



## FIRST QUARTER 2017 REPORT

**exceet Group SE**  
115 avenue Gaston Diderich  
L-1420 Luxembourg  
Grand Duchy of Luxembourg

# INTERIM MANAGEMENT REPORT

## Improving Group Performance Step-by-Step

- 3M group sales at EUR 35.4 million, plus 12.4% to prior year (organic growth +11.5%)
- Q1 group EBITDA at EUR 1.9 million or 5.4% of net sales, up 5.9% compared to Q1 2016
- On 31 March 2017, order backlog at EUR 96.0 million, cash at EUR 23.0 million, net debt at EUR 9.0 million and equity ratio at 57.0%
- As published in February and March 2017, exceet has granted two potential buyers of the stakes of its existing core shareholders the possibility to conduct separately a due diligence of exceet.
- As published on 31 March 2017, Wolf-Günter Freese, former acting CEO and CFO, appointed new CEO of the group, keeping his function as group CFO.

Having sold the ID Management & Systems (IDMS) business segment as of 30 September 2016, all comparable prior year figures of the following Management Report are presented excluding IDMS in order to allow a transparent comparison.

### Financial Performance

The sales performance of exceet in Q1 2017 confirmed the recently encouraging trend as the group now has reached on a year-on-year basis top line organic growth for the fourth consecutive quarter. exceet's clear focus on the promising markets of smart and secure electronics allows the group to gain gradually ground from a solid base. The actual double-digit organic growth (+11.5%) in the reporting quarter is reflecting the promising order backlog figures recorded at 31 December 2016 and a slowly unwinding customer reluctance as new products offer convincing market potentials. The EBITDA development is well on track but the actual margin of 5.4% leaves room for improvement over the course of the year.

On 31 March 2017 exceet's order backlog amounted to EUR 96.0 million (31.3.2016: EUR 81.7 million). The twelve months rolling book-to-bill ratio of 1.12 (3M 2016: 1.05) supports the continued promising sales trend.

exceet performed at the same level compared with the prior year period. The business achieved an EBITDA of EUR 1.9 million (5.4% margin on net sales) versus EUR 1.8 million (5.7% margin on net sales) in the same period of 2016. In comparison to the first quarter of the prior year exceet faced lower margins as expected out of the sales mix especially within the opto-electronic and PCB activities. The relative fix cost structure of these operations does not support an immediate adjustment of the cost level. The successful implementation of the new lean management structure allowed the group to reduce administration costs compared to the prior year period on a continued operation basis by approx. EUR 0.3 million supporting the overall performance of exceet for the first three months.

The current profitability level is still below the management's target for the combined electronics and secure solutions business. As expected, the recent measures as the refocusing of the Swiss market activities, the structural adjustments within ESS in Dusseldorf (Germany) by focusing on the "exceet connect" solution package as well as the optimization of the production and sales activities in Ebbs (Austria) after shifting projects to this location from Switzerland, could not yet unfold their intended effects in this period.

The group result year to date amounts to minus EUR 0.4 million (3M 2016: minus EUR 0.5 million). The earnings per share (EPS) were minus Euro 0.02 (3M 2016: minus Euro 0.01) per Class A Share.

## Segment Reporting

### Electronic Components, Modules & Systems (ECMS)

Segment net sales increased by 10.0% to EUR 32.8 million during the first three month of 2017 (3M 2016: EUR 29.8 million) and contributed 92.8% to overall Group sales. The EBITDA of the segment reached EUR 3.2 million (3M 2016: EUR 3.6 million) mainly due to the lower gross profit margin out of the sales mix within the opto-electronic and PCB activities.

The ECMS segment develops and produces innovative, complex and integrated electronic products, with a focus on miniaturization, cost optimization and a high degree of customization to suit the needs of the customers. The products and services of the ECMS segment are aimed primarily at customers in the sectors of medical and healthcare, industrial automation, security and avionics.

The reporting period was marked by a favorable sales trend and by a progress in the segment's business development. The combination of a longstanding good reputation and the gradually improving economic environment along with a cautiously optimistic customer base supported the increase of revenues, especially in the area of customer-specific electronic modules and systems. This was supported by the increasing brand awareness of exceet electronics which was confirmed by the interest of customers and prospects for exceet's system-on-module (SoM) baseboards at the early year trade shows. At the same time, the good economic climate helped ECMS to experience a good sales progress in the field of complex client-specific micro- and opto-electronics. Customers take advantage of a unique range of high-end chip-level technologies realized in state-of-the-art cleanroom facilities. However, the PCB business was more difficult in the first quarter as order releases turned out moderate and showed a higher than expected volatility.

During Q1 2017 the process to streamline operations was continued and improvements are becoming visible. As a next step exceet intends to merge the two operational legal entities in Rotkreuz which should help to strengthen the market presence and sales activities in Switzerland.

As another highlight, the Austrian based facility of exceet electronics once again was ranked first at the Tyrolean Top Company Award. The company in Ebbs was awarded for its outstanding corporate culture and exemplary employee development in the Tyrolean region.

### exceet Secure Solutions (ESS)

During the reporting period, ESS generated revenues of EUR 2.6 million (3M 2016: EUR 1.7 million), accounting for 7.2% of total group sales. The EBITDA remained negative with minus EUR 0.6 million.

The ESS segment is focused on secure connectivity mainly based on IT Security and industrial Internet of Things (IoT) projects and solutions. Within the IoT related activities, ESS recorded a strong demand for concept development, customer specific IoT hardware, IoT software and especially process specific IT Security consulting, products and services. Additionally, the segment further improved eHealth, eSignature and Hardware Security Module (HSM) related developments and sales activities.

Thanks to the improving economic conditions and the high demand for IoT solutions, the segment realized an increase of revenues in the field of industry routers and gateways associated with mobile communication and remote services. These products are used for security technology, especially for secure IoT projects, in all segments of the industrial market.

ESS has launched "exceet connect" as a new offering for the secure connectivity market, bundling the secure connections competences of ESS in a structured product. This solution ensures secure communication between users and devices and guarantees protection against tapping and manipulation of data. With exceet's modular solution portfolio the customer has the choice of different security levels.

To improve its profitability and to gain a stronger market focus, exceet will be streamlining its organizational structure in this segment. These structural adjustments will enable the company at its location in Dusseldorf to act even more flexible on customer requests.

## Group Balance Sheet Positions

As of 31 March 2017, the total assets of exceet Group amounted to EUR 148.8 million, compared to EUR 151.8 million as of 31 December 2016.

