2021
German	100%	100%
English	100%	99.5%
Spanish	100%	100%
French	99.4%	99.5%
Dutch	100%	100%
Romanian	99.0%	99.5%

Our commitment

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.

Jean-Claude Labrune, Chairman and CEO of Cegedim, firmly believes that to ensure sustainable growth and harmonious development, everyone must commit to behaving ethically.

Embracing the Code of Ethics

Our principals

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 applies to all corporate officers and members of the executive and management committees of Cegedim Group and its subsidiaries worldwide.

Cegedim Group has a whistleblowing system to handle these issues. Employees and contractors 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: the Director of Group Communications and Chairman of the Committee, the Director of Group Human Resources, the Group Chief Financial Officer, the Group General Counsel, and the Head of Financial Communication. The Ethics Committee meets as often as necessary. In 2022, it met twice, on February 16 and October 7. Its work focused on the translation of the Code of Ethics; on rolling out the Sapin II Act e-learning course outside France; on information about the number of whistleblower reports and alerts; on the latest regulatory developments; and on reviewing possible ethical issues arising from management of the Covid-19 crisis. Employees may email the whistleblowing hotline or report concerns to the Ethics Committee.

The Code of Ethics

The Group's Code of Ethics was updated at the end of 2017 and is available in its eight spoken languages: French, English, Spanish, Romanian, Dutch, German, Italian and Arabic. It is hands-on and instructive and includes 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 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. These people promote the Code of Ethics values and commitments among their employees and ensure that they are upheld. We offer a module-based e-learning course on the Code of Ethics to train our employees. 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.

Human rights

Cegedim Group is present in many different countries and keeps an eye on 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 external risks and potentially sensitive issues. We also endeavor to defend and respect fundamental human rights, and all charters and policies pertaining to those rights, on our premises, while also complying with the laws of our host countries. All Group employees, including those in the countries most at risk, may use the ethics whistleblowing hotmail to confidentially report any irregularities, both inside and outside the company.

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, we continued to roll out this policy. Each entity appointed one or several compliance representatives to spread the Group's anti-corruption message and explain its everyday relevance to the teams on the ground. France's whistleblower protection Law of March 21, 2022, which transposes the EU Directive 2019/1937 of the European Parliament and the Council of 23 October 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.

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, Cegedim reserves the right to re-examine and possibly terminate the relationship, in accordance with the law. We have implemented 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 contribute to the training and awareness-raising on ethics provided to the Group's employees.

Being a responsible company

Social commitment

Cegedim Group applies local laws in all the countries where it operates and has taken steps to ensure that it complies with their requirements, particularly regarding corporate social responsibility. In all its host countries, Cegedim respects the principles of the International Labor Organization's conventions (nos. 29, 100, 105, 131, 111 & 138). Management applies these principles and the Human Resources department teams enforce them.

Fighting tax evasion

Cegedim faithfully reflects its operations in its accounts and communicates independently and completely transparently about its performance. Cegedim 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 our employees work for clients with lawful activities and no financial links to criminal or illegal activities. We also use the services of a firm specialized in French tax that systematically verifies our sensitive operations and our OECD-compliant price transfer and margin rate policy to ensure that we respect best practices and current French tax regulations. Cegedim Group does not have any legal entities (companies, subsidiaries, or representative offices) in countries on the list of Non-Cooperative States at December 31, 2022, published by the French Ministry of the Economy, Finances, Action, and Public Accounts.

Digitization

Some of Cegedim Group's products and services serve a social purpose. These notably include the digitization of management documents and business processes automation, from ordering to invoicing and payment. Cegedim e-business (under the brand name SY by Cegedim), a process automation and digitization specialist since 1989, designs, develops, and markets invoice digitization, probative value filing, and EDI offers in Europe and the rest of the world. These offers are supplemented with electronic signature and business process digitalization tools, as well as a digital vault that enables electronic documents to be stored with probative value.

6.8.2 | Contributing to regional development

Results

Community measures

2022 | 2021

12 | 12
Number of countries where Cegedim is present

49 | 51
Number of sites in France

14 | 14
Number local offices outside France

63 | 65
Number of sites where the Group is present

541 | 581
Number of mobile workers in France

Key Performance Indicators and Objectives

Share of French sites outside Paris region	Vitalizing 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.	2022 | 2021 82% | 76%
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.	2022 100%

Anchoring employment

Local impact

We monitor the local impact of our activities on both employment and regional development. We have operations in a dozen countries. New employees are typically hired locally, which helps to boost the local economy. Some of our entities work with local authorities and employment agencies. We have patronage and social schemes in many nationwide and international locations, and not exclusively at our head office location.

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 quality and safety standards it requires are applied. For example, some specific IT support or back-office services are provided by its subsidiaries in Morocco and Romania.

