Annual financial statements as of March 31, 2019 and management report

TRANSLATION – AUDIT REPORT

cellent GmbH
Fellbach, Germany

KPMG AG Wirtschaftsprüfungsgesellschaft

The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

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Please note that for computational reasons, rounding differences to the exact mathematical figures (monetary units, percentages, etc.) may occur.

Appendices

To cellent GmbH, Fellbach

1 Audit engagement

At the shareholders' meeting held on March 4, 2019, of

cellent GmbH, Fellbach,
– hereinafter also referred to as 'cellent' or 'Company' –

we were elected as auditor for the financial year from April 1, 2018, to March 31, 2019. Accordingly, management has engaged us to audit the annual financial statements for the year ended March 31, 2019, together with the accounting records and the management report.

We were engaged, pursuant to Section 318 (2) HGB [Handelsgesetzbuch: German Commercial Code], to also audit the Company's consolidated financial statements as of March 31, 2019.

The terms governing this engagement are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on January 1, 2017, which are attached to this report as Appendix 4. Our liability is governed by Clause 9 of the General Engagement Terms. Our liability towards third parties is defined under Clauses 1 (2) and 9 of the General Engagement Terms.

2 Reproduction of the independent auditor's report

Based on the results of our audit, we have issued the following unqualified audit opinion:

Independent Auditor's Report

To cellent GmbH, Fellbach

Opinions

We have audited the annual financial statements of cellent GmbH, Fellbach, which comprise the balance sheet as of March 31, 2019, the income statement for the financial year from April 1, 2018, to March 31, 2019, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of cellent GmbH for the financial year from April 1, 2018, to March 31, 2019.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of March 31, 2019, and of its financial performance for the financial year from April 1, 2018, to March 31, 2019, in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the 'Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report' section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Responsibilities of Management for the Annual Financial Statements and the Management Report

Management is responsible for the preparation of annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, management is responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of a management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. 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 controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report 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 these systems.

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.

- Conclude 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 the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. 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 the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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 deficiencies in internal control that we identify during our audit.

Stuttgart, May 24, 2019

KPMG AG
Wirtschaftsprüfungsgesellschaft

Sd/-	Sd/-
Göttgens Wirtschaftsprüfer [German Public Auditor]	Keck Wirtschaftsprüfer [German Public Auditor]

3 Evaluation of management's assessment of the Company's position

In our opinion, the following key statements in the management report are noteworthy:

- The key component driving cellent GmbH's success and sustainable future is its staff's professional expertise. Therefore, the Company's key performance indicators include the number of own consultants as well as the number of further training measures and participants. Further indicators are the number of customers and the annual earnings, especially earnings before taxes (EBT), as well as revenue.
- EBT for the period from April 1, 2018, to March 31, 2019, dropped to EUR -3.290 million, compared to KEUR 69 in the prior year. In terms of EBT as of March 31, 2019, the effect of the merger of cellent Mittelstandsberatung GmbH amounting to KEUR 3,414 especially weighed on earnings.
- cellent GmbH's financial year from April 1, 2018, to March 31, 2019, was characterized by further integration into the Wipro Group. Corporate structures and processes as well as information and communication systems were examined and, where necessary, adjusted and integrated.
- EBT – adjusted for the merger loss – increased by EUR 55 to KEUR 124 compared to the prior year.
- In the reporting period, the number of consultants fell by one. The shortage of skilled labor, especially at the Fellbach location, continues to represent a challenge due to attractive offers by competitors. As of March 31, 2019, cellent GmbH had 395 of its own consultants (FTE) (March 31, 2018: 396) in its ranks.
- cellent GmbH generated revenue of EUR 65.20 million in the year under review. In the prior year, revenue of EUR 70.83 million was generated. The drop in revenue is mainly due to the fluctuation of employees (as is typical for the sector) and the associated reticence in accepting new engagements. One reason for this is the current tight situation concerning the search for IT specialists.
- Roughly 79 % (PY: 81 %) of revenue was generated in the Manufacturing and Technologies segment. The remaining revenue was attributable to Healthcare and Life Sciences (8 %; PY: 6 %), Communications (2 %; PY: 4 %), Consumer (6 %; PY: 5 %), Banking, Financial Services and Insurance (3 %; PY: 3 %) and Energy Natural Resources and Utilities (1 %; PY: 1 %). The shares of revenue are thus practically unchanged compared to the prior year.

- For the majority of existing customers, we expect that cellent can use the new portfolio and simplified access to offshore and nearshore resources to expand the previous order volumes. Greater project volume means that we expect an increase in revenue in the mid-single-digit percentage range. Management expects EBT to improve significantly in the coming financial year, leading to earnings comfortably in positive territory.

As a result of our audit, we found that the management report, as a whole, provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Please refer to Appendices 2 and 3 for the Company's business profile and legal status.

4 Performance of the audit

4.1 Scope of the audit

We have audited the financial statements of cellent GmbH, which comprise the balance sheet, the income statement and the notes to the financial statements, including the accounting records, and the management report for the financial year ended March 31, 2019.

Our responsibility is to express an opinion on these financial statements and the management report based on our audit.

An audit only covers compliance with other regulations to the extent that these other regulations can be expected to have an impact on the annual financial statements or the management report.

Pursuant to Section 317 (4a) HGB, an audit is not intended to extend to whether the Company's ability to continue as a going concern or the effectiveness and efficiency of management can be assured.

4.2 Nature and scope of audit procedures

The general principles of our audit approach are already presented in the independent auditor's report (see Section 2 of this report). In addition, we provide the following information on our audit approach and audit performance:

Phase I: Development of an audit strategy focused on business risks
Obtaining an understanding of the Company's business as well as knowledge of the accounting systems and the internal control system
Establishing audit focus areas based on our risk assessment: – Audit of the process of preparing the annual financial statements – Audit of the merger – Design, implementation and effectiveness of internal controls in the area of revenue and personnel processes – Examining the completeness and accuracy of the personnel provisions – Examining the existence and accuracy of revenue
Establishing the audit strategy and timeline for the audit
Selecting the audit team and planning the deployment of specialists

Phase II: Selection and implementation of control-based audit procedures
Selection of control-based audit procedures based on risk assessments and knowledge of business processes and systems
Assessment of the design and effectiveness of selected accounting-related controls

Phase III: Tests of details and analytical review of items in the financial statements
Performance of analytical reviews of items in the financial statements
Tests of details on a sample basis and assessment of individual items with a view to the accounting options and judgments exercised, e.g.: – Obtaining confirmations from lawyers and banks, as well as the tax advisor acting on the Company's behalf – Obtaining confirmations of balances from debtors based on representative sampling – Obtaining confirmations of balances with creditors on the basis of a specific sample – Using actuarial reports provided by independent experts
Review of disclosures in the notes and assessment of the management report

Phase IV: Overall assessment of audit results and reporting
Formation of the audit opinion on the basis of the overall assessment of audit results
Reporting in the audit report and the independent auditor's report

The Company has outsourced the payroll accounting for its own employees to the service provider Solvenius GmbH, Stuttgart. When assessing the accounting-related internal control system of cellent GmbH, we made use of the results from the audit of the service provider by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, where these involve the service-related control system for HR services and IT infrastructure services.

