

**Anzospa Investments (Pty) Ltd and its subsidiaries
(Registration number 2011/006085/07)**

**Consolidated and Separate Financial Statements for the
year ended 31 March 2022**

**Audited financial statements
in compliance with Companies Act of South Africa**

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Investments in company engaged in software development and related maintenance services
Directors	Prateek Aggarwal (Indian citizen) Raghu Raman Lakshmanan (United States citizen) Sundaram Sridharan (Singapore citizen) Goutam ROUNGTA (Indian citizen)
Registered office	GMI House Harlequins Office Park 164 Totius Street Groenkloof Pretoria 0027
Business address	A1, The Crescent East, No.3, Eglin Road, Sunninghill, 2157
Postal address	P O BOX 619 PRETORIA 0001
Holding company	Axon Group Limited Incorporated in UK
Bankers	Standard Chartered Bank
Auditors	KPMG Inc. Chartered Accountants (S.A.) Registered Auditors
Company registration number	2011/006085/07
Preparer of financial statements	Vibhor Kapoor Associate Chartered Accountant (India)

General Information (Continued)

Contents	Pages
Directors' Report	3-5
Independent Auditor's Report	6-8
Statement of Comprehensive Income	9
Statement of Financial Position	10-11
Statement of Changes in Equity	12-13
Statement of Cash Flows	14-15
Accounting policies	16-27
Notes to the Consolidated Annual Financial Statements	28-44

Prateek Aggarwal

Prateek Aggarwal
Authorised Director

S. Sridharan

Sundaram Sridharan
Authorised Director

Directors' Responsibilities

The directors are required by the Companies Act of South Africa, 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standards and the requirements of Companies Act. The external auditors are engaged to express an independent opinion on the consolidated annual financial statements.

The consolidated annual financial statements are prepared in accordance with the International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied upon for the preparation of the consolidated annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the year ended on 31 March 2022 and, in light of this review and the current financial position, they are satisfied that the group has or has access to adequate resources to continue in operational existence for the foreseeable future.

The board of directors are responsible for the financial affairs of the group.

The external auditors are responsible for independently auditing and reporting on the consolidated annual financial statements. The consolidated annual financial statements have been examined by the group's external auditors and their report is presented on page 6, 7 and 8.

Approval of Consolidated Annual Financial Statements

The consolidated annual financial statements set out on pages 9 to 44 were approved by the board of directors on 01 August 2022.

Directors' Report of Anzospan Investments Pty Limited and its subsidiaries

1. Incorporation

The company was registered on 15 March 2011 under the name Anzospan Investments Pty Ltd, certificate to commence business was received on the same day.

2. Business and operations

The company invests in entities engaged in software development and related maintenance services.

The company's business office is located at A1, The Crescent East, No.3, Eglin Road, Sunninghill, 2157, Johannesburg, South Africa.

Directors' Report (continued)

3. Review of operations

The operating results and state of affairs of the group are fully set out in the attached consolidated annual financial statements and do not in our opinion require any further comment.

Net profit of the group attributable to shareholder R 56,558,816 (2021 Profit: R 106,653,579)

Net profit of the company was R 78,006,722 (2021 Loss: R (56,343,090))

4. Going Concern

The group earned a profit for the period ended 31 March 2022 of R 56,558,816 as compared to profit in last year ended 31 March 2021 – R 106,653,579 and as at that date its total assets exceeded its total liabilities by R 502,419,269 (2021: R 567,711,194). In addition, current assets exceed current liabilities by R 309,213,090 (2021: R 228,254,737). The company earned a profit for the year ended 31 March 2022 of R 78,006,722 as compared to the loss in last year (2021: R (56,343,090)) and as at that date its total assets exceeded its total liabilities by R 294,579,021 (2021: 277,772,299). In addition, current assets exceed current liabilities by R 3,581,666 (2021: 2,969,566) Based on our current knowledge and available information, we do not expect COVID19 to have an impact on our ability to continue as a going concern in the future. Accordingly, the financial statements have been prepared on a going concern basis.

5. Share capital

South African Laws related to the Broad Based Black Economic Empowerment (“BBBEE”), prescribe companies to take additional actions for upliftment of Black nationals and enhance their economic participation. The laws mandate 51% effective black ownership in South African entities for attaining higher BEE rating. BEE rating is required for companies to attain higher recognition and be eligible to participate in RFPs floated by South Africa based clients who show preference to work with service providers with at least Level 2 BEE rating.

For attaining the shareholding requirement of more than 51% of black ownership in HCL Technologies Pty Limited (operating entity), necessary restructuring took place in previous years wherein Axon Group Limited donated its 30% holding in Anzospan Investment Pty Limited and Anzospan Investment Pty Limited transferred its 48% shares held in HCL Technologies South Africa Pty Limited to Trusts created for the benefit of black people.

Authorised share capital of the Company is 40,000,000 (Forty million) each Class A and Class B ordinary no par value shares. Total issued and fully subscribed capital of the company is Class A 26,215,000 no par value shares issued to Axon Group Limited and Class B 11,235,000 no par value shares issued to HCL Foundation Trust.

6. Directors

Particulars of the present directors are given below in the table.

S.No	Name of Directors	Director Type	Date of Appointment
1	Raghu Raman Lakshmanan	Non-Executive	15-03-2011
2	Sundaram Sridharan	Non-Executive	31-03-2016
3	Prateek Aggarwal	Non-Executive	26-10-2018
4	Goutam ROUNGTA	Non-Executive	24-03-2011

7. Holding company

The Company’s Holding Company is Axon Group Limited, incorporated in the UK. With effect from 31 January, 2020 Axon Group Limited donated 30% of its holding to HCL Foundation Trust.

Directors' Report (continued)

8. Dividends

During the current financial year ended 31 March 2022, the company paid a dividend of ZAR 61,200,000. There was no dividend paid by the company last year ended March 2021

9. Auditors

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditor of the Company is to be proposed at the forthcoming annual general meeting of the Company.

10. Subsequent events

Apart from potential impacts of coronavirus Covid-19 and war between Russian Federation and Ukraine which is given in Note 40 to the financial statements, no fraud or material circumstances has occurred between the accounting date and date of this report which significantly affect the financial position of the company or the results of its operations.

Prateek Aggarwal

Prateek Aggarwal
Authorised Director



Sundaram Sridharan
Authorised Director



KPMG Inc
KPMG Crescent
85 Empire Road, Parktown, 2193,
Private Bag 9, Parkview, 2122, South Africa
Telephone +27 (0)11 647 7111
Fax +27 (0)11 647 8000
DoceX 472 Johannesburg
Web <http://www.kpmg.co.za>

Independent Auditor's Report

To the shareholders of Anzospan Investments Pty Limited

Opinion

We have audited the consolidated and separate financial statements of Anzospan Investments Pty Limited (the Group and Company) set out on pages 9 to 44, which comprise the statement of financial position as at 31 March 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Anzospan Investments Pty Limited as at 31 March 2022, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Anzospan Investments Pty Limited Annual Financial Statements for the year ended 31 March 2022", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

M.A.



Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

M.A.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Inc.
Registered Auditor

A handwritten signature in black ink, appearing to read 'M.A. Sithole', written in a cursive style.

Per MA Sithole
Chartered Accountant (SA)
Registered Auditor
Director
4 August 2022

Anzospan Investments Pty Limited and its subsidiaries

(Registration number 2011/006085/07)

Consolidated Financial Statements for the year ended 31 March 2022

Statements of comprehensive income for the year ended 31 March 2022

	Notes	Group March 22 R	Group March 21 R
Revenue	2	1,622,862,664	1,416,864,810
Cost of sales	3	(1,372,079,472)	(1,137,772,186)
Gross profit		250,783,192	279,092,624
Operating expenses	7	(36,378,349)	-
Other income	4	10,075,550	24,325,272
Selling and distribution expenses	3	(66,712,706)	(73,114,296)
Reversal of provision for bad debts	3	2,936,631	4,956,156
Administrative expenses	3	(66,301,985)	(81,042,418)
Operating profit		94,402,333	154,217,338
Finance cost	5	(712,358)	(430,822)
Profit before taxation		93,689,975	153,786,516
Income tax	6	(37,131,159)	(47,132,938)
Profit after taxation		56,558,816	106,653,579
Other comprehensive income		-	-
Total comprehensive income for the year		56,558,816	106,653,579

	Notes	Company March 2022 R	Company March 2021 R
Dividend income		62,734,000	4,147,293
Operating income/(expenses)	7	15,291,934	(60,469,903)
		78,025,934	(56,322,610)
Other expenses	8	(2,729)	(2,599)
Operating profit/(loss)		78,023,205	(56,325,209)
Finance expenses	9	(16,483)	(17,881)
Profit/(loss) for the year		78,006,722	(56,343,090)
Total comprehensive income for the year		78,006,722	(56,343,090)

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Statement of financial position as at 31 March 2022

