



## Interim Statement September 2022

A photograph showing a hand pointing at a document. The website URL "www.ienergizer.com" is overlaid in blue text on the document.

[www.ienergizer.com](http://www.ienergizer.com)

14<sup>th</sup> November 2022

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

## **UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022**

iEnergizer, the technology services and media solutions leader for the digital age, reports another record set of interim results for the six months ended 30 September 2022. The Board declares an increased interim dividend of 11.07p per ordinary share, reflecting the increase in earnings and confidence in the growth strategy and outlook for the Full Year.

**Financial Highlights:** *Highly profitable revenue growth and sustained margin improvements, achieved through securing new customer contracts and deepening existing customer relationships along with continued and careful cost management, which is further supported by the strengthening US\$ against the INR.*

- Revenue up 24.0% to \$152.0m (H1 2022: \$122.6m), Service Revenue up 23.0%
- EBITDA up by \$10.0m to \$54.4m (H1 2022: \$44.4m), resulting in EBITDA margin of 36.0%
- Operating profit increased to \$48.8m (H1 2022: \$42.0m), resulting in operating profit margin of 32.0%
- Profit before tax increased to \$44.3m (H1 2022: \$37.9m)
- Profit after tax increased to \$41.2m (H1 2022: \$34.3m)
- Gross Debt of \$138.4m (31 March 2022: \$139.7m)
- Declared Interim dividend of 11.07p per ordinary share (\$24.0m) (H1 2022: 8.12p)

**Operational Highlights:** *Continued focus on higher margin work and success in business growth from new and existing customers, innovating to deliver deeper and broader propositions to service evolving customer needs through technology-led solutions*

- Business Process Outsource (“BPO”):
  - Strong revenue growth in H1 2023 of 30.6% to \$109.0m (H1 2022: \$83.5m) with an impressive EBITDA margin of 39% or \$42.9m (H1 2022: \$33.7m), which was attributable to growth in business across different verticals, particularly from International BPO customers.
  - Focused on the new fast growth technology areas of content moderation and data tagging for Artificial Intelligence (“AI”) / Machine Learning (“ML”) applications, which are emerging as significant growth opportunities. The Group plans to invest in promoting its new-age technology-driven digital customer experience (“CX”) service offerings.
  - Robust outsourcing demand amidst inflationary pressures and BPO’s outsized exposure to fast-growing markets of Media & Entertainment, BFSI and telecommunications, resulted in steady and strong revenue growth during H1 2023.
  - Continued to add new customers and maintained growth in recurring revenue streams from long-term customer relationships across all verticals, focussing on faster growth, higher margin verticals, upselling additional more complex services and deploying technology to drive productivity.
- Content Division:
  - Achieved service revenue growth of 6.2% to \$40.2m in H1 2023 (H1 2022: \$37.8m), as business from key clients, specifically from Financial Reporting and Compliance services, increased. EBITDA margins maintained at around 28% at \$11.5m (H1 2022: \$10.7m) owing to cost effectiveness and efficiencies delivered through technology.
  - Content Services’ US based sales team continues to focus on cross-selling and securing business leads from new and existing customers for fast growth technology services, including:

- Digital Training and Education.
- SAAS services for propositions including Technology Tools such as SciPris and PXE5.
- Providing immersive content for learners (specifically middle to high school), partnering with EdTech groups with select revenue share models.
  
- New business initiatives:
  - iEnergizer is well positioned to take advantage of industry tailwinds in highly profitable verticals, due to: the scalability & breadth of its BPO services; increasing adoption of fast-growing technology; the end-to-end proposition of Content Services; and iEnergizer's highly trained workforce.
  
  - Content Moderation is witnessing high growth on the back of rising digital adoption. Rapid growth in online-first schools is driving demand for digital content. Education and corporate sectors are increasing Learning & Development spend. Major corporate businesses have identified the cost and time savings of replacing classroom training with virtual training.
  
  - Development of regulatory training services, targeting the Group's existing customer base to promote compliance and e-Learning capabilities, focussed on the American Disability Act and Web Content Accessibility Guidelines.
  
  - The US based sales team continues to focus on selling additional services, specifically in data tagging for AI/ML applications, Content Moderation and Web Content Accessibility Guidelines, to capture new market place opportunities, while working on its strategic priorities: to enhance and grow key accounts; to identify and win new business through new customers; as well as to target existing accounts; and to cross-sell and generate leads for new product launches.
  
- Cost management:
  - Continues to manage increased proportion of division-specific higher margin international work, particularly in non-voice-based processes including: entertainment gaming support; BFSI; content technology; and E-Learning.
  
  - Achieved cost savings through effective use of resources and productivity improvements, even as more employees moved to work from office, on a routine basis during H1 2023.
  
- Interim Dividend:
  - In-line with its progressive dividend policy, the Company is pleased to announce an interim dividend of 11.07p with the dividend record date of 25 November 2022. This interim dividend reflects the Board's confidence in the Group's business plan and growth prospects.
  
  - The Company's ordinary shares are expected to go ex-dividend on 24 November 2022 and the interim dividend is expected to be paid on 21 December 2022.
  
- Outlook:
  - The Board is delighted with the Group's strategic progress during H1 and the delivery of further organic momentum and margin improvements. While we recognise the macro uncertainty, we are optimistic for the remainder of FY23, in particular due to ongoing inflationary pressures which continues to drive multinationals to focus not only on cost reduction but also revenue retention. Overall, new customer contract wins, reoccurring and repeat nature of business and improved margins give the Board confidence in the future outlook for the Company and underpin the expectations for FY23.
  
  - Looking further ahead, with iEnergizer's solid foundations; its proven strength in operational execution and healthy balance sheet; our differentiated offerings, successful new sales initiatives, and substantial opportunities for further growth identified, we expect a continued strong momentum across the Group.

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

“We are delighted to report another strong performance by iEnergizer, with highly profitable growth in revenue and profit margins, which exceeded our expectations for H1 2023. This has been driven by ongoing innovations that ensure iEnergizer continues to offer a market-leading proposition that enables our dedicated colleagues to deepen existing customer relationships and attract new customers for our service lines, combined with active cost management.

“Reflecting the Group’s strong balance sheet and the cash generative nature of the business, we are pleased to announce an interim dividend of 11.07p, in continuation with our approach since H1 2020.

“With iEnergizer’s solid foundations; its proven strength in operational execution and healthy balance sheet; our differentiated offerings, successful new sales initiatives, and substantial opportunities for further growth identified, we expect a continued strong momentum across the Group.”

