

## Nexus AG and TA enter into an Investment Agreement and TA announces Public Takeover Offer

5 November 2024

Nexus AG and TA agree entering into strategic partnership with the objective of making optimal use of the growth potential of the company in the international e-health market.

- TA will launch a voluntary public takeover offer at a price of EUR 70.00 per share in cash.
- The Management Board and Supervisory Board of Nexus AG support the offer and consider the strategic partnership to be of significant added value for Nexus AG and its customers.
- As a strategic partner, TA will provide its additional expertise in the software business, greater financial flexibility and a stable ownership structure.
- Shareholders will receive a premium of 44.2 % to the Nexus AG closing share price on 4 November 2024, and a premium of 35.3 % to the 3M VWAP.
- TA has entered into irrevocable undertakings for approximately 26.9 % of Nexus AG shares, including with members of the Management Board and Supervisory Board, LUXEMPART and other long-term shareholders.
- The investment agreement between Nexus AG and TA contains definitive agreements on strategy, employees, locations and management.

Donaueschingen, 5 November 2024. Today, Nexus AG, a leading European e-health software company, and a holding company controlled by investment funds advised and managed by affiliates of TA Associates Management, L.P. (together "TA") entered into an investment agreement regarding a strategic partnership and a public takeover offer for Nexus AG by TA. The strategic partnership aims to capitalize on the market potential of the rapidly growing European e-health market and to promote further profitable growth for Nexus AG.

The requirements for digital support in the healthcare sector continue to increase and software companies are expected to both implement and finance the necessary investments in their solutions. This includes significant investments to support strategic acquisitions and regional expansions. TA has extensive expertise in the software industry, mergers and healthcare and will support the management of Nexus AG in these areas. TA accepts the resulting short and medium-term effects on profitability and cash flow and is prepared to support the financing of the necessary investments.

In light of the above, TA has announced a voluntary public takeover offer for all Nexus AG shares at an offer price of EUR 70.00 per share in cash.

*"The Management Board emphatically welcomes the prospect of a strategic partnership with TA. TA has clearly expressed that it will support the overall strategy of Nexus AG and in particular its innovation strategy.*

*The market for e-health solutions is evolving. Healthcare facilities continue to increase their demands for digital support and are increasingly reliant on digitalization solutions, while at the same time, more digitalization solution providers are leaving the market. Against this backdrop, Nexus AG has the opportunity to increase its market share and expand its market presence. In particular, we are focused on meeting or even exceeding rising customer expectations for digitalization solutions. With*

*its extensive industry expertise and experience with growth strategies in software companies, TA is a valuable long-term partner for Nexus AG and our customers. A successful transaction would enable us to accelerate the implementation of our strategy and we are convinced that the current market opportunities require us to focus on gaining additional market share and realizing our innovations. This focus should be prioritized over short and medium-term profit orientation and TA fully supports this market and strategic view. The offer of 70.00 Euros per share offers our shareholders an attractive premium and the decision of major shareholders to accept the offer is evidence of the attractiveness of the cash offer" said Dr. Ingo Behrendt, CEO of Nexus AG.*

*"After careful consideration of various strategic options and after analyzing the proposed partnership with TA and the associated takeover offer, the Supervisory Board and Management Board have come to the unanimous conclusion that the transaction is in the best interests of the company and its shareholders. We therefore welcome the strategic partnership with TA and support the offer. The transaction is in the best interest of our customers, partners and employees and creates immediate value for our shareholders" emphasized Dr. Hans-Joachim König, Chairman of the Supervisory Board of Nexus AG.*

*"TA has followed Nexus's growth trajectory for many years as the company has established itself as a leading provider of healthcare IT solutions in Germany, Switzerland and Europe" said Stefan Dandl, Director at TA.*

*"We believe Nexus AG is well positioned to continue to grow and innovate with its modern technology platform, extensive industry-leading product portfolio and strong customer focus. We are looking forward to working with Ingo and the Nexus team to further expand the business through a combination of strategic acquisitions and significant R&D investment in cloud and AI technologies" added Birker Bahnsen, Managing Director at TA.*

### **Key data of the offer**

TA intends to make a cash offer to all Nexus shareholders in the amount of EUR 70.00 per share. This implies an equity valuation for Nexus AG of approximately EUR 1.21 billion and corresponds to a premium of 35.3 % to the volume-weighted average price of the Nexus share over the past three months and a premium of 44.2 % to the closing price on 4 November 2024.

