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BDO Magyarország
Könyvvizsgáló Kft.
1103 Budapest, Kőér utca 2/a
Laurus Irodaházak C épület
1476 Budapest, Pf.138.

Independent Auditor's Report

to the Quotaholder of HCL Hungary Kft.

Opinion

We have audited the simplified financial statements of HCL Hungary Kft. (the „Company”) for the year 2021 which comprise the balance sheet as at **March 31, 2021** (which shows an equal amount of total assets and total liabilities of HUF **806 679** thousands and an after-tax profit for the year of HUF **2 704** thousands), as well as the related profit and loss account for the year then ended and the notes to the simplified financial statements including a summary of significant accounting policies.

In our opinion, the accompanying simplified financial statements give a true and fair view of the financial position of the Company as at **March 31, 2021** and its financial performance for the year then ended in accordance with Act C of 2000 on Accounting (hereinafter: "the Accounting Act") effective in Hungary.

Basis for Opinion

We conducted our audit in accordance with Hungarian National Standards on Auditing (“HNSA”) and with applicable laws and regulations in Hungary. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Simplified financial statements” section of our report.

We are independent of the Company in accordance with the applicable laws of Hungary, with the Hungarian Chamber of Auditors’ Rules on ethics and professional conduct of auditors and on disciplinary process and, as well as with respect to issues not covered by these Rules, with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code) and we also comply with further ethical requirements set out in these.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BDO Magyarország Könyvvizsgáló Kft. egy magyar korlátolt felelősségű társaság, az egyesült királyságbeli BDO International Limited garancia alapú korlátolt felelősségű társaság tagja és a független cégekből álló nemzetközi BDO hálózat része.

BDO Hungary Audit Ltd., a Hungarian limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent firms.



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Responsibilities of Management and those charged with governance for the Simplified financial statements

Management is responsible for the preparation of the simplified financial statements that give a true and fair view in accordance with the Accounting Act, and for such internal control as management determines is necessary to enable the preparation of simplified financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the simplified financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis in preparation of the simplified financial statements. Management has to apply the going concern basis of accounting unless other relevant rules prevent its application or there are facts and circumstances contradicting the going concern principle.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Simplified financial statements

Our objectives are to obtain reasonable assurance about whether the simplified 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 HNSAs 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 simplified financial statements.

As part of an audit in accordance with HNSAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the simplified 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.
- 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 Company's internal control.

BDO Magyarország Könyvvizsgáló Kft. egy magyar korlátolt felelősségű társaság, az egyesült királyságbeli BDO International Limited garancia alapú korlátolt felelősségű társaság tagja és a független cégekből álló nemzetközi BDO hálózat része.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis in the preparation of the simplified financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. 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 simplified 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the simplified financial statements, including the disclosures, and whether the simplified financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

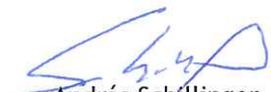
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Budapest, 14 July 2021

BDO Hungary Audit Ltd.
1103 Budapest, Kőér utca 2/A
Registration number: 002387


Ferenc Baumgartner
Managing Director




András Schillinger
Certified Auditor
Chamber Registration No.: 007399

BDO Magyarország Könyvvizsgáló Kft. egy magyar korlátolt felelősségű társaság, az egyesült királyságbeli BDO International Limited garancia alapú korlátolt felelősségű társaság tagja és a független cégekből álló nemzetközi BDO hálózat része.

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Registration Number

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HCL Hungary Ltd.

