

Serviceware

Prospectus

dated 6 April 2018

for the public offering

of

2,500,000

newly issued ordinary bearer shares with no par value (*Stückaktien*)

from a capital increase against cash contributions resolved by an extraordinary general shareholders' meeting of the Company with exclusion of the subscription rights of the existing shareholders on 4 April 2018 (the "**New Shares**")

and

720,000

ordinary bearer shares with no par value (*Stückaktien*)

from the holdings of the Selling Shareholders (the "**Sale Shares**")

and

483,000

ordinary bearer shares with no par value (*Stückaktien*)

from the holdings of the Greenshoe Shareholders in connection with a possible over-allotment (the "**Over-Allotment Shares**")

and at the same time

for the admission to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard)

of

up to 2,500,000

newly issued ordinary bearer shares with no par value (*Stückaktien*)

from a capital increase against cash contributions resolved by an extraordinary general shareholders' meeting of the Company with exclusion of the subscription rights of the existing shareholders on 4 April 2018

and

8,000,000

ordinary bearer shares with no par value (*Stückaktien*) (existing share capital)

– each such share with a notional interest of EUR 1.00 in the share capital and with full dividend rights from 11 January 2018 –

of

**Serviceware SE
Bad Camberg**

International Securities Identification Number (ISIN): DE000A2G8X31
German Securities Code (*Wertpapierkennnummer, WKN*): A2G8X3
Ticker Symbol: SJJ

Joint Global Coordinators and Joint Bookrunners

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Hauck & Aufhäuser

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1. SUMMARY OF THIS PROSPECTUS

Summaries are made up of disclosure requirements known as elements ("**Elements**"). These Elements are numbered in sections A - E (A.1 - E.7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary due to the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In such cases, the summary includes a short description of the Element with the words "not applicable".

Section A - Introduction and Warnings

A.1 Warnings.

This summary is only intended as an introduction to this prospectus (the "**Prospectus**"). Any decision by investors to invest in the securities should be based on consideration of this Prospectus as a whole.

In the event claims are asserted before a court of law based on the information contained in this Prospectus, the investor appearing as a plaintiff may be required to bear the costs of translating this Prospectus prior to the commencement of legal proceedings in compliance with the national laws of the individual Member States of the European Economic Area ("**EEA**").

Serviceware SE, Bad Camberg, Germany (hereinafter the "**Company**" and together with its consolidated subsidiaries the "**Group**" or "**Serviceware**"), together with COMMERZBANK Aktiengesellschaft, Kaiserplatz, 60311 Frankfurt am Main, Germany ("**COMMERZBANK**") and Hauck & Aufhäuser Privatbankiers Aktiengesellschaft, Kaiserstraße 24, 60311 Frankfurt am Main, Germany ("**Hauck & Aufhäuser**", and together with COMMERZBANK, the "**Joint Global Coordinators**" or the "**Joint Bookrunners**"), assume responsibility for the contents of this summary including its German translation pursuant to section 5, para. 2b, no 4 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*). Those persons who are responsible for this summary, including any translations thereof, or for its issuance (*von denen der Erlass ausgeht*), may be held liable but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or if it does not provide, when read together with the other parts of this Prospectus, all necessary key information.

A.2 Consent regarding subsequent use of this Prospectus.

Not applicable. Consent of the Company regarding the use of the Prospectus for a subsequent resale or final placement of the Company's shares by financial intermediaries has not been granted.

Section B - The issuer

B.1 Legal and commercial name.

The Company's legal name is Serviceware SE. The Group's commercial name is "Serviceware".

B.2 Domicile, legal form, legislation, country of incorporation.

The Company's registered office is in Bad Camberg, Germany. The Company is registered with the commercial register kept at the local court (*Amtsgericht*) of Limburg a.d. Lahn, Germany, under HRB 5894.

The Company is a European company (*Societas Europaea*, SE) founded in Germany and governed by the provisions of the Regulation (EC) no 2157/2001 on the Statute for a European company (SE) (the "**SE Regulation**") as well as by German law.

B.3 Description of, and key nature of the issuer's principal activities, categories of products sold and / or services performed and identification of the principal markets in

Serviceware provides an integrated software platform consisting of a broad set of modular business software solutions that can be efficiently implemented and upgraded in order to meet the individual needs of enterprise IT process infrastructures. With its three proprietary business software solutions anafee, helpLine and careware, Serviceware covers the enterprise service management (ESM). This includes tasks such as IT service management, i.e. solutions for the operation and control of information technology services offered to customers and within a business organisation, IT financial management, i.e. solutions for planning and control of costs expended in delivering IT products and services, field service management, i.e. solutions that enable the efficient planning of

which the issuer competes.

service resources at or en route to the customers, and customer service management, i.e. solutions for the provision of service and support for external customers through communication channels such as webpages, email, chat, telephone, and social media. Thereby, Serviceware's ESM solutions cover all service processes within a company. In order to provide its customers with integrated services, Serviceware also provides IT infrastructure and managed services, i.e. services in relation to the management of the complete operations of a software platform implemented at the customer, which form the basis for the cross-selling of its ESM solutions.

Serviceware started its operations in 1998 by providing enterprises with third-party business software solutions in the area of IT infrastructure and IT service management. Since then, Serviceware has built a strong track record of expansion into new regions and business fields to become an integrated provider of ESM solutions and has, in its opinion, gained a leading position in Europe.

Serviceware offers its ESM platform with its proprietary business software solutions flexibly in various delivery models. Customers may either purchase or rent software licenses with an option of additional maintenance services and managed services or may choose a Software-as-a-Service ("**SaaS**") model, which combines a license rental of the business software application with managed services.

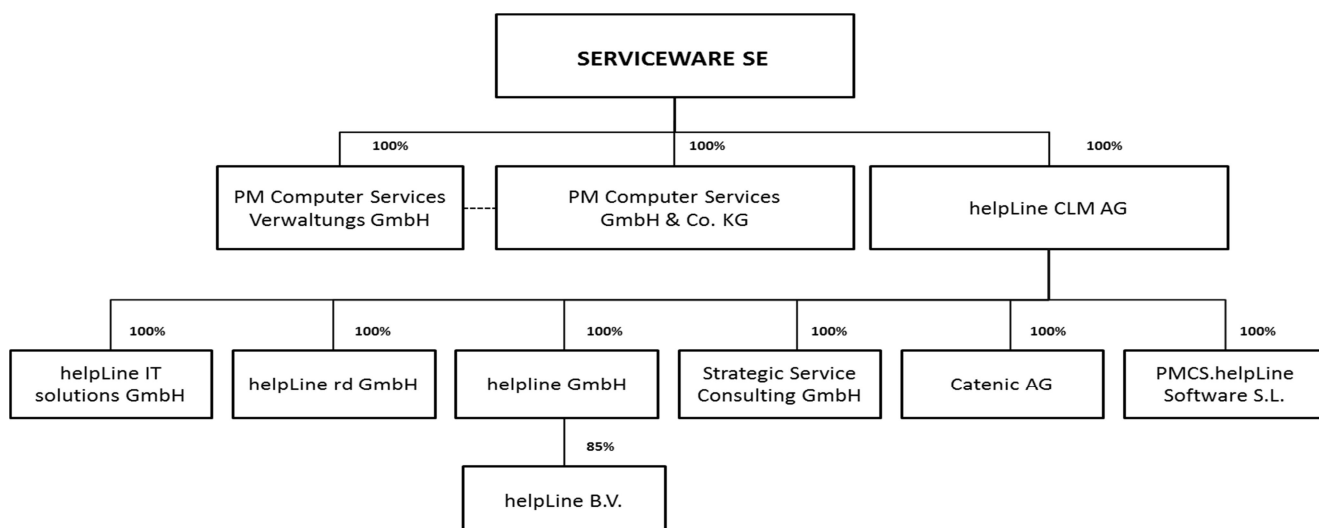
Serviceware supplies more than 500 customers, from medium-sized enterprises to global corporations, in all major industries, as well as governmental agencies and enterprises, predominantly in Germany, Austria, Switzerland and the Netherlands. Serviceware's international sales strategy for its proprietary ESM solutions and IT infrastructure focuses predominantly on direct sales and to a certain extent on indirect sales through consulting firms, strategic resellers and system integrators.

B.4a Description of the most significant recent trends affecting the issuer and the industry in which it operates.

The Company considers globalisation and digitalisation as the trends that will influence most of the markets in which Serviceware operates. Digitalisation and the continuous strive for more efficiency will, in the Company's opinion, lead to exponential growth of the amount of data enterprises have to process. Further, Serviceware expects as a general trend that services around software products become increasingly important for enterprises. Serviceware considers its business activities to be in line with these trends because its products and services portfolio allows simplification and automatisisation of service processes by providing an integrated service management platform.

B.5 Description of the group and the issuer's position within the group.

The Company is the parent company of the Group. As the parent company of the Group, the Company exercises certain group management functions, such as strategy, risk management, accounting and controlling, treasury, legal, taxation, investor relations, marketing and public relations. The operating business of the Group is conducted exclusively by the relevant direct and indirect operating subsidiaries of the Company. The following chart shows in simplified form the current structure of the Group as of the date of this Prospectus:



B.6 Persons who, directly or indirectly, have a (notifiable) interest in the issuer's capital or voting rights.

To the Company's knowledge, the following shareholders hold shares in the Company as of the date of this Prospectus:

Name of the shareholder	Name of the indirect shareholder	Number of shares	In %
aventura Management GmbH, Bad Camberg, Germany ¹	Dirk K. Martin	3,880,000	48.5
dreiff Management GmbH, Bad Camberg, Germany ²	Harald Popp	3,880,000	48.5
Ingo Bollhöfer	-	240,000	3.0

¹) The sole shareholder of aventura Management GmbH, Bad Camberg, Germany, is Mr Dirk K. Martin.
²) The sole shareholder of dreiff Management GmbH, Bad Camberg, Germany is Mr Harald Popp.

Deviating voting rights.

Not applicable. All of the Company's shares carry the same voting rights.

Direct or indirect control over the issuer and nature of such control.

Not applicable. There is no direct or indirect control over the issuer.

B.7 Selected historical key financial information.

The financial information contained in the following tables is taken from the audited combined financial statements of the Group prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") as of and for the financial years ended as of 30 November 2015, 2016 and 2017 (the "**Combined Financial Statements**"). The Combined Financial Statements were audited by RSM GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Georg-Glock-Straße 4, 40474 Düsseldorf, Germany, who issued an unqualified audit opinion (*Bestätigungsvermerk*) thereon.

Selected financial information from the statement of profit and loss and other comprehensive income

The following table shows selected information from the combined statements of profit and loss and other comprehensive income of Serviceware for the financial years ended 30 November 2015, 2016 and 2017.

in EUR thousand	For the financial year ended 30 November		
	2015	2016	2017
	(audited, combined)		
Sales revenues	39,584	37,948	44,347
Other operating income	1,339	1,061	1,231
Changes in inventories	-56	-	10
Cost of materials	-16,460	-15,042	-17,636
Personnel expenses.....	-13,467	-14,532	-16,233
Depreciation/Amortization.....	-228	-222	-238
Other operating expenses	-6,159	-5,617	-5,849
EBIT¹	4,553	3,596	5,632
Interest income	53	8	*
Interest expense	-258	-216	-201
Financial result	-205	-208	-201
EBT	4,348	3,388	5,431
Tax expenses	-885	-1,055	-782
Net profit/loss	3,463	2,333	4,649
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss:			
from currency translation of foreign operation	101	-43	-106
Other comprehensive income	101	-43	-106
Total comprehensive income	3,564	2,290	4,543

* Less than EUR 1 thousand.

⁽¹⁾ The Company defines EBIT as earnings before interest and taxes (audited and as shown in the IFRS Combined Financial Statements). The Company discloses EBIT as a supplemental alternative performance measure, as it believes this is a meaningful measure to evaluate the performance of the Company's business activities over time.

Selected financial information from the combined statements of financial position

The following table shows selected information from the combined statements of financial position of Serviceware as of 30 November 2015, 2016 and 2017.

in EUR thousand	As of 30 November		
	2015	2016	2017
	(audited, combined)		
Assets			
Goodwill	2,809	2,809	2,809
Other intangible assets	78	44	16
Property, plant and equipment.....	406	448	459
Other non-current assets	3,869	2,702	3,294
Deferred tax assets.....	-	-	25
Non-current assets	7,162	6,003	6,603
Inventories	-	21	9
Trade receivables.....	12,467	8,328	8,266
Other current assets.....	8,111	7,516	7,600
Cash and cash-equivalent	6,160	6,655	9,015
Current assets	26,738	22,520	24,888
Total	33,900	28,523	31,491
Liabilities			
Share capital.....	783	783	783
Capital reserve	1,252	1,252	1,252
Retained earnings.....	828	342	2,380
Translation reserve	100	57	-49
Equity without minority.....	2,963	2,434	4,366
Minority.....	5	-45	24
Equity	2,968	2,389	4,390
Other non-current provisions	110	98	108
Non-current financial liabilities.....	4,741	4,351	3,631
Other non-current liabilities.....	5,592	3,429	3,733
Non-current liabilities	10,443	7,878	7,472
Current income tax liabilities	767	732	836
Current financial liabilities	312	389	720
Trade payables.....	3,386	2,397	2,897
Other current liabilities	16,024	14,736	15,176
Current liabilities	20,489	18,256	19,629
Total	33,900	28,523	31,491

Selected financial information from the combined statements of cash flow

The following table shows selected information from the combined statements of cash flow of Serviceware for the financial years ended 30 November 2015, 2016 and 2017.

in EUR thousand	For the financial year ended		
	2015	2016	2017
	30 November		
	(audited, combined)		
Net cash from operating activities	4,171	4,156	5,819
Net cash from investing activities	-143	-222	-221
Net cash from financing activities	-3,484	-3,398	-3,185
Cash and cash equivalents at November 30th	6,160	6,655	9,015

Significant changes to the issuer's financial condition and operating results during and subsequent to the period covered by the historical key financial information.

The following significant changes occurred in the Company's financial condition and operating results in the financial years ended 30 November 2015, 2016 and 2017 (combined), and in the subsequent period up to the date of this Prospectus.

Sales revenues

Sales revenues decreased from EUR 39,584 thousand in the financial year ended on 30 November 2015 by EUR 1,636 thousand or 4% to EUR 37,948 thousand in the financial year ended on 30 November 2016. The decrease in sales revenues was mainly attributable to the decrease in revenues licenses (from EUR 16,143 thousand by EUR 2,694 or 17% to EUR 13,449 thousand), which was due to the refocusing of the sales strategy following the integration of anafee in its product offering which effected the sales performance with regard to new licenses. Revenues from service/SaaS remained almost unchanged at EUR 10,040 thousand in the financial year ended on 30 November 2016 compared to EUR 9,902 thousand in the financial year ended on 30 November 2015. Revenues from maintenance increased from EUR 13,539 thousand by EUR 920 thousand or 7% to EUR 14,459 thousand despite of the decrease in license revenues as a high portion of maintenance revenues are generated from (multi-year) subscriptions and the retention rate of maintenance contracts remained at a high rate. Sales revenues increased from EUR 37,948 thousand in the financial year ended on 30 November 2016 by EUR 6,399 thousand or 17% to EUR 44,347 thousand in the financial year ended on 30 November 2017. Revenues from service/SaaS increased from EUR 10,040 thousand in the financial year ended on 30 November 2016 by EUR 1,722 thousand or 17% to EUR 11,762 thousand in the financial year ended on 30 November 2017 due to higher demand in managed service, more requests for individual services from the existing customer base and a higher sales in licences. Revenues from licences increased from EUR 13,449 thousand in the financial year ended on 30 November 2016 by EUR 3,017 thousand or 22% to EUR 16,466 thousand in the financial year ended on 30 November 2017 following the refocusing of the sales strategy and the integration of anafee in its product offering. Revenues from maintenance increased from EUR 14,459 thousand by EUR 1,660 thousand or 11% to EUR 16,119 thousand due to higher sales in licences which are frequently purchased by customers together with maintenance services.

Net profit/loss

Net profit decreased from EUR 3,463 thousand in the financial year ended on 30 November 2015 by EUR 1,130 thousand or 33% to EUR 2,333 thousand in the financial year ended on 30 November 2016 due to the reasons described above. Net profit improved significantly from EUR 2,333 thousand in the financial year ended on 30 November 2016 by EUR 2,316 thousand or 99% to EUR 4,649 thousand in the financial year ended on 30 November 2017 due to the reasons described above.

Equity and liabilities

Equity decreased from EUR 2,968 thousand as of 30 November 2015 by EUR 579 thousand or 20% to EUR 2,389 thousand as of 30 November 2016. The decrease was primarily due to the decrease in retained earnings resulting from a combination of paying a constant dividend and less income. Equity increased from EUR 2,389 thousand as of 30 November 2016 by EUR 2,001 or 84% to EUR 4,390 thousand as of 30 November 2017. The increase was primarily due to increase in retained earnings resulting from a combination of higher income and less paid dividend. Non-current liabilities decreased from EUR 10,443 thousand as of 30 November 2015 by EUR 2,565 thousand or 25% to EUR 7,878 thousand as of 30 November 2016. The decrease was primarily due to the decrease in other non-current liabilities resulting from lower prepayments received from customers for maintenance contracts due to a slower sales performance. Non-current liabilities decreased slightly further from EUR 7,878 thousand as of

30 November 2016 by EUR 406 thousand or 5% to EUR 7,472 thousand as of 30 November 2017. The decrease was primarily due to the decrease in non-current financial liabilities, resulting from a repayment of loans, which was partly offset by an increase in other non-current liabilities resulting from higher prepayments received from customers for maintenance contracts due to a stronger sales performance. Current liabilities decreased from EUR 20,489 thousand as of 30 November 2015 by EUR 2,233 thousand or 11% to EUR 18,256 thousand as of 30 November 2016. The decrease was primarily due to the decrease in trade payables for the purchase of software licenses and maintenance due to lower sales and the decrease in other current liabilities resulting from lower prepayments received from customers for maintenance contracts. Current liabilities increased from EUR 18,256 thousand as of 30 November 2016 by EUR 1,373 thousand or 8% to EUR 19,629 thousand as of 30 November 2017. The increase was primarily due to the increase in trade payables resulting from stronger sales and the increase in other current liabilities, resulting from higher prepayments received from customers for maintenance contracts.

Recent developments

In the period after 30 November 2017 equity increased from EUR 4,390 thousand as of 30 November 2017 to EUR 4,819 thousand as of 31 January 2018 due to the increase in retained earnings. In the same period the current liabilities increased in line with Serviceware's ordinary course of business from EUR 19,629 thousand as of 30 November 2017 to EUR 24,186 as of 31 January 2018 primarily as a result of an increase in prepayments received from customers for maintenance and services with a remaining contract term of less than one year.

On 29/30 January 2018, Mr Harald Popp and Mr Dirk K. Martin indirectly, through, respectively, dreiff Management GmbH, and aventura Management GmbH acquired the designated holding entity, Serviceware SE, which was founded on 11 January 2018 as a shelf company. By a resolution of the extraordinary general shareholders' meeting of Serviceware SE dated 14 March 2018, the initial share capital of Serviceware SE was increased from EUR 120,000.00 by EUR 7,880,000.00 to EUR 8,000,000.00 by issuing 7,880,000 new ordinary bearer shares (*auf den Inhaber laufende Stückaktien*) against contributions in kind by aventura Management GmbH, dreiff Management GmbH, and Mr Ingo Bollhöfer. Pursuant to the related subscription and capital contribution agreements (*Zeichnungs- und Einbringungsverträge*) concluded with Serviceware SE, aventura Management GmbH, dreiff Management GmbH, and Mr Ingo Bollhöfer contributed all shares held by them in helpLine CLM AG, PM Computer Services GmbH & Co. KG and PM Computer Services Verwaltungs GmbH to Serviceware SE (the "**Share Contribution**"). The Share Contribution resulted in the current structure of the Group.

On 8 February 2018, i.e. prior to the Share Contribution, the shareholders of helpLine CLM AG, Mr Harald Popp and Mr Dirk K. Martin, resolved upon two dividend payments for the period from 1 December 2016 until 30 November 2017 and for the period from 1 December 2017 until 31 January 2018 in the amount of CHF 870 thousand (EUR 751 thousand) and CHF 1,340 thousand (EUR 1,156 thousand), respectively. The payment of the dividends resulted in a corresponding cash outflow of helpLine CLM AG. The dividend payment was made in order to serve, amongst others, personal tax claims resulting from earnings from PM Computer Services GmbH & Co. KG and helpLine CLM AG prior to 30 November 2017.

Apart from this, there have been no significant changes to Serviceware's financial position and results of operations since 30 November 2017 until the date of this Prospectus.

B.8 Selected key pro forma financial information.

Not applicable. No pro forma financial information has been prepared by the Company.

- B.9 Profit forecast or estimates.** Not applicable. No profit forecast or profit estimate is being presented by the Company.
- B.10 Qualifications in the audit report on the historical financial information.** Not applicable. The audit reports on the historical financial information included in this Prospectus have been issued without qualifications.
- B.11 Insufficiency of the issuer's working capital requirements for its present requirements.** Not applicable. The Company is of the opinion that the Group has sufficient working capital to meet its payment obligations falling due within at least the next twelve months following the date of this Prospectus.

Section C - Securities

- C.1 A description of the type and the class of the securities being offered and/or admitted to trading.** For the purposes of the public offering of securities (the "**Offering**") this Prospectus relates to: (i) 2,500,000 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against cash contributions resolved by an extraordinary general shareholders' meeting of the Company with exclusion of the subscription rights of the existing shareholders on 4 April 2018 (the "**New Shares**"), (ii) 720,000 existing ordinary bearer shares with no par value (*Stückaktien*) (the "**Sale Shares**") from the holdings of aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany, and Mr. Ingo Bollhöfer (the "**Selling Shareholders**"), and (iii) 483,000 ordinary bearer shares with no par value (*Stückaktien*) from the holdings of aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany and Mr Ingo Bollhöfer (the "**Greenshoe Shareholders**") in connection with a potential over-allotment (the "**Over-Allotment Shares**" and, together with the New Shares and the Sale Shares, the "**Offer Shares**"), each such share with a notional interest of EUR 1.00 in the share capital and with full dividend rights as of and from the date of the formation of the Company, i.e. 11 January 2018. This Prospectus serves also for the purposes of the admission to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of: (i) up to 2,500,000 New Shares, and 8,000,000 existing ordinary bearer shares with no par value (*Stückaktien*) (existing share capital), each such share with a notional interest of EUR 1.00 in the share capital and with full dividend rights as of and from the date of the formation of the Company, i.e. 11 January 2018.
- Security identification number.** International Securities Identification Number (ISIN): DE000A2G8X31
German Securities Code (*Wertpapierkennnummer*) (WKN): A2G8X3
Ticker Symbol: SJJ
- C.2 Currency of the securities being issued.** Euro.
- C.3 The number of shares issued and fully paid and issued but not fully paid. The par value per share, or that the shares have no par value.** As of the date of this Prospectus the share capital of the Company amounts to EUR 8,000,000.00. It is divided into 8,000,000 ordinary bearer shares with no par value (*auf den Inhaber lautende Stückaktien*), each share with a notional interest of EUR 1.00 in the share capital. The share capital of the Company is fully paid in.
The shares have no par value.
- C.4 A description of the rights attached to the securities.** Each of the shares entitles the shareholder to one vote at the general shareholders' meeting. The Offer Shares carry full dividend rights as of and from the date of the formation of the Company, i.e. 11 January 2018, for the

remaining financial year ending 30 November 2018 and for all subsequent financial years.

- C.5 A description of any restrictions on the free transferability of the securities.** Not applicable. The shares are freely transferable in accordance with the legal provisions applicable to bearer shares.
- C.6 An indication as to whether the securities offered are or will be the object of an application for a regulated market and the identity of all the regulated markets where the securities are or are to be traded.** On 6 April 2018, the Company will apply for admission of the New Shares and all of the Company's existing shares (entire current share capital) to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), and simultaneously, to the sub-segment thereof with additional post-admission obligations (Prime Standard). The Company expects the listing approval to be granted on or about 19 April 2018. Trading in the Company's shares is expected to commence on 20 April 2018.
- C.7 A description of dividend policy.** The Company does not plan to distribute a dividend in light of the planned investments in the growth of the business. The ability and intention of the Company to pay dividends in the future will depend on its financial position, results of operations, capital requirements, investment alternatives, the existence of distributable profit (*Bilanzgewinn*) as reported in the Company's annual financial statements prepared in accordance with the accounting principles set out in the German Commercial Code (*Handelsgesetzbuch*), available liquidity, market developments, and other factors that the Administrative Board may deem relevant. Any proposals by the Administrative Board regarding dividend payments will be subject to the approval of the general shareholders' meeting which may revise the Company's dividend policy from time to time.

Section D - Risks

- D.1 Key information on the key risks that is specific to the issuer or its industry.** **Risks related to Serviceware's business and the industry and markets in which it operates**
- Serviceware may not be able to maintain its revenue growth and the growth of its business.
 - If Serviceware is unable to manage its growth effectively, this could have a material adverse effect on its business, financial condition and results of operations.
 - The market in which Serviceware operates is highly competitive, and if Serviceware does not compete effectively, its operating results could be harmed.
 - If the ESM market fails to develop, or Serviceware is unable to maintain its leadership within that market category, its business, results of operations, financial condition and growth prospects could be harmed.
 - Serviceware's business depends substantially on its customers renewing their subscriptions and purchasing additional subscriptions. Any decline in Serviceware's customer renewals would harm its future operating results.
 - If Serviceware fails to adapt and respond effectively to rapidly changing technology, evolving industry standards and changing customer needs or requirements, its solutions may become less competitive.
 - Serviceware targets its sales efforts at enterprise customers and the length and uncertainty associated with sales cycles may result in fluctuations in its operating results.
 - Because Serviceware recognises its revenues from subscriptions ratably over the term of the agreement, near-term changes in sales from subscriptions may not be reflected immediately in its operating results.
 - If Serviceware fails to attract and retain additional qualified personnel it may

be unable to execute its business strategy.

- Serviceware depends on its management team and other key employees, and the loss of one or more key employees could harm its business.
- Serviceware may not be able to successfully implement its growth strategy in particular with regard to further internationalisation.
- Serviceware may be unable to successfully consummate, integrate or achieve expected benefits from acquisitions of companies or businesses as part of its strategy to expand its product portfolio.
- Defects of Serviceware's products or disruptions in its service could diminish demand for its products and services and subject Serviceware to substantial liability.
- Serviceware's operations rely on complex third party information technology systems and networks, and interruptions of these third party systems and networks could adversely affect its business operations.
- Interruptions or delays in service from Serviceware's third-party data centre facility located in Frankfurt am Main, Germany, could impair the delivery of its service and harm its business.
- If Serviceware's security measures are breached or unauthorised access to customer data is otherwise obtained Serviceware may incur significant liabilities.
- Data protection breaches and violations could harm Serviceware's reputation, could constitute regulatory or criminal offenses, and could give rise to claims for compensatory damages as well as fines against Serviceware.
- Any failure to protect its intellectual property rights could impair Serviceware's ability to protect its proprietary technology. Serviceware's use of open-source technology, i.e. software with a source code that anyone can inspect, modify and enhance based on applicable terms and conditions, could impose limitations on its ability to commercialise its services.
- The Company's management team has limited experience in managing a publicly traded company, and publicly traded company reporting and compliance requirements as well as the development of the organisational set-up could divert resources from the day-to-day management of Serviceware's business.
- Serviceware's risk management and compliance controls and procedures may prove to be inadequate and may fail to prevent or detect corruption, fraud or other criminal or unauthorised behaviour.
- Serviceware might be exposed to tax risks resulting from deviating interpretations of applicable tax laws by the tax authorities or adverse amendments to current legislation.
- Due to the recent formation of the Company and the subsequent corporate reorganisation the financial information of the Group presented in this Prospectus may not be entirely comparable to Serviceware's results as an independently listed consolidated company going forward.

D.3 Key information on the key risks that is specific to the securities.

Risks Relating to the Offering, the Listing and the Shareholder Structure

- Following the Offering, the Group's founding shareholders will retain a significant interest in the Company and their interests may conflict with those of the Company's other shareholders.
- The Company does not expect to pay any dividends in the foreseeable future which may result in the return on investments in the shares of the Company by a prospective investor being limited.
- The Company is a holding company with no material business operations of its own and relies on operating subsidiaries to provide the Company with the funds required to meet its financial obligations and make dividend payments.
- The shares of the Company have not been previously publicly traded, and there is no guarantee that an active and liquid market for the shares will develop.
- The Company may be adversely affected by the transition to being a public

company and will face additional administrative requirements, including the obligation to issue quarterly financial statements.

- The share price could fluctuate significantly, and investors could lose all or part of their investment.
- The Offering may not be implemented in full which may negatively affect the growth prospects of the Company and/or the liquidity of the shares in the market.

Section E - Offer

E.1 The total net proceeds and an estimate of the total expenses of the issue/offer.

The Company will receive the proceeds (after deduction of the commissions and other costs of the Joint Global Coordinators to be borne by the Company) resulting from the sale of the New Shares. The Company will not receive any proceeds from the sale of the Sale Shares or the Over-Allotment Shares.

Assuming full placement of 2,500,000 New Shares at an offer price of EUR 25.00, which is the mid-point of the Price Range (as defined in E.3), the total gross proceeds to the Company from the Offering will amount to EUR 62.50 million. The Company will bear the costs related to the placement of the New Shares as well as the listing of its entire share capital. Based on the aforementioned assumptions, the Company estimates that the commissions payable to the Joint Global Coordinators and attributable to the Company (including a possible discretionary incentive fee) together with the other costs attributable to the issuance of the New Shares as well as the listing of the entire share capital will amount to approximately EUR 3.21 million. Accordingly, assuming an Offer Price (as defined in E.3) at the mid-point of the Price Range (as defined in E.3), the net proceeds from the Offering to the Company (after deducting the commissions of the Joint Global Coordinators and other costs attributable to the Company) will amount to approximately EUR 59.29 million.

The Selling Shareholders will receive the proceeds from the sale of the Sale Shares after deduction of the commissions of the Joint Global Coordinators and other costs to be borne by the Selling Shareholders with respect to the Sale Shares. Assuming full placement of 720,000 Sale Shares at an Offer Price (as defined in E.3) of EUR 25.00, which is the mid-point of the Price Range (as defined in E.3), the total gross proceeds to the Selling Shareholders from the Offering will be EUR 18.00 million. The Selling Shareholders will bear the costs related to the placement of the Sale Shares. Based on the aforementioned assumptions, the Company estimates that the commissions payable to the Joint Global Coordinators and attributable to the Selling Shareholders (including a possible discretionary incentive fee) together with the Selling Shareholders' share in the other costs attributable to the Sale Shares will amount to approximately EUR 0.68 million. Accordingly, assuming an Offer Price at the mid-point of the Price Range (as defined in E.3), the net proceeds from the Offering to the Selling Shareholders (after deducting the commissions of the Joint Global Coordinators and other costs attributable to the Selling Shareholders) will amount to approximately EUR 17.33 million.

The Greenshoe Shareholders will receive the proceeds from the sale of the Over-Allotment Shares (if and to the extent the Greenshoe Option (as defined in E.3) is exercised), after deduction of the commissions of the Joint Global Coordinators and other costs to be borne by the Greenshoe Shareholders with respect to the Over-Allotment Shares. Assuming that the Greenshoe Option (as defined in E.3) is exercised in full at an Offer Price of EUR 25.00, which is the mid-point of the Price Range, the total gross proceeds to the Greenshoe Shareholders from the Offering will be EUR 12.08 million. The Greenshoe Shareholders will bear the costs related to the placement of the Over-Allotment Shares (if the Greenshoe Option (as defined in E.3) is exercised). Based on the aforementioned assumptions, the Company estimates that the commissions payable to the Joint Global Coordinators and attributable to the Greenshoe Shareholders (including a possible discretionary incentive fee) together with the Greenshoe Shareholders' share in the other costs attributable to the Over-Allotment Shares will amount to

approximately EUR 0.45 million (if the Greenshoe Option (as defined in E.3) is exercised in full). Accordingly, assuming an Offer Price at the mid-point of the Price Range, the net proceeds from the Offering to the Greenshoe Shareholders (after deducting the commissions of the Joint Global Coordinators and other costs attributable to the Greenshoe Shareholders) will amount to approximately EUR 11.62 million.

If the Offer Price is set at the lower or higher end of the Price Range (as defined in E.3), the net proceeds to the Company, the Selling Shareholders and the Greenshoe Shareholders will be lower or higher than as shown above (i.e. at the mid-point of the Price Range).

Estimated expenses charged to the investor by the issuer or the offeror.

Neither the Company, nor the Selling Shareholders, nor the Greenshoe Shareholders nor the Joint Global Coordinators will charge investors any expenses or tax incurred in connection with the Offering.

E.2a Reasons for the offer, use of proceeds, estimated net amount of the proceeds.

The Company intends to (i) sell the New Shares and (ii) list the Company's shares on the regulated market segment (regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) to gain better access to capital markets and to finance further growth and development of its business. The Selling Shareholders intend to sell the Sale Shares to partially divest their stake in the Company and to ensure sufficient free float and trading liquidity in the Company's shares. The Greenshoe Shareholders intend to make their shares available as a securities loan to the Stabilisation Manager (as defined in E.3) to facilitate stabilisation measures. To the extent that the Greenshoe Option is exercised, the Greenshoe Shareholders will partially divest their shareholdings in the Company.

The Company intends to use the net proceeds from the Offering to finance the following activities: (i) Enhancing sales force and distribution power, including hiring new sales representatives, engaging new sales business partners and increasing international brand awareness (approximately 13% of the net issue proceeds); (ii) Internalisation and new markets strategy, including entering new geographical markets, establishing representative offices and further pursuing and accomplishing market entrance into Spain, the Nordic countries, the Netherlands as well as Belgium, United Kingdom, France and Italy (approximately 17% of the net issue proceeds); (iii) Pursuing selected mergers and acquisitions opportunities (approximately 63% of the net issue proceeds); and (v) General corporate purposes (approximately 7% of the net issue proceeds).

The Company has not yet made a final decision on the specific use of the net proceeds from the Offering and the actual proportion of the net proceeds that will be used for the individual measures. Such decision will depend on a number of factors, which cannot be conclusively determined at present. To the extent and as long as the net proceeds are not used for the abovementioned measures, the Company intends to invest the funds in liquid short-term bank deposits, money market instruments, short-term government bonds or similar instruments, so that the funds remain available as needed on short notice for general corporate purposes of the Company.

E.3 A description of the terms and conditions of the offer.

Offer conditions

The Offering consists of 3,703,000 ordinary bearer shares of the Company with no par value (*Stückaktien*), each such share representing a notional interest of EUR 1.00 and with full dividend rights as of and from the date of the formation of the Company, i.e. 11 January 2018, consisting of: (i) 2,500,000 New Shares, (ii) 720,000 Sale Shares and (iii) 483,000 Over-Allotment Shares. The Offering consists of a public offering of the Offer Shares in the Federal Republic of Germany ("**Germany**") and the Grand Duchy of Luxembourg ("**Luxembourg**") (the "**Public Offering**") and private placements in certain jurisdictions outside Germany, Luxembourg and the United States of America ("**United States**")

pursuant to Regulation S under the US Securities Act of 1933 (as amended) (the "**Private Placement**", and together with the Public Offering, the "**Offering**").

Offer period

The offer period during which investors may submit purchase offers for the Offer Shares will commence on 9 April 2018 and is expected to end on 18 April 2018 at 12:00 noon (Central European Summer Time, "**CEST**") for retail investors (natural persons with a depository account in Germany) and 2:00 pm (CEST) for institutional investors (the "**Offer Period**").

Retail investors may submit purchase orders in the Public Offering during the Offer Period at the branch offices of the Joint Global Coordinators as well as at COMMERZBANK's subsidiary, comdirect bank Aktiengesellschaft.

Price Range and Offer Price

The price range within which offers to purchase may be submitted is EUR 22.50 to EUR 27.50 per Offer Share (the "**Price Range**").

After expiry of the Offer Period, on or around 18 April 2018, the final number of the Offer Shares placed in the Offering and the offer price (the "**Offer Price**") will be determined by the Company and the Selling Shareholders after consultation with the Joint Global Coordinators using the order book prepared during the bookbuilding process. The final number of the Offer Shares placed in the Offering and the Offer Price are expected to be published on or around 18 April 2018 in various media distributed across the entire EEA (*Medienbündel*) and on the Company's website (www.serviceware.se under the "Investor Relations" section).

Amendments to the terms of the Offering

The Company reserves the right, after consultation with the Joint Global Coordinators, to reduce or increase the number of the Offer Shares, to reduce or increase the upper and lower limits of the Price Range and/or to extend or shorten the Offer Period. To the extent that the terms of the Offering are changed, such change will be published through electronic media, on the Company's website (www.serviceware.se under the "Investor Relations" section) and, if required by the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and/or the Regulation (EU) No 596/2014 on market abuse, as an Ad hoc Announcement and/or as a supplement to this Prospectus, as the case may be.

The Underwriting Agreement provides that the Joint Global Coordinators may, under certain circumstances, terminate the Underwriting Agreement, including after the Offer Shares have been allotted and listed, up to delivery and settlement. If the Underwriting Agreement is terminated, the Offering will not take place, in which case any allotments already made to investors will be invalidated and investors will have no claim for delivery. Claims with respect to fees already paid and costs incurred by an investor in connection with the Offering will be governed solely by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. Investors who engage in short-selling bear the risk of being unable to satisfy their delivery obligations.

Delivery and payment

Delivery of the Offer Shares against payment of the Offer Price and customary securities commissions is expected to take place on 23 April 2018. The shares will be made available to the shareholders as co-ownership interests (*Miteigentumsanteile*) in the respective global share certificate.

Stabilisation measures, Over-Allotment and Greenshoe Option

In connection with the placement of the Offer Shares, COMMERZBANK will act as stabilisation manager (the "**Stabilisation Manager**") and may, as stabilisation manager acting in accordance with legal requirements (Article 5(4) of the Regulation (EU) No 596/2014 on market abuse), make over-allotments and undertake measures aimed at supporting the stock exchange or market price of the Company's shares in order to offset any sales pressure that may exist (stabilisation measures).

The Stabilisation Manager is under no obligation to take stabilisation measures. Therefore, there is no guarantee that any stabilisation measures will be effected. If stabilisation measures are taken, they may be terminated at any time without prior notice. Such measures may be taken as of the date on which the shares of the Company start trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Prime Standard) and must be completed no later than the 30th calendar day after such date (the "**Stabilisation Period**").

With a view to possible stabilisation measures, investors may be allocated up to 483,000 Over-Allotment Shares. For the purpose of a possible Over-Allotment, the Stabilisation Manager, acting for the account of the Joint Global Coordinators, will be provided with up to 483,000 Over-Allotment Shares from the holdings of the Greenshoe Shareholders in the form of a securities loan (*Wertpapierleihe*); this number of shares will not exceed 15% of the New Shares and the Sale Shares. In connection with the Over-Allotment, the Greenshoe Shareholders have granted the Joint Global Coordinators an option to acquire the borrowed shares at the Offer Price (the "**Greenshoe Option**"). The Greenshoe Option shall be exercisable by the Stabilisation Manager and will terminate 30 calendar days after the first day of trading of the Company's shares.

Within one week after the end of the Stabilisation Period, an announcement will be published in the various media distributed across the entire EEA (*Medienbündel*) as to whether or not stabilisation measures were taken, the date on which such stabilisation measure started and finished, the date on which the last stabilisation measure was taken, and the price range within which such stabilisation was effected (for each date on which a stabilisation measure was taken) and the trading venues on which stabilisation measures were carried out. The exercise of the Greenshoe Option, the date of such exercise and the number and type of the relevant shares will also be published without delay in the manner described above for the publication of information regarding the implementation of stabilisation measures after the end of the Stabilisation Period.

E.4 A description of any interest that is material to the issue/offer including conflicting interests.

The Joint Global Coordinators have entered into a contractual relationship with the Company, the Selling Shareholders and the Greenshoe Shareholders in connection with the Offering and the admission of the Company's shares to trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The Joint Global Coordinators act for the Company on the Offering and coordinate the structuring and execution of the Offering. In addition, Hauck & Aufhäuser has been appointed to act as designated sponsor for the Company's shares. Upon successful implementation of the Offering, the Joint Global Coordinators will receive a commission, which is dependent on the size of the Offering and the Offer Price. As a result of these contractual relationships, the Joint Global Coordinators have a financial interest in the success of the Offering.

Furthermore, in connection with the Offering, the Joint Global Coordinators and any of their respective affiliates, acting as an investor for their own account, may acquire shares in the Offering and in that capacity may retain, purchase or sell for their own account such shares or related investments and may offer or sell such shares or other investments otherwise than in connection with the Offering. In addition, the Joint Global Coordinators or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which the Joint Global Coordinators (or their affiliates) may from time to time acquire, hold or dispose of shares in the Company. The Joint Global Coordinators do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so or as disclosed in this Prospectus.

The Joint Global Coordinators or their affiliates have, and may from time to time in the future continue to have, business relations with the Company (including lending activities) or may perform services for the Company in the ordinary course of business.

Since the Company will receive the net proceeds from the Offering of the New

Shares and these will strengthen the equity capital basis of the Company, all direct and indirect shareholders with an interest in the Company, in particular the existing shareholders of the Company, have an interest in the implementation of the capital increase to which this Offering relates. This applies, in particular, to aventura Management GmbH, Bad Camberg, Germany, the company wholly owned by Mr Dirk K. Martin, which currently holds 48.5% of the shares of the Company, and to dreiff Management GmbH, Bad Camberg, Germany, the company wholly owned by Mr Harald Popp, which currently holds 48.5% of the shares of the Company.

The Selling Shareholders, of which aventura Management GmbH is controlled by Mr Dirk K. Martin and dreiff Management GmbH is controlled by Mr Harald Popp, will receive the proceeds from the sale of the Sale Shares in the Offering. Therefore, the Selling Shareholders as well as Mr Harald Popp and Mr Dirk K. Martin have a financial interest in the successful implementation of the Offering at the best possible terms which may not be in line with financial interests of prospective investors.

The Greenshoe Shareholders will receive the net proceeds resulting from the exercise of the Greenshoe Option (if and to the extent the Greenshoe Option is exercised). The Greenshoe Shareholders will provide the Over-Allotment Shares as part of the Offering to ensure sufficient free float and trading liquidity in the Company's shares, but they also have a financial interest in the offer of these shares in light of the Greenshoe Option.

In addition to the aforementioned interests, there are no further interests which are material to the Offering and which could be considered conflicting.

The Offer Shares are offered for sale by the Joint Global Coordinators.

E.5 Name of the person or entity offering to sell the security.

Lock-up agreements: the parties involved; and indication of the period of the lock-up.

The Company has agreed with the Joint Global Coordinators that it will not during a period of six months commencing on the first day of trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), and an additional period of further six months without the prior written consent of the Joint Global Coordinators (which consent shall not be unreasonably withheld or delayed): (i) directly or indirectly issue, sell, offer, commit to sell or otherwise dispose of shares or announce such offer, (ii) directly or indirectly issue, securitise, offer, commit to sell, otherwise dispose of any financial instruments carrying conversion or option rights with respect to the shares or announce such offer, (iii) announce or implement a capital increase from authorised capital, (iv) submit a resolution for a capital increase including new authorised capital to any general shareholders' meeting; or (v) conduct any transactions (including derivative transactions) that would have an economic effect similar to the above measures.

This excludes the issuance or sale, as applicable, of shares or other securities issued under management or employee participation programmes or stock option plans to members of the management or employees of the Company.

The existing shareholders of the Company, aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany and Ingo Bollhöfer, have agreed with the Joint Global Coordinators that they will not, during a period of six months following the first day of trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), and an additional period of further six months without the prior written consent of the Joint Global Coordinators (which consent shall not be unreasonably withheld or delayed): (i) offer, pledge, allot, market, distribute, sell, transfer or otherwise dispose of, directly or indirectly (including, but not limited to, the issuance or sale of any securities exchangeable into Company's shares), any Company's shares, (ii) cause or approve, directly or indirectly, the announcement, execution or implementation of any increase in the share capital of the Company or a direct or indirect placement of Company's shares, (iii) propose, directly or indirectly, any increase in the share capital of the Company to any general shareholders'

E.6 The amount and percentage of immediate dilution resulting from the offer. In case of a subscription offer to existing equity holders, the amount and percentage of immediate dilution if they do not subscribe to the new offer.

meeting of the shareholders for resolution, or vote in favour of such a proposed increase, (iv) cause or approve, directly or indirectly, the announcement, execution or proposal of any issuance of financial instruments constituting options or warrants convertible into Company's shares; or (v) enter into a transaction or perform any action economically similar to those described above.

Following the implementation of Offering, the shareholders of the Company will no longer participate in the Company's share capital to the same extent as previously.

As part of the capital increase in relation to the Offering, the existing share capital of the Company will be increased by up to EUR 2,500,000.00 to up to EUR 10,500,000.00.

The carrying amount of the shareholders' equity of the Company, including non-controlling interests (equity attributable to shareholders of the Company, or net asset value, i.e., the total assets less non-current and current liabilities ("**Net Asset Value**")), amounted to EUR 4.39 million at 30 November 2017 based on the Combined Financial Statements, corresponding to EUR 0.55 per share based on 8,000,000 outstanding ordinary bearer shares of the Company prior to the Offering.

Assuming full placement of 2,500,000 New Shares at an offer price of EUR 25.00, which is the mid-point of the Price Range, the total net proceeds from the Offering to the Company will amount to approximately EUR 59.29 million (total gross proceeds from the Offering in the amount of EUR 62.50 million minus commissions of the Joint Global Coordinators and other costs attributable to the Company in the amount of EUR 3.21 million). Had the Company already received this amount by 30 November 2017, the Net Asset Value as of 30 November 2017 would have been approximately EUR 63.68 million, which corresponds to approximately EUR 6.06 per share based on the number of outstanding shares after full implementation of the capital increase. This would represent an immediate accretion of the existing shareholders of the Company of EUR 5.52, or 1005.13%, per share and an immediate dilution of EUR -18.94, or -75.74%, per share to purchasers of the Offer Shares.

Prior to the Offering, aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany, and Mr Ingo Bollhöfer were the sole shareholders of the Company holding respectively, 3,880,000, 3,880,000 and 240,000 outstanding shares and thus, respectively, 48.5%, 48.5% and 3% of the voting rights. Upon completion of the Offering (assuming the placement in full of Offer Shares) and 10,500,000 shares outstanding after completion of the Offering, the voting rights held by aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany, and Mr Ingo Bollhöfer would amount to 31.40%, 31.40% and 1.94%, respectively.

E.7 Estimated expenses charged to the investor by the issuer or the offeror.

Neither the Company, nor the Selling Shareholders, nor the Greenshoe Shareholders, nor the Joint Global Coordinators will charge investors any expenses or tax incurred in connection with the Offering.

2. GERMAN TRANSLATION OF THE SUMMARY/ ZUSAMMENFASSUNG DIESES PROSPEKTS

Zusammenfassungen bestehen aus erforderlichen Angaben, die als "Punkte" bezeichnet werden. Diese Punkte sind in den Abschnitten A – E (A.1 – E.7) fortlaufend nummeriert. Diese Zusammenfassung enthält alle Punkte, die für die vorliegende Art von Wertpapieren und Emittenten in eine Zusammenfassung aufzunehmen sind. Da einige Punkte nicht behandelt werden müssen, können in der Nummerierungsreihenfolge Lücken auftreten. Selbst wenn ein Punkt wegen der Art der Wertpapiere und des Emittenten in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass in Bezug auf diesen Punkt keine relevanten Informationen gegeben werden können. In diesem Fall enthält die Zusammenfassung eine kurze Beschreibung des Punktes mit dem Hinweis "Entfällt".

Abschnitt A - Einleitung und Warnhinweise

A.1 Warnhinweise.

Diese Zusammenfassung sollte als Einleitung zu diesem Prospekt (der "**Prospekt**") verstanden werden. Die Anleger sollten jede Entscheidung zur Anlage in die Wertpapiere auf die Prüfung des gesamten Prospekts stützen.

Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der klagende Anleger unter den nationalen Rechtsvorschriften der Mitgliedstaaten des Europäischen Wirtschaftsraums ("**EWR**") die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben.

Serviceware SE, Bad Camberg, Deutschland (im Folgenden "**Gesellschaft**" und gemeinsam mit ihren konsolidierten Tochtergesellschaften die "**Gruppe**" oder "**Serviceware**"), gemeinsam mit COMMERZBANK Aktiengesellschaft, Kaiserplatz, 60311 Frankfurt am Main, Deutschland ("**COMMERZBANK**") und Hauck & Aufhäuser Privatbankiers Aktiengesellschaft, Kaiserstraße 24, 60311 Frankfurt am Main, Deutschland ("**Hauck & Aufhäuser**", und zusammen mit COMMERZBANK, die "**Joint Global Coordinators**" oder die "**Joint Bookrunners**"), übernehmen die Verantwortung für diese Zusammenfassung gemäß § 5 Absatz 2b Nr. 4 Wertpapierprospektgesetz, einschließlich ihrer deutschen Übersetzung. Diejenigen Personen, die die Verantwortung für die Zusammenfassung einschließlich etwaiger Übersetzungen hiervon übernommen haben oder von denen der Erlass ausgeht, können haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, oder sie, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, nicht alle erforderlichen Schlüsselinformationen vermittelt. Entfällt. Eine Zustimmung der Gesellschaft zur Verwendung des Prospekts für einen späteren Weiterverkauf oder eine endgültige Platzierung der Aktien der Gesellschaft durch Finanzintermediäre ist nicht erteilt worden.

A.2 Zustimmung zur Verwendung des Prospekts.

Abschnitt B - Der Emittent

B.1 Juristische und kommerzielle Bezeichnung.

Die juristische Bezeichnung der Gesellschaft lautet Serviceware SE. Die kommerzielle Bezeichnung der Gruppe lautet "Serviceware".

B.2 Sitz, Rechtsform, geltendes Recht, Land der Gründung.

Die Gesellschaft hat ihren Sitz in Bad Camberg, Deutschland. Die Gesellschaft ist im Handelsregister des Amtsgerichts Limburg a.d. Lahn, Deutschland, unter HRB 5894 eingetragen. Die Gesellschaft ist eine Europäische Gesellschaft (Societas Europaea, SE), die in Deutschland gegründet wurde und der Regelungen der Verordnung (EG) Nr. 2157/2001 über das Statut der Europäischen Gesellschaft (SE) ("**SE Verordnung**") sowie dem deutschen Recht unterliegt.

B.3 Art der derzeitigen Geschäftstätigkeit und Haupttätigkeiten des Emittenten samt der

Serviceware bietet eine integrierte Software-Plattform, die aus Business-Software-Lösungen mit verschiedenen Modulen besteht und sich effizient implementieren und aufrüsten lässt, um den individuellen Bedürfnissen der IT-Prozessinfrastruktur von Geschäftskunden Rechnung zu tragen.

hierfür wesentlichen Faktoren, Hauptprodukte- und/oder -dienstleistungskategorien sowie Hauptmärkte, auf denen der Emittent vertreten ist.

Mit ihren drei firmeneigenen Business-Software-Lösungen anafee, helpLine und careware deckt Serviceware den Bereich Enterprise-Service-Management (ESM) ab. Dies umfasst die Funktionen IT-Service-Management, d.h. Lösungen zur Einbringung und Kontrolle von IT-Dienstleistungen für Kunden und innerhalb einer Geschäftsorganisation, IT-Finanzmanagement, d.h. Lösungen zur Planung und Kontrolle der Kosten für IT-Dienstleistungen und -Produkte, Field-Service-Management, d.h. Lösungen zur effizienten Planung von Dienstleistungsressourcen beim oder auf dem Weg zum Kunden, und Customer-Service-Management, d.h. Lösungen zur Einbringung von Dienstleistungen für und Betreuung von externen Kunden auf verschiedenen Kommunikationswegen wie Internetseiten, E-Mail, Chats, Telefon und Sozialen Medien anzubieten. Damit umfassen die ESM-Lösungen von Serviceware die gesamten Dienstleistungsprozesse innerhalb eines Unternehmens. Um ihren Kunden integrierte Dienstleistungen liefern zu können, bietet Serviceware darüber hinaus auch IT-Infrastruktur und Managed Services, d.h. Dienstleistungen in Zusammenhang mit der Verwaltung des vollumfänglichen Betriebs einer beim Kunden implementierten Software-Plattform, an, wodurch die Möglichkeit eines Cross-Sellings der eigenen ESM-Lösungen geschaffen wird.

Im Jahr 1998 startete Serviceware ihre Geschäftstätigkeit mit dem Verkauf von Business-Software-Lösungen von Drittanbietern in den Bereichen IT-Infrastruktur und IT-Service-Management. Seitdem konnte Serviceware erfolgreich neue Regionen und Geschäftsfelder erschließen und wurde nach eigener Ansicht zu einem der führenden Anbieter von integrierten ESM-Lösungen in Europa.

Serviceware bietet ihre ESM-Plattform bestehend aus proprietären Business-Software-Lösungen flexibel in verschiedenen Liefermodellen an. Kunden können Software-Lizenzen entweder erwerben oder für einen bestimmten Zeitraum mieten. Darüber hinaus können zusätzliche Wartungsleistungen und Managed Services optional dazu gebucht oder ein Software-as-a-Service ("SaaS")-Modell ausgewählt werden, welches die Miete einer Business-Software mit Managed Services kombiniert.

Serviceware beliefert mehr als 500 Kunden, von mittelständischen Unternehmen über internationale Konzerne aus sämtlichen bedeutsamen Branchen, wie auch Behörden und öffentlich-rechtliche Unternehmen, hauptsächlich in Deutschland, Österreich, der Schweiz und den Niederlanden. Die internationale Verkaufsstrategie von Serviceware für ihre proprietären ESM-Lösungen und IT-Infrastruktur basiert hauptsächlich auf Direktvertrieb und in begrenztem Umfang auf indirektem Vertrieb mittels Beratungsunternehmen, strategischen Wiederverkäufern und Systemintegratoren.

B.4a Wichtigste jüngste Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken.

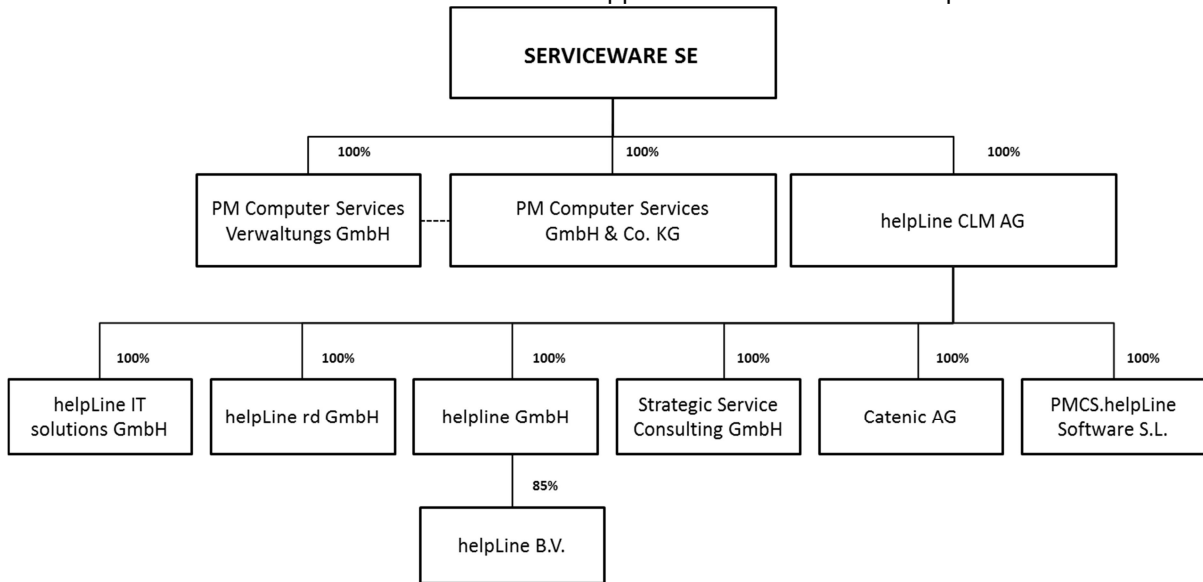
Die Gesellschaft geht davon aus, dass insbesondere Globalisierung und Digitalisierung die Märkte, in denen Serviceware tätig ist, maßgeblich beeinflussen werden. Digitalisierung und der kontinuierliche Versuch zur Effizienzsteigerung werden nach Ansicht der Gesellschaft zwangsläufig zu einem exponentiellen Wachstum des bei modernen Unternehmen zu verarbeitenden Datenvolumens führen. Zudem geht die Gesellschaft davon aus, dass Dienstleistungen in Zusammenhang mit Softwareprodukten weiter an Bedeutung für Unternehmen gewinnen werden. Serviceware sieht ihre Geschäftstätigkeit ausgerichtet auf diese Trends, da ihr Produkt- und Dienstleistungsportfolio die Vereinfachung und Automatisierung von Dienstleistungsprozessen durch eine integrierte Dienstleistungsmanagement-Plattform ermöglicht.

B.5 Beschreibung der Gruppe und der Stellung des Emittenten innerhalb

Die Gesellschaft ist die Konzernobergesellschaft. Als Konzernobergesellschaft übt die Gesellschaft bestimmte Konzernsteuerungsaufgaben, wie Strategie, Risikomanagement,

dieser Gruppe.

Buchhaltung und Controlling, Treasury, Recht, Steuern, Investor Relations, Marketing und Public Relations aus. Das operative Geschäft der Gruppe wird ausschließlich durch die jeweiligen unmittelbaren und mittelbaren operativen Tochtergesellschaften der Gesellschaft durchgeführt. Die folgende Grafik zeigt in vereinfachter Form die aktuelle Struktur der Gruppe zum Datum dieses Prospekts:



B.6 Personen, die eine direkte oder indirekte Beteiligung am Eigenkapital des Emittenten oder einen Teil der Stimmrechte halten oder Kontrolle über den Emittenten ausüben.

Nach Kenntnis der Gesellschaft sind zum Datum des Prospekts folgende Aktionäre am Grundkapital der Gesellschaft beteiligt:

Name des Aktionärs	Name des mittelbaren Aktionärs	Anzahl Aktien	In %
aventura Management GmbH, Bad Camberg, Deutschland ¹	Dirk K. Martin	3.880.000	48,5
dreiff Management GmbH, Bad Camberg, Deutschland ²	Harald Popp	3.880.000	48,5
Ingo Bollhöfer	-	240.000	3,0

¹ Der alleinige Gesellschafter der aventura Management GmbH, Bad Camberg, Deutschland ist Herr Dirk K. Martin.

² Der alleinige Gesellschafter der dreiff Management GmbH, Bad Camberg, Deutschland ist Herr Harald Popp.

Unterschiedliche Stimmrechte.

Entfällt. Alle Aktien gewähren die gleichen Stimmrechte.

Unmittelbare oder mittelbare Beherrschung des Emittenten und Art der Beherrschung.

Entfällt. Es besteht keine unmittelbare oder mittelbare Beherrschung.

B.7 Ausgewählte wesentliche historische Finanzinformationen.

Die nachfolgend in den Tabellen aufgeführten Finanzinformationen sind den geprüften kombinierten Jahresabschlüssen der Gruppe für die zum 30. November 2015, 2016 und 2017 abgeschlossenen Geschäftsjahre (die "**Kombinierten Jahresabschlüsse**") entnommen, die in Übereinstimmung mit den International Financial Reporting Standards, wie sie in der Europäischen Union anzuwenden sind ("**IFRS**"), erstellt wurden. Die Kombinierten Jahresabschlüsse wurden von der RSM GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Georg-Glock-Straße 4, 40474 Düsseldorf, Deutschland, geprüft und mit einem uneingeschränkten Bestätigungsvermerk versehen.

Ausgewählte Finanzinformationen aus der Gewinn- und Verlustrechnung und Gesamtergebnisrechnung

Die folgende Tabelle zeigt ausgewählte Angaben aus der kombinierten Gewinn- und Verlustrechnung und Gesamtergebnisrechnung der Serviceware für die am 30. November 2015, 2016 und 2017 abgeschlossenen Geschäftsjahre.

in EUR tausend	Zum 30. November endende Geschäftsjahre		
	2015	2016	2017
	(geprüft, kombiniert)		
Umsatzerlöse	39.584	37.948	44.347
Sonstige betriebliche Erträge	1.339	1.061	1.231
Bestandsveränderungen	-56	-	10
Materialaufwand	-16.460	-15.042	-17.636
Personalaufwand	-13.467	-14.532	-16.233
Abschreibungen/Wertminderungen	-228	-222	-238
Sonstige betriebliche Aufwendungen	-6.159	-5.617	-5.849
EBIT¹	4.553	3.596	5.632
Zinserträge	53	8	*
Zinsaufwendungen	-258	-216	-201
Finanzergebnis	-205	-208	-201
EBT	4.348	3.388	5.431
Steueraufwendungen	-885	-1.055	-782
Jahresüberschuss/Jahresfehlbetrag	3.463	2.333	4.649
Sonstige Erträge			
Posten, die nachträglich in die Gewinn- und Verlustrechnung umgebucht werden können:			
aus der Währungsumrechnung der ausländischen Betriebsstätte	101	-43	-106
Sonstige Erträge	101	-43	-106
Gesamtergebnis	3.564	2.290	4.543

* Weniger als EUR 1 tausend.

⁽¹⁾ Die Gesellschaft definiert EBIT als Gewinn vor Steuern und Zinsen (geprüft und wie in den Kombinierten Jahresabschlüssen dargestellt). Die Gesellschaft verwendet EBIT als zusätzliche wesentliche Leistungskennzahl und hält deren Verwendung für sinnvoll, um die Entwicklung der Geschäftstätigkeit der Gesellschaft über einen bestimmten Zeitraum zu messen.

Ausgewählte Finanzinformationen aus der Bilanz

Die folgende Tabelle zeigt ausgewählte Angaben aus der kombinierten Bilanz der Serveware zum 30. November 2015, 2016 und 2017.

in EUR tausend	Zum 30. November		
	2015	2016	2017
	(geprüft, kombiniert)		
Aktiva			
Goodwill	2.809	2.809	2.809
Andere immaterielle Vermögenswerte	78	44	16
Sachanlagen	406	448	459
Andere langfristige Vermögenswerte	3.869	2.702	3.294
Latente Steueransprüche	-	-	25
Langfristige Vermögenswerte	7.162	6.003	6.603
Vorräte	-	21	9
Forderungen aus Lieferungen und Leistungen	12.467	8.328	8.266
Andere kurzfristige Vermögenswerte	8.111	7.516	7.600
Zahlungsmittel und Zahlungsmitteläquivalente	6.160	6.655	9.015
Kurzfristige Vermögenswerte	26.738	22.520	24.888
Summe	33.900	28.523	31.491
Passiva			
Gezeichnetes Kapital	783	783	783
Kapitalrücklage	1.252	1.252	1.252
Gewinnrücklage	828	342	2.380
Währungsumrechnungsrücklage	100	57	-49
Eigenkapital ohne Minderheitsanteile	2.963	2.434	4.366
Minderheiten	5	-45	24
Eigenkapital	2.968	2.389	4.390
Andere langfristige Rückstellungen	110	98	108
Langfristige Finanzverbindlichkeiten	4.741	4.351	3.631
Andere langfristige Verbindlichkeiten	5.592	3.429	3.733
Langfristige Verbindlichkeiten	10.443	7.878	7.472
Kurzfristige Ertragsteuerverbindlichkeiten	767	732	836
Kurzfristige Finanzverbindlichkeiten	312	389	720
Verbindlichkeiten aus Lieferungen und Leistungen	3.386	2.397	2.897
Andere kurzfristige Verbindlichkeiten	16.024	14.736	15.176
Kurzfristige Verbindlichkeiten	20.489	18.256	19.629
Summe	33.900	28.523	31.491

Ausgewählte Finanzinformationen aus der kombinierten Kapitalflussrechnung

Die folgende Tabelle zeigt ausgewählte Angaben aus der kombinierten Kapitalflussrechnung der Serveware für die am 30. November 2015, 2016 und 2017 abgeschlossene Geschäftsjahre.

in EUR tausend	Zum 30. November endende Geschäftsjahre		
	2015	2016	2017
	(geprüft, kombiniert)		
Mittelzufluss aus der operativen Geschäftstätigkeit	4.171	4.156	5.819
Mittelzufluss aus der Investitionstätigkeit	-143	-222	-221
Mittelzufluss aus der Finanzierungstätigkeit	-3.484	-3.398	-3.185
Zahlungsmittel und Zahlungsmitteläquivalente zum 30. November	6.160	6.655	9.015

Wesentliche Änderungen der Finanzlage und des Betriebsergebnisses des Emittenten während und nach dem von den historischen Finanzinformationen abgedeckten Zeitraum.

Die folgenden wesentlichen Änderungen in der Finanz- und Ertragslage der Gesellschaft sind in den Geschäftsjahren zum 30. November 2015, 2016 und 2017 und in dem darauffolgenden Zeitraum bis zum Datum dieses Prospekts eingetreten.

Umsatzerlöse

Die Umsatzerlöse gingen von TEUR 39.584 in dem Geschäftsjahr zum 30. November 2015 um TEUR 1.636 oder 4 % auf TEUR 37.948 in dem Geschäftsjahr zum 30. November 2016 zurück. Ursächlich für den Rückgang der Umsatzerlöse war im Wesentlichen der Rückgang der Umsatzerlöse aus dem Bereich Lizenzen (von TEUR 16.143 um TEUR 2.694 oder 17 % auf TEUR 13.449), was auf die Neuausrichtung der Vertriebsstrategie nach der Integration von anafee in ihr Produktangebot zurückzuführen war und sich auf die Umsatzentwicklung in Bezug auf neue Lizenzen auswirkte. Die Umsatzerlöse aus den Bereichen Dienstleistung/SaaS blieben in dem Geschäftsjahr zum 30. November 2016 nahezu unverändert bei TEUR 10.040 verglichen mit TEUR 9.902 in dem Geschäftsjahr zum 30. November 2015. Die Umsatzerlöse aus dem Bereich Wartung stiegen von TEUR 13.539 um TEUR 920 oder 7 % auf TEUR 14.459 - trotz eines Rückgangs der Umsatzerlöse aus dem Bereich Lizenzen -, da ein großer Teil der Umsatzerlöse aus dem Bereich Wartung aus (über mehrere Jahre laufenden) Abonnements erzielt wird und die Verbleibequote bei den Wartungsverträgen weiter hoch blieb. Die Umsatzerlöse erhöhten sich von TEUR 37.948 in dem Geschäftsjahr zum 30. November 2016 um TEUR 6.399 oder 17 % auf TEUR 44.347 in dem Geschäftsjahr zum 30. November 2017. Die Umsatzerlöse aus den Bereichen Dienstleistung/SaaS stiegen aufgrund einer höheren Nachfrage nach Managed Services, häufigeren Wünschen des bestehenden Kundenstamms nach individuellen Dienstleistungen und gestiegenen Lizenzverkäufen von TEUR 10.040 in dem Geschäftsjahr zum 30. November 2016 um TEUR 1.722 oder 17 % auf TEUR 11.762 in dem Geschäftsjahr zum 30. November 2017. Die Umsatzerlöse aus dem Bereich Lizenzen stiegen nach einer Neuausrichtung der Vertriebsstrategie und der Integration von anafee in ihr Produktangebot von TEUR 13.449 in dem Geschäftsjahr zum 30. November 2016 um TEUR 3.017 oder 22 % auf TEUR 16.466 in dem Geschäftsjahr zum 30. November 2017. Die Umsatzerlöse aus dem Bereich Wartung stiegen aufgrund höherer Lizenzverkäufe, die von Kunden oftmals zusammen mit Wartungsleistungen erworben werden, von TEUR 14.459 um TEUR 1.660 oder 11 % auf TEUR 16.119.

Nettogewinn/Verlust

Der Nettogewinn ging aus den oben genannten Gründen in dem Geschäftsjahr zum 30. November 2015 von TEUR 3.463 um TEUR 1.130 oder 33 % auf TEUR 2.333 in dem Geschäftsjahr zum 30. November 2016 zurück. Der Nettogewinn stieg aus den oben genannten Gründen in dem Geschäftsjahr zum 30. November 2016 erheblich von TEUR 2.333 um TEUR 2.316 oder 99 % auf TEUR 4.649 in dem Geschäftsjahr zum 30. November 2017.

