



matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements (pages 128 to 178).

Revenue recognition

Area of focus The Group's revenues amounted to CHF 1'074 million for the year ended 31 December 2023. For goods sold and services rendered, sales are recorded at the time when the customer receives control of the goods or services transferred. Revenue recognition from products with material application and installation work requires a written acceptance by the customer. Revenue from service contracts is recognized pro-rata based on the full contract period. Refer to note 2.7.1 (Accounting and valuation principles: Revenue recognition, contract assets and liabilities) in the consolidated financial statements for further details.

Revenue recognition is significant to our audit as the Group generates revenues from different streams (goods sold and services rendered) and due to the risks that transactions may be recorded in the incorrect period.

Our audit response Our audit procedures included assessing the application of the Group's revenue recognition policies. We tested a sample of transactions near the year-end and agreed the details of these transactions to underlying documentation, such as the contractual terms, to ensure that revenue has been recognized in the appropriate period and in the appropriate amount. For sales transactions where material application and installation work were required, we evaluated whether written customer acceptance had been received before revenue was recognized.

Our audit procedures did not lead to any reservations regarding the recognition and measurement of revenue.

Carrying value of goodwill

Area of focus As at 31 December 2023, the Group reported CHF 709.9 million in goodwill (representing 34.2 % of the Group's total assets and 52.6 % of the Group's total equity). For purposes of the annual impairment test, goodwill is allocated to a cash-generating unit or to a group of cash-generating units that are expected to benefit from the synergies of the corresponding business combination. The recoverable amount (higher of fair value less costs of disposal and value in use) of the cash-generating unit is compared to its carrying amount. An impairment loss is recognized if the carrying amount of the cash-generating unit exceeds its recoverable amount. Refer to notes 2.7.14 (Impairment) and 21 (Intangible assets and goodwill) in the consolidated financial statements for further details.