Simplified Annual Report
BALANCE SHEET
(Assets)

Data in THUF

Num-ber	Description	Previous year	Current year
		31.03.2020	31.03.2021
a	b	c	d
1.	A FIX ASSETS (2.+4.+6.)	262 185	352 605
2.	I. INTANGIBLE ASSETS	52 868	41 666
3.	of line 2: Adjusted value of intangible assets	0	0
4.	II. TANGIBLE ASSETS	209 317	310 939
5.	of line 4: Adjusted value of tangible assets	0	0
6.	III. FINANCIAL INVESTMENTS	0	0
7.	of line 6: Adjusted value of financial investments	0	0
8.	B CURRENT ASSETS (9. ... 12.)	679 404	325 928
9.	I. INVENTORIES	8 713	6 002
10.	II. RECEIVABLES	342 787	271 378
11.	III. SECURITIES	0	0
12.	IV. LIQUID ASSETS	327 904	48 548
13.	C ACCRUED AND DEFERRED ASSETS	26 285	128 146
14.	TOTAL ASSETS (1. + 8. + 13.)	967 874	806 679

Date: Budapest, July 14, 2021

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KUMAR
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Shiv Kumar Walia

Managing Director

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HCL Hungary Ltd.

Simplified Annual Report
BALANCE SHEET
(Liabilities)

Data in THUF

Number	Description	Previous year	Current year
		31.03.2020	31.03.2021
a	b	c	d
15.	D EQUITY (16.+18. 23.)	29 338	104 442
16.	I. ISSUED CAPITAL	9 000	16 240
17.	Of line 16: a) Repurchased share quota at nominal value	0	0
18.	II. ISSUED CAPITAL NOT PAID (-)	0	0
19.	III. CAPITAL RESERVE	0	65 160
20.	IV. ACCUMULATED PROFIT RESERVE	73 744	20 338
21.	V. UNDISTRIBUTABLE RESERVE	0	0
22.	VI. REVALUATION RESERVE	0	0
23.	VII. PROFIT AFTER TAX	-53 406	2 704
24.	E PROVISIONS	0	0
25.	F LIABILITIES (26.+27.+28.)	857 755	570 918
26.	I. Subordinated debt	0	0
27.	II. Long-term liabilities	0	0
28.	III. Current liabilities	857 755	570 918
29.	G ACCRUED AND DEFERRED LIABILITIES	80 781	131 319
30.	TOTAL LIABILITIES (15. + 24. + 25. + 29.)	967 874	806 679

Date: Budapest, July 14, 2021

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Shiv Kumar Walia

Managing Director

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Registration Number

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HCL Hungary Ltd.

Simplified Annual Report
PROFIT AND LOSS STATEMENT
(Cost Summary Method)

Data in THUF

Item	Description	Previous year 31.03.2020	Current year 31.03.2021
a	b	c	d
I.	Total sales	602 907	1 067 853
II.	Own performance capitalized	0	0
III.	Other income	0	1 481
IV.	Material-type expenditures	333 232	696 684
V.	Payments to personnel	143 606	184 474
VI.	Depreciation	67 774	113 166
VII.	Other expenditures	28 054	25 056
A	OPERATING PROFIT OR LOSS (I.+II.±III.-IV.-V.-VI.-VII.)	30 241	49 954
VIII.	Financial revenues	18 520	110 606
IX.	Financial expenditures	100 868	155 732
B	FINANCIAL PROFIT OR LOSS (VIII. - IX.)	-82 348	-45 126
C	PROFIT BEFORE TAX (±A±B)	-52 107	4 828
X.	Usable taxes paid abroad	0	3
X.a.	Corporate income tax payable	1 119	2 121
X.b.	CIT payable - correction of previous years	180	0
D	PROFIT AFTER TAX (± C - X.)	-53 406	2 704

Date: Budapest, July 14, 2021

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Date: 2021.07.14
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Shiv Kumar Walia

Managing Director

HCL Hungary Ltd.

**Notes to the Simplified Annual Report
April 1, 2020 – March 31, 2021**

Budapest, July 14, 2021

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WALIA** Digitally signed
by SHIV KUMAR
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Date: 2021.07.14
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Shiv Kumar Walia
Managing Director

1. THE COMPANY

HCL Hungary Limited, a limited liability company was founded by HCL Bermuda Limited (22 Victoria Street, Hamilton, Bermuda, HM-12) on March 26, 2009. The Company was registered on May 12, 2009, registration No: 01-09-918721/4.

