

**ONE / NEXUS**

Digital support and diagnostic reliability as well as in obstetrics



Obstetrics



Ultrasound scans  
(astraia)



PACS  
(CHILI)

**ONE  
NEXUS**

# Half-Year Report

FROM THE 01<sup>ST</sup> OF JANUARY TO 30<sup>TH</sup> OF JUNE 2019

# Letter to our Stockholders

Dear Stockholders:

Our company and our industry are on the move: We are witnessing rising demand for e-health solutions in a large number of European countries and, at the same time, we are seeing ongoing consolidation among providers.

In these interesting times, NEXUS is taking advantage of the opportunity to further expand its own business, to advance the integration of its acquired business areas and to expand its diagnostics solutions portfolio. We are proud of the fact that we have been able to shore up these various activities with further increases in earnings in the first half of 2019.

With sales up by around 8.2 % and EBIT around 13.4 % higher, we once again combined growth and continuous earnings improvement.

In some cases, we significantly outperformed the strong figures for the previous year: EBITA grew by around 12.9 %. EBITDA climbed by 25.6 % to around EUR 15.4 million in the first half of the year with an EBITDA margin of 22.1 % (including the effects of IFRS amendments). The operating cash flow increased by 58 % to around EUR 28.9 million after EUR 18.3 million in the first half of the previous year. At the same time, the first half of the year was heavily impacted by non-recurring factors. The first-time consolidation of ifa systems AG, the restructuring of Swisslab DITS GmbH and extraordinary expenses for integrations, pensions and purchase price settlements influenced earnings substantially.

Despite these various factors, we are delighted to have once again achieved a strong operating result for the first half of the year.

Marking the successful launch of our ONE / NEXUS initiative, Healthcare Software sales rose by around 11 % to around EUR 65.7 million. As part of the ONE / NEXUS organizational and product initiative that began at the end of 2018, we have aligned our organization more closely to the market and combined software products to create new, integrated process solutions. This allows us to leverage new cross-selling potential and thereby commence our next growth phase.

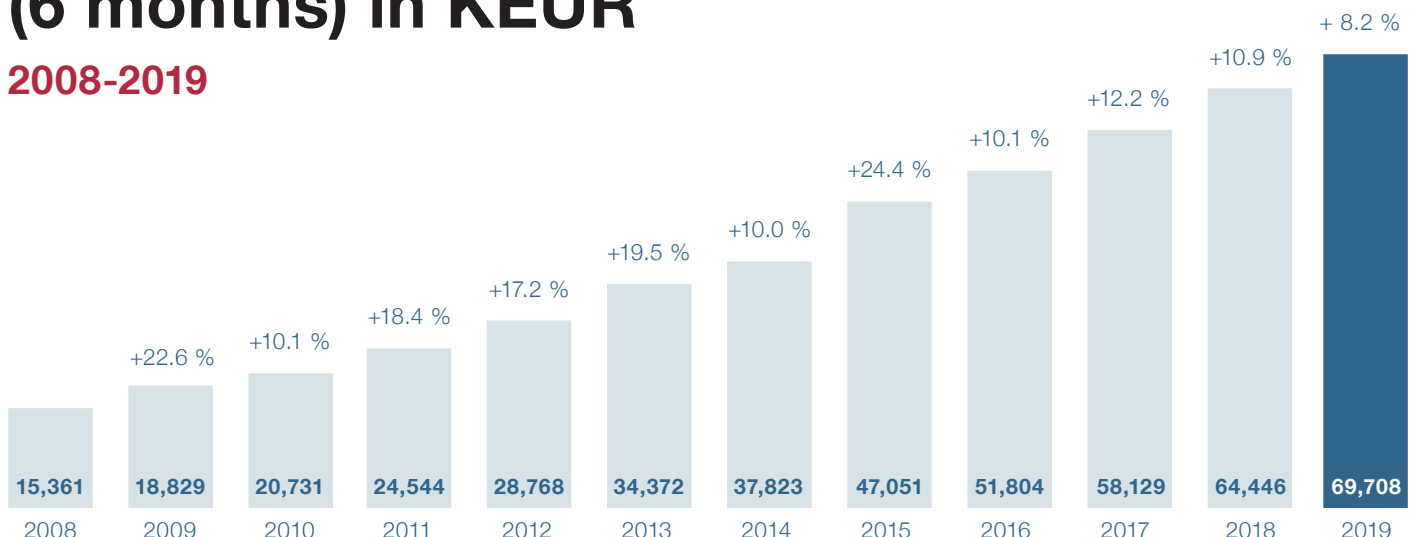
We are also experiencing very encouraging incoming orders and sales in the countries and business areas where we were able to launch our new ONE / NEXUS products. This is also true for our mobile apps, our ECM applications and our telemedicine solutions – all areas in which we offer outstanding product innovations.

## Business Performance Highlights first Half-Year 2019

- + Strong sales development in the first half of the year
- + Highly successful ONE / NEXUS sales operations in Germany, Switzerland and the Netherlands
- + Majority takeover of shares in the ifa systems AG, Frechen

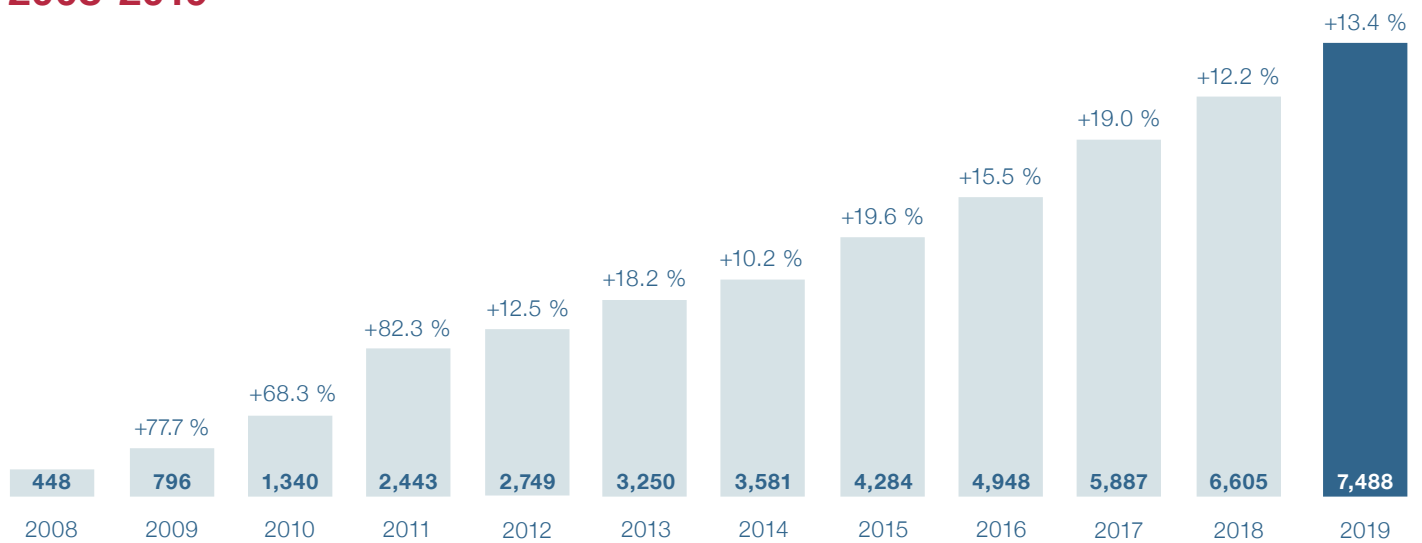
## Development of Group Sales (6 months) in KEUR