	Notes	Group March 22 R	Group March 21 R
Assets			
Non current Assets			
Property , plant and equipment	10	35,630,356	45,288,005
Right-of-use assets	28	553,555	-
Intangible assets	11	23,680,059	47,135,172
Goodwill	12	124,730,903	124,730,903
Deferred contract cost	13	23,902,304	30,841,875
Deferred tax assets (Net)	14	8,168,048	3,021,066
Finance lease receivables	15	60,105,767	91,349,116
Other receivable		18,330,904	1,955,748
		295,101,896	344,321,885
Current Assets			
Cash and cash equivalents	16	270,915,783	299,729,488
Receivable from fellow subsidiaries	17	17,587,363	21,578,585
Inventory	18	10,906,281	2,340,720
Contract assets		19,835,711	4,042,853
Unbilled receivables	19	15,357,417	15,283,734
Trade receivables	20	334,174,409	274,424,395
Other receivables	20	93,071,834	37,208,542
Finance lease receivables	15	37,229,972	33,549,502
Deferred contract cost	13	25,721,974	32,182,418
		824,800,744	720,340,237
Total Assets		1,119,902,640	1,064,662,122
Equity and Liabilities			
Equity			
Share capital	21	61,440,099	61,440,099
Share based payment reserve	22	42,525,000	103,175,741
Retained earnings		398,454,170	403,095,354
		502,419,269	567,711,194
Liabilities			
Non Current Liabilities			
Contract liabilities	23	4,383,073	4,586,951
Share based payment obligation	32	97,029,090	-
Lease liability	28	483,554	278,477
		101,895,717	4,865,428
Current Liabilities			
Short term loans	25	-	10,195,100
Owed to ultimate holding company and fellow subsidiaries	26	204,166,332	279,594,495
Trade and other payables	27	189,452,343	143,716,751
Contract liabilities	23	100,853,653	37,306,353
Lease liability	28	1,358,225	263,162
Current tax payable	29	9,244,679	11,501,155
Provisions	24	10,512,422	9,508,484
		515,587,654	492,085,500
Total Equity and Liabilities		1,119,902,640	1,064,662,122

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Statement of financial position as at 31 March 2022

	Notes	Company March 2022 R	Company March 2021 R
Assets			
Investments	30	374,327,430	392,471,430
Current Assets			
Due from group companies		-	146,135
Cash and cash equivalents		7,037,643	2,929,744
Other receivables		9,843	8,704
Total Assets		381,374,916	395,556,013
Equity and Liabilities			
Equity			
Share capital	21	61,440,099	61,440,099
Retained earnings		233,138,922	216,332,200
		294,579,021	277,772,299
Liabilities			
Non Current Liabilities			
Share based payment obligation	32	83,330,074	117,668,699
		83,330,074	117,668,699
Current Liabilities			
Trade and other payables		3,465,821	115,016
		3,465,821	115,016
Total Equity and Liabilities		381,374,916	395,556,013

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Statement of changes in equity for the year ended 31 March 2022

Group	Share Capital R	Share Based Payment Reserve R	Retained Earnings R	Total R
Mar'2020				
Opening Balance as on 01 April 2020	61,440,099	103,175,741	296,441,776	461,057,616
Total comprehensive income	-	-	106,653,579	106,653,579
Balance at 31 March 2021	61,440,099	103,175,741	403,095,354	567,711,194
Mar'2021				
Opening Balance as on 01 April 2021	61,440,099	103,175,741	403,095,354	567,711,194
Total comprehensive income	-	-	56,558,816	56,558,816
Dividend paid (Note-1)	-	-	(61,200,000)	(61,200,000)
Reclassification to share based payment liability	-	(60,650,741)	-	(60,650,741)
Balance at 31 March 2022	61,440,099	42,525,000	398,454,170	502,419,269

Note-1- During the year Group has paid an interim dividend of ZAR 61,200,000. Amount of dividend paid to Axon Group Limited on 10-12-2021 at the rate of ZAR 2.26 per Class A equity share of face value ZAR 1 each amounts to ZAR 59,364,000 dividend paid to HCL Foundation Trust on 10-12-2021 at the rate of ZAR 0.16 per Class B equity share of face value ZAR 1 each amounts to ZAR 1,836,000.

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Statement of changes in equity for the year ended 31 March 2022

Company	Share Capital R	Retained Earnings R	Total R
Mar'2021			
Opening Balance as on 01 April 2020	61,440,099	272,675,290	334,115,389
Total comprehensive income	-	(56,343,090)	(56,343,090)
Balance at 31 March 2021	61,440,099	216,332,200	277,772,299
Mar'2022			
Opening Balance as on 01 April 2021	61,440,099	216,332,200	277,772,299
Total comprehensive income	-	78,006,722	78,006,722
Dividend paid (Note-1)	-	(61,200,000)	(61,200,000)
Balance at 31 March 2022	61,440,099	233,138,922	294,579,021

Note-1- During the year Company has paid an interim dividend of ZAR 61,200,000. Amount of dividend paid to Axon Group Limited on 10-12-2021 at the rate of ZAR 2.26 per Class A equity share of face value ZAR 1 each amounts to ZAR 59,364,000 dividend paid to HCL Foundation Trust on 10-12-2021 at the rate of ZAR 0.16 per Class B equity share of face value ZAR 1 each amounts to ZAR 1,836,000.

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Statement of cash flows for the year ended 31 March 2022

	Group March 2022 R	Group March 2021 R
Cash flows from operating activities		
Profit before tax	93,689,975	153,786,516
Adjusted for :		
Depreciation and amortization	39,349,068	42,683,799
Depreciation for right of use asset	522,066	722,779
Interest income	(11,047,225)	(7,362,111)
Reversal of provision for bad debts	(2,936,631)	(4,956,156)
Loss on sale of fixed assets	-	4,845
Interest expenses	58,106	275,428
Cash inflows before working capital changes	119,635,359	185,155,100
Movement in working capital changes		
(Increase)/Decrease in trade and other receivables	(149,492,712)	4,140,122
Decrease/(Increase) in Deferred cost-current and non current	13,400,015	(37,010,766)
Decrease/(Increase) in Finance lease receivables-current and non current	27,562,879	(71,998,056)
Increase in share based payment obligation	36,378,349	-
(Decrease)/Increase in current liabilities	(26,274,299)	126,257,691
Increase in deferred revenue	63,343,422	16,094,173
Cash flow from operations	84,553,013	222,638,264
Income tax paid	(44,534,614)	(33,875,765)
Net cash inflow from operating activities	40,018,399	188,762,499
Cash flows from investing activities		
Sale of fixed assets	3,224,463	-
Purchase of fixed assets	(10,099,104)	(6,066,041)
Sale of intangible assets	638,334	-
Purchase of intangible assets	-	(1,446,144)
Interest income	11,047,225	7,362,111
Net cash inflow / (used) in investing activities	4,810,918	(150,074)
Cash flows from financing activities		
Payment of lease liabilities	(2,082,594)	(746,730)
Loan repayment	(10,195,100)	(843,150)
Dividend paid	(61,200,000)	-
Interest paid	(165,328)	(200,347)
Net cash used in financing activities	(73,643,022)	(1,790,227)
Net (Decrease)/Increase in cash and cash equivalents	(28,813,705)	186,822,198
Cash and cash equivalents at the beginning of the year	299,729,488	112,907,289
Cash and cash equivalents at the end of the year	270,915,783	299,729,488

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Statement of cash flows for the year ended 31 March 2022

	Company March 2022	Company March 2021
	R	R
Cash flows from operating activities		
Profit/(loss) after tax	78,006,722	(56,343,090)
Increase/(Decrease) in trade payables	3,350,807	(114,306)
Decrease in owed to ultimate holding company and fellow subsidiaries	-	(189,972)
(Decrease)/Increase in share based payment obligation	(34,338,625)	57,017,957
Decrease/(Increase) in trade and other receivables	144,995	(154,739)
Decrease in value of investment	18,144,000	1,881,965
Dividend Income	(62,734,000)	(4,147,293)
Net cash inflow / (used) in operating activities	2,573,899	(2,049,478)
Cash flows from investing activities		
Dividend income	62,734,000	4,147,293
Net cash inflow from investing activities	62,734,000	4,147,293
Cash flows from financing activities		
Dividend paid	(61,200,000)	-
Net cash used in financing activities	(61,200,000)	-
Total cash movement for the year	4,107,899	2,097,815
Cash and cash equivalents at the beginning of the year	2,929,744	831,929
Cash and cash equivalents at the end of the year	7,037,643	2,929,744

M.A.

Accounting policies

1 Summary of significant accounting policies

1.1 Presentation of Consolidated Annual Financial Statements

The consolidated annual financial statements have been prepared in accordance with the International Financial Reporting Standards and the Companies Act, of South Africa. The consolidated annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. The group's financial statements are presented in South African Rand (ZAR), which is also its functional currency.

The financial statements for the year ended 31st March 2022 were approved and authorized for issue by the Board of Directors on 01 August 2022.

1.2 Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the company and all entities which are controlled by the group. Control exists when the company has power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of the subsidiaries are included in the consolidated annual financial statements of subsidiaries from the effective date of acquisition.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Accounting policies of subsidiaries conform to the policies adopted by the group.

Investments in the subsidiaries are accounted for at cost in the company accounts. The carrying amounts of these investments are reviewed annually and written down for impairment where considered necessary.

1.3 Property, plant and equipment

Plant and equipment is initially recorded at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes all costs directly attributable to bringing the assets to working condition for their intended use. Cost also includes borrowing costs and any fair value gains or losses on qualifying cash flow hedges of plant and equipment that are transferred from the hedging reserves.

Subsequent expenditure relating to property, plant and equipment that has already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All repair and maintenance expenses are recognized in profit or loss when incurred.

Depreciation is recorded by a charge to statement of comprehensive income computed on a straight-line basis so as to write off the cost of the assets over their expected useful lives for the current and prior year.

The residual values, estimated useful lives and depreciation methods of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognized in the profit or loss when the changes arise.

The following are the finite lives of the tangible assets in the group:

Plant and machinery	10 years
Office equipment	5 years
Computer equipment	3 years
Furniture and fittings	7 years
Computer Software	3 years

M.A.

Accounting policies (Continued)

1.3 Property, plant and equipment(continued)

An item of equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gains or losses on derecognition of the asset is included in the Statement of Comprehensive Income in the year in which the item is disposed. Where the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is written down to its recoverable amount through the statement of comprehensive income.

Fixed Assets under construction and cost of assets not ready for use before the year end, are disclosed as capital work-in-progress.

