

# B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,  
DLF Cyber City, Phase-II,  
Gurugram – 122 002, India

Telephone: +91 124 719 1000  
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## Independent Auditor's Report

### To the Board of Directors of HCL Technologies Morocco Limited

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of HCL Technologies Morocco Limited (the “Company”), which comprise the Balance Sheet as at 31 December 2024, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information (collectively referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 (“the Act”). This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 opinion on whether the company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matter-Restriction on Use**

As explained in note 1(a), these financial statements are prepared for the use by the Company and the Ultimate Holding Company, HCL Technologies Limited, to comply with the requirements of the Act. These financial statements are not the statutory financial statements of the Company. As a result, these financial statements may not be suitable for another purpose. Our report must not be copied, disclosed, quoted, or referred to, in correspondence or discussion, in whole or in part to anyone other than the purpose for which it has been issued without our prior written consent.

*For* **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No. 101248W/W-100022

Place: Gurugram, India  
Date: 08 May 2025

Rakesh Dewan  
Partner  
Membership No. 092212  
ICAI UDIN: 25092212BMMJFL5509

# **HCL Technologies Morocco Limited**

Financial Statements

For the year ended 31 December 2024 and  
31 December 2023

HCL Technologies Morocco Limited  
Balance Sheet as at 31 December 2024

(All amount in MAD thousands, except share data and as stated otherwise)

|                                      | Note No. | As at<br>31 December 2024 | As at<br>31 December 2023 |
|--------------------------------------|----------|---------------------------|---------------------------|
| <b>I. ASSETS</b>                     |          |                           |                           |
| <b>(1) Non-current assets</b>        |          |                           |                           |
| (a) Property, plant and equipment    | 2.1(A)   | 10,321                    | 7,528                     |
| (b) Capital work in progress         | 2.1(B)   | 1,103                     | -                         |
| (c) Right-of-use-assets              | 2.19     | 1,974                     | 1,719                     |
| (d) Financial assets                 |          |                           |                           |
| (i) Others                           | 2.2      | 101                       | 182                       |
| (e) Other Non current Assets         | 2.5 (A)  | 708                       | -                         |
| <b>Total non-current assets</b>      |          | <b>14,207</b>             | <b>9,429</b>              |
| <b>(2) Current assets</b>            |          |                           |                           |
| (a) Inventories                      | 2.5 (B)  | 35                        | -                         |
| (b) Financial assets                 |          |                           |                           |
| (i) Trade receivables                | 2.3      |                           |                           |
| Billed                               |          | 1,242                     | 6,098                     |
| Unbilled                             |          | 12,448                    | 2,706                     |
| (ii) Cash and cash equivalents       | 2.4      | 10,511                    | 13,541                    |
| (iii) Others                         | 2.2      | 194                       | 21                        |
| (c) Other current assets             | 2.5 (A)  | 5,054                     | 3,354                     |
| <b>Total current assets</b>          |          | <b>29,484</b>             | <b>25,720</b>             |
| <b>TOTAL ASSETS</b>                  |          | <b>43,691</b>             | <b>35,149</b>             |
| <b>II. EQUITY</b>                    |          |                           |                           |
| a) Equity share capital              | 2.6      | 5,286                     | -                         |
| b) Other equity                      |          | 4,106                     | 7,023                     |
| <b>TOTAL EQUITY</b>                  |          | <b>9,392</b>              | <b>7,023</b>              |
| <b>III. LIABILITIES</b>              |          |                           |                           |
| <b>(1) Non-current liabilities</b>   |          |                           |                           |
| (a) Financial liabilities            |          |                           |                           |
| (i) Borrowings                       | 2.7      | -                         | 19,823                    |
| (ii) Lease liabilities               | 2.19     | 739                       | 891                       |
| <b>Total non-current liabilities</b> |          | <b>739</b>                | <b>20,714</b>             |
| <b>(2) Current liabilities</b>       |          |                           |                           |
| (a) Financial liabilities            |          |                           |                           |
| (i) Borrowings                       | 2.7      | 19,969                    | -                         |
| (ii) Lease liabilities               | 2.19     | 1,855                     | 1,129                     |
| (iii) Trade payables                 | 2.8      |                           |                           |
| Billed                               |          | 2,022                     | 812                       |
| Unbilled and accruals                |          | 1,719                     | 1,292                     |
| (iv) Others                          | 2.9      | 5,697                     | 2,925                     |
| (b) Other current liabilities        | 2.10     | 1,216                     | 625                       |
| (c) Provisions                       | 2.11     | 1,082                     | 629                       |
| <b>Total current liabilities</b>     |          | <b>33,560</b>             | <b>7,412</b>              |
| <b>TOTAL LIABILITIES</b>             |          | <b>34,299</b>             | <b>28,126</b>             |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |          | <b>43,691</b>             | <b>35,149</b>             |

Material Accounting Policies


1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached.

For B S R & Co. LLP  
ICAI Firm Registration Number : 101248W/W-100022

Chartered Accountants

Signed by:  


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Rakesh Dewan

Partner

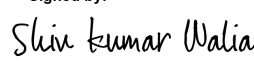
Membership Number: 092212

Gurugram, India

Date: 08 May 2025

For and on behalf of the Board of Managers  
of HCL Technologies Morocco Limited

Signed by:



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Shiv Kumar Walia

Manager

Noida, India

Date: 08 May 2025

**HCL Technologies Morocco Limited****Statement of Profit and Loss**

(All amount in MAD thousands, except share data and as stated otherwise)

|   | Note No.      | Year ended<br>31 December 2024 | Year ended<br>31 December 2023 |
|---|---------------|--------------------------------|--------------------------------|
| <b>I Revenue</b>                                  |               |                                |                                |
| Revenue from operations                           | 2.12          | 44,185                         | 27,925                         |
| Other income                                      | 2.13          | 16                             | 117                            |
| <b>Total income</b>                               |               | <b>44,201</b>                  | <b>28,042</b>                  |
| <b>II Expenses</b>                                |               |                                |                                |
| Employee benefits expense                         | 2.14          | 30,273                         | 18,815                         |
| Outsourcing costs                                 |               | 175                            | 62                             |
| Finance cost                                      | 2.15          | 1,381                          | 1,395                          |
| Depreciation expense                              | 2.1(A) & 2.19 | 2,929                          | 2,031                          |
| Other expenses                                    | 2.16          | 7,074                          | 4,387                          |
| <b>Total expenses</b>                             |               | <b>41,832</b>                  | <b>26,690</b>                  |
| <b>III Profit before tax</b>                      |               | <b>2,369</b>                   | <b>1,352</b>                   |
| <b>IV Tax expense</b>                             |               |                                |                                |
| Current tax (credit)/charge                       | 2.17          | -                              | (149)                          |
| Deferred tax charge/(credit)                      | 2.17          | -                              | 72                             |
| Total tax (income)/expense                        |               | -                              | (77)                           |
| <b>V Profit for the year</b>                      |               | <b>2,369</b>                   | <b>1,429</b>                   |
| <b>VI Total Comprehensive income for the year</b> |               | <b>2,369</b>                   | <b>1,429</b>                   |
| <b>Earning per equity share of MAD 100 each</b>   |               |                                |                                |
| Basic   | 2.18          | 44.82                          | -                              |
| Diluted   | 2.18          | 44.82                          | -                              |

**Material Accounting Policies**

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached.

