

SYNNEX CORPORATION

Appendix A to Form 8937

Concentrix CVG Corporation, as successor to Convergys Corporation (“Convergys”) and a wholly-owned subsidiary of SYNNEX Corporation (“SYNNEX”), has outstanding \$125 million in aggregate principal amount of 5.75% Junior Subordinated Convertible Debentures due 2029 (the “2029 Notes”).

In connection with the completion of the merger of Convergys with and into Concentrix CVG Corporation (the “Merger”) on October 5, 2018 and pursuant to the terms of the Indenture, dated as of October 13, 2009, under which the 2029 Notes were issued, Convergys CVG Corporation entered into the First Supplemental Indenture providing that each holder’s right to convert each \$1,000 principal amount of 2029 Notes into cash and Convergys common shares (subject to the right to pay cash in respect of all or a portion of such shares) was changed into a right to convert such principal amount of 2029 Notes into cash and such kind and amount of shares of stock, other securities or other property or assets (including cash or any combination thereof) that a holder of Convergys common shares would have been entitled to receive in the Merger (the “Reference Property,” with each “Unit of Reference Property” being the kind and amount of Reference Property that a holder of one Convergys common share would have received in the Merger), subject to the right to pay cash in respect of all or a portion of such Reference Property.

Under the First Supplemental Indenture, the 2029 Notes are convertible, at the option of the holders, on or after September 15, 2028 and prior to that date under certain circumstances that are currently met, into Units of Reference Property, with each Unit of Reference Property representing \$13.25 in cash and 0.1263 shares of SYNNEX common stock. The terms of the 2029 Notes include antidilutive provisions that require an increase in the number of Units of Reference Property payable upon conversion in the event of the payment of dividends on SYNNEX common stock to stockholders.

Section 6045B of the Internal Revenue Code (the “Code”) and the related Treasury Regulations provide that effective January 1, 2016, if a company pays a cash dividend with respect to stock resulting in a conversion rate adjustment on a convertible debt instrument that is treated as a deemed distribution under Sections 305(b)(2) and 305(c) of the Code, an information return on Form 8937 must be filed with the Internal Revenue Service and provided to holders of the convertible debt instrument.

The information contained in the attached Form 8937 and this Appendix A thereto is intended to satisfy those public reporting requirements and is intended to provide only a general summary of certain U.S. federal income tax consequences of the conversion rate adjustment. Such information is not intended to be a complete analysis or description of all potential federal or other tax consequences of the conversion rate adjustment. You should consult your own tax advisor to determine the particular federal, state, local, or foreign income tax reporting or other tax consequences of the conversion rate adjustment applicable to you.

Line 14 -Description of the Organizational Action

On January 10, 2019, the board of directors of SYNNEX declared a quarterly cash dividend on its common stock of \$0.375 per share, payable on January 31, 2019, to holders of record on January 22, 2019. The payment of the dividend on January 31, 2019 triggers the deemed distribution under Section 305(c) of the Code being reported on the attached Form 8937. The deemed distribution results from the

requirement to adjust the conversion rate for the impact of that dividend. Effective immediately after the open of business on January 18, 2019, the ex-dividend date for the dividend payment, the conversion rate on the 2029 Notes increased from 90.9423 shares of common stock per \$1,000 principal to 91.1169 Units of Reference Property per \$1,000 principal.

Line 15 -Quantitative Effect of the Organizational Action

In connection with SYNEX's payment of the January 31, 2019 dividend to shareholders, the deemed dividend to bondholders and the tax basis adjustment to the 2029 Notes is \$4.32 per \$1,000 of principal amount of the 2029 Notes.

Line 16 -Description of Calculation of the Change and Supporting Data

The calculation of the adjusted conversion rate and the deemed dividend and tax basis adjustment are set forth below.

SYNEX to Convergys Conversion Equivalents:

<u>Formula:</u>	<u>Calculation:</u>
$SP_0 = SP_1 \times RUS + RUC$	$SP_0 = \$90.78 \times .1263 + \$13.25 = \mathbf{\$24.72}$

<u>Formula:</u>	<u>Calculation:</u>
$C = C_1 \times RUS$	$C = \$0.375 \times .1263 = \mathbf{\$0.0474}$

Adjusted Conversion Rate:

<u>Formula:</u>	<u>Calculation:</u>
$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - C}$	$CR_1 = 90.9423 \times \frac{\mathbf{\$24.72}}{\$24.72 - \$0.0474} = \mathbf{91.1169}$

Deemed Distribution and Tax Basis Adjustment:

<u>Formula:</u>	<u>Calculation:</u>
$DD = (CR_1 - CR_0) \times SP_0$	$DD = (91.1169 - 90.9423) \times \$24.72 = \mathbf{\$4.32}$

Where,

- CR₀ = the conversion rate in effect immediately prior to the open of business on the ex-dividend date for such dividend (90.7697);
- CR₁ = the conversion rate in effect immediately after the open of business on the ex-dividend date for such dividend;
- SP₀ = the last reported sale price of SYNEX common stock on the trading day immediately preceding the ex-dividend date for such dividend (Expressed per unit of Reference Property) (\$23.29);

- SP₁ = the last reported sale price of SYNEX common stock on the trading day immediately preceding the ex-dividend date for such dividend (\$90.78);
- C = the amount in cash per share of SYNEX common stock distributed to stockholders (Expressed per unit of Reference Property) (\$0.0474);
- C₁ = the amount in cash per share of SYNEX common stock distributed to stockholders (\$0.375);
- RUC = the portion of a Reference Unit paid in cash per Convergys common share (\$13.25);
- RUS = the portion of a Reference Unit paid in shares of SYNEX common stock per Convergys common share
(0.1263);
- DD = the amount of the deemed distribution and tax basis adjustment, per \$1,000 of principal amount of the 2029 Notes.

Line 17 -Applicable Internal Revenue Code Sections

Sections 301(c), 301(d), 305(b)(2), 305(c), and 316

Line 18 -Associated Loss Recognition

No loss results from this conversion rate adjustment.

Line 19 -Other Information Applicable to Basis Adjustment

The reportable tax year for this conversion rate adjustment is 2019 for a calendar year taxpayer.