2008-2019



# Development of Group Earnings before Interest and Taxes (6 months) KEUR

2008-2019



However, there were also disappointing developments in the first half of the year. For example, sales and earnings in Poland fell short of projections owing to delays in tenders and contract awards. Healthcare Service sales are down significantly year-on-year by around 21.6 %. We already tackled the organizational challenges in this segment last year, and the lower sales are consistent with our new strategy. The segment's operating efficiency still has to improve in the months ahead.

Our sales performance in Germany, Switzerland and the Netherlands was highly successful in the first half of the year. We recently signed a very major project for the full digitization of a Dutch hospital, with the customer choosing NEXUS software to handle all its hospital processes. In Switzerland we secured three new hospitals for NEXUS / HIS<sup>NG</sup>. In Germany, among other things, we signed a contract with a group of hospitals that largely comprises everything ONE / NEXUS has to offer, i.e. extensive operating and other services in addition to the software components.

One highlight has been the trend in orders for NEXUS / PATHOLOGY. The product synergies with Swisslab DITS GmbH's laboratory products create value added for customers, and already resulted in a number of new orders in the first half of the year. The performance of Swisslab DITS GmbH, which was acquired last year, has been highly encouraging overall. The restructuring is progressing in line with planning and customers' responses to NEXUS' commitment to laboratory operations have been very positive.

We are also very optimistic about the acquisition of 52.56 % of shares in the listed company ifa systems AG, Frechen, which we completed in June, thereby significantly expanding our footprint in the field of e-health applications for ophthalmology. In an aging society, the optimization of ophthalmological treatments is becoming increasingly important and is crucial to the security of care. The cooperation between ifa systems AG and NEXUS got off to a very promising start: ifa systems AG already received two key license orders in June and thereby made a very positive contribution. The goal is to firmly integrate this field of innovation into the NEXUS product portfolio.

As you can see, we are systematically pursuing our long-term goals in addition to healthy growth as well. The core issues of “ONE / NEXUS” and “European expansion” are our very top priorities, and ensured our success of the last few months. However, we are also seeing that our rapid expansion is leading to challenges that we must address urgently if we are to continue our development to date.

We would like to thank you, our stockholders, for the trust you have placed in us.

Sincerely,



**Dr. Ingo Behrendt**  
**Chief Executive Officer**



# FINANCIAL HIGHLIGHTS

## 1<sup>ST</sup> HALF-YEAR 2019 AND 2018

	30/06/19	30/06/18	Change
SALES AND OPERATING RESULT	KEUR	KEUR	(in %)
Sales	69,708	64,446	8.2
Healthcare Software Sales	65,673	59,298	10.8
Healthcare Service Sales	4,035	5,148	-21.6
Domestic sales	36,183	34,901	3.7
Sales in foreign countries	33,525	29,545	13.5
Earnings before tax on income (EBT)	7,261	6,548	10.9
Earnings before interest and taxes (EBIT)	7,488	6,605	13.4
EBITA	9,247	8,194	12.9
EBITDA (unadjusted for IFRS 16 effect)	15,417	12,276	25.6
EBITDA (adjusted for IFRS 16 effect)	13,340	12,276	8.7
Consolidated surplus	5,346	5,212	2.6
Cash flow from current business transactions	28,871	18,268	58.0
Net income per share (undiluted/diluted) in EUR	0.27 / 0.27	0.32 / 0.32	-15.6 / -15.6
Share price (closing price, XETRA) in EUR	33.20	27.50	20.7
Capitalization of software developments	1,778	2,261	-21.4
Depreciation	7,929	5,671	39.8
Acquisition-related depreciations from purchase price allocation	1,759	1,589	10.7
Fixed Assets (without deferred taxes)	134,316	122,631 <sup>1)</sup>	9.5
Current Assets / Short-Term Assets	77,782	57,684	34.8
Net Liquidity	36,432	25,129	45.0
Equity Capital	109,081	108,325 <sup>1)</sup>	0.7
Employees	1,295	1,123	15.3

1) Key date 31/12/2018

# Interim Report

## REPORT ABOUT THE PROFIT, FINANCIAL AND ASSET SITUATION

The consolidated sales of the NEXUS Group rose by 8.2 % from KEUR 64,446 to KEUR 69,708 in the first six months of 2019. The NEXUS Group's stable and positive sales performance of the last few years therefore continued. This was despite the refocusing of the Healthcare Service segment, where sales were down by around 21.6 % year-on-year at KEUR 4,035 (6M-2018: KEUR 5,148) on account of the segment's reorganization in 2018 and the discontinuation of non-core projects.

By contrast, sales in the Healthcare Software segment climbed by 10.8 % from KEUR 59,298 (6M-2018) to KEUR 65,673. Around 4.1 % of this increase relates to the consolidation of Swisslab DITS GmbH, Berlin, which was acquired on 30 November 2018.

In terms of regional sales development, sales in Germany increased by 3.7 % to KEUR 36,183 (6M-2018: KEUR 34,901). In international business, we generated sales of KEUR 33,525 in the first half of 2019 as against KEUR 29,545 in the same period of the previous year (up 13.5 %). This positive development is mainly thanks to the strong business performance in Switzerland.

The development in EBIT was very positive, improving by 13.4 % to KEUR 7,488 (6M-2018: KEUR 6,605). EBITA amounted to KEUR 9,247, an increase of 12.9 % on the prior-year figure (6M-2018: KEUR 8,194), while EBITDA was KEUR 15,417 in the first six months of 2019, up 25.6 % (6M-2018: KEUR 12,276). EBITDA includes effects of the first-time adoption of IFRS 16 in the amount of KEUR 2,077. Without these effects, EBITDA would have risen by 8.7 % from KEUR 12,276 to KEUR 13,340. In addition, the expenses in connection with the integration of acquired companies reduced earnings by an estimated KEUR 1,050.

The cash flow from operating activities climbed by 58.0 % in the reporting period to KEUR 28,871 (6M-2018: KEUR 18,268). The strong cash flow in the first half of the year is essentially on account of the high inflows from maintenance income and the settlement of receivables in connection with the restructuring of Swisslab DITS GmbH.