1.4 Tax

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Tax

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax. The principle temporary differences arise from depreciation on plant and equipment, provisions and tax losses carried forward. Deferred tax assets are recognised to the extent that it probable that future taxable profit will be available against which to utilise the deferred tax asset.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

1.5 Leases

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

Group is lessee in case of office space. These leases are evaluated to determine whether it contains lease based on principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors as defined in IFRS 16.

All leases with a term of more than 12 months are recognized as right-of-use assets along with associated lease liabilities, in the balance sheet.

Right-of-use asset represents the Group's right to control the underlying assets under lease and the lease liability is the obligation to make the lease payments related to the underlying asset under lease. Right-of-use asset is measured initially based on the lease liability adjusted for any initial direct costs, prepaid rent, and lease incentives. Right-of-use asset is depreciated based on straight line method over the lease term or useful life of right-of-use asset, whichever is less. Subsequently, right-of-use asset is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability.

M.A.

Accounting policies (Continued)

1.5 Leases (Continued)

Group as lessee (continued)

The lease liability is measured at the lease commencement date and determined using the present value of the minimum lease payments not yet paid and the Groups' incremental borrowing rate, which approximates the rate at which the Group would borrow, in the country where the lease was executed. The Group has used a single discount rate for a portfolio of leases with reasonably similar characteristics. The lease payment comprises fixed payment less any lease incentives, variable lease payment that depends on an index or a rate, exercise price of a purchase option if the Group is reasonably certain to exercise the option and payment of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease. Lease liability is subsequently measured by increase the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

The Group has elected to not recognize leases with a lease term of 12 months or less in the balance sheet, including those acquired in a business combination, and lease costs for those short-term leases are recognized on a straight line basis over the lease term in the statement of comprehensive income. For all asset classes, the Company has elected the lessee practical expedient to combine lease and non-lease components and account for the combined unit as a single lease component in case there is no separate payment defined under the contract.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the year in which they are earned or contingency is resolved.

Leases in which the group transfers substantially all the risk and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the present value of lease receivable. After initial recognition, the group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance leases. The interest income is recognized in the consolidated statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the statement of profit and loss.

When arrangements include multiple performance obligations, the group allocates the consideration in the contract between the lease components and the non-lease components on a relative standalone selling price basis.

1.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Comprehensive Income in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income in the expense category consistent with the function of the intangible assets.

M.A.

Accounting policies (Continued)

1.6 Intangible assets (continued)

The following are the finite lives of the intangible assets in the group for the current and prior year.

Category	Finite lives
Customer Relationship	10 years
Software Application	3 years

1.7 Business combinations and goodwill

Business combinations are accounted using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

1.8 Financial instruments

Financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash in banks and short-term deposits and investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents are considered net of outstanding bank overdrafts that are repayable on demand and are considered part of the Group's cash management system. In the consolidated balance sheet, bank overdrafts are presented under borrowings within current liabilities.

M.A.

Accounting policies (continued)

1.8 Financial instruments (continued)

Financial assets at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled receivables, trade and other receivables.

Financial assets at Fair Value through Other Comprehensive Income (OCI)

A financial asset is classified and measured at fair value through OCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest

Financial asset included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. Interest income is recognized in statement of profit and loss for debt instruments. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

Financial assets at Fair Value through Profit and Loss

Any financial asset, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial assets included at the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity instruments are initially measured at fair value and are subsequently re-measured with all changes recognized in the statement of profit and loss. In limited circumstances, investments, for which sufficient, more recent information to measure fair value is not available cost represents the best estimate of fair value within that range.

Derecognition of financial assets

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the entity has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The entity recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in statement of profit and loss.

M.A.

Accounting policies (continued)

1.8 Financial instruments (continued)

Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition. Changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities at amortized cost

The Group's financial liabilities at amortized cost includes trade payables, borrowings including bank overdrafts and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method except for deferred consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

1.9 Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The estimated liability is recognised on all products still under warranty at the balance sheet date. This provision is calculated based on service histories. Employee entitlements to annual leave are recognised when leave accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

M.A.

Accounting policies (continued)

1.10 Foreign currencies

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income. Such balances are translated at year end exchange rates unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used.

1.11 Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when the control of goods or services is transferred to the customers, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to be that which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

Revenue from the sale of goods is recognised on the transfer of the significant risks and rewards of ownership, which generally, coincides with the time of delivery of goods.

Revenue from sale of services is recognised when it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of returns and discounts.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

M.A.

Accounting policies (continued)

1.11 Revenue recognition (continued)

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

1.12 Retirement benefits

The group's contribution to the defined contribution plan is charged to the Statement of Comprehensive Income in the year to which it relates.

1.13 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or the other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

1.14 Fair value measurement

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

M.A.

Accounting policies (continued)

1.15 Impairment

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators. Impairment losses of continuing operations are recognised in the Statement of comprehensive income in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to equity. In this case the impairment is also recognised in equity up to the amount of any previous revaluation. There is an assessment at each reporting date to determine whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations are recognised in the Statement of Comprehensive Income in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to equity. In this case the impairment is also recognised in equity up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, an estimate of recoverable amount is made. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of comprehensive income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment losses recognised in relation to goodwill are not reversed for subsequent increases in its recoverable amount.

The following criteria are also applied in assessing impairment of assets:

Goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

M.A.

Accounting policies (continued)

1.15 Impairment (continued)

Intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level, as appropriate and when circumstances indicate that the carrying value may be impaired.

1.16 Inventories

Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of stock in trade procured for specific projects is assigned by identification of individual costs of each item. Cost of stock in trade, that are interchangeable and not specific to any project and cost of stores and spare parts are determined using the weighted average cost formula.

1.17 Value Added Tax

Expenses and assets are recognised net of the amount of Value Added Tax, except:

- i) When the Value Added Tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the Value Added Tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of Value Added Tax included.

The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

1.18 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts, where applicable. For cash subjected to restriction, where applicable, assessments are made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

1.19 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.20 Equity settled share based payment

Share based payment arrangements

The grant date fair value of equity-settled share-based payment arrangements granted is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is not true-up for differences between expected and actual outcomes.

1.21 Cash settled share based payment

During the previous year ended March 31, 2020, for meeting the requirements of Broad-Based Black Economic Empowerment Act of South Africa and attaining the requisite shareholding requirement of 51.8% black ownership in HCL Technologies Pty Limited (operating entity), necessary restructuring took place, wherein Axon Group Limited (part of HCL group) donated its 30% holding in Anzospan Investment Pty Limited to HCL Foundation Trust and Anzospan Investment Pty Limited sold its 24% shares held in HCL Technologies South Africa Pty Limited each to HCL BEE Trust and HCL Ownership Trust respectively, created for the benefit of black people.

M.A.

Accounting policies (continued)

1.21 Cash settled share based payment (continued)

These are recognised as a liability in the statement of financial position. The liability is remeasured at each reporting date and at settlement date based on the fair valuation of the underlying entity. Any changes in the liability is recognised in the profit or loss.

1.22 Significant accounting judgements and estimates Judgements

In the process of applying the accounting policies, management has made no judgements, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are discussed below.

Depreciation rates

Property, plant and equipment are depreciated on a straight line basis over the expected useful lives of the various classes of assets, after taking into account residual values.

Trade accounts receivable

The impairment provisions for trade receivables and other receivables are based on assumptions about expected credit losses. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on the number of days that an individual receivable is outstanding as well as the Company's historical experience and forward-looking information at the end of each reporting period. Changes in these assumptions and estimates could materially affect the results of the assessment and it may be necessary to make an additional impairment charge to profit or loss.

Recovery of deferred tax assets

Deferred tax assets are recognized for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilize those temporary differences. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits over the next two years together with future tax planning strategies.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value of the cash-generating unit to which goodwill has been allocated. The value in use is determined via a discounted cash flow which requires the directors to forecast cash flows, growth into perpetuity and a weighted average cost of capital.

1.23 Cost of Sales

Cost of sales includes all costs of purchase and other costs incurred in bringing inventories to their present location and condition. Inventory write-downs are included in cost of sales when recognised. Trade discounts, settlement discounts and other similar items are deducted in determining the costs of purchase. Cost of sales is recognised as an expense when the risks and rewards of ownership related to the sale of merchandise pass to the customer.

1.24 Deferred contract costs

Contract costs incurred during the Knowledge Transfer face of the project are deferred and capitalised as assets, since these costs are incurred for gaining know how which is going to help us run the project during steady state phase. These costs are recognised as assets only when group has a reasonable certainty of these costs being recovered during the period of the contract.

M.A.

Accounting policies (continued)

1.25 New Standards and Interpretations

A number of new standards, amendments to standards, interpretations and amendments are effective for annual periods beginning on or after 31 March 2022 and have not been applied in preparing these financial statements. Those which may be relevant to the Group are set out below. The Group do not plan to early adopt these standards. These will be adopted in the period that they become mandatory unless otherwise indicated.