The non-current assets amounted to EUR 69.4 million (31.12.2016: EUR 70.4 million) and decreased by EUR 0.9 million. This position includes tangible assets of EUR 28.8 million (31.12.2016: EUR 29.1 million), intangible assets of EUR 38.1 million (31.12.2016: EUR 38.6 million) and other non-current assets of EUR 2.5 million (31.12.2016: EUR 2.7 million). The reduction of the intangible assets was mainly driven by foreign exchange impacts. The non-current assets include deferred tax assets of EUR 1.4 million and EUR 1.1 million for a working capital related loan to the sold card business. This loan is due on 31 December 2017 and EUR 0.4 million of the total loan of EUR 1.5 million were already repaid in March 2017.

Current assets amounted to EUR 79.4 million, compared to EUR 81.4 million at year-end 2016. The decrease of EUR 2.0 million includes an increase of the inventories by EUR 2.1 million and the trade receivables of EUR 3.7 million due to the good level of sales and the material purchases precede for projects in progress. The lower cash and cash equivalents of EUR 23.0 million (31.12.2016: EUR 30.9 million) reflect the repayment of bank borrowings related to the sale of the card business of EUR 4.7 million and the substantial increase of the operating net working capital.

At the end of the reporting period, exceet Group's equity amounted to EUR 84.8 million, against EUR 84.1 million as of 31 December 2016. This comes to a reasonable equity ratio of 57.0% (31.12.2016: 55.4%).

The increase of the current liabilities by EUR 18.0 million to EUR 41.7 million as of 31 March 2017 (31.12.2016: EUR 23.7 million) includes the reclassification of borrowings of EUR 20.2 million from non-current liabilities to current liabilities as the main bank facility agreement will expire on 28 February 2018. First capital market feedback indicates a possible long-term refinancing within the second half-year of 2017. In addition borrowings were reduced by EUR 4.7 million out of a repayment obligation related to the sale of the card business. Further the trade payables increased due to the higher level of sales by EUR 1.5 million and the accrued expenses increased by EUR 1.8 million.

Non-current liabilities decreased by EUR 21.7 million from EUR 44.0 million at year-end of 2016 to EUR 22.3 million. EUR 20.2 million are related to the reclassification of the borrowings covered by the main bank facility agreement to current liabilities. The adjustment of the retirement benefit obligations according to the actual actuarial calculation caused a decrease of the provision by EUR 1.4 million.

## Cash Development and Net Debt

The cash and cash equivalents of EUR 23.0 million (31.12.2016: EUR 30.9 million) reflect the repayment of bank borrowings and the substantial increase of the operating net working capital caused by the higher level of sales and material purchases for projects in progress.

The Q1 2017 cash out of EUR 8.0 million (3M 2016: outflow EUR 0.6 million) consisted of EUR 5.0 million for the repayment of borrowings, investments into tangible and intangible assets of EUR 0.7 million, investments into the operating working capital of EUR 3.6 million and the cash inflow out of operations with EUR 1.7 million. The net debt position as of 31 March 2017 amounts to EUR 9.0 million (31.12.2016: EUR 5.4 million).

## Employees

As of 31 March 2017, the Group employed 698 employees (Headcount) or 645 full-time equivalents (FTE) (31.03.2016: 634). 315 (31.03.2016: 300) were employed in Germany, 232 (31.03.2016: 253) in Switzerland, 83 (31.03.2016: 65) in Austria, 14 (31.03.2016: 15) in Romania and 1 (31.03.2016: 1) in the USA.

## Capital Market Environment and Share Price Performance

Global growth reached 2.9% in 2016 – the lowest figure since 2009. Global indebtedness, uncertainties concerning central bank policies and capital markets stability along with specific growth problems in the BRIC states remained the major macro-economic obstacles to growth. For the current year, projections are slightly more optimistic, despite the ongoing transformation process of the Chinese economy affecting the country growth. But higher commodity prices are suggesting better growth conditions for Latin America and Russia. Additionally, in the US, markets have been anticipating higher growth due to an expansive fiscal program of the Trump administration consisting of tax cuts and infrastructure spending. In Europe, Germany is facing its fifth annual economic upturn in a row. The spring forecast by the major German economic institute's estimates a growth of 1.5% for the current year (seasonally adjusted 1.8%) after 1.9% for 2016, again primarily driven by private demand - due to a strong labor market and real income gains. Domestic investment spending is expected to keep lagging behind. Also the Austrian and the Swiss GDP projections for 2017 are below the 2% mark, which means that growth in exceet's major markets remains subdued. The confidence into the sustainability of the moderate growth environment is currently troubled by political uncertainties (elections in France and Germany), the upcoming Brexit negotiations, rising protectionism and recent budget concerns in some European states.

Central bank policies of the ECB and the Fed are expected to show a further divergence. While the Fed raised rates for the third time in March by 25 basis points to a target range of 0.75% - 1.00%, European rates remain unchanged. But the bond purchase programs of both central banks are giving hints into the same direction; the ECB has started to reduce its monthly purchase volume from EUR 80 billion to EUR 60 billion as of April and the Fed recently declared its intention to reduce the size of their asset position. Inflation is expected to fall back again in the US and Europe as oil prices are hesitant to rise further.

In this framework, equity markets managed again to perform positively in the first quarter with economically sensitive technology stocks outperforming the general indices. While the German Dax rose by 7.2% the TecDax increased 13%. In the US, the Nasdaq Composite gained 9.8% versus 4.6% for the Dow Jones Industrial Average. European equities in general, as measured by the Eurostoxx 50, showed a positive result of 6.4%. Swiss equities slightly underperformed their European peers by growing 5.3%. exceet shares were very positively affected by recent news concerning possible changes in core stake ownerships. The share price of exceet rose by 43.2% from Euro 2.50 at the end of December to Euro 3.58 at the end of March. The cumulative turnover volume on Xetra amounted to 182,664 shares after a similar volume of 183,339 shares was recorded for the final quarter of 2016.

## Opportunities and Risk Report

The statements provided in the Annual Report 2016 on the opportunities and risks of the business model remain unchanged.

## Significant Events and Actions

As published on 14 February 2017 and 10 March 2017, Greenock S.à r.l., and Oranje-Nassau Participaties B.V. respectively, both major shareholders of exceet Group SE, have informed the Board of Directors of exceet Group SE that they have each entered into discussions with a potential buyer concerning the sale of their stake in exceet. exceet has granted both potential buyers the opportunity to conduct a due diligence of exceet. However, the Board of Directors of exceet Group SE is not yet able to assess any kind of outcome out of the due diligence processes.