Eigenkapital und Verbindlichkeiten

Das Eigenkapital sank von TEUR 2.968 zum 30. November 2015 um TEUR 579 oder 20 % auf TEUR 2.389 zum 30. November 2016. Der Rückgang war im Wesentlichen auf einen Rückgang der Gewinnrücklagen infolge einer Kombination aus der Zahlung einer gleich bleibenden Dividende und einem geringeren Ertrag zurückzuführen. Das Eigenkapital erhöhte sich von TEUR 2.389 zum 30. November 2016 um TEUR 2.001 oder 84 % auf TEUR 4.390 zum 30. November 2017. Ursächlich für den Anstieg war im Wesentlichen ein Anstieg der Gewinnrücklagen infolge einer Kombination aus höheren Erträgen und niedrigeren Dividendenzahlungen. Die langfristigen Verbindlichkeiten gingen von TEUR 10.443 zum 30. November 2015 um TEUR 2.565 oder 25 % auf TEUR 7.878 zum 30. November 2016 zurück. Ursächlich für den Rückgang war im Wesentlichen der Rückgang der sonstigen langfristigen Verbindlichkeiten aufgrund geringerer Vorauszahlungen von Kunden für Wartungsverträge infolge einer schwächeren Vertriebsleistung. Die langfristigen Verbindlichkeiten gingen

weiter leicht von TEUR 7.878 zum 30. November 2016 um TEUR 406 oder 5 % auf TEUR 7.472 zum 30. November 2017 zurück. Der Rückgang war im Wesentlichen auf den Rückgang der langfristigen Verbindlichkeiten infolge der Rückzahlung von Darlehen zurückzuführen, der teilweise durch einen Anstieg der sonstigen langfristigen Verbindlichkeiten aufgrund höherer Vorauszahlungen von Kunden für Wartungsverträge infolge einer stärkeren Vertriebsleistung ausgeglichen werden konnte. Die kurzfristigen Verbindlichkeiten gingen von TEUR 20.489 zum 30. November 2015 um TEUR 2.233 oder 11 % auf TEUR 18.256 zum 30. November 2016 zurück. Der Rückgang rührte im Wesentlichen von einem Rückgang der Lieferverbindlichkeiten für den Kauf von Software-Lizenzen und -Wartung infolge eines verringerten Umsatzniveaus und dem Rückgang der sonstigen kurzfristigen Verbindlichkeiten infolge geringerer Vorauszahlungen von Kunden für Wartungsverträge her. Die kurzfristigen Verbindlichkeiten stiegen von TEUR 18.256 zum 30. November 2016 um TEUR 1.373 oder 8 % auf TEUR 19.629 zum 30. November 2017. Der Anstieg war im Wesentlichen auf einen Anstieg der Lieferverbindlichkeiten aufgrund eines stärkeren Umsatzniveaus und dem Anstieg der sonstigen kurzfristigen Verbindlichkeiten infolge höherer Vorauszahlungen von Kunden für Wartungsverträge zurückzuführen.

Jüngste Entwicklungen

Das Eigenkapital erhöhte sich nach dem 30. November 2017 von TEUR 4.390 zum 30. November 2017 auf TEUR 4.819 zum 31. Januar 2018 aufgrund des Anstiegs der Gewinnrücklagen. Im Rahmen der laufenden Geschäftstätigkeit der Serviceware erhöhten sich in dem gleichen Zeitraum die kurzfristigen Verbindlichkeiten von TEUR 19.629 zum 30. November 2017 auf TEUR 24.186 zum 31. Januar 2018 im Wesentlichen aufgrund gestiegener Anzahlungen von Kunden für Wartung und Dienstleistungen mit einer Restlaufzeit des Vertrages von weniger als einem Jahr.

Am 29./30. Januar 2018 erwarben Herr Harald Popp und Herr Dirk K. Martin jeweils indirekt durch die dreiff Management GmbH und die aventura Management GmbH die zukünftige Holdinggesellschaft Serviceware SE, die am 11. Januar 2018 als Vorratsgesellschaft gegründet wurde. Durch Beschluss der außerordentlichen Gesellschafterversammlung der Serviceware SE vom 14. März 2018, wurde das anfängliche Grundkapital der Serviceware SE von EUR 120.000,00 um EUR 7.880.000,00 auf EUR 8.000.000,00 durch Ausgabe von 7.880.000 auf den Inhaber lautende Stückaktien gegen Sacheinlage der aventura Management GmbH, der dreiff Management GmbH und von Herrn Ingo Bollhöfer erhöht. Auf Grundlage der damit in Zusammenhang stehenden und mit der Serviceware SE abgeschlossenen Zeichnungs- und Einbringungsverträge, brachten aventura Management GmbH, dreiff Management GmbH und Herr Ingo Bollhöfer alle von diesen gehaltenen Anteile an der helpLine CLM AG, der PM Computer Services GmbH & Co. KG und der PM Computer Services Verwaltungs GmbH in die Serviceware SE ein (die "**Anteilseinbringung**"). Durch die Anteilseinbringung entstand die derzeitige Struktur der Gruppe.

Am 8. Februar 2018, damit vor der Anteilseinbringung, haben die Gesellschafter der helpLine CLM AG, Herr Harald Popp und Herr Dirk K. Martin, beschlossen für die Zeiträume vom 1. Dezember 2016 bis 30. November 2017 und vom 1. Dezember 2017 bis zum 31. Januar 2018 zwei Dividenden in Höhe von TCHF 870 (TEUR 751) und TCHF 1.340 (TEUR 1.156) auszuschütten. Die Dividendenzahlungen führten zu einem kassenmäßigen Abfluss in entsprechender Höhe bei der helpLine CLM AG. Die Dividendenzahlungen erfolgten zur Bedienung von persönlichen Steuerverbindlichkeiten resultierend aus Einkünften der PM Computer Services GmbH & Co. KG und der helpLine CLM AG vor dem 30. November 2017 auszuschütten.

Davon abgesehen gab es seit dem 30. November 2017 bis zum Datum dieses Prospekts keine wesentlichen Veränderungen in der Finanz- und Ertragslage von Serviceware.

- B.8 Ausgewählte wesentliche Pro-forma-Finanzinformationen.** Entfällt. Die Gesellschaft hat keine Pro-forma-Finanzinformationen erstellt.
- B.9 Gewinnprognosen oder -schätzungen.** Entfällt. Die Gesellschaft hat keine Gewinnprognose oder -schätzung erstellt.
- B.10 Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen.** Entfällt. Die in dem Prospekt enthaltenen historischen Finanzinformationen wurden mit uneingeschränkten Bestätigungsvermerken versehen.
- B.11 Nichtausreichen des Geschäftskapitals des Emittenten zur Erfüllung bestehender Anforderungen.** Entfällt. Die Gesellschaft ist der Ansicht, dass das Geschäftskapital der Gruppe ausreichend ist, um mindestens die in den nächsten zwölf Monaten nach dem Datum dieses Prospektes fällig werdenden Zahlungsverpflichtungen zu erfüllen.

Abschnitt C - Wertpapiere

- C.1 Beschreibung von Art und Gattung der angebotenen und/oder zum Handel zuzulassenden Wertpapiere.** Für die Zwecke des öffentlichen Angebots von Wertpapieren (das "**Angebot**") bezieht sich der Prospekt auf: (i) 2.500.000 neu ausgegebene, auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien) aus der Kapitalerhöhung gegen Bareinlagen unter Ausschluss des Bezugsrechts der bestehenden Aktionäre, die von der außerordentlichen Hauptversammlung der Gesellschaft am 4. April 2018 beschlossen wurde (die "**Neuen Aktien**"), (ii) 720.000 bestehende, auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien) (die "**Verkaufsaktien**") aus dem Aktienbesitz von aventura Management GmbH, Bad Camberg, Deutschland, dreiff Management GmbH, Bad Camberg, Deutschland und Herrn Ingo Bollhöfer (die "**Verkaufenden Aktionäre**") und (iii) 483.000 auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien) aus dem Aktienbesitz von aventura Management GmbH, Bad Camberg, Deutschland, dreiff Management GmbH, Bad Camberg, Deutschland und Herrn Ingo Bollhöfer (die "**Greenshoe Aktionäre**") in Zusammenhang mit einer möglichen Mehrzuteilung (die "**Mehrzuteilungsaktien**" und zusammen mit den Neuen Aktien und den Verkaufsaktien, die "**Angebotsaktien**"), jede solche Aktie mit einem anteiligen Betrag am Grundkapital von EUR 1,00 und voller Gewinnbeteiligung ab dem Tag der Gründung der Gesellschaft, d.h. dem 11. Januar 2018.
- Für die Zwecke der Zulassung zum Handel im regulierten Markt an der Frankfurter Wertpapierbörse mit gleichzeitiger Zulassung zum Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (*Prime Standard*) bezieht sich der Prospekt auf: (i) bis zu 2.500.000 Neue Aktien und 8.000.000 bestehende, auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien) (bestehendes Grundkapital), jede solche Aktie mit einem anteiligen Betrag am Grundkapital von EUR 1,00 und voller Gewinnbeteiligung ab dem Tag der Gründung der Gesellschaft, d.h. dem 11. Januar 2018.
- Wertpapierkennung.** International Securities Identification Number (ISIN): DE000A2G8X31
Wertpapierkennnummer (WKN): A2G8X3
Börsenkürzel: SJJ
- C.2 Währung der Wertpapieremission.** Euro.
- C.3 Zahl der ausgegebenen und voll eingezahlten und der ausgegebenen, aber nicht voll ein-** Das Grundkapital der Gesellschaft beträgt zum Datum des Prospekts EUR 8.000.000,00. Es ist in 8.000.000 auf den Inhaber lautende Stammaktien (Stückaktien) eingeteilt, jede Aktie mit einem anteiligen Betrag am Grundkapital von EUR 1,00. Das Grundkapital ist voll eingezahlt.

gezahlten Aktien.

Nennwert pro Aktie, bzw. Angabe, dass Aktien keinen Nennwert haben.

Die Aktien sind nennwertlose Stückaktien.

C.4 Beschreibung der mit den Wertpapieren verbundenen Rechte.

Jede Aktie der Gesellschaft gewährt einem Aktionär eine Stimme in der Hauptversammlung der Gesellschaft. Die Aktien sind ab dem Tag der Gründung der Gesellschaft, d.h. ab dem 11. Januar 2018, für das verbleibende Geschäftsjahr endend am 30. November 2018 und für alle folgenden Geschäftsjahre voll gewinnberechtigt.

C.5 Beschreibung aller etwaigen Beschränkungen für die freie Übertragbarkeit der Wertpapiere.

Entfällt. Die Aktien sind frei übertragbar gemäß den gesetzlichen Bestimmungen für auf den Inhaber lautende Stammaktien.

C.6 Angabe, ob für die angebotenen Wertpapiere die Zulassung zum Handel in einem geregelten Markt beantragt wurde bzw. werden soll, Nennung aller geregelten Märkte, in denen die Wertpapiere gehandelt werden oder werden sollen.

Am 6. April 2018 wird die Gesellschaft die Zulassung der Neuen und aller bereits bestehenden Aktien der Gesellschaft (gesamtes derzeitiges Grundkapital) zum Handel im regulierten Markt der Frankfurter Wertpapierbörse und gleichzeitig zum Teilbereich des regulierten Markts mit weiteren Zulassungsfolgepflichten (Prime Standard) beantragen. Der Zulassungsbeschluss wird voraussichtlich am oder um den 19. April 2018 erteilt. Der Handel mit den Aktien der Gesellschaft wird voraussichtlich am 20. April 2018 beginnen.

C.7 Beschreibung der Dividendenpolitik.

Angesichts der geplanten Investitionen in das Wachstum des Geschäfts plant die Gesellschaft, keine Dividenden auszuschütten. Die Fähigkeit und Absicht der Gesellschaft in zukünftigen Jahren Dividenden auszuschütten, hängen von ihrer Finanz- und Ertragslage, Kapitalanforderungen, alternativen Anlagemöglichkeiten, dem Bestehen eines Bilanzgewinns, wie er in den nach den Grundsätzen ordnungsgemäßer Buchführung gemäß HGB erstellten Jahresabschlüssen der Gesellschaft ausgewiesen wurde, der verfügbaren Liquidität, Marktentwicklungen und anderen Faktoren ab, die der Vorstand für maßgeblich hält. Vorschläge des Vorstands in Bezug auf die Zahlung von Dividenden unterliegen der Zustimmung der Hauptversammlung, die die Dividendenpolitik der Gesellschaft von Zeit zu Zeit überprüfen kann.

Abschnitt D - Risiken

D.1 Zentrale Angaben zu den zentralen Risiken, die dem Emittenten oder seiner Branche eigen sind.

Risiken in Bezug auf das Geschäft von Serveware und die Branchen und Märkte, in denen sie tätig ist

- Serveware könnte nicht in der Lage sein ihr Umsatzwachstum und das Wachstum ihres Geschäfts aufrecht zu erhalten.
- Wenn Serveware nicht in der Lage ist ihr Wachstum effektiv zu steuern, könnte sich dies wesentlich nachteilig auf ihr Geschäft und ihre Finanz- und Ertragslage auswirken.
- Der Markt auf dem Serveware tätig ist, ist von starkem Wettbewerb geprägt und wenn Serveware sich nicht wirksam gegen Wettbewerber behaupten kann, dann könnte ihr operatives Ergebnis darunter leiden.
- Wenn sich der ESM-Markt nicht entwickelt oder Serveware nicht in der Lage ist, ihre Stellung als Marktführer in dieser Marktkategorie aufrecht zu erhalten, dann könnten ihr Geschäft, ihre Finanz- und Ertragslage und ihre Wachstumsaussichten beeinträchtigt werden.

- Das Geschäft von Serviceware hängt wesentlich davon ab, dass Kunden ihre Abonnements verlängern und zusätzliche Abonnements abschließen. Ein Rückgang der Abonnement-Verlängerungen durch Kunden von Serviceware könnte sich nachteilig auf ihr zukünftiges operatives Ergebnis auswirken.
- Wenn Serviceware es versäumt, sich wirksam an sich schnell weiterentwickelnde Technologien, sich weiter entwickelnde Branchenstandards und sich verändernde Kundenbedürfnisse oder -anforderungen anzupassen und darauf zu reagieren, dann könnten ihre Lösungen weniger wettbewerbsfähig werden.
- Serviceware zielt mit ihren Verkaufsbemühungen auf Geschäftskunden ab und die mit den Verkaufszyklen verbundene Dauer und Unsicherheit könnte zu Schwankungen ihres operativen Ergebnisses führen.
- Da Serviceware ihre Umsätze aus Abonnements anteilig über die Vertragslaufzeit erfasst, spiegeln sich kurzfristige Änderungen in den Abonnement-Umsätzen möglicherweise nicht sofort in ihrem operativen Ergebnis wider.
- Falls Serviceware nicht in der Lage ist, zusätzliches qualifiziertes Personal zu gewinnen und an sich zu binden, wäre sie möglicherweise nicht im Stande, ihre Geschäftsstrategie umzusetzen.
- Serviceware hängt von ihrem Geschäftsleitungsteam und anderen wichtigen Mitarbeitern ab, und der Weggang eines oder mehrerer dieser wichtigen Mitarbeiter könnte ihr Geschäft beeinträchtigen.
- Serviceware könnte nicht in der Lage sein, ihre Wachstumsstrategie, insbesondere hinsichtlich der weiteren Internationalisierung, erfolgreich umzusetzen.
- Serviceware könnte nicht in der Lage sein, erwartete Vorteile aus Unternehmens- oder Geschäftskäufen im Rahmen ihrer Strategie zur Erweiterung ihres Produktportfolios erfolgreich zu vollziehen, zu integrieren oder zu erzielen.
- Mängel der Produkte von Serviceware oder Störungen ihrer Dienstleistungen könnten die Nachfrage nach ihren Produkten und Dienstleistungen verringern und Serviceware einer erheblichen Haftung aussetzen.
- Die Aktivitäten von Serviceware hängen von komplexen IT-Systemen und -Netzwerken Dritter ab und Störungen dieser externen Systeme und Netzwerke könnten sich nachteilig auf ihren Geschäftsbetrieb auswirken.
- Unterbrechungen oder Verzögerungen der Dienste des sich in Frankfurt am Main befindenden externen Datenzentrums von Serviceware könnten die Bereitstellung ihrer Dienstleistungen beeinträchtigen und ihr Geschäft schädigen.
- Wenn die Sicherheitsmaßnahmen von Serviceware verletzt werden oder auf andere Weise unbefugt auf Kundendaten zugegriffen wird, kann Serviceware in erheblichem Umfang haften.
- Verletzungen des Datenschutzes könnten den Ruf von Serviceware schädigen, Ordnungswidrigkeiten oder Straftaten darstellen und zu Schadensersatzansprüchen sowie Geldstrafen gegenüber Serviceware führen.
- Wenn Serviceware es versäumt, ihre geistigen Eigentumsrechte zu schützen, dann könnte sich dies negativ auf den Schutz der firmeneigenen Technologien auswirken. Serviceware nutzt Open-Source-Technologien, d.h. Software mit einem Quellcode der basierend auf bestimmten Bedingungen für jedermann einsehbar, veränderbar und weiterentwickelbar ist, die ihre Fähigkeit zur kommerziellen Verwertung ihrer Dienstleistungen einschränken könnte.
- Das Team der Geschäftsleitung der Gesellschaft besitzt wenig Erfahrung in der Steuerung einer börsennotierten Gesellschaft, und die damit einhergehenden Mitteilungs- und Compliance-Anforderungen sowie der Aufbau der Organisationsstruktur könnten den täglichen Geschäftsführungsaufgaben von Serviceware Ressourcen entziehen.

- Die Risikomanagement- und Compliance-Kontrollen und -Verfahren von Serviceware könnten sich als unzureichend erweisen und bei der Vermeidung oder dem Aufdecken von Korruption, Betrug oder anderen Straftaten oder unbefugtem Verhalten versagen.
- Serviceware ist möglicherweise infolge einer abweichenden Auslegung anwendbarer Steuergesetze durch die Steuerbehörden oder nachteiliger Änderungen der aktuellen Gesetze Steuerrisiken ausgesetzt.
- Aufgrund der kürzlich erfolgten Gründung der Gesellschaft und der darauf folgenden Umstrukturierung sind die in diesem Prospekt dargestellten Finanzinformationen der Gruppe möglicherweise nicht in vollem Umfang mit den zukünftigen Ergebnissen von Serviceware als eigenständig notiertes Konzernunternehmen vergleichbar.

D.3 Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind.

Risiken im Hinblick auf das Angebot, die Börsennotierung und die Aktionärsstruktur

- Nach der Durchführung des Angebots werden die Gründungsgesellschafter der Gruppe auch weiterhin einen erheblichen Anteil an der Gesellschaft besitzen und ihre Interessen könnten mit den Interessen anderer Aktionäre der Gesellschaft kollidieren.
- Die Gesellschaft geht nicht davon aus, dass sie in absehbarer Zukunft Dividenden ausschütten wird, wodurch die Rendite eines zukünftigen Investors auf die Investition in die Aktien der Gesellschaft beschränkt sein kann.
- Die Gesellschaft ist eine Holdinggesellschaft ohne wesentliche eigene Geschäftstätigkeit und ist abhängig von operativen Tochtergesellschaften, die der Gesellschaft Kapital bereitstellen, damit diese ihren finanziellen Verpflichtungen nachkommen und Dividendenzahlungen vornehmen kann.
- Die Aktien der Gesellschaft wurden zuvor nicht öffentlich gehandelt und es kann nicht garantiert werden, dass sich ein aktiver und liquider Markt für die Aktien entwickeln wird.
- Die Gesellschaft könnte durch ihre zukünftige Börsennotierung nachteilig beeinflusst werden und wird zusätzliche Verwaltungsanforderungen, einschließlich der Verpflichtung zur Erstellung von Quartalsabschlüssen, erfüllen müssen.
- Der Aktienkurs könnte erheblich schwanken und Anleger könnten ihr eingesetztes Kapital ganz oder teilweise verlieren.
- Das Angebot könnte nicht vollständig durchgeführt werden, was sich negativ auf die Wachstumsaussichten der Gesellschaft und/oder die Liquidität der Aktien auf dem Markt auswirken kann.

Abschnitt E - Angebot

E.1 Gesamtnettoerlöse und geschätzte Gesamtkosten der Emission/des Angebots.

Die Gesellschaft erhält den Erlös (abzüglich der Provisionen der Joint Global Coordinators und weiteren Kosten, die die Gesellschaft zu tragen hat) aus dem Verkauf der Neuen Aktien. Die Gesellschaft wird hingegen keinen Erlös aus dem Verkauf der Verkaufsaktien und der Mehrzuteilungsaktien erhalten.

Unter der Annahme einer vollständigen Platzierung der 2.500.000 Neuen Aktien zu einem Angebotspreis von EUR 25,00, der Mitte der für das Angebot bestimmten Preisspanne (wie in E.3 definiert) entspricht, wird die Gesellschaft Gesamtbruttoerlöse in Höhe von EUR 62,50 Mio. erzielen. Die Gesellschaft wird die Kosten tragen, die auf das Angebot der Neuen Aktien sowie der Börsennotierung des gesamten Grundkapitals entfallen. Auf der Grundlage der vorstehenden Annahmen geht die Gesellschaft davon aus, dass der Teil der Provision der Joint Global Coordinators, der auf die Gesellschaft entfällt (einschließlich einer ermessensabhängigen Provision) sowie weiterer Kosten, die auf die Ausgabe der Neuen Aktien und die Zulassung des gesamten Grundkapitals zum Handel entfallen, ungefähr EUR 3,21 Mio. betragen wird. Unter der Annahme, dass der Angebotspreis (wie in E.3 definiert) in der Mitte der Preisspanne (wie in E.3 definiert) liegt, wird der Nettoemissionserlös aus dem Angebot, der der Gesellschaft zufließt (nach Abzug der Provisionen der Joint

Global Coordinators sowie weiterer Kosten, die auf die Gesellschaft entfallen) ungefähr EUR 59,29 Mio. betragen.

Die Verkaufenden Aktionäre erhalten den Erlös aus dem Verkauf der Verkaufsaktien abzüglich der Provisionen der Joint Global Coordinators und der weiteren Kosten, die die Verkaufenden Aktionäre im Hinblick auf die Verkaufsaktien zu tragen haben. Unter der Annahme, dass alle 720.000 Verkaufsaktien zu einem Angebotspreis (wie in E.3 definiert) von EUR 25,00, der Mitte der Preisspanne (wie in E.3 definiert) entspricht, platziert werden, werden die Verkaufenden Aktionäre Gesamtbruttoerlöse in Höhe von ungefähr EUR 18,00 Mio. erzielen. Die Verkaufenden Aktionäre werden die Kosten tragen, die auf die Platzierung der Verkaufsaktien entfallen. Auf der Grundlage der vorstehenden Annahmen, geht die Gesellschaft davon aus, dass der Teil der Provision der Joint Global Coordinators, der auf die Verkaufenden Aktionäre entfällt (inklusive einer ermessensabhängigen Provision) sowie weiterer Kosten, einschließlich des Anteils der Verkaufenden Aktionären, die auf die Verkaufsaktien entfallen, ungefähr EUR 0,68 Mio. betragen. Unter der Annahme eines Angebotspreises in der Mitte der Preisspanne (wie in E.3 definiert) wird der Nettoemissionserlös aus dem Angebot, der den Verkaufenden Aktionären zufließt (abzüglich der Provisionen der Joint Global Coordinators und der weiteren Kosten, die die Verkaufenden Aktionäre zu tragen haben) ungefähr EUR 17,33 Mio. betragen.

Die Greenshoe Aktionäre erhalten den Erlös aus dem Verkauf der Mehrzuteilungsaktien (wenn und soweit die Greenshoe Option (wie in E.3 definiert) ausgeübt wird) abzüglich der Provisionen der Joint Global Coordinators und der weiteren Kosten, die die Greenshoe Aktionäre im Hinblick auf die Mehrzuteilungsaktien zu tragen haben. Unter der Annahme einer vollständigen Ausübung der Greenshoe Option und der Platzierung der Mehrzuteilungsaktien zu einem Angebotspreis von EUR 25,00, der der Mitte der Preisspanne (wie in E.3 definiert) entspricht, werden die Greenshoe Aktionäre Gesamtbruttoerlöse in Höhe von ungefähr EUR 12,08 Mio. erzielen. Die Greenshoe Aktionäre werden die Kosten tragen, die auf die Platzierung der Mehrzuteilungsaktien entfallen (wenn die Greenshoe Option (wie in E.3 definiert) ausgeübt wird). Auf der Grundlage der vorstehenden Annahmen geht die Gesellschaft davon aus, dass der Teil der Provision der Joint Global Coordinators, der auf die Greenshoe Aktionäre entfällt (inklusive einer ermessensabhängigen Provision) sowie weiterer Kosten, einschließlich des Anteils der Greenshoe Aktionäre, die auf die Mehrzuteilungsaktien entfallen, ungefähr EUR 0,45 Mio. betragen. Unter der Annahme eines Angebotspreises in der Mitte der Preisspanne (wie in E.3 definiert) wird der Nettoemissionserlös aus dem Angebot, der den Greenshoe Aktionären zufließt (abzüglich der Provisionen der Joint Global Coordinators und der weiteren Kosten, die die Greenshoe Aktionäre zu tragen haben) ungefähr EUR 11,62 Mio. betragen.

Je nachdem, ob der Angebotspreis am unteren oder oberen Ende der Preisspanne (wie in E.3 definiert) festgelegt wird, wird der Erlös für die Gesellschaft, die Verkaufenden Aktionäre und die Greenshoe Aktionäre niedriger oder entsprechend höher sein, als für die Mitte der Preisspanne (wie in E.3 definiert) oben aufgezeigt.

Anlegern werden keine in Zusammenhang mit dem Angebot verbundenen Kosten oder Steuer von der Gesellschaft, den Verkaufenden Aktionären, den Greenshoe Aktionären oder den Joint Global Coordinators in Rechnung gestellt.

Geschätzte Kosten, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.

E.2a Gründe für das Angebot, Zweckbestimmung der Erlöse,

Die Gesellschaft beabsichtigt, (i) die Neuen Aktien zu verkaufen und (ii) die Aktien der Gesellschaft am regulierten Markt der Frankfurter Wertpapierbörse notieren zu lassen mit gleichzeitiger Zulassung zum Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (Prime Standard), um einen

**geschätzte
Nettoerlöse.**

besseren Zugang zu Kapitalmärkten zu erreichen, das weitere Wachstum zu finanzieren und ihr Geschäft weiterzuentwickeln. Die Verkaufenden Aktionäre möchten die Verkaufsaktien verkaufen, um sich in Teilen von ihrer Beteiligung an der Gesellschaft zu trennen und sicherzustellen, dass es einen ausreichenden Streubesitz und eine ausreichende Handelsliquidität für die Aktien der Gesellschaft gibt. Die Greenshoe-Aktionäre möchten ihre Aktien dem Stabilisierungsmanager (wie in E.3 definiert) als Wertpapierdarlehen zur Finanzierung von Stabilisierungsmaßnahmen zur Verfügung stellen. Soweit die Greenshoe-Option ausgeübt wird, werden sich die Greenshoe-Aktionäre in Teilen von ihrer Beteiligung an der Gesellschaft trennen.

Die Gesellschaft beabsichtigt, die Nettoerlöse aus dem Angebot zur Finanzierung der folgenden Aktivitäten zu verwenden: (i) Ausweitung des Außendienstes und der Vertriebskapazität, einschließlich der Einstellung neuer Vertriebsmitarbeiter, der Gewinnung neuer Vertriebspartner sowie der Steigerung der internationalen Bekanntheit der Marke (ca. 13 % der Nettoemissionserlöse); (ii) Internationalisierungs- und Neue-Märkte-Strategie, einschließlich Eintritt in neue geografische Märkte, Eröffnung von Repräsentanzen und Weiterverfolgung und Erreichen des Markteintritts in Spanien, den nordischen Ländern, den Niederlanden und Belgien, im Vereinigten Königreich, Frankreich und Italien (ca. 17 % der Nettoemissionserlöse); (iii) Weiterverfolgen ausgewählter Zusammenschluss- und Akquisitionsmöglichkeiten (ca. 63 % der Nettoemissionserlöse); und (v) allgemeine Geschäftszwecke (ca. 7 % der Nettoemissionserlöse). Die Gesellschaft hat noch keine endgültige Entscheidung über die genaue Verwendung der Nettoerlöse aus dem Angebot und über den tatsächlichen Anteil der Nettoerlöse, der für die einzelnen Maßnahmen verwendet werden soll, getroffen. Diese Entscheidung hängt von einer Reihe von Faktoren ab, die zum derzeitigen Zeitpunkt nicht abschließend bestimmt werden können. Soweit und solange die Nettoerlöse noch nicht für die oben genannten Zwecke verwendet wurden, beabsichtigt die Gesellschaft, die Gelder in kurzfristige Bankeinlagen, Geldmarktinstrumente, Staatsanleihen mit kurzen Laufzeiten oder ähnliche Instrumente anzulegen, damit sie bei Bedarf kurzfristig für allgemeine Geschäftszwecke der Gesellschaft zur Verfügung stehen.

**E.3 Beschreibung der
Angebots-
konditionen.**

Angebotskonditionen

Das Angebot bezieht sich auf 3.703.000 auf den Inhaber lautende Stammaktien der Gesellschaft ohne Nennwert (Stückaktien), jeweils mit einem anteiligen Betrag am Grundkapital von EUR 1,00 und mit voller Dividendenberechtigung ab dem Tag der Gründung der Gesellschaft, d.h. dem 11. Januar 2018, bestehend aus: (i) 2.500.000 Neuen Aktien, (ii) 720.000 Verkaufsaktien und (iii) 483.000 Mehrzuteilungsaktien.

Das Angebot besteht aus einem öffentlichen Angebot von Angebotsaktien in der Bundesrepublik Deutschland ("**Deutschland**") und dem Großherzogtum Luxemburg ("**Luxemburg**") (das "**Öffentliche Angebot**") und Privatplatzierungen in bestimmten Jurisdiktionen außerhalb von Deutschland, Luxemburg und den Vereinigten Staaten von Amerika ("**Vereinigte Staaten**") gemäß Regulation S nach dem US Securities Act von 1933 (in der derzeit gültigen Fassung) (die "**Privatplatzierung**", und zusammen mit dem Öffentlichen Angebot, das "**Angebot**").

Angebotszeitraum

Der Zeitraum, in dem Anleger Kaufangebote für die Angebotsaktien abgeben können, beginnt am 9. April 2018 und endet voraussichtlich am 18. April 2018 um 12.00 (mitteleuropäische Sommerzeit, "**MESZ**") für private Anleger (natürliche Personen mit Wertpapierdepot in Deutschland) und 14.00 (MESZ) für institutionelle Anleger (der "**Angebotszeitraum**").

Privatanleger können Kaufangebote für das Öffentliche Angebot während des Angebotszeitraums bei den Filialen der Joint Global Coordinators oder bei der comdirect bank Aktiengesellschaft, einer Tochtergesellschaft der COMMERZBANK, abgeben.

Preisspanne und Angebotspreis

Die Preisspanne, innerhalb derer Kaufangebote abgegeben werden können, beträgt EUR 22,50 bis EUR 27,50 je Angebotsaktie (die "**Preisspanne**").

Nach Ende des Angebotszeitraums, am oder um den 18. April 2018, werden die Gesellschaft und die Verkaufenden Aktionäre die endgültige Anzahl der platzierten Angebotsaktien und den Angebotspreis (der "**Angebotspreis**") nach Beratung mit den Joint Global Coordinators auf der Grundlage des im Rahmen des Bookbuildingverfahrens erstellten Orderbuches festlegen. Die finale Anzahl der platzierten Angebotsaktien und der Angebotspreis werden voraussichtlich am oder um den 18. April 2018 durch verschiedene Medien mit Verbreitung im gesamten Europäischen Wirtschaftsraum (*Medienbündel*) und auf der Internetseite der Gesellschaft (www.serviceware.se unter dem Abschnitt "Investor Relations") veröffentlicht.

Änderung der Angebotsbedingungen

Die Gesellschaft behält sich das Recht vor, nach Beratung mit den Joint Global Coordinators die Anzahl der Angebotenen Aktien zu verringern oder zu erhöhen, die obere oder untere Begrenzung der Preisspanne zu senken oder zu erhöhen und/oder die Angebotszeitraum zu verlängern oder zu verkürzen. Sofern die Angebotsbedingungen geändert werden, wird diese Änderung über elektronische Medien, auf der Website der Gesellschaft (www.serviceware.se unter dem Abschnitt "Investor Relations") und, soweit nach dem Wertpapierprospektgesetz und/oder der Verordnung Nr. 596/2014 über Marktmissbrauch erforderlich, als Ad-hoc Mitteilung und/oder als Nachtrag zu diesem Prospekt veröffentlicht werden.

Der Übernahmevertrag regelt, dass die Joint Global Coordinators unter bestimmten Umständen von dem Übernahmevertrag zurücktreten können, und zwar auch nachdem die Aktien zugeteilt und börsennotiert wurden bis zur Lieferung und Abrechnung der Aktien. Sollte es zu einem Rücktritt vom Übernahmevertrag kommen, wird das Angebot nicht durchgeführt. In diesem Fall werden bereits erfolgte Zuteilungen an Anleger unwirksam. Ein Anspruch auf Lieferung wird in diesem Fall nicht bestehen. Ansprüche in Bezug auf bereits erbrachte Provisionen und im Zusammenhang mit dem Angebot entstandene Kosten eines Anlegers richten sich allein nach dem Rechtsverhältnis zwischen dem Anleger und dem Finanzinstitut, bei dem er sein Kaufangebot abgegeben hat. Sollten Anleger sogenannte Leerverkäufe vorgenommen haben, so tragen sie das Risiko, ihre Lieferverpflichtungen nicht erfüllen zu können.

Lieferung und Abrechnung

Die Angebotenen Aktien werden voraussichtlich am 23. April 2018, gegen Zahlung des Angebotspreises geliefert. Die Aktien der Gesellschaft werden den Aktionären als Miteigentumsanteile an der Globalurkunde zur Verfügung gestellt.

Stabilisierungsmaßnahmen, Mehrzuteilungen und Greenshoe Option

Im Zusammenhang mit der Platzierung der Angebotenen Aktien, handelt COMMERZBANK, als Stabilisierungsmanager (der "**Stabilisierungsmanager**") und kann als Stabilisierungsmanager handelnd in Übereinstimmung mit den gesetzlichen Anforderungen (Artikel 5 Abs. 4 der Verordnung (EU) Nr. 596/2014 über Marktmissbrauch) Mehrzuteilungen vornehmen und Stabilisierungsmaßnahmen ergreifen, um den Börsenkurs oder den Marktpreis der Aktien der Gesellschaft zu stabilisieren und dadurch einem etwaigen Verkaufsdruck entgegenzuwirken (Stabilisierungsmaßnahmen).

Der Stabilisierungsmanager ist nicht verpflichtet, Stabilisierungsmaßnahmen zu ergreifen. Es kann daher nicht zugesichert werden, dass Stabilisierungsmaßnahmen ergriffen werden. Sollten Stabilisierungsmaßnahmen ergriffen werden, können sie jederzeit ohne Ankündigung eingestellt werden. Solche Maßnahmen können ab dem Zeitpunkt der Notierungsaufnahme der Aktien im regulierten Markt an der Frankfurter Wertpapierbörse vorgenommen werden und müssen spätestens am 30. Kalendertag nach diesem Zeitpunkt eingestellt werden (der "**Stabilisierungszeitraum**").

Im Rahmen möglicher Stabilisierungsmaßnahmen können Anlegern bis zu 483.000 Mehrzuteilungsaktien zugeteilt werden. Zum Zwecke einer solchen

potentiellen Mehrzuteilung werden dem Stabilisierungsmanager für Rechnung der Konsortialbanken bis zu 483.000 Mehrzuteilungsaktien der Gesellschaft aus dem Aktienbesitz der Greenshoe Aktionäre in Form eines Wertpapierdarlehens zur Verfügung gestellt. Die Gesamtzahl von Mehrzuteilungsaktien wird 15,00 % der Anzahl der Neuen Aktien und der Verkaufsaktien nicht überschreiten. Im Zusammenhang mit der Mehrzuteilung haben die Greenshoe Aktionäre den Joint Global Coordinators die Option eingeräumt, die darlehensweise zur Verfügung gestellten Aktien zum Angebotspreis zu erwerben (die "**Greenshoe-Option**"). Die Greenshoe-Option kann durch den Stabilisierungsmanager ausgeübt werden und endet 30 Kalendertage nach Handelsaufnahme der Aktien der Gesellschaft. Innerhalb einer Woche nach dem Ende des Stabilisierungszeitraums wird durch verschiedene Medien mit Verbreitung im gesamten EWR (*Medienbündel*) bekannt gegeben, ob Stabilisierungsmaßnahmen ergriffen wurden, wann die Kursstabilisierung begann und endete, wann die letzte Stabilisierungsmaßnahme ergriffen wurde, die Kursspanne innerhalb welcher die Stabilisierung erfolgte (für jedes Datum an dem eine Stabilisierungsmaßnahme ergriffen wurde) und die Handelsplätze an denen die Stabilisierungsmaßnahmen durchgeführt wurden. Die Ausübung der Greenshoe Option, der Zeitpunkt der Ausübung sowie die Anzahl und Art der betroffenen Aktien werden ebenfalls unverzüglich in der oben für die Veröffentlichung von Informationen bezogen auf die Durchführung von Stabilisierungsmaßnahmen beschriebenen Art und Weise nach dem Ende der Stabilisierungszeitraums bekannt gemacht werden.

E.4 Beschreibung aller für die Emission/das Angebot wesentlichen Interessen, einschließlich Interessenkonflikten.

In Zusammenhang mit dem Angebot und der Zulassung der Aktien der Gesellschaft zum Handel an der Frankfurter Wertpapierbörse haben die Joint Global Coordinators eine vertragliche Beziehung mit der Gesellschaft, den Verkaufenden Aktionären und den Greenshoe Aktionären geschlossen. Die Joint Global Coordinators handeln bei dem Angebot für die Gesellschaft und koordinieren die Strukturierung und Durchführung des Angebots. Darüber hinaus wurde Hauck & Aufhäuser zum Designated Sponsor der Aktien der Gesellschaft ernannt. Die Joint Global Coordinators erhalten nach erfolgreicher Durchführung des Angebots eine Vergütung, die von dem Umfang des Angebots und des Angebotspreises abhängig sind. Aufgrund dieser vertraglichen Beziehungen haben die Joint Global Coordinators ein finanzielles Interesse am Erfolg des Angebots.

Weiterhin können, im Zusammenhang mit dem Angebot, die Joint Global Coordinators und jedes ihrer jeweiligen verbundenen Unternehmen als Anleger auf eigene Rechnung Aktien aus dem Angebot kaufen und in dieser Funktion solche Aktien oder ähnliche Beteiligungen auf eigene Rechnung halten, kaufen oder verkaufen und solche Aktien oder ähnliche Beteiligungen außerhalb des Angebots anbieten oder verkaufen. Zusätzlich können die Joint Global Coordinators oder ihre verbundenen Unternehmen Finanzierungsvereinbarungen (einschließlich Swaps oder Differenzgeschäfte) mit Anlegern abschließen, in deren Rahmen die Joint Global Coordinators oder deren verbundene Unternehmen zeitweise Aktien der Gesellschaft erwerben, halten oder veräußern können. Keine der Joint Global Coordinators beabsichtigt, den Umfang solcher Investitionen oder Transaktionen über entsprechende gesetzliche oder aufsichtsrechtliche Pflichten oder über die Veröffentlichungen in diesem Prospekt hinausgehend offenzulegen.

Die Joint Global Coordinators oder die mit ihnen verbundenen Unternehmen haben oder können in Zukunft mitunter weiterhin Geschäftsbeziehungen mit der Gesellschaft (einschließlich Darlehenstätigkeiten) unterhalten oder können Dienstleistungen für die Gesellschaft im Rahmen der gewöhnlichen Geschäftstätigkeit erbringen.

Da die Gesellschaft die Erlöse aus dem Angebot der Neuen Aktien erhalten wird und diese die Eigenkapitalbasis der Gesellschaft stärken werden, haben alle direkten oder indirekten Aktionäre, insbesondere die bestehenden Aktionäre der Gesellschaft, ein Interesse an der Durchführung der Kapitalerhöhung, auf die sich das Angebot bezieht. Dies gilt vor allem für aventura Management GmbH,

Bad Camberg, Deutschland, eine Gesellschaft, die von Herrn Dirk K. Martin gehalten wird und zur Zeit 48,5 % der Aktien der Gesellschaft hält sowie für dreiff Management GmbH, Bad Camberg, Deutschland, eine Gesellschaft, die von Herrn Harald Popp gehalten wird und zur Zeit 48,5 % der Aktien der Gesellschaft hält.

Die Verkaufenden Aktionäre, von denen aventura Management GmbH von Herrn Dirk K. Martin und dreiff Management GmbH von Herrn Harald Popp kontrolliert wird, werden die Erlöse aus dem Verkauf der Verkaufsaktien im Rahmen des Angebots erhalten. Deshalb haben die Verkaufenden Aktionäre sowie die Herren Harald Popp und Dirk K. Martin ein finanzielles Interesse an der erfolgreichen Durchführung des Angebots zu den bestmöglichen Bedingungen, was gegebenenfalls nicht den finanziellen Interessen von potenziellen Investoren entspricht.

Die Greenshoe Aktionäre werden die Erlöse aus der Ausübung der Greenshoe Option erhalten (wenn und soweit die Greenshoe Option ausgeübt wird). Die Greenshoe Aktionäre werden die Mehrzuteilungsaktien als Teil des Angebots zur Verfügung stellen, um den nötigen Streubesitz und die nötige Liquidität der Aktien der Gesellschaft zu gewährleisten, aber sie haben angesichts der Greenshoe Option auch ein finanzielles Interesse an dem Angebot dieser Aktien.

Abgesehen von den vorgenannten Interessen bestehen keine weiteren Interessen, die bezüglich des Angebots wesentlich sind und dazu in Konflikt stehen könnten.

**E.5 Name der Person/
des Unternehmen,
die/das Wertpapier
zum Kauf anbietet.**

Die Angebotsaktien werden von den Joint Global Coordinators zum Kauf angeboten.

**Lock-up
Vereinbarungen:
die beteiligten
Parteien und Lock-
up Frist.**

Die Gesellschaft hat sich im Übernahmevertrag gegenüber den Joint Global Coordinators verpflichtet, dass sie innerhalb eines Zeitraums von sechs Monaten nach dem ersten Handelstag der Aktien der Gesellschaft an der Frankfurter Wertpapierbörse und innerhalb eines zusätzlichen Zeitraums von weiteren sechs Monaten ohne die vorherige schriftliche Zustimmung der Joint Global Coordinators (die nicht ohne triftigen Grund vorenthalten oder verzögert werden darf) nicht: (i) direkt oder indirekt Aktien ausgibt, verkauft, anbietet, sich verpflichtet Aktien zu verkaufen, oder anderweitig Aktien veräußert oder ein solches Angebot ankündigt, (ii) direkt oder indirekt Finanzinstrumente, die Wandlungs- oder Optionsrechte auf Aktien der Gesellschaft beinhalten, ausgibt, verbrieft, anbietet, sich verpflichtet diese zu verkaufen oder diese anderweitig veräußert oder ein solches Angebot ankündigt, (iii) eine Kapitalerhöhung aus genehmigten Kapital ankündigt oder durchführt, (iv) der Hauptversammlung eine Beschlussvorlage zu einer Kapitalerhöhung einschließlich eines neuen genehmigten Kapitals unterbreitet, oder (v) eine Maßnahme (einschließlich) Derivatengeschäfte durchführt, die wirtschaftlich einer der vorgenannten Maßnahmen entspricht.

Davon ausgenommen sind die Ausgabe oder der Verkauf, soweit anwendbar, von Aktien oder anderen Wertpapieren im Rahmen von Management- oder Mitarbeiterbeteiligungsprogrammen oder Aktienoptionsplänen für Mitglieder des Managements oder Mitarbeiter der Gesellschaft.

Die bestehenden Aktionäre der Gesellschaft, aventura Management GmbH, Bad Camberg, Deutschland, dreiff Management GmbH, Bad Camberg, Deutschland und Ingo Bollhöfer, haben sich gegenüber den Joint Global Coordinators verpflichtet, dass sie innerhalb eines Zeitraums von sechs Monaten nach dem ersten Handelstag der Aktien der Gesellschaft an der Frankfurter Wertpapierbörse und innerhalb eines zusätzlichen Zeitraums von weiteren sechs Monaten ohne die vorherige schriftliche Zustimmung der Joint Global Coordinators (die nicht ohne triftigen Grund vorenthalten oder verzögert werden darf) nicht: (i) Aktien der Gesellschaft anbieten, verpfänden, zuteilen, vermarkten, ausschütten, verkaufen, übertragen oder anderweitig direkt oder indirekt veräußern (einschließlich der

Ausgabe oder des Verkaufs von Wertpapieren, die in Aktien der Gesellschaft umgewandelt werden können), (ii) direkt oder indirekt die Ankündigung, Durchführung oder Umsetzung einer Erhöhung des Grundkapitals der Gesellschaft oder eine direkte oder indirekte Platzierung von Aktien der Gesellschaft verursachen oder dem zustimmen, (iii) direkt oder indirekt eine Erhöhung des Grundkapitals der Gesellschaft der Hauptversammlung zum Beschluss vorlegen oder einem solchen Vorschlag zustimmen, (iv) direkt oder indirekt die Ankündigung, Durchführung oder den Vorschlag jeglicher Ausgabe von Finanzinstrumenten, die Optionen oder Bezugsrechte schaffen, die in Aktien der Gesellschaft wandelbar sind, verursachen oder dem zustimmen, oder (v) eine Transaktion durchführen oder eine Maßnahme ergreifen, die wirtschaftlich einer der vorgenannten Maßnahmen entspricht.

E.6 Betrag und Prozentsatz der aus dem Angebot resultierenden unmittelbaren Verwässerung. Im Fall eines Zeichnungsangebots an die existierenden Anteilseigner Betrag und Prozentsatz der unmittelbaren Verwässerung für den Fall, dass sie das Angebot nicht zeichnen.

Aktionäre der Gesellschaft werden nach Durchführung des Angebots nicht mehr im demselben Umfang wie zuvor am Grundkapital der Gesellschaft beteiligt sein. Im Zuge der Barkapitalerhöhung wird das bestehende Grundkapital der Gesellschaft um bis zu EUR 2.500.000,00 auf bis zu EUR 10.500.000,00 erhöht. Der Buchwert des bilanziellen Eigenkapitals der Gesellschaft, einschließlich Minderheitsbeteiligungen (das auf die Aktionäre entfallende Eigenkapital der Gesellschaft oder der Nettobuchwert, d.h. die Summe der Aktiva abzüglich der Summe von langfristigen Verbindlichkeiten und kurzfristigen Verbindlichkeiten (der "**Nettobuchwert**")), betrug EUR 4,39 Mio. am 30. November 2017 auf Grundlage der Kombinierten Jahresabschlüsse, was, basierend auf 8.000.000 ausstehenden Inhaberaktien der Gesellschaft vor dem Angebot, EUR 0,55 pro Aktie entspricht.

Unter der Annahme, dass alle 2.500.000 Neuen Aktien zu einem Angebotspreis von EUR 25,00 (Mittelwert der Preisspanne) im Zuge des Angebots verkauft werden, würde der Gesellschaft ein Nettoemissionserlös von ca. EUR 59,29 Mio. (Bruttoemissionserlös i.H.v. EUR 62,50 Mio. abzüglich Provisionen der Joint Global Coordinators und anderen auf die Gesellschaft entfallenden Kosten i.H.v. EUR 3,21 Mio.) zufließen. Wäre der Gesellschaft dieser Betrag bereits zum 30. November 2017, zugegangen, hätte der Nettobuchwert zum 30. November 2017, bei EUR 63,68 Mio. gelegen, was ca. EUR 6,06 pro Aktie entspricht (basierend auf der Aktienzahl nach Durchführung der im vollen Umfang durchgeführten Kapitalerhöhung). Dies würde für die Altaktionäre einen unmittelbaren Zuwachs von EUR 5,52 bzw. 1005,13% pro Aktie und eine unmittelbare Verwässerung von EUR -18,94 bzw. -75,74 % pro Aktie für die Erwerber der Angebotsaktien.

Vor dem Angebot waren die aventura Management GmbH, Bad Camberg, Deutschland, die dreiff Management GmbH, Bad Camberg, Deutschland und Herr Ingo Bollhöfer Alleingesellschafter der Gesellschaft mit einem Anteilsbesitz von 3.880.000, 3.880.000 und 240.000 der ausstehenden Aktien und damit 48,5 %, 48,5 % bzw. 3 % der Stimmrechte. Nach Vollzug des Angebots (unter der Annahme, dass die Angebotsaktien vollständig platziert werden) und bei 10.500.000 Aktien, die nach Vollzug des Angebots ausstehen, würden sich die von aventura Management GmbH, Bad Camberg, Deutschland, dreiff Management GmbH, Bad Camberg, Deutschland und Herrn Ingo Bollhöfer gehaltenen Stimmrechte auf 31,40 %, 31,40 % und 1,94 % belaufen.

E.7 Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.

Anlegern werden keine in Zusammenhang mit dem Angebot verbundenen Kosten oder Steuer von der Gesellschaft, den Verkaufenden Aktionären, den Greenshoe Aktionären oder den Joint Global Coordinators in Rechnung gestellt.

3. RISK FACTORS

*An investment in the shares of Serviceware SE (the "**Company**" and together with its consolidated subsidiaries the "**Group**" or "**Serviceware**") is subject to risks. Therefore, prospective investors should carefully consider each of the risks described below and all of the other information contained in this prospectus and any supplement thereto (the "**Prospectus**") before deciding whether to invest in the shares of the Company. The Company's business, financial condition, cash flows and results of operations could be materially adversely affected by any of these risks. As a result, the price of the shares of the Company may decline, and investors could lose part or all of their invested capital. The risks described below are not the only ones applicable to Serviceware and are based on assumptions which may turn out to be incorrect. Additional risks that are not known at this time, or that the Company currently considers to be immaterial, could significantly impair Serviceware's business activities and have a material adverse effect on Serviceware's business, financial condition, cash flows and results of operations. The order in which these risks are presented is not intended to provide an indication of the likelihood of occurrence or their severity or significance.*

This Prospectus contains forward looking statements that are based on assumptions and estimates, which are subject to risks and uncertainties. Actual results and future developments could differ materially from what is expressed or implied by such forward-looking statements, as a result of many factors, including but not limited to risks Serviceware faces as described below.

3.1 Risks related to Serviceware's business and the industry and markets in which it operates

Serviceware may not be able to maintain its revenue growth and the growth of its business.

Since the start of its operations in 1998, Serviceware has experienced an overall stable growth of its sales revenues, with sales revenues increasing within the period under review from EUR 39,584 thousand in the financial year ended 30 November 2015 to EUR 44,347 thousand in the financial year ended 30 November 2017. The Company's strategy includes the continued growth in the market segments in which Serviceware currently operates and the expansion into new product and geographic markets. However, continued growth could also strain its ability to maintain reliable service levels for its customers, develop and improve its operational, financial and management controls, enhance its reporting systems and procedures and recruit, train and retain highly skilled personnel.

In the past, Serviceware encountered and will continue to encounter risks and uncertainties frequently experienced by growing companies in rapidly changing industries, such as determining appropriate investments of its resources, market adoption of its current and future applications, competition from other companies, acquiring and retaining customers, hiring, integrating, training and retaining skilled personnel, developing new applications, and unforeseen expenses and challenges in forecasting accuracy. There is no assurance that the Company's growth strategy will be sustainable and that Serviceware will continue to experience significant growth or any growth at all. There is no assurance that the envisaged growth strategy will be sufficient to grow its revenues or its business in total or in relation to the investment costs Serviceware will incur for the development of new applications and the implementation of its overall growth strategy. If Serviceware's revenue growth slows or if its revenues decline, this could have a material adverse effect on its business, financial condition and results of operations.

If Serviceware is unable to manage its growth effectively, this could have a material adverse effect on its business, financial condition and results of operations.

The envisaged future growth of Serviceware is expected to continue to place significant demands on its management and on its operational and financial infrastructure. As Serviceware's operations grow and become even more international, it will need to continue to add personnel, in particular in managerial functions, and to improve and upgrade its systems and infrastructure to deal with

the greater scale and complexity of operations. Such expansion will require Serviceware to commit substantial management, operational and other resources in advance of any increase in the size of the business, with no assurance that its revenues and profit will increase accordingly.

Continued growth could in particular strain Serviceware's ability to develop and improve its operational, financial and management controls, to maintain reliable service levels for its customers, and to attract, train, motivate and retain its employees. Any failure to effectively manage the increasing size and complexity of its business resulting from future growth could have a material adverse effect on Serviceware's business, financial condition and results of operations.

The market in which Serviceware operates is highly competitive, and if Serviceware does not compete effectively, its operating results could be harmed.

The market for enterprise service management ("**ESM**") solutions is highly fragmented, rapidly evolving and highly competitive. Serviceware's competitors vary in size and in the breadth and scope of the products and services offered. Many of Serviceware's competitors and potential competitors are larger and have greater brand recognition, longer operating histories, larger marketing budgets and significantly greater resources than Serviceware. As a result, Serviceware's competitors may be able to respond more quickly and effectively than Serviceware to new or changing opportunities, technologies, standards or customer requirements in the ESM market. With the introduction of new technologies, the evolution of Serviceware's service and new market entrants, the Company expects competition to intensify in the future.

Serviceware faces competition from in-house solutions, large integrated systems vendors and smaller companies with single-point solutions. For example, with regard to its application anafee, the competing solutions are the use of legacy spreadsheet-based business processes, custom software developed or general purpose business intelligence solutions modified, by in-house IT and finance departments of Serviceware's potential customers to meet specific business needs. In order to sell its products to potential customers with existing internal solutions, Serviceware needs to convince the respective decision makers that the ESM solution offered by Serviceware is superior to the legacy solutions that the organisation has previously adopted. Further, other companies not currently operating in the ESM market, such as companies with their current focus on the customer relations management (CRM) or the enterprise resource management (ERP) markets, may expand their services to compete with Serviceware's service. Many of Serviceware's current and potential competitors have established marketing relationships, access to larger customer bases, pre-existing customer relationships and major distribution agreements with consultants, system integrators and resellers. Moreover, as Serviceware expands the scope of its service, it may face additional competition from platform and application development vendors. Additionally, some potential customers, particularly large enterprises, may elect to develop their own internal solutions.

Some of Serviceware's principal competitors offer their products or services at a lower price, which could result in pricing pressures. If the Company is unable to achieve its target pricing levels, its operating results would be negatively impacted. In addition, pricing pressures and increased competition generally could result in reduced sales, reduced margins, losses or the failure of Serviceware's service to achieve or maintain more widespread market acceptance, any of which could harm the Company's business.

For all of these reasons, Serviceware may not be able to compete successfully against its current and future competitors, the failure of which could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Weakened global economic conditions may harm Serviceware's industry, business and results of operations.

Serviceware's overall performance depends in part on worldwide economic conditions, which may remain challenging in the foreseeable future. Global financial developments seemingly unrelated to Serviceware or the information technology ("**IT**") industry may harm Serviceware. Any negative

developments in global economic conditions, in particular with regard to Serviceware's key markets in the European Union ("EU"), such as decline in demand for a variety of goods and services, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, bankruptcies and overall uncertainty with respect to the economy, may affect the rate of IT spending and could adversely affect Serviceware's customers' ability or willingness to purchase its products and services, delay prospective customers' purchasing decisions, reduce the value or duration of their subscriptions, or affect renewal rates, all of which could have a material adverse effect on Serviceware's business, financial condition and results of operations.

If the ESM market fails to develop, or Serviceware is unable to maintain its leadership within that market category, its business, results of operations, financial condition and growth prospects could be harmed.

Serviceware's business model and strategy depends upon the development and adoption of the market for ESM solutions and Serviceware's leadership within that market category. Serviceware derives and expects to continue to derive a significant amount of its earnings from its proprietary ESM solutions. The ESM market is relatively new and is evolving rapidly, and overall market acceptance of the importance of ESM and Serviceware's solutions is critical to its continued success. If the market for ESM solutions does not continue to grow, or grows more slowly than the Company expects, or if the market for ESM solutions does not develop as the Company anticipates, its operating results could be harmed. In addition, successful market adoption will depend in part on Serviceware's ability to correctly anticipate, identify and build the key features, functions, reports, metric selection, and packaging that is most useful and attractive to the market, all while maintaining sufficient flexibility with the platform as needed to accommodate customer-specific needs. The materialisation of any of these risks could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Serviceware may not receive significant revenues from its software development efforts, if at all.

Developing software applications is expensive and the investment in product development often involves a long return on investment cycle. Serviceware made in the past and expects to continue to make significant investments in software development and improvement as well as related product opportunities. Demand may require accelerated product introductions and shorter product life cycles which in return may require high levels of expenditures that could adversely affect the Company's operating results. In addition, Serviceware may not receive significant revenues from its software development efforts, if at all; see also the below risk factor "*If Serviceware fails to adapt and respond effectively to rapidly changing technology, evolving industry standards and changing customer needs or requirements, its solutions may become less competitive*". The materialisation of any of these risks could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Serviceware's business depends substantially on its customers renewing their subscriptions and purchasing additional subscriptions. Any decline in Serviceware's customer renewals would harm its future operating results.

In order for Serviceware to maintain or improve its operating results, it is important that its customers renew their subscriptions of software and/or services when the initial contract term expires. Serviceware's customers have no obligation to renew their subscriptions, and the Company cannot assure that its customers will renew subscriptions with a similar contract period or with the same or a greater number of authorised users. Although Serviceware's renewal rates have been historically high, some of its customers have elected not to renew their agreements and the Company cannot accurately predict renewal rates.

Serviceware's renewal rates may decline or fluctuate as a result of a number of factors, including their satisfaction with Serviceware's subscription service, its professional services, its customer support, its prices, the prices of competing solutions, mergers and acquisitions affecting its

customer base, the effects of global economic conditions, or reductions in Serviceware's customers' spending levels. Serviceware's future success also depends in part on its ability to sell more subscriptions and additional professional services to its current customers. If Serviceware's customers do not renew their subscriptions, renew them on less favourable terms or fail to purchase additional professional services, Serviceware's revenues may decline which could have a material adverse effect on Serviceware's business, financial condition and results of operations.

If Serviceware fails to adapt and respond effectively to rapidly changing technology, evolving industry standards and changing customer needs or requirements, its solutions may become less competitive.

Serviceware's success depends on its ability to adapt and enhance its solutions. To attract new customers and increase revenue from existing customers, Serviceware needs to continue to enhance and improve its solutions, capabilities and enhancements to meet customer needs at prices that its customers are willing to pay. Such efforts will require adding new functionality and responding to technological advancements, which will increase Serviceware's research and development costs. If Serviceware is unable to develop solutions that address customers' needs, or enhance and improve its offerings in a timely manner, Serviceware may not be able to maintain or increase market acceptance of its solutions. If Serviceware fails to maintain adequate research and development resources or compete effectively with the research and development programs of its competitors Serviceware's business could be harmed. Serviceware's ability to grow is also subject to the risk of future disruptive technologies. If new technologies emerge that are able to deliver ESM solutions at lower prices, more efficiently, more conveniently or more securely, such technologies could adversely affect Serviceware's ability to compete.

Serviceware targets its sales efforts at enterprise customers and the length and uncertainty associated with sales cycles may result in fluctuations in its operating results.

Serviceware targets its sales efforts at enterprises and faces long sales cycles, complex customer requirements, and a relatively difficult to predict volume of sales on a quarter-by-quarter basis. This makes it difficult to predict with certainty its sales and related operating performance in any given period. Customers often undertake a prolonged evaluation of Serviceware's solutions, including assessing their own readiness, scoping the professional services involved, and comparing its solutions to products offered by its competitors and their ability to solve the problem internally. Serviceware's financial performance and the predictability of its quarterly financial results may be harmed by intermittent failures to secure new agreements, or increase the volume of transactions overall, according to the Company's forecasts, and depends in large part on the successful execution of its direct sales team.

To a certain degree, Serviceware's revenues and operating results vary from financial quarter to financial quarter. The quarter-on-quarter results can especially be affected by the timing, accounting and/or size of large projects as well as the product, services and project mix in the respective quarters. Serviceware typically records the highest sales volume in the last calendar quarter of the calendar year. Additionally, Serviceware's quarterly sales cycles are generally more heavily weighted toward the end of a calendar quarter with an increased volume of sales in the last week of each calendar quarter. This could negatively impact the timing of recognised revenue and billings, cash collections and delivery of professional services in subsequent periods. Compression of sales activity to the end of the calendar quarter also greatly increases the likelihood that sales cycles will extend beyond the quarter in which they are forecasted to close for some sizeable transactions, which will harm forecasting accuracy and adversely impact billings and new customer acquisition metrics for the quarter in which they are forecasted to close.

If Serviceware's quarterly or annual financial results fall below the expectations of investors or any securities analysts who follow the Company's shares, the price of the Company's shares could decline substantially.

Because Serviceware recognises its revenues from subscriptions ratably over the term of the agreement, near-term changes in sales from subscriptions may not be reflected immediately in its operating results.

Serviceware generates parts of its revenues through multi-year subscription agreements, which generally vary in length between one and three years. This relates in particular to revenues generated from maintenance services. All multi-year subscription fees that are billed in advance of service are recorded in deferred revenue. Subscription revenue is recognised ratably over the subscription term. As a result, a significant amount of the revenues that the Company reports in each period is derived from the recognition of deferred revenues relating to subscriptions entered into during previous periods. A decline in new or renewed multi-year subscriptions in any one quarter is not likely to have a material impact on results for that quarter. However, declines would negatively affect revenues and deferred revenue balances in future periods, and the effect of significant downturns in sales and market acceptance of Serviceware's applications, and potential changes in its rate of renewals, may not be fully reflected in Serviceware's results of operations until future periods.

If Serviceware fails to attract and retain additional qualified personnel it may be unable to execute its business strategy.

To operate its business and execute its business strategy, Serviceware must attract and retain highly qualified personnel. Serviceware competes with many other companies for software developers and programmers with high levels of experience in designing, developing and managing software, as well as for skilled product development, marketing, sales and operations professionals, and it may not be successful in attracting and retaining the professionals it needs. In particular, high-quality professional services and support, including training, implementation and consulting services, are important for the successful marketing, sale and use of Serviceware's ESM solutions and for the renewal of subscriptions by existing customers. The importance of high-quality professional services and support will increase in line with Serviceware's strategy to expand its business with a focus on ESM solutions. If the Company is not able to provide effective ongoing support, its ability to retain and sell additional functionality and applications or modules to existing customers may suffer, and its reputation with existing or potential customers may be harmed.

Serviceware has experienced, and it expects to continue to experience, difficulty in hiring and retaining highly skilled employees with appropriate qualifications which may, among other things, impede its ability to execute its software development and sales strategies. Many of the companies with which Serviceware competes for experienced personnel are better known and have greater resources than Serviceware. If Serviceware fails to attract new personnel or fails to retain and motivate its current personnel, its growth prospects could be harmed which could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Serviceware depends on its management team and other key employees, and the loss of one or more key employees could harm its business.

Serviceware's future success is significantly dependent upon the continued service of its two founders, the Chief Executive Officer ("**CEO**") Dirk K. Martin and the Chief Financial Officer ("**CFO**") Harald Popp, who have been key to the development Serviceware since start of its operations in 1998. If Serviceware were to lose the services of any of its founders, it may not be able to locate suitable or qualified replacements, and may incur additional expenses to recruit adequate replacements, which could severely disrupt Serviceware's business and growth. Serviceware is also dependent on the continued services of other key employees in the areas of software engineering, marketing, sales, services and general and administrative functions. From time to time, there may be changes in Serviceware's management team and key employees resulting from the hiring or departure of executives, which could disrupt its business. The loss of one or more of Serviceware's management team members or key employees could significantly harm its business which could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Serviceware may not be able to successfully implement its growth strategy in particular with regard to further internationalisation.

Serviceware's future growth and success depend on its ability to implement its business strategy successfully. One element of this strategy is the further international expansion with a focus on Spain, the Nordic countries and the Netherlands as well as in a second step with a focus on United Kingdom, France and Italy. The Company's assumptions as to the development of local or regional markets may turn out to be incorrect or Serviceware may not be able to accurately balance the risks in new markets, which could have a material adverse effect on Serviceware's business, financial condition and results of operations.

To increase the number of customers and the market acceptance of its ESM solutions, the Company plans in addition to expand its sales and marketing operations. Its ability to achieve significant revenue growth in the future will depend, in large part, on the success in recruiting, training and retaining a sufficient number of sales personnel. New hires require significant training and time before they achieve full productivity. Serviceware may not achieve anticipated revenue growth from expanding its sales force if it is unable to hire, develop and retain talented sales personnel, which could have a material adverse effect on Serviceware's results of operations.

In addition, Serviceware's international expansion partly depends on Serviceware continuing to develop successful go-to-market partnerships with selected consulting firms, strategic resellers and system integrators to help validate Serviceware's solutions and provide introductions to certain potential customers. Failure to successfully develop and implement strategic third-party relationships with such cooperation partners could have a material adverse effect on Serviceware's business financial condition and results of operations.

Serviceware may be unable to successfully consummate, integrate or achieve expected benefits from acquisitions of companies or businesses as part of its strategy to expand its product portfolio.

In the past, Serviceware acquired companies and businesses in order to expand its business and product portfolio. As part of its growth strategy Serviceware also plans to pursue selected acquisitions in the future in potentially higher numbers and volumes as in the past. The success of Serviceware's acquisition strategy depends upon its ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favourable terms and ultimately complete such transactions. There can be no assurance that negotiations with attractive targets will lead to completed acquisitions. Certain of Serviceware's competitors may pursue similar acquisition targets and strategies, and they may have greater financial resources available for investments or may be able to offer more favourable terms than Serviceware is able to offer, thereby preventing Serviceware from consummating targeted acquisitions.

To the extent that Serviceware is successful in realising acquisitions, it may need to spend substantial amounts of cash, incur additional debt or assume loss-making divisions.

Acquisitions generally also involve a number of other risks, including:

- unexpected loss of key employees of the acquired businesses and the loss of know-how connected therewith;
- extraordinary or unexpected legal, regulatory, contractual or other costs;
- difficulties in integrating the financial, technological and management standards, processes, procedures and controls of the acquired businesses with those of Serviceware's existing operations;
- challenges in managing the increased scope, geographic diversity and complexity of Serviceware's operations;

- mitigating contingent and/or assumed liabilities;
- the possible loss of customers and/or suppliers; and
- control issues in relation to acquisitions and/or joint ventures with arrangements where Serviceware does not exercise sole control.

Serviceware may not be able to realise the anticipated cost savings, synergies, future earnings or other benefits that it intends to achieve from acquisitions. Serviceware cannot guarantee that any acquisition will yield benefits that are sufficient to justify the expenses it incurs. Serviceware could also take on additional risks as a result of acquisitions.

The materialisation of any of the risks described above could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Defects of Serviceware's products or disruptions in its service could diminish demand for its products and services and subject Serviceware to substantial liability.

Like many other software companies, Serviceware provides frequent incremental releases of product updates and functional enhancements. New versions frequently contain undetected errors when first introduced or released which also applies to Serviceware's software applications which have been or will be released. Real or perceived errors, failures or bugs in its software applications could result in negative publicity, loss of or delay in market acceptance of Serviceware's applications, loss of competitive position, or claims by customers for losses sustained by them. In such an event, the Company may in addition be required, or may choose, for customer relations or other reasons, to expend additional resources in order to help correct the problem.

Furthermore, customers may use Serviceware's applications in unanticipated ways that may cause a disruption in service for other customers. Since Serviceware's customers use its service for important aspects of their business, any errors, defects, disruptions in service or other performance problems with Serviceware's products or service could hurt Serviceware's reputation and may damage its customers' businesses. If that occurs, Serviceware's customers may delay or withhold payment to it, elect not to renew subscriptions, make service credit claims, warranty claims or other claims. The occurrence of any of these events could require Serviceware to increase its warranty provisions, or incur the expense or risk of litigation.

The materialisation of any of the risks described above could have a material adverse effect on Serviceware's business financial condition and results of operations.

Serviceware's operations rely on complex third party information technology systems and networks, and interruptions of these third party systems and networks could adversely affect its business operations.

Serviceware relies on centralised, standardised IT systems and networks provided by third parties to support business processes, as well as internal and external communications. In order to provide services on-demand and promptly, Serviceware's computer equipment and network servers must be functional 24 hours per day, which requires access to telecommunications facilities managed by third parties and the availability of electricity, which Serviceware does not control. Serviceware's systems and networks are potentially vulnerable to damage or interruption from a variety of sources and to security threats. An extended outage in a telecommunications network used by Serviceware's systems, security breaches or any similar event could lead to an extended and unanticipated interruption of its systems or networks and affect Serviceware's production and other operations.

Serviceware's operations depend, in part, on its ability to protect its facilities against damage or interruption from natural disasters, power or telecommunications failures, criminal acts and similar events. Despite precautions taken at its facilities, the occurrence of a natural disaster, an act of terrorism, vandalism or sabotage or other unanticipated problems at one of its premises could

result in lengthy interruptions in the availability of its applications. Even with current and planned disaster recovery arrangements, its business could be harmed. Also, in the event of damage or interruption, Serviceware's insurance policies may not adequately compensate for any losses that it may incur.

The Company is also constantly expanding and improving its IT systems for the management of its business. The implementation and ongoing optimisation of new IT systems require significant time, support and cost. Moreover, there are inherent risks associated with developing, improving and expanding Serviceware's core systems. Serviceware cannot be sure that these systems will be fully or effectively implemented on a timely basis, if at all. If Serviceware does not successfully implement and manage these systems, its operations may be disrupted and its results of operations could be harmed. In addition, new systems may not operate as Serviceware expects them to, and it may be required to expend significant resources to correct problems or find alternative sources for performing these functions.

