

13 November 2018

## **iEnergizer Limited**

(“iEnergizer”, the “Company” or the “Group”)

### **INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2018**

iEnergizer, the technology services and media solutions leader for the digital age, reports interim results for the six months ended September 30, 2018.

#### **Financial Highlights:**

*Sustained profitable growth and margin improvements achieved through deepening of existing customer relationships and accrual of new customers, alongside active cost management across all verticals of the company*

- Service Revenue up 9.5% to \$82.4m (H1 2018: \$75.2m)
- EBITDA up 39.1% to \$24.3m (H1 2018: \$17.4m)
- EBITDA margin at 29.1% (H1 2018: 23.0%)
- Operating profit increased to \$23.4m (H1 2018: \$15.0m)
- Operating profit margin at 27.5% (H1 2018: 19.8%)
- Profit before tax increased to \$21.0m (H1 2018: \$12.1m)
- Profit before tax margin at 24.6% (H1 2018: 15.9%)
- Profit after tax increased to \$17.3m (H1 2018: \$10.3m)
- Net debt of \$18.5m (31 March 2018: \$26.4m)

#### **Operational Highlights**

*Continued focus on higher margin work and succeeding in securing further work with existing and new blue-chip customers, supported by new product launches in prior period,*

- Services: Revenue growth of 9.5% to \$82.4m (H1 2018 \$75.2)
- Business Process Outsource (“BPO”): Strong revenue growth of over 18% outperforming expectations as key customers continued to increase workload volumes. The focus remains on recurring revenue streams from long-term customer relationships across all verticals. The division has added several new blue chip customers in gaming and ecommerce verticals adding to overall growth
- Content Division: Sustainable long term growth prospects for content services with key focus on new markets within E Learning and Education sectors:
  - After successful launch of new product line OTS (Off-The-Shelf) during H2 of 2018, more deals are under negotiation with new customers for development of courseware or LMS (Learning Management System) in Education sector.
  - Growing its customer base in the product line launched in H1 of 2018 on Scientific Publishing and Remittance Integration Services (“SciPris”) through ongoing negotiations with the existing and new customers within the publishing vertical.
  - Steady work streams maintained from core customers despite structural pressures in the traditional publishing market. Revenue from services in content division has been at stable \$34.3m in H1 2019 (H1 2018 \$34.5m) through maintenance of cost effective service solutions for existing customers.

- Focused cost saving initiatives:
  - Improved overall efficiencies and minimised operational costs in the BPO division by switching from an outsourcing model to in-house delivery
  - Increased proportion of division-specific higher margin work, particularly in non-voice based processes including content writing, financials, entertainment gaming support, content technology and digital solutions
  - Effective use of technology to enable leaner operations, to handle greater volumes from key customers without notable additional human resource
- US based sales team continued to focus on its three clear, concise strategies: to enhance and grow key accounts; to identify and win new business through new customers as well as target our existing accounts; and to cross-sell and generate leads for additional services.
- The Company is pleased to announce that a number of offers have been received to refinance the Company's existing term loan on the back of our strong cash generation. Subject to the completion of satisfactory due diligence and the signing of one of these offers, the Board is very pleased to inform the market of its intention to return to the dividend list.

**Marc Vassanelli, Chairman of iEnergizer, commented:**

“We are pleased to report another strong performance by iEnergizer, demonstrating sustained increases in revenue and profit and further improvements in profit margin.

“This performance reflects the significant progress being made by colleagues across the Company, as we continue to focus on recurring revenue streams, as well as effectively offsetting pressure in the traditional publishing sector by capitalizing on our advantageous position to service existing and new customers’ needs in the evolving digital technology landscape.

“The Company’s healthy cash position, together with its cash generative business model, puts iEnergizer in a strong position to invest in both organic and inorganic growth opportunities in the periods ahead.

“We expect sustained business performance through the second half of the year and the Board looks forward to the remainder of the year with confidence.”