Based on the established lean management structure, the Board of Directors of exceet Group SE has decided to transform Wolf-Günter Freese's position as interim acting CEO into a regular function as group CEO. In parallel, Wolf-Günter Freese will keep his management function as group CFO further on.

## Outlook

Based on an encouraging start into 2017, reflecting the promising order backlog figure recorded at 31 December 2016, the management maintains at this early stage of the year its cautiously optimistic assumptions concerning growth and profitability as published in the last annual report. Although the general economic sentiment is still characterized by a certain fragility related to political, geopolitical and economic concerns, the group is prepared to improve its performance step-by-step. Latest order backlog data are supporting this expectation while a certain volatility of quarterly data will remain typical for exceet's project-driven business. One specific macro-economic issue to be watched closely is the latest imbalance on the global copper market where rising demand from the renewable energy and electro-mobility industries is absorbing higher volumes which in turn could delay deliveries into the classical electronics industries where exceet and exceet's clients are operating. The execution of a clear customer orientation in development, industrialization and manufacturing of smart and secure electronics is now gradually bearing fruits. The sales progression most probably will follow a similar pattern as in 2016 with a better cumulative second half compared to the first half. Operational profitability as measured by the EBITDA margin should visibly improve from the 6% average annual level of last year although further structural measures could eventually trigger some additional restructuring costs and value adjustments. The ongoing transformation process of the operations in Rotkreuz (Switzerland) and Ebbs (Austria) is monitored carefully and the still unprofitable ESS unit in Dusseldorf (Germany) might be subject to further cost optimization measures.

Luxembourg, 2 May 2017  
exceet Group SE  
The Board of Directors and the CEO / CFO

# INTERIM FINANCIAL STATEMENTS

## (CONDENSED & CONSOLIDATED)



## INTERIM BALANCE SHEET (CONSOLIDATED)

(in EUR 1,000)	unaudited 31 March 2017	audited 31 December 2016
<b>ASSETS</b>		
<b>Non-current assets</b>		
Tangible assets	28,795	29,086
Intangible assets <sup>1)</sup>	38,090	38,551
Deferred tax assets	1,396	1,206
Other financial investments	1,142	1,517
Other non-current receivables	0	0
<b>Total non-current assets</b>	<b>69,423</b>	<b>70,360</b>
<b>Current assets</b>		
Inventories	30,769	28,657
Trade receivables, net	22,654	18,953
Other current receivables	859	1,151
Current income tax receivables	1,084	1,251
Accrued income and prepaid expenses	992	516
Cash and cash equivalents	23,022	30,874
<b>Total current assets</b>	<b>79,380</b>	<b>81,402</b>
<b>Total assets</b>	<b>148,803</b>	<b>151,762</b>
<b>EQUITY</b>		
Share capital	312	312
Reserves	84,491	83,830
<b>Equity attributable to Shareholders of the parent company</b>	<b>84,803</b>	<b>84,142</b>
<b>Total equity</b>	<b>84,803</b>	<b>84,142</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings <sup>2)</sup>	9,492	29,358
Retirement benefit obligations	8,871	10,311
Deferred tax liabilities	2,344	2,635
Provisions for other liabilities and charges	604	603
Other non-current liabilities	1,035	1,054
<b>Total non-current liabilities</b>	<b>22,346</b>	<b>43,961</b>
<b>Current liabilities</b>		
Trade payables	9,610	8,077
Other current liabilities	1,543	2,281
Accrued expenses and deferred income	7,612	5,774
Current income tax liabilities	348	594
Borrowings <sup>2)</sup>	22,541	6,933
Other financial liabilities	0	0
<b>Total current liabilities</b>	<b>41,654</b>	<b>23,659</b>
<b>Total liabilities</b>	<b>64,000</b>	<b>67,620</b>
<b>Total equity and liabilities</b>	<b>148,803</b>	<b>151,762</b>

1) Incl. Goodwill of EUR 22,671 (31.12.2016: EUR 22,608)

2) Net debt for continued operations amount to EUR 9,011 (31.12.2016: EUR 5,417) based on third party borrowings EUR 32,033 (31.12.2016: EUR 36,291) less cash and cash equivalents of EUR 23,022 (31.12.2016: EUR 30,874)

## INTERIM INCOME STATEMENT (CONSOLIDATED)

(in EUR 1,000)	unaudited 01.01. - 31.03.2017	unaudited 01.01. - 31.03.2016
Revenue	35,401	31,500
Cost of sales	(31,017)	(26,723)
<b>Gross profit</b>	<b>4,384</b>	<b>4,777</b>
<i>Gross profit margin</i>	<i>12.4%</i>	<i>15.2%</i>
Distribution expenses	(2,450)	(2,345)
Administrative expenses	(2,036)	(2,692)
Other operating income	117	71
<b>Operating result (EBIT) <sup>1)</sup></b>	<b>15</b>	<b>(189)</b>
<i>EBIT margin</i>	<i>0.0%</i>	<i>(0.6%)</i>
Financial income	246	745
Financial expenses	(545)	(867)
Changes in fairvalue in financial instruments	0	0
<b>Financial result, net</b>	<b>(299)</b>	<b>(122)</b>
<b>Profit/(Loss) before income tax</b>	<b>(284)</b>	<b>(311)</b>
Income tax expense	(109)	(150)
<b>Profit/(Loss) from continued operations</b>	<b>(393)</b>	<b>(461)</b>
<i>Profit/(Loss) margin</i>	<i>(1.1%)</i>	<i>(1.5%)</i>
<b>Profit/(Loss) from discontinued operations</b>	<b>0</b>	<b>(469)</b>
<b>Profit/(Loss) for the period</b>	<b>(393)</b>	<b>(930)</b>
<i>Profit/(Loss) margin</i>	<i>(1.1%)</i>	<i>(3.0%)</i>
<b>PROFIT/(LOSS) ATTRIBUTABLE TO:</b>		
Shareholders of the parent company	(393)	(930)
<b>EARNINGS PER SHARE IN EURO FROM CONTINUED OPERATIONS (BASIC = DILUTIVE)</b>		
Class A Shares	(0.02)	(0.01)
Class B/C Shares	n/a	(0.01)
<b>EARNINGS PER SHARE IN EURO FROM DISCONTINUED OPERATIONS (BASIC = DILUTIVE)</b>		
Class A Shares	n/a	(0.01)
Class B/C Shares	n/a	(0.01)
<b>EARNINGS PER SHARE IN EURO ON TOTAL GROUP BASIS (BASIC = DILUTIVE)</b>		
Class A Shares	(0.02)	(0.03)
Class B/C Shares	n/a	(0.03)
Operating result (EBIT)	15	(189)
Depreciation, amortization and impairment charges	1,895	1,992
<b>Operating result before depreciation, amortization and impairment charges (EBITDA) <sup>2)</sup></b>	<b>1,910</b>	<b>1,803</b>
<i>EBITDA margin</i>	<i>5.4%</i>	<i>5.7%</i>

