



# Quarterly Statement

01<sup>ST</sup> JANUARY TO 31<sup>ST</sup> OF MARCH 2020

# Letter to Our Stockholders

Dear Stockholders:

The challenges in the current phase of the COVID-19 pandemic are also significant for NEXUS. It is important to support our **customers**, hospitals, rehabilitation and nursing homes and to facilitate work with first-class services and customized software adjustments. At the same time, it is important to protect our **employees** and to provide them with an environment in which they can work safely. Last but not least, we must not lose sight of our **economic goals**.

Until now, the NEXUS team has managed well to tackle these parallel challenges. We have adapted quickly to the new situation in terms of organization and have been more actively available to customers than previously with **enhanced service**, COVID-19 software modules, telemedical solutions and webinars since the first day of the lockdown. Wherever possible and appropriate, we visit our customers for presentations, installations and training sessions, but we also process many topics digitally. We take the opportunity and offer training, presentations and further training via Webinars, which are also very well received.

We have also succeeded in creating a **safe environment for our employees**. Our offices offer sufficient space to comply with the necessary distance and hygiene regulations at all times, and employees with health concerns can work from home if this is possible.

We have also been **able to meet our economic targets** until now and have again achieved significantly rising key figures in the first quarter. This is very good news, which is thanks to the strong commitment of our employees and the flexibility of our customers.

However, the strong development **varies considerably between regions** and products. While in some regions we have seen significant reductions due to the severe restrictions, we have managed to achieve further increases in sales with new products and services in others. On the product side, our customers have focused on smaller digitization projects that facilitate work immediately for doctors and nurses. Larger projects on the other hand, which have to be planned in the long term, have been postponed.

Overall, we are therefore very pleased to be able to present extremely

positive results again in the first quarter of 2020. We were able to **significantly increase both sales and earnings**, thus continuing our long-term development.

The increase in sales amounted to approx. 10% in the first quarter compared with the previous year. Earnings before interest and taxes increased by approx. 12% and **EBITDA reached EUR 8.4 million in the first quarter with an increase of approx. 12%**, and consequently an EBITDA margin of 22%. Operating cash flow amounted to approx. EUR 20.2 million. The high value in the first quarter is attributable to maintenance revenue, much of which is paid in advance. As a result, our cash and cash equivalents increased to approx. EUR 52.8 million as of 31 March 2020.

In the current pandemic crisis, we are of course proud of this result. Nevertheless, the focus is currently on **providing our customers with the best possible support**. We succeeded in doing this by focusing the ONE / NEXUS product initiative strongly on immediate user support and greatly increasing our services. In some cases, we were unable to generate additional revenue for these services. However, fast, unbureaucratic help was more important, and we were able to demonstrate that we are ready and willing to support our customers in difficult phases.

A very positive aspect is that we can currently use our **product and technology strength** in the market and react very flexibly to new requirements. For example, our telemedicine product NEXUS / CHILI TKmed was very much in focus, and mobile apps or adjustments to medical documentation for CORONA infections as well as process changes in hospital work were also in high demand.

## Highlights Q1 2020 – Company development

- + Strong increases in sales in the 1st quarter
- + COVID-19-Impact: regions affected differently
- + COVID-19-Impact: Increasing demand for specific solutions
- + COVID-19-Impact: Fewer sales activities since mid-March

## Development of Group Sales (3 months) in KEUR

2009–2020



We were very strong **regionally**, especially in Germany, Austria, France and the Netherlands as well as in other regions. On the other hand, sales in Switzerland and Poland were significantly influenced by the lockdown. Especially in the services sector, we were not able to be as active as we usually are in these countries due to travel and contact bans.

With regard to sales, we were able to acquire a large number of new and interesting projects both domestically and abroad in Q1 2020 until the beginning of March. This applies in particular to radiology, laboratory and pathology projects as well as to NEXUS / HIS<sup>MS</sup> conversions. From mid-March onward, we saw a **decline in our sales activities** due to contact restrictions. Although some activities could be continued via telecommunications and video communications, no major deals were concluded during this time.

Despite the limitations in the sales process, we are pushing our **sales offensive** in the field of Hospital information system (HIS) very strongly. Following the announced acquisitions of competitive products on the German market, we have the opportunity to offer customers of these old products an alternative that puts the advantages of a modern system in the foreground. Today, NEXUS is positioned so that we can implement a fully digital hospital with all special applications from our own product portfolio. This is an exceptional position in the market that we can take advantage of in this situation.