**-Ends-**

|   |                     |
|---|---------------------|
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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 2022 and 2021

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## Unaudited Condensed Consolidated Statements of Financial Position

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

|  | Notes | As at<br>30 September 2022<br>Unaudited | As at<br>31 March 2022<br>Audited |
|--|-------|---|-----------------------------------|
| <b>ASSETS</b>  |       |   |                                   |
| <b>Non-current</b>   |       |   |                                   |
| Goodwill   | 5     | 102,238,817                             | 102,246,868                       |
| Other intangible assets  | 6     | 13,010,136                              | 13,074,401                        |
| Property, plant and equipment                                    | 7     | 14,242,452                              | 10,123,815                        |
| Right-of-use assets  | 10    | 19,013,667                              | 16,140,370                        |
| Long- term financial asset                                       |       | 5,924,288                               | 4,971,036                         |
| Non-current tax assets   |       | 910,933                                 | 420,895                           |
| Deferred tax asset   |       | 3,234,307                               | 3,313,563                         |
| Other non current assets   |       | 361,209                                 | 163,187                           |
| <b>Non-current assets</b>  |       | <b>158,935,809</b>                      | <b>150,454,135</b>                |
| <b>Current</b>   |       |   |                                   |
| Trade and other receivables                                      |       | 38,915,134                              | 40,835,944                        |
| Short- term financial assets                                     | 8     | 20,718,443                              | 20,609,380                        |
| Cash and cash equivalents  |       | 46,760,342                              | 56,326,421                        |
| Other current assets   |       | 8,199,287                               | 5,705,929                         |
| <b>Current assets</b>  |       | <b>114,593,206</b>                      | <b>123,477,674</b>                |
| <b>Total assets</b>  |       | <b>273,529,015</b>                      | <b>273,931,809</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)                       |
| Other components of equity                                       |       | (24,277,305)                            | (17,615,642)                      |
| Retained earnings  |       | 67,275,068                              | 57,941,804                        |
| <b>Total equity attributable to equity holders of the parent</b> |       | <b>61,240,347</b>                       | <b>58,568,746</b>                 |

**iEnergizer Limited and its subsidiaries**  
**Unaudited Condensed Consolidated Interim Financial Statements**  
**30 September 2022 and 2021**



|                                     | Notes | As at<br>30 September 2022<br>Unaudited | As at<br>31 March 2022<br>Audited |
|-------------------------------------|-------|---|-----------------------------------|
| <b>Liabilities</b>                  |       |   |                                   |
| <b>Non-current</b>                  |       |   |                                   |
| Borrowings                          |       | 128,404,225                             | 129,895,411                       |
| Lease liabilities                   |       | 15,611,470                              | 13,697,079                        |
| Employee benefit obligations        |       | 5,456,632                               | 5,092,678                         |
| Deferred tax liability              |       | 7,680,463                               | 8,079,436                         |
| <b>Non-current liabilities</b>      |       | <b>157,152,790</b>                      | <b>156,764,604</b>                |
| <b>Current</b>                      |       |   |                                   |
| Trade and other payables            |       | 14,263,992                              | 17,841,935                        |
| Employee benefit obligations        |       | 1,535,790                               | 1,272,362                         |
| Current tax liabilities             |       | 40,807                                  | 844,679                           |
| Borrowings                          |       | 10,013,434                              | 9,763,047                         |
| Lease liabilities                   |       | 4,232,887                               | 3,026,616                         |
| Other current liabilities           |       | 25,048,968                              | 25,849,820                        |
| <b>Current liabilities</b>          |       | <b>55,135,878</b>                       | <b>58,598,459</b>                 |
| <b>Total equity and liabilities</b> |       | <b>273,529,015</b>                      | <b>273,931,809</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<br>ended<br>30 September 2022<br>Unaudited | For the six months<br>ended<br>30 September 2021<br>Unaudited |
|---|----------|---|---|
| <b>Income from operations</b>   |          |   |   |
| Revenue from services   |          | 149,181,696   | 121,284,962   |
| Other operating income  |          | 2,845,012   | 1,271,458   |
|   |          | <b>152,026,708</b>  | <b>122,556,420</b>  |
| <b>Cost and expenses</b>  |          |   |   |
| Outsourced service cost   |          | 14,043,456  | 19,831,122  |
| Employee benefits expense   |          | 71,028,302  | 48,194,012  |
| Depreciation and amortisation   |          | 5,048,873   | 3,011,227   |
| Other expenses  |          | 13,106,665  | 9,482,318   |
|   |          | <b>103,227,296</b>  | <b>80,518,679</b>   |
|   |          | <b>48,799,412</b>   | <b>42,037,741</b>   |
| <b>Operating profit</b>   |          |   |   |
| Finance income  |          | 498,874   | 453,702   |
| Finance cost  |          | (5,015,600)   | (4,555,815)   |
| <b>Profit before tax</b>  |          | <b>44,282,686</b>   | <b>37,935,628</b>   |
| Income tax expense  |          | 3,130,663   | 3,612,806   |
| <b>Profit for the year attributable to equity holders of the parent</b> |          | <b>41,152,023</b>   | <b>34,322,822</b>   |
| <b>Earnings per share</b>   |          |   |   |
|   | <b>9</b> |   |   |
| <i>Basic</i>  |          | <i>0.22</i>   | <i>0.18</i>   |
| <i>Diluted</i>  |          | <i>0.22</i>   | <i>0.18</i>   |
| <i>Par value of each share in GBP</i>                                   |          | <i>0.01</i>   | <i>0.01</i>   |

## Unaudited Condensed Consolidated Statements of Other Comprehensive Income

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

|  | For the six months<br>ended<br>30 September 2022<br>Unaudited | For the six months<br>ended<br>30 September 2021<br>Unaudited |
|--|---|---|
| <b>Profit after tax for the year</b>   | 41,152,023  | 34,322,822  |
| <b>Other comprehensive income</b>  |   |   |
| <i>Items that will be reclassified subsequently to the consolidated income statement</i>                             |   |   |
| Exchange differences on translating foreign operations   | (6,661,663)   | (907,517)   |
| <b>Net other comprehensive income/(loss) that will be reclassified subsequently to consolidated income statement</b> | <b>(6,661,663)</b>  | <b>(907,517)</b>  |
| <i>Items that will not be reclassified subsequently to income statement</i>  |   |   |
| Remeasurement of the net defined benefit liability   | -   | -   |
| Income tax relating to items that will not be reclassified   | -   | -   |
| <b>Net other comprehensive income that will not be reclassified subsequently to consolidated income statement</b>    | <b>-</b>  | <b>-</b>  |
| <b>Other comprehensive income/(loss) for the year</b>  | <b>(6,661,663)</b>  | <b>(907,517)</b>  |
| <b>Total comprehensive income attributable to equity holders</b>   | <b>34,490,360</b>   | <b>33,415,305</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           |                               | Retained earnings | Total equity |
|--|---------------|----------------------------|----------------------------|----------------|--------------------------------------|-------------------------------|-------------------|--------------|
|  |               |                            |                            |                | Foreign currency translation reserve | Net defined benefit liability |                   |              |
| <b>Balance as at 1 April 2021</b>                | 3,776,175     | 15,451,809                 | 63,986                     | (1,049,386)    | (15,866,598)                         | 729,662                       | 26,482,815        | 29,588,463   |
| Dividends  | -             | -                          | -                          | -              | -                                    | -                             | (43,078,726)      | (43,078,726) |
| <i>Transaction with owners</i>                   | -             | -                          | -                          | -              | -                                    | -                             | (43,078,726)      | (43,078,726) |
| Profit for the year                              | -             | -                          | -                          | -              | -                                    | -                             | 74,537,715        | 74,537,715   |
| Other comprehensive income                       | -             | -                          | -                          | -              | (2,289,842)                          | (188,864)                     | -                 | (2,478,706)  |
| <b>Total comprehensive income for the period</b> | -             | -                          | -                          | -              | (2,289,842)                          | (188,864)                     | 74,537,715        | 72,059,009   |
| <b>Balance as at 31 March 2022</b>               | 3,776,175     | 15,451,809                 | 63,986                     | (1,049,386)    | (18,156,440)                         | 540,798                       | 57,941,804        | 58,568,746   |

