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Independent Auditors' Report

To the sole owner of
HCL Technologies Bulgaria EOOD

Opinion

We have audited the financial statements of HCL Technologies Bulgaria EOOD (the Company) as set out on pages 3 to 22, which comprise the statement of financial position as at 31 December 2024 and the statement of profit or loss and 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.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the “Auditors’ Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements of the Independent Financial Audit and Assurance of Sustainability Reporting Act (IFAASRA) that are relevant to our audit of the financial statements in Bulgaria, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the IFAASRA and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG Audit OOD, a Bulgarian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

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Identity Code 040595851

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Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the management report, prepared by management in accordance with Chapter Seven of the Accountancy Act, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Additional Matters to be Reported under the Accountancy Act

In addition to our responsibilities and reporting in accordance with ISAs, in relation to the management report, we have also performed the procedures added to those required under ISAs in accordance with the New and enhanced auditor‘s reports and auditor‘s communication Guidelines of the professional organisation of certified public accountants and registered auditors in Bulgaria, the Institute of Certified Public Accountants (ICPA). These procedures refer to testing the existence, form and content of this other information to assist us in forming an opinion about whether the other information includes the disclosures and reporting provided for in Chapter Seven of the Accountancy Act applicable in Bulgaria.

Opinion in connection with Art. 37, paragraph 6 of the Accountancy Act

Based on the procedures performed, our opinion is that:

- The information included in the management report for the financial year for which the financial statements have been prepared is consistent with those financial statements.
- The management report has been prepared in accordance with the requirements of Chapter Seven of the Accountancy Act.

Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' 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 auditors' 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 management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Audit OOD
Registered under No. 045 in the Register of the registered auditors

45/A Bulgaria Boulevard
Sofia 1404, Bulgaria

Ivan Andonov
Authorised representative and registered auditor, responsible for the audit

Sofia, 16 June 2025

HCL TECHNOLOGIES BULGARIA EOOD
SOFIA

ANNUAL FINANCIAL STATEMENTS
DECEMBER 31, 2024

HCL TECHNOLOGIES BULGARIA EOOD
SOFIA

ANNUAL FINANCIAL STATEMENTS
DECEMBER 31, 2024

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HCL TECHNOLOGIES BULGARIA EOOD
SOFIA

DIRECTORS' REPORT
DECEMBER 31st, 2024

The management of HCL Technologies Bulgaria EOOD (the Company), herewith submits the Financial Statements as at, and for the year ended December 31, 2024.

DESCRIPTION OF THE ACTIVITY

The Company was registered as a sole ownership limited liability company incorporated on 18 November 2019 in Sofia, Bulgaria with capital of BGN 65,000 and was increased in 2021 to BGN 463,090.

As at the reporting date the share capital of the Company is BGN 463,090 100% owned by HCL Technologies UK limited, UK and its ultimate holding company is HCL Technologies Limited.

The share capital is fully paid in cash.

The Company's head office is in Sofia, zh.k. Business park, build. 7, entr. B, fl.1.

The main Company's business activity is Business Transformation consultancy company aiming to provide medium and large size organizations with Business Transformation solutions that encompass all elements of Business Consulting, Solution Implementation and ongoing Application Management. The Business activity as per MOA: Technical call center, as well as engagement in other commercial operations which are not banned under Bulgarian Law.

BUSINESS OVERVIEW

The results of the Company for 2024 are satisfactory: the Company realised a net profit before amounted to 2,604 thousand BGN (2023: 2,304 thousand BGN) and revenue from sales of services amounted to 47,953 thousand BGN (2023: 40,608 thousand BGN).

As of December 31, 2024 the Company's equity is positive in the amount of 7,811 thousand BGN (2023: 5,248 thousand BGN).

Important events that have occurred since the end of the financial year

REVIEW OF 2024

During the current year the Company:

- Ended 2024 with 696 employees' vs 590 in December 2023

OBJECTIVES FOR 2025

The Company's management set the following objectives and targets for 2025:

Objectives:

§ Expand our services volume with our current accounts
§ Add new clients

Targets:
Achieve and maintain 90%+ customer satisfaction
Maintain profitability
Increase efficiency and effectiveness
Increase penetration of European sales force support market

Translation from the Original Bulgarian version, in case of divergence the Bulgarian original shall prevail.

HCL TECHNOLOGIES BULGARIA EOOD
SOFIA

DIRECTORS' REPORT
DECEMBER 31st, 2024

RESEARCH AND DEVELOPMENT ACTIVITIES

The Company does not directly engage in research and development activities.

FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

The Company's business activity exposes it to certain risks, including the effect of change in foreign exchange rates, credit and liquidity risk. The management of the Company, like the group to which belongs, monitors the overall risk and looks for methods to neutralize potential negative effects.

Foreign exchange risk

The Company performs international transactions and have purchases and / or sales denominated in foreign currency. Therefore, the Company is exposed to currency risk associated with possible fluctuations in the foreign currency. At present risk exists mostly exposures of the Company in EURO and US dollars (USD). The Company does not use special financial instruments to hedge these risks, since such tools are not generally practiced in Bulgaria.

Interest risk

Interest rate risk to the Company arises from a loan with a floating rate and is associated with fluctuations in interest rates and changes in future cash flows.

The Company does not use special tools to manage interest rate risk.

Credit risk

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, trade receivables, unbilled revenue, finance lease receivables. By their nature, all such financial instruments involve risks, including the credit risk of nonperformance by counterparties.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Company does not use hedge instruments for limitation of the financial risk.

MANAGEMENT

By the date of preparation of the financial statements the Company is represented together by:

Mr. Shiv Kumar Walia, AUSTRALIA citizen (Effective until 14.01.2025)
Mr. Goutam Rungta, Indian citizen
Mr. Raghu Raman Lakshmanan, USA citizen
Mr. Sushant Jain, Country: United Kingdom (Effective from 14.01.2025)

Responsibilities

The management prepares each year the Company's financial statements which should present truly and fairly the Company's financial position and operations.

The management confirms that adequate accounting policies have been applied and the financial statements are prepared using the prudence concept for the recognition and valuation of the assets, liabilities, income and expenses. The financial statements are prepared based on the going concern concept.

The management is responsible for the proper maintaining of the Company's financial records, for the proper use and control of the assets and for taking proper measures to avoid any mistakes and fraud.