We are also very satisfied with the development on the acquisition and integration side in the first quarter. The new subsidiary NEXUS SWISSLAB GmbH, Berlin, and ifa systems AG, Frechen, continue to develop very positively and make use of the customer and product synergies of the NEXUS Group.

With the acquisition of AEGERUS SL in Sabadell, we have also expanded our **activities in Spain** and in the field of care homes. With approx. 700 customers, AEGERUS is one of the market leaders for care homes in Spain and especially in Catalonia. This is a market that is growing strongly in Spain and still very fragmented in Europe. Despite the high number of customers, the business is still small, but provides great opportunities for future growth and internationalization strategies.

Dear shareholders, NEXUS remained in **good shape** in this difficult phase during the first quarter. Although we are **unable to fully assess** the impact of the crisis on our company in the coming months, it is clear that our long-term orientation and healthy corporate structure are well equipped for crises. We will react **cautiously and at the same time with agility** to further

developments in the coming months. However, we also see that, because of COVID-19, the trend toward digitization and the new focus of societies on healthcare speak for our activities in the medium and long term.



**Dr. Ingo Behrendt**  
Chief Executive Officer

We want to thank you, dear stockholders, for your trust.

Warm regards

Dr. Ingo Behrendt  
Chief Executive Officer

## Development of Group Earnings before Interest and Taxes (3 months) in KEUR

2009–2020



# Financial Highlights

## 1<sup>ST</sup> Quarter 2020 und 2019

	31/03/2020	31/03/2019	Change
<b>SALES AND OPERATING RESULT</b>	<b>KEUR</b>	<b>KEUR</b>	<b>(in %)</b>
Sales	38,870	35,465	9.6
Healthcare Software Sales	36,737	33,316	10.3
Healthcare Service Sales	2,133	2,149	-0.7
Domestic sales	20,191	17,604	14.7
Sales in foreign countries	18,679	17,861	4.6
Earnings before taxes (EBT)	4,205	3,823	10.0
Earnings before interest and taxes (EBIT)	4,335	3,882	11.7
EBITA	5,290	4,772	10.9
EBITDA	8,419	7,548	11.5
Consolidated annual surplus	3,037	2,855	6.4
Cash flow from current business transactions	20,204	26,233	-23.0
Net income per share (unadjusted / adjusted) in EUR	0.19 / 0.19	0.18 / 0.18	5.6 / 5.6
Share price (closing price, Xetra, in EUR)	27.90	23.70	17.7
Capitalization of software developments	703	905	-22.3
Depreciation	4,084	3,666	11.4
Acquisition-related depreciations from purchase price allocation	955	890	7.3
Long-Term Assets	137,241	138,300 <sup>1)</sup>	-0.8
Short-Term Assets	94,740	69,766 <sup>1)</sup>	35.8
Net Liquidity	52,785	51,444	2.6
Equity Capital	117,226	115,135 <sup>1)</sup>	1.8
Employees (Quarterly average)	1,312	1,261	4.0

<sup>1)</sup> 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 35,465 to KEUR 38,870 (+9.6%) in the first three months of the year 2020. The stable, positive sales development of NEXUS Group of recent years could be continued with that. Stabilization of the Healthcare Service Division has been successful. In this segment, sales of KEUR 2,133 were achieved after KEUR 2,149 (3M-2019) and consequently remained at the level of the previous year.

On the other hand, sales increased from KEUR 33,316 (3M-2019) to KEUR 36,737 (+10.3%) in the Healthcare Software Division.

AEGERUS SL, Sabadell (Spain), consolidated for the first time in March 2020, has not yet had a significant impact on the Q1 result of the NEXUS Group.

We respect to the regional development of sales, we were able to increase sales in Germany by 14.7% to KEUR 20,191 (3M-2019: KEUR 17,604). In international business, we achieved sales of KEUR 18,679 in the first quarter 2020 compared to KEUR 17,861 in the previous year (+4.6%). Sales in Austria (+53.5%), the Netherlands (+9.9%) and France (+8.2%) were very strong, while business performance in Switzerland and Poland declined.

Consolidated earnings before income interest and taxes (EBIT) developed very positively. They improved by 11.7% to KEUR 4,335 (3M-2019: KEUR 3,882). A value of KEUR 5,290 was achieved in EBITA and consequently was 10.9% above the value of previous year (3M-2019: KEUR 4,772). EBITDA reached KEUR 8,419 in the first quarter of 2020 (3M-2019: KEUR 7,548) and consequently was 11.5% higher than in the previous year. The non-recurring costs for the integration of the new companies in the first quarter of 2020 amounted to approx. KEUR 780.