For B S R &amp; Co. LLP

ICAI Firm Registration Number : 101248W/W-100022

Chartered Accountants

Signed by:



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**Rakesh Dewan****Partner**

Membership Number: 092212

Gurugram, India

Date: 08 May 2025

For and on behalf of the Board of Managers

of HCL Technologies Morocco Limited

Signed by:



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**Shiv Kumar Walia****Manager**

Noida, India

Date: 08 May 2025

**HCL Technologies Morocco Limited****Statement of Changes in Equity for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

|  | Equity share capital | Other equity            |                     | Total        |
|--|----------------------|-------------------------|---------------------|--------------|
|  |                      | Share application money | Reserve and Surplus |              |
| Balance as at 1 January 2024                   | -                    | 5,286                   | 1,737               | 7,023        |
| Share capital issued during the year           | 5,286                | (5,286)                 | -                   |              |
| Profit for the year                            | -                    | -                       | 2,369               | 2,369        |
| <b>Total comprehensive income for the year</b> | <b>5,286</b>         | <b>(5,286)</b>          | <b>2,369</b>        | <b>2,369</b> |
| <b>Balance as at 31 December 2024</b>          | <b>5,286</b>         | <b>-</b>                | <b>4,106</b>        | <b>9,392</b> |

|  |          |              |              |              |
|--|----------|--------------|--------------|--------------|
| Balance as at 1 January 2023                         | -        | 5,186        | 308          | 5,494        |
| Share application money pending allotment - proceeds | -        | 100          | -            | 100          |
| Profit for the year                                  | -        | -            | 1,429        | 1,429        |
| <b>Total comprehensive income for the year</b>       | <b>-</b> | <b>100</b>   | <b>1,429</b> | <b>1,529</b> |
| <b>Balance as at 31 December 2023</b>                | <b>-</b> | <b>5,286</b> | <b>1,737</b> | <b>7,023</b> |

**Material Accounting Policies**

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The accompanying notes are an integral part of the financial statements

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022

Signed by:

*Rakesh Dewan*

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**Rakesh Dewan****Partner**

Membership Number: 092212

Gurugram, India

Date: 08 May 2025

**For and on behalf of the Board of Managers  
of HCL Technologies Morocco Limited**

Signed by:

*Shiv Kumar Walia*

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**Shiv Kumar Walia****Manager**

Noida, India

Date: 08 May 2025

**HCL Technologies Morocco Limited****Statement of Cash Flows**

(All amount in MAD thousands, except share data and as stated otherwise)

|   | Year ended<br>31 December 2024 | Year ended<br>31 December 2023 |
|---|--------------------------------|--------------------------------|
| <b>A. Cash flows from operating activities</b>                      |                                |                                |
| Profit before tax   | 2,369                          | 1,352                          |
| <b>Adjustments for :</b>  |                                |                                |
| Depreciation expense  | 2,929                          | 2,031                          |
| Interest income   | (16)                           | (12)                           |
| Interest on lease liability   | 156                            | 169                            |
| Unrealised forex loss on short term borrowings                      | 146                            | -                              |
| Interest on borrowings  | 1,090                          | 1,146                          |
|   | <b>6,674</b>                   | <b>4,686</b>                   |
| <b>Net change in:</b>   |                                |                                |
| Trade receivables   | (4,886)                        | (509)                          |
| Trade payables  | 1,638                          | 119                            |
| Other financial assets and other assets                             | (2,515)                        | (1,909)                        |
| Inventories   | (35)                           | -                              |
| Other financial liabilities, provisions and other liabilities       | 2,826                          | 387                            |
| <b>Cash generated from operations</b>                               | <b>3,702</b>                   | <b>2,774</b>                   |
| Income taxes paid (net of refunds)                                  | -                              | -                              |
| <b>Net cash generated from operating activities (A)</b>             | <b>3,702</b>                   | <b>2,774</b>                   |
| <b>B. Cash flows from investing activities</b>                      |                                |                                |
| Acquisition of property, plant and equipment                        | (4,327)                        | (3,425)                        |
| Addition in CWIP  | (1,103)                        | -                              |
| Disposal of property, plant and equipment                           | -                              | 608                            |
| Interest received   | 16                             | 12                             |
| <b>Net cash used in investing activities (B)</b>                    | <b>(5,414)</b>                 | <b>(2,805)</b>                 |
| <b>C. Cash from financing activities</b>                            |                                |                                |
| Proceeds from long term borrowings                                  | -                              | 9,375                          |
| Proceeds towards share application money pending allotment          | -                              | 100                            |
| Interest on borrowings  | (101)                          | (134)                          |
| Payment of lease liabilities  | (1,217)                        | (1,319)                        |
| <b>Net cash flow (used in)/from financing activities (C)</b>        | <b>(1,318)</b>                 | <b>8,022</b>                   |
| <b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b> | <b>(3,030)</b>                 | <b>7,991</b>                   |
| Cash and cash equivalents at the beginning of the year              | 13,541                         | 5,550                          |
| <b>Cash and cash equivalents at the end of the year</b>             | <b>10,511</b>                  | <b>13,541</b>                  |

**Material Accounting Policies**

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached.

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 101248W/W-100022

**For and on behalf of the Board of Managers  
of HCL Technologies Morocco Limited**

Signed by:



29CB0DA1124043E...

**Rakesh Dewan****Partner**

Membership Number: 092212

Gurugram, India

Date: 08 May 2025

Signed by:



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**Shiv Kumar Walia****Manager**

Noida, India

Date: 08 May 2025

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**ORGANIZATION AND NATURE OF OPERATIONS**

HCL Technologies Morocco Limited (hereinafter referred to as the 'Company') is primarily engaged in business of development, installation and implementation of software and management services. The Company was incorporated in Rabat on 30 March 2022, having its registered office at 15 AV AL ABTAL APPT Number 4 AGDAL, Rabat.

The financial statements for the year ended 31 December 2024 were approved and authorized for issue by the Board of Managers on 08 May 2025.

**1. MATERIAL ACCOUNTING POLICIES****a) Basis of preparation**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Schedule III (Division II) to the Companies Act, 2013, as applicable, to the financial statements.

The Company is not domiciled in India and hence was not incorporated under Companies Act, 2013 or under any previous Company law in India. These financial statements do not constitute a set of statutory financial statements in accordance with local laws of the Country in which the Company is incorporated. These financial statements are prepared for the use of the Company and the ultimate holding Company, HCL Technologies Limited, to comply with the requirements of the Act.