The materialisation of any of the risks described above could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Interruptions or delays in service from Serviceware's third-party data centre facility located in Frankfurt am Main, Germany, could impair the delivery of its service and harm its business.

Serviceware relies on its third-party data centre facility located in Frankfurt am Main, Germany, which provides housing services to deliver its services. If any of the services of its data centre facility become unavailable or if the data centre otherwise is unable to serve its requirements due to extended outages, interruptions, facility closure, or because it is no longer available on commercially reasonable terms, expenses could increase, Serviceware's ability to manage finances could be interrupted and its operations otherwise could be disrupted or otherwise impacted until appropriate substitute services, if available, are identified, obtained, and implemented.

Serviceware does not control the operation of the third-party data centre facility, which may become vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunications failures and similar events. The data centre facility may also be subject to break-ins, sabotage, intentional acts of vandalism and similar misconduct, and to adverse events caused by operator error. Serviceware cannot rapidly switch to a new data centre or move customers from one data centre to another in the event of any adverse event. Despite precautions taken at the data centre facility, the occurrence of a natural disaster, an act of terrorism or other act of malfeasance, or other unanticipated problems at this facility could result in interruptions in Serviceware services and the loss of customer data.

Any unavailability of, or failure to meet its requirements, by its third-party data centre facility or other third-party technologies that Serviceware relies upon, could impede its ability to provide services to its customers and could have a material adverse effect on Serviceware's business financial condition and results of operations.

If Serviceware's security measures are breached or unauthorised access to customer data is otherwise obtained Serviceware may incur significant liabilities.

Serviceware operations involve the storage and transmission of its customers' confidential information. Security breaches, computer malware and computer hacking attacks could expose Serviceware to a risk of loss of this information, liability and litigation. While Serviceware has security measures in place, if such security measures are breached as a result of third-party action, employee error or otherwise, and, as a result, someone obtains unauthorised access to its customers' data, including personally identifiable information regarding users, Serviceware's reputation will be damaged, its business may suffer and it could incur significant liability. Additionally, third parties may attempt to fraudulently induce employees into disclosing sensitive information such as user names, passwords or other information in order to gain access to Serviceware's customers' data or its own data. Because techniques used to obtain unauthorised access or to sabotage systems change frequently and generally are not recognised until launched

against a target, Serviceware may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived breach of Serviceware's security occurs, the market perception of the effectiveness of Serviceware's security measures could be harmed and it could lose potential sales and existing customers.

The materialisation of any of the risks described above could have a material adverse effect on Serviceware's business financial condition and results of operations.

Data protection breaches and violations could harm Serviceware's reputation, could constitute regulatory or criminal offenses, and could give rise to claims for compensatory damages as well as fines against Serviceware.

Personal privacy and information security are significant issues in all jurisdictions where Serviceware offers its applications. The legislative and regulatory framework for privacy and security issues worldwide is comprehensive and complex and rapidly evolving and is likely to remain uncertain in the foreseeable future. The data protection laws within the European Union will change substantially when the new General Data Protection Regulation ("**GDPR**") (Regulation (EU) 2016/679) enters into force on 25 May 2018 following a transitional period. The GDPR harmonises the data protection regulations throughout the European Union and implements a stricter data protection compliance regime. It also substantially increases the fines for a breach of data protection law. German data protection agencies have the right to audit Serviceware and impose orders and fines if they find that Serviceware did not comply with applicable laws and adequately protect customer data. In Switzerland, the GDPR will not become applicable but may also apply to Swiss companies in certain circumstances.

Although Serviceware has taken action to implement the requirements of the GDPR, competent regulatory authorities may conclude that Serviceware is not in compliance with the GDPR also given the lack of practical experience with the application and enforcement of the GDPR. In addition, the stricter rules of the GDPR and any limitations imposed by a stricter interpretation of the existing requirements or by future modifications of the data protection laws could have a significant impact on Serviceware's business operations and its ability to offer, structure and market certain of its current products and services at current costs or at all and significantly increase its compliance costs. It may not be possible to prevent cases of data leakage or the misuse of data as a result of human error, technological failure, cyber-attacks, criminal activities or other factors outside of Serviceware's control. Violation of the GDPR may result, inter alia, in fines and customer churn, and may harm its reputation in the market. In addition, data leakage may lead to the obligation to inform the individuals affected and the competent data protection supervisory authority.

The materialisation of any of the risks described above could have a material adverse effect on Serviceware's reputation and its business, financial condition and results of operations.

Serviceware's insurance coverage may be inadequate, may increase in cost and may not cover certain risks or unexpected events.

Serviceware maintains insurance coverage for a number of risks, including product liability, property damage and business interruption that are subject to standard exclusions, such as wilful misconduct. The Company believes that the insurance amounts are economically suitable for the current level of business operations but, like other companies in the industry, Serviceware is not fully insured against all business risks. Therefore, there is no guarantee that Serviceware's insurance policies will adequately cover the risks it may face. Some risks cannot be insured, and for certain risks, insurance may not be available to cover all risks or may be available only at costs that are not economically viable. In addition, following a significant insurance claim or a history of claims, insurance premiums may increase or the terms and conditions of insurance coverage may become less favourable. This may also occur due to a general change in the insurance markets. There is no guarantee that Serviceware will be able to continue to obtain sufficient levels of insurance on economically viable terms. The materialisation of any of the risks described above

could have a material adverse effect on Serviceware's business, financial condition, results of operations and prospects.

Any failure to protect its intellectual property rights could impair Serviceware's ability to protect its proprietary technology. Serviceware's use of Open-Source technology could impose limitations on its ability to commercialise its services.

Serviceware's success depends to a significant degree on its ability to protect its proprietary technology and brand. Serviceware relies on a combination of copyright, trademark, trade secret and other intellectual property laws and confidentiality procedures to protect its proprietary rights. However, as Serviceware's software solutions use open-source software, i.e. software with a source code that anyone can inspect, modify and enhance based on applicable terms and conditions ("**Open-Source**"), they are not themselves eligible for intellectual property protection, if and to the extent they comprise modifications of the source code of the relevant Open-Source software. While Serviceware currently tries to use only Open-Source software the license terms of which do not require the publication of modifications to the source code, these license terms may change in the future and require such publication. There is a risk that the owners of the copyrights in such software may claim that the licenses under which Serviceware uses that software impose unanticipated conditions or restrictions on its ability to market or provide Serviceware's services. If such owners were to prevail in such a claim, Serviceware could be required to make the source code for its software solutions (which, in addition to the Open-Source software, contains Serviceware's valuable trade secrets) generally available to third parties, including competitors, at no cost, to seek licenses from third parties in order to continue offering those services which use such Open-Source software, to re-engineer Serviceware's technology, or to discontinue offering Serviceware's services if re-engineering cannot be accomplished on a timely basis or at all, any of which could cause Serviceware to discontinue its services, harm its reputation, result in customer losses or claims, increase its costs or otherwise materially and adversely affect its business, results of operations and prospects.

If Serviceware fails to protect its intellectual property rights adequately, its competitors may gain access to its technology and its business may be harmed. In addition, defending its intellectual property rights might entail significant expense. Any of its trademarks or other intellectual property rights may be challenged by others or invalidated through administrative process or litigation. Effective trademark, copyright and trade secret protection may not be available to Serviceware in every country in which its services are available. Accordingly, despite its efforts, Serviceware may be unable to prevent third parties from infringing upon or misappropriating its intellectual property. Any litigation, whether or not it is resolved in Serviceware's favour, could result in significant expense to us and divert the efforts of its technical and management personnel.

In addition, Serviceware relies on certain technology, knowhow and business as well as trade secrets that cannot be protected with intellectual property rights. Consequently, there is a risk that third parties, and in particular competitors, could copy Serviceware's technology and knowhow or develop it independently and later challenge its use of it. In addition, Serviceware's employees typically have access to important proprietary information which may or may not be protected by intellectual property rights and those employees may leave Serviceware to join and work for its competitors. Although Serviceware conducts and relies on various confidentiality agreements and technical precautions to protect its technology, knowhow and other proprietary information, there is no guarantee that these agreements and precautions will provide sufficient protection from the unauthorised access or use, misappropriation or disclosure of such information. Defending against any unauthorised use or access, misappropriation or disclosure of its technology, knowhow, and other proprietary information may result in lengthy and costly litigation or administrative proceedings and cause significant disruption to its business and operations.

The realisation of any of such risks, alone or in combination, could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Third parties might accuse Serviceware of infringing their intellectual property rights.

Third parties including competitors may possess intellectual property rights, which Serviceware is required to respect. Serviceware might become subject to litigation and disputes related to its intellectual property rights and technology in the future, as well as disputes related to intellectual property and product offerings of third parties applied by it. Additionally, to the extent Serviceware relies on Open-Source software, it may face claims from third parties that claim ownership of the Open-Source software or derivative works that were developed using such software, or otherwise seek to enforce the terms of the applicable Open-Source license. These risks have been amplified by the increase in intellectual property claims by third parties whose sole or primary business is to assert such claims. The costs of defending against such actions can be high, and there is no guarantee that such defences will be successful. In addition, as Serviceware's business expands and its visibility and the number of competitors in its market increases, infringement claims against it could increase in number and significance.

Legal claims regarding intellectual property rights are subject to inherent uncertainties due to the often times complex issues involved, and Serviceware cannot be certain that it will be successful in defending itself against such claims. Many potential litigants have the ability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. If successful, a claimant could secure a judgement against Serviceware for substantial damages or prevent Serviceware from conducting its business as it has historically done so or may desire to do so in the future. Serviceware could also be required to seek additional licenses or pay royalties for the use of the intellectual property or the conduct of its business which might not be available on commercially acceptable terms or at all. Alternatively, Serviceware may be forced to develop non-infringing technology or intellectual property on a proprietary basis, which could be expensive and/or unsuccessful.

The materialisation of any of the above risks could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Serviceware partly relies on distribution partners to sell its products and services. The termination of contractual relationships with its distribution partners could trigger compensation payments and revenue losses.

Parts of Serviceware's sales are made through a limited network of distribution partners in Switzerland, Germany, Austria and the Netherlands. The future success of Serviceware therefore partly depends on its ability to maintain and expand its distribution network. In case of a termination of the relationship with any of its distribution partners who are considered to be commercial agents under Section 84 of the German Commercial Code (*Handelsgesetzbuch*, "HGB") or similar regulations in other countries, Serviceware may be liable to pay a commercial agent's compensation pursuant to Section 89b HGB or similar regulations in other countries upon the end of the contractual relationship with any of its distribution partners.

The materialisation of the risk described above could have a material adverse effect Serviceware's business, financial condition and results of operations.

Serviceware is exposed to certain currency risks associated with changes in currency exchange rates which may increase along with its intended further international growth.

Serviceware's results of operations and financial condition to a certain degree have historically been affected by transaction and translation effects of foreign currency exchange rate fluctuations. Serviceware is exposed to transaction effects when it incurs costs or generates revenue in a currency different from its functional currency. Serviceware is, inter alia, exposed to currency fluctuations when it converts currencies that it receives for sales of products or when costs are generated in currencies other than the euro, which could result in a gain or loss depending on fluctuations in exchange rates. A certain portion of Serviceware's revenue and expenses are generated outside the Eurozone, e.g. in Switzerland, and may in the future as a result of the planned expansion to other European countries, also be generated in other non-euro currencies,

while the Company's financial statements are reported in euro. If the value of the euro declines against currencies in which Serviceware's obligations are denominated or increases against currencies in which its sales are denominated, its results of operations and financial condition could be materially adversely affected.

The Company's management team has limited experience in managing a public company, and publicly traded company reporting and compliance requirements as well as the development of the organisational set-up could divert resources from the day-to-day management of Serviceware's business.

The Company's management team has only limited experience in managing a publicly-traded company and complying with the increasingly complex laws pertaining to public companies. The Company's management team might not successfully or efficiently manage its transition to being a public company subject to significant regulatory oversight and reporting obligations under applicable laws and regulations. This relates in particular to the finance (including planning, accounting and controlling) department especially taking into account the new reporting obligations under IFRS, including the obligation to issue quarterly reports according to IFRS. These new obligations will require substantial attention from its senior management and could divert their attention away from the day-to-day management of Serviceware's business.

As a public company, the Company will be subject to additional reporting requirements. Compliance with these rules and regulations will increase its legal and financial compliance costs and may make some activities more difficult and time-consuming. As a result, management's attention may be diverted from other business concerns and it may be required to hire additional employees or engage outside consultants to comply with these requirements, which would increase the Company's costs and expenses.

Any of these developments, alone or in combination, could have a material adverse effect on Serviceware's business, financial condition and results of operations.

Serviceware's risk management and compliance controls and procedures may prove to be inadequate and may fail to prevent or detect corruption, fraud or other criminal or unauthorised behaviour.

Serviceware's compliance and risk management controls may prove to be inadequate to prevent and discover breaches of laws and regulations and to identify, evaluate and take appropriate countermeasures against relevant risks. Given the current business operations Serviceware has not yet established a comprehensive compliance and risk management systems required for a listed company. There can be no assurances that such control and compliance systems will be established in due course and that those developed systems will be adequate to address all applicable risks.

In addition, given the international scope of Serviceware's operations with various subsidiaries and premises, such controls may prove to be insufficient to prevent or detect unlawful conduct. Serviceware has also not yet put in place a comprehensive set of policies intended to prevent direct or indirect acts of corruption, bribery, anti-competitive behaviour, money laundering, fraud, tax evasion and other criminal or otherwise unacceptable conduct. Once implemented, such policies may still be insufficient or individual employees may not adhere to their letter of spirit. Members of the Company's Administrative Board (*Verwaltungsrat*) or its Managing Directors (*geschäftsführende Direktoren*) as well as employees, authorised representatives, agents or resellers may intentionally or unintentionally violate applicable laws and internal policies, standards and procedures. Serviceware may not be able to timely identify such violations, evaluate them correctly or take appropriate countermeasures. If Serviceware's employees, consultants, agents or suppliers engage in corruption, fraud or other criminal or unauthorised behaviour it could be subject to administrative, civil or criminal fines or other sanctions, such as the loss of business licenses or permits or other restrictions. Potential wrongdoing by its employees, consultants, agents or suppliers could also damage Serviceware's reputation and have an adverse impact on its

ability to compete for business. Any failure in compliance could harm its reputation and have a material adverse effect on its business, financial condition and results of operations.

The Company's ability to raise capital in the future could be limited.

In the future, the Company might need or desire to raise capital through public or private financing or other arrangements. Such financing might not be available on acceptable terms, or at all. Factors that could increase the difficulty of obtaining financing include, but are not necessarily limited to, a deterioration in general economic conditions globally or in the markets in which it operates, higher interest rates, a deterioration in Serviceware's financial results or condition, insufficient competition among banks or other potential sources of financing, and insufficient demand for securities in the debt or equity capital markets. Any inability to raise capital as needed going forward could harm its business, prevent Serviceware from realising business opportunities, prevent it from growing its business or responding to competitive pressures, and could, thus, have a material adverse effect on its business, financial condition and results of operations.

Serviceware might be exposed to tax risks resulting from deviating interpretations of applicable tax laws by the tax authorities or adverse amendments to current legislation.

Since the financial year ended 30 November 2010, none of the Company's subsidiaries has been subject to any finalised tax audit by the competent tax authorities. For the period until the financial year ended 30 November 2014 a tax audit by the competent tax authorities is currently ongoing at PM Computer Services GmbH & Co. KG and helpLine GmbH. Accordingly, the German tax assessment notices for all periods since the financial year ended 30 November 2010 are still preliminary. While management believes its interpretations of tax laws and its estimates are reasonable, the final outcome of tax audits could be materially different from what is reflected in the combined financial statements for the financial years ended 30 November 2015, 2016 and 2017. As a result, the tax authorities could revise original tax assessments which might materially increase the tax burden (including interest and penalty payments) of Serviceware. Furthermore, its business is subject to the general tax environment in the countries in which it operates. Changes in tax legislation, administrative practice or case law or treatments of tax facts by the relevant tax authorities which deviate from the Company's assessments could result in a higher tax burden. The realisation of any of these risks, alone or in combination, may have adverse effects on Serviceware's business, financial condition and results of operations.

Due to the recent formation of the Company and the subsequent corporate reorganisation the financial information of the Group presented in this Prospectus may not be entirely comparable to Serviceware's results as an independently listed consolidated company going forward.

For the financial years ended 30 November 2015, 2016 and 2017, the Company did not exist and the Company's subsidiaries were under the common control of the Group's two founding shareholders, Harald Popp and Dirk Martin. Pursuant to agreements dated 14 March 2018, the shares in PM Computer Services Verwaltungs GmbH and PM Computer Services GmbH & Co. KG as well as Swiss based helpLine CLM AG were transferred to the Company by way of a capital increase against contributions in kind which was registered in the commercial register on 3 April 2018. As a result, the Group in its current legal structure has been in existence only for a short period of time.

Prior to this reorganisation, the Group did not exist as a "group" for the purpose of preparing consolidated financial statements under IFRS 10. Consequently, the Group does not have consolidated financial statements that cover the last three financial years. Due to the Group's complex financial history, the Company has prepared combined financial statements for the financial years ended 30 November 2015, 2016 and 2017 as if Group's current consolidated subsidiaries had been part of the Group during those periods. As the Group will prepare consolidated financial statements going forward, such consolidated financial statements may not be entirely comparable with the combined financial statements for the financial years ended 30 November 2015, 2016 and 2017 included in this Prospectus.

3.2 Risks Relating to the Offering, the Listing and the Shareholder Structure

Following the Offering, the Group's founding shareholders will retain a significant interest in the Company and their interests may conflict with those of the Company's other shareholders.

Following the successful completion of this Offering, the Group's two founding shareholders, Harald Popp and Dirk K. Martin, who are also a member of the Administrative Board (*Verwaltungsrat*) and/or Managing Directors (*geschäftsführende Direktoren*) of the Company, will continue to indirectly own approximately 62.80% of the outstanding share capital of the Company (assuming full placement of all new and sale shares and full exercise of the greenshoe option granted in the course of this Offering). As a result, the Company's founding shareholders will effectively have control over all decisions made at general shareholders' meetings of the Company. The interests of the Company's founding shareholders may be different from the Company's interests or those of other shareholders. The remaining stake of the Company's founding shareholders may have the effect of making certain transactions more difficult or impossible without the support of the Company's founding shareholders, and may have the effect of delaying, postponing or preventing certain major corporate actions, including a change of control in the Company, and could thus prevent mergers, consolidations, acquisitions or other forms of combination that might be advantageous for investors.

The realisation of any of the Company's existing shareholders' interests that are in conflict with those of the other shareholders may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations.

The Company does not expect to pay any dividends in the foreseeable future which may result in the return on investments in the shares of the Company by a prospective investor being limited.

The Company plans to significantly grow in the future and does currently therefore not intend to pay dividends to its shareholders for the next 2 to 3 years. Under the German corporate law, a company may only pay dividends if it has unappropriated retained earnings in its unconsolidated financial statements prepared in accordance with the generally accepted accounting principles of the German Commercial Code (*Handelsgesetzbuch*). Certain reserves must be established by law and have to be deducted when calculating the distributable profit. The Company's ability to pay dividends therefore depends upon, among other things, its results of operations, financing and investment requirements, as well as the availability of distributable profit. Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends. A lack of dividend payments might cause the market price of the Company's shares to fall and may result in the return on investments in the shares of the Company by a prospective investor being limited.

The Company is a holding company with no material business operations of its own and relies on operating subsidiaries to provide the Company with the funds required to meet its financial obligations and make dividend payments.

The Company is a holding company and substantially all of the Group's assets are held in, the revenues are derived from and its operations are conducted through its subsidiaries. As a result, the Company is dependent on these subsidiaries in order to generate the funds required to meet the Company's financial obligations and make dividend payments, if any. The Company expects that, in the future, the principal source of funds for the payment of dividends will be dividends and payments received from current and future direct and indirect subsidiaries, consisting of PM Computer Services GmbH & Co. KG, PM Computer Services Verwaltungs GmbH and Swiss based helpLine CLM AG and their respective subsidiaries. The ability of the Company's subsidiaries to make distributions and other payments to the Company depends on the subsidiaries' earnings and is subject to various contractual and statutory limitations. In addition, such dividends or other transfers may be subject to withholding and other taxes which may lead to double taxation or other costs to Serviceware. If the Company does not receive sufficient distributions and other

payments from its direct and indirect subsidiaries at all or not in time, it may be unable to meet its financial obligations and to make dividend payments.

The shares of the Company have not been previously publicly traded, and there is no guarantee that an active and liquid market for the shares will develop.

Prior to the Offering, there has been no public trading market for the Company's shares. As a consequence, there can be no assurance that (i) an active and liquid trading market will develop or continue after the Offering, (ii) that the share price will not decline below the offer price (i.e., the price of the Company's shares in the Offering (the "**Offer Price**") or (iii) that prospective investors will be able to sell their shares at an appropriate price. After a bookbuilding process, the Offer Price will be determined jointly by the Company and the Joint Global Coordinators and may not be indicative of the market price of the shares after listing.

The Company may be adversely affected by the transition to being a public company and will face additional administrative requirements, including the obligation to issue quarterly financial statements.

The Company's transition to being a public company will involve changes in its ownership structure, corporate governance, management culture and financial and non-financial reporting practices as well as the implementation of an internal compliance framework and function. When the Company becomes a public company listed on the regulated market and the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), the Company will operate in an environment that subjects it to greater scrutiny and more detailed financial and non-financial disclosure requirements. In particular, the Company and the members of the Company's newly implemented Administrative Board (*Verwaltungsrat*) or its Managing Directors (*Geschäftsführende Direktoren*) will be subject to increased corporate governance and regulatory obligations and the Company will provide certain services in legal, strategic, finance, accounting and reporting functions as well as for Investor relations. Compliance with increased regulatory obligations and the assumption of such services and functions will require significant management attention and result in increased costs which may be significantly higher than currently anticipated. The Company's failure to successfully adapt its management approach and internal functions to its new public-company status, as well as the increased demand on financial and management resources that will result from being a public company, could result in sanctions imposed by regulatory authorities, including a termination of the trading of the shares, or otherwise materially harm its business, results of operations and financial condition.

The share price could fluctuate significantly, and investors could lose all or part of their investment.

Following this Offering, the Company's share price will be affected primarily by the supply and demand for the Company's shares and could fluctuate significantly in response to numerous factors, many of which are beyond the Company's control, including, but not limited to, fluctuations in actual or projected results of operations, changes in projected earnings or failure to meet securities analysts' earnings expectations, the absence of analyst coverage on the Company, changes in trading volumes in the Company's shares, changes in macroeconomic conditions, the activities of competitors and suppliers, changes in the market valuations of similar companies, changes in investor and analyst perception or the industry in which the Company operates, changes in the statutory framework in which it operates and other factors, and can therefore be subject to substantial fluctuations. In addition, general market conditions and fluctuations of share prices and trading volumes generally could lead to pricing pressures on the Company's shares, even though there may not be a reason for this based on the business performance or its earnings outlook. If the Company's share price or the trading volume on the Company's shares decline as a result of the realisation of any or all of these events, investors could lose part or all of their investment in the Company's shares.

Future offerings of equity securities by the Company could adversely affect the market price of the shares, and future capitalisation measures could substantially dilute the interests of the Company's existing shareholders.

The Company may require additional capital in the future to finance its business operations and growth. The Company may seek to raise capital through offerings of additional equity securities. An issuance of additional equity securities could potentially reduce the market price of the Company's shares and would dilute the economic and voting rights of the Company's existing shareholders if made without granting subscriptions rights to the Company's existing shareholders. Because the timing and nature of any future offering would depend on market conditions at the time of such offering, the Company cannot predict or estimate the amount, timing or nature of future offerings. In addition, the acquisition of other companies or investments in companies in exchange for newly issued shares of the Company, as well as the exercise of stock options by the Company's employees in the context of possible future employee stock participation programmes, could lead to a dilution of the economic and voting rights of the Company's existing shareholders. The Company's shareholders thus bear the risk that such future offerings could reduce the market price of the Company's shares and/or dilute their holding of the shares.

Future sales by the Company's existing shareholder or investors acquiring shares in the Offering could depress the price of the shares.

Sales of a substantial number of the Company's shares in the public market following the successful completion of the Offering, or the perception that such sales might occur, could depress the market price of the Company's shares and could impair the Company's ability to raise capital through the sale of additional equity securities. If, for example, the Company's existing shareholders upon expiry of their respective contractual selling restrictions (lock-up), or one or more other shareholders of the Company effect a sale or sales of a substantial number of the Company's shares in the stock market, or if the market believes that such sale might take place, the market price of the Company's shares could decline.

The Company will have broad discretion in how it uses the net proceeds from the Offering, and if the Company fails to use them effectively, the price of the Company's shares may decline.

The management board of the Company will have broad discretion in its use of the net proceeds of the Offering resulting from the sale of the New Shares. The Company currently intends to use the net proceeds from the sale of the New Shares to finance the further growth and development of its business, including organic and inorganic growth. However, these plans may change and the Company's management could fail to use these proceeds to improve or maintain the operating results and financial condition of the Company or to enhance the value of the Company's shares. Any failure to use the net proceeds from the offering of the New Shares effectively may result in financial losses that could have a material adverse effect on the Company's business, results of operations and financial condition.

The Offering might not take place, and investors could lose security commissions already paid and bear the risk of not covering any short sales of the shares.

The underwriting agreement provides that the Joint Global Coordinators may terminate the underwriting agreement under certain circumstances, even after the commencement of trading (*Handelsaufnahme*) of the shares. In such an event, the Offering will not take place. Any allotments of shares to investors which have already occurred will be invalid, and investors will not have any claim to a delivery of those shares. Any claims in respect of security commissions and costs incurred in connection with the subscription by an investor will be based solely on the legal relationship between the investors and the institution to which they submitted their purchase orders. Investors who have made short sales bear the risk that they will not be able to satisfy their obligations to deliver the shares.

Shareholders outside of Germany may not be able to participate in future rights offerings.

Under German corporate law, shareholders generally have subscription rights (*Bezugsrechte*) relating to any shares issued in a capital increase, or convertible bonds or bonds with warrants, in proportion to their shareholding, subject to certain exceptions which allow for an exclusion of subscription rights. Due to restrictions in other jurisdictions, in particular in the United States, shareholders outside of Germany may be prohibited, under applicable law, or excluded under the terms of capital measure, from participating in future capital measures. In addition, shareholders may not be able to participate in potential future capital measures if they do not have the funds necessary to subscribe for new securities or if the subscription rights are excluded. This could result in dilution of those shareholders' proportionate interests in the Company. Open market purchases to counteract such dilution could be on terms less favourable than those offered to other shareholders in connection with a capital increase.

If analysts do not publish research or reports about Serviceware or if they downgrade their recommendation with regard to the Company's shares, the share price or trading volume could decline.

The trading market for the shares will be influenced by equity research and reports that industry or security analysts publish about Serviceware after the Offering. Serviceware does not control these analysts or the contents of such publications. If one or more of the analysts who cover the Company downgrade their recommendation with regard to the shares, the price of the shares would likely decline. In addition, if one or more of these analysts cease coverage of the Company or fail to regularly publish reports on it, the Company could lose visibility in the market, which could, in turn, cause the trading volume in the shares or the price of the shares to decline.

The Offer Price per share will exceed the net book value per share of the Company's equity.

The Offer Price per share paid by an investor when acquiring the Offer Shares will exceed the net book value of the equity shown in the statement of financial position attributable to one share. The Offer Price, therefore, implies an equity value which is higher than the equity recognised in the statement of financial position. There is no guarantee that this higher enterprise value can actually be realised in future sales of shares in the Company.

The Offering may not be implemented in full which may negatively affect the growth prospects of the Company and/or the liquidity of the shares in the market.

This Offering relates to 3,703,000 ordinary bearer shares consisting of 2,500,000 New Shares, 720,000 Sale Shares and 483,000 Over-Allotment Shares. Thus, in case all of the 3,703,000 Offer Shares are allotted to investors, including all shares from the Greenshoe Shareholders in case of a full exercise of the Greenshoe Option, the Company's free float will amount to approximately 35.27% of its total share capital. However, the actual number of the Offer Shares that will be allotted to investors, i. e. the placement volume, will be jointly determined by the Company and the Joint Global Coordinators based on the orders received using the order book prepared during the bookbuilding process, and will also depend on the offer price and certain allotment criteria. There is no guarantee that all of the Offer Shares will eventually be placed with investors. If the amount of the New Shares placed with investors is significantly lower, resulting in lower net proceeds than envisaged, the Company may not be able to fund certain of the investments for which it intends to use the proceeds from this Offering in full or at all which may affect the Company's growth strategy. In addition, if the overall placement volume is significantly lower than the number of the Offer Shares which form the subject matter of the Offering, the free float will be significantly lower than the percentage stated above, which may have a material adverse effect on the tradability of the shares and on the shareholder structure of the Company.

The materialisation of any of the above risks could have a material adverse effect on the value of the shares of the Company.

4. GENERAL INFORMATION

4.1 Responsibility for the content of this Prospectus

Serviceware SE, Carl-Zeiss-Str. 16, 65520 Bad Camberg, Germany (hereinafter the "**Company**") and together with its consolidated subsidiaries the "**Group**" or "**Serviceware**") together with COMMERZBANK Aktiengesellschaft, Kaiserplatz, 60311 Frankfurt am Main, Germany ("**COMMERZBANK**") and Hauck & Aufhäuser Privatbankiers Aktiengesellschaft, Kaiserstraße 24, 60311 Frankfurt am Main, Germany ("**Hauck & Aufhäuser**", and together with COMMERZBANK, the "**Joint Global Coordinators**" or the "**Joint Bookrunners**") assume responsibility for the contents of this Prospectus pursuant to section 5, para. 4 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and hereby declare that, to the best of their knowledge, the information contained in this Prospectus is correct and contains no material omissions. Notwithstanding section 16 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*), neither the Company nor the Joint Global Coordinators are required by law to update this Prospectus.

Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the European Economic Area ("**EEA**"), have to bear the costs of translating this Prospectus before legal proceedings are initiated.

4.2 Subject matter of this Prospectus

For the purposes of the public offering of securities (the "**Offering**") this Prospectus relates to:

- 2,500,000 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against cash contributions resolved by an extraordinary general shareholders' meeting of the Company with exclusion of the subscription rights of the existing shareholders on 4 April 2018 (the "**New Shares**");
- 720,000 existing ordinary bearer shares with no par value (*Stückaktien*) (the "**Sale Shares**") from the holdings of aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany and Mr Ingo Bollhöfer (the "**Selling Shareholders**"); and
- 483,000 ordinary bearer shares with no par value (*Stückaktien*) from the holdings of aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany and Mr Ingo Bollhöfer (the "**Greenshoe Shareholders**") in connection with a potential over-allotment (the "**Over-Allotment Shares**" and, together with the New Shares and the Sale Shares, the "**Offer Shares**"),

each such share with a notional interest of EUR 1.00 in the share capital and with full dividend rights as of and from the date of the formation of the Company, i.e. 11 January 2018.

This Prospectus serves also for the purposes of the admission to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of:

- up to 2,500,000 New Shares; and
- 8,000,000 existing ordinary bearer shares with no par value (*Stückaktien*) (existing share capital),

each such share with a notional interest of EUR 1.00 in the share capital and with full dividend rights as of and from the date of the formation of the Company, i.e. 11 January 2018.

4.3 Forward-looking statements

This Prospectus contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts or events or to facts or events as of the date of this Prospectus. This applies, in particular, to statements in this Prospectus containing information on future earnings capacity, plans and expectations regarding the Group's business, its growth and profitability, as well as the general economic and legal conditions and other factors to which the Group is exposed. Statements made using words such as "expects", "plans", "intends", "predicts" or "forecasts" may be an indication of such forward-looking statements.

The forward-looking statements contained in this Prospectus are based on the Company's current estimates and assessments. These forward-looking statements are based on assumptions and are subject to risks, uncertainties and other factors, the occurrence or non-occurrence of which could cause actual circumstances – including with regard to the assets, business, financial condition and results of operations as well as profitability of the Company – to differ materially from or fail to meet the expectations expressed or implied in the forward-looking statements. Even if future results of the Company meet the expectations expressed herein, they may not be indicative of the results of any succeeding periods.

The Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to consider this Prospectus as a whole and particularly ensure that they have read the following sections of this Prospectus: *"3. Risk factors", "12. Management's discussion and analysis of the net assets, financial position and results of operations", "13. Market and competitors", "14. Business", "23. Recent developments and outlook"*.

In light of the uncertainties and assumptions, it is also possible that the future events mentioned in this Prospectus may not occur or may differ materially from actual events. In addition, the forward-looking estimates and forecasts reproduced in this Prospectus from third party sources could prove to be inaccurate. The foregoing may prevent the Company from achieving its financial and strategic objectives.

The forward-looking statements contained in this Prospectus speak only as of the date on which they were made. Investors are advised that neither the Company nor the Joint Global Coordinators assume any obligation or intend to, except as required by law, publicly release any updates or revisions to these forward-looking statements to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based or to adjust them in line with future events or developments.

4.4 Notes concerning currency and financial information

This Prospectus contains data denominated in the euro currency. Figures denominated in euros are designated with "**EUR**" preceding the amount. If figures are denominated in a currency other than the euro, express reference is made in the corresponding figure or figures utilising the respective applicable currency abbreviation.

Some figures and percentages in this Prospectus have been rounded according to established commercial standards, whereby aggregate amounts (totals, sub-totals, differences or amounts in relation thereto) are calculated based on the underlying unrounded amounts. As a result, the aggregate amounts may not correspond in all cases to the corresponding rounded amounts contained in the text and tables. Moreover, in the tables, such rounded figures may under certain circumstances not add up precisely to the total figures which may also be included in the tables. The percentage changes that are stated in the text and the tables have been commercially rounded to a whole number unless stated otherwise. With respect to financial data set out in the Prospectus, a dash ("—") signifies that the relevant figure is not available, while a zero ("0") signifies that the relevant figure is available but is or has been rounded to zero.

Where financial information contained in this Prospectus is described as "audited", this means that it has been taken from the audited combined financial statements of the Group prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") as of and for the financial years ended as of 30 November 2015, 2016 and 2017 (the "**Combined Financial Statements**") or from the audited individual financial statements of the Company prepared in accordance with IFRS for the period from 11 January to 15 February 2018 (the "**Individual Financial Statements**"). Where the financial information in this Prospectus is described as "unaudited", this means that it was not taken from the Combined Financial Statements or the Individual Financial Statements but was either taken or derived from the Company's accounting records or internal management reporting systems or is based on calculations of these figures, or recomputed or derived from the Combined Financial Statements or the Individual Financial Statements. All information on value increases and decreases (absolute and in percentage terms) and ratios has been calculated by the Company and is unaudited.

4.5 Alternative performance measures

This Prospectus contains certain financial measures such as EBITDA, EBITDA margin, EBIT, EBIT margin, Recurring Revenues, Recurring Revenues margin and Churn Rate which are not defined in IFRS. These measures are alternative performance measures ("**APMs**") as defined in the guidelines issued by the European Securities and Markets Authority ("**ESMA**") on 5 October 2015 on Alternative Performance Measures (the "**ESMA Guidelines**"). The APMs are used by the Company's management as financial measures to monitor the performance of the Company as well as to provide additional information to investors. The Company believes that the presentation of the APMs included in this Prospectus complies with the ESMA Guidelines.

The Company believes that the APMs provide investors with additional information to measure the operating performance of the Company's business activities. The way in which the Company uses the APMs may vary from the use by other companies in the Company's industry. The APMs used by the Company should not be considered as an alternative to net income (loss), revenue or any other performance measure derived in accordance with IFRS or to net cash provided by (used in) operating activities as measure of liquidity. The APMs have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of the Company's results as reported under IFRS. They may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable IFRS measures. Their usefulness is therefore subject to limitations, which are described below.

The APMs should be considered in conjunction with the Combined Financial Statements and the respective notes thereto.

The definitions of the APMs used by the Company, information regarding their usefulness and, where appropriate, a reconciliation to their most directly comparable IFRS measures is provided below.

EBITDA

The Company defines EBITDA as earnings before interest and taxes (EBIT, as shown in the IFRS Combined Financial Statements) and depreciation and amortisation (as shown in the IFRS Combined Financial Statements).

The Company discloses EBITDA as a supplemental APM, as it believes this is a meaningful measure to evaluate the performance of the Company's business activities over time.

The following table shows the reconciliation of the Company's earnings before interest and taxes (EBIT) to EBITDA for the financial years ended as of 30 November 2015, 2016 and 2017.

	For the financial year ended 30 November		
	2015	2016	2017
	in EUR thousand		
EBITDA			
Earnings before interest and taxes (EBIT)	4,553	3,596	5,632
+Depreciation and amortisation	228	222	238
Earnings before interest and taxes, depreciation and amortisation (EBITDA)	4,781	3,818	5,870

EBITDA margin

The Company defines EBITDA margin as the ratio of EBITDA to sales revenues (as shown in the IFRS Combined Financial Statements).

The Company discloses EBITDA margin as a supplemental APM, as it believes this is a meaningful measure to evaluate the performance of the Company's business activities over time and to enhance the ability of investors to compare profitability.

The following table shows the reconciliation of the Company's EBITDA to EBITDA margin for the financial years ended as of 30 November 2015, 2016 and 2017.

	For the financial year ended 30 November		
	2015	2016	2017
	in EUR thousand, unless otherwise indicated		
EBITDA margin			
Earnings before interest and taxes, depreciation and amortisation (EBITDA)	4,781	3,818	5,870
/Sales revenues	39,584	37,948	44,347
EBITDA margin (%)	12%	10%	13%

EBIT

The Company defines EBIT as earnings before interest and taxes (audited and as shown in the IFRS Combined Financial Statements).

The Company discloses EBIT as a supplemental APM, as it believes this is a meaningful measure to evaluate the performance of the Company's business activities over time.

Recurring Revenues

The Company defines recurring revenues as the sum of the following revenues ("**Recurring Revenues**"):

- Revenues derived from continuing contractual obligations with a term of more than one year, which are in particular revenues generated by providing customers with maintenance services, managed services and SaaS;
- Revenues derived from license rental by Existing Customers (as defined below); and
- Revenues derived from individual services on demand ordered by Existing Customers;

The Company qualifies customers as "**Existing Customer**" from the point in time the Company generates recurring revenues with a customer more than one year after the initial implementation of Serviceware's product at the customer.

The Company discloses Recurring Revenues as a supplemental APM, as it believes this is a meaningful measure to evaluate the performance of the Company's business activities over time and to enhance the ability of investors to compare profitability.

Recurring Revenues margin

The Company defines Recurring Revenues margin as the ratio of Recurring Revenues to sales revenues (as shown in the IFRS Combined Financial Statements).

The Company discloses Recurring Revenues margin as a supplemental APM, as it believes this is a meaningful measure to evaluate the performance of the Company's business activities over time and to enhance the ability of investors to compare profitability.

The following table shows the reconciliation of the Company's Recurring Revenues to Recurring Revenues margin for the financial years ended as of 30 November 2015, 2016 and 2017.

	For the financial year ended 30 November		
	2015	2016	2017
	in EUR thousand, unless otherwise indicated		
Recurring Revenues margin			
Recurring Revenues	22,713	23,383	26,580
/Sales revenues	39,584	37,948	44,347
Recurring Revenues margin (%)	57%	62%	60%

Churn Rate

The Company defines churn rate as the percentage of the volume of revenues maintenance ending in a financial year due to the underlying contractual relationship ending and not being prolonged in relation to the total amount of revenues maintenance (as shown in the Combined Financial Statements) in such year ("**Churn Rate**").

The Company discloses Churn Rate as a supplemental APM, as it believes this is a meaningful measure to evaluate the performance of the Company's business activities over time and to enhance the ability of investors to compare profitability.

The following table shows the reconciliation of the Company's revenues maintenance to Churn Rate for the financial years ended as of 30 November 2015, 2016 and 2017.

	For the financial year ended 30 November		
	2015	2016	2017
	in EUR thousand, unless otherwise indicated		
Churn Rate			
Revenues from maintenance ending in such year	539	779	1,057
/Revenues maintenance.....	13,539	14,459	16,119
Churn Rate (%)	4%	5.4%	6.6%

4.6 Notes concerning sources of market data and information provided by third parties

This Prospectus contains information provided by third parties, particularly in the form of sector and market data, calculations and statistics, which are derived from sector reports and studies,

commercial publications, and publicly available information. The Company has accurately reproduced such information and, as far as it is aware and able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Investors should nevertheless treat this information with care. Market studies are frequently based on information and assumptions which are potentially neither exact nor appropriate, and their methodology is forward-looking and speculative by its nature. The Prospectus also contains Company's estimates related to third-party market data which are based on published market data or figures derived from publicly accessible sources. Investors should take into account that the Company's estimates are based on such third-party market studies. Without affecting the assumption of responsibility for the content of this Prospectus by the Company and the Joint Global Coordinators (see "*4. General Information – 4.1. Responsibility for the content of this Prospectus*"), the Company and the Joint Global Coordinators have not verified the figures, market data and other information on which third parties have based their studies.

The following sources were used for the preparation of this Prospectus:

- Gartner, Market Guide for IT Financial Management, September 2017 ("**Gartner**");
- Gartner Forecast: Enterprise Software Markets, Worldwide, 2014-2021, 3Q17 Update ("**Gartner ESM Forecast**");
- Research in Action, Vendor Selection Matrix – IT und Enterprise Service Management SaaS und Software: The Top 20 Vendors in Germany, January 2017 ("**Research in Action**").

4.7 Documents available for inspection

The documents listed below may be viewed in printed form for the duration of the validity of this Prospectus during normal office hours at Serviceware SE, Carl-Zeiss-Str. 16, 65520 Bad Camberg, Germany:

- the Company's articles of association;
- the audited combined financial statements of Serviceware prepared in accordance with IFRS as of and for the financial years ended 30 November 2015, 2016 and 2017 (the Combined Financial Statements as defined under section "*4. General Information - 4.4 Notes concerning currency and financial information*"); and
- the audited individual financial statements of the Company prepared in accordance with IFRS for the period from 11 January to 15 February 2018 (the Individual Financial Statements as defined under section "*4. General Information - 4.4 Notes concerning currency and financial information*").

The Company's articles of association, the Combined Financial Statements and the Individual Financial Statements are also published on the Company's website at www.serviceware.se under the "Investor Relations" section.

The Company's future financial reports and interim reports will be available at the Company and will be published on the Company's website at www.serviceware.se under the "Investor Relations" section, as well as in the electronic corporate register (*elektronisches Unternehmensregister*).

5. THE OFFERING

5.1 Subject matter of the Offering

The Offering consists of 3,703,000 ordinary bearer shares of the Company with no par value (*Stückaktien*), each such share representing a notional interest of EUR 1.00 and with full dividend rights as of and from the date of the formation of the Company, i.e. 11 January 2018, consisting of:

- 2,500,000 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against cash contributions resolved by an extraordinary general shareholders' meeting of the Company with exclusion of the subscription rights of the existing shareholders on 4 April 2018 (the "**New Shares**");
- 720,000 existing ordinary bearer shares with no par value (*Stückaktien*) (the "**Sale Shares**") from the holdings of aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany and Mr Ingo Bollhöfer (the "**Selling Shareholders**"); and
- 483,000 ordinary bearer shares with no par value (*Stückaktien*) from the holdings of aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany and Mr Ingo Bollhöfer (the "**Greenshoe Shareholders**") in connection with a potential over-allotment (the "**Over-Allotment Shares**" and, together with the New Shares and the Sale Shares, the "**Offer Shares**").

The Offering consists of a public offering of the Offer Shares in the Federal Republic of Germany ("**Germany**") and the Grand Duchy of Luxembourg ("**Luxembourg**") (the "**Public Offering**") and private placements in certain jurisdictions outside Germany, Luxembourg and the United States of America ("**United States**") pursuant to Regulation S under the US Securities Act of 1933 (as amended) (the "**Private Placement**", and together with the Public Offering, the "**Offering**").

5.2 Price range, offer period and offer price

The Offer Shares are offered for sale by the Joint Global Coordinators.

The price range within which offers to purchase may be submitted is EUR 22.50 to EUR 27.50 per Offer Share (the "**Price Range**").

The offer period during which investors may submit purchase offers for the Offer Shares will commence on 9 April 2018 and is expected to end on 18 April 2018 at 12:00 noon (Central European Summer Time, "**CEST**") for retail investors (natural persons with a depository account in Germany) and 2:00 pm (CEST) for institutional investors (the "**Offer Period**").

Retail investors may submit purchase orders in the Public Offering during the Offer Period at the branch offices of the Joint Global Coordinators as well as at COMMERZBANK's subsidiary, comdirect bank Aktiengesellschaft. Multiple purchase orders are permitted.

After expiry of the Offer Period, on or around 18 April 2018, the final number of the Offer Shares placed in the Offering and the offer price (the "**Offer Price**") will be determined by the Company and the Selling Shareholders after consultation with the Joint Global Coordinators using the order book prepared during the bookbuilding process. The Offer Price will be set on the basis of the purchase orders submitted by investors during the Offer Period that have been collated in the order book. Consideration will also be given as to whether the Offer Price and the number of shares to be placed allows for the reasonable expectation that the share price will demonstrate steady performance in the secondary market given the demand for the Company's shares noted in the order book. Attention will be paid not only to the prices offered by investors and the number of investors wanting shares at a particular price but also to the composition of the group of shareholders in the Company that would result at a given price (so-called investor mix) as well as expected investor behaviour. For further information regarding allotment criteria see

"5.4. Allotment and allotment criteria". Neither the Company, nor the Selling Shareholders, nor the Greenshoe Shareholders, nor the Joint Global Coordinators will charge investors any expenses or tax incurred in connection with the Offering. Investors will have to bear customary transaction and handling fees charged by their brokers, including the Joint Global Coordinators, or other financial institutions through which they hold their securities.

The final number of the Offer Shares placed in the Offering and the Offer Price are expected to be published on or around 18 April 2018 by means of a public disclosure of inside information under Article 17 of the Regulation of the European Parliament and of the Council of 16 April 2014 on market abuse (repealing Directive 2003/6/EC on insider dealing and market manipulation) (the "**Market Abuse Regulation**") (the "**Ad hoc Announcement**") in various media distributed across the entire EEA (*Medienbündel*) and on the Company's website (www.serviceware.se under the "Investor Relations" section). Investors who have placed purchase offers with the Joint Global Coordinators can obtain information from the Joint Global Coordinators about the Offer Price and the number of the Offer Shares allotted to them, at the earliest, on the first bank working day following the pricing.

Trading in the Company's shares may commence before investors have received notice of the number of Offer Shares allotted to them. Book-entry delivery of the allotted Offer Shares against payment of the Offer Price is expected to occur on the first day of trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). In particular, if the placement volume proves insufficient to satisfy all orders placed at the Offer Price, the Joint Global Coordinators reserve the right to reject orders, or to accept them only in part.

5.3 Expected timetable of the Offering

The anticipated timetable for the Offering is as follows, subject to extension or shortening:

6 April 2018	Approval of this Prospectus by the German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i> , " BaFin ")
	Notification of the approved Prospectus to the Luxembourg Commission for the Supervision of the Financial Sector (<i>Commission de Surveillance du Secteur Financier</i>) (" CSSF ")
	Publication of the approved Prospectus on the Company's website (www.serviceware.se) under the section "Investor Relations"
9 April 2018	Commencement of the Offer Period
18 April 2018	End of the Offer Period (at 12 am (CEST) for retail investors and 2 pm (CEST) for institutional investors)
	Resolution of the Company's Administrative Board on number of New Shares to be issued
	Determination of the Offer Price and allotment; publication of the Offer Price and number of the New Shares placed pursuant to Article 17 of the Market Abuse Regulation via Ad hoc Announcement in various media distributed across the entire EEA and on the Company's website (www.serviceware.se) under the section "Investor Relations"
19 April 2018	Registration of the resolution on the capital increase regarding the New Shares in the commercial register of the Company
	Announcement of the decision regarding the admission of

	8,000,000 existing shares of the Company and the New Shares to trading on the regulated market segment (<i>regulierter Markt</i>) of the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard)
20 April 2018	First trading day
23 April 2018	Book-entry delivery of the Offer Shares against payment of the Offer Price

This Prospectus will be published on the Company's website at www.serviceware.se under the section "Investor Relations". In addition, copies of the printed Prospectus and any supplements thereto will be available upon publication free of charge during regular business hours at the offices of the Company (Carl-Zeiss-Str. 16, 65520 Bad Camberg, Germany).

5.4 Allotment and allotment criteria; target market information

Solely for the purpose of fulfilling the requirements of Article 24, para. 2 of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, the following criteria characterising the target market for shares in the Company have been identified: (i) target clients include retail clients, professional clients and eligible counterparties, (ii) who should be able and willing to carry losses of up to the total amounts invested, (iii) who have any type of investment horizon bearing in mind that acquisition costs reduce the potential earnings, (iv) who have a medium to high-risk tolerance and are willing to accept price fluctuations, (v) who have an investment strategy focused on asset accumulation or disproportionate participation, (vi) who possess basic knowledge and experience with respect to capital markets or shares, and (vii) who exploit any type of distribution strategy (e.g. investment advice, portfolio management, non-advised sales and pure execution services). The shares are deemed incompatible for clients which are fully risk averse. For the avoidance of doubt, this assessment does not constitute an assessment of the suitability or appropriateness of an investment in shares of the Company, or a recommendation to any investor to purchase, sell or take any other action with respect to the Company's shares.

The allotment of shares to retail and institutional investors will be decided by the Company after consultation with the Joint Global Coordinators.

Allotments to institutional investors will be made on the basis of the quality of the individual institutional investors (including with respect to their expected holding strategy and order size), as well as other important allotment criteria, for example the timing of the order. With respect to retail investors, the Company and the Joint Global Coordinators will adhere to the "Principles for the Allotment of Share Issues to Private Investors" (*Grundsätze für die Zuteilung von Aktienemissionen an Privatanleger*) issued on 7 June 2000 by the German Commission of Stock Exchange Experts (*Börsensachverständigenkommission*) of the German Federal Ministry of Finance (*Bundesministerium der Finanzen*). "Qualified investors" (*qualifizierte Anleger*) under the German Securities Prospectus Act (*Wertpapierprospektgesetz*) as well as "professional clients" (*professionelle Kunden*) and "eligible counterparties" (*geeignete Gegenparteien*) under the German Securities Trading Act (*Wertpapierhandelsgesetz*) are not viewed as "private investors" within the meaning of the allotment rules. The details of the allotment procedure with respect to subscription offers will be stipulated after expiration of the Offer Period and published in accordance with the allotment principles.

5.5 Stock exchange admission

The entire share capital of the Company, including the New Shares, shall be admitted to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with

additional post-admission obligations (Prime Standard). The Company expects to apply for the admission to trading on 6 April 2018. The decision on the admission is expected to be announced on or about 19 April 2018. The decision on the admission of the Company's shares to trading will be made solely by the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) at its discretion. Trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) is expected to commence on 20 April 2018.

5.6 Delivery and payment

Delivery of the Offer Shares against payment of the Offer Price and customary securities commissions is expected to take place on 23 April 2018. The shares will be made available to the shareholders as co-ownership interests (*Miteigentumsanteile*) in the respective global share certificate deposited with Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany ("**Clearstream**").

5.7 Amendments to the terms of the Offering

The Company reserves the right, together with the Joint Global Coordinators, to reduce or increase the number of the Offer Shares, to reduce or increase the upper and lower limits of the Price Range and/or to extend or shorten the Offer Period. To the extent that the terms of the Offering are changed, such change will be published through electronic media, on the Company's website (www.serviceware.se under the section "Investor Relations") and, if required by the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and/or the Market Abuse Regulation, as an Ad hoc Announcement and/or as a supplement to this Prospectus, as the case may be. Investors who have submitted purchase orders will not, however, be informed individually. Changes to the number of the Offer Shares or the Price Range or extension or shortening of the Offer Period will not invalidate purchase orders already submitted. Under the German Securities Prospectus Act (*Wertpapierprospektgesetz*), investors who have submitted a purchase order before a supplement is published are granted a period of two business days from publication of the supplement to withdraw their orders, provided that the new circumstance or material mistake that makes a supplement necessary occurred prior to the final expiration of the Offering and prior to the delivery of the shares. Within two days of publication of the supplement, the investor may change such orders or submit new limited or unlimited orders instead of withdrawing the purchase offers placed prior to the publication of the supplement.

5.8 Underwriting

Subject of and arrangements on underwriting

On 6 April 2018, the Company, the Selling Shareholders, the Greenshoe Shareholders and the Joint Global Coordinators entered into an Underwriting Agreement with respect to the offer and sale of the Offer Shares (the "**Underwriting Agreement**").

In the Underwriting Agreement, the Joint Global Coordinators agreed, subject to certain conditions, to offer the Offer Shares to investors in the Offering and to underwrite and purchase the Offer Shares to the extent the Offer Shares have been placed in this Offering. In this regard, the Joint Global Coordinators agreed to subscribe for 2,500,000 New Shares at the lowest issue price per New Shares, being EUR 1.00 per New Share, on 18 April 2018, and to remit to the Company the difference between the Offer Price per New Share and the lowest issue price, being EUR 1.00 per New Share minus commissions and costs, at the time the Offer Shares are delivered, which is expected to be 23 April 2018. The Joint Global Coordinators further agreed to acquire 720,000 Sale Shares from the holdings of the Selling Shareholders as well as 483,000 Over-Allotment Shares from the holdings of the Greenshoe Shareholders with regard to a potential over-allotment and to sell such shares as part of the Offering. The Joint Global Coordinators agreed to remit the purchase price of any sold Sale Shares to the Selling Shareholders and, if and to the extent the Greenshoe Option is exercised, the purchase price of any sold Over-Allotment Shares to the Greenshoe Shareholders, at the time the Offer Shares are delivered.

Under the terms of the Underwriting Agreement and subject to certain conditions, each Joint Global Coordinator will be obliged to acquire the maximum number of the Offer Shares set forth below opposite such Joint Global Coordinator's name:

Joint Global Coordinator	Maximum number of Offer Shares underwritten¹	Percentage of Offer Shares underwritten¹
COMMERZBANK	1,851,500	50%
Hauck & Aufhäuser	1,851,500	50%

¹⁾ Assuming full exercise of the Greenshoe Option.

The obligations of the Joint Global Coordinators are subject to various conditions, including, among other things, (i) the conclusion of a volume agreement and a pricing agreement, (ii) the absence of a material adverse change as defined in the Underwriting Agreement (e.g., a material change to the Company's share capital or the long-term debt or a material adverse change or any development involving a prospective material adverse change, in or affecting the condition, business, prospects, management, financial position, shareholders' equity or results of operations of the Company, or a not only temporary suspension or material limitation in trading in securities generally on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), the London Stock Exchange or the New York Stock Exchange), which, in any such case described in (ii), in the reasonable judgment of the Joint Global Coordinators would make it impractical or inadvisable to proceed with the Offering or the delivery of the Offer Shares on the terms and in the manner contemplated in the Prospectus, (iii) receipt of customary certificates, legal opinions and letters, and (iv) the making of necessary filings and the receipt of necessary approvals in connection with the Offering.

Commissions

The Joint Global Coordinators will offer the Offer Shares at the Offer Price. The Company, the Selling Shareholders and the Greenshoe Shareholders, as the case may be, will pay the Joint Global Coordinators commissions that are structured as follows:

- a commission of 2.5% of the aggregate gross proceeds from the sale of the New Shares, payable by the Company;
- a commission of 2.5% of the aggregate gross proceeds from the sale of the Sale Shares, payable by the Selling Shareholders;
- a commission of 2.5% of the aggregate gross proceeds from the sale of the Over-Allotment Shares for which the Greenshoe Option has been exercised, payable by the Greenshoe Shareholders;
- a discretionary incentive fee of up to 1.25% of the aggregate gross proceeds from the sale of all Offer Shares (including Over-Allotment Shares for which the Greenshoe Option has been exercised) payable at the Company's absolute discretion regarding the New Shares, at the Selling Shareholders' absolute discretion regarding the Sale Shares and at the Greenshoe Shareholders' absolute discretion regarding the Over-Allotment Shares for which the Greenshoe Option has been exercised. The split of any discretionary incentive fee among the Joint Global Coordinators is within the sole discretion of the Company with regard to the New Shares, at the Selling Shareholders' absolute discretion regarding the Sale Shares and at the Greenshoe Shareholders' absolute discretion regarding the Over-Allotment Shares for which the Greenshoe Option has been exercised.

The Company, the Selling Shareholders and the Greenshoe Shareholders have each also agreed to reimburse the Joint Global Coordinators for certain costs and expenses, including legal fees of their advisers. Commissions and the reimbursement of costs and expenses by the Company, the Selling Shareholders and the Greenshoe Shareholders represent a major part of the costs of the

Company, the Selling Shareholders and the Greenshoe Shareholders expected in connection with the Offering. See also "7. Reasons for the Offering, use of issue proceeds and total issue costs".

Indemnification and Termination

Under the Underwriting Agreement, the Company agreed to indemnify the Joint Global Coordinators from certain liability risks arising in connection with the Offering. The Underwriting Agreement provides that the Joint Global Coordinators may, under certain circumstances, terminate the Underwriting Agreement, including after the Offer Shares have been allotted and listed, up to delivery and settlement. Reasons for termination include, in particular, in case of (i) an occurrence of any material change or development reasonably likely to result in a material change to the share capital of the Company, (ii) an occurrence of any material change or development reasonably likely to result in a material change in the long-term debt of the Group, (iii) an occurrence of any material adverse change, or any development involving a prospective material adverse change, in or affecting the condition, business, prospects, management, financial position, shareholders' equity or results of operations of the Company or such as would prevent the Company from performing any of its obligations under the Underwriting Agreement, (iv) an incurrance by the Group of any liability or obligation, direct or contingent, or entering into any material transaction not in the ordinary course of business, other than in each case as disclosed in this Prospectus, (v) a not only temporary suspension or material limitation of trading in securities generally on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), the London Stock Exchange or the New York Stock Exchange (other than for technical reasons), (vi) an imposition of a general moratorium on commercial banking activities in Frankfurt am Main, London, or New York by the relevant authorities, (vii) an occurrence of a material disruption in commercial banking or securities settlement, payment or clearance services in Germany, the United Kingdom or the United States, (viii) an occurrence of a material adverse change in national or international financial, political, or economic conditions or currency exchange rates or currency controls which could have an adverse impact on the financial markets in Germany, the United Kingdom or the United States, (ix) an occurrence of an outbreak or escalation of hostilities in Germany, the United Kingdom or the United States or Germany, the United Kingdom or the United States have declared a national emergency or war or (x) an occurrence of any acts of terrorism or any other calamity or crisis or any change in financial, political or economic conditions or currency exchange rates in Germany, the United Kingdom or the United States.

If the Underwriting Agreement is terminated, the Offering will not take place, in which case any allotments already made to investors will be invalidated and investors will have no claim for delivery. Claims with respect to fees already paid and costs incurred by an investor in connection with the Offering will be governed solely by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. Investors who engage in short-selling bear the risk of being unable to satisfy their delivery obligations.

5.9 Selling restrictions

The distribution of the Prospectus and the sale of the Offer Shares is restricted by law in certain jurisdictions. Pursuant to the Underwriting Agreement, no action has been or will be taken by the Company, the Selling Shareholders or the Joint Global Coordinators that will permit a public offering of the Offer Shares anywhere other than Germany and Luxembourg or the possession or distribution of this Prospectus in any other jurisdiction in which action for that purpose may be required by applicable law or regulation.

Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession the Prospectus comes are required to inform themselves about or observe any such restrictions, including those set forth below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

European Economic Area

In relation to each EEA member state, an offer to the public of any shares may not be made in that EEA member state (other than the offers in Germany and Luxembourg contemplated herein once the Prospectus has been approved by the BaFin, notified by the BaFin to the CSSF and published in accordance with the Prospectus Directive as implemented in Germany and Luxembourg), except that an offer to the public in that EEA member state of any of the shares may be made at any time under the following exemptions from the Prospectus Directive:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer (as set forth in clauses (a) to (c)) of the shares shall result in a requirement for the publication by the Company or the Joint Global Coordinators of a prospectus pursuant to Article 3 of the Prospectus Directive or of a supplement to the Prospectus pursuant to Article 16 of the Prospectus Directive and each person who initially acquires shares or to whom any offer is made (other than a person in Germany or Luxembourg) will be deemed to have represented, warranted and agreed to and with the Joint Global Coordinators and the Company that it is a "qualified investor" within the meaning of the law in that EEA member state implementing Article 2(1)(e) of the Prospectus Directive.

For purposes of this section, the expression an "offer to the public" in relation to any shares in any EEA member state means the communication in any form and by any means of sufficient information on the terms of the offer and any shares so as to enable an investor to decide to purchase the shares, as the same may be varied in that member state. The expression "Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and includes any amendments thereto, including the Directive 2010/73/EU, which amends the Prospectus Directive and any relevant implementing measure in each EEA member state.

United Kingdom

The sale of the Offer Shares in the United Kingdom of Great Britain and Northern Ireland (the "**United Kingdom**") is also subject to restrictions. This Prospectus is directed only at persons who: (i) are qualified investors within the meaning of the Financial Services and Markets Act 2000 (as amended) and any relevant implementing measures and/or are outside the United Kingdom or (ii) have professional experience in matters relating to investments who fall within the definition of "investment professionals" contained in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "**Order**") or are persons falling within article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order, or fall within another exemption to the Order (all such persons referred to in (i) and (ii) above together being referred to as "**Relevant Persons**"). Any person who is not a Relevant Person must not act or rely on this communication or any of its contents. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

United States

The Offer Shares have not been and will not be registered under the US Securities Act of 1933 (as amended) or under the securities laws of any state of the United States. The Offer Shares may not be offered, sold or delivered, directly or indirectly, within or into the United States except pursuant

to an exemption from, or in transactions not subject to, the registration and reporting requirements of the US securities laws and in compliance with all other applicable provisions of US law.

5.10 Stabilisation, over-allotment and Greenshoe option

In connection with the placement of the Offer Shares, COMMERZBANK will act as stabilisation manager (the "**Stabilisation Manager**") and may, as stabilisation manager acting in accordance with legal requirements (Article 5(4) of the Market Abuse Regulation), make over-allotments and undertake measures aimed at supporting the stock exchange or market price of the Company's shares in order to offset any sales pressure that may exist (stabilisation measures).

The Stabilisation Manager is under no obligation to take stabilisation measures. Therefore, there is no guarantee that any stabilisation measures will be effected. If stabilisation measures are taken, they may be terminated at any time without prior notice. Such measures may be taken as of the date on which the shares of the Company start trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Prime Standard) and must be completed no later than the 30th calendar day after such date (the "**Stabilisation Period**").

Stabilisation measures may lead to the stock exchange or market price of the Company's shares being higher than would have been the case in the absence of such measures. In addition, such measures may result in a stock exchange or market price at a level that is not sustainable.

With a view to possible stabilisation measures, investors may be allocated up to 483,000 additional shares in the Company (Over-Allotment Shares, as already defined) (the "**Over-Allotment**"). For the purpose of a possible Over-Allotment, the Stabilisation Manager, acting for the account of the Joint Global Coordinators, will be provided with up to 483,000 Over-Allotment Shares from the holdings of the Greenshoe Shareholders in the form of a securities loan (*Wertpapierleihe*); this number of shares will not exceed 15% of the New Shares and the Sale Shares. In connection with the Over-Allotment, the Greenshoe Shareholders has granted the Joint Global Coordinators an option to acquire the borrowed shares at the Offer Price (the "**Greenshoe Option**"). The Greenshoe Option shall be exercisable by the Stabilisation Manager and will terminate 30 calendar days after the first day of trading of the Company's shares.

Within one week after the end of the Stabilisation Period, an announcement will be published in the various media distributed across the entire EEA (*Medienbündel*) as to whether or not stabilisation measures were taken, the date on which such stabilisation measure started and finished, the date on which the last stabilisation measure was taken, and the price range within which such stabilisation was effected (for each date on which a stabilisation measure was taken) and the trading venues on which stabilisation measures were carried out. The exercise of the Greenshoe Option, the date of such exercise and the number and type of the relevant shares will also be published without delay in the manner described above for the publication of information regarding the implementation of stabilisation measures after the end of the Stabilisation Period.

5.11 Lock-up agreements

The Company has agreed with the Joint Global Coordinators that it will not, during a period of six months commencing on the first day of trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), and, for an additional period of six months thereafter, without the prior written consent of the Joint Global Coordinators (which consent shall not be unreasonably withheld or delayed):

- directly or indirectly issue, sell, offer, commit to sell or otherwise dispose of shares or announce such offer;

- directly or indirectly issue, securitise, offer, commit to sell, otherwise dispose of any financial instruments carrying conversion or option rights with respect to the shares or announce such offer;
- announce or implement a capital increase from authorised capital;
- submit a resolution for a capital increase including new authorised capital to any general shareholders' meeting; or
- conduct any transactions (including derivative transactions) that would have an economic effect similar to the above measures.

This excludes the issuance or sale, as applicable, of shares or other securities issued under management or employee participation programmes or stock option plans to members of the management or employees of the Company.

The existing shareholders of the Company, aventura management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany and Ingo Bollhöfer, have agreed with the Joint Global Coordinators that they will not, during a period of six months following the first day of trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), and for an additional period of six months thereafter, without the prior written consent of the Joint Global Coordinators (which consent shall not be unreasonably withheld or delayed):

- offer, pledge, allot, market, distribute, sell, transfer or otherwise dispose of, directly or indirectly (including, but not limited to, the issuance or sale of any securities exchangeable into Company's shares), any Company's shares;
- cause or approve, directly or indirectly, the announcement, execution or implementation of any increase in the share capital of the Company or a direct or indirect placement of Company's shares;
- propose, directly or indirectly, any increase in the share capital of the Company to any general shareholders' meeting of the shareholders for resolution, or vote in favour of such a proposed increase;
- cause or approve, directly or indirectly, the announcement, execution or proposal of any issuance of financial instruments constituting options or warrants convertible into Company's shares; or
- enter into a transaction or perform any action economically similar to those described in the bullets above.

6. INFORMATION ABOUT THE SHARES

6.1 Voting rights, dividend rights, subscription rights, rights in the event of liquidation

The Offer Shares which are subject of this Prospectus carry the same rights as all other shares of the Company and confer no additional rights or benefits. All shares of the Company, including the New Shares, are governed by the German Stock Corporation Act (*Aktiengesetz*), as well as the provisions of the Council Regulation (EC) no 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (the "**SE Regulation**") and the German Act Implementing Council Regulation (EC) No 2157/2001 of 8 October 2001 on the statute for a European company (SE) (*Gesetz zur Ausführung der Verordnung (EG) Nr. 2157/2001 des Rates vom 8. Oktober 2001 über das Statut der Europäischen Gesellschaft (SE)*), the "**German SE Implementation Act**").

Each New Share carries one vote at the Company's general shareholders' meeting. All shares of the Company have equal rights. There are no restrictions on voting rights, and all of the Company's shareholders have the same voting rights.

The New Shares carry full dividend rights as of and from the date of the formation of the Company, i.e. 11 January 2018. After depositing the global certificate which represents the New Shares at Clearstream, Clearstream will automatically credit future dividends accruing to the shares to the relevant custodian banks. German custodian banks are correspondingly obligated to their customers. Shareholders whose shares are held in safe custody at foreign custodian banks should inform themselves at these custodian banks on procedures which apply at these locations.

According to German corporate law, all shareholders are in principle entitled to subscription rights to shares which are newly issued as part of a capital increase (including convertible bonds, warrant-linked bonds, profit participation rights, and participating bonds) in the ratio of their shareholding in the Company's share capital.

In case of the liquidation of the Company, any assets remaining after the settlement of liabilities are distributed among shareholders proportionately to the notional interest in the share capital attributable to their shares.

6.2 Form and representation of the shares

All of the Company's existing shares have been, and the New Shares will be, issued as ordinary bearer shares with no par value (*Stückaktien*). The Company's current issued share capital of 8,000,000 will be represented by one global share certificate (*Globalurkunde*) without dividend coupons, which will be deposited with Clearstream.

Pursuant to section 10.2 of the Company's articles of association, shareholders are not entitled to request the issuance of individual share certificates for their respective shareholdings at any time. The Company may print and deliver share certificates that represent one share (individual certificates) or several shares (global certificates).

All existing shares of the Company are fully paid in.

6.3 ISIN/WKN/Ticker symbol

The securities codes for the existing shares of the Company and the New Shares are as follows:

International Securities Identification Number (ISIN)	DE000A2G8X31
German Securities Code (WKN)	A2G8X3
Ticker symbol	SJJ

6.4 Transferability of the shares

The Company's shares may be freely transferred pursuant to legal regulations applicable to bearer shares. Except for the restrictions set forth in section "5.11. *Lock-up agreements*", the Company's shares are not subject to any restrictions on sale or transfer.

6.5 Issue date, admission to trading and listing

The issue date of the New Shares, i.e., the date for depositing the global certificate for the New Shares at Clearstream, is expected to be 18 April 2018. The Company's shares are expected to be admitted to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) on 19 April 2018. No issuance takes place with respect to 8,000,000 existing shares in the Company; such shares will only be admitted to trading.

6.6 Paying agent

The paying agent is COMMERZBANK, Kaiserplatz, 60311 Frankfurt am Main, Germany.