Committed to revitalizing regions

Some services offered by Cegedim Group in France also help solve regional development—or desertification—issues and, what is more, digitalization limits the environmental impact of its activities. The Sesam-Vitale data transmission tools, where Cegedim is the leader in France; the development of Maiia's remote medical consultations, enabled by regulatory changes in recent years; the digitalization of patient medical records; the European strategy for convergent and integrated healthcare: all these measures reduce our customers' environmental footprint and are designed to improve coverage of territories with a low number of doctors per capita. In France, according to 2021 data from the regional health agencies (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 dropped by 1% a year between 2017 and 2021; 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.

This is a critical social concern, and 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.

Giving back to the community

We encourage giving back to our local communities in all the countries we operate in. Cegedim subsidiaries organize initiatives at their discretion. For example:

- Galerie d'Aguesseau, the **art gallery** in our head office building in Boulogne-Billancourt, exhibits the work of about ten artists a year and regularly promotes local artists.
- Since 2016, Cegedim Insurance Solutions has sponsored the "Les Foulées de l'Assurance" **charity runs** (5 and 10 km runs or walks and a virtual run) which raise funds for the prevention of cardiovascular diseases—178 Cegedim Group employees took part in 2022.
- Cegedim contributes gifts to the toy drive for disadvantaged children organized by the **Mères de Noël Solidaires** nonprofit in Montargis, central France.
- Smart RX employees can buy the company's used computers, and **the proceeds** are donated **to a nonprofit**.
- CSC Romania and a **local NGO** organize charity initiatives for disabled and underprivileged children in Bucharest, including a Christmas gift drive.
- For **Pink October** (breast cancer awareness month) Cegedim organized a full program of events throughout the month (awareness-raising conferences, articles, fact sheets, webinars by specialists from Institut Curie and Medisur, on-site sports and wellness activities, etc.). It also organized a cancer research **fundraiser** for the Institut Gustave Roussy at the same time.
- In October 2022, Cegedim supported Imagine for Margo, a nonprofit that combats childhood cancers, by covering the subscription fees and €200 participation fees of employees taking part in its "**Children without Cancer**" race. Race participants raised an additional €725 for the nonprofit.
- Subsidiaries organized **local collections** for needy children and adults: Smart RX organized a clothing drive, and Cegedim Santé organized a toy drive for the Red Cross, Necker Hospital, and Secours Populaire—for example, it donated about 60 new toys to Necker-Enfants Malades Children's Hospital at Christmas. The Boulogne-Billancourt site also organized a non-perishable food drive in November 2022 for the local food bank where employees could also volunteer to help out.
- HDMP Belgium organizes fundraisers twice a year to **help children** with chronic diseases continue their schooling in hospital or at home.
- Cegedim Santé supported efforts to combat cancer by becoming one of the corporate sponsors of the "Medical Run" **charity race** whose proceeds go to CAMI Sport & Cancer, a nonprofit. Around 60 employees took part in the race.
- CSC Romania collaborated with student associations from the Politehnica University of Bucharest and took part in several career fairs where university and high school students met with working professionals to help young graduates **get a first job**.
- Cegedim has sponsored the **LOU Rugby team** for the past three seasons.
- During Quality of Life at Work week, in June 2022, the Group organized an **inter-company charity contest** to raise funds for the Max Havelaar France nonprofit. It included a step-counting contest, a quiz, videos and advice sheets, health prevention webinars and Zen meditation classes at its 13 main sites.
- C-Media provided the **Paris firefighters** at the fire station near its Stains office with free printing services for their events.
- Cegedim Insurance Solutions helps local nonprofits organize sports and game activities (yoga classes, boule games, etc.) by publicizing them and providing premises.
- Our UK subsidiaries introduced one-hour-a-month wellness activities for their employees, with menopause and retirement planning workshops, work social events, walking groups, bicycle tours and more. They also donated to Ukraine and organized a bake sale for the Mind mental health charity.
- Cegedim Outsourcing took part in the La Sans Raison trail run in Vélizy, south-west of Paris, to raise funds for the **Laurette Fugain** leukemia and blood cancer **charity**.

6.9 Methodological note

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 62% of the total Group workforce. Unless otherwise specified, the human resources figures are for all the fully consolidated companies worldwide, i.e. 62 companies.

Information sources

In order to ensure the consistency and reliability of the indicators monitored in all its entities, the Group has developed shared human resources 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 TeamsRH 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 datacenters are collected from cegedim.cloud, which compiles them using its monitoring and network management tools.

Data relating to external suppliers are also used, notably statistics from travel agencies relating to CO2 emissions and invoices and annual reviews prepared by energy suppliers that show the energy consumption in kilowatt-hours.

The qualitative information in this report is based on interviews with the managers from the relevant departments, both at the Group's head office and in the subsidiaries (notably the Human Resources, Information Technology, Finance, Communications, and Administrative departments).