**-Ends-**

**iEnergizer Ltd.**

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## iEnergizer Limited and its subsidiaries

Unaudited Condensed Consolidated Interim Financial Statements

Prepared in accordance with International Financial Reporting Standards (IFRS)  
Six months ended 30 September 2018 and 2017

### Unaudited Condensed Consolidated Statements of Financial Position

(All amounts in United States Dollars, unless otherwise stated)

	Notes	As at 30 September 2018 Unaudited	As at 31 March 2018 Audited
<b>ASSETS</b>			
<b>Non-current</b>			
Goodwill	5	102,251,613	102,265,086
Other intangible assets	6	13,293,455	14,770,468
Property, plant and equipment	7	5,187,140	4,650,688
Long- term financial asset		2,743,744	550,534
Non-current tax assets		818,303	1,119,175
Deferred tax asset		7,592,133	7,915,205
Other non current assets		28,284	-
<b>Non-current assets</b>		<b>131,914,672</b>	<b>131,271,156</b>
<b>Current</b>			
Trade and other receivables		30,997,595	27,346,367
Cash and cash equivalents		33,423,460	33,774,536
Short- term financial assets	8	5,329,699	7,674,666
Current tax assets		732,208	816,688
Other current assets		3,116,630	2,866,199
<b>Current assets</b>		<b>73,599,593</b>	<b>72,478,456</b>
<b>Total assets</b>		<b>205,514,265</b>	<b>203,749,612</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		3,776,175	3,776,175
Share compensation reserve		63,986	63,986
Additional paid in capital		15,451,809	15,451,809
Merger reserve		(1,049,386)	(1,049,386)
Retained earnings		117,458,918	100,201,260
Other components of equity		(13,970,777)	(8,512,552)
<b>Total equity attributable to equity holders of the parent</b>		<b>121,730,725</b>	<b>109,931,292</b>

Notes	As at 30 September 2018 Unaudited	As at 31 March 2018 Audited
<b>Liabilities</b>		
<b>Non-current</b>		
Long term borrowings	280,594	46,038,369
Employee benefit obligations	3,878,639	4,200,708
Other non-current liabilities	218,250	269,038
Deferred tax liability	7,511,920	7,375,578
<b>Non-current liabilities</b>	<b>11,889,403</b>	<b>57,883,693</b>
<b>Current</b>		
Short term borrowings	-	402,986
Trade and other payables	9,197,777	13,258,193
Employee benefit obligations	716,169	700,761
Current tax liabilities	393,606	246,560
Current portion of long term borrowings	51,605,366	13,732,671
Other current liabilities	9,981,219	7,593,456
<b>Current liabilities</b>	<b>71,894,137</b>	<b>35,934,627</b>
<b>Total equity and liabilities</b>	<b>205,514,265</b>	<b>203,749,612</b>

*(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)*

## Unaudited Condensed Consolidated Income Statements

(All amounts in United States Dollars, unless otherwise stated)

	Notes	For the six months ended 30 September 2018 Unaudited	For the six months ended 30 September 2017 Unaudited
<b>Income from operations</b>			
Revenue from services		82,361,309	75,207,914
Other operating income		2,724,771	764,053
		<b>85,086,079</b>	<b>75,971,967</b>
<b>Cost and expenses</b>			
Outsourced service cost		17,959,356	23,499,165
Employee benefits expense		35,284,407	30,375,060
Depreciation and amortisation		2,680,368	2,412,253
Other expenses		5,735,424	4,660,133
		<b>61,659,555</b>	<b>60,946,611</b>
<b>Operating profit</b>		<b>23,426,525</b>	<b>15,025,356</b>
Finance income		288,208	308,419
Finance cost		(2,760,603)	(3,236,393)
<b>Profit before tax</b>		<b>20,954,130</b>	<b>12,097,382</b>
Income tax expense		3,696,473	1,794,344
<b>Profit for the year attributable to equity holders of the parent</b>		<b>17,257,657</b>	<b>10,303,038</b>
<b>Earnings per share</b> <b>9</b>			
<i>Basic</i>		<i>0.09</i>	<i>0.05</i>
<i>Diluted</i>		<i>0.09</i>	<i>0.05</i>
<i>Par value of each share in GBP</i>		<i>0.01</i>	<i>0.01</i>