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

**iEnergizer Limited and its subsidiaries**  
**Unaudited Condensed Consolidated Interim Financial Statements**  
**30 September 2022 and 2021**

|  | 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 2022</b>               | <b>3,776,175</b> | <b>15,451,809</b>          | <b>63,986</b>              | <b>(1,049,386)</b> | <b>(18,156,440)</b>                  | <b>540,798</b>                | <b>57,941,804</b> | <b>58,568,746</b>   |
| Dividends  | -                | -                          | -                          | -                  | -                                    | -                             | (31,818,761)      | <b>(31,818,761)</b> |
| <b><i>Transaction with owners</i></b>            | -                | -                          | -                          | -                  | -                                    | -                             | (31,818,761)      | (31,818,761)        |
| Profit for the year                              | -                | -                          | -                          | -                  | -                                    | -                             | 41,152,023        | <b>41,152,023</b>   |
| Other comprehensive loss                         | -                | -                          | -                          | -                  | (6,661,663)                          | -                             | -                 | <b>(6,661,663)</b>  |
| <b>Total comprehensive income for the period</b> | -                | -                          | -                          | -                  | <b>(6,661,663)</b>                   | -                             | <b>41,152,023</b> | <b>34,490,361</b>   |
| <b>Balance as at 30 September 2022</b>           | <b>3,776,175</b> | <b>15,451,809</b>          | <b>63,986</b>              | <b>(1,049,386)</b> | <b>(24,818,103)</b>                  | <b>540,798</b>                | <b>67,275,068</b> | <b>61,240,346</b>   |

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

## Unaudited Condensed Consolidated Statements of Cash Flows

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

|   | For the period<br>ended<br>30 September 2022 | For the six months<br>ended<br>30 September 2021 |
|---|--|--|
| <b>(A) Cash flow from operating activities</b>  |  |  |
| Profit before tax   | 44,282,686                                   | 37,935,627                                       |
| <b>Adjustments</b>  |  |  |
| Depreciation and amortisation   | 5,048,873                                    | 3,011,227  |
| Loss/(Profit) on disposal of property, plant and equipment                                | (11,223)                                     | (8,258)  |
| Trade receivables written-off/provision for doubtful debts                                | 303,289                                      | 602,061  |
| Sundry balances written back  | -  | (235)  |
| Unrealised Foreign exchange loss/(gain)   | 519,790                                      | (1,040,091)                                      |
| Finance income  | (498,874)                                    | (453,702)  |
| Finance cost  | 3,898,654                                    | 3,868,829  |
| Interest cost on lease liability  | 856,131                                      | 412,167  |
| Other borrowing cost at amortised cost  | 260,815                                      | 274,819  |
|   | <b>54,660,141</b>                            | <b>44,602,444</b>                                |
| <b>Changes in operating assets and liabilities</b>  |  |  |
| (Increase)/ Decrease in trade and other receivables                                       | 2,968,884                                    | (3,941,087)                                      |
| (Increase)/ Decrease in other assets (current)  | (4,342,387)                                  | (4,326,912)                                      |
| Increase / (Decrease) Non-current liabilities, trade payables & other current liabilities | (9,444,194)                                  | 11,624,169                                       |
| (Decrease)/ Increase in employee benefit obligations                                      | 1,353,139                                    | 293,709  |
| <b>Cash generated from operations</b>   | <b>45,195,583</b>                            | <b>48,252,323</b>                                |
| Income taxes paid   | (4,744,291)                                  | (3,201,599)                                      |
| <b>Net cash generated from operating activities</b>                                       | <b>40,451,292</b>                            | <b>45,050,724</b>                                |
| <b>(B) Cash flow for investing activities</b>   |  |  |
| Payments for purchase of property plant and equipment                                     | (7,602,159)                                  | (997,864)  |
| Investment in fixed deposit (Net)   | (1,165,664)                                  | (3,989,362)                                      |
| Proceeds from disposal of property, plant & equipment                                     | 14,387                                       | 260,853  |
| Payments for purchase of other intangible assets  | (7,407,647)                                  | (441,725)  |
| Interest received   | 508,579                                      | 494,126  |
| <b>Net cash used in investing activities</b>  | <b>(15,652,504)</b>                          | <b>(4,673,972)</b>                               |

**iEnergizer Limited and its subsidiaries**  
**Unaudited Condensed Consolidated Interim Financial Statements**  
**30 September 2022 and 2021**



|  | For the period<br>ended<br>30 September 2022 | For the six months<br>ended<br>30 September 2021 |
|--|--|--|
| <b>(C) Cash flow from financing activities</b>                           |  |  |
| Interest paid  | (3,898,654)                                  | (3,868,829)                                      |
| Dividends paid to equity holders of the parent                           | (31,818,761)                                 | (22,274,007)                                     |
| Net Proceeds/(Repayments) from borrowings and lease liability            | 762,916                                      | (19,046,499)                                     |
| <b>Net cash used in financing activities</b>                             | <b>(34,954,499)</b>                          | <b>(45,189,336)</b>                              |
| <b>Net increase/(decrease) in cash and cash equivalents</b>              |  |  |
| Cash and cash equivalents at the beginning of the year                   | 56,326,421                                   | 51,378,899                                       |
| Effect of exchange rate changes on cash                                  | 589,632                                      | 96,326   |
| <b>Cash and cash equivalents at the end of the year</b>                  | <b>46,760,342</b>                            | <b>46,662,641</b>                                |
| <b>Cash and cash equivalents comprise</b>                                |  |  |
| Cash in hand   | 9,037  | 7,740  |
| Balances with banks in current account                                   | 34,251,305                                   | 42,917,962                                       |
| Remittance in transit  | -  | 3,736,939  |
| Short term investments (fixed deposits with maturity less than 3 months) | 12,500,000                                   | -  |
|  | <b>46,760,342</b>                            | <b>46,662,641</b>                                |