The group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

Standard/Interpretation		Date issued by IASB	Effective date Periods beginning on or after
IAS 37 amendment	<i>Onerous Contracts: Cost of Fulfilling a Contract</i>	May-20	1-Jan-22
IFRS 1, IFRS 9, IFRS 16 and IAS 41 amendments	<i>Annual Improvements to IFRS Standards (2018 – 2020)</i>	May-20	1-Jan-22
IAS 16 amendment	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>	May-20	1-Jan-22
IFRS 3 amendment	<i>Reference to the Conceptual Framework</i>	May-20	1-Jan-22
IAS 1 amendment	<i>Classification of liabilities as current or non-current</i>	Jan-20	1-Jan-23
IAS 8 amendment	<i>Definition of Accounting Estimates</i>	Feb-21	1-Jan-23
IAS 1 and IFRS Practice Statement 2 amendment	<i>Disclosure Initiative: Accounting Policies</i>	Feb-21	1-Jan-23
IAS 12 amendment	<i>Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction</i>	May-21	1-Jan-23
IFRS 10 and IAS 28 amendment	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Sep-14	Deferred indefinitely by amendments made in December 2015
IFRS 16 amendment	COVID-19 Related Rent Concessions beyond 30 June 2021	Mar-21	1-Apr-21
IFRS 17	Insurance Contracts	May-17	1-Jan-23
IFRS 17 amendments	Insurance Contracts	Jun-20	1-Jan-23
IAS 1 amendment	Classification of liabilities as current or non-current	Jan-20	1 January 2023 (tentatively deferred to 1 January 2024 or later)

M.A.

Anzospans Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements

	Group March 2022	Group March 2021
	R	R
2 Revenue from contract with customers		
Total revenue comprise:		
Service income	1,576,880,726	1,290,001,124
Sale of goods*	39,134,738	30,122,664
Sale under capital lease	6,847,200	95,303,390
Sale income on leased assets	-	1,437,632
	1,622,862,664	1,416,864,810
*Sale of goods comprises of sale of IT hardware items to customers		
Timing of revenue recognition		
Goods transferred at a point in time	45,981,938	126,863,686
Services transferred over time	1,576,880,726	1,290,001,124
Total revenue from contract with customers	1,622,862,664	1,416,864,810
3 The group's profit before tax is arrived at after charging:		
Depreciation on plant and equipment	16,532,289	19,932,689
Depreciation on right-of-use assets	522,066	722,779
Amortization of intangibles assets	22,816,779	22,751,110
Operating lease expenses	152,257	94,410
Auditor's remuneration	636,839	815,214
Consulting charges	854,973,044	627,228,975
Cost of good sold	37,149,610	91,649,493
Loss on sale of capital assets	-	4,845
Other cost	376,136,289	332,169,577
Employee benefits		
Salaries	190,185,685	180,933,456
Bonus	3,052,673	9,164,726
Pension costs- defined contribution plan	-	1,505,469
	1,502,157,531	1,286,972,743
4 Other income		
Exchange (loss)/gain, net	(1,282,636)	2,983,161
Interest income	11,047,225	7,362,111
Donation	310,961	13,980,000
	10,075,550	24,325,272
5 Finance expense		
Interest paid		
Interest on short term loan	9,105	261,725
Interest expense on lease liability	49,001	13,703
Fair value changes on liabilities carried at fair value through profit and loss	-	26,555
Late payment charges	471,691	-
Bank charges	182,561	128,839
	712,358	430,822
6 Taxation		
Current tax	42,278,142	43,780,576
Deferred tax	(5,146,983)	3,352,362
	37,131,159	47,132,938
Accounting profit before income tax	93,689,975	153,786,516
Statutory income tax	49,438,543	43,619,393
Adjustments in respect of current income tax of previous years	(6,172,314)	(125,459)
Adjustments in respect of deferred income tax of previous years	5,865,753	144,343
Non-deductible expenses for tax purposes	(170,823)	570
Others	(11,830,000)	3,494,091
At the effects income tax rate	37,131,159	47,132,938
Income tax expenses reported in the statement of profit or loss	(37,131,159)	(47,132,938)
Movements in current income tax liabilities		
Balance, at beginning of financial year	11,501,155	1,596,346
Income tax paid	(44,679,338)	(33,746,882)
	(33,178,183)	(32,150,536)
Prior year's over provision	(6,172,314)	(125,459)
Current financial year's tax	48,446,280	43,800,652
Foreign withholding tax	(648,574)	-
Currency translation difference	(3,524)	(23,502)
Refund	800,994	-
Balance, at end of financial year	9,244,679	11,501,155

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

	Group March 2022 R	Group March 2021 R
7 Operating Expenses		
Share based payment expense	36,378,349	-
	36,378,349	-
	Company March 2022 R	Company March 2021 R
Professional charges	502,691	428,856
Share based payment expense	(16,194,625)	58,899,923
Other expenses	400,000	1,141,125
	(15,291,934)	60,469,903
8 Other expenses		
Exchange loss, net	(2,729)	(2,598)
	(2,729)	(2,599)
9 Finance costs		
Bank charges	16,483	17,881
	16,483	17,881

10 Property, plant and equipment (Group)

	Computer equipment (R)	Plant & Machinery (R)	Office equipment (R)	Furniture & fittings (R)	Under construction (R)	Total (R)
At March 31, 2020	97,816,313	221,400	1,112,069	2,315,075	65,328,123	166,792,982
Additions	5,896,212	-	100,082	61,310	-	6,057,604
Retirement	(4,751,899)	-	(689,077)	(286,022)	-	(5,726,998)
Amount capitalized to software	-	-	-	-	(65,264,254)	(65,264,254)
At March 31, 2021	98,960,626	221,400	523,074	2,090,363	63,869	101,859,334
Additions	8,735,738	102,614	222,096	-	1,038,656	10,099,104
Retirement	(9,540,278)	-	-	-	-	(9,540,278)
At March 31, 2022	98,156,086	324,014	745,170	2,090,363	1,102,525	102,418,160
Accumulated depreciation						
At March 31, 2020	39,634,148	108,698	767,940	1,850,005	-	42,360,792
Depreciation charge for the year	19,730,191	22,140	80,058	100,301	-	19,932,690
Retirement	(4,747,054)	-	(689,077)	(286,022)	-	(5,722,153)
At March 31, 2021	54,617,285	130,838	158,921	1,664,284	-	56,571,329
Depreciation charge for the year	16,301,381	29,899	117,855	83,154	-	16,532,289
Retirement	(6,315,815)	-	-	-	-	(6,315,815)
At March 31, 2022	64,602,851	160,737	276,776	1,747,438	-	66,787,803
Net book value						
At March 31, 2022	33,553,235	163,277	468,394	342,925	1,102,525	35,630,356
At March 31, 2021	44,343,341	90,562	364,153	426,079	63,869	45,288,005

11 Intangible Assets (Group)

	Customer relationship (R)	Software-Application (R)	Total (R)
At March 31, 2020	20,812,620	3,141,615	23,954,235
Amount capitalized during the year	-	65,264,254	65,264,254
Additions	-	1,446,144	1,446,144
Disposal	-	(590,356)	(590,356)
At March 31, 2021	20,812,620	69,261,657	90,074,277
Additions	-	-	-
Disposal	-	(638,334)	(638,334)
At March 31, 2022	20,812,620	68,623,323	89,435,943
Accumulated Amortisation			
At March 31, 2020	(17,636,738)	(3,141,615)	(20,778,353)
Amortisation charge for the year	(595,488)	(22,155,622)	(22,751,110)
Amortisation reversal on assets	-	590,356	590,356
At March 31, 2021	(18,232,224)	(24,706,881)	(42,939,105)
Amortisation charge for the year	(526,648)	(22,290,131)	(22,816,779)
Amortisation reversal on assets	-	-	-
At March 31, 2022	(18,758,872)	(46,997,012)	(65,755,884)
Net Book Value			
At March 31, 2022	2,053,748	21,626,311	23,680,059
At March 31, 2021	2,580,396	44,554,776	47,135,172

The gross carrying amount of fully depreciated property plant equipment & intangible that is still in use as at 31st March 2022 is ZAR 9,288,583.

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

	Group March 2022	Group March 2021
	R	R
12 Goodwill		
Opening balance	124,730,903	124,730,903
	124,730,903	124,730,903

The table below shows the values and lives of intangible assets recognized on acquisition of select IBM software products for security, marketing, commerce, and digital solutions::

Asset description	Amount (ZAR)	Life (Years)	Basis of amortization
Customer relationships	3,437,235	10	In proportion of estimated revenue
Goodwill - IBM software products	6,016,784	-	-
Goodwill - Axon	118,714,119	-	-

Impairment testing for cash generating units ("CGU") containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated

124,730,903	124,730,903
124,730,903	124,730,903

The recoverable amount of the unit was based on its value in use, determined by discounting the future cash flows that generated from the business acquired. Value in use was computed based on the following key assumptions:

i.) Cash flows were projected based on the financial year ended 31 March 2022 actual operating results and the Company's 5-years business plan, with average net margin applied of 8% (2021: 9%) per annum for the years 2023 to 2027.

ii.) The terminal value was estimated using the perpetuity growth model, with a weighted average growth rate to perpetuity of 2% (2021: 2%).

iii.) A pre-tax discount rate of 17% (2021: 16%) was applied in determining the recoverable amount of the unit. The discount rate was estimated based on an industry average weighted average cost of capital.

With regard to the assessment of value in use of this CGU, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying values of this CGU to differ materially from its recoverable amount except for the changes in the prevailing operating environment, the impact of which is not expected to be significant.

13 Deferred Contract Cost

Non Current

Deferred contract cost-non group

23,902,304	30,841,875
23,902,304	30,841,875

Current

Deferred contract cost-group (refer note 36 (d))

Deferred contract cost-non Group

15,250,453	18,453,641
10,471,521	13,728,777
25,721,974	32,182,418
49,624,278	63,024,293

14 Deferred taxation (net)

Deferred tax liabilities

Deferred tax assets

(12,305,049)	(13,654,687)
20,473,097	16,675,753
8,168,048	3,021,066

	Statement of Financial Position		Statement of Comprehensive Income	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Obsolete Inventory	61,443	56,000	(5,443)	709,398
Contract liability / Deferred contract cost (Net)	15,572,201	11,589,444	(3,982,757)	(4,394,922)
Bonus provision	1,972,497	1,657,268	(315,228)	(523,319)
Other payroll liability	629,570	-	(629,570)	-
Other current assets	919,035	1,625,303	706,268	(812,651)
Leave pay provision	970,981	1,005,107	34,126	(237,451)
Provision for doubtful debts	252,000	742,632	490,632	1,191,451
Other provisions	84,479	-	(84,479)	9,916
Tangible assets	(362,653)	(140,895)	221,758	140,895
Net Prepayment	(3,261,270)	(2,280,456)	980,812	1,537,184
IPR amortization cost	(575,049)	(722,510)	(147,461)	(166,737)
Finance lease	(8,106,078)	(10,510,826)	(2,404,748)	5,898,598
Leases	10,892	-	(10,892)	-
Deferred tax (expense)/benefit	-	-	(5,146,982)	3,352,362
Net deferred tax assets	8,168,048	3,021,066	-	-

M.A.