6.7 Designated Sponsor

Hauck & Aufhäuser Privatbankiers Aktiengesellschaft, Kaiserstraße 24, 60311 Frankfurt am Main, Germany, will assume the function of the designated sponsor for the Company's shares trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

7. REASONS FOR THE OFFERING, USE OF ISSUE PROCEEDS AND TOTAL ISSUE COSTS

7.1 Reasons for the Offering

The Company intends to (i) sell the New Shares and (ii) list the Company's shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) to gain better access to capital markets and to finance further growth and development of its business.

The Selling Shareholders intend to sell the Sale Shares to partially divest their stake in the Company and to ensure sufficient free float and trading liquidity in the Company's shares.

The Greenshoe Shareholders intend to make their shares available as a securities loan to the Stabilisation Manager to facilitate stabilisation measures. To the extent that the Greenshoe Option is exercised, the Greenshoe Shareholders will partially divest their shareholdings in the Company.

7.2 Issue costs and use of issue proceeds

The Company will receive the proceeds (after deduction of the commissions and other costs of the Joint Global Coordinators to be borne by the Company) resulting from the sale of the New Shares. The Company will not receive any proceeds from the sale of the Sale Shares or the Over-Allotment Shares (if and to the extent the Greenshoe Option is exercised).

The amount of the gross proceeds from the Offering to the Company, the Selling Shareholders and the Greenshoe Shareholders (if and to the extent the Greenshoe Option is exercised) as well as the overall costs related to the Offering, including the commissions of the Joint Global Coordinators depend on the Offer Price and the number of shares that will be placed in the Offering.

Assuming full placement of 2,500,000 New Shares at an offer price of EUR 25.00, which is the mid-point of the Price Range, the total gross proceeds to the Company from the Offering will amount to EUR 62.50 million. The Company will bear the costs related to the placement of the New Shares as well as the listing of its entire share capital. Based on the aforementioned assumptions, the Company estimates that the commissions payable to the Joint Global Coordinators and attributable to the Company (including a possible discretionary incentive fee) together with the other costs attributable to the issuance of the New Shares as well as the listing of the entire share capital will amount to approximately EUR 3.21 million. Accordingly, assuming an Offer Price at the mid-point of the Price Range, the net proceeds from the Offering to the Company (after deducting the commissions of the Joint Global Coordinators and other costs attributable to the Company) will amount to approximately EUR 59.29 million.

The Selling Shareholders will receive the proceeds from the sale of the Sale Shares after deduction of the commissions and other costs to be borne by the Selling Shareholders with respect to the Sale Shares. Assuming full placement of 720,000 Sale Shares at an Offer Price of EUR 25.00, which is the mid-point of the Price Range, the total gross proceeds to the Selling Shareholders from the Offering will be EUR 18.00 million. The Selling Shareholders will bear the costs related to the placement of the Sale Shares. Based on the aforementioned assumptions, the Company estimates that the commissions payable to the Joint Global Coordinators and attributable to the Selling Shareholders (including a possible discretionary incentive fee) together with the Selling Shareholders' share in the other costs attributable to the Sale Shares will amount to approximately EUR 0.68 million. Accordingly, assuming an Offer Price at the mid-point of the Price Range, the net proceeds from the Offering to the Selling Shareholders (after deducting the commissions of the Joint Global Coordinators and other costs attributable to the Selling Shareholders) will amount to approximately EUR 17.33 million.

The Greenshoe Shareholders will receive the proceeds from the sale of the Over-Allotment Shares (if and to the extent the Greenshoe Option is exercised), after deduction of the commissions and

other costs to be borne by the Greenshoe Shareholders with respect to the Over-Allotment Shares. Assuming that the Greenshoe Option is exercised in full at an Offer Price of EUR 25.00, which is the mid-point of the Price Range, the total gross proceeds to the Greenshoe Shareholders from the Offering will be EUR 12.08 million. The Greenshoe Shareholders will bear the costs related to the placement of the Over-Allotment Shares (if the Greenshoe Option is exercised). Based on the aforementioned assumptions, the Company estimates that the commissions payable to the Joint Global Coordinators and attributable to the Greenshoe Shareholders (including a possible discretionary incentive fee) together with the Greenshoe Shareholders' share in the other costs attributable to the Over-Allotment Shares will amount to approximately EUR 0.45 million (if the Greenshoe Option is exercised in full). Accordingly, assuming an Offer Price at the mid-point of the Price Range, the net proceeds from the Offering to the Greenshoe Shareholders (after deducting the commissions of the Joint Global Coordinators and other costs attributable to the Greenshoe Shareholders) will amount to approximately EUR 11.62 million.

If the Offer Price is set at the lower or higher end of the Price Range, the net proceeds to the Company, the Selling Shareholders and the Greenshoe Shareholders will be lower or higher than as shown above (i.e. at the mid-point of the Price Range).

The Company intends to use the net proceeds from the Offering to finance the following activities:

- Enhancing sales force and distribution power, including hiring new sales representatives, engaging new sales business partners and increasing international brand awareness (approximately 13% of the net issue proceeds);
- Internalisation and new markets strategy, including entering new geographical markets, establishing representative offices and further pursuing and accomplishing market entrance into Spain, the Nordic countries, the Netherlands as well as Belgium, United Kingdom, France and Italy (approximately 17% of the net issue proceeds);
- Pursuing selected mergers and acquisitions opportunities in order to diversify and complement the product portfolio with new products and services (approximately 63% of the net issue proceeds);
- General corporate purposes (approximately 7% of the net issue proceeds).

The Company has not yet made a final decision on the specific use of the net proceeds from the Offering and the actual proportion of the net proceeds that will be used for the individual measures. Such decision will depend on a number of factors, which cannot be conclusively determined at present. To the extent and as long as the net proceeds are not used for the abovementioned measures, the Company intends to invest the funds in liquid short-term bank deposits, money market instruments, short-term government bonds or similar instruments, so that the funds remain available as needed on short notice for general corporate purposes of the Company.

7.3 Interests of persons involved in the Offering

The Joint Global Coordinators have entered into a contractual relationship with the Company, the Selling Shareholders and the Greenshoe Shareholders in connection with the Offering and the admission of the Company's shares to trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (see "5.8. Underwriting"). The Joint Global Coordinators act for the Company on the Offering and coordinate the structuring and execution of the Offering. In addition, Hauck & Aufhäuser has been appointed to act as designated sponsor for the Company's shares and COMMERZBANK has been appointed to act as paying agent. Upon successful implementation of the Offering, the Joint Global Coordinators will receive a commission, which is dependent on the size of the Offering and the Offer Price. As a result of these contractual relationships, the Joint Global Coordinators have a financial interest in the success of the Offering.

Furthermore, in connection with the Offering, the Joint Global Coordinators and any of their respective affiliates, acting as an investor for their own account, may acquire shares in the Offering and in that capacity may retain, purchase or sell for their own account such shares or related investments and may offer or sell such shares or other investments otherwise than in connection with the Offering. In addition, the Joint Global Coordinators or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which the Joint Global Coordinators (or their affiliates) may from time to time acquire, hold or dispose of shares in the Company. The Joint Global Coordinators do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so or as disclosed in this Prospectus.

The Joint Global Coordinators or their affiliates have, and may from time to time in the future continue to have, business relations with the Company or any company of the Group (including lending activities) or may perform services for the Company or any company of the Group in the ordinary course of business.

Since the Company will receive the net proceeds from the Offering of the New Shares and these will strengthen the equity capital basis of the Company, all direct and indirect shareholders with an interest in the Company, in particular the existing shareholders of the Company, have an interest in the implementation of the capital increase to which this Offering relates. This applies, in particular, to aventura Management GmbH, Bad Camberg, Germany, the company wholly owned by Mr Dirk K. Martin, which currently holds 48.5% of the shares of the Company, and to dreiff Management GmbH, Bad Camberg, Germany, the company wholly owned by Mr Harald Popp, which currently holds 48.5% of the shares of the Company.

The Selling Shareholders, of which aventura Management GmbH is controlled by Mr Dirk K. Martin and dreiff Management GmbH is controlled by Mr Harald Popp, will receive the proceeds from the sale of the Sale Shares in the Offering. Therefore, the Selling Shareholders as well as Mr Harald Popp and Mr Dirk K. Martin have a financial interest in the successful implementation of the Offering at the best possible terms which may not be in line with financial interests of prospective investors.

The Greenshoe Shareholders will receive the net proceeds resulting from the exercise of the Greenshoe Option (if and to the extent the Greenshoe Option is exercised). The Greenshoe Shareholders will provide the Over-Allotment Shares as part of the Offering to ensure sufficient free float and trading liquidity in the Company's shares, but it also has a financial interest in the offer of these shares in light of the Greenshoe Option.

In addition to the aforementioned interests, there are no further interests which are material to the Offering and which could be considered conflicting.

8. DIVIDEND RIGHTS AND DIVIDEND POLICY

8.1 Dividend rights

Shareholders' shares in the Company's distributable profits are determined in proportion to their interest in the Company's share capital.

Distribution of dividends for a given financial year is generally determined by a process in which the Administrative Board of the Company submits a proposal for the distribution of dividends to the annual general shareholders' meeting held within the first six months of the subsequent financial year. The general shareholders' meeting then adopts a resolution on such distribution with simple majority of the votes cast without being bound by the proposal of the Administrative Board. Under German law, dividends may only be paid from the distributable profit (*Bilanzgewinn*) as reported in the Company's annual financial statements prepared in accordance with the accounting principles set out in the German Commercial Code (*Handelsgesetzbuch*). The annual financial statements of the Company are approved by the Administrative Board unless the Administrative Board refers the approval to the general shareholders' meeting. When calculating the distributable profit, the profit or loss for the financial year (*Jahresüberschuss/-fehlbetrag*) must be adjusted for profits or losses carried forward (*Gewinn-/Verlustvorträge*) from previous financial years as well as for withdrawals from and transfers to reserves. Certain reserves are required to be set by law and must be deducted when calculating the distributable profit. When passing a resolution concerning the application of the distributable profit, the annual general shareholders' meeting may allocate further amounts to the revenue reserves, or carry them forward as profit. With regard to profit sharing, there are no restrictions or special procedures for securities owners abroad. Pursuant to section 31.5 of the Company's articles of association and subject to applicable statutory law, the general shareholders' meeting may resolve to pay dividends in kind (*Sachdividende*) in accordance with section 58, para. 5 of the German Stock Corporation Act (*Aktiengesetz*) in form of tangible assets which can be traded on a market within the meaning of section 3, para. 2 of the German Stock Corporation Act (*Aktiengesetz*). If the Administrative Board approves the Company's financial statements, it may, pursuant to section 58, para. 2 of the German Stock Corporation Act (*Aktiengesetz*), transfer up to 50% of the profit for the financial year remaining after deducting any transfers to statutory reserves and any losses carried forward to non-statutory reserves.

Dividends resolved by the general shareholders' meeting are due three business days after the date of the relevant general shareholders' meeting, unless otherwise provided in the dividend resolution or in the Company's articles of association, in compliance with the rules of the respective clearing system. Details on dividend payments and the respective paying agents nominated by the Company will be published in the Federal Gazette (*Bundesanzeiger*) after each annual general shareholders' meeting.

Shareholders' claims to the payment of the dividend become statute-barred after three years, whereby the limitation period does not start until the conclusion of the year in which the eligible person becomes aware of the circumstances justifying the dividend claim, or would have become aware thereof if it had not been for gross negligence. Dividends for which the payment claim has become statute-barred remain with the Company.

Since the Company conducts its operations through its subsidiaries, its ability to pay future dividends will depend on the transfer of distributable profits from its subsidiaries. The determination of each subsidiary's ability to pay dividends is made in accordance with applicable law and will depend on the respective subsidiary's earnings, its economic and financial position, and other factors. These particularly include its liquidity requirements, its future prospects, market trends, and fiscal, statutory and other general framework conditions. The profit available for distribution is calculated according to the Company's annual financial statements prepared in accordance with the accounting principles set out in the German Commercial Code (*Handelsgesetzbuch*).

Generally, German withholding tax is withheld from dividends paid. For more information on the taxation of dividends, see "21. Taxation in Germany - 21.2. Taxation of dividends at the level of the shareholder" and "22. Taxation in Luxembourg - 22.2. Withholding taxes".

8.2 Earnings per share

Earnings per share are calculated by dividing net profit attributable to shareholders for the respective financial year by the average number of the shares outstanding. The table below shows the Company's net profit for the year on the basis of the Combined Financial Statements, the earnings per share (rounded) as well as the dividends distributed.

	Financial year ended 30 November		
	2015	2016	2017
	(audited, except as noted)		
Net profit for the year (in EUR thousand) ¹	3,463	2,333	4,649
Number of shares outstanding (unaudited) ²	8,000,000	8,000,000	8,000,000
Earnings per share (in EUR, unaudited)	0.43	0.29	0.58
Dividend paid (in EUR thousand) ³	3,047	2,869	2,595
Dividend per share (in EUR, unaudited)	0.38	0.36	0.32

¹ Prepared in accordance with IFRS. Corresponds to the item "Net profit attributable to shareholders of the Serveware Group" (including minority) in the Combined Financial Statements.

² Number of shares outstanding corresponds to 8,000,000 shares in the Company outstanding as of the date of this Prospectus.

³ Prepared in accordance with IFRS. Corresponds to the item "Dividend paid" in the Combined Financial Statements. The item consists of dividends declared by helpLine CLM AG (EUR 940 thousand in the financial year ended on 30 November 2015, EUR 1.273 thousand in the financial year ended on 30 November 2016) and dividends declared by PM Computer Service GmbH & Co. KG (EUR 2.148 thousand in the financial year ended on 30 November 2015, EUR 1.664 thousand in the financial year ended on 30 November 2016 and EUR 2.595 thousand in the financial year ended on 30 November 2017) as well as translation differences (EUR -41 thousand in the financial year ended on 30 November 2015, EUR -68 thousand in the financial year ended on 30 November 2016). No dividends were paid by helpLine CLM AG in the financial year ended on 30 November 2017.

On 8 February 2018, the shareholders of helpLine CLM AG, Mr Harald Popp and Mr Dirk K. Martin, resolved upon two dividend payments for the period 1 December 2016 until 30 November 2017 and for the period 1 December 2017 until 31 January 2018 in the amount of CHF 870 thousand (EUR 751 thousand) and CHF 1,340 thousand (EUR 1,156 thousand), respectively. Please also see "23. Recent developments and outlook - 23.1. Recent developments".

Further information regarding dividend rights can be found in the section entitled "17. Information on the Company's capital - 17.10. General provisions on the use of profits and dividend payments".

8.3 Dividend policy

The Company does not plan to distribute a dividend in light of the planned investments in the growth of the business. The ability and intention of the Company to pay dividends in the future will depend on its financial position, results of operations, capital requirements, investment alternatives, the existence of distributable profit (*Bilanzgewinn*) as reported in the Company's annual financial statements prepared in accordance with the accounting principles set out in the German Commercial Code (*Handelsgesetzbuch*), available liquidity, market developments, and other factors that the Administrative Board may deem relevant. Any proposals by the Administrative Board regarding dividend payments will be subject to the approval of the general shareholders' meeting which may revise the Company's dividend policy from time to time.

9. DILUTION

Following the implementation of Offering, the shareholders of the Company will no longer participate in the Company's share capital to the same extent as previously.

As part of the capital increase in relation to the Offering, the existing share capital of the Company will be increased by up to EUR 2,500,000.00 to up to EUR 10,500,000.00.

The carrying amount of the shareholders' equity of the Company, including non-controlling interests (equity attributable to shareholders of the Company, or net asset value, i.e., the total assets less non-current and current liabilities ("**Net Asset Value**")), amounted to EUR 4.39 million at 30 November 2017 based on the Combined Financial Statements, corresponding to EUR 0.55 per share based on 8,000,000 outstanding ordinary bearer shares of the Company prior to the Offering.

Assuming full placement of 2,500,000 New Shares at an offer price of EUR 25.00, which is the mid-point of the Price Range, the total gross proceeds to the Company from the Offering will amount to EUR 62.50 million. The Company will bear the costs related to the placement of the New Shares as well as the listing of its entire share capital. Based on the aforementioned assumptions, the Company estimates that the commissions payable to the Joint Global Coordinators and attributable to the Company (including a possible discretionary incentive fee) together with the other costs attributable to the issuance of the New Shares as well as the listing of the entire share capital will amount to approximately EUR 3.21 million. Accordingly, assuming an Offer Price at the mid-point of the Price Range, the net proceeds from the Offering to the Company (after deducting the commissions of the Joint Global Coordinators and other costs attributable to the Company) will amount to approximately EUR 59.29 million.

Had the Company already received the resulting amount of the net proceeds from the sale of the New Shares (assuming full placement of the New Shares at the mid-point of the Price Range) by 30 November 2017, the Net Asset Value as of 30 November 2017, would have been approximately EUR 63.68 million, which corresponds to approximately EUR 6.06 per share based on the number of outstanding shares after full implementation of the capital increase. Assuming placement at the mid-point of the Price Range, this would represent an immediate accretion of the existing shareholders of the Company of EUR 5.52, or 1005.13%, per share and an immediate dilution of EUR -18.94, or -75.74%, per share to purchasers of the Offer Shares.

Each of the New Shares will have the same voting rights as the Company's existing shares.

Prior to the Offering, aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany, and Mr Ingo Bollhöfer were the sole shareholders of the Company holding respectively, 3,880,000, 3,880,000 and 240,000 outstanding shares and thus, respectively, 48.5%, 48.5% and 3% of the voting rights. Upon completion of the Offering (assuming the placement in full of Offer Shares) and 10,500,000 shares outstanding after completion of the Offering, the voting rights held by aventura Management GmbH, Bad Camberg, Germany, dreiff Management GmbH, Bad Camberg, Germany, and Mr Ingo Bollhöfer would amount to 31.40%, 31.40% and 1.94%, respectively.

10. CAPITALISATION AND INDEBTEDNESS

The tables below set forth the Group's capitalisation and net financial indebtedness as of 31 January 2018 on a combined basis. The following information should be read in conjunction with chapters "11. Selected financial information" and "12. Management's discussion and analysis of the net assets, financial position and results of operations" and the Combined Financial Statements, including the notes thereto, contained in the "Financial Information" section of this Prospectus.

10.1 Capitalisation

	As of 31 January 2018 (unaudited)¹ in EUR thousand
Total current debt²	24,186
of which guaranteed ³	440
of which secured ⁴	390
of which unguaranteed/unsecured.....	23,356
Total non-current debt⁵	8,157
of which guaranteed ⁶	880
of which secured ⁷	2,546
of which unguaranteed/unsecured.....	4,731
Shareholders' equity^{8, 13, 14}	4,819
of which share capital ⁹	783
of which capital reserve ¹⁰	1,252
of which other reserves ^{11, 14}	2,784
Total¹²	37,162

¹ The numbers are derived from the accounting records of the Company.

² Total current debt corresponds to the current liabilities, including current income tax liabilities, current financial liabilities, trade payables and other current liabilities. The current liabilities increased in line with Serviceware's ordinary course of business from EUR 19,629 thousand as of 30 November 2017 to EUR 24,186 thousand as of 31 January 2018 primarily as a result of an increase in prepayments received from customers for maintenance and services with a remaining contract term of less than one year.

³ This item corresponds to the portion of current debt which is secured by personal guarantees of Mr Harald Popp and Mr Dirk K. Martin in an amount of up to EUR 408 thousand, each, a corporate guarantee by Bürgschaftsbank Hessen GmbH in an amount up to EUR 489 thousand and corporate guarantees by PM Computer Services Verwaltungs GmbH, PM Computer Services GmbH & Co. KG, helpLine IT solutions GmbH, helpLine GmbH and helpLine rd GmbH in an amount of up to EUR 4,700 thousand.

⁴ This item corresponds to the portion of current debt which is secured by trade receivables of helpLine IT solutions GmbH, helpLine GmbH, helpLine rd GmbH, helpLine B.V. and helpLine CLM AG as well as by life insurances of Mr Harald Popp and Mr Dirk K. Martin.

⁵ Total non-current debt corresponds to the non-current liabilities, including other non-current provisions, non-current financial liabilities and other non-current liabilities.

⁶ This item corresponds to the portion of non-current debt which is secured by personal guarantees of Mr Harald Popp and Mr Dirk K. Martin in an amount of up to EUR 408 thousand, each, a corporate guarantee by Bürgschaftsbank Hessen GmbH in an amount up to EUR 489 thousand and corporate guarantees by PM Computer Services Verwaltungs GmbH, PM Computer Services GmbH & Co. KG, helpLine IT solutions GmbH, helpLine GmbH and helpline rd GmbH in an amount of up to EUR 4,700 thousand.

⁷ This item corresponds to the portion of non-current debt which is secured by trade receivables of helpLine IT solutions GmbH, helpLine GmbH, helpLine rd GmbH, helpLine B.V. and helpLine CLM AG as well as by life insurances of Mr Harald Popp and Mr Dirk K. Martin.

⁸ This item corresponds to the equity of the Group on a combined basis. Equity increased from EUR 4,390 thousand as of 30 November 2017 to EUR 4,819 thousand as of 31 January 2018 due to the increase in retained earnings.

⁹ This item corresponds to the share capital of the Group on a combined basis.

¹⁰ This item corresponds to the capital reserve of the Group on a combined basis.

¹¹ This item corresponds to the retained earnings, translation reserve and minority of the Group on a combined basis.

¹² This item corresponds to the sum of the Total current debt, the Total non-current debt and Shareholders' equity.

¹³ The Company's extraordinary general shareholders' meeting resolved on 14 March 2018 to increase the Company's share capital from EUR 120,000.00 by EUR 7,880,000.00 to EUR 8,000,000.00 by issuing

7,880,000 new ordinary bearer shares, each such share with a notional interest in the share capital of EUR 1.00 against contributions in kind by aventura Management GmbH and dreiff Management GmbH of their respective limited partner interests (*Kommanditanteile*) in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, shares in PM Computer Services Verwaltungs GmbH, Bad Camberg, Germany and shares in helpLine CLM AG, Baar, Switzerland, and contribution in kind by Mr Ingo Bollhöfer of his respective limited partner interest (*Kommanditanteil*) in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany (*please see section 17. Information on the Company's capital - 17.2. Development of the share capital over the past three years*).

The described transaction qualifies as a transaction under common control according to IFRS 10 and does not represent a transaction that has to be accounted for according to IFRS 3. Therefore, no hidden reserves are uncovered in this transaction.

As the share capital of the Company amounts to EUR 8,000,000.00, a negative position in equity has to be reflected in the amount of EUR 3,610 thousand in the group financial statements, which the Company will have to prepare on a regular basis after listing of its share capital on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in order to reconcile the new capital structure of the Company to the equity presented in the Combined Financial Statements as of 30 November 2017.

¹⁴ On 8 February 2018, the shareholders of helpLine CLM AG, Mr Harald Popp and Mr Dirk K. Martin, resolved upon two dividend payments for the period from 1 December 2016 until 30 November 2017 and for the period from 1 December 2017 until 31 January 2018 in the amount of CHF 870 thousand (EUR 751 thousand) and CHF 1,340 thousand (EUR 1,156 thousand), respectively. The payment of the dividends resulted in a corresponding cash outflow of helpLine CLM AG.

10.2 Net financial indebtedness

	As of 31 January 2018
	(unaudited)¹
	in EUR thousand
A. Cash.....	8,356
B. Cash equivalents.....	859
C. Trading securities.....	0
D. Liquidity (A)+(B)+(C).....	9,215
E. Current financial receivables².....	19,768
F. Current bank debt.....	0
G. Current portion of non-current debt ³	830
H. Other current financial debt ⁴	18,658
I. Current financial debt (F)+(G)+(H).....	19,488
J. Net current financial indebtedness (I)-(E)-(D).....	-9,495
K. Non-current bank loans ⁵	3,426
L. Bonds issued.....	0
M. Other non-current loans ⁶	4,623
N. Non-current financial indebtedness (K)+(L)+(M).....	8,049
O. Net financial indebtedness (J)+(N).....	-1,446

¹ The numbers are derived from the accounting records of the Company.

² Current financial receivables correspond to trade receivables and other current assets excluding the current tax receivables and the current employee-related receivables. The current financial receivables increased from EUR 15,107 thousand as of 30 November 2017 to EUR 19,768 thousand as of 31 January 2018 primarily as a result of an increase in trade receivables and other current assets regarding the increase of advanced payments to suppliers relating to maintenance and services with a remaining contract term of less than one year.

³ Current portion of non-current debt corresponds to current portion of non-current financial liabilities to banks.

⁴ Other current financial debt corresponds to other current liabilities excluding the current tax liabilities and the current employee-related payables.

⁵ Non-current bank loans correspond to non-current financial liabilities to banks.

⁶ Other non-current financial loans corresponds to the received prepayment from the customers.

As of 31 January 2018, the Company had no indirect or contingent liabilities.

10.3 Statement concerning working capital

The Company is of the opinion that the Group has sufficient working capital to meet its payment obligations falling due within at least the next twelve months following the date of this Prospectus.

11. SELECTED FINANCIAL INFORMATION

The financial information contained in the following tables is taken from the Combined Financial Statements. The Combined Financial Statements were prepared in accordance with IFRS. The Combined Financial Statements are reproduced in this Prospectus beginning on page F-1.

The Combined Financial Statements were audited by RSM GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Georg-Glock-Straße 4, 40474 Düsseldorf, Germany, who issued an unqualified audit opinion (Bestätigungsvermerk) thereon.

Where financial information in the following tables is described as "audited", this means that it has been taken from the Combined Financial Statements. Where the financial information in the following tables is described as "unaudited", this means that it was not taken from the Combined Financial Statements but was taken from or derived from the Company's accounting records or internal management reporting systems or is based on calculations of these figures, or recomputed or derived from the Combined Financial Statements. All information on value increases and decreases (absolute and in percentage terms) and ratios has been calculated by the Company and is unaudited.

Some figures and percentages in the following tables have been rounded according to established commercial standards, whereby aggregate amounts (totals, sub-totals, differences or amounts in relation thereto) are calculated based on the underlying unrounded amounts. As a result, the aggregate amounts may not correspond in all cases to the corresponding rounded amounts contained in the text and the tables. Moreover, such rounded figures may under certain circumstances not add up precisely to the total figures which may also be included in the tables. The percentage changes that are stated in the text and the tables have been commercially rounded to a whole number unless stated otherwise. With respect to financial data set out in the following tables, a dash ("—") signifies that the relevant figure is not available, while a zero ("0") signifies that the relevant figure is available but is or has been rounded to zero.

The following selected financial information should be read in conjunction with sections "12. Management's discussion and analysis of the net assets, financial position and results of operations" and the financial statements, including the notes thereto, contained in the "Financial Information" section of this Prospectus.

11.1 Selected information from the combined statements of profit and loss and other comprehensive income

The following table shows selected information from the combined statements of profit and loss and other comprehensive income of Serviceware for the financial years ended 30 November 2015, 2016 and 2017.

	For the financial year ended 30 November		
	2015	2016	2017
	(audited, combined)		
in EUR thousand			
Sales revenues	39,584	37,948	44,347
Other operating income	1,339	1,061	1,231
Changes in inventories	-56	-	10
Cost of materials	-16,460	-15,042	-17,636
Personnel expenses.....	-13,467	-14,532	-16,233
Depreciation/Amortization.....	-228	-222	-238
Other operating expenses	-6,159	-5,617	-5,849
EBIT	4,553	3,596	5,632
Interest income	53	8	*
Interest expense	-258	-216	-201
Financial result	-205	-208	-201
EBT	4,348	3,388	5,431
Tax expenses	-885	-1,055	-782
Net profit/loss	3,463	2,333	4,649
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss:			
from currency translation of foreign operation	101	-43	-106
Other comprehensive income	101	-43	-106
Total comprehensive income	3,564	2,290	4,543
Net profit attributable to:			
Shareholders of the Serviceware Group.....	3,465	2,383	4,633
Minority.....	-2	-50	16
Total comprehensive income attributable to:			
Shareholders of the Serviceware Group.....	3,566	2,340	4,527
Minority.....	-2	-50	16

* Less than EUR 1 thousand.

11.2 Selected information from the balance sheet

The following table shows selected information from the combined statements of financial position of Serviceware as of 30 November 2015, 2016 and 2017.

	As of 30 November		
	2015	2016	2017
	(audited, combined)		
in EUR thousand			
Assets			
Goodwill	2,809	2,809	2,809
Other intangible assets	78	44	16
Property, plant and equipment.....	406	448	459
Other non-current assets	3,869	2,702	3,294
Deferred tax assets	-	-	25
Non-current assets	7,162	6,003	6,603
Inventories	-	21	9
Trade receivables.....	12,467	8,328	8,266
Other current assets.....	8,111	7,516	7,600
Cash and cash-equivalent	6,160	6,655	9,015
Current assets	26,738	22,520	24,888
Total	33,900	28,523	31,491
Liabilities			
Share capital.....	783	783	783
Capital reserve	1,252	1,252	1,252
Retained earnings.....	828	342	2,380
Translation reserve	100	57	-49
Equity without minority.....	2,963	2,434	4,366
Minority.....	5	-45	24
Equity	2,968	2,389	4,390
Other non-current provisions	110	98	108
Non-current financial liabilities	4,741	4,351	3,631
Other non-current liabilities.....	5,592	3,429	3,733
Non-current liabilities	10,443	7,878	7,472
Current income tax liabilities	767	732	836
Current financial liabilities	312	389	720
Trade payables.....	3,386	2,397	2,897
Other current liabilities	16,024	14,736	15,176
Current liabilities	20,489	18,256	19,629
Total	33,900	28,523	31,491

11.3 Selected information from the cash flow statement

The following table shows selected information from the combined statements of cash flow of Serviceware for the financial years ended 30 November 2015, 2016 and 2017.

	For the financial year ended 30 November		
	2015	2016	2017
	(audited, combined)		
in EUR thousand			
Net income	3,463	2,333	4,649
Depreciation of non-current assets	228	222	238
Tax expenses	885	1055	782
Changes in provisions.....	110	-12	10
Changes in deferred taxes.....	-	-	-25
Net finance cost.....	205	208	201
Changes in inventories	0	-21	12
Changes in receivables/other assets	-5,026	5,901	-614
Changes in liabilities.....	4,697	-4,440	1,244
Tax paid.....	-391	-1,090	-678
Net cash from operating activities.....	4,171	4,156	5,819
Investments in intangible assets and property, plant and equipment	-196	-230	-221
Interest received	53	8	-
Net cash from investing activities	-143	-222	-221
Dividend paid	-3,047	-2,869	-2,595
Interest paid	-258	-216	-201
Decrease in non-current liabilities.....	-223	-390	-720
Increase in current liabilities.....	44	77	331
Net cash from financing activities	-3,484	-3,398	-3,185
Exchange rate and consolidation-related changes of net cash.....	101	-41	-53
Changes in cash and cash equivalents.....	645	495	2,360
Cash and cash equivalents at December 1st	5,515	6,160	6,655
Cash and cash equivalents at November 30th.....	6,160	6,655	9,015

12. MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

*The financial information contained in the following discussion is taken from the audited combined financial statements of Serviceware prepared in accordance with IFRS for the financial years ended as of 30 November 2015, 2016 and 2017 (the "**Combined Financial Statements**"). The Combined Financial Statements and the Individual Financial Statements are reproduced in this Prospectus beginning on page F-1.*

The Combined Financial Statements were audited by RSM GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Georg-Glock-Straße 4, 40474 Düsseldorf, Germany, who issued an unqualified audit opinion (Bestätigungsvermerk) thereon.

Where financial information in the following tables is described as "audited", this means that it has been taken from the Combined Financial Statements. Where the financial information in the following tables is described as "unaudited", this means that it was not taken from the Combined Financial Statements but was taken from or derived from the Company's accounting records or internal management reporting systems or is based on calculations of these figures, or recomputed or derived from the Combined Financial Statements. All information on value increases and decreases (absolute and in percentage terms) and ratios has been calculated by the Company and is unaudited.

Some figures and percentages presented in this section have been rounded according to established commercial standards, whereby aggregate amounts (totals, sub-totals, differences or amounts in relation thereto) are calculated based on the underlying unrounded amounts. As a result, the aggregate amounts may not correspond in all cases to the corresponding rounded amounts contained in the text and tables. Moreover, such rounded figures may under certain circumstances not add up precisely to the total figures which may also be included in the tables. The percentage changes that are stated in the text and the tables have been commercially rounded to a whole number unless stated otherwise. With respect to financial data set out in the following tables, a dash ("—") signifies that the relevant figure is not available, while a zero ("0") signifies that the relevant figure is available but is or has been rounded to zero.

This section contains certain APMs, which are used by the Company's management as financial measures to monitor the performance of the Company as well as to provide additional information to investors. The Company believes that the APMs provide investors with additional information to measure the operating performance of the Company's business activities. The way in which the Company uses the APMs may vary from the use by other companies in the Company's industry. The APMs used by the Company should not be considered as an alternative to net income (loss), revenues or any other performance measure derived in accordance with IFRS or to net cash provided by (used in) operating activities as measure of liquidity. The APMs have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of the Company's results as reported under IFRS. They may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable IFRS measures. Their usefulness is therefore subject to limitations. The APMs used by the Company are defined in section "4. General Information - 4.5 Alternative performance measures".

Investors should read the following discussion and analysis of financial condition and results of operations in conjunction with the Combined Financial Statements and Individual Financial Statements as well as the notes to those financial statements. Some of the statements contained below include forward-looking statements. Because such statements involve inherent uncertainties, actual results may differ materially from the results expressed in or implied by such forward-looking statements. Investors can find a discussion of such uncertainties in section "4. General Information - 4.3. Forward-looking statements". In addition, investing in the Company's shares involves risks. Investors can find a discussion of such risks under "3. Risk factors".

12.1 Overview

Serviceware provides an integrated software platform consisting of a broad set of modular business software solutions that can be efficiently implemented and upgraded in order to meet the individual needs of enterprise IT process infrastructures. With its three proprietary business software solutions *anafee*, *helpLine* and *careware*, Serviceware covers the enterprise service management (ESM) with tasks such as IT service management, IT financial management, field service management and customer service management.

Thereby, Serviceware's ESM solutions cover all service processes within a company. In order to provide its customers with integrated services, Serviceware also provides IT infrastructure and managed services, i.e. services in relation to the management of the complete operations of a software platform implemented at the customer, which form the basis for the cross-selling of its ESM solutions.

Serviceware started its operations in 1998 by providing enterprises with third-party business software solutions in the area of IT infrastructure and IT service management. Since then, Serviceware has built a strong track record of expansion into new regions and business fields to become an integrated provider of ESM solutions and has, in its opinion, gained a leading position in Europe.

Serviceware offers its ESM platform with its proprietary business software solutions flexibly in various delivery models. Customers may either purchase or rent software licenses with an option of additional maintenance services and managed services or may choose a Software-as-a-Service (SaaS) model.

Serviceware supplies more than 500 customers, from medium-sized enterprises to global corporations, in all major industries, as well as governmental agencies and enterprises, predominantly in Germany, Austria, Switzerland and the Netherlands. Serviceware's international sales strategy for its proprietary ESM solutions and IT infrastructure focuses predominantly on direct sales and to a certain extent on indirect sales through consulting firms, strategic resellers and system integrators.

Serviceware is headquartered in Bad Camberg, Germany, and had a total of 285 employees as of 30 November 2017.

12.2 Preparation of financial information and factors affecting comparability

According to the Regulation (EC) No. 809/2004, the Company is deemed to have a "complex financial history", because neither standalone nor consolidated financial statements that cover the latest three financial years of the operating business of Serviceware SE exist. Serviceware SE was founded on 11 January 2018 and registered with the commercial register (*Handelsregister*) of the Local Court (*Amtsgericht*) of Frankfurt am Main on 19 January 2018 and until the effective date of the capital increase against contributions in kind in form of the shares in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, PM Computer Services Verwaltungs GmbH, Bad Camberg, Germany, and *helpLine* CLM AG, Baar, Switzerland on 14 March 2018 (*please see section 16. General Information about the Company - 16.1. Foundation, company name, corporate seat, financial year and history of the Company*) did not engage in any operating business. Instead, within the last three financial years until 14 March 2018, the operating business described in this Prospectus was performed by PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, *helpLine* CLM AG, Baar, Switzerland and the companies directly or indirectly controlled by them.

Prior to this reorganisation, the Group did not exist as a "group" for the purpose of preparing consolidated financial statements under IFRS 10. Consequently, the Group does not have consolidated financial statements that cover the last three financial years. Due to the Group's complex financial history, the Company has prepared combined financial statements for the financial years ended 30 November 2015, 2016 and 2017 as if the Group's current consolidated subsidiaries had been part of the Group during those periods (the Combined Financial Statements

as defined in section "4. General Information - 4.4 Notes concerning currency and financial information"). As the Group will prepare consolidated financial statements going forward (including interim financial statements), such consolidated financial statements may not be entirely comparable with the combined financial statements for the financial years ended 30 November 2015, 2016 and 2017 included in this Prospectus.

The Company also prepared the Individual Financial Statements of the Company for the period from 11 January until 15 February 2018, i.e. prior to the contribution of the operating subsidiaries in the course of the capital increase against contributions in kind.

12.3 Significant factors affecting the results of operations

The Company is of the opinion that the development of Serviceware's business, net assets, financial position and results of operations during the periods covered by this Prospectus has been primarily affected by the following factors and will likely continue to be affected by these factors in the future.

Global economic conditions

Serviceware's overall performance depends in part on worldwide economic conditions. Any negative developments in global economic conditions, in particular with regard to Serviceware's key markets in the EU, such as decline in demand for a variety of goods and services, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, bankruptcies and overall uncertainty with respect to the economy, may affect the rate of IT spending and could adversely affect the ability or willingness of Serviceware's customers to purchase its products and services, delay prospective customers' purchasing decisions, reduce the value or duration of their subscriptions, or affect renewal rates.

Development of the market for ESM solutions

Serviceware derives and expects to continue to derive a significant amount of its earnings from its proprietary ESM solutions. Therefore, its financial position and results of operations depend heavily upon the development of the market for ESM solutions. The ESM market is relatively new and is evolving rapidly, and overall market acceptance of the importance of ESM and Serviceware's solutions is critical to its continued success. If the market for ESM solutions does not continue to grow, or grows more slowly than the Company expects, or if the market for ESM solutions does not develop as the Company anticipates, the operating results of Serviceware could be harmed.

Recognition of revenues

Serviceware generates its revenues from licenses (licence purchase), maintenance (license update and upgrade and support services) and from services/SaaS (including housing, hosting, managed service, individual services on demand and license rental). Whereas revenues from license purchases are recognised upon delivery, revenues from maintenance and from certain software related services are recognised ratably over the subscription term. The subscription terms for maintenance and services vary in length typically between one and three years but are invoiced directly with the selling of the licenses. All subscription fees that are invoiced in advance of service are recorded in deferred revenues and recognised in the balance sheet of Serviceware as current or non-current other liabilities. As a result of such subscription model a significant amount of the overall revenues that Serviceware reports in each period is derived from the recognition of deferred revenues relating to subscriptions entered into during previous periods.

A decline in new or renewed (multi-year) subscriptions in any one quarter is not likely to have a material impact on results for that quarter. However, declines would negatively affect revenues and deferred revenues balances in future periods, and the effect of significant downturns in sales and market acceptance of Serviceware's applications, and potential changes in its rate of renewals, may not be fully reflected in Serviceware's results of operations until future periods.

Seasonal fluctuations

Serviceware's quarter-on-quarter revenues and operating results vary to a certain degree and are in particular affected by the timing, accounting and/or size of large projects as well as the product, services and project mix in the respective quarters. Serviceware typically records the highest sales volume in the last calendar quarter of the calendar year. Additionally, Serviceware's quarterly sales cycles are generally more heavily weighted toward the end of a calendar quarter with an increased volume of sales in the last week of each calendar quarter. This has an impact on the timing of recognised revenues and billings, cash collections and delivery of professional services in subsequent periods.

Cost of materials

Serviceware's profitability is to a significant degree dependent on the relationship between the prices that it is able to charge for its products and services and the cost of materials. Serviceware cost of materials relates in particular to the purchase of licenses and maintenance from software partners for its IT infrastructure offering which may be purchased by its customers on a stand-alone basis or in connection with its ESM solutions. The cost of materials amounted to approximately 42% of Serviceware's sales revenues in the financial year ended 30 November 2015, 40% in the financial year ended 30 November 2016 and to approximately 40% of Serviceware's sales revenues in the financial year ended 30 November 2017. The Company expects that in the future the cost of materials as a percentage of sales revenues will decrease with the continued focus on sales from its ESM solutions. Any decreases or increases in the cost of materials may have an impact on Serviceware's performance and results of operations.

Personnel expenses

Personnel expenses represent a significant cost factor for Serviceware's business and the Company expects that these costs will increase along with the growth of Serviceware's business. Serviceware's future performance is largely dependent on its ability to attract, train, motivate and retain highly qualified personnel. The costs associated with doing so could have impact on Serviceware's performance and results of operations. Serviceware faces intense competition for attracting and retaining qualified personnel, in particular software developers and programmers with high levels of experience in designing, developing and managing software, as well as skilled product development, marketing, sales and operations professionals. This competition is likely to intensify, possibly requiring Serviceware to offer more competitive compensation packages and other benefits which could lead to higher personnel costs.

Expansion into new geographical and product markets including selected acquisitions

The cost of developing Serviceware's business in its current markets and expanding into new geographical and product markets has had and will continue to have a material effect on Serviceware's performance and results of operations. Serviceware intends to grow its customer base in various geographical regions in Europe, in particular in Spain, the Nordic countries and the Netherlands, and in the second step also in the United Kingdom, France and Italy. In order to target these markets Serviceware intends to build up additional sales and technical staff. Furthermore, Serviceware has made and will continue to make significant investments in the development of its ESM solutions in order to enhance the capabilities of its existing applications and expand the number of applications on its IT platform to address customers' evolving needs. Moreover, Serviceware intends to further strengthen its ESM services by acquisitions of suitable targets in the business area IT service, customer service and non-IT shared service management which shall be financed from the proceeds from this Offering. Any of such activities may have a substantial impact on Serviceware's performance and results of operations.

Foreign currency exchange rates

Serviceware's results of operations and financial condition have historically been affected by transaction and translation effects of foreign currency exchange rate fluctuations. Fluctuations in

foreign currency exchange rates, in particular, the relative strength or weakness of such currencies and the euro can have a significant impact on the Company's performance and results of operations. Except for helpLine CLM AG, Baar, Switzerland, whose reporting currency is the Swiss Franc, Serviceware's reporting currency is the euro, while a portion of the services and goods purchased from its suppliers and certain parts of its sales revenues are invoiced in currencies other than euro, in particular Swiss Franc. The Company expects that Serviceware's exposure to non-euro currencies will increase along with the implementation of its internalisation strategy. Any currency gains or currency losses will be reflected in other operating income or expenses. For example, if the value of the euro declines against currencies in which Serviceware's obligations are denominated or if it increases against currencies in which its sales are denominated, Serviceware's results of operations and financial condition could be materially adversely affected.

Taxation

Prior to the corporate reorganisation, the principal shareholders of the Company, Dirk K. Martin and Harald Popp, held their shares directly in PM Computer Services GmbH & Co. KG, which is a partnership limited by shares and in helpLine CLM AG, a stock corporation incorporated in Baar, Switzerland, which is the parent company of various subsidiaries.

As helpLine CLM AG, Switzerland, is considered for tax purposes as an inactive company and as PM Computer Services GmbH & Co. KG is organised as a partnership, the final taxation for income taxes took place on the level of the ultimate shareholders. As a result, the Group tax rate for the reported financial years 2015, 2016 and 2017 amounted to only 13% prior to the corporate reorganisation as set forth in note 24 of the Combined Financial Statements and will increase for future tax purposes to an average Group tax rate of 33%.

12.4 Results of operations

Overview

The following table shows selected information from the combined statements of profit and loss and other comprehensive income of Serviceware for the financial years ended 30 November 2015, 2016 and 2017.

	For the financial year ended 30 November		
	2015	2016	2017
	(audited, combined)		
in EUR thousand			
Sales revenues	39,584	37,948	44,347
Other operating income	1,339	1,061	1,231
Changes in inventories	-56	-	10
Cost of materials	-16,460	-15,042	-17,636
Personnel expenses.....	-13,467	-14,532	-16,233
Depreciation/Amortization.....	-228	-222	-238
Other operating expenses	-6,159	-5,617	-5,849
EBIT	4,553	3,596	5,632
Interest income	53	8	*
Interest expense	-258	-216	-201
Financial result	-205	-208	-201
EBT	4,348	3,388	5,431
Tax expenses	-885	-1,055	-782
Net profit/loss	3,463	2,333	4,649
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss:			
from currency translation of foreign operation	101	-43	-106
Other comprehensive income	101	-43	-106
Total comprehensive income.....	3,564	2,290	4,543
Net profit attributable to:			
Shareholders of the Serviceware Group.....	3,465	2,383	4,633
Minority.....	-2	-50	16
Total comprehensive income attributable to:			
Shareholders of the Serviceware Group.....	3,566	2,340	4,527
Minority.....	-2	-50	16
* Less than EUR 1 thousand.			

Comparison of the results of operations for the financial years ended on 30 November 2015, 2016 and 2017

Sales Revenues

Serviceware's sales revenues represent the net invoiced value of goods sold or services rendered, after allowance for trade discounts, sales rebates and VAT.

The following table sets forth a breakdown of Serviceware's sales revenues for the periods indicated.

For the financial year ended 30 November			
	2015	2016	2017
(audited)			
in EUR thousand			
Revenues service/SaaS.....	9,902	10,040	11,762
Revenues licenses.....	16,143	13,449	16,466
Revenues maintenance.....	13,539	14,459	16,119
Total	39,584	37,948	44,347

Revenues from service/SaaS (Software as a Service) include revenues generated from all services performed to consult, implement and administer the contracted solutions, including all services performed to deliver a full SaaS or if requested by the customer parts of the SaaS service (housing, hosting, managed service and license rental).

Revenues from licenses includes revenues generated from the purchase of the licensed software by Serviceware's customers (i.e. license purchase).

Revenues from maintenance include revenues generated from the software upgrade/update and support services.

Sales revenues decreased from EUR 39,584 thousand in the financial year ended on 30 November 2015 by EUR 1,636 thousand or 4% to EUR 37,948 thousand in the financial year ended on 30 November 2016. The decrease in sales revenues was mainly attributable to the decrease in revenues licenses (from EUR 16,143 thousand by EUR 2,694 thousand or 17% to EUR 13,449 thousand), which was due to the refocusing of the sales strategy following the integration of anafee in Serviceware's product offering which affected the sales performance with regard to new licenses. Revenues from service/SaaS remained almost unchanged at EUR 10,040 thousand in the financial year ended on 30 November 2016 compared to EUR 9,902 thousand in the financial year ended on 30 November 2015. Revenues from maintenance increased from EUR 13,539 thousand by EUR 920 thousand or 7% to EUR 14,459 thousand despite of the decrease in license revenues as a high portion of maintenance revenues are generated from (multi-year) subscriptions and the retention rate of maintenance contracts remained at a high rate.

Sales revenues increased from EUR 37,948 thousand in the financial year ended on 30 November 2016 by EUR 6,399 thousand or 17% to EUR 44,347 thousand in the financial year ended on 30 November 2017. Revenues from service/SaaS increased from EUR 10,040 thousand in the financial year ended on 30 November 2016 by EUR 1,722 thousand or 17% to EUR 11,762 thousand in the financial year ended on 30 November 2017 due to higher demand in managed service, more requests for individual services from the existing customer base and higher sales in licences. Revenues from licences increased from EUR 13,449 thousand in the financial year ended on 30 November 2016 by EUR 3,017 thousand or 22% to EUR 16,466 thousand in the financial year ended on 30 November 2017 following the refocusing of the sales strategy and the integration of anafee in Serviceware's product offering. Revenues from maintenance increased from EUR 14,459 thousand by EUR 1,660 thousand or 11% to EUR 16,119 thousand due to higher sales in licences which are frequently purchased by customers together with maintenance services.

The following table sets forth a geographic breakdown of Serviceware's sales revenues for the periods indicated.

For the financial year ended 30 November			
	2015	2016	2017
	(audited)		
	in EUR thousand	in EUR thousand	in EUR thousand
Germany	31,681	30,277	34,292
Austria	2,841	3,445	5,608
Switzerland	2,151	1,640	2,369
Other	2,911	2,586	2,078
Total	39,584	37,948	44,347

The current business focus of Serviceware is on the German speaking countries Germany, Austria and Switzerland. In addition, Serviceware generates revenues in the Netherlands and other countries. In the future, the Company plans to further internationalise its business to other European countries.

Other operating income

Other operating income consists primarily of gains from foreign exchange and marketing allowances from suppliers.

Other operating income decreased by EUR 278 thousand or 21% from EUR 1,339 thousand in the financial year ended on 30 November 2015 to EUR 1,061 thousand in the financial year ended 30 November 2016. The decrease was primarily due to lower gains from foreign exchange (CHF/EUR).

Other operating income increased by EUR 170 thousand or 16% from EUR 1,061 thousand in the financial year ended on 30 November 2016 to EUR 1,231 thousand in the financial year ended 30 November 2017. The increase was primarily due to higher gains from foreign exchange (CHF/EUR).

Cost of materials

Cost of materials consists primarily of service contracting costs (in particular for the purchase of licenses and maintenance and services from software partners, as well as for other service contracting costs such as external support services and rental fees for Serviceware's data centre).

Cost of materials decreased from EUR 16,460 thousand in the financial year ended on 30 November 2015 by EUR 1,418 thousand or 9% to EUR 15,042 thousand in the financial year ended on 30 November 2016. The decrease was primarily due to a decrease in the purchase of licenses and maintenance and services due to a lower demand for licenses as a result of the refocusing of Serviceware's sales strategy.

Cost of materials increased from EUR 15,042 thousand in the financial year ended on 30 November 2016 by EUR 2,594 thousand or 17% to EUR 17,636 thousand in the financial year ended on 30 November 2017. The increase was due to an overall increase in revenues which triggered a stronger demand for service contracting.

Personnel expenses

Personnel expenses consist of wages and salaries and social security costs and expenses.

Personnel expenses increased from EUR 13,467 thousand in the financial year ended on 30 November 2015 by EUR 1,065 thousand or 8% to EUR 14,532 thousand in the financial year ended on 30 November 2016. The increase was primarily due to the hiring of new employees with an increase in average numbers from 240 employees in the financial year ended on 30 November 2015 to 251 employees in the financial year ended on 30 November 2016.

Personnel expenses increased from EUR 14,532 thousand in the financial year ended on 30 November 2016 by EUR 1,701 thousand or 12% to EUR 16,233 thousand in the financial year ended on 30 November 2017. The increase was primarily due to the hiring of new employees with an increase in average numbers from 251 employees in the financial year ended on 30 November 2016 to 285 employees in the financial year ended on 30 November 2017 and the payment of bonuses as a result of higher sales revenues.

Depreciation / amortisation

Depreciation/amortisation remained stable over the periods and amounted to EUR 228 thousand in the financial year ended on 30 November 2015, EUR 222 thousand in the financial year ended on 30 November 2016 and EUR 238 thousand in the financial year ended on 30 November 2017.

Other operating expenses

Other operating expenses consist of costs for premises and space, insurance, contributions and fees, repair and maintenance costs, vehicle expenses, distribution costs, administrative expenses and other operational expenses.

Other operating expenses decreased from EUR 6,159 thousand in the financial year ended on 30 November 2015 by EUR 542 thousand or 9% to EUR 5,617 thousand in the financial year ended on 30 November 2016. The decrease was primarily due to a strong decline of foreign exchange losses (CHF/EUR).

Other operating expenses remained almost unchanged at EUR 5,849 thousand in the financial year ended on 30 November 2017 compared to EUR 5,617 thousand in the financial year ended on 30 November 2016.

EBITDA

The Company defines EBITDA as earnings before interest and taxes (EBIT, as shown in the Combined Financial Statements) and depreciation and amortisation (as shown in the Combined Financial Statements). For reconciliation of the Company's EBIT to EBITDA please refer to section "4. General Information - 4.5. Alternative performance measures".

EBITDA decreased from EUR 4,781 thousand in the financial year ended on 30 November 2015 by EUR 963 thousand or 20% to EUR 3,818 thousand in the financial year ended on 30 November 2016.

EBITDA improved from EUR 3,818 thousand in the financial year ended on 30 November 2016 by EUR 2,052 thousand or 54% to EUR 5,870 thousand in the financial year ended on 30 November 2017.

EBITDA margin

The Company defines EBITDA margin as the ratio of EBITDA to sales revenues (as shown in the Combined Financial Statements). For reconciliation of the Company's EBITDA to EBITDA margin please refer to "4. General Information - 4.5. Alternative performance measures".

EBITDA margin decreased from 12% in the financial year ended on 30 November 2015 to 10% in the financial year ended on 30 November 2016.

EBITDA margin improved from 10% in the financial year ended on 30 November 2016 to 13% in the financial year ended on 30 November 2017.

Earnings before interest and taxes (EBIT)

Earnings before interest and taxes (EBIT) decreased from EUR 4,553 thousand in the financial year ended on 30 November 2015 by EUR 957 thousand or 21% to EUR 3,596 thousand in the financial year ended on 30 November 2016. The decrease was primarily due to a decrease of sales in licences.

Earnings before interest and taxes (EBIT) increased significantly from EUR 3,596 thousand in the financial year ended on 30 November 2016 by EUR 2,036 thousand or 57% to EUR 5,632 thousand in the financial year ended on 30 November 2017. The increase was primarily due to stronger sales in licences and a strong demand for Serviceware's service capacities.

Earnings before tax (EBT)

Earnings before tax (EBT) decreased from EUR 4,348 thousand in the financial year ended on 30 November 2015 by EUR 960 thousand or 22% to EUR 3,388 thousand in the financial year ended on 30 November 2016. The decrease was primarily due to a decline in EBIT.

Earnings before tax (EBT) improved from EUR 3,388 thousand in the financial year ended on 30 November 2016 by EUR 2,043 thousand or 60% to EUR 5,431 thousand in the financial year ended on 30 November 2017. The improvement was primarily due to an increase in EBIT.

Tax expenses

Tax expenses increased from EUR 885 thousand in the financial year ended on 30 November 2015 by EUR 170 thousand or 19% to EUR 1,055 thousand in the financial year ended on 30 November 2016 despite lower earnings in the financial year ended on 30 November 2016 primarily as a result of a higher tax effect derived from a higher income in Switzerland in the financial year ended on 30 November 2015, which is allocated to Germany for the German tax computation in the financial year ended on 30 November 2016 according to the German foreign tax law.

Tax expenses decreased from EUR 1,055 thousand in the financial year ended on 30 November 2016 by EUR 273 thousand or 26% to EUR 782 thousand in the financial year ended on 30 November 2017. The decrease in tax expenses despite higher earnings was mainly due to a lower tax effect derived from a lower income in Switzerland in the financial year ended on 30 November 2016, which is allocated to Germany for the German tax computation in the financial year ended on 30 November 2017 according to the German foreign tax law.

Net profit/loss

Net profit decreased from EUR 3,463 thousand in the financial year ended on 30 November 2015 by EUR 1,130 thousand or 33% to EUR 2,333 thousand in the financial year ended on 30 November 2016 due to the reasons described above.

Net profit improved significantly from EUR 2,333 thousand in the financial year ended on 30 November 2016 by EUR 2,316 thousand or 99% to EUR 4,649 thousand in the financial year ended on 30 November 2017 due to the reasons described above.

Total comprehensive income

Total comprehensive income decreased from EUR 3,564 thousand in the financial year ended on 30 November 2015 by EUR 1,274 thousand or 36% to EUR 2,290 thousand in the financial year ended on 30 November 2016 due to the reasons described above.

Total comprehensive income improved from EUR 2,290 thousand in the financial year ended on 30 November 2016 by EUR 2,253 thousand or 98% to EUR 4,543 thousand in the financial year ended on 30 November 2017 due to the reasons described above.

12.5 Net assets

Overview

The following table shows selected information from the combined statements of financial position of Serveware as of 30 November 2015, 2016 and 2017.

	As of 30 November		
	2015	2016	2017
	(audited, combined)		
in EUR thousand			
Assets			
Goodwill	2,809	2,809	2,809
Other intangible assets	78	44	16
Property, plant and equipment.....	406	448	459
Other non-current assets	3,869	2,702	3,294
Deferred tax assets	-	-	25
Non-current assets	7,162	6,003	6,603
Inventories	-	21	9
Trade receivables.....	12,467	8,328	8,266
Other current assets.....	8,111	7,516	7,600
Cash and cash-equivalent	6,160	6,655	9,015
Current assets	26,738	22,520	24,888
Total	33,900	28,523	31,491
Liabilities			
Share capital.....	783	783	783
Capital reserve	1,252	1,252	1,252
Retained earnings.....	828	342	2,380
Translation reserve	100	57	-49
Equity without minority.....	2,963	2,434	4,366
Minority.....	5	-45	24
Equity	2,968	2,389	4,390
Other non-current provisions	110	98	108
Non-current financial liabilities	4,741	4,351	3,631
Other non-current liabilities.....	5,592	3,429	3,733
Non-current liabilities	10,443	7,878	7,472
Current income tax liabilities	767	732	836
Current financial liabilities	312	389	720
Trade payables.....	3,386	2,397	2,897
Other current liabilities	16,024	14,736	15,176
Current liabilities	20,489	18,256	19,629
Total	33,900	28,523	31,491

Comparison of the figures reported in the combined statements of financial positions as of 30 November 2015, 2016 and 2017

Non-current assets

Non-current assets consist of goodwill, other intangible assets, property, plant and equipment, other non-current assets and deferred tax assets. Other non-current assets relate in particular to advanced payments to suppliers relating to maintenance and services contracts with a remaining contract term of more than one year.

Non-current assets decreased from EUR 7,162 thousand in the financial year ended on 30 November 2015 by EUR 1,159 thousand or 16% to EUR 6,003 thousand in the financial year ended on 30 November 2016 due to the decrease in other non-current assets as a result of lower prepayments to suppliers (software partners) for maintenance and services in connection with the lower sales activity.

Non-current assets increased from EUR 6,003 thousand in the financial year ended on 30 November 2016 by EUR 600 thousand or 10% to EUR 6,603 thousand in the financial year ended on 30 November 2017 due to the increase in other non-current assets as a result of higher prepayments to suppliers (software partners) for maintenance and services in connection with the stronger sales activity.

Current assets

Current assets consist of inventories, trade receivables, other current assets and cash and cash equivalent. Other current assets relate in particular to advanced payments to suppliers relating to maintenance and services with a remaining contract term of less than one year.

Current assets decreased from EUR 26,738 thousand as of 30 November 2015 by EUR 4,218 thousand or 16% to EUR 22,520 thousand as of 30 November 2016. The decrease was primarily due to the decrease in trade receivables resulting from a stronger account receivables management and lower prepayments to suppliers (software partners) which was partly set off by an increase in cash and cash equivalent.

Current assets increased from EUR 22,520 thousand as of 30 November 2016 by EUR 2,368 thousand or 11% to EUR 24,888 thousand as of 30 November 2017. The increase was primarily due to the increase in cash and cash equivalent resulting from a faster transformation from account receivables to cash in combination with higher sales figures.

Equity

Equity decreased from EUR 2,968 thousand as of 30 November 2015 by EUR 579 thousand or 20% to EUR 2,389 thousand as of 30 November 2016. The decrease was primarily due to the decrease in retained earnings resulting from a combination of paying a constant dividend and lower income.

Equity increased from EUR 2,389 thousand as of 30 November 2016 by EUR 2,001 thousand or 84% to EUR 4,390 thousand as of 30 November 2017. The increase was primarily due to the increase in retained earnings resulting from a combination of higher income and lower dividend paid.

Non-current liabilities

Non-current liabilities consist of other non-current provisions, non-current financial liabilities and other non-current liabilities. Other non-current liabilities relate in particular to prepayments received from customers relating to payments for maintenance and services with a remaining contract term of more than one year.

Non-current liabilities decreased from EUR 10,443 thousand as of 30 November 2015 by EUR 2,565 thousand or 25% to EUR 7,878 thousand as of 30 November 2016. The decrease was

primarily due to the decrease in other non-current liabilities resulting from lower prepayments received from customers for maintenance contracts due to a lower sales performance.

Non-current liabilities decreased slightly further from EUR 7,878 thousand as of 30 November 2016 by EUR 406 thousand or 5% to EUR 7,472 thousand as of 30 November 2017. The decrease was primarily due to the decrease in non-current financial liabilities, resulting from a repayment of loans, which was partly offset by an increase in other non-current liabilities resulting from higher prepayments received from customers for maintenance contracts due to a stronger sales performance.

Current liabilities

Current liabilities consist of current income tax liabilities, current financial liabilities, trade payables, and other current liabilities. Other current liabilities relate in particular to prepayments received from customers relating to payments for maintenance and services with a remaining contract term of less than one year.

Current liabilities decreased from EUR 20,489 thousand as of 30 November 2015 by EUR 2,233 thousand or 11% to EUR 18,256 thousand as of 30 November 2016. The decrease was primarily due to the decrease in trade payables for the purchase of software licenses and maintenance due to lower sales and the decrease in other current liabilities resulting from lower prepayments received from customers for maintenance contracts.

Current liabilities increased from EUR 18,256 thousand as of 30 November 2016 by EUR 1,373 thousand or 8% to EUR 19,629 thousand as of 30 November 2017. The increase was primarily due to the increase in trade payables resulting from stronger sales and the increase in other current liabilities, resulting from higher prepayments received from customers for maintenance contracts.

12.6 Financial position

Overview

The following table shows selected information from the combined statements of cash flow of Serviceware for the financial years ended 30 November 2015, 2016 and 2017.

	For the financial year ended 30 November		
	2015	2016	2017
	(audited, combined)		
in EUR thousand			
Net income	3,463	2,333	4,649
Depreciation of non-current assets	228	222	238
Tax expenses	885	1055	782
Changes in provisions	110	-12	10
Changes in deferred taxes	-	-	-25
Net finance cost	205	208	201
Changes in inventories	0	-21	12
Changes in receivables/other assets	-5,026	5,901	-614
Changes in liabilities	4,697	-4,440	1,244
Tax paid	-391	-1,090	-678
Net cash from operating activities	4,171	4,156	5,819
Investments in intangible assets and property, plant and equipment	-196	-230	-221
Interest received	53	8	-
Net cash from investing activities	-143	-222	-221
Dividend paid	-3,047	-2,869	-2,595
Interest paid	-258	-216	-201
Decrease in non-current liabilities	-223	-390	-720
Increase in current liabilities	44	77	331
Net cash from financing activities	-3,484	-3,398	-3,185
Exchange rate and consolidation-related changes of net cash	101	-41	-53
Changes in cash and cash equivalents	645	495	2,360
Cash and cash equivalents at December 1st	5,515	6,160	6,655
Cash and cash equivalents at November 30th	6,160	6,655	9,015

Comparison of the figures reported in the combined statements of cash flows for the financial years ended on 30 November 2015, 2016 and 2017

Net cash from operating activities

Net cash inflow from operating activities in the amount of EUR 4,156 thousand in the financial year ended on 30 November 2016 remained almost unchanged compared to EUR 4,171 thousand in the financial year ended on 30 November 2015. The decrease in net income and lower prepayments received from customers was more than offset in a better management of accounts receivables and a reduction in trade payables.

Net cash inflow from operating activities increased from EUR 4,156 thousand in the financial year ended on 30 November 2016 by EUR 1,663 thousand or 40% to EUR 5,819 thousand in the financial year ended on 30 November 2017. The increase was primarily driven by the strong increase in net income, which was partly offset by the net figures of claims and liabilities.

Net cash from investing activities

Net cash outflow from investing activities increased from EUR 143 thousand in the financial year ended on 30 November 2015 by EUR 79 thousand or 55% to EUR 222 thousand in the financial year ended on 30 November 2016. The increase was primarily driven by higher investments in infrastructure due to the hiring of additional employees.

In the financial year ended on 30 November 2017, the net cash outflow from investing activities remained almost unchanged at EUR 221 thousand compared to EUR 222 thousand in the financial year ended on 30 November 2016.

Net cash from financing activities

In the financial year ended on 30 November 2016, the net cash outflow from financing activities remained almost unchanged at EUR 3,398 thousand compared to EUR 3,484 thousand in the financial year ended on 30 November 2015.

In the financial year ended on 30 November 2017, the net cash outflow from financing activities decreased slightly from EUR 3,398 thousand in the financial year ended on 30 November 2016 by EUR 213 thousand or 6% to EUR 3,185 thousand. The decrease was primarily driven by paying less dividends which was partly offset by the repayment of part of the bank loans.

12.7 Key accounting and valuation principles

Key accounting and valuation principles applied in the preparation of the Combined Financial Statements are disclosed in the notes to the Combined Financial Statements.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Useful Lives of Depreciable Assets

The management estimates the useful lives of the property, plant and equipment to be within 3 to 15 years and reviews the useful lives of depreciable assets at each reporting date. The management assesses that the useful lives represent the expected utility of the assets to the Group. The carrying amounts are analysed in Note 4 to the Combined Financial Statements. Actual results, however, may vary due to change in the expected level of usage and technological developments, which result in the adjustment to the Group's assets.

The management expects that the expected useful lives of the property, plant and equipment would not have material difference from the estimates hence it would not result in material variance in the Group's profit for the financial years.

Impairment of Non-financial Assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Impairment of Loans and Receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the receivables and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

The carrying amount of the Group's receivables at the reporting date are disclosed in Note 7 and 8 to the Combined Financial Statements.

Fair Value of Financial Instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, the management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

In view of the Group's financial instruments are short term in nature, hence, any differences in the management's estimation would not have material variance in the Group's profit for the financial years.

Warranties

Provisions for warranties are generally recognized when products are sold or services rendered. Based on historical warranty claim experience, assumptions have to be made on the extent of warranty claims.

Income Tax

The Group has exposure to income taxes in numerous jurisdictions. Significant judgment is involved in determining the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and differed tax provisions in the period in which such determination are made.

13. MARKET AND COMPETITORS

13.1 Market

Market overview

Serviceware develops and markets its software platform in the area of enterprise service management ("**ESM**") with affiliates across Europe. Serviceware's software platform includes products (i.e. software) and services. ESM software aims at providing a software infrastructure for the needs of a business service organisation in an enterprise. The term ESM is typically used in order to describe a variety of IT solutions for supporting service management processes in different areas of an enterprise's business. ESM involves inter alia IT service management, i.e. solutions for the operation and control of information technology services offered to customers and within a business organisation ("**ITSM**"), IT financial management, i.e. solutions for planning and control of costs expended in delivering IT products and services ("**ITFM**"), field service management, i.e. solutions that enable the efficient planning of service resources at or en route to the customers ("**FSM**"), and customer service management, i.e. solutions for the provision of service and support for external customers through communication channels such as webpages, email, chat, telephone, and social media ("**CSM**").

The market offers for each of these sub-categories individual software solutions, which target a specific service management process. Even though there is a large number of service management software available on the market that focus on a specific service management task, the key challenge for the industry has been to develop service management solutions that integrate all service management processes within one enterprise. Industry participants believe that the interoperability of, and flexible, reliable and automatic data exchange between, software solutions has the potential to generate significant cost savings and to serve as the basis for future software solutions for the service management industry (*Source: Research in Action*). To respond to the growing demand for an all-in-one service management software solution, Serviceware has developed a unique one-stop-shop integration of single service management products. Most significantly, where information usually stays within a certain department, Serviceware's integrated software solutions enable the linkage of data and therefore allow for information flow across the entire enterprise. Unlike various other service process management software applications, Serviceware's business software applications enable their user to add financial control to the service management process.

The core of Serviceware's business is based on its ESM platform with three proprietary business software solutions, anafee, helpLine and careware, which are supplemented by IT infrastructures from market leading software providers that can be integrated into a single comprehensive software platform.

With its software platform Serviceware offers a single comprehensive integration of all available business applications and therefore addresses the market for all in one service management solutions for the ESM market.

Serviceware considers the ESM market to comprise of ITSM, ITFM, FSM and CSM. The size of the ESM market amounted to USD 8.3 billion in 2017 and is expected to reach USD 13.0 billion by 2021, growing at a compound annual growing rate ("**CAGR**") of 11.77% (*Source: Gartner ESM Forecast*)¹.

Besides ESM, customer relationship management ("**CRM**") and enterprise resource management ("**ERP**") are important software solutions for enterprises. However, Serviceware's business activities do not address the market for CRM or ERP software because CRM and ERP do not involve service management and are thus considered different market segments.

¹ For calculation of the ESM market, Serviceware considers FSM and CSM to be submarkets of the customer relationship market (CRM) as set out in Gartner ESM Forecast, each accounting for 17% and 25% of the CRM market.

Trends and developments affecting the market in which Serviceware operates

Serviceware considers globalisation and digitalisation as the trends that will influence most of the markets in which Serviceware operates. Digitalisation and the continuous strive for more efficiency will, in the Company's opinion, lead to exponential growth of the amount of data enterprises have to process. This development has been ongoing for the past decades and there are no indications, that this trend will discontinue. Enterprises thus prefer business solutions which are easy to manage and at the same time allow most efficient data processing. Serviceware considers its business activities to be in line with this trend because its products and services portfolio allows simplification and automatization of service processes by providing a single service management platform.