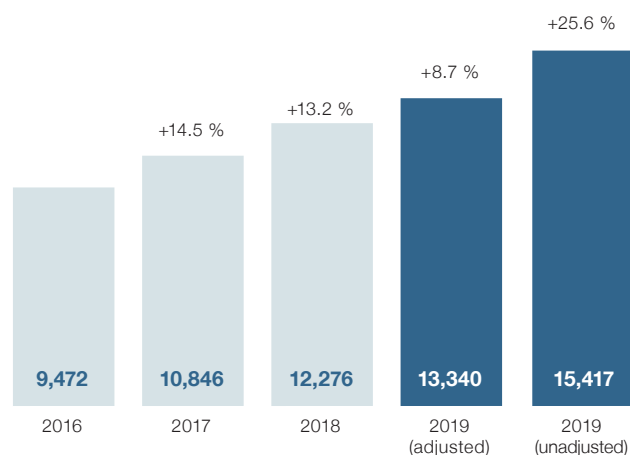
The consolidated net income amounted to KEUR 5,346 in the first half of 2019 (6M-2018: KEUR 5,212), thereby growing by 2.6 %. Basic earnings per share were EUR 0.27 (previous year: EUR 0.32) (diluted: EUR 0.27; previous year: EUR 0.32). This reduction is due to non-controlling interests in consolidated net income.

Cash funds including financial assets amounted to KEUR 36,432 on 30 June 2019 (30 June 2018: KEUR 25,129). Investments in intangible assets and property, plant and equipment totaled KEUR 1,926 in the first half of 2019 (6M-2018: KEUR 5,194), including KEUR 1,778 (6M-2018: KEUR 2,261) for the capitalization of software developments. Total assets increased from KEUR 211,708 as of

31 December 2018 to KEUR 216,037. There are no material liabilities to banks. Intangible assets, goodwill and net deferred taxes amount to KEUR 111,895 in total after KEUR 108,712 as of 31 December 2018. Receivables from customers rose to KEUR 28,724 as of 30 June 2019 as a result of higher sales (30 June 2018: KEUR 25,799).

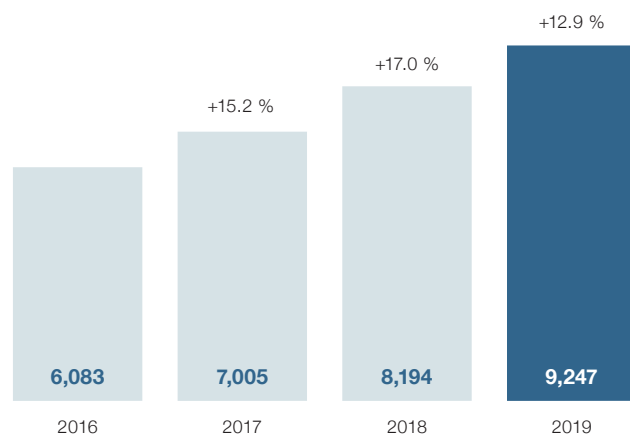
### EBITDA (6 MONTHS) IN KEUR

adjusted for IFRS 16 effect +8.7 % (unadjusted: +25.6 %) compared to previous year



### EBITA (6 months) in KEUR

+12.9 % compared to previous year



## Employees

The NEXUS Group has 1,295 employees in total as of 30 June 2019 (30 June 2018: 1,123).

## Effect of the adoption of IFRS 16

The adoption of IFRS 16 extends the reporting of leases, which in turn affects the presentation of the Group's financial position and financial performance.

The effects of IFRS 16 as of 30 June 2019 result in corresponding growth in non-current assets of KEUR 8,420 arising from the right-of-use assets capitalized and an increase in lease liabilities of KEUR 8,561 (non-current: KEUR 5,214; current: KEUR 3,347). These figures raise total assets accordingly by 4.1 percentage points, reducing the equity ratio by 2.1 percentage points. The net debt ratio has risen accordingly. Of the total lease expenses of KEUR 2,077 – rather than other operating expenses – an amount of KEUR 2,002 is recognized under depreciation and amortization and KEUR 75 under interest expenses, thereby improving EBITDA significantly by KEUR 2,077.

In the statement of cash flows, the share of lease payments for repayments of principal is recognized in the cash flow from financing activities, while interest payments are recognized in the cash flow from operating activities, which improves the cash flow from operating activities by KEUR 1,961.

## Changes in investment structure

The investment structure has changed as follows:

- + NEXUS AG acquired 52.56 % of shares in ifa systems AG, Frechen, on 4 June 2019.
- + On 6 June 2019, NEXUS AG acquired a further 11.37 % of shares in its subsidiary NEXUS Polska sp. z o.o., Poznan, under its option agreement.
- + On 26 June 2019, NEXUS AG acquired the remaining 10.00 % of shares in its subsidiary NEXUS / SISinf S.L., Sabadell, under the option agreement.
- + NEXUS AG acquired the remaining 49.80 % of shares in NEXUS . IT GmbH SÜDOST, Donaueschingen, by way of purchase agreement dated 14 June 2019.
- + On 15 May 2019, NEXUS AG acquired the remaining 10.00 % of shares in its subsidiary nexus / switspot GmbH, Neckarsulm, under the option agreement.

## Financial Highlights first Half-Year 2019

- + 8.2 % growth in sales to KEUR 69,708 first half-year 2019 (6M-2018: KEUR 64,446)
- + 13.4 % increase in EBIT to KEUR 7,488 (6M-2018: KEUR 6,605)
- + Operating cash flow still strong at KEUR 28,871 (6M-2018: KEUR 18,268)
- + High net liquidity of KEUR 36,432

## Events after the end of the reporting period

There were no reportable events after the end of the reporting period.

## Annual Stockholders Meeting and dividend

At the Annual Stockholders Meeting of NEXUS AG in Donaueschingen on 3 May 2019, the Executive Board and the Supervisory Board proposed paying the stockholders a dividend from the unappropriated surplus for the 2018 financial year of EUR 0.17 – one cent higher than in the previous year. The proposal was accepted with the necessary majority, and a total amount of KEUR 2,676 was therefore distributed on 8 May 2019.

## SALES BY REGION

	01/01-30/06/19	01/01-30/06/18	Change	01/04-30/06/19	01/04-30/06/18	Change
	KEUR	KEUR	%	KEUR	KEUR	%
Germany	36,183	34,901	3.7	18,579	18,240	1.9
Switzerland	17,675	14,125	25.1	7,515	6,304	19.2
Netherlands	7,100	6,887	3.1	3,700	3,577	3.4
France	2,913	2,842	2.5	1,485	1,406	5.6
Austria	1,707	1,447	17.9	1,038	702	47.8
Other countries	4,130	4,244	-2.7	1,926	2,173	-11.4
<b>TOTAL</b>	<b>69,708</b>	<b>64,446</b>	<b>8.2</b>	<b>34,243</b>	<b>32,402</b>	<b>5.7</b>

## SALES BY DIVISION

	01/01-30/06/19	01/01-30/06/18	Change	01/04-30/06/19	01/04-30/06/18	Change
	KEUR	KEUR	%	KEUR	KEUR	%
Healthcare Software	65,673	59,298	10.8	32,357	29,787	8.6
Healthcare Service	4,035	5,148	-21.6	1,886	2,615	-27.9
<b>TOTAL</b>	<b>69,708</b>	<b>64,446</b>	<b>8.2</b>	<b>34,243</b>	<b>32,402</b>	<b>5.7</b>



