



Quarterly Statement

01ST JANUARY TO 30TH OF SEPTEMBER 2020

Letter to Our Stockholders

Dear Stockholders:

The **second “lockdown”** presents our customers and us with great challenges once again. Our customers need to switch to crisis mode again, and we as a company need to ensure that we are there to help them and facilitate their work with **customized offers**. Now more than ever, we must continue to take care to protect our employees and provide them with an environment where they can **work safely**. At the same time, it is important not to lose sight of economic efficiency. We are currently working hard to overcome these new challenges.

We faced a similar situation in the first lockdown. Especially in countries that have imposed stricter travel and contact bans, we have had to deal with declining demand.

Until now, we have more than compensated for these limitations thanks to very fast organizational adjustments and enhanced customer service. New **products and digitization projects** have enabled us to provide our customers with **benefits** and further generate attractive sales. It is important to show **new ideas**, commitment and complete customer focus at this stage to cushion the economic consequences of the pandemic.

We are therefore very pleased to be able to show a **strong increase in sales and earnings** in the first nine months of 2020 and consequently continue our long-term development successfully once again. Our **sales** increased in the first nine months of the year compared with the previous year by **approx. 9%**, the result before interest and taxes on income (**EBIT**) increased by **approx. 15%** and the EBITDA reached approx. EUR 24.8 million and consequently an EBITDA margin of approx. 21%. The operating cash flow increased by approx. 9% to approx. EUR 26.9 million and demonstrates the soundness of our earnings development. The **result per share** increased by **33%** from EUR 0.42 (9M 2019) to EUR 0.56 (9M 2020).

We are very pleased that the Nexus team has been able to provide substantial support to our customers and achieve such a convincing result at the same time during this exceptional period.

We understand that it is important to provide immediate and **rapid support to users in hospitals** in the pandemic situation. This was also the goal of

our **product initiative**, which we launched around the COVID-19 pandemic. A number of important products have been created: software adaptations for “documenting and tracking COVID-19 cases”, “inking laboratory and analytical equipment”, the “telemedicine product NEXUS / CHILI TKmed”, and the “NEXUS / CORONA warn App” for the secure communication of COVID-19 test results. We also took advantage of the opportunity to provide training sessions, presentations and continued education in the form of webinars, which have been very well received by our customers. We created a comprehensive webinar program that will remain part of our offering after the crisis.

We have been able to position ourselves strongly in the market with this **innovation strategy**. In the third quarter, it became clear that there are **great opportunities** for us in the **rapidly changing competitive situation**. The numerous acquisitions of competitive products on the German international markets enable us to offer **customers of these old products** an alternative that puts the advantages of a modern system in the foreground.

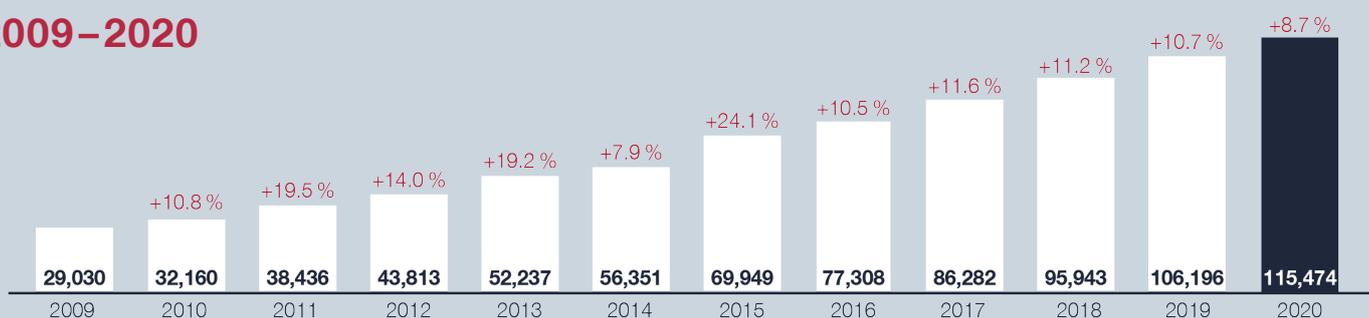
As a result, we have already been able to win a number of **very important bid invitations**. The decision to equip **22 houses of the German Pension Insurance Association** with NEXUS REHA KIS[®] is certainly at the forefront – one of the most extensive orders NEXUS has received so far. In addition, we were able to win large bid invitations for NEXUS / VNA (Vendor Neutral Archive), NEXUS / RIS (Radiology Information System) and NEXUS / Laboratory and NEXUS / PATHOLOGY in the third quarter. It turns out that in this phase – more than ever – we can use our **product and technology strength** on the market and succeed in replacing old products. This assessment is supported by the recently adopted **Hospital Future Act** in Germany, which provides for investments of approx. EUR 4.3 billion in the digital infras-