The cash flow from current business operations was KEUR 20,204 in Q1 (3M-2019: KEUR 26,233). This is a high value, which especially resulted from prepayments on projects and maintenance contracts. In the same quarter of the previous year, the value was approx. KEUR 26,233. However, this included compensation payments in connection with the restructuring of NEXUS SWISSLAB GmbH.

The consolidated annual surplus increased by 6.4% and amounted to KEUR 3,037 for the first quarter 2020 following KEUR 2,855 (3M-2019). There is a slight increase in the tax rate there. The undiluted result per share amounted to EUR 0.19 (previous year: EUR 0.18) (diluted: EUR 0.19; previous year: EUR 0.18).

Cash resources including short-term financial assets amounted to KEUR 52,785 on 31 March 2020 (31 March 2019: KEUR 51,444).

Investments in tangible and intangible assets were made in the amount of KEUR 1,062 in the first quarter 2020 (3M-2019: KEUR 948). This includes KEUR 703 (3M-2019: KEUR 905) for capitalizing software developments.

The balance sheet total increased from KEUR 208,066 to KEUR 231,981 compared to 31 December 2019. Intangible assets, goodwill and balanced-out deferred taxes add up to a total of KEUR 116,051 following previously KEUR 116,345 (31 December 2019). Receivables from customers amount to KEUR 30,855 following KEUR 25,927 on 31 December 2019.

### EMPLOYEES

NEXUS Group employed a total average of 1,312 people as of 31 March 2020 (3M-2019: 1,261 employees).

#### EBITDA (3 MONTHS) IN KEUR

+11.5 % in comparison to the previous year



#### EBITA (3 MONTHS) IN KEUR

+10.9 % in comparison to the previous year



## CHANGES IN THE SHAREHOLDING STRUCTURE

The following changes were implemented in the shareholding structure:  
Nexus AG acquired 100.00% of the shares of AEGERUS SL, Sabadell (Spain), as of 20 February 2020.

## EVENTS AFTER THE BALANCE SHEET DATE

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.

### Finance Highlights Q1 2020

- + 9.6% sales increase in first quarter 2020 from KEUR 35,465 (3M-2019) to KEUR 38,870
- + 11.7% increase in the Group result for earnings before interest and taxes (EBIT) from KEUR 3,882 (3M-2019) to KEUR 4,335
- + Continued very strong operational cash flow in the first quarter of KEUR 20,204
- + High net liquidity of KEUR 52,785

## SALES BY REGION

	01/01-31/03/2020	01/01-31/03/2019	Change
	KEUR	KEUR	(in %)
Germany	20,191	17,604	14.7
Switzerland / Liechtenstein	9,466	10,160	-6.8
Netherlands	3,737	3,400	9.9
France	1,545	1,428	8.2
Austria	1,027	669	53.5
Poland	995	1,040	-4.3
Other countries	1,909	1,164	64.0
TOTAL	38,870	35,465	9.6

## SALEY BY DIVISON

	01/01-31/03/2020	01/01-31/03/2019	Change
	KEUR	KEUR	(in %)
Healthcare Software	36,737	33,316	10.3
Healthcare Service	2,133	2,149	-0.7
TOTAL	38,870	35,465	9.6

# 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.

### 29 April 2020

Quarterly Statement Q1 / 2020

### 30 April 2020

Virtuell Annual General Meeting 2020, Donaueschingen

### 11 August 2020

Half-Year Report 2020

### 11 August 2020

IR Conference Call on Half-Year Results

### 21–23 September 2020

Investor Conference Berenberg, Munich

### 10 November 2020

Quarterly Statement Q3 / 2020

## Stock Market Highlights (Xetra prices)

- + Initial listing on 02 January 2020: 34.60 €
- + Highest price on 12 February 2020: 38.90 €
- + Stock market capitalization on 31 March 2020: 439.49 Mio. €
- + Closing price on 31 March 2020: 27.90 €

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



# Company Information and Outlook

## 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 the NEXUS Group. There have been no essential changes in the meantime.