From Serviceware's experience, IT spending in general is resilient to weak performances of economies. The development of the markets in which Serviceware operates in is expected to be not as volatile as the general economic development in the upcoming years.

Further, Serviceware expects the new European General Data Protection Regulation (Please see "15. Regulatory Framework") to have positive impact on the growth of European software enterprises which are more familiar with European regulations. The new data protection regime imposes new obligations on anyone processing personal data. Although compliance with the new legal requirements will cause additional costs, Serviceware expects an improvement of its competitive situation compared to US competitors. From past experience, US competitors tend to have difficulties making their products and services fit for the European market and to comply with European legal standards.

Finally, Serviceware expects as a general trend that services around software products become increasingly important due to the fact that software products are likely to assimilate over time. In such scenario, the key sales differentiator will be the additional services offered for using a software product.

13.2 Competitors

When it comes to one-stop integrated ESM solutions Serviceware believes that it does not face material competition in the global market. At present, Serviceware is not aware of other software suppliers offering an integration of single service management tools comparable to Serviceware's portfolio.

For each of the ESM sub-markets, however, there is a significant number of competing software solutions available on the market and the overall market environment can be described as highly competitive. This is due to the fact, that major competitors of Serviceware are listed US-American companies. By way of example, apptio or ServiceNow have massive financial means and are therefore capable of dominating and buying markets with substantial spending despite the possibility of significant losses.

In respect to ITSM, helpLine is the market leader in Germany, Austria and Switzerland (*Source: Research in Action*). Serviceware competes in the European market segment with the following main software providers: USU, TopDesk and OMNINET. As far as the global market is concerned, the main competitors of Serviceware are: BMC, ServiceNow, Axios Systems and Cherwell, with ServiceNow being the market leader (*Source: Gartner*).

anafee strives to become the market leading application in the European market when it comes to ITFM. In Germany, Austria and Switzerland, Serviceware competes with software by nicetec and in the global market with software by apptio, which has the strongest market presence, and with Digital Fuel and Nicus (*Source: Gartner*). Serviceware expects to achieve a more dominant market position in the near future because its European competitors are considerably smaller in size.

In the FSM market, Serviceware considers as its most prominent competitors in Europe Coresystems and FLS and in the global market Clicksoftware and servicemax.

In the CSM market, Serveware considers as its most prominent competitors USU, ServiceNow and Zendesk.

Due to the fact that Serveware's business activities do not address the core market for CRM and ERP, Serveware does not compete with big players in these market segments such as SALESFORCE or SAP. Serveware does not expect competition by CRM or ERP providers in the near future because they do not appear to extend their focus on Serveware's business areas.

14. BUSINESS

14.1 Overview

ServiceWare provides an integrated software platform consisting of a broad set of modular business software solutions that can be efficiently implemented and upgraded in order to meet the individual needs of enterprise IT process infrastructures. With its three proprietary business software solutions anafee, helpLine and careware, ServiceWare covers the enterprise service management (ESM) with tasks such as IT service management, IT financial management, field service management and customer service management.

Thereby, ServiceWare's ESM solutions cover all service processes within a company. In order to provide its customers with integrated services, ServiceWare also provides IT infrastructure and managed services, i.e. services in relation to the management of the complete operations of a software platform implemented at the customer, which form the basis for the cross-selling of its ESM solutions.

ServiceWare started its operations in 1998 by providing enterprises with third-party business software solutions in the area of IT infrastructure and IT service management. Since then, ServiceWare has built a strong track record of expansion into new regions and business fields to become an integrated provider of ESM solutions and has, in its opinion, gained a leading position in Europe.

ServiceWare offers its ESM platform with its proprietary business software solutions flexibly in various delivery models. Customers may either purchase or rent software licenses with an option of additional maintenance services and managed services or may choose a Software-as-a-Service (SaaS) model.

ServiceWare supplies more than 500 customers, from medium-sized enterprises to global corporations, in all major industries, as well as governmental agencies and enterprises, predominantly in Germany, Austria, Switzerland and the Netherlands. ServiceWare's international sales strategy for its proprietary ESM solutions and IT infrastructure focuses predominantly on direct sales and to a certain extent on indirect sales through consulting firms, strategic resellers and system integrators.

In the financial year ended 30 November 2017, ServiceWare generated sales revenues of EUR 44,347 thousand (EUR 37,948 thousand in the financial year ended 30 November 2016, EUR 39,584 thousand in the financial year ended 30 November 2015). In the same period, ServiceWare generated EBIT and EBITDA of, respectively, EUR 5,632 thousand and EUR 5,870 thousand (EUR 3,596 thousand and EUR 3,818 thousand in the financial year ended 30 November 2016, EUR 4,553 thousand and EUR 4,781 thousand in the financial year ended 30 November 2015).

ServiceWare is headquartered in Bad Camberg, Germany, and had a total of 285 employees as of 30 November 2017.

14.2 Competitive strengths

ServiceWare believes that the following competitive strengths will allow it to execute its strategy and to set ServiceWare apart from its competitors in the future:

Unique and highly scalable enterprise service management platform

ServiceWare's integrated software platform comprises its ESM solutions, anafee, helpLine and careware, as well as a broad spectrum of IT infrastructure from market leading software partners for security, data and system management. ServiceWare's proprietary business software solutions cover ESM with tasks such as IT service management, IT financial management, field service management and customer service management, and are supplemented by third-party IT infrastructure.

With its unique ESM solutions, Serviceware offers customers a one-stop-shop serving the customers' demand to transform the enterprise IT infrastructure from a reactive, manual and task-oriented organisation, to a pro-active, automated and service-oriented organisation. The modular and highly flexible products comprised in Serviceware's portfolio enable Serviceware to provide customers with tailor-made solutions. By also offering customers its IT infrastructure and managed services, Serviceware is able to leverage cross selling opportunities between IT infrastructure and managed services and its ESM solutions.

The integrated software platform offered as a one-stop-shop enables Serviceware to scale its ESM solutions from one use case to other use cases. Serviceware's customers using its ESM solutions can easily expand the use of the business software solutions from one department (e.g. IT or shared services centre) to other departments (e.g. human resources, facility management), thereby scaling the ESM solutions across the entire enterprise for all business processes. With its integrated software platform, Serviceware only loses relatively few customers. The Churn Rate of customers for Serviceware's was approximately 6.6% in the financial year ended 30 November 2017 (5.4 % for the financial year ended 30 November 2016, 4.0% in the financial year ended 30 November 2015).

First mover advantage

The ESM market is currently still managed to a large extent by reactive, manual and task-oriented organisational structures. Favourable market trends such as digitalisation, the need for cost reduction and the simplification of IT business processes will drive the ESM market and are expected to result in constant growth of the market. The ESM market is expected to grow from USD 8.3 billion in 2017 to USD 13.0 billion in 2021 at CAGR of 11.77% (*Source: Gartner ESM Forecast, please see "13. Market and competitors - 13.1 Market – Market overview"*). With its ESM platform, Serviceware is the first software company in Europe able to combine IT service management and IT financial management in one integrated software platform and is perfectly positioned to benefit from the growing ESM market.

Robust and well-balanced customer base for growing and profitable revenues on a recurring basis

Serviceware has built a robust and well-balanced customer base of more than 500 both medium-sized enterprises and global corporations, as well as governmental agencies and enterprises, predominantly in Germany, Austria, Switzerland and the Netherlands. Serviceware's customer base comprises from all major industries.

Serviceware was able to generate stable growth of its business and profitability since the start of operations in 1998. Since then, Serviceware's revenues have increased at a double digit CAGR. The stable growth and profitability underpins the success of Serviceware's product portfolio and sales force capability in combination with the growing demand for ESM software solutions.

Based on its business model, which not only provides for one-off payments for software licenses, but also for payments for license rental, maintenance services, managed services and SaaS which are charged on a monthly, quarterly or yearly basis, Serviceware is able to generate recurring revenues. In addition, Serviceware's existing customers increasingly request selective maintenance services for business software applications, which also leads to Recurring Revenues. On average, the Recurring Revenues margin from Existing Customers accounted for approximately 60% in the financial year ended 30 November 2017 (62% in the financial year ended 30 November 2016, 57% in the financial year ended 30 November 2015).

Strong sales force

Serviceware has built up a strong sales force able to successfully penetrate the ESM market across all industries in Germany, Austria, Switzerland and the Netherlands. Serviceware's successful sales force is substantially based on the in-house trainee and development program, where sales employees learn theoretical sales concepts and receive in-depth knowledge on Serviceware's

products and services. With more than ten years of experience in offering sales trainee programmes, Serviceware was able to expand its sales force despite challenging conditions on the labour market.

Deep IT business process expertise

With its experience of over 20 years in the IT sector, Serviceware has a profound understanding of the role of IT and IT business processes and their role in maximising business value. Serviceware embedded such experience into the design of its ESM solutions and related services, enabling it to deliver a compelling value proposition for its customers with its ESM platform. Furthermore, Serviceware developed a 360 degree service management framework enabling enterprises to describe, analyse and optimise their service processes along the service chain end-to-end. The results of the 360 degree analysis form the basis for customers to implement Serviceware's ESM solutions.

Strong continental European presence

Based on its strong presence and company size with more than 280 employees in Germany, Austria, Switzerland and the Netherlands, Serviceware has a strong market position to cater for both medium-sized enterprises and global corporations as well as governmental agencies and enterprises in these countries. In addition, increasing data protection regulations, in particular under the EU Data Protection Directive, are expected to impede IT services processing personal data, in particular by IT providers domiciled outside the European Union ("*15. Regulatory Framework*").

Entrepreneurial and experienced management team comprising founders

Serviceware's management team has a vast experience in the IT sector and in particular with regard to ESM. The managing director and CEO Dirk K. Martin has been with Serviceware since its start of operations in 1998 as managing director and founder and has extensive experience in sales, strategic development as well as research and development. The Administrative Board member (*Verwaltungsratsmitglied*), managing director and CFO, Harald Popp, has been with Serviceware since its start of operations in 1998 as managing director and founder and has extensive experience in finance and human resources. Dr. Alexander Becker, managing director and chief operations officer COO, has been with Serviceware since 2012 and has extensive experience as former consultant with McKinsey & Consultant, in particular with regard to consultancy engagements for professional services, IT and SAP projects.

The management team has particularly strong expertise in successfully acquiring and integrating enterprises and new products. Serviceware acquired helpLine in 2003, careware in 2012 and anafee in 2014, which now contribute significantly to Serviceware's success. Based on its experience in successfully acquiring and integrating companies, Serviceware believes that it has established a strong acquisition, merger and post-merger integration expertise which will enable it to successfully grow through acquisitions in the future.

Serviceware also pays close attention to its key and other personnel and believes that it spends more on qualification training than its industry competitors on average which not only increases internal know-how but also its staff retention rate. Thus, Serviceware believes that its management's and employee capabilities provide it with a significant competitive advantage.

14.3 Corporate strategy

The key strategies of Serviceware include the following:

Scaling up sales force to deepen market penetration

Serviceware considers the general demand in the ESM market as well as the demand by its existing customers as large and currently still underserved. Based on this consideration, Serviceware intends to continue to invest in its business in order to accelerate its penetration of

the ESM market and of its existing customers in order capture an increasingly larger market in general share.

Serviceware intends to invest significantly into its direct sales force by hiring new experienced sales staff as well as by focusing on hiring young sales force for its internal trainee programme leading to a well balanced mix of talented experienced and young sales force. For its existing sales force, Serviceware intends continuously invest in internal training. With its strengthened sales force, Serviceware intends focus more on the large enterprise business as a growing customer group, in particular for its proprietary ESM solutions.

In order to increase revenues with its existing customers, Serviceware intends to increase the number of products and services purchased by its existing customers. It is intended to provide existing customers mainly with additional ESM solutions supplementing the solutions already deployed. Serviceware expects a high demand by its existing customer base to not only control service management processes of an IT or shared service centre on a qualitative level (using e.g. helpLine or careware), but also to control the service management process on a quantitative level by using anafee. In addition, Serviceware believes in significant cross-selling opportunities between the IT infrastructure and managed services it offers to its customers and which form its strong revenues base and its higher margin proprietary ESM solutions anafee, helpLine and careware. Further, Serviceware aims at scaling its ESM solutions across additional use cases of its existing customers, such as human resources, finance, facility management and maintenance. Further, Serviceware strives to strengthen its brand awareness by increasing its communication and exposure to market research analysts and increasing its participation at global conferences and industry events.

International expansion

Serviceware has a large and growing presence in Germany, Austria, Switzerland and the Netherlands and intends to grow its customer base in various other geographical regions in Europe. Serviceware believes in significant additional opportunities for its ESM solutions in particular in Spain, the Nordic countries and the Netherlands as well as Belgium. In a second step, Serviceware targets market entrance in the United Kingdom, France and Italy. For every country, Serviceware has a targeted sales strategy in order to ensure a successful expansion. In order to target these markets, in particular regarding large enterprises, Serviceware plans to build up additional sales and technical staff as well as to strengthen the indirect sales channel, in particular through consulting firms, strategic sellers and system integrators.

In addition to adding new geographic markets, Serviceware also plans to increase its investments in its existing locations outside Germany, i.e. in the Netherlands, Austria and Switzerland in order to achieve scale efficiencies in marketing and sales efforts.

Enhancement of product portfolio through acquisitions

Serviceware believes that accelerated acquisitions of suitable targets give rise to further opportunities for Serviceware in order to add strategically relevant new products, know-how and solutions to enter into new markets and to expand its capacity. Serviceware has successfully acquired and integrated companies and new products on several occasions and established a strong acquisition, merger and post-merger integration expertise which Serviceware believes will enable it to grow successfully through acquisitions. Serviceware actively monitors the market for possible targets in order to further strengthen its ESM services, in particular in the business area IT service, customer service and non-IT shared service management, such as human resources, finance, facility management or maintenance.

14.4 Products

Serviceware is an innovative developer and marketer of software solutions for business service management, in particular in the area of ESM. Technology has become a strategically relevant focus area for enterprises regardless of size and industry, driven by the digitalisation of business

processes. In order to gain and maintain a competitive advantage, enterprises must increasingly focus more resources and time on transforming their existing IT infrastructure and applications.

Serviceware offers an integrated software platform and services for its customers in order to automate and standardise workflows and integrate all services processed within an enterprise. A single system of record for enterprise IT can be created, lowering operational costs and enhancing efficiency. Serviceware's integrated ESM platform enables an enterprise IT infrastructure to transform from a reactive, manual and task-oriented organisation to a pro-active, automated and service-oriented organisation.

Serviceware's integrated software platform comprises a broad set of business software applications that are highly modular and can be efficiently implemented and upgraded in order to meet the individual needs of enterprise IT infrastructure. With its three proprietary business software solutions, anafee, helpLine and careware, Serviceware covers the ESM market with tasks such as IT service management, IT financial management, field service management and customer service management. Thereby, Serviceware's ESM platform is able to cover all service processes within an enterprise. In order to provide its customers with integrated services, Serviceware further provides IT infrastructure which form the basis for the cross-selling of its proprietary ESM solutions.

Serviceware offers its software platform flexibly in various delivery models. Customers may either purchase or rent software licenses with the option of additional maintenance services and managed services or may choose a SaaS model.

With its software platform and services, Serviceware generates Recurring Revenues as well as non-recurring revenues:

- *Recurring Revenues:* Serviceware charges its customers on a recurring basis for its maintenance services, managed services and for SaaS. Recurring revenues are also generated from providing customers with business software solutions by way of license rental. Typically, these services are charged on a monthly, quarterly or yearly basis. In addition, Serviceware's existing customers increasingly request individual services for business software solutions. The Recurring Revenues amounted to EUR 26,580 thousand in the financial year ended 30 November 2017 (EUR 23,383 thousand in the financial year ended 30 November 2016, EUR 22,713 thousand in the financial year ended 30 November 2015) (Please see also section "4. General Information - 4.5. Alternative performance measures").
- *Non-recurring revenues:* Serviceware also obtains non-recurring revenues, in particular if customers purchase licences for Serviceware's business software applications, both for ESM solutions and IT infrastructure, or request one-time services.

ESM solutions

Serviceware's ESM solutions comprise three proprietary business software solutions, anafee, helpLine and careware, which cover ESM tasks.

anafee

anafee addresses the IT financial management market and automates and grants quantitative control over the entire financial management process for IT or shared service centres of enterprises. anafee is targeted at enterprises with more than 1,000 employees across all industries. anafee is designed to enable its user to analyse service costs and demand, to model and price its services, to plan and budget services based on different scenarios and to financially manage projects. Further, anafee features the charging and invoicing of clients and transfer pricing mechanisms.

anafee aims to provide both service providers and customers with a transparent presentation of costs on the consumption thereby facilitating budget planning and budget decisions and saving time during the coordination phase for both parties. With these features, anafee supplements the

qualitative control of service management processes of an IT or shared service centre using e.g. helpLine or careware to enable users to also control the service management process on a quantitative level.

anafee is available with different additional modules. The following table shows the main anafee modules:

Module	Features
anafee Server Data base for financial management	<ul style="list-style-type: none"> • Provides the basic technical infrastructure for creating cost and service transparency for service organisations including core data management, user and role management, baseline manager, scenario manager, reporting manager (Pivot), quality gate (interface management), as well as job management
Service Accounting Manager (SA) Charging of service costs	<ul style="list-style-type: none"> • Usage-based determination of service costs per service recipient • Transparent verification of service consumption • Creation and dispatch of service records • Transfer for booking to SAP/ERP
Service Budget Manager (SB) Cost calculation and budget planning	<ul style="list-style-type: none"> • Allocation of costs to services via a multilevel value chain (layer model) • Use of predefined best practice calculation rules with integrated cost driver analysis and traceability • Level of documentation (e.g. SAP/ERP)
Project Economics (PE) Commercial Project Management	<ul style="list-style-type: none"> • Specialised workspace for project cost management • Visualisation of core project data, project development history, monetary and non-monetary utility assessment, project goals, and revision-proof project calculation • Reporting of important financial project key performance indicators ("KPIs") (e.g. planned/actual comparisons of project budget)
Business Service Manager (BS) Design of Business Services and offers	<ul style="list-style-type: none"> • Revision-proof ad hoc calculation and description of customer-specific service inquiries and offerings • Immediate connection to internal service components (pre-products, sub processes) and cost structures • Possibility of transfer into running real-time calculation
Key Performance Indicator Manager (KPI) Creation and analysis of key metrics and dashboards	<ul style="list-style-type: none"> • Integration of any service-based KPIs • Definition of thresholds • Graphic reporting and dash boarding for different groups of users
Visual Service Analyser (VSA) Visualization of service network and all costs, charges, and discharges	<ul style="list-style-type: none"> • Graphic drill-down analysis of the value creation network of services • Detailed information on cost creation (charge view) and cost usage (discharge view), service components • Consumption quantities, and calculation rules • Integrated scenario comparison and focus on cost drivers (80/20 filter)

helpLine

helpLine addresses the service management market and automates and grants qualitative control over the service management process of an IT or shared service centre. helpLine is targeted at enterprises with typically more than 300 employees up to large enterprises across all industries. General features of helpLine are a service catalogue and a service agent user interface in order to

provide transparent service offerings. Service requests by service customers can be logged and tracked in the multi-use service portal providing service customers with a streamlined service experience. helpLine's service process engine is built to ensure that an agreed service level is applied and process times are minimised due to automated workflows. The integrated business intelligence and reporting capabilities of helpLine are designed to expedite and improve service management decisions.

Compared to catering for service customer's inquiries manually and in a non-automated way, helpLine has the advantage of a high level of process automation, a high degree of service customer self-service and a flexible workflow engine enabling its user to model service processes according to its individual needs.

helpLine is available with different additional modules for service agents, customers and business users. The following table shows the main helpLine modules:

Module	Features
ClassicDesk Windows App for service agents	<ul style="list-style-type: none"> • Handling of all service processes and tasks • Management of service portfolio, service level agreements, knowledge base and news • Administrative tasks like form design and user management
WebDesk Web App for service agents	<ul style="list-style-type: none"> • Handling of all service processes and tasks of service agents and administrative tasks
MobileDesk Mobile App for service agents	<ul style="list-style-type: none"> • Notification in case of new important processes • Management of incoming processes via quick forms • Mobile access to all open service requests and contacts

careware

careware addresses the field service management market and enhances the productivity of mobile service organisations, such as health care or real estate administrations, by way of efficient and transparent staff rostering. careware is targeted at enterprises with typically more than 300 employees up to large enterprises across all industries, with main customers currently coming from the healthcare sector. careware is designed to enable its user to manage its available service agents in an efficient and transparent way. It automates the multi-route planning for service teams by planning single or group appointments across multiple service locations. Communication is made more efficient for service teams and service tasks can be documented seamlessly.

Compared to a deployment planning of service teams which is not automated, careware balances supply and demand for mobile services thereby increasing the productivity of the mobile workforce. For service customers, careware increases service quality due to transparent appointment management with real-time availability of all necessary service information.

careware is available with different additional modules. The following table shows the main careware modules:

Module	Features
careware Server The platform for field service management	<ul style="list-style-type: none"> • Daily or weekly scheduling of mobile service agents • Single route optimisation (SRO) for daily planning • Online portal for service employees to log times and activities • Filing of travel costs and expenditures • Access for team leader to review logged working hours and activities • Management of locations and buildings

Module	Features
	<ul style="list-style-type: none"> • Management reporting • Employee roster for scheduling shifts of employees
careware Provider The platform for field service management	<ul style="list-style-type: none"> • Access to functions of the professional server field service management (FSM) for everyone who plans, organises, and reviews mobile customer service (necessary for all service providers and employees not using the Mobile App)
Mobile App The platform for field service management	<ul style="list-style-type: none"> • Mobile access to field service management (FSM) server for mobile employees • Real-time appointment overview, customer data, private messaging • Digital proof of performance, including paperless signatures • Electronic logging of working hours, travel times, travel costs, and other expenditures
Multi Route Optimisation (MRO) Team-wide optimal route planning for mobile services	<ul style="list-style-type: none"> • Automatic planning and optimisation of routes for all mobile service employees of a team • Individual determination of optimisation preferences, e.g. travel times or distance • Consideration of availability and preferences of service employees
Group planning Schedule multiple customers for a single joint appointment	<ul style="list-style-type: none"> • Scheduling of multiple customers for a joint appointment in one location • Reservation of needed locations/facilities • Allocation and booking of service employees required for the appointment
Session planning Schedule services at decentralized locations	<ul style="list-style-type: none"> • Planning and reservation of service locations/rooms for specific services • Booking of employees necessary for service delivery • Booking of customers to offered services depending on customer preferences regarding location and available dates

IT infrastructure

In addition to its ESM solutions, Serviceware also provides IT infrastructure, in particular from market leading partners for security, data and system management. Historically, Serviceware first started its business by providing enterprises with third-party software and IT service management and is still generating a significant amount of its revenues by providing customers with IT infrastructure and related services on a standalone basis or in connection with its ESM solutions. In Serviceware's opinion, its offer of IT infrastructure, together with the managed services, creates substantial opportunities for cross-selling its proprietary ESM solutions anafee, helpLine and careware, as well as its complementary services. Due to its extensive expertise in IT infrastructure, Serviceware is in a position to provide its customers with complete managed services in connection with its software platform.

In the area of security management, enterprises use security solutions to safeguard their information and services against internal and external threats, reaching from anti-virus protection of devices like PCs and phones to protection against losing sensitive data. In the area of data management, Serviceware distributes, implements, and supports solutions that are used by enterprises to make data available as fast as possible and to store them in a cost-effective and secure way. Serviceware uses the knowledge gained from providing customers with security and data management IT infrastructure solutions and the managed services in connection therewith for R&D in relation to its ESM platform. In the area of system management, software applications are typically implemented at customers in order to integrate Serviceware's ESM solutions, in particular in case of housing and hosting models where Serviceware has in-depth knowledge customers benefit from. Serviceware distributes, implements, and supports IT infrastructure solutions

guaranteeing optimal service quality for the users of IT endpoints and devices. Software and updates can be automatically installed and software bugs can be fixed in a centralised manner controlled by the ESM solutions.

14.5 Services

For its software platform, Serviceware offers its customers maintenances services, managed services, SaaS as well as individual services on demand with the purpose to generate Recurring Revenues for Serviceware.

Maintenance services

Customers purchasing an IT software license for Serviceware's software platform are typically also using Serviceware's maintenance services model. Pursuant to a standard maintenance services agreement, customers are permitted to use the newest version of the software initially purchased and to make use of Serviceware's support hotline. Serviceware provides its maintenance service customers with new software updates and functional enhancements once released for the software application in use at the customer's enterprise. Maintenance services over the support hotline are provided 24/7 through phone, email and online forum. Serviceware's support staff comprises highly experienced and knowledgeable technicians that receive ongoing training on the deployment and maintenance of Serviceware's software platform. Maintenance service customers are typically charged on an annual basis in advance at an agreed percentage of the license purchase list price. The term of maintenance service agreements varies between one and five years. The standard term is three years with a termination period of three or six months.

Managed services

By using Serviceware's managed services model, customers are in practice able to outsource the complete operations of Serviceware's software platform implemented at the customer. Customers may improve their operations and cut expenses by choosing managed services for their IT platform. Typical services performed by Serviceware pursuant to a managed services agreement include registering and authenticating new users to a business software application, the individual configuration of processes, defining individual parameters of a business software application for users, data backup and recovery, the operation of the installation as well as the hosting of the system. The term of managed services agreements varies between one and five years. The standard term is three years with a termination period of three or six months.

SaaS

The SaaS model is available for Serviceware's software platform and is predominantly used for Serviceware's ESM solutions. SaaS combines a license rental of the business software application with managed services. The customer may use the business software application on a non-exclusive basis against periodic payments, typically on a monthly or yearly basis. Further, the SaaS model includes permission to use the newest version of the business software application, permission to use Serviceware's support hotline and all services provided by Serviceware as part of the managed services model. The standard term for SaaS contracts is three years with a termination period of six months.

Business software solutions used by customers by way of SaaS are typically operated on Serviceware's hardware, which is installed in a data centre operated by a third party (Hosting in private cloud). If desired by customers, the application may also be operated on the customer's hardware (Housing).

Individual services on demand

Serviceware supports its customers with specialised expertise in strategy, technology and business application and in particular on the implementation of third party IT infrastructure. Main tasks relate to adapting IT infrastructure to the customers' demand.

Serviceware also provides individual services tailored to the customers' needs in connection with software solutions implemented at its customers. Serviceware experienced an increase in customer demand for individual services such as operating anafee, helpLine and careware as well as health checks for third party security and system management software.

14.6 Licensing models

Serviceware flexibly provides its software platform in different licensing models. Customers may use Serviceware's software solutions under a license purchase or license rental model and can flexibly add maintenance services or managed services or use the software as SaaS. As a result, customers can decide to either create capital expenditures or operating expenditures as needed.

License purchase

The license purchase grants customers permission to use the software on a non-exclusive basis against a one-time payment. The license purchase only includes permission to use the purchased version of the software without the right to receive any updates thereto. Typically, customers also use Serviceware's optional maintenance services in connection with the license purchase model.

License rental

The license rental grants customers permission to use the software on a non-exclusive basis against periodic payments, typically on a quarterly basis. This model includes permission to use the newest version of the software and permission to use Serviceware's support hotline. Typical license period is at least 36 months. Customers may flexibly add managed services to the license rental model.

14.7 Suppliers

IT infrastructure

In order to provide its customers with IT infrastructure solutions as well as maintenance services related to IT infrastructure, Serviceware cooperates in particular with market leading providers of security, data and system management software. Serviceware uses software and IT infrastructure components from a variety of providers, depending on the respective customer's needs.

Data centre operations

Serviceware currently runs its services from a major data centre located in Frankfurt am Main, Germany. Thus, Serviceware relies on the operator of the data centre in order to operate its business. In the data centre, Serviceware uses its own hardware in order to operate its services in a private cloud. The data centre is designed to host mission-critical computer systems and Serviceware's hardware is designed with fully redundant systems and compartmentalised security zones. Serviceware and e-shelter, the data centre operator, maintain a formal and integrated security programme designed to ensure the security and integrity of customer data, protect against security threats or data breaches and prevent unauthorised access to the data of Serviceware's customers. The data centre operated by e-shelter is in particular approved according to DIN EN ISO 9001, ISO 27001 and ISO 50001 as well as approved by TÜV SÜD Industrie Service GmbH.

Cloud solutions

Upon request, Serviceware also provides its services cloud-based. As requested by the customer, the entire software platform can be operated in the cloud or only specific services like mobile push services. For its cloud-based services, Serviceware cooperates with leading international cloud providers.

14.8 Customers

ServiceWare's customers range from medium-sized enterprises to global corporations from all major industries and also governmental agencies and enterprises, predominantly in Germany, Austria, Switzerland and the Netherlands.

ServiceWare has more than 500 customer using its software platform. In the financial year 2017, ServiceWare was able to win more than 50 new customers for its ESM platform. With its ESM solutions, ServiceWare caters four out of the seven largest German companies by revenue and nine German DAX 30 companies.

The five largest customers, which varied within the period under review, accounted for 8% of ServiceWare's sales revenues in the financial year ended 30 November 2017 (9% in the financial year ended 30 November 2016, 10% in the financial year ended 30 November 2015).

14.9 Sales and marketing

ServiceWare's sales strategy for its software platform in Germany, Austria and the Netherlands focuses predominantly on direct sales. As of 30 November 2017, ServiceWare had 62 employees responsible for direct sales and marketing. With its sales teams consisting of dedicated account managers and sales engineers, ServiceWare conducts sales directly with the entire range of ServiceWare's customers.

In addition, ServiceWare also follows indirect sales channel strategy through consulting firms, strategic resellers and system integrators. With this approach, ServiceWare aims, in particular for its international sales, to enlarge its sales reach and to gain access to different customer groups through different channels, thereby accelerating its growth in the future. ServiceWare set up an international indirect sales management system in order to determine and engage with suitable partners in other European countries. While the indirect sales channel is usually not on an exclusive basis, ServiceWare cooperates in the Switzerland with a strategic master reseller, which has the right to exclusively distribute helpLine in Switzerland, Liechtenstein and Italy. Strategic resellers and system integrators market ServiceWare's products and services through their own network. Typically, strategic resellers and system integrators enter directly into contractual agreements with customers and are rewarded by a commission and a fee depending on the products and services distributed.

ServiceWare's marketing efforts for lead generation comprise primarily key customer referrals, trade shows, workshops for customers as well as prospects, conferences, internet advertising, social media initiatives, public relations, cooperative marketing efforts with partners and industry events. ServiceWare also developed a go-to-market partnership with two major international consulting firms to help customers and potential customers validate ServiceWare's ESM solutions and to introduce ServiceWare to potential customers.

14.10 Research and development

Research and development ("**R&D**") played a key role in the history of ServiceWare in order to enable it to compete by timely introducing new products, technologies, features and functionalities. ServiceWare's R&D team focuses on the design, development, testing and release of ServiceWare's new products and services as well as on further enhancing the functionality, performance, reliability and flexibility of its existing products and services. Anticipating the customers' demand for new products, features or services is a major focus of ServiceWare's R&D team which is supported by the sales department, services department and support department which directly communicate any changes in the market to the R&D team. In addition, ServiceWare also uses external R&D resources in Poland and Romania in order to remain flexible. R&D expenses amounted to EUR 3,035 thousand or 7% of the sales revenues in the financial year ended 30 November 2017 (EUR 3,077 thousand or 8% in the financial year ended 30 November 2016, EUR 2,642 thousand or 7% in the financial year ended 30 November 2015).

As of 30 November 2017, 52 employees worked in Serviceware's R&D team.

14.11 Intellectual property rights

Serviceware's intellectual property consists of Serviceware's proprietary ESM solutions and related proceedings which are protected by copyright laws but not by patents. Software is generally protected under copyright law instead of patent law (*Please see also "15. Regulatory Framework - Intellectual property rights"*). For this reason, Serviceware has not applied for software patents in its core regions but enjoys copyright protection for its proprietary ESM solutions.

Serviceware also relies on proprietary expertise, continuing technological process innovations and other business and trade secrets and knowhow in order to maintain and develop its competitive position.

Serviceware's internal policy and contractual relationships with employees as well as external contractors provide for the assignment of all inventions, trade secrets and all other technology and intellectual property created by them on Serviceware's behalf. Serviceware further controls its intellectual property by way of confidentiality agreements with customers and partners and controls and monitors access to its software, source and other proprietary information. In relation to the use of Open-Source software for its ESM solutions, Serviceware monitors the usage and compliance with the respective Open-Source software terms and conditions on a regular basis.

Serviceware holds registered trademarks. The trademarks ServiceWare and helpLine are registered with the European Union Intellectual Property Office and Anafee is registered with the German Patent and Trademark Office, the Swiss Federal Institute of Intellectual Property and the European Union Intellectual Property Office.

Serviceware owns various domains, amongst others: www.serviceware.se, www.serviceware.de, www.serviceware.eu, www.anafee.de, www.helpline.de, www.anafee.eu and www.careware.nl.

14.12 Insurance policies

As part of its various insurance policies, Serviceware has taken out IT third-party indemnity insurance (*Haftpflichtversicherung für IT-Betriebe*) and all risk business content insurance (*Geschäftsinhaltsversicherung*). In addition, Serviceware plans to take out a D&O Insurance for the members of the Administrative Board members (*Verwaltungsrat*) and the managing directors (*Please see "18.4. Certain information on the members of the Administrative Board and Managing Directors - D&O Insurance"*).

Given this, Serviceware is of the view that appropriate insurance protection for its business is in place (see also "*3. Risk factors*").

14.13 Locations

Serviceware operates its business from different locations in Europe. Serviceware's headquarter is located in Bad Camberg (Germany). Serviceware operates further offices in Baar (Switzerland), Berlin (Germany), Cologne (Germany), Leiden (the Netherlands), Munich (Germany), Palma de Mallorca (Spain) and Vienna (Austria).

14.14 Employees

A total of 285 employees were employed at the Group as of 30 November 2017. Thereof, 240 were employed in Germany, 23 in the Netherlands, 11 in Austria, 7 in Spain and 4 in Switzerland.

The staffing of IT projects is a great challenge for IT companies. Due to a high demand for qualified IT staff for certain competence areas, IT companies often have difficulties finding suitable staff. In order to meet its demand for qualified IT staff, Serviceware takes an international approach for its hires. In particular, Serviceware founded a subsidiary in Palma de Mallorca, Spain,

in order to be able to hire qualified IT staff internationally, but also hires in all other locations it operates.

Besides appropriate staffing, the qualification and level of motivation among Serviceware's IT staff is part of Serviceware's success. Since there is a high competition for qualified staff, Serviceware supports the training of its own young professionals, in particular by way of offering a sales academy.

Serviceware also offers its employees the opportunity to participate in extensive training and education programs, both in house and externally, in order to further deepen the professional knowledge and soft skills of its employees and to provide the appropriate certification to customers and employees.

The following table provides an overview of the average number of employees of Serviceware in the financial years 2015, 2016 and 2017 by functional areas. The staff figures are presented on an average basis. The figures presented do not include managing directors, trainees, temporary help workers, and employees with temporarily suspended employment contracts.

	1 December until 30 November		
	2015	2016	2017
Back office	35	39	41
Consulting	68	74	98
R&D	51	46	52
Sales & Marketing	57	60	62
Support	29	32	32
Total	240	251	285

Between 30 November 2017 and the date of this Prospectus, Serviceware increased the number of employees by six.

14.15 Material Agreements

On 14 March 2018, the Company's extraordinary general shareholders' meeting resolved to increase the Company's share capital from EUR 120,000.00 by EUR 7,880,000.00 to EUR 8,000,000.00 by issuing 7,880,000 new ordinary bearer shares (*auf den Inhaber laufende Stückaktien*) each such share with a notional interest in the share capital of EUR 1.00 against contributions in kind by aventura Management GmbH, dreiff Management GmbH and Mr Ingo Bollhöfer.

In connection with the Company's extraordinary general shareholders' resolution, each of aventura Management GmbH, dreiff management GmbH and Mr Ingo Bollhöfer concluded on 14 March 2018 a respective subscription and capital contribution agreement (*Zeichnungs- und Einbringungsvertrag*) with the Company (the "**Contribution Agreements**"). Pursuant to the Contribution Agreements, each of aventura Management GmbH and dreiff Management GmbH agreed to contribute by assignment (i) 48.5% of the limited partner interests (*Kommanditanteile*) with a liability amount (*Haftsumme*) of EUR 121,250.00 in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, (ii) 12,800 shares, i.e. 50% of the entire share capital, in PM Computer Services Verwaltungs GmbH, Bad Camberg, Germany, and (iii) 305,000 shares, i.e. 50% of the entire share capital, in helpLine CLM AG, Baar, Switzerland to the Company and Mr Ingo Bollhöfer agreed to contribute his limited partner interest (*Kommanditanteil*) of 3% with a liability amount (*Haftsumme*) of EUR 7,500.00 in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany to the Company (the "**Capital Contributions**"). As consideration for the respective Capital

Contributions, aventura Management GmbH and dreiff Management GmbH were each permitted by the Company to subscribe for, subscribed and received each 3,820,000 shares in the Company and Mr Ingo Bollhöfer was permitted by the Company to subscribe for, subscribed and received 240,000 shares in the Company. The Contribution Agreements contain standard representations of aventura Management GmbH, dreiff Management GmbH and Mr Ingo Bollhöfer with regard to their respective Capital Contributions.

Serviceware did not enter into any other material agreements on which its business depends.

14.16 Litigation

As is the case with other companies, Serviceware was and is, in the course of its ordinary business activities, involved in legal disputes both as plaintiff and as a defendant. Serviceware is currently not and during a period covering at least the previous twelve months was not subject to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Serviceware is aware) which may have, or have had in the recent past, significant effects on the financial position or the profitability of Serviceware and/or the Group.

15. REGULATORY FRAMEWORK

Serviceware provides an integrated software platform consisting of a broad set of business software solutions that are modular and can be efficiently implemented and upgraded in order to meet the individual needs of enterprise IT process infrastructures. With its three proprietary business software solutions anafee, helpLine and careware, Serviceware covers the enterprise service management ("**ESM**") market with tasks such as IT service management, IT financial management, field service management and customer service management. Thereby, Serviceware's ESM solutions cover all service processes within a company. In order to provide its customers with integrated services, Serviceware further provides IT infrastructure and managed services which forms the basis for the cross-selling of its ESM solutions.

Serviceware's business operations are subject to various laws, rules and regulations in Germany, the European Union and other jurisdictions not explicitly specified in this section. The failure to comply with any of these laws may make Serviceware subject to civil liability, administrative orders, fines or criminal sanctions.

The following provides a brief overview of certain selected areas of general regulation applicable to Serviceware's business operations.

15.1 Intellectual property rights

Since part of Serviceware's activities include software development, the effectiveness of intellectual property protection from misuse by third parties is highly important for its business. The successful launch of new products also requires Serviceware to respect intellectual property rights of others when using software of third parties in the course of product design and development.

Software may enjoy copyright protection for its software, but patent protection is available only to a very limited extent.

Patents

Under European and German law, software developments cannot be patented unless the development fulfils the criterion of a technical novelty. The idea behind patents is to protect technical innovations and not solely an intellectual idea. A technical novelty therefore requires an inventive step as compared to the current state of a certain technology. In general, even complex and new software, which for example maps business processes but does not provide the solution to a specific technical problem by technical means, may not be subject to patent protection for lack of "technicality". For this reason, in the Member States of the European Union and the states who signed the European Patent Convention from June 2016 software is generally protected under copyright law instead of patent law. However, it is not impossible that a software can be part of a technical innovation – it is merely a rare case.

Copyrights

In principle, copyrights protect creative intellectual works. However, with respect to software, this requirement is interpreted in a generous manner so that virtually any software which is not entirely trivial in the sense that basically anyone is able to create it, enjoys copyright protection. Any copyright protection is limited to the form in which the software is expressed, i.e. to the specific source code of the respective software. In addition, the design or other creative elements used within the software, for example, the design of the user interface, may be protected under copyrights. Under German Copyright Act (*Urheberrechtsgesetz*), copyrights last for a period of 70 years after the death of the author, which is the software developer. Copyrights in software vest initially in the respective developer by operation of law. German law does not allow transfer or assignment of copyrights as such. Only exclusive or non-exclusive rights to use can be licensed by the developer to third parties.

When designing and developing software, Serviceware also uses Open-Source software. Open-Source software can be used without any royalties or license fees and normally allows the use, change and distribution of the software for any purpose. However, by providing Open-Source software the original developers do not abandon any intellectual property rights to the software. Developers rather grant to the public an extensive license with a wide variety of rights. The user of Open-Source software is bound by the terms of the license granted. The scope of intellectual property rights of Serviceware as to products developed by using third party Open-Source software therefore largely depends on the terms and conditions of the license. It should be noted that some Open-Source licences contain 'copy left' provisions. Under such provisions, the respective user of an Open-Source software is obliged to license its own software which was developed on the basis of the respective Open-Source software on the same Open-Source license terms. However, Serviceware is aware of such 'copy left' effects and this aspect was strictly observed during the development process and the respective software components have been monitored by respective experts. Thus, any used Open-Source components were only used in a way which does not trigger the 'copy left' effect or do not contain such 'copy-left' terms.

15.2 Laws governing employee's inventions

German law provides for special rules governing intellectual property protection in the relation between employer and employee due to the fact that the majority of creative works is developed in the course of employment. Generally, an employer provides for the means enabling employees to come up with intellectual ideas in the course of employment. The German Employee's Invention Act (*Arbeitnehmererfindungsgesetz*) basically sets out that under the aforementioned circumstances intellectual property rights rest with the employer while the employee is entitled to appropriate compensation.

In relation to software, German copyright law provides for an overriding rule for software developed by employees. Under Section 69b of the German Copyright Act (*Urheberrechtsgesetz*) copyrights vest in the employer by operation of law. In special employment situations, such as in case of freelancing, the will of the parties as to property rights allocation must be expressly agreed on.

The infringement of copyrights can result in a variety of sanctions, including preliminary injunctions or damages.

15.3 Legal framework on data protection

Although the information technology business is not subject to extensive regulation in Germany or the EU, the legal landscape of IT products and services evolves dynamically when it comes to data protection. Data protection concerns data privacy and security in relation to the collection and processing of information on an identifiable person.

Current Data Protection Regime

Currently, the main data protection regimes applicable to Serviceware's business activities include the German Federal Data Protection Act (*Bundesdatenschutzgesetz*) and the EU Data Protection Directive 95/46/EC ("**EU Data Protection Directive**"). EU directives are generally binding on the Member States of the European Union only. Thus, they need further implementation into national law by the Member States. Minimum protection standards set out by EU directives must be met by the national transformation. However, directives leave it for the Member States to decide on how to implement them into national law. As a consequence, national implementations may differ slightly from Member State to Member State. In Germany, the EU Data Protection Directive was implemented into national law by the German Federal Data Protection Act (*Bundesdatenschutzgesetz*).

The EU Data Protection Directive and the German Federal Data Protection Act set out rules for the collection, use and processing of personal data. Processing of personal data means any activity relating to storage, modification, transmission, blocking and erasure of information concerning an

identifiable individual. An underlying principle of the current regime is that any covered activity is prohibited unless expressly permitted by law. Another key principle is data minimisation. The quantity of data affected by any covered activity must be reduced to a minimum. If feasible, data has to be depersonalised or pseudonymised.

Upcoming modifications to the Data Protection Regime

Given the fact that data traffic has increased and changed tremendously since the EU Data Protection Directive took effect in 1995, in recent years the directive was considered insufficient to meet the needs of EU citizens for protection from privacy threats in a more globalised and digitalised world. In response, the European General Data Protection Regulation (EU) 2016/679 ("**GDPR**") was adopted in 2016 and will take effect in May 2018. The GDPR replaces the Data Protection Directive and aims at harmonising data protection laws throughout the EU. Unlike directives, European regulations have direct effect in Member States and do not require a further act of implementation into national law. Whilst the gist of European data protection law remains unaltered, the GDPR will bring about quite a few changes to reshape data privacy and security. The GDPR in fact seeks to provide for a more comprehensive data protection regime. However, it still leaves to the Member States some – though very limited – leeway for further specification. The German legislator also adopted modifications to the German Federal Data Protection Act to be in line with the GDPR. The changes will take effect in May 2018 as well.

The GDPR holds onto the definition of personal data, which basically is any information that enables the identification of a natural person. Any processing of data still requires an expressly stipulated permission.

One of the key changes to data protection law entails the extended jurisdiction of the GDPR. European data protection law will be applicable to anyone processing personal data relating to a person residing in the EU, irrespective of the data controller's location or the location of the data processing itself. This will lead to more coherent protection across all Member States. The GDPR will also remove any distinction whether the data processor is a public body or private person.

Another major change that affects Serviceware's business directly is the obligation of privacy by design and by default. Any data collection or processing system must be designed to comply with the GDPR from the onset and by default. In other words, the controller must provide for technical and organisational means to meet the requirements set out by the GDPR. Even though the concept of privacy by design and default has been known to Serviceware long before and was complied with by Serviceware's processes and services, the adoption of this concept as a legal requirement marks a milestone in data protection law.

The GDPR further introduces a number of rules to strengthen the data subject's rights, in particular:

- Any request for consent must be detectable as such and unambiguous; implied consent is permissible only under certain circumstances,
- Right of any potentially affected individual to have access to information about the collection and processing of his/her personal data; right to request the correction of incorrect data; right to restrict data collection and processing,
- Right to be forgotten, i.e. right to data erasure when consent is withdrawn or when legal ground for data collection and processing does not exist,
- Data processing activities do not have to be reported anymore; instead, under certain circumstances data controllers have to establish the position of a data protection officer.

The breach of data protection obligations may expose Serviceware to civil liability, administrative orders and fines. The system of sanctions under the GDPR is much more severe than the current one. The GDPR provides for a tiered system of fines, that can reach 4% of the annual turnover or

EUR 20 million. In addition, an individual who suffered damage from data rights infringements has the right to compensation from the data controller.

15.4 General liability under German tort law

Besides special liability rules under the aforementioned data protection laws, German tort law provides for general fault-based liability in case of unlawful infringements of legally protected rights (Section 823 of the German Civil Code), such as data protection rights. This liability cannot be excluded and can extend to behaviour of individuals to which the legal obligation has been delegated (Section 278, 831 of the German Civil Code).

16. GENERAL INFORMATION ABOUT THE COMPANY

16.1 Foundation, company name, corporate seat, financial year and history of the Company

The Company was founded as a shelf company in form of a European company (*Societas Europaea, SE*) by an incorporation deed dated 11 January 2018 (roll of deeds no 74/2018-R of the notary Dr. Albert Rabl in Bonn, Germany) under a company name Atrium 126. Europäische VV SE and with an initial share capital of EUR 120,000. The founders of Atrium 126. Europäische VV SE were FORIS Gründungs GmbH, Bonn, Germany and Atrium Vermögensverwaltungs Ltd., Birmingham, United Kingdom. Atrium 126. Europäische VV SE had its registered office in Frankfurt am Main, Germany and was registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 110700 on 19 January 2018.

By a share purchase and transfer agreement (*Aktienkauf- und Übertragungsvertrag*) dated 29/30 January 2018, aventura Management GmbH, Bad Camberg, Germany, a company wholly owned by Mr Dirk K. Martin, and dreiff Management GmbH, Bad Camberg, Germany, a company wholly owned by Mr Harald Popp, purchased all shares in Atrium 126. Europäische VV SE in equal parts.

By a resolution of its extraordinary general shareholders' meeting dated 6 February 2018, the seat of Atrium 126. Europäische VV SE was moved to Bad Camberg, Germany. Atrium 126. Europäische VV SE was registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Limburg a.d. Lahn on 26 February 2018 under the docket number HRB 5894 and corrected on 1 March 2018. By the resolution of the extraordinary general shareholders' meeting dated 22 February 2018, the name of Atrium 126. Europäische VV SE was changed to Serviceware SE. The change of the company name was registered with commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Limburg a.d. Lahn under HRB 5894 on 9 March 2018.

On 14 March 2018, the Company's extraordinary general shareholders' meeting resolved to increase the Company's share capital from EUR 120,000.00 by EUR 7,880,000.00 to EUR 8,000,000.00 by issuing 7,880,000 new ordinary bearer shares (*auf den Inhaber laufende Stückaktien*), each such share with a notional interest in the share capital of EUR 1.00, against contributions in kind by aventura Management GmbH, dreiff Management GmbH and Mr Ingo Bollhöfer. In connection with the Company's extraordinary general shareholders' resolution, each of aventura Management GmbH, dreiff management GmbH and Mr Ingo Bollhöfer concluded on 14 March 2018 respective Contribution Agreements with the Company. Pursuant to the Contribution Agreements, each of aventura Management GmbH and dreiff Management GmbH contributed by assignment (i) 48.5% of the limited partner interests (*Kommanditanteile*) with a liability amount (*Haftsumme*) of EUR 121,250.00 in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, (ii) 12,800 shares, i.e. 50% of the entire share capital, in PM Computer Services Verwaltungs GmbH, Bad Camberg, Germany, and (iii) 305,000 shares, i.e. 50% of the entire share capital, in helpLine CLM AG, Baar, Switzerland to the Company and Mr Ingo Bollhöfer contributed by assignment his limited partner interest (*Kommanditanteil*) of 3% with a liability amount (*Haftsumme*) of EUR 7,500.00 in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany to the Company (the Capital Contributions as defined in section "14.15 Material Agreements"). As consideration for the respective Capital Contributions, aventura Management GmbH and dreiff Management GmbH were each permitted by the Company to subscribe for, subscribed and received each 3,820,000 shares in the Company and Mr Ingo Bollhöfer was permitted by the Company to subscribe for, subscribed and received 240,000 shares in the Company. The contribution and transfer of the aforementioned limited partner interests (*Kommanditanteile*) and shares were completed with effect from 14 March 2018 and the consummation of the capital increase was registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Limburg a.d. Lahn under HRB 5894 on 3 April 2018.

As a European company (*Societas Europaea, SE*) founded in Germany the Company is governed by the provisions of the SE Regulation and by German law.

The Company's legal name is "Serviceware SE". The commercial name of the Group is "Serviceware".

The Company's registered office and business address is Carl-Zeiss-Str. 16, 65520 Bad Camberg, Germany. The Company's telephone number is +49 6434 94 50-0.

The Company's financial year begins on 1 December and ends on 30 November. The first financial year is a short financial year (*Rumpfgeschäftsjahr*) and ends on 30 November 2018. The Company has been established for an indefinite period of time. The Company may be dissolved through a resolution of the general shareholders' meeting.

16.2 History and formation of the Group

The following table presents the key milestones in the history of Serviceware:

1998	Foundation of PM Computer Services GmbH & Co. KG, Bad Camberg, Germany Mr Harald Popp and Mr Dirk K. Martin founded PM Computer Services GmbH & Co. KG in Bad Camberg, Germany as the first company which is at the date of this Prospectus part of the Group.
2003	Acquisition of the software solution helpLine PM Computer Services GmbH & Co. KG acquired the rights, intellectual property and customer contracts to the software solution helpLine and took over relevant staff. Foundation of helpLine CLM AG, Baar, Switzerland and helpLine IT solutions GmbH, Vienna, Austria Mr Harald Popp and Mr Dirk K. Martin founded helpLine CLM AG, Baar, Switzerland and helpLine IT solutions GmbH, Vienna, Austria, which at the date of this Prospectus are both part of the Group, in order to address and further penetrate the Swiss and Austrian markets.
2010	Announcement of the ESM strategy With their new ESM strategy, Mr Harald Popp and Mr Dirk K. Martin started the focussed transformation of the products and services portfolio of PM Computer Services GmbH & Co. KG and helpLine CLM AG, and its direct and indirect subsidiaries, in order to be able to provide customers with an integrated software platform covering the entire range of ESM tasks.
2012	Acquisition of the software solution careware helpLine GmbH acquired 85% of the shares in helpLine B.V. which holds the rights and intellectual property to the software solution careware. With the acquisition and integration of helpLine B.V., Mr Harald Popp and Mr Dirk K. Martin further pursued their ESM strategy and were able to address the service management market.
2014	Acquisition of the software solution anafee helpLine CLM AG acquired 100% of the shares in Catenic AG which holds the rights and intellectual property to the software solution anafee. With the acquisition and integration of Catenic AG, Mr Harald Popp and Mr Dirk K. Martin further pursued their ESM strategy and were able to address the IT

financial management market.

2017

Foundation of PMCS.helpLine Software Empresa S.L., Palma, Spain

helpline CLM AG founded PMCS.helpLine Software Empresa S.L. in Palma, Spain, in order to recruit and retain employees and to address and further penetrate the Spanish market.

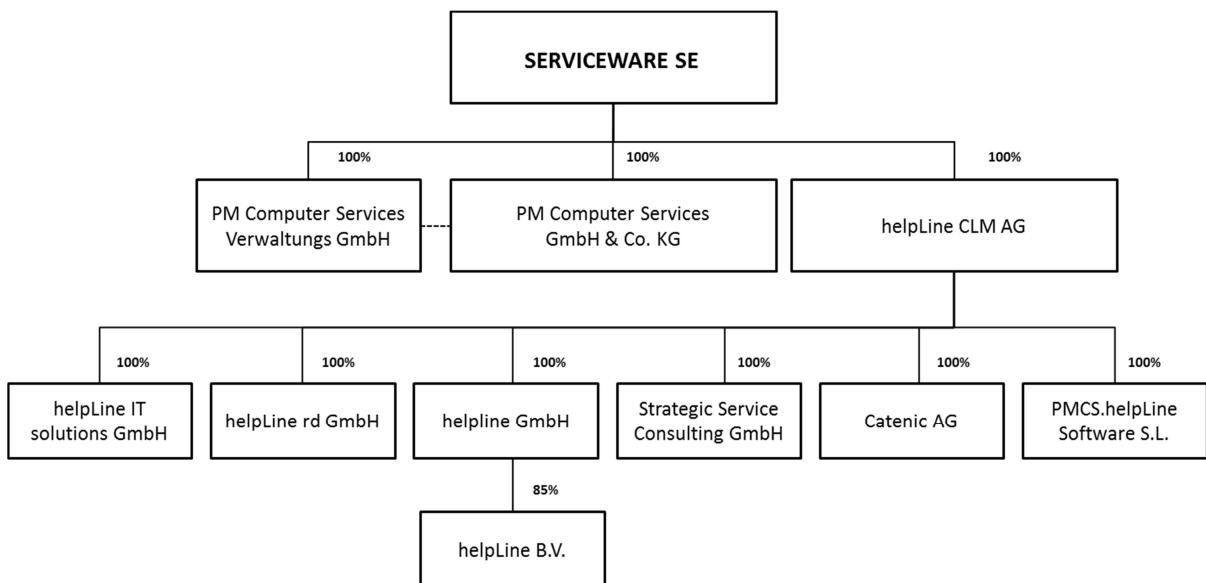
16.3 Corporate purpose

Pursuant to section 3.1 of the Company's articles of association, the corporate purpose of the Company is the manufacturing, trading and distribution of software and related hardware for computer applications and the provision of training, seminars and consulting, as well as the maintenance of these services and the provision of consultancy services to companies in economic and organisational matters.

16.4 Group structure

The Company is the parent company of the Group. As the parent company of the Group, the Company exercises certain group management functions, such as strategy, risk management, accounting and controlling, treasury, legal, taxation, investor relations, marketing and public relations. The operating business of the Group is conducted exclusively by the relevant direct and indirect operating subsidiaries of the Company.

The following chart shows in simplified form the current structure of the Group as of the date of this Prospectus:



16.5 Significant subsidiaries

The following table provides an overview of the Company's significant subsidiaries, i.e. subsidiaries which contribute at least 10% of the combined net profit of the Group. All shares in these subsidiaries have been fully paid in.

As of the date of this Prospectus			As of and for the financial year ended 30 November 2017 ¹				
Company name, registered office, country of incorporation	Field of activity	Proportion of share capital held directly or indirectly by the Company	Issued capital	Reserves	Net income/loss	Payables to the Company	Receivables from the Company
(audited, unless otherwise stated)							
PM Computer Services GmbH & Co. KG, Bad Camberg, Germany	Rendering of software-related services, sale of licenses	100%	EUR 250,000	EUR 50,000	EUR 2,632,099	-	-
helpLine CLM AG, Baar, Switzerland	Rendering of software-related services, sale of licenses	100%	CHF 610,000	CHF 570,372	CHF 889,866	-	-
Catenic AG, Unterhaching, Germany	Rendering of software-related services, sale of licenses	100%	EUR 328,778 ²	EUR -992,262 ²	EUR 459,544 ²	-	-

¹ According to the individual financial statements of the respective company as of and for the financial year ended 30 November 2017.

² Unaudited.

16.6 Auditor

The Company's auditor is RSM GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Georg-Glock-Straße 4, 40474 Düsseldorf, Germany ("**RSM**"). RSM is a member of the German Chamber of Public Accountants corporation under public law (*Wirtschaftsprüferkammer Körperschaft des öffentlichen Rechts*), Berlin, Germany.

RSM audited the Combined Financial Statements and the Individual Financial Statements in accordance with section 317 of the German Commercial Code (*Handelsgesetzbuch*) and the German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*), and issued in each case an unqualified audit opinion (*Bestätigungsvermerk*) contained in this Prospectus.

16.7 Announcements

According to section 6.1 of the Company's articles of association, Company announcements are published in the German Federal Gazette (*Bundesanzeiger*). To the extent that relevant statutory provisions or the articles of association provide that announcements must be disclosed in a specific form, it is sufficient if announcements are posted in the German Federal Gazette (*Bundesanzeiger*) or on the Company's website. Information to shareholders may also be transmitted via electronic media to the extent permitted by law. Announcements in connection with the convocation of the

general shareholders' meeting (section 125, para. 1 and para. 2 of the German Stock Corporation Act (*Aktiengesetz*)) are made solely by way of electronic communication.

Announcements relating to the shares of the Company will also be published in the German Federal Gazette (*Bundesanzeiger*). Notices required under applicable laws governing stock exchange transactions will be published in the Federal Gazette (*Bundesanzeiger*) and, if required by mandatory legal provisions, by media distributed across the entire EEA (*Medienbündel*).

Notices relating to the approval of this Prospectus or any supplements thereto will be published in the manner stipulated for the Prospectus in compliance with the provisions of the German Securities Prospectus Act (*Wertpapierprospektgesetz*), i.e. by way of publication at the Company's website: www.serviceware.se under the section "Investor Relations" and by making printed copies available free of charge at the Company's registered office at Carl-Zeiss-Str. 16, 65520 Bad Camberg during regular business hours.

17. INFORMATION ON THE COMPANY'S CAPITAL

17.1 Share capital and shares

As of the date of this Prospectus, the share capital of the Company amounts to EUR 8,000,000.00. It is divided into 8,000,000 bearer shares with no par value (*Stückaktien*), each with a notional interest in the share capital of EUR 1.00. Except for the restrictions described in section "5. The Offering - 5.11. Lock-up agreements" and "5. The Offering - 5.9. Selling restrictions", there are no restrictions on the transferability of the Company's shares. The share capital of the Company has been fully paid in.

Each share carries one vote at the Company's general shareholders' meeting. The Company's existing shareholders do not have any different voting rights. There are no restrictions on voting rights and the shares carry full dividend entitlement.

In case of the liquidation of the Company, any assets remaining after the settlement of liabilities are distributed among shareholders proportionately to the notional interest in the share capital attributable to their shares.

Pursuant to section 10.2 of the Company's articles of association, shareholders are not entitled to request the issuance of individual share certificates for their respective shareholdings at any time. The Company may print and deliver share certificates that represent one share (individual certificates) or several shares (global certificates).

The Company's share capital will be represented by one global share certificate without dividend coupons, which is held with Clearstream. An additional global share certificate without dividend coupons will be issued for the New Shares and will likewise be deposited with Clearstream.

17.2 Development of the share capital over the past three years

The Company was founded as a shelf company in form of a European company (*Societas Europaea, SE*) with an initial share capital of EUR 120,000.

On 14 March 2018, the Company's extraordinary general shareholders' meeting resolved to increase the Company's share capital from EUR 120,000.00 by EUR 7,880,000.00 to EUR 8,000,000.00 by issuing 7,880,000 new ordinary bearer shares (*auf den Inhaber laufende Stückaktien*), each such share with a notional interest in the share capital of EUR 1.00, against contributions in kind by aventura Management GmbH, dreiff Management GmbH and Mr Ingo Bollhöfer. In connection with the Company's extraordinary general shareholders' resolution, each of aventura Management GmbH, dreiff Management GmbH and Mr Ingo Bollhöfer concluded on 14 March 2018 respective Contribution Agreements with the Company. Pursuant to the Contribution Agreements, each of aventura Management GmbH and dreiff Management GmbH contributed by assignment (i) 48.5% of the limited partner interests (*Kommanditanteile*) with a liability amount (*Haftsumme*) of EUR 121,250.00 in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, (ii) 12,800 shares, i.e. 50% of the entire share capital, in PM Computer Services Verwaltungs GmbH, Bad Camberg, Germany, and (iii) 305,000 shares, i.e. 50% of the entire share capital, in helpLine CLM AG, Baar, Switzerland to the Company and Mr Ingo Bollhöfer contributed his limited partner interest (*Kommanditanteil*) of 3% with a liability amount (*Haftsumme*) of EUR 7,500.00 in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany to the Company (the Capital Contributions as defined in section "14.15 Material Agreements"). As consideration for the respective Capital Contributions, aventura Management GmbH and dreiff Management GmbH were each permitted by the Company to subscribe for, subscribed and received each 3,820,000 shares in the Company and Mr Ingo Bollhöfer was permitted by the Company to subscribe for, subscribed and received 240,000 shares in the Company. The contribution and transfer of the aforementioned limited partner interests (*Kommanditanteile*) and shares were completed with effect from 14 March 2018 and the consummation of the capital increase was registered in the commercial register of the local court (*Amtsgericht*) of Limburg a.d.

Lahn on 3 April 2018. MSW GmbH, Berlin, Germany, acted as auditor with respect to the capital increase pursuant to section 183, para. 3 of the German Stock Corporation Act (*Aktiengesetz*).

The Company does not hold any treasury shares.

17.3 Capital increase in relation to the New Shares

On 4 April 2018, in connection with the Offering, the extraordinary general shareholders' meeting of the Company resolved to increase the registered share capital of the Company against cash contributions and under exclusion of the subscription rights of the existing shareholders of the Company from EUR 8,000,000.00 by up to EUR 2,500,000.00 to up to EUR 10,500,000.00 through the issuance of up to 2,500,000 new bearer shares with no par value (*Stückaktien*) in the Company (the New Shares, as defined under section "4. General Information - 4.2 Subject matter of this Prospectus") each with a notional interest of EUR 1.00 in the share capital. The New Shares are to be offered in the Offering that is the subject matter of this Prospectus. On or around 18 April 2018, the Administrative Board of the Company will resolve on the number of New Shares to be issued. The implementation of this capital increase is expected to be registered in the commercial register of the Company on or around 19 April 2018.

17.4 Authorised capital

The Company's Administrative Board is authorised to increase the share capital of the Company in the period until 13 March 2023, once or on several occasions, by up to EUR 4,000,000.00 by issuing up to 4,000,000 new, no-par value shares against contributions in cash and/or in kind (Authorised Capital 2018).

Shareholders are generally entitled to statutory subscription rights.

The Administrative Board is authorised to exclude the shareholders' subscription rights in whole or in part in the following instances:

- (i) in the case of capital increases against cash contributions if the shares of the Company are traded on the stock exchange (regulated market (*regulierter Markt*) or open market (*Freiverkehr*) or the successor of such segments), the amount of the issued shares does not exceed 10% of the share capital and the issue price of the new shares is not significantly lower within the meaning of section 203, para. 1 and 2 in conjunction with section 186, para. 3, sentence 4 of the German Stock Corporation Act (*Aktiengesetz*) than the stock exchange price of the Company's shares of the same class which are already listed on a stock exchange. Shares are also to be added to the aforementioned limit of 10% of the share capital which are either issued or sold during the term of this authorisation and until the time of its exploitation pursuant to respective authorisations under exclusion of subscription rights in a direct or corresponding application of section 186, para. 3, sentence 4 of the German Stock Corporation Act (*Aktiengesetz*) if such aggregation is required by law. For the purpose of this authorisation, if the new shares are subscribed for by an intermediary with a simultaneous obligation to offer the new shares to one or more third parties specified by the Company, the issue price shall be the price to be paid by such a third party or parties;
- (ii) in the case of capital increases against contributions in kind, in particular for the purpose of acquiring companies, divisions of companies, equity interests in companies, intellectual property rights, e.g. patents trademarks or licenses granted to such rights, or other product rights or other assets, including receivables, bonds, convertible bonds and other financial instruments;
- (iii) to the extent that is necessary to grant holders or creditors of bonds with option or conversion rights or obligations which are issued by the Company or its consolidated subsidiaries, subscription rights to new shares to the extent to which they would be

entitled following the exercise of option or conversion rights, or satisfaction of option or conversion obligations;

- (iv) for fractional amounts which arise due to a subscription ratio.

The Administrative Board is authorised to determine further rights attaching to the shares and the terms and conditions of the capital increase and its implementation. The Administrative Board may also decide that the new shares may, pursuant to section 186, para. 5 of the German Stock Corporation Act (*Aktiengesetz*), also be underwritten by a credit institution or a company acting pursuant to section 53, para. 1, sentence 1 or section 53b, para. 1, sentence 1 or para. 7 of the German Banking Act (*Kreditwesengesetz*) subject to the obligation that they will offer them to the shareholders for subscription.

17.5 Contingent capital

On 4 April 2018, the extraordinary general shareholders' meeting of the Company resolved on the creation of contingent capital (Contingent Capital 2018):

The share capital is conditionally increased by up to EUR 4,000,000.00 by issuing up to 4,000,000 new, no-par value ordinary bearer shares (*Stückaktien*) with dividend rights from the beginning of the financial year in which they are issued (Contingent Capital 2018). The contingent capital increase is to be implemented only to the extent that:

- (i) the holders of convertible bonds and/or warrant-linked bonds and/or profit participation rights with conversion rights or subscription, which will be issued by the Company or its consolidated subsidiaries until 3 April 2023 on the basis of the authorising resolution of the general shareholders' meeting dated 4 April 2018, utilise their conversions or subscription rights and the Company decides to satisfy the conversion or subscription rights from the Contingent Capital 2018, or
- (ii) the holders of convertible bonds and/or warrant-linked bonds and/or profit participation rights with conversion or subscription rights, which will be issued by the Company or its consolidated subsidiaries until 3 April 2023 on the basis of the authorising resolution of the general shareholders' meeting dated 4 April 2018, satisfy their conversion obligation and the Company decides to satisfy the conversion or subscription rights from the Contingent Capital 2018.

The issuance of shares shall be made in accordance with the resolution of the general shareholders meeting dated 4 April 2018 under agenda item 1, i.e. in particular at least 80% of the average stock exchange price of the Company's shares during the last 10 trading days before the resolution of the Administrative Board on the issuance of respective bonds in the opening session in Xetra[®] trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (or its successor specified by Deutsche Börse AG) before the resolution of the Administrative Board on the issuance of respective bonds having regard to adjustments pursuant to the dilution protection rules specified in the resolution of the abovementioned general shareholders' meeting under agenda item 1 letter g).

17.6 Authorisation to issue convertible bonds, warrant-linked bonds and profit-participation rights

The extraordinary general shareholders' meeting of the Company of 4 April 2018 authorised the Administrative Board to issue convertible and/or warrant-linked bonds or profit participation rights and has created contingent capital for this in the amount of up to EUR 4,000,000.00 (Contingent Capital 2018) (see "17.5. Contingent capital").

"a) Volume

The Administrative Board is authorised until 3 April 2023 to issue convertible and/or warrant-linked bonds or profit participation rights with or without conversion or subscription rights

(together the "**Bonds**") on one or more occasions with a total nominal amount of up to EUR 100,000,000.00. The holders of the abovementioned Bonds can be granted conversion or subscription rights in respect of up to 4,000,000 new, ordinary no-par value bearer shares (*Stückaktien*) in the Company with a notional interest in the share capital of a total of up to EUR 4,000,000.00. The conversion and subscription rights may be satisfied from a contingent capital to be resolved at this general shareholders' meeting or at future general shareholders' meetings, from existing or future authorised capital and/or from a cash capital increase and/or from existing shares and/or may provide for a cash settlement instead of delivery of the shares.

b) Consideration

The Bonds may be issued against consideration in cash or in kind as long as the value of the consideration in kind reaches the issue price. Moreover, the Bonds may be denominated in the legal currency of an OECD country instead of euro taking into consideration the permissible maximal total nominal amount.

c) Term

The term of the Bonds or the period until the first possibility of termination on part of the Company may not exceed 20 years.

d) Issuance by group companies

The Bonds may also be issued by a group company of Serviceware SE within the meaning of section 18 of the German Stock Corporation Act (*Aktiengesetz*) in which the Company holds, directly or indirectly, at least 75%; in this event, the Administrative Board is authorised to assume the guarantee for the Bonds on behalf of the Company for the respective convertible bonds and/or warrant-linked bonds and/or profit participation rights and to grant the holders of such warrant-linked bonds and/or convertible bonds and/or profit participation rights option or conversion rights in respect of the shares of the Company.

e) Subscription right

In case of the issuance of Bonds, the shareholders have a statutory subscription right unless the subscription right is excluded in accordance with the following rules. If Bonds are issued by a group company as described under d) above, the Company is obliged to ensure that the shareholders are granted statutory subscription rights unless the subscription right is excluded in accordance with the following rules. The Bonds may also be offered to an intermediary with the obligation to offer them to shareholders for subscription.

f) Exclusion of subscription rights

In case of the issuance of Bonds, the shareholders have a statutory subscription right unless the subscription right is excluded in accordance with the following rules.