The owner of the Company from March 26, 2009:

HCL Bermuda Limited
HM-12 Hamilton Victoria Street 22
Bermuda

The Company's subscribed capital:

The subscribed capital was 9,000,000 HUF on the last day of the fiscal year comprising cash contribution in

Activities of the Company:

- computer programming
- information-technology advisory service
- computers operating
- data processing, web hosting service
- world wide web service
- other information service

Registered seat of the Company

Registered office of the Company: 1143 Budapest, Stefánia út 101-103.

Managing Directors of the Company, who have the right to sign the Financial Statements.

Shiv Kumar Walia
Maidenhead, Berkshire
Lanrivain Ascot Road
GB SL62HT

Subramanian Gopalakrishnan
Gautam Buth Nagar A-58 Sector 50
ATS Greens 2. Flat 5103
IN 201301 Nodia

Bejoy Joseph George
Wiesenaus 44.
DE 60323 Frankfurt

The proper signature for the Company would be carried out by one of the Managing Directors from the above.

Chartered accountant

The name of the person who is responsible for the managing of the accounting services is Eszter Balogh, (address: 1122 Budapest, Ráth György u. 24.) chartered accountant, registration number: 117766.

Audit

Based on the Section 155 (2) and (5) of the Act C of 2000 on Accounting the election of an auditor is obligatory.

The auditor of the Company:

BDO Magyarország Könyvvizsgáló Kft. (székhely: 1103 Budapest, Kőér utca 2/A. C.ép., cégjegyzékszám: 01-09-867785), kijelölt könyvvizsgáló: Schillinger András (kamarai azonosító: 007399, lakcím: 1146 Budapest, Istvánmezei út 2.B. ép. 3.em. 28.).

2. ACCOUNTING POLICY

a) Business year

According to the resolution of the Sole Quotaholder dated on March 26, 2009 the business year of the Company shall be the twelve-month period lasting from July 1 to June 30.

The Sole Quotaholder decided in its resolution of September 15, 2015 to change the fiscal year of the Company so that the Company's fiscal year shall be the twelve-month period lasting from April 1 until March 31. The first modified fiscal year of the Company according to the above started on April 1, 2016.

These financial statements relate to the period from April 1, 2020 to March 31, 2021.

The date of preparation of the Balance Sheet is May 10, 2021.

b) Basis of accounting

The Company is required to keep double-entry books. The selected method for the preparation of the Profit and Loss Account is the summary cost method. The financial statements have been prepared under the historical cost convention in accordance with the Hungarian Act on Accounting.

The Company does not make any changes (enlarging or concentrating) in the chosen version of the Balance Sheet and the Profit and Loss Statement.

The Company represents its assets, equity and liabilities in HUF.

c) Recording of transactions arising in foreign currencies

Transactions arising in a foreign currency other than that in which the books are kept are recorded at the Hungarian National Bank's exchange rate and cross bank rate prevailing at the date of the transaction. Non-realized foreign exchange gains or losses arising from the difference between the book value of the assets / liabilities and the market value of the assets / liabilities computed with the exchange rates prevailing at the turning date are accounted in every case.