We performed our audit (with interruptions) in the months of April and May 2019 until May 24, 2019. We performed a preliminary audit in February 2019.

All explanations and evidence requested by us were provided. The management confirmed in writing that the accounting records, the annual financial statements and the management report are complete.

5 Findings on accounting and financial reporting

5.1 Accounting records and related documents

The Company's accounting records have been properly kept and maintained. The accounting records and related documents are properly authorized, sufficiently explained and filed in an orderly manner. Based on our findings, the accounting records and related documents comply with German legal requirements.

Based on our audit, we found that the measures taken by the Company are appropriate to ensure the security of accounting-related data processed.

5.2 Annual financial statements

The annual financial statements as of March 31, 2019, presented to us for audit, were properly derived from the Company's accounting records and related documents. The opening balance sheet figures were properly carried forward from the prior year's annual financial statements. The German legal recognition, presentation and measurement requirements have been observed, in all material respects.

The balance sheet and income statement have been prepared, in all material respects, in accordance with the provisions of German commercial law applicable to corporations, including the German Legally Required Accounting Principles. The notes to the financial statements include all legally required information.

Proper use has been made of the protective clause under Section 286 (4) HGB.

Please note that we were unable to audit compliance with the formal requirements for non-disclosure of the auditor's fee under Section 285 no. 17 HGB by the end of our audit because the consolidated financial statements of the parent company required for this exemption were not yet available.

5.3 Management report

The management report prepared by management, in all material respects, complies with German legal requirements.

6 Opinion on the overall presentation of the annual financial statements

6.1 Comments on overall presentation

The accounting policies applied to the annual financial statement items, in all material respects, comply with the requirements of German commercial law applicable to corporations. They are described in the notes to the financial statements (see Appendix 1.3).

The exercise of accounting and valuation options as well as accounting judgments for the following annual financial statement items has a material effect on the Company's assets, liabilities, financial position and financial performance:

Valuation of shares in affiliated companies

The financial assets of cellent GmbH at the end of financial year 2018/2019 included all of the shares in cellent GmbH, Vienna.

Unchanged compared to prior year's financial statements, the Company recognizes the shares at cost. The discounted cash flow method, based on planning periods of five years with subsequent perpetuity, is used to determine if there are any impairment losses. An annual discount rate of 12% was applied. The discounted cash flow analysis did not reveal any indications that the financial assets needed to be written down in the year under review.

The following transactions were carried out which had a material effect on the overall presentation of the annual financial statements:

Merger of cellent Mittelstandsberatung GmbH

By merger agreement dated October 9, 2018, cellent Mittelstandsberatung GmbH, Holzgerlingen, was merged into cellent GmbH as of April 1, 2018. The merger resulted in a merger loss of KEUR 3,414 in 2018/2019

The following key assets and liabilities of cellent Mittelstandsberatung were acquired/assumed as of April 1, 2018:

Assets		Equity and Liabilities	
	EUR		EUR
Fixed assets	3,478	Provisions	714,423
Receivables and other assets	1,298,224	Liabilities	481,576
Receivables from cellent GmbH	1,204,083	Liabilities to cellent GmbH	2,520
Cash on hand	1,910,530	Deferred income	357,685
Prepaid expenses	297,856		

6.2 Conclusion on the overall presentation of the annual financial statements

Based on an overall consideration of the accounting policies described above, we are of the opinion that the annual financial statements give a true and fair view of the assets, liabilities and financial position of the Company and of its financial performance in accordance with German Legally Required Accounting Principles.

7 Concluding remarks

This audit report has been prepared in accordance with the principles of Auditing Standard 450 (as amended), promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

We hereby confirm pursuant to Section 321 (4a) HGB that we have conducted our audit in accordance with the applicable independence regulations.

The independent auditor's report is presented in Section 2.

Stuttgart, May 24, 2019

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by]

sd/- sd/-

Göttgens
Wirtschaftsprüfer
[German Public Auditor]

Keck
Wirtschaftsprüfer
[German Public Auditor]

Appendices

Appendix 1 Annual financial statements as of March 31, 2019, and management report

cellent GmbH, Fellbach

Balance sheet as of March 31, 2019

Assets

	31.3.2019		31.3.2018	
	EUR	EUR	EUR	EUR
A. Fixed assets				
I. Intangible assets				
Concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets acquired for a consideration		2.656,00		21.528,00
II. Property, plant and equipment				
1. Land, leasehold rights and buildings, including buildings on third-party land	41.682,00		57.296,00	
2. Other equipment, operating and office equipment	261.289,00	302.971,00	398.302,00	455.598,00
III. Financial assets				
Shares in affiliated companies		7.689.055,05		14.260.741,71
		7.994.682,05		14.737.867,71
B. Current assets				
I. Inventories				
Work in process		683.831,14		766.899,84
II. Receivables and other assets				
1. Trade receivables	13.616.601,55		13.707.987,93	
2. Receivables from affiliated companies	1.120.309,50		538.264,93	
3. Other assets	97.633,62	14.834.544,67	186.008,89	14.432.261,75
–thereof with a remaining term of > 1 year: EUR 58,211.57 (PY: EUR 63,661.03)–				
III. Cash and cash equivalents		5.595.724,41		2.425.215,59
		21.114.100,22		17.624.377,18
C. Prepaid expenses		540.140,06		429.469,72
		29.648.922,33		**32.791.714,61**