Managing director

.....
Goutam Rungta
Sofia, 16 June 2025

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HCL TECHNOLOGIES BULGARIA EOOD
SOFIA
BULSTAT: 205902608

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

ASSETS	Notes	12/31/2024 BGN'000	12/31/2023 BGN'000
Non-current assets			
Property, plant and equipment	1	207	276
Intangible non-current assets	2	134	-
Other receivables and prepayments	3	397	288
Finance lease receivables	4	376	222
Deferred tax assets	20	292	245
Total non-current assets		**1,406**	**1,031**
Current assets			
Finance lease receivables	4	225	65
Trade receivables	5	2,690	2,582
Current related parties receivables	21	10,974	9,035
Other receivables and prepayments	6	951	550
Inventory	7	27	387
Cash and cash equivalents	8	6,598	5,099
Total current assets		**21,465**	**17,718**
TOTAL ASSETS		**22,871**	**18,749**
EQUITY AND LIABILITY		**BGN'000**	**BGN'000**
Equity			
Share capital	9	463	463
Share-based payments reserve		(41)	-
Retained earnings		4,785	2,481
Profit current period		2,604	2,304
Total equity		**7,811**	**5,248**
Current liabilities			
Bank overdraft	10	6,890	1,303
Related parties payables	21	336	6,042
Trade and employee payables	11	6,837	6,024
Income tax payable	12	20	93
Other liabilities & deferred revenue	13	977	39
Total current liabilities		**15,060**	**13,501**
TOTAL EQUITY AND LIABILITIES		**22,871**	**18,749**

The notes on pages 7-22 are an integral part of these financial statements.

Sofia, 16 June 2025

Managing Directors:
HCL TECHNOLOGIES BULGARIA EOOD
Mr. Goutam Rungta

Chief Accountant:
TMF SERVICES EOOD
Daniel Proychev, Managing Director
Nikolay Yordanov, Procurator

In accordance with an Independent Auditors' Report:
KPMG Audit OOD
Registered under No. 045 in the Register of the registered auditors
Ivan Atodonov
Authorized representative and registered auditor, responsible for the audit.

Translation from the Original Bulgarian version, in case of divergence the Bulgarian original shall prevail.

"ТМФ Сървисиз" ЕООД София

HCL TECHNOLOGIES BULGARIA EOOD
SOFIA
BULSTAT: 205902608

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED DECEMBER 31, 2024

	Notes	2024 BGN'000	2023 BGN'000
Revenue from operations	14	47,953	40,608
Total revenue		**47,953**	**40,608**
Employee expenses	15	(38,793)	(30,064)
External services	16	(4,335)	(7,123)
Depreciation and amortization	17	(93)	(80)
Supplies and other expenses	18	(885)	(601)
Profit from operations		**3,847**	**2,740**
Financial income/expenses, net	19	(954)	(177)
Profit before tax		**2,893**	**2,563**
Corporate income tax	20	(289)	(259)
Profit from continuing operations		**2,604**	**2,304**
Net profit for the period		**2,604**	**2,304**

The notes on pages 7-22 are an integral part of these financial statements.

Sofia, 16 June 2025

Managing Directors:
HCL TECHNOLOGIES BULGARIA EOOD
Mr. Goutam Rungta

Chief Accountant:
TMF SERVICES EOOD
Daniel Proychev, Managing Director
Nikolay Yordanov, Prokurator

In accordance with an Independent Auditors' Report:
KPMG Audit OOD
Registered under No. 045 in the Register of the registered auditors
[illegible] Andonov
Authorized representative and registered auditor, responsible for the audit.

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HCL TECHNOLOGIES BULGARIA EOOD
SOFIA
BULSTAT: 205902608

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024	2023
CASH FROM OPERATING ACTIVITIES	**BGN'000**	**BGN'000**
Profit/(Loss) before tax	**2,894**	**2,563**
Adjustment for:		
Depreciation and amortization	93	80
Operating profit before working capital changes	**2,987**	**2,643**
Net Change in		
Trade receivables	(2,047)	(2,641)
Inventory	360	(387)
Other financial assets and other assets	(824)	(608)
Trade payables	(3,955)	6,379
Cash used in operations	**(3,479)**	**5,386**
Direct taxes paid (net of refunds)	**(412)**	**(495)**
NET CASH FLOW FROM OPERATING ACTIVITIES	**(3,891)**	**4,891**
CASH FROM INVESTING ACTIVITIES		
Purchase of non-current assets	(197)	(129)
NET CASH USED IN INVESTING ACTIVITIES	**(197)**	**(129)**
CASH FROM FINANCING ACTIVITIES		
Proceeds from Bank Overdraft	6,890	1,303
Repayments of borrowings	(1,303)	(3,158)
NET CASH USED IN/FROM FINANCING ACTIVITIES	**5,587**	**(1,855)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**1,499**	**2,907**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**5,099**	**2,192**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**6,598**	**5,099**

The notes on pages 7-22 are an integral part of these financial statements.

Sofia, 16 June 2025

Managing Directors:
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Mr. Goutam Rungta

Chief Accountant:
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"ТМФ СЪРВИСИЗ" ЕООД София

HCL TECHNOLOGIES BULGARIA EOOD
SOFIA
BULSTAT: 205902608

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2024

	Share capital	Share-based payments reserve	Retained earnings	TOTAL
	BGN'000	BGN'000	BGN'000	BGN'000
BALANCE AS AT 01-01-2023	463	-	2,481	2,944
Total comprehensive income for the year				
Net profit for the period	-		2,304	2,304
Total comprehensive income for the year	-		2,304	2,304
	463		4,785	5,248
Balance at 31 December 2023	**463**		**4,785**	**5,248**
BALANCE AS AT 01-01-2024	**463**	-	**4,785**	**5,248**
Total comprehensive income for the year				
Net profit for the period	-		2,604	2,604
Total comprehensive income for the year			2,604	2,604
	463	-	7,389	7,852
Equity-settled share-based payments	-	(41)	-	(41)
BALANCE AS AT 31-12-2024	**463**	**(41)**	**7,389**	**7,811**

The notes on pages 7-22 are an integral part of these financial statements.

Sofia, 16 June 2025

Managing Director:
HCL TECHNOLOGIES BULGARIA EOOD
Mr. Goutam Rungta

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HCL TECHNOLOGIES BULGARIA EOOD
SOFIA

ACCOUNTING POLICY
DECEMBER 31st, 2024

1. General considerations

The company was registered as a sole proprietorship with limited liability on November 18, 2019 in Sofia, Bulgaria, with a share capital of BGN 85,000.

As of the date of the report, the capital of the company amounts to BGN 463,090, 100% owned by HLC Technologies UK Limited, UK and a known ultimate owner of HLC Technologies Limited.The capital of the Company is entirely paid in the form of a cash contribution.

The company is mainly operating a technical maintenance center and providing technical services on specific projects.

The Company's head office is in Sofia, zh.k. Business park, build. 7, entr. B, fl.1.