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

Whilst the Company has continued to earn profits from operations of MAD 2,369 (2023: MAD 1,429). The Company has positive net worth amounting MAD 9,392 (2023: MAD 7,023) as at 31 December 2024. However, the current liabilities of the Company exceeds its current assets by MAD 4,076 as at 31 December 2024.

Management believes that the Company, based on its business plans and HCL Technologies UK Limited, the Holding Company's commitment to provide financial and operational support for a period of not less than 12 months from the date of signing these financial statements, would be able to continue its business operations and meet its liquidity requirements for the foreseeable future. Accordingly, no adjustments would be required in respect of the carrying value of assets or liabilities and these financial statements have been prepared on a going concern basis.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle of 12 months. The Statement of cash flows has been prepared under indirect method. The functional currency of the Company is Moroccan Dirhams (MAD). Amount less than MAD 0.5 thousand rounded off to zero '-' and amount more than equal to MAD 0.5 thousand rounded off to nearest multiple number.

**b) Use of estimates**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes.

These estimates are based upon management's best knowledge of current events, historical experience, actions that the company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates. Changes in the estimates are reflected in the financial statement in the year in which the changes are made.

## **HCL Technologies Morocco Limited**

### **Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

#### **MATERIAL ACCOUNTING POLICIES (continued)**

Significant estimates and assumptions are used for, but not limited to,

- i. Accounting for costs expected to be incurred to complete performance under fixed price projects, refer note 1(f)
- ii. Allowance for uncollectible accounts receivables, refer note 1(i)(i)
- iii. Recognition of income and deferred taxes, refer note 1(h) and note 2.17
- iv. Useful lives of property, plant and equipment, refer note 1(d)
- v. Identification of leases and measurement of lease liabilities and right of use assets, refer note 1(c) and note 2.19
- vi. Provisions, refer note 1(j)

Significant estimates and assumptions are used for, but not limited to, accounting for costs expected to be incurred to complete performance under fixed price projects, allowance for uncollectible accounts receivable, income taxes, future obligations under employee benefit plans, the useful lives of property, plant and equipment and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the period in which the changes are made. Actual results could differ from those estimates.

#### **c) 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.

##### *Company as a lessee*

Company is lessee in case of office accommodation. 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 Ind AS 116 effective 1 January 2020.

Right-of-use asset represents the Company'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.

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 Company's incremental borrowing rate, which approximates the rate at which the Company would borrow, in the country where the lease was executed. The Company 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 Company is reasonably certain to exercise the option and payment of penalties for terminating the lease, if the lease term reflects the Company 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 Company 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 profit and loss. 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.

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**MATERIAL ACCOUNTING POLICIES (continued)****d) Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the assets as a whole. All other expenses on existing fixed assets, including day - to - day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in-progress.

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

The management's estimates of the useful lives of various tangible fixed assets for computing depreciation are as follows:

| <i>Category of asset</i> | <i>Life (in years)</i> |
|--------------------------|------------------------|
| Laptop & Computer        | 5                      |
| Office Equipment         | 5                      |
| Lease hold improvements  | 10                     |
| Furniture and Fixtures   | 10                     |

The useful life as given above best represent the period over which the management expects to use these assets, based on technical assessment. Hence, the useful life for the assets is different from the useful life prescribed under Part C of Schedule II of the Companies Act 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**e) Fair value measurement**

The company records certain financial assets and liabilities at fair value on a recurring basis. The company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The guidance of fair value specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires a company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The prescribed fair value hierarchy and related valuation methodologies are as follows:

## **HCL Technologies Morocco Limited**

### **Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

#### **MATERIAL ACCOUNTING POLICIES (continued)**

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

- a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.
- c) Cost approach – Replacement cost method.

A fair value measurement of a non-financial asset 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 who would use the asset in its highest and best use.

#### **f) Revenue Recognition**

Revenue is recognized when, or as, control of a promised service or good transfers to a customer, in an amount that reflects the consideration (Transaction price) to which the Company expects to be entitled in exchange for transferring those products or services (Performance obligation). Revenue is recognized for any contract, once it is approved in writing, is legally enforceable, the rights of the parties are identified, payment terms are defined, the contract has commercial substance and collectability of consideration is probable. Revenue is measured based on the Transaction price which is the consideration of the contract and is shown net of applicable taxes and adjusted for any variable consideration like volume discounts, service level allowances, incentive or any other discount. Transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

Revenue recognized but not billed to customers is classified either as contract assets or unbilled receivable in our statements of financial position. Contract assets are recognized when revenue recognized is more than billing and right to consideration is conditional upon factors other than the passage of time. Unbilled receivables are recognized where the right to consideration is unconditional and only the passage of time is required before the payment is due (i.e., only act of invoicing is pending).

Revenue from time-and-material, volume based, and transaction-based contracts is recognized as the related services are performed through efforts expended, units serviced, number of transactions processed, etc. that correspond with value transferred to customer.

Revenue from Time-and-material is recognized on cost plus model when services has been rendered, the fee is determinable and collectability is reasonably assured in terms of master service agreement.

Revenue related to fixed price contracts where performance obligations and control are satisfied over a period of time like technology integration, complex network building contracts, ERP implementations and Application development are recognized based on progress towards completion of the performance obligation using a cost-to-cost measure of progress (i.e., percentage-of-completion (POC) method of accounting). Revenue is recognized based on the costs incurred to date as a percentage of the total estimated costs to fulfill the contract. Any revision in cost to complete would result in increase or decrease in revenue and such changes are recorded in the period in which they are identified. Provisions for estimated losses, if any, on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates. Contract losses are determined to be the amount by which the estimated incremental cost to complete exceeds the estimated future revenues that will be generated by the contract and are included in cost of revenues and recorded in other accrued liabilities.

## **HCL Technologies Morocco Limited**

### **Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

#### **MATERIAL ACCOUNTING POLICIES (continued)**

Revenue related to other fixed price contracts providing maintenance and support services, are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered.

If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed based on the cost-to-cost method described above.

In arrangements involving sharing of customer revenues, revenue is recognized when the right to receive is established.

Interest income for all financial instruments measured at amortized cost is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

#### **g) Foreign currency translation**

The financial statements of the company are presented in its functional currency MAD. For each foreign operation, the company determines the functional currency which is its respective local currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction. Foreign-currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

#### **h) Income Taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions, as well as the related interest and penalties.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

According to Article 6 of General Tax Code, HCL Morocco has been granted exemption from corporate tax for first five consecutive financial years from the date of start of operations. HCL Morocco is exempt for tax years 2022, 2023, 2024, 2025 and 2026.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

## **HCL Technologies Morocco Limited**

### **Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

#### **MATERIAL ACCOUNTING POLICIES (continued)**

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable company and the same taxation authority.

##### **i) Financial Instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

###### **(i) 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.

###### ***Financial instruments at amortized cost***

A financial instrument 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, trade and other receivables.