Anzospa Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

	Group March 2022 R	Group March 2021 R
14 Deferred taxation (continued)		
Reconciliation of deferred tax assets, net		
As of 1 April 2021	3,021,066	6,373,428
Tax income (expense) during the year recognized in profit and loss	5,146,982	(3,352,362)
As at 31 March 2022	8,168,048	3,021,066

15 Financial Lease

The future minimum sub lease payments expected to be received under non cancelable sub lease of equipments and applicable software licences are as follows:-
2022

Year	Minimum Lease Rent Receivable	Present Value of Lease Rent Receivable	Interest Included in Lease Rent Receivable
2022-23	40,234,046	37,229,972	3,004,074
2023-24	31,864,374	30,658,199	1,206,175
2024-25	20,335,872	19,893,761	442,111
2025-26	9,503,808	9,426,004	77,804
2026-27	129,123	127,803	1,320
Total	102,067,223	97,335,739	4,731,484

2021

Year	Minimum Lease Rent Receivable	Present Value of Lease Rent Receivable	Interest Included in Lease Rent Receivable
2021-22	39,599,507	33,549,502	6,050,006
2022-23	37,427,068	33,432,093	3,994,975
2023-24	30,910,558	29,016,349	1,894,210
2024-25	20,309,957	19,561,988	747,969
2025-26	9,440,928	9,338,686	102,242
Total	137,688,018	124,898,618	12,789,402

16 Cash and cash equivalents

Cash at Bank	165,915,783	62,729,488
Term Deposit	105,000,000	237,000,000
	270,915,783	299,729,488

17 Receivable from fellow subsidiaries

Trade Receivable-group (refer note 36 (d))	16,774,374	20,407,221
Unbilled Revenue-group (refer note 36 (d))	509,262	79,623
Other Receivable-group (refer note 36 (d))	303,727	1,091,741
	17,587,363	21,578,585

Amount due from fellow subsidiaries are unsecured, interest-free and repayable under normal trading terms.

18 Inventory

Inventory in hand	12,696,020	3,824,280
Less: Provision for inventory	(1,789,739)	(1,483,560)
	10,906,281	2,340,720

Inventories are hardware as component requirement that are used to support the installation of the company's service to customers. These are mainly servers, storage devices, backup devices & networking equipment which are purchased from vendor & bill will be billed to the customer as & when project requirement will be received.

19 Unbilled Receivables

Unbilled Receivables	40,241,757	15,283,734
Accrued Revenue	(24,884,340)	-
	15,357,417	15,283,734

20 Trade receivables

Trade receivables	335,491,541	278,678,158
Less: Provision for doubtful debt	(1,317,132)	(4,253,763)
	334,174,409	274,424,395

Other Receivables

Sundry receivables and deposit	96,354,103	35,967,724
Less: Provision for other current assets	(3,282,269)	(5,804,655)
	93,071,834	30,163,069

Trade receivables are generally non-interest bearing and are generally realised on an average of 30-60 days.

As at March 31, 2022 the ageing analysis of trade receivables is as follows:

Total	Neither past due nor impaired (up to 30 days)	Past due but not impaired		
		31-60 Days	61-180 Days	180> Days
334,174,409	254,868,943	50,445,003	24,216,425	4,644,038

As at 31 March 2022

	Current	Upto 6 months past due	Over 6 months past due	Total
Expected credit loss rate (%)	0.03	0.92	45.54	0.39
Gross carrying amount (ZAR)	298,021,666	35,517,217	1,952,658	335,491,541
Expected credit loss (ZAR)	100,355	327,512	889,265	1,317,132

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

	Group March 2022	Group March 2021
	R	R
27 Trade and other payables		
Trade payables	89,452,604	66,298,464
Customer discount	88,740	27,781
Accruals	37,668,512	33,232,459
VAT payable	31,738,079	20,224,722
Other payables	30,504,408	23,933,325
	189,452,343	143,716,751
a) Trade payables are non interest bearing and are normally settled on 30-60 day terms.		
b) VAT liability is paid within a period of one month from date of recognition.		
28 Lease and Right-of-use assets		
The Groups leasing arrangements are in respect of leases for office spaces only. The Group doesn't foresee any major changes in lease terms or the leases in the foreseeable future as per current business projections after considering the impact of COVID - 19.		
The details of the right-of-use asset held by the entity is as follows:		
Building		
At 1 April 2021	-	714,342
Additions	1,075,621	8,437
Disposal	-	-
Charge for the year	(522,066)	(722,779)
At March 31, 2022	553,555	-
Lease liability		
Capital lease obligation - non current	483,554	278,477
Capital lease obligation - current	1,358,225	263,162
	1,841,779	541,639
The reconciliation of lease liabilities is as follows:		
At 01 April 2021	541,639	669,530
Additions	2,258,111	605,136
Amounts recognized in statement of comprehensive income as interest expense	49,001	13,703
Payment of lease liability	(1,006,973)	(746,730)
At March 31, 2022	1,841,778	541,639
The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities as on 31 March 2022.		
	Group March 2022	Group March 2021
	R	R
Particulars		
Not later than one year	1,337,556	279,603
Between one and three years	478,206	286,934
Total Lease Payments	1,815,762	566,537
Imputed Interest	(26,016)	24,898
Total Lease Liabilities	1,841,778	541,639
29 Current tax payable		
Advance Tax	(43,052,807)	(32,465,139)
Income Tax Provisions	52,297,486	43,966,294
	9,244,679	11,501,155
30 Investment in subsidiaries		
Share at cost		
35% interest in issued share capital of HCL Technologies Pty Limited. (formerly known as HCL Axon Pty Limited)	30,450,000	30,450,000
52% interest in issued Class A share capital of HCL Technologies South Africa Pty Limited	343,877,430	362,021,430
	374,327,430	392,471,430
31 Share capital		
Authorised capital		
40,000,000 each Class A and Class B ordinary no par value shares (2021 : 40,000,000 each Class A and Class B no par value shares)	89,999,999	89,999,999
Issued		
26,215,000 Class A and 11,235,000 Class B no par value shares (2021: 26,215,000 Class A and 11,235,000 Class B no par value shares)	61,440,099	61,440,099

M.A.

Anzospa Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Annual Financial Statements (continued)

	Group March 2022 R	Group March 2021 R
32 Share based payment obligation		
Share based payment obligation	97,029,090	-
	Company March 2022 R	Company March 2021 R
Share based payment obligation	83,330,074	117,668,699

The fair value of the share based payment obligation has been measured using a Monte Carlo simulation. The inputs used in the measurement of fair value at the grant date of the equity settled share based payment obligation were as follows:

Valuation date	31 March 2022
Settlement date	31 March 2040
Call option exercise date	31 March 2040
Annual dividend yield	8.24%
Interest Rate	8.75%
Equity value of operating company	ZAR 688 M
Risk free rates	3M JIBAR zero curve

33 Commitments

a) Capital commitments

Capital commitment are for estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) as at the balance sheet date March 31, 2022 amounting to ZAR 847,057 (2021: ZAR 1,138,230)

34 Financial instrument risk management

Financial instruments carried on the statement of financial position include cash and cash equivalents, trade receivables, trade payables and borrowings. The main purpose of the financial liabilities is to raise finance for the company's operations. The financial assets arise from normal business transactions. The main risks arising from the company's financial instruments are interest rate risk, credit risk, foreign currency risk and liquidity risk.

The board of directors reviews and agrees policies for managing each of these risks which are summarised below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because in changes in the market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long term debt with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on deposits, loans and borrowings. With all other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings as follows;

Group Increase / decrease in basis points	Effect on profit before tax	
	March 2022	March 2021
100	-	101,951
-100	-	(101,951)

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Credit risk

Credit risk is the risk that a counter party will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables and loan notes) and from its financing activities, including deposit with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to groups policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria. Credit quality of the customer is assessed based on an extensive credit rating scorecard. The requirement for impairment is analysed on an individual basis for major clients. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively.

Exposure to credit risk

At the balance sheet date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet as disclosed under Note 20 to the financial statements.

No collateral is held for these receivables as these receivables are considered to be reputable and credit worthy.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with a good payment record with the Group. Cash and cash equivalents, are placed with reputable financial institutions.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 20 (trade receivables).

M.A.

Notes to the Consolidated Financial Statements (continued)

34 Financial instrument risk management (Continued)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to operating activities (when revenue or expenses are denominated in a different currency to the company's functional currency).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in the exchange rate, with all other variables held constant, of the group's profit before tax due to changes in the fair value of monetary assets and liabilities.