Equity and Liabilities

	31.3.2019		31.3.2018	
	EUR	EUR	EUR	EUR
A. Equity				
I. Subscribed capital		5.390.316,00		5.390.316,00
II. Capital reserve		7.000.000,00		7.000.000,00
III. Other revenue reserves		539.031,60		539.031,60
IV. Retained earnings		7.575.068,89		7.626.405,06
V. Net loss for the year		-3.366.601,97		-51.336,17
		17.137.814,52		20.504.416,49
B. Provisions				
1. Provisions for pensions and similar obligations		365.279,00		353.774,00
2. Tax provisions		121.219,52		89.768,00
3. Other provisions		5.268.086,91		3.902.788,86
		5.754.585,43		4.346.330,86
C. Liabilities				
1. Payments received on account of orders –thereof with a remaining term of =< 1 year: EUR 121,919.05 (PY: EUR 5,664.06)–		121.919,05		5.664,06
2. Trade payables –thereof with a remaining term of =< 1 year: EUR 2,663,167.23 (PY: EUR 3,525,043.85)–		2.663.167,23		3.525.043,85
3. Liabilities to affiliated companies –thereof with a remaining term of =< 1 year: EUR 2,113,671.32 (PY: EUR 3,381,966.04)–		2.113.671,32		3.381.966,04
4. Other liabilities –thereof for taxes: EUR 1,188,736.28 (PY: EUR 934,760.20)– –thereof for social security: EUR 7,126.62 (PY: EUR 276.81)– –thereof with a remaining term of =< 1 year: EUR 1,286,513.47 (PY: EUR 958,940.09)–		1.301.116,72		973.543,34
		6.199.874,32		7.886.217,29
D. Deferred income		556.648,06		54.749,97
		29.648.922,33		**32.791.714,61**

cellent GmbH, Fellbach

Income statement for the period from April 1, 2018, to March 31, 2019

	2018/2019		2017/2018	
	EUR	EUR	EUR	EUR
1. Revenue		65.197.277,59		70.832.884,60
2. Decrease in work in process		-83.068,70		-588.031,96
3. Other operating income --thereof from currency translation: EUR 5,307.90 (PY: EUR 2,528.63)--		1.971.188,47		1.602.776,32
4. Cost of materials				
a) Cost of raw materials and supplies and purchased goods	1.780.069,14		39.117,79	
b) Cost of purchased services	16.752.574,75	18.532.643,89	22.999.775,72	23.038.893,51
5. Personnel expenses				
a) Wages and salaries	33.567.630,17		33.828.182,49	
b) Social security, pension and other benefits --thereof for pensions: EUR 506,465.38 (PY: EUR 471,295.63)--	5.809.537,66	39.377.167,83	5.881.856,96	39.710.039,45
6. Amortization of intangible assets and depreciation of property, plant and equipment		214.147,62		248.411,20
7. Other operating expenses --thereof from currency translation: EUR 13,821.54 (PY: EUR 1,520.14)--		12.071.203,82		8.642.543,23
8. Other interest and similar income --thereof to affiliated companies: EUR 0.00 (PY: EUR 0.00)--		75,57		515,69
9. Interest and similar expenses --thereof to affiliated companies: EUR 84,999.92 (PY: EUR 127,000.00)-- --thereof from the unwinding of discounts on provisions: EUR 11,321.00 (PY: EUR 12,701.00)--		98.852,31		139.797,90
10. Income taxes		76.813,85		43.711,40
11. Earnings after taxes		**-3.285.356,39**		**24.747,96**
12. Other taxes		81.245,58		76.084,13
13. Net loss for the year		**-3.366.601,97**		**-51.336,17**

cellent GmbH, Fellbach

Notes to the financial statements for the financial year from April 1, 2018, to March 31, 2019

I. General information

cellent GmbH has had its registered office at 70736 Fellbach on Ringstraße 70 since March 2016 and is entered in commercial register B of the Stuttgart District Court under the number HRB 760441. The annual financial statements of cellent GmbH as of March 31, 2019, have been prepared in accordance with the provisions of the German Commercial Code [HGB] applicable to large corporations and the German Limited Liability Companies Act [GmbHG]. The balance sheet is structured in accordance with the provisions of Section 266 HGB. The income statement is classified in accordance with the nature of expense method pursuant to Section 275 (2) HGB.

The accounting and valuation methods applied correspond to German generally accepted accounting principles and commercial law recognition and measurement provisions. The methods are applied unchanged from the prior year. Assets and liabilities are valued in accordance with the principles of prudent commercial judgment.

For consulting projects structured as contracts for work and services as defined by Section 631 of the German Civil Code [BGB], revenue is recognized based on partial acceptance/milestones to the extent that the contractual requirements for this exist.

Assets and liabilities denominated in foreign currency are translated at the exchange rate upon occurrence; they are translated as of the balance sheet date at the average spot exchange rate.

In financial year 2018/2019, the wholly owned subsidiary cellent Mittelstandsberatung GmbH, Holzgerlingen, was merged into its sole shareholder cellent GmbH with retroactive effect from April 1, 2018. The merger went through at book values. In this regard, the acquisition/assumption of the subsidiary's assets/liabilities and of its business operations limits comparability with the prior year.

The merger resulted in a merger loss of KEUR 3,414 in 2018/2019.

The following key assets and liabilities of cellent Mittelstandsberatung were acquired/assumed as of April 1, 2018:

Assets in EUR		Liabilities in EUR	
Fixed assets:	3,478	Provisions:	714,423
Receivables and other assets	1,298,224	Liabilities:	481,576
Receivables from cellent GmbH	1,204,083	Liabilities to cellent GmbH	2,520
Cash on hand:	1,910,530	Deferred income	357,685
Prepaid expenses:	297,856		

II. Explanatory notes on the balance sheet

Fixed assets

Movements in fixed assets are presented in the appendix to the notes.

Fixed assets are recognized at historical cost less amortization or depreciation.

Intangible assets

Intangible assets acquired for a consideration are stated at cost and amortized on a straight-line basis over their useful lives of 3 to 5 years (software) or 15 years (rights to names). These assets are amortized proportionately in the year of acquisition and disposal.

Property, plant and equipment

Property, plant and equipment is stated at the cost required to be recognized less depreciation.

These assets are depreciated on a straight line basis over their estimated useful lives of between 3 and 13 years. Low-value assets costing between EUR 150 and EUR 1,000 are recognized at cost in a collective item and written down by 20% annually.

Financial assets

Financial assets are recognized at cost plus incidental acquisition expenses or written down to fair value.

Name and registered office of the Company	Shareholding in %	Equity in KEUR	Net income for the year in KEUR
cellent GmbH, Vienna (Austria) as of Dec. 31, 2018	100	5,551	(600)
Frontworx Informationstechnologie GmbH, Vienna (Austria), as of March 31, 2019 Indirectly held via cellent GmbH, Vienna (Austria)	100 (indirect)	1,466	55

Inventories

Work in process is stated at cost. The valuation approach includes only direct expenses and appropriate shares of overheads within the meaning of Section 255 (2) sentence 2 HGB.