A questionnaire is sent to each country where the Group operates and is completed by each consolidated subsidiary under the local Financial Director's responsibility and in compliance with local regulations. 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 quality feedback from our international subsidiaries on their best practices and initiatives regarding workforce-related, environmental, social, and ethical issues. If need be, additional interviews are conducted based on the responses.

Reporting period

The information in this report covers a 12-month period from January to December 2022. The only exceptions are the energy consumption indicator, which is based on a rolling 12-month period with a maximum difference of two months on the previous fiscal year.

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, the representativeness of the measurements, or the limited availability of external data needed for the calculations;

The practical and legal methods of collecting and entering data (for example, storing information about employees' age or gender may be forbidden in some countries). 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 is nonetheless provided, which represents 62% of total Group headcount.
- CO2 emissions from business travel only concern the Group's French entities, or 62% of the workforce.
- Electricity and gas consumption in kilowatt-hours refers to the entities established in France, Morocco, Romania, the UK and Germany, which represent 93% of the Group workforce. A marginal number of premises are excluded since their utility costs are included in the rent and do not significantly affect the published information. As not all energy consumption data for the month of December 2022 was billed at the time of publication for some sites, an estimate based on December 2021 data was used.
- CO2 emissions from energy consumption were calculated using the 2021 EDF renewable energy emissions factor for the Group's contract in France (market-based methodology), since the 2022 emissions factor was not known on the date of the report. CO2 emissions from the energy consumed by our international entities were calculated using the emissions factors provided by ADEME (the French environment and energy agency) available on the date of the SNFP.
- CO2 emissions from leased vehicles only concern France, or 62% of the workforce. The data were obtained from two vehicle leasing firms and then consolidated.

- Group-wide absenteeism was calculated using data from the subsidiaries in France, Morocco, Egypt, Romania, Spain, the UK, Germany, and Chile, which represent 99.97% of the total workforce.
- Datacenters' GHG emissions were calculated by converting their energy consumption into CO2 emissions using the 2021 emissions factor of energy supplier EDF (market-based methodology), since the 2022 emissions factor was not known on the date of the report. IT energy consumption only refers to the electricity consumed by servers and does not include air conditioning or lighting. Cegedim changed its power supply contract on January 1, 2021. Since then, we have used the emissions factor provided by our renewable energy supplier. Prior to this date we used the ADEME emissions factor for France's energy mix.
- Indicators for the Group-wide fleet include vehicles owned by entities in France, Romania, Germany, Belgium, the UK, and Morocco. The vehicles owned by our Spanish subsidiaries could not be included in the indicators, but their number is negligible (3 out of 851 vehicles, or 0.3%). The scope of the key performance indicator for the passenger car fleet has been expanded and now comprises the entire Group, compared with just France previously. The indicators are related to the average CO2 rate indicated on the vehicle's technical data sheet and not to the kilometers driven.
- The "% certified eco-friendly office supplies" indicator, previously known as the "% eco-friendly purchases" indicator, now only refers to the percentage in value of labelled or certified products. It no longer includes eco-designed products that have not obtained labels or certifications. See the list of labels and certifications hereafter: FSC, EU Ecolabel, NF Environnement, Blue Angel, PEFC, Nordic Swan, Rain Forest, Max Havelaar, Arbre Vert (Lyreco label).
- The "Increase in the volume of hosted data" and "Increase in number of virtual servers" indicators refer to French operations.
- The success rate of the Code of Ethics e-learning is the number of participants who have successfully completed the course, out of the number of participants. A course is considered successful if 80% of the answers are correct. The indicator takes into account all participants as of 12.31.2022, including those who took the e-learning course in previous years.

The Group intends to continue gradually expanding the scope of these indicators to a larger number of countries and to other sources of emissions.

Non-applicable indicators

The following indicators do not apply to the Group's activities:

- Food waste
- The fight against food insecurity, respect for animal welfare, and ensuring fair, responsible, and sustainable food sources.

Consolidation and internal controls

The Human Resources and Performance departments at the head office of the consolidating entity are responsible for consolidating the data. The initial data validation procedures are carried out by the persons responsible for collecting them. Consistency checks are then carried out by these departments when consolidation takes place. 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 attest to the 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 the report, such as key indicators used the Group's Statement of Non-Financial Performance. The independent third-party's Assurance Report explaining the verification procedure, together with the auditor's comments and conclusions, are included in this Statement of Non-Financial Performance and in the Group's Universal Registration Document (URD).
The Statutory Auditors review the consistency of the elements relating to EU Taxonomy.

6.10 | Audit report by an independent third party

For the year ended December 31, 2022

To the shareholders,

In our capacity as an independent third party accredited by COFRAC (accreditation number 3-1058; requirements available at www.cofrac.fr), and as a member of the network of Mazars, Cegedim S.A.'s Statutory Auditors, 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 statement of non-financial performance, prepared in accordance with the entity's procedures (hereinafter the "Guidelines") for the fiscal year ended December 31, 2022 (hereinafter respectively the "Information" and the "Statement"), presented in the Group's 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 statement of non-financial performance 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 statement of non-financial performance

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 Section 6.9 "Methodological Note" of the Statement.

