

Actian Netherlands Holding B.V.

Amsterdam

Financial Statements 2018

**Actian Netherlands Holding B.V.
Strawinskylaan 3127
1077 ZX Amsterdam
The Netherlands**

Registered with the Dutch trade register under file number 51506807

Slof & Wildenburg
accountants
belastingadviseurs

authenticated for identification

accompanying our auditor's report of 18 May 2019

Financial Statements 2018

TABLE OF CONTENTS

	Page
1. Financial statements	
1.1 Balance sheet as at 31 December 2018	3
1.2 Profit and loss account 2018	4
1.3 Notes to the financial statements	5
1.4 Notes to the balance sheet	8
1.5 Notes to the profit and loss account	12
2. Other information	
2.1 Profit appropriation according to the articles of association	13

1. FINANCIAL STATEMENTS

1.1 Balance sheet as at 31 December 2018
(After result appropriation)

	31 December 2018		31 December 2017	
	EUR	EUR	EUR	EUR
ASSETS				
Fixed assets				
<i>Financial fixed assets</i>				
Investment in participations	<u>571.238</u>	571.238	<u>554.432</u>	554.432
Current assets				
<i>Trade and other receivables</i>				
Taxes	8.204		10.050	
Other receivables	<u>141.143</u>	149.347	<u>134.318</u>	144.368
<i>Cash and cash equivalents</i>		-		2.117
Total assets		<u><u>720.585</u></u>		<u><u>700.917</u></u>
	31 December 2018		31 December 2017	
	EUR	EUR	EUR	EUR
EQUITY AND LIABILITIES				
Shareholders' equity				
Issued share capital	18.000		18.000	
Share premium	412.439		412.439	
Other reserves	<u>(5.839.038)</u>	(5.408.599)	<u>(5.783.190)</u>	(5.352.751)
Long-term liabilities				
Debts to shareholders and related parties	<u>6.099.416</u>	6.099.416	<u>6.030.955</u>	6.030.955
Current liabilities				
Trade creditors	14.137		19.918	
Other debts	<u>15.631</u>	29.768	<u>2.795</u>	22.713
Total equity and liabilities		<u><u>720.585</u></u>		<u><u>700.917</u></u>

Actian Netherlands Holding B.V.

1.2 Profit and loss account 2018

	2018		2017	
	EUR	EUR	EUR	EUR
General expenses	<u>59.691</u>		<u>37.760</u>	
Total operating expenses		59.691		37.760
Operating result		<u>(59.691)</u>		<u>(37.760)</u>
Financial income and expenses				
Interest income and similar revenues	20.182		3.857	
Interest expense and similar charges	<u>(37.356)</u>		<u>(85.012)</u>	
Financial result		(17.174)		(81.155)
Result on ordinary activities before taxation		<u>(76.865)</u>		<u>(118.915)</u>
Taxation		4.211		1.141
Share in result from participations		16.806		5.286
Net result		<u><u>(55.848)</u></u>		<u><u>(112.488)</u></u>

1.3 Notes to the financial statements

General

Action Netherlands Holding B.V. (the "Company") is a private company with limited liability, incorporated in Amsterdam, the Netherlands under Dutch law on 22 December 2010. The Company's registered offices address is Strawinskylaan 3127, 8th floor, 1077 ZX Amsterdam, the Netherlands.

Activities

The principal business objective of the Company and its group companies is to develop software for databases. During the year, the Company acts as a holding and financing company.

Staff members

During the financial year 2018 an average of nil employees have been in service on the basis of a fulltime employment. In the financial year 2017 this average was nil.

Fiscal Unity

The Company forms a fiscal unity for corporate income tax and value added tax, with its subsidiary Action Netherlands B.V.

Group structure

The Company is a subsidiary of Action Corporation, incorporated and domiciled in United States, which owns 100% of the Company's shares.

With effect from July 17, 2018, Action Corporation has been acquired by, HCL Technologies SEP Holdings, Inc.

Comparison with previous year

The principles of valuation and determination of the result remained unchanged in comparison with the previous year.

Consolidation

The Company qualifies as a so-called small sized-company based on the criteria mentioned in article 2:396 of the Dutch Civil Code and therefore no consolidated accounts have been prepared in accordance with article 2:407 paragraph 2 of the Dutch Civil Code.

PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

General

The financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code. The financial statements are prepared under the historical cost convention and presented in euros ("EUR"), being the functional currency of the Company.

Going concern

The Company had a negative equity of EUR 5,408,599 at 31 December 2018.

The Company's ability to continue as a going concern is highly depending on the willingness of the shareholder/parent company to continue to provide financial support to the Company as required. The shareholder has confirmed the intention to do so for a period of at least 12 months after report date.

The Board of Directors are of the opinion that durable continuation of the business activities is likely. In view of this, the accounting policies used in these financial statements are based on the expectation that the Company will be able to continue as a going concern.