###### ***Financial instrument at Fair Value through Profit and Loss***

Any financial instrument, 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 instruments included in the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

###### ***Financial instrument at Fair Value through Other Comprehensive Income (OCI)***

A financial instrument 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 instruments 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. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

###### ***Derecognition of financial assets***

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

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**MATERIAL ACCOUNTING POLICIES (continued)***Impairment of financial assets*

The Company 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 the statement of profit and loss.

*(ii) 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 Company's financial liabilities include 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. 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 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.

**j) Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

**k) Retirement and other Employee benefits**

The Company has implemented a public insurance scheme for all employees, which includes health insurance, welfare pension insurance and worker's accident compensation insurance.

The contribution to the public insurance scheme, a defined contribution plan, is made in accordance with the local statutory requirements and charged to the statement of profit and loss for every period, when the contribution is due.

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur.

**l) Cash and short-term deposits**

Cash and short-term deposits in the balance sheet comprise cash in banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## **HCL Technologies Morocco Limited**

### **Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

#### **MATERIAL ACCOUNTING POLICIES (continued)**

##### **m) Contingent liabilities**

The company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

##### **n) Impairment of non-financial assets**

###### *Intangible assets and property, plant and equipment*

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the asset exceeds the estimated recoverable amount of the asset.

##### **o) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

##### **p) Inventories**

Stock in trade 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.

##### **q) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to shareholders by the weighted average number of shares outstanding during the period.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of units that could have been issued upon conversion of all dilutive potential equity shares.

##### **r) Recently issued accounting pronouncements**

There are no new standards or amendments to the existing standards applicable to the company which has been notified by Ministry of corporate Affairs.

## HCL Technologies Morocco Limited

## Notes to financial statements for the year ended 31 December 2024

(All amount in MAD thousands, except share data and as stated otherwise)

## 2.1(A) Property, plant and equipment

## The changes in the carrying value for the year ended 31 December 2024

|  | Furniture and fixtures | Lease hold Improvements | Office Equipment | Computes and networking equipment | Total         |
|--|------------------------|-------------------------|------------------|-----------------------------------|---------------|
| Balance as at 1 January 2024                           | 274                    | 4,084                   | 221              | 4,064                             | 8,643         |
| Additions during the year                              | 153                    | 2,011                   | 15               | 2,148                             | 4,327         |
| <b>Gross block as at 31 December 2024</b>              | <b>427</b>             | <b>6,095</b>            | <b>236</b>       | <b>6,212</b>                      | <b>12,970</b> |
| Balance as at 1 January 2024                           | 26                     | 344                     | 30               | 715                               | 1,115         |
| Depreciation expense for the year                      | 34                     | 490                     | 45               | 965                               | 1,534         |
| <b>Accumulated depreciation as at 31 December 2024</b> | <b>60</b>              | <b>834</b>              | <b>75</b>        | <b>1,680</b>                      | <b>2,649</b>  |
| <b>Net Block as at 31 December 2024</b>                | <b>367</b>             | <b>5,261</b>            | <b>161</b>       | <b>4,532</b>                      | <b>10,321</b> |

## The changes in the carrying value for the year ended 31 December 2023

|  | Furniture and fixtures | Lease hold Improvements | Office Equipment | Computes and networking equipment | Total        |
|--|------------------------|-------------------------|------------------|-----------------------------------|--------------|
| Balance as at 1 January 2023                           | -                      | -                       | 29               | 2,111                             | 2,140        |
| Transfer from CWIP during the year                     | -                      | 3,791                   | -                | -                                 | 3,791        |
| Additions during the year                              | 274                    | 293                     | 192              | 2,666                             | 3,425        |
| Disposals during the year                              | -                      | -                       | -                | 713                               | 713          |
| <b>Gross block as at 31 December 2023</b>              | <b>274</b>             | <b>4,084</b>            | <b>221</b>       | <b>4,064</b>                      | <b>8,643</b> |
| Balance as at 1 January 2023                           | -                      | -                       | 2                | 153                               | 155          |
| Depreciation expense for the year                      | 26                     | 344                     | 28               | 667                               | 1,065        |
| Disposals during the year                              | -                      | -                       | -                | 105                               | 105          |
| <b>Accumulated depreciation as at 31 December 2023</b> | <b>26</b>              | <b>344</b>              | <b>30</b>        | <b>715</b>                        | <b>1,115</b> |
| <b>Net Block as at 31 December 2023</b>                | <b>248</b>             | <b>3,740</b>            | <b>191</b>       | <b>3,349</b>                      | <b>7,528</b> |

## 2.1(B) Capital work in progress (CWIP)

The following table presents the ageing schedule for Capital-work-in progress:

|                               | Amount in CWIP for a period of |              |
|-------------------------------|--------------------------------|--------------|
|                               | Less than 1 year               | Total        |
| <b>As at 31 December 2024</b> |                                |              |
| Projects in progress          | 1,103                          | 1,103        |
|                               | <b>1,103</b>                   | <b>1,103</b> |
| <b>As at 31 December 2023</b> |                                |              |
| Projects in progress          | -                              | -            |
|                               | <b>-</b>                       | <b>-</b>     |

|                                     | As at            | As at            |
|-------------------------------------|------------------|------------------|
|                                     | 31 December 2024 | 31 December 2023 |
| Balance as at beginning of the year | -                | 3,791            |
| Transfer to PPE                     | -                | (3,791)          |
| Additions                           | 1,103            | -                |
|                                     | <b>1,103</b>     | <b>-</b>         |

## 2.2 Financial assets - others

|                                      | As at            | As at            |
|--------------------------------------|------------------|------------------|
|                                      | 31 December 2024 | 31 December 2023 |
| <b>Non-current</b>                   |                  |                  |
| Security deposits                    | 101              | 182              |
|                                      | <b>101</b>       | <b>182</b>       |
| <b>Current</b>                       |                  |                  |
| Other Financial Assets               | 110              | -                |
| Provision for Other Financial Assets | (98)             | -                |
| Security deposits                    | 182              | 21               |
|                                      | <b>194</b>       | <b>21</b>        |

## HCL Technologies Morocco Limited

## Notes to financial statements for the year ended 31 December 2024

(All amount in MAD thousands, except share data and as stated otherwise)

## 2.3 Financial assets - Trade receivables

|  | As at            | As at            |
|--|------------------|------------------|
|  | 31 December 2024 | 31 December 2023 |
| <b>Current</b>                               |                  |                  |
| Billed                                       |                  |                  |
| Unsecured considered good (refer note below) | 1,242            | 6,098            |
| Unbilled (refer note below)                  | 12,448           | 2,706            |
|  | <b>13,690</b>    | <b>8,804</b>     |