Receivables and other assets

Receivables and other assets are stated at the lower of nominal or fair value. All identifiable risks were taken into account in the valuation. A general allowance of 1% was recognized to cover the general credit risk for trade receivables. As in the prior year, receivables from affiliated companies consist solely of trade receivables.

There are other assets with a remaining term of more than one year totaling KEUR 58 (PY: KEUR 64) from security deposits. The remaining receivables fall due within one year.

Cash and cash equivalents

This item is stated at nominal value.

Prepaid expenses

Prepaid expenses include expenses before the reporting date insofar as they relate to expenses for a certain period after that date.

Equity

Share capital

Wipro Cyprus Public Limited Diomidous 10, Alphamega-Akropolis Building, 3rd Floor, Office 401, 2024 Nicosia, Republic of Cyprus, a company established under the law of the Republic of Cyprus, continues to hold 100% of the limited liability company shares.

As in the previous year, the share capital amounts to EUR 5,390,316.00.

Provisions

Provisions are stated at the settlement value necessary according to prudent commercial judgment. Provisions with a term of less than one year are not discounted. Provisions were not recognized for liabilities with longer maturities.

Provisions for pensions and similar obligations have been calculated on the basis of recognized actuarial principles using the project unit credit method. The biometric actuarial assumptions were based on Prof. Heubeck's 2018 G mortality tables. The discount rate is the general average market interest rate of 3.07% p.a. for the last ten years based on an assumed remaining term of 15 years. Furthermore, pension adjustments of 1.5% p.a. are included in the calculation. The difference between the provisions for pension obligations recognized according to the corresponding average market interest rate of the past seven years (2.23%) and the provisions recognized according to the average market interest rate of the past ten years (3.07%) is KEUR 29. This amount is restricted from distribution in accordance with Section 253 (8) HGB.

Other provisions mainly include obligations relating to personnel and social security (KEUR 4,549; prior year as of March 31, 2018: KEUR 3,167), such as variable salary payments, special payments and vacation and overtime as well as payments for exiting staff. Other provisions were also recognized for warranty work, outstanding invoices, archiving and year-end closing costs.

Liabilities

Liabilities are stated at their settlement amounts.

Liabilities to affiliated companies break down as follows:

	Mar. 31, 2019 KEUR	Mar. 31, 2018 KEUR
Loan liabilities to affiliated companies	2,048	3,252
Trade payables	66	130
Total liabilities to affiliated companies	**2,114**	**3,382**

All liabilities are unsecured.

Other liabilities with a remaining term of more than one year relate to security deposits and amount to KEUR 15 (PY: KEUR 15). All other liabilities have a remaining term of less than one year.

Deferred income

Deferred income includes income before the reporting date insofar as this relates to income for a certain period after that date.

Deferred taxes

Due to different recognition of pension obligations, other provisions and property, plant and equipment in the commercial and tax balance sheets there are deferred taxes which were valued at 30%. In accordance with the option under Section 274 (2) HGB, the remaining positive difference was not recognized in the balance sheet.

III. Explanatory notes on the income statement

Revenue/other operating income/other operating expenses

Total revenue is generated by six business segments and is broken down as follows:

Manufacturing and Technologies 79% (PY: 81%), Consumer 6% (PY: 11%), Healthcare and Life Sciences 8% (PY: 6%), Banking, Financial Services and Insurance 3% (PY: 3%), Communications 2% (PY: 4%), Energy, Natural Resources and Utilities 1% (PY: 1%).

Of total revenue, 92% was generated in Germany and 8% abroad.

Other operating income mainly includes income from charging out benefits in kinds for providing vehicles (KEUR 1,528; PY: KEUR 1,513).

Income relating to other periods amounted to KEUR 326 (PY: KEUR 28) in the financial year under review and was mainly from the reversal of provisions and the reduction of the specific allowance for trade receivables.

Other operating expenses include the merger loss with cellent Mittelstandberatung GmbH of KEUR 3,414, and also rent, car and travel expenses and training costs. No significant expenses relating to other periods were incurred in the year under review.

IV. Other disclosures

Other financial obligations

Other financial obligations are as follows:

	Average remaining term	**Future obligation as of Mar. 31, 2019**
	Years	**KEUR**
from rental contracts for buildings	1.37	2,080
from rental contracts for facilities	1.94	36
from leasing agreements for cars	1.42	2,802
from leasing agreements for IT resources and software	1.53	614

Total obligations across all years equal EUR 5.53 million (PY: EUR 5.97 million)

Off-balance sheet transactions

Operating leases	Purpose	The Company had various operating leases with total payment obligations of EUR 5.53 million as of the balance sheet date to set the returns generated from these assets against the payment outflows.
	Risks	Usual business risks.
	Benefits	Improve operational liquidity

Personnel

cellent GmbH had 459 full-time employees as of March 31, 2019, compared to 461 in the prior year. An average of 483 people were employed during the year under review (PY: 475).

On average, 40 people (PY 44) worked in Functions, 425 (PY: 401) in Delivery and 18 (PY: 30) in Sales.

Twenty-four employees were transferred when cellent Mittelstandsberatung GmbH merged into cellent GmbH.

Company bodies

cellent GmbH's managing directors are/were:

Oliver Zitzow, CEO cellent, Kiedrich, Germany, until February 28, 2019

Christophe Martinoli, CEO Wipro Continental Europe Chambourcy, France

Sukanta Kundu, CFO Wipro Continental Europe, Reading, UK until Dec. 3, 2018

Balaji Kannan, CFO Wipro Continental Europe, Frankfurt, from Dec. 3, 2018

Kenneth Lindström, CEO Wipro Continental Europe from Mar. 1, 2019

Since only one managing director continuously receives remuneration from the Company, the exemption set out in Section 286 (4) HGB (disclosure of management remuneration) is used.

Appropriation of earnings

	EUR
Retained earnings brought forward	7,626,405.06
Net loss for 2017/2018	- 51,336.17
Retained earnings as of March 31, 2018	7,575,068.89
Net loss for 2018/2019	- 3,366,601.97
= Retained earnings as of March 31, 2019	4,208,466.92

It will be proposed at the shareholders' meeting that the accumulated profit for the year of KEUR 4,208,466.92 be carried forward to the following year.