Inherent limitations to preparing the Information

As shown in the Statement, 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 Statement.

The Company's responsibility

The Board of Directors is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Information;
- preparing the Statement, in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial 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 Statement 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 Statement 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 four people in February and March 2022 and took a total of three weeks.

We conducted about ten interviews with the people responsible for preparing the Statement, notably representing the Sustainable Development, Internal Control, Human Resources, and IT & Security departments.

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 Statement 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 Statement 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 Statement 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 corroborate:
  - 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;
  - the qualitative information (measures and outcomes) that we considered to be the most important presented in Annex 1. Our work concerning all the risks presented in this Statement was conducted at the parent company level.
- we verified that the Statement 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 Statement;
- 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 62% and 100% of the consolidated data relating to these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

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 11, 2023

Jean-Philippe MATHOREZ
Partner

Edwige REY
CSR & Sustainable Development Partner

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 Internal Control 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 and the Board of Directors, and they are also shown a summary of the complete Group-wide risk map.
- 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 year 2022 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

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. 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.

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 relatedcompliance.

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

SNFP

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.

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 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. In 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 2022, Cegedim spent around 14.0% 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, 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.

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 22.3% of total assets at December 31, 2022, compared with 23.5% in 2021.

Goodwill is not amortized. It is subject to impairment tests to determine if a reduction in value might have occurred.

An unfavorable change in the business forecasts and assumptions used to project cash flows for the impairment tests 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 Cegedim Group's goodwill and other intangible assets.

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 10.1 "Goodwill"; and Chapter 3 "Overview of the financial year", Section 3.2 "2022 Business review"; 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 21.1% of the total balance sheet at December 31, 2022, compared with 22.6% in 2021.

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".

FINANCIAL RISKS
Inflation

What is the risk?

The beginning of 2021 was marked by the return of high inflation, and this trend was amplified in 2022. 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), year-on-year inflation in February 2023 was 8.5%, compared with 5.9% a year earlier. Yet, inflation has fallen slightly as it was 8.6% in January 2023 after 9.2% in December 2022, and should continue to decline in 2023, mostly because of slower energy price rises. What is more, the ECB believes that its monetary policy measures and less energy price inflation will gradually cause overall inflation to return to the 2% target in the second half of 2025.

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. The Syntec index started to catch up with the real inflation rate over a period of several months and the increase will be reflected in the Group's sales prices. 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 has a fixed-rate electricity supply contract for the period 2020-23, which means it has not really been affected by recent market tensions. The group is currently negotiating the electricity price conditions that will apply from 2024. The price is likely to be significantly higher, although the exact figure is still unknown. It should be noted, however, that negotiations are taking place at a time when energy prices should start to come down.

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 based on the amount of its consolidated net financial debt, which totaled €137 million at December 31, 2022, compared with €165 million euros at December 31, 2021. 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, 2022—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, 2022", 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) might no longer be completely covered and require depreciation.

How we manage it

- Our financial debt is incurred at the parent company level—Cegedim SA—and transferred to subsidiaries through internal loans or capital injections. If necessary, Cegedim SA implements interest hedging. As much as possible, Cegedim Group's available cash is pooled 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.
- 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, 2022, 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 2022 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 might have to be partially or completely revised, or become a loss, if rates fall (with an impact on shareholders' 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, 2022, 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 1.09 (1.29 in December 2021) and the EBITDA to interest expense ratio came to 14.68 (16.89 in December 2021).
  - 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, 2022, and there is no foreseeable risk of default.
- 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. €3.8 million, which is entirely covered by the balance of €55.6 million in cash and cash equivalents at December 31, 2022.
- 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—8.4% in 2022. 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 positive impact on 2022 revenue of 0.1%. This was chiefly due to the positive impact of €0.4 million from the pound sterling, which represents 7.1% 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, 2022, is as follows:

Consolidated Balance Sheet at 12/31/2022	EUR	GBP	Other	Total
Amount (in millions of euros)	800.3	74.0	15.7	889.9
Share (%)	89.9%	8.3%	1.8%	100.0%

The table below shows the calculation of the risk of loss, in the 2022 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 €887,000. The pound sterling (the main currency after the euro) accounts for €732,000 of this decrease.

In thousands of euros	Total currencies	of which GBP
Balance sheet total	889.915	73.959
Unfavorable currency movement of 1%	-0.887	-0.732
Net position after 1% currency movement	889.028	73.227

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 2022 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 €389,000 on Cegedim's revenue and a positive impact of €37,000 on its operating income (reduction of losses in 2022).