3. VALUATIONS (data in thousand HUF)

31.03.2020 31.03.2021

a) Intangible assets

Gross value of intangible assets

Description	Movements in thousand HUF				
	Opening	Increase	Low value	Decrease	Closing
Rights representing value	30 928	0	0	0	30 928
Intellectual product - software	25 951	0	0	0	25 951
Total intangible assets	56 879	0	0	0	56 879

Depreciation of intangible assets

Description	Movements in thousand HUF				
	Opening	Increase	Low value	Decrease	Closing
Rights representing value	2 343	3 093	0	0	5 436
Intellectual product - software	1 668	8 109	0	0	9 777
Total intangible assets	4 011	11 202	0	0	15 213

Net value of rights representing value	28 585	25 492
Net value of intellectual product - software	24 283	16 174
Összesen	52 868	41 666

b) Tangible assets

Gross value of tangible assets

Description	Movements in thousand HUF				
	Opening	Increase	Low value	Decrease	Closing
Computer & equipment	324 948	186 174	0	9 876	501 246
Assets in course of construction	571	14 750	0	571	14 750
Total tangible assets	325 519	200 924	0	10 447	515 996

Depreciation of tangible assets

Description	Movements in thousand HUF				
	Opening	Increase	Low value	Decrease	Closing
Computer & equipment	116 202	98 731	0	9 876	205 057
Total tangible assets	116 202	98 731	0	9 876	205 057

Net value of computer equipment	208 746	296 189
Assets in course of construction	571	14 750
Total	209 317	310 939

	<u>31.03.2020</u>	<u>31.03.2021</u>		
c) Inventories				
Goods for sale	8 713	6 002		
Total	8 713	6 002		
d) Receivables				
Trade debtors	228 067	189 798		
Loss of value of trade debtors	-14 502	-13 323		
Corporate income tax receivable	5 291	1 335		
Receivables against employees	2 187	0		
Advances to trade suppliers	2 794	2 389		
Receivables related to payroll taxes	0	273		
Withholding tax receivable	0	0		
Receivables against group companies	118 950	90 906		
Total	342 787	271 378		
e) Cash				
HUF current account at Deutsche Bank	254 297	28 958		
USD current account at Deutsche Bank (\$ 63,261.78 on 03.31.2021)	73 607	19 590		
Total	327 904	48 548		
f) Accrued and deferred assets				
Prepaid insurance fee	3 424	294		
Accrued IT service expenses	14 204	7 476		
Accrued IT service expenses - group	1 609	102 104		
Unbilled receivables	4 353	16 777		
Unbilled receivables - group	2 695	1 495		
Total	26 285	128 146		
g) Equity				
	<u>31.03.2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>31.03.2021</u>
Issued capital	9 000	7 240	0	16 240
Capital reserve	0	65 160	0	65 160
Accumulated profit reserve	73 744	0	53 406	20 338
Profit or loss for the year	-53 406	56 110	0	2 704
Total	29 338	128 510	53 406	104 442
h) Current liabilities				
Deutsche Bank AG Amsterdam EUR acc.(-803,455.11 EUR on 03.31.2021)	448 295	292 241		
Deutsche Bank Hungary EUR account (-25.00 EUR on 03.31.2021)	9	9		
Liabilities to group companies	92 721	203 851		
Loan from HCL EAS Limited	243 667	0		
Liabilities to IMB due to acquisition of customer relationship base	18 008	0		
Trade suppliers	31 504	40 258		
Advances received from customers	4 742	4 742		
VAT liability	14 424	15 681		
Local business tax liability	239	8 094		
Innovation contribution liability	523	1 673		
Liabilities to employees	2 559	3 098		
Liabilities to pension fund, helath fund	1 064	1 271		
Total	857 755	570 918		

	<u>31.03.2020</u>	<u>31.03.2021</u>
<i>i) Accrued and deferred liabilities</i>		
Deferred revenue	50 709	104 868
Accrued bookkeeping fee	1 708	1 277
Accrued payroll service fee	148	200
Accrued audit fee	850	850
Accrued legal fee	900	0
Accrued travel expenses	373	0
Accrued bonus	2 174	2 895
Accrued taxes on bonus	510	507
Accrued IT service expenses	8 256	19 026
Accrued IT service expenses - group	13 819	1 696
Accrued interest on loan from HCL EAS Ltd.	1 334	0
Total	80 781	131 319