2. Accounting policy

Below is described the accounting policy applied in the preparation of the financial statements.

The policy has been consistently applied for all years presented unless explicitly stated otherwise.

2.1 Basis for preparation of the financial statements

The Company prepares and presents its financial statements based on the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the clarifications on their application issued by the IFRS Interpretation Committee (IFRIC) adopted by the Commission The European Union (EU).

The financial statements are prepared in Bulgarian lev(BGN), which is the functional currency of the Company. All amounts are in thousand Bulgarian Levas (BGN'000) (including comparative information for 2023), unless otherwise stated.

As at the date of preparation of these financial statements, Management has made an assessment of the Company's ability to continue as a going concern. This estimate takes into account all available information about the foreseeable future, which is at least, but not limited to, twelve months from the end of the reporting period. The financial statements are prepared in accordance with the going concern principle.

Applying of new and revised IFRSs

Standards issued but not yet effective

The following new Standards, amendments to Standards and Interpretations, endorsed by the EC, are not yet mandatorily effective for annual periods beginning on 1 January 2024, and have not been applied in preparing these separate financial statements. The Company plans to adopt these pronouncements when they become effective.

Standards, Interpretations and amendments to published Standards that have not been early adopted – endorsed by the EC

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023, effective from 1 January 2025)

Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction. In some jurisdictions, no spot rate is available because a currency cannot be exchanged into another currency.
IAS 21 was amended to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

The amendments also include additional disclosure requirements to help users to assess the impact of using an estimated exchange rate on the financial statements.

The Company expects that the amendments, when initially applied, would not have a material impact on its financial statements.

Standards and interpretations not yet endorsed by the EC

Management believes that it is appropriate to disclose that the following new or revised standards, new interpretations and amendments to current standards, which are already issued by the International Accounting Standards Board (IASB), are not yet endorsed for adoption by the EC, and therefore are not taken into account in preparing these separate financial statements. The actual effective dates for them will depend on the endorsement decision by the EC.

IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024, effective from 1 January 2027);

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

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2.1 Basis for preparation of the financial statements (continued)

Standards and interpretations not yet endorsed by the EC (continued)

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured summary' of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures ("MPMs"), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as 'other' and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1.

The following amendments and improvements to standards are not expected to have a material impact on the separate financial statements of the Company.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024, effective from 1 January 2027);

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024, effective from 1 January 2026);

Annual Improvements Volume 11 (issued on 18 July 2024, effective from 1 January 2026);

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024, effective from 1 January 2026).

2.2 Application of the going concern principle

The financial statements are prepared on a going concern basis, which implies that the Company will continue its operations in the foreseeable future. The validity of the going concern business depends on the active financial support of the parent company - HLC Technologies UK Limited. Considering the assessment of expected future cash flows, management considers that it is appropriate to prepare the financial statements on a going concern basis.

2.3. Estimates

The preparation of the financial statements in accordance with IFRS requires the application of estimates and assumptions that significantly affect the reported assets and liabilities, the disclosure of contingent assets and liabilities at the date of preparation of the financial statements, as well as the reported income and expenses for the reporting period. Although these estimates are based on management's best knowledge of events and activities for the period, actual results may differ from these estimates. Estimates are based on management's past experience, including expectations of future events under normal circumstances. These estimates, approximate estimates and assumptions are a subject to regular reviews to be consistent with available data and to reflect current risks.

ACCOUNTING POLICY
DECEMBER 31st, 2024

2.4. Summary of significant accounting policies

Functional currency and presentation currency

The separate elements of the Company's financial statements are measured in the currency of the primary economic environment in which the entity operates (functional currency). The financial statements are presented in BGN thousand (BGN thousand), which is the functional currency and is fixed at the Euro at an exchange rate of EUR 1 for BGN 1.95583.

Transactions and balances

Transactions in foreign currency are translated into functional currency using the official exchange rate for that day. Foreign exchange gains and losses arising from the settlement of foreign currency transactions and from a revaluation at the closing exchange rate of foreign currency-denominated assets and liabilities are recognized in the income statement.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical value includes costs directly attributable to the acquisition of the asset.
Subsequent costs are added to the carrying amount of the asset or accounted for as a separate asset only when the Company is expected to receive future economic benefits associated with the use of that asset and when the carrying amount can be reliably determined. All other maintenance and repair costs are reflected in the income statement in the period in which they are incurred.

Depreciation of property, plant and equipment is accounted for using the straight-line method to allocate the difference between the carrying amount and the residual value over the useful life of the assets as follows:

Computer equipment and software - 3 years
Equipment, furnishing and other assets - 7 years
Improvement of leased assets - 5 years (for the term of the lease)
The residual value and the useful life of the assets are reviewed and, if necessary, corrected for each date of preparation of the financial statements.

Intangible assets

Software products
Acquired licenses for software products are capitalized on the basis of the costs necessary to acquire and release the specific software product. They are amortized over their expected useful life.

Depreciation is accrued using the straight-line method to allocate the value of assets to their residual value over their useful lives.

Impairment of assets

Assets that have an indefinite useful life are not amortized but are tested for impairment on an annual basis. Assets that are depreciated are reviewed for impairment when events occur or there is a change in circumstances that suggests that the carrying amount of the assets is not recoverable. For an impairment loss, the amount by which the carrying amount exceeds their recoverable amount is recognized.

The recoverable amount is the higher of the net selling value and the value in use. In order to determine the value in use, assets are grouped into the smallest possible identifiable units generating cash flows.

Financial instruments

The Company recognizes a financial asset or financial liability in its statement of financial condition if and only when the Company becomes a party to the contractual terms of this instrument.

Financial assets (excluding trade receivables) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial asset or financial liability that is not measured at fair value through profit or loss are added or subtracted from the fair value of the financial asset or financial liability on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of a financial asset or financial liability that is measured at fair value through profit or loss are recognized immediately in profit or loss.

Upon initial recognition, the Company measures trade receivables that do not have a significant financing component (determined in accordance with IFRS 15) at their respective transaction price.

(a) Financial assets

The Company classifies financial assets as subsequently measured at amortized cost, at fair value through other comprehensive income or fair value through profit or loss on the basis of the following two conditions:

- business model for management of the financial assets of the enterprise; and

- the characteristics of the contractual cash flows of the financial asset.

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

- the financial asset is held within a business model, the purpose of which is to hold the assets in order to collect the contractual cash flows; and

- under the contractual terms of the financial asset, cash flows arise on specific dates, which are only principal payments and interest on the outstanding principal amount.