1.3 Notes to the financial statements

Translation of foreign currencies

Transactions in currencies other than the Company's reporting currency, are accounted for at the exchange rates prevailing at the date of the transactions. Assets and liabilities denominated in currencies other than the Company's reporting currency are translated at year-end exchange rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in other currencies, are recognized in the profit and loss account. Non-monetary balance sheet items, which are valued at cost and resulting from transactions in foreign currencies, are translated at the rate prevailing on the date of the transaction.

Year-end exchange rates equivalent of EUR 1:

	31 December 2018	31 December 2017
USD	1,1450	1,1993

Financial fixed assets

Investment in participations

Investments in participations are stated at net asset value. Participations are entities of which the Company generally has between 20% and 50% of the voting rights, or over which the Company has significant influence, but which it does not control. Investments in participations over which the Company has no significant influence are accounted for at cost. Subsidiaries or investments in participations are minimally stated at zero unless the Company is fully or partially liable for the debts of the subsidiary or participations, or has the firm intention to pay these debts. In that case a provision is formed.

Receivables

Receivables are recognized initially at fair value and subsequently measured at amortized cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognized using the effective interest method. Losses resulting from a receivable which is considered impaired or uncollectible, are recognized in the profit and loss account and reflected in an allowance account against loans and receivables.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution. Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss as financial income or expense.

Share premium

The share premium concerns the income from the issuing of shares insofar as this exceeds the nominal value of the shares (income above par).

Long-term liabilities

Long-term liabilities concern loans with a duration longer than one year are valued at amortized costs. Loans which are redeemable in the coming financial year, have been accounted for as short-term liabilities.

Current liabilities

The current liabilities concern the liabilities with a duration shorter than one year. These liabilities are valued at face value unless stated otherwise.

Stib & Wittenborg
Accountants
belastingadviseurs
authenticated for identification

1.3 Notes to the financial statements

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Financial income and expenses

Interest paid and received is recognized on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognizing interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

Share in result of participating interests

For participations stated at net asset value, the Company's share in the participations' results is included in the profit and loss account. This result is determined on basis of the account principles applied by the Company.

Taxation

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognized in the profit and loss account except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

Deferred tax assets and liabilities are stated at nominal value.

1.4 Notes to the balance sheet

ASSETS

FIXED ASSETS

Financial fixed assets

Investment in participations

The participations in group companies have been divided as follows:

Name	Statutory place of business	Share in capital	Equity in accordance with last financial statements	Result in accordance with last financial statements
		%	EUR	EUR
Actian Netherlands B.V.	Amsterdam	100	554.432	5.286
			<u>31-12-2018</u>	<u>31-12-2017</u>
			EUR	EUR
Investment in participations			571.238	554.432
Actian Netherlands B.V.				
			<u>2018</u>	<u>2017</u>
			EUR	EUR
Actian Netherlands B.V.			554.432	549.146
Opening balance			16.806	5.286
Share in result participation			<u>571.238</u>	<u>554.432</u>
Closing balance				

1.4 Notes to the balance sheet

CURRENT ASSETS

Trade and other receivables

	31-12-2018	31-12-2017
	EUR	EUR
Taxes		
Corporate income tax	8.204	6.742
Value added tax	-	3.308
	<u>8.204</u>	<u>10.050</u>

	31-12-2018	31-12-2017
	EUR	EUR
<i>Corporate income tax</i>		
Corporate income tax	7.204	6.742
Corporate income tax prior years	1.000	-
	<u>8.204</u>	<u>6.742</u>

	31-12-2018	31-12-2017
	EUR	EUR
<i>Value added tax</i>		
Value added tax	-	3.308

	31-12-2018	31-12-2017
	EUR	EUR
Other receivables		
Current account Actian Netherlands B.V.	<u>141.143</u>	<u>134.318</u>

This current account bears interest at a rate of 3% per year and is repayable on demand.

	31-12-2018	31-12-2017
	EUR	EUR
Cash and cash equivalents		
Current account bank	<u>-</u>	<u>2.117</u>

The Company has no bank account per year end.

1.4 Notes to the balance sheet

EQUITY AND LIABILITIES

SHAREHOLDERS' EQUITY

	2018 EUR	2017 EUR
Issued share capital		
Closing balance	<u>18.000</u>	<u>18.000</u>

The authorized share capital amounts to EUR 90,000 divided into 90,000 ordinary shares of EUR 1. Of these 18,000 shares have been issued and fully paid up.

	2018 EUR	2017 EUR
Share premium		
Closing balance	<u>412.439</u>	<u>412.439</u>

	2018 EUR	2017 EUR
Other reserves		
Opening balance	(5.783.190)	(5.670.702)
From proposal profit appropriation	<u>(55.848)</u>	<u>(112.488)</u>
Closing balance	<u>(5.839.038)</u>	<u>(5.783.190)</u>

Proposed appropriation of result for the financial year 2018

The loss for the year in the amount of EUR 55,848 will be charged to the other reserves. The proposal has already been processed in the annual report.