## OUTLOOK: REMAIN AGILE

---

The challenges posed by the COVID-19 pandemic are forcing us to react cautiously to developments. We do not yet have a clear picture of how the further measures of the COVID-19 pandemic will influence our business development in the coming months. We therefore need to monitor events very closely and decide on measures in the short term.

Consequently, the fact that our first quarter has been very successful is to be considered a very positive development. A sales increase of approx. 10% and an increase in earnings before interest and taxes (EBIT) of approx. 12% as well as a high operating cash flow of approx. €20.2 million represent a great start into the current year. We were able to continue the positive development of the past years unabated.

Despite the uncertainty about further development, it is already evident that considerable opportunities can arise. The trend toward digitization will continue to grow in society and healthcare, healthcare facilities will be less constrained by cost savings, and the provision of valid data will become increasingly important for health management: These are all trends that favor NEXUS activities and its business model in the medium and long term.

As a result, we can be optimistic. We are prepared for the crisis and can take advantage of future market opportunities with our highly differentiated and innovative product portfolio and a good European presence. With all due caution in the current situation, it is important to remain agile and identify market opportunities.

The NEXUS team is looking forward to meeting these challenges.

## ACCOUNTING AND VALUATION METHODS

---

This interim statement of the NEXUS Group of 31 March 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 statement of 31 March 2020. This refers to a summarized report, which does not contain all information of an IFRS Group Financial Statement, and consequently this statement should be read in connection with the Notes to the Group Financial Report 2019. The same accounting and valuation methods were used in the Group Financial Report for the business year 2019. The statement has not been audited.

„The electronic patient record (ePA) becomes a genuine all-round experience with NEXUS / HIS<sup>NG</sup>. All relevant patient data are available at a glance!“

**Therese-Charlotte Daumiller**

Health and Nurse Bachelor of Arts (B.A.), Diakonie-Klinikum Stuttgart



„Rapid access to patient data via tablet or smartphone is very important to me in everyday work.“

**René Marahrens**

Senior physician, Psychiatrische Klinik Uelzen gGmbH



# Group Profit And Loss Account

**FOR THE PERIOD FROM 01/01/2020 TO 31/03/2020  
AND 01/01/2019 TO 31/03/2019**

	01/01/2020–31/03/2020	01/01/2019–31/03/2019
	KEUR	KEUR
Revenue	38,870	35,465
Development work capitalized	703	905
Other operating income	2,618	2,413
Cost of materials including purchased services	4,938	5,225
Personnel costs	24,058	22,243
Depreciation	4,084	3,666
Other operating expenses	4,776	3,767
<b>Operating Result</b>	<b>4,335</b>	<b>3,882</b>
Finance income	116	25
Finance expenses	246	84
<b>Result before Tax on Profit</b>	<b>4,205</b>	<b>3,823</b>
Taxes on profit	1,168	968
<b>Consolidated annual surplus</b>	<b>3,037</b>	<b>2,855</b>
<b>Of the consolidated annual surplus, accounted to:</b>		
– Stockholders of Nexus AG	2,922	2,810
– Shares of non-controlling partners	115	45
<b>Consolidated net earnings per share</b>		
<b>Weighted average (undiluted / diluted) of issued shares in circulation (in thousands)</b>	15,732 / 15,732	15,715 / 15,715
<b>Undiluted / diluted</b>	0.19 / 0.19	0.18 / 0.18

# Consolidated balance sheet

AS OF 31/03/2020 AND 31/12/2019

ASSETS	31/03/2020	31/12/2019
<b>Long-Term Assets</b>	<b>KEUR</b>	<b>KEUR</b>
Goodwill	74,751	74,018
Other intangible assets	37,578	38,677
Fixed (Intangible) assets	10,602	10,794
Rights of leased assets	10,212	10,791
Shares in companies valued at equity	15	15
Deferred tax assets	3,722	3,650
Other financial assets	361	355
<b>Total of Long-Term Assets</b>	<b>137,241</b>	<b>138,300</b>
<b>Short-Term Assets</b>		
Inventories	474	418
Trade receivables and other receivables	30,855	25,927
Leasing liabilities	379	640
Receivables from tax on profits	1,899	2,340
Other non-financial assets	5,655	3,049
Other financial assets	2,693	2,188
Short-term financial assets	1,570	1,671
Cash and balance in the bank	51,215	33,533
<b>Total of Short-Term assets</b>	<b>94,740</b>	<b>69,766</b>
<b>Balance Sheet Total</b>	<b>231,981</b>	<b>208,066</b>