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2.4. Summary of significant accounting policies (continued)

Financial instruments (continued)

A financial asset is measured at fair value through other comprehensive income if the following two conditions are met:

- the financial asset is held within a business model whose purpose is both to collect contractual cash flows and to sell financial assets, and
- under the contractual terms of the financial asset, cash flows arise on specific dates, which are only principal payments and interest on the outstanding principal amount.

All other financial assets are subsequently measured at fair value through profit or loss.

The measurement of financial assets at amortized cost is performed using the effective interest method in accordance with IFRS 9.

IFRS 13 defines fair value as the price to sell an asset or to transfer a liability in an ordinary transaction between market participants at the date of the measurement of the primary (or most profitable) market under current market conditions. The fair value in accordance with IFRS 13 is the outgoing price, whether that price is directly available for observation or is estimated using another measurement technique.

The financial assets of the Company include in particular: cash and cash equivalents; trade and other receivables.

Cash and cash equivalents include cash and sight deposits with an original maturity of up to three months from the date of acquisition, which are associated with a negligible risk of change in their fair value and are used by the Company to manage short-term liabilities.

Trade and other receivables include receivables from contracts with customers that do not contain a significant component of financing and receivables from lease agreements. The Company estimates the expected credit losses on these financial instruments by applying the simplified approach according to IFRS 9 on the basis of a provision matrix, such as:

- categorize receivables by groups with similar credit risk characteristics:
- determines the period in the past for which it calculates the historical credit loss for each group of receivables;
- determines the percentages of the historical credit loss by groups of receivables;
- adjusts the rates of historical credit loss based on projected future economic conditions;
- calculates the expected credit losses.

The Company writes off a financial asset if and only if:

- the contractual rights to the cash flows from this financial asset have expired; or
- The Company transferred the financial asset, and this transfer meets the derecognition requirements under IFRS 9.

(b) Financial liabilities

The Company classifies all financial liabilities and subsequently measures at amortized cost using the effective interest method. The exceptions to this rule under IFRS 9 are:

- financial liabilities measured at fair value through profit or loss;
- financial liabilities arising from the transfer of a financial asset that does not qualify for derecognition or when the continuing participation approach is applied;
- financial guarantee contracts;
- commitments to grant a loan with an interest rate that is lower than the market rate;
- contingent consideration recognized by the buyer in a business combination,

are not applicable to the financial liabilities of the Company and their subsequent valuation.

The financial liabilities of the Company include in particular:

trade and other liabilities.

The Company removes a financial liability (or part of a financial liability) from its statement of financial position if and only when it is repaid - ie. when the obligation specified in the contract has been fulfilled, has been canceled or its term has expired.

Financial assets and liabilities are netted and the net value is presented in the statement of financial position if and only if the Company has a legal basis to net the amounts and intends to either settle on a net basis or to sell the asset and settle the liabilities simultaneously.

Capital

Shareholders' equity is classified as equity.

2.4. Summary of significant accounting policies (continued)

Loans

Loans are initially recognized at fair value less costs to carry out the transaction. Borrowings are subsequently measured at amortized cost; any difference between payments due (net of transaction costs) and the value of the loan is recognized in the income statement over the period of the loan using the effective interest method. Loans are classified as short-term liabilities unless the Company has the unconditional right to defer settlement of the liability for a period of at least 12 months after the balance sheet date.

Leasing

The company as a lessee

The Company evaluates whether a contract is or contains a lease at the beginning of the contract. The Company recognizes an asset with a right of use and a corresponding lease obligation in respect of all lease agreements in which it is a lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases, with low-value assets (such as tablets and personal computers, small office furniture and telephones). For these leases, the Company recognizes lease payments as an operating expense on a straight-line basis over the term of the lease, unless another systematic basis is more representative of the time model in which the economic benefits of the leased assets are realized.

The lease liability is initially measured at the present value of the lease payments not repaid at the inception date, discounted at the lease interest rate. If this interest rate cannot be easily determined, the Company uses its differential interest rate.

Lease payments involved in the measurement of the lease liability include:

Fixed lease payments (including substantially fixed payments), less any lease incentive receivables;

Variable lease payments that depend on an index or interest rate, initially measured using the index or interest rate at the starting date;

The amount expected to be paid by the lessee under residual value guarantees;

The cost of exercising the options to purchase, if it is largely certain that the lessee will exercise the options; and

Payment of penalties for termination of the lease agreement, if the term of the lease reflects the exercise of the option for termination of the lease agreement.

The lease liability is presented on a separate line in the statement of financial position.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect the interest on the lease liability (using the effective interest rate method) and by reducing the carrying amount to reflect the lease payments made.

The Company revalues the lease liability (and adjusts the related asset to its right of use accordingly) when:

The lease term has changed or there is a significant event or change in circumstances that results in a change in the valuation of the exercise the option for purchasing, in which case the lease liability is revalued by discounting the revised lease payments using a revised discount rate.

Lease payments are changed due to changes in an index or percentage or a change in the expected payment at the guaranteed residual value, in which case the lease liability is revalued by discounting the revised lease payments using an unchanged discount rate (unless the change in lease payments is due of a change in a floating interest rate, where a revised discount rate is used).

The lease is amended and the lease change is not accounted for as a separate lease, where the lease liability is revalued based on the lease term of the amended lease by discounting the revised lease payments using the revised discount rate at the actual date of the amendment.

The company has not made such adjustments during the presented periods.

Assets with the right of use include the initial measurement of the relevant lease liability, lease payments made on or before the inception, less any lease incentives received, and any initial direct costs. Subsequently, they are measured at cost less accumulated depreciation and impairment losses.

When the Company incurs a liability for the costs of dismantling and removing a leased asset, restoring the asset to which the asset is located or restoring the underlying asset to the condition required by the lease, a provision is recognized and measured in accordance with IAS 37. As far as the costs are related to an asset with a right of use, the costs are included in the respective asset with a right of use, unless these costs are incurred for the production of inventories.

Assets with the right of use are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If the lease transfers ownership of the underlying asset or the cost of the asset to be used.

The assets with the right of use are presented on a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether an asset with impairment is impaired and reports any impairment losses identified as described in the Property, Plant and Equipment policy.

As a practical measure, IFRS 16 allows the lessee not to separate the non-leased components and instead considers each lease and related non-leased components as a single arrangement. The company did not use this practical measure. For contracts that contain a leasing component and one or more additional leasing or non-leasing components, the Company distributes the remuneration in the contract to each leasing component based on the relative independent price of the leasing component and the total independent price of the non-leasing components.

2.4 Summary of significant accounting policies (continued)

The company as a lessor.

