iEnergizer

business process excellence

Interim Statement September 2022



14th November 2022

iEnergizer Limited
("iEnergizer", the "Company" or the "Group")

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

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

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

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

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

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

- Digital Training and Education.
- SAAS services for propositions including Technology Tools such as SciPris and PXE5.
- Providing immersive content for learners (specifically middle to high school), partnering with EdTech groups with select revenue share models.

- New business initiatives:
  - iEnergizer is well positioned to take advantage of industry tailwinds in highly profitable verticals, due to: the scalability & breadth of its BPO services; increasing adoption of fast-growing technology; the end-to-end proposition of Content Services; and iEnergizer's highly trained workforce.

  - Content Moderation is witnessing high growth on the back of rising digital adoption. Rapid growth in online-first schools is driving demand for digital content. Education and corporate sectors are increasing Learning & Development spend. Major corporate businesses have identified the cost and time savings of replacing classroom training with virtual training.

  - Development of regulatory training services, targeting the Group's existing customer base to promote compliance and e-Learning capabilities, focussed on the American Disability Act and Web Content Accessibility Guidelines.

  - The US based sales team continues to focus on selling additional services, specifically in data tagging for AI/ML applications, Content Moderation and Web Content Accessibility Guidelines, to capture new market place opportunities, while working on its strategic priorities: to enhance and grow key accounts; to identify and win new business through new customers; as well as to target existing accounts; and to cross-sell and generate leads for new product launches.

- Cost management:
  - Continues to manage increased proportion of division-specific higher margin international work, particularly in non-voice-based processes including: entertainment gaming support; BFSI; content technology; and E-Learning.

  - Achieved cost savings through effective use of resources and productivity improvements, even as more employees moved to work from office, on a routine basis during H1 2023.

- Interim Dividend:
  - In-line with its progressive dividend policy, the Company is pleased to announce an interim dividend of 11.07p with the dividend record date of 25 November 2022. This interim dividend reflects the Board's confidence in the Group's business plan and growth prospects.

  - The Company's ordinary shares are expected to go ex-dividend on 24 November 2022 and the interim dividend is expected to be paid on 21 December 2022.

- Outlook:
  - The Board is delighted with the Group's strategic progress during H1 and the delivery of further organic momentum and margin improvements. While we recognise the macro uncertainty, we are optimistic for the remainder of FY23, in particular due to ongoing inflationary pressures which continues to drive multinationals to focus not only on cost reduction but also revenue retention. Overall, new customer contract wins, reoccurring and repeat nature of business and improved margins give the Board confidence in the future outlook for the Company and underpin the expectations for FY23.

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

Marc Vassanelli, Chairman of iEnergizer, commented:

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

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

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

-Ends-

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iEnergizer Limited and its subsidiaries

Unaudited Condensed Consolidated Interim Financial Statements

Prepared in accordance with International Financial Reporting Standards (IFRS)

Six months ended 30 September 2022 and 2021

Contents

Unaudited Condensed Consolidated Statements of Financial Position	7
Unaudited Condensed Consolidated Income Statements	9
Unaudited Condensed Consolidated Statements of Other Comprehensive Income	10
Unaudited Condensed Consolidated Statements of Changes in Equity	11
Unaudited Condensed Consolidated Statements of Cash Flows	13
Notes to Unaudited Condensed Consolidated Financial Statements	16

Unaudited Condensed Consolidated Statements of Financial Position

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

	Notes	As at 30 September 2022 Unaudited	As at 31 March 2022 Audited
ASSETS			
Non-current			
Goodwill	**5**	102,238,817	102,246,868
Other intangible assets	**6**	13,010,136	13,074,401
Property, plant and equipment	**7**	14,242,452	10,123,815
Right-of-use assets	**10**	19,013,667	16,140,370
Long- term financial asset		5,924,288	4,971,036
Non-current tax assets		910,933	420,895
Deferred tax asset		3,234,307	3,313,563
Other non current assets		361,209	163,187
Non-current assets		**158,935,809**	**150,454,135**
Current			
Trade and other receivables		38,915,134	40,835,944
Short- term financial assets	**8**	20,718,443	20,609,380
Cash and cash equivalents		46,760,342	56,326,421
Other current assets		8,199,287	5,705,929
Current assets		**114,593,206**	**123,477,674**
Total assets		**273,529,015**	**273,931,809**
EQUITY AND LIABILITIES			
Equity			
Share capital		3,776,175	3,776,175
Share compensation reserve		63,986	63,986
Additional paid in capital		15,451,809	15,451,809
Merger reserve		(1,049,386)	(1,049,386)
Other components of equity		(24,277,305)	(17,615,642)
Retained earnings		67,275,068	57,941,804
Total equity attributable to equity holders of the parent		**61,240,347**	**58,568,746**