Consolidated financial statements

The parent company that prepares consolidated financial statements for the largest and smallest number of companies as of March 31, 2019, is Wipro Limited, Bangalore, India. cellent GmbH and its subsidiaries are included in the consolidated financial statements. The consolidated financial statements can be obtained on the WIPRO homepage in the investors section.

As Parent Company, the Company itself prepares consolidated financial statements in which all of its subsidiaries are included. The consolidated financial statements are published in the German Federal Gazette [Bundesanzeiger].

The statutory auditor's fee is disclosed in the consolidated financial statements of cellent GmbH.

Subsequent events

There were no further material events between the close of the financial year under review and the time these financial statements were prepared.

Fellbach, May 15, 2019

Management of cellent GmbH

Sd/-	Sd/-	Sd/-
Kenneth Lindström	Christophe Martinoli	Balaji Kannan

cellent GmbH, Fellbach

Movements in fixed assets
from April 1, 2018 to March 31, 2019

	Cost							Accumulated amortization, depreciation and write-downs					Book value	
	Apr. 1, 2018	Additions	Additions due to merger	Disposals	Disposals arising from merger	Reclassifications	Mar. 31, 2019	Apr. 1, 2018	Additions	Additions due to merger	Disposals	Mar. 31, 2019	Mar. 31, 2019	31.03.2018
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible assets														
Concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets acquired for a consideration	182.769,48	0,00	17.775,50	28.149,30	0,00	0,00	172.395,68	161.241,48	19.136,00	17.511,50	28.149,30	169.739,68	2.656,00	21.528,00
II. Property, plant and equipment														
1. Land, leasehold rights and buildings, including buildings on third-party land	187.423,18	0,00	0,00	20.935,00	0,00	0,00	166.488,18	130.127,18	15.614,00	0,00	20.935,00	124.806,18	41.682,00	57.296,00
2. Other equipment, operating and office equipment	1.535.209,73	39.170,62	8.029,05	132.508,93		0,00	1.449.900,47	1.136.907,73	179.397,62	4.815,05	132.508,93	1.188.611,47	261.289,00	398.302,00
	1.722.632,91	39.170,62	8.029,05	153.443,93	0,00	0,00	1.616.388,65	1.267.034,91	195.011,62	4.815,05	153.443,93	1.313.417,65	302.971,00	455.598,00
III. Financial assets														
Shares in affiliated companies	14.260.741,71	0,00	0,00	0,00	6.571.686,66	0,00	7.689.055,05	0,00	0,00	0,00	0,00	0,00	7.689.055,05	14.260.741,71
	16.166.144,10	**39.170,62**	**25.804,55**	**181.593,23**	**6.571.686,66**	**0,00**	**9.477.839,38**	**1.428.276,39**	**214.147,62**	**22.326,55**	**181.593,23**	**1.483.157,33**	**7.994.682,05**	**14.737.867,71**

Management report

of

cellent GmbH, Fellbach

from April 1, 2018, to March 31, 2019

Table of contents

I. Company profile

1. Company's business model

cellent GmbH (change in the legal form of cellent AG as per entry into the commercial register on March 31, 2017) is a provider of IT services. The portfolio includes SAP Consulting, Managed Service, Infrastructure Solutions and Software Development. Customers include international groups, municipal governments, public sector entities and small and medium-sized enterprises.

The key component driving cellent GmbH's success and sustainable future is its staff's professional expertise. Therefore, the Company's key performance indicators include the number of own consultants as well as the number of further training measures and participants. Further indicators are the number of customers and the annual earnings, especially earnings before taxes (EBT), as well as revenue. EBT is defined as earnings after taxes plus income taxes. Due to its affiliation with the Wipro Group, cellent GmbH can seize new business opportunities through synergies that enable the Company to provide expanded services and make high-margin offshore offers to existing and new customers.

cellent GmbH had the following offices as of the end of the financial year under review:

Fellbach	**Ringstraße 70, 70736 Fellbach; headquarters**
Aalen	**Gartenstraße 97, 73430 Aalen**
Karlsruhe	**Willy-Andreas-Allee 19, 76133 Karlsruhe**
Holzgerlingen	**Max-Eyth-Straße 38, 71093 Weil im Schönbuch**
Neu-Ulm	**Albrecht-Berblinger-Str. 6, 89231 Neu-Ulm**
Munich	**Lehrer-Wirth-Straße 2, 81829 Munich**
Dresden	**Freiberger Str. 39, 01067 Dresden**
Hamburg	**Gotenstraße 12, 20097 Hamburg**

2. Research and development

cellent GmbH designs solutions for the customer's needs on the basis of standard applications and platforms. Key partners include SAP, Microsoft, Oracle and QlickTech. There were no R&D expenses, as no in-house software products are manufactured or sold.

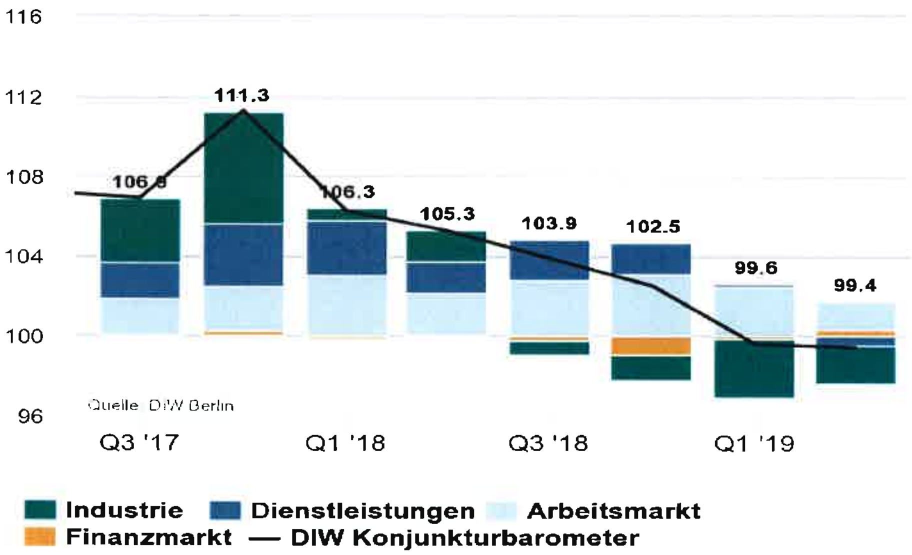
3. Relations with affiliated companies

cellent GmbH and its subsidiaries have been included in the Wipro consolidated financial statements since January 1, 2016. On April 1, 2018, cellent Mittelstandsberatung GmbH (CMB), Holzgerlingen, a wholly owned subsidiary, was merged into cellent GmbH. Therefore, the prior-year figures are not absolutely comparable with this year.