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.
To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.
The Company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

Deferred taxes

Deferred tax is accounted for using the balance sheet method for all temporary differences that arise between the tax base of assets and liabilities and their carrying amount in financial statements. If, however, tax temporary differences arise from the initial recognition of an asset or liability that does not affect either the accounting or tax gain (loss) during the transaction, that difference is not accounted for. When calculating deferred taxes, the tax rates (and regulatory) that were in effect at the balance sheet date are applied to periods of expected reversal of tax temporary differences.
A deferred tax asset is recognized only if it is probable that sufficient future taxable profits will be available against which those assets may be used.

Current and deferred taxes are recognized as income or expense and are included in net income for the period, except when the tax arises from transactions or events that are recognized in the same or different period directly in the equity statement. Current and deferred taxes are charged or remitted directly to equity when the tax relates to items that are carried forward or accrued in the same or a different period directly to equity.

Employee benefits

According to the requirements of the Labor Code, enterprises in the country are obliged to terminate their employment with an employee who has reached retirement age to pay him a lump sum compensation of 2 to 6 salaries depending on his work experience in the Company. The Company has calculated the probable amount of the liability for that benefit, but due to its insignificant size, as well as the turnover and low average age of the staff, it has not accrued a provision in these financial statements.

Provisions

Provisions are accounted for when a present legal, constructive or statutory obligation arises for the Company as a result of past events when it is expected that cash outflows will flow to settle the obligation and when the amount of the obligation can be accurately determined. Provisions for future operating losses are not recognized.

Revenue recognition

Revenue in the Company is recognized on an accrual basis and to the extent that the economic benefits are acquired by the Company and to the extent that revenue can be measured reliably.

The Company reports revenue from a contract with a customer that is within the scope of IFRS 15 only when all of the following five criteria are met:

- the parties to the contract have approved the contract (in writing, verbally or in accordance with other customary commercial practices) and are determined to fulfill their respective obligations;

- The Company may identify the rights of each of the parties with respect to the goods or services being transferred;

- The company can identify the terms of payment for the goods or services to be transferred;

- the contract has a commercial nature (ie as a result of the contract it is expected to change the risk, time parameters or the amount of future cash flows of the Company);

- the Company is likely to receive the remuneration to which it is entitled in exchange for the goods or services that will be transferred to the customer. In assessing the probability that the remuneration will be received, the Company takes into account only the ability and intention of the client to pay the amount of remuneration within the required period.

Sales of services

Revenue from provided services is recognized in the period in which they are rendered, based on the level of performance determined as a percentage of the services rendered to date of all services to be provided.

3. Financial risk management

Financial risk factors

The Company is exposed to various financial risks: market risk (including currency risk, risk of changes in the fair value of financial instruments under the influence of market interest rates and price risk), credit risk, liquidity risk and risk of future changes cash flows resulting from changes in market interest rates.

(a) Currency risk

The Company is exposed to various financial risks: market risk (including currency risk, risk of changes in the fair value of financial instruments under the influence of market interest rates and price risk), credit risk, liquidity risk and risk of future changes cash flows resulting from changes in market interest rates.

(b) Credit risk

Financial assets that potentially expose the Company to credit risk are primarily sales receivables. Fundamentally, the Company is exposed to credit risk in the event that customers fail to meet their obligations. There is no significant concentration of credit risk in the Company since the Company's receivables are the sole owner of the capital.

(c) Liquidity risk

The prudent management of liquidity risk implies the maintenance of a sufficient amount of money as well as the possibility of additional financing with credits for closing market positions.

(d) Interest rate risk

The interest rate risk for the Company arises from a floating rate loan and is related to fluctuations in interest rates and changes in future cash flows. The company has no loans and therefore there is no interest rate risk from changes in interest rates.

The Company does not use special instruments to manage interest rate risk.

4. Significant accounting estimates and judgments

Estimates and judgments are based on experience and other factors, including expectations for future events under the circumstances. The reliability of the estimates and judgments is reviewed regularly. The Company makes estimates and judgments for accounting and disclosure purposes that may differ from actual results.

Income Taxes

The Company is a tax entity under the jurisdiction of the tax administration. Considerable judgment needs to be made to determine the tax provision. There are a number of operations and calculations for which the definitive tax is uncertain in the normal course of business. The Company recognizes liabilities for expected tax-audit liabilities based on the management's judgment as to whether the additional tax liability will become a fact. When the final tax outcome of such events is different from the initially reported amounts, these differences will have an impact on the short-term tax and the provision for temporary tax differences during the tax audit period.

5. Change in material accounting policies

The following new and amended standards and interpretations are effective from 1 January 2024 but they do not have a material effect on the Company's separate financial statements:

(A) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The Companyhas adopted Classification of Liabilities as Current or Non-current (Amendments to IAS 1) and Non-current Liabilities with Covenants (Amendments to IAS 1) from 1 January 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period.

(B) International Tax Reform - Pillar Two Model Rules:

The Company operates in Bulgaria, which has enacted and implemented EU Global Minimum Tax Directive(Pillar Two) proposed by Organization for Economic Co-Operation and Development's ("OECD"). It applies to reporting periods beginning on or after 1 January 2024. Under the legislation HCL Group meets the threshold and will be liable to pay top-up tax wherever applicable. Based on the evaluation performed, the entity meets the Routine Profit Test and Simplified ETR Test thus qualifying under Transitional Safe Harbour Rules. Therefore, the entity does not anticipate any top up tax liability in Bulgaria for the current year.

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NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

1 Property, plant and equipment

	CAPITAL WORK IN PROGRESS	Plant & machinery	Office equipment	Total
Initial cost as at 01-01-2023	-	140	148	288
Additions during 2023	-	67	62	129
Transfers during 2023	-	-	-	-
Initial cost as at 01-01-2024	-	207	210	417
Additions during 2024	4	-	21	25
Historical cost as at 31-12-2024	**4**	**207**	**231**	**442**
Accumulated depreciation as at 01-01-2023	-	24	37	61
Depreciation for 2023	-	40	40	80
Accumulated depreciation as at 01-01-2024	-	64	77	141
Depreciation for 2024	-	48	43	91
Accumulated depreciation as at 31-12-2024	**-**	**112**	**123**	**235**
Net book value as at 31-12-2024	**4**	**95**	**108**	**207**
Net book value as at 31-12-2023	-	143	133	276

The Company has reviewed the available assets as of December 31, 2024 and has considered that there is no need for impairment.