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	2022	2021	2020
First quarter	23.3%	23.3%	24.4%
Second quarter	24.9%	24.5%	23.1%
Third quarter	24.0%	23.8%	23.9%
Fourth quarter	27.8%	28.3%	28.6%
Total	**100.0%**	**100.0%**	**100.0%**

The proportion of EBITDA 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	2022	2021	2020
First half	43.3%	41.2%	36.8%
Second half	56.7%	58.8%	63.2%
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.

Controlling shareholder

What is the risk?

Cegedim is a family-controlled company. Voting control of Cegedim is held by FCB (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, 2022, FCB owned approximately 54% of our outstanding shares (2021 : 54%) and 69% of voting rights (2021 : 69%). 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 2022, the Group's share in the net income of non-controlling investments accounted for around 8% of group operating income (7% in 2021). 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. This company contributed EUR 0.6 million to the 2022 results. The valuation of this investment at the time of its sale was equivalent to a very attractive earnings multiple, allowing a significant and immediate return on investment, which was recorded as a non-current gain for the year in the amount of 16 million euro.

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.

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 unit, which became Quality in 2019, and is part of the IS 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 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.

Senior Management

Cegedim's Senior Management has central management and control bodies that include the Group's functional departments: the Finance, Investment, Accounting, 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.

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 for all its activities;
- Cegedim Activ' for its Saas, managed services, and technical hosting activities;
- Cegedim SRH for all its activities;
- CETIP for all its activities;
- IGestion for all its activities;
- Cegedim e-business

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, 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).

Cegedim has obtained the following 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): "Physical Infrastructure Hosting" and "Managed Services Hosting", covering activities 1 to 6 of the HDS reference guide.

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 issues in relation to the Financial Report are subject to 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 Investment 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.

Control of commitments

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 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 a standard 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 16, 2023

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 financial year ended December 31, 2022, 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 financial 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 €449,681 as well as the corresponding tax amounting to €116,153.

Second resolution

The General Meeting decides to allocate net income for the fiscal year of €16,297,984.39 to "Retained earnings", which subsequently amount to €17,504,670.39.
The General Meeting notes that dividends were paid in the three previous financial years.

For the year ended	Income eligible for tax deduction		Income not eligible for tax deduction
	Dividends	Other income distributed	
12/31/2019	None	None	None
12/31/2020	None	None	None
12/31/2021	€6,829,743.50	None	None

Third resolution

The General Meeting, after hearing the Statutory Auditors' report on the consolidated financial statements for the financial year ended December 31, 2022, approves the consolidated financial statements for said financial 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, after hearing the Statutory Auditors' special report on the agreements covered by Article L. 225-38 et seq. of the French Commercial Code, approves the agreement mentioned in this report.

Contracting party: Laurent Labrune, Deputy Managing Director, and Aude Labrune, Director.
Nature and purpose: temporary transfer of a beneficial interest in the shares of SCI du 114 rue d'Aguesseau Bureau.

This resolution is submitted for shareholders' approval in a vote in which the shareholders with an interest may not participate, it being specified that their shares are excluded from the calculation of the quorum and majority voting requirements.

Sixth resolution

The General Meeting, after hearing the Statutory Auditors' special report on the agreements covered by Article L. 225-38 et seq. of the French Commercial Code, approves the agreement mentioned in this report.

Contracting party: FCB
Persons concerned: Jean-Claude Labrune, Chairman of the Supervisory Board of FCB,
Aude Labrune
Laurent Labrune
FCB, represented by Pierre Marucchi

Nature and purpose: Subordination agreement restricting the repayment to FCB of the principal due under the Subordinated Shareholder Loan following the arrangement of a revolving credit facility.
Purpose: agreement between FCB and Cegedim restricting the repayment to FCB 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.

This resolution is submitted for shareholders' approval in a vote in which the shareholders with an interest may not participate, it being specified that their shares are excluded from the calculation of the quorum and majority voting requirements.

Seventh resolution

The General Meeting, after hearing the Statutory Auditors' special report on the agreements covered by Article L. 225-38 et seq. of the French Commercial Code, approves the agreement mentioned in this report.

Contracting party: GERS SAS
Person concerned: Jean-Claude Labrune, Chairman of GERS SAS
Nature and purpose: Indemnification agreement: 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 to the future GERS SAS of data provided by Datapharm.

This resolution is submitted for shareholders' approval in a vote in which the shareholders with an interest may not participate, it being specified that their shares are excluded from the calculation of the quorum and majority voting requirements.

Eighth resolution

The General Meeting, after hearing the Statutory Auditors' special report on the agreements covered by Article L. 225-38 et seq. of the French Commercial Code, approves the agreement mentioned in this report.

Contracting party: Cetip
Persons concerned: Jean-Claude Labrune, Chairman of Cetip, Aude Labrune, Laurent Labrune, and Pierre Marucchi, members of Cetip's Board of Directors
Nature and purpose: Indemnification agreement: Cegedim has committed (i) 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 (ii) to covering the financial impact of any failure by Cetip to fulfil its commitments to this partnership.