*(This space has been intentionally left blank)*

**RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

The changes in the Group's liabilities arising from financing activities can be classified as follows:

|  | Long-term borrowings<br>(including current<br>portion of long-term<br>borrowing) | Lease Liabilities | Total              |
|--|--|-------------------|--------------------|
| <b>1 April 2021</b>                    | 162,117,051  | 5,191,699         | 167,308,750        |
| <b>Cash-flows:</b>                     |  |                   |                    |
| Repayment                              | (22,999,794)   | (3,709,859)       | (26,709,653)       |
| <b>Non-cash:</b>                       |  |                   |                    |
| Additional lease liability             | -  | 14,549,957        | 14,549,957         |
| Interest on lease liability            | -  | 1,187,286         | 1,187,286          |
| Other borrowing cost at amortized cost | 541,201  | -                 | 541,201            |
| Translation adjustment                 | -  | (495,388)         | (495,388)          |
| <b>31 March 2022</b>                   | <b>139,658,458</b>   | <b>16,723,695</b> | <b>156,382,153</b> |
| <b>1 April 2022</b>                    | <b>139,658,458</b>   | <b>16,723,695</b> | <b>156,382,153</b> |
| <b>Cash-flows:</b>                     |  |                   |                    |
| Net Repayment                          | (1,501,615)*   | (4,090,152)       | (5,591,767)        |
| <b>Non-cash:</b>                       |  |                   |                    |
| Additional lease liability             | -  | 6,354,683         | 6,354,683          |
| Interest on lease liability            | -  | 856,131           | 856,131            |
| Other borrowing cost at amortized cost | 260,815  | -                 | 260,815            |
| <b>30 September 2022</b>               | <b>138,417,659</b>   | <b>19,844,357</b> | <b>158,262,016</b> |

\* Includes borrowings for Computer Equipment worth US\$ 2,347,629

*(The accompanying notes are an integral part of the Unaudited Condensed Consolidated Interim 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 IT Services Private Limited, iEnergizer BPO Limited, iEnergizer BPO Inc, iEnergizer Aptara Limited and Aptara Inc and subsidiaries. (together the ‘Group’) is engaged in the business of call centre operations, providing business process outsource (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 2022 and 2021. 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 2022 and 2021.

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 11<sup>th</sup> November 2022.

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 2022 and 2021.



**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 2022.

**5. GOODWILL**

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

| <b>Particulars</b>                 | <b>Amount</b>      |
|------------------------------------|--------------------|
| <b>Balance as at 1 April 2021</b>  | <b>102,250,365</b> |
| Impairment loss recognized         | -                  |
| Translation adjustment             | (3,497)            |
| <b>Balance as at 31 March 2022</b> | <b>102,246,868</b> |

  

| <b>Particulars</b>                     | <b>Amount</b>      |
|--|--------------------|
| Balance as at 01 April 2022            | 102,246,868        |
| Translation adjustment                 | (8,051)            |
| <b>Balance as at 30 September 2022</b> | <b>102,238,817</b> |

*(This space has been left blank intentionally)*

**iEnergizer Limited and its subsidiaries**  
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**6. OTHER INTANGIBLE ASSETS**

The Intangible assets comprise of computer software, customer contracts.

| Particulars                                | Customer contracts | Computer software | Patent         | Trade mark        | Intangibles under development | Total             |
|--|--------------------|-------------------|----------------|-------------------|-------------------------------|-------------------|
| <b>Cost</b>                                |                    |                   |                |                   |                               |                   |
| <b>Balance as at 1 April 2021</b>          | 24,105,769         | 4,969,336         | 100,000        | 12,000,000        | 132,490                       | <b>41,307,595</b> |
| Additions                                  | -                  | 1,002,211         | -              | -                 | 306,487                       | <b>1,308,698</b>  |
| Disposals                                  | -                  | -                 | -              | -                 | (132,491)                     | <b>(132,491)</b>  |
| Translation adjustment                     | (3,911)            | (142,764)         | -              | -                 | (6,486)                       | <b>(153,161)</b>  |
| <b>Balance as at 31 March 2022</b>         | <b>24,101,858</b>  | <b>5,828,783</b>  | <b>100,000</b> | <b>12,000,000</b> | <b>300,000</b>                | <b>42,330,641</b> |
| <b>Accumulated amortisation</b>            |                    |                   |                |                   |                               |                   |
| <b>Balance as at 1 April 2021</b>          | 24,105,769         | 4,496,109         | -              | -                 | -                             | <b>28,601,878</b> |
| Amortisation for the year                  | -                  | 798,314           | -              | -                 | -                             | <b>798,314</b>    |
| Disposals                                  | -                  | -                 | -              | -                 | -                             | -                 |
| Translation adjustment                     | (3,911)            | (140,041)         | -              | -                 | -                             | <b>(143,952)</b>  |
| <b>Balance as at 31 March 2022</b>         | <b>24,101,858</b>  | <b>5,154,382</b>  | -              | -                 | -                             | <b>29,256,240</b> |
| <b>Impairment</b>                          |                    |                   |                |                   |                               |                   |
| <b>Balance as at 1 April 2021</b>          | -                  | -                 | -              | -                 | 132,490                       | <b>132,490</b>    |
| Impairment for the year                    | -                  | -                 | -              | -                 | -                             | -                 |
| Disposals                                  | -                  | -                 | -              | -                 | (132,490)                     | <b>(132,490)</b>  |
| Translation and other adjustment           | -                  | -                 | -              | -                 | -                             | -                 |
| <b>Balance as at 31 March 2022</b>         | -                  | -                 | -              | -                 | -                             | -                 |
| <b>Carrying values as at 31 March 2022</b> | -                  | <b>674,401</b>    | <b>100,000</b> | <b>12,000,000</b> | <b>300,000</b>                | <b>13,074,401</b> |