	Mar 2022 Change in rate	Effect on profit before tax R	Mar 2021 Change in rate	Effect on profit before tax R
EUR	-7.31%	111,828	-11.07%	4,301
GBP	-6.52%	217,071	-7.64%	913,123
INR	-5.38%	(243)	-14.27%	3,133
MYR	-3.38%	24,452	-13.60%	(1,151)
USD	-2.04%	796,841	-17.07%	466,137
CNY	1.24%	(15,513)	0.00%	-
BRL	18.53%	(859,127)	-25.42%	1,178,579
CLP	-9.80%	14,865	-2.59%	(605)
SEK	-8.33%	886	-3.70%	393
AED	-2.03%	2,146	-17.11%	1,117
COP	-2.74%	69	-9.60%	241
UGX	0.13%	63	-15.29%	(4,178)
VES	0.00%	-	-96.49%	(136,466)
ARS	-18.75%	47,133	0.00%	-
BGN	-7.31%	17,965	0.00%	-
CRC	-9.20%	57,714	0.00%	-
CZK	-0.86%	2,356	0.00%	-
HUF	-8.99%	5,161	0.00%	-
IDR	-0.65%	512	0.00%	-
LKR	-33.42%	121,603	0.00%	-
MXN	1.12%	(6,157)	0.00%	-
SAR	-2.05%	205	0.00%	-
THB	-7.81%	18,244	0.00%	-
TRY	-44.29%	6,732	0.00%	-
TWD	-2.33%	19,153	0.00%	-
VND	-1.03%	186	0.00%	-
EUR	7.31%	(111,828)	11.07%	(4,301)
GBP	6.52%	(217,071)	7.64%	(913,123)
INR	5.38%	243	14.27%	(3,133)
MYR	3.38%	(24,452)	13.60%	1,151
USD	2.04%	(796,841)	17.07%	(466,137)
CNY	-1.24%	15,513	0.00%	-
BRL	-18.53%	859,127	25.42%	(1,178,579)
CLP	9.80%	(14,865)	2.59%	605
SEK	8.33%	(886)	3.70%	(393)
AED	2.03%	(2,146)	17.11%	(1,117)
COP	2.74%	(69)	9.60%	(241)
UGX	-0.13%	(63)	15.29%	4,178
VES	0.00%	-	96.49%	136,466
ARS	18.75%	(47,133)	0.00%	-
BGN	7.31%	(17,965)	0.00%	-
CRC	9.20%	(57,714)	0.00%	-
CZK	0.86%	(2,356)	0.00%	-
HUF	8.99%	(5,161)	0.00%	-
IDR	0.65%	(512)	0.00%	-
LKR	33.42%	(121,603)	0.00%	-
MXN	-1.12%	6,157	0.00%	-
SAR	2.05%	(205)	0.00%	-
THB	7.81%	(18,244)	0.00%	-
TRY	44.29%	(6,732)	0.00%	-
TWD	2.33%	(19,153)	0.00%	-
VND	1.03%	(186)	0.00%	-

The movement on the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in currencies other than the functional currency of the entity.

Liquidity risk

The group monitors its risk to a shortage of funds using a recurring liquidity planning tool. The company's objective is to maintain a balance between continuity of funding and flexibility through use of loans from group companies.

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

34 Financial instrument risk management (Continued)

Liabilities

		1 Year	2-5 Years	Over 5 Years	Total
March 31, 2022					
Loan from subsidiaries	2.96% p.a.	-	-	-	-
Owed to ultimate holding company and fellow subsidiaries	Interest free	204,166,332	-	-	204,166,332
Trade and other payables	Interest free	189,452,343	-	-	189,452,343
Lease liability	Interest free	1,358,225	483,554	-	1,841,779
March 31, 2021					
Loan from subsidiaries	2.96% p.a.	10,195,100	-	-	10,195,100
Owed to ultimate holding company and fellow subsidiaries	Interest free	279,594,495	-	-	279,594,495
Trade and other payables	Interest free	143,716,751	-	-	143,716,751
Lease liability	Interest free	263,162	278,477	-	541,639
Company					
March 31, 2022					
Trade and other payables	Interest free	3,465,821	-	-	3,465,821
March 31, 2021					
Trade and other payables	Interest free	115,016	-	-	115,016

Fair value

At March 31st 2022, the carrying amounts of cash, trade receivables, trade payables, approximate their fair values due to the short term maturities of these assets and liabilities.

35 Classification of financial instruments

**Group
Mar 2022**

	Loans & receivables / (financial liabilities at amortised cost)	Non-Financial assets / liabilities	Total
	R	R	R
Assets			
Trade and other receivables	334,174,409	111,402,738	445,577,147
Receivable from ultimate holding company, parent and fellow subsidiaries	17,587,363	-	17,587,363
Cash and cash equivalents	270,915,783	-	270,915,783
Unbilled receivable	15,357,417	-	15,357,417
Contract assets	19,835,711	-	19,835,711
Finance Lease Receivable	97,335,739	-	97,335,739
Deferred contract cost	-	49,624,278	49,624,278
Total	755,206,422	161,027,016	916,233,438
Liabilities			
Loan from fellow Subsidiary and parent company	-	-	-
Owed to ultimate holding company, parent and fellow subsidiaries	204,166,332	-	204,166,332
Trade and other payables	157,714,264	31,738,079	189,452,343
Lease liability	1,841,779	-	1,841,779
Contract liabilities	-	105,236,726	105,236,726
Total	363,722,375	136,974,805	500,697,180

M.A.

Notes to the Consolidated Financial Statements (continued)

35 Classification of financial instruments (continued)

Group

Mar 2021

	Loans & receivables / (financial liabilities at amortised cost)	Non-Financial assets / liabilities	Total
	R	R	R
Assets			
Trade and other receivables	274,424,395	39,164,290	313,588,685
Receivable from ultimate holding company, parent and fellow subsidiaries	21,578,585	-	21,578,585
Cash and cash equivalents	299,729,488	-	299,729,488
Unbilled receivable	15,283,734	-	15,283,734
Contract assets	4,042,853	-	4,042,853
Finance Lease Receivable	124,898,618	-	124,898,618
Deferred contract cost	-	63,024,293	63,024,293
Total	739,957,673	102,188,583	842,146,256
Liabilities			
Loan from fellow Subsidiary and parent company	10,195,100	-	10,195,100
Owed to ultimate holding company, parent and fellow subsidiaries	279,594,495	-	279,594,495
Trade and other payables	123,492,029	20,224,722	143,716,751
Lease liability	541,639	-	541,639
Contract liabilities	-	41,893,304	41,893,304
Total	413,823,262	62,118,026	475,941,288

Company

Mar 2022

	Loans & receivables / (financial liabilities at amortised cost)	Non-Financial assets / liabilities	Total
	R	R	R
Assets			
Receivable from ultimate holding company, parent and fellow subsidiaries	-	9,843	9,843
Cash and cash equivalents	7,037,643	-	7,037,643
Total	7,037,643	9,843	7,047,486
Liabilities			
Trade and other payables	3,465,821	-	3,465,821
Total	3,465,821	-	3,465,821

Mar 2021

	Loans & receivables / (financial liabilities at amortised cost)	Non-Financial assets / liabilities	Total
	R	R	R
Assets			
Receivable from ultimate holding company, parent and fellow subsidiaries	146,135	8,704	154,839
Cash and cash equivalents	2,929,744	-	2,929,744
Total	3,075,879	8,704	3,084,583
Liabilities			
Trade and other payables	115,016	-	115,016
Total	115,016	-	115,016

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

36 Related party transactions

a) Related parties where control exists

Holding company

Axon Malaysia SDN BHD till 27th of February 2013
Axon Group Limited from 28th February 2013 onwards

Ultimate holding company

HCL Technologies Limited

Subsidiaries

HCL Technologies South Africa Proprietary Limited
HCL Technologies Pty Ltd (formerly know as HCL Axon (Pty) Ltd.)
HCL BEE Trust
HCL Ownership Trust

b) Related parties with whom transactions have taken place during the year

Ultimate holding company

HCL Technologies Limited

Fellow subsidiaries

HCL Axon Solutions (Shanghai) Co., Limited	HCL Asia Pacific Pte Limited
Axon Solutions Limited	HCL Technologies (Thailand) Limited.
HCL (Brazil) Technologia Da Informacao EIRELI	HCL Technologies Lanka (Private) Limited
HCL America Inc.	HCL Guatemala, Sociedad Anonima
HCL Argentina s.a.	HCL Hong Kong SAR Limited
HCL Australia Services Pty. Limited	HCL Technologies Finland Oy
HCL Technologies Malaysia SDN BHD (Fy HCLAxonMalaysiaSDNBHD)	HCL Technologies Sollutions GmBh (fly Axon Soltns Schz GmbH)
HCL Great Britain Limited	HCL Technologies Greece Single Member P.C.
HCL Istanbul Bilisim Teknolojileri Limited sirketi	HCL Technologies Sweden AB
HCL Poland Sp.z.o.o.	HCL GmbH
HCL Saudi Arabia LLC	HCL Technologies S.A.
HCL Technologies Beijing Co., Limited	HCL Technologies Corporate Services Limited
HCL Technologies BV	HCL Japan Limited
HCL Technologies Chile SpA	HCL Latin America Holding LLC
HCL Technologies Denmark ApS	HCL Technologies Middle East FZ- LLC
HCL Technologies Italy S.p.A.	HCL Canada Inc. (Fy HCL Axon Technologies Inc.)
HCL Technologies UK Limited	JSP Consulting Sdn Bhd
Filial Espanola De HCL Technoloiges, S.L.(HCL Spain)	Axon Group Limited UK
HCL Technologies Mexico S DE RL DE CV	HCL Technologies Luxembourg S.a.r.l
HCL Singapore Pte. Limited.	
HCL Technologies (Shanghai) Limited	
HCL Technologies France	
HCL Technologies Germany GmbH	
HCL Technologies Belgium BVBA	
HCL Technologies Vietnam Company Limited	
HCL Technologies Colombia SAS	
HCL Hungary Kft	
HCL Technologies Egypt Limited	
Telerox Marketing, Inc.	
HCL Technologies Austria GmbH	
Geometric Europe, GmbH	
HCL (New Zealand) Limited	
HCL Technologies (Taiwan) Limited.	
HCL Sweden AB	
HCL Netherlands B.V.	
HCL (Ireland) Information Systems Limited	
HCL Technologies Czech Republic s.r.o.	
HCL Technologies Norway AS	
C3i Europe Eood	
PT. HCL Technologies Indonesia	
HCL Technologies Philippines Inc	