# CAPITAL MARKET, EVENT AND FINANCE 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.

### 14 August 2019

Conference Call to the Half-Year Report 2019

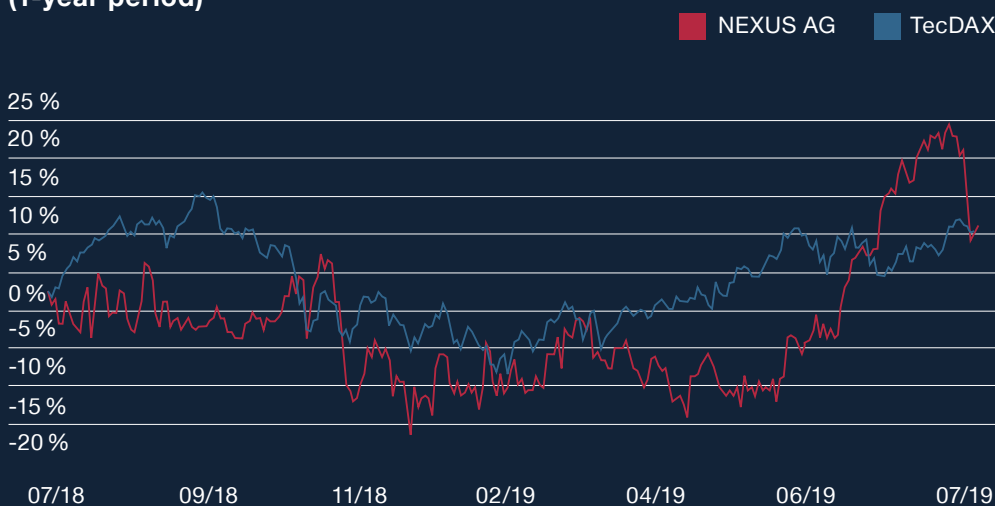
### 23 - 25 September 2019

Berenberg and Goldman Sachs Eighth German Corporate Conference, Munich

### 05 November 2019

Quarterly Report Q3 / 2019

## Frankfurt Stock Exchange stock prices (1-year period)



## Stock Market Highlights (XETRA closing prices)

- + Initial listing on 02 January 2019: EUR 24.20
- + Highest price on 25 June 2019: EUR 33.70
- + Closing price on 28 June 2019: EUR 33.20
- + Stock market capitalization on 28 June 2019: EUR 523.0 million

### 18 – 19 September 2019

KH-IT Autumn Conference, Erlangen

### 26 – 28 September 2019

Annual Meeting Bayerische Röntgen-gesellschaft, Rosenheim

### 26 – 29 September 2019

117th DOG Congress Ophthalmology, Berlin

### 02 – 04 October 2019

DGSV Congress, Fulda

### 18 – 20 October 2019

19th Federal Congress Pathology, Berlin

### 06 – 07 November 2019

ConSozial, Nuremberg

### 08 November 2019

QM practice day, Hannover

### 13 November 2019

ONE / NEXUS Forum, Berlin

### 28 – 30 November 2019

Congress German Society for Perinatal Medicine, Berlin

# NEXUS Group Information and Outlook

## Chances and Risks Report

Please refer to the explanations in the Annual Report of 31 December 2018 for information about the essential chances and risks in the development of the NEXUS Group. There have been no essential changes in the meantime.

## Directors' Holdings

The director's holders of the Supervisory Board and the Executive Board are as follows on 30 June 2019 in comparison to the previous year: cf. Table.

Supervisory Board	Numbers of stock owned	Numbers of options
Dr. jur. Hans-Joachim König	69,900 Previous year (69,900)	0 Previous year (0)
Prof. Dr. Alexander Pocsay	121,500 Previous year (121,500)	0 Previous year (0)
Prof. Dr. Ulrich Krystek	0 Previous year (0)	0 Previous year (0)
Prof. Dr. med Felicia M. Rosenthal	520 Previous year (520)	0 Previous year (0)
Dr. Dietmar Kubis	0 Previous year (-)	0 Previous year (-)
Jürgen Rottler	0 Previous year (-)	0 Previous year (-)

Executive Board	Numbers of stock owned	Numbers of options
Dr. Ingo Behrendt	99,900 Previous year (111,900)	0 Previous year (0)
Ralf Heilig	127,650 Previous year (127,650)	0 Previous year (0)
Edgar Kuner	240,351 Previous year (240,351)	0 Previous year (0)