2 Intangible non-current assets

	Customer contracts	Reputation	Software and licences	Total
Historical cost as at 01-01-2023	-	-	3	3
Historical cost as at 01-01-2024	-	-	3	3
Additions during 2024	14	121	-	135
Historical cost as at 31-12-2024	**14**	**121**	**3**	**138**
Accumulated depreciation as at 01-01-2023	-	-	2	2
Depreciation current period	-	-	1	1
Accumulated depreciation as at 01-01-2024	-	-	3	3
Depreciation current period	1	-	-	1
Accumulated depreciation as at 31-12-2024	**1**	**-**	**3**	**4**
Net book value as at 31-12-2024	**13**	**121**	**-**	**134**
Net book value as at 31-12-2023	-	-	-	-

In 2024, the Company acquired part of the Hewlett-Packard Global Delivery Bulgaria Center EOOD.

3 Other receivables and prepayments

	31/12/2024	31/12/2023
Deferred project cost	397	288
	397	**288**

4 Finance lease receivables

	31/12/2024	31/12/2023
Finance lease receivables - long-term	376	222
Finance lease receivables - short-term	225	65
	601	**287**

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5 Trade receivables

	31/12/2024	31/12/2023
Trade receivables	2,690	2,582
	2,690	**2,582**

6 Other receivables and prepayments

	31/12/2024	31/12/2023
Unbilled receivables	793	250
VAT receivable	2	183
Deferred project cost	121	94
Receivables from employees	27	23
Other receivables	8	-
	951	**550**

7 Inventory

	31/12/2024	31/12/2023
Inventory	27	387
	27	**387**

8 Cash and cash equivalents

	31/12/2024	31/12/2023
Cash in bank in foreign currency	2,440	1,942
Cash in bank in local currency	4,158	3,157
	6,598	**5,099**

The Company has bank accounts in Citi Bank, Sofia Branch.

9 Share capital

As at the reporting date the share capital of the Company is BGN 463 090 100% owned by HCL Technologies UK limited, UK and its ultimate holding company is HCL Technologies Limited.

10 Bank overdrafts

	31/12/2024	31/12/2023
Bank overdrafts	6,890	1,303
	6,890	**1,303**

11 Trade and employee payables

	31/12/2024	31/12/2023
Employee payables	5,753	4,483
Payables to suppliers	1,084	1,541
	6,837	**6,024**

12 Income tax payable

	31/12/2024	31/12/2023
Corporate income tax payable for the current year	337	381
Advance corporate income tax	(317)	(288)
	20	93

13 Other liabilities & deferred revenue

	31/12/2024	31/12/2023
Deferred revenue	822	-
TDS liability	117	35
Taxes over expenses liability	33	4
Witholding tax liability	5	-
	977	39

14 Revenue from operations

	2024	2023
Sales of services from related parties	38,185	30,184
Sales of services from third parties	9,238	10,146
Revenue from leased assets	530	278
	47,953	40,608

The Company provides services various group companies on a project base,.

15 Employee expenses

	2024	2023
Gross remuneration and bonuses	36,020	28,088
Other benefits	1,942	1,338
Social security contributions	831	638
	38,793	30,064

16 External services

	2024	2023
Consultancy fees	3,519	6,166
Recruitment cost	562	592
Advertising expenses	44	166
Training of staff	-	70
Audit and legal fees	37	65
Equipment rental	6	53
Bank charges	8	8
Representative expenses and team events	127	4
Insurance expenses	20	-
Other services	12	5
	4,335	7,123

17 Depreciation and amortization

	2024	2023
Depreciation of property, plant and equipment	92	79
Depreciation of intangible assets	1	1
	93	80

18 Supplies and other expenses

	2024	2023
Cost of goods sold	765	567
WHT expense	3	22
Office consumables and supplies	54	6
Taxes over expenses	33	6
Fines and penalties	10	-
	885	**601**

19 Financial income/expenses, net

	2024	2023
Interest on short term loans	176	95
FX loss on transactions, net	778	82
	954	**177**

20 Corporate income tax and Deferred taxes

	2024	2023
Profit before taxes	2,893	2,563
Increase of result for tax purposes	3,002	2,514
Decrease of result for tax purposes	(2,522)	(1,273)
Taxable profit	**3,373**	**3,804**
Corporate income tax rate	10%	10%
Corporate income tax due	(337)	(381)
Deferred tax asset on temporary differences	48	122
Total income tax	**(289)**	**(259)**

Deferred tax assets

	Provisions related with employees	Depreciation and amortization	Other provisions	Total
Balance as at 01-01-2024	171	4	70	**245**
Income statement charge	58	(2)	(9)	**47**
Balance as at 31-12-2024	**229**	**2**	**61**	**292**

	Provisions i amortization		Other	Total
Balance as at 01-01-2023	91	6	26	**123**
Income statement charge	80	(2)	44	**122**
Balance as at 31-12-2023	171	4	70	**245**

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21 Related party transactions

Transactions with related parties and outstanding balances

Revenue	Relation	31/12/2024 2024	31/12/2023 2023
HCL AMERICA INC.	Related parties under common control	392	413
HCL Australia Services Pty. Limited	Related parties under common control	3	-
HCL Poland sp. z o.o	Related parties under common control	-	323
HCL Technologies Belgium BVBA	Related parties under common control	-	14
HCL Technologies Denmark ApS	Related parties under common control	83	35
HCL Technologies Germany GmbH	Related parties under common control	3,760	12,368
HCL Technologies Norway AS	Related parties under common control	-	164
Axon Solutions (Shanghai) Co. Limited	Related parties under common control	50	619
HCL (Ireland) Information Systems Limited	Related parties under common control	-	4
HCL Canada Inc.-SD	Related parties under common control	-	73
HCL Hungary kft	Related parties under common control	-	4
HCL Latin America Holding, LLC, Costa Rica Branch	Related parties under common control	-	15
HCL Singapore Pte. Limited	Related parties under common control	1	140
HCL Technologies (PTY) Limited	Related parties under common control	-	3
HCL Technologies (Taiwan) Limited	Related parties under common control	-	-
HCL Technologies Corporate Services Limited	Related parties under common control	23,081	13,739
HCL Technologies Italy S.p.A.	Related parties under common control	9,876	175
HCL Technologies Limited - Portugal Branch	Related parties under common control	-	5
HCL Technologies Limited- Swiss Branch	Related parties under common control	-	118
HCL Technologies Malaysia SDN BHD (Fy HCLAxonMalaysiaSDNBHD)	Related parties under common control	-	52
HCL Technologies Middle East FZ-LLC Dubai Branch	Related parties under common control	11	23
HCL Technologies Philippines, Inc	Related parties under common control	10	14
HCL Technologies S.A.C.	Related parties under common control	-	11
HCL Technologies Solutions Gmbh	Related parties under common control	346	111
HCL Technologies Sweden AB	Related parties under common control	(312)	443
HCL Technologies UK Limited	Related parties under common control	371	1,195
HCL Technologies Vietnam Company Limited	Related parties under common control	6	-
HCL (New Zealand) Limited	Related parties under common control	-	31
HCL Technologies Azerbaijan Limited Liability Company	Related parties under common control	-	1
HCL Technologies Czech Republic S.R.O.	Related parties under common control	-	11
HCL Technologies Limited- Ireland Branch	Related parties under common control	-	3
HCL Technologies Middle East FZ-LLC	Related parties under common control	-	2
HCL (Brazil) Technologia Da Informacao EIRELI	Related parties under common control	19	37
HCL Latin America Holding, LLC, Panama Branch	Related parties under common control	-	27
HCL Technologies B.V.	Related parties under common control	103	2
HCL Technologies Romania s.r.l.	Related parties under common control	-	9
HCL Technologies Limited	Related parties under common control	380	-
HCL Mexico S. de R.L.	Related parties under common control	1	-
Telerx Marketing Inc.	Related parties under common control	1	-
HCL Technologies Chile SPA	Related parties under common control	4	-
HCL Technologies Sweden (IOMC)	Related parties under common control	-	2
		38,186	30,186