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

## Unaudited Condensed Consolidated Statements of Other Comprehensive Income

*(All amounts in United States Dollars, unless otherwise stated)*

	For the six months ended 30 September 2018 Unaudited	For the six months ended 30 September 2017 Unaudited
<b>Profit after tax for the year</b>	17,257,657	10,303,038
Exchange differences on translating foreign operations	(5,458,225)	(409,276)
<b>Total comprehensive income attributable to equity holders</b>	<b>11,799,432</b>	<b>9,893,762</b>

*(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)*

## Unaudited Condensed Consolidated Statements of Changes in Equity

(All amounts in United States Dollars, unless otherwise stated)

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity
					Foreign currency translation reserve
<b>Balance as at 01 April 2017</b>	<b>3,776,175</b>	<b>15,451,809</b>	<b>63,986</b>	<b>(1,049,386)</b>	<b>(8,950,271)</b>
Profit for the year	-	-	-	-	-
Other comprehensive gain/(loss)	-	-	-	-	(269,138)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(269,138)</b>
<b>Balance as at 31 March 2018</b>	<b>3,776,175</b>	<b>15,451,809</b>	<b>63,986</b>	<b>(1,049,386)</b>	<b>(9,219,409)</b>

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

(All amounts in United States Dollars, unless otherwise stated)

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity	Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability	
<b>Balance as at 01 April 2018</b>	<b>3,776,175</b>	<b>15,451,809</b>	<b>63,986</b>	<b>(1,049,386)</b>	<b>(9,219,409)</b>	<b>100,201,260</b>	<b>109,931,292</b>
Profit for the year	-	-	-	-	-	17,257,657	17,257,657
Other comprehensive loss	-	-	-	-	(5,458,225)	-	(5,458,225)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,458,225)</b>	<b>17,257,657</b>	<b>11,799,433</b>
<b>Balance as at 30 September 2018</b>	<b>3,776,175</b>	<b>15,451,809</b>	<b>63,986</b>	<b>(1,049,386)</b>	<b>(14,677,634)</b>	<b>117,458,917</b>	<b>121,730,724</b>

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

## Unaudited Condensed Consolidated Statements of Cash Flows

*(All amounts in United States Dollars, unless otherwise stated)*

	For the six months ended 30 September 2018	For the six months ended 30 September 2017
<b>(A) Cash flow from operating activities</b>		
Profit before tax	20,954,130	12,097,382
<b>Adjustments</b>		
Depreciation and amortisation	2,680,368	2,412,253
Loss/(Profit) on disposal of property, plant and equipment	(9,312)	(1,377)
Trade receivables written-off/provision for doubtful debts	(1)	3
Sundry balances written back	(410)	-
Foreign exchange gain	(2,398,514)	(379,861)
Finance income	(288,208)	(308,419)
Finance cost	2,760,603	3,236,393
	<b>23,698,655</b>	<b>17,056,375</b>
<b>Changes in operating assets and liabilities</b>		
(Increase)/ Decrease in trade and other receivables	(4,050,098)	(7,515,195)
(Increase)/ Decrease in other assets (current and non-current)	(305,985)	1,080,807
Increase / (Decrease) Non-current liabilities, trade payables & other current liabilities	(3,685,214)	5,735,238
(Decrease)/ Increase in employee benefit obligations	(657,949)	(369,580)
<b>Cash generated from operations</b>	<b>14,999,410</b>	<b>15,987,645</b>
Income taxes paid	(2,704,661)	(1,226,520)
<b>Net cash generated from operating activities</b>	<b>12,294,749</b>	<b>14,761,125</b>
<b>(B) Cash flow for investing activities</b>		
Payments for purchase of property plant and equipment	(2,005,663)	(313,491)
Investment in fixed deposit (Net)	40,211	(1,216,468)
Proceeds from disposal of property, plant & equipment	9,312	1,553
Payments for purchase of other intangible assets	(196,939)	(203,135)
Interest received	263,654	392,764
<b>Net cash used in investing activities</b>	<b>(1,889,425)</b>	<b>(1,338,778)</b>
	<b>For the six months ended 30 September 2018</b>	<b>For the six months ended 30 September 2017</b>