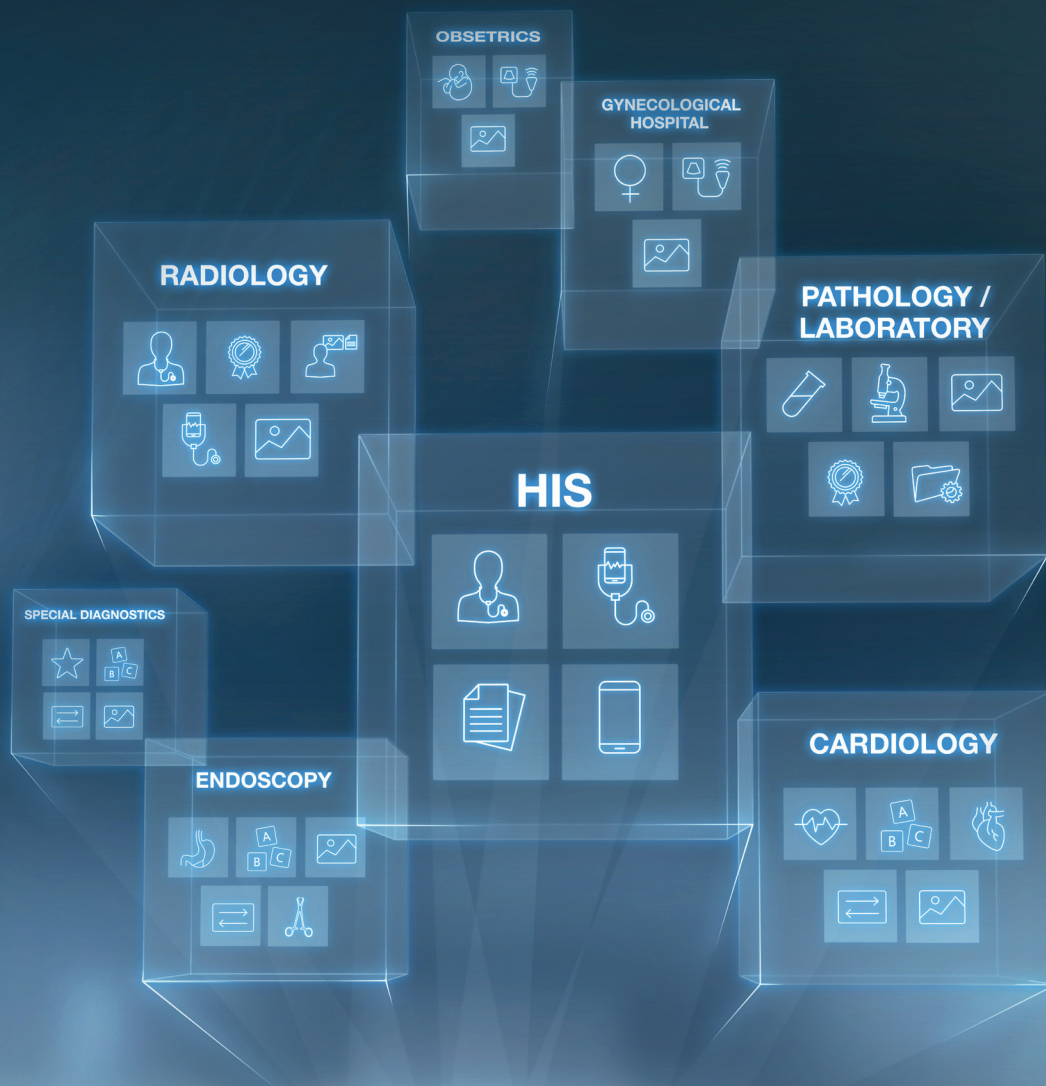
## Outlook: Accepting challenges

Performance in the first half of 2019 was again highly positive. The excellent results for the first half of the year include an increase in sales of around 8 %, EBITDA growth of around 26 % (9 % adjusted for IFRS 16 effect) and a high operating cash flow of around EUR 28.9 million. Yet the challenges are substantial: The reorganization of the Healthcare Service segment has entailed sales losses, invitations to tender have been delayed in some countries and the non-recurring expenses for the integration of the business areas have been considerable. We are therefore particularly proud that we were able to continue our positive performance of the last few years in the first half of this year as well.

But that's not all: We also implemented a series of strategic projects. These include the ONE / NEXUS activities that have resulted in a more market-oriented organization and new products. At the same time, we significantly increased our commitment to ophthalmology with a majority interest in ifa systems AG: A key step that has made our diagnostic solutions platform shine even more brightly.

The task at hand for the second half of the year will be to build on these strengths and increase our sales. Our attention is currently very much focused on the implementation of strategic measures, product developments and integration activities. These are key issues, but must not be allowed to overshadow the importance of sales and earnings improvements. In the second half of the year we must accept these challenges and achieve our goals.

This is something the NEXUS team is still looking forward to.



# ONE NEXUS

# GROUP PROFIT AND LOSS ACCOUNT

FOR THE PERIOD FROM  
01 JANUARY TO 30 JUNE 2019 AND 2018

	01/01- 30/06/2019	01/01- 30/06/2018	01/04- 30/06/2019	01/04- 30/06/2018
	KEUR	KEUR	KEUR	KEUR
Revenue	69,708	64,446	34,243	32,402
Development work capitalized	1,778	2,261	873	1,090
Other operating income	6,996	1,379	4,583	718
Cost of materials including purchased services	10,050	10,241	4,825	4,417
Personnel costs	44,465	37,437	22,222	18,828
Depreciation	7,929	5,671	4,263	3,172
Other operating expenses	8,550	8,132	4,783	4,481
<b>OPERATING RESULT</b>	<b>7,488</b>	<b>6,605</b>	<b>3,606</b>	<b>3,312</b>
Finance Income	57	35	32	0
Finance Expenses	284	92	200	17
<b>RESULT BEFORE TAX ON PROFIT</b>	<b>7,261</b>	<b>6,548</b>	<b>3,438</b>	<b>3,295</b>
Taxes on profit	1,915	1,336	947	594
<b>CONSOLIDATED SURPLUS</b>	<b>5,346</b>	<b>5,212</b>	<b>2,491</b>	<b>2,701</b>
Of the consolidated surplus, accounted to:				
- Stockholders of NEXUS AG	4,245	5,029	1,435	2,428
- Shares of non-controlling partners	1,101	183	1,056	273
<b>CONSOLIDATED NET EARNINGS PER SHARE</b>				
Weighted average (undiluted/diluted) of issued shares in circulation (in thousands)	15,725 / 15,725	15,731 / 15,731	15,725 / 15,725	15,731 / 15,731
Undiluted / diluted (in EUR)	0.27 / 0.27	0.32 / 0.32	0.09 / 0.09	0.17 / 0.17

# GROUP STATEMENT OF CONSOLIDATED INCOME

FOR THE PERIOD FROM  
01 JANUARY TO 30 JUNE 2019 AND 2018

	01/01- 30/06/2019	01/01- 30/06/2018	01/04- 30/06/2019	01/04- 30/06/2018
	KEUR	KEUR	KEUR	KEUR
<b>CONSOLIDATED SURPLUS 2019</b>	<b>5,346</b>	<b>5,212</b>	<b>2,491</b>	<b>2,701</b>
Actuarial gains and losses	-3,456	1,505	-3,456	1,505
Tax effect	555	-186	555	-186
Currency conversion differences	-335	-843	-144	-169
Interest effect from IFRS 9	-49	-	0	-
<b>Other overall result</b>	<b>-3,285</b>	<b>476</b>	<b>-3,045</b>	<b>1,150</b>
<b>OVERALL RESULT OF PERIOD</b>	<b>2,061</b>	<b>5,688</b>	<b>-554</b>	<b>3,851</b>
Of the overall result of the period, accounted to:				
- Stockholders of NEXUS AG	958	5,505	-1,609	3,574
- Shares of non-controlling partners	1,103	183	1,055	277

# CONSOLIDATED BALANCE SHEET

AS OF 30 JUNE 2019 AND 31 DECEMBER 2018

ASSETS	30/06/2019	31/12/2018
<b>LONG-TERM ASSETS</b>	<b>KEUR</b>	<b>KEUR</b>
Goodwill	74,092	73,462
Other intangible assets	40,653	38,609
Fixed (Intangible) assets	10,919	10,378
Rights of use of leased assets	8,420	-
Shares in companies valued at equity	25	26
Deferred tax assets	3,939	3,860
Other financial assets	207	156
<b>Total of Long-Term Assets</b>	<b>138,255</b>	<b>126,491</b>
<b>SHORT-TERM ASSETS</b>		
Inventories	590	536
Trade receivables and other receivables	28,724	25,980
Leasing liabilities	1,330	1,007
Receivables from tax on profits	3,484	1,511
Other non-financial assets	4,197	1,918
Other financial assets	3,025	27,249
Short-term financial assets	1,633	1,586
Cash and balance in bank	34,799	25,430
<b>Total of Short-Term Assets</b>	<b>77,782</b>	<b>85,217</b>
<b>Balance Sheet Total</b>	<b>216,037</b>	<b>211,708</b>

