



SoftwareONE Holding AG

Report 2018

Statutory Financial Statements

SoftwareONE Holding AG, Stans

Balance Sheet

For the year ended December 31

in CHF	2018	2017
Assets		
Cash and cash equivalents	5'101'184	222'769
Other receivables due from 3rd parties	723	373'479
Other receivables due from group companies	3'651'893	467'218
Other receivables due from shareholders	1'200	126'130
Short term loans due from group companies	69'884'853	94'022'363
Current assets	78'639'853	95'211'959
Shareholdings	104'995'570	104'995'570
Financial investments	12'674'014	-
Non-current assets	117'669'583	104'995'570
Total assets	196'309'437	200'207'529

in CHF	2018	2017
Liabilities and equity		
Other liabilities due to 3rd parties	1'230'900	2'135'824
Other liabilities due to group companies	-	38'880
Dividend payments	26'970	17'017
Accrued expenses and deferred income due to 3rd parties	4'919'113	923'313
Accrued expenses and deferred income due to shareholders	-	338'507
Accrued expenses and deferred income due to group companies	893'702	-
Current liabilities	7'070'685	3'453'541
Shareholder's equity		
Share capital	1'354'286	1'354'286
Legal capital reserves		
Share premium	104'132'883	103'650'097
Capital contribution reserves	43'604'721	54'075'743
Voluntary retained earnings		
Accumulated profits	37'904'005	24'214'911
Net profit for the period	12'185'610	13'689'094
Treasury shares	-9'942'754	-230'143
Equity	189'238'752	196'753'988
Total liabilities and equity	196'309'437	200'207'529

Income Statement

For the year ended December 31

in CHF	January 1 to December 31 2018	January 1 to December 31 2017
Dividend income	15'000'000	15'000'000
Financial income	2'982'880	2'104'450
Other income	3'871	-
Total income	17'986'751	17'104'450
Administrative expenses	-4'734'193	-3'387'398
Financial expenses	-1'055'464	-7'394
Tax expenses	-11'484	-20'564
Total expenses	5'801'140	-3'415'356
Net profit for the year	12'185'611	13'689'094

Notes to the Statutory Financial Statements

SoftwareONE Holding AG, Stans

1. Principles

General aspects

"These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

As SoftwareONE Holding AG prepares its consolidated financial statements in accordance with a recognized accounting standard (International Financial Reporting Standard), SoftwareONE Holding AG waived in accordance with the statutory provisions, to present additional information on interest-bearing liabilities and auditing fees in the notes as well as the presentation of a cash flow statement."

Treasury shares

Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. Gain or loss related to treasury shares are recognized directly in equity.

2. Information on balance sheet and income statement items

Investments

All investments except SWO Switzerland AG are indirectly held. For details please refer to section Group Companies in Consolidated Financial Statements.

Share capital

Share capital in the amount of CHF 1'354'285.70 consists of 13'542'857 registered shares at a par value of CHF 0.10 each.

Capital contribution reserve

The reserves from capital contributions include the premium from the capital increase in 2015 and the gain on treasury shares used for share based payments of group entities. From a fiscal point of view, any distributions made from reserves from capital contributions are treated the same as a repayment of share capital. As at 31 December 2018, disclosed reserves from capital contribution were pre-approved but subject to final approval by the Swiss Federal Tax Administration (SFTA).

Treasury shares

The following table summarizes the balance of treasury shares:

	Number of shares	average in CHF	in 1'000 CHF
Total treasury shares at December 31, 2016	318'737	1.31	416
Outgoing shares under employee share plan	-13'863	13.42	-186
Total treasury shares at December 31, 2017	304'874	0.75	230
Shares purchased under employee share plan	193'253	52.88	10'219
Shares used for acquisition	-100'273	5.05	-506
Total treasury shares at December 31, 2018	397'854	24.99	9'943

3. Other information

Full-time equivalents

SoftwareONE Holding AG does not have any employees.

Significant events after the balance sheet date

Acquisition:

As of 31 January 2019 SoftwareONE Holding AG acquired 100% of Comparex AG, Germany.

As a global IT company with thirty years of experience, Comparex Group is one of the world's leading IT service providers in the EMEA markets. Comparex develops innovative services that support management and leverage *software products*, leading to an overall improvement of workforce productivity. Comparex serves corporate customers spanning from small businesses to large international corporations as well as public institutions – supporting every customer during its digital journey towards productivity optimization.

The transaction resulted in a net cash inflow in the amount of MCHF 70. The provisional purchase price in the amount of MCHF 354 consists of a cash payment (MCHF 55), a contingent consideration of MCHF 34 and 2'315'289 Group shares with a fair market value in the amount of MCHF 265 (capital increase in SoftwareONE Holding AG).

Appropriation of available earnings

SoftwareONE Holding AG, Stans

The board of directors proposes to the Annual General Meeting to approve the following allocations and dividend payments.

in CHF	2018	2017
Retained earnings brought forward	37'904'005	24'214'911
Net profit for the period	12'185'610	13'689'094
Voluntary retained earnings before proposed distribution	50'089'615	37'904'005
Voluntary retained earnings after proposed distribution	50'089'615	37'904'005
Capital contribution reserves brought forward	40'475'743	54'058'151
Transactions with treasury shares	3'128'978	17'592
Proposed distribution out of capital contribution reserves	-25'300'000	-13'600'000
Capital contribution reserves after proposed distribution	18'304'721	40'475'743

Proposed distribution will not apply to treasury shares at time of dividend distribution. This corresponds to expected CHF 1.64 per share (rounded).

To the General Meeting of
SoftwareONE Holding AG, Stans

Zurich, 11 April 2019

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of SoftwareONE Holding AG, which comprise the balance sheet, income statement and notes (pages 44 to 47), for the year ended 31 December 2018.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2018 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd



Kaspar Streiff
Licensed audit expert
(Auditor in charge)



Max Lienhard
Licensed audit expert