II. Economic report

1. General economic conditions and industry environment

After subdued development in the first three quarters of the financial year, the economic situation according to the German Institute for Economic Research [DIW] declined more sharply. This drop is being driven especially by the industrial sector, which made a significantly negative contribution to the first quarter of 2019. The situation in the service sector in the first three quarters of the financial year remained largely stable, before it also declined considerably in the first quarter of 2019, though without negatively impacting the overall situation. (Figure 1).



Source: https://www.diw.de/de/diw_02.c.102177.de/forschung_beratung/daten/konjunkturbarometer/konjunkturbarometer_vom_26_maerz_2015.html

Implementation of the strategy of moving closer to the Group has helped cellent GmbH cushion market fluctuations. This was clearly evident in 2018/19 by the further increase in synergy effects in the shape of new projects.

We continue to assess the situation on the labor market as stable. Skills shortages in IT in the year under review again led to fewer projects and ultimately to lower revenue.

2. Business performance

EBT for the period from April 1, 2018, to March 31, 2019, dropped to EUR -3,290 million, compared to KEUR 69 in the prior year. In terms of EBT as of March 31, 2019, the effect of the merger of cellent Mittelstandsberatung GmbH amounting to KEUR 3,414 especially weighed on earnings.

EBT – adjusted for the merger loss – increased by EUR 55 to KEUR 124 compared to the prior year.

cellent GmbH's financial year from April 1, 2018, to March 31, 2019, was characterized by further integration into the Wipro Group. Corporate structures and processes as well as information and communication systems were examined and, where necessary, adjusted and integrated. This involved a range of performance indicators, such as project-related margins that map the Company's performance. The following functional areas were further optimized:

- Personnel & processes (launching state-of-the-art IT systems, professional processes and structures, upgrading guidelines and procedures)

- Optimizing procurement (program for cutting the cost of materials, improving margins for freelancers or partners, cash-flow optimization)

- Strategy & portfolio development (strategically refining cellent GmbH, adjusting and redesigning the portfolio, launching business development, location strategy, offshoring and nearshoring)

Acquisition by Wipro means cellent GmbH's portfolio has been expanded considerably. Nearshore and offshore resources can be offered by the Wipro network through local or international calls for tender. The demand for a combination of local cellent and global Wipro resources continues to grow.

Low-margin contracts will be examined and no longer extended if appropriate. We were able to push through price increases in line with the market for some customers.

Overall, due to the merger of cellent Mittelstandsberatung GmbH impacting negatively on earnings, it was not possible to match the prior year's EBT.

3. Assets, liabilities, financial position and financial performance

The Company has a solid financial position. It should be noted that the merger saw CMB's assets and liabilities as well as its business activities transfer to cellent GmbH.

In the reporting period, the number of consultants fell by one. The shortage of skilled labor, especially at the Fellbach location, continues to represent a challenge due to attractive offers by competitors. As of March 31, 2019, cellent GmbH had 395 of its own consultants (FTE) (March 31, 2018: 396) in its ranks.

cellent GmbH had 459 full-time employees as of March 31, 2019, compared to 461 at financial year-end as of March 31, 2018. Furthermore, on a yearly average, we had 2 trainees and students working at the Company (PY: 6).

In the reporting period, the entire training plan was further developed. Selective training courses aimed at marketing new Wipro portfolio offerings were coordinated and carried out.

A total of 150 employees attended 288 courses (further training measures) in 2018/2019.

The number of cellent GmbH's (active) customers equaled 249 during the reporting period (PY: 111). This increase is largely due to the merger with cellent Mittelstandsberatung GmbH.

a) Financial performance

cellent GmbH generated EUR 65.20 million of revenue in the year under review. In the prior year, revenue of EUR 70.83 million was generated.

The drop in revenue is mainly due to the fluctuation of employees (as is typical for the sector) and the associated reticence in accepting new engagements. One reason for this is the current tight situation concerning the search for IT specialists.

Roughly 79% (PY: 81%) of revenue was generated in the Manufacturing and Technologies segment. The remaining revenue was attributable to Healthcare and Life Sciences (8%; PY: 6%), Communications (2%; PY: 4%), Consumer (6%; PY: 5%), Banking, Financial Services and Insurance (3%; PY: 3%) and Energy Natural Resources and Utilities (1%; PY: 1%). The shares of revenue are thus practically unchanged compared to the prior year.

Other operating income of EUR 1.97 million in the financial year (PY: EUR 1.60 million) largely included income from charging out benefits in kind for providing vehicles/company cars in the amount of EUR 1.53 million (PY: EUR 1.51 million).

EUR 16.75 million was paid in the reporting period for purchased services (PY: EUR 23.00 million). This yielded a cost of materials ratio of 25.7% vs. 32.5% in the prior year. The decline in the cost of materials ratio is due to the lower number of external consultants deployed and the proportionately higher use of the Company's own employees.

Personnel expenses equaled KEUR 39,377 (PY: KEUR 39,710). This yielded a ratio of personnel costs to revenue of 60.4% vs. 56.1% in the prior year.

Amortization, depreciation and write-downs equaled KEUR 214 (PY: KEUR 248).

Total other operating expenses equaled KEUR 12,071 (PY: KEUR 8,643) and include costs for the merger (KEUR 3,414), the vehicles fleet (KEUR 2,755), rent and incidental costs (KEUR 1,175), travel expenses (KEUR 980), additional services (KEUR 1,179), IT/telecommunications (KEUR 1,190) and miscellaneous other operating expenses (especially for advanced training, insurance and advertising: KEUR 1,378).

Net finance costs amounted to KEUR -98 in financial year 2018/19 (PY: KEUR -139). Market interest rates on loans were paid to the subsidiaries cellent GmbH, Vienna (cellent Vienna) and sub-subsidiary Frontworx GmbH, Vienna.