	<u>01.04.2019- 31.03.2020</u>	<u>01.04.2020- 31.03.2021</u>
<i>j) Total sales</i>		
Revenue from domestic sales	443 873	859 318
Revenue from foreign sales	159 034	208 535
Total	602 907	1 067 853

<i>k) Other revenue</i>		
Reversal of bad debt provision	0	1 178
Correction of previous years	0	303
Total	0	1 481

<i>l) Material-type expenditures</i>		
Office supplies	151	660
Legal advisory	3 706	331
Bookkeeping	8 349	10 052
Payroll service fee	963	1 716
Audit fee	850	983
Other outsourced services (project related costs)	55	3
Rental expenses	415	472
IT services	248 901	532 167
Telecommunication costs	179	449
Travel expenses	5 454	539
Training expenses	0	45
Staff recruitment expenses	0	2 106
Cost of goods sold	15 408	75 155
Intermediated services	44 793	65 444
Membership fees	5	5
Official fees	0	113
Bank charge	4 003	6 444
Total	333 232	696 684

	<u>01.04.2019-</u> <u>31.03.2020</u>	<u>01.04.2020-</u> <u>31.03.2021</u>
m) <i>Payments to personnel</i>		
Gross salary	113 030	146 488
Other personal expenses	6 355	5 755
Payroll related taxes	24 221	32 231
Total	143 606	184 474
n) <i>Depreciation</i>		
Lump sum depreciation	660	3 233
Depreciation	67 114	109 933
Total	67 774	113 166
o) <i>Other expenditures</i>		
Provision for bad debts	4 228	0
Inventory written-off	9 039	0
Late interest paid	1 278	630
Withholding tax paid abroad (decreased by usable part in CIT)	0	1 609
Innovation contribution	1 762	2 976
Local business tax	11 747	19 841
Total	28 054	25 056
p) <i>Financial revenues</i>		
Realized exchange gain	17 807	110 579
Interest income from clients	0	26
Interest income from bank	713	1
Total	18 520	110 606
q) <i>Financial expenditures</i>		
Interest expenditure on loan from HCL EAS Ltd.	9 026	549
Interest paid to bank	500	6 479
Realized exchange loss	62 930	109 480
Unrealized exchange loss	28 122	39 127
Other financial expenses	290	97
Total	100 868	155 732

r) Taxation

Calculation of the corporate tax liability and the annual profit figure:

	<u>31.03.2020</u>	<u>31.03.2021</u>
Total revenues	621 427	1 179 940
Total expenditures	673 534	1 175 112
Profit before taxation	-52 107	4 828
Tax base increasing item	81 042	113 176
- Depreciation according to the Act on Accounting	67 774	113 167
- Provision for bad debt	4 228	0
- Inventory write-off	9 039	0
- Late interest	0	9
- Expenses not supported by documentation	1	0
Tax base decreasing item	67 774	116 763
- Depreciation according to the Act on Corporate income tax	67 774	113 167
- Reversal of provision for bad debt	0	1 178
- Utilization of previous years' losses	0	2 418
Corporate income tax base	-38 839	1 241
Corporate income tax (9%) - not applicable	0	0
Tax base for minimum tax (2% of total revenues)	12 429	23 599
Minimum tax (9%) - applicable	1 119	2 124
Usable taxes paid abroad	0	3
Minimum tax (9%) - applicable	1 119	2 121
CIT correction of previous years	180	0
Profit after tax	-53 406	2 704

s) Wages and staff number

The company had 10 employees both in the business year and the preceding business year. The average number of expat employees at the Company was 2 both in the business year and the preceding business year.

t) Ratios

	<u>31.03.2020</u>	<u>31.03.2021</u>
Ratio of Current assets (Current assets/Total assets)	70,20%	40,40%
Liquidity ratio (Current assets/Current liabilities)	0,79	0,57
Return on Equity (Profit before taxes/Equity)	-177,61%	4,62%