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

Group

c) Transactions with related parties during the year in ordinary courses of business

Particulars	Fellow subsidiaries		Ultimate holding company	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	R	R	R	R
Interest expenses				
Axon Solutions Limited	9,105	261,725	-	-
Total	9,105	261,725	-	-
Insurance expenses				
HCL Technologies Limited	-	-	471,002	550,201
Total	-	-	471,002	550,201
Marketing Cost				
HCL Great Britain Limited	21,682,070	50,272,258	-	-
HCL Technologies UK Limited	15,246,596	-	-	-
Total	36,928,666	50,272,258	-	-
Dividend Expense				
Axon Group Limited	59,364,000	-	-	-
HCL Foundstion Trust	1,836,000	-	-	-
Total	61,200,000	-	-	-
Consulting charges				
HCL Technologies Limited	-	-	756,546,426	555,132,010
HCL Axon Solutions (Shanghai) Co., Limited	-	550,900	-	-
Axon Solutions Limited	-	73,228	-	-
HCL (Brazil) Tecnologia Da Informacao EIRELI	270,483	138,318	-	-
HCL America Inc.	14,999,279	6,478,683	-	-
HCL Argentina s.a.	123,655	177,139	-	-
HCL Australia Services Pty. Limited, Australia	194,988	75,935	-	-
HCL Technologies Malaysia SDN BHD (Fy HCL Axon Malaysia SDN BHD)	875,331	219,643	-	-
HCL Great Britain Limited	1,283,260	1,167,800	-	-
HCL Istanbul Bilisim Teknolojileri Limited sirketi	339,239	424,408	-	-
HCL Poland Sp.z.o.o.	1,051,913	1,123,892	-	-
HCL Saudi Arabia LLC	19,390	124,311	-	-
HCL Technologies Beijing Co., Limited	1,251,938	86,577	-	-
HCL Technologies BV	558,007	600,378	-	-
HCL Technologies Chile SpA	1,053,374	40,275	-	-
HCL Technologies Denmark ApS	33,753	87,845	-	-
HCL Technologies Italy S.p.A.	50,215	-	-	-
HCL Technologies Middle East FZ- LLC	-	117,694	-	-
HCL Technologies UK Limited	8,007,601	5,263,911	-	-
Filial Espanola De HCL Technoloiges, S.L.(HCL Spain)	-	12,819	-	-
HCL Canada Inc. (Fy HCL Axon Technologies Inc.)	375,521	625,491	-	-
HCL Technologies Mexico	169,079	784,823	-	-
HCL Singapore Pte. Limited, Singapore	1,214,258	4,353,111	-	-
HCL Technologies (Shanghai) Limited	117,538	1,247,360	-	-
HCL Technologies France	732,451	273,987	-	-
HCL Technologies Sweden (IOMC)	102,141	1,936,154	-	-
HCL Technologies Germany GmbH	3,590,514	246,906	-	-
HCL Technologies Belgium BVBA	289,162	22,280	-	-
HCL Technologies Vietnam Company Limited	352,752	230,690	-	-
HCL Technologies Colombia SAS	-	555,477	-	-
HCL Hungary Kft	83,101	103,538	-	-
HCL Technologies Egypt Limited	90,613	-	-	-
Telerox Marketing, Inc.	17,239	-	-	-
HCL Technologies Austria GmbH	22,805	-	-	-
Geometric Europe, GmbH	23,439	-	-	-
HCL (New Zealand) Limited, New Zealand	14,040	-	-	-
HCL Technologies (Taiwan) Limited.	786,797	(22,451)	-	-
HCL Latin America Holding LLC	233,795	518,613	-	-
HCL Sweden AB	-	3,428	-	-

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

c) Transactions with related parties during the year in ordinary courses of business (Continued)

Particulars	Fellow subsidiaries		Ultimate holding company	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	R	R	R	R
HCL (Netherlands) BV	-	1,731	-	-
HCL (Ireland) Information Systems Limited	-	155,855	-	-
HCL Technologies Czech Republic s.r.o.	-	378,171	-	-
HCL Technologies Norway AS	18,685	108,878	-	-
C3i Europe Food	191,380	54,294	-	-
PT HCL Technologies Indonesia Limited	61,561	175,320	-	-
HCL Technologies Philippines, Inc	27,133	32,513	-	-
HCL Asia Pacific Pte. Limited	-	21,792	-	-
HCL Technologies (Thailand) Limited	152,910	65,369	-	-
HCL Technologies Lanka Private Limited	2,900,429	43,521	-	-
HCL Guatemala, Sociedad Anónima	-	542,025	-	-
Total	41,679,769	29,222,634	756,546,426	555,132,010
Software Income				
HCL Technologies Limited	-	-	3,243,174	4,095,354
HCL America Inc.	404,123	-	-	-
HCL Australia Services Pty. Limited	515,707	1,060,208	-	-
HCL Axon Technologies Inc.-SD	89,200	9,610	-	-
HCL Great Britain Limited	49,712	-	-	-
HCL Hong Kong SAR Limited	120,512	-	-	-
HCL Singapore Pte Limited	784,111	401,304	-	-
Telrx Marketing, Inc.	1,120,499	-	-	-
HCL Technologies B.V	23,245	270,561	-	-
HCL Technologies Germany GmbH	1,798,410	27,719	-	-
HCL Technologies Italy SPA	247,047	-	-	-
HCL Technologies Middle East FZ- LLC	434,569	116,733	-	-
HCL Technologies Norway AS	54,803	13,494	-	-
HCL Technologies UK Limited	7,205,899	18,359,428	-	-
PT. HCL Technologies Indonesia	112,953	9,139	-	-
HCL (Brazil) Tecnologia Da Informacao EIRELI	558,568	55,945	-	-
HCL Technologies Belgium BVBA	596,464	129,395	-	-
HCL Technologies Chile SpA	52,083	29,355	-	-
HCL Technologies Sweden (IOMC)	61,766	278,122	-	-
HCL Technologies Finland Oy	377,573	197,387	-	-
HCL (New Zealand) Limited, New Zealand	52,020	324,104	-	-
HCL Axon Solutions (Shanghai) Co., Limited	1,288,576	814,212	-	-
Filial Espanola De HCL Technoloiges, S.L.(HCL Spain)	53,662	-	-	-
HCL (Ireland) Information Systems Limited	171,416	-	-	-
HCL Technologies Sollutions GmbH (fly Axon Soltns Schz GmbH)	136,643	-	-	-
HCL Istanbul Bilisim Teknolojileri Limited sirketi	141,607	-	-	-
HCL Technologies Greece Single Member P.C.	21,096	-	-	-
HCL Technologies Sweden AB	234,471	-	-	-
HCL Technologies France	10,319	-	-	-
HCL Argentina s.a.	-	17,365	-	-
HCL Technologies Mexico	322,971	587,181	-	-
HCL Technologies Colombia SAS	803,597	499,894	-	-
HCL Poland Sp.z.o.o.	26,994	-	-	-
HCL GmbH	-	218,460	-	-
HCL Technologies S.A.	(141,423)	-	-	-
HCL Technologies Denmark ApS	236,977	100,639	-	-
HCL Hungary Kft	-	151,780	-	-
HCL Technologies Czech Republic s.r.o.	12,997	12,435	-	-
HCL Technologies Austria GmbH	92,078	201,443	-	-
HCL Technologies Corporate Services Limited	4,950,068	1,106,363	-	-
HCL Japan Limited	364,992	72,358	-	-
HCL Technologies Egypt Limited	134,100	17,754	-	-
HCL Technologies Malaysia SDN BHD (Fy HCL Axon Malaysia SDN BHD)	-	12,269	-	-
HCL Asia Pacific Pte Limited	7,503	-	-	-
HCL Technologies (Thailand) Limited.	18,718	-	-	-
HCL Latin America Holding LLC	364,176	-	-	-
HCL Technologies Philippines Inc	-	626,707	-	-
HCL Technologies (Taiwan) Limited.	222,648	44,035	-	-
Total	24,133,450	25,765,399	3,243,174	4,095,354

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

d) Transactions with related parties during the year in ordinary courses of business (Continued)

