

GROUP AUDIT CERTIFICATE

and Responsibility Statement

„AUDIT CERTIFICATE OF THE INDEPENDENT AUDITOR OF THE FINANCIAL STATEMENTS

To MAX Automation SE, Düsseldorf

Audit opinions

We have audited the consolidated financial statements of MAX Automation SE, Düsseldorf, and its subsidiaries (the Group) - consisting of the consolidated balance sheet as of December 31, 2018, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the financial year from January 1 to December 31, 2018 as well as the notes to the consolidated financial statements, including a summary of significant financial accounting methods.

We have also audited the Group management report combined with the separate management report (hereinafter referred to as the "combined management report") of MAX Automation SE, Düsseldorf, for the financial year from January 1 to December 31, 2018. In accordance with German statutory regulations, we have not audited the content of the Group non-financial statement included in the combined management report. In accordance with German statutory regulations, we have not audited the content of the corporate governance statement, to which reference is made in the combined management report.

Based on the findings gained from our audit, in our opinion

- the attached consolidated financial statement correspond in all significant matters to IFRS, as applicable in the EU, and the German statutory regulations to be additionally applied pursuant to Section 315e(1) of the German Commercial Code (HGB), and in compliance with such regulations convey a true and fair view of the Group's assets and financial position as of December 31, 2018 and
- the attached combined management report conveys overall a true and fair view of the Group's position. In all significant matters, this combined management report is consistent with the consolidated financial statements, complies with German statutory regulations, and appropriately presents the opportunities and risks pertaining the future development. Our audit opinion relating to the combined management report does not include all of the contents of the Group non-financial statement contained in the combined management report and the content of the corporate governance statement published on the company's website.

Pursuant to Section 322 (3) Clause 1 HGB, we declare that our audit has not led to any objections against the proper nature of the consolidated financial statements and combined management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and combined management report in accordance with Section 317 of the German Commercial Code (HGB) and Regulation (EU) 537/2014 relating to the statutory auditing of public-interest entities, in compliance with German proper accounting principles as determined by the Institute of Public Auditors in Germany (IDW). Our responsibility according to these regulations and principles is described in more detail in the is section Auditor's responsibility for the

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audit of the consolidated financial Statements and combined management report“ of our audit certificate. In compliance with European statutory as well as German commercial law and professional regulations, we are independent of the Group companies, and fulfilled our other German professional obligations in accordance with such

requirements. Moreover, pursuant to Article 10 (2) lit. f) Regulation (EU) 537/2014, we declare that we have not rendered any prohibited non-auditing services pursuant to Article 5(1) Regulation (EU) 537/2014. We are of the opinion that the audit evidence we have obtained is sufficient and appropriate to serve as the basis for our audit opinions on the consolidated financial statements and combined management report.

Particularly important audit matters in the audit of the consolidated financial statements

Particularly important audit matters are such matters which, in our professional judgment, proved most important in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2017. These matters were taken into account in connection with our audit of the consolidated financial statements as a whole and in the formation of our audit opinion; we do not issue a separate audit opinion relating to such matters.

Below we present the audit matters that proved particularly important from our perspective:

- 1) Disclosure and measurement in accordance with IFRS 5 “Discontinued Operations”
- 2) Application of the percentage of completion method for revenue recognition to long-term contract manufacturing
- Zu 1) Disclosure and measurement in accordance with IFRS 5 “Discontinued Operations”
- a) The risk for the financial statements

At the end of September 2018, the Board of Directors of MAX Automation SE made the strategic decision to withdraw from the construction of special purpose machines/assembly lines for automotive customers and initiated a disposal process to be completed in the course of 2019. The goal of this measure is to improve the Group’s profitability and risk profile.

For this reason ELWEMA GmbH, the companies of the IWM Group and MAX Automation (Shanghai) were classified as held for sale and discontinued operations (IFRS 5) as of September 30, 2019.

The discontinued operation generated revenues of EUR 127.5 million in financial year 2018, while the continuing operations reported revenues of EUR 277.4 million in financial year 2018. With total assets of EUR 364.3 million at MAX Automation SE as of December 31, 2018, assets of EUR 134.7 million and liabilities of EUR 81.0 million were attributable to the discontinuing operations.

The company’s information on the disclosure and valuation of the discontinued operation is included in the notes to the consolidated financial statements.

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In our opinion, this matter was of particular importance to our audit due to its complexity and the material effects on the Group.

b) Audit approach and conclusions

We have satisfied ourselves that the conditions for classification as an activity held for sale for the Special Purpose Machinery/Assembly Lines for Automotive Customers business segment were met at the time of the initial reclassification or at the balance sheet date. To this end, we conducted surveys of the executive directors and reviewed the minutes of the Board of Directors.

In addition, by inspecting the accounting records, we have verified that only those assets and liabilities that are the subject of the sale process are part of the discontinued operation. Based on our audit, we have assessed whether the balance sheet and statement of comprehensive income items have been appropriately reclassified to assets held for sale, liabilities held for sale and discontinued operations. In addition, we have assessed the accounting treatment used in the consolidated statement of cash flows to be accurate.