Highlights Q3 2020 – Company development

- + Strong increases in sales in the first nine months 2020 due to increasing demand for digitization
- + COVID-19 effects: Regions different strongly affected, Germany with high sales increase, other regions with sales losses
- + Winning bid invitation for 22 facilities of Deutsche Rente (DRV)
- + Strong demand in laboratory and pathology

Development of Group Sales (9 months) in KEUR

2009–2020



tructure of hospitals by 2023.

In addition to focusing on our products and customers, we have strengthened our market position thanks **strategic acquisitions** in two areas. On the one hand, we were able to acquire 92% of the Dutch diagnostic specialist **RVC Medical IT Holding B.V.**, Amersfoort. This significantly strengthened our engagement in the Netherlands while providing a solution for diagnostic image and data management at the same time. This is a great addition to our product portfolio.

On 31 October 2020, ifa systems AG acquired 80% of a leading ophthalmologic patient platform in the USA. Nexus holds a 52.6% stake in ifa systems AG and pursues a common strategy in ophthalmologic software development. We see an attractive product enhancement for ifa systems AG and for Nexus AG, which we want to market in the European market. We will work intensively on the integration of the new partner companies in the coming months.

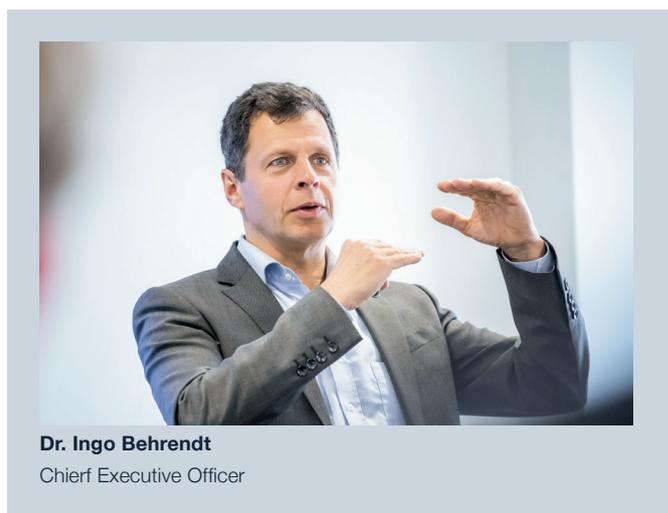
OUTLOOK: STAY ON THE BALL!

We have seen nine challenging months in 2020 and are proud to present Nexus in **strong shape** to shareholders.

However, there is once again uncertainty about the course of business over the next few months with the second lockdown. It remains unclear how the current measures will affect the activities of hospitals and thus our business development in the coming months. Therefore, we will have to monitor events very closely and decide **on measures in the short term**.

However, we remain **confident** that we can also successfully master this second wave. In the first three quarters of 2020, Nexus was able to show impressive results both in terms of sales and earnings and continue its uninterrupted positive development of recent years. We were also able to continue expanding our strategic position thanks to new large-scale projects and additional company acquisitions.