	Notes	As at 30 September 2022 Unaudited	As at 31 March 2022 Audited
Liabilities			
Non-current			
Borrowings		128,404,225	129,895,411
Lease liabilities		15,611,470	13,697,079
Employee benefit obligations		5,456,632	5,092,678
Deferred tax liability		7,680,463	8,079,436
Non-current liabilities		**157,152,790**	**156,764,604**
Current			
Trade and other payables		14,263,992	17,841,935
Employee benefit obligations		1,535,790	1,272,362
Current tax liabilities		40,807	844,679
Borrowings		10,013,434	9,763,047
Lease liabilities		4,232,887	3,026,616
Other current liabilities		25,048,968	25,849,820
Current liabilities		**55,135,878**	**58,598,459**
Total equity and liabilities		**273,529,015**	**273,931,809**

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

Unaudited Condensed Consolidated Income Statements

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

	Notes	For the six months ended 30 September 2022 Unaudited	For the six months ended 30 September 2021 Unaudited
Income from operations			
Revenue from services		149,181,696	121,284,962
Other operating income		2,845,012	1,271,458
		152,026,708	**122,556,420**
Cost and expenses			
Outsourced service cost		14,043,456	19,831,122
Employee benefits expense		71,028,302	48,194,012
Depreciation and amortisation		5,048,873	3,011,227
Other expenses		13,106,665	9,482,318
		103,227,296	**80,518,679**
Operating profit		**48,799,412**	**42,037,741**
Finance income		498,874	453,702
Finance cost		(5,015,600)	(4,555,815)
Profit before tax		**44,282,686**	**37,935,628**
Income tax expense		3,130,663	3,612,806
Profit for the year attributable to equity holders of the parent		**41,152,023**	**34,322,822**
Earnings per share	**9**		
Basic		*0.22*	*0.18*
Diluted		*0.22*	*0.18*
Par value of each share in GBP		*0.01*	*0.01*

Unaudited Condensed Consolidated Statements of Other Comprehensive Income

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

	For the six months ended 30 September 2022 Unaudited	For the six months ended 30 September 2021 Unaudited
Profit after tax for the year	41,152,023	34,322,822
Other comprehensive income		
Items that will be reclassified subsequently to the consolidated income statement		
Exchange differences on translating foreign operations	(6,661,663)	(907,517)
Net other comprehensive income/(loss) that will be reclassified subsequently to consolidated income statement	**(6,661,663)**	**(907,517)**
Items that will not be reclassified subsequently to income statement		
Remeasurement of the net defined benefit liability	-	**-**
Income tax relating to items that will not be reclassified	-	**-**
Net other comprehensive income that will not be reclassified subsequently to consolidated income statement	**-**	**-**
Other comprehensive income/(loss) for the year	**(6,661,663)**	**(907,517)**
Total comprehensive income attributable to equity holders	**34,490,360**	**33,415,305**

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

Unaudited Condensed Consolidated Statements of Changes in Equity

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

	Share capital	Additional paid in capital	Share compensation reserve	Merger reserve	Other components of equity		Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability		
Balance as at 1 April 2021	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(15,866,598)**	**729,662**	**26,482,815**	**29,588,463**
Dividends	-	-	-	-	-	-	(43,078,726)	**(43,078,726)**
Transaction with owners	-	-	-	-	-	-	**(43,078,726)**	**(43,078,726)**
Profit for the year	-	-	-	-	-	-	74,537,715	**74,537,715**
Other comprehensive income	-	-	-	-	(2,289,842)	(188,864)	-	**(2,478,706)**
Total comprehensive income for the period	-	-	-	-	**(2,289,842)**	**(188,864)**	**74,537,715**	**72,059,009**
Balance as at 31 March 2022	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(18,156,440)**	**540,798**	**57,941,804**	**58,568,746**

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

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity		Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability		
Balance as at 01 April 2022	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(18,156,440)**	**540,798**	**57,941,804**	**58,568,746**
Dividends	-	-	-	-	-	-	(31,818,761)	**(31,818,761)**
Transaction with owners	-	-	-	-	-	-	(31,818,761)	(31,818,761)
Profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	41,152,023	**41,152,023**
Other comprehensive loss	-	**-**	**-**	**-**	(6,661,663)	-	-	**(6,661,663)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(6,661,663)**	**-**	**41,152,023**	**34,490,361**
Balance as at 30 September 2022	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(24,818,103)**	**540,798**	**67,275,068**	**61,240,346**