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Expenses

C3i Europe Eood	Related parties under common control	-	28
HCL Technologies Belgium BVBA	Related parties under common control	-	6
HCL Guatemala, Sociedad Anónima	Related parties under common control	-	4
HCL (Ireland) Information Systems Limited	Related parties under common control	20	507
HCL Canada Inc.-SD	Related parties under common control	-	500
HCL Poland sp. z o.o	Related parties under common control	-	33
HCL Technologies (Taiwan) Limited	Related parties under common control	-	41
HCL Technologies B.V.	Related parties under common control	-	111
HCL Technologies Lanka (Private) Limited	Related parties under common control	-	166
PT HCL Technologies Indonesia Limited	Related parties under common control	-	10
HCL Technologies Italy S.p.A.	Related parties under common control	6	141
HCL Technologies Malaysia SDN BHD (Fy HCLAxonMalaysiaSDNBHD)	Related parties under common control	-	4
HCL Technologies Limited- UAE Branch	Related parties under common control	-	(4)
HCL Technologies Philippines, Inc	Related parties under common control	-	96
HCL Technologies France SAS	Related parties under common control	-	198
HCL Hong Kong SAR Limited	Related parties under common control	-	4
HCL Technologies Limited (IOMC) Infra Division	Related parties under common control	-	897
HCL Technologies Limited- Lucknow	Related parties under common control	-	4
HCL Technologies Limited- Vijayawada division	Related parties under common control	-	16
HCL Technologies Limited-Madurai	Related parties under common control	-	2
Telerx Marketing Inc.	Related parties under common control	355	1,632
Axon Solutions (Shanghai) Co. Limited	Related parties under common control	-	432
Filial Espanola De HCL Technologies S.L.	Related parties under common control	62	5
HCL Argentina s.a.	Related parties under common control	-	6
HCL Axon Solutions (Shanghai) Co., Limited. Wuxi Branch	Related parties under common control	-	12
HCL Hungary kft	Related parties under common control	-	3
HCL Mexico S. de R.L.	Related parties under common control	-	3
HCL Technologies Sweden (IOMC)	Related parties under common control	-	3
HCL Singapore Pte. Limited	Related parties under common control	-	15
HCL Technologies Chile SPA	Related parties under common control	-	18
HCL Technologies Denmark ApS	Related parties under common control	2	35
HCL Technologies Limited	Related parties under common control	91	681
HCL Technologies Limited BPO Services	Related parties under common control	-	55
HCL Technologies Limited- Nagpur Division	Related parties under common control	-	28
HCL Technologies Norway AS	Related parties under common control	-	1
HCL Technologies Corporate Services Limited	Related parties under common control	2,048	-
HCL Technologies Germany GmbH	Related parties under common control	13	-
HCL Technologies Czech Republic S.R.O.	Related parties under common control	90	-
HCL Japan Limited	Related parties under common control	89	-
		2,776	**5,693**

Current related parties receivables

HCL AMERICA INC.	trade receivables	84	41
HCL Technologies Corporate Services Limited	trade receivables	9,330	6,639
HCL Technologies Germany GmbH	trade receivables	670	581
HCL Technologies Norway AS	trade receivables	-	2
HCL Technologies Sweden AB	trade receivables	-	312
HCL Technologies UK Limited	trade receivables	13	180
Axon Solutions (Shanghai) Co. Limited	trade receivables	-	880
HCL Argentina s.a.	trade receivables	-	15
HCL Canada Inc.-SD	trade receivables	-	27
HCL Latin America Holding, LLC, Costa Rica Branch	trade receivables	-	22
HCL Technologies Denmark ApS	trade receivables	38	-
HCL Technologies Finland Oy	trade receivables	-	1
HCL Technologies Italy S.p.A.	trade receivables	477	175
HCL Technologies Limited - Portugal Branch	trade receivables	-	4
HCL Technologies Malaysia SDN BHD (Fy HCLAxonMalaysiaSDNBHD)	trade receivables	-	1
HCL Technologies S.A.C.	trade receivables	-	11
HCL Technologies Solutions Gmbh	trade receivables	97	36
HCL Technologies Vietnam Company Limited	trade receivables	-	18
C3i Europe Eood	trade receivables	(7)	7
HCL (Brazil) Technologia Da Informacao EIRELI	trade receivables	50	33
HCL Latin America Holding, LLC, Panama Branch	trade receivables	-	24
HCL Technologies Middle East FZ-LLC Dubai Branch	trade receivables	-	14
HCL Technologies B.V.	trade receivables	77	9
HCL Technologies Limited	trade receivables	145	3
		10,974	**9,035**

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Current related parties payables