<b>(C) Cash flow from financing activities</b>		
Interest paid	(2,371,072)	(2,800,764)
Repayment of long-term borrowings	(8,274,611)	(9,079,964)
<b>Net cash used in financing activities</b>	<b>(10,645,683)</b>	<b>(11,880,728)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(240,358)</b>	<b>1,541,619</b>
Cash and cash equivalents at the beginning of the year	33,371,550	18,234,525
Effect of exchange rate changes on cash	292,269	162,777
<b>Cash and cash equivalents at the end of the year</b>	<b>33,423,460</b>	<b>19,938,921</b>
<b>Cash and cash equivalents comprise</b>		
Cash in hand	12,681	24,939
Balances with banks in current account	33,410,779	19,913,982
	<b>33,423,460</b>	<b>19,938,921</b>

*(The accompanying notes are an integral part of these Consolidated Financial Statements)*

## Notes to Unaudited Condensed Consolidated Interim Financial Statements

*(All amounts in United States Dollars, unless otherwise stated)*

### 1. INTRODUCTION

iEnergizer Limited (the ‘Company’ or ‘iEnergizer’) was incorporated in Guernsey on 12 May 2010.

iEnergizer Limited is a ‘Company limited by shares’ and is domiciled in Guernsey. The registered office of the Company is located at Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4 LH. iEnergizer was listed on the Alternative Investment Market (‘AIM’) of London Stock Exchange on 14 September 2010.

iEnergizer through its subsidiaries iEnergizer Holdings Limited, iEnergizer Group FZ – LLC, iEnergizer IT Services Private Limited, iEnergizer Management Services Limited, iEnergizer BPO Limited, iEnergizer Aptara Limited and Aptara Inc and subsidiaries. (together the ‘Group’) is engaged in the business of call centre operations, providing business process outsourcing (BPO) and content delivery services, and back office services to their customers, who are primarily based in the United States of America and India, from its operating offices in Mauritius and India.

### 2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

These Unaudited Condensed Consolidated Interim Financial Statements are for the six months ended 30 September 2018 and 2017. They have been prepared in accordance with IAS 34 Interim Financial Reporting as developed and published by the International Accounting Standards Board (‘IASB’), on a going concern basis. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the annual financial statements for the years ended 31 March 2018 and 2017.

The Unaudited Condensed Consolidated Interim Financial Statements have been prepared and presented in United States Dollar (US\$) which is the Company’s functional currency.

These Unaudited Condensed Consolidated Interim Financial Statements were approved by the Board on 12 November, 2018

The Group has applied the same accounting policies in preparing these unaudited management financial information as adopted in the most recent annual audited financial information of the Group.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group’s most recent annual financial statements for the years ended 31 March 2018 and 2017.

#### Standards issued but not yet effective

- **IFRS 16 Leases**

On 13 January 2016, the International Accounting Standards Board issued the final version of IFRS 16, Leases. IFRS 16 will replace the existing leases Standard, IAS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of IFRS 16 is annual periods beginning on or after 1 January 2019, though early adoption is permitted for companies applying IFRS 15 Revenue from Contracts with Customers.

#### 4. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

When preparing the Unaudited Condensed Consolidated Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Unaudited Condensed Consolidated Interim Financial Statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last audited financial statements for the year ended 31 March 2018.

#### 5. GOODWILL

The net carrying amount of goodwill can be analysed as follows:

Particulars	Amount
Balance as at 01 April 2017	102,265,472
Impairment loss recognized	-
Translation adjustment	(386)
<b>Balance as at 31 March 2018</b>	<b>102,265,086</b>

  

Particulars	Amount
Balance as at 01 April 2018	102,265,086
Translation adjustment	(13,473)
<b>Balance as at 30 September 2018</b>	<b>102,251,613</b>

#### 6. OTHER INTANGIBLE ASSETS

The Intangible assets comprise of computer software, customer contracts.