As a result, there is reason to be optimistic, especially with regard to the future of software in the healthcare sector. Investment programs such as the **Hospital Future Act** make it clear that the digitization of healthcare has become a central issue for government and society. This is a trend that directly favors the Nexus business model.



Dr. Ingo Behrendt
Chief Executive Officer

We also have reason to be optimistic about our positioning. The great project successes of recent months have shown that our highly differentiated and innovative product portfolio provides an attractive alternative to legacy products from our competitors. Customers, who plan to reorient their IT strategy in the wake of our acquisitions last year, can switch to a modern and innovative NEXUS product.

The NEXUS team is looking forward to these challenges.

Warm regards,

Dr. Ingo Behrendt
Chief Executive Officer

Development of Group Earnings before Interest and Taxes (9 months) in KEUR

2009–2020



Financial Highlights

3rd Quarter 2020 und 2019

	30/09/2020	30/09/2019	Change
SALES AND OPERATING RESULT	KEUR	KEUR	(in %)
Sales	115,474	106,196	8.7
Healthcare Software Sales	109,041	99,993	9.0
Healthcare Service Sales	6,433	6,203	3.7
Domestic sales	63,463	57,111	11.1
Sales in foreign countries	52,011	49,085	6.0
Earnings before taxes (EBT)	12,543	10,902	15.1
Earnings before interest and taxes (EBIT)	12,818	11,184	14.6
EBITA	15,685	14,307	9.6
EBITDA	24,762	23,332	6.1
Net profit	9,024	7,768	16.2
Cash flow from current business transactions	26,882	24,683	8.9
Net income per share (unadjusted / adjusted) in EUR	0.56 / 0.56	0.42 / 0.42	33.3/ 33.3
Share price (closing price, Xetra, in EUR)	46.00	31.50	46.0
Capitalization of software developments	2,204	2,792	-21.1
Depreciation	11,944	12,148	-1.7
Acquisition-related depreciations from purchase price allocation	2,867	3,123	-8.2
Long-Term Assets	154,337	138,300 ¹⁾	11.6
Short-Term Assets	66,222	69,766 ¹⁾	-5.1
Net Liquidity	30,601	32,499	-5.8
Equity Capital	119,134	115,135 ¹⁾	3.5
Employees (average 9 months)	1,302	1,301	0.1

¹⁾ Key date 31/12/2019

Due to rounding, there may be slight deviations in the totals and in the calculation of percentages in this report.

Interim Annual Report

REPORT ABOUT THE PROFIT, FINANCIAL AND ASSET SITUATION

NEXUS Group sales increased from KEUR 106,196 to KEUR 115,474 (+8.7%) in the first nine months of the year 2020.

The **stable, positive sales development** of NEXUS Group of recent years could be continued with that. We succeed in these matters despite the challenges posed by the COVID-19 pandemic. Sales increased from KEUR 99,993 (9M 2019) to KEUR 109,041 (+9.0%) in the Healthcare Software Division. In the Healthcare Service Division, sales of KEUR 6,433 were achieved after KEUR 6,203 (9M 2019), i.e., approx. 3.7% more than in the previous year.

We respect to the regional development of sales, we were able to increase sales in Germany by 11.1% to KEUR 63,463 (9M 2019: KEUR 57,111). In international business, we achieved sales of KEUR 52,011 in the third quarter 2020 compared to KEUR 49,085 in the previous year (+6.0%). The main reason for the diverging developments in the markets was the differences in the COVID-19 measures of the countries, which in some cases resulted in significant restrictions in the regional companies.

RVC Medical IT Holding B.V., which was acquired and consolidated for the first time on 30 September 2020, **does not yet have any influence** on the Nexus Group's Q3 result.