Appropriation of result for the financial year 2017

The annual report 2017 is adopted in the general meeting held on 31 December 2018. The general meeting has adopted the appropriation of result in accordance with the proposal being made to that end.

1.4 Notes to the balance sheet

LONG-TERM LIABILITIES

	31-12-2018 EUR	31-12-2017 EUR
Debts to shareholders and related parties		
Actian Corporation	<u>6.099.416</u>	<u>6.030.955</u>
	2018 EUR	2017 EUR
Actian Corporation		
Opening balance	6.030.955	5.934.421
Movements	50.000	15.000
Currency exchange result	<u>(16.173)</u>	<u>49.961</u>
	6.064.782	5.999.382
Accrued interest	<u>34.634</u>	<u>31.573</u>
Closing balance	<u>6.099.416</u>	<u>6.030.955</u>

This line of credit has been supplied for financing of the investments in participation. The loan bears an average interest percentage of 0,55% for 2018 (2017: 0,52%). The interest is based on the federal long term interest rates published by the OECD. This loan expires on 23 December 2020.

CURRENT LIABILITIES

	31-12-2018 EUR	31-12-2017 EUR
Trade creditors		
Creditors	<u>14.137</u>	<u>19.918</u>
	31-12-2018 EUR	31-12-2017 EUR
Other debts		
Accountancy fees	2.731	2.795
Audit fees	<u>12.900</u>	<u>-</u>
	<u>15.631</u>	<u>2.795</u>

Off balance sheet assets and liabilities

Fiscal unity value added tax

The Company forms part of the fiscal unity for value added tax purpose with Actian Netherlands B.V. On account of that the Company is severally responsible for the value added tax of the unity as a whole.

Fiscal unity corporate income tax

The Company forms part of the fiscal unity for corporate income tax purpose with Actian Netherlands B.V. On account of that the Company is severally responsible for the corporate income tax of the unity as a whole.

1.5 Notes to the profit and loss account

	2018 EUR	2017 EUR
General expenses		
Accounting costs	714	744
Audit fees	12.900	-
Management and professional fees	42.887	33.816
Directors fee	3.240	3.200
Other general expenses	(50)	-
	<u>59.691</u>	<u>37.760</u>
Financial income and expenses		
Interest income and similar revenues		
Interest receivable current account	4.009	3.857
Currency exchange result	16.173	-
	<u>20.182</u>	<u>3.857</u>
Interest expenses and similar charges		
Interest payable on shareholders loans	34.634	31.573
Banking fees and provision	2.722	3.478
Currency exchange result	-	49.961
	<u>37.356</u>	<u>85.012</u>
Taxation		
Corporate income tax	<u>(4.211)</u>	<u>(1.141)</u>
Share in result from participations		
Share in result of Actian Netherlands B.V.	<u>16.806</u>	<u>5.286</u>

Subsequent events

No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustments of or disclosure in the annual accounts now presented.

Amsterdam,
The Board of Directors

Vistra B.V.



Actian Corporation

*L.i.w. Klein
A
proxy holder*

B.J.A. Smaal
B.J.A. Smaal
Proxyholder B

Slof & Wildenburg
accountants
belastingadviseurs

authenticated for identification

accompanying our auditor's report of 18 May 2019

2. Other information

2.1 Profit appropriation according to the articles of association

In accordance with article 21.7 of the articles of association of the Company, the allocation of the result for the financial year shall be determined by the general meeting.

The general meeting has the authority to make distributions. Distributions are allowed to the extent that the equity exceeds the reserves that must be maintained by law. No resolution of the general meeting to distribute shall have effect without the consent of the management board. The management board may withhold such consent only if it knows or reasonably should expect that after the distribution, the Company will be unable to continue the payment of its due debts.

INDEPENDENT AUDITOR'S REPORT

To: The shareholders of Actian Netherlands Holding B.V.

A. Report on the audit of the financial statements 2018 included in the financial report

Our opinion

We have audited the financial statements 2018 of Actian Netherlands Holding B.V. based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Actian Netherlands Holding B.V. as at 31 December 2018 and of its result for 2018 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the balance sheet as at 31 December 2018
2. the profit and loss account for 2018; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Actian Netherlands Holding B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Unaudited corresponding figures

We have not audited the financial statements 2017. Consequently, we have not audited the corresponding figures included in the profit and loss account, in the statements of changes and in the related notes.

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements **Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit 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 entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amstelveen, 28 May 2019

Slof & Wildenburg accountants en belastingadviseurs



Drs. H.A. van Lith-Slof RA