Note : Includes billed receivables from related parties amounting to MAD 509 as at 31 December 2024 (MAD 6,098 as at 31 December 2023) and unbilled receivables from related parties amounting to MAD 12,448 as at 31 December 2024 (MAD 2,706 as at 31 December 2023) (Refer note 2.24)

| Trade receivables - current  | Not Due | Outstanding as at 31st December 2024<br>from the due date of payment |                  | Total         |
|------------------------------|---------|--|------------------|---------------|
|                              |         | Less than 6<br>months  | 6 months - 1year |               |
| Undisputed - considered good | 3       | 893  | 346              | 1,242         |
| Unbilled receivables         | 12,448  | -  | -                | 12,448        |
|                              |         |  |                  | <b>13,690</b> |

| Trade receivables - current  | Not Due | Outstanding as at 31st December 2023<br>from the due date of payment |                  | Total        |
|------------------------------|---------|--|------------------|--------------|
|                              |         | Less than 6<br>months  | 6 months - 1year |              |
| Undisputed - considered good | -       | 6,062  | 36               | 6,098        |
| Unbilled receivables         | 2,706   | -  | -                | 2,706        |
|                              |         |  |                  | <b>8,804</b> |

## 2.4 Financial assets - Cash and cash equivalents

|                     | As at            | As at            |
|---------------------|------------------|------------------|
|                     | 31 December 2024 | 31 December 2023 |
| Balances with banks | 10,511           | 13,541           |
|                     | <b>10,511</b>    | <b>13,541</b>    |

## 2.5 (A) Other assets

|                                       | As at            | As at            |
|---------------------------------------|------------------|------------------|
|                                       | 31 December 2024 | 31 December 2023 |
| <b>Other Non Current Assets</b>       |                  |                  |
| Deferred Cost Others                  | 394              | -                |
| Prepaid Expenses                      | 314              | -                |
|                                       | <b>708</b>       | <b>-</b>         |
| <b>Other Current Assets</b>           |                  |                  |
| <b>Unsecured</b>                      |                  |                  |
| Advances to employees                 | 58               | 44               |
| Less: Provision for doubtful advances | -                | (3)              |
|                                       | <b>58</b>        | <b>41</b>        |
| <b>Others</b>                         |                  |                  |
| Deferred Cost Others                  | 114              | -                |
| Prepaid Expenses                      | 255              | -                |
| Balance with government authorities   | 4,627            | 3,313            |
|                                       | <b>5,054</b>     | <b>3,354</b>     |

## 2.5 (B) Inventories

|                | As at            | As at            |
|----------------|------------------|------------------|
|                | 31 December 2024 | 31 December 2023 |
| Stock in Trade | 35               | -                |
|                | <b>35</b>        | <b>-</b>         |

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.6 Share capital**

|   | As at            | As at            |
|---|------------------|------------------|
|   | 31 December 2024 | 31 December 2023 |
| <b>Authorized share capital</b><br>52,855 equity shares of MAD 100 each             | 5,286            | 100              |
| <b>Issued, subscribed and fully paid up</b><br>52,855 equity shares of MAD 100 each | 5,286            | -                |

**Terms/ rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of MAD 100/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Reconciliation of the number of shares outstanding at the beginning and at the end of the year**

|                                    | As At            |               |                  |               |
|------------------------------------|------------------|---------------|------------------|---------------|
|                                    | 31 December 2024 |               | 31 December 2023 |               |
|                                    | No. of Shares    | Amount in MAD | No. of Shares    | Amount in MAD |
| Number of shares at the beginning  | -                | -             | -                | -             |
| Add: Shares issued during the year | 52,855           | 5,286         | -                | -             |
| Number of shares at the end        | 52,855           | 5,286         | -                | -             |

**Shares held by holding company and other group companies :-**

| Name of the Shareholder   | As At            |           |                  |           |
|---|------------------|-----------|------------------|-----------|
|   | 31 December 2024 |           | 31 December 2023 |           |
|   | No. of Shares    | % Holding | No. of Shares    | % Holding |
| Equity shares of MAD 100 each fully paid<br>HCL Technologies UK limited | 52,855           | 100%      | -                | -         |

**Details of shareholders holding more than 5 % shares in the company:-**

| Name of the Shareholder   | As At            |           |                  |           |
|---|------------------|-----------|------------------|-----------|
|   | 31 December 2024 |           | 31 December 2023 |           |
|   | No. of Shares    | % Holding | No. of Shares    | % Holding |
| Equity shares of MAD 100 each fully paid<br>HCL Technologies UK limited | 52,855           | 100%      | -                | -         |

**Details of promoter holdings in the company is as follows :-**

| Name of the Shareholder   | As At            |           |                  |           |
|---|------------------|-----------|------------------|-----------|
|   | 31 December 2024 |           | 31 December 2023 |           |
|   | No. of Shares    | % Holding | No. of Shares    | % Holding |
| Equity shares of MAD 100 each fully paid<br>HCL Technologies UK limited | 52,855           | 100%      | -                | -         |

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

There are no bonus shares issued, no shares issued for consideration other than cash and no shares bought back immediately preceding the reporting date from date of incorporation.

**Capital Management**

The primary objective of the Company's capital management is to support business continuity and growth of the company while maximizing the shareholder value. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are generally met through operating cash flows generated. The Company have also resorted to borrowing to meet local funding requirements from other group affiliate entity.

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.7 Financial liabilities - Borrowings**

|   | As at            | As at            |
|---|------------------|------------------|
|   | 31 December 2024 | 31 December 2023 |
| <b>Non Current</b>                      |                  |                  |
| Long term borrowings (refer note 2.24)  | -                | 19,823           |
|   | -                | <b>19,823</b>    |
| <b>Current</b>                          |                  |                  |
| Short term borrowings (refer note 2.24) | 19,969           | -                |
|   | <b>19,969</b>    | -                |

**Note:** The company has taken an unsecured loan from HCL Technologies UK Limited for a tenure of 3 years for its working capital requirement with repayment of interest within 180 days from the date of accrual of interest and repayment of Principal not later than 3 years from the effective date of agreement. The loan shall carry a mutually agreed simple interest of SOFR+50 bps.

**2.8 Financial liabilities - Trade payables**

|  | As at            | As at            |
|--|------------------|------------------|
|  | 31 December 2024 | 31 December 2023 |
| Trade payables                                     | 1,969            | 812              |
| Trade payables - related parties (refer note 2.24) | 53               | -                |
|  | 2,022            | 812              |
| Unbilled and accruals                              | 1,719            | 1,292            |
|  | 1,719            | 1,292            |
|  | <b>3,741</b>     | <b>2,104</b>     |

| Trade payables - current | Not Due | Outstanding as at 31st December 2024<br>from the due date of payment |                  | Total        |
|--------------------------|---------|--|------------------|--------------|
|                          |         | Less than 1 year   | 1 year to 2 year |              |
| Undisputed               | 739     | 1,233  | 50               | 2,022        |
| Unbilled                 |         |  |                  | 1,719        |
|                          |         |  |                  | <b>3,741</b> |

| Trade payables - current | Not Due | Outstanding as at 31st December 2023<br>from the due date of payment |                  | Total        |
|--------------------------|---------|--|------------------|--------------|
|                          |         | Less than 1 year   | 1 year to 2 year |              |
| Undisputed               | 253     | 559  | -                | 812          |
| Unbilled                 |         |  |                  | 1,292        |
|                          |         |  |                  | <b>2,104</b> |