The Administrative Board is authorised to exclude the shareholders' subscription rights:

- (i) to exclude fractional amounts from the subscription rights;
- (ii) in order to offer convertible bonds and/or warrant-linked bonds and/or profit participation rights with conversion or subscription right to individual investors for subscription provided that, under corresponding application of section 186, para. 3, sentence 4 of the German Stock Corporation Act (*Aktiengesetz*) the shares issued based on such Bonds do not exceed 10% of the share capital existing on the date the authorisation became effective and on the date the authorisation is exercised and the issue price of the Bonds is not materially lower than the theoretical market value of the Bonds, calculated using recognised financial mathematical methods. Shares are also to be added to the aforementioned limit of 10% of the share capital which are issued or sold pursuant to a respective authorisation under exclusion of

subscription rights in a direct or corresponding application of section 186, para. 3, sentence 4 of the German Stock Corporation Act (*Aktiengesetz*) if such aggregation is required by law;

- (iii) in order to offer profit participation rights without conversion or subscription right to individual investors for subscription provided that the issue price is not materially lower than the theoretical market value of the profit participation rights, calculated using recognised financial mathematical methods and provided that those profit participation rights have characteristics similar to those of debt instruments, i.e. they do not create any membership rights, do not grant conversion or subscription rights on shares of the Company, do not grant participation in the liquidation proceeds and if the level of interest payable is not calculated on the basis of the amount of the net income for the year, the distributable profit or the dividend;
- (iv) insofar as this is necessary to grant the holders of conversion rights and subscription rights to shares of the Company, which have been granted by the Company or its group companies, subscription rights for Bonds issued pursuant to this authorisation in the scope to which they would be entitled after the exercise of their conversion or subscription right or after satisfaction of any conversion obligation (dilution protection), or
- (v) insofar as the Bonds are issued against contributions in kind, in particular for the purpose of acquiring companies, divisions of companies, equity interests in companies, intellectual property rights, e.g. patents trademarks or licenses granted to such rights, or other product rights or other assets, including bonds, convertible bonds and other financial instruments, provided that the exclusion of subscription rights is in the overriding interest of the Company.

g) Subscription price, dilution protection

A conversion or subscription ratio shall be determined for convertible bonds and/or warrant-linked bonds and/or profit participation rights. The conversion ratio is calculated by dividing the nominal amount of a partial bond by the conversion price set for one share. The conversion ratio may also be calculated by dividing the issue price of a partial bond, if such price is below the nominal amount, by the conversion price set for one share. These rules apply respectively to a subscription ratio. The respective conversion, option or subscription price to be set must be equivalent to at least 80% of the average stock exchange price of the Company's shares in the opening session of the Xetra[®] trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (or any successor system determined by Deutsche Börse AG) during the last 10 trading days prior to the resolution of the Administrative Board on the issuance of the Bonds, or, if no Xetra[®] trading in the Company's shares takes place, of a stock exchange on which during those 10 trading days the highest number of the Company's shares in total was traded.

If, during the term of the Bonds issued pursuant to this authorisation, the Company increases its share capital and in doing so grants its shareholders subscription rights or if it issues additional bonds, including participating bonds and profit participation rights, with conversion or subscription rights to the Company's shares and in doing so does not grant subscription rights to holders of Bonds with conversion or subscription rights issued pursuant to this resolution subscription rights in the scope to which they would be entitled after the exercise of their conversion or subscription rights, the bond terms may in particular include the following provisions (dilution protection):

- (i) Capital increase against contributions and granting of other subscription rights

In case of a capital increase against contributions granting subscription rights or in case of granting other subscription rights the conversion price will be reduced by the value of the subscription right.

The "value of the subscription right" corresponds to (i) the average stock exchange price of subscription rights to which the shareholders are entitled on the 10 last trading days of subscription rights in the opening session of the Xetra® trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (or any successor system determined by Deutsche Börse AG), or, if no trading in the Company's shares in Xetra® or in the Open Market (*Freiverkehr*) of the Frankfurt Stock Exchange takes place, (ii) the value of the subscription right determined by a conversion agent or subscription agent specified in the issue terms in accordance with the financial mathematical methods.

(ii) Capital increase from corporate funds

In case of a capital increase from corporate funds the existing contingent capital serving to secure conversion rights increases proportionally to the share capital (section 218 of the German Stock Corporation Act (*Aktiengesetz*)). When exercising their conversion rights, the creditors of Bonds will receive so many additional shares which they would receive if they had already exercised their conversion right at the time of the capital increase from corporate funds. Fractional shares which result from a capital increase from corporate funds will not be compensated.

(iii) Share split

If the number of shares changes without a change of the share capital (new division of the share capital), the regulation set forth under (ii) applies accordingly.

In any case the pro rata amount in share capital of the shares to be issued per Bond shall not exceed the issue price of the Bond.

h) Other terms and conditions of the Bonds

The Administrative Board is authorised to stipulate the further details of the issue and the features of the Bonds, in particular their term, issue and exercise periods as well as termination rights, the issue price of the Bonds, the interest rate, denomination and adjustment of the subscription price and creation of a conversion obligation."

17.7 Authorisation to acquire and sell treasury shares

By means of the resolution of the extraordinary general shareholders' meeting of the Company dated 4 April 2018, the Company was authorised to acquire treasury shares:

"a) The Company is authorised to acquire shares of the Company corresponding to 10% of the Company's share capital existing at the date of the general shareholders' meeting on 4 April 2018.

The acquired shares may not, together with other treasury shares, which the Company has already acquired and still holds or which are attributed to the Company pursuant to section 71a et seq. of the German Stock Corporation Act (*Aktiengesetz*), exceed at any time 10% of the Company's share capital.

b) The authorisation becomes effective upon conclusion of the general shareholders' meeting on which it has been resolved and will be valid until 3 April 2023.

c) Acquisition may take place, at the Administrative Board's option and within the limits prescribed by the principles of the stock corporation law without affecting the principle of equal treatment (section 53a of the German Stock Corporation Act (*Aktiengesetz*)) through the stock exchange or outside of the stock exchange, in the latter case in particular by means of a public purchase offer, also under exclusion of tender rights of the shareholders. In case of a public purchase offer, the Company may either determine a price or a price range for the acquisition.

- (i) If the shares are acquired through the stock exchange, the purchase price per share to be paid (excluding incidental costs of purchase) may not exceed or fall short by more than 5% of the average of the prices in the opening session of the Xetra® trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (or any successor system determined by Deutsche Börse AG) during the last 10 trading days prior to the acquisition, or, if no trading in the Company's shares in Xetra® takes place of a stock exchange on which during these 10 trading days the highest number of the Company's shares in total was traded ("**relevant price**").
 - (ii) If the shares are acquired outside of the stock exchange, the purchase price per share to be paid (excluding incidental costs of purchase) may not exceed or fall short by more than 10% of the relevant price of a share in the Company.
 - (iii) The relevant price in case of a public purchase offer is an average of the relevant prices on the last 10 trading days prior to the public announcement of the purchase offer. The purchase offer may specify further terms and conditions. In the event that following the publication of a formal offer the stock exchange price of the Company's shares has deviated from the relevant price and such deviation was not insignificant, the offer may be adjusted. In the case of an adjustment, the relevant amount is determined based on the average relevant prices on the last 10 trading days prior to publication of the adjustment.
 - (iv) If the shares are acquired outside of the stock exchange by other means the relevant price amounts to the average of the relevant prices on the last 10 trading days prior to the conclusion of an agreement relating to the acquisition.
 - (v) If in the case of a public purchase offer the subscription exceeds the volume of the offer, offers will be accepted according to quotas. In such a case, a preferential acceptance of small quantities of up to 100 shares tendered per shareholder as well as rounding in accordance with standard commercial practice may be provided for, partially excluding a possible right of the shareholders to tender their shares.
- d) The Administrative Board is authorised to resell the treasury shares acquired pursuant to this or previous authorisation in accordance with section 71, para. 1, no. 8 of the German Stock Corporation Act (*Aktiengesetz*) for other purposes than trading in treasury shares in compliance with the principle of equal treatment (section 53a of the German Stock Corporation Act (*Aktiengesetz*)).
- (i) The sale of the acquired treasury shares may be made via a stock exchange. The subscription right of the shareholders is excluded in this case.
 - (ii) In addition, the sale may also be made in a manner other than via a stock exchange, in particular for the purpose of satisfying conversion or option rights granted by the Company or one of its group companies, as well as against consideration in kind, for example, for the acquisition of companies, participations or industrial property rights.

A sale outside of a stock exchange is also in particular permissible if a maximum of shares not exceeding 10% of the share capital are sold both calculated on the effective date of this authorisation and the time the authorisation is exercised and the acquired treasury shares are sold at a price that does not fall below by more than 5% (excluding incidental costs of purchase) of the relevant price of the Company's shares of the same type at the time of the sale.

The amount of 10% of the share capital in accordance with the previous sentence shall also take into account an amount which corresponds to the shares which have been issued or sold by virtue of another corresponding authorisation under exclusion of subscription rights, in direct or corresponding application of section 186, para. 3,

sentence 4 of the German Stock Corporation Act (*Aktiengesetz*) by the time of the respective exercise of this authorisation, insofar as such an imputation is required by law. In such a case the relevant value is the average of the relevant prices on the last ten trading days prior to the sale of the shares in the opening auction in XETRA® trading (or a successor system).

The subscription right of the shareholders is excluded in all cases of this lit. d).

- e) The Administrative Board is also authorised to offer treasury shares to shareholders on the basis of an offer addressed to all shareholders in compliance with the principle of equal treatment (section 53a of the German Stock Corporation Act (*Aktiengesetz*)). In this case, the Administrative Board may exclude the subscription right for fractional amounts.
- f) The Administrative Board is further authorised to redeem the treasury shares without the need for any additional resolution by the general shareholders' meeting. The redemption of the treasury shares results in a capital reduction. In deviation from this, the Administrative Board may resolve that redemption takes place in such a way that the share capital remains unchanged and instead the notional interest of the remaining shares in the share capital increases pursuant to section 8, para. 3 of the German Stock Corporation Act (*Aktiengesetz*) (simplified redemption process pursuant to section 237, para. 3, no. 3 of the German Stock Corporation Act (*Aktiengesetz*)). In this case, the Administrative Board is authorised to adjust the number of shares set out in the articles of association.
- g) The Administrative Board is authorised to utilise the treasury shares acquired on the basis of this authorisation or on the basis of an authorisation which was issued at an earlier time as follows:

They may be used to service purchase obligations or purchase rights on Serveware SE shares that have been or will be agreed with Managing Directors or employees of Serveware SE or members of the management or employees of subsidiaries of Serveware SE (collectively hereafter "**Remuneration Beneficiaries**") under the remuneration scheme for Remuneration Beneficiaries. In particular, they may be offered by the Administrative Board to the Remuneration Beneficiaries for acquisition or may be promised or transferred to them with a vesting period, whereby the person must be a Remuneration Beneficiary at the time of the offer or commitment. For new stock options to be granted, the minimum lock-up period is approximately four years and may end no earlier than the second day following publication of the business results in the fourth calendar year after the date of the commitment. The subscription right of shareholders is excluded. The details of the remuneration of the Remuneration Beneficiaries are determined by the Administrative Board. This also includes rules on vesting of stock options granted to a Remuneration Beneficiary instead of a part of variable compensation (bonus) to be paid; as well as rules on the treatment of stock options in special cases, such as retirement, disability or death, for which, e.g. a cash settlement may be provided for on the exit date.

- h) The authorisations under lit. a) to g) may be used in whole or in part, once or several times, individually or jointly by the Company, but also by its group companies or by third parties for its or their account."

Furthermore, by means of the resolution of the extraordinary general shareholders' meeting of the Company dated 4 April 2018, the Company was authorised to acquire treasury shares using derivatives:

- "a) In addition to the authorisation to purchase treasury shares pursuant to section 71, para. 1, no. 8 of the German Stock Corporation Act (*Aktiengesetz*) to be resolved under agenda item 3, the acquisition of shares pursuant to the authorisation to be resolved under agenda item 3 may be carried out, in addition to the ways described therein, also by using certain derivatives. With the approval of the Administrative Board, options may be sold which oblige the Company to purchase its own shares upon exercise of the option ("**Put Options**"),

options may be acquired and exercised that give the Company the right to acquire treasury shares upon exercise of the option ("**Call Options**"), forward purchase agreements may be concluded on treasury shares in which there are more than two trading days between the conclusion of the purchase agreement and the delivery of the acquired shares ("**Forward Purchases**") and treasury shares may be acquired by using a combination of these derivatives (hereafter all the aforementioned arrangements are referred to as "**Equity Derivatives**").

All share acquisitions using Equity Derivatives in the exercise of this authorisation are restricted to shares accounting for no more than 5% of the share capital existing at the time of the resolution of the general shareholders' meeting regarding this authorisation. The term of an Equity Derivative may not exceed 18 months in each case and must be selected in such a way that the acquisition of treasury shares in the exercise of the Equity Derivative may not take place after 3 April 2023.

- b) The purchase price per share ("**Exercise Price**") to be paid upon exercise of the Put Options or on the maturity of the Forward Purchase may not exceed or fall below the average of the stock exchange prices (closing auction prices) for the shares of the Company in XETRA® trading or a successor system on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) on the last 10 trading days prior to the conclusion of the relevant derivative transaction or, if the shares are not admitted to trading on the Frankfurt Stock Exchange, the stock exchange in which the highest number of the shares of the Company were traded in these 10 trading days by more than 5%, each without incidental costs of purchase, but taking into account the option premium received or paid.
- c) The Call Options may only be exercised if the purchase price to be paid does not exceed or fall below the average of the share prices (closing auction prices for the Company's shares in XETRA® trading or a successor system on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) on the last 10 trading days prior to the conclusion of the relevant derivatives transaction by more than 5%.
- d) The terms of the Equity Derivatives must ensure that the Equity Derivatives are only serviced by shares acquired on the stock exchange in compliance with the principle of equal treatment.
- e) If own shares are acquired using Equity Derivatives in compliance with the above provisions, a right of the shareholders to conclude such derivative transactions with the Company is excluded in analogous application of section 186, para. 3, sentence 4 of the German Stock Corporation Act (*Aktiengesetz*). There is also no right of shareholders to conclude derivative transactions if, when acquiring treasury shares using Equity Derivatives, a preferential offer is made for the conclusion of derivative transactions in relation to small numbers of shares.

Shareholders have the right to tender their shares only to the extent that the Company is obligated to accept the shares from the derivative transactions. Any further rights of tender are excluded.

- f) The rules set out in agenda item 3 apply to the sale and redemption of shares acquired using equity derivatives."

17.8 General provisions on changes in the share capital

According to articles 5 and 59 of the SE Regulation in conjunction with section 182, para. 1 of the German Stock Corporation Act (*Aktiengesetz*), the share capital of a European company (*Societas Europaea, SE*) may be increased through a resolution of the general shareholders' meeting which is passed with a majority of at least three-fourths of the share capital represented when the resolution is passed, to the extent that the articles of association of a European company (*Societas Europaea, SE*) do not determine other majority requirements.

In accordance with articles 5 and 59 of the SE Regulation in conjunction with section 202, para. 2 and 3 of the German Stock Corporation Act (*Aktiengesetz*) the general shareholders' meeting may also resolve on the creation of authorised capital. The creation of authorised capital requires a resolution passed with a majority of at least three-fourths of the share capital represented authorising the Administrative Board to issue shares up to a certain amount within a period of no more than five years following registration of the amendment to the articles of association. The nominal amount of authorised capital may not exceed half of the share capital existing at the time when the authorisation is issued.

Pursuant to articles 5 and 59 of the SE Regulation in conjunction with section 193, para. 1 of the German Stock Corporation Act (*Aktiengesetz*), the general shareholders' meeting may also resolve on creating contingent capital for purposes of issuing shares (i) to holders of convertible bonds or other securities granting rights to subscribe for shares; (ii) as consideration in the context of a merger with another company; or (iii) for the purpose of offering them to managers and employees. In each case, a resolution passed with a majority of at least three-fourths of the share capital represented at the adoption of the resolution is required. The nominal amount of the contingent capital may not exceed 10% of the share capital which exists at the time when the resolution is passed if the contingent capital is created for the purpose of issuing shares to managers and employees, and in all other cases it may not exceed half of the existing share capital. In the aforementioned cases, no further justification is required to exclude the shareholders' subscription rights.

The general shareholders' meeting of a European company (*Societas Europaea, SE*) may also resolve on a share capital decrease. Such resolution requires a majority of not less than three-fourths of the share capital represented at the passing of the resolution, pursuant to articles 5 and 59 of the SE Regulation in conjunction with section 222, para. 1 of the German Stock Corporation Act (*Aktiengesetz*).

17.9 General provisions on subscription rights

Pursuant to article 5 of the SE Regulation in conjunction with section 186 of the German Stock Corporation Act (*Aktiengesetz*), shareholders are generally entitled to subscription rights to the new shares to be issued in a capital increase (including convertible bonds, warrant-linked bonds, profit participation rights or participating bonds). Subscription rights are freely transferable and may be traded on German stock exchanges during a specified period prior to the expiration of the subscription period. However, shareholders do not have a right to request admission to trading for subscription rights. The general shareholders' meeting may exclude subscription rights with a majority of the votes cast and a simultaneous majority of at least three-fourths of the share capital represented at the adoption of the resolution. Furthermore, according to section 186, para. 4 of the German Stock Corporation Act (*Aktiengesetz*), the exclusion of shareholders' subscription rights also requires a proper notice and a written report from the Administrative Board that justifies and demonstrates that the Company's interest in excluding subscription rights outweighs the interest of the shareholders being granted such subscription rights. The exclusion of subscription rights is, in particular, allowed if the share capital is increased against cash contributions, the amount of the capital increase does not exceed 10% of the existing share capital and at the same time the issue price of the new shares is not substantially lower than the stock exchange price.

Subscription rights serve the purpose of maintaining the shareholders' existing percentage share in the share capital and preserving their voting power ("**Dilution Protection**"). Where shareholders' subscription rights are excluded, the limit set out in section 255, para. 2 of the German Stock Corporation Act (*Aktiengesetz*) must be complied with at all times, i.e., the fixed issue price of the new shares may not be "inappropriately low". The new shares may only be offered at a price which fully compensates for the loss of the holding in the net asset value of the Company of the shareholder which has been excluded from subscription rights. In this context, the issue price for the new shares must always be based on the real value of the Company.

In the case of a contingent capital increase, general shareholders' subscription rights are excluded by its very nature. For the purposes of shareholder protection, the nominal amount of the contingent capital may not exceed half of the share capital, irrespective of the application purpose. If the contingent capital serves to grant subscription rights to a particular group of addressees, the nominal amount may not exceed 10% of the share capital.

17.10 General provisions on the use of profits and dividend payments

Shareholders' share in the Company's profits is determined according to their respective interests in the Company's share capital.

According to German law, dividends may only be distributed from the distributable profit (*Bilanzgewinn*) of the Company as reported in the Company's annual financial statements prepared in accordance with the accounting principles of the German Commercial Code (*Handelsgesetzbuch*). When calculating the distributable profit, the profit or loss for the financial year (*Jahresüberschuss/-fehlbetrag*) must be adjusted for profits or losses carried forward (*Gewinn-/Verlustvorträge*) from previous financial years as well as for withdrawals from and transfers to reserves. Certain reserves are required to be set by law and must be deducted when calculating the distributable profits.

The resolution concerning the distribution of a dividend as well as its level and timing for a financial year is the responsibility of the annual general shareholders' meeting which must be convened within the first six months of the subsequent financial year and which decides on the Administrative Board's proposal concerning the profit allocation. When passing a resolution concerning the allocation of the distributable profit, the annual general shareholders' meeting may allocate further amounts to the profit reserves or carry them forward as profit. Dividends resolved by the annual general shareholders' meeting are due three business days after the date of the relevant general shareholders' meeting, unless otherwise provided in the dividend resolution or in the Company's articles of association, in compliance with the rules of the respective clearing system. If shares of the Company are deposited with Clearstream, dividends are paid for the benefit of the shareholders to the custodian banks via Clearstream.

17.11 General provisions on the liquidation of the Company

Apart from liquidation following insolvency proceedings, the Company may be liquidated, in particular, by a resolution of the general shareholders' meeting to dissolve the Company followed by a liquidation procedure. The resolution of the general shareholders' meeting requires a majority of not less than three-fourths of the share capital represented at the passing of the resolution (article 63 of the SE Regulation, section 262, para. 1, no 2 of the German Stock Corporation Act (*Aktiengesetz*)). Pursuant to article 63 of the SE Regulation in conjunction with section 271 of the German Stock Corporation Act (*Aktiengesetz*), in the event of the Company's liquidation, the assets remaining after all liabilities of the Company have been satisfied are divided among the shareholders in proportion to their interest in the Company's share capital. Certain restrictions provided by the German Stock Corporation Act (*Aktiengesetz*), in particular restrictions for the benefit of creditors, must be observed.

17.12 Squeeze-out of minority shareholders

Squeeze-out under the German Stock Corporation Act (*Aktiengesetz*)

Pursuant to article 9, para. 1, lit. c (ii) of the SE Regulation in conjunction with the provisions of sections 327a et seq. of the German Stock Corporation Act (*Aktiengesetz*) regarding the so-called "squeeze-out" process, the general shareholders' meeting of a German European company (*Societas Europaea, SE*) may resolve, at the request of a shareholder holding at least 95% of the voting share capital ("**Principal Shareholder**"), on the transfer of the shares of the remaining minority shareholders to the Principal Shareholder in exchange for an appropriate cash compensation. The amount of the cash compensation to be granted to the minority shareholders must take into account the circumstances of the Company at the time the resolution is adopted by

the general shareholders' meeting. The amount of the compensation is determined by the full enterprise value which is normally determined using the capitalised earnings method (*Ertragswertverfahren*).

Squeeze-out under the German Transformation Act (*Umwandlungsgesetz*)

The shareholding requirements for a squeeze-out are lowered if the squeeze-out takes place in connection with the merger of a subsidiary into the parent company. According to article 9, para. 1, lit. c (ii) of the SE Regulation in conjunction with section 62, para. 5 of the German Transformation Act (*Umwandlungsgesetz*) the general shareholders' meeting of a transferring stock corporation may, within three months after the signing of the merger agreement, adopt a squeeze-out resolution in accordance with section 327a of the German Stock Corporation Act (*Aktiengesetz*) if the acquiring company is a German stock corporation, partnership limited by shares (*Kommanditgesellschaft auf Aktien*) or a European company (*Societas Europaea*, SE) having its seat in Germany that holds at least 90% of the registered share capital. After registration of the squeeze-out with the commercial register, the merger can be implemented without a further resolution by the general shareholders' meeting of the subsidiary. The squeeze-out procedure, including the option on the part of the minority shareholders to review the appropriateness of the cash compensation, is essentially identical to that under the German Stock Corporation Act (*Aktiengesetz*) described above.

Integration (*Eingliederung*)

Pursuant to the provisions of article 9, para. 1, lit. c (ii) of the SE Regulation in conjunction with the provisions of sections 319 et seq. of the German Stock Corporation Act (*Aktiengesetz*) regarding the so-called integration process (*Eingliederung*), the general shareholders' meeting of a European company (*Societas Europaea*, SE) may pass a resolution on the integration into another company if the future principal company holds at least 95% of the shares in the company to be integrated. The existing shareholders in the integrated company have a claim for reasonable compensation which must as a general rule be granted in the form of own shares in the principal company. The amount of the compensation must be determined using the so-called merger value ratio (*Verschmelzungswertrelation*) between the two companies, i.e., the exchange ratio which would be considered reasonable in the event of merging the two companies. In contrast to the rules governing squeeze-outs, integration is only possible if the future principle company is a stock corporation domiciled in Germany.

Squeeze-out under the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*)

Pursuant to the provisions of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*), a bidder holding at least 95% of the voting share capital in a target company (within the meaning of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*)) after a public takeover offer or a mandatory offer can generally file a motion with the district court (*Landgericht*) of Frankfurt am Main for the transfer of the remaining voting shares in exchange for the grant of a reasonable compensation by means of a court order within three months after expiration of the acceptance period. A resolution of the general shareholders' meeting is not necessary. The type of compensation must correspond to the consideration offered in the takeover offer or the mandatory offer; cash compensation must always be offered as an alternative. The consideration offered in connection with the takeover offer or the mandatory offer is deemed to be reasonable if the bidder has acquired shares equal to at least 90% of the share capital affected by the offer. In addition, shareholders have a sell-out right. During squeeze-out proceedings under the takeover law initiated upon the motion of the bidder, the provisions on a squeeze-out under the German Stock Corporation Act (*Aktiengesetz*) do not apply, and they are only applicable after a final conclusion of the squeeze-out proceedings under takeover law.

17.13 Notification and reporting requirements for shareholdings

After the shares of the Company become admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Prime Standard), the Company will become subject to the provisions of the German Securities Trading Act (*Wertpapierhandelsgesetz*) on notification requirements with respect to holdings in shares and certain instruments.

Section 33 of the German Securities Trading Act (*Wertpapierhandelsgesetz*) provides that any shareholder who, through acquisition, sale or otherwise, reaches, exceeds or falls below 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% or 75% of the voting rights in a listed company whose country of origin is Germany must notify the respective issuer and the BaFin without undue delay, but no later than four trading days after the event, of having reached, exceeded or fallen below the respective threshold and must also disclose the amount of its current share of the voting rights. The prescribed time limit commences at the time when the shareholder required to give the notification has actual knowledge or should have had knowledge under the circumstances that its share of voting rights reached, exceeded or fell below the stated thresholds. It is assumed that the shareholder required to give the notification has gained knowledge about his shareholding two trading days after the reaching, exceeding or falling below the aforementioned thresholds. Deviating from this, in case the percentage of voting rights has reached, exceeded or fallen below the thresholds due to a change of the total number of voting rights, the notification period begins at the point when the shareholder required to give the notification learns that the threshold is met, however no later than the publication of the change of the total number of voting rights by the issuer. The German Securities Trading Act (*Wertpapierhandelsgesetz*) defines "holding" as the existence of an unconditional claim related to a transfer of shares without an undue delay or a respective obligation. Section 34 of the German Securities Trading Act (*Wertpapierhandelsgesetz*) contains various rules which are supposed to ensure that the shareholding is attributed to the person who actually controls the voting rights relating to the shares. For example, shares held by a third person will be attributed to another person if that other person exercises control over the person holding the shares. This also applies to shares which are held by a third person on behalf of another person or a person controlled by such other person as well as voting rights which the person can exercise free of instructions as a proxy.

Corresponding disclosure obligations towards the issuer and the BaFin apply to reaching, exceeding, or falling below the above mentioned thresholds, except for the threshold of 3%, when the relevant shareholder directly or indirectly holds instruments (i) which either, on maturity, give their holder an unconditional right to acquire already issued shares carrying voting rights in the issuer or the discretion as to his right to acquire such shares in the issuer or (ii) which are referenced to already issued shares of the issuer carrying voting rights and have similar economic effect to the instruments mentioned under (i), irrespective of whether or not they confer a right to a physical settlement (section 38 of the German Securities Trading Act (*Wertpapierhandelsgesetz*)). In particular such instruments comprise transferable securities, options, futures, swaps, forward rate agreements and contracts for differences. The number of voting rights relevant for the notification requirement is generally calculated by reference to the full nominal amount of shares underlying the instrument, except where the instrument provides exclusively for a cash settlement.

Moreover, pursuant to section 39 of the German Securities Trading Act (*Wertpapierhandelsgesetz*), the notification obligation applies if the sum of the voting rights in one issuer, which are to be taken into account pursuant to section 33, para. 1, sentence 1 or para. 1a of the German Securities Trading Act (*Wertpapierhandelsgesetz*) and section 38, para. 1, sentence 1 of the German Securities Trading Act (*Wertpapierhandelsgesetz*), reaches, exceeds or falls below the above mentioned thresholds, except for the threshold of 3%.

The notification shall be made by using a mandatory standard form in either German or English and sent either in writing or via fax. The issuer must publish this notification without undue delay, but no later than three trading days after receipt of the notification in the various media distributed across the entire EEA (*Medienbündel*) in accordance with section 20 of the German

Securities Trading Reporting and Insider List Ordinance (*Wertpapierhandelsanzeige- und Insiderverzeichnisverordnung*) and submit the publication to the BaFin. The issuer must also transmit the notification to the company register (*Unternehmensregister*) maintained electronically by the German Federal Ministry of Justice within the meaning of section 8b of the German Commercial Code (*Handelsgesetzbuch*) for storage without undue delay, but not prior to the publication.

In case of non-compliance with the disclosure obligation, for example failing to file a notice or providing false information, the shareholder is precluded from exercising the rights relating to these shares (including voting rights and the right to receive dividends) for the duration of the failure in accordance with the provisions of section 44 of the German Securities Trading Act (*Wertpapierhandelsgesetz*). If the disclosure requirements are violated in a wilful or grossly negligent manner, any rights relating to the shares will be suspended for a six-month period even if accurate and complete disclosure is ultimately made. Furthermore, a fine can be imposed in the case of non-compliance with the disclosure requirements, and the BaFin will publish its measures and sanctions taken on its website.

Moreover, pursuant to section 43 of the German Securities Trading Act (*Wertpapierhandelsgesetz*), a shareholder reaching or exceeding 10% or more of the voting rights relating to shares of an issuer must inform the issuer of the objective being pursued through the acquisition of voting rights and the sources of the funds used for the purchase, in each case within 20 trading days from such shareholder acquiring the relevant percentage of the shares. In particular, the shareholder must disclose whether it intends to (i) pursue any strategic objectives with respect to the company (as opposed to profits from trading in the shares), (ii) acquire further voting rights within the following twelve months, (iii) exert any influence or control over the company's management or supervisory board and (iv) make any significant changes to the company's capital structure, especially with respect to debt-to-equity ratio and dividend policy. However, the company may waive that obligation in its articles of association. If the above objectives change, such change needs to be disclosed to the issuer within 20 trading days of such change.

17.14 Takeover offer

After the shares of the Company become admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Prime Standard), the Company will become subject to the provisions of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*). Under the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*), any shareholder whose portion of voting rights reaches or exceeds 30% of the voting rights of the Company must publish this fact, including the percentage of his share of the voting rights, without undue delay and no later than seven calendar days after this event by announcing this on the internet and by means of an electronic information distribution system for financial information and must subsequently submit a mandatory takeover offer directed at all holders of the shares of the Company unless an exemption from this obligation has been granted. The German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*) contains a number of provisions which are supposed to ensure that the shareholding is attributed to the person who actually controls the voting rights relating to the shares. If the notification about reaching or exceeding the 30% threshold or the submission of the public mandatory offer does not occur, during the time until such submission occurs, the shareholder is precluded from exercising any rights relating to these shares (including the voting rights and the right to receive dividends) and must pay interest to the shareholders of the target company. Furthermore, a fine can be imposed. Shareholders who already hold at least 30% of the voting rights in the Company or to whom at least 30% of the voting rights in the Company are attributed prior to the admission of the shares to trading on the regulated market are exempt from these requirements.

17.15 Directors' dealings

Once the Company applies for an admission of its shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Prime

Standard), the Company will become subject to the provisions of the Market Abuse Regulation on disclosure of transactions by persons discharging managerial responsibilities within the Company (the "**Managers**") and persons closely associated with them. According to the rules set out in the Market Abuse Regulation, the Managers are obliged to notify the Company and BaFin within three working days regarding any of their transactions in shares of the Company or financial instruments linked to them, particularly derivatives. This obligation also applies to persons closely associated with a Manager. The Company is obliged to promptly publish the information received in accordance with the foregoing and to simultaneously notify the BaFin of the publication no later than three business days after the transaction. Notification is not required if the sum of all transactions involving a Manager or persons closely associated with him or her is less than EUR 5,000 in a given calendar year.

A Manager is any member of the Company's administrative, management or supervisory body or another senior executive who has regular access to inside information relating directly or indirectly to the Company and power to take managerial decisions affecting the future developments and business prospects of the Company. Persons closely associated with the Manager are (i) spouses and partners considered to be equivalent to a spouse in accordance with national law, (ii) dependent children, in accordance with national law, (iii) other relatives who have shared the same household as the Manager for at least one year on the date of the transaction concerned and (iv) legal persons, trusts or partnerships, the managerial responsibilities of which are discharged by the Manager or any of the aforementioned parties, which are directly or indirectly controlled by a Manager or such a party, which are set up for the benefit of a Manager or such a party or whose economic interests are substantially equivalent to those of a Manager or such a party. Non-compliance with the notification requirements may result in a fine.

Furthermore, the Market Abuse Regulation imposes a closed period of 30 calendar days prior to the announcement of interim financial statements or annual financial statements which the Company is obliged to publish, during which a Manager shall not conduct any transactions in shares of the Company or financial instruments linked to them, particularly derivatives, or act on behalf of a third party in relation to such transactions.

18. INFORMATION ON THE GOVERNING BODIES OF THE COMPANY

18.1 Overview

As a European company (*Societas Europaea, SE*) the Company is subject to European legislation on European companies, in particular to the SE Regulation. Furthermore, the Company is governed by the German SE Implementation Act and the general provisions of the German corporate law, in particular the German Stock Corporation Act (*Aktiengesetz*) and the German Commercial Code (*Handelsgesetzbuch*). German European companies are to a large extent treated like German stock corporations (*Aktiengesellschaften*). In addition to the general shareholders' meeting (*Hauptversammlung*), an SE may elect to have either a two-tier governance system, comprising a supervisory board (*Aufsichtsrat*) and a management board (*Vorstand*), or a one-tier governance system comprising solely a board called an administrative board (*Verwaltungsrat*). The Company's articles of association provide for a one-tier governance system with an Administrative Board (*Verwaltungsrat*) as the governing body directing the business of the Company, establishing the general principles for its activities and supervising their implementation. A German one-tier European company must also appoint at least one managing director (*geschäftsführender Direktor*). The Administrative Board appoints the managing directors (the "**Managing Directors**") of the Company and determines the conditions of their service agreements. Managing Directors conduct the daily operations of the Company and represent the Company vis-à-vis third parties and may also be members of the Administrative Board. However, the majority of the Administrative Board must at all times be comprised of non-managing members. The Managing Directors are required to inform the Administrative Board of all aspects relevant for issues of the Company's planning, business performance, risk position, risk management, and compliance as well as regarding all other special occasions. As of the date of this Prospectus, one of the Company's Managing Directors, Mr Harald Popp is also a member of the Administrative Board.

In carrying out their duties, members of the Administrative Board must exercise the standard of care of a prudent and diligent business person. In complying with this standard of care, the members of the Administrative Board are generally required to take into account a broad range of considerations in their decisions, including the interests of the Company and those of its shareholders, employees and creditors as well as, to a certain degree, the general public. The Administrative Board is required to respect the fundamental shareholder rights under German corporate law, i.e. the right to equal treatment and equal information.

The Managing Directors must also observe the standard of care of a prudent and diligent business person in carrying out their duties as managing directors. However, to the extent that the Administrative Board has exercised its right to give the Managing Directors binding instructions, a Managing Director will generally not bear liability for having followed these instructions, unless the instructions were illegal and the Managing Director was or should have been aware of that fact. Members of the Administrative Board or Managing Directors who violate their duties are liable to the Company for damages. The Company must bring an action in its name against a member of the Administrative Board or a Managing Director for breach of duty if a general shareholders' meeting so resolves. Under German law, shareholders of the Company or other persons may be liable to the Company for damages if they intentionally exert their influence on the Company to cause a member of the Administrative Board, a Managing Director or a holder of a commercial power of attorney (*Prokurist*) to act in a way that is detrimental to the Company.

As a general rule under German law, shareholders have no direct recourse against a member of the Administrative Board or a Managing Director for breach of duty to the Company. Members of the Administrative Board or Managing Directors may be liable for a breach of duty to shareholders, as opposed to a breach of duty to the Company itself, only where a breach of duty to the Company also constitutes a violation of a statutory provision enacted specifically for the protection of shareholders. Shareholders may assert claims for breaches of this sort or, subject to certain conditions, compel the Company to pursue claims for compensatory damages.

18.2 Administrative Board

Pursuant to section 15.1 of the Company's articles of association, the Administrative Board (*Verwaltungsrat*) consists of three persons who are elected by the general shareholders' meeting. Currently, the Administrative Board of the Company consists of three members, Mr Jean Christoph Debus, Mr Harald Popp and Mr Ingo Bollhöfer, of whom Mr Harald Popp is also a Managing Director. The remaining members of the Administrative Board are non-managing directors. The members of the Administrative Board are appointed by a simple majority of the votes cast (section 28.2 of the Company's articles of association).

According to section 15.2 of the Company's articles of association, the term of office of members of the Administrative Board ends upon the conclusion of the general shareholders' meeting resolving on the formal discharge (*Entlastung*) of the Administrative Board for the fifth financial year after the commencement of the term of office, unless the respective member has been appointed for a shorter period. The financial year in which the term of office commences is not counted. A member of the Administrative Board is entitled to resign from office upon two weeks' notice to the Chairman of the Administrative Board. A resignation with immediate effect is possible for important reasons (*aus wichtigem Grund*) or if all other members of the Administrative Board consent to such resignation. The general shareholders' meeting is entitled to appoint deputy members of the Administrative Board replacing regular members of the Administrative Board who retire before the end of their respective terms of office. A deputy member's term of office expires at the conclusion of the next general shareholders' meeting in which a new election takes place, at the latest upon expiration of the term of office of the retired member of the Administrative Board.

The Administrative Board elects a Chairman and a Deputy Chairman from among its members in a meeting of the Administrative Board taking place following the general shareholders' meeting, upon conclusion of which the term of office of the Chairman of the Administrative Board ended or, if for certain reasons no Chairman of the Administrative Board has been elected, in a meeting of the Administrative Board that does not to be convened separately or by a resolution of the Administrative Board outside of the meeting. The Deputy Chairman exercises the rights and duties of the chairman of the Administrative Board at any time the Chairman is prevented from doing so (section 17.3 of the Company's articles of association). If both the Chairman and the Deputy Chairman are prevented from exercising their duties, such duties shall, for the term of the prevention, be exercised by the oldest member of the Administrative Board. Unless shorter terms are determined at the time of their election, the terms of office of the Chairman and Deputy Chairman of the Administrative Board correspond to their respective term of office as members of the Administrative Board. If the Chairman or the Deputy Chairman retires prematurely, the Administrative Board must conduct a new election immediately in order to appoint a Chairman or a Deputy Chairman for the original (Deputy) Chairman's remaining term in office.

The Administrative Board has all rights and obligations which are assigned to it by law, the articles of association or the rules of procedure of the Administrative Board. The Administrative Board determines the principles or management, and supervises their implementation by the Managing Directors. In particular, its functions are to:

- appoint and dismiss the Managing Directors, to decide on service agreements of the Managing Directors and to adopt rules of procedure for the Managing Directors;
- resolve amendments and modifications of the Company's articles of association that only affect its wording;
- convene the general shareholders' meeting of the Company;
- appoint the Chairman and the Deputy Chairman of the Administrative Board;
- approve matters where approval is reserved to it by mandatorily applicable law, the articles of association or the rules of procedure for the Managing Directors; and

- review and approve the Company's annual financial statements and the Managing Directors' recommendation regarding how the Company's profits (if any) should be allocated.

Meetings of the Administrative Board take place at least every three months. Meetings of the Administrative Board are convened in text form (*Textform*) with prior notice of 14 days (section 19.2 of the Company's articles of association). The Chairman of the Administrative Board may shorten the notice period appropriately in urgent cases. The Administrative Board has a quorum if at least half of its members participate in passing resolutions (section 20.2 of the Company's articles of association). A member who abstains from voting or has no right to vote in a decision is considered as participating in the resolution. Generally, resolutions of the Administrative Board are adopted at meetings (section 20.1 of the Company's articles of association). Absent members of the Administrative Board may participate in the adoption of the resolution by having their written vote submitted by another member of the Administrative Board or another person entitled to participate in the meeting of the Administrative Board pursuant to section 36 of the German SE Implementation Act (section 20.2 of the Company's articles of association). On the order of the Chairman of the Administrative Board, resolutions may be adopted outside of meetings in writing, by fax, by telecopy, by telephone, by telegram, in form of a video conference, a telephone conference, by email or in other similar form.

Pursuant to section 20.4 of the Company's articles of association, resolutions of the Administrative Board are adopted with the simple majority of the votes of the members present or represented. In case of a tie, the Chairman (or in case of his absence, the Deputy Chairman) has a casting vote. If the member of the Administrative Board, who is also a Managing Director, may not, for legal reasons, participate in the adoption of the resolution of the Administrative Board, the Chairman (or in case of his absence, the Deputy Chairman) has an additional vote.

On 22 March 2018, the Administrative Board adopted its own rules of procedure.

Members of the Administrative Board

As of the date of this Prospectus, the Company's Administrative Board consists of the following members:

Name	Age	Member since	Appointed until
Jean Christoph Debus, Chairman of the Administrative Board	47	30 January 2018	End of the general shareholders' meeting resolving on the formal discharge for the first full or short financial year
Harald Popp, Deputy Chairman of the Administrative Board	47	30 January 2018	End of the general shareholders' meeting resolving on the formal discharge for the first full or short financial year
Ingo Bollhöfer	47	30 January 2018	End of the general shareholders' meeting resolving on the formal discharge for the first full or short financial year

Jean Christoph Debus: Mr Debus studied mechanical engineering and business administration at the Technical University Darmstadt. His professional career began in 1998 as a consultant at Roland Berger Strategy Consultants, Munich, Germany, where he became a partner in January 2004. From January 2005 to May 2009, he was Managing Director and CFO of Condor Flugdienst GmbH, Frankfurt am Main, Germany, followed by a position of Chief Commercial and Chief Operational Officer at Air Berlin PLC & Co. Luftverkehrs KG, Berlin, German (from June 2009 to November 2012). In September 2012, Mr Debus joined Thomas Cook Group plc, London, United Kingdom where he serves as Chief Airlines Officer of the Thomas Cook Group PLC and Managing Director of Thomas Cook Airlines UK Ltd.

During the past five years, Mr Debus was a member of the following administrative, management or supervisory bodies or a member in comparable German or foreign supervisory bodies or a partner in the following companies outside the Group:

Existing mandates:

Thomas Cook GmbH: Supervisory Board

Thomas Cook Airlines UK Ltd., Manchester, United Kingdom: Managing Director

Thomas Cook Group Airlines PLC, London, United Kingdom: CEO

Thomas Cook Scandinavia A/S, Copenhagen, Denmark: Chairman of the Board

Discontinued mandates:

Thomas Cook GmbH (previously AG), Oberursel, Germany: Chairman of the Management Board (until January 2018)

Mr Debus may be contacted at the Company's business address.

Harald Popp: After having completed his bank apprenticeship at Deutsche Bank AG, Mannheim, Mr Popp studied industrial engineering at the University of Karlsruhe, where he graduated in 1999. In 1998, Mr Popp co-founded PM Computer Services Verwaltungs GmbH, Bad Camberg, Germany and PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, where he served as a Managing Director until 2018. In 2003, Mr Popp co-founded helpLine CLM AG, Baar, Switzerland.

During the past five years, Mr Popp was a member of the following administrative, management or supervisory bodies or a member in comparable German or foreign supervisory bodies or a partner in the following companies outside the Group:

Existing mandates:

dreiff Management GmbH, Bad Camberg: Managing Director

Discontinued mandates:

None

Mr Popp may be contacted at the Company's business address.

Ingo Bollhöfer: Mr Bollhöfer studied industrial engineering at the Technical University Darmstadt, where he graduated in 1998. His professional career began in May 1998 at tIME startup GmbH, Frankfurt am Main, Germany, where he was a Business Development Manager. In February 1999, Mr Bollhöfer joined PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, where he served as Head of Professional Services until July 2009 and as Head of Product Management &

Marketing since August 2009. Between December 2003 and January 2018, Mr Bollhöfer was also a Managing Director of helpLine GmbH, Bad Camberg, Germany.

During the past five years, Mr Bollhöfer was not a member of any administrative, management or supervisory bodies or a member in comparable German or foreign supervisory bodies or a partner in any companies outside the Group.

Mr Bollhöfer may be contacted at the Company's business address.

Committees of the Administrative Board

Due to its size, the Administrative Board of the Company has not established any committees, in particular there is no personnel committee and no audit committee.

Remuneration of the Administrative Board

According to section 15.5 of the Company's articles of association, the remuneration of the members of the Administrative Board is decided upon by the general shareholders' meeting. On 4 April 2018, the general shareholders' meeting of the Company decided that the members of the Administrative Board shall receive a remuneration in the amount of EUR 2,500 and the Chairman of the Administrative Board shall receive a remuneration in the amount of EUR 5,000 per each meeting of the Administrative Board.

Moreover, the members of the Administrative Board receive in addition to the remuneration described above, in total a fixed annual remuneration in the amount of EUR 92.4 thousand and a variable remuneration in the amount of up to EUR 107.4 thousand.

In addition to the remuneration, each member of the Administrative Board receives reimbursement of his expenses (section 15.5 of the Company's articles of association).

In the financial year ended as of 30 November 2017, the non-managing members of the Administrative Board, Mr Bollhöfer and Mr Debus, received a remuneration for their services as a managing director and member of the advisory council of helpLine GmbH and PM Computer Services GmbH & Co. KG, respectively, in an aggregate amount of EUR 208 thousand.

There are no service agreements between non-managing members of the Administrative Board and the Company that would grant benefits should their service agreements be discontinued.

Moreover, the Company concluded service agreements with the Managing Directors Mr Martin, Mr Popp and Dr. Becker. For further information on the service agreement and remuneration of the Managing Directors please see "*18. Information on the governing bodies of the Company - 18.3 Managing Directors - Remuneration of the Managing Directors*".

Pension payments

The members of the Administrative Board do not receive any pension payments or retirement benefits in their capacity as members of the Administrative Board. Therefore, there are no provisions for pension payments to the members of the Administrative Board.

Shares and options held by members of the Administrative Board

Shares held by members of the Administrative Board

The following table shows the number of shares held by the members of the Administrative Board as of the date of this Prospectus according to the Company's knowledge:

Name of the Administrative Board member	Number of shares	% of the share capital
Jean Christoph Debus	0	0
Harald Popp	3,880,000 ¹	48.5
Ingo Bollhöfer	240,000	3.0

¹⁾ The shares are held indirectly through dreiff Management GmbH, Bad Camberg, Germany, in which Mr Popp is the sole shareholder.

The members of the Administrative Board have informed the Company that they do not intend to subscribe for or acquire additional shares as part of the Offering.

Options held by members of the Administrative Board

The members of the Administrative Board do not hold any options which would give them the right to acquire Company's shares.

Potential conflicts of interest of the Administrative Board members

As of the date of this Prospectus, Mr Popp holds indirectly, through dreiff Management GmbH, Bad Camberg, Germany, in which he is the sole shareholder, 48.5% of the Company's shares. Following the successful implementation of the capital increase in relation to the Offering, Mr Popp will still hold a significant shareholding in the Company and will, therefore, be in a position to exert significant influence on the Company. Accordingly, potential conflicts of interest arise between Mr Popp's role as a member of the Administrative Board and the Managing Director of the Company and his role as a shareholder and there is no assurance that Mr Popp will exercise his influence over the Company in a way that serves the interests of the Company and the remaining shareholders.

Except as disclosed above, there are no further conflicts of interest or potential conflicts of interest of the members of the Administrative Board as regards the Company on the one side and their private interests, membership in governing bodies of companies, or other obligations on the other side.

18.3 Managing Directors

Overview

Applicable law and the articles of association require the Company to appoint one or more Managing Directors and conclude service agreements with them. Managing Directors are appointed by the Administrative Board. The Administrative Board may appoint Managing Directors with a simple majority. Managing Directors may be members of the Administrative Board, but the majority of the Administrative Board must at all times be comprised of non-managing members. The Company currently has one Managing Director, Mr Popp, who is also a member of the Administrative Board. A Managing Director may be appointed for a term of up to six years (section 12.2 of the Company's articles of association). According to section 12.2 in conjunction with section 20.4 of the Company's articles of association, a Managing Director may be removed from office at any time by a resolution of the Administrative Board taken with a simple majority.

On 22 March 2018, the Administrative Board adopted the rules of procedure for the Managing Directors.

According to rules of procedure for the Managing Directors, the following actions by the Company or its subsidiaries may be taken by the Managing Directors only with the prior consent of the Administrative Board:

- Preparation and adjustments to a business plan or budget;
- Investments with a total financial volume leading to deviations of more than EUR 1 million per annum from the respective business plan;
- Conclusion, termination, amendment and extension of advisory agreements and service agreements of any type, in each case with a volume exceeding EUR 500 thousand, if not included in the budget;
- Acquisition, disposal or encumbrance of real property, rights equivalent to real property and rights on real estate with a volume higher than EUR 1 million;
- Assumption of suretyships, guarantees or similar liability (except for subsidiaries) outside of the ordinary course of business;
- Entering into long-term obligations (e.g. lease or tenancy agreements), if the payment obligation of the Company resulting thereof exceeds EUR 300 thousand per annum or if their term exceeds three years;
- Granting of loan (except to subsidiaries) and unusual commercial credit; and
- Intended payment of donations which in aggregate exceed EUR 20 thousand per annum.

In addition, according to section 3(5) of the rules of procedure for the Managing Directors, any measures and transactions which are of extraordinary importance for the Company or its subsidiaries or which are associated with an extraordinary economic risk of at least EUR 1 million require a consent of the Administrative Board.

According to section 14 of the Company's articles of association, the Company is represented by two Managing Directors acting together or a Managing Director acting together with a holder of a commercial power of attorney (*Prokurist*). If there is only one Managing Director in office, he/she may represent the Company alone. The Administrative Board may also decide on other rules of representation, within the limits provided by the statutory law, in particular grant one of the Managing Directors the power to represent the Company alone. Without prejudice to section 41, para. 5 of the German SE Implementation Act, the Managing Directors are relieved of the restrictions set out in section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) (section 14 of the Company's articles of association).

The current Managing Directors of the Company are:

Name	Age	Member since	Appointed until	Departmental responsibility
Dirk K. Martin, Chief Executive Officer (CEO)	46	31 January 2018	31 January 2024	Strategy, Sales & Marketing, R&D
Harald Popp, Chief Financial Officer (CFO)	47	31 January 2018	31 January 2024	Finance, Investor relations, Legal & Human Resources
Dr. Alexander Becker, Chief Operating Officer (COO)	35	31 January 2018	31 January 2024	Professional Services & Operations

Dirk K. Martin: Mr Martin studied industrial engineering at the TU Darmstadt. Already during his studies, Mr Martin gained extensive consulting experience, with a particular focus on efficient consulting management for the optimisation of return on consulting. In 1998, he co-founded PM Computer Services Verwaltungs GmbH, Bad Camberg, Germany and PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, where he served as a Managing Director until 2018. In 2003, Mr Martin co-founded helpLine CLM AG, Baar, Switzerland.

During the past five years, Mr Martin was a member of the following administrative, management or supervisory bodies or a member in comparable German or foreign supervisory bodies or a partner in the following companies outside the Group:

Existing mandates:

aventura Management GmbH, Bad Camberg: Managing Director

Discontinued mandates:

None

Harald Popp: Regarding Mr Popp's curriculum vitae and positions held outside the Group in the last five years please see information given under "18. Information on the governing bodies of the Company – 18.2 Administrative Board – Members of the Administrative Board".

Dr. Alexander Becker: Dr. Alexander Becker studied industrial engineering at the University of Karlsruhe and earned his doctorate at the Technical University Darmstadt. In 2006, Dr. Becker started working for the Business Technology Office of McKinsey & Company, Inc., Frankfurt am Main, Germany, where he became an Engagement Manager in June 2011, with a focus on IT architecture management and IT strategy. In 2012, Dr. Becker joined Serviceware as a Head of Corporate Strategy and in 2016 he became Head of Professional Services of Serviceware.

During the past five years, Dr. Becker was not a member of any administrative, management or supervisory bodies or a member in comparable German or foreign supervisory bodies or a partner in any companies outside the Group.

The Managing Directors may be contacted at the Company's business address.

Relationship between the Administrative Board and the Managing Directors

The Administrative Board monitors the activities of the Managing Directors. Therefore, the Managing Directors are required to inform the Administrative Board regularly, promptly and comprehensively of all aspects relevant for issues of the Company's planning, business and financial performance, risk management, and compliance as well as regarding all other special occasions, which are of significant importance for the Company's rentability or liquidity. The Administrative Board is entitled to issue rules of procedure for the Managing Directors specifying the information obligations of the Managing Directors.

The chairman of the Administrative Board and the Managing Directors, in particular the CEO, regularly consult with each other regarding the implementation of the strategy, business performance and risk management of the Company and its subsidiaries.

The Administrative Board is entitled to instruct the Managing Directors in their entirety or single Managing Directors. All such instructions require a resolution of the Administrative Board.

The Administrative Board appoints and recalls the Managing Directors and concludes service agreements with them.

Members of the Administrative Board can be appointed as Managing Directors as long as the majority of the Administrative Board still consists of non-managing directors.

Upon request of the chairman of the Administrative Board, Managing Directors who are not also members of the Administrative Board, are obligated to participate in Administrative Board meetings. Managing Directors who are also members of the Administrative Board are not allowed to participate in consultations and are not entitled to vote on resolutions regarding their appointment and remuneration as Managing Directors, their discharge, their liability or any other legal transaction with them or any of their related persons or the monitoring of their activities, in particular regarding the Administrative Board's approval of acts of management by the Managing Directors.

Remuneration of the Managing Directors

The Company has concluded service agreements with the current Managing Directors for the duration of their appointments. The term of the service agreements concluded with the Managing Directors, Mr Dirk K. Martin and Mr Harald Popp ends on 31 January 2023. The term of the service agreement concluded with Dr. Becker ends on 31 March 2021. The compensation of the Managing Directors under the service agreements was approved by the Administrative Board, taking into account general market practice, legal requirements in accordance with section 87 of the German Stock Corporation Act (*Aktiengesetz*) and additional recommendations of the German Corporate Governance Code. On 4 April 2018, the Company's extraordinary general shareholders' meeting resolved that the individual compensation of the Managing Directors will not be disclosed in accordance with sections 285, no. 9, letter a), sentences 5 through 8, 314, para. 1, letter a), sentences 5 through 8 and 315e, para. 1 of the German Commercial Code (*Handelsgesetzbuch*).

The Managing Directors receive, in addition to the remuneration received as members of the Administrative Board, as the case may be, a fixed annual remuneration in an aggregate amount of EUR 1,166 thousand. Such fixed remuneration is payable in twelve monthly instalments over the course of the respective financial year. In addition to their fixed remuneration the Managing Directors receive a performance-based remuneration, depending on the economic success of the Company and individual services provided by the respective Managing Director to the Company in an aggregate amount of up to 1.5 times the fixed annual remuneration annually, which is being capped for the calendar year 2018 to an aggregate amount of up to EUR 740,000.

In addition to the remuneration, the Managing Directors receive reimbursement of the reasonable expenses borne in connection with their tasks, in particular travel and hospitality costs.

Moreover, the Company pays the Managing Director the amounts, which would be payable under social security laws if the Managing Directors had been subject to the statutory social security obligations, but in any case not higher than the statutory employer's contributions.

The Company provides each Managing Director with an appropriate company car, which can also be used for private purposes. Moreover, the Company provides each Managing Director with a mobile phone, a tablet and a notebook, which can also be used for private purposes. The Company bears all costs relating to the operation, service and other maintenance of such devices.

In the financial year ended as of 30 November 2017, the Managing Directors received a remuneration from PM Computer Services GmbH & Co. KG for their services as managing directors and/or members of key management personnel in an aggregate amount of EUR 278 thousand. Mr Martin and Mr Popp received dividends from PM Computer Services GmbH & Co. KG and helpLine CLM AG in their capacity as shareholders in an aggregate amount of EUR 2,611 thousand.

The service agreements with Mr Harald Popp and Mr Dirk K. Martin contain a change of control clause giving the Company and the respective Managing Director the right to terminate the respective service agreement within three months following the occurrence of a change of control upon a notice period of three months, effective as of the end of a calendar month.

The service agreements define the change of control as (i) a notification by a third party or a group of third parties acting in concert of reaching or exceeding 50% of the voting rights in the Company or in case such a notification has not been made, despite a requirement to do so, gaining of the knowledge by the Managing Director, that such a notification had to be made, (ii) acquisition of control over the Company pursuant to section 35, para. 1, sentence 1 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*) in conjunction with sections 29, para. 2 and 30 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*), (iii) holding by a third party, directly or indirectly of the majority of the share capital of the Company represented at the general shareholders' meeting, (iv) delisting of the Company's shares from trading on a Frankfurt Stock Exchange, (v) resolution of the general shareholders' meeting of the Company on the integration (*Eingliederung*) of the Company pursuant to the provisions of sections 319 et seq. of the German Stock Corporation Act (*Aktiengesetz*), (vi) resolution of the general shareholders' meeting of the Company on the change of legal form pursuant to sections 190 et seq. of the German Transformation Act (*Umwandlungsgesetz*), (vii) resolution of the general shareholders' meeting of the Company on the merger of the Company with another legal entity pursuant to sections 2 et seq. of the German Transformation Act (*Umwandlungsgesetz*), (viii) resolution of the general shareholders' meeting of the Company on split-up, demerger or spin-off of more than 80% of the Company's assets to another legal entity pursuant to sections 125, 2 et seq. of the German Transformation Act (*Umwandlungsgesetz*), (ix) resolution of the general shareholders' meeting of the Company consenting to a contract for transfer of the entire assets of the Company pursuant to section 179a, para. 1, sentence 1 of the German Stock Corporation Act (*Aktiengesetz*) and (x) resolution of the general shareholders' meeting of the Company on the conclusion of a domination agreement as a dependant company within the meaning of section 291, para. 1 of the German Stock Corporation Act (*Aktiengesetz*).

If the Company makes use of its termination right or if the service agreement is terminated by a mutual agreement on the initiative of the Company within three months following the occurrence of a change of control, the Managing Director is entitled to a severance payment. The same applies if the Managing Director makes use of its termination right. The severance payment shall take into account the entitlements to which the Managing Director would be entitled to if the service agreement had been performed until the expiry of his term of office and includes the remaining fixed remuneration for the remaining term of the service of agreement, whereby a maximum period of 24 months is used for the calculation purposes, all variable remuneration components for the remaining term of the service agreement, calculated on the basis of the most recent plan approved by the Administrative Board, and a compensation for the value of the use of the company car for the remaining term of the service agreement as well as, at the discretion of the Managing Director, either a compensation for stock options granted to the Managing Director or

the retention of the stock options granted if the Managing Director is not responsible for the reasons leading to termination of the service agreement during the vesting period. In any case, the total amount of the severance payment may not exceed the value of the remuneration for 24 months, without taking into account the value of the compensation for stock options. The claim for severance payment does not arise if the termination of the service agreement (i) was made by the Company for important reasons, including in cases of illness or disability or (ii) was caused by the Managing Director reaching the age of 70 at the time of the termination of the service agreement. The right to severance payment also arises if the service agreement was terminated by the Managing Director or by mutual agreement at the initiative of the Company within three months prior to the occurrence of a change of control, if the Company does not prove that the termination of the service agreement by the Managing Director is unrelated to the change of control. If neither the Company nor the Managing Director exercise their termination right of termination in case of a change of control, the Managing Director is entitled to payment of a compensation for the stock options granted to the Managing Director based on the value of the stock options at the time of the occurrence of a change of control and based on the assumption that the waiting periods are fulfilled at that time.

The service agreement with Dr. Becker does not contain any change of control clause.

Furthermore, the service agreements with the Managing Directors contain non-compete obligations applying during the term of the respective service agreement and for the term of 12 months following the termination of the respective service agreement. For the duration of the post-contractual non-compete obligation the Company shall pay the Managing Directors a compensation amounting to 50% of the fixed remuneration received in the last 12 months prior to the termination of the service agreement and the variable compensation.

For further information in relation to the remuneration and other benefits of the Managing Directors please see "18. Information on the governing bodies of the Company – 18.2 Administrative Board – Remuneration of the Administrative Board".

Pension payments

The Managing Directors do not receive any pension payments or retirement benefits in their capacity as Managing Directors. Therefore, there are no provisions for pension payments to the Managing Directors.

Shares and options held by the Managing Directors

Shares held by the Managing Directors

The following table shows the number of shares held by the Managing Directors as of the date of this Prospectus according to the Company's knowledge:

Name of the Managing Directors	Number of shares	% of the share capital
Dirk K. Martin	3,880,000 ¹	48.5
Harald Popp	3,880,000 ²	48.5
Dr. Alexander Becker	0	0

¹⁾ The shares are held indirectly through aventura Management GmbH, Bad Camberg, Germany, in which Mr Martin is the sole shareholder.

²⁾ The shares are held indirectly through dreiff Management GmbH, Bad Camberg, Germany, in which Mr Popp is the sole shareholder.

The Managing Directors have informed the Company that they do not intend to subscribe for or acquire additional shares as part of the Offering.

Options held by the Managing Directors

The Managing Directors do not hold any options which would give them the right to acquire Company's shares.

Potential conflicts of interest of the Managing Directors

As of the date of this Prospectus, Mr Martin holds indirectly, through aventura Management GmbH, Bad Camberg, Germany, in which he is the sole shareholder, 48.5% of the Company's shares. Following the successful implementation of the capital increase in relation to the Offering, Mr Martin will still hold a significant shareholding in the Company and will, therefore, be in a position to exert significant influence on the Company. Accordingly, potential conflicts of interest arise between Mr Martin's role as the Managing Director of the Company and his role as a shareholder and there is no assurance that Mr Martin will exercise his influence over the Company in a way that serves the interests of the Company and the remaining shareholders.

For information on the potential conflicts of interest of Mr Popp please see "18. Information on the governing bodies of the Company – 18.2 Administrative Board – Potential conflicts of interest of the Administrative Board members".

Except as disclosed above, there are no further conflicts of interest or potential conflicts of interest of the Managing Directors as regards the Company on the one side and their private interests, membership in governing bodies of companies, or other obligations on the other side.

18.4 Certain information on the members of the Administrative Board and Managing Directors

General information

None of the members of the Administrative Board and none of the Managing Directors has been convicted in relation to fraudulent offenses over the last five years. Neither any member of the Administrative Board nor any of the Managing Directors has been associated in his capacity as a member of an administrative, management or supervisory board, as a partner with unlimited liability, founder or senior manager with any bankruptcies, receiverships or liquidations over the last five years. No public incriminations and/or sanctions have been brought against any of the members of the Administrative Board or any of the Managing Directors by statutory or regulatory authorities (including designated professional bodies) in the last five years nor have these individuals ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

No family relationships exist between the members of the Administrative Board or between the Managing Directors.

D&O Insurance

The members of the Administrative Board and the Managing Directors are planned to be covered under a directors and officers ("**D&O**") insurance policy with an insurance coverage of EUR 5 million per insured event. The Company bears the costs of the D&O insurance for the members of the Administrative Board to a reasonable extent. In line with statutory requirements under the German Stock Corporation Act (*Aktiengesetz*), the D&O insurance for members of the Administrative Board and the Managing Directors provides for a deductible of 10% of each insured event limited, however, to a maximum of 1.5 times the annual fixed compensation of each member of the Administrative Board or each Managing Director.

18.5 General shareholders' meeting (*Hauptversammlung*)

The ordinary general shareholders' meeting of the Company is convened once a year. In addition, extraordinary general shareholders' meetings may be convened in instances determined by law or

when it appears to be required or necessary for the interests of the Company. As a rule, general shareholders' meetings are convened by the Administrative Board. Upon request of shareholders holding an aggregate of 5% or more of the registered share capital, the Administrative Board is obligated to call a general shareholders' meeting. This demand must be made in writing, stating the purpose of the meeting and be directed to the Administrative Board. Using the same procedure, shareholders whose aggregated shares constitute at least 5% of the Company's share capital or an interest of EUR 500,000 may demand that items be submitted for vote at a general shareholders' meeting of the Company. In addition, shareholders must prove that they have owned their shares for at least three months and that they will hold their shares until their motion has been decided upon. If the demand is not met by the Company, a court may authorise the shareholders who issued the demand to convene the general shareholders' meeting of the Company. The convening notice or publication must make reference to such authorisation.

Pursuant to article 54, para. 1 of the SE Regulation, the annual general shareholders' meeting, which decides on the discharge of the Administrative Board, profit distributions, appointment of the auditor and the approval of the annual accounts, must be held within the first six months of each financial year.

Pursuant to section 24.1 of the Company's articles of association, the general shareholders' meeting is held at the Company's corporate seat or in another German city with at least 500,000 inhabitants or at the registered office within the European single market of a stock exchange on which the shares of the Company are admitted to trading on the official market. Article 53 of the SE Regulation in conjunction with the German Stock Corporation Act (*Aktiengesetz*) and section 24.2 of the Company's articles of association require the Company to publish notices of general shareholders' meetings in the Federal Gazette (*Bundesanzeiger*) at least 30 days before the day of the meeting. When calculating the notice period the day on which the invitation is sent and the day of the general shareholders' meeting are disregarded.

Pursuant to section 25 of the Company's articles of association, shareholders who wish to attend the general shareholders' meeting and exercise their right to vote must register with the Company and provide proof of their authorisation. This registration must be made in text form (*Textform*) in accordance with section 126b of the German Civil Code (*Bürgerliches Gesetzbuch*) in German or English and must reach the Company at the address stated in the invitation at least six days prior to the general shareholders' meeting. The day of the receipt of the registration and the day of the shareholders' meeting are not counted for this purpose.

Pursuant to section 28.1 of the articles of association, each share entitles the shareholder to one vote at the general shareholders' meeting. The voting right may be exercised by a proxy. Neither German stock corporation law nor the Company's articles of association include a minimum participation level for the ability of the general shareholders' meeting to pass resolutions. Pursuant to section 133 of the German Stock Corporation Act (*Aktiengesetz*) in conjunction with section 28.2 of the Company's articles of association, resolutions at the general shareholders' meeting are passed with a simple majority of votes cast, and, to the extent that the capital majority is required, with a simple majority of the share capital represented, unless mandatory statutory provisions require otherwise.

Voting rights may be exercised by proxy. The granting of a proxy must be in written form (*Schriftform*) unless the convening notice provides for another, facilitating form.

Pursuant to articles 5, 57 and 59 of the SE Regulation and the respective provisions of the German Stock Corporation Act (*Aktiengesetz*), resolutions of fundamental significance require a majority of at least three-fourths of the share capital represented at the passing of the resolution in addition to the majority of votes cast. These resolutions include in particular:

- changes to the business purpose of the Company,
- capital increases involving the restriction or exclusion of shareholders' subscription rights,

- capital reductions,
- creation of authorised capital (*genehmigtes Kapital*) involving the restriction or exclusion of shareholders' subscription rights or an authorisation for such a restriction or exclusion,
- creation of conditional capital (*bedingtes Kapital*),
- dissolution, re-organisation or merger of the Company,
- transfer of the Company's entire assets, and
- consent to inter-company agreements within the meaning of section 291 et seq. of the German Stock Corporation Act (*Aktiengesetz*).

Neither German law nor the Company's articles of association restrict the right of non-resident or foreign shareholders to hold shares or to exercise any voting rights attached to these shares.

18.6 Corporate Governance

The German Corporate Governance Code (the "**Code**"), contains recommendations and suggestions for the management and supervision of German listed companies based on internationally and nationally acknowledged standards for good and responsible corporate governance relating to shareholders and shareholders' meetings, management and supervisory boards, transparency, accounting and the auditing of financial statements. While the recommendations or suggestions of the Code are not mandatory, article 9, para. 1, lit. c (ii) of the SE Regulation in conjunction with section 161 of the German Stock Corporation Act (*Aktiengesetz*) requires the management and supervisory boards of a listed European company to disclose each year which recommendations were and will be followed and which recommendations were not or will not be followed. This disclosure must be made permanently accessible to shareholders. However, deviations from the suggestions contained in the Code need not be disclosed.

The recommendations and suggestions of the Code are tailored to German stock corporations (*Aktiengesellschaften*) with a dual board system, i.e. a management board (*Vorstand*) and a supervisory board (*Aufsichtsrat*). According to articles 43-45 of the SE Regulation in conjunction with sections 20 et seq. of the German SE Implementation Act (*SE-Ausführungsgesetz*), the Company has opted for the internationally widespread system of management and governance by a single body, the Administrative Board. The members of the Administrative Board are jointly accountable for the management of the Company, determine the Company's business strategies and monitor the implementation of the said strategies by the Managing Directors. The Managing Directors manage the Company's daily business, represent the Company towards third parties and are bound by instructions from the Administrative Board.

In order to adapt the single body system to the Code, the Company will apply those parts of the Code that shall apply to the supervisory board (*Aufsichtsrat*) to the Administrative Board and those parts of the Code that apply to the management board (*Vorstand*) to the Managing Directors.

