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FINANCIERE C10 S.A.S.

Statutory Auditor's report on the financial statements

For the year ended 31 December 2017

FINANCIERE C10 S.A.S.

35, rue des Bas Trévois - 10000 Troyes

This report contains 4 pages

Reference : xxx-xxx

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*This is a translation into English of the statutory auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditor's report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

FINANCIERE C10 S.A.S.

Registered office: 35, rue des Bas Trévois - 10000 Troyes
Share capital: €3 358 800

Statutory Auditor's report on the financial statements

For the year ended 31 December 2017

Dear Sirs,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of FINANCIERE C10 S.A.S. for the year ended 31 December 2017.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2017 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2017 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of Assessments

In accordance with the requirements of article L.823-9 and R.823-7 of the French Commercial Code ("Code de commerce") relating to the justification of our assessments, we inform you that the most important assessments made by us according to our professional judgment focused on the appropriateness of the accounting principles used and the presentation of financial statements taken as a whole.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Verification of the Management Report and of the Other Documents Provided Shareholder

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the President and in the other documents provided to Shareholder with respect to the financial position and the financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the President.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. 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.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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.
- Obtains 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 internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses 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. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Troyes, on the 6 juin 2018

Olivier Jauze
Partner

Name: FINANCIÈRE C10
 Address: 35 rue des Bas Trévois 10000 TROYES
 SIRET no.: 42874770300026

Duration N: 12
 Duration N-1: 12

Headings	Gross amount	Depreciation Provisions	31/12/2017	31/12/2016
Uncalled subscribed capital I	AA			
INTANGIBLE FIXED ASSETS				
Administration fees	AB	AC		
Development costs	CX	CQ		
Concessions, patents, similar rights	AF	AG		
Goodwill (1)	AH	AI		
Other intangible fixed assets	AJ	AK		
Advances, down payments on intangible fixed assets	AL	AM		
PROPERTY, PLANT AND EQUIPMENT				
Land	AN	AO		
Buildings	AP	AQ		
Technical installations, equipment, tools	AR	AS		
Other tangible assets	AT	AU		
Fixed assets in progress	AV	AW		
Advances and down payments	AX	AY		
NON-TRADING FIXED ASSETS (2)				
Holdings posted by the equity method	CS	CT		
Other holdings	CU	CV	10,512,211	10,513,211
Receivables related to holdings	BB	BC		
Other locked-in securities	BD	BE		
Loans	BF	BG		
Other non-trading fixed assets	BH	BI		
TOTAL II	BJ	BK	10,512,211	10,513,211
STOCKS AND WORK IN PROGRESS				
Raw materials, supplies	BL	BM		
Production in progress (goods)	BN	BO		
Production in progress (services)	BP	BQ		
Semi-finished and finished goods	BR	BS		
Merchandise	BT	BU		
Advances, down payments/orders	BV	BW		
RECEIVABLES				
Accounts receivable and related accounts (3)	BX	BY	207,723	151,610
Other receivables (3)	BZ	CA	3,049,275	2,539,548
Subscribed and called capital, unpaid	CB	CC		
MISCELLANEOUS				
Transferable securities (of which equity)	CD	CE		
Cash and cash equivalents	CF	CG	2,335	7,334
ACCRUALS ACCOUNTS				
Prepaid charges (3)	CH	CI		
TOTAL III	CJ	CK	3,259,333	2,698,492
Borrowing costs to be spread	IV	CW		
Bond refund premia	V	CM		
Asset exchange losses	VI	CN		
GENERAL TOTAL (I to VI)	CO	1A	13,771,544	13,211,703
References: (1) N-1 leasing rights		CP		(3) Share at 1 year [CR] N-1
Reserved title clause Fixed assets:		Stocks:		Receivables:

Name: FINANCIÈRE C10

Headings		31/12/2017	31/12/2016
EQUITY			
Authorised or individual capital (1) (of which paid: <input style="width: 100px;" type="text" value="3,358,800"/>)	DA	3,358,800	3,358,800
Issue, merger, contribution premia	DB	98	98
Revaluation differences (2) (including equivalence difference: <input style="width: 100px;" type="text" value=""/>)	DC		
Legal reserve (3)	DD	335,880	335,880
Statutory or contractual reserves	DE		
Regulated reserves (3) (including share price provision reserve <input style="width: 100px;" type="text" value=""/>)	DF	612	612
Other reserves (including purchase of original works) <input style="width: 100px;" type="text" value=""/>)	DG	4,950,467	4,950,467
Carried forward			
RESULT FOR THE YEAR (profit or loss)	DH	1,953,108	1,160,598
Investment grants Regulated provisions	DI	3,549	792,510
	DJ		
	DK		
TOTAL I	DL	10,602,514	10,598,964
OTHER EQUITY			
Proceeds from equity securities issues	DM		
Conditional advances	DN		
TOTAL II	DO		
PROVISIONS FOR RISKS AND CHARGES			
Risk provisions	DP		
Provisions for expenses	DQ		
TOTAL III	DR		
DEBTS (4)			
Convertible bonds	DS		
Other bonds	DT		
Loans and debts with credit institutions (5) <input style="width: 100px;" type="text" value=""/>)	DU	322,665	282,384
Borrowings, miscellaneous non-trading debts (including investment loans <input style="width: 100px;" type="text" value=""/>)	DV		
Advances and down payments received on orders in progress	DW		
Trade payables and related accounts	DX	679,435	667,770
Social and tax debts	DY	19,772	21,165
Debts on fixed assets and related accounts	DZ		
Other debts	EA	2,147,159	1,641,419
ACCRUALS ACCOUNTS			
Prepaid charges (4)	EB		
TOTAL IV	EC	3,169,031	2,612,738
V			
Liabilities exchange losses	ED		
GENERAL TOTAL (I to V)	EE	13,771,544	13,211,703
References			
(1) Capitalised revaluation adjustment	1B		
- Special revaluation reserve (1959)	1C		
(2) Including - Free revaluation difference	1D		
- Revaluation reserve (1976)	1E		
(3) Including regulated reserve of long-term capital gains	EF		
(4) Debts and income posted in advance at less than 1 year	EG		
(5) Including bank overdrafts, bank credit balances, CCP (balo)	EH	3,169,031	2,612,738
Debts over one year (balo)			
Debts within one year (balo)			

Name: FINANCIÈRE C10

Headings		31/12/2017	31/12/2016
Extraordinary income on management transactions		283	
Extraordinary income on capital transactions			979,000
Rightbacks of provisions and reversals of charges			
TOTAL EXTRAORDINARY INCOME (7)	VII	283	979,000
Extraordinary charges on management operations (6 bis)			
Extraordinary charges on capital transactions			186,490
Extraordinary appropriations to depreciation and provisions			
TOTAL EXTRAORDINARY EXPENSES (7)	VIII		186,490
4. EXTRAORDINARY INCOME (VII - VIII)		283	792,510
Employee profit-related pay	IX		
Income taxes	X		
TOTAL INCOME (I + III + V + VII)			
TOTAL CHARGES (II + IV + VI + VIII + IX + X)			
5. PROFIT OR LOSS (total income - total expenses)	HN	3,549	792,510

References			
(1) Including partial net income on long-term transactions		HO	
(2)		HI	
Including real estate rental income			
operating income from prior years (8)	(balo)	1G	
(3) Including: - Furniture leasing	(balo)	HP	
- Real estate credit leasing (balo)	(balo)	HQ	
(4) Incoming operational charges on prior years (8)	(balo)	1H	
(5) Including income related to affiliated companies	(balo)	1J	
(6) Including interest related to affiliated companies	(balo)	1K	
(6 bis) Including donations made to organizations of general interest (art. 238 bis of the CGI)		HX	
(6 ter) Including amortized subscriptions in innovative SMEs (art. 217 octies)		RC	
(6 ter) Including extraordinary amortization of 25% of new buildings (art.39 quinquies D)		RD	
(9) Including reversals of charges		A1	
(10) Including operating personnel contributions (13)		A2	
(11) Including royalties for patent concessions, licences (income)		A3	
(12) Including royalties for patent concessions, licences (expenses)		A4	
(13) Including contributions	A6		
bonuses and optional			
additional personal			
Mandatory	A9		
		Year N	
(7) Details of extraordinary income and expenses		Charges	Income
<i>Based on the EDI-TDFC standard, please enter this information in the appendix "2053 - Extraordinary income and expenses" section of the EDI - TDFC Addendum.</i>			
		Year N	
(8) Detail of income and expenses from prior years		Charges	Income
<i>Based on the EDI-TDFC standard, please enter this information in the appendix "2053 - Income and expenses under prior years" section of the EDI - TDFC Addendum..</i>			

SEDIS GROUP

FINANCIERE C10 SAS

NOTES TO THE FINANCIAL STATEMENTS

AS OF 31 DECEMBER 2017

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I / GENERAL

On the balance sheet, before allocation for the year ended December 31, 2017, the balance sheet total is €13,771,544 and the income statement for the year, presented in list form, gives a net profit of €3,549.

The financial year covers the period of 12 months from 01/01/2017 to 31/12/2017. The notes and tables hereafter are an integral part of the annual financial statements. These financial statements have been prepared by the Group Finance Department and are ratified by the Chairman of the company. The head office is located in France, 35 rue des Bas Trévois - 10000 Troyes. The monetary unit chosen is the Euro.