Ninth resolution

The General Meeting sets the annual amount of fees to be apportioned between the directors for the current fiscal year at €173,000.

Tenth resolution

The General Meeting, having reviewed the Board of Directors' report, authorizes the Board of Directors, in accordance with the provisions of Article L. 225-209 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 16, 2024. It cancels and replaces the authorization granted by shareholders at the Ordinary General Meeting of June 17, 2022, 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.

Eleventh resolution

The General Meeting, duly noting the compensation policy for corporate officers proposed by the Compensation 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 "Compensation policy for corporate officers" of the Universal Registration Document.

Twelfth resolution

The General Meeting, duly noting the compensation and benefits in kind paid to the corporate officers proposed by the Compensation 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 2.5 "Compensation policy for corporate officers" 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.

Thirteenth resolution

The Extraordinary General Meeting, after hearing the Board of Directors' report and the Statutory Auditors' special report, grants full powers to the Board of Directors, in accordance with the provisions of Article L. 225-129-6 of the French Commercial Code, to proceed on one or more occasions, under the conditions provided in Articles L. 3332-18 to L. 3332-24 of the French Labor Code, with a maximum €2 million cash capital increase reserved for Company employees who are members of the employee savings plan.

This authorization is granted for a five-year period from this day.

The total number of shares that employees may subscribe for must not represent more than 1% of share capital on the date the Board of Directors take the decision.

The share subscription price will be set in compliance with the provisions of Article L. 3332-20 of the French Labor Code.

The General Meeting grants full powers to the Deputy Managing Director to implement this authorization and to this effect, to:

- set the number of new shares to be issued and their issue date;
- set, based on the Statutory Auditors' special report, the issue price of the new shares and the period in which employees may exercise their rights;
- set the time period and conditions in which the new shares shall be paid for;
- formally record the completion of the share capital increase and amend the bylaws accordingly.
- proceed with all the requisite transactions and formalities related to the share capital increase.

This authorization requires shareholders to expressly waive their preferential right to subscribe to the new shares, in favor of the abovementioned employees.

Fourteenth 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.

Fifteenth 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.

Sixteenth 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, 2022

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 informed that the following agreements and commitments were concluded during the fiscal year now ended after prior authorization by your Board of Directors.

- **1. 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).

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.

The Statutory Auditors

The Statutory Auditors

KPMG S.A.	Mazars
Paris La Defense, April 11, 2023	Courbevoie, April 11, 2023
Vincent de Becquevort	Jean-Philippe Mathorez
Associé	*Associé*

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Additional information

9.1 General information about Cegedim

Registered company name and trade name of the issuer

The issuer's registered name is: Cegedim.

The issuer's trade names are: Cegedim Dendrite – division TVF, Cegedim Dendrite – Santesurf Division, Cegedim Dendrite Pharma CRM division, Cegedim Relationship Management, Cegedim Relationship Management France, Cegedim Relationship Management Corp., Deskom, Cegers, Rosenwald, and Cegedim Analytics.

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. Jean-Philippe Mathorez,

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, 2022.

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 54.31% of Cegedim shares and 68.95% of voting rights. Amiral Gestion holds 9,1% of Cegedim shares and 6,0% of voting rights.
- **at December 31, 2022**, the shareholders owning more than 5% of capital or voting rights are FCB and Amiral Gestion. FCB holds 54.31% of Cegedim shares and 68.95% of voting rights. Amiral Gestion holds 9,1% of Cegedim shares and 6,0% of voting rights.

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 controlled 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 28, 2023

There was no significant change in the ownership structure between February, 2022, 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	7,601,283	54.31 %	190,792	7,410,491	14,820,982	15,011,774	68.95 %
Bpifrance participations	287,221	2.05 %	0	287,221	574,442	574,422	2.64 %
Free Float [(1)]	5,748,678	41.07 %	5,670,485	78,193	156,386	5,826,871	26.76 %
Cegedim[(2)]	359,991	2.57%	-	-	-	-	0.0 %
Total	**13,997,173**	**100.00 %**	**5,861,277**	**7,775,905**	**15,551,810**	**21,413,087**	**98.35 %**

(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. 32,467 shares or 0.23%. 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	574,422	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	574,422	2.64 %
Free Float [1]	5,885,125	42.05 %	5,820,190	64,935	129,870	5,999,768	27.60 %
Cegedim[2]	286,188	2.04%	-	-	-	-	0.0 %
Total	**13,997,173**	**100.00 %**	**5,973,240**	**7,737,745**	**15,475,490**	**21,448,730**	**98.90 %**