Prior to the listing of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), the Company is under no obligation to issue a declaration regarding the compliance with the Code. Accordingly, the Company's Administrative Board has not yet made a declaration pursuant to article 9, para. 1, lit. c (ii) of the SE Regulation in conjunction with section 161 of the German Stock Corporation Act (*Aktiengesetz*).

The Company identifies with the objectives of the Code to foster a responsible and transparent corporate management style and control directed toward achieving a sustained increase in shareholder value. As of the date of this Prospectus, the Company complies with the recommendations of the Code, having regard to the peculiarities of the legal form of a European company (SE), with the following exceptions:

- *Recommendation 4.1.5 of the Code:* According to recommendation 4.1.5 of the Code, the Managing Directors shall take diversity into consideration and, in particular, aim for an appropriate consideration of women when filling managerial positions in the enterprise. The Managing Directors shall lay down targets for increasing the share of women on the two management levels below the Managing Directors. Until now, the Managing Directors have not explicitly taken into account diversity and appropriate share of women when filling managerial positions. The Managing Directors currently face challenging conditions on the labour market making it difficult to increase the share of women on the management levels in the Group. The Managing Directors, however, intend to take these criteria into consideration in the future.
- *Recommendation 4.2.5 and 5.4.6 of the Code:* According to no. 4.2.5 and no. 5.4.6 of the Code, the compensation granted to the Managing Directors and the Administrative Board of the Company shall be disclosed on an individualised basis. In accordance with section 286, para. 5 of the German Commercial Code (*Handelsgesetzbuch*), the general shareholders' meeting of the Company has resolved on 4 April 2018, that no individualised disclosure of the remuneration granted to the Managing Directors and the Administrative Board of the Company shall be made pursuant to sections 285, no. 9, letter a), sentences 5 through 8, 314, para. 1, letter a), sentences 5 through 8 and 315e, para. 1 of the German Commercial Code (*Handelsgesetzbuch*) until the authorisation expires. Based on this resolution, the Company deviates from the recommendation no. 4.2.5 and no. 5.4.6 of the Code and will not disclose the remuneration on an individualised basis. The Managing Directors shall adhere to the authorisation granted by the general shareholders' meeting of the Company when preparing the annual financial statements.
- *Recommendation 5.1.2 of the Code:* According to recommendation 5.1.2 para. 1 of the Code, the Administrative Board shall respect diversity when appointing the Managing Directors, shall determine targets in terms of the share of women on the Managing Directors and shall ensure together with the Managing Directors that there is a long-term succession planning. Further, the initial appointment of Managing Directors should as a general rule not be made for the maximum period of 5 years. The Administrative Board intends to take diversity into consideration when appointing the members of the Managing Directors in the future. There is no target in terms of the share of women at the moment due to the number of Managing Directors and the challenging conditions on the labour market making it difficult to increase the share of women. At the moment, the Company does not deem a long-term succession planning necessary. The Administrative Board considers the appointment of the Managing Directors for a period of 5 years necessary to ensure the success of the Company.
- *Recommendation 5.3.1, 5.3.2 and 5.3.3 of the Code:* According to the Code's recommendations, the Administrative Board shall form committees of members with relevant expertise. In particular, the Administrative Board shall form an audit committee that addresses the monitoring of the accounting, the accounting process, the effectiveness of the internal control system, the risk management system, the internal audit system, the audit compliance. The chair of such audit committee shall have specific knowledge and experience in applying accounting principles and internal control procedures. In addition, the Administrative Board shall form a nomination committee composed exclusively of shareholder representatives, which purposes suitable candidates to the Administrative Board, for its recommendations to the shareholder's meeting. The Administrative Board has not formed any committees, given that the Administrative Board is comprised of just three members and can therefore efficiently fulfil its functions without the help of any committees.
- *Recommendation 5.4.1 of the Code:* According to recommendation no. 5.4.1 of the Code, the Administrative Board shall take diversity into consideration. Until now, the Administrative Board has not explicitly taken into account diversity and appropriate share of women. The Administrative Board is currently facing challenging conditions on the labour market making it difficult to increase the share of women. The Administrative Board, however, intends to take these criteria into consideration in the future.

- *Recommendation 5.4.4 of the Code:* Due to the single body system of the Company, recommendation 5.4.4, relating to the cooling off period for Managing Directors to become members of the Administrative Board, is not applicable for the Company.
- *Recommendation 5.6 of the Code:* Due to the one-tier governance system of the Company and the Administrative Board consisting of only three members, the Administrative Board believes that its work is handled efficiently and considers a regular audit of its work and efficiency as not necessary. The Administrative Board does, therefore, deviate from recommendation no. 5.6 of the Code.
- *Recommendation 6 of the Code:* The recommendations in Section 6 of the Code refer to the implementation of transparency within the Company. The Company complies with these recommendations except for investors who are also members of the Administrative Board.
- *Recommendation 7.1.2 of the Code:* According to the Code's recommendations, the Company's consolidated financial statements and the respective management report for a given fiscal year, and its consolidated interim financial statements and the respective management report should be published within 45 days from the end of the respective reporting period. The Company will publish its consolidated financial statements and the respective management reports in accordance with applicable regulations and in particular in accordance with the post-admission obligations of the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and may, therefore, not comply with the shorter periods provided for by the Code. The Company does not believe that an accelerated publication of its consolidated financial statements would serve the interests of investors, creditors, employees or the general public.

19. MAJOR SHAREHOLDERS

The following table presents an overview of the Company's shareholder structure before and after completion of the Offering (without exercise of the Greenshoe Option as well as assuming full exercise of the Greenshoe Option, in each case assuming that all Offer Shares are sold in the Offering (and that none of the existing shareholders of the Company has been allotted Offer Shares) and the capital increase in relation to the Offering is implemented accordingly), based on the information provided to the Company by the existing shareholders:

Name of the shareholder	Name of the indirect shareholder	Before the Offering		Following the completion of the Offering			
		Shares	in%	Assuming full exercise of the Greenshoe Option		Assuming no exercise of the Greenshoe Option	
				Shares	in%	Shares	in%
aventura Management GmbH, Bad Camberg, Germany ¹	Dirk K. Martin	3,880,000	48.5	3,296,545	31.40	3,530,800	33.63
dreiff Management GmbH, Bad Camberg, Germany ²	Harald Popp	3,880,000	48.5	3,296,545	31.40	3,530,800	33.63
Ingo Bollhöfer	-	240,000	3.0	203,910	1.94	218,400	2.08

¹⁾ The sole shareholder of aventura Management GmbH, Bad Camberg, Germany, is Mr Dirk K. Martin.

²⁾ The sole shareholder of dreiff Management GmbH, Bad Camberg, Germany, is Mr Harald Popp.

20. TRANSACTIONS AND LEGAL RELATIONSHIPS WITH RELATED PARTIES

The following describes the transactions and legal relationships that existed between the Company on the one hand and related parties (in the meaning of IAS 24) on the other hand in the financial years ended on 30 November 2016 and 30 November 2017, and in the current financial year up to the date of the Prospectus.

According to IAS 24, related parties of the Company are entities or persons related to the Company, including:

- companies that are controlled by the Company, in which the Company has an interest that gives it a significant influence, or over which it has joint control;
- companies that are associated with the Company within the meaning of IAS 28, and that are not consolidated by Company, as well as joint ventures in which the Company participates;
- principal shareholders whose shares give them control, joint control or a significant influence over the Company, as well as all companies and businesses over which these shareholders can exert a controlling influence and/or in which they hold more than 50% of the voting rights; and
- members of the Administrative Board and the Managing Directors of the Company (or their close family members), as well as entities controlled or significantly influenced by members of the Administrative Board or the Managing Directors (or their close family members), or in which those persons directly or indirectly hold significant voting power.

20.1 Business relationships with members of the Administrative Board and the Managing Directors and their close family members

- By an agreement dated 16 April 2003, Mr Harald Popp and Mr Dirk K. Martin provided a personal guarantee to Nassauische Sparkasse in order to secure term loans of PM Computer Service GmbH & Co. KG, Bad Camberg, Germany. The guarantee amounts to up to EUR 408 thousand, respectively, and does not provide for a remuneration.
- By agreements dated 16 April 2003, each of Mr Harald Popp and Mr Dirk K. Martin assigned, without receiving a remuneration, their life insurance policies in an amount of up to EUR 200 thousand, respectively, to Nassauische Sparkasse in order to secure term loans of PM Computer Service GmbH & Co. KG, Bad Camberg, Germany.
- Mr Harald Popp and Mr Dirk K. Martin as former shareholders of PM Computer Service GmbH & Co. KG, Bad Camberg, Germany and helpLine CLM AG, Baar, Switzerland and Mr Ingo Bollhöfer as a former shareholder of PM Computer Service GmbH & Co. KG, Bad Camberg, Germany, received dividends from, respectively, PM Computer Service GmbH & Co. KG, Bad Camberg, Germany, and helpLine CLM AG, Baar, Switzerland, in proportion to their respective shareholding in the total aggregate amount of EUR 2,869 thousand in the financial year ended 30 November 2016 and EUR 2,595 thousand in the financial year ended 30 November 2017. On 8 February 2018, the shareholders of helpLine CLM AG, Mr Harald Popp and Mr Dirk K. Martin, resolved upon two dividend payments for the period 1 December 2016 until 30 November 2017 and for the period 1 December 2017 until 31 January 2018 in the amount of CHF 870 thousand (EUR 751 thousand) and CHF 1,340 thousand (EUR 1,156 thousand), respectively.
- On 14 March 2018, the Company's extraordinary general shareholders' meeting resolved to increase the Company's share capital from EUR 120,000.00 by EUR 7,880,000.00 to EUR 8,000,000.00 by issuing 7,880,000 new ordinary bearer shares (*auf den Inhaber laufende Stückaktien*), each such share with a notional interest in the share capital of EUR 1.00, against contributions in kind by aventura Management GmbH, dreiff Management GmbH and Mr Ingo Bollhöfer. The sole shareholder of aventura Management GmbH is Mr Dirk K. Martin and the sole shareholder of dreiff Management GmbH is Mr Harald Popp.

Pursuant to the Contribution Agreements, each of aventura Management GmbH and dreiff Management GmbH contributed by assignment (i) 48.5% of the limited partner interests (*Kommanditanteile*) with a liability amount (*Haftsumme*) of EUR 121,250.00 in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany, (ii) 12,800 shares, i.e. 50% of the entire share capital, in PM Computer Services Verwaltungs GmbH, Bad Camberg, Germany, and (iii) 305,000 shares, i.e. 50% of the entire share capital, in helpLine CLM AG, Baar, Switzerland to the Company and Mr Ingo Bollhöfer contributed his limited partner interest (*Kommanditanteil*) of 3% with a liability amount (*Haftsumme*) of EUR 7,500 in PM Computer Services GmbH & Co. KG, Bad Camberg, Germany to the Company (the Capital Contributions as defined in section "14.15 Material Agreements"). As consideration for the respective Capital Contributions, aventura Management GmbH and dreiff Management GmbH were each permitted by the Company to subscribe for, subscribed and received each 3,820,000 shares in the Company and Mr Ingo Bollhöfer was permitted by the Company to subscribe for, subscribed and received 240,000 shares in the Company. The contribution and transfer of the aforementioned limited partner interests (*Kommanditanteile*) and shares were completed with effect from 14 March 2018 and the consummation of the capital increase was registered in the commercial register of the local court (*Amtsgericht*) of Limburg a.d. Lahn on 3 April 2018. MSW GmbH, Berlin, Germany, acted as auditor with respect to the capital increase pursuant to section 183, para. 3 of the German Stock Corporation Act (*Aktiengesetz*).

- On 5 April 2018, the Selling Shareholders and the Company entered into an agreement regarding their cooperation relating to the preparation of the Offering. As required by law, the Selling Shareholders agreed that they will reimburse the Company for all external costs incurred in connection with the preparation and the execution of the Offering (except for costs relating to certain corporate measures such as the capital increase in relation to the Offering) on a pro rata basis calculated in accordance with the ratio of (i) the gross proceeds from the sale of the Sale Shares and the Over-Allotment Shares placed in the Offering to (ii) the sum of the gross proceeds from the sale of the Offer Shares placed in the Offering. The costs for which the Selling Shareholders will reimburse the Company include legal, auditor and other advisors' fees as well as expenses, for which the Company has agreed to reimburse the Joint Global Coordinators. The obligations of the Selling Shareholders to reimburse the Company remain unaffected if the Offering is postponed or terminated. As required by law, the Selling Shareholders also agreed to indemnify the Company from any potential liability in connection with the Offering on a pro rata basis in accordance with the aforementioned ratio.

21. TAXATION IN GERMANY

This section contains a summary of certain important German tax principles that may be relevant in connection with the acquisition, holding, and transfer of shares in the Company. The following outline does not purport to contain comprehensive or exhaustive information. This summary is based on the tax laws applicable in Germany as at the date of this Prospectus, including selected provisions of treaties concluded between Germany and other countries for the avoidance of double taxation ("**double taxation treaties**"). In both areas, the provisions may change at short notice, in some cases even with retroactive effect. In addition to a brief discussion regarding the taxation of the Company, the explanations relate exclusively to the corporate income tax, personal income tax, solidarity surcharge, church tax and trade tax to which the shareholders of a stock corporation domiciled in Germany may be subject with respect to dividends and capital gains, and the inheritance or gift tax that may arise in connection with shares, and cover only some aspects of these types of tax. The individual tax circumstances of any particular shareholder and any other taxes for which he may be liable will not be addressed in this context.

This section is no substitute for the individual advice provided to each particular shareholder. All potential purchasers of shares are therefore urged to consult a tax advisor. Only tax advisors are in a position to adequately take into account the special tax situation of the individual shareholder – e.g., with respect to the disposal or gratuitous transfer of shares and a possible refund of the German withholding tax on investment income (Kapitalertragsteuer) paid.

21.1 Taxation of the Company

As a German stock corporation (*Aktiengesellschaft*), the Company is basically subject to corporate income tax (*Körperschaftsteuer*) at the current tax rate of 15% on its taxable income plus solidarity surcharge (*Solidaritätszuschlag*) at the current rate of 5.5% on the corporate income tax liability (rounded to 15.83% in total). This tax rate will apply regardless of whether profits are distributed or retained.

In addition, the Company, as a stock corporation domiciled in Germany, is subject to trade tax (*Gewerbesteuer*). As a result of the different municipal trade tax assessment rates (so-called local multipliers) the effective trade tax rate depends, inter alia, on the local municipality in which the company maintains permanent establishments (*Betriebsstätten*). Depending on the local multiplier (*Hebesatz*) of the municipality, the trade tax rate ranges between 7% and approximately 17% of the taxable trade income.

In principle, any income from the distribution of profits of domestic and foreign corporations to the Company is exempt from corporate income tax provided the shareholding is at least 10% in the capital of the other corporation; however, 5% of the dividends is deemed to be non-deductible business expenditure in this respect. This means, in effect, that merely 95% of the profit distributions received by the Company are tax-exempt. If the Company receives profit distributions after 28 February 2013 from domestic and foreign corporations in which it held a direct interest of less than 10% of the share capital at the beginning of the relevant calendar year, then the total income derived from the profit distributions will be subject to corporate income tax in deviation from this principle. For these purposes, an equity interest in the share capital shall also be deemed a direct interest if it is held via a partnership; share capital will also be deemed to have been held from the beginning of the calendar year if an equity interest of at least 10% of the share capital is acquired during the course of the calendar year. Likewise, 95% of the income from profit distributions received by the Company from domestic and foreign corporations will be exempt from trade tax, provided that the Company has held at least 15% of the share capital of the German distributing corporation at the beginning of the relevant tax assessment period; for distributions to the Company from non-German EU/EEA corporations, it must have held an equity interest of at least 10% at the beginning of the relevant tax assessment period in this respect, and where the Company receives distributions from other foreign companies, it must have held at least 15% of the share capital uninterrupted since the beginning of the tax assessment period. In the case of distributions from non-German EU/EEA corporations and other foreign companies, an additional

requirement will be that the distributing company generates its income from certain so-called active business operations. Where the aforementioned requirements are not met, the full amount of the income from dividends shall be included in trade earnings for trade tax purposes at the level of the Company.

Any losses incurred by the Company in a given year may, for tax purposes, be set-off against profits of subsequent years to a limited extent only (so-called minimum taxation). For corporate income tax and trade tax purposes, only 60% of the total income (after loss balancing and, for corporate income tax purposes, loss carry-back) in excess of EUR 1,000,000 in the loss utilisation period may be used to offset existing tax loss carry-forwards. Unused tax loss carry-forwards may generally be carried forward indefinitely and may be utilised subject to the minimum taxation rule.

The usability of tax loss carry-forwards by the Company may be further restricted, now and in the future; in particular, loss carry-forwards will no longer be deductible where certain shareholder changes or reorganisations deemed to be detrimental for tax purposes occur.

In addition, various rules may give rise to limitations regarding the tax deductibility of Company's interest expenses and suchlike; this applies, in particular, to the rules of the so-called interest barrier regime (*Zinsschranke*) and for various add-back criteria under trade tax provisions.

21.2 Taxation of dividends at the level of the shareholder

Shareholders resident in Germany

Shares held as private assets

The dividend income of individuals subject to unlimited taxation in Germany who hold shares as private (non-business) assets is generally subject to the definitive withholding tax (*Abgeltungsteuer*) regulations at a rate of 25% (plus a solidarity surcharge of 5.5%, rounded to 26.38% in total), which is levied regularly through tax deductions. The tax deduction serves to discharge the shareholder's personal income tax liability for dividends (so-called "**definitive withholding tax**"). If the definitive withholding tax was not withheld or deducted upon payment of the dividend, the dividend income must be declared in the income tax return and will then be taxed at the definitive withholding tax rate of 25% plus a solidarity surcharge and any applicable church tax (see below).

Income-related expenses (*Werbungskosten*) may not be deducted from investment income, with the exception of the flat-rate saver's allowance (*Sparer-Pauschbetrag*) of up to EUR 801 (or up to EUR 1,602 for married couples or registered life partners filing a joint income tax return) that may be claimed once only for the entire investment income in the relevant year. The shareholder may apply, among others, that as part of the assessment at the definitive withholding tax rate, any flat-rate saver's allowance not used up for the investment income tax deduction be deducted or that a loss set-off (which for investment income is possible to a limited extent) be performed.

The definitive withholding tax will not apply in the case where the dividend income is to be allocated to the income, for example, from employment or rent and leases.

The shareholder may apply for the tax on its investment income to be assessed at the normal income tax rate instead of the definitive withholding tax rate if this would serve to lower its tax burden (so-called tax assessment on the basis of the most favourable provision applicable (*Günstigerprüfung*)).

The shareholder may also file an application for refraining from applying the definitive withholding tax where the shareholder has at least a 25% interest in the distributing stock corporation, or if the shareholder has at least a 1% interest and also works for the corporation in a professional capacity. An application to this effect will generally be valid for a period of five years, but any withdrawal of the application during this period is subject to narrow limits; a repeat application by the shareholder for the non-application of the definitive withholding tax in connection with income from the relevant equity investment is no longer permitted within the five-year period after a

withdrawal. In the case of a valid application for refraining from applying the definitive withholding tax, the dividend income will be taxed according to the so-called partial income method (*Teileinkünfteverfahren*). Under this method, 60% of the income – after deduction of 60% of the expenses incurred in connection with such income – will be subject to the progressive personal income tax rate of up to 45%. A solidarity surcharge of 5.5% (plus church tax, if applicable) will be levied on the income tax liability, which equates to a maximum tax burden of 28.5% (rounded) of the dividend income at a top tax rate of 45%. Where investment income tax was withheld, this may be offset from the resulting tax liability upon request, provided that the documentation requirements are met. Where the shareholder incurs a lower tax rate (so-called tax assessment on the basis of the most favourable provision applicable (*Günstigerprüfung*)) in the case of taxation at the standard income tax rate as part of an assessment permitted upon application, the investment income tax is imputed to the standard income tax, and any surplus that results is reimbursed. Also in this case, income-related expenses may not be deducted, with the exception of the annual flat-rate saver's allowance.

If the shareholder is a member of a religious congregation that levies the church tax, the shareholder is generally subject to church tax at a rate of up to 8% or 9% (depending on the shareholder's permanent residence and religious congregation) on the income tax. The assessment basis for church tax purposes does not, however, correspond to the taxpayer's actual personal income tax since certain adjustments must be made. The so-called partial income method cannot be applied in this context, for example. Consequently, this means, e.g., that 100% of dividend income subject to the partial income method for income tax purposes is generally subject to the church tax.

The section "*Investment income tax and withholding of church tax on dividends*" below applies in supplement thereto.

Shares held as business assets

Sole proprietors

If the shares are held as business assets of a sole proprietor (*Einzelunternehmer*), then 60% of the dividends will be considered income from trade or business for income tax purposes. Only 60% of the business expenses that are, from an economic point of view, related to the dividends are tax-deductible (so-called partial income method). In principle, profit distributions less any business expenses incurred in connection therewith are exempt from trade tax provided that the taxpayer has held a direct or indirect minimum equity interest of 15% in the Company's share capital at the beginning of the relevant tax assessment period; otherwise the full amount of income from dividends received will be included in the trade earnings. The trade tax is generally imputed to the shareholder's normal personal income tax by way of a flat-rate imputation procedure (*pauschaliertes Anrechnungsverfahren*).

The personal income tax rate is linearly progressive; the top income tax rate is 45%. A solidarity surcharge of 5.5% will be levied on the income tax, so that under the taxation according to the so-called partial income method at a top tax rate of 45% this equates to a maximum tax burden of 28.5% (rounded) of the dividend income (after deduction of any business expenses incurred in connection therewith). Church tax may still be levied in addition.

The section "*Investment income tax and withholding of church tax on dividends*" below applies in supplement thereto.

Corporations

Dividends received by corporations domiciled in Germany are generally exempt from corporate income tax and the solidarity surcharge if the corporation held a direct interest of at least 10% in the Company's share capital. However, 5% of the dividend income is deemed to be non-deductible business expenditure so that merely 95% of the dividends received will be tax-exempt. For purposes of determining the taxable profit, any business expenses actually incurred in connection

with the dividend income may generally be deducted in full. For these purposes, a direct interest in the share capital is also any equity interest held by a partnership; share capital is deemed held from the beginning of the calendar year if an equity interest of at least 10% of the share capital is acquired during the course of the calendar year. Where the corporation has held a minimum direct or indirect equity interest of 15% in the Company's share capital at the beginning of the relevant tax assessment period, 95% of the dividends will be exempt from trade tax; otherwise the full amount of dividends received will be included in the trade earnings.

The section "*Investment income tax and withholding of church tax on dividends*" below applies in supplement thereto.

Partnerships

Where the shares are held by a partnership (*Personengesellschaft*), personal income tax or corporate income tax is levied at the level of the partners of the partnership only. If the partners are subject to corporate income tax, 95% of the dividend payments received will generally be tax-exempt and any business expenses actually incurred may generally be deducted in full, if the partner held or was deemed to hold a direct interest of at least 10% of the Company's share capital at the beginning of the relevant calendar year (see under "*Corporations*" above). However, if the partner is subject to personal income tax and receives income from a trade or business, 60% of the dividends after deduction of 60% of the business expenses connected therewith will be taxed (see "*Sole proprietors*" above). Where an asset management partnership is concerned and the partnership interest in the partnership is held as part of the taxpayer's private assets, the dividends will, however, be taxed at the definitive withholding tax rate of 25% (plus solidarity surcharge and church tax, if applicable). At the level of a partnership that is liable to trade tax, dividend payments will be subject to trade tax unless the partnership held a direct or indirect interest of least 15% in the Company's share capital at the beginning of the relevant calendar year. Where the partner of the partnership is an individual, the trade tax liability incurred at the level of the partnership will, as a rule, be imputed to the shareholder's normal personal income tax by way of a flat-rate imputation procedure. Where partners subject to corporate income tax hold an equity interest in an asset management partnership, the dividend payments to the partnership may, subject to the aforementioned conditions, be subject to trade tax at the level of the partners liable for corporate income tax.

Subject to certain conditions, the above-described exemptions do not apply, in particular, to credit institutions, financial services institutions, finance companies, life insurance companies and health insurance companies (see section "*21.4. Particularities for credit institutions, financial services institutions, finance companies, life insurance companies and health insurance companies*" below).

The section "*Investment income tax and withholding of church tax on dividends*" below applies in supplement thereto.

Shareholders resident outside Germany

Dividend income received by individuals and corporations resident outside of Germany are subject to limited personal or corporate income tax. The withholding of investment income tax (which may have been reduced in accordance with a double taxation treaty) will be deemed to discharge any personal income tax or corporate income tax liability in Germany if the shares are not attributed to a permanent establishment or fixed base in Germany and are not held via a permanent representative in Germany. Special rules may apply on the basis of applicable double taxation agreements or Council Directive 2011/96/EU of 30 November 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States (so-called "**Parent-Subsidiary Directive**").

60% of the dividends received by individuals resident outside of Germany and whose shares are held as business assets of a permanent establishment or fixed base in Germany or via a permanent representative in Germany are subject to German income tax, including the solidarity surcharge. If the shares are held as assets of a permanent business establishment in Germany,

then the full amount of the dividends is generally also subject to trade tax, unless the taxpayer held at least 15% of the share capital of the Company at the beginning of the relevant tax assessment period, in which case the dividends will not be subject to trade tax. The trade tax is generally imputed to the shareholder's personal income tax by way of a flat-rate imputation procedure.

Dividend income from corporations domiciled outside of Germany which maintain a permanent establishment in Germany to which the shares may be attributed, or have a permanent representative in Germany via which the shares are held, are generally exempt from corporate income tax and the solidarity surcharge. However, 5% of the dividends is deemed to be non-deductible business expenditure, which means that ultimately only 95% of the dividend payment will be tax-exempt. However, as in the case of shareholders resident in Germany, this only applies if the corporation held or was deemed to hold a direct interest of at least 10% of the Company's share capital at the beginning of the relevant calendar year. If the shares are held as business assets of a permanent establishment in Germany, the full amount of the dividends will be subject to trade tax, unless the corporation held at least 15% or, in the case of distributions of an EU/EEA corporation, at least 10% of the share capital of the Company at the beginning of the relevant tax assessment period (in this case (from an economic perspective) only 5% of the dividends will be subject to trade tax).

Subject to certain conditions, the above-described tax exemptions do not apply, in particular, to credit institutions, financial services institutions, finance companies, life insurance companies and health insurance companies (see section "21.4. Particularities for credit institutions, financial services institutions, finance companies, life insurance companies and health insurance companies" below).

The section "*Investment income tax and withholding of church tax on dividends*" below applies in supplement thereto.

Investment income tax and withholding of church tax on dividends

Where the shares are held in collective custody within Germany, the Company is not required to withhold investment income tax. Since the shares of the Company, including the New Shares after the capital increase in relation to the Offering has been implemented, will be held in collective custody at Clearstream, the Company assumes no responsibility for the withholding of investment income tax on dividend payments.

The domestic branch of a domestic or foreign credit institution or financial services institution, the domestic securities trading company or the domestic securities trading bank which manages and holds the shares in custody (each a disbursing agent) must generally withhold, and remit to the tax authorities, investment income tax at the rate of 25%, plus the solidarity surcharge of 5.5% thereon (rounded in total to 26.38% of the gross dividend) (see below with regard to church tax) when disbursing or crediting the investment income (*Kapitalerträge*) to the shareholder or when disbursing such investment income to a foreign institution. Unless a valid non-assessment or tax exemption certificate of the shareholder has been submitted to the disbursing agent in this respect, it will generally not be taken into account whether the dividends are wholly or partially tax exempt at the level of the shareholder and whether the shareholder is resident within or outside of Germany.

For shareholders subject to unlimited taxation in Germany who hold their shares as part of their private assets, the tax withheld will invariably discharge the liability for income tax unless the shareholder has applied for an assessment under the rules referred to under "*Shares held as private assets*" above or taxation at the standard income tax rate is applied due to the tax assessment on the basis of the most favourable provision applicable (*Günstigerprüfung*).

Where shareholders are subject to unlimited taxation in Germany or where shareholders reside outside of Germany but hold shares as business assets of a permanent German establishment or a fixed base in Germany or via a permanent representative in Germany, the investment income tax

(including solidarity surcharge) will in the course of the tax assessment be imputed to the shareholder's personal income tax or corporate income tax liability; any surplus amount will be refunded.

For distributions made by the Company to shareholders resident outside of Germany who do not hold shares as part of the business assets of a permanent establishment or fixed base in Germany or via a permanent representative in Germany, and who are resident in a country with which Germany has entered into a double taxation treaty, the investment income tax rate is generally reduced to 15%; in the case of a qualifying holding by a corporation it may be reduced to lower rates — however, the provisions in the respective double taxation treaty applicable in each case shall be controlling in the specific case. The investment income tax reduction is granted either by (partial) exemption or in a manner whereby the difference between the total amount of the withheld investment income tax, including the solidarity surcharge, and the actual investment income tax owed in accordance with the applicable double taxation treaty is refunded by the German tax administration (Federal Central Tax Office (*Bundeszentralamt für Steuern*)) upon having lodged the relevant application. Forms for the refund procedure may be obtained from the Federal Central Tax Office and may be downloaded from the website of the Federal Central Tax Office (www.bzst.de).

For dividends that are distributed by the Company to a parent company or permanent establishment within the meaning of the Parent-Subsidiary Directive, the withholding of investment income tax on profit distributions may, upon application to the tax authorities, be waived entirely or the investment income tax may be refunded in full, provided that additional requirements are met.

If the shareholder is a corporation subject to limited taxation in Germany, two-fifths of the investment income tax withheld will be refunded upon application to the tax authorities, provided that additional requirements are met. A more extensive tax refund based on the application of a double taxation treaty or the Parent-Subsidiary Directive is possible.

For foreign shareholders, the (partial) exemption from or refund of investment income tax will be restricted through special rules aimed at combating abusive structures.

Dividend income paid to a shareholder who is a member of a religious congregation that levies church tax, will also be subject to a withholding obligation with respect to the church tax incurring thereon. The person subject to the withholding obligation may, for the purposes of withholding church tax, obtain the relevant data from the Federal Central Tax Office's (*Bundeszentralamt für Steuern*) automated system. However, the shareholder may request that the Federal Central Tax Office (*Bundeszentralamt für Steuern*) restrict access to such data (*Sperrvermerk*). In this case, the domestic custodian bank does not withhold any church tax and the shareholder is obliged to declare its dividend income in its income tax return; the church tax is then levied on the basis of a tax assessment.

21.3 Taxation of disposal gains for shareholders

In the section below, not only the profits from the disposal of shares but also those derived from circumstances which, for tax purposes, are treated as a disposal are referred to as capital gain(s) or as profit(s) from the disposal of shares.

Shareholders resident in Germany

Shares held as private assets

Profits from the disposal of shares or remainders (*Anwartschaften*) which are held as private assets are generally subject to the definitive withholding tax in the full amount; this applies irrespective of the holding period of the shares or any exemption threshold. The capital gain is calculated as income from the disposal net of disposal costs, the shares' acquisition costs and incidental acquisition costs. With regard to shares that were entrusted to a depository for collective

custody pursuant to section 5 of the German Securities Deposit Act (*Depotgesetz*), it will be assumed that in the case of multiple purchases and/or sales of reasonably similar shares, those shares acquired first will also be sold first.

Gains from the disposal of shares held as private assets are subject to the definitive withholding tax at a rate of 25% (plus the solidarity surcharge of 5.5%, rounded to 26.38% in total plus church tax, if any), which is levied regularly through tax deductions. Unless the tax was withheld as part of the tax deduction, such income must be declared in the income tax return. Income-related expenses in connection with disposals which do not qualify as costs of disposal may not be deducted. However, the capital gains are deemed investment income from which the (pro rata) flat-rate saver's allowance is deducted, if applicable. If, upon application, a shareholder is taxed at the normal income tax rate levied by way of an assessment that is permissible where this would serve to lower the respective tax rate (so-called application of the most favourable tax treatment (*Günstigerprüfung*)), the investment income tax will be imputed to the normal income tax and any possibly arising excess tax withheld will be reimbursed. In this case also, income-related expenses may not be deducted, with the exception of the annual flat-rate saver's allowance.

The gratuitous transfer of shares to another custody account of the same holder will not be deemed a disposal; the transferring custodian bank will, however, have to provide the new custodian bank with the shares' acquisition data (including among others the acquisition costs). In the case of transfers from a custody account held at a custodian bank outside of Germany or the EU/EEA, it will generally not be possible to provide proof of the actual acquisition costs.

Profits from the disposal of shares held as part of the shareholder's private assets do not form part of the investment income subject to the definitive withholding tax, if the shareholder (or in the event of a gratuitous transfer, the shareholder's legal predecessor) has, at any point in time during the five years immediately preceding the disposal, held a direct or indirect equity interest of at least 1% in the Company's share capital. According to the so-called partial income method applicable in this case, 60% of the capital gains, after deduction of 60% of the expenses incurred in connection with such income and any applicable tax exemption allowance, will be subject to the applicable progressive personal income tax rate of up to 45% (plus 5.5% solidarity surcharge and church tax, if any, thereon).

The following special rules apply regarding the taxation of losses from the disposal of shares to which the definitive withholding tax regime applies: losses from the disposal of shares may only be offset against capital gains from shares. Profits from the sale of shares, on the other hand, may be used to offset any other negative income from capital investments.

Losses from the disposal of shares that cannot be offset in one year, will be assessed separately and can be deducted from profits on share disposals in subsequent years subject to the applicable statutory restrictions. As a rule, the capital losses from shares that have not been offset by gains will be carried forward by the disbursing agent so as to be offset against future gains from the disposal of shares. For purposes of setting off capital losses from capital gains from custody accounts at various sources, the relevant disbursing agent is required, upon request, to issue a certificate detailing the losses that were not offset at the latest by 15 December of the year in which the capital gains arose. The disbursing agent will then no longer take such certified losses into account for set-off against capital gains from shares; the shareholder may assert such losses solely in the context of the tax assessment.

In the case of the disposal or exercise of subscription rights (*Bezugsrecht*) which constitute the right to enter into a subscription agreement, no pro-rated acquisition costs of the underlying existing shares to which the subscriptions rights are attributable will be recognised. The purchase price realised on the disposal of subscription rights is deemed to be a taxable capital gain and is subject to definitive withholding tax.

If the shareholder is a member of a religious congregation that levies the church tax, the shareholder is generally subject to church tax at a rate of up to 8% or 9% (depending on the shareholder's permanent residence or religious congregation) on the income tax. The assessment

basis for church tax purposes does not, however, correspond to the taxpayer's actual personal income tax as adjustments will have to be made to a certain extent. The partial income method cannot be applied in this context, for example. Consequently this means that capital gains, for example, which for income tax purposes are subject to the so-called partial income method, will generally be subject to church tax in their full amount.

The section "*Investment income tax and withholding of church tax on disposals*" below applies in supplement thereto.

Shares held as business assets

Sole proprietors

60% of the capital gains from the disposal of shares or remainders that are held as business assets by individuals resident in Germany are subject to income tax, the solidarity surcharge and trade tax. The trade tax, however, will generally be imputed to the shareholder's personal income tax by way of a flat-rate imputation procedure. Church tax may still be levied in addition.

Only 60% of the capital losses and business expenses that are, from an economic perspective, related to the disposal of shares or remainders, are tax-deductible.

The section "*Investment income tax and withholding of church tax on disposals*" below applies in supplement thereto.

Corporations

For corporations based in Germany, any profits from the disposal of shares are, as a rule, exempt from trade tax and corporate income tax, including the solidarity surcharge. However, 5% of the capital gains are deemed to be non-deductible business expenditure, which means that ultimately only 95% of the capital gains will be tax-exempt. Subject to certain conditions, this tax exemption does not apply, in particular, to credit institutions, financial services institutions, finance companies, life insurance companies and health insurance companies (see section "*21.4. Particularities for credit institutions, financial services institutions, finance companies, life insurance companies and health insurance companies*" below). On the other hand, the full amount of the profits realised in the case of the disposal of remainders is subject to corporate income tax, the solidarity surcharge and trade tax. For purposes of determining the taxable profit, any general business expenses actually incurred in relation to the shares may generally be deducted in full unless costs of disposal are concerned. In principle, losses and reductions in profit related to the shares, such as, for example, impairment charges or losses on their disposal, are not tax deductible at all (reference is made to the diverging principles as indicated in the section entitled "*21.4. Particularities for credit institutions, financial services institutions, finance companies, life insurance companies and health insurance companies*" below). Reductions in profit that are not tax deductible also include reductions in profit of a shareholder with a higher than 25% equity interest in the Company (or of a related party of such shareholder) which are attributable to claims against the Company under a loan agreement which do not satisfy the arm's length principle or the recourse to collateral furnished for loans to the Company, or any recourse taken by third parties because of such loans.

The section "*Investment income tax and withholding of church tax on disposals*" below applies in supplement thereto.

Partnerships

If the shareholder is a partnership, the tax treatment of the capital gains depends upon whether the partners are subject to personal or corporate income tax. If the partner is subject to corporate income tax, effectively 95% of capital gains are exempt from tax; capital losses are not deductible for tax purposes (see "*Corporations*" above). If the partner is subject to personal income tax, 60% of the capital gains will be taxable or, as the case may be, 60% of the costs of disposal and capital losses will be deductible for tax purposes (see "*Sole proprietors*" above). Where an asset

management partnership is concerned and the partnership interest in the partnership is held as part of the taxpayer's private assets, the capital gain will, however, be taxed at the definitive withholding tax rate of 25% (plus solidarity surcharge and church tax, if any) unless the pro rata interest in the corporation is at least 1% in which case the partial income method applies. Moreover, capital gains are subject to trade tax at the level of a partnership that is liable to trade tax; depending on whether the partner is an individual or corporation, 60% or 5% respectively of the capital gains are subject to trade tax purposes. Where the partner of the partnership is an individual, the trade tax liability incurred at the level of the partnership will be imputed to the individual's personal income tax by way of a flat-rate imputation procedure.

The section "*Investment income tax and withholding of church tax on disposals*" below applies in supplement thereto.

Shareholders resident outside Germany

If the shareholder is an individual who resides outside of Germany and does not have a permanent establishment or permanent representative in Germany, the capital gains realised by such shareholder will be subject to German income tax only if the individual, at any point in time during the five years immediately preceding the disposal of the shares, held a direct or indirect interest of at least 1% in the Company's share capital, or if a domestic credit institution or financial services institution, including the domestic representative office or branch of a foreign enterprise within the meaning of sections 53 and 53b of the German Banking Act (*Gesetz über das Kreditwesen*, "**KWG**"), disburses or credits the capital gain to an institution that is not a foreign credit institution or financial services institution against delivery of the shares or remainders, and such shares or remainders are neither held in custody nor managed by the domestic credit institution or financial services institution (so-called over-the-counter transaction). A large number of the double taxation treaties entered into by Germany do, however, exclude Germany's right of taxation in these cases.

If shares are disposed of by an individual resident outside Germany who holds the shares as business assets in a German permanent establishment, a fixed base or through a permanent representative in Germany, or if such individual held, at any point in time during the five years immediately preceding the disposal of the shares, a direct or indirect interest of at least 1% in the Company's share capital, then, according to the principles of the so-called partial income method, 60% of capital gains realised will be subject to income tax, the solidarity surcharge and, if applicable, trade tax in Germany. Furthermore, 60% of the capital losses will be tax deductible. In the aforementioned cases, 60% of the profits from the disposal of remainders will also be subject to income tax, the solidarity surcharge and, if applicable, trade tax. The trade tax may generally be imputed to the shareholder's personal income tax by way of a flat-rate imputation procedure.

Capital gains generated by a corporation resident outside of Germany, which held such shares as business assets of a domestic permanent establishment or through a permanent representative in Germany are, as a rule, exempt from trade tax and corporate income tax. However, 5% of the capital gains is deemed to be a non-deductible business expenditure, which means that ultimately only 95% of the capital gains will be tax-exempt. Capital losses from shares are not deductible for tax purposes at all. The full amount of the profits realised in the case of the disposal of subscription rights is subject to corporate income tax, the solidarity surcharge and trade tax.

If, prior to the disposal by a foreign corporation, the shares are not attributed to a permanent German establishment or a permanent representative of this corporation in Germany, any capital gain will only be taxable in Germany if the company held, at any point in time during the five years immediately preceding the disposal of the shares, a direct or indirect interest of at least 1% in the Company's share capital. According to the tax administration taxation of the capital gain will then be in accordance with the principles described above, i.e., 95% of the profits will be exempt from corporate income tax including the solidarity surcharge. The Federal Fiscal Court recently has decided that the 5% add back does not apply in this case. At this stage it is not clear whether the tax administration will endorse the new case law. No trade tax will be levied if no permanent establishment is being operated for trade tax purposes in Germany.

It is possible that the taxation of capital gains of foreign shareholders as described above is excluded on the basis of provisions on favourable tax treatment in the relevant double taxation treaty. In this regard, most double taxation treaties concluded by Germany provide for exemption from German taxation, provided that the shares are not held as assets of a permanent German establishment or through a permanent representative in Germany.

The section "*Investment income tax and withholding of church tax on disposals*" below applies in supplement thereto.

Investment income tax and withholding of church tax on disposals

If the capital gain is disbursed or credited by a disbursing agent, the definitive withholding tax will generally be levied also for capital gains by way of a deduction from the investment income tax for the account of the shareholder. The investment income tax rate is 25% (plus 5.5% solidarity surcharge thereon, thus rounded to 26.38% in total; with regard to any applicable church tax, see below). The Company is not required to withhold taxes nor does the Company assume any responsibility for the withholding of investment income tax.

Where the acquisition data are not validly communicated upon a custody account transfer, the investment income tax will be assessed on 30% of the gross income from the disposal of the shares or remainders. This also applies where a domestic credit institution or financial services institution, including the domestic branch or branch of a foreign enterprise within the meaning of sections 53 and 53b KWG, pays out or credits the capital gain to another institution that is not a foreign credit institution or financial services institution against delivery of the shares or remainders, and such shares or remainders are neither held in custody nor managed by the domestic credit institution or financial services institution (so-called over-the-counter transaction).

The taxes on capital gains from shares and remainders realised by a corporation subject to unlimited taxation in Germany — and exempt from corporate income tax — will not be levied by way of investment income tax. In the case of certain groups of corporations this will apply only if they demonstrate their affiliation to such group of taxpayers by a certificate issued by the competent tax office.

Where the capital gains constitute operating income of a domestic business and the creditor of the investment income notifies the domestic disbursing agent accordingly in using the officially prescribed form, the domestic disbursing agent shall not deduct any investment income tax either.

If the investment income tax at the level of the shareholder would, in light of the shareholder's type of business, be continuously higher than the total personal or corporate income tax to be assessed, then — upon application — the disbursing agent shall also not deduct any investment income tax for capital gains in business assets determined for tax purposes.

If the shareholder is a corporation subject to limited taxation in Germany, two-fifths of the investment income tax actually withheld will be refunded upon application, provided that additional requirements are met. A more extensive tax refund based on the application of a double taxation is possible.

Capital gains that are generated by a shareholder who is a member of a religious congregation that levies church tax, will be subject to a withholding obligation with respect to the church tax (of up to 8 or 9% depending on the shareholder's permanent residence and religious congregation) incurring thereon. The person subject to the withholding obligation may, for the purposes of withholding church tax, obtain the relevant data from the Federal Central Tax Office's (*Bundeszentralamt für Steuern*) automated system. However, the shareholder may request that the Federal Central Tax Office (*Bundeszentralamt für Steuern*) restrict access to such data (*Sperrvermerk*). In this case, the disbursing agent does not withhold any church tax and the shareholder is obliged to declare its capital gains in its income tax return; the church tax is levied on the basis of a tax assessment.

21.4 Particularities for credit institutions, financial services institutions, finance companies, life insurance companies and health insurance companies

If the shareholders are finance companies within the meaning of section 1 KWG in which credit institutions or financial services institutions directly or indirectly hold an interest of more than 50%, and who have acquired the shares for the purpose of deriving short-term gains from proprietary trading, then the income from dividends received as well as capital gains will be subject to taxation in the full amount. The same applies if the shares held by credit institutions or financial services institutions are attributable to the trading book (*Handelsbuch*) pursuant to section 1a KWG in conjunction with Articles 102 to 106 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 646/2012 (OJ L 176 of 27 June 2013, p. 1) ("**CRR Regulation**") or directly pursuant to Articles 102 to 106 of the CRR Regulation. This also applies — subject to the application of any more favourable provisions in double taxation treaties and, with respect to dividends, subject to the applicability of article 4, para. 1 of the Parent-Subsidiary Directive — to credit institutions, financial services institutions and finance companies that are domiciled in another EU Member State or another state that is a contracting party to the Agreement on the European Economic Area.

Another exception applies to life insurance and health insurance companies and pension funds. To the extent that the shares held by such entities form part of their capital investments, the dividends — for foreign institutions, subject to the applicability of article 4, para. 1 of the Parent-Subsidiary Directive and the application of more favourable provisions in double taxation treaties — and capital gains will be taxable.

Any losses and impairments in value in connection with the shares may be claimed for tax purposes in the cases described.

21.5 Inheritance and gift tax

The transfer of shares to another person by way of gift or *causa mortis* or in the case of specific-purpose transfers is subject to German inheritance or gift tax particularly where:

- a) the decedent, donor, heir, donee or any other transferee is at the relevant time a German resident (*Inländer*) within the meaning of the German Inheritance and Gift Tax Act (*Erbschaft- und Schenkungsteuergesetz*) (where an individual is concerned this means, for example, that such individual had his or her permanent residence or habitual abode in Germany or, where this person is a German citizen, he or she had not been domiciled abroad for more than five years without maintaining a residence in Germany); or
- b) the shares transferred by the decedent or donor formed part of the business assets for which a permanent establishment was maintained or a permanent representative had been appointed in Germany; or
- c) the decedent or donor, at the time of accrual of the inheritance or gift, either individually or collectively with persons related to him/her, directly or indirectly held at least 10% of the share capital of the company having its registered office or place of management in Germany.

Special rules apply to German citizens living outside of Germany and former German citizens.

Furthermore, inheritance tax (*Erbsatzsteuer* — so-called substitute inheritance tax) will be levied regularly — at thirty-year intervals — on the assets in the form of shares held by foundations or associations which have primarily been established in the interests of a family or specific families and have their place of management or seat in Germany.

The few German inheritance tax double taxation treaties currently in force generally provide that German inheritance or gift tax can only be levied in case (a) or, with restrictions, in case (b).

21.6 Other taxes

In Germany, no capital transfer tax (*Kapitalverkehrsteuer*), stamp duty (*Stempelsteuer*) or similar tax is imposed. As a rule, no German value-added tax (*Umsatzsteuer*) is charged on the purchase, sale or other disposal of shares; however, if certain requirements are met, entrepreneurs may opt for value-added tax liability on transactions that would otherwise be exempt from taxation. At present, no wealth tax (*Vermögensteuer*) is levied in Germany.

21.7 The planned financial transaction tax

The European Commission has published its proposal for a directive on a common system of financial transaction tax of the participating EU Member States (Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). Estonia was initially also involved in the negotiations but has withdrawn from the group of participating Member States.

The proposal for a financial transaction tax has been drafted in very broad terms and, if introduced in its currently envisaged form, could apply to certain transactions involving shares (including secondary market transactions) subject to certain conditions.

According to current plans and subject to certain conditions, the financial transaction tax could apply to persons domiciled within and outside of the participating Member States. In principle, the tax shall apply to certain transactions involving shares with respect to which at least one of the parties is a financial institution and at least one of the parties is domiciled in a participating Member State. The cases in which a financial institution is "domiciled" or deemed to be "domiciled" in a participating Member State are defined in very broad terms and include, among other things, (a) the conclusion of transactions with a person domiciled in a participating Member State, as well as (b) cases in which the underlying financial instrument was issued in a participating Member State.

The proposal for a financial transaction tax is currently still being negotiated among the participating Member States. Therefore this proposal may still be subject to changes prior to any implementation, of which the date is still uncertain. It is possible that further EU Member States may still decide to participate or, as is the case with Estonia, withdraw. Potential investors are therefore advised to consult their own professional advisors insofar as the financial transaction tax consequences are concerned.

22. TAXATION IN LUXEMBOURG

The following information is basic in nature and represents a general description of certain material principles of taxation in Luxembourg which may be relevant when acquiring, holding and selling shares under Luxembourg law as of the date of this Prospectus. The following information does not purport to be a complete description of all potential tax considerations which might be important when making an investment decision (*i.e.* a decision to purchase, own or sell the Company's shares). It may not include certain tax considerations which arise from rules of general application or are assumed to be generally known by the shareholders. This summary is based on the tax laws and regulations in force in Luxembourg and as interpreted by the Luxembourg tax authorities on the date of this Prospectus and is subject to changes in law, court decisions, changes of the administrative practice or other changes that may be made after such date, even with retroactive or retrospective effect. It is included herein solely for preliminary information purposes. The following information is not intended to be and should not be regarded as legal or tax advice. This summary does not allow any conclusion to be drawn with respect to issues not specifically addressed. Prospective shareholders should consult their own tax and legal advisors as to the particular legal and tax consequences of subscribing, purchasing, holding and disposing of the Company's shares, including the application and effect of any federal, state or local taxes under the tax laws of the Grand Duchy of Luxembourg and each country of which they are residents or citizens.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu des personnes physiques*). Corporate taxpayers may further be subject to net wealth tax (*impôt sur la fortune*), as well as other duties, levies and taxes. Corporate income tax, municipal business tax, net wealth tax and the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and solidarity surcharge. Under certain circumstances, where individual taxpayers act in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

22.1 Tax residency

A shareholder will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding and/or disposal of the Company's shares or the execution, performance, delivery and/or enforcement of rights thereunder unless the shareholder has either a permanent establishment or a permanent representative in Luxembourg or a fixed place of business to which or whom the Company's shares are attributable.

22.2 Withholding taxes

Dividends paid to shareholders by a non-resident company, such as the Company, as well as liquidation proceeds and capital gains derived from the Company's shares are not subject to withholding tax in Luxembourg. Therefore the non-resident company has no responsibility to withhold tax in Luxembourg, even if the payments are made through a Luxembourg-based paying agent, provided that the latter is not considered as being the beneficial owner of the incomes.

22.3 Income tax

For the purposes of this paragraph, a disposal may include a sale, an exchange, a contribution, redemption and any other kind of alienation of the Company's shares.

Non-resident shareholders

Non-resident shareholders not having a permanent establishment, a permanent representative, or a fixed place of business in Luxembourg to which the Company's shares or income therefrom are attributable, are not subject to Luxembourg income tax on income nor on capital gains realised on the disposal or redemption of the Company's shares. Non-resident shareholders who have a permanent establishment, a permanent representative, or a fixed place of business in Luxembourg to which the Company's shares or income therefrom are attributable are subject to Luxembourg income tax on income received under the Company's shares and on any gains realised upon the sale or disposal of the Company's shares.

Luxembourg resident individuals

Dividends and other payments derived from the Company's shares by a resident individual shareholder, who acts in the course of the management of either his/her private wealth or his professional or business activity, is subject to income tax at the ordinary progressive rates (with a current effective marginal rate of up to 42%). Such income tax rate is increased by 7% for income not exceeding EUR 150,000 for single taxpayers and EUR 300,000 for couples taxed jointly, and by 9% for income above these amounts. In addition, a 1.4% dependence insurance contribution is due. A tax credit may be granted, under certain circumstances, for foreign withholding taxes.

Under current Luxembourg tax law, 50% of the gross amount of dividends received by resident individual shareholders from the Company can be exempt from income tax under certain circumstances. In addition, a total lump-sum of EUR 1,500 (which is doubled for taxpayers who are jointly taxable) is deductible from the total of dividends received during the tax year.

Capital gains realised upon the disposal of the Company's shares by a resident individual shareholder, who acts in the course of the management of his/her private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the Company's shares.

- (a) Capital gains are deemed to be speculative and are thus subject to income tax at ordinary progressive tax rates if the Company's shares are disposed of within six months after their acquisition or if their disposal precedes their acquisition.
- (b) A participation is deemed to be substantial where a resident individual shareholder holds or has held, either alone or together with his/her spouse or partner and/or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the share capital of the Company whose shares are being disposed of. A shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within the five years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators, in case of successive transfers free of charge within the same five-year period). Capital gains realised on a substantial participation more than six months after the acquisition thereof are taxed according to the half-global rate method (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation) and may benefit from an allowance of up to EUR 50,000 granted for a ten-year period (which is doubled for taxpayers who are jointly taxable).

Capital gains realised upon the disposal of the Company's shares by a resident individual shareholder, who acts in the course of his/her professional or business activity, are subject to income tax at ordinary progressive rates. Taxable gains are determined as being the difference between the price for which the Company's shares have been disposed of and the lower of their cost or book value.

Luxembourg fully-taxable corporate residents

Dividends

Dividends and other payments made by the Company to a Luxembourg fully-taxable company or to a Luxembourg permanent establishment of a foreign company or of non-resident individuals are generally subject to a combined corporate income tax rate of 26.01% (for resident corporate taxpayers established in Luxembourg City), unless the conditions of article 166 of the Luxembourg Income Tax Law, as amended, ("**LITL**") in relation to the Luxembourg participation exemption, as described below, are satisfied.

Under the Luxembourg participation exemption, dividends derived from the Company's shares may be exempt from income tax at the level of the corporate resident shareholder if cumulatively (i) the shareholder is (a) a Luxembourg fully-taxable resident collective entity taking one of the forms listed in the appendix to paragraph 10 of article 166 LITL, or (b) a fully taxable resident corporation not listed in the appendix to paragraph 10 of article 166 LITL, or (c) a Luxembourg permanent establishment of a company covered by article 2 of the Parent-Subsidiary Directive, or (d) a Luxembourg permanent establishment of a foreign company resident in a country having a tax treaty with Luxembourg, or (e) a Luxembourg permanent establishment of a collective entity or a cooperative company, resident in the EEA other than an EU Member State, ("**Qualified Parent**" or "**Qualified Permanent Establishment**"), and (ii) the Company is a collective entity referred to in article 2 of the Parent-Subsidiary Directive, and (iii) at the time the dividend is put at the shareholder's disposal, the shareholder has held or commits to hold for an uninterrupted period of at least twelve months a qualified shareholding ("**Qualified Shareholding**"). A Qualified Shareholding means shares representing a direct participation of at least 10% in the share capital of the Company or a direct participation of an acquisition price of at least EUR 1.2 million.

The above exemption is not applicable if the dividends distributed (i) would be tax deductible in the country of residence of the Company; or (ii) have been granted within the frame of an arrangement or a series of arrangements which, having been put into place for the main purpose or one of the main purposes of obtaining a tax advantage that defeats the object or purpose of the Parent-Subsidiary Directive, are not genuine having regard to all relevant facts and circumstances. An arrangement or a series of arrangements shall be regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

Expenses, including interest expenses and impairments, in direct economic relation with the shareholding held by a resident corporate shareholder should not be deductible for income tax purposes up to the amount of any exempt dividend derived during the same financial year. Expenses exceeding the amount of the exempt dividend received from such shareholding during the same financial year should remain deductible for income tax purposes.

If the conditions of the Luxembourg participation exemption, as described above, are not met, 50% of the gross amount of dividends may however be exempt from corporate income tax in accordance with article 115, para. (15a) LITL if such dividends are received from the Company that is referred to in article 2 of the Parent-Subsidiary Directive. A tax credit may further be granted for German withholding taxes, provided it does not exceed the corresponding Luxembourg corporate tax on the dividends and other payments derived from German source income.

Liquidation proceeds

Liquidation proceeds when received are assimilated to a received dividend and may be exempt under the same conditions as explained above under "*Dividends*".

Capital gains

Capital gains realised by a Luxembourg fully-taxable resident company on the disposal of the Company's shares are subject to income tax at ordinary rates, unless the conditions of the participation exemption are satisfied. Under the participation exemption, capital gains realised on

the Company's shares may be exempt from income tax at the level of the shareholder if cumulatively (i) the shareholder is a Qualified Parent, and (ii) at the time the capital gain is realised, the shareholder has held or commits to hold for an uninterrupted period of at least twelve months shares representing a direct participation of at least 10% in the share capital of the Company or a direct participation in the Company of an acquisition price of at least EUR 6 million. Taxable gains are determined as being the difference between the price for which the shares have been disposed of and the lower of their cost or book value.

Capital gains realised upon the disposal of shares should remain taxable for an amount corresponding to the sum of the expenses related to the shareholding and impairments recorded on the shareholding that reduced the taxable basis of the resident corporate shareholder in the year of disposal or in previous financial years.

For the purposes of the participation exemption explained above under "*Dividends*" and "*Capital gains*", shares held through a Luxembourg tax transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity. Whether a foreign entity can also be considered as tax transparent from a Luxembourg tax perspective for the purpose of this rule needs to be analysed on a case by case basis.

Luxembourg residents benefiting from a special tax regime

Shareholders, who are Luxembourg resident companies benefiting from a special tax regime, such as (i) an undertaking for collective investment governed by the law of 17 December 2010 (as amended), (ii) a specialised investment fund governed by the law of 13 February 2007 (as amended) or (iii) a family wealth management company governed by the law of 11 May 2007 (as amended) or (iv) a company governed by the law of 23 July 2016 on reserved alternative investment funds not having elected for the regime of investment company in risk capital as referred to in the law of 15 June 2004 on venture capital vehicles (as amended) are exempt from income tax in Luxembourg. Dividends and capital gains derived from the Company's shares are thus not subject to Luxembourg income tax in the hands of such shareholders.

Net Wealth Tax

Whilst non-resident corporate taxpayers may only be subject to net wealth tax on their Luxembourg wealth, resident corporate taxpayers are in principle subject to net wealth tax at the rate of 0.5% for net wealth up to EUR 500 million and at 0.05% for net wealth exceeding this threshold, unless a double tax treaty provides for an exemption or the asset may benefit from the Luxembourg participation exemption regime. Net worth is referred to as the unitary value (*valeur unitaire*), as determined at 1 January of each year. The unitary value is basically calculated as the difference between (a) assets estimated at their fair market value and (b) liabilities vis-à-vis third parties, unless one of the exceptions mentioned below are satisfied.

A resident corporate shareholder as well as a non-resident who has a permanent establishment or a permanent representative in Luxembourg to which or whom the Company's shares are attributable are subject to Luxembourg net wealth tax on such shares, except if the shareholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the law of 17 December 2010 (as amended), (iii) a securitisation company governed by the law of 22 March 2004 (as amended), (iv) a company governed by the law of 15 June 2004 on venture capital vehicles (as amended), (v) a specialised investment fund governed by the law of 13 February 2007 (as amended), (vi) professional pension institution governed by the law of 13 July 2005 (as amended), (vii) a family wealth management company governed by the law of 11 May 2007 (as amended) or (viii) a company governed by the law of 23 July 2016 on reserved alternative investment funds. Under the participation exemption, a Qualified Shareholding held in the Company by a Qualified Parent or attributable to a Qualified Permanent Establishment may be exempt from net wealth tax.

However, (i) a securitisation company governed by the law of 22 March 2004 on securitisation (as amended), (ii) a company governed by the law of 15 June 2004 on venture capital vehicles (as

amended), (iii) a professional pension institution governed by the law dated 13 July 2005 (as amended) and (iv) an opaque reserved alternative investment fund vehicle (opting to be treated as a venture capital vehicle for Luxembourg tax purposes) and governed by the law of 23 July 2016 remain subject to minimum net wealth tax ("**MNWT**").

As from 1 January 2016, a MNWT is levied on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, transferable securities and cash at bank exceeds 90% of their total balance sheet and EUR 350,000, the MNWT is set at EUR 4,815. For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the EUR 4,815 MNWT, the MNWT ranges from EUR 535 to EUR 32,100, depending on the company's total balance sheet. Items (e.g. real estate properties or assets allocated to a permanent establishment) located in a treaty country, where the latter has the exclusive tax right, are not considered for the MNWT calculation.

A specialised investment fund governed by the law of 13 February 2007 (as amended) on specialised investment funds, a family wealth management company governed by the law of 11 May 2007 (as amended) on family wealth management companies, an undertaking for collective investment governed by the law of 17 December 2010 (as amended) on undertakings for collective investment, and a reserved alternative investment fund governed by the law of 23 July 2016 which does not invest in risk capital are not subject to MNWT.

Other Taxes

There is, in principle, no Luxembourg registration tax, stamp duty or other similar tax or duty payable by the shareholders in Luxembourg by reason only of the issuance or transfer of the Company's shares.

However a registration duty may be due in the case where (i) the deed acknowledging the issuance/disposal of shares is either attached (*annexé*) to a deed subject to a mandatory registration in Luxembourg (e.g. public deed) or lodged with a notary's records (*déposé au rang des minutes d'un notaire*), or (ii) in case of a registration of such deed on a voluntary basis.

No inheritance tax is levied on the transfer of the Company's shares upon the death of a shareholder in cases where the deceased was not a resident of Luxembourg for inheritance purposes.

Gift tax may be due on a gift or donation of the Company's shares, if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

23. RECENT DEVELOPMENTS AND OUTLOOK

23.1 Recent developments

In the period after 30 November 2017 equity increased from EUR 4,390 thousand as of 30 November 2017 to EUR 4,819 thousand as of 31 January 2018 due to the increase in retained earnings. In the same period the current liabilities increased in line with Serviceware's ordinary course of business from EUR 19,629 thousand as of 30 November 2017 to EUR 24,186 as of 31 January 2018 primarily as a result of an increase in prepayments received from customers for maintenance and services with a remaining contract term of less than one year.

On 29/30 January 2018, Mr Harald Popp and Mr Dirk K. Martin indirectly, through, respectively, dreiff Management GmbH, Bad Camberg, Germany and aventura Management GmbH, Bad Camberg, Germany, acquired the designated holding entity, Serviceware SE, which was founded on 11 January 2018 as a shelf company. By a resolution of the extraordinary general shareholders' meeting of the Company dated 14 March 2018, the initial share capital of Serviceware SE was increased from EUR 120,000.00 by EUR 7,880,000.00 to EUR 8,000,000.00 by issuing 7,880,000 new ordinary bearer shares (*auf den Inhaber laufende Stückaktien*) against contributions in kind by aventura Management GmbH, dreiff Management GmbH, and Mr Ingo Bollhöfer. Pursuant to the related subscription and capital contribution agreements (*Zeichnungs- und Einbringungsverträge*) concluded with Serviceware SE, aventura Management GmbH, dreiff Management GmbH, and Mr Ingo Bollhöfer contributed all shares held by them in helpLine CLM AG, PM Computer Services GmbH & Co. KG and PM Computer Services Verwaltungs GmbH to Serviceware SE (the "**Share Contribution**"). The Share Contribution resulted in the current structure of the Group, which did not exist prior to the Share Contribution (please also see section 16. *General Information about the Company – 16.1. Foundation, company name, corporate seat, financial year and history of the Company*).

On 31 January 2018, Serviceware concluded a framework agreement with a major Swedish industrial enterprise and thereby gained its first customer in Sweden. Serviceware was able to gain the new customer through its indirect sales channel with the involvement of a major consulting firm. Under the framework agreement, Serviceware will provide the new customer with anafee licences and various additional services for at least 3 years.

On 8 February 2018, i.e. prior to the Share Contribution, the shareholders of helpLine CLM AG, Mr Harald Popp and Mr Dirk K. Martin, resolved upon two dividend payments for the period from 1 December 2016 until 30 November 2017 and for the period from 1 December 2017 until 31 January 2018 in the amount of CHF 870 thousand (EUR 751 thousand) and CHF 1,340 thousand (EUR 1,156 thousand), respectively. The payment of the dividends resulted in a corresponding cash outflow of helpLine CLM AG (*please see also section 10. Capitalisation and indebtedness – 10.1. Capitalisation*). The dividend payment was made in order to serve, amongst others, personal tax claims resulting from earnings from PM Computer Services GmbH & Co. KG and helpLine CLM AG prior to 30 November 2017.

Apart from this, there have been no significant changes to Serviceware's financial position and results of operations since 30 November 2017 until the date of this Prospectus.

23.2 Outlook

For the current financial year, Serviceware expects the global ESM market to further grow due to increasing investments by companies into digitalisation. Due to the growing demand for digitalising service processes within a company, the Company expects higher IT spendings of companies. Higher IT spendings are also expected to further drive demand for ESM solutions enabling companies to gain quantitative control over the financial management for IT or shared service centres.

In line with the market trend and by focussing on the implementation of its key strategies, Serviceware expects to be able to further increase its revenues in the current financial year.

24. FINANCIAL INFORMATION

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24.1 Combined Financial Statements (prepared in accordance with IFRS) as of and for the fiscal years ended November 30, 2015, 2016, 2017

Combined Statements of Financial Position

Serviceware Group

	Note	30.11.2017 TEUR	30.11.2016 TEUR	30.11.2015 TEUR
Assets				
Goodwill	5	2,809	2,809	2,809
Other intangible assets	5	16	44	78
Property, plant and equipment	4	459	448	406
Other non-current assets	8	3,294	2,702	3,869
Deferred tax assets		25	-	-
Non-current assets		6,603	6,003	7,162
Inventories	6	9	21	-
Trade receivables	7	8,266	8,328	12,467
Other current assets	8	7,600	7,516	8,111
Cash and cash-equivalent	9	9,015	6,655	6,160
Current assets		24,888	22,520	26,738
Total		31,491	28,523	33,900
Liabilities				
Share capital	10	783	783	783
Capital reserve	11	1,252	1,252	1,252
Retained earnings	11	2,380	342	828
Translation reserve	11	-49	57	100
Equity without minority		4,366	2,434	2,963
Minority		24	-45	5
Equity		4,390	2,389	2,968
Other non-current provisions	27	108	98	110
Non-current financial liabilities	14	3,631	4,351	4,741
Other non-current liabilities	13	3,733	3,429	5,592
Non-current liabilities		7,472	7,878	10,443
Current income tax liabilities		836	732	767
Current financial liabilities	14	720	389	312
Trade payables	12	2,897	2,397	3,386
Other current liabilities	13	15,176	14,736	16,024
Current liabilities		19,629	18,256	20,489
Total		31,491	28,523	33,900

Combined Statements of Profit and Loss and Other Comprehensive Income

Serviceware Group

	Notes	01.12.2016 - 30.11.2017 TEUR	01.12.2015 - 30.11.2016 TEUR	01.12.2014 - 30.11.2015 TEUR
Sales revenues	16	44,347	37,948	39,584
Other operating income	18	1,231	1,061	1,339
Changes in inventories		10	-	-56
Cost of materials	17	-17,636	-15,042	-16,460
Personnel expenses	19	-16,233	-14,532	-13,467
Depreciation and Amortization	20	-238	-222	-228
Other operating expenses	21	-5,849	-5,617	-6,159
EBIT		5,632	3,596	4,553
Interest income	22	*	8	53
Interest expense	23	-201	-216	-258
Financial result		-201	-208	-205
EBT		5,431	3,388	4,348
Tax expenses	24	-782	-1,055	-885
Net profit		4,649	2,333	3,463
Other Comprehensive income				
Items that may be reclassified subsequently to profit and loss:				
from currency translation of foreign operation		-106	-43	101
Other comprehensive income		-106	-43	101
Total comprehensive income		4,543	2,290	3,564
Net profit attributable to:				
Shareholders of the Serviceware Group		4,633	2,383	3,465
Minority		16	-50	-2
Total comprehensive income attributable to:				
Shareholders of the Serviceware Group		4,527	2,340	3,566
Minority		16	-50	-2

* less than TEUR 1

Combined Statements of Cash Flows

Serviceware Group

	Note	01.12.2016 - 30.11.2017 TEUR	01.12.2015 - 30.11.2016 TEUR	01.12.2014 - 30.11.2015 TEUR
Net income		4,649	2,333	3,463
Depreciation of non-current assets	20	238	222	228
Tax expenses	24	782	1055	885
Changes in provisions	27	10	-12	110
Changes in deferred taxes		-25	-	-
Net finance cost	22,23	201	208	205
Changes in inventories	6	12	-21	0
Changes in receivables/other assets	7,8	-614	5,901	-5,026
Changes in liabilities	12,13	1,244	-4,440	4,697
Tax paid	24	-678	-1,090	-391
Net cash from operating activities		5,819	4,156	4,171
Investments in intangible assets and property, plant and equipment	4,5	-221	-230	-196
Interest received	22	-	8	53
Net cash from investing activities		-221	-222	-143
Dividend paid	25	-2,595	-2,869	-3,047
Interest paid	23	-201	-216	-258
Decrease in non-current liabilities	13, 14	-720	-390	-223
Increase in current liabilities	13, 14	331	77	44
Net cash from financing activities		-3,185	-3,398	-3,484
Effects of exchange rate to net cash		-53	-41	101
Changes in cash and cash equivalents		2,360	495	645
Cash and cash equivalents at December 1st	9	6,655	6,160	5,515
Cash and cash equivalents at November 30th	9	9,015	6,655	6,160

Combined Statements of Changes in Equity

Serviceware Group

	Share capital	Capital reserve	Retained earnings	Translation reserve	Minority	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
01.12.2014	783	1,252	410	-1	7	2,451
Net Profit			3,465			3,465
Dividend declared			-3,047			-3,047
Translation				101		101
Profit/Loss attributable to minority					-2	-2
30.11.2015	783	1,252	828	100	5	2,968
01.12.2015	783	1,252	828	100	5	2,968
Net Profit			2,383			2,383
Dividend declared			-2,869			-2,869
Translation				-43		-43
Profit/Loss attributable to minority					-50	-50
30.11.2016	783	1,252	342	57	-45	2,389
01.12.2016	783	1,252	342	57	-45	2,389
Net Profit			4,633			4,633
Dividend declared			-2,595			-2,595
Translation				-106		-106
Profit/Loss attributable to minority					16	16
Increase of capital - minority					53	53
30.11.2017	783	1,252	2,380	-49	24	4,390

Serviceware Group

Notes to the Combined Financial Statements

1. GENERAL INFORMATION

Serviceware Group's (or "the Group") principal activities are to provide software-related services, such as licensing, maintenance and software as a service (SaaS). There have been no significant changes in the nature of these activities of the Group during the financial years.