C3i Europe Eood	trade payables	43	200
HCL (Ireland) Information Systems Limited	trade payables	-	507
HCL America Inc.	trade payables	-	477
HCL Canada Inc.-SD	trade payables	-	623
HCL Hong Kong SAR Limited	trade payables	-	-
HCL Technologies (Taiwan) Limited	trade payables	-	55
HCL Technologies B.V.	trade payables	-	370
HCL Technologies Limited - Russia Branch	trade payables	-	9
HCL Technologies Limited Abu Dhabi	trade payables	-	55
HCL Technologies Philippines, Inc	trade payables	-	576
HCL Technologies Sweden AB	trade payables	-	45
HCL Technologies Vietnam Company Limited	trade payables	-	44
Axon Solutions (Shanghai) Co. Limited	trade payables	-	432
Filial Espanola De HCL Technologies S.L.	trade payables	-	5
HCL Argentina s.a.	trade payables	-	8
HCL Guatemala, Sociedad Anónima	trade payables	-	4
HCL Mexico S. de R.L.	trade payables	-	3
HCL Poland sp. z o.o	trade payables	-	33
HCL Singapore Pte. Limited	trade payables	-	15
HCL Technologies Belgium BVBA	trade payables	-	5
HCL Technologies Denmark ApS	trade payables	-	35
HCL Technologies Lanka (Private) Limited	trade payables	-	163
HCL Technologies Limited	trade payables	(46)	352
HCL Technologies Sweden (IOMC)	trade payables	-	3
PT HCL Technologies Indonesia Limited	trade payables	-	11
Telerx Marketing Inc.	trade payables	-	1,624
HCL Technologies Limited (IOMC) Infra Division	trade payables	-	49
HCL Technologies France SAS	trade payables	-	198
HCL Technologies Italy S.p.A.	trade payables	6	141
HCL Technologies Corporate Services Limited	trade payables	319	-
HCL Technologies Germany GmbH	trade payables	14	-
		336	**6,042**

22 Analysis of the effect from non-financial risks

The Company's activities are exposed to a number of risks, including credit, interest, liquidity and currency risk, which arises from normal and operational activities. Management monitors overall risk and seeks ways to neutralise potential negative effects.

22.1 Credit risk

Credit risk is the risk that customers will not be able to repay fully the amounts owed to the company within the stipulated timeframe. The risk is analyzed periodically. Assets that potentially expose the Company to credit risk are primarily sales receivables. Credit risk is managed and monitored strictly.

Credit risk is estimated to be minimal as the claims of the parent of HCL Technologies UK Limited, which has a good credit history of servicing its obligations to the Company. The Company has no collateral received in connection with its receivables from customers and there was no such practice. The book value of financial assets is the maximum credit exposure.

	31/12/2024	31/12/2023
Finance lease receivables	601	287
Current related parties receivables	10,974	9,035
Other receivables and prepayments	820	273
Cash and cash equivalents	6,598	5,099
Trade Receivable	2,690	2,582
	21,683	**17,276**

22.2 Liquidity risk

Liquidity risk is the risk of the company's inability to meet its current and potentiel liabilities, related to payments when they are due without incurring unacceptable losses. The table below provides an analysis of assets and liabilities of the company as at 31 December 2022 and 2021, grouped by residual maturity.

31/12/2024	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
Financial assets:					
Finance lease receivables	225	-	376	-	601
Current related parties receivables	10,974	-	-	-	10,974
Other receivables and prepayments	820	-	-	-	820
Cash and cash equivalents	6,598	-	-	-	6,598
Trade Receivable	2,690	-	-	-	2,690
	21,307	**-**	**376**	**-**	**21,683**
Financial liabilities:					
Related parties payables	336	-	-	-	336
Trade and employee payables	6,837	-	-	-	6,837
Other payables	977	-	-	-	977
Bank Overdraft	6,890				6,890
	15,040	**-**	**-**	**-**	**15,040**

31/12/2023	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
Financial assets:					
Finance lease receivables	65	-	222	-	287
Current related parties receivables	9,035	-	-	-	9,035
Other receivables and prepayments	273	-	-	-	273
Cash and cash equivalents	5,099	-	-	-	5,099
Trade Receivable	2,582	-	-	-	2,582
	17,054	**-**	**222**	**-**	**17,276**
Financial liabilities:					
Related parties payables	6,042	-	-	-	6,042
Trade and employee payables	6,024	-	-	-	6,024
Other payables	1,342	-	-	-	1,342
	13,408	**-**	**-**	**-**	**13,408**

22.3 Currency risk

Currency risk is the risk of a negative impact of fluctuations in prevailing exchange rates on the financial position and the cash flows of the company. Since the Bulgarian lev is fixed to the euro and the company presents its financial statements in Euro currency, the currency risk is only related to currencies other than the euro.

The following table summarizes the company's exposure to currency risk as at 31 December 2023. It includes assets and liabilities at book value, categorised by currency type.

31/12/2024	BGN	EUR	USD	Other Currency	Total
Finance lease receivables	398	203	-	-	601
Current related parties receivables	10,958	-	16	-	10,974
Other receivables and prepayments	820	-	-	-	820
Cash and cash equivalents	4,158	2,440	-	-	6,598
Trade receivables	772	1,804	114	-	2,690
Total assets	**17,106**	**4,447**	**130**	**-**	**21,683**
Current related parties payables	317	19	-	-	336
Trade and employee payables	6,229	181	60	367	6,837
Other payables	194	701	52	30	977
Bank Overdraft	-	6,890	-	-	6,890
Total liabilities	**6,740**	**7,791**	**112**	**397**	**15,040**
Net currency exposure	**10,366**	**(3,344)**	**18**	**(397)**	**6,643**

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31/12/2023	BGN	EUR	USD	Other Currency	Total
Finance lease receivables	287	-	-	-	287
Current related parties receivables	9,035	-	-	-	9,035
Other receivables and prepayments	273	-	-	-	273
Cash and cash equivalents	3,157	1,942			5,099
Trade receivables	1,499	1,083	-	-	2,582
Total assets	**14,251**	**3,025**	**-**	**-**	**17,276**
Current related parties payables	483	1,227	3,399	934	6,042
Trade and employee payables	4,681	862	259	222	6,024
Other payables	1,342	-	-	-	1,342
Total liabilities	**6,506**	**2,089**	**3,658**	**1,155**	**13,408**
Net currency exposure	**7,745**	**936**	**(3,658)**	**(1,155)**	**3,868**

23 Analisys of capital risk

The primary objective of the Company's capital management is to ensure that it maintains a stable credit rating and appropriate capital ratios to maintain its business and maximize its value.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions.

The company monitors its capital using a debt ratio, which is the net debt divided by the total capital plus net debt.
The Company includes in net debt interest-bearing loans and borrowings, trade and other payables, less cash and cash equivalents, except for discontinued operations.

	31/12/2024	31/12/2023
Loans	6,890	1,303
Trade and other liabilities	8,150	12,066
Redused with cash and short term deporits	(6,598)	(5,099)
Net liability	8,442	8,270
Equity	7,811	5,248
Equity and net liability	16,253	13,518
Proportion of liabilities	**52%**	**61%**

24 Contingent assets and liabilities

At the date of preparation of the financial statements, the Company has no contingent receivables and liabilities.

25 Events after the financial statement date

Since 14.01.2025 there is a change in the management of the Company. Mr. Shiv Kumar Walia has been replaced with Mr. Sushant Jain.

There are no other significant events after the date of the financial statements that have an impact on the statement or on the future activities of the Company.

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