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

Unaudited Condensed Consolidated Statements of Cash Flows

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

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

	For the period ended 30 September 2022	For the six months ended 30 September 2021
(C) Cash flow from financing activities		
Interest paid	(3,898,654)	(3,868,829)
Dividends paid to equity holders of the parent	(31,818,761)	(22,274,007)
Net Proceeds/(Repayments) from borrowings and lease liability	762,916	(19,046,499)
Net cash used in financing activities	**(34,954,499)**	**(45,189,336)**
Net increase/(decrease) in cash and cash equivalents	**(10,155,710)**	**(4,812,584)**
Cash and cash equivalents at the beginning of the year	56,326,421	51,378,899
Effect of exchange rate changes on cash	589,632	96,326
Cash and cash equivalents at the end of the year	**46,760,342**	**46,662,641**
Cash and cash equivalents comprise		
Cash in hand	9,037	7,740
Balances with banks in current account	34,251,305	42,917,962
Remittance in transit	-	3,736,939
Short term investments (fixed deposits with maturity less than 3 months)	12,500,000	-
	46,760,342	**46,662,641**

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RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

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

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

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

Notes to Unaudited Condensed Consolidated Interim Financial Statements

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

1. INTRODUCTION

iEnergizer Limited (the 'Company' or 'iEnergizer ') was incorporated in Guernsey on 12 May 2010.

iEnergizer Limited is a 'Company limited by shares' and is domiciled in Guernsey. The registered office of the Company is located at Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4 LH. iEnergizer was listed on the Alternative Investment Market ('AIM') of London Stock Exchange on 14 September 2010.

iEnergizer through its subsidiaries iEnergizer Holdings Limited, iEnergizer IT Services Private Limited, iEnergizer BPO Limited, iEnergizer BPO Inc, iEnergizer Aptara Limited and Aptara Inc and subsidiaries. (together the 'Group') is engaged in the business of call centre operations, providing business process outsource (BPO) and content delivery services, and back office services to their customers, who are primarily based in the United States of America and India, from its operating offices in Mauritius and India.

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

These Unaudited Condensed Consolidated Interim Financial Statements are for the six months ended 30 September 2022 and 2021. They have been prepared in accordance with IAS 34 Interim Financial Reporting as developed and published by the International Accounting Standards Board ('IASB'), on a going concern basis. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the annual financial statements for the years ended 31 March 2022 and 2021.

The Unaudited Condensed Consolidated Interim Financial Statements have been prepared and presented in United States Dollar (US$) which is the Company's functional currency.

These Unaudited Condensed Consolidated Interim Financial Statements were approved by the Board on 11th November 2022.

The Group has applied the same accounting policies in preparing these unaudited management financial information as adopted in the most recent annual audited financial information of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual financial statements for the years ended 31 March 2022 and 2021.

4. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

When preparing the Unaudited Condensed Consolidated Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Unaudited Condensed Consolidated Interim Financial Statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last audited financial statements for the year ended 31 March 2022.

5. GOODWILL

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

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

Particulars	Amount
Balance as at 01 April 2022	**102,246,868**
Translation adjustment	(8,051)
Balance as at 30 September 2022	**102,238,817**

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6. OTHER INTANGIBLE ASSETS

The Intangible assets comprise of computer software, customer contracts.

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

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

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise of the following:

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

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

8. SHORT TERM FINANCIAL ASSETS

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

Short term investments comprise of investment through banks in deposits denominated in various currency units bearing fixed rate of interest.

9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

Calculation of basic and diluted profit per share for the period ended 30 September 2022 is as follows:

Basic earnings per share

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

Diluted earnings per share

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

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10. LEASES

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

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

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

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

**Rent expense in respect of Short Term Lease*

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(c) Right to use of assets as at 31 March 2022:

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

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

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

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

31 March 2022

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

30 September 2022

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

(e) Maturity of lease liabilities

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

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

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

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

11. RELATED PARTY TRANSACTIONS

The related parties for each of the entities in the Group have been summarised in the table below:

Nature of the relationship	Related Party's Name
I. Ultimate controlling party	Mr. Anil Aggarwal
II. Entities directly or indirectly through one or more intermediaries, control, are controlled by, or are under common control with, the reported enterprises	EICR (Cyprus) Limited (*Parent of iEnergizer Limited)*
III. Key management personnel ("KMP") and significant shareholders	Mr. Anil Aggarwal *(Ultimate Shareholder, EICR Limited)* Mr. Chris de Putron *(Director, iEnergizer Limited)* Mr. Mark De La Rue *(Director, iEnergizer Limited)* Mr. Marc Vassanelli *(Director, iEnergizer Limited)* Mr. Ashish Madan *(Director, iEnergizer Limited)*

Disclosure of transactions between the Group and related parties and the outstanding balances is as under:

Transactions with KMP and relative of KMP

Particulars	30 September 2022	30 September 2021
Transactions during the period ended		
Short term employee benefits		
Remuneration paid to directors		
Chris de Putron	5,821	6,912
Mark De La Rue	5,821	6,912
Marc Vassanelli	20,747	20,736
Ashish Madan	51,793	-
Balances at the end of		
Total remuneration payable	13,921	189,509

12. SEGMENT REPORTING

Management currently identifies the Group's two service lines business process outsource and content delivery as operating segments on the basis of operations. These operating segments are monitored and operating and strategic decisions are made on the basis of operating segment results.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group's reportable segments are as follows:

1. Business Process Outsource
2. Content delivery

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Unaudited Condensed Consolidated Interim Financial Statements. Segment information can be analysed as follows for the reporting periods under review:

30 September 2022

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

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

			30 September 2021
	Business Process Outsource	**Content delivery**	**Total**
Revenue from external customers	83,455,893	37,829,069	121,284,962
Other income (including realised foreign exchange gain)	429,851	184,825	614,676
Segment revenue	**83,885,744**	**38,013,894**	**121,899,638**
Cost of outsourced Services	15,079,693	4,751,429	19,831,122
Employee benefit expense	27,730,594	20,463,418	48,194,012
Other expenses	7,382,280	2,100,038	9,482,318
Earning before interest, tax, depreciation and amortisation	**33,693,177**	**10,699,009**	**44,392,186**
Rent adjustment as per IFRS 16	740,113	623,451	1,363,564
Earning before interest, tax, depreciation and amortisation (before rent adjustment)	32,953,064	10,075,558	43,028,622
Unrealized Foreign Exchange gain/(loss)	183,355	473,427	656,782
Depreciation and amortisation	(1,758,797)	(1,252,430)	(3,011,227)
Rent adjustment as per IFRS 16	740,113	623,451	1,363,564
Segment operating profit	**32,117,735**	**9,920,006**	**42,037,741**
Other Income/expense :			
Finance income	291,848	161,854	453,702
Finance costs	(2,707,467)	(1,848,348)	(4,555,815)
Profit before tax	**29,702,116**	**8,233,512**	**37,935,628**
Income tax expense	(2,042,704)	(1,570,102)	(3,612,806)
Profit after tax	**27,659,412**	**6,663,410**	**34,322,822**
Segment assets	86,219,900	168,836,340	255,056,240
Segment liabilities	180,567,985	33,758,495	214,326,480
Capital expenditure	9,218,733	1,329,033	10,547,766*

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

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

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

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

13. FINANCIAL ASSETS AND LIABILITIES

Fair value of carrying amounts of assets and liabilities presented in the statement of financial position relates to the following categories of assets and liabilities:

Financial assets	30 September 2022	31 March 2022
Non-current assets		
Financial assets measured at amortized cost		
Security deposits	1,282,091	895,722
Restricted cash	1,921,417	2,007,253
Fixed deposits with banks	2,720,780	2,068,061
Current assets		
Financial assets measured at amortized cost		
Trade and other receivables	38,915,134	40,835,944
Cash and cash equivalents	46,760,342	56,326,421
Restricted cash	6,523,099	7,645,707
Security deposits	14,713	265,921
Fixed deposits with banks	14,048,810	12,327,421
Due from officers and employees	71,315	93,738
Interest accrued on fixed deposit	60,506	70,211
Fair value through profit and loss:		
Derivative financial instruments	-	206,382
	112,318,207	**122,742,781**

Financial liabilities	30 September 2022	31 March 2022
Non-current liabilities		
Financial liabilities measured at amortized cost:		
Borrowings	128,404,225	129,895,411
Lease liabilities	15,611,470	13,697,079
Current liabilities		
Financial liabilities measured at amortized cost:		
Trade and other payables	14,263,992	17,841,935
Borrowings	10,013,434	9,763,047
Lease liabilities	4,232,887	3,026,616
	172,526,008	**174,224,088**

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

14. FAIR VALUE HIERARCHY

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

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

		Fair value measurements at reporting date using
30 September 2022	**Total**	**Level 2**
Liabilities	(Notional amount)	
Derivative instruments		
Forward contracts (currency – US$/INR)	47,500,000	(1,882,900)

31 March 2022	**Total**	**Fair value measurements at reporting date using**
		Level 2
Liabilities	(Notional amount)	
Derivative instruments		
Forward contracts (currency – US$/INR)	61,700,000	183,383

15. COMMITMENT AND CONTINGENCIES

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

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

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

16. ESTIMATES

The preparation of interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Unaudited Condensed Consolidated Interim Financial Statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty

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

17. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the years ended 31 March 2022 and 2021.