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| Particulars                                    | Customer contracts | Computer software | Patent         | Trade mark        | Intangibles under development | Total             |
|--|--------------------|-------------------|----------------|-------------------|-------------------------------|-------------------|
| <b>Cost</b>                                    |                    |                   |                |                   |                               |                   |
| <b>Balance as at 01 April 2022</b>             | <b>24,101,858</b>  | <b>5,828,783</b>  | <b>100,000</b> | <b>12,000,000</b> | <b>300,000</b>                | <b>42,330,641</b> |
| Additions                                      | -                  | 798,084           | -              | -                 | (278,440)                     | 519,644           |
| Disposals                                      | -                  | -                 | -              | -                 | -                             | -                 |
| Translation adjustment                         | (9,005)            | (395,295)         | -              | -                 | (21,560)                      | (425,860)         |
| <b>Balance as at 30 September 2022</b>         | <b>24,092,853</b>  | <b>6,231,572</b>  | <b>100,000</b> | <b>12,000,000</b> | <b>-</b>                      | <b>42,424,425</b> |
| <b>Accumulated amortisation</b>                |                    |                   |                |                   |                               |                   |
| <b>Balance as at 01 April 2022</b>             | <b>24,101,858</b>  | <b>5,154,382</b>  | <b>-</b>       | <b>-</b>          | <b>300,000</b>                | <b>29,556,240</b> |
| Amortisation/impairment for the period         | -                  | 530,378           | -              | -                 | -                             | 530,378           |
| Disposals                                      | -                  | -                 | -              | -                 | -                             | -                 |
| Translation and other adjustment               | (9,005)            | (363,324)         | -              | -                 | (300,000)                     | (672,329)         |
| <b>Balance as at 30 September 2022</b>         | <b>24,092,853</b>  | <b>5,321,436</b>  | <b>-</b>       | <b>-</b>          | <b>-</b>                      | <b>29,414,289</b> |
| <b>Carrying values as at 30 September 2022</b> | <b>-</b>           | <b>910,136</b>    | <b>100,000</b> | <b>12,000,000</b> | <b>-</b>                      | <b>13,010,136</b> |

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**7. PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment comprise of the following:

| Particulars                                | Computer and data equipment | Office Equipment | Furniture and fixtures | Air conditioner and generator | Vehicle        | Leasehold improvements | Plant and machinery | Capital work in progress | Total             |
|--|-----------------------------|------------------|------------------------|-------------------------------|----------------|------------------------|---------------------|--------------------------|-------------------|
| <b>Cost</b>                                |                             |                  |                        |                               |                |                        |                     |                          |                   |
| <b>Balance as at 1 April 2021</b>          | 12,105,915                  | 1,148,075        | 1,414,469              | 950,473                       | 404,305        | 4,826,064              | 2,416,267           | 214,307                  | 23,479,875        |
| Additions                                  | 3,266,111                   | 157,151          | 278,515                | 1,247,713                     | -              | 2,268,521              | 114,887             | -                        | 7,332,898         |
| Disposals (Net)/transfer                   | (97,133)                    | (472)            | -                      | -                             | (5,961)        | -                      | (41,489)            | (214,307)                | (359,362)         |
| Translation adjustment                     | (381,044)                   | (32,341)         | (39,396)               | (29,198)                      | (12,239)       | (143,916)              | (66,062)            | -                        | (704,196)         |
| <b>Balance as at 31 March 2022</b>         | <b>14,893,849</b>           | <b>1,272,413</b> | <b>1,653,588</b>       | <b>2,168,988</b>              | <b>386,105</b> | <b>6,950,669</b>       | <b>2,423,603</b>    | <b>-</b>                 | <b>29,749,215</b> |
| <b>Accumulated depreciation</b>            |                             |                  |                        |                               |                |                        |                     |                          |                   |
| <b>Balance as at 1 April 2021</b>          | <b>8,588,637</b>            | <b>879,485</b>   | <b>1,139,616</b>       | <b>469,188</b>                | <b>94,194</b>  | <b>3,646,017</b>       | <b>2,054,297</b>    | <b>-</b>                 | <b>16,871,434</b> |
| Depreciation for the period                | 2,373,226                   | 100,811          | 84,675                 | 150,839                       | 36,025         | 561,923                | 120,456             | -                        | 3,427,955         |
| Disposals (Net)                            | (95,470)                    | (472)            | -                      | -                             | (5,460)        | -                      | (33,030)            | -                        | (134,432)         |
| Translation adjustment                     | (288,020)                   | (25,331)         | (32,271)               | (16,417)                      | (3,381)        | (116,878)              | (57,259)            | -                        | (539,557)         |
| <b>Balance as at 31 March 2022</b>         | <b>10,578,373</b>           | <b>954,493</b>   | <b>1,192,020</b>       | <b>603,610</b>                | <b>121,378</b> | <b>4,091,062</b>       | <b>2,084,464</b>    | <b>-</b>                 | <b>19,625,400</b> |
| <b>Carrying values as at 31 March 2022</b> | <b>4,315,476</b>            | <b>317,920</b>   | <b>461,568</b>         | <b>1,565,378</b>              | <b>264,727</b> | <b>2,859,607</b>       | <b>339,139</b>      | <b>-</b>                 | <b>10,123,815</b> |

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| Particulars                                    | Computer and data equipment | Office Equipment | Furniture and fixtures | Air conditioner and generator | Vehicle        | Leasehold improvements | Plant and machinery | Capital work in progress | Total             |
|--|-----------------------------|------------------|------------------------|-------------------------------|----------------|------------------------|---------------------|--------------------------|-------------------|
| <b>Cost</b>                                    |                             |                  |                        |                               |                |                        |                     |                          |                   |
| <b>Balance as at 01 April 2022</b>             | 14,893,849                  | 1,272,413        | 1,653,588              | 2,168,988                     | 386,105        | 6,950,669              | 2,423,603           | -                        | 29,749,215        |
| Additions                                      | 4,602,920                   | 77,858           | 280,892                | 678,742                       | 37,504         | 1,436,158              | 60,991              | -                        | 7,175,065         |
| Disposals/transfer (Net)                       | (909,283)                   | -                | -                      | -                             | -              | -                      | (11,576)            | -                        | (920,859)         |
| Translation and other adjustment               | (1,141,139)                 | (87,882)         | (115,042)              | (156,771)                     | (28,875)       | (502,490)              | (157,374)           | -                        | (2,189,572)       |
| <b>Balance as at 30 September 2022</b>         | <b>17,446,347</b>           | <b>1,262,389</b> | <b>1,819,438</b>       | <b>2,690,959</b>              | <b>394,734</b> | <b>7,884,337</b>       | <b>2,315,644</b>    | -                        | <b>33,813,848</b> |
| <b>Accumulated depreciation</b>                |                             |                  |                        |                               |                |                        |                     |                          |                   |
| <b>Balance as at 01 April 2022</b>             | <b>10,578,373</b>           | <b>954,493</b>   | <b>1,192,020</b>       | <b>603,610</b>                | <b>121,378</b> | <b>4,091,062</b>       | <b>2,084,464</b>    | -                        | <b>19,625,400</b> |
| Depreciation for the period                    | 1,301,755                   | 41,847           | 300,223                | 107,430                       | 34,580         | 429,499                | 55,958              | -                        | 2,271,292         |
| Disposals (Net)                                | (908,909)                   | -                | -                      | -                             | -              | -                      | (8,786)             | -                        | (917,695)         |
| Translation and other adjustments              | (759,259)                   | (63,470)         | (88,573)               | (47,401)                      | (10,018)       | (303,660)              | (135,220)           | -                        | (1,407,601)       |
| <b>Balance as at 30 September 2022</b>         | <b>10,211,960</b>           | <b>932,870</b>   | <b>1,403,670</b>       | <b>663,639</b>                | <b>145,940</b> | <b>4,216,901</b>       | <b>1,996,416</b>    | -                        | <b>19,571,396</b> |
| <b>Carrying values as at 30 September 2022</b> | <b>7,234,387</b>            | <b>329,519</b>   | <b>415,768</b>         | <b>2,027,320</b>              | <b>248,794</b> | <b>3,667,436</b>       | <b>319,228</b>      | -                        | <b>14,242,452</b> |