EQUITY AND LIABILITIES	30/06/2019	31/12/2018
<b>EQUITY CAPITAL</b>	<b>KEUR</b>	<b>KEUR</b>
Subscribed capital	15,752	15,752
Capital reserves	33,254	34,166
Retained earnings	58,640	52,182
Consolidated surplus	4,245	10,921
Other cumulated Group result	-6,140	-4,640
Own shares	-66	-759
<b>EQUITY CAPITAL ATTRIBUTABLE TO STOCKHOLDERS OF THE PARENT COMPANY</b>	<b>105,685</b>	<b>107,622</b>
Shares of non-controlling partners	3,396	703
<b>Total Equity Capital</b>	<b>109,081</b>	<b>108,325</b>
<b>LONG-TERM DEBTS</b>		
Pension obligations	14,789	10,838
Deferred tax liabilities	6,789	7,219
Other financial debts	17,485	19,358
Leasing liabilities	5,214	-
<b>Total of Long-Term Debts</b>	<b>44,277</b>	<b>37,415</b>
<b>SHORT-TERM DEBTS</b>		
Provision	11,506	13,128
Financial liabilities	0	9,000
Trade accounts payable	6,764	7,070
Liabilities from tax on profit	1,863	1,615
Deferred revenue	17,934	4,660
Other non-financial debts	5,454	3,111
Contract liabilities	4,540	5,399
Leasing liabilities	3,347	-
Other financial debts	11,271	21,985
<b>Total of Short-Term Debts</b>	<b>62,679</b>	<b>65,968</b>
<b>Balance Sheet Total</b>	<b>216,037</b>	<b>211,708</b>

# CONSOLIDATED CASH FLOW STATEMENT

**FOR THE PERIOD FROM  
01 JANUARY TO 30 JUNE 2019 AND 2018**

	2019	2018
	KEUR	KEUR
<b>1. CASH FLOW FROM CURRENT BUSINESS TRANSACTIONS</b>		
Group annual result before tax on income	7,410	6,548
Write-offs (+) / write-ups (-) on intangible assets, tangible assets and financial assets	7,929	5,671
Other expenses not affecting payment (+) / revenue (-)	-1,300	1,099
Increase (-) / decrease (+) in inventories	-20	-99
Gain (-) / loss (+) on disposal of fixed assets and securities	-21	34
Increase (-) / decrease (+) in receivables and other assets from operating laufender Geschäftstätigkeit	20,251	-2,031
Increase (+) / decrease (-) of accruals insofar as not entered in other comprehensive income	-2,182	-1,122
Increase (+) / decrease (-) in liabilities from operating activities	-1,229	9,225
Paid interest (-)	-284	-29
Received interest (+)	1	35
Taxes on profit paid (-)	-1,695	-1,313
Taxes on profit received (+)	11	250
	<b>28,871</b>	<b>18,268</b>
<b>2. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Payments (-) / receipts (+) from the acquisition/disposal of intangible and fixed assets	-1,926	-5,194
Payments (-) for the acquisition of companies consolidated minus cash acquired	710	-11,769
Payments (-) for the acquisition of non-controlling interests for already consolidated companies	-4,056	-1,537
Payments (-) / receipts (+) from the acquisition/disposal of short-term financial assets	-9,000	0
	<b>-14,272</b>	<b>-16,963</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(not affecting payment) Adjustment from the application of IFRS 9	92	-
Payments (-) for the repayment of lease liabilities	-1,961	-
Dividends paid (-)	-2,676	-2,519
Payments (-) for the acquisition of own shares	-389	-469
Receipts (+) from the sale of own shares	170	116
	<b>-4,764</b>	<b>-2,872</b>
Cash relevant changes in cash and cash equivalents (sum of 1 + 2 + 3)	9,835	-3,104
Exchange rate changes on cash and cash equivalents	-466	-89
Cash and cash equivalents at beginning of period	25,430	26,536
Cash and cash equivalents at end of period	<b>34,799</b>	<b>23,343</b>
<b>COMPOSITION OF CASH AND CASH EQUIVALENTS</b>		
Liquid funds	34,799	23,343
	<b>34,799</b>	<b>23,343</b>



# GROUP STATEMENT OF CHANGES IN EQUITY

AS OF 30 JUNE 2019 AND 30 JUNE 2018

	Subscribed capital	Capital reserves	Retained earnings	Annual Net Profit	Equity capital difference from currency conversion	Pension reserves	Own shares	Equity capital attributable to stock of parent company	Shares of non-controlling partners	Equity capital total	Authorized Capital
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
<b>CONSOLIDATED EQUITY AS OF 01 JANUARY 2018</b>	15,752	34,953	48,202	9,832	889	-7,093	-419	102,116	893	103,009	2,984
Adaptation of the initial application of IFRS 9			-103					-103	0	-103	
Adaptation of the initial application of IFRS 15			6					6	0	6	
<b>ADJUSTED GROUP EQUITY AS OF 1 JANUARY 2018</b>	15,752	34,953	48,105	9,832	889	-7,093	-419	102,019	893	102,912	2,984
Posting of consolidated surplus 2017 in the Group profit carried forward			9,832	-9,832				0		0	
Actuarial profits and losses						1,501		1,501	4	1,505	
Deferred taxes entered in other comprehensive income						-185		-185	-1	-186	
Currency differences					-199	-641		-840	-3	-843	
<b>OTHER COMPREHENSIVE INCOME AFTER TAXES 30 JUNE 2018</b>	0	0	0	0	-199	675	0	476	0	476	0
Consolidated surplus 6M-2018				5,029				5,029	183	5,212	
<b>OVERALL RESULT OF THE PERIOD</b>	0	0	0	5,029	-199	675	0	5,505	183	5,688	0
Dividend payment			-2,519					-2,519		-2,519	
Purchase of own shares							-469	-469		-469	
New minority interests								0	-27	-27	
Sale and issue of own shares in the form of share-based payment		-787					933	146		146	
<b>CONSOLIDATED EQUITY AS OF 30 JUNE 2019</b>	15,752	34,166	55,515	5,029	690	-6,418	45	104,779	1,049	105,828	2,984

	Subscribed capital	Capital reserves	Retained earnings	Annual Net Profit	Equity capital difference from currency conversion	Pension reserves	Own shares	Equity capital attributable to stock of parent company	Shares of non-controlling partners	Equity capital total	Authorized Capital
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
<b>CONSOLIDATED EQUITY AS OF 01 JANUARY 2019</b>	15,752	34,166	52,182	10,921	1,131	-5,771	-759	107,622	703	108,325	2,984
Posting of consolidated surplus 2018 in the Group profit carried forward			10,921	-10,921				0		0	
Actuarial profits and losses						-3,451		-3,451	-5	-3,456	
Deferred taxes entered in other comprehensive income						554		554	1	555	
Adaptation of the initial application of IFRS 9			-49					-49		-49	
Currency differences			-1,738	0	1,485	-88		-341	6	-335	
<b>OTHER COMPREHENSIVE INCOME AFTER TAXES 30 JUNE 2019</b>	0	0	-1,787	0	1,485	-2,985	0	-3,287	2	-3,285	0
Consolidated surplus 6M-2019				4,245				4,245	1,101	5,346	
<b>OVERALL RESULT OF THE PERIOD</b>	0	0	-1,787	4,245	1,485	-2,985	0	958	1,103	2,061	0
Dividend payment			-2,676					-2,676		-2,676	
Purchase of own shares							-389	-389		-389	
New minority interests								0	1,590	1,590	
Sale and issue of own shares in the form of share-based payment		-912					1,082	170	0	170	
<b>CONSOLIDATED EQUITY AS OF 30 JUNE 2019</b>	15,752	33,254	58,640	4,245	2,616	-8,756	-66	105,685	3,396	109,081	2,984

# Appendix to the Consolidated Interim Financial Report

## 1. Accounting and Valuation Methods

This interim report from the NEXUS Group of 30 June 2019 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 June 2019. 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 Appendix of the Group Financial Statement 2018. The same accounting and valuation methods were used in the Group Financial Statement for the business year 2018. With the exception of the amendments described below, the same accounting policies were used as for the consolidated financial statements for the 2018 financial year.