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.9 Financial liabilities - Others**

|  | As at            | As at            |
|--|------------------|------------------|
|  | 31 December 2024 | 31 December 2023 |
| <b>Current</b>   |                  |                  |
| <b>Carried at amortized cost</b>                             |                  |                  |
| Interest accrued but not due on borrowings (refer note 2.24) | 2,169            | 1,180            |
| Accrued salaries and benefits                                |                  |                  |
| Employee bonuses accrued                                     | 563              | 354              |
| Other employee costs   | 1,249            | 131              |
| Others   |                  |                  |
| Other payables   | 1,716            | 1,260            |
|  | <b>5,697</b>     | <b>2,925</b>     |

**2.10 Other current liabilities**

|   | As at            | As at            |
|---|------------------|------------------|
|   | 31 December 2024 | 31 December 2023 |
| Accruals and provisions (refer note 2.24) | 10               | -                |
| Withholding and other taxes payable       | 1,206            | 625              |
|   | <b>1,216</b>     | <b>625</b>       |

**2.11 Provisions**

|                                 | As at            | As at            |
|---------------------------------|------------------|------------------|
|                                 | 31 December 2024 | 31 December 2023 |
| Provision for employee benefits | 1,082            | 629              |
|                                 | <b>1,082</b>     | <b>629</b>       |

**2.12 Revenue from operations**

|                                     | Year ended       | Year ended       |
|-------------------------------------|------------------|------------------|
|                                     | 31 December 2024 | 31 December 2023 |
| Sale of services (refer note below) | 44,185           | 27,925           |
|                                     | <b>44,185</b>    | <b>27,925</b>    |

Note : Includes revenue from related parties amounting to MAD 42,976 during CY December 2024 (MAD 27,925 during CY December 2023) refer note 2.24

**Disaggregate Revenue Information**

Revenue disaggregation as per geography has been included in segment information (Refer note 2.20).

**Remaining performance obligations**

Remaining performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (change in currency rates, tax laws, etc.). As at 31 December 2024, the aggregate amount of transaction price allocated to remaining performance obligations as per the requirements of Ind AS 115 was **MAD 85,170** (December'23, Nil) out of which, approximately 36% is expected to be recognised as revenue within one year and the balance beyond one year. These amounts are not adjusted for variable consideration allocated to remaining performance obligation, which are not probable. These amounts also exclude contracts for which we recognize revenues based on the right to invoice for services performed and contracts where consideration is in the form of a sales-based or usage-based royalty promised in exchange for a license of intellectual property.

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.13 Other income**

|                     | Year ended       | Year ended       |
|---------------------|------------------|------------------|
|                     | 31 December 2024 | 31 December 2023 |
| Interest income     | 16               | 12               |
| Exchange difference | -                | 105              |
|                     | <b>16</b>        | <b>117</b>       |

**2.14 Employee benefits expense**

|   | Year ended       | Year ended       |
|---|------------------|------------------|
|   | 31 December 2024 | 31 December 2023 |
| Salaries, wages and bonus               | 25,058           | 15,755           |
| Contribution to other employee benefits | 5,201            | 3,047            |
| Staff welfare expenses                  | 14               | 13               |
|   | <b>30,273</b>    | <b>18,815</b>    |

**2.15 Finance costs**

|                               | Year ended       | Year ended       |
|-------------------------------|------------------|------------------|
|                               | 31 December 2024 | 31 December 2023 |
| Interest                      |                  |                  |
| -on lease liabilities         | 156              | 169              |
| -borrowings (refer note 2.24) | 1,090            | 1,146            |
| Bank charges                  | 135              | 80               |
|                               | <b>1,381</b>     | <b>1,395</b>     |

**2.16 Other expenses**

|                                       | Year ended       | Year ended       |
|---------------------------------------|------------------|------------------|
|                                       | 31 December 2024 | 31 December 2023 |
| Exchange difference                   | 546              | -                |
| Travel and conveyance                 | 262              | 78               |
| Recruitment, training and development | 269              | 808              |
| Rent                                  | -                | 64               |
| Repairs and maintenance               | 1,703            | 1,508            |
| Communication costs                   | 1,817            | 516              |
| Postage and courier                   | 15               | -                |
| Printing and stationary               | 28               | 61               |
| Legal and professional charges        | 1,276            | 388              |
| Business Promotion                    | 3                | -                |
| Utilities                             | 413              | 299              |
| Rates and taxes                       | 522              | 121              |
| Other marketing costs                 | 31               | 487              |
| Miscellaneous expenses                | 189              | 57               |
|                                       | <b>7,074</b>     | <b>4,387</b>     |

**2.17 Income taxes**

|              | Year ended       | Year ended       |
|--------------|------------------|------------------|
|              | 31 December 2024 | 31 December 2023 |
| Current tax  | -                | (149)            |
| Deferred tax | -                | 72               |
|              | -                | (77)             |

The reconciliation between the provision for income tax and amount computed by applying the statutory income tax rate is as follows:

|                                  | As at            | As at            |
|----------------------------------|------------------|------------------|
|                                  | 31 December 2024 | 31 December 2023 |
| Profit before income tax         | 2,369            | 1,352            |
| Statutory tax rate               | 0%               | 0%               |
| <b>Expected tax expense</b>      | -                | -                |
| <b>Total taxes</b>               | <b>0</b>         | <b>0</b>         |
| <b>Effective income tax rate</b> | <b>0%</b>        | <b>0%</b>        |

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.17 Income taxes (continued)**

Components of deferred tax assets and liabilities as on 31 December 2023

|   | Opening balance | Recognized in profit and loss | Closing balance |
|---|-----------------|-------------------------------|-----------------|
| <b>Deferred tax assets</b>                |                 |                               |                 |
| Depreciation and amortization             | 16              | (16)                          | -               |
| Lease assets (net)                        | 56              | (56)                          | -               |
| <b>Net deferred tax assets (A)</b>        | <b>72</b>       | <b>(72)</b>                   | <b>-</b>        |
| <b>Gross deferred tax liabilities (B)</b> | <b>-</b>        | <b>-</b>                      | <b>-</b>        |
| <b>Net deferred tax assets (A-B)</b>      | <b>72</b>       | <b>(72)</b>                   | <b>-</b>        |

**2.18 Earnings Per Share**

The computation of earnings per equity share (EPS) is as follows:

| Particular  | As at            |                  |
|---|------------------|------------------|
|   | 31 December 2024 | 31 December 2023 |
| Net profit as per statement of profit and loss for computation of EPS | 2,369            | 1,429            |
| Weighted average number of equity shares outstanding - Basic          | 52,855           | -                |
| Weighted average number of equity shares outstanding - Diluted        | 52,855           | -                |
| Nominal value of equity shares  | 100              | -                |
| <b>Earning per equity share</b>                                       |                  |                  |
| Basic   | 44.82            | -                |
| Diluted   | 44.82            | -                |

**2.19 Leases**

The company's significant leasing arrangements is in respect of leases for office accomodation.