II / ACCOUNTING RULES AND METHODS

The annual financial statements take into account regulation no. 2016-07 relating to the General Accounting Charter approved on 4 November, 2017.

The accounting policies have been applied in accordance with the provisions of the French Commercial Code, the accounting decree of 29/11/83 and the CRC regulations relating to rewriting of the 2005 accounting charter applicable at the end of the financial year.

The general accounting conventions have been applied, in compliance with the principle of prudence, in accordance with the basic assumptions intended to provide a true image of the company:

- Continuity of operation,
- Permanence of accounting methods from one year to the next,
- Independence of the financial years,

They comply with the general rules for the preparation and presentation of annual financial statements.

The basic method used to value the items recorded in the financial statements is the historical cost method.

The main methods used are:

2.1. Investments and other securities

The gross value consists of the purchase cost excluding incidental expenses. The net value of investments and other securities is justified by the discounted cash flow method.

When the calculated value is less than the gross value, a provision for depreciation consists of the amount of the difference.

2.2. Operating receivables

Receivables are valued and posted at their face value. Non-recovery risks are covered by impairment provisions determined individually.

2.3. Provisions

Provisions for risks and charges are justified according to their purpose and value.

These events, whether past or ongoing, are made probable in the future.

These posting criteria correspond to liabilities and constituted provisions set by CNC notice 2000-06 (legal or implicit obligation towards a third party, probability of resources made available to the third party for no consideration).

Risks identified of any kind are subject to annual monitoring to determine the amount of provisions estimated as necessary.

When the expected loss or liability is neither probable nor reliably measurable, but remains possible, information is disclosed in a note to the financial statements.

2.4. Foreign currency transactions

Expenses and income are recorded at their counter-value on the date of the transaction. Debts, receivables, cash in foreign currency out (excluding EURO) are shown on the BALANCE SHEET for their counter-value at the end of the year. The difference results from the discounting of foreign currency debts and receivables on this last day. It is posted in the BALANCE SHEET as "exchange losses". Unrealized foreign exchange losses are subject to a provision for risk, in full.

2.5. Exemption from consolidation

In accordance with article 357-2 of the law of July 24, 1966 and article 248-13 of the decree of March 23, 1967, the company is exempt, as subgroup mother company, from drawing up consolidated financial statements and a report on management of the group.

Indeed:

- neither one nor more shareholders representing at least 1/10 of the capital objected to this exemption
- The company's individual financial statements, as well as those of the companies it controls and over which it exercises significant influence, are fully incorporated in the consolidated financial statements of the largest entity (Tube Investments of India LTD)
- The consolidated financial statements of the largest unit, Tube Investments of India LTD, whose head office is at "Dare House" 2, N.S.C Bose Road, CHENNAI - 600 001, INDIA are prepared in compliance with the 7th European Directive (or equivalent manner), certified, translated into French, and made available to the shareholders of the company, together with its individual financial statements (and other documents) before the general meeting that has to approve them.
- All information of significant importance concerning the asset, financial and income situation for the unit constituted by the exempted company, its subsidiaries and its investments are indicated below (they are drawn up according to French accounting rules):

- amount of fixed assets: €10,512 k
- net sales revenue: €33,155 k
- the result for the year: €211 k
- amount of equity: €10,431 k
- average headcount, including temporary staff, employed during the financial year: 272

III / NOTES ON THE BALANCE SHEET AND INCOME STATEMENT

3.1 / Assets

3.1.1. Fixed assets (in €)

Variation of fixed assets in gross values

	Montants au 31/12/2016	Acquisitions	Cessions	Montants au 31/12/2017
<u>IMMOBILISATIONS INCORPORELLES</u>				
Total I	0	0	0	0
<u>IMMOBILISATIONS CORPORELLES</u>				
Total II	0	0	0	0
<u>IMMOBILISATIONS FINANCIERES</u>				
Titres de participation	10 513 211	0	1 000	10 512 211
Autres prêts	0	0	0	0
Total III	10 513 211	0	1 000	10 512 211
TOTAL	10 513 211	0	1 000	10 512 211

Montants au 31/12/2016	Amounts at 31/12/2016
Immobilisations incorporelles	Intangible assets
Total I	Total I
Immobilisations corporelles	Property, plant and equipment
Immobilisations financières	Non-trading fixed assets
Titres de participation	Equity securities
Autres prêts	Other loans
TOTAL	TOTAL

Amortization variation

We have no amortization as of 31 December, 2017

3.1.2. Provisions (in Euro)

None

3.1.3. Operating receivables

The amount of operating receivables is €207,723. These are only receivables with group companies due within one year.