The IASB published the new standard, IFRS 16 Leases, on 13 January 2016. IFRS 16 replaces the previous classification of leases by lessees as operating or financing leases. Instead, IFRS 16 introduces a uniform accounting model whereby the lessee is required to recognize a right-of-use asset and a lease liability for leases with a term of more than twelve months. This means that liabilities not recognized in the past – largely comparable to current accounting for finance leases – must be recognized in the future. IFRS 16 is effective for annual reporting periods beginning on or after

1 January 2019; early adoption is permitted if IFRS 15 is already applied. NEXUS AG is applying the standard from the financial year beginning on 1 January 2019. IFRS 16 is adopted using the modified retrospective method; the comparative figures for prior-year periods have not been restated. The weighted incremental borrowing rate for leases recognized for the first time as of 1 January 2019 is 1.75 %.

Practical expedients are used for low-value leases and short-term leases (less than 12 months).

The report has not been audited.

The Annual Report 2018 and Half-Year Report as of 30 June 2019 could be downloaded on [www.nexus-ag.de](http://www.nexus-ag.de).

## 2. Consolidation Group

In addition to the NEXUS AG as parent company, all operatively active domestic and foreign subsidiaries are included in the Group Financial Statement, for which NEXUS AG has the majority of voting rights directly or indirectly.

One affiliated company was included in the balance sheets according to the equity method.

### LIST OF CONSOLIDATED SUBSIDIARIES, JOINT VENTURES AND AFFILIATED COMPANIES

		30/06/2019	31/12/2018
FULL CONSOLIDATION	COUNTRY	CAPITAL SHARE IN %	
NEXUS Digitale Dokumentationssysteme Projektentwicklungsges.m.b.H., Wien	Austria	100.00	100.00
NEXUS Integration Solution GmbH, Donaueschingen (previously: NEXUS / Deutschland GmbH, Donaueschingen) <sup>1) 2)</sup>	Germany	100.00	100.00
NEXUS . IT GmbH SÜDOST, Donaueschingen <sup>3)</sup>	Germany	100.00	50.20
NEXUS / CLOUD IT GmbH, Donaueschingen <sup>1)</sup>	Germany	100.00	100.00
NEXUS Medizinsoftware und Systeme AG, Altishofen	Switzerland	100.00	100.00
NEXUS Deutschland GmbH, Donaueschingen (previously: NEXUS / CIS GmbH, Donaueschingen) <sup>1) 4)</sup>	Germany	100.00	100.00
NEXUS / DIS GmbH, Frankfurt am Main <sup>1)</sup>	Germany	100.00	100.00
NEXUS / QM GmbH, Singen Hohentwiel <sup>1)</sup>	Germany	100.00	100.00
NEXUS / REHA GmbH, Donaueschingen	Germany	100.00	100.00
NEXUS / CSO GmbH, Donaueschingen <sup>1)</sup>	Germany	100.00	100.00
VEGA Software GmbH, Frankfurt am Main	Germany	100.00	100.00
NEXUS Schweiz AG, Altishofen	Switzerland	100.00	100.00
Synergetics AG, Altishofen <sup>5)</sup>	Switzerland	60.00	60.00

LIST OF CONSOLIDATED SUBSIDIARIES, JOINT VENTURES AND AFFILIATED COMPANIES		30/06/2019	31/12/2018
FULL CONSOLIDATION	COUNTRY	CAPITAL SHARE IN %	
NEXUS / OPTIM S.A.S., Grenoble	France	100.00	100.00
E&L medical systems GmbH, Erlangen <sup>1)</sup>	Germany	100.00	100.00
NEXUS / ASS.TEC GmbH, Donaueschingen	Germany	100.00	100.00
NEXUS / MARABU GmbH, Berlin	Germany	100.00	100.00
CS3I S.A.S., Creuzier-le-Neuf <sup>6)</sup>	France	100.00	100.00
NEXUS Nederland B.V., Nieuwegein	Netherlands	100.00	100.00
nexus / switspot GmbH, Neckarsulm <sup>7)</sup>	Germany	100.00	100.00
NEXUS / SiSinf S.L., Sabadell <sup>8)</sup>	Spain	100.00	100.00
IBH Datentechnik GmbH, Kassel	Germany	100.00	100.00
CHILI GmbH, Dossenheim <sup>9)</sup>	Germany	83.73	51.19
highsystem ag, Zürich <sup>10)</sup>	Switzerland	95.00	95.00
NEXUS POLSKA sp. z o.o., Posen <sup>11)</sup>	Poland	100.00	100.00
ASTRAIA Software GmbH, München <sup>12)</sup>	Germany	100.00	100.00
Creativ Software AG, Widnau <sup>13)</sup>	Switzerland	100.00	100.00
Swisslab DITS GmbH, Berlin	Germany	100.00	100.00
ifa systems AG, Frechen	Germany	52.56	-
EQUITY-CONSOLIDATED			
G.I.T.S. Gesundheitswesen IT-Service GmbH Fürstentfeldbruck, Fürstentfeldbruck	Germany	49.00	49.00

<sup>1)</sup> Exemption under section 264(3) HGB exercised.

<sup>2)</sup> NEXUS Deutschland GmbH, Donaueschingen, was renamed Nexus Integration Solution GmbH, Donaueschingen, as of 1 July 2019.

<sup>3)</sup> NEXUS AG acquired the remaining 49.80 % of shares in NEXUS . IT GmbH Südost, Donaueschingen, by way of share purchase agreement dated 14 June 2019.

<sup>4)</sup> NEXUS / CIS GmbH, Donaueschingen, was renamed NEXUS Deutschland GmbH, Donaueschingen, as of 1 July 2019.

<sup>5)</sup> The shares are held indirectly through NEXUS Schweiz AG, Altshofen.

<sup>6)</sup> The shares are held indirectly through NEXUS / OPTIM S.A.S., Grenoble.

<sup>7)</sup> NEXUS AG acquired the remaining 10.00 % of shares in its subsidiary nexus / switspot GmbH, Neckarsulm, under the option agreement on 15 May 2019.