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**8. SHORT TERM FINANCIAL ASSETS**

| <b>Particulars</b>  | <b>30 September 2022</b> | <b>31 March 2022</b> |
|---|--------------------------|----------------------|
| Security deposits   | 14,713                   | 265,921              |
| Restricted cash   | 6,523,099                | 7,645,707            |
| Short term investments (fixed deposits with maturity less than 12 months) | 14,048,810               | 12,327,421           |
| Derivative financial instruments  | -                        | 206,382              |
| Due from officers and employees   | 71,315                   | 93,738               |
| Others  | 60,506                   | 70,211               |
|   | <b>20,718,443</b>        | <b>20,609,380</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 2022 is as follows:

**Basic earnings per share**

| <b>Particulars</b>                          | <b>30 September 2022</b> | <b>30 September 2021</b> |
|---|--------------------------|--------------------------|
| Profit attributable to shareholders         | 41,152,023               | 34,322,822               |
| Weighted average numbers shares outstanding | 190,130,008              | 190,130,008              |
| Basic earnings per share (US\$)             | 0.22                     | 0.18                     |

**Diluted earnings per share**

| <b>Particulars</b>                          | <b>30 September 2022</b> | <b>30 September 2021</b> |
|---|--------------------------|--------------------------|
| Profit attributable to shareholders         | 41,152,023               | 34,322,822               |
| Weighted average numbers shares outstanding | 190,130,008              | 190,130,008              |
| Diluted earnings per share (US\$)           | 0.22                     | 0.18                     |

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**iEnergizer Limited and its subsidiaries**  
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**10. LEASES**

(a) Lease liabilities are presented in the statement of financial position as follows:

| <b>Particulars</b> | <b>30 September 2022</b> | <b>31 March 2022</b> |
|--------------------|--------------------------|----------------------|
| Current            | 4,232,887                | 3,026,616            |
| Non-current        | 15,611,470               | 13,697,079           |
|                    | <b>19,844,357</b>        | <b>16,723,695</b>    |

(b) The following are amounts recognised in consolidated income statement:

| <b>Particulars</b>                    | <b>30 September 2022</b> | <b>31 March 2022</b> |
|---------------------------------------|--------------------------|----------------------|
| Depreciation expenses of right-of-use | 2,247,203                | 2,671,352            |
| Interest expense on lease liability   | 856,131                  | 273,405              |
| Rent expenses*                        | 2,308                    | 11,202               |
| Common area maintenance expenses      | 63,479                   | 114,162              |
| <b>Total</b>                          | <b>3,169,121</b>         | <b>3,070,121</b>     |

\*Rent expense in respect of Short Term Lease

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**iEnergizer Limited and its subsidiaries**  
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**(c) Right to use of assets as at 31 March 2022:**

| <b>Particulars</b>                                  | <b>Computers</b> | <b>Buildings</b>  | <b>Total</b>      |
|---|------------------|-------------------|-------------------|
| <b>Gross block</b>                                  |                  |                   |                   |
| <b>Balance as at 1 April 2021</b>                   | -                | <b>7,517,462</b>  | <b>7,517,462</b>  |
| Additions during the year                           | 2,903,363        | 11,646,594        | 14,549,957        |
| Disposal  | -                | (326,888)         | (326,888)         |
| Translation adjustment                              | -                | (377,245)         | (377,245)         |
| <b>Gross block as at 31 March 2022</b>              | <b>2,903,363</b> | <b>18,459,923</b> | <b>21,363,286</b> |
| <b>Accumulated depreciation</b>                     |                  |                   |                   |
| <b>Balance as at 1 April 2021</b>                   | -                | <b>2,797,791</b>  | <b>2,797,791</b>  |
| Depreciation for the period                         | 241,239          | 2,430,113         | 2,671,352         |
| Disposal  | -                | (149,824)         | (149,824)         |
| Translation adjustment                              | (3,539)          | (92,864)          | (96,403)          |
| <b>Accumulated depreciation as at 31 March 2022</b> | <b>237,700</b>   | <b>4,985,216</b>  | <b>5,222,916</b>  |
| <b>Net block as at 31 March 2022</b>                | <b>2,665,663</b> | <b>13,474,707</b> | <b>16,140,370</b> |

**Right-of-use of assets as at 30 September 2022:**

| <b>Particulars</b>                                      | <b>Computers</b> | <b>Buildings</b>  | <b>Total</b>      |
|---|------------------|-------------------|-------------------|
| <b>Gross block</b>                                      |                  |                   |                   |
| <b>Balance as at 1 April 2022</b>                       | <b>2,903,363</b> | <b>18,459,923</b> | <b>21,363,286</b> |
| Additions during the year                               | 2,008,029        | 4,346,654         | 6,354,683         |
| Disposal  | -                | -                 | -                 |
| Translation adjustment                                  | -                | (1,609,218)       | (1,609,218)       |
| <b>Gross block as at 30 September 2022</b>              | <b>4,911,392</b> | <b>21,197,359</b> | <b>26,108,751</b> |
| <b>Accumulated depreciation</b>                         |                  |                   |                   |
| <b>Balance as at 1 April 2022</b>                       | <b>237,700</b>   | <b>4,985,216</b>  | <b>5,222,916</b>  |
| Depreciation for the period                             | 350,647          | 1,896,557         | 2,247,203         |
| Disposal  | -                | -                 | -                 |
| Translation adjustment                                  | -                | (375,035)         | (375,035)         |
| <b>Accumulated depreciation as at 30 September 2022</b> | <b>588,347</b>   | <b>6,506,738</b>  | <b>7,095,084</b>  |
| <b>Net block as at 30 September 2022</b>                | <b>4,323,045</b> | <b>14,690,621</b> | <b>19,013,667</b> |