Particulars	Customer contracts*	Computer softwares	Patent	Trade m
<b>Cost</b>				
<b>Balance as at 01 April 2017</b>	24,122,664	3,241,435	100,000	12,0
Additions	-	357,658	-	-
Disposals	-	-	-	-
Translation adjustment	(432)	(9,655)	-	-
<b>Balance as at 31 March 2018</b>	<b>24,122,232</b>	<b>3,589,438</b>	<b>100,000</b>	<b>12,0</b>
<b>Accumulated amortisation</b>				
<b>Balance as at 01 April 2017</b>	19,027,100	2,868,051	-	-
Amortisation/ impairment for the period	2,779,416	378,239	-	-
Disposals	-	-	-	-
Translation adjustment	(432)	(11,172)	-	-
<b>Balance as at 31 March 2018</b>	<b>21,806,084</b>	<b>3,235,118</b>	<b>-</b>	<b>-</b>

<b>Carrying values as at 31 March 2018</b>	<b>2,316,148</b>	<b>354,320</b>	<b>100,000</b>	<b>12,000</b>
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\*Customer contracts are intangible assets created for long standing customer relationships in content delivery segment. Once the relationship is established the work continues to flow on a year to year basis. The carrying amount of such contracts is US\$ 2,316,148 and remaining amortization period is 1.8 years.

<b>Particulars</b>	<b>Customer contracts*</b>	<b>Computer softwares</b>	<b>Patent</b>	<b>Trade marks</b>
<b>Cost</b>				
<b>Balance as at 01 April 2018</b>	24,122,232	3,589,438	100,000	12,000
Additions	-	196,939	-	-
Disposals	-	-	-	-
Translation adjustment	(15,068)	(326,949)	-	-
<b>Balance as at 30 Sept 2018</b>	<b>24,107,164</b>	<b>3,459,428</b>	<b>100,000</b>	<b>12,000</b>
<b>Accumulated amortisation</b>				
<b>Balance as at 01 April 2018</b>	21,806,084	3,235,118	-	-
Amortisation/ impairment for the period	1,389,708	262,903	-	-
Disposals	-	-	-	-
Translation adjustment	(15,068)	(305,608)	-	-
<b>Balance as at 30 Sept 2018</b>	<b>23,180,724</b>	<b>3,192,413</b>	<b>-</b>	<b>-</b>
<b>Carrying values as at 30 Sept 2018</b>	<b>926,440</b>	<b>267,015</b>	<b>100,000</b>	<b>12,000</b>

\*Customer contracts are basically intangible assets created for long standing customer relationships in content delivery segment. Once the relationship is established the work continues to flow on a year to year basis. The carrying amount of such contracts is US\$ 926,440 and remaining amortization period is 0.3 years.

## 7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise of the following:

<b>Particulars</b>	<b>Computer and data equipment</b>	<b>Office Equipment</b>	<b>Furniture and fixtures</b>	<b>Air conditioner and generator</b>	<b>Vehicle</b>	<b>Leasehold improvements</b>
<b>Cost</b>						
<b>Balance as at 01 April 2017</b>	5,078,296	860,778	1,261,393	360,346	30,181	4,000
Additions	1,100,919	18,077	2,263	22,700	6,930	-
Disposals (Net)	(48,009)	(2,222)	(12,944)	(3,716)	-	-
Translation and other adjustment	(21,385)	(2,340)	(3,427)	(1,093)	(45)	-
<b>Balance as at 31 March 2018</b>	<b>6,109,821</b>	<b>874,293</b>	<b>1,247,285</b>	<b>378,237</b>	<b>37,066</b>	<b>4,000</b>