Consolidated earnings before income taxes and interest (**EBIT**) developed **very positively**. They improved by 14.6% to KEUR 12,818 (9M 2019: KEUR 11,184). A value of KEUR 15,685 was achieved in EBITA and consequently was 9.6% above the value of previous year (9M 2019: KEUR 14,307). EBITDA reached KEUR 24,762 in the first nine months 2020 and consequently increased by 6.1% (9M 2019: KEUR 23,332). The result is also burdened by expenses in the context of integrations from acquired companies in the estimated amount of approximately KEUR 1,780.

The cash flow from current business transactions decreased by 8.9% to a value of KEUR 26,882 (9M 2019: KEUR 24,683) during the reporting period.

The consolidated surplus increased to KEUR 9,024 in the first nine months compared to previously KEUR 7,768 (9M 2019) and consequently increased by 16.2%. The undiluted result per share amounted to EUR 0.56 (previous year: EUR 0.42) (diluted: EUR 0.56; previous year: EUR 0.42).

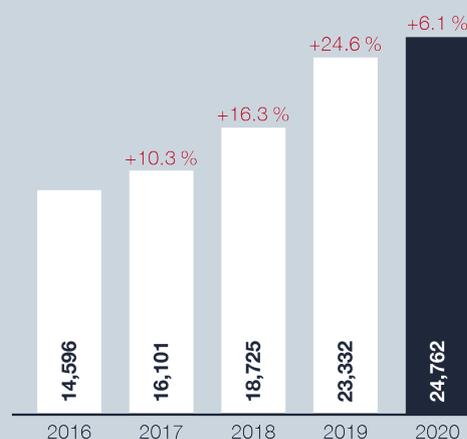
Cash resources including short-term financial assets amounted to KEUR 30,601 on 30 September 2020 (30 September 2019: KEUR 32,499). The balance sheet total increased from KEUR 208,066 to KEUR 220,559 compared to 31 December 2019. There are no essential bank liabilities. Intangible assets, goodwill and balanced-out deferred taxes add up to a total of KEUR 132,762 on 30 September following previously KEUR 116,345 (31 December 2019). Receivables from customers amount to KEUR 24,730 following KEUR 25,927 on 31 December 2019.

EMPLOYEES

NEXUS Group employed an average of 1,302 people in the first nine months (9M 2019: 1,301 employees).

EBITDA (9 MONTHS) IN KEUR

+6.1 % in comparison to the previous year



EBITA (9 MONTHS) IN KEUR

+9.6 % in comparison to the previous year



CHANGES IN OWNERSHIP INTEREST

The following changes were implemented in the ownership interest structure:

- + Nexus AG acquired 100.00% of the shares of AEGERUS S.L., Sabadell (Spain), as of 20 February 2020.
- + Nexus AG acquired a further 5.02% of the shares of the subsidiary NEXUS Polska sp. z o.o., Poznan, on 23 April 2020 from the existing option agreement.
- + With a share purchase agreement dated 30 April 2020, NEXUS Schweiz AG, Altishofen, acquired the remaining 40.00% of the shares in Synergetics AG, Altishofen (Switzerland).
- + Nexus AG acquired a further 6.32% of the shares of the subsidiary NEXUS POLSKA sp. z o.o., Poznan, on 2 June 2020 from the existing option agreement.
- + Synergetics AG, Altishofen (Switzerland), was merged into NEXUS Schweiz AG, Altishofen (Switzerland) as of 1 January 2020 with a merger agreement dated 16 June 2020.
- + Nexus AG acquired a further 32.55% of the shares of the subsidiary NEXUS / CHILI GmbH, Dossenheim, from the existing option agreement of 7 July 2020.
- + nexus / cs3i S.A.S, Bellerive-sur-Allier (France) was merged with Nexus/ France S.A.S. (formerly NEXUS / OPTIM S.A.S.) on 1 August.2020, Grenoble (France), merged as of 1 March 2020.