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(d) The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised in the consolidated statement of financial position:

| 31 March 2022      |                                      |                                    |   |   |   |   |
|--------------------|--------------------------------------|------------------------------------|---|---|---|---|
| Right-of-use asset | Number of right-of-use assets leased | Range of remaining term (in years) | Average remaining lease term (in years) | Number of leases with extension options | Number of leases with options to purchase | Number of leases with termination options |
| Buildings          | 17                                   | 0.25 to 8.09 years                 | 2.68 years                              | 10                                      | -   | 14  |
| Computers          | 3580                                 | 4.42 to 4.92 years                 | 4.64 years                              | -                                       | 6   | -   |

| 30 September 2022  |                                      |                                    |   |   |   |   |
|--------------------|--------------------------------------|------------------------------------|---|---|---|---|
| Right-of-use asset | Number of right-of-use assets leased | Range of remaining term (in years) | Average remaining lease term (in years) | Number of leases with extension options | Number of leases with options to purchase | Number of leases with termination options |
| Buildings          | 21                                   | 0.58 to 7.59 years                 | 2.97 years                              | 12                                      | -   | 18  |
| Computers          | 3806                                 | 3.92 to 4.58 years                 | 4.20 years                              | -                                       | 7   | -   |

(e) Maturity of lease liabilities

The future lease payments at 31 March 2022 were as follows:

| 31 March 2022             | Lease payments due |                  |                  |                  |                  |                  |                   |
|---------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
|                           | Within 1 year      | 1-2 years        | 2-3 years        | 3-4 years        | 4-5 years        | After 5 years    | Total             |
| Lease payments            | 4,426,970          | 3,953,827        | 3,463,111        | 2,649,128        | 2,210,382        | 5,433,631        | 22,137,049        |
| Finance charges           | 1,400,354          | 1,143,997        | 898,013          | 700,905          | 533,179          | 736,906          | 5,413,354         |
| <b>Net present values</b> | <b>3,026,616</b>   | <b>2,809,830</b> | <b>2,565,098</b> | <b>1,948,223</b> | <b>1,677,203</b> | <b>4,696,725</b> | <b>16,723,695</b> |

| 30 September 2022         | Lease payments due |                  |                  |                  |                  |                  |                   |
|---------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
|                           | Within 1 year      | 1-2 years        | 2-3 years        | 3-4 years        | 4-5 years        | After 5 years    | Total             |
| Lease payments            | 5,883,794          | 5,404,334        | 4,208,165        | 3,682,600        | 1,924,738        | 4,208,724        | 25,312,355        |
| Finance charges           | 1,650,907          | 1,278,572        | 921,864          | 693,638          | 434,608          | 488,409          | 5,467,998         |
| <b>Net present values</b> | <b>4,232,887</b>   | <b>4,125,762</b> | <b>3,286,301</b> | <b>2,988,962</b> | <b>1,490,130</b> | <b>3,720,315</b> | <b>19,844,357</b> |

(f) Total cash outflow for leases for the year ended 30 September 2022 was US\$ 4,090,152 (31 March 2022 was US\$ 3,709,859)

**11. 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> )<br>Mr. Chris de Putron ( <i>Director, iEnergizer Limited</i> )<br>Mr. Mark De La Rue ( <i>Director, iEnergizer Limited</i> )<br>Mr. Marc Vassanelli ( <i>Director, iEnergizer Limited</i> )<br>Mr. Ashish Madan ( <i>Director, iEnergizer Limited</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 2022 | 30 September 2021 |
|---|-------------------|-------------------|
| <b>Transactions during the period ended</b> |                   |                   |
| Short term employee benefits                |                   |                   |
| <i>Remuneration paid to directors</i>       |                   |                   |
| Chris de Putron                             | 5,821             | 6,912             |
| Mark De La Rue                              | 5,821             | 6,912             |
| Marc Vassanelli                             | 20,747            | 20,736            |
| Ashish Madan                                | 51,793            | -                 |
| <b>Balances at the end of</b>               |                   |                   |
| Total remuneration payable                  | 13,921            | 189,509           |

## 12. SEGMENT REPORTING

Management currently identifies the Group's two service lines business process outsource 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 Outsource
2. Content delivery

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. Segment information can be analysed as follows for the reporting periods under review:

|   | 30 September 2022             |                    |                    |
|---|-------------------------------|--------------------|--------------------|
|   | Business Process<br>Outsource | Content delivery   | Total              |
| Revenue from external customers   | 108,985,103                   | 40,196,593         | 149,181,696        |
| Other income (including realised foreign exchange gain)                                     | 839,794                       | 1,123,552          | 1,963,346          |
| <b>Segment revenue</b>  | <b>109,824,897</b>            | <b>41,320,145</b>  | <b>151,145,042</b> |
| Cost of outsourced Services   | 7,799,083                     | 6,244,373          | 14,043,456         |
| Employee benefit expense  | 49,402,300                    | 21,626,002         | 71,028,302         |
| Other expenses  | 9,760,539                     | 1,944,670          | 11,705,209         |
| <b>Earning before interest, tax, depreciation and amortisation</b>                          | <b>42,862,975</b>             | <b>11,505,100</b>  | <b>54,368,075</b>  |
| <b>Rent adjustment as per IFRS 16</b>   | <b>2,102,860</b>              | <b>676,214</b>     | <b>2,779,074</b>   |
| <b>Earning before interest, tax, depreciation and amortisation (before rent adjustment)</b> | <b>40,760,115</b>             | <b>10,828,886</b>  | <b>51,589,001</b>  |
| Unrealized Foreign Exchange gain/(loss)   | (1,218,165)                   | 698,375            | (519,790)          |
| Depreciation and amortisation   | (3,675,976)                   | (1,372,897)        | (5,048,873)        |
| Rent adjustment as per IFRS 16  | 2,102,860                     | 676,214            | 2,779,074          |
| <b>Segment operating profit</b>   | <b>37,968,834</b>             | <b>10,830,578</b>  | <b>48,799,412</b>  |
| <b>Other Income/expense :</b>   |                               |                    |                    |
| Finance income  | 261,591                       | 237,283            | 498,874            |
| Finance costs   | (3,315,468)                   | (1,700,132)        | (5,015,600)        |
| <b>Profit before tax</b>  | <b>34,914,957</b>             | <b>9,367,729</b>   | <b>44,282,685</b>  |
| Income tax expense  | (1,428,328)                   | (1,702,335)        | (3,130,663)        |
| <b>Profit after tax</b>   | <b>33,486,629</b>             | <b>7,665,394</b>   | <b>41,152,022</b>  |
| <b>Segment assets</b>   | <b>107,291,679</b>            | <b>166,237,336</b> | <b>273,529,014</b> |
| <b>Segment liabilities</b>  | <b>187,421,058</b>            | <b>24,867,610</b>  | <b>212,288,668</b> |
| <b>Capital expenditure</b>  | <b>11,774,814</b>             | <b>2,274,578</b>   | <b>14,049,392*</b> |

\*Includes “Right of Use” Assets added and recorded worth \$6,354,683.