Earnings before taxes (EBT) for the financial year from April 1, 2018, to March 31, 2019, equaled KEUR -3,290 and were considerably below the EBT of KEUR 68.5 for financial year 2017.

cellent GmbH's net loss for financial year 2018/2019 includes KEUR 77 in income tax expenses.

b) Financial position

The financial position can be considered very favorable. cellent GmbH had KEUR 5,596 cash at bank on March 31, 2019. The Company takes out loans from the subsidiaries. The amount of trade receivables from customers rose slightly from KEUR 13,708 as of March 31, 2018, to KEUR 13,617 as of March 31, 2019, due to a slight decrease in revenue. Specific allowances increased by KEUR 12.

cellent GmbH's liquidity position was orderly and secure at all times. There were no credit facilities. KEUR 39 was invested in fixed assets in the reporting year.

Statement of cash flows for the period from Apr. 1, 2018, to Mar. 31, 2019

KEUR	Apr. 1, 2018 – Mar. 31, 2019
Cash flows from operating activities	3,308
Cash flows from investing activities	-39
Cash flows from financing activities	-99
Change in cash and cash equivalents	3,170
Cash and cash equivalents at the beginning of the period	2,425
Cash and cash equivalents at the end of the period	5,596

c) Assets and liabilities

EUR	Mar. 31, 2019	Mar. 31, 2018
Fixed assets	7,994,682	14,737,868
thereof financial assets	7,689,055	14,260,742
Current assets	21,114,100	17,624,377
thereof trade receivables	14,736,911	13,707,988
thereof cash at bank	5,595,724	2,425,216
Prepaid expenses	540,140	429,470
Assets	29,648,922	32,791,715

Equity	17,137,815	20,504,416
Provisions	5,754,585	4,346,331
thereof other provisions	5,268,087	3,902,789
Liabilities	6,199,874	7,886,217
thereof trade payables	2,663,167	3,525,043
thereof to affiliated companies	2,113,671	3,381,966
Deferred income	556,648	54,750
Equity and liabilities	29,648,922	32,791,715

cellent GmbH's total assets as of March 31, 2019, compared to the prior year as of March 31, 2018, decreased slightly from KEUR 32,792 to KEUR 29,649 (or by 9.6%).

Property, plant and equipment decreased from KEUR 456 to KEUR 303, especially due to amortization/depreciation, moderate new acquisitions of IT/hardware and low-value assets and the switch from purchasing to leasing. The impact from the contract concluded in 2014 for leasing IT hardware continues to be felt. cellent GmbH no longer purchases and recognizes the majority of its own IT equipment as assets, but instead leases the equipment by paying rental fees.

Shares in affiliated companies totaled KEUR 7,689 (PY: KEUR 14,261) and relate only to cellent GmbH Wien. This change came about due to the disposal of the investment book value of Mittelstandsberatung GmbH as part of the merger.

Current assets increased from KEUR 17,624 in 2018 to KEUR 21,114 (and thus by 19.8%) in the financial year under review. This is primarily attributable to the increase in cash at bank.

Equity decreased from KEUR 20,504 as of March 31, 2018, to KEUR 17,138 as of March 31, 2019. This meant that the equity ratio fell slightly during the reporting period from 62.5% to 57.8%.

Provisions increased from KEUR 4,346 as of March 31, 2018, to KEUR 5,755 as of March 31, 2019. The increase in other provisions in the amount of KEUR 1,365 was mainly due to higher personnel-related provisions.

Liabilities decreased by KEUR 1,686 to KEUR 6,200, falling by a further 21%. As was the case as of March 31, 2018, cellent GmbH reported no liabilities to banks as of March 31, 2019. Liabilities to affiliated companies decreased by KEUR 1,267 to KEUR 2,114 and were largely due to loans (KEUR 2,047) granted by the subsidiaries cellent GmbH, Vienna, and Frontworx Informationstechnologie GmbH. Tax liabilities increased from KEUR 935 to KEUR 1,189.

With cellent Mittelstandsberatung having taken over the business of license sales as part of the merger, deferred income rose to KEUR 557 (PY: KEUR 55).

4. Overall assessment

The rigorous adherence to the strategy, involving increasing the work contract to service contract ratio arising from assignments such as fixed-price projects and services, was reflected in the drop in revenue, but impacted positively on (adjusted) EBT. And new projects were acquired thanks to the use of Wipro's (Group parent) solution components in conjunction with cellent solutions. The focus in future will remain on digitalization, AI, analytics and Internet of Things projects.

III. Forecast

cellent GmbH will continue to pursue the strategy in financial year 2019/20 relating to the "Solution House" in keeping with the "cellent: a Wipro Company" brand. The portfolio of Wipro in combination with cellent solutions and local resources as the unique selling proposition provides the main focus of sales activities.

The integration process to further facilitate project collaboration is being supported by – among other measures – access to training materials and active training courses in the Parent Company's portfolio.

That Wipro is a customer of cellent, i.e. cellent staff are supporting Wipro projects, will contribute even more significantly to driving cellent's growth.

For the majority of existing customers, we expect that cellent can use the new portfolio and simplified access to offshore and nearshore resources to expand the previous order volumes. Greater project volume means that we expect an increase in revenue in the mid-single-digit percentage range.

The expansion of the Company's own resources in Consulting, Software Development, IT Architecture and Project Management will be continued in order to further raise the share of our own "value added". Further training of the consultants and building up know-how will remain main focus areas of the growth strategy. The number of further training measures should remain on a similar level.

The cost-cutting programs already implemented for the cost of materials and services/other operating expenses are continuing to have an effect in the current financial year. Process optimization and control in project performance will drive better margins for current and new projects. We expect EBT to improve significantly in the coming financial year, leading to earnings comfortably in positive territory. The number of customers is likely to be on a par with the prior year; we expect the number of our consultants to go up slightly.

IV. Opportunities and risks

1. Risks

Leading analysts expect the industry to grow steadily but moderately, by approx. 2% annually. This development is expected to lead to further consolidation of the market.

We expect solitary IT consulting firms that are integrated into the operating processes at large-scale customers to have problems winning further contracts of this type.

Further market consolidation is expected due to court decisions regarding freelancers/agencies.

Therefore, the overall importance of economic sector risks continues to be rated as medium.

Predatory competition and pressure on margins continue to be expected in the business with existing customers, which is where we generate the majority of our revenue. Due to the high shares of revenue generated by business with the top 10 customers, the loss of one or more of these customers would have a negative impact on the Company's earnings position. At the moment, there are no further risks apparent beyond those threats described involving existing business relationships.

The risks regarding the war for talent remain. This is expected to remain a bottleneck factor for the entire market segment in Germany in the coming years.

cellent GmbH has a risk management system. Based on detailed business planning, plan/actual comparisons are prepared each month at profit and cost center level, and any variances are analyzed. The SAP Business by Design implemented in 2013 is being constantly optimized, further functionalities are being added and management is being supplied with indicators and information. Management analyzes the quarterly reports each quarter and estimates and assesses the actual and expected risks. These findings are incorporated into the forecast annual accounts and the risk report.