(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

As of December 31, 2020

Shareholders	Number of shares held	% held	Number of single votes	Number of double votes		Total votes	% of voting rights
				Shares	Votes		
FCB	7,467,721	53.35 %	82,132	7,385,589	14,771,178	14,853,310	68.33 %
Bpifrance participations	287,221	2.05 %	0	287,221	574,442	574,422	2.64 %
Free Float [1]	6,067,901	43.35 %	5,999,994	67,907	135,814	6,135,808	28.23 %
Cegedim[2]	174,330	1.25%	-	-	-	-	0.0 %
Total	**13,997,173**	**100.00 %**	**6,082,126**	**7,740,717**	**15,481,434**	**21,563,560**	**99.20 %**

(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. 13,536 shares or 0.10%. 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 2022, the Company owned 389,067 treasury shares. During that financial year, excluding operations within the framework of the liquidity contract, Cegedim acquired 192,692 shares on the market as part of its free share award plan. This involved the transfer by the Company of 29,769 treasury shares. The Company did not proceed with any transactions for the sale or cancellation of treasury shares in 2021.

The Company has set up a €500,000 liquidity contract with Kepler Cheuvreux. As of December 31, 2022, the contract involved 14,186 Cegedim shares and €39,036.02 in cash.

The Company transferred, on january 26th 2023, 28,110 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, 2022

Cegedim shares performed negatively 39.3% in 2022.

The closing price at the end of December 2022 was €14.56.

During 2022, the lowest price was €13.86 on September 26, 2022, and the highest price was €28,45 on March 22, 2022.

Stock market performance over the past four years

January - December		2019	2020	2021	2022
Closing price	€	29.0	25.5	24.0	14.6
Average for the period	€	26.1	27.0	25.2	20.9
High for the period	€	29.9	33.2	29.8	28.5
Low for the period	€	19.1	19.1	21.4	13.9
Market capitalization	m€	406.0	357.0	335.9	204.4
Outstanding shares	m	14.0M	14.0M	14.0M	14.0M

Shareholder contacts

Jérôme Moreau

Group Management Control Director

Tel : + 33 (0) 7 85 63 61 99

Email : jerome.moreau@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.

2023 Financial calendar

April 27 after the close: Q1 2023 revenues

June 16: Shareholders' meeting

July 27 after the close: Q2 2023 revenues

September 20 after the close: H1 2023 results

October 26 after the close: Q3 2023 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

Jérôme Moreau,

Group Management Control Director

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, 2022 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, April12 2022.

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

2022 Statutory Auditors' reports

The parent company financial statements for the year ended December 31, 2022 (and their comparative financial statements), and the consolidated financial statements for the year ended December 31, 2022 (and their comparative financial statements drawn up in accordance with IFRS), were audited by the Statutory Auditors. The Statutory Auditors' reports concerning the 2022 financial year are presented respectively in Chapter 5, Section 5.4 and Chapter 4, Section 4.7 of this Universal Registration Document.

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.

2020 Statutory Auditors' reports

The reports for the 2020 financial year are presented in the Universal Registration Document filed with the Autorité des Marchés Financiers on April 16, 2021, under number D.21-0320.

The 2020 and 2021 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, 12.8 / 5.3.3 note 30 / 7.7.2**
4. Information about the issuer	**9.1**
5. Business overview	
5.1 Principal activities	Bic 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 / 3.7 / 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
8.4 Restrictions on the use of capital resource	2.5 / 3.7
8.5 Anticipated sources of funding	3.2.2.2 / 3.2.3 / 4.6 note 11

Chapter number and headings	Section
9. Regulatory environment	**1.2 / 7.2.1**
10. Trend information	**3.6**
11. Profit forecasts or estimates	**3.6**
12. Administrative, management and supervisory bodies and senior management	
12.1 Board of Directors and Senior Management	2.2 / 2.2.6
12.2 Conflicts of interest affecting administrative, management and supervisory bodies and Senior Management	2.2.6
13. Remuneration and benefits	
13.1 Remuneration and benefits in kind	2.3
13.2 Amounts set aside or accrued to provide pension, retirement or similar benefits	2.3 / 4.6 note 8.3 & 19.1
14. Board practices	
14.1 Expiry date of current terms of office	2.2.2
14.2 Service contract	2.3 / 4.6 note 19.1 / 9.4
14.3 Information about the issuer's Audit Committee and Remuneration Committee	2.2.2 / 2.2.3
14.4 Statement regarding the compliance with the corporate governance regime	2.1
14.5 Potential material impacts on corporate governance	2.3 / 2.5
15. Employees	
15.1 Number of employees and breakdown of persons employed	Big Picture / 4.6 note 8.2 / 5.3.3 note 26 / 6.5
15.2 Shareholding and stock options	2.2.7 / 2.3.1
15.3 Employee involvement in the capital of the issuer	2.4 / 4.6 note 8.3
16. Major shareholders	
16.1 Notifiable interests in share capital or voting rights	9.2.2
16.2 Existence of specific voting rights	2.5 / 5.3.3 note 22 / 9.2.3
16.3 Control of the Issuer	5.3.3 note 22 / 9.2.3
16.4 Agreements known to the Issuer which could lead to a change in control, if implemented	2.5 / 3.7 / 4.6 note 19 / 9.2.1
17. Related-party transactions	**2.2.6 / 4.6 note 19**
18. Financial information concerning assets and liabilities, financial position and profits and losses	
18.1 Historical financial information	3.2 / 3.2.2 / Chapitre 4 / 5.5 / 9.5
18.2 2 Interim financial information	N/A
18.3 Audit of annual historical financial information	4.7 / 5.4
18.4 Pro forma financial information	N/A
18.5 Dividend policy	3.10 / 4.6 note 17
18.6 Legal and arbitration proceedings	3.1 / 4.6 note 20.4
18.7 Significant change in the financial position	N/A
19. Additional information	
19.1 Share capital	9.2.1
19.1.1 Issued capital	9.2.1
19.1.2 Other shares	9.2.1
19.1.3 Treasury shares	9.2.3
19.1.4 Tradeable securities	5.3.4
19.1.5 Conditions of acquisition	9.2.2
19.1.6 Options or agreements	2.3 tableau 4 à 9 / 2.5 / 4.6 note 8.3 / 9.2.1
19.1.7 History of share capital	9.2.2
19.2 Memorandum of association and bylaw	2.2.1 / 9.1
19.2.1 Corporate purpose	9.1
19.2.2 Rights and privileges of shares	2.5
19.2.3 Items potentially affecting a change of control	2.5
20. Material contracts	**3.7 / 4.6 note 20.3**
21. Documents available	**9.4**