1) Earnings Before Interest and Taxes

2) Earnings Before Interest, Taxes, Depreciation and Amortization

## INTERIM STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED)

(in EUR 1'000)	unaudited 01.01. - 31.03.2017	unaudited 01.01. - 31.03.2016
Profit/(Loss) for the period	(393)	(930)
<b>Items not to be reclassified to profit and loss:</b>		
Remeasurements of defined benefit obligation	1,050	(1,314)
Deferred tax effect on remeasurements of defined benefit obligation	(141)	163
<b>Items not to be reclassified to profit and loss</b>	<b>909</b>	<b>(1,151)</b>
<b>Items to be reclassified to profit and loss:</b>		
Currency translation differences	145	(361)
<b>Items to be reclassified to profit and loss</b>	<b>145</b>	<b>(361)</b>
<b>Total comprehensive income for the period</b>	<b>661</b>	<b>(2,442)</b>
Attributable to:		
Shareholders of the parent company	661	(2,442)
Total comprehensive income for the period attributable to the Shareholders of the company		
Continued operations	661	(2,424)
Discontinued operations	0	(18)
<b>Total comprehensive income for the period</b>	<b>661</b>	<b>(2,442)</b>

The accompanying notes are an integral part of the Interim Financial Statements (condensed & consolidated).

## INTERIM STATEMENT OF CASH FLOWS (CONSOLIDATED) <sup>1)</sup>

(in EUR 1,000)	unaudited 01.01. - 31.03.2017	unaudited 01.01. - 31.03.2016
<b>Profit/(Loss) before income tax</b>	(284)	(73)
Adjustment for non-cash transactions		
Amortization on intangible assets	722	826
Depreciation on tangible assets	1,173	1,166
(Gains)/Losses on disposal of assets	(8)	(4)
Change of provisions	19	18
Adjustments to retirement benefit obligations/prepaid costs	(416)	(117)
Financial (income)/expenses	204	187
Change in fair value in financial instruments	0	0
Other non-cash (income)/expenses	300	175
<b>Operating net cash before changes in net working capital</b>	<b>1,710</b>	<b>2,178</b>
Changes to net working capital		
- inventories	(2,270)	(1,788)
- receivables	(3,476)	948
- accrued income and prepaid expenses	(475)	(479)
- liabilities	785	(1,455)
- provisions for other liabilities and charges	(18)	0
- accrued expenses and deferred income	1,830	1,865
Tax received (prior periods)	273	218
Tax paid	(1,084)	(1,489)
Interest received	5	1
Interest paid	(217)	(273)
<b>Cashflows from operating activities <sup>2)</sup></b>	<b>(2,937)</b>	<b>(274)</b>
Purchase of tangible assets	(513)	(479)
Sale of tangible assets	8	14
Purchase of intangible assets	(171)	(230)
<b>Cashflows from investing activities</b>	<b>(676)</b>	<b>(695)</b>
Increase of borrowings	383	937
Repayments of borrowings	(4,987)	(165)
Proceeds/(Repayments) of other non-current liabilities	(19)	(18)
Proceeds from finance lease prepayments	488	0
Payments of finance lease liabilities	(205)	(337)
<b>Cashflows from financing activities</b>	<b>(4,340)</b>	<b>417</b>
<b>Net changes in cash and cash equivalents</b>	<b>(7,953)</b>	<b>(552)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>30,874</b>	<b>29,086</b>
Net changes in cash and cash equivalents	(7,953)	(552)
Effect of exchange rate gains/(losses)	101	(183)
<b>Cash and cash equivalents at the end of the period</b>	<b>23,022</b>	<b>28,351</b>

1) The cash flow statement for the prior year comparison is presented on a continued basis. Please refer to note 15 "Discontinued Operations" for cash flow from discontinued operations.

2) Free cash flow amounts to EUR (3,940) based on cash flow from operations of EUR (2,937) minus net capital expenditure (adjusted for finance lease) of EUR (1,003)

## INTERIM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

(in EUR 1,000)	Issued and paid-in share capital	Capital reserves	Treasury shares	Share-based payments IFRS 2	Retained earnings	Foreign currency transl. diff.	Total shareholders of the parent company
<b>BALANCES AT 1 JANUARY 2017</b>	312	65,485	(4,525)	202	(2,945)	25,613	84,142
Profit/(Loss) for the period					(393)		(393)
<b>Other comprehensive income:</b>							
Remeasurements of defined benefit obligations					1,050		1,050
Deferred tax effect on remeasurements					(141)		(141)
Currency translation differences						145	145
Total other comprehensive income for the period	0	0	0	0	909	145	1,054
Total comprehensive income for the period	0	0	0	0	516	145	661
<b>BALANCES AT 31 MARCH 2017</b>	312	65,485	(4,525)	202	(2,429)	25,758	84,803
<b>BALANCES AT 1 JANUARY 2016</b>	528	65,485	(4,525)	202	28,762	15,036	105,488
Profit/(Loss) for the period					(930)		(930)
<b>Other comprehensive income:</b>							
Remeasurements of defined benefit obligations					(1,314)		(1,314)
Deferred tax effect on remeasurements					163		163
Currency translation differences						(361)	(361)
Total other comprehensive income for the period	0	0	0	0	(1,151)	(361)	(1,512)
Total comprehensive income for the period	0	0	0	0	(2,081)	(361)	(2,442)
<b>BALANCES AT 31 MARCH 2016</b>	528	65,485	(4,525)	202	26,681	14,675	103,046

The accompanying notes are an integral part of the Interim Financial Statements (condensed & consolidated).

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONDENSED & CONSOLIDATED)

### 1 General information

exceet Group SE (the “Company”), is incorporated as a Société Européenne under the law of Luxembourg. The Company was incorporated on 9 October 2009 as Helikos SE and renamed to exceet Group SE on 27 July 2011. The registered office is at 115 avenue Gaston Diderich, L-1420 Luxembourg. exceet Group SE carried out its initial public offering on the regulated market (Regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) under the symbol “EXC” on 4 February 2010.