We have satisfied ourselves that before the assets in the division held for sale were recognized, they were initially measured in accordance with the relevant IFRSs.

Our audit procedures in this regard primarily included an inspection of presentations by various M&A experts on the potential purchase price determination of the companies held for sale. We have assessed the assessment of the M&A experts and their impact on the need for impairment.

The valuation assumptions and parameters applied by the legal representatives are in line with our expectations and are fundamentally suitable for an appropriate presentation and valuation of the discontinued operations, taking into account the available information from our point of view.

Zu 2) Application of the percentage of completion method for revenue recognition to long-term contract manufacturing

a) The risk for the financial statements

The company applies the percentage of completion method (PoC method) pursuant to IAS 11 to large-scale contracts exceeding a given order volume as stipulated in the Group financial accounting guidelines.

Application of the PoC method generates a positive equity effect of about EUR 19,0 million as of the reporting date. The statement of comprehensive income for continuing operations had a positive effect of approximately EUR 10.0 million.

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The company's disclosures relating to the application of the percentage of completion method are contained in sections 2.1 and 4.1(9) of the notes to the consolidated financial statements.

The company's disclosures relating to the application of the percentage of completion method are contained in the notes to the consolidated financial statements.

The degree of completion is calculated by applying the cost-to-cost method. Especially the calculation of the respective degrees of completion requires estimates and judgments to a significant extent, some of which are based on constantly updated planning. For this reason, the application of the percentage of completion method is considerably subject to the influence of estimated figures. For potentially loss-making projects, anticipated cost overruns are to be estimated and recognized as pending losses. Given this, we were of the view that these matters were of particular importance for our audit.

b) Audit approach and conclusions

In a first step, we examined whether the conditions for the period-based method of revenue recognition in accordance with IFRS 15 were met. In the following, we have assessed the accumulation of manufacturing costs as part of a process appraisal based on the internal control system, including functional tests.

The assessment of the reliability of the calculation of budgeted manufacturing costs and the related degree of completion was performed by auditing the processing of PoC contracts as of December 31, 2017 based on random sampling in the new 2018 financial year. This approach focused especially on the realization of the margins estimated on December 31, 2017 based on the cost-to-cost method. The reliability of the intrayear PoC valuation was also assessed through time series analyses. The contract sums to be additionally included in the PoC methodology were tested with the underlying customer contracts by way of random sampling.

The estimates and judgments underlying the PoC valuation are balanced overall. This enabled an objective recognition of revenue and of changes in inventories.

Other information

The legal representatives are responsible for the other information. The other information comprises:

- the Group's non-financial statement included in section 6 of the combined management report,
- the corporate governance statement published on the company's website,
- the remaining sections of the annual report, apart from the audited consolidated financial statements and combined management report, as well as our audit certificate,
- the corporate governance report pursuant to section 3.10 of the German Corporate Governance Code, and the assurance pursuant to Section 297(2) Clause 4 HGB relating to the consolidated financial statements and the assurance pursuant to Section 315(1) Clause 5 HGB relating to the the combined management report.

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- Our audit opinions relating to the consolidated financial statements and the combined management report did not include the other information, and accordingly we issue neither an audit opinion nor any other type of audit conclusion in this relation.
- In connection with our audit of the consolidated financial statements, we are responsible for reading the other information and appraising in this context whether the other information
- exhibits significant inconsistencies in relation to the consolidated financial statements, the combined management report or the information we gained as part of our audit, or
- appears to be presented significantly erroneously in another manner.

Responsibility of the legal representatives and Administrative Board for the consolidated financial statements and combined management report

The legal representatives are responsible for the preparation of the consolidated financial statements, corresponding in all important matters to IFRS, as applicable in the EU, and the supplementary German statutory regulations to be additionally applied pursuant to Section 315e (1) HGB, and for ensuring that the consolidated financial statements convey a true and fair view of the Group's financial position and performance in compliance with such regulations. Moreover, the legal representatives are responsible for the internal controls they deem necessary to enable the preparation of consolidated financial statements free of significant - intended or unintended - erroneous presentations.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group as a going concern. Furthermore, they are responsible for disclosing matters connected with the Group as a going concern, where relevant. In addition, they are responsible for preparing accounts based on the financial accounting going concern principle, unless the Group intends to liquidate, or to discontinue its business operations, or no realistic alternative exists in such a case.

Moreover, the legal representatives are responsible for the preparation of the combined management report, which overall conveys a true and fair view of the Group position and is consistent in all important aspects with the consolidated financial statements, complies with German statutory regulations, and appropriately presents the opportunities and risks entailed in future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) they deem necessary to enable the preparation of a combined management report in compliance with applicable German statutory regulations, and to provide sufficient appropriate evidence for the statements made in the combined management report.

The Administrative Board is responsible for the supervision of the Group's financial accounting process relating to the preparation of the consolidated financial statements and combined management report.

Auditor's responsibility for the audit of the consolidated financial statements and combined management report

Our aim is to achieve sufficient certainty as to whether the consolidated financial statements, as a whole, are free of significant - intended or unintended - erroneous presentations, and whether the combined

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management report conveys overall a true and fair view of the Group's position, and is consistent in all important aspects with the consolidated financial statements as well as the knowledge gained as part of our audit, complies with German statutory regulations, and appropriately present the opportunities and risks pertaining to the future development, as well as to issue an audit certificate that includes our audit opinions relating to the consolidated financial statements and combined management report.