Particulars	As at March 31, 2022	As at March 31, 2021
	R	R
Trade payable		
HCL Technologies Limited	2,636,702	130,328,930
Axon Solutions Limited	144	(5,923)
HCL (Brazil) Tecnologia Da Informacao EIRELI	4,123,024	3,202,486
HCL America Inc.	1,978,015	1,334,102
HCL Argentina s.a.	212,347	101,752
HCL Australia Services Pty. Limited	104,080	-
HCL Technologies Malaysia SDN BHD.	942,361	126,251
HCL Great Britain Limited	-	9,810,752
HCL Saudi Arabia LLC	21,585	2,059
HCL Technologies (Shanghai) Limited	122,867	-
HCL Technologies Beijing Co. Limited	1,208,311	-
HCL Technologies B.V	170,079	-
HCL Technologies Chile Spa	1,044,727	-
HCL Technologies UK Limited	8,018,783	1,313,139
HCL Mexico S. de R.L.	552,271	381,752
HCL Singapore Pte. Limited	353,896	277,225
HCL Technologies Middle East FZ- LLC	-	(46,134)
HCL Canada Inc. (FY HCL Axon Technologies Inc.)	78,424	-
HCL Technologies Vietnam Company Limited	353,156	-
HCL Hungary Kft	135,323	57,384
HCL Technologies Germany GmbH	871,012	22,757
HCL Technologies Belgium BVBA	30,702	151,132
HCL Istanbul Bilisim Teknolojileri Limited Sirketi	347,707	15,199
HCL Technologies Czezej Republic s.r.o.	272,402	274,758
HCL Technologies Denmark Aps	21,621	25,557
C3i Europe Eood	224,065	54,294
HCL Technologies France SAS	185,552	204,803
PT HCL Technologies Indonesia Limited	75,620	11,681
HCL Technologies (Taiwan) Limited	748,195	35,378
HCL Technologies Lanka Private Limited	2,435,373	6,205
HCL Guatemala, Sociedad Anónima	-	481,524
HCL Poland Sp.z.o.o.	616,691	-
HCL Technologies Austria GmbH	22,805	-
Geometric Europe, GmbH	23,439	-
HCL Technologies Egypt Limited	90,613	-
HCL Technologies Philippines Inc	27,133	-
HCL Technologies (Thailand) Limited.	219,262	-
HCL Latin America Holding LLC	727,526	-
Total	28,995,813	148,167,063
Other Current Liabilities		
HCL Technologies Limited	169,058,629	124,987,965
HCL Technologies (Thailand) Limited	-	65,369
HCL Singapore Pte. Limited.	30,830	-
HCL America Inc.	263,244	-
HCL HCL Latin America Holding, LLC	-	518,613
HCL Technologies Lanka Private Limited	371,327	37,226
Total	169,724,030	125,609,173
Interest Payable		
Axon Solutions Limited	1,937,577	2,063,412
Axon Group Limited UK	435,863	466,252
Total	2,373,440	2,529,664
Advance Payable		
HCL (Brazil) Tecnologia Da Informacao EIRELI	2,548,188	3,288,596
HCL Technologies Italy S.p.A.	378,686	-
HCL Technologies Corporate Services Limited	146,175	-
Total	3,073,049	3,288,596

M.A.

Anzospan Investments Pty Limited and its subsidiaries
(Registration number 2011/006085/07)
Consolidated Financial Statements for the year ended 31 March 2022

Notes to the Consolidated Financial Statements (continued)

d) Transactions with related parties during the year in ordinary courses of business (Continued)

Particulars	As at March 31, 2022	As at March 31, 2021
	R	R
Trade receivable		
HCL Technologies Limited	1,323,954	2,285,314
HCL Axon Solutions (Shanghai) Co. Limited.	4,861,844	3,573,268
Axon Solutions Limited	5,913	5,913
HCL (Brazil) Tecnologia Da Informacao EIRELI	1,031,180	1,198,596
HCL America Inc.	1,322,296	1,925,841
HCL Argentina s.a.	186,636	186,384
HCL Australia Services Pty. Limited	-	228,014
HCL Singapore Pte. Limited	-	232,888
HCL Technologies (Shanghai) Limited	791,056	791,056
HCL Technologies B.V.	2,825	4,094
HCL Technologies Chile Spa	437,038	459,705
HCL Technologies Columbia S.A.S.	1,322,024	518,369
HCL Technologies Germany Gmbh	896,937	2,390
HCL Technologies Italy SPA	37,252	-
HCL Technologies Norway AS	-	(6,459)
HCL Technologies UK Limited	1,350,811	6,696,545
JSP Consulting Sdn Bhd	7,641	7,641
PT. HCL Technologies Indonesia	131,531	18,602
HCL Technologies Middle East FZ- LLC	-	26,957
HCL Technologies Belgium BVBA	254,177	128,852
HCL Technologies Sweden AB	88,918	83,154
HCL Mexico S. de R.L.	47,822	590,945
HCL Technologies Denmark ApS	10,627	-
HCL Hungary Kft	-	151,780
HCL GmbH	-	218,460
HCL Technologies Austria GmbH	-	11,708
HCL Japan Limited, Japan	364,992	72,358
HCL (New Zealand) Limited	-	324,104
HCL Technologies Philippines, Inc	-	626,707
HCL Technologies (Taiwan) Limited	231,427	44,035
HCL Canada Inc. (Fy HCL Axon Technologies Inc.)	24,498	-
Telex Marketing, Inc.	324,707	-
Filial Espanola De HCL Technoloiges, S.L.(HCL Spain)	53,662	-
HCL Poland Sp.z.o.o.	26,994	-
HCL Technologies Finland Oy	17,743	-
HCL Istanbul Bilisim Teknolojileri Limited sirketi	141,607	-
HCL Technologies Corporate Services Limited	1,085,049	-
HCL Technologies France	10,319	-
HCL Technologies (Thailand) Limited.	18,718	-
HCL Latin America Holding LLC	364,176	-
Total	16,774,374	20,407,221
Short-term loans payable		
Axon Solutions Limited	-	10,195,100
Total	-	10,195,100
Unbilled revenue		
HCL Technologies Limited	509,262	79,623
Total	509,262	79,623
Other Receivable		
HCL Technologies Limited	15,396	803,410
HCL Axon Solutions (Shanghai) Co. Limited.	70,509	70,509
HCL Technologies (Shanghai) Limited	217,822	217,822
Total	303,727	1,091,741
Deferred Contract Cost		
HCL Technologies Limited	15,250,453	18,453,641
Total	15,250,453	18,453,641

M.A.

Notes to the Consolidated Financial Statements (continued)

Company

Outstanding balances with related parties

Particulars	Fellow subsidiaries		Ultimate holding company	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	R	R	R	R
Trade Receivables				
HCL Technologies South Africa Proprietary Limited	-	100,000	-	-
HCL Technologies Middle East FZ LLC	-	46,135	-	-
Total	-	146,135	-	-

Particulars	Fellow subsidiaries		Ultimate holding company	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	R	R	R	R
Dividend Expense				
Axon Group Limited	59,364,000	-	-	-
HCL Foundstion Trust	1,836,000			
Total	61,200,000	-	-	-
Dividend Income				
HCL Technologies Pty Limited (FY HCL Axon (Pty) Limited.)	22,750,000	-	-	-
HCL Technologies South Africa Proprietary Limited	39,984,000	4,147,293	-	-
Total	62,734,000	4,147,293	-	-

Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured, interest free (except loan from parent company) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2022, the company has not recorded any impairment of receivables relating to amounts owned by related parties.

37 Remuneration to directors and key management personnel

All the directors and key management personnel of the Anzospan Group are also directors and key management personnel in other group companies within the HCL group and all of these companies together are viewed as one business unit and their remuneration is paid by the ultimate parent Company. No separate or additional remuneration is paid to these directors for their role as directors of this Company or any other companies in the South African group and therefore no disclosure is required for these directors.

Non-executive directors do not earn attendance fees.

38 Retirement benefits

All eligible employees are members of the HCL Technologies Pty Ltd (FY HCL Axon (Pty) Ltd.) S.A.319 Pension Fund defined contribution plan administered by Liberty. The plan is governed by the Pension Funds Act of 1956. Pension contributions are made by employees with HCL Technologies Pty Ltd (FY HCL Axon (Pty) Ltd.) S.A.319 contributing an equal amount plus administration costs of the fund. Pension costs relating to contributions recognised in the current financial year are reflected under employee benefit in Note 3.

39 Capital management

	March 2022	March 2021
Share capital	61,440,099	61,440,099
Accumulated profit	398,454,170	403,095,354
	459,894,269	464,535,453

Capital includes equity shares and equity attributable to the equity holders of the parent and equity attributable to non-controlling interest. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Group has managed its capital structure to enhance its credit rating by donating shares to Trust for benefit of black people.

M.A.

Notes to the Consolidated Financial Statements (continued)

40 Subsequent Event

Other than the matter mentioned below, there have been no significant subsequent events since the year ended 31 March'22 that would have material impact on the statement of financial position of the Group and Company as shown in these financial statements.

The recent outbreak of COVID19 (Coronavirus) continues to impact the global economy and markets. At this time, the impact of the outbreak on our business has been limited as delivery of our services is uninterrupted, and we have currently not witnessed significant changes in demand, whereas our service delivery is intact and our liquidity remains healthy. However, going forward the COVID19 outbreak may negatively impact amongst others our, workforce, operations, and market demand and liquidity. We will take all necessary actions to keep our operations running and, most importantly, protect our employees, suppliers, customers and all other stakeholders.

On 24.02.2022, the Russian Federation began a war with Ukraine. At the moment, the Management Board of the Company does not record any significant effects related to the impact of the conflict on its operations. The Management Board of the Company monitors the developments related to the continuing hostilities on an ongoing basis and assesses the potential impact on the Company's operations. As at the date of this financial statements, due to dynamically changing conditions, it is not possible to clearly define the impact of war and sanctions imposed in various jurisdictions on the Company's operations, financial results and development prospects.

41 Going Concern

The group earned a profit for the period ended 31 March 2022 of R 56,558,816 as compared to profit in last year ended 31 March 2021 - R 106,653,579 and as at that date its total assets exceeded its total liabilities by R 502,419,269 (2021: R 567,711,194). In addition, current assets exceed current liabilities by R 309,213,090 (2021: R 228,254,737). The company earned a profit for the year ended 31 March 2022 of R 78,006,722 as compared to the loss in last year (2021: R (56,343,090)) and as at that date its total assets exceeded its total liabilities by R 294,579,021 (2021: 277,772,299). In addition, current assets exceed current liabilities by R 3,581,666 (2021: 2,969,566) Based on our current knowledge and available information, we do not expect COVID19 to have an impact on our ability to continue as a going concern in the future. Accordingly, the financial statements have been prepared on a going concern basis.

M.A.