Finance Highlights Q3 2020

- + 8.7% sales increase in first nine months 2020 from KEUR 106,196 (9M-2019) to KEUR 115,474
- + 14.6% increase in the Group result for earnings before interest and taxes (EBIT) from KEUR 11,184 (9M-2019) to KEUR 12,818
- + Continued very strong operational cash flow in the third quarter of KEUR 26,882
- + High net liquidity of KEUR 30,601

- + Nexus AG acquired 92.46% of the shares in RVC Medical IT Holding B.V., Amersfoort (Netherlands) on 30 September 2020. A put/call option contract exists for a further 7.54% of the shares.

EVENTS AFTER THE BALANCE SHEET DATE

ifa united i-tech Inc., Fort Lauderdale, Florida (USA), a wholly owned subsidiary of ifa systems AG, acquired 80.00% of the shares of Sophrona Solutions Inc., North Oaks, Minnesota (USA) on 31 October 2020.

SALES BY REGION

	01/01-30/09/2020	01/01-30/09/2019	Change	01/07-30/09/2020	01/07-30/09/2019	Change
	KEUR	KEUR	(in %)	KEUR	KEUR	(in %)
Germany	63,463	57,111	11.1	20,071	20,928	-4.1
Switzerland / Liechtenstein	25,328	25,125	0.8	8,591	7,450	15.3
Netherlands	11,129	10,365	7.4	3,865	3,265	18.4
Poland	4,213	3,703	13.8	1,772	1,257	41.0
France	4,573	4,306	6.2	1,584	1,393	13.7
Austria	1,971	2,114	-6.8	443	407	8.8
Other countries	4,797	3,472	38.2	1,488	1,788	-16.8
TOTAL	115,474	106,196	8.7	37,815	36,488	3.6

SALE BY DIVISON

	01/01-30/09/2020	01/01-30/09/2019	Change	01/07-30/09/2020	01/07-30/09/2019	Change
	KEUR	KEUR	(in %)	KEUR	KEUR	(in %)
Healthcare Software	109,041	99,993	9.0	35,734	34,320	4.1
Healthcare Service	6,433	6,203	3.7	2,081	2,168	-4.0
TOTAL	115,474	106,196	8.7	37,815	36,488	3.6

Stock Market, Event and Financial Data

INVESTOR RELATIONS

Active communication with our stockholders, potential investors, analysts and the finance market are the focal point of our investor relation activities. We continually inform all market participants promptly and comprehensively via press releases and ad hoc announcements as well as the mandatory quarterly, semi-annual and annual financial reports.

In addition, we cultivate intensive dialog with institutional investors and finance analysts via one-on-one meetings and on roadshows. Our Investor Relations team is of course at your disposal as contact persons.

10 November 2020

Quarterly Statement Q3 / 2020

09 March 2021

Annual Report 2020

09 March 2021

IR Conference Call on
Half-Year Results

11 May 2021

Quarterly Statement Q1 / 2021

12 May 2021

Annual General Meeting

10 August 2021

Half-Year Report 2021

10 August 2021

IR Conference Call on
Half-Year Results

09 November 2021

Quarterly Statement Q3 / 2021

Stock Market-Highlights 01/01/2020-30/09/2020 (Xetra prices)

- + Initial listing on 02 January 2020: 34.60 €
- + Highest price on 15 September 2020: 50.00 €
- + Stock market capitalization on 30 September 2020: 724.60 Mio. €
- + Closing price on 30 September 2020: 46.00 €

DEVELOPMENT OF NEXUS STOCK (XETRA PRICES) (5-YEAR PERIOD)



Group Information

CHANCES AND RISKS REPORT

Please refer to the explanations in the Annual Report of 31 December 2019 for information about the essential chances and risks in the development of NEXUS Group. Risks and opportunities in connection with COVID-19 – especially for the development of sales and earnings – were pointed out in the half-year report 2020. A precise assessment of the possible effects is not possible at this time.

ACCOUNTING AND VALUATION METHODS

This interim report of the NEXUS Group of 30 September 2020 has been prepared in keeping with the International Financial Reporting Standards (IFRS) as they are applied in the EU. The interpretations of the International Financial Reporting Interpretation Committee (IFRIC) have been taken into account.