<b>Accumulated depreciation</b>						
<b>Balance as at 01 April 2017</b>	<b>3,928,259</b>	<b>584,284</b>	<b>669,944</b>	<b>170,828</b>	<b>29,289</b>	<b>2</b>
Depreciation for the year	918,222	139,744	85,720	39,026	1,534	
Disposals (Net)	(45,243)	(2,222)	(12,944)	(375)	-	
Translation and other adjustments	(18,714)	(2,502)	(2,363)	(822)	(55)	
<b>Balance as at 31 March 2018</b>	<b>4,782,524</b>	<b>719,304</b>	<b>740,357</b>	<b>208,657</b>	<b>30,768</b>	<b>2</b>
<b>Carrying values as at 31 March 2018</b>	<b>1,327,297</b>	<b>154,989</b>	<b>506,928</b>	<b>169,580</b>	<b>6,298</b>	<b>1</b>

<b>Particulars</b>	<b>Computer and data equipment</b>	<b>Office Equipment</b>	<b>Furniture and fixtures</b>	<b>Air conditioner and generator</b>	<b>Vehicle</b>	<b>Lea impr</b>
<b>Cost</b>						
<b>Balance as at 01 April 2018</b>	<b>6,109,821</b>	<b>874,293</b>	<b>1,247,285</b>	<b>378,237</b>	<b>37,066</b>	
Additions	1,538,608	14,489	114,747	154,624	-	
Disposals (Net)	(825)	(4,300)	-	-	(14,885)	
Translation and other adjustment	(631,067)	(74,899)	(118,250)	(44,058)	(2,228)	
<b>Balance as at 30 Sept 2018</b>	<b>7,016,537</b>	<b>809,583</b>	<b>1,243,782</b>	<b>488,803</b>	<b>19,953</b>	
<b>Accumulated depreciation</b>						
<b>Balance as at 01 April 2018</b>	<b>4,782,524</b>	<b>719,304</b>	<b>740,357</b>	<b>208,657</b>	<b>30,768</b>	
Depreciation for the year	484,564	56,011	132,558	23,675	902	
Disposals (Net)	(825)	(4,300)	-	-	(14,885)	
Translation and other adjustments	(488,649)	(61,822)	(70,652)	(22,884)	(1,672)	
<b>Balance as at 30 Sept 2018</b>	<b>4,777,614</b>	<b>709,193</b>	<b>802,263</b>	<b>209,448</b>	<b>15,113</b>	
<b>Carrying values as at 30 Sept 2018</b>	<b>2,238,923</b>	<b>100,390</b>	<b>441,519</b>	<b>279,355</b>	<b>4,840</b>	

## 8. SHORT TERM FINANCIAL ASSETS

<b>Particulars</b>	<b>30 September 2018</b>	<b>31 March 2018</b>
Security deposits	32,007	122,122
Restricted cash	2,934,228	3,037,622
Short term investments (fixed deposits with maturity less than 12 months)	2,308,178	4,461,187
Derivative financial instruments	-	13,304

Due from officers and employees	28,526	38,225
Others	26,760	2,206
	<b>5,329,699</b>	<b>7,674,666</b>

Short term investments comprise of investment through banks in deposits denominated in various currency units bearing fixed rate of interest.

## 9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

Calculation of basic and diluted profit per share for the period ended 30 September 2018 is as follows:

### Basic earnings per share

Particulars	30 September 2018	30 September 2017
Profit attributable to shareholders	17,257,657	10,303,038
Weighted average numbers shares outstanding	190,130,008	190,130,008
Basic earnings per share (US\$)	0.09	0.05

### Diluted earnings per share

Particulars	30 September 2018	30 September 2017
Profit attributable to shareholders	17,257,657	10,303,038
Weighted average numbers shares outstanding	190,130,008	190,130,008
Diluted earnings per share (US\$)	0.09	0.05

## 10. RELATED PARTY TRANSACTIONS

The related parties for each of the entities in the Group have been summarised in the table below:

Nature of the relationship	Related Party's Name
I. Ultimate controlling party	Mr. Anil Aggarwal
II. Entities directly or indirectly through one or more intermediaries, control, are controlled by, or are under common control with, the reported enterprises	EICR (Cyprus) Limited ( <i>Parent of iEnergizer Limited</i> )
III. Key management personnel ("KMP") and significant shareholders	Mr. Anil Aggarwal ( <i>Ultimate Shareholder, EICR Limited</i> ) Mr. Chris de Putron ( <i>Director, iEnergizer Limited</i> ) Mr. Mark De La Rue ( <i>Director, iEnergizer Limited</i> ) Mr. Marc Vassanelli ( <i>Director, iEnergizer Limited</i> ) Mr. Ashish Madan ( <i>Director, iEnergizer Limited</i> ) <i>n.e.f.</i> <i>16 August 2018</i>

Disclosure of transactions between the Group and related parties and the outstanding balances is as under:

**Transactions with KMP and relative of KMP**

Particulars	30 September 2018	30 September 2017
<b>Transactions during the period ended</b>		
Short term employee benefits		
<i>Remuneration paid to directors</i>		
Chris de Putron	6,559	6,204
Mark De La Rue	6,559	6,204
Marc Vassanelli	19,678	18,613
<b>Balances at the end of</b>		
Total remuneration payable	71,678	30,764

**11. SEGMENT REPORTING**

Management currently identifies the Group's two service lines business process outsourcing and content delivery as operating segments on the basis of operations. These operating segments are monitored and operating and strategic decisions are made on the basis of operating segment results.

The Chief Operating Decision Maker (“CODM”) evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group’s reportable segments are as follows:

1. Business Process Outsourcing
2. Content delivery
3. Others

The measurement of each segment’s revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Unaudited Condensed Consolidated Interim Financial Statements. In addition, two minor operating segments, for which the quantitative thresholds have not been met, are currently combined below under 'Others'. Segment information can be analysed as follows for the reporting periods under review:

	<b>30 September 2018</b>			
	<b>Business Process Outsource</b>	<b>Content delivery</b>	<b>Others</b>	<b>Total</b>
Revenue from external customers	48,093,184	34,268,125	-	82,361,309
Other income ( including realized foreign exchange gains )	409,617	471,386	850	881,853
<b>Segment revenue</b>	<b>48,502,801</b>	<b>34,739,511</b>	<b>850</b>	<b>83,243,162</b>
Cost of outsourced Services	13,506,125	4,453,231	-	17,959,356
Employee benefit expense	15,973,780	19,310,627	-	35,284,407
Other expenses	1,749,646	3,515,201	470,577	5,735,424
<b>Earning before interest, tax, depreciation and amortisation</b>	<b>17,273,250</b>	<b>7,460,453</b>	<b>(469,727)</b>	<b>24,263,976</b>
Unrealized Foreign Exchange gain/(loss)	-	1,842,918	-	1,842,918
Depreciation and amortisation	605,108	2,075,260	-	2,680,368

<b>Segment operating profit</b>	<b>16,668,142</b>	<b>7,228,110</b>	<b>(469,727)</b>	<b>23,426,526</b>
<b>Other Income/expense :</b>				
Finance income	138,957	126,948	22,303	288,208
Finance costs	16,061	1,139,625	1,604,916	2,760,603
<b>Profit before tax</b>	<b>16,791,038</b>	<b>6,215,433</b>	<b>2,052,340</b>	<b>20,954,131</b>
Income tax expense	2,526,676	1,169,797	-	3,696,473
<b>Profit after tax</b>	<b>14,264,361</b>	<b>5,045,637</b>	<b>2,052,340)</b>	<b>17,257,658</b>
Segment assets	43,431,117	75,456,382	86,626,765	205,514,264
Segment liabilities	15,147,228	46,029,831	22,606,489	83,783,548
Capital expenditure	1,874,708	339,414	-	2,214,122