<b>EQUITY AND LIABILITIES</b>	<b>31/03/2020</b>	<b>31/12/2019</b>
<b>Equity capital and reserves</b>	<b>KEUR</b>	<b>KEUR</b>
Subscribed capital	15,752	15,752
Capital reserves	33,254	32,987
Retained earnings	71,268	60,427
Consolidated annual surplus	2,922	10,841
Other cumulated group result	-9,484	-8,666
Own shares	0	173
<b>Equity capital attributable to stockholders of the parent company</b>	<b>113,712</b>	<b>111,514</b>
Shares of non-controlling partners	3,514	3,621
<b>Total Equity Capital</b>	<b>117,226</b>	<b>115,135</b>
<b>Long-Term Debts</b>		
Pension obligations	17,828	17,198
Deferred tax liabilities	7,193	7,369
Other financial debts	14,600	13,940
Liabilities right of use	6,254	6,899
<b>Total of Long-Term Debts</b>	<b>45,875</b>	<b>45,406</b>
<b>Short-Term Debts</b>		
Accruals	10,755	10,772
Financial liabilities	165	0
Trade accounts payable	5,033	6,326
Liabilities from tax on profit	1,865	1,700
Deferred revenue	26,586	5,946
Other non-financial debts	5,695	4,296
Other financial debts	11,794	12,669
Liabilities right of use	4,010	3,966
Contract liabilities	2,977	1,850
<b>Total of Short-Term Debts</b>	<b>68,880</b>	<b>47,525</b>
<b>Balance Sheet Total</b>	<b>231,981</b>	<b>208,066</b>

# Consolidated Cash Flow Statement

**FOR THE PERIOD FROM 01/01/2020 TO 31/03/2020  
AND 01/01/2019 TO 31/03/2019**

	01/01/2020-31/03/2020	01/01/2019-31/03/2019
<b>1. Cash Flow from Current Business Transactions</b>	<b>KEUR</b>	<b>KEUR</b>
Group annual result before tax on income	4,204	3,823
Write-offs (+) / write-ups (-) on intangible assets, tangible assets and financial assets	2,986	2,682
Depreciation (+) on rights of use according to IFRS 16 leases	1,097	960
Other expenses not affecting payment (+) / revenue (-)	593	-111
Increase (-) / decrease (+) in inventories	-58	-63
Gain (-) / loss (+) on disposal of fixed assets and securities	0	26
Increase (-) / decrease (+) in receivables and other assets from operating activities	-7,292	18,610
Increase (+) / decrease (-) of accruals insofar as not entered in other comprehensive income	-900	-746
Increase (+) / decrease (-) in liabilities from operating activities	20,437	2,698
Interest expense (+) / interest income (-)	-130	-83
Income tax payments (-) / Income tax received (+)	-733	-1,563
	<b>20,204</b>	<b>26,233</b>
<b>2. Cash Flow from Investment Activities</b>		
Payments (-) for investments in intangible and fixed assets	-1,062	-924
Cash proceeds (+) for sale of intangible and fixed assets	1	0
Payments (-) for additions to the consolidated group	-541	0
	<b>-1,602</b>	<b>-924</b>
<b>3. Cash Flow from Financing Activities</b>		
(not affecting payment) Adjustment from the application of IFRS 9	0	-43
Payments (-) for the repayment of lease liabilities	-944	-447
Payments (-) of dividends to minority shareholders	-228	0
Payments (-) for the acquisition of own shares	0	-282
Receipts (+) from the sale of own shares	94	56
	<b>-1,078</b>	<b>-716</b>
Cash relevant changes in cash and cash equivalents (sum of 1 + 2 + 3)	17,524	24,593
Exchange rate changes on cash and cash equivalents	158	-189
Cash and cash equivalents at beginning of period	<b>33,533</b>	<b>25,430</b>
Cash and cash equivalents at end of period	<b>51,215</b>	<b>49,834</b>
<b>Composition of cash and cash equivalents</b>		
Liquid funds	51,215	49,834
	<b>51,215</b>	<b>49,834</b>

## 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, 29 April 2020

Nexus AG  
The Executive Board

***nexus / ag***

Nexus AG, Irmastraße 1, 78166 Donaueschingen  
Tel. +49 771 22960-0, Fax +49 771 22960-226  
[www.nexus-ag.de](http://www.nexus-ag.de), [info@nexus-ag.de](mailto:info@nexus-ag.de)