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To the General Meeting of
SoftwareONE Holding AG, Stans

Zurich, 30 March 2020

Statutory auditor's report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of SoftwareONE Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2019 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity and for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 80 to 138 within the downloadable Annual Report pdf) give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the IESBA Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Impairment of goodwill and intangible assets with indefinite useful life

Risk	The Group recognized significant goodwill in the amount of MCHF 340 (11.4% of total assets) and an intangible asset with indefinite useful life in the amount of MCHF 31. Management performed an annual impairment test for goodwill and brand in the fourth quarter 2019 and identified no impairment. Goodwill and the brand were tested by determining the recoverable amounts of each CGU to which the assets were allocated. The impairment assessments required Management to make significant estimates related to the expected timing of future cash flows and other key assumptions which could have a significant impact on the value in use, such as revenue growth rates and discount rates. These are disclosed in note 16 of the consolidated financial statements.
Our audit response	Our procedures included assessing Management's process for impairment testing of goodwill and intangible assets with indefinite useful life, gaining an understanding of the approved budgets, medium-term planning and assumptions therein and evaluating the reliability and accuracy of Management's forecasts, especially in respect of revenue growth and cost assumptions by comparing prior-year estimates with actual results. Furthermore, we assessed whether significant changes in key assumptions could result in an impairment loss by means of sensitivity analyses. We involved internal valuation specialists in the technical assessment of impairment testing models and the evaluation of significant estimates and key assumptions (growth rates, discount rates) with reference to available market data and relevant benchmarks for each CGU. Our audit procedures did not lead to any reservations regarding the impairment testing of goodwill and intangible assets with indefinite useful life.

Acquisition of COMPAREX Group

Risk	As of 31 January 2019, the Group acquired 100% of COMPAREX AG (Germany) including its subsidiaries (COMPAREX Group) for a total consideration of MCHF 354, consisting of cash paid, newly issued shares and contingent consideration as disclosed in note 3 of the consolidated financial statements. Management made significant estimates and assumptions when measuring the consideration transferred, the identifiable assets acquired, and the liabilities assumed at their acquisition date fair values. As part of the transaction, a contingent consideration arrangement was agreed that resulted in an additional cash payment to the previous owners of COMPAREX AG.
Our audit response	Our procedures included reading the share purchase agreement to obtain an understanding of the relevant terms of the transaction and assessing the accounting treatment in accordance with IFRS *3 Business Combinations*. We evaluated with assistance from internal valuation specialists the valuation method and key assumptions

	underlying the measurement of the newly issued shares transferred to the seller as part of the purchase price. We discussed with Management how the contingent consideration liability was measured and evaluated the underlying assumptions. Furthermore, we examined with assistance from internal valuation specialists the valuation report prepared by an external expert in determining the acquisition date fair values of acquired assets and liabilities assumed and evaluated the external expert's competence, capability and objectivity. We also assessed the measurement of provisions and contingent liabilities with Management and the previous auditors of COMPAREX Group. Finally, we reviewed the disclosures in the consolidated financial statements regarding this acquisition. Our audit procedures did not lead to any reservations regarding the acquisition of COMPAREX Group.

Revenue Recognition

Risk	The Group enters into different types of contracts with customers and recognizes revenue from contracts with customers for sale of software, solutions and services, as disclosed in note 6 of the consolidated financial statements. IFRS 15 *Revenue from Contracts with Customers* requires Management to apply judgment, in particular when assessing whether the Group acts as a principal or agent and the timing of revenue recognition. The assessment whether the Group acts as a principal or agent affects whether revenue is presented on a gross or net basis. The assessment regarding the timing of revenue recognition determines whether revenue is recognized over time or at a point in time and in which period revenue is recognized.
Our audit response	Our procedures included gaining an understanding of the revenue recognition process, performing a walkthrough of the revenue class of transactions and evaluating the design of controls in this area. We assessed the revenue recognition policy based on IFRS 15, in particular where Management applied judgment, including the principal versus agent assessment, and examined whether revenue is recognized in accordance with the Group's revenue recognition policy. We also inspected a sample of revenue transactions whether they are matched by a cost of software purchased transaction. In addition to substantive audit procedures, we performed data based analytical procedures based on the Group's underlying journal entries. Our audit procedures did not lead to any reservations regarding revenue recognition.

Other information in the annual report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the website of EXPERTsuisse: http://www.expertsuisse.ch/en/audit-report-for-public-companies. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Kaspar Streiff Licensed audit expert (Auditor in charge)	Max Lienhard Licensed audit expert