The shareholders of the Group intend to contribute the existing Serviceware Group into a European stock corporation (Societas Europaea "SE"), which will be acting as the holding company of the Group and list the shares of the holding company on the Frankfurt Stock Exchange through an IPO (Initial Public Offering). The holding company of the future Serviceware Group and thus the issuer of the shares for the planned floatation will be Serviceware SE, a company which was established as a shelf company by a deed of incorporation dated 11 January 2018, registered in the commercial register (Handelsregister) on 19 January 2018 and acquired by the shareholders of the Group by means of a purchase agreement on 29 January 2018. The shares in the companies forming the Serviceware Group will be contributed to Serviceware SE via a contribution in kind. The shares in Serviceware SE shall be admitted to trading on the regulated market of the Frankfurt Stock Exchange, Germany. Serviceware SE is a European stock corporation, incorporated and domiciled in Germany.

As Serviceware SE was not yet established on 30. November 2017, the financial statements of the Group were prepared as combined financial statements according to the regulation of the European Union ("EU") Prospectus Regulation No. 809/2004 as well as the applicable International Financial Reporting Standards ("IFRS"), as endorsed by the EU.

The combined financial statements comprise combined statements of financial position, combined statements of profit or loss and other comprehensive income, combined statements of cash flows, combined statements of changes in equity and notes to the combined financial statements for the fiscal years 2015, 2016 and 2017. The combined financial statements are presented in Euros. Amounts are stated in Thousands of Euros except where otherwise indicated; which may lead to rounding discrepancies.

The combined financial statements were authorised for the issue by the Board of Directors in accordance with a resolution of the Directors dated 15 February 2018.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The following combined financial statements of the Group were prepared according to the IFRS as of 30 November 2017 – as endorsed by the EU – on a combined basis ("combined financial statements") for the fiscal years ended on 30 November 2015, 30 November 2016 and 30 November 2017.

The IFRS provide no guidelines for the preparation of combined financial statements, which is therefore subject to the rules given in IAS 8.12. IAS 8.12 requires consideration of the most recent pronouncements of other standardsetting bodies, other financial reporting requirements and recognized industry practices.

In the combined financial statements of the Serviceware Group presented, the predecessor accounting approach has been applied in accordance with the rules on business combinations under common control.

In the combined comprehensive income statements, combined statements of comprehensive income, combined statements of financial position, combined statements of cash flows and combined statements of changes in equity of the Serviceware Group, certain items have been summarized for the sake of clarity. These items are explained in the notes.

The combined comprehensive income statements were prepared using the nature of expense method.

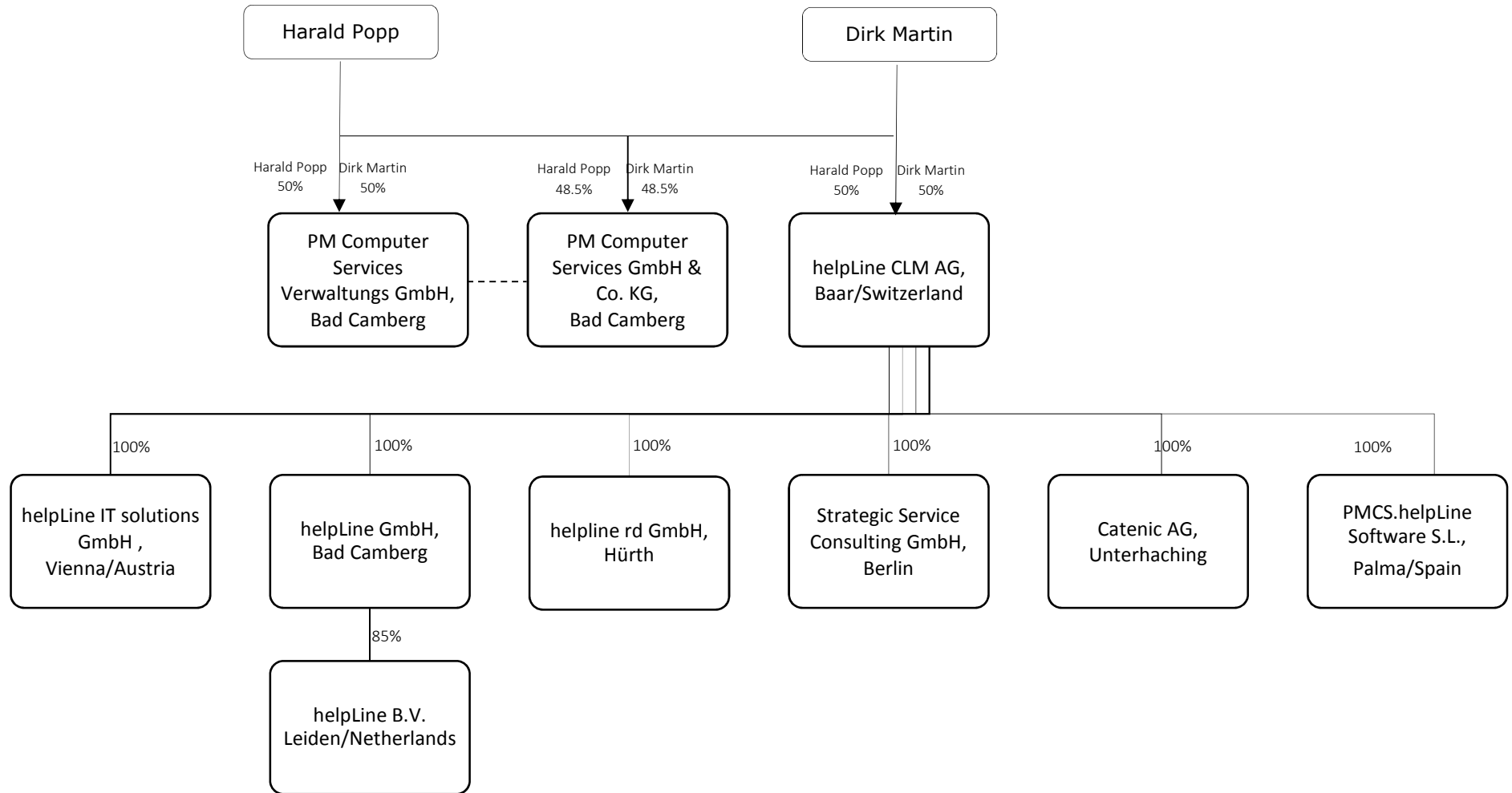
2.2 Scope of combination

The scope of combination includes companies directly or indirectly controlled by PM Computer Services Verwaltungs-GmbH, helpLine CLM AG and PM Computer Services GmbH & Co. KG.

The structure of the scope of combination of the Group may be summarized as follows,

Name of entity	Date of establishment	Address	Registered capital	Principal activities	Status
PM Computer Services Verwaltungs GmbH (PMCS Verwaltungs GmbH)	03.06.2005	Carl-Zeiss-Str. 16, 65520 Bad Camberg, Germany	EUR 25,600.00	Holding	Established
PM Computer Services GmbH & Co. KG (PMCS GmbH & Co. KG)	29.06.2004	Carl-Zeiss-Str. 16, 65520 Bad Camberg, Germany	EUR 250,000.00	rendering of software-related service, sales of license	Established
helpLine CLM AG	01.12.2003	Haldenstrasse 5, 6340 Baar, Switzerland	CHF 610,000.00	rendering of software-related service, sales of license	Established
helpLine IT solutions GmbH	06.07.2004	Landstraßer Hauptstraße 71, 1030 Wien, Austria	EUR 35,000.00	rendering of software-related service, sales of license	Established
helpLine GmbH	02.12.2003	Carl-Zeiss-Str. 16, 65520 Bad Camberg, Germany	EUR 25,000.00	rendering of software-related service, sales of license	Established
helpline rd GmbH	06.11.2009	Kalscheurener Straße 2A, 50354 Hürth, Germany	EUR 25,000.00	rendering of software-related service, sales of license	Established
Strategic Service Consulting GmbH	22.11.2011	Potsdamer Platz 9, 10117 Berlin, Germany	EUR 25,000.00	rendering of software-related service, sales of license	Established
helpLine BV	05.06.2002	Dellaertweg 9, 2316 WZ Leiden, the Netherlands	EUR 28,409.00	rendering of software-related service, sales of license	Acquired
CATENIC AG	14.11.2014	Hauptstraße 1, 82008 Unterhaching, Germany	EUR 328,778.00	rendering of software-related service, sales of license	Acquired
PMCS. HelpLine Software S.L.	07.06.2017	Carrer Gremi Ferrers 35, 07009 Palma, Illes Balears, Spain	EUR 3,000.00	rendering of software-related service, sales of license	Established

The structure of the Group is depicted as follows:



2.3 Basis of Measurement

The combined financial statements of the Group are prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

2.4 Functional and Presentation Currency

The determination of the functional currency is based on the business environment that the entities in the Group operated in.

Except for the company helpLine CML AG, Baar, Switzerland with Swiss Franc ("CHF") as its functional currency, the functional currency of other entities in the Group is the Euro ("EUR").

The combined financial statements are presented in Euro ("EUR") as the Group intends to be brought-in into Serviceware SE, which is a company registered in Germany and itself intends to be listed at the Stock Exchange of Frankfurt am Main, Germany.

2.5 First time adoption of IFRS

In the previous financial years, the combined financial statements of the Group were prepared in accordance with the German Commercial Code (HGB). These are the Group's first combined financial statements prepared in accordance with IFRS and International Accounting Standards ("IAS") 1, First-time adoption of International Financial Reporting Standards has been applied. The Group has adopted all EU IFRS that were effective before 1 January 2018.

The explanation and financial impacts on transition to IFRSs for the balance sheet as of 30 November 2014 are disclosed in Note 32 to the combined financial statements .

2.6 Relevant Standards Issued and Issued But Not Yet Effective

There were no new standards relevant to the Group's business operations to be applied for the first time in financial year 2014.

At the date of authorisation of these combined financial statements , certain new standards, amendments and interpretations to existing standards have been published by the International Accounting Standard Board ("IASB") but are not yet effective, and have not been adopted by the Group.

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's combined financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's combined financial statements .

IFRS 9: Financial Instruments

IFRS 9: Financial Instruments (EU effective date January 1, 2018): The new standard prescribes rules for the accounting of financial instruments, replacing the current guidelines in IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9: includes a uniform model for classification and measurement methods (including impairments) for financial instruments. It also includes regulations for general hedge accounting. IFRS 9: requires additional notes disclosure, resulting from the amendment to IFRS 7: Financial Instruments – Disclosures. It is not expected that the Standard has a material impact on the presentation of the Group's financial position or results of operations.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers including Amendments to IFRS 15: Effective Date of IFRS 15 (EU effective date: January 1, 2018): This new standard replaces the current guidance on recognizing revenue in accordance with IFRS, in particular IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer

Loyalty Programs and provides a holistic framework for all aspects of revenue recognition. IFRS 15 creates a centralized, single five-step model for recognizing revenue arising from contracts with customers.

Clarifications to IFRS 15 (IASB effective date: January 1, 2018): The amendment provides some transition relief for modified and completed contracts and adds guidance for identifying performance obligations, principal vs. agent considerations, and licensing. It is not expected that the Standard has a material impact on the presentation of the Group's financial position or results of operations. For the contracts with multiple components, the Group has adopted an accounting method, which complies with the new standard.

IFRS 16: Leases

IFRS 16: Leases (IASB effective date: January 1, 2019): The new standard replaces the guidance in IAS 17 Leases and the respective interpretations IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases – Incentive' and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of Lease. IFRS 16 eliminates the required classification of leases into operating and financial leases in accordance with IAS 17, replacing it with a single accounting model requiring lessees to recognize a right-of-use asset and a corresponding lease liability for leases with a lease term of more than 12 months.

The Group is currently evaluating the impact the standard will have on the presentation of its financial position and results of operations. Currently the Group leases office rooms and automobiles.

IFRS 17: Insurance Contracts

IFRS 17: Insurance Contracts (IASB effective date: January 1, 2021) is for the Group irrelevant.

IFRIC 22: Foreign Currency Transactions and Advance Consideration

The impact of application of IFRIC 22: Foreign Currency Transactions and Advance Consideration (IASB effective date: January 1, 2018) on the Group is still not reasonably estimable.

IFRIC 23: Uncertainty over Income Tax Treatment

The impact of application of IFRIC 23: Uncertainty over Income Tax Treatment (IASB effective date: January 1, 2019) on the Group is still not reasonably estimable.

Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4

Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 (IASB effective date: January 1, 2018) is for the Group irrelevant.

Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions

Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions (IASB effective date: January 1, 2018) on the Group is still not reasonably estimable.

Annual Improvements to IFRS Standards 2014-2016 Cycle

The impact of application of Annual Improvements to IFRS Standards 2014-2016 Cycle (IASB effective date: January 1, 2018) on the Group is still not reasonably estimable.

Amendments to IAS 40: Transfers of Investment Property

Amendments to IAS 40: Transfers of Investment Property (IASB effective date: January 1, 2018) is for the Group irrelevant.

Amendments to IFRS 9: Prepayment Features with Negative Compensation

Amendments to IFRS 9: Prepayment Features with Negative Compensation (IASB effective date: January 1, 2019) is for the Group irrelevant.

Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures

The impact of application of Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures (IASB effective date: January 1, 2019) on the Group is still not reasonably estimable.

Annual Improvements to IFRS Standards 2015-2017 Cycle

The impact of application of Annual Improvements to IFRS Standards 2015-2017 Cycle (IASB effective date: January 1, 2019) on the Group is still not reasonably estimable.

2.7 Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the combined financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by the management, and will seldom equal the estimated results.

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Useful Lives of Depreciable Assets

The management estimates the useful lives of the property, plant and equipment to be within 3 to 15 years and reviews the useful lives of depreciable assets at each reporting date. The management assesses that the useful lives represent the expected utility of the assets to the Group. The carrying amounts are analysed in Note 4 to the Combined financial statements. Actual results, however, may vary due to change in the expected level of usage and technological developments, which result in the adjustment to the Group's assets.

The management expects that the expected useful lives of the property, plant and equipment would not have material difference from the estimates hence it would not result in material variance in the Group's profit for the financial years.

Impairment of Non-financial Assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Impairment of Loans and Receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the receivables and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

The carrying amount of the Group's receivables at the reporting date are disclosed in Note 7 and 8 to the Combined financial statements.

Fair Value of Financial Instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, the management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

In view of the Group's financial instruments are short term in nature, hence, any differences in the management's estimation would not have material variance in the Group's profit for the financial years.

Warranties

Provisions for warranties are generally recognized when products are sold or services rendered. Based on historical warranty claim experience, assumptions have to be made on the extent of warranty claims.

Income Tax

The Group has exposure to income taxes in numerous jurisdictions. Significant judgment is involved in determining the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and differed tax provisions in the period in which such determination are made.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated using the straight-line method to allocate their cost, net of residual value over their estimated useful lives, as follows:

	Estimated useful lives
Furnishings and fixtures	3-15 years
Office equipment	5-15 years
Installations	5-10 years

Property, plant and equipment are eliminated if it is probable that no future economic benefit associated with the item will flow to the Group through usage or disposal. Disposed gains and losses arising from the difference between the book value and the proceeds are recognised in the statements of profit or loss and other comprehensive income on the date of the disposal.

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at each reporting date.

3.2 Intangibles assets

Intangible assets acquired are measured at acquisition cost less accumulated amortization. If necessary, accumulated impairment losses are recognized.

Intangible assets with indefinite lives are reviewed annually to determine whether indefinite-life assessment continues to be appropriate. If not, the change in the useful-life assessment from indefinite to finite is made on a prospective basis.

Intangible assets other than development costs with finite useful lives are generally amortized on a straight-line basis over their useful lives (3 to 5 years). The amortization period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimates. The amortization expense on intangible assets with finite useful lives is recorded in profit and loss.

For goodwill related accounting policies please refer to Note 3.20.

3.3 Leases

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease Prepayments

Prepaid lease rentals for land under an operating lease are initially recorded at acquisition cost at the lease's commencement and amortised on a straight-line basis over the period of the lease.

3.4 Impairment of Non-Financial Assets

At each end of the reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment by comparing its carrying amount with its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a cash-generating unit or groups of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to those units or group of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rate basis.

An impairment loss is recognised as an expense in profit or loss immediately.

An assessment is made at each end of the reporting period as to whether there is any indication that previously recognised impairment losses for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset recoverable amount since the last impairment loss was recognised. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

The impairment reversal of goodwill is not allowed.

3.5 Financial Instruments

3.5.1 Classification

The Group classifies its financial instruments in the following categories: Financial assets and financial liabilities at fair value through profit or loss, loans and receivables, available-for-sale, held-to-maturity investments and financial liabilities measured at amortised cost. Management of the Group determines the classification of its financial instruments at initial recognition. The Group only has loans and receivables and financial liabilities measured at amortised cost.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period; such loans and receivables are classified as non-current assets.

Financial Liabilities Measured at Amortised Cost

The Group classifies non-derivative financial liabilities as financial liabilities measured at amortised cost, except for financial liabilities at fair value through profit or loss or financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition. In this case the transferred asset continues to be recognised and a financial liability is measured as the consideration received, financial liabilities measured at amortised cost are included in non-current liabilities, except for maturities of less than 12 months after the end of the reporting period, which are classified as current liabilities.

3.5.2 Recognition and Measurement

Financial Assets

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial Liabilities

After the initial recognition, financial liability is classified as financial liability at fair value through profit or loss or other financial liabilities measure at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished, discharged, cancelled or expired, or through amortisation process. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

3.5.3 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

3.5.4 Impairment of Financial Assets

Assets Carried at Amortised Cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor
- Restructuring of an amount due to the Group on terms that the Group would not consider otherwise,
- Indications that a debtor or issuer will enter bankruptcy,
- Adverse changes in the payment status of borrowers or issuers,
- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

A financial asset or a group of financial assets is impaired and impairment loss is incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The amount of the loss is measured as the difference between asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss recognised in profit or loss. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statements of profit or loss and other comprehensive income.

3.6 Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss in which the Group recognises as expenses the related costs for which the grants are intended to compensate. They are deducted directly in reporting the related expense.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become a receivable.

3.7 Cash and Cash Equivalents

In the combined financial statements, cash and cash equivalents include cash in hand, deposits held at call with a bank and other short term highly liquid investments with original maturities of three months or less.

3.8 Equity and Reserves

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Capital represents registered capital that has been paid-up.

Retained earnings include all current and prior period retained earnings.

3.9 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

When there is a probability that an outflow of economic benefits will occur due to a present obligation resulting from a past event, and whose amount is reasonably estimable, a corresponding amount of provision is recognised in the combined financial statements. However, when such outflow is dependent upon a future event, is not certain to occur, or cannot be reliably estimated, a disclosure regarding the liability is made in the notes to the combined financial statements.

3.10 Revenue Recognition

The Group recognises revenue when specific recognition criteria have been met for the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Rendering of Services

When the outcome of transactions involving the rendering of services can be estimated reliably and it is probable that the economic benefits associated with the transaction will flow to the relevant entity, the Group recognizes the revenues associated with the transaction by reference to the stage of completion of transaction at the end of the reporting period.

The revenues from maintenance and other software-related service is recognized in the life time of underlying contractual arrangement on an accrual base.

Sales of Goods

Sales of products and merchandise are recognised upon delivery when the significant risks and rewards of ownership of goods have transferred to the buyer. Continuing managerial involvement usually associated with ownership and effective control have ceased; the amount of revenues can be measured reliably. It is probable that the economic benefits associated with the transaction will flow to the Group and the costs incurred or to be incurred in respect of the transaction can be measured reliably. The Group records reductions to revenue for special pricing arrangements, price protection, value-added tax and other volume based discounts.

Interest Income

Interest income is recognised using the effective interest method.

Rental Income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

3.11 Employee Benefits

The Group recognises wages and salaries, bonuses and profit-sharing and non-monetary compensations when employees render services to the Group on accrual basis.

The amount of social security related monthly contribution is expensed as incurred.

3.12 Current Tax

Current tax expense is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax law enacted or substantively enacted at the reporting date in the country where each entity of the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

3.13 Value Added Tax ("VAT")

The domestic sale of goods and services in Germany is subjected to VAT at the applicable tax rate of 19 % (21 % in the Netherlands, 20 % in Austria, 7.7 % in Switzerland and 21 % in Spain). Input VAT on purchases can be deducted from output VAT. The net amount of VAT recoverable from, or payable to, the tax authority is included as part of "other receivables" or "other payables" in the statements of financial position.

Revenues, expenses and assets are recognised net of the amount of VAT except:

- where the VAT incurred on the purchase of assets or services is not recoverable from the tax authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of VAT included.

3.14 Deferred Tax

Deferred tax liabilities and assets are provided for under the liability method in respect of all temporary differences at the reporting date between the carrying amount of an asset or liability in the statement of financial position and its tax base including unused tax losses and capital allowances.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investment in subsidiary companies and interest in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for the deductible temporary differences, carried forward of unused tax credits and unused tax losses of the entity PM Computer Service HelpLine Software S.L. (PMCS. HelpLine Software S.L.). They are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carried forward unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable

that taxable profit will be available against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilised except:

- in respect of deductible temporary differences associated with investment in subsidiary companies and interest in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of a deferred tax asset is reviewed at each reporting date. If it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.15 Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statements of financial position and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

3.16 Related Parties

A related party is a person or entity that is related to the entity that is preparing its combined financial statements ("the reporting entity"). A related party transaction is a transfer of resources, services or obligations between the reporting entity and its related party, regardless of whether a price is charged.

- (a) A person or a close member of that person's family is related to the reporting entity if that person:
 - (i) Has control or joint control over the reporting entity;
 - (ii) Has significant influence over the reporting entity; or
 - (iii) Is a member of the key management personnel of the reporting entity.
- (b) An entity is related to the reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group;
 - (ii) One entity is an associate or joint venture of the reporting entity;
 - (iii) Both the entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is controlled or jointly-controlled by a person identified in the preceding paragraph above; or
 - (vi) A person who has control or joint control over the reporting entity has significant influence over the entity or is a member of the key management personnel of the entity.

3.17 Research and Development Costs

Research costs are expensed as incurred, for the expenditure attributable to the intangible assets during the development cannot be reliably measured.

Development costs arising from development expenditures on an individual project are expensed as incurred unless when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during development.

3.18 Foreign Currencies

Foreign currency transactions are measured and recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rates ruling at the respective reporting dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

The presentation currency of the Group is EUR, being the presentation currency of its with respect to the proposed listing intended ultimate Germany domiciled legal parent and holding Group, and therefore the financial information has been translated to EUR. Swiss Franc ("CHF") to EUR at the following rates:

		<u>2017</u>	<u>2016</u>	<u>2015</u>
		1 EUR	1 EUR	1 EUR
Average	CHF	1.1185	1.1094	1.1217
Balance Sheet Date (30.11.)	CHF	1.1699	1.0803	1.0903

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity.

3.19 Consolidation

The combined financial statements incorporate the financial statements of all the entities within the Group and the consolidation is carried out on premise of control. Control is achieved when there exists the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

In preparing the combined financial statements the predecessor value method is applied in accordance with the rules on business combinations under common control, i.e. the acquired assets and liabilities are recorded at their book values and no goodwill is recognized in the process.

3.20 Goodwill

For acquisitions, goodwill represents the excess of the consideration transferred over the fair values assigned to the identifiable assets proportionally acquired and liabilities assumed.

4. PROPERTY, PLANT AND EQUIPMENT

	Furnishings and fixtures	Office equipment	Installations	Low-value assets	Compound item Low-value assets	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Cost						
At 01.12.2014	1,218	235	60		7	1,520
Additions	120	23		34		170
Disposal	429	14	7	34		477
Translation differences						
At 30.11.2015	909	244	53		7	1,213
Additions	194	12		23		229
Disposal				23	7	30
Translation differences						
At 30.11.2016	1,103	256	53			1,412
Additions	180	7		23		210
Disposal				23		23
Translation differences						
At 30.11.2017	1,283	263	53	0		1,599

	Furnishings and fixtures	Office equipment	Installations	Low-value assets	Compound item Low-value assets	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Accumulated depreciation						
At 01.12.2014	947	127	16		7	1,097
Change for the financial year	128	18	7	35		188
Disposal	426	16		34		476
Translation differences			-1	-1		-2
At 30.11.2015	649	129	22	0	7	807
Change for the financial year	140	18	6	23		187
Disposal				23	7	30
Translation differences						0
At 30.11.2016	789	147	28	0	0	964
Change for the financial year	153	18	6	23		200
Disposal				23		23
Translation differences	-1					-1
At 30.11.2017	941	165	34	0	0	1,140

	Furnishings and fixtures	Office equipment	Installations	Low-value assets	Compound item Low-value assets	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Net carrying amount						
At 30.11.2015	260	115	31	-	-	406
At 30.11.2016	314	109	25	-	-	448
At 30.11.2017	342	98	19	-	-	459

5. GOODWILL AND OTHER INTANGIBLE ASSETS

	<u>Commercial property rights</u>	<u>EDV- Software</u>	<u>Goodwill</u>	<u>Total</u>
	TEUR	TEUR	TEUR	TEUR
Cost				
At 01.12.2014	4	314	2,809	3,127
Additions		25		25
Disposal		74		74
At 30.11.2015	4	265	2,809	3,078
Additions		1		1
At 30.11.2016	4	266	2,809	3,079
Additions		10		10
At 30.11.2017	4	276	2,809	3,089
Accumulated depreciation/appreciation				
At 01.12.2014		225		225
Change for the financial year		40		40
Disposed		74		74
At 30.11.2015		191		191
Change for the financial year		35		35
At 30.11.2016		226		226
Change for the financial year		38		38
At 30.11.2017		264		264

<u>Commercial property rights</u>	<u>ERP- Software</u>	<u>Goodwill</u>	<u>Total</u>
TEUR	TEUR	TEUR	TEUR

Net carrying amount

At 30.11.2015	4	74	2,809	2,887
At 30.11.2016	4	40	2,809	2,853
At 30.11.2017	4	12	2,809	2,825

There are no internally generated intangible assets recorded at the end of each reporting period.

The Group has implemented a procedure whereby goodwill is tested for impairment annually, and at each reporting date when there are indicators of impairment.

For the purposes of impairment testing, goodwill is to be allocated to the Group's Cash Generation Units (CGUs). Each entity is a separate CGU except for PM Computer Services Verwaltungs GmbH, which makes a CGU combined with PM Computer Services Verwaltungs GmbH & Co. KG. The recoverable amount of this CGU is based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. If the carrying amount of the CGU is determined to be higher than its recoverable amount, there is the impairment need.

The key assumptions used in the estimation of value in use are as follows:

- The discount rate for the reporting period 2017 is 3.53 % (2016: 2.80 % and 2015: 2.87 %)
- The increase of EBIT from 2019 is 47 % year on year.

The goodwill is composed of goodwill associated with the purchase of the entity helpLine BV in 2012 (TEUR 2,292) and Catenic AG (TEUR 517) in 2014.

There is no impairment need for the goodwill at the end of each reporting period.

The commercial property right has an indefinite useful life. The ERP-Software is amortized with a useful life of 3 to 5 years.

6. INVENTORIES

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Stock of licenses	9	21	-
	9	21	-

7. TRADE RECEIVABLES

Trade receivables are unsecured, bear no interest and the normal trade credit term granted by the Group to the trade receivables is 7 days (2015: 7 days and 2016: 7 days). The shown receivables are attributable to the selling of licences, fees for service and maintenance. Multiyear subscriptions for service and maintenance are invoiced directly with the selling of the licenses. The payments for the maintenance and service regarding future years is deferred as prepayments in the other current and non-current liabilities (see notes 13).

The currency exposure profile of trade receivables is as follows (foreign currency balances are unhedged):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
EUR	7,941	7,862	11,753
CHF	318	458	696
USD	7	8	13
GBP	-	-	5
	8,266	8,328	12,467

8. OTHER CURRENT AND NON-CURRENT ASSETS

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Current			
VAT Receivables	464	650	429
Prepayment to suppliers	5,068	5,238	6,931
Supplier bonus receivables	210	292	273
Tax credit (Corporate tax)	145	286	133
Deposits	65	63	62
Others	1,648	989	283
	<hr/> 7,600	<hr/> 7,516	<hr/> 8,111
Non-current			
Prepayment to suppliers	3,294	2,702	3,869
	<hr/> 3,294	<hr/> 2,702	<hr/> 3,869
	<hr/> <hr/> 10,893	<hr/> <hr/> 10,218	<hr/> <hr/> 11,980

Other receivables are unsecured, bear no interest and are repayable on demand.

The prepayments to suppliers are associated with advance payments related to the maintenance and services. The current prepayments are with a duration of up to one year and the non-current prepayments are with a duration greater one year.

The currency exposure profile of other receivables is as follows (foreign currency balances are unhedged):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
EUR	10,876	10,103	11,853
CHF	17	115	127
	<hr/> 10,893	<hr/> 10,218	<hr/> 11,980

9. CASH AND CASH EQUIVALENT

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Bank balances	9,013	6,654	6,158
Cash	2	1	2
	<hr/> 9,015	<hr/> 6,655	<hr/> 6,160

The cash and bank balances are denominated in EUR and CHF. The currency exposure profile of other receivables are as follows.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
EUR	7,049	5,400	4,684
CHF	1,966	1,255	1,476
	<u>9,015</u>	<u>6,655</u>	<u>6,160</u>

10. SHARE CAPITAL

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Authorised (Registered):			
Brought forward/Carried forward	783	783	783
	<u>783</u>	<u>783</u>	<u>783</u>
Paid up:			
Brought forward/Carried forward	783	783	783
	<u>783</u>	<u>783</u>	<u>783</u>

The share capital of the Group incorporates the share capital of helpLine CLM AG (TEUR 507), PM Computer Services Verwaltungs GmbH (TEUR 26) and PM Computer Services GmbH & Co. KG (TEUR 250).

11. RESERVES

Capital reserve

Capital reserve consists of the share premium. The Share premium is non-distributable other than in liquidation and may be utilized for business expansion or converted into ordinary shares by the issuance of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by the shareholders.

Translation reserve

The translation reserve represents exchange differences arising from the translation of the combined financial statements of the Group from its functional currency to the Group's presentation currency and is the only component of other comprehensive income.

Retained earnings

The retained profits comprise the cumulative net gains and losses recognized in the Group's income statement.

12. TRADE PAYABLES

Trade payables are unsecured, bear no interest and the normal credit terms granted by the trade payables ranges from 30 days to 35 days (2015: 30 days to 35 days and 2016: 30 days to 35 days).

The trade payables stem from purchase of software licenses as well as contracting of service and maintenance.

The currency exposure profile of trade payables are as follow (foreign currency balances are unhedged):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
EUR	2,856	1,866	3,277
CHF	39	531	109
GBP	2	-	-
	<u>2,897</u>	<u>2,397</u>	<u>3,386</u>

13. OTHER CURRENT AND NON-CURRENT LIABILITIES

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Current			
Prepayments received	9,938	9,489	10,022
Payroll tax and church tax liabilities	250	150	129
Other payables and provisions	4,012	4,219	4,533
VAT payables	669	843	1.132
Payables to shareholders	307	35	208
	15,176	14,736	16,024
Non-current			
Prepayments received	3,733	3,429	5,592
	3,733	3,429	5,592
	18,909	18,165	21,616

Other payables and provisions, related primarily to the outstanding bonus payment for employees, accruals for the outstanding vacation entitlement as well as payables due to outstanding invoices occurred in the reporting period, are unsecured, bear no interest and repayable on demand.

For the payables to shareholders, please refer to the Notes 15 "Amount due to Directors".

The payments for the maintenance and services regarding future years are deferred as prepayments in the other current and non-current liabilities. The prepayments shown in the non-current liabilities have a duration greater one year.

The currency exposure profile of other payables are as follow (foreign currency balances are unhedged):

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
EUR	18,888	18,147	21,201
CHF	21	18	415
	18,909	18,165	21,616

14. FINANCIAL LIABILITIES

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
<u>Non-current</u>			
Secured	3,631	4,351	4,741
<u>Current</u>			
Secured	720	389	312
	4,351	4,740	5,053

The term loans of the Group are secured by:

- (a) Personal guarantee by Harald Popp and Dirk Martin with an amount of up to TEUR 408 respectively;
- (b) Life insurance of Harald Popp and Dirk Martin with an amount of up to TEUR 200 respectively ;
- (c) Receivables of helpLine IT solutions GmbH, helpLine GmbH, helpLine rd GmbH and helpline BV;
- (d) Receivables of helpLine CLM AG;
- (e) Corporate guarantee by Bürgschaftsbank Hessen GmbH with an amount up to TEUR 489 and;
- (f) Corporate guarantees by Group entities (PM Computer Services Verwaltungs GmbH, PM Computer Services GmbH & Co. KG, helpLine IT solutions GmbH, helpLine GmbH and helpline rd GmbH) with an amount of up to TEUR 4,700

Interest is charged at rates ranging from 3.70 % to 6.30 % (2016: 3.70 % to 6.30 % and 2015: 3.70 % to 6.30 %) per annum.

There is no breach of covenant of bank borrowings.

The entire borrowings balances are denominated in EUR.

15. AMOUNT DUE TO DIRECTORS

Amount due to Directors is non-trade in-nature, unsecured, bears no interest and repayable on demand and reported under other current liabilities.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Dirk Martin	237	9	158
Harald Popp	70	26	50
	<u>307</u>	<u>35</u>	<u>208</u>

Amount due to Directors consists of the outstanding dividend payments attributable to Mr. Martin and Mr. Popp at each balance sheet date.

16. SALES REVENUES

Sales revenues represent the net invoiced value of goods sold or services rendered, after allowance for trade discounts, sales rebates and VAT.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Revenues service/SaaS	11,762	10,040	9,902
Revenues licenses	16,466	13,449	16,143
Revenues maintenance	16,119	14,459	13,539
	<u>44,347</u>	<u>37,948</u>	<u>39,584</u>

Service/SaaS: Includes all services by the company and its sub-contractors, to consult, implement and administer the clients solution, including all services performed to deliver a full SaaS or if requested by the customer parts of the SaaS Service (housing, hosting, managed service, license rental).

Revenues licenses: Includes all user rights, that are licensed by the company for the customer to use the licensed software (license purchase).

Revenues maintenance: Includes first the right for the customer to upgrade and update the version free of charge, and secondly to get support in questions of using and handling the software. A maintenance contract does not include services, which are covered under "Services/SaaS".

The geographical distribution of the sales revenues is as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Germany	34,292	30,277	31,681
Austria	5,608	3,445	2,841
Switzerland	2,369	1,640	2,151
Other	2,078	2,586	2,911
	<u>44,347</u>	<u>37,948</u>	<u>39,584</u>

There is no customer with a revenue exceeding 10%.

17. COST OF MATERIALS

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Service contracting	18,270	15,786	17,540
Discounts	-572	-582	-887
Others	-62	-162	-193
	<u>17,636</u>	<u>15,042</u>	<u>16,460</u>

18. OTHER OPERATING INCOME

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Gain from foreign exchange	596	235	566
Marketing allowances from suppliers	167	56	81
Other Income	468	771	692
	<u>1,231</u>	<u>1,061</u>	<u>1,339</u>

19. PERSONNEL EXPENSES

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Wages and salaries	13,992	12,577	11,726
Social security costs and expenses	2,241	1,955	1,741
	<u>16,233</u>	<u>14,532</u>	<u>13,467</u>

The development of the number of employees based on the function is as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
BackOffice	41	39	35
Consulting	98	74	68
R&D	52	46	51
Sales & Marketing	62	60	57
Support	32	32	29
	<u>285</u>	<u>251</u>	<u>240</u>

20. DEPRECIATION AND AMORTIZATION

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Depreciation and amortization of property, plant and equipment	177	165	153
Depreciation of intangible assets	38	35	40
Immediate amortization of low-value assets	23	23	35
	<u>238</u>	<u>222</u>	<u>228</u>

21. OTHER OPERATING EXPENSES

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Cost of premises and space	826	831	779
Insurance, contributions and fees	74	57	47
Repair and maintenance	16	23	56
Vehicle expenses	895	830	814
Distribution costs	1,707	1,687	1,643
Administrative expenses	1,931	1,826	1,762
Foreign exchange loss	335	280	905
Other operational expenses	65	83	153
	<u>5,849</u>	<u>5,617</u>	<u>6,159</u>

22. INTEREST INCOME

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Other interest or similar income	*	8	53
	*	8	53

* less than TEUR 1

23. INTEREST EXPENSE

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Interest expense	199	210	255
Other	2	6	3
	201	216	258

The government grant related to KfW-Credit which aims to promote the investments of companies resided in Germany with subsidized interest was directly deducted in the accounting of interest expense.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Government grant - KfW Credit	9	9	9

24. TAX EXPENSES

	<u>2017</u> TEUR	<u>2016</u> TEUR	<u>2015</u> TEUR
Current tax expense			
Current year	793	1,011	883
Previous years	14	44	2
	807	1,055	885
Deferred tax expense			
Used tax loss	-25	-	-
	-25	0	0
	782	1,055	885

The applicable income tax rate of the Group entities are as follows:

Name	Applicable income tax rate
PM Computer Services GmbH & Co. KG	13.3%
PM Computer Services Verwaltungs-GmbH	29.1%
helpline GmbH	29.1%
helpline rd GmbH	32.6%
Strategic Service Consulting GmbH	30.2%
Catenic AG	10.3%
helpLine IT solutions GmbH	25.0%
helpLine B.V.	20 % or 25%
helpLine CLM AG	11.5 % to 14.25%
PMCS. HELPLINE SOFTWARE Empresa S.L.	25.0%

PM Computer Services GmbH & Co. KG is with a legal form of limited partnership (Kommanditgesellschaft), which is not subject to German corporate tax (Körperschaftsteuer), but only subject to the trade tax (Gewerbesteuer). The applicable tax rate by PM Computer Services GmbH & Co. KG is therefore lower than for the normal limited companies (GmbH).

Reconciliation between the statutory and effective tax expenses is as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Profit before tax	<u>5,431</u>	<u>3,388</u>	<u>4,348</u>
Income tax on rate of 13.30 %	<u>722</u>	<u>451</u>	<u>578</u>
effect of tax rates in different jurisdictions	59	80	110
Unused tax loss		77	43
tax expense previous year	14	44	2
Expenses not deductible for tax purposes			
- Due to combination			53
- Due to not deductible director remuneration	28	264	122
- Other not deductible expenses	108	321	21
Income not subject to tax			
- Due to combination	-67	-133	
- Other tax-free income	<u>-82</u>	<u>-49</u>	<u>-44</u>
	<u>782</u>	<u>1,055</u>	<u>885</u>

The provision for income tax is calculated for the Group based on statutory income tax at rate in accordance with the applicable tax rate of each entity.

25. DIVIDENDS

Dividends are paid in accordance with shareholders' resolutions.

The dividend by helpline CLM AG was declared on 10. November 2015 in the amount of TCHF 1,180 and on 05. November 2016 in the amount of TCHF 1,450

According to the shareholder contract of PM Computer Service GmbH & Co. KG, the annual profit is to be paid out proportionally based on the percentage of shares held by each shareholder.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Dividend helpLine CLM AG		1,273	940
Dividend PM Computer Service GmbH & Co. KG	2,595	1,664	2,148
Translation difference		-68	-41
	<u>2,595</u>	<u>2,869</u>	<u>3,047</u>

26. RELATED PARTY DISCLOSURES

The related parties of the Group are listed as follows:

Name	Relationship to the Group
Dirk Martin	shareholder of the Group, director of PMCS Verwaltungs GmbH, PMCS GmbH & Co. KG, Strategic Service Consulting GmbH, Catenic AG, helpLine rd GmbH, helpLine GmbH
Harald Popp	shareholder of the Group, director of PMCS Verwaltungs GmbH, PMCS GmbH & Co. KG, Strategic Service Consulting GmbH, helpLine rd GmbH, helpLine GmbH, helpLine IT solutions GmbH, helpLine B.V., helpLine CLM AG
Alexander Becker	director of PMCS Verwaltungs GmbH, PMCS GmbH & Co. KG, Catenic AG
Ingo Bollhöfer	director of helpLine GmbH
Hereward Burgers	director and minority shareholder of helpLine B.V.
Wolfgang Schwed	director of helpLine IT solutions GmbH
Josef Weber	director of helpLine CLM AG
Bernd Worlitzer	director of Catenic AG

Advisory Council members belong to the related parties as well.

(a) Related party transactions

There were no material related party transactions during the financial years except for the securities for the bank borrowings from the related parties mentioned in Notes 14 and the outstanding dividends in Notes 25.

(b) Compensation

Key management includes Directors, other members of key management personnel and members of the Advisory Council.

Mr. Martin and Mr. Popp did not receive any remuneration in the financial years for their role as director, except for the dividends from PM Computer Services GmbH & Co. KG and helpLine CLM AG as shareholder.

The directors of the subsidiaries received apart from their remunerations no other related party transactions.

(c) Outstanding balances with related parties

There are following outstanding balances with related parties, which is associated with the outstanding dividend payment at each balance sheet date.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Dirk Martin	237	9	158
Harald Popp	70	26	50
	<u>307</u>	<u>35</u>	<u>208</u>

27. PROVISIONS AND CONTINGENCIES

Provisions for warranties

Provisions for warranties are recognized when products are sold or services rendered.

	<u>01.12.2014</u>	<u>Addition</u>	<u>Used</u>	<u>30.11.2015</u>	<u>Addition</u>	<u>Used</u>	<u>30.11.2016</u>	<u>Addition</u>	<u>Used</u>	<u>30.11.2017</u>
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Provisions for warranties	-	110	-	110	98	110	98	108	98	108

28. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as followed:-

- i. Loans and receivables ("L&R"); and
- ii. Other liabilities measured at amortised cost ("AC").

	<u>Carrying amount</u> TEUR	<u>L&R</u> TEUR	<u>AC</u> TEUR
2015			
Financial assets			
Trade receivable	12,467	12,467	
Other receivables	11,980	11,980	
Cash and cash-equivalent	6,160	6,160	
	<u>30,607</u>	<u>30,607</u>	
Financial liabilities			
Trade payable	3,386		3,386
Financial liabilities	5,053		5,053
Other liabilities	21,616		21,616
	<u>30,055</u>		<u>30,055</u>
	<u>Carrying amount</u> TEUR	<u>L&R</u> TEUR	<u>AC</u> TEUR
2016			
Financial assets			
Trade receivable	8,328	8,328	
Other receivables	10,218	10,218	
Cash and cash-equivalent	6,655	6,655	
	<u>25,201</u>	<u>25,201</u>	
Financial liabilities			
Trade payable	2,397		2,397
Financial liabilities	4,740		4,740
Other liabilities	18,165		18,165
	<u>25,302</u>		<u>25,302</u>

	<u>Carrying amount</u> TEUR	<u>L&R</u> TEUR	<u>AC</u> TEUR
2017			
Financial assets			
Trade receivable	8,266	8,266	
Other receivables	10,894	10,894	
Cash and cash-equivalent	9,015	9,015	
	28,175	28,175	
Financial liabilities			
Trade payable	2,897		2,897
Financial liabilities	4,351		4,351
Other liabilities	18,909		18,909
	26,157		26,157

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

29.1 Financial risks

The Group is exposed to financial risks arising from its operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's business whilst managing its credit risk, liquidity risk, interest rate risk and market risk. The Group operates within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows: -

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group exposure to credit risk is monitored on an ongoing basis. The credit risk is controlled by monitoring procedures. An internal credit review is conducted if the credit risk is material. The Group does not require collateral in respect of financial assets.

With a credit policy in place to ensure the credit risk is monitored on an ongoing basis, the management has taken reasonable steps to ensure that receivables are stated at their realisable values. A significant portion of the receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk, and are monitored individually.

The areas where the Group is exposed to credit risk are as follows:

Trade receivables

The net carrying amount of trade receivables is considered a reasonable approximate of its fair value.

Concentration of credit risk

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instrument is broadly diversified along geographical lines and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

The Group has no significant concentration of credit risk with any single counter party.

Ageing analysis of trade receivables

The ageing analysis for trade receivables is as follows:

2015	<u>Gross</u>	<u>Impaired</u>	<u>Net</u>
	TEUR	TEUR	TEUR
Not due	8,586		8,586
Past due by up to 90 days	2,790		2,790
Past due 90 days to 1 year	1,046		1,046
Past due 1 to 3 years	213	168	45
Past due more than 3 years	7	7	0
	<u>12,642</u>	<u>175</u>	<u>12,467</u>

2016	<u>Gross</u>	<u>Impaired</u>	<u>Net</u>
	TEUR	TEUR	TEUR
Not due	5,137		5,137
Past due by up to 90 days	2,733		2,733
Past due 90 days to 1 year	73		73
Past due 1 to 3 years	390	5	385
Past due more than 3 years	147	147	0
	<u>8,480</u>	<u>152</u>	<u>8,328</u>

2017	<u>Gross</u>	<u>Impaired</u>	<u>Net</u>
	TEUR	TEUR	TEUR
Not due	4,948		4,948
Past due by up to 90 days	2,596		2,596
Past due 90 days to 1 year	777	55	722
Past due 1 to 3 years	59	59	0
	<u>8,380</u>	<u>114</u>	<u>8,266</u>

Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy trade receivables with good payment records with the Group.

Financial assets that are past due but not impaired

The reasons for the trade receivables that are past due by less than 90 days at the reporting date but not impaired are as follows:

- The overdue notices are sent out generally 30 days after due.
- It is common practice for the customers to keep part of the invoiced amount until the hardware and software are properly implemented.

The past due for more than 1 year at the reporting date of 30. November 2016 but not impaired is related to the trade receivables from the main business partner in Switzerland, with whom an agreement upon the extension was reached. The receivable was collected in 2017.

Financial assets that are impaired

The credit risk has been fully covered by the global and individual valuation allowance.

Other receivables

The net carrying amount of other receivables are considered a reasonable approximate of its fair value.

Concentration of credit risk

The Group has no significant concentration of credit risk with any single counter party.

Financial assets that are neither past due nor impaired

Other receivables that are neither past due nor impaired are creditworthy other receivables. None of the other receivables that are neither past due nor impaired have been renegotiated during the financial year.

Financial assets that are past due but not impaired

There are no other receivables that are past due but not impaired.

Financial assets that are impaired

There are no other receivables that are impaired.

Deposits with bank

Concentration of credit risk

The Group has no significant concentration of credit risk with any single bank.

Financial assets that are neither past due nor impaired

Deposits with bank that are neither past due nor impaired are placed with a reputable financial institution with high credit ratings and no history of default.

As at the reporting date, there was no indication that the deposits with bank are not recoverable.

Financial assets that are past due but not impaired

There are no deposits with bank of the Group that are past due but not impaired.

Financial assets that are impaired

There are no deposits with bank of the Group that are impaired.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due as a result of shortage of funds. In managing its exposures to liquidity risk arises principally from its various payables, the Group maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The Group aims to maintain a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities.

The maturity analysis for the bank borrowings is as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
< 1 year	720	389	312
1-3 years	2,288	1,760	1,110
> 3 years	1,343	2,592	3,631
	<u>4,351</u>	<u>4,741</u>	<u>5,053</u>

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of change in market interest rates.

The Group's borrowings are only composed of fixed rate borrowings which are not significantly exposed to interest rate risk.

The carrying amount of the Group's significant interest-bearing financial instruments, as at the reporting date is as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Fixed rate instruments			
Borrowings	<u>4,351</u>	<u>4,741</u>	<u>5,053</u>
Average interest rate	<u>4,63 %</u>	<u>4.55 %</u>	<u>5.11 %</u>

Sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

The Group has to pay an interest for its bank borrowings, therefore, a change of the interest rate at the end of the reporting period by 100 basis points ("bp") would have an effect.

The following shows the effect on profit for the financial years:-

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
+100 bps	-20	-22	-26
-100 bps	<u>20</u>	<u>22</u>	<u>26</u>

(c) Market risk

As the Group prepares its combined financial statements in EUR and therefore the result and net asset position of the foreign operation are exposed to retranslation risk as a result of fluctuation in the EUR exchange rate. Therefore, a change of the exchange rate at the end of the reporting period by 100 basis points ("bp") would have an effect.

The following shows the effect for the financial years:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
<u>Profit</u>			
+100 bps	-72	-11	-121
-100 bps	<u>72</u>	<u>11</u>	<u>121</u>
<u>Net assets</u>			
+100 bps	-161	-186	-362
-100 bps	<u>161</u>	<u>186</u>	<u>362</u>

29.2 Fair value of financial instruments

The carrying amounts of short term receivables, payables, cash and cash equivalents and borrowings approximate their fair value due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

29.3 Fair value of hierarchy

No fair value hierarchy has been disclosed as the Group does not have any financial instruments measured at fair value.

30. **CAPITAL MANAGEMENT**

The Group's objectives when managing capital are:

- (a) To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns for shareholders and benefits other stakeholders;
- (b) To support the Group's stability and growth; and
- (c) To provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns, taking into consideration the future capital requirements of the Group and capital efficiency.

The Group currently does not adopt any formal dividend policy.

The assets managed as capital are as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
	TEUR	TEUR	TEUR
Liquid funds	9,015	6,655	6,160
Trade receivables	8,266	8,328	12,467
	<u>17,281</u>	<u>14,983</u>	<u>18,627</u>

31. EXPLANATION AND FINANCIAL IMPACTS ON TRANSITION TO IFRS

As stated in Note 2.5 to the combined financial statements, these are the first combined financial statements of the Group prepared in accordance with IFRS.

The accounting policies set out in Note 2.6 to the combined financial statements have been applied consistently in preparing the combined financial statements of the Group for the financial years ended 30 November 2015, 30 November 2016 and 30 November 2017.

The financial impacts of the transition to IFRS on statement of financial position and profit or loss and other comprehensive income are presented in this section and are further explained in the following notes.

31.1 Reconciliation of the statement of financial position as of 30 November 2014

	<u>Note</u>	As at 11.30.2014 per German <u>GAAP</u> TEUR	Effect of transition to IFRSs TEUR	As at 11.30.2014 per IFRSs TEUR
ASSETS				
Non-current assets				
Goodwill	a) j)	2,358	451	2,809
Other Intangible assets		92	0	92
Property, plant and equipment		424	0	424
Other non-current assets	c)	0	3,530	3,530
Total non-current assets		<u>2,874</u>	<u>3,981</u>	<u>6,855</u>
Current assets				
Trade receivables	b)	8,047	11	8,058
Other current receivables	b) c) d)	988	6,845	7,833
Cash and cash-equivalent	b)	5,683	-168	5,515
Total current assets		<u>14,718</u>	<u>6,688</u>	<u>21,406</u>
Prepaid expenses	c)	9,629	-9,629	0
TOTAL ASSETS		<u>27,221</u>	<u>1,040</u>	<u>28,261</u>

EQUITY AND LIABILITIES**EQUITY**

Share capital	a)d)	89	694	783
Capital reserve	a)	887	365	1.252
Retained earnings	a) b) e) i) j)	201	208	409
Translation reserve	a) i)	-1	0	-1
Minority interest	a)	30	-23	7
		<hr/>	<hr/>	<hr/>
Total equity		1,206	1,244	2,450

LIABILITIES**Provisions**

Other tax provisions	f)	271	-271	0
Other non-current provisions	f)	2,635	-2,635	0
		<hr/>	<hr/>	<hr/>
Total provisions		2,906	-2,906	0

Other non-current liabilities	h)	0	4,829	4,829
Non-current financial liabilities	g)	0	4,964	4,964
		<hr/>	<hr/>	<hr/>
Total non-current liabilities		0	9,793	9,793

Trade payables	b)	3,187	-177	3,010
Other current liabilities	b) f) h)	856	11,611	12,467
Current financial liabilities	g)	5,232	-4,964	268
Current income tax liabilities	b) f)	0	273	273
		<hr/>	<hr/>	<hr/>
Total current liabilities		9,275	6,743	16,018

Deferred income	h)	13,834	-13,834	0
		<hr/>	<hr/>	<hr/>

Total liabilities		26,015	-204	25,811
		<hr/>	<hr/>	<hr/>

TOTAL EQUITY AND LIABILITIES

		27,221	1,040	28,261
		<hr/>	<hr/>	<hr/>

31.2 Reconciliation of the statement profit or loss and other comprehensive income for financial year ended 30 November 2014

	<u>Note</u>	<u>Per German GAAP</u> TEUR	Effect of transition to <u>IFRSs</u> TEUR	<u>Per IFRSs</u> TEUR
Sales revenues	i)	32,989	-163	32,826
Other operating income	i)	692	-50	642
Cost of material	i)	-14,776	43	-14,733
Personnel expenses	i)	-11,684	23	-11,661
Depreciation/Amortization	j)	-487	251	-236
Other operational expenses	b)e) i)	-4,740	42	-4,698
Gross profit		<u>1,994</u>	<u>146</u>	<u>2,140</u>
Interest income		24	-1	22
Interest expenses	i)	-212		-212
Finance result		<u>-188</u>	<u>-1</u>	<u>-190</u>
Profit before tax		<u>1,806</u>	<u>144</u>	<u>1,950</u>
Tax expense	e)	<u>-295</u>	<u>19</u>	<u>-276</u>
Profit for the financial year		1,511	163	1,674

31.3 Notes to reconciliation

a) adjustment of capital consolidation

	<u>30.11.2014</u> TEUR
adjustment of share capital	6
adjustment of capital reserve	-364
adjustment of minority interest	24
adjustment of retained earnings	-45
adjustment of translation reserve	180
adjustment of goodwill	199

b) adjustment of translation of assets and liabilities

	<u>30.11.2014</u> TEUR
adjustment of trade receivables	11
adjustment of other current assets	46
adjustment of cash and cash-equivalent	-168
adjustment of trade payables	177
adjustment of other current liabilities	30
adjustment of current income tax liabilities	-2
adjustment of other operational expense	-93

c) reclassification of prepaid expense to other current assets

	<u>30.11.2014</u> TEUR
reclassification of prepaid expense	-9,629
reclassification to other current assets	6,099
reclassification to other non-current assets	3,530

d) reclassification of loans to the shareholders

	<u>30.11.2014</u> TEUR
reclassification of other current receivables	700
reclassification of share capital	-700

e) adjustment of translation difference of tax expense	
	<u>30.11.2014</u>
	TEUR
adjustment of tax expense	-18
adjustment of other operational expenses	18
f) reclassification of provisions	
	<u>30.11.2014</u>
	TEUR
reclassification of other tax provisions	271
reclassification of other non-current provisions	2,635
reclassification to other current liabilities	-2,635
adjustment of current income tax liabilities	-271
g) reclassification bank borrowings based on maturity of the credit	
	<u>30.11.2014</u>
	TEUR
reclassification current financial liabilities	-4,964
reclassification non-current financial liabilities	4,964
h) reclassification of deferred income	
	<u>30.11.2014</u>
	TEUR
reclassification of deferred income	13,834
reclassification to other current liabilities	-9,005
reclassification to other non-current liabilities	-4,829
i) adjustment of translation of income and expense	
	<u>30.11.2014</u>
	TEUR
adjustment of cost of material	-43
adjustment of personnel expenses	-23
adjustment of financial expense	1
adjustment of sales revenues	163
adjustment of other operating income	50
adjustment of other operational expenses	32
adjustment of translation reserve	-180
j) adjustment of the amortization goodwill	
	<u>30.11.2014</u>
	TEUR
adjustment of amortization	-251
adjustment of goodwill	251

32. SUBSEQUENT EVENTS

There are following material subsequent events to report between reporting date and the date of preparation of these combined financial statements:

- The shareholders of the Group established a holding entity, Serviceware SE, into which they are to contribute the shares of helpLine CLM AG, PM Computer Services GmbH & Co. KG and PM Computer Services Verwaltungs GmbH via a contribution in kind. The shares of the Serviceware SE shall be admitted to trading on the regulated market of the Frankfurt Stock Exchange, Germany.
- The shareholders of the Group have resolved on 08 February 2018 to pay the dividend which is attributable to the current shareholders of helpLine CLM AG or PM Computer Services GmbH & Co. KG.

Bad Camberg, 15 February 2018

Managing Directors:

Harald Popp, CFO

Dirk Martin, CEO

Auditor's report

To PM Computer Services GmbH & Co. KG, Bad Camberg

We have audited the accompanying combined financial statements, which comprise the combined statements of financial positions as at November 30, 2015, 2016 and 2017, the combined income statements, combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the years then ended and the notes to the combined financial statements, prepared by PM Computer Services GmbH & Co. KG, (the "Company") for the Serviceware Group, comprising of PM Computer Services GmbH & Co. KG, PM Computer Services Verwaltungs GmbH, helpline CLM AG, Baar/Swiss and its subsidiaries (the "Serviceware Group").

Management's Responsibility for the Combined Financial Statements

Company's management is responsible for the preparation and fair presentation of these combined financial statements in accordance with International Financial Reporting Standards, as adopted by the EU, as well as for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with German standard on Auditing as promulgated by the Institut der Wirtschaftsprüfer e.V. (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the combined 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the combined financial statements.

Opinion

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of the Serviceware Group as at November 30, 2015, 2016 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards, as adopted by the EU.

Düsseldorf, February, 15, 2018

RSM GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Rainer Grote
Wirtschaftsprüfer

Oliver Schmitz
Wirtschaftsprüfer

24.2 Financial statements for the reporting period from 11 January to 15 February 2018 prepared according to IFRS

Statement of Financial Position

Atrium 126. Europäische VV SE
 Bonn
 to be known in the future as: Serviceware SE, Bad Camberg
 Statement of financial position
 at 15 February 2018 and 11 January 2018

ASSETS	Notes	15 February 2018	11 January 2018	EQUITY AND LIABILITIES	Notes	15 February 2018	11 January 2018
		EUR	EUR			EUR	EUR
Current assets				Equity			
Cash and cash equivalents	4.1	30,000	30,000	Issued capital	4.2	120,000	120,000
				Not fully paid capital	4.2	<u>(90,000)</u>	<u>(90,000)</u>
						30,000	30,000
		<u>30,000</u>	<u>30,000</u>			<u>30,000</u>	<u>30,000</u>

Statement of Profit or Loss and Other Comprehensive Income

**Atrium 126. Europäische VV SE
Bonn**

**to be known in the future as: Serviceware SE, Bad Camberg
Statements of profit or loss and other comprehensive
income
for the period ended 15 February 2018**

	11 January - 15 February 2018
	EUR
Revenues	0
Cost of sales	0
Selling expenses	0
Other operating income	0
Other operating expenses	0
Fair value adjustments on financial assets	0
Financial income	0
Financial expense	0
Profit/(Loss) before tax	0
Income taxes	0
Other taxes	0
Net income/(loss) for the year	0
Other comprehensive income	0
Total comprehensive profit/(loss)	0

Statement of Cash Flow

Atrium 126. Europäische VV SE
Bonn
to be known in the future as: **Serviceware SE, Bad Camberg**
Statement of cash flow
for the period ended 15 February 2018

	<u>Notes</u>	<u>11 January- 15 February 2018</u>
		EUR
= <u>Cash flow from operating activities</u>		0
= <u>Cash flow from investment activities</u>		0
+ Payments of capital		
= <u>Cash flow from financing activities</u>		0
= <u>Total of the cash flows</u>		0
+ Cash and equivalents - 11 January 2018	4.1	30,000
= Cash and equivalents - 15 February 2018	4.1	30,000

Statement of Changes in Equity

Atrium 126. Europäische VV SE
Bonn
to be known in the future as: Serviceware SE, Bad Camberg
Statement of changes in equity
at 15 February 2018 and 11 January 2018

EUR	Share Capital	Not fully paid capital	Capital Reserve	Retained Earnings	Sum
Equity as of 11 January 2018	120,000	(90,000)	0	0	30,000
Equity as at of 15 February 2018	120,000	(90,000)	0	0	30,000

Notes to the Financial Statements

1. General information

1.1. Corporate information

Atrium 126. Europäische VV SE, hereafter called the "Company", is incorporated in Germany and has its registered office at Kurt-Schumacher-Str. 18-20, Bonn.

The Company was founded on 11 January 2018 with the intention of establishing the holding company. The company is not yet engaged in any commercial activity.

The Company is jointly owned by dreiff Management GmbH (previously known as: Lindentor 325. V V GmbH) and Aventura Management GmbH (previously known as: Lindentor 327. V V GmbH) with a share of 50% respectively.

These financial statements were voluntarily prepared in accordance with IFRS as adopted by the EU.

The Company presents its financial statements as of 15 February 2018 in Euro (EUR).

These interim financial statements were authorised by the Management Board by resolution dated 15 February 2018.

1.2 First Time Adoption of IFRS

These interim financial statements for the period ended 15 February 2018 are the first financial statements that are prepared by the Company in accordance with IFRS. The company did not present financial statements for previous periods. Retrospective application of IFRS is therefore not necessary and consequently there are no effects of the transition to IFRS on total equity or on the profit or loss for the period.

2. Significant accounting policies and changes

2.1. Basis of preparation of financial statements

The interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRIC) as adopted in the European Union (EU).

The statement of comprehensive income is prepared based on the nature of expense method.

As a rule, the Company classifies assets as current if they are expected to be recovered within twelve months from the reporting date. Liabilities are classified as non-current if the Company has the right to defer settlement beyond one year. Deferred tax assets and liabilities are classified as non-current assets or liabilities in accordance with IAS 1.56.

The interim financial statements are presented in EUR. Amounts are shown in Euros (EUR) unless otherwise stated. As such, insignificant rounding differences could occur in period-over-period changes and percentages reported throughout.

The financial year is from 1. December to 30 November the following year beginning with a stub period for the first financial year.

The management prepared the interim financial statements on a going concern basis. Other than that, the preparation of these interim financial statements in conformity with IFRS did not require the use of any critical accounting estimates or judgement.

2.2 Effects of new or amended financial standards and interpretations

The Company has applied all standards and interpretations (including amendments) as adopted by the EU in its interim financial statements, which are mandatory for financial years starting on or after 1 January 2018. For the period ending on 15 February 2018, there were no new or amended standards and interpretations that were endorsed by the EU the Company had to apply.

There are no IFRS or IFRIC interpretations that are issued but not yet effective that would be expected to have a material impact on Atrium 126. Europäische VV SE financial statements as of 15 February 2018. Early adoption of any of the publications is not planned.

2.3 Changes in accounting policies

There were no changes to accounting policies with significant consequences for the presentation of the net assets, financial position and results of operations or cash flows in the period ended 15 February 2018

2.4 Cash and cash equivalents

Cash and cash equivalents include cash deposits. Cash and cash equivalents are reported in accordance with their definition as financial resources in IAS 7.

3. Estimates and judgements

Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

4. Notes to the statement of financial position

4.1 Cash and cash equivalents

The cash amounting to EUR 30,000 as at the reporting date (11 January 2018: EUR 30,000) is the total of balance on the account with one German bank.

4.2 Equity

The issued capital of EUR 120,000 consists of 120,000 bearer shares with no par value. Preference shares or different classes of shares do not exist. As at the reporting date, the contributions to the issued capital were paid up to EUR 30,000. As at 15 February 2018, EUR 90,000 of contributions were outstanding.

For information on the change in equity, please refer to the statement of changes in equity.

5. Risk management

As at the reporting date, the Company is not exposed to any specific market, credit or liquidity risk.

The Company's capital management objectives are primarily to maintain and ensure an optimum capital structure to continue financing the growth plan and to manage the company's value over the long term. The Company manages its capital structure on the basis of various figures, such as the equity ratio, and makes adjustments where appropriate, taking into account changes to the general state of the economy.

6. Notes to the statement of cash flows

The statement of cash flows was prepared in accordance with IAS 7 Statement of Cash Flows and shows the changes in the Company's cash and cash equivalents during the course of the reporting period due to cash inflows and outflows.

Under IAS 7, cash flows are disclosed separately based on origin and use between the operating sector and the cash flows from the investment and financing activities. The cash inflows and outflows from operating activities are derived directly from the Company's profit or loss for the year. Cash inflows and outflows from investing and financing activities are derived directly. The funds in the statement of cash flows correspond to the value of cash and cash equivalents in the statement of financial position. Cash and cash equivalents include the freely available cash deposits and deposits with financial institutions.

7. Related party disclosures

Related parties as defined in IAS 24 Related Party Disclosures are those legal entities and natural persons that are able to exert influence on the Company exercises control or joint control or has a significant influence. The company has not entered into any related party transactions in the reporting period.

The members of the management board did not receive any compensation in the reporting period.

8. Disclosures on the Management Board and the Supervisory Board

The Company's corporate boards are composed as follows:

Members of the Managing Directors of the Company:

<u>Name</u>	<u>Member since</u>	<u>Appointed until</u>	<u>Position</u>	<u>Occupation</u>
Angelika Hundt	11.01.2018	30.01.2018	Chief Executive Officer	Clerk
Dirk Martin	30.01.2018	-	Chief Executive Officer	Engineer
Harald Popp	30.01.2018	-	Chief Financial Officer	Engineer
Dr. Alexander Becker	30.01.2018	-	Chief Operating Officer	Engineer

Members of the Executive Board of the Company:

<u>Name</u>	<u>Member since</u>	<u>Appointed until</u>	<u>Position</u>	<u>Occupation</u>
Conny Leuschner	11.01.2018	30.01.2018	Chairman of the Executive Board	Clerk
Christoph Debus	30.01.2018	-	Chairman of the Executive Board	Engineer
Harald Popp	30.01.2018	-	Deputy Chairman of the Executive Board	Engineer
Ingo Bollhöfer	30.01.2018	-	Member of the Executive Board	Engineer

9. Events after the reporting period

Events after the reporting date with a significant or possibly significant impact on the net assets, financial positions and results of operations of the Company.

It is planned to increase the Company's share capital from EUR 120,000.00 by EUR 7,880,000 to EUR 8,000,000 by issuing 7,880,000 new shares in the Company against contributions kind in the form of the 100% shares in PM Computer Services Verwaltungs GmbH, Bad Camberg, in PM Computer Services GmbH & Co. KG, Bad Camberg and in helpLine CLM AG (the three entities together also named as "Serviceware Group" in the following). As consideration of 3,820,000 new shares, dreiff Management GmbH and aventura Management GmbH are obliged to contribute respectively the shares in PM Computer Services GmbH & Co. KG with a nominal value of EUR 121,250 (corresponding to 50% of the share capital), shares in PM Computer Services Verwaltungs GmbH with a nominal value of EUR 12,800 (corresponding to 48,5% of the share capital) as well as 305,000 shares of helpLine CLM AG with a nominal value of CHF 1 per share (corresponding to 50% of the share capital). The rest 240,000 new shares are to be acquired by Mr. Ingo Bollhöfer.

The consummation of the capital increase shall be registered in the commercial register of the local court of Limburg, Germany, March 2018.

The Company seeks to list its shares on the regulated market (Prime Standard) of the Frankfurt Stock Exchange. The proceeds from the issuance of new shares will be used to finance further growth of the Serviceware Group.

Bad Camberg. 15 February 2018, the Management Board

Harald Popp
Chief Financial Officer

Dirk Martin
Chief Executive Officer

Dr. Alexander Becker
Chief Operating Officer

The following auditor's opinion is a translation of the German language auditor's opinion

Auditor's Opinion

To: Atrium 126. Europäische VV SE, Bonn

We have audited the interim financial statements comprising the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of cash flow, the statement of changes in equity and the notes to the interim financial statements together with the bookkeeping system of Atrium 126. Europäische VV SE, Bonn for the reporting period January 11 through February 15, 2018.

The maintenance of the books and records and the preparation of the interim financial statements in accordance with IFRS as adopted by the EU are the responsibility of the company's management. Our responsibility is to express an opinion on the interim financial statements, together with the accounting system, based on an audit. We conducted our audit of the interim financial statements prepared on a voluntary basis in accordance with section 317 HGB and German generally accepted standards for audit of financial statements as promulgated by the Institut der Wirtschaftsprüfer in Deutschland (Institute of public auditors in Germany) IDW. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the interim financial statements prepared on a voluntary basis in accordance with IFRS as adopted by the EU are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the company and expectations as to possible misstatements are taken into account in the determination of the audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the interim financial statements prepared on a voluntary basis are examined primarily on a sample basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates by management, as well as evaluating the overall presentation of the interim financial statements. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the interim financial statements of Atrium 126. Europäische VV SE, Bonn for the reporting period from January 11 through February 15, 2018 comply with IFRS as adopted by the EU and give a true and fair view of the net assets, financial position and results of operations of the company in accordance with these requirements.

Düsseldorf, February 15, 2018

RSM GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Rainer Grote
Wirtschaftsprüfer

Oliver Schmitz
Wirtschaftsprüfer