They are distributed as follows:

- Customers: €101,507
- Customers' invoices pending: €106,216
- Prepaid income: None

Other receivables were €3,049,275, including €2,338,977 for current accounts with group companies

3.2. Liabilities

3.2.1. Composition of the share capital

As at 31 December, 2017, the share capital is composed of: 223,920 registered shares of 15 Euro, i.e. 3,358,800 Euro.

3.2.2 Equity change table (Euro)

	Montants au 31/12/2016	Distribution de dividendes	Résultat de l'exercice 2017	Montants au 31/12/2017
Capitaux propres	10 598 965	-	3 549	10 602 514

Montants au 31/12/2016	Amounts at 31/12/2016
Distribution de dividendes	Dividend distribution
Résultat de l'exercice	The result for the year
Capitaux propres	Equity

3.2.3 Financial debts with credit institutions (€)

As at 31 December, 2017, non-trading debt is €322,665, including €321,600 in respect of a BPI loan, this cash advance being intended as the CICE pre-financing amount

3.2.4 Operating debts

The debts are composed in part:

a) Expenses payable

Suppliers' invoices not received	€669,827
Situation of payables	€260

TOTAL €670,087

b) Suppliers € 9,607

(c) Current accounts with group companies €2,147,159

d) Social and tax debts €19,512

3.2.5. Items falling within several balance sheet line items as of 31 December, 2017

BALANCE SHEET ITEMS	Amount concerning companies	
	Linked	With which The Company has an investment link SEDIS SAS SEDIS CO LTD SEDIS GMBH
ASSETS		
participations		10,512,211 38,807
Customers and related accounts		2,338,977
Other receivables		
LIABILITIES		
Other debts		2,147,159

FC10 has identified financial income on the SEDIS account amounting to €13,790

Transactions between related parties concluded under abnormal conditions: NONE

3.3. Income statement

Turnover

The turnover is €807,584

It is broken down as follows:

- EXPORT	€25,068
- FRANCE	€782,516

Expenses and non-trading income.

Non-trading income consists of €13,790 in current account interest.

The financial charge consists of €5,459 of BPI agios.

Future tax receivable

As of 31 December, 2017 our Company has a tax receivable of €707,494

Extraordinary income

The extraordinary income is €283. It consists of €283 in income and no extraordinary charges.

3.4. Remuneration of the management bodies

NONE

3.5. Average headcount

No headcount

3.6. Impact of the tax consolidation regime

Parent company of the FINANCIERE C10 tax group within the meaning of article 223 A French Tax Code (CGI)

3.6.1. Companies in the FINANCIERE C10 Group

Parent company: FINANCIERE C10

Subsidiaries	% holding by FC10
SEDIS	100.00
SEDIS GmbH	100.00
SEDIS Company Ltd.	100.00

3.6.2. Corporation tax allocation arrangements

Recognition in each company of the tax expense as if each was taxed separately.
Recognition in the parent company of the tax savings generated by the tax consolidation regime.

3.6.3. Taxes posted

The group-level tax posted by FINANCIERE C10 is offset by the tax consolidation income.

The tax rate for 2017 is 33.33%.

Consolidation

Financière C10 is the Sedis Group's consolidating entity.

IV / SUBSIDIARIES AND HOLDINGS AS AT 31 DECEMBER, 2017

Financial information on each subsidiary and holding where the value exceeds 10% of the capital	Capital (€)	Share of capital held	Equity (€)	Result for the last year ended (€)
Subsidiaries owned more than 50%				
SEDIS SAS 35 RUE DES BAS TREVOIS 10000 TROYES FRANCE	€6,500,000	100.00%	€9,028,706	€697,882
SEDIS GMBH 35 RUE DES BAS TREVOIS 10000 TROYES FRANCE	€26,000	100.00%	€(313,146)	€(313,545)
SEDIS CO (closing rate: €1,1271 for 1 GBP)	GBP 195,000 €219,793	100.00%	GBP 411,625 €480,778	GBP 1,298 €1,516

Global information covering all subsidiaries and holdings	French subsidiaries (€)		French English/German (€)	
	Gross	Net	Gross	Net
Book value of securities held				
- Sedis				
- SEDIS GmbH	9,856,072	9,856,072		
- Sedisco			25,000	25,000
TOTAL	9,856,072	9,856,072	657,139	657,139
Amount of loans and advances granted				
Amount of guarantees and endorsements given				
Amount of dividends received				

V / FINANCIAL COMMITMENTS AS AT 31 DECEMBER, 2017

CATEGORY OF COMMITMENTS	Amount in €
FINANCIAL GUARANTEES	
Sedis Co LTD for NATWEST comfort letter for Overdraft GBP 100,000 (closing rate: €1,1271 for 1 GBP)	112,710
COLLATERAL	
None	
TOTAL FINANCIAL COMMITMENTS	112,710