The regulations of IAS 34 were observed in the interim report of 30 September 2020. This refers to a summarized report, which does not contain all information of an IFRS Group Financial Statement, and consequently this report should be read in connection with the Notes to the Group Financial Statement 2019. The same accounting and valuation methods were used in the Group Financial Statement for the fiscal year 2019. The report has not been audited.

„Digitization eliminates endless paperwork – and that’s great! I can see all relevant documents for a diagnosis at a glance with NEXUS“

Dr. med. Stefan Siebert

Radiology Specialist at Klinik im Park, Zürich, Hirslanden AG



Consolidated Income Statement

**FOR THE PERIOD FROM 01/01/2020 TO 30/09/2020
AND 01/01/2019 TO 30/09/2019**

	01/01/2020 – 30/09/2020	01/01/2019 – 30/09/2019	01/07/2020 – 30/09/2020	01/07/2019 – 30/09/2019
	KEUR	KEUR	KEUR	KEUR
Revenue	115,474	106,196	37,815	36,488
Development work capitalized	2,204	2,792	806	1,014
Other operating income	6,483	11,637	941	4,641
Cost of materials including purchased services	16,554	14,978	5,731	4,928
Personnel costs	70,149	66,999	22,662	22,534
Depreciation	11,944	12,148	3,743	4,219
Other operating expenses	12,696	15,316	3,070	6,766
Operating Result	12,818	11,184	4,356	3,696
Finance income	40	127	12	70
Finance expenses	315	409	60	125
Result before Tax on Profit	12,543	10,902	4,308	3,641
Taxes on profit	3,519	3,134	1,485	1,219
Consolidated annual surplus	9,024	7,768	2,823	2,422
Of the consolidated annual surplus, accounted to:				
– Stockholders of Nexus AG	8,788	6,624	2,648	2,379
– Shares of non-controlling partners	236	1,144	175	43
Consolidated net earnings per share				
Weighted average (undiluted / diluted) of issued shares in circulation (in thousands)	15,752 / 15,752	15,725 / 15,725	15,750 / 15,750	15,725 / 15,725
Undiluted / diluted	0.56 / 0.56	0.42 / 0.42	0.17 / 0.17	0.15 / 0.15

Group Statement of Comprehensive Income

**FOR THE PERIOD FROM 01/01/2020 TO 30/09/2020
AND 01/01/2019 TO 30/09/2019**

	01/01/2020 – 30/09/2020	01/01/2019 – 30/09/2019
	TEUR	TEUR
Consolidated Surplus	9,024	7,768
Other comprehensive income		
Positions, which are never reclassified in profit or loss		
Actuarial profits and losses	448	-3,526
Tax effects	-77	566
Positions, which are reclassified in profit or loss		
Currency conversions differences	-464	175
Interest effect from IFRS 9	0	-49
Other comprehensive income after taxes	-93	-2,834
Overall Result of the Period	8,931	4,934
of the overall result of the period, accounted to:		
- Shareholders of Nexus AG	8,693	3,756
- Shares of non-controlling interests	238	1,178

Consolidated balance sheet

AS OF 30/09/2020 AND 31/12/2019

ASSETS	30/09/2020	31/12/2019
Long-Term Assets	KEUR	KEUR
Goodwill	85,142	74,018
Other intangible assets	44,362	38,677
Fixed (Intangible) assets	10,332	10,794
Rights of leased assets	10,873	10,791
Shares in companies valued at equity	15	15
Deferred tax assets	3,258	3,650
Other financial assets	355	355
Total of Long-Term Assets	154,337	138,300
Short-Term Assets		
Inventories	818	418
Trade receivables and other receivables	24,730	25,927
Leasing assets	1,521	640
Receivables from tax on profits	1,465	2,340
Other non-financial assets	3,015	3,049
Other financial assets	4,072	2,188
Short-term financial assets	1,634	1,671
Cash and balance in the bank	28,967	33,533
Total of Short-Term assets	66,222	69,766
Balance Sheet Total	220,559	208,066