Based on the aforementioned risk factors, cellent's business risk can be classified as medium to high. However, the portfolio elements and resource channels found in the Group can reduce all of the described risk factors so that, in summary, the business risk for cellent can be rated as medium.

2. Opportunities

Integration with the Wipro Group, in terms of increasing the ability to collaborate on invitations to tender and deliver the work acquired, was advanced further in financial year 2018/19.

Shortages of IT specialists on the market in Germany will be solved by not only involving Group staff from Germany, but also by using nearshore or global offshore supply centers.

cellent, which is now a part of the Wipro Group, can reposition itself among existing customers and add considerably more value, which significantly improves cellent's competitive situation.

The option of leveraging cost-effective resources from nearshore and offshore supply centers for projects onsite offers cellent new ways to raise earnings.

3. Overall assessment

cellent GmbH will address the aforementioned challenges and risks in the IT industry by making changes to its strategy and portfolio – many of these have already been implemented.

4. Risk report on the use of financial instruments

The Company's financial instruments include receivables, liabilities and cash at bank.

The Company's customer base is solvent and has a good credit standing. There is long-standing cooperation with a majority of customers. Non-recoverable receivables are an absolute exception.

The credit ratings are checked for newly acquired customers if there are corresponding indications that this is necessary.

The high level of liquidity means the Company currently does not see the need for external financing.

Fellbach, May 15, 2019

Management of cellent GmbH

sd/- sd/-

Kenneth Lindstroem Christophe Martinoli

sd/-

Balaji Kannan

Business profile

Field of activity	The Company's purpose is the provision of services involving advising companies (of all legal forms in Germany and abroad) and institutes and public entities on organizational and business matters as well as the selection, development, launch, optimization and support as well as the assumption and operation of information and communication systems for companies and institutes or public entities. Furthermore, the Company's purpose includes trading hardware and software products and hosting seminars.
Business premises	The Company operates from rented/leased premises.
Personnel	The average number of employees over the financial year broken down by category is stated in the Company's notes to the financial statements (Appendix 1.3).
Significant contracts	– **cellent GmbH, Vienna,** as lender, and cellent GmbH, Fellbach, have concluded a EUR 500,000.00 loan as well as a second loan agreement for EUR 500,000.00. An extension of each loan by one year including new interest rates is to be negotiated by the contracting parties no later than one month before the respective maturity date. These loans currently bear interest of 4.5% and 4.0% and mature on May 31, 2019, and September 30, 2019, respectively. The loans are not secured. – Frontworx Informationstechnologie GmbH, Vienna, as lender, and cellent GmbH, Fellbach, have concluded a EUR 500,000.00 loan as well as a second loan agreement for EUR 500,000.00. An extension of each loan by one year including new interest rates is to be negotiated by the contracting parties no later than one month before the respective maturity date. These loans currently bear interest of 4.5% and 4.0% and mature on May 31, 2019, and September 25, 2019, respectively. The loans are not secured.
Significant contracts (continued)	– For the purpose of renting office space at the **Fellbach** location, a rental agreement was concluded on June 16, 2010, which was most recently extended on June 19, 2015, until September 30, 2020. There is an option to extend the lease by two years. The extension option must be exercised no later than twelve months before expiration of the old rental agreement. The lease's notice period is twelve months. – By merger agreement dated October 9, 2018, cellent Mittelstandsberatung GmbH, Holzgerlingen, was merged into cellent GmbH, Fellbach, as of April 1, 2018.

Legal status

Date of formation	The Company was established by way of Articles of Association dated December 7, 2001, and entry in the commercial register.
Registered name	cellent GmbH
Registered office	Fellbach
Articles of Association	The current version of the Articles of Association is dated January 17, 2017, with amendments on March 30, 2017. By entry in the commercial register dated March 31, 2017, the Company was renamed from "cellent AG" to "cellent GmbH".
Commercial register	The Company is registered with the Stuttgart District Court under the number HRB 760441. The most recent entry was made on August 4, 2017. The most recent excerpt from the commercial register made available to us is dated April 4, 2019.
Company's purpose	The Company's purpose is: – the provision of services involving advising companies (of all legal forms in Germany and abroad) and institutes and public entities on organizational and business matters, – the selection, development, launch, optimization and support as well as the assumption and operation of information and communication systems for companies and institutes or public entities, – hosting seminars, – trading with hardware and software products.
Financial year	April 1 to March 31 of the subsequent year
Share capital	EUR 5,390,316.00 (fully paid up)
Capital structure	Landesbank Baden-Württemberg, Stuttgart, sold its shares in cellent AG (today: cellent GmbH) and thus its shares in all its subsidiaries to Wipro Cyprus Private Limited, Nicosia (Cyprus), on December 5, 2015. The treasury shares of cellent AG were transferred in this process without payment in return. Closing and thus passage of title took place on January 5, 2016.

Prior year's financial statements	At the shareholders' meeting held on November 22, 2018, (1) the annual financial statements as of March 31, 2018, prepared by management, audited by us and provided with an unqualified auditor's report, were presented together with the management report, and the financial statements were approved; (2) it was resolved that the accumulated profit of EUR 7,575,068.89 as of March 31, 2018, be carried forward to the following year.
Other resolutions	At the shareholders' meeting held on March 4, 2019, we were appointed as auditors of the financial statements for financial year 2018/2019.
Size of the Company	The Company is a large corporation as defined by Section 267 (3) of the German Commercial Code [HGB].
Subsidiaries	– cellent GmbH, Vienna (Austria). Former subsidiary cellent Mittelstandsberatung was merged into cellent GmbH as of April 1, 2018.
Managing Directors	The members of management are listed in the Company's notes to the financial statements (Appendix 1.3).
Tax status	The most recent tax audit covered the years 2008 to 2011. The competent tax authority is the Stuttgart tax office. (Tax number: 99122/09303) According to information provided, there is currently no tax audit in progress.

Appendix 4
General Engagement Terms

[Translator's notes are in square brackets]

General Engagement Terms

for

Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften
[German Public Auditors and Public Audit Firms]
as of January 1, 2017

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [*Translators Note: The German term "Textform" means in written form, but without requiring a signature*] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party

b) examination of tax assessments in relation to the taxes referred to in (a)

c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)

d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)

e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;

b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;

c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and

d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.