9.6.2 | Management Report

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.

Information	Section
Position and activity of the Company during the past financial year	3.8
Advances made or difficulties encountered	3.8
Results	3.8
Research and Development activities	3.9
Forecast developments in the Company's position and outlook	3.6
Landmark events that occurred between the balance sheet date and the writing of this management report	5.3.3 note 31
Objective and exhaustive review of the development of the business, financial position and financial results of the Company (particularly its financial debt) and non-financial performance indicators (particularly concerning the environment and personnel).	3.2
Description of the main risks and uncertainties faced by the Company, and notes concerning the Company's use of financial instruments, when the use of such instruments is pertinent to the evaluation of its assets, liabilities, financial position and gains or losses	7.2
Report on employee profit-sharing plans(as well as those for Directors), transactions that took place as part of stock options plans reserved for salaried employees and Directors, transactions that took place as part of bonus share plans reserved for salaried employees and Directors	2.3 / 2.4 / 4.6 note 8.3 / 5.3.3 note 20, 21 & 25
Activity of the Company's affiliates	1.2 / 5.3.4 / 5.3.5 / 5.3.6
Significant share holdings in companies based in France	5.3.5 / 5.3.4 / 5.3.3 note 30
Disposal of shares in order to ensure that cross-holdings are compliant with the rules	N/A
Information related to the allocation of share capital	9.2
Dividends distributed during the last three years	3.10
Changes made to the format of the financial statements	N/A
Injunctions or financial penalties for antitrust practices	N/A
Extra-Financial statement (Déclaration de performance extra-financière)	Chapter 6
Information relating to interest and exchange rate risks, as well as risks linked to changes in Stock Market prices	4.6 note 4 / 7.2.2.2
Information required by article L. 225-211 of the French Commercial Code in cases of transactions carried out by the Company on its treasury shares	9.2.3
Transactions relating to shares held by Managers	2.2.7
Statement of Company results for the last five years	5.5
Expenses and charges referred to in Article 223 quater of the CGI (French Tax Code)	5.3.3 note 19
The breakdown of supplier payables set out in articles L. 441-6-1 and D. 441-4 of the French Commercial Code	3.9.1
The information on the supplier payment deadlines set out in article L. 441-6-1 of the French Commercial Code in its wording under Decree no. 2015-1553 of 27 November 2015, implemented by the Order of 6 April 2016	3.9.1
Inventory of marketable securities	5.3.4 / 5.3.5 / 5.3.6
Internal control and risk management	7.1 / 7.4

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.

Information	Section
Body chosen to serve as the Company's General Management (if the Management structure has changed)	2.1 / 2.2
List of offices or positions held by each of the Executive Directors in all companies	2.2.5
Compensation and benefits of any kind for each of the Executive Directors	2.3
Statement and report on the delegations for a share capital increase	N/A
Information required by article L. 225-37-5 of the French Commercial Code that may have an impact on a public offer	2.5 / 3.7 / 9.2.1
Shareholders' Meeting and how to take part	2.6
Rights attached to shares	2.5

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
Group consolidated financial statements	Chapter 4
Statutory Auditors' report on the consolidated financial statements	4.7
Company annual financial statements	Chapter 5
Statutory Auditors' report on the annual financial statement	5.4
Management report	Cf. ref table 9.6.2
Declaration by the person responsible for the annual financial report	9.3
Statutory Auditors' fees	4.6 note 20.2

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