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|   | Business Process<br>Outsource | Content delivery   | Total              |
|---|-------------------------------|--------------------|--------------------|
| Revenue from external customers   | 83,455,893                    | 37,829,069         | 121,284,962        |
| Other income (including realised foreign exchange gain)                                     | 429,851                       | 184,825            | 614,676            |
| <b>Segment revenue</b>  | <b>83,885,744</b>             | <b>38,013,894</b>  | <b>121,899,638</b> |
| Cost of outsourced Services   | 15,079,693                    | 4,751,429          | 19,831,122         |
| Employee benefit expense  | 27,730,594                    | 20,463,418         | 48,194,012         |
| Other expenses  | 7,382,280                     | 2,100,038          | 9,482,318          |
| <b>Earning before interest, tax, depreciation and amortisation</b>                          | <b>33,693,177</b>             | <b>10,699,009</b>  | <b>44,392,186</b>  |
| <b>Rent adjustment as per IFRS 16</b>   | <b>740,113</b>                | <b>623,451</b>     | <b>1,363,564</b>   |
| <b>Earning before interest, tax, depreciation and amortisation (before rent adjustment)</b> | <b>32,953,064</b>             | <b>10,075,558</b>  | <b>43,028,622</b>  |
| Unrealized Foreign Exchange gain/(loss)   | 183,355                       | 473,427            | 656,782            |
| Depreciation and amortisation   | (1,758,797)                   | (1,252,430)        | (3,011,227)        |
| Rent adjustment as per IFRS 16  | 740,113                       | 623,451            | 1,363,564          |
| <b>Segment operating profit</b>   | <b>32,117,735</b>             | <b>9,920,006</b>   | <b>42,037,741</b>  |
| <b>Other Income/expense :</b>   |                               |                    |                    |
| Finance income  | 291,848                       | 161,854            | 453,702            |
| Finance costs   | (2,707,467)                   | (1,848,348)        | (4,555,815)        |
| <b>Profit before tax</b>  | <b>29,702,116</b>             | <b>8,233,512</b>   | <b>37,935,628</b>  |
| Income tax expense  | (2,042,704)                   | (1,570,102)        | (3,612,806)        |
| <b>Profit after tax</b>   | <b>27,659,412</b>             | <b>6,663,410</b>   | <b>34,322,822</b>  |
| <b>Segment assets</b>   | <b>86,219,900</b>             | <b>168,836,340</b> | <b>255,056,240</b> |
| <b>Segment liabilities</b>  | <b>180,567,985</b>            | <b>33,758,495</b>  | <b>214,326,480</b> |
| <b>Capital expenditure</b>  | <b>9,218,733</b>              | <b>1,329,033</b>   | <b>10,547,766*</b> |

\*Includes "Right of Use" Assets added and recorded worth \$8,971,723.

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

| 30 September 2022 |                            |            |
|-------------------|----------------------------|------------|
| Revenue from      | Segment                    | Amount     |
| Customer 1        | Business Process Outsource | 32,021,458 |

  

| 30 September 2021 |                            |            |
|-------------------|----------------------------|------------|
| Revenue from      | Segment                    | Amount     |
| Customer 1        | Business Process Outsource | 23,630,750 |

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**13. 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 2022</b> | <b>31 March 2022</b> |
|--|--------------------------|----------------------|
| <b>Non-current assets</b>                                |                          |                      |
| <i>Financial assets measured at amortized cost</i>       |                          |                      |
| Security deposits  | 1,282,091                | 895,722              |
| Restricted cash  | 1,921,417                | 2,007,253            |
| Fixed deposits with banks                                | 2,720,780                | 2,068,061            |
| <b>Current assets</b>                                    |                          |                      |
| <i>Financial assets measured at amortized cost</i>       |                          |                      |
| Trade and other receivables                              | 38,915,134               | 40,835,944           |
| Cash and cash equivalents                                | 46,760,342               | 56,326,421           |
| Restricted cash  | 6,523,099                | 7,645,707            |
| Security deposits  | 14,713                   | 265,921              |
| Fixed deposits with banks                                | 14,048,810               | 12,327,421           |
| Due from officers and employees                          | 71,315                   | 93,738               |
| Interest accrued on fixed deposit                        | 60,506                   | 70,211               |
| <i>Fair value through profit and loss:</i>               |                          |                      |
| Derivative financial instruments                         | -                        | 206,382              |
|  | <b>112,318,207</b>       | <b>122,742,781</b>   |
| <b>Financial liabilities</b>                             | <b>30 September 2022</b> | <b>31 March 2022</b> |
| <b>Non-current liabilities</b>                           |                          |                      |
| <i>Financial liabilities measured at amortized cost:</i> |                          |                      |
| Borrowings   | 128,404,225              | 129,895,411          |
| Lease liabilities  | 15,611,470               | 13,697,079           |
| <b>Current liabilities</b>                               |                          |                      |
| <i>Financial liabilities measured at amortized cost:</i> |                          |                      |
| Trade and other payables                                 | 14,263,992               | 17,841,935           |
| Borrowings   | 10,013,434               | 9,763,047            |
| Lease liabilities  | 4,232,887                | 3,026,616            |
|  | <b>172,526,008</b>       | <b>174,224,088</b>   |

These non-current financial assets and liabilities, current financial assets and liabilities have been recorded at their respective carrying amounts as the management considers the fair values to be not materially different from their carrying amounts recognised in the statement of financial positions as these are expected to realise within one year from the reporting dates. Derivative financial instruments, recorded at fair value through profit and loss, are recorded at their respective fair values on the reporting dates.

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**14. FAIR VALUE HIERARCHY**

**Level 1** – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 and 3 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| 30 September 2022                       | Total             | Fair value measurements at reporting date using Level 2 |
|---|-------------------|---|
| <b>Liabilities</b>                      | (Notional amount) |   |
| <i>Derivative instruments</i>           |                   |   |
| Forward contracts (currency – US\$/INR) | 47,500,000        | (1,882,900)   |
|   |                   |   |
| 31 March 2022                           | Total             | Fair value measurements at reporting date using Level 2 |
| <b>Liabilities</b>                      | (Notional amount) |   |
| <i>Derivative instruments</i>           |                   |   |
| Forward contracts (currency – US\$/INR) | 61,700,000        | 183,383   |

**15. COMMITMENT AND CONTINGENCIES**

As at 30 September 2022 and 31 March 2022, the Group had a capital commitment of US\$ 1,889,372 and US\$ 582,089 respectively for acquisition of property, plant and equipment.

The contingent liability in respect of claims filed by erstwhile employees against the group companies amounts to US\$ 119,613 and US\$ 116,725 as on 30 September 2022 and 31 March 2022 respectively and in respect of interest on VAT amounts to US\$ 8,586 as on 30 September 2022 (US\$ 9,251 as on 31 March 2022).

Guarantees: As at 30 September 2022 and 31 March 2022, guarantees provided by banks on behalf of the group companies to the revenue authorities and certain other agencies, amount to approximately US\$ 22,450 and US\$ 36,280 respectively.

**16. 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

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were the same as those that applied to the consolidated financial statements as at and for the years ended 31 March 2022 and 2021.

**17. 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 2022 and 2021.