The consolidated exceet Group SE (the “Group” or “exceet”) includes all companies in which exceet Group SE, directly or indirectly, exercises control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All companies consolidated into the Group are disclosed in note 17 “List of consolidated subsidiaries of exceet Group SE”.

exceet is an international technology group specialized in the development and production of intelligent, complex and secure electronics of small and mid-size volumes. The Group provides highly sophisticated solutions and distinguishes itself through its technical skill set in embedded intelligent electronics with a leading position in the health and industrial markets.

To focus the exceet Group on the electronic and secure solutions activities, the Board of exceet Group SE decided at the beginning of March 2016 to start a process to sell the business segment of ID Management & Systems (IDMS). This process was completed as of 30 September 2016 with the sale of the IDMS segment.

The operations of the Group are structured in two business segments: Electronic Components Modules & Systems (ECMS) and exceet Secure Solutions (ESS).

The ECMS segment develops and produces innovative, complex and integrated electronic products, with a focus on miniaturization, cost optimization and a high degree of customization to suit the needs of the customers. The products and services of the ECMS segment are aimed primarily at customers in the sectors of medical and healthcare, industrial automation, security and avionics.

The ESS segment is focused on secure connectivity mainly based on IT Security and industrial Internet of Things (IoT) projects and solutions. Within all IoT projects, the segment provides concept development, customer specific IoT hardware and software and especially process specific IT Security consulting, products and services. The segment also engages further in eHealth, eSignature and Hardware Security Module (HSM) related developments and sales activities.

exceet is mainly focusing on the European markets, but is also active in the markets of USA and Asia-Pacific. The Group consists of 14 legal entities with 10 locations in Austria, Germany, Luxembourg, Romania, Switzerland and the USA. This setup allows the Group to benefit from specific local advantages (e.g. customer proximity) and to apply a flexible production process necessary to fulfill the specific requirements of customers.

The discontinued IDMS segment was engaged in design, development and production of contact and contactless smart cards, multifunction cards, card reading devices and related services. It consisted of 6 legal entities with business locations in Austria, The Czech Republic, Germany and the Netherlands.

This condensed consolidated interim financial information is unaudited and was approved for issue by the Board of Directors on 2 May 2017.

## 2 Adoption of new and revised accounting standards

### New and amended standards adopted by the Group

There are no standards and amendments, issued by the International Accounting Standards Board ('IASB') and the IFRS Interpretations Committee and as adopted by the European Union (EU), that are effective for the first time in the current financial year and would have been adopted by the Group:

The interim condensed consolidated financial statements have been prepared on the basis of the accounting policies, significant judgments, key assumptions and estimates as described on pages 33 to 49 of the consolidated financial statements of exceet Group SE 2016.

### New standards, amendments and interpretations not yet adopted by the Group

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2017 and have not been applied in preparing these interim condensed consolidated financial statements.

· IFRS 14	(New)	“Regulatory Deferral Accounts” – IASB effective date 1 January 2016 – EU endorsement outstanding
· IFRS 9	(New)	“Financial instruments” – IASB and EU effective date 1 January 2018
· IFRS 15	(New)	“Revenue from contracts with Customers” – IASB and EU effective date 1 January 2018
· IFRS 16	(New)	“Leases” – IASB effective date 1 January 2019 – EU endorsement outstanding
· IFRS 2	(Amendment)	“Share based payments” – IASB effective date 1 January 2018 – EU endorsement outstanding
· IFRS 4	(Amendment)	“Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts” – IASB effective date 1 January 2018 – EU endorsement outstanding
· IAS 7	(Amendment)	“Disclosure Initiative” – IASB effective date 1 January 2017 – EU endorsement outstanding
· IAS 12	(Amendment)	“Recognition of Deferred Tax Assets for Unrealized Losses” – IASB effective date 1 January 2017 - EU endorsement outstanding
· IAS 40	(Amendment)	“Transfer of Investment Property” – IASB effective date: 1 January 2018 – EU endorsement outstanding
· IFRIC 22	(Interpretation)	“Foreign Currency Translation and Advance Consideration” – IASB effective date: 1 January 2018 – EU endorsement outstanding
· Annual improvement cycle 2014 - 2016		IASB effective date: 1 January 2017 / 1 January 2018 – EU endorsement outstanding

The Group is in the process to assess the potential impacts of the new standards and amendments to the existing standards and intends to adopt them no later than the effective endorsement date by the EU.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

### 3 Basis of preparation

The interim condensed consolidated financial statements for the three months ended 31 March 2017, have been prepared in accordance with IAS 34, 'Interim financial reporting'.

Following the sale of the business segment of IDMS, the respective figures were shown as discontinued operations and certain 2016 figures have now been restated to exclude IDMS for comparison reasons.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2016, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

All figures presented should be read as in EUR 1,000, if not presented otherwise.

#### Use of estimates and judgments

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2016.

The following exchange rates were relevant to the interim financial report as of 31 March 2017:

	31 March 2017	Average 01.01. - 31.03.2017	31 December 2016	31 March 2016	Average 01.01. - 31.03.2016
1 CHF	0.93	0.93	0.93	0.91	0.91
1 USD	0.94	0.94	0.95	0.88	0.91

Taxes on income in the interim periods are accrued using the local tax rate that would be applicable to expected total annual profit or loss.

#### Consolidated statement of comprehensive income

The interim consolidated statement of comprehensive income was prepared based on an accruals basis. The consolidated statement of comprehensive income has been presented by using "cost of sales" method.

#### Seasonality

Revenues and costs are not influenced by seasonal effects, but are mainly impacted by the economic environment in the markets the Group is operating in.

### 4 Financial risk management and financial instruments

#### Financial risk factors

The Group's activities expose it to a variety of financial risks: market risks (including currency risk, fair value interest rate risk, cash flow interest rate risk, price risk), credit risk and liquidity risk.

The interim condensed financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's consolidated financial statements for 2016. There have been no changes in any risk management policies since the year end.



### Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, prices) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset or liability that are not valued on observable market data (that are, unobservable inputs, for instance estimation and assumptions)

The following table presents the Group's assets and liabilities that are measured at fair value.

(in EUR 1,000)	Level 1	Level 2	Level 3	Total
<b>31 MARCH 2017</b>				
<b>Assets as per balance sheet</b>				
Financial assets at fair value through profit or loss				0
Interest cap				0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Liabilities as per balance sheet</b>				
Financial liabilities at fair value through profit or loss				0
Interest cap				0
Public warrants				0
Earn-out liability				0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>31 DECEMBER 2016</b>				
<b>Assets as per balance sheet</b>				
Financial assets at fair value through profit or loss				0
Interest cap				0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Liabilities as per balance sheet</b>				
Financial liabilities at fair value through profit or loss				0
Interest cap				0
Public warrants				0
Earn-out liability				0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The group's accounting rules demands the recognition of transfers into or out of fair value hierarchy levels as of the date of the event or at the change in circumstances that caused the transfer. There were no transfers between the levels during the reporting period.