The shareholders of Nexus AG will thus have the opportunity to immediately realize a substantial part of the expected long-term value growth. The offer will be subject to a minimum acceptance threshold of 50 % plus one share and customary regulatory conditions, including antitrust and foreign investment control clearances. TA intends not to enter into a domination and/or profit and loss transfer agreement with Nexus AG for a period of at least two years after settlement of the offer.

In the event of a successful takeover offer, TA intends to delist Nexus AG from the stock exchange in due course after settlement of the takeover. The Management Board of Nexus AG considers the implementation of its long-term strategy away from a stock market environment to be an advantage and generally supports the potential delisting intended by TA.

### **The success story of Nexus AG is to be continued**

Thanks to a clear innovation strategy and a long-term, customer-oriented focus, Nexus AG has developed from a start-up into one of the major providers of European e-health solutions over the last 25 years. With annual double-digit growth rates and continuously increasing company profits, Nexus AG is one of the leading software companies in Germany. The strategic partnership with TA is intended to continue and further accelerate this development. Both parties have signed an investment agreement with a clear commitment to create long-term value for the benefit of customers, partners and employees. However, the implementation of the above initiatives will require higher investments and a more long-term shareholder perspective.

According to TA's view, this will not only require upfront investment in capital and personnel, but also impact the level of earnings in upcoming years. TA is therefore convinced that the realization of Nexus AG's long-term potential is limited in its current corporate form as a listed company. Consequently, the partnership and transaction should enable the company to pursue long-term innovation strategies, increase customer loyalty and reinvest capital in a private ownership setting.

TA and Nexus AG have also agreed that the management of the company will remain with the current Management Board of Nexus AG. The company headquarters in Donaueschingen and all other key locations are to be retained.

In accordance with the requirements of the German Securities Acquisition and Takeover Act, the offer document, once available, and other information in connection with TA's public takeover offer will be made available on the following website after approval by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*):

[www.neptune-public-offer.com](http://www.neptune-public-offer.com).

After publication, the Management Board and Supervisory Board will carefully examine the offer document in accordance with their legal obligations and issue a reasoned statement.

GSK Stockmann Partnerschaftsgesellschaft mbB, Munich acts as legal advisor to Nexus AG. TA is supported by Barclays as financial advisor and Kirkland & Ellis International LLP as legal advisor.

An investor and analyst call will take place today, 5 November 2024 at 3:00 pm.

#### **About Nexus AG:**

Nexus AG develops and distributes software solutions for the international healthcare market. With the clinical information system (Nexus / KIS) and the integrated diagnostic modules, we now have a uniquely broad and interoperable product range that can cover almost all functional requirements of hospitals, psychiatric clinics, rehabilitation and diagnostic centers within our own product families. Nexus AG employs around 2,030 people, own sites in nine European countries and supports customers in further 71 countries, in some cases via certified dealers. Due to the continuously growing demand for Nexus products, we have been able to build up a large customer base in recent years and regularly achieve increasing sales and results.

Further information on Nexus AG can be found at [www.nexus-ehealth.com](http://www.nexus-ehealth.com)

#### **About TA Associates:**

TA is a leading global private equity firm focused on scaling growth in profitable companies. Since 1968, TA has invested in more than 560 companies across its five target industries – technology, healthcare, financial services, consumer and business services. Leveraging its deep industry expertise and strategic resources, TA collaborates with management teams worldwide to help high-quality companies deliver lasting value. Since opening its London office in 2003, TA has invested over USD 10 billion in 58 companies across EMEA, many of which have been successfully exited to date. Technology has been the single largest area of investment for TA over the 55-year history of the firm. TA has completed close to 300 investments in this sector, including many of the largest technology companies in the world. This continues today as technology is the most active sector for capital deployment for TA.

Further information on TA can be found at [www.ta.com](http://www.ta.com).

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## **Important Notice**

This announcement is neither an offer to purchase nor a solicitation of an offer to sell shares in Nexus AG. The Offer itself as well as its terms and conditions and further provisions concerning the Offer will be set out in the offer document in detail after the German Federal Financial Supervisory Authority (*BaFin*) has approved the publication of the offer document. Investors and holders of shares in the company are strongly advised to thoroughly read the offer document and all other relevant documents regarding the Offer upon their availability since they will contain important information.

The Offer will exclusively be subject to the laws of the Federal Republic of Germany and certain applicable provisions of securities laws of the United States of America. Any agreement that is entered into as a result of accepting the Offer will be exclusively governed by the laws of the Federal Republic of Germany and is to be interpreted in accordance with such laws.