The details of the right-of-use asset held by the company is as follows:

|                                     | As at            |                  |
|-------------------------------------|------------------|------------------|
|                                     | 31 December 2024 | 31 December 2023 |
| Balance as at beginning of the year | 1,719            | 2,868            |
| Addition                            | 1,650            | -                |
| Depreciation                        | 1,395            | 966              |
| Other adjustment*                   | -                | 183              |
| <b>Balance as at 31 December</b>    | <b>1,974</b>     | <b>1,719</b>     |

The reconciliation of lease liabilities is as follows:

|  | As at            |                  |
|--|------------------|------------------|
|  | 31 December 2024 | 31 December 2023 |
| Balance as at beginning of the year                                    | 2,020            | 3,148            |
| Additions  | 1,635            | -                |
| Amounts recognized in statement of profit and loss as interest expense | 156              | 169              |
| Payment of lease liabilities   | 1,217            | 1,319            |
| Other adjustment*  | -                | 22               |
| <b>Balance as at 31 December</b>                                       | <b>2,594</b>     | <b>2,020</b>     |

\*This includes reduction on account of rent concession

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities :

|                                | As at            |                  |
|--------------------------------|------------------|------------------|
|                                | 31 December 2024 | 31 December 2023 |
| Within one year                | 1,927            | 1,230            |
| One to two years               | 609              | 913              |
| Two to three years             | 152              | -                |
| <b>Total lease payments</b>    | <b>2,688</b>     | <b>2,143</b>     |
| Imputed interest               | 94               | 123              |
| <b>Total lease liabilities</b> | <b>2,594</b>     | <b>2,020</b>     |

Certain lease agreements include options to terminate or extend the leases. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.20 Segment reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available and their results are reviewed regularly by the chief operating decision maker (CODM), for allocation of resources and assessing performance.

The Company's ultimate holding company, HCL Technologies Limited's chief operating decision maker (CODM) reviews its results for allocation of resources and assessing performance by business segment comprising IT and Business Services, Engineering and R&D Services, and HCL Software. The ultimate Holding Company monitors the risk and returns of the Company's businesses on an entity level and evaluates the performance of the Company as one business segment. Hence there is only one reportable segment of the Company, as envisaged under Indian Accounting Standards -108 "Operating segments".

Segment revenue from customers by geographic area based on location of the customer is as follows:

| Particulars  | Year ended       | Year ended       |
|--------------|------------------|------------------|
|              | 31 December 2024 | 31 December 2023 |
| Europe       | 39,884           | 20,928           |
| India        | 56               | 4,652            |
| America      | 2,523            | -                |
| Others       | 1,722            | 2,345            |
| <b>Total</b> | <b>44,185</b>    | <b>27,925</b>    |

**2.21 Commitments**

| Particulars  | As at            | As at            |
|--|------------------|------------------|
|  | 31 December 2024 | 31 December 2023 |
| <b>Capital Commitments</b>   |                  |                  |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 1,091            | 1                |
|  | <b>1,091</b>     | <b>1</b>         |

**2.22 Financial assets and liabilities**

The carrying value of financial instruments by categories is as follows:

| Particulars                  | As at 31 December 2024 |                      | As at 31 December 2023 |                      |
|------------------------------|------------------------|----------------------|------------------------|----------------------|
|                              | Amortized cost         | Total carrying value | Amortized cost         | Total carrying value |
| <b>Financial assets</b>      |                        |                      |                        |                      |
| Trade receivables            | 13,690                 | 13,690               | 8,804                  | 8,804                |
| Cash and cash equivalents    | 10,511                 | 10,511               | 13,541                 | 13,541               |
| Others                       | 295                    | 295                  | 203                    | 203                  |
| <b>Total</b>                 | <b>24,496</b>          | <b>24,496</b>        | <b>22,548</b>          | <b>22,548</b>        |
| <b>Financial liabilities</b> |                        |                      |                        |                      |
| Borrowings                   | 19,969                 | 19,969               | 19,823                 | 19,823               |
| Trade payables               | 3,741                  | 3,741                | 2,104                  | 2,104                |
| Lease Liabilities            | 2,594                  | 2,594                | 2,020                  | 2,020                |
| Others                       | 5,697                  | 5,697                | 2,925                  | 2,925                |
| <b>Total</b>                 | <b>32,001</b>          | <b>32,001</b>        | <b>26,872</b>          | <b>26,872</b>        |

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.22 Financial assets and liabilities (continued)****Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. The Company is primarily exposed to fluctuation in foreign currency exchange rates.

**(i) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates. The Company's exposure to the risk of changes in exchange rates relates primarily to the Company's operations.

The exchange rate risk primarily arises from assets and liabilities denominated in currencies other than foreign currency. An insignificant portion of the Company's revenue is in other foreign currency while a large portion of costs are in MAD. The fluctuation in exchange rates in respect to MAD may not have potential impact on the statement of profit and loss and equity.

Appreciation / depreciation of 1% in respective foreign currencies with respect to functional currency of the Company would result in immaterial change in the Company's profit before tax for the year ended 31 December 2024.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Hence the Company is not significantly exposed to interest rate risk.

**Credit risk**

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, unbilled receivables and trade receivables. The cash resources of the Company are invested with banks after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, however there is no credit risk of nonperformance by counterparties as the major revenue belongs to group company further none of the trade receivables aged for more than 365 days as at 31 December 2024.

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the Company is capital preservation and liquidity in preference to returns. The Company consistently generates sufficient cash flows from operations and has access to multiple sources of funding to meet the financial obligations and maintain adequate liquidity for use.

Maturity profile of the company's financial liabilities based on contractual payments is as below:

|                               | <b>Year 1</b> | <b>Year 2-5 and thereafter</b> | <b>Total</b>  |
|-------------------------------|---------------|--------------------------------|---------------|
| <b>As at 31 December 2024</b> |               |                                |               |
| Borrowings                    | 19,969        | -                              | 19,969        |
| Trade payables                | 3,741         | -                              | 3,741         |
| Lease liabilities             | 1,927         | 761                            | 2,688         |
| Other financial liabilities   | 5,697         | -                              | 5,697         |
| <b>Total</b>                  | <b>31,334</b> | <b>761</b>                     | <b>32,095</b> |
| <b>As at 31 December 2023</b> |               |                                |               |
| Borrowings                    | -             | 19,823                         | 19,823        |
| Trade payables                | 2,104         | -                              | 2,104         |
| Lease liabilities             | 1,230         | 913                            | 2,143         |
| Other financial liabilities   | 2,925         | -                              | 2,925         |
| <b>Total</b>                  | <b>6,259</b>  | <b>20,736</b>                  | <b>26,995</b> |