Level 1 public warrants are valued on the quoted market price at the balance sheet date. The public warrants are listed on the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse).

Level 2 interest caps were valued at fair value by using mark-to-market calculations of observable inputs of interest yield curves.

Management is assisted for the valuation of financial assets required for financial reporting purposes, including level 3 fair values, by the Group's finance department. Discussions of valuation processes and results are held regularly between the CFO and the finance department.

The following tables are presenting the changes in level 3 instruments:

(in EUR 1,000)	Level 3
<b>BALANCE AT 1 JANUARY 2017</b>	0
Payment of earn-out of acquisition	0
Interest on earn-out of acquisition	0
Currency translation differences	0
<b>BALANCE AT 31 MARCH 2017</b>	0
Total (gains)/losses for the period included in profit or loss	0
<b>BALANCE AT 1 JANUARY 2016</b>	998
Payment of earn-out of acquisition	0
Interest on earn-out of acquisition	0
Currency translation differences	0
<b>BALANCE AT 31 MARCH 2016</b>	998
Total (gains)/losses for the period included in profit or loss	0

### Fair value of financial assets and liabilities measured at amortized costs

The fair values of non-current borrowings are as follows:

(in EUR 1,000)	unaudited 31 March 2017	audited 31 December 2016
<b>CARRYING AMOUNT</b>		
Bank borrowings	7,647	27,926
Finance lease liabilities	1,845	1,432
<b>Total</b>	<b>9,492</b>	<b>29,358</b>
<b>FAIR VALUE</b>		
Bank borrowings	8,255	28,592
Finance lease liabilities	1,845	1,432
<b>Total</b>	<b>10,100</b>	<b>30,024</b>

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

## 5 Additional information to the cash flow statement

The acquisition of tangible assets is mainly related to the purchase of production facilities and machinery. The Group purchased fixed assets through finance lease arrangements of EUR 815 during the first three months of 2017 (3M 2016: EUR 1,252).

Payments of finance lease liabilities represent payments of amortizations of current lease liabilities and prepayments for new lease liabilities in the current period.

## 6 Segment information

The Group has two main business segments, Electronic Components Modules & Systems (ECMS) and exceet Secure Solutions (ESS), representing different subsidiaries. The segment information is presented on the same basis as for internal reporting purposes. The segments are reported in a manner that is consistent with the internal reporting provided to the Group's Chief Operating Decision Maker – CEO/CFD. In addition, the Group has a third segment "Corporate and others" for reporting purposes, which only includes the investment companies. Companies of exceet Group SE, which have been subject to the reverse asset acquisition, have been assigned to the segment "Corporate and others".

The segment information for the three months ended 31 March 2017 and a reconciliation of EBIT to profit/ (loss) for the period is provided as follows:

### Income statement and capital expenditure by segment

01.01. - 31.03.2017 (in EUR 1,000)	ECMS	ESS	Corporate and others	Eliminations	Total Group
External revenue	32,846	2,555			35,401
Inter-segment revenue	0	1	57	(58)	0
<b>Total revenue</b>	<b>32,846</b>	<b>2,556</b>	<b>57</b>	<b>(58)</b>	<b>35,401</b>
<b>EBITDA</b>	<b>3,171</b>	<b>(563)</b>	<b>(698)</b>		<b>1,910</b>
<i>EBITDA Margin</i>	<i>9.7%</i>	<i>(22.0%)</i>			<i>5.4%</i>
Depreciation, amortization and impairment	(1,733)	(141)	(21)		(1,895)
<b>EBIT</b>	<b>1,438</b>	<b>(704)</b>	<b>(719)</b>	<b>0</b>	<b>15</b>
<i>EBIT Margin</i>	<i>4.4%</i>	<i>(27.5%)</i>			<i>0.0%</i>
Financial income	129		161	(44)	246
Financial expense	(268)	(21)	(300)	44	(545)
Changes in fairvalue in financial instruments					0
<b>Financial result – net</b>	<b>(139)</b>	<b>(21)</b>	<b>(139)</b>	<b>0</b>	<b>(299)</b>
<b>Profit/(Loss) before income tax</b>	<b>1,299</b>	<b>(725)</b>	<b>(858)</b>	<b>0</b>	<b>(284)</b>
Income tax	(398)	239	50		(109)
<b>Profit/(Loss) for the period</b>	<b>901</b>	<b>(486)</b>	<b>(808)</b>	<b>0</b>	<b>(393)</b>
Capital expenditure tangible assets	830	10	0		840
Capital expenditure intangible assets	22	149	0		171
Depreciation tangible assets	(1,139)	(29)	(5)		(1,173)
Amortization intangible assets	(594)	(112)	(16)		(722)
Impairment intangible assets	0	0	0		0

01.01. - 31.03.2016 (in EUR 1,000)	ECMS	ESS	Corporate and others	Eliminations	Total Group
External revenue	29,841	1,659	0		31,500
Inter-segment revenue	8	0	68	(76)	0
<b>Total revenue</b>	<b>29,849</b>	<b>1,659</b>	<b>68</b>	<b>(76)</b>	<b>31,500</b>
<b>EBITDA</b>	<b>3,577</b>	<b>(557)</b>	<b>(1,217)</b>		<b>1,803</b>
<i>EBITDA Margin</i>	<i>12.0%</i>	<i>(33.6%)</i>			<i>5.7%</i>
Depreciation, amortization and impairment	(1,800)	(137)	(55)		(1,992)
<b>EBIT</b>	<b>1,777</b>	<b>(694)</b>	<b>(1,272)</b>	<b>0</b>	<b>(189)</b>
<i>EBIT Margin</i>	<i>6.0%</i>	<i>(41.8%)</i>			<i>(0.6%)</i>
Financial income	270	0	545	(70)	745
Financial expense	(432)	(17)	(488)	70	(867)
Changes in fair value in financial instruments	0	0	0		0
<b>Financial result – net</b>	<b>(162)</b>	<b>(17)</b>	<b>57</b>	<b>0</b>	<b>(122)</b>
<b>Profit/(Loss) before income tax</b>	<b>1,615</b>	<b>(711)</b>	<b>(1,215)</b>	<b>0</b>	<b>(311)</b>
Income tax	(413)	234	29		(150)
<b>Profit/(Loss) for the period</b>	<b>1,202</b>	<b>(477)</b>	<b>(1,186)</b>	<b>0</b>	<b>(461)</b>
Capital expenditure tangible assets	1,336	37	2		1,375
Capital expenditure intangible assets	21	209	0		230
Depreciation tangible assets	(1,133)	(21)	(12)		(1,166)
Amortization intangible assets	(667)	(116)	(43)		(826)