<sup>8)</sup> NEXUS AG acquired the remaining 10.00 % of shares in its subsidiary NEXUS / SiSinf S.L., Sabadell, under the option agreement on 26 June 2019. As of 31 December 2018: The interest under company law amounts to just 90.00 %. There is an option for the remaining 10.00 %.

<sup>9)</sup> The interest under company law amounts to just 51.19 %. There is an option for 32.54 % of shares.

<sup>10)</sup> The shares are held indirectly through NEXUS Schweiz AG, Altshofen. The interest under company law amounts to just 80.00 %. There is an option for another 15.00 % of shares.

<sup>11)</sup> The interest under company law amounts to just 66.37 %. There is an option for the remaining 33.63 % of shares. On 6 June 2019, NEXUS AG acquired a further 11.37 % of shares in its subsidiary NEXUS Polska sp. z o.o., Poznan, under its option agreement. As of 31 December 2018: The interest under company law amounts to just 55.00 %. There is an option for the remaining 45.00 % of shares.

<sup>12)</sup> The interest under company law amounts to just 61.00 %. There is an option for the remaining 39.00 % of shares.

<sup>13)</sup> The interest under company law amounts to just 80.00 %. There is an option for the remaining 20.00 % of shares.

### 3. Trade receivables, other receivables and contract assets

Classification	Loss rate in %			Carrying amount in KEUR			Impairment in KEUR		
	30/06/2019	31/12/2018	30/06/2018	30/06/2019	31/12/2018	30/06/2018	30/06/2019	31/12/2018	30/06/2018
Low risk – class 1 (typically 0 to 90 days)	0.33	0.33	0.33	24,044	24,466	21,505	81	81	73
Medium risk – class 2 (typically 90 to 180 days)	5.29	5.29	5.29	5,693	1,935	4,008	301	102	212
Loss – class 3 (typically more than 180 days)	84.02	84.02	84.02	4,378	4,811	3,575	3,678	4,042	3,004
				<b>34,115</b>	<b>31,212</b>	<b>29,088</b>	<b>4,061</b>	<b>4,225</b>	<b>3,289</b>

The other assets are not interest-bearing and normally are due between 30 and 360 days. Trade receivables are not interest-bearing and normally are due between 30 and 90 days.

The development of the value adjustment account as of 30 June 2019 is as follows:

	30/06/2019	31/12/2018	30/06/2018
	KEUR	KEUR	KEUR
Impairment as of 1 January	4,225	2,852	2,852
Change in impairment for class 1 financial instruments (= level 2)	1	12	5
Change in impairment for class 2 financial instruments with elevated default risk (= level 2)	199	24	134
Change in impairment for class 3 financial instruments with objective evidence of impairment (= level 3)	-364	1,337	298
<b>IMPAIRMENT AT THE END OF THE PERIOD</b>	<b>4,061</b>	<b>4,225</b>	<b>3,289</b>

#### 4. Financial Assets

	30/06/2019		31/12/2018		30/06/2018	
	Acquisition costs	Market value	Acquisition costs	Market value	Acquisition costs	Market value
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
Pension funds	2,158	1,633	2,158	1,586	2,158	1,786
<b>TOTAL</b>	<b>2,158</b>	<b>1,633</b>	<b>2,158</b>	<b>1,586</b>	<b>2,158</b>	<b>1,786</b>

#### 5. Liabilities

	30/06/2019		31/12/2018		30/06/2018	
	short-term (< 1 year)	long-term (> 1 year)	short-term (< 1 year)	long-term (> 1 year)	short-term (< 1 year)	long-term (> 1 year)
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
Financial liabilities	0	0	9,000	0	0	0
Trade accounts payable	6,764	0	7,070	0	4,341	0
Taxes on earnings obligation	1,863	0	1,615	0	1,814	0
Deferred revenue	17,943	0	4,660	0	16,882	0
Other non-financial debts	5,454	0	3,111	0	6,627	0
• Other taxes	5,454	0	3,111	0	6,627	0
Contract liabilities	4,540	0	5,399	0	3,882	0
Other financial debts	11,271	17,485	21,985	19,358	5,995	17,525
• From obligations for salary payables	3,109	0	3,266	0	1,786	0
• Other	8,162	17,485	18,719	19,358	4,209	17,525
<b>TOTAL</b>	<b>47,835</b>	<b>17,485</b>	<b>52,840</b>	<b>19,358</b>	<b>35,659</b>	<b>17,525</b>

Conditions of the financial liabilities listed above:

- + Average down payments on orders are offset after 12 months.
- + Liabilities from deliveries and services are not interest-bearing and normally are due with 30 days.

## 6. Segment reporting

Reporting by business segment as of 30 June	Healthcare Software		Healthcare Service		Consolidation		Group	
	2019	2018	2019	2018	2019	2018	2019	2018
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
Sales with customers	65,673	59,298	4,035	5,148			69,708	64,446
• Services	50,737	45,651	3,927	4,766			54,664	50,417
• Licenses	12,470	11,030	89	298			12,559	11,328
• Deliveries	2,466	2,617	19	85			2,485	2,701
Sales between segments	133	61	1,974	2,017	-2,107	-2,078	0	0
Segment sales	65,806	59,359	6,009	7,165	-2,107	-2,078	69,708	64,446
Operating segment result	7,844	6,446	-356	159			7,488	6,605
Segment assets	161,882	139,281	6,112	5,744			167,994	145,024

### Segmenting according Business Division

The Group is split into business units according to products and services for the purpose of company management and has the following business segments required to file reports:

#### Healthcare Software

The NEXUS Deutschland, NEXUS Rest of Europe and NEXUS / DIS business units develop and distribute software solutions for administrative and medical operations in the healthcare sector. The economic performance of these business units reacts consistently to external factors. Furthermore, the products and services offered, the performance process, the customers and the distribution methods are virtually identical or similar. These three business units are therefore bundled in the Healthcare Software reporting segment.

#### Healthcare Service

NEXUS / CMS (Consulting & Managed Services), which is not assigned to the Healthcare Software reporting segment, forms the separate Healthcare Service reporting segment. The companies bundled in Healthcare Service are under uniform management. The companies under the NEXUS / CLOUD IT label perform day-to-day management functions for hospital IT – from operations to the management of the software applications used to user support. The companies under the NEXUS / ASS.TEC label primarily offer computer-aided process consulting, including SAP consulting. The companies under the NEXUS / SWITSPOT label mainly offer SAP-HCM consulting.

The balance sheet and valuation methods of both segments with mandatory reporting correspond to the same accounting methods as external reporting. Transactions between the segments are settled at customary market conditions.

## 7. Seasonal Influences on Business Transactions

Within the context of the operative business of NEXUS Group, seasonal effects result due to the receipt of maintenance revenues in the first quarter of the business year (the revenue influences of the corresponding received payments are accrued over the business year) as well as the substantially higher demand and settlement of project accounts in the fourth quarter of the business year.

## **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, 13 August 2019

NEXUS AG  
The Executive Board

***nexus / ag***

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