EQUITY AND LIABILITIES	30/09/2020	31/12/2019
Equity capital and reserves	KEUR	KEUR
Subscribed capital	15,752	15,752
Capital reserves	33,141	32,987
Retained earnings	66,788	60,427
Consolidated annual surplus	8,787	10,841
Other cumulated group result	-8,937	-8,666
Own shares	54	173
Equity capital attributable to stockholders of the parent company	115,585	111,514
Shares of non-controlling partners	3,549	3,621
Total Equity Capital	119,134	115,135
Long-Term Debts		
Pension obligations	17,240	17,198
Deferred tax liabilities	9,156	7,369
Other financial debts	10,143	13,940
Liabilities right of use	6,736	6,899
Total of Long-Term Debts	43,275	45,406
Short-Term Debts		
Accruals	10,439	10,772
Trade accounts payable	5,389	6,326
Liabilities from tax on profit	1,984	1,700
Deferred revenue	13,272	5,946
Other non-financial debts	4,807	4,296
Other financial debts	16,869	12,669
Liabilities right of use	4,207	3,966
Contract liabilities	1,183	1,850
Total of Short-Term Debts	58,150	47,525
Balance Sheet Total	220,559	208,066

Consolidated Cash Flow Statement

**FOR THE PERIOD FROM 01/01/2020 TO 30/09/2020
AND 01/01/2019 TO 30/09/2019**

	01/01/2020-30/09/2020	01/01/2019-30/09/2019
1. Cash Flow from Current Business Transactions	KEUR	KEUR
Group annual result before tax on income	12,543	10,902
Write-offs (+) / write-ups (-) on intangible assets, tangible assets and financial assets	8,671	9,175
Depreciation (+) on rights of use according to IFRS 16 leases	3,273	2,973
Other expenses not affecting payment (+) / revenue (-)	-41	-4,863
Increase (-) / decrease (+) in inventories	66	-382
Gain (-) / loss (+) on disposal of fixed assets and securities	-5	-43
Increase (-) / decrease (+) in receivables and other assets from operating activities	1,508	21,887
Increase (+) / decrease (-) of accruals insofar as not entered in other comprehensive income	-792	-2,351
Increase (+) / decrease (-) in liabilities from operating activities	4,330	-9,585
Interest expense (+) / interest income (-)	-275	-184
Income tax payments (-) / Income tax received (+)	-2,396	-2,846
	26,882	24,683
2. Cash Flow from Investment Activities		
Payments (-) for investments in intangible and fixed assets	-2,302	-1,951
Cash proceeds (+) for sale of intangible and fixed assets	1	110
Payments (-) for the acquisition of consolidated companies less acquired cash	-14,710	1,411
Payments (-) for the acquisition of non-controlling interests for already consolidated companies	-3,490	-4,056
Payments (-) / Receipts(+) from the acquisition / disposal of short-term financial assets	0	-9,000
	-20,501	-13,486
3. Cash Flow aus der Finanzierungstätigkeit		
Payments (-) for the acquisition of non-controlling interests for already consolidated companies	-1,670	0
Payments (-) for the repayment of lease liabilities	-3,804	-3,102
Payments (-) of dividends	-2,835	-2,676
Payment (-) for repayment of loan liabilities	-2,377	0
Payments (-) of dividends to minority shareholders	-228	-6
Payments (-) for the acquisition of own shares	-59	-421
Receipts (+) from the sale of own shares	94	180
	-10,879	-6,025
Cash relevant changes in cash and cash equivalents (sum of 1 + 2 + 3)	-4,498	5,172
Exchange rate changes on cash and cash equivalents	-68	253
Cash and cash equivalents at beginning of period	33,533	25,430
Cash and cash equivalents at end of period	28,967	30,855
Composition of cash and cash equivalents		
Liquid funds	28,967	30,855

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Donaueschingen, 10 November 2020

Nexus AG
The Executive Board

nexus / ag

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