### Assets and liabilities by segment

(in EUR 1,000)	ECMS	ESS	Corporate and others	Total Group
<b>BALANCES AT 31 MARCH 2017 (UNAUDITED)</b>				
Non-current assets	60,847	7,269	1,307	69,423
Current assets	64,299	2,787	12,294	79,380
Liabilities	40,400	2,279	21,321	64,000
<b>BALANCES AT 31 DECEMBER 2016 (AUDITED)</b>				
Non-current assets	61,580	7,079	1,701	70,360
Current assets	63,791	3,634	13,977	81,402
Liabilities	38,715	2,435	26,470	67,620
<b>BALANCES AT 31 MARCH 2016 (UNAUDITED)</b>				
Non-current assets	65,723	7,774	258	73,755
Current assets	65,294	2,365	8,953	76,612
Liabilities	41,661	3,741	25,579	70,981

## 7 Financial result

The financial result includes a non-cash gain of EUR 6 (3M 2016: Loss of EUR 116) related to the revaluation of euro-loans given by the Swiss holding to finance the other group companies.

## 8 Development costs

The position “cost of sales” in the consolidated income statement includes development costs in the amount of EUR 2,025 (3M 2016: EUR 1,988; full year 2016: EUR 8,224). Development costs are mainly related to development projects for customers as well to products, process development and optimizations for the production.

## 9 Equity

With resolution at the extraordinary general meeting held 15 September 2016, the issued share capital is set at 20,523,695 shares with a par value of Euro 0.0152, issued as Class A Shares (“Public Shares”), with 20,073,695 Class A Shares listed on the stock exchange and 450,000 own Class A Shares held by the Company (Treasury Shares). The Company’s share capital amounts to Euro 311,960.16.

For further information regarding exceet’s equity structure, please refer to the consolidated financial statements of exceet Group Consolidated Financial Statements note 13 “Equity” on pages 71 to 73.

## 10 Earnings per share

Earnings per share (EPS) is calculated by dividing the profit attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding during the period excluding ordinary shares purchased by the Company and held as Treasury Shares.

Until the cancelation of B/C shares as of 15 September 2016, different rights to receive dividends for the two classes of ordinary shares existed. Disclosure of EPS amounts for 2016 is required for both classes of ordinary shares.

### Basic earnings per share

The calculation of basic EPS at 31 March 2017 is based on the loss attributable to the owners of the parent of EUR 393 for three months 2017 (3M 2016: Loss of EUR 461) and the weighted average number of ordinary shares outstanding of 20,073,695 Class A Shares. For the same period in the previous year the notional weighted average numbers of ordinary shares outstanding were 20,073,695 Class A Shares and 14,210,526 Class B/C Shares respectively.

		unaudited 01.01. - 31.03.2017	unaudited 01.01. - 31.03.2016
Profit/(Loss) for the year (EUR 1,000) attributable to equity holders of the Company	Class A Shares	[393]	[270]
	Class B/C Shares	n/a	[191]
Weighted average number of ordinary shares outstanding	Class A Shares	20,073,695	20,073,695
	Class B/C Shares	n/a	14,210,526
Basic earnings/(loss) per share (euro/share)	Class A Shares	[0.02]	[0.01]
	Class B/C Shares	n/a	[0.01]

### Dilutive earnings per share

Diluted EPS are calculated by increasing the average number of shares outstanding by the total number of potential shares arising from option rights. The Group has outstanding 66,667 share options from the Management Stock Option Program (MSOP). The share options are not dilutive as the average market price of the ordinary shares is below the exercise price of the warrants or the share options.

Should the share options of the Management Stock Option Program (MSOP) be exercised, the total number of Class A Shares would increase by 66,667 to 20,140,362 Class A Shares, having minor impact on the EPS. Share options from the MSOP not exercised within the contractual time frame expire without any redemption and have no dilutive impact on the EPS.

## 11 Dividends

No dividends were paid during the three months ended 31 March 2017.

## 12 Borrowings

Borrowings are as follows:

(in EUR 1,000)	unaudited 31 March 2017	audited 31 December 2016
<b>NON-CURRENT</b>		
Bank borrowings	7,647	27,926
Finance lease liabilities	1,845	1,432
<b>Total non-current borrowings</b>	<b>9,492</b>	<b>29,358</b>
<b>CURRENT</b>		
Bank borrowings	21,560	6,154
Finance lease liabilities	981	779
<b>Total current borrowings</b>	<b>22,541</b>	<b>6,933</b>
<b>Total borrowings</b>	<b>32,033</b>	<b>36,291</b>

The main facility agreement of the group amounts now to EUR 21.6 million (CHF 23.0 million), after the repayment of bank borrowings of EUR 4.7 million (CHF 5.0million) as of 31 March 2017 and the agreed reduction of the facility agreement by EUR 1.9 million (CHF 2 million) at the same date. This facility expires until 28 February 2018, therefore the used facility were reclassified from non-current to current borrowings.

## 13 Retirement Benefit Obligation

For the three months of 2017 there were EUR 0 (3M 2016: EUR 1,416) impact of measurements of the defined benefit obligation arise from changes in economic assumptions (discount rates) and EUR 1,053 from return on plan assets (3M 2016: EUR -102).

## 14 Ultimate controlling parties and related-party transactions

The Company has no ultimate controlling party.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Group had legal charges from related parties in the three months of 2017 of EUR 16 (3M 2016: EUR 35).

## 15 Discontinued Operations

On 2 March 2016 the Group announced its intention to sell the business segment IDMS and initiated a process to locate a buyer. The associated assets and liabilities were consequently presented as held for sale in the interim reports of 2016. The assets and liabilities of the discontinued operations classified as held for sale were measured at the lower of their carrying value and fair value less cost to sell. Fair value less cost to sell has been determined based on the valuation of the expected business performance and the expected sales proceed from a third party buyer.

As of 30 September 2016 the Business segment and the corresponding intercompany loans hold within the Group were sold with effect on the same date. For further information please refer to the consolidated financial statements of exceet Group Consolidated Financial Statements note 29 “Discontinued Operations” on pages 95 to 97.

The performances of the discontinued operations for the first three months of 2016 were as follows:

(in EUR 1,000)	unaudited 01.01. - 31.03.2017	unaudited 01.01. - 31.03.2016
<b>FINANCIAL PERFORMANCE</b>		
External revenue		11,023
Expenses		(11,782)
Profit / (Loss) before income tax	0	(759)
Income tax		290
<b>Profit / (Loss) from discontinued operations</b>	<b>0</b>	<b>(469)</b>
Exchange difference on translation of discontinued operations		451
<b>Comprehensive income from discontinued operations</b>	<b>0</b>	<b>(18)</b>
<b>PROFIT/(LOSS) ATTRIBUTABLE TO:</b>		
Shareholders of the parent company	0	(18)
<b>EARNINGS PER SHARE IN EURO FROM DISCONTINUED OPERATIONS (BASIC = DILUTIVE)</b>		
Class A Shares	n/a	(0,01)
Class B/C Shares	n/a	(0,01)
<b>CASH FLOW INFORMATION</b>		
Net Cash inflow / (outflow) from operating activities		(2,412)
Net Cash inflow / (outflow) from investing activities		127
Net Cash inflow / (outflow) from financing activities		(140)
<b>Net increase / (decrease) in cash generated by discontinued operations</b>	<b>0</b>	<b>(2,425)</b>

## 16 Events occurring after the reporting period

There were no other events since the balance sheet date on 31 March 2017 that would require adjustment of assets or liabilities or a disclosure.

## 17 List of consolidated subsidiaries of exceet Group SE

Company	Country	Year of acquisition <sup>1)</sup>	Segment	Activity	Share Capital	Share in the capital	Share of the votes
<b>CONTINUED OPERATIONS</b>							
exceet Holding AG <sup>2)</sup>	SUI	2011	C&O	Holding	CHF 100,000	100%	100%
exceet Group AG	SUI	2006	C&O	Holding & Services	CHF 25,528,040	100%	100%
exceet Austria GmbH	AUT	2011	C&O	Holding	EUR 35,000	100%	100%
GS Swiss PCB AG	SUI	2006	ECMS	Manufacturing & Sales	CHF 1,350,000	100%	100%
ECR AG	SUI	2006	ECMS	Manufacturing & Sales	CHF 500,000	100%	100%
AEMtec GmbH	GER	2008	ECMS	Manufacturing & Sales	EUR 2,250,000	100%	100%
exceet electronics AG <sup>3)</sup>	SUI	2008	ECMS	Manufacturing & Sales	CHF 1,000,000	100%	100%
exceet electronics GesmbH <sup>4)5)6)</sup>	AUT	2011	ECMS	Manufacturing & Sales	EUR 54,000	100%	100%
exceet electronics GmbH <sup>7)</sup>	GER	2012	ECMS	Development & Sales	EUR 102,150	100%	100%
exceet Medtec Romania S.R.L. <sup>8)</sup>	ROU	2014	ECMS	Development	RON 1,000	100%	100%
exceet USA, Inc.	USA	2015	ECMS	Sales	USD 10	100%	100%
exceet Secure Solutions GmbH <sup>9)10)11)</sup>	GER	2011	ESS	Development & Sales	EUR 1,000,000	100%	100%
Lucom GmbH Elektrokomponenten und Systeme <sup>12)</sup>	GER	2014	ESS	Development & Services	EUR 26,000	100%	100%
<b>DISCONTINUED OPERATIONS (sold as of 30 September 2016)</b>							
exceet Card Group AG	GER	2009	IDMS	Holding & Services	EUR 7,595,389		
exceet Card Austria GmbH <sup>13)</sup>	AUT	2009	IDMS	Manufacturing & Sales	EUR 35,000		
idVation GmbH <sup>14)</sup>	GER	2009	IDMS	Development & Services	EUR 25,000		
exceet Card Nederland B.V. <sup>15)</sup>	NED	2009	IDMS	Manufacturing & Sales	EUR 226,900		
exceet Card AG <sup>16)17)</sup>	GER	2010	IDMS	Manufacturing & Sales	EUR 6,315,584		
exceet CZ s.r.o. <sup>18)</sup>	CZE	2010	IDMS	Manufacturing	CZK 1,500,000		

- 1) Year of acquisition refers to exceet Group AG point of view
- 2) exceet Holding AG (former: Helikos AG) was renamed by 9.5.2014
- 3) exceet electronics AG (former: Mikrap AG) was renamed by 30.12.2014
- 4) exceet electronics GesmbH (former: Contec Steuerungstechnik & Automation Gesellschaft m.b.H.) was renamed by 28.1.2015
- 5) exceet electronics GesmbH (former: Contec Steuerungstechnik & Automation Gesellschaft m.b.H.) and Inplator GmbH have been merged in December 2014 retroactively as per 28.3.2014
- 6) exceet Austria GmbH holds 99.34% of the share capital of exceet electronics GesmbH and exceet Group AG 0.66% of the share capital of exceet electronics GesmbH
- 7) exceet electronics GmbH (former: as electronics GmbH) was renamed by 5.1.2015
- 8) exceet Medtec Romania S.R.L. (former: Valtronic Technologies Romania S.R.L.) was renamed by 20.6.2014
- 9) exceet Secure Solutions AG (former: AuthentiDate International AG) has been renamed by 13.8.2014
- 10) exceet Secure Solutions AG and exceet Secure Solutions Deutschland GmbH have been merged on 15 August 2016 retroactively as per 1 January 2016
- 11) exceet Secure Solutions GmbH (former: exceet Secure Solutions AG) has been renamed by 6.10.2016
- 12) exceet Secure Solutions GmbH holds 100% of the share capital of Lucom GmbH Elektrokomponenten und Systeme
- 13) exceet Card Group AG held 100% of the share capital of exceet Card Austria GmbH
- 14) exceet Card Austria GmbH held 100% of the share capital of idVation GmbH
- 15) exceet Card AG held 100% of the share capital of exceet Card Nederland B.V.
- 16) NovaCard Informationssysteme GmbH and exceet Card AG had been merged in February 2013 retroactively as per 1.1.2013
- 17) PPC Card Systems GmbH and exceet Card AG had been merged in August 2012 retroactively as per 1.1.2012
- 18) exceet Card Austria GmbH held 100% of the share capital of exceet CZ s.r.o.

For more operational company information please visit [www.exceet.lu/divisions/](http://www.exceet.lu/divisions/).