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.23 Ratio**

|                                  | Numerator  | Denominator                              | Units | As at            |                  | % Variance |
|----------------------------------|--|--|-------|------------------|------------------|------------|
|                                  |  |  |       | 31 December 2024 | 31 December 2023 |            |
| Current ratio                    | Current assets   | Current liabilities                      | Times | 0.88             | 3.47             | -74.68%    |
| Debt equity ratio                | Total debts<br>(refer note 1 below)                            | Total equity                             | Times | 2.40             | 3.11             | -22.75%    |
| Debt service coverage ratio      | Earning availables for<br>debt service<br>(refer note 2 below) | Debt service<br>(refer note 3 below)     | Times | 4.97             | 3.29             | 51.10%     |
| Return on equity ratio           | Profit for the year  | Average total equity                     | %     | 28.86%           | 22.83%           | 26.41%     |
| Trade receivables turnover ratio | Revenue from operations  | Average trade receivables                | Times | 3.93             | 3.27             | 20.28%     |
| Trade payables turnover ratio    | Net credit purchases<br>(refer note 4 below)                   | Average trade payables                   | Times | 2.48             | 2.18             | 13.99%     |
| Net capital turnover ratio       | Revenue from operations  | Working capital<br>(refer note below 5)  | Times | (10.84)          | 1.53             | -810.74%   |
| Net profit ratio                 | Profit after tax   | Revenue from operations                  | %     | 5.36%            | 5.12%            | 4.77%      |
| Return on capital employed       | Earning before interest<br>and taxes                           | Capital employed<br>(refer note 6 below) | %     | 11.31%           | 9.24%            | 22.46%     |

**Notes :**

- (1) Total Debts = Lease liabilities + Borrowings
- (2) Earning availables for debt services = Profit for the year + depreciation + interest + provision for doubtful debts + non cash charges
- (3) Debt service = Interest + payment for lease liabilities + principal repayments
- (4) Net credit purchase includes outsourcing costs and other expenses
- (5) Working capital = current assets - current liabilities
- (6) Capital employed = Tangible net worth including intangible assets + total debt
- (7) Average is calculated based on simple average of opening and closing balances.

**Explanation where change in the ratio is more than 25%**

- 1) **Current ratio:** This ratio decreased primarily on account of classification of borrowing from non current to current resulting in negative working capital.
- 2) **Debt service coverage ratio:** This ratio has increased primarily on account of increase in profit during the current year in comparison to previous year.
- 3) **Return on Equity ratio:** This ratio has increased primarily on account of increase in profit during the current year in comparison to previous year.
- 4) **Net capital turnover ratio:** This ratio decreased primarily on account of classification of borrowing from non current to current resulting in negative working capital.

**HCL Technologies Morocco Limited****Notes to financial statements for the year ended 31 December 2024**

(All amount in MAD thousands, except share data and as stated otherwise)

**2.24 Related party transactions****a) Related parties where control exists**

HCL Technologies Limited (Ultimate holding company)

HCL Technologies UK Limited (Holding company)

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

HCL Technologies Limited (Ultimate holding company)

HCL Technologies UK Limited (Holding company)

**Fellow Subsidiaries**

HCL Technologies Corporate Services Limited

HCL Technologies Lanka (Private) Limited

HCL (Brazil) Technologia Da Informacao Eireli

Pt. HCL Technologies Indonesia

HCL America Inc.

HCL Technologies Sweden Ab

HCL Technologies Estonia Ou

HCL Technologies Egypt Ltd

HCL Hungry Kft

HCL Technologies South Africa (Proprietary) Limited

HCL Axon Solutions (Shanghai) Co., Limited

HCL Technologies S.A.C.

HCL Asia Pacific Pte Ltd-Korea Branch

HCL Canada Inc.-Sd (Fy HCL Axon Technologies Inc.)

HCL Technologies Sollutions Gmbh

HCL Technologies Finland Oy

HCL Technologies Mexico S De RI De Cv

Filial Espanola De HCL Technologies, S.L.(HCL Spain)

HCL Technologies Chile Spa

HCL Technologies Italy S.P.A.

**c) Transactions with related parties during the normal course of business**

| Particulars                        | Revenue       | Interest expense | Outsourcing Cost | Miscellaneous Expenses |
|------------------------------------|---------------|------------------|------------------|------------------------|
| <b>Year ended 31 December 2024</b> |               |                  |                  |                        |
| Ultimate holding company           | 1,394         | -                | -                | 5                      |
| Holding company                    | 2,658         | 1,090            | -                | -                      |
| Fellow Subsidiaries                | 38,924        | -                | 17               | -                      |
| <b>Total</b>                       | <b>42,976</b> | <b>1,090</b>     | <b>17</b>        | <b>5</b>               |
| <b>Year ended 31 December 2023</b> |               |                  |                  |                        |
| Ultimate holding company           | 4,652         | -                | -                | -                      |
| Holding company                    | 4,625         | 1,146            | -                | -                      |
| Fellow Subsidiaries                | 18,648        | -                | -                | -                      |
| <b>Total</b>                       | <b>27,925</b> | <b>1,146</b>     | <b>-</b>         | <b>-</b>               |

**d) Outstanding balances**

| Particulars                   | Unbilled receivables | Trade receivable | Interest payable on borrowings | Trade payables | Borrowings    | Accruals & Provisions |
|-------------------------------|----------------------|------------------|--------------------------------|----------------|---------------|-----------------------|
| <b>As at 31 December 2024</b> |                      |                  |                                |                |               |                       |
| Ultimate holding company      | -                    | 26               | -                              | 46             | -             | -                     |
| Holding company               | -                    | -                | 2,169                          | -              | 19,969        | -                     |
| Fellow subsidiary company     | 12,448               | 483              | -                              | 7              | -             | 10                    |
| <b>Total</b>                  | <b>12,448</b>        | <b>509</b>       | <b>2,169</b>                   | <b>53</b>      | <b>19,969</b> | <b>10</b>             |
| <b>As at 31 December 2023</b> |                      |                  |                                |                |               |                       |
| Ultimate holding company      | 1,603                | -                | -                              | -              | -             | -                     |
| Holding company               | -                    | 1,636            | 1,180                          | -              | 19,823        | -                     |
| Fellow subsidiary company     | 1,103                | 4,462            | -                              | -              | -             | -                     |
| <b>Total</b>                  | <b>2,706</b>         | <b>6,098</b>     | <b>1,180</b>                   | <b>-</b>       | <b>19,823</b> | <b>-</b>              |

**2.25 Subsequent events**

The Company has evaluated all the subsequent events up until 08 May 2025, which is the date on which these financial statements were issued, and no events have occurred from the balance sheet date through that date except for matters that have already been considered in the financial statements.

As per our report of even date attached.

**For B S R & Co. LLP**

ICAI Firm Registration Number : 101248W/W-100022

Chartered Accountants

Signed by:

*Rakesh Dewan*

28CB0DA1124043E...

**Rakesh Dewan****Partner**

Membership Number: 092212

Gurugram, India

Date: 08 May 2025

**For and on behalf of the Board of Managers****of HCL Technologies Morocco Limited**

Signed by:

*Shiv Kumar Walia*

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**Shiv Kumar Walia****Manager**

Noida, India

Date: 08 May 2025