Sufficient certainty refers to a high degree of certainty but is not a guarantee that an audit conducted in compliance with Section 317 of the German Commercial Code (HGB) and Regulation (EU) 537/2014, in compliance with German proper auditing principles as promulgated by the Institute of Public Auditors in Germany (IDW), will always uncover a significantly erroneous presentation. Erroneous presentations can derive from offenses or errors, and are regarded as significant if it could have been reasonably expected that, individually or together, they affect the economic decisions of addressees based on these consolidated financial statements and this combined management report.

During the audit, we exercise discretion and maintain a basically critical stance.

Above and beyond this,

- we identify and assess the risks of significant – intended or unintended – erroneous presentations in the consolidated financial statements and in the combined management report, plan and execute audit actions as a response to such risks, and obtain audit evidence that is sufficient and appropriate to serve as the basis for our audit opinions. The risk that significant erroneous presentations are not uncovered is greater in the case of offenses than in the case of errors, as offenses can comprise fraudulent collaboration, forgeries, intended incompleteness, misleading presentations and the disabling of internal controls;
- we gain an understanding of the internal control system relevant to the audit of the consolidated financial statements and the precautions and measures relevant for the audit of the combined management report, in order to plan related audit actions that are appropriate in the given circumstances, although not with the aim of issuing an audit opinion on the efficacy of such systems;
- we assess the appropriateness of the financial accounting methods applied by the legal representatives as well as the feasibility of the estimated figures and related disclosures presented by the legal representatives;
- we draw conclusions about the appropriateness of the financial accounting going concern principle applied by the legal representatives, and, based on the audit evidence obtained, whether a significant uncertainty exists in connection with events or circumstances that can lead to considerable doubts about the Group as a going concern. If we arrive at the conclusion that a considerable uncertainty exists, we are obligated to draw attention in the audit certificate to the related disclosures in the notes to the consolidated financial statements and in the combined management report, or if such disclosures are unsuitable, to modify our respective audit opinion. We draw our conclusions based on the audit evidence obtained until the date of our audit opinion. Future events or circumstances can nevertheless lead the Group to no longer comprise a going concern;

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- we assess the overall presentation, the structure and content of the consolidated financial statements, including the disclosures, as well as whether the consolidated financial statements present the underlying business transactions and events so that the consolidated financial statements convey a true and fair view of the Group's financial position and performance in compliance with IFRS, as applicable in the EU, and the German statutory regulations to be additionally applied pursuant to Section 315e (1) HGB;
- we obtain sufficient appropriate audit evidence for the financial accounting information of the companies or operating activities within the Group, in order to issue audit opinions relating to the consolidated financial statements and combined management report. We are responsible for the direction, supervision and implementation of the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions;
- we evaluate the consistency of the combined management report with the consolidated financial statements, its legal conformity, and the view it conveys of the Group's position; and
- we conduct audit actions in relation to the forward-looking disclosures in the combined management report presented by the legal representatives. Based on sufficient appropriate audit evidence, we especially investigate the significant assumptions taken as the basis for the forward-looking disclosures by the legal representatives, and appraise the objective derivation of the forward-looking disclosures from such assumptions. We do not issue a separate audit opinion relating to the forward-looking disclosures and the underlying assumptions. A considerable unavoidable risk exists that future events may differ significantly from the forward-looking disclosures.

Topics we discuss with those individuals responsible for supervision include the planned scope and timing of the audit as well as significant audit findings, including any defects in the internal control system we identify during our audit.

We issue a statement to those individuals responsible for supervision that we have obtained the relevant impartiality requirements, and discuss with them all relationships and other matters where it can be reasonably assumed that they affect our impartiality, and the related protective measures.

From the matters we discuss with the individuals responsible for supervision we determine those matters that proved most significant for the current reporting period in the audit of the consolidated financial statements, and consequently that comprise particularly important audit matters. We describe such matters in the audit opinion, unless laws or other legal regulations prohibit public disclosure of the related matter.

Other statutory and legal requirements

Miscellaneous disclosures pursuant to Article 10 Regulation (EU) 537/2014

We were elected as the auditor of the consolidated financial statements by the Shareholders' General Meeting on May 18, 2018. The Board of Directors issued its mandate to us on June 28, 2018. We have been the auditor of the consolidated financial statements of MAX Automation SE, Düsseldorf, without interruption since the 2004 financial year.

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We declare that the audit opinions contained in this audit certificate are consistent with the additional report to the Administrative Board pursuant to Article 11 Regulation (EU) 537/2014.

Certified Public Auditor Mr. Steffen Fleitmann is the Certified Public Auditor responsible for the audit

Certified Public Auditor

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Hannover, March 1, 2019

Ebner Stolz GmbH & Co. KG

Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft

Hans-Peter Möller
Wirtschaftsprüfer

Steffen Fleitmann
Wirtschaftsprüfer