**30 September 2017**

	<b>Business Process Outsource</b>	<b>Content delivery</b>	<b>Others</b>	<b>Total</b>
Revenue from external customers	40,646,819	34,561,096	-	75,207,914
Other income (including realized foreign exchange gains)	46,347	712,954	6,862	766,163
<b>Segment revenue</b>	<b>40,693,166</b>	<b>35,274,050</b>	<b>6,862</b>	<b>75,974,078</b>
Cost of outsourced Services	18,635,430	4,863,735	-	23,499,165
Employee benefit expense	10,532,067	19,842,993	-	30,375,060
Other expenses	1,024,197	3,392,233	243,703	4,660,133
<b>Earning before interest, tax, depreciation and amortisation</b>	<b>10,501,472</b>	<b>7,175,089</b>	<b>(236,841)</b>	<b>17,439,720</b>
Unrealized Foreign Exchange gain/(loss)	-	(2,110)	-	(2,110)
Depreciation and amortisation	383,260	2,028,993	-	2,412,253
<b>Segment operating profit</b>	<b>10,118,212</b>	<b>5,143,986</b>	<b>(236,841)</b>	<b>15,025,357</b>
<b>Other Income/expense:</b>				
Finance income	171,167	135,911	1,341	308,419
Finance costs	36,623	1,331,584	1,868,186	3,236,393
<b>Profit before tax</b>	<b>10,252,756</b>	<b>3,948,313</b>	<b>(2,103,686)</b>	<b>12,097,383</b>
Income tax expense	1,074,326	720,016	-	1,794,342
<b>Profit after tax</b>	<b>9,178,430</b>	<b>3,228,297</b>	<b>(2,103,686)</b>	<b>10,303,041</b>
Segment assets	33,959,838	81,481,417	79,609,989	195,051,244
Segment liabilities	14,622,231	51,443,613	29,601,494	95,667,338
Capital expenditure	220,419	296,208	-	516,627



Revenue from the following customer's amounts to more than 10% of consolidated revenue during the period presented.

		<b>30 September 2018</b>
<b>Revenue from</b>	<b>Segment</b>	<b>Amount</b>
Customer 1	Business Process Outsource	9,763,189

		<b>30 September 2017</b>
<b>Revenue from</b>	<b>Segment</b>	<b>Amount</b>
Customer 1	Business Process Outsource	8,255,436

## 12. FINANCIAL ASSETS AND LIABILITIES

Fair value of carrying amounts of assets and liabilities presented in the statement of financial position relates to the following categories of assets and liabilities:

<b>Financial assets</b>	<b>30 September 2018</b>	<b>31 March 2018</b>
<b>Non-current assets</b>		
<i>Loans and receivables</i>		
Security deposits	455,273	416,167
Restricted cash	1,544,927	72,279
Fixed deposit	743,544	62,088
<b>Current assets</b>		
<i>Loans and receivables</i>		
Trade receivables	30,997,595	27,346,367
Cash and cash equivalents	33,423,460	33,774,536
Restricted cash	2,934,228	3,037,622
Security deposits	32,007	122,122
Short term investments	2,308,178	4,461,187
Due from officers and employees	28,526	38,225
Other short term financial assets	26,760	2,206
<i>Fair value through profit and loss:</i>		
Derivative financial instruments	-	13,304
	<b>72,494,498</b>	<b>69,346,103</b>

<b>Financial liabilities</b>	<b>30 September 2018</b>	<b>31 March 2018</b>
<b>Non-current liabilities</b>		
<i>Financial liabilities measured at amortized cost:</i>		
Long term borrowings	280,594	46,038,369
<b>Current liabilities</b>		
<i>Financial liabilities measured at amortized cost:</i>		
Short term borrowings	-	402,986
Trade payables	9,197,777	13,258,193
Current portion of long term borrowings	51,605,366	13,732,671



Guarantees: As at 30 September 2018 and 31 March 2018, guarantees provided by banks on behalf of the group companies to the revenue authorities and certain other agencies, amount to approximately US\$81,229 and US\$82,036 respectively.

## **15. ESTIMATES**

The preparation of interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Unaudited Condensed Consolidated Interim Financial Statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the years ended 31 March 2018 and 2017.

## **16. FINANCIAL RISK MANAGEMENT